ITAB

Annual & Sustainability Report 2024

ITAB Shop Concept AB

Rethink
retail.
Together.

Content

This Annual & Sustainability Report 2024 is in all respects a translation of the Swedish original Annual & Sustainability Report. In the event of any differences between this translation and the Swedish original, the latter shall prevail.

... by helping retailers turn consumer brand experience into physical reality with our know-how, solutions and ecosystem of partners. Together with our customers, we create effective shop solutions that contribute to versatile and inspirational consumer experiences, sales uplifts and bridge the gap between the online and offline worlds.

Rethink retail. Together.

ITAB at a glance in 2024

ITAB develops, manufactures, sells and installs a broad range of solutions and services in interior fixtures, in-store technology and lighting for the retail sector. In 2024, ITAB Group had operations in 23 countries with approximately SEK 6.6 billion in annual sales, some 2,500 employees, and 15 production facilities in Europe, South America and China.

Rethinks retail together with the customers
ITAB creates in-store experiences that meet consumers' demands for improved shopping experiences in the physical environment.

Solutions that influence buying behaviour
By designing the complete consumer journey that helps influence buying behaviour, ITAB supports retailers to sales uplifts, improved efficiency and lower costs.

Our offer

Retail Tech

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

Read more on page 11

Retail Interior

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

Read more on page 12

Retail Lighting

ITAB's offering includes complete professional lighting systems, light planning and services for the retail sector.

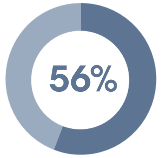
Read more on page 12

Retail Services

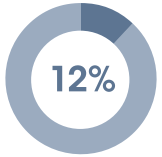
Concept creation, store and solution design, and installation are examples of ITAB's service offering.

Read more on page 13

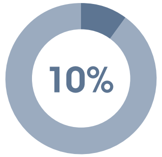
Customer overview



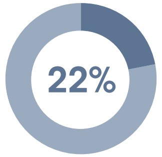
Grocery
ITAB's largest customer group mainly comprises grocery retailers and food stores.



Home improvements
The customer group refers primarily to DIY, furniture, and home furnishings stores.



Fashion
This customer group includes stores selling ready-to-wear clothing and shoes, etc.



Other customer group
Other customer groups include pharmacies, health & beauty, consumer electronics, sport & leisure, service stations, hotels, offices, brands, industry, cafés and restaurants.

ITAB Group in 2025

ITAB HMY

The acquisition of HMY
With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed to acquire HMY, a leading European supplier of shop fittings, checkouts and store design to the retail industry, at the end of September 2024. The acquisition was completed on 31 January 2025 and HMY is consolidated in ITAB Group as of 1 February 2025.

ITAB Annual Report 2024
This Annual Report presents and report on ITAB for 2024 in all aspects, not including HMY (with the exception of some illustrative information for the combined Group on page 14). The combined ITAB Group and its financial information including HMY will be presented and reported on in the Interim Report for the first quarter of 2025 for the first time.

Read more about the acquisition of HMY on page 14

2024 in brief

ITAB Group reported a currency-adjusted sales increase of 8 percent and an increased EBIT margin of 7.7 percent [1] for 2024, despite continued challenging market conditions and strong comparative figures for the second half of the year. With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed to acquire HMY, a leading European supplier of shop fittings, checkouts and store design to the retail industry, for a cash consideration of MEUR 320 at the end of September. The acquisition was completed on 31 January 2025 and HMY is now part of ITAB Group.

Higher sales and improved earnings

Overall, the sales performance for 2024 was positive in several of ITAB's solution areas and geographic markets. Currency-adjusted sales increased by 8 percent compared with the preceding year. Demand for the Group's technical and digital solutions for loss prevention, self-checkouts and other self-service solutions trended positively during the year, and sales of customised shop fittings and traditional checkouts also increased.

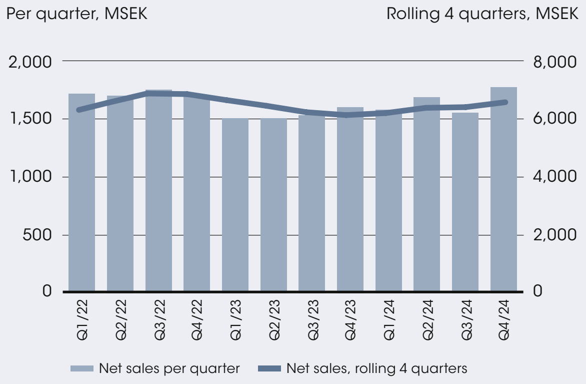
The Group's earnings trend was strong during the year, primarily driven by a relatively high gross margin combined with a positive sales trend. The gross margin has strengthened by the favourable product and customer mix, with an increased share of sales of ITAB's technical solutions for loss prevention and self-service in stores in the past few years, but increased sales of customised shop fittings also positively impacted earnings. The lower share of sales of technical solutions in areas such as smart gates in the third and fourth quarters, compared with the corresponding quarters in 2023, is natural given that the operations are project-based and earnings for individual quarters can depend on specific project outcomes and natural seasonal variations. Continued measures for increased sales, efficiency and cost adjustments, as well as improvements to capacity utilisation at the Group's production facilities, yielded positive effects during the year. The relatively strong gross margin and operational measures to reduce the Group's working capital contributed to the cash flow performance.

An eventful year in 2024

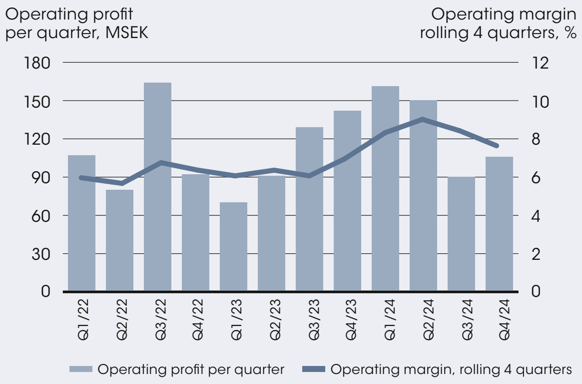
ITAB signed multiple new and expanded contracts signed with both existing and new customers for the delivery of solutions for self-checkouts, customised interiors, checkouts and fitting rooms, entrance and exit gates, shopfitting and signage solutions, and shop-in-shop concepts, etc. ITAB also made a strategic investment in Signatrix GmbH, a technology and Retail AI startup.

With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed to acquire HMY at the end of September. The acquisition was completed on 31 January 2025. Read more on page 14.

Net sales



Operating profit and operating margin [1]



1) *Excluding non-recurring items.*

ITAB Group in figures [2]	**2024**	**2023**
Net sales, MSEK	6,585	6,139
Currency adjusted sales growth, %	+8	-15
Operating profit, MSEK	459	432
Operating profit excl. non-recurring items, MSEK	507	432
Operating margin (EBIT margin) excl. non-recurring items, %	7.7	7.0
Profit after financial items, MSEK	438	385
Profit margin, %	6.7	6.3
Proft after tax,MSEK	320	292
Cash flow from operating activities, MSEK	624	810
Cash conversion [3], %	88	118
Return on equity [3], %	9.0	8.8
Interest-bearing net debt excl. lease liabilities, MSEK	-969	45
Equity/assets ratio [3], %	60	56
Average number of employees	2,532	2,533
Per share data		
Earnings per share before dilution, SEK	1.38	1.24
Dividend per share, SEK	0.00 [4]	0.75
Equity per share [3], SEK	16.30	14.01

2) All figures refer to Continuing Operations unless otherwise stated.
3) Comparative year 2023 includes Discontinued Operations.
4) Pursuant to the Board of Directors' proposed dividend for the 2024 financial year.

An eventful year with improved earnings, growth and a transformative acquisition

The past year 2024 was characterised by higher sales and underlying earnings improvements, despite continued challenging market conditions and strong comparative figures for the second half of the year. The historically strong start to the year in the first two quarters was followed by a slightly weaker fall compared with the preceding year. This is natural due to the project-based nature of our operations, which entails long decision-making processes and test periods for customer investments in our more technology-intensive solutions.

When we announced our intention to acquire HMY in September 2024, the news was well received by our customers, employees and shareholders. We are therefore very pleased that the acquisition has been completed and that our two companies are part of the same Group since 31 January 2025. Together, we are creating the leading solution provider for the retail market, thereby benefiting our customers and employees. The acquisition is a strategic and cultural fit, and integration will now begin.

Positive sales trend despite challenging market conditions

The Group's overall sales trend remained positive throughout 2024, with continued interest in our loss prevention solutions and increased self-service in stores in particular. For the full year, currency-adjusted net sales increased by approximately 8 percent. However, customers in various industries in several of our geographic markets remain cautious in their investment decisions, which impacts the outcome for an individual quarter. Compared with 2023, the timing of our deliveries of loss prevention measures was also different in 2024, which affected our customer and product mix. The sales trend for our self-checkout solutions, customised shop fittings and traditional checkouts was positive during the year. At the same time, competition is intense, which means that the new combined ITAB Group in 2025 needs to continue our sales initiatives to win new customer projects.

Continued strong operating margin in line with our financial target

For 2024, operating profit (excluding non-recurring costs of MSEK 48 primarily related to the acquisition of HMY) increased by 17 percent to MSEK 507 (432), corresponding to an operating margin of 7.7 percent (7.0). Profit after financial items excluding non-recurring items increased by 26 percent to MSEK 486 (385).

The Group's earnings trend was strong during the year, primarily driven by a relatively high gross margin combined with a positive sales trend. Our favourable product and customer mix, with a higher share of sales of our loss-prevention solutions, smart gates, self-checkouts and other technical solutions, combined with the measures we have taken such as price adjustments and adaptation of the cost structure, has gradually strengthened our gross margin in recent years. As demand has increased, capacity utilisation at the Group's production facilities has also improved.

Together with HMY, we are creating the market's leading solution provider

Cash flow from operating activities for the year of MSEK 624 (810) was impacted by a higher gross margin and operating profit, while increased sales also resulted in higher accounts receivable and accounts payable. Due to the measures taken to improve our capital efficiency, we can report largely unchanged inventory levels for full-year 2024, despite increased volumes. Our capital efficiency target, measured as cash conversion, amounted to 88 percent (118).

In light of the acquisition of HMY and the financial resources required to finance the acquisition, the Board of Directors has resolved to propose that no dividend be paid out for 2024.

Together with HMY, we are creating the market's leading solution provider

We see our positive performance in recent years and ITAB's strong financial position as confirmation that our strategy is working. Now that the acquisition of HMY has been completed, together we can build an even stronger platform for the future. In our interim report for the first quarter of 2025, we will present and report on the financial results of the combined ITAB Group for the first time. As two equal companies joining forces, we will double in size. Together, we will form Europe's leading solution provider, thereby benefiting our customers and employees.

The acquisition will provide a significant increase in scale and relevance to our customer base, strengthen our footprint in the retail markets in Western and Southern Europe, and provide geographically complementary advantages through HMY's presence, especially in Spain, France, Turkey, and Central and South America. The acquisition is a strategic and cultural fit that will provide clear synergies and added value in the years ahead. With an expanded reach and volumes, the combined Group can continue to invest in new capabilities to further improve its sales of Retail Technology and services through solutions developed together with customers. Our broader, complementary combined product offering and geographic reach are expected to create significant opportunities for cross-selling to our combined customer base.

The integration has started

The integration of the companies has started, with an initial focus on getting to know each other and starting to realise identified synergies over the next three years, including in areas such as purchasing and cross-selling as well as increased efficiency. It is important to remember that we were competitors until the end of January – and now we are colleagues. The integration will primarily focus on providing clarity, a sense of security and direction in order to harness the full power of the new organisation, which has doubled in size. We will continue to interact with our customers, suppliers and partners under our different brands, but with a much stronger and competitive offering. Together, HMY and ITAB's solutions will continue to contribute to improved operational efficiency, reduced costs and increased competitiveness for the retail sector. This will enable us to better respond to the opportunities and challenges of the coming years together. Our focus is to take care of our customers in the best way and continuously strengthen our profitability through operational improvements and increased capital efficiency.

In conclusion – an exciting journey ahead

The new ITAB Group's 5,400 employees are now embarking on an exciting journey. Much of our One ITAB strategy from 2020 has been achieved, and it is time to develop a new strategy with new ambitions for our new Group. In conclusion, I would like to extend my sincere thanks to all of our customers, suppliers, partners and employees for their many outstanding contributions during a very eventful and exciting year. I look forward to 2025 together with all of you.

Jönköping, April 2025

Andréas Elgaard
President & CEO

Our focus in 2025

In the integration of ITAB with HMY, the new ITAB Group is focusing on continuing to improve our operational efficiency and solution offering in order to strengthen our customers' competitiveness. By ensuring business continuity, realising synergies and securing cash flow to gradually reduce our debt we will continuously strengthen our profitability in the short and long term.

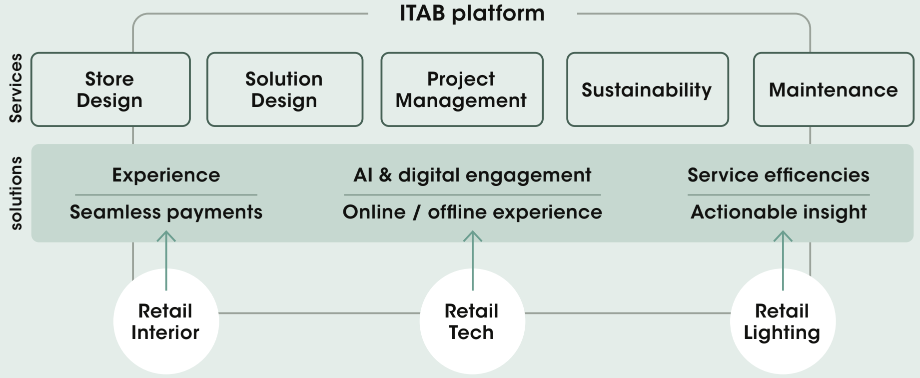
Ensuring business continuity
Continue to do what we do today and serve the customers. The combined Group will provide a significant increase in scale, solution offering and relevance to our customer base.

Getting to know each other
Start to get to know each other and exploring the strengths of being BETTER TOGETHER. By coming together, we will use the combined sector experience, know-how and market presence to support our customers' growth.

Start to deliver on synergies
Realise key synergies, especially related to procurement, cross selling and efficiency. Over the next three years, our aim is to gradually realise the synergies we announced in connection with our intention to acquire HMY.

A strong foundation for becoming the leading solution provider

ITAB's versatile and inspirational portfolio of solutions and services supports the retail sector to meet their challenges of today, and to take full advantage of new opportunities for the future.



ITAB is a well positioned to help retailers rethink retail, and to improve their business.

Outcome based value proposition
With a focus on a value based outcome ITAB's aim is to deliver measurable results to its customers. The process starts with the consumer to understand their evolving needs and how they shop across different sectors. This is coupled with an understanding of the retailers' challenges and investment priorities.

The Group uses these retail insights, store know-how, a breadth of solutions, and leading best practice with proven return on investment to create consumer journeys that influence buying behavior. This helps retailers differentiate from their competitors,increase sales, and contribute to changing the way physical shops are operated.

Desired Consumer Brand Experience
Improving the physical store experience, driving footfall and consumer retention.

Increased Sales & Conversion
Creating an experience that influences consumer buying behaviour.

Improved Efficiencis & Service
Seamless consumer journeys that increase throughput and service levels.

Reduced Operational Cost
Efficient operating models to help reduce in-store running costs.

One ITAB strategy to transform the business

The seven strategic priorities in the One ITAB strategy focus on transforming ITAB into the leading Solution Provider with differentiating capabilities. The re-engineering of the cost structure and strengthening of the financial position of the Group over the last couple of years now enable investments in new capabilities and expansion.

Being a solution provider
Build on the Group's shared knowledge base and our success in delivering innovative solutions.

Empowering people and common ways of working
Our aim is to make all ways of working parallel, collaborative, cross functional and transparent.

Expand market position
By making our strengths in know-how, customer relations, and comprehensive portfolio a reality in all regions.

Sustainable future
Our ambitions for sustainable business development, efficiency in the value chain, good working conditions, and business ethics.

Re-engineered cost structure
Our focus is to continue ensuring profitable and sustainable growth going forward.

Ecosystem of partners
To deliver complete solutions to our customers at lower costs with less complexity.

Excellence in operations
We focus on reducing lead times, improving quality, and eliminating waste in our business.

Opportunity to grow is substantial

The retail market is in transformation, driven by short and long term macrotrends and changing consumer expectations. To keep ut with the changing demands and expectations, modern retailers in Europe are estimated to invest approximately SEK 1,300 billion in supply chain, stores, online, and other areas each year. Approximately 15 percent of this is allocated to in-store investments. Hence, the total "addressable" market for ITAB in Europe is estimated at some SEK 110 billion. 1)

> **Total "addressable" market for ITAB is estimated at SEK 110 billion per annum**

Depending on geography and portfolio of solutions, products and services, ITAB's current and potential sales are driven by each customer's:
- Store population, number and size
- Expansion programme
- Refurbishment rate
- Refurbishment spend per sqm
- Maintenance spend

Modern retailers are estimated to invest approximately 3 percent of their annual revenues in supply chain, stores, online, and other areas, of which some 15 percent is allocated to in-store investments. Based on an estimate of total annual revenue for the European retail market of SEK 44,000 billion, the total "adressable" market for ITAB in Europe is estimated at SEK 110 billion. 1)

This European market is fragmented with a large number of national and international manufacturers and suppliers. The market is facing continued consolidation and, according to an overall assessment, ITAB is one of the three largest players in Europe, none of which has a market share of more than 10 percent. This gives ITAB substantial opportunity to grow by penetrating the core markets further with increased cross-selling initiatives in the Group, extending the offer with new retail tech solutions, and expanding into new geographical markets and customer segments.

After the end of 2024, ITAB concluded the acquisition of HMY making the combined Group the largest player in Europe.

Read more on page 14.

1) *Source*: Adge by Ascential

Penetrate core market
- Cross-sell existing products and services portfolio to existing customer base.
- Gain new customers in the focus segments grocery, home improvements and fashion.

Expand to new markets and segments
- Geographical white spots in Eastern and Southern Europe.
- Increased distribution into regions outside of European footprint.

Expand with new offerings
- Retail Tech solutions e.g. OnRed platform, mobile checkout, online/offline integration, smart shelves/inventory, etc.
- Services within tech solution integration, logistics, installation and maintenance.

ITAB's targets focus on sustainable growth & profitability

Financial targets

ITAB established new financial targets for the Group in 2022. The focus is on sustainable growth, increased profitability and capital efficiency. The targets are measured as an average over a business cycle, but the Group has continued to make positive progress in 2024.

4-8%

Sales growth

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

Outcome for 2024: +8 percent

>80%

Cash conversion

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

Outcome for 2024: 88 percent

7-9%

EBIT margin

Earnings

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

Outcome for 2024: 7.0 percent [1)]

>30%

Proportion of profit after tax

Dividend policy

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

Proposal for 2024: 0 percent [2)]

1) Excluding non-recurring costs for 2024: 7.7 percent.
2) Due to the financial resources required to finance the acquisition of HMY, the Board of Directors has resolved to propose that no dividend be paid out for 2024.

Leader in Europe with global reach

ITAB is the market leader in checkouts for retailers in Europe, and one of the largest suppliers of shop fitting concepts, gates and guidance, and retail lighting solutions. The market position is based on close, long-term collaborations with customers and business partners. The primary geographic market is Europe with 90 percent of the Group's sales. Grocery is the largest customer group with 56 percent of sales.

Grocery

Grocery retailers and food stores.
Customers include ICA, Morrisons, Carrefour, Coop and Tesco.

3,683 MSEK

Home improvement

Retail chains and stores for DIY, furniture, and home furnishings.
Customers include IKEA, Coop Bygg, Leroy Merlin, Bricoman and Tokmanni.

810 MSEK

Fashion

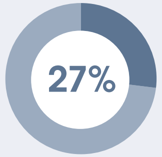
Retail chains and stores selling ready-to-wear clothing, shoes, and jewellery, etc.
Customers include H&M, Uniqlo, C&A and Pandora.

644 MSEK

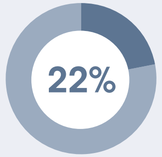
Other customer groups

Pharmacies, health & beauty, consumer electronics, sport & leisure, service stations, hotels, offices, brands, industry, cafés and restaurants.
Customers include Expert, Costa, Circle K, Apotek Hjärtat and XXL.

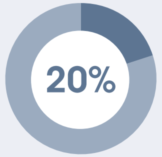
1,448 MSEK



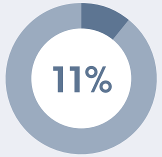
Northern Europe
All Nordic countries.



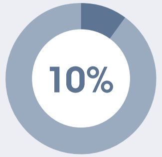
Southern Europe
Main markets in Italy, France and Spain.



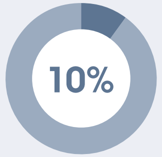
Central Europe
Largest markets include Germany, Netherlands and Czechia.



United kingdom & Ireland



Eastern Europe
Main markets in Baltic countries, Poland, Romania and Slovakia.



Rest of the world
All countries outside Europe. USA, Australia, Canada, China and Argentina account for approximately 50 percent of sales.

All percentages refer to share of ITAB Group's net sales in 2024.

Connecting retail environment through technology

ITAB seamlessly merges the physical and digital to empower an immersive in-store consumer experience through offering a cutting-edge suite of digital and physical technology solutions. Our offering includes everything from self-service order points and checkouts, to in-store guidance and gates systems, along with vision fraud detection, and automated locker systems.

These solutions can be connected through ITAB's unified software platform – OnRed. The Group's market leading solutions create frictionless consumer journeys and experiences. By connecting in-store brand touchpoints digitally, we help customers gain data-driven insights for operational optimisation and influencing consumer behaviour.

Optimising consumer flows and service levels are important factors in attracting consumers to the physical store. To create the best solutions that reduce the store's operating costs, improve throughput and contribute to a frictionless consumer journey, ITAB has an in-depth understanding of existing and future consumer behaviours.

Optimised solutions enhance retail experiences
ITAB offers market leading solutions for protecting store entry and exits, checkouts and self-checkout solutions, self-service stations, and store guidance solutions for the retail sector. The solutions can be connected, updated, and maintained using ITAB's OnRed platform.

ITAB's solution design approach is a creative process where we co-create alongside our customers, with the aim of finding the optimum solution that focuses on improved store efficiency, loss prevention, guiding customers properly, and creating flows that drive sales. Through cutting-edge data analysis and Artificial Intelligence (AI) integrated in ITAB's solutions, service levels and layout of the store can be optimised.

E-commerce and physical stores working together
New types of solutions for fast, safe and efficient delivery have been on the agendas for most retailers to help support with consumer convenience. ITAB offers alternative solutions, ranging from basic pick-up points to fully automated lockers.

Rethink

Creating seamless payment experiences

ITAB's approach in co-creating seamless checkout experiences, has enabled us to partner with a number of retailers to help provide leading solutions that offer a number of compelling advantages for both the retailer and consumer. From optimising consumer flows and service levels for the retailer which are important factors in attracting consumers to the physical store in a competitive market. To improving the checkout experience for the consumer by improving the end-to-end experience through removing unnecessary friction by utilising live data in conjunction with the retailer to help support on-going improvements at every stage of the journey via ITAB's OnRed platform. An approach for the retailer, that is designed to improve existing dilemmas in reducing the store's operating costs, improving through-put and contributing towards a frictionless consumer journey.

Design led consumer experiences

ITAB co-creates modern in-store experiences together with its customers through an iterative design process. The Group's customised displays are aimed at improving the consumer experience, whilst improving the efficiency and running costs of the store. All delivered with the help of innovative solutions and environmentally friendly materials to support the retailers in reducing their carbon footprint.

With a focus on designing end-to-end solutions, ITAB's solution design approach enables the customers to co-create differentiating store experiences alongside ITAB through an iterative process. Through strong know-how and retail industry experience, the Group's solution designers are able to share and leverage ideas to help maximise the Return on Investment irrespective of the customer's specific product offering or target consumers. The outcome approach is always to improve the consumer journey, increase efficiency, prevent stock losses, and reduce store costs – and to ultimately result in increased sales and conversions.

integrated service model
ITAB is able to maintain a high level of service through an integrated connected service model that spans the entire value chain - from standard displays to specialist fittings, and covering different types of interactive and merchandising aids in between.

ITAB's commitment to our customers encompasses both the Group's own production facilities, and our external suppliers and manufacturers. In addition, the Group also offers a comprehensive service portfolio, helping to improve the life cycle of the products sold and installed - thereby reducing waste and costs for the customers over time.

Together

Sustainable lighting solutions enhancing the in-store experience

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 increasingly important. ITAB develops, manufactures and sells complete professional lighting systems, light planning, and light services.

Energy consumption represents a large proportion of a store's total costs. Energy efficiency is thus central to the development of ITAB's lighting products and systems. With rising energy prices and requirements for sharply reducing CO_2 emissions and on using recyclable materials, ITAB sees great opportunities to collaborate closely with the Group's customers to add substantial value in the transition to more economic and sustainable solutions.

Key focus when developing lighting solutions
As well as lighting being a critical element of store design, the importance of light for our well-being is gaining increasing focus in the design of physical environments and has a major impact on purchasing decisions and the work environment of store staff. Consumer behaviour and the well-being of employees are thus our key focus when developing lighting solutions.

We at ITAB have succeeded to improve our LED spotlights significantly during the past 5 years with substantially lower energy consumption, for the benefit of our customers.

Shops often use more than one type of lighting to create the right atmosphere. Through its range of lighting solutions, ITAB can be an all-inclusive supplier for retail shops and chains.

Sales to more than 90 countries
The Group sells and distributes lighting products to more than 90 countries, both through its own companies and through national distributors, in order to provide customers with local support in respect of imports, certification and local service/maintenance.

Retail transformation services

ITAB’s end-to-end consolidated service offering, range from concept creation, store and solution design, sustainability, project management, manufacturing, and installation with 24-7 maintenance and after-care services. All designed to ensure the store remains connected and online for the consumer and operating efficiently for the retailer.

ITAB understands the importance of an end-to-end service which provides peace of mind and support when needed. The Group's portfolio of services include:

Solution design
Our Solution Design methodology is used to co-create in-store solutions with our customers that truly deliver value both to the consumers' shopping journey and ensuring a strong Return on Investment for our customers. Solution Design commences with the consumers, including data, trends and market analysis of them, for all types of solutions. This ensures that our design thinkers are able to develop the end-to-end consumer journey by experiencing through the consumer and retailers lenses. Which in turn provides solutions that are fully measurable and curated to drive measurable results for our customers. This type of approach will deliver benefits in the short and long term and help grow the level of customer relationships.

Retail transformation services
A critical success factor for our customer is our ability to deliver right the first time. Our retail transformation services support our customers with all the implementation services required for the execution of a successful project, including store design and format development, project managment, equipment consolidation and in-store implementation. By offerring this combination of services we can help our customers reduce project timescales and minimise impact on trading and customer disruption.

Sustainability services
As part of our design process, we measure and benchmark the carbon footprint of the in-store environment. Together with the customer we co-design positive improvements to support the customer’s journey to achieve carbon reduction objectives. The benchmarking includes materials, longevitey of the equipment, circularity of the equipment, etc.

Maintenance and after-care
ITAB's aim is to always be close to the customers and maintain a long-term relationship even after a project has been completed. Ensuring that our customers' equipment is operating at the highest level with minimal downtime and working together on further developments is a natural continuation in a partnership with ITAB.

Rethink

Driving efficiencies through consolidated services

ITAB’s connected service offering is designed to help provide a consolidated approach for the retailer that delivers a compelling and streamlined service to remove complexity, whilst improving the end-to-end solution for the consumer, and creating long-term value in the process. Consolidating the service offering, from lighting to maintenance and on-going value-add services, ITAB are able to help deliver a number of key savings for the retailer, from on-going carbon footprint reduction, to helping reduce in store operating costs by double digits and much more in the process. By turning complex project management, into efficient and pain-free service for the retailer, results in multiple delivered solutions that not only helps improve the in-store experience for consumer but reduces total cost of ownership for the retailer in the long-term and helps accelerate return of investment in the short to mid-term.

Acquisition of HMY – two market leaders coming together

With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed to acquire Financière HMY, a leading European supplier of shop fittings, checkouts and store design to the retail industry, for a cash consideration of MEUR 320 at the end of September. The acquisition was completed on 31 January 2025.

Strategic acquisition of HMY
With the aim of strengthening ITAB's position and customer base, accelerating the expansion into the retail markets in Western and Southern Europe, and complementing its offering, ITAB agreed to acquire HMY for a cash consideration of MEUR 320 at the end of September 2024. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry and had sales of just over MEUR 540 in 2023. With the extended reach and scale, the combined Group will continue to invest in new capabilities that will further improve sales of Retail Technology and services through solutions developed together with the customers. The broader and complementing combined product offering and geographic reach is expected to create significant cross-selling opportunities to the combined customer base.

Combined financial information 2023 (FY23A)
– for illustrative puposes with full synergy realization 2027

MEUR	ITAB FY23A	HMY FY23A	Potential synergies [2]	Aggregated [1]
Net sales	543.8	541.2	20.0	1,105.0
Adj. EBIT	38.3	27.1 [3]	30.0	95.4
% margin	7.0%	5.0%		8.6%
Net income	25.9	13.3 [4]	22.5	49.2 [5]
% margin	4.8%	2.5%		4.5%

Notes: FYE 31 Dec; ITAB financials converted from SEK to EUR based on exchange rate of 11.290 as of 24 September 2024.
1) The aggregated financial information presented in the table is for illustrative purposes only; HMY's financial information is prepared in accordance with French GAAP and is based on consolidated trial balances; The aggregated financial information is not financial pro forma and has not been audited or otherwise reviewed by the companies' auditors.
2) Annualised synergies, excluding restructuring / rationalisation costs; Yearly pre-tax synergies of MEUR 30 assumed including MEUR 20 of cost synergies and MEUR 10 EBITDA effect from commercial / revenue synergies of MEUR 20; Full synergy effect to be reached by 2027 with gradual materialisation from FY25 onwards; Applied to FY23 for illustrative purposes.
3) Extraordinary result is booked below EBIT (total extraordinary result was MEUR 9 in FY23A and includes the cost of restructuring and exiting business activities).
4) Excludes interest expenses based on current capital structure and other financial charges (incl. inventory and doubtful receivable provisions); Based on a 25% tax rate.
5) Includes impact of new debt issuance of MEUR 255; Assumes a tax rate of 25% for the Group.

ITAB HMY

Geographically complementary to ITAB
Geographically complementary to ITAB, given HMY's strength in Spain, France, Middle East and South America

Strengthened relevance to combined customer base
Together, HMY and ITAB offer strengthened relevance to the combined customer base and will enable commercial synergies

Significant increase in scale
Significant increase in scale will lead to improved efficiency and synergies in both cost and capital

Potential synergies of MEUR 30 p.a.
Potential synergies of MEUR 30 p.a. will enhance EBITDA margins in the combined Group and improve earnings per share (full effect during 2027)

Potential for further growth
The market in Europe offers the combined Group continued room to grow, both organically and through acquisitions

Together, ITAB and HMY can strengthen the retail sector

Consumers have more choice than ever on how they interact with brands and retailers. Their expectations for a better experience in physical space has increased. This has created a dilemma for the retailers on how to invest into their brand experience when in-store running costs continue to rise. By coming together, ITAB and HMY will use the combined sector experience, know-how and market presence to support the customers' growth.

ITAB and HMY – Better Together
From February 1st, 2025, ITAB and HMY came together as one Group and started working together. We aim to be Better Together by bringing the best from each business to benefit the combined Group.

We will continue to serve the market as ITAB and HMY (as well as with our other brands). The main objectives for the first months of the integration will be:

Ensuring business continuity
Continue to do what we do today and serve the customers.

Getting to know each other
Start to get to know each other and exploring the strengths of being **Better Together.**

Start to deliver on synergies
Realise key synergies especially related to procurement, cross selling and efficiency.

We are thrilled that our two companies now join forces to the benefit of all our customers and employees. We see this as a strategic and cultural fit with clear synergies and value creation over the coming years. We are now the leading solution provider for the retail market, which has been our strategic ambition. I am happy to welcome all HMY teams as new colleagues and I am convinced we will be Better Together.

Andréas Elgaard,
President & CEO of ITAB Group

Sustainability Report

About ITAB's Sustainability Report 2024

ITAB's Sustainability Report for the 2024 financial year comprises pages 15-62. This encompasses the Group's Statutory Sustainability Report as a separate section from the Administration Report. The Sustainability Report covers the Parent Company, ITAB Shop Concept AB (publ), corp. reg. no. 556292-1089, and all entities consolidated in the Group's consolidated accounts, unless otherwise specified. The Sustainability Report has been prepared in accordance with the provisions of the Annual Accounts Act and has not been externally reviewed.

The Board of Directors for ITAB Shop Concept AB has approved the Statutory Sustainability Report in conjunction with the signing of the annual and consolidated financial statement. The auditor's statement in respect of the Statutory Sustainability Report can be found on page 62.

General information

In the general disclosures, we will outline the scope of reporting and describe the governance topics including management responsibility, due diligence, and risk management. We will also detail the strategy, business model, value chain and our stakeholders, all in relation to our Double Materiality Analysis

List of Disclosure Requirements

BP-1 Basis for preparation

ITAB's sustainability statement has been prepared in line with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), specifically ESRS BP-1 (Basis for Preparation). This disclosure serves as a pre-implementation report ahead of mandatory compliance for the 2025 financial year.

The sustainability statement is presented on a consolidated basis, aligned with ITAB's 2024 financial statements. It covers the full value chain, including own operations, upstream, and downstream activities, ensuring a comprehensive overview of material sustainability impacts, risks, and opportunities (IROs) in accordance with double materiality principles.

ITAB fully supports the adoption of these reporting standards, recognizing that they enhance transparency, accountability, and comparability across industries. Although Sweden has postponed the national implementation of CSRD, ITAB has proactively chosen to align with the directive ahead of regulatory requirements to demonstrate leadership in sustainability reporting.

Sustainability is integrated into ITAB's business model, strategy, risk management, and corporate governance. Our approach ensures alignment with Group policies, commercial operations, and financial planning, reinforcing sustainable value creation. To support this, we have implemented internal reporting mechanisms, governance structures, and oversight by the Board and executive leadership team.

We believe that ITAB is at a maturity level where near-full pre-implementation of the CSRD and ESRS is feasible, allowing us to further embed sustainability into decision-making and operational practices.

BP-2 Disclosures in relation to specific circumstances

Time Horizons
ITAB's definition of time horizons aligns with ESRS 1 Section 6.4, which defines:

Short-term: Within the reporting period (1 year)
Medium-term: Between 1 to 5 years
Long-term: More than 5 years

These time frames are used consistently in ITAB's risk and opportunity assessments.

Value Chain Estimation
No value chain estimations have been used in this report. However, supplier and customer numbers have been rounded. These figures were derived from actual internal data sources, with rounding applied to the nearest hundred, which does not materially affect reported trends.

Sources of Estimation and Outcome Uncertainty
In preparing the double materiality analysis, ITAB estimated the economic IROs using expert assessments. These estimates:

- Were based on internal and external expert evaluations using industry benchmarks and available historical data.
- May involve measurement uncertainty due to changing market conditions and limited forward-looking data.

ITAB is working on refining its estimation methodology to enhance precision in future reports.

Changes in Preparation or Presentation of Sustainability Information
There are no changes in the preparation or presentation of sustainability information. The methodologies used for data collection and materiality assessments remain consistent with prior reporting periods.

Reporting Errors in Prior Periods
No material errors were identified in previous reporting periods. Internal controls and external assurance reviews have confirmed the accuracy of past disclosures.

Disclosures Stemming from Other Legislation or Generally Accepted Sustainability Reporting Pronouncements
No additional disclosures stem from other legislation. This report references GRI Standards, specifically GRI 305 (emissions) and GRI 403 (health & safety), where applicable. However, this report has been developed based on ESRS, not GRI.

Incorporation by Reference
This report does not incorporate any information by reference; all relevant ESRS disclosures are included in full.

Use of Phase-in Provisions in Accordance with Appendix C of ESRS 1
The following disclosures have been omitted under ESRS 2 SBM-3 paragraph 48(e) phase-in provisions:

- ESRS E1-6: Gross Scope 1, 2, 3 GHG emissions
- ESRS E1-9: Anticipated financial effects of climate-related risks & opportunities
- ESRS E5-6: Financial effects from resource use & circular economy risks
- ESRS S1-12: Workforce data on persons with disabilities
- ESRS S1-14: Health & safety data for non-employees

These omissions are due to ongoing data collection efforts, and ITAB is working towards full compliance within the permitted phase-in period.

ITAB Group
Sustainability Report
General information
Environmental information
Social information
Governance information
ESG Accounting Policy
Reporting on GRI
The Auditor's Report on the Statutory Sustainability Report
ITAB share
Financial information
Annual General Meeting 2025

GOV-1 The role of the administrative, management and supervisory bodies

Roles and Responsibilities
Sustainability governance at ITAB is embedded within existing corporate governance structures to ensure accountability and integration into decision-making processes.

- *Board of Directors:* The Board holds ultimate responsibility for sustainability governance and oversees strategic direction, risk management, and long-term sustainability commitments.
- *Audit Committee:* The Audit Committee provides oversight of sustainability reporting, ensuring the same level of rigor and assurance as financial disclosures.
- *Group Management:* Responsible for setting sustainability strategy, driving execution, and ensuring alignment with ITAB's corporate policies and business objectives.
- *Operational Management:* Key members of Group Management oversee the deployment of sustainability initiatives throughout the organization.

Sustainability performance is regularly reviewed at Board and committee meetings, with structured reporting mechanisms in place. The diagram on this page provides further detail on governance structures.

The Boards gender diversity is 25% female and further information on our Board and Group Management can be found on pages 84-85.

Expertise and Skills
ITAB has appointed dedicated sustainability specialists, including a Chief Sustainability & People Officer (CSPO), Head of Sustainability, and Sustainability Controller, who provide technical expertise and strategic guidance.

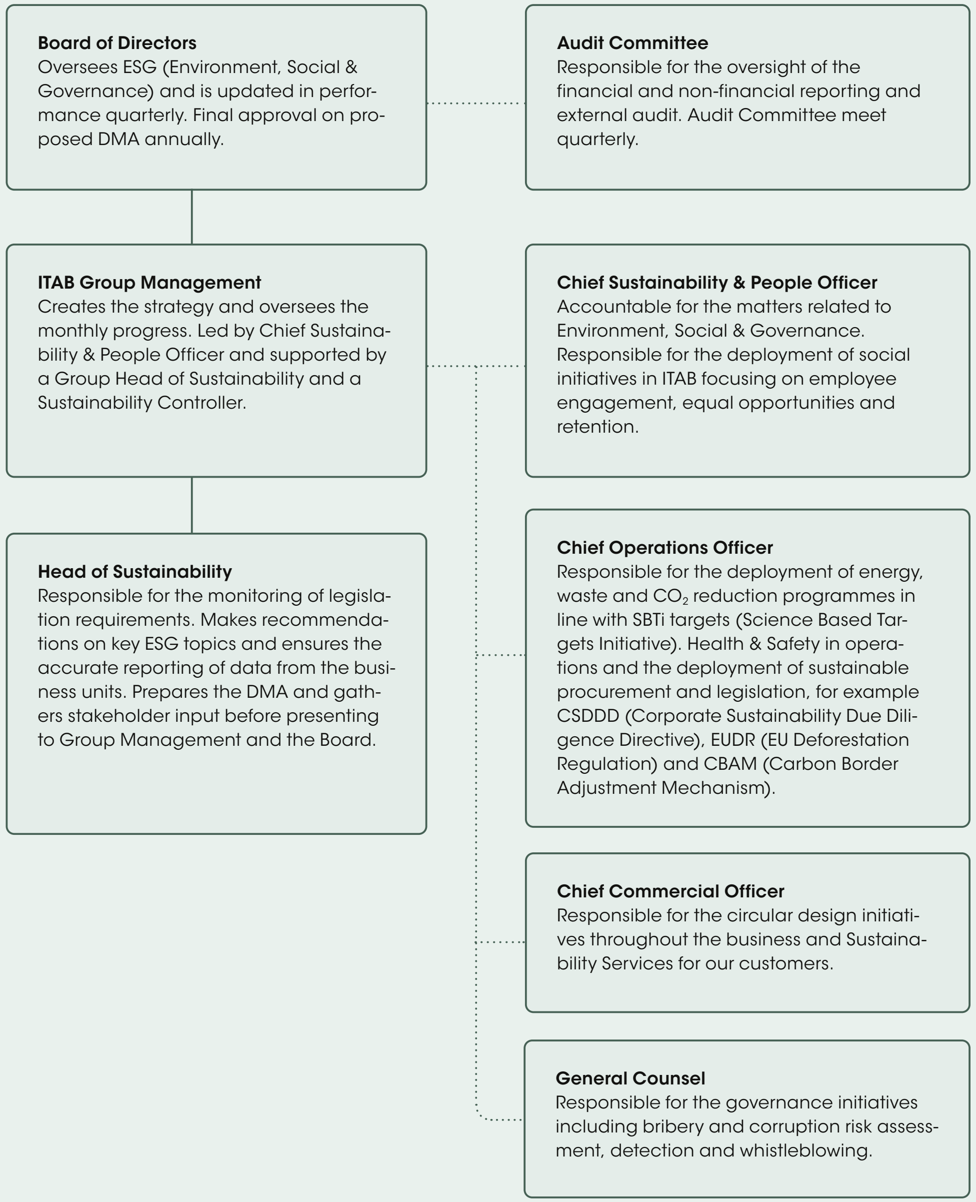
To strengthen internal capabilities, ITAB:

- Engages external sustainability consultants to ensure compliance with CSRD and ESRS requirements.
- Seeks subject-matter expertise on areas such as decarbonization, circular economy, and supply chain sustainability.
- Has provided training on CSRD and sustainability topics to the Board of Directors and Group Management, delivered by an external sustainability expert.

ITAB is committed to continuous learning and development to ensure that governance bodies remain equipped to oversee sustainability risks and opportunities effectively.

Sustainability is Anchored Across Our Corporate Governance Structures
The organogram to the right shows the accountability and responsibility of sustainability through our governance structures. Responsibility for the oversight of IROs is embedded within the Board, particularly the Audit Committee.

Sustainability is anchored across our corporate governance structures



GOV-2 Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board is updated quarterly on sustainability progress and conducts an annual review of the double materiality analysis. In the annual Board strategy meeting, material IROs are discussed, and any required adjustments to the sustainability strategy are deliberated with Group Management. In these meetings, the Board focuses on overarching, high-level sustainability targets, while Group Management monitors more detailed operational targets.

The Audit Committee, responsible for performance monitoring, reviewed in 2024 the following IROs and their associated targets:

- Climate change, mitigation, greenhouse gases
- Climate change, energy
- Circular economy, resource inflows, including resource use
- Circular economy, resource outflows related to products and services
- Circular economy, waste
- Own workforce, working conditions, health & safety
- Own workforce, working conditions, work-life balance
- Equal treatment and opportunities, Diversity, Equity and Inclusion (DEI)
- Equal treatment and opportunities training and skills development
- Workers in the value chain, upstream working conditions
- Workers in the value chain, upstream equal treatment and opportunities for all
- Workers in the value chain, other work-related rights, upstream child and forced labour
- Business conduct, corruption and bribery, prevention, detection including training

These updates and reviews are documented and integrated into ITAB's sustainability reporting and strategy review processes, ensuring transparency, continuous improvement, and alignment with our sustainability objectives.

GOV-3 Integration of sustainability-related performance in incentive schemes

At present, ITAB does not operate any performance-related incentive schemes specifically linked to sustainability objectives. While sustainability performance is integrated into our broader corporate strategy and governance frameworks, it is not currently embedded within our remuneration or incentive structures. We continuously monitor evolving best practices and stakeholder expectations, and we are evaluating potential approaches for future alignment of incentive schemes with our sustainability targets.

The Board focuses on overarching sustainability targets, while Group Management monitors more detailed operational targets.

GOV-4 Statement on due diligence

The table below shows the sections that contain disclosures about our current sustainability due diligence performance.

Core elements of sustainability due diligence	Pages in the sustainability statement
Embedding sustainability due diligence in governance, strategy, and business model	GOV-1 Roles and responsibilities, page 18 GOV-1 Oversight (organogram), page 18 GOV-2 Sustainability matters addressed by management, page 19 SBM-3 Material impact, risk and opportunities identification process, page 27
Engaging with affected stakeholders in all key steps of the sustainability due diligence	SBM-2 Interests and views of stakeholders, page 24 SBM-3 Material impact, risk and opportunities identification process, page 27 IRO-1 Process to identify IROs, page 28 **MDR-P:** E1-2 Policies related to climate change, page 37 E5-1 Policies related to resource use and circular economy, page 39 S1-1 Policies related to own workforce, page 44 S2-1 Policies related to value chain workers, page 49 G1-1 Business conduct policies and corporate culture, page 52
Identifying and assessing adverse impacts	SBM-3 Material impact, risk and opportunities identification, page 27 IRO-1 Identification and assessment of impacts, risks, and opportunities, page 28
Taking actions to address those adverse impacts	**MDR-A:** E1-3 Actions on material impacts, page 37 E5-2 Actions on material impacts, page 40 S1-4 Health & Safety, Actions on material impacts, page 45 S1-4 Own Workforce, actions on material impacts, page 45 S1-4 Equal Treatment and Opportunities, actions on material impacts, page 45 S2-4 Actions on material impacts, page 50
Tracking the effectiveness ofthese efforts and communicating	**MDR-M & MDR-T:** E1-4 Performance metrics and targets, page 37 E5-3 Performance metrics and targets, page 40 S1-5 Performance metrics and targets, page 45 S2-5 Performance metrics and targets, page 50

GOV-5 Risk management and internal controls over sustainability reporting

To mitigate risks associated with the security and quality of the data used in sustainability reporting, ITAB has implemented the following measures:

Dedicated Oversight
In addition to the governance models disclosed under ESRS 2 GOV-1, ITAB has established the role of a Sustainability Controller. This position is dedicated exclusively to overseeing the sustainability data reported by all parts of the business. A key responsibility of the Sustainability Controller is to validate the data in line with ESRS requirements through systematic in-person audits of ITAB facilities and regular reviews of submitted information with local controllers.

Integrated Data Collection
All sustainability data is captured through ITAB's Group consolidation system, ensuring transparency, traceability, and consistency across the organization. This system forms a core part of our risk management process by providing verifiable data for reporting and analysis.

Audit and Assurance
The Board of Directors has appointed an Audit Committee responsible for the quality assurance of ITAB's sustainability reporting. The Audit Committee regularly reviews the risk management processes related to sustainability data and ensures that corrective measures are implemented promptly when discrepancies or risks are identified.

Overall Framework Integration
Sustainability risks including environmental, social, and governance (ESG) factors have been incorporated into the overall company risk register and are regularly monitored as part of our enterprise risk management framework. This integration ensures that sustainability-related risks are identified, assessed, and managed alongside other strategic risks.

The risks, uncertainties and important circumstances that are deemed significant for the Group's operations and future development, including sustainability risks, are described on pages 73-77. The risks relate to ITAB's operations, industry and markets, and are categorised as follows: strategic risks, operational risks, financial risks, compliance and regulatory risks, and sustainability risks.

SBM-1 Strategy, business model and value chain

Product and Services Descriptions
ITAB is a leading innovator in the retail sector, specializing in the development and implementation of modern, sustainable shop concepts that enhance the customer experience while promoting environmental and social responsibility. Our business model is built on integrating sustainability into every phase of the retail value chain, from concept design and operational excellence to supplier engagement and digital transformation. Our core products and services include;

Innovative Retail Concept Development and Manufacture
We design, develop and manufacture retail environments that merge aesthetic appeal with functionality and sustainability. Our shop concepts are created with an emphasis on energy-efficient design, the use of eco-friendly materials, and layouts that optimize natural lighting and ventilation all contributing to reduced energy consumption and minimized environmental impact.

Retail Technology and Loss Prevention Solutions
Our retail technology solutions seamlessly integrate digital and physical experiences, creating an immersive shopping environment. Key features include advanced checkout systems, self-service kiosks, click-and-collect services, interactive consumer interfaces, security gates, and efficient queue management systems. This integration streamlines operations, enhances efficiency, automates routine tasks, and reduces errors resulting in cost savings that can be reinvested to further elevate customer experiences and drive innovation.

Central to our technology offering is OnRed, a cutting-edge platform that leverages data-driven insights and an integrated digital ecosystem to revolutionize the retail experience. OnRed bridges the gap between consumer expectations and actual shopping journeys by focusing on personalized experiences while maintaining robust privacy standards. In addition, we prioritize retail loss prevention by continuously refining our security measures to address emerging threats and reduce retail losses.

Lighting Solutions
With over 40 years of expertise, we deliver advanced, sustainable retail lighting solutions designed to enhance consumer experiences and reduce environmental impact. Our portfolio features track lights, pendant lights, down lights and panels, and ceiling lights each engineered for superior energy efficiency, optimal colour rendering, and rapid ROI. Rigorously tested in our own laboratories and certified by third-party bodies, our products support tailored lighting plans that optimize store layouts, improve energy savings, and elevate retail ambience, ensuring a seamless blend of innovation, sustainability, and operational excellence.

Consulting and Support Services
Beyond our core retail concepts, we offer tailored consulting services to our partners. Our expertise assists retailers in adopting sustainable practices across their operations from store design and energy management to waste reduction and sustainable merchandising. We guide clients through the integration of sustainability into their business strategies, helping them meet evolving regulatory and market expectations.

Sustainability-Focused Retail Operations
Our operational practices emphasize resource efficiency, waste reduction, and responsible consumption. We work closely with our supply chain partners to ensure that all products and services offered within our retail environments meet stringent environmental, social, and governance standards, including responsible sourcing and logistics, aligned with circular economy principles.

Commitment to Sustainability
Our approach is underpinned by a clear commitment to sustainability. ITAB does not engage in activities involving banned materials, products,

SBM-1 Strategy, business model and value chain, cont.

or services, and we derive no revenues from fossil fuel-related operations. chemical production, controversial weapons or the cultivation or production of tobacco. Instead, our focus is on building a resilient, low-carbon, and socially responsible retail ecosystem that creates long-term value for all stakeholders.

By embedding sustainability into our shop concepts, operational practices, and strategic partnerships, ITAB Group ensures that our products and services contribute not only to a superior retail experience but also to a more sustainable and responsible future for the industry.

Markets Description

In 2024, ITAB Group operated in 23 countries, generating approximately SEK 6.6 billion in annual sales, with around 2,500 employees and 15 operational facilities across Europe, Argentina, and China. The Group primarily serves the European retail sector, with a growing presence in select international markets through distributors and partnerships.

Customers and Competitive Landscape

The European modern retail market, encompassing both physical stores and online commerce, is valued at approximately SEK 44,000 billion. ITAB's addressable market share varies by geography and product portfolio, with an estimated market potential of SEK 110 billion within its core segments.

Key Customer Segments

ITAB serves a diverse customer base across multiple retail sectors, including:

- Grocery Retail: Carrefour, COOP, Morrisons
- Home Improvement: IKEA, Leroy Merlin, Rautakesko
- Fashion & Apparel: H&M, Pandora
- Pharmacy & Convenience: Circle K, Apotek Hjärtat

ITAB has a broadly distributed revenue base, with no single customer accounting for more than 11 percent of total turnover, reducing dependency on individual clients and mitigating sector-specific risks.

Competitive Positioning

ITAB competes with both large multinational firms and regional players. Key competitors include Wanzl, Diam and Umdasch with group turnovers comparable to ITAB. Additionally, ITAB faces competition from smaller specialist firms and regional manufacturers in various European markets. The company differentiates itself through integrated retail solutions, digital transformation expertise, and a strong focus on sustainability-driven innovation.

ITAB Group participates actively in the consolidation of the market. With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed to acquire Financière HMY at the end of September 2024. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry. The acquisition was completed on 31 January 2025 and HMY is consolidated in the ITAB Group as of 1 February 2025. HMY will be included in ITAB Group's Sustainability Statement from 2025 onwards.

Employee Headcount and Geographic Distribution

As of 31 December 2024, ITAB employed 2,523 people across 23 countries, reflecting its strong presence in Europe and select international markets. The largest employee bases are in Italy (363 employees), Czechia (390), China & Hong Kong (268), Germany (257), Sweden (264), and the UK (160), highlighting key operational hubs.

In addition to its European footprint, ITAB maintains a strategic presence in Argentina, Chile, China & Hong Kong, India, Malaysia, the UAE, and the USA, supporting its global business operations. The company's workforce spans a diverse range of functions, including manufacturing, commercial, procurement and technical design, ensuring seamless service across its markets.

Headcount of employees as of 31 December 2024

Country	Headcount
Argentina	79
Chile	1
China & Hong Kong	268
Czechia	390
Denmark	24
Estonia	8
Finland	146
France	34
Germany	257
India	1
Italy	363
Latvia	103
Lithuania	150
Malaysia	7
Netherlands	76
Norway	159
Poland	10
Spain	11
Sweden	264
UAE	7
UK	160
USA	5
Total	**2,523**

SBM-1 Strategy, business model and value chain, cont.

Business Model
ITAB operates a comprehensive business model designed to enhance consumer experiences and support retailers in adapting to evolving market dynamics. The company's approach is encapsulated in its "One ITAB" strategy, which emphasizes close collaboration with customers, suppliers and partners to co-create engaging, efficient, and sustainable retail environments.

Key Components of ITAB's Business Model
Solution Design and Co-Creation: ITAB collaborates with retailers to transform brand aspirations into physical store experiences. By leveraging consumer insights and industry expertise, the company develops tailored solutions that drive consumer footfall, increase sales conversions, and improve operational efficiencies.

Diverse Product and Service Portfolio: The company offers a broad range of products and services, including retail technology, lighting, interior solutions, and services. This comprehensive portfolio enables ITAB to meet various retailer needs, from enhancing in-store technology to optimizing store layouts and lighting.

Sustainable Revenue Model: In response to changing market demands, ITAB is updating its offerings to develop a more sustainable revenue model. This involves creating new demand and selling more of its equipment and service portfolio to a broader customer base, thereby building on existing strengths and creating new revenue streams for growth.

Global Presence with Local Expertise: Operating in multiple countries, ITAB combines global reach with local competence. This structure allows the company to understand diverse shopping behaviours and tailor solutions to specific market needs, ensuring relevance and effectiveness across different regions.

Commitment to Sustainability: ITAB integrates sustainable practices into its operations and solutions, focusing on energy efficiency, eco-friendly materials, and designs that minimize environmental impact. This commitment not only supports environmental responsibility but also aligns with the growing consumer demand for sustainable retail practices.

Through this multifaceted business model, ITAB positions itself as a strategic partner for retailers aiming to create compelling consumer experiences while adapting to the rapidly changing retail landscape.

ITAB positions itself as a strategic partner for retailers aiming to create compelling consumer experiences.

Value Chain
ITAB's value chain spans upstream suppliers, internal operations, and downstream customers and services, ensuring a seamless integration of sustainability, operational efficiency, and product innovation. Please see page 23 for a value chain visualisation.

Upstream Activities
ITAB sources materials and components from approximately 200 raw material suppliers and some 2,400 purchased item suppliers. These suppliers provide metals, plastics, electronics, and other essential components required for ITAB's retail solutions. The suppliers play a key role in ensuring a reliable and high-quality supply chain to meet the demands of ITAB's operations and end customers.

Own Operations
In 2024, ITAB operated 15 production facilities, multiple warehouse facilities, and office locations worldwide, where retail solutions are designed, manufactured, and distributed.

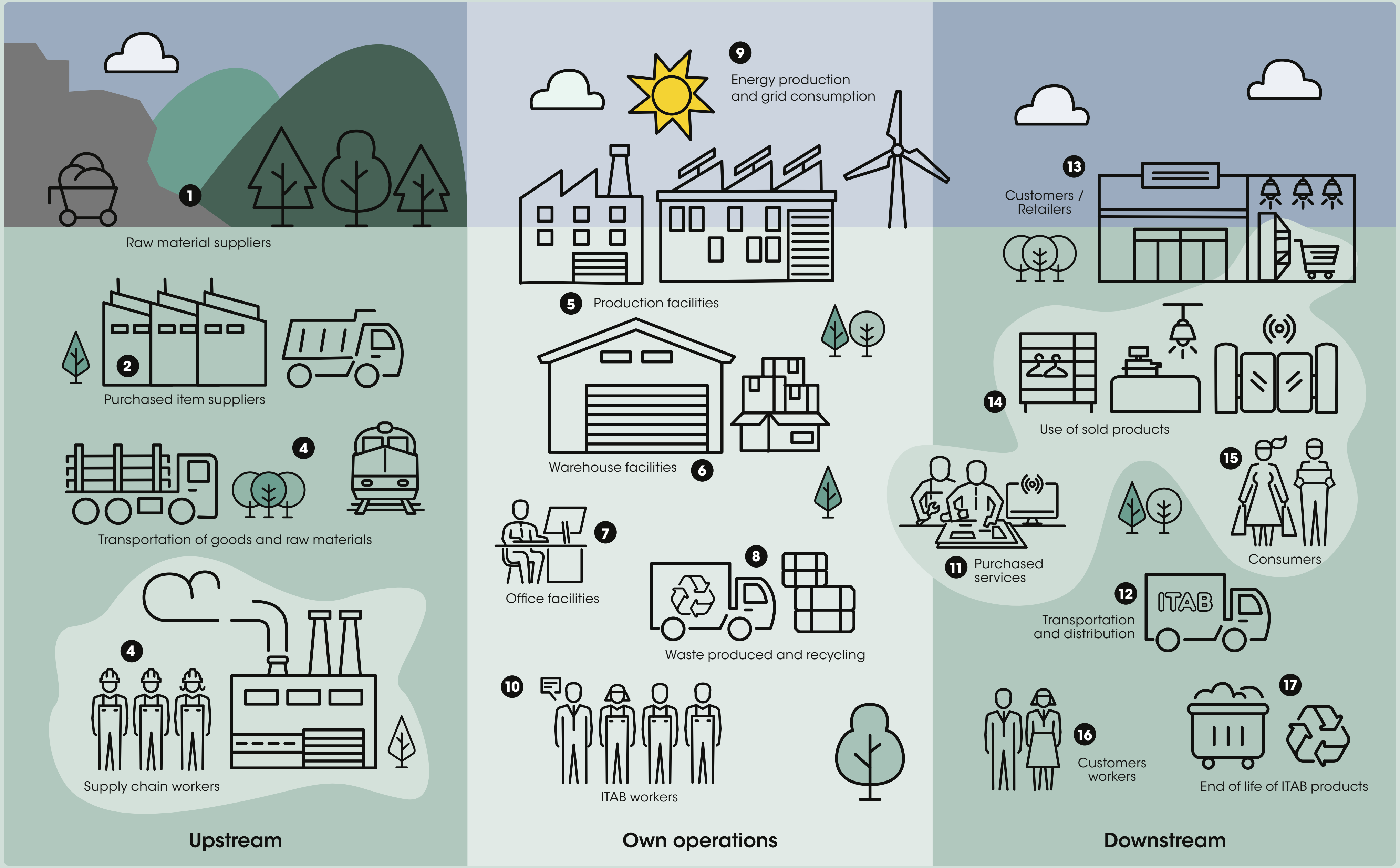
Downstream Activities
ITAB serves over 300 major customers across various retail sectors, including grocery, home improvement, fashion, and pharmacy. Its solutions are designed to enhance in-store customer experiences while reducing environmental impact.

The downstream value chain includes:

- *Transportation and distribution of products* via land and sea, with a focus on optimizing routes to reduce emissions. Use phase of sold products, ensuring energy-efficient lighting, self-service checkout solutions, and loss prevention technologies that contribute to sustainable retail operations. End-of-life management, with ITAB increasingly adopting circular economy principles, offering take-back schemes, and designing products for modularity, reparability, and recyclability.
- *Purchased services* (approximately 450 suppliers) supporting both upstream and downstream activities, including IT, logistics, and maintenance services.

Commitment to Sustainability and Regulatory Compliance:
ITAB ensures compliance with sustainability regulations across its value chain, including ESG due diligence for suppliers, environmental certifications, and customer sustainability expectations. Continuous engagement with stakeholders, suppliers, employees, customers, and regulators allows ITAB to mitigate risks, seize new opportunities, and lead in sustainable retail solutions.

SBM-1 Strategy, usiness model and value chain, cont.



SBM-2 Interests and views of stakeholders

Please see below on pages 24-26 for stakeholder identification, engagement, expectations and response to expectations.

Key Stakeholders

Customers

Description of Stakeholder
As a first-tier supplier, ITAB serves a broad and diverse customer base across multiple retail sectors, including grocery retail (Carrefour, COOP, Morrisons), home improvement (IKEA, Leroy Merlin, Rautakesko), fashion and apparel (H&M, Pandora), and pharmacy & convenience (Circle K, Apotek Hjärtat). Our customers are integral to ITAB's business success and play a key role in our value chain.

Nature and Purpose of the Relationship
ITAB engages directly with customers through various channels, including Key Account Managers, project managers, customer service teams, and sustainability professionals. These interactions ensure that ITAB's solutions align with our customers' strategic goals and meet their operational needs. We work collaboratively to provide retail solutions that enhance the customer experience, increase operational efficiency, and drive innovation. We also maintain communication at the senior management level to ensure that both long-term strategic goals and day-to-day operational issues are addressed.

Expectations of Stakeholder
Customers expect ITAB to deliver high-quality products that meet their specific operational requirements, with a focus on on-time delivery and competitive pricing. They also place a high value on sustainable business practices that support their own sustainability goals, such as energy-efficient solutions, eco-friendly materials, and innovative technology integrations that enhance both customer experience and operational efficiency.

Addressing Stakeholder Expectations by Integration into the Strategy and Business Model
ITAB ensures that we: Continuously innovate and develop solutions that meet the highest quality standards, integrating energy efficiency and sustainability into all products. Implement robust project management and supply chain systems that enable on-time delivery and cost-effective solutions. Prioritize sustainability in every aspect of our business, from product design to operations, ensuring that our solutions not only benefit our customers but also contribute to their broader environmental and social objectives.

Suppliers/Partners

Description of Stakeholder
ITAB sources materials and components from approximately 200 raw material suppliers and 2,400 purchased item suppliers across a wide range of industries, including metals, plastics, electronics, and other essential components necessary for ITAB's retail solutions. These suppliers play a key role in ensuring a reliable and high-quality supply chain to meet the demands of ITAB's operations and end customers.

Nature and Purpose of the Relationship
ITAB maintains open and continuous dialogue with its suppliers through several channels, including Key Account Managers, local procurement buyers, and managers, as well as the Head of Procurement. This ongoing communication ensures alignment between ITAB and its suppliers on key sustainability goals, business practices, and operational expectations. The company also collaborates with suppliers to promote responsible sourcing and ensure compliance with ITAB's sustainability and ethical standards throughout the supply chain. Regular engagements allow ITAB to communicate new requirements, align on best practices, and share sustainability performance feedback.

Expectations of Stakeholder
Suppliers are expected to meet specific performance standards aligned with ITAB's sustainability goals, including compliance with ethical sourcing practices and adherence to environmental, social, and governance (ESG) criteria. ITAB values its relationships with suppliers, and based on performance, categorizes them into three tiers: Approved suppliers who meet basic quality and sustainability criteria. Preferred suppliers who consistently meet ITAB's performance and sustainability requirements. Partner suppliers who go beyond compliance and actively collaborate with ITAB to innovate on sustainable solutions and business practices. In addition, ITAB ensures that suppliers honour the following expectations: Payment within agreed payment terms, fostering trust and financial stability in the supply chain. Sustainable business practices, including commitment to reducing environmental impacts, supporting fair labour practices, and contributing to Sustainable Development Goals (SDGs).

Addressing Stakeholder Expectations by Integration into the Strategy and Business Model
ITAB addresses supplier expectations by continuously refining and communicating its sustainability requirements. This includes the introduction of sustainability audits, training programs for suppliers, and ongoing monitoring to ensure compliance with ITAB's Code of Conduct and ethical sourcing policies. ITAB also works closely with suppliers to promote innovation in sustainable product development, improve energy efficiency, and minimize waste throughout the supply chain. Additionally, ITAB provides feedback to suppliers on performance and collaborates with them to make improvements.

SBM-2 Interests and views of stakeholders, cont.

Employees

Description of Stakeholder
ITAB employed a diverse workforce of 2,523 employees across 23 countries at the end of 2024. The company has a strong presence in Europe and key international markets, with significant employee bases in Italy, Czechia, China, Germany, Sweden, and the UK. In addition to its European footprint, ITAB maintains a strategic presence in countries including Argentina, Chile, China, India, Malaysia, the UAE, and the USA, supporting its global business operations. The workforce spans various functions, including manufacturing, commercial, procurement, and technical design, reflecting ITAB's broad scope and reach across industries.

Nature and Purpose of the Relationship
ITAB fosters continuous dialogue with its employees through multiple channels, ensuring their well-being and considering their perspectives on sustainability. This includes day-to-day business interactions, employee appraisals, participation in safety committees, internal intranet communications, and employee engagement surveys. These avenues enable ITAB to gather employee feedback, address concerns, and promote a culture of transparency and inclusivity. Employees are encouraged to participate in regular dialogues that allow ITAB to understand their needs, especially in areas related to health, safety, career development, and sustainability

Expectations of Stakeholder
ITAB is committed to meeting key expectations from its workforce, ensuring a supportive and sustainable working environment. The company's key employee expectations include: Attractive workplace: Providing a safe, inclusive, and motivating work environment. Good working environment: Fostering a healthy, respectful, and collaborative atmosphere where employees can thrive. Health & Safety: Maintaining a high standard of health and safety protocols to safeguard employees' well-being. Staff development and career opportunities: Ensuring opportunities for growth and progression through training, skill development, and career advancement programs. Diverse and equal workplace: Upholding diversity, equity, and inclusion policies to ensure equal opportunities for all employees regardless of gender, race, or background. Pay conditions: Ensuring competitive and fair compensation in line with industry standards and employee contributions. Sustainable business: Aligning business operations with sustainable practices, involving employees in sustainability initiatives, and promoting a sense of purpose in contributing to a responsible future.

Addressing Stakeholder Expectations by Integration into the Strategy and Business Model
ITAB actively works to address these expectations by providing an attractive and positive workplace where employee safety and development are prioritized. The company regularly conducts employee appraisals and engagement surveys to assess employee satisfaction and areas for improvement. Through regular safety committee meetings, ITAB ensures that its employees have a platform to voice concerns about workplace safety. The company also invests in training and development programs to help employees grow professionally and provides opportunities for career advancement within the organization. Additionally, ITAB strives to provide competitive pay conditions, implement policies supporting workplace diversity, and integrate sustainability into daily operations.

Owners/Investors

Description of Stakeholder
ITAB's owners and investors play a pivotal role in providing the necessary capital, strategic guidance, and governance oversight to ensure that the company remains competitive, resilient, and aligned with the evolving dynamics of the retail sector. Investors are essential in shaping ITAB's long-term strategy, driving financial growth, and ensuring sustainable practices across the business. They are primarily concerned with securing a return on investment while ensuring that ITAB adheres to principles of governance and sustainability.

Nature and Purpose of the Relationship
ITAB maintains transparent communication with its owners and investors through multiple channels. This includes regular financial reporting, which outlines business performance, growth, and risk factors. Additionally, ITAB provides sustainability disclosures, ensuring alignment with environmental, social, and governance (ESG) expectations. Stakeholder engagements are conducted regularly through annual meetings, investor calls, and direct communication with executive leadership to maintain an open dialogue on strategic priorities, financial performance, and sustainability goals. Through these discussions, ITAB ensures that the interests of investors are well-understood, and expectations are continuously met.

Expectations of Stakeholder
ITAB's investors have clear expectations for the company, which include: Return on Investment (ROI): Ensuring that the company delivers solid financial returns and increases shareholder value. Transparent Reporting: Providing timely, accurate, and comprehensive reports on financial performance, sustainability metrics, and governance practices. Investors expect detailed insights into both financial results and ESG progress. Sustainable Business: Investors expect ITAB to operate in a sustainable manner that balances profitability with responsible environmental and social impact. This includes adhering to global sustainability standards, reducing the environmental footprint, and implementing ethical business practices across the supply chain.

Addressing Stakeholder Expectations by Integration into the Strategy and Business Model
To address the expectations of its owners and investors, ITAB ensures that it provides regular and transparent reporting on financial results and sustainability performance. This is achieved through quarterly financial reports, annual sustainability reports, and regular meetings where management provides updates on strategy and performance. ITAB actively works to ensure that its long-term growth strategy incorporates sustainability objectives, thereby meeting investors' desire for both profitability and responsible business practices. In addition, the company has a dedicated governance structure that ensures strategic alignment with investor expectations, continually improving in areas such as risk management, sustainable innovation, and market competitiveness.

ITAB Group
Sustainability Report
General information
Environmental information
Social information
Governance information
ESG Accounting Policy
Reporting on GRI
The Auditor's Report on the Statutory Sustainability Report
ITAB share
Financial information
Annual General Meeting 2025

SBM-2 Interests and views of stakeholders, cont.

Society/NGOs

Description of Stakeholder
ITAB recognizes society as a key stakeholder, encompassing local communities, regulatory bodies, and the broader public that is impacted by its operations. As a responsible corporate entity, ITAB aims to create a positive impact on economic, social, and environmental aspects of society. This includes fostering positive relationships with local communities, complying with regulations, and contributing to the broader public interest through sustainable business practices and ethical supply chain management. Society's expectations from ITAB include responsible governance, compliance with regulations, and sustainable business operations that benefit communities and the environment.

Nature and Purpose of the Relationship
ITAB engages with society through various channels, ensuring that its operations align with the values and expectations of local communities and regulatory bodies. This includes complying with all applicable laws and regulations across the jurisdictions in which ITAB operates. ITAB engages with local communities by creating employment opportunities, promoting sustainable development, and contributing to local economies. The company's commitment to ethical supply chain management ensures that it collaborates with suppliers who adhere to the same high standards of sustainability and responsibility. Moreover, ITAB actively contributes to the public's well-being by providing products and services that promote sustainable retail practices, innovation, and environmental stewardship.

Expectations of Stakeholder
Society's expectations from ITAB include: Compliance with all laws in the jurisdictions where the company operates, ensuring that ITAB follows local and international regulations. The company is expected to operate in a sustainable manner, integrating environmental responsibility and social equity into its business model. ITAB is expected to pay its taxes fairly and in accordance with the laws of the jurisdictions where it operates, contributing to public services and societal well-being.

Addressing Stakeholder Expectations by Integration into the Strategy and Business Model
To address society's expectations, ITAB ensures full compliance with all relevant laws and regulations in each of its operating markets. This includes adhering to environmental regulations, labour laws, and corporate governance standards. ITAB also works to reduce its environmental footprint by investing in sustainable products, energy-efficient technologies, and processes that minimize waste. The company ensures that its supply chain management practices align with sustainability principles, ensuring that its suppliers and partners adhere to the same high standards of ethical conduct and environmental stewardship. ITAB actively promotes social responsibility by fostering local employment and sup- porting community development through job creation and responsible sourcing.

ITAB aims to create a positive impact on economic, social, and environmental aspects of society.

Strategy and Business Model Amendments
ITAB actively integrates stakeholder perspectives into its strategy and business model through its Due Diligence and Double Materiality Assessment (DMA) process. Stakeholder input is regularly gathered through direct engagement, such as customer sustainability dialogues, supplier audits, employee feedback mechanisms, and investor ESG discussions. These insights are then reviewed by Group Management and the Board of Directors, ensuring full visibility into stakeholder expectations.

The strategic pillar "Sustainable Future" was reviewed in 2024, reflecting stakeholder concerns related to circular economy practices, energy-efficient solutions, and responsible sourcing. This resulted in enhanced supply chain sustainability measures, increased investment in low-carbon solutions, and strengthened ESG reporting transparency. These updates demonstrate how stakeholder engagement directly informs ITAB's strategic direction.

From 2025 onwards, this review will be conducted annually, ensuring continuous alignment with stakeholder priorities. At this stage, ITAB does not foresee any significant modifications to stakeholder relationships, as existing engagement mechanisms ensure alignment between stakeholder expectations and business strategy. However, ITAB remains open to adjusting engagement models should evolving stakeholder concerns necessitate changes in collaboration or business operations.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Material Impact, Risks & Opportunities (IROs) Identification Process
In 2024, ITAB established a structured process for conducting a Double Materiality Analysis (DMA), incorporating insights from internal and external experts. This process follows ESRS 2 IRO-1 and is detailed on page 28.

The assessment involved consultations with employees, administrative and supervisory bodies, investors, and customers to align ITAB's strategic priorities with stakeholder concerns. To determine material IROs, ITAB conducted:
- Stakeholder interviews with key groups.
- Surveys of employees and suppliers.
- Data-driven analysis of industry trends, regulatory developments, and sustainability risks.
- Scenario assessments to evaluate potential financial and operational implications.

Based on this process, ITAB has classified its Material IROs as follows:

Critical IROs
These have the highest impact on ITAB's business strategy and long-term value creation:
- Climate change, mitigation, greenhouse gases
- Climate change, energy
- Circular economy, resource inflows, including resource use
- Circular economy, resource outflows related to products and services
- Circular economy, waste

Significant IROs
These pose substantial risks or opportunities but do not require immediate strategic transformation:
- Own workforce, working conditions, health & safety
- Equal treatment and opportunities, Diversity, Equity and Inclusion (DEI) defined as the following sub-sub-topics:
  Diversity, gender equality, measures against violence and harassment in the workplace, inclusion of persons with disability
- Equal treatment and opportunities, training and skills development
- Workers in the value chain, upstream working conditions
- Business conduct, corruption and bribery, prevention, detection including training

Important IROs
These are emerging areas of focus requiring continuous monitoring:
- Own workforce, working conditions, work-life balance
- Workers in the value chain, upstream equal treatment and opportunities for all
- Workers in the value chain, other work-related rights, upstream child and forced labour

Alignment with Business Model & Strategy
Each identified IRO directly influences ITAB's business model, operations, and strategic pillars. Critical IROs impact ITAB's product design, supply chain, and energy transition strategy. Significant IROs influence ITAB's workforce policies, compliance obligations, and ethical sourcing practices. Important IROs are integrated into ITAB's social responsibility initiatives and People & Culture strategies.

Governance & Future Updates
The Board of Directors, in collaboration with Group Management, will review and refine the Material IROs assessment annually. ITAB's Sustainability, Legal and Commercial teams will continuously monitor regulatory changes, stakeholder expectations, and market trends to ensure alignment. From 2025 onwards, ITAB will conduct annual reassessments of IROs to reflect evolving stakeholder priorities and industry developments.

IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

Identification and Assessment of Impacts, Risks, and Opportunities (IROs)

To develop a comprehensive and structured list of actual and potential impacts, risks, and opportunities (IROs), ITAB used the topics, sub-topics, and sub-sub-topics outlined in ESRS 1 AR 16 as a framework. This approach ensured a broad assessment of ITAB's own operations and its upstream and downstream value chain, providing a holistic understanding of the company's sustainability impacts and potential risks and opportunities.

Given the varying levels of granularity required, IROs were evaluated at the topic, sub-topic, or sub-sub-topic level, depending on their significance. While ESRS 1 AR 16 provides a standardized structure, ITAB also identified if any company-specific IROs were present, by engaging with stakeholders, conducting due diligence, reviewing risk management processes, and assessing grievance mechanisms such as whistleblowing reports. Additional sources, including industry benchmarks, geographic risk factors, corporate strategy, and product/service impacts, were analysed to ensure comprehensive coverage.

Each IRO was classified as an impact, a risk, or an opportunity and categorized under Environmental, Social, or Governance (ESG) themes. They were further defined as positive or negative, actual or potential, and mapped across the value chain, considering own operations, upstream, and downstream activities. The connection between ITAB and each impact was determined based on causation, contribution, or linkage.

To enhance transparency, the rationale for determining material and non-material IROs was clearly documented, ensuring alignment with ESRS 2 paragraphs 53 and 59. This process also reflected stakeholder input, reinforcing its integration into the Double Materiality Assessment (DMA) and sustainability strategy.

Impact Materiality Assessment

For actual negative impacts, materiality was assessed based on severity, while potential negative impacts were evaluated considering both severity and likelihood. Additionally, all impacts were assigned a time horizon in line with ESRS 1 paragraph 77:

- Short-term: Within the reporting period (1 year)
- Medium-term: Between 1 to 5 years
- Long-term: More than 5 years

Severity assessments were based on three key factors:

- *Scale* – how grave the impact is (i.e., extent of infringement of access to basic life necessities or freedoms such as education, livelihood, etc.);
- *Scope* – how widespread the impact is (i.e., the number of individuals affected or the extent of the environmental damage); and
- *Irremediable Character* – the extent to which the impact can be remediated, for example through compensation or restitution.

For potential negative human rights impacts, severity took precedence over likelihood. Positive impacts were assessed using the scale and scope of actual impacts, as well as scale, scope, and likelihood for potential positive impacts.

Financial Materiality Assessment

Risks and opportunities were evaluated based on likelihood, financial impact, and time horizon, ensuring alignment with ESRS financial materiality principles.

Thresholds were applied for both the financial and impact assessments. The financial thresholds were applied in the DMA process to assess financial risks and opportunities to ensure alignment with how risks are generally evaluated in relation to financial performance. For the impact assessment, internally developed thresholds were applied, based on inspiration from advisors. These thresholds helped evaluate and identify impacts to satisfy the needs of our stakeholders.

IROs were cross-referenced with EU regulatory requirements to ensure compliance and proactive risk management. The Group Sustainability Team, in collaboration with the People & Culture Team, Legal Team and Operations Team oversees annual IRO reassessments. To finalize the comprehensive list of IROs, ITAB recorded:

- Relevant sources of information
- Stakeholders impacted by each IRO
- Stakeholders engaged during the assessment process

The development of the DMA methodology and the management of the DMA process is centralised to ensure consistency in the application of scores and thresholds and the use of external subject-matter experts. For own workforce and business conduct, Group People & Culture and Group Legal, respectively, have contributed and approved the social and governance IRO assessments, while the Sustainability Team and Operations have completed the Environment IRO assessment. To ensure an understanding of CSRD's legal framework and the identified IROs, the Board of Directors and full Group Management were presented with a walkthrough of the DMA methodology, thresholds, process, and findings before approving the final DMA.

IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Identification of Material Impacts, Risks, and Opportunities
In 2024, ITAB conducted a double materiality assessment following ESRS 1 and ESRS 2 guidelines, in consultation with internal and external experts. The methodology considered impact materiality (scale, scope, irremediability) and financial materiality (likelihood, financial magnitude). Stakeholder engagement was central to the process, and insights from employees, management, investors, customers, and external sustainability specialists were incorporated. More details are provided under ESRS 2 IRO-1 on page 28.

Topics were deemed material if they posed significant risks, opportunities, or impacts on ITAB's operations, value chain, stakeholders, or financial performance.

The listed material and immaterial topics were assessed and validated through stakeholder engagement, including employees, the Board of Directors, Group Management, owners, investors, and customers. Stakeholders were actively consulted, and their input directly influenced the classification of material and immaterial topics. No material concerns were raised regarding the conclusions.

All identified impacts, risks, and opportunities (IROs) were evaluated based on impact materiality (scale, scope, and irremediability) and financial materiality (financial impact and likelihood), in accordance with ESRS 1 and ESRS 2 requirements. This assessment, in addition to stakeholder engagement, also considered industry benchmarking, and alignment with applicable regulatory frameworks.

Key Material Impacts
The company has identified the following significant impacts:

Environmental:
- Climate change, mitigation, greenhouse gases
- Climate change, energy
- Circular economy, resource inflows, including resource use
- Circular economy, resource outflows related to products and services
- Circular economy, waste

Social:
- Own workforce, working conditions, health & safety
- Own workforce, working conditions, work-life balance
- Own Workforce, equal treatment and opportunities, gender equality and equal pay
- Own Workforce, equal treatment and opportunities, employment and inclusion of persons with disability
- Own Workforce, equal treatment and opportunities, measures against violence and harassment in the workplace
- Own Workforce, equal treatment and opportunities, diversity
- Workers in the value chain, upstream working conditions
- Workers in the value chain, upstream equal treatment and opportunities for all
- Workers in the value chain, other work-related rights, upstream child and forced labour

Governance:
- Business conduct, corruption and bribery, prevention, detection including training

For the disclosures S1 the sub-sub-topics of Diversity Gender equality, inclusion of disabled persons, measures against violence and harassment in the workplace will be referred to as Diversity Equity and Inclusion (DEI).

Identification of Risks and Opportunities
In addition to the identified material impacts, ITAB assessed sustainability-related risks and opportunities. Key risks include regulatory changes impacting climate disclosures, supply chain vulnerabilities due to resource scarcity, and reputational risks related to social performance. Opportunities include efficiency gains from circular economy initiatives, enhanced brand value through DEI efforts, and potential access to green financing instruments. For more information on risks related to sustainability, see pages 76-77.

Immaterial Topics
Following a rigorous double materiality analysis, the following ESRS topics were determined to be immaterial for ITAB's operations, based on their low severity, scope, and financial impact.

ESRS E2: Pollution
ITAB's processes do not generate significant pollution to air, water, or land, and no current or foreseeable financial risks are associated with pollution-related regulatory changes, compliance costs, or stakeholder concerns. Given that air emissions from joinery facilities are well-controlled and water discharges meet all required standards, no material impact or financial consequence has been identified. This conclusion was validated through stakeholder engagement and financial risk analysis. Water discharges from operations are either domestic or, where applicable, treated to meet or exceed local discharge consent requirements. ITAB does not use substances of high concern or substances of concern in manufacturing or product processes. No significant risk of ITAB's products, process by-products, or waste affecting living organisms, land, or food resources has been identified.

ESRS E3: Water and Marine Resources
Water usage at ITAB's factories and offices is predominantly domestic. Where water is used in production, recycling and treatment processes are in place to ensure compliance with local discharge standards. All ITAB facilities are located in low water-stress regions, based on recognized global water risk assessments. ITAB does not use seawater or marine resources in its operations. Water usage is minimal and occurs in low water-stress regions, resulting in no material financial risks from water scarcity, regulatory changes, or operational disruptions

ESRS E4: Ecosystems and Biodiversity
ITAB's operations do not involve activities that directly or indirectly impact ecosystems or biodiversity. No land-use change, deforestation, or activities affecting protected habitats occur within ITAB's supply chain, at a level that can be controlled or influenced by ITAB. ITAB does not engage in activities that contribute to soil degradation, habitat destruction, or biodiversity loss. ITAB's operations do not depend on or significantly impact biodiversity, and low financial risks from land-use regulations, biodiversity-related compliance, or supply chain disruptions have been identified.

ESRS S3: Affected Communities
ITAB's direct operations do not contribute to the risk factors outlined in ESRS S3: Affected Communities. ITAB has not identified any upstream or downstream activities that would materially impact affected communities. No grievance mechanisms or stakeholder consultations have identified community-related risks linked to ITAB's business model. ITAB has low material financial exposure to community-related risks, as no operational, reputational, or legal risks linked to community impacts have been identified through stakeholder engagement

ESRS S4: Consumers and End-Users
ITAB has evaluated the topics under ESRS S4 and determined them to be immaterial based on its current business model. ITAB fully complies with GDPR and ensures customer data protection. Given the nature of ITAB's products, there is limited or no influence over aspects such as freedom of expression or security of person, as outlined in ESRS S4. ITAB's products do not pose significant consumer safety, privacy, or regulatory risks, and only low material financial impacts related to consumer litigation, data security, or product liability exist.

IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement, cont.

Environmental

1 Greenhouse Gas Emissions and Energy
2 Pollution of Land, Air & Water, Living Organisms & Food Resources
3 Water inc marine resources
4 Biodiversity
5 EcoSystems
6 Materials, Waste and Circular Economy

Social

7 Working Conditions (Own Workforce)
8 Working Conditions (Value Chain)
9 Equal Treatment and Opportunities (Own Workforce)
10 Equal Treatment and Opportunities (Value Chain)
11 Health & Safety (Own Workforce)
12 Health & Safety (Value Chain)
13 Health & Safety, Social Inclusion (Consumer)
14 Child and Forced Labour (Own Workforce)
15 Child and Forced Labour (Value Chain)
16 Communities' rights

Governance

17 Business Conduct

Environmental information

At ITAB, sustainability is at the heart of our business strategy. As a key partner to global retailers, we are committed to reducing our environmental impact while driving innovation in resource efficiency, circular design, and low-carbon solutions.

Through our Sustainable Future Strategic Priority, we are minimizing greenhouse gas emissions, optimizing energy use, and rethinking materials to create more sustainable products and services. By embedding sustainability into our operations and supply chain, we are not only meeting today's challenges but shaping a greener, more responsible future for retail.

Reporting on EU Taxonomy Objectives 2024

To meet the EU's climate and energy targets for 2030 and reach the objectives of the European Green Deal, the EU's Taxonomy Regulation (2020/852/EU) came into force in July 2020. The EU Taxonomy is a classification system that helps companies and investors identify "environmentally sustainable" economic activities to make sustainable investment decisions.

ITAB is a public interest entity and therefore has an obligation to report the proportion of its business that is eligible under and aligned with the Taxonomy Regulation. ITAB develops, manufactures, sells and installs a broad range of solutions and services in interior fixtures, in-store technology and lighting for the retail sector. The Group has today a few economic activities that are listed in the currently published delegated acts for the Taxonomy Regulation.

ITAB has reviewed the economic activities listed in the three published delegated acts on technical screening criteria and identified one activity in the delegated act on climate change mitigation and one activity on transition to a circular economy.

No activities carried out by ITAB are considered to be listed in the delegated acts on climate change adaptation, sustainable use and protection of water and marine resources, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. For an economic activity to be Taxonomy-aligned, the activity must be contained in the technical screening criteria, the activity must do no significant harm to any of the other five environmental objectives and it must fulfil the minimum safeguards that set the standard for the social sustainability of companies. Minimum safeguards refer to processes to ensure that the business is operated in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights throughout the value chain.

Taxonomy-eligible and -aligned activities

CCM 3.5. Manufacture of energy efficiency equipment for buildings

Taxonomy-eligible economic activities within climate change mitigation in 2024 comprises the Group's manufacturing of lighting equipment for retailers (NACE code C27.40). Currently approximately 5 percent of the lighting equipment manufactured by ITAB meets the requirements for alignment. Hence, this portion of the economic activities within climate change mitigation is considered to be taxonomy-aligned.

CE 1.2. Manufacture of electrical and electronic equipment

Taxonomy-eligible economic activities within transition to a circular economy in 2024 comprises the Group's manufacturing of retail technology for retailers (NACE code C26 and 27). Currently no part of the economic activities within transition to a circular economy is considered to be taxonomy-aligned.

All taxonomy-eligible revenue and expenditures relate to the objectives climate change mitigation or transition to a circular economy, and meet the criteria for Do No Significant Harm. ITAB has established processes to ensure that the business is operated in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights throughout the value chain. The process is centred on a risk-based working method. ITAB considers that the requirement for the fulfilment of minimum safeguards in relation to social sustainability is met.

Refer to the tables below on pages 33-35 for disclosures on EU Taxonomy Objectives 2024.

Nuclear and Fossil Gas Related Activities

On 1 January 2023, a Complementary Climate Delegated Act entered into force, whereby companies must now report Taxonomy-alignment of certain nuclear and fossil gas related activities. Nuclear energy and fossil gas have been deemed environmentally sustainable for the time being by the European Parliament, as they are considered important components of the transition to lower GHG emissions. ITAB has assessed its operations against the EU Taxonomy and confirms that it has no activities related to nuclear energy or fossil gas as defined under the EU Taxonomy Climate Delegated Act. Therefore, no disclosures related to these activities are applicable. Refer to the table on the right.

Reporting Principles

The key performance indicators under the EU's Taxonomy Regulation have been calculated in line with the definitions in Annex 1 to the Delegated Act (EU) 2021:4987, supplementing Article 8 of the Taxonomy Regulation. Relevant data has been collated from the Group's financial systems.

Turnover

Net turnover corresponds to the reported net sales for the financial year (see net sales for the Group on page 87 and in Note 6). Policies for consolidated revenue recognition are described in more detail in Note 2. When determining and allocating the taxonomy eligible and aligned net sales, operations and underlying products and services were grouped according to economic activities. The turnover in the denominator consists of the Group's total net sales.

Capital expenditure (CapEx)

CapEx is defined as additions to property, plant and equipment and intangible assets during the year after deducting depreciation/ amortisation and any impairment, with the exception of changes to fair value. Also included are additions to, and revaluations of, right-of-use assets as well as property, plant and equipment and intangible assets related to business combinations. The Group's acquisitions of land and goodwill are not included. The denominator includes the Group's total CapEx during the year. See also Notes 18 and 19

Operating expenditure (OpEx)

OpEx is defined as direct non-capitalised costs that relate to research and development, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of items of property plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. The denominator covers the Group's total OpEx during the year associated with the continued and effective functioning of such assets. See also Note 11, with certain supplementary disclosures.

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/ cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Disclosures on EU Taxonomy Objectives

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities for 2024

Financial year 2024	Year			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	23	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**23**	**0.3%**	**0.3%**	**-**	**-**	**-**	**-**	**-**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.2%**		
Of which Enabling		23	0.3%	0.3%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Of which Transitional		-	-	-													-		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of energy efficiency equipment for buildings	CCM 3.5	465	7.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8.9%		
Manufacture of electrical and electronic equipment	CE 1.2	1,870	28.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								27.5%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2,335**	**35.5%**	**7.1%**	**-**	**-**	**-**	**28.4%**	**-**								**36.4%**		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**2,358**	**35.8%**	**7.4%**	**-**	**-**	**-**	**28.4%**	**-**								**36.6%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		4,227	64.2%																
TOTAL		**6,585**	**100.0%**																

Y = Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N = Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL = Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL = Taxonomy eligible activity for the relevant objective
T = Transitional
E = Enabling
CCM = Climate Change Mitigation
CCA = Climate Change Adaptation
WTR = Water and Marine Resources
CE = Circular Economy
PPC = Pollution Prevention and Control
BIO = Biodiversity and ecosystems

	Proportion of turnover / total turnover	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	0.3%	7.4%
CCA	0,0%	0,0%
WTR	0,0%	0,0%
CE	0,0%	28.4%
PPC	0,0%	0,0%
BIO	0,0%	0,0%

Disclosures on EU Taxonomy Objectives, cont.

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities for 2024

Financial year 2024	Year			**Substantial Contribution Criteria**						**DNSH criteria ('Does Not Significantly Harm')**									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	1	0.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1**	**0.5%**	**0.5%**	**-**	**-**	**-**	**-**	**-**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		
Of which Enabling		1	0.5%	0.5%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Of which Transitional		-	-	-													-		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of energy efficiency equipment for buildings	CCM 3.5	2	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.6%		
Manufacture of electrical and electronic equipment	CE 1.2	17	9.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								21.8%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**19**	**10.0%**	**1.0%**	**-**	**-**	**-**	**9.0%**	**-**								**25.4%**		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**20**	**10.5%**	**1.5%**	**-**	**-**	**-**	**9.0%**	**-**								**25.4%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		170	89.5%																
TOTAL		**190**	**100.0%**																

Y = Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N = Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL = Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL = Taxonomy eligible activity for the relevant objective
T = Transitional
E = Enabling
CCM = Climate Change Mitigation
CCA = Climate Change Adaptation
WTR = Water and Marine Resources
CE = Circular Economy
PPC = Pollution Prevention and Control
BIO = Biodiversity and ecosystems

	Proportion of capex / total capex	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	0,5%	1.0%
CCA	0,0%	0,0%
WTR	0,0%	0,0%
CE	0,0%	9.0%
PPC	0,0%	0,0%
BIO	0,0%	0,0%

Disclosures on EU Taxonomy Objectives, cont.

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities for 2024

Financial year 2024	Year			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0.0%**	**0.0%**	**-**	**-**	**-**	**-**	**-**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		
Of which Enabling		0	0.0%	0.0%	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Of which Transitional		-	-	-													-		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of energy efficiency equipment for buildings	CCM 3.5	151	2.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.4%		
Manufacture of electrical and electronic equipment	CE 1.2	647	11.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								14.4%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**798**	**13.7%**	**2.6%**	**-**	**-**	**-**	**11.1%**	**-**								**24.8%**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**798**	**13.7%**	**2.6%**	**-**	**-**	**-**	**11.1%**	**-**								**24.8%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
OpEx of Taxonomy-non-eligible activities		5,051	86.3%
TOTAL		**5,849**	**100.0%**

Y = Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N = Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL = Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL = Taxonomy eligible activity for the relevant objective
T = Transitional
E = Enabling
CCM = Climate Change Mitigation
CCA = Climate Change Adaptation
WTR = Water and Marine Resources
CE = Circular Economy
PPC = Pollution Prevention and Control
BIO = Biodiversity and ecosystems

	Proportion of opex / total opex	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0,0%	2.6%
CCA	0,0%	0,0%
WTR	0,0%	0,0%
CE	0,0%	11.1%
PPC	0,0%	0,0%
BIO	0,0%	0,0%

E1 Climate Change

Transition plan for climate change [1,2]

Currently, ITAB is strengthening and further detailing our transition plan for climate change mitigation, ensuring our strategy and business model are compatible with the transition to a sustainable economy and limiting global warming to 1.5 degrees in line with the international "Paris Agreement" on climat change.

Scope 1 and 2 Greenhouse gases and energy consumption are quantified, and work has begun on defining and executing on our decarbonisation roadmap. We are defining our roadmap with a starting point in an in-depth energy consumption audit methodology to define energy reduction and decarbonisation levers. This methodology is being piloted at one of ITABs largest sites. Scope 3 GHG emissions will be quantified through 2025 and targets for all scopes will be created, in line with Science Based Targets (SBTi) and submitted to SBTi in late 2025 or early 2026.

Key milestones in our transition plan include:
- 2024: Energy and decarbonization audit at our production plant in Boskovice, Czechia completed.
- 2025: Scope 3 quantification and target setting, SBTi submission preparation.
- 2026: Submission of validated Science Based Targets to SBTi.
- 2030: 50 percent reduction in Scope 1 and 2 GHG emissions (baseline year: 2022).

Circular design principles are now being applied through our design teams and ITAB can provide full Carbon Lifecycle Assessments of all products. Material selection of the products we make has a large impact on the GHG emissions in the supply chain. ITAB now uses a material GHG estimator to allow climate decisions to be taken as part of the design process.

ITAB does not engage in any economic activities related to coal, oil, or gas, aligning with the company's commitment to a low-carbon transition and sustainable business practices. In line with ESRS E1 requirements, ITAB's business model is not exposed to fossil fuel extraction, refining, distribution, or consumption beyond essential operational energy use, which is already being addressed through energy efficiency measures and a growing focus on renewable energy sources.

Governance: Group Management oversees the transition plan, with progress reported to the Board of Directors quarterly. Through collaboration, ongoing dialogue and data-driven analysis, this ensures that sustainability initiatives align with ITAB's long-term financial strategy.

ITAB is strengthening and further detailing our transition plan for climate change mitigation.

[1] E1-1, [2] ESRS 2 SBM-3, [3] ESRS 2 IRO-1

Impacts, Risks and Opportunities [2,3]

The materiality assessment described in disclosure requirement IRO-2 identified the following material climate change mitigation IROs:

Negative Impacts
- GHG Emissions from Operations (Scope 1 & 2): Short-, medium-, and long-term impacts due to natural gas and electricity consumption.
- Energy Use: Baseline energy consumption at ITAB factories is quantified but not yet optimized for efficiency.

Positive Opportunities
- Onsite Renewable Energy: Two facilities have onsite green energy generation - one with solar PV, another with biomass heating.
- Carbon Pricing Benefits: A structured decarbonization roadmap will help mitigate future carbon pricing risks.
- Material Selection: Circular economy principles enable lower Scope 3 emissions through better material selection and reuse of equipment.

Climate-Related Risks

Transition Risks:
- Carbon Pricing & Energy Costs: Potential impact of future carbon taxation on operations.
- Regulatory Changes: Increasing compliance costs due to EU & global climate policies.
- Technology Risks: Risk of slower adoption of low-carbon alternatives.

Physical Risks:
- A resilience analysis assessed acute (extreme weather) and chronic (temperature rise, water stress) risks.
- Minimal risks were identified due to ITAB's predominantly European based facilities.
- Water stress is a monitored risk but does not yet pose a significant financial threat.

All of these are reflected into the Sustainable Future Strategic Pillar that is part of the business strategy.

As described in our overall process, we have used a combination of internal dialogues and advisory from external environmental experts to adequately assess our situation. We conclude that we have an impact on climate change and have made this the highest priority from the DMA. Resilience analysis was conducted as a desktop study as part of the DMA process to assess physical risks from climate related hazards, both acute and chronic. The conclusion was that the risks are minimal due to the locations of our facilities being predominantly European based. Water stress is a potential risk long-term and will be monitored over the coming years.

E1 Climate Change, cont.

Climate Related Policy [4]

ITABs environmental policy contains our preliminary commitment to Greenhouse gas emission reduction, the need for renewable energy and establishing a base line of the Scope 3 Greenhouse gas emissions using methodologies in line with Science Based Targets. The Group Policy is being specified by local environmental policies in many of our locations.

For our product teams, our design principles focus on how to design equipment for circular economy, covered in E5 Resource Use and Circular Economy chapter, but also on material selection. Material selection is deemed to be a large driver of Scope 3 emissions and hence an important lever to reduce the same.

Several of ITABs sites are ISO14001certified with a clear environmental management system in place.

Actions on Material Impacts [5]

In order to decarbonise ITAB in the most cost-effective way, ITAB is performing an energy and decarbonisation audit of its Boskovice facility in Czechia to enable development of the roadmap. At the end of 2024 an onsite audit took place with specialist energy consultants.

ITAB is implementing targeted actions to reduce emissions and improve energy efficiency:

Decarbonization Roadmap:

- Solar panels added to our Scaperia production site in Italy (2023)
- Energy & decarbonization audit completed at Boskovice in Czechia (2024)
- New energy reduction methodology based on in depth audit (2025)
- Expansion to other sites planned for 2025–2026

Renewable Energy Expansion:

- First full year of solar PV use in Scaperia in Italy
- Continuation of biomass use in Stadsbygd in Norway
- Evaluation of additional solar & wind opportunities for 2025
- Our operations in UK switch to renewable sourced energy

Scope 3 Measurement & Reduction:

- New product launch of SigmaGate 2 with 49.5 percent reduction in carbon footprint
- Quantification to be completed in 2025
- Engagement with suppliers on carbon footprint reduction

Performance Metrics and Targets [6,7,8]

Energy consumption can be seen in the table on page 38. ITAB does not operate in high climate impact sectors, as defined by ESRS E1, which identifies industries with significant Greenhouse gas emissions, reliance on fossil fuels, or exposure to climate transition risks.

ITAB is committed to significantly reducing its Greenhouse gas (GHG) emissions in line with global climate goals. The company has set a target to achieve a 50 percent reduction in Scope 1 and Scope 2 emissions by 2030, using 2022 as the baseline year. This target aligns with ITAB's ambition to contribute to limiting global warming to 1.5°C, as outlined in the Paris Agreement.

To ensure robust and science-based climate action, ITAB is currently developing a comprehensive decarbonization strategy. In 2025, the company will refine and expand its climate targets to align with the SBTi, ensuring that reduction pathways are credible, ambitious, and aligned with regulatory and stakeholder expectations. This includes the development of a validated reduction plan for Scope 3 emissions, which will be quantified through 2025.

The GHG intensity based on net revenue for ITAB in 2024 is 2.14 tCO_2e /MSEK. The denominator "Revenue from contracts with customers" can be found in the income statement on page 87 and Note 6 on page 103.

Another important metric for ITAB in the coming years, will be around energy reduction measures (which is also in line with our decarbonisation methodology). The ambition is to be able to see steady decreased in energy consumption, also in absolute terms over time.

ITAB also has a clear focus on increasing our share of renewable energy. The target for this will be to reach 100 percent by 2030, as this is required by SBTi. We have seen an improvement in the share of renewable energy in 2024 but there is still a journey left to reach the 100 percent in just a few years' time.

ITAB also follow closely the sentiment of our customers related to reduction of Greenhouse gas emissions and we are specifically tracking opportunities with sustainability profile. Both in terms of leads and potential sales.

The targets and key metrics are followed up on all levels in the Group: from local level to the Board of Directors. Typically, with a monthly or quarterly cadence.

ITAB is committed to significantly reducing its Greenhouse gas emissions in line with global climate goals.

[4] E1-2, [5] E1-3, [6] E1-4, [7] E1-5, [8] E1-6

E1 Climate Change, cont.

Performance Metrics and Targets cont.

Energy consumption and mix	Base year (2022)	2023	2024
Fuel consumption from natural gas (MWh)	39,183	30,542	33,388
Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	19.195	16,014	12,755
Total non-renewable energy consumption (MWh)	**58,378**	**46,556**	**46,143**
Share of non-renewable sources in total energy consumption (%)	80.6%	82.4%	77.4%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	14,009	9,953	13,509
Total renewable energy consumption (MWh)	**14,009**	**9,953**	**13,509**
Share of renewable sources in total energy consumption (%)	19.4%	17.6%	22.6%

Greenhouse gas emissions	Base year (2022)	2023	2024
Scope 1 GHG emissions			
Gross scope 1 GHG emissions (tCO_2eq)	7,700	5,935	6,968
Percentage of scope 1 GHG emissions from regualted emissions trading schemes (%)	0%	0%	0%
Scope 2 GHG emissions			
Gross market-based scope 2 GHG emissions (tCO_2eq)	9,468	7,858	7,144
Total GHG emissions (market based) (tCO_2eq)	**17,168**	**13,793**	**14,112**

Other information [9, 10, 11]

ITAB has not conducted or financed any GHG mitigation or removal projects through carbon credits. ITAB does not engage in carbon offsetting or purchase carbon credits.

Internal carbon pricing discussion are now taking place at a group management level and a decision will be made as to whether ITAB will adopt an internal carbon pricing as part of the CapEx approval process going forward.

As stated in BP-2 Disclosures in relation to specific circumstances, ITAB is not disclosing ESRS E1-9: Anticipated financial effects of climate-related risks & opportunities.

[9] E1-7, [10] E1-8, [11] E1-9

E5 Resource Use and Circular Economy

Impacts, Risks and Opportunities [1]

The materiality assessment described in disclosure requirement IRO-2 identified the following material IROs:

Impacts
- *Reduction in GHG Emissions:* ITAB's focus on reducing GHG emissions across its upstream value chain through circular design principles, including sustainable material selection, will help decouple resource outflows from virgin material use, minimizing environmental impacts.
- *Energy Consumption:* Many of ITAB's products, particularly in the lighting business, consume energy throughout their lifecycle, contributing to overall environmental impact.
- *WEEE Compliance:* ITAB's lighting business is subject to Waste Electrical and Electronic Equipment (WEEE) Regulations, which require the proper collection, recycling, and disposal of products at their end of life, under producer responsibility.
- *Production Waste:* ITAB generates significant production waste, including metal, wood, electronic equipment, and packaging. These materials represent a key environmental impact and can be reduced by implementing circular design principles and increasing resource efficiency.

Risks
- *Raw Material Scarcity:* The scarcity of raw materials, particularly rare earth elements used in electronic components, represents a supply chain risk for ITAB. Geopolitical shifts and supply chain disruptions could exacerbate these risks, leading to potential cost increases and production delays.
- *Regulatory Risks (WEEE & Extended Producer Responsibility):* As ITAB operates under the WEEE regulations, any changes to these regulations or failure to comply with them could pose financial and reputational risks. The evolving requirements for Extended Producer Responsibility (EPR) could necessitate design changes or introduce new obligations for product take-back schemes, adding to operational complexity.
- *Waste and Inefficiency:* High levels of production waste, including metal, wood, electronics, and packaging, represent a financial risk if not managed effectively. Waste management costs could increase if production inefficiencies are not addressed, and this could undermine operational profitability.

Opportunities
- *Sustainability Services:* ITAB's Sustainability Services, which focus on energy efficiency, material selection, and circular business models, present a significant opportunity to help customers reduce their environmental impact. These services support retailers in aligning with stricter sustainability regulations and consumer demands for more sustainable business practices.
- *ReSTORE Program:* One of the flagship initiatives within ITAB's Sustainability Services is the ReSTORE program, which refurbishes retail fixtures, such as shelving, bringing them back to 'as-new' condition. This program reduces resource consumption and waste generation, providing cost-saving opportunities of up to 35 percent compared to new installations. This initiative not only addresses environmental impact but also enhances ITAB's competitive advantage in the market.
- *Circular Economy and Regulatory Compliance:* The EU Circular Economy Action Plan presents an opportunity for ITAB to enhance its product design and material sourcing practices to meet stricter durability, reparability, and recycled content standards. By staying ahead of these regulatory changes, ITAB can ensure compliance while fostering innovation in its product offerings.
- *Zero-Waste to Landfill:* A future opportunity lies in ITAB's goal to reduce waste generation to a zero-waste-to-landfill model. This initiative aligns with ITAB's long-term sustainability goals and would help mitigate environmental impact while reducing associated costs.

Inefficiencies in material usage and waste generation pose a financial risk to ITAB, including higher operational costs and potential loss of business opportunities. However, by implementing circular design principles, reducing production waste, and leveraging sustainability-focused services, ITAB can not only reduce these risks but also enhance its competitive positioning and strengthen customer relationships in an increasingly sustainability-driven market.

Materials and Waste Policies [2]

Our Environmental Policy outlines our commitment to waste reduction through continuous improvement initiatives, operational efficiencies, and the integration of circular economy principles. ITAB prioritizes reducing waste at the source by optimizing production processes, enhancing material recovery, and implementing best practices for reusing and recycling materials wherever possible. We also actively seek opportunities to transition from virgin materials to sustainable and recycled alternatives in our product designs and manufacturing processes.

ITAB's Supplier Code of Conduct extends our commitment beyond our own operations, ensuring that our supply chain aligns with our sustainability objectives. The Code establishes expectations for responsible material selection, waste minimization, and resource efficiency among our suppliers. ITAB encourages suppliers to adopt sustainable sourcing practices, reduce packaging waste, and implement closed-loop material management systems to lower their environmental impact.

Additionally, ITAB integrates waste management considerations into product life cycle assessments, ensuring that products are designed for durability, recyclability, and end-of-life responsibility. This approach supports compliance with regulatory frameworks, such as the WEEE Directive, and strengthens ITAB's ability to provide sustainable solutions to customers,

In 2024, ITAB developed design principles centred on circular economy concepts, with deployment to all design teams beginning in 2025. These principles aim to reduce reliance on virgin materials, enhance energy efficiency in electrical components, and optimize product weight to lower resource consumption. Additionally, they focus on improving packaging efficiency to minimize transport emissions, supporting a more sustainable and resource-conscious approach to product development.

[1] ESRS 2 IRO-1, [2] E5-1

ITAB Group
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General information
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Reporting on GRI
The Auditor's Report on the Statutory Sustainability Report
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E5 Resource Use and Circular Economy, cont.

Actions on Material Impacts [3]

To support and obtain the underlying objectives of the policies that we have in place to manage our material resource-related impacts and risks, we are continuously working to identify new actions as well as progressing on the ones we have already commenced. In 2024 the focus has been on the development of the circular design principles and though 2025 ITAB will train the engineering function on the design principles to ensure a complete coverage of the design teams.

Life cycle analysis of the core range of ITABs gates and guidance has now been completed and work continues to complete the traditional checkouts and the self-checkouts. These will be made available to all customers who purchase these items and will guide our engineers in the development of the next generation of these products, to reduce both material use and reduce the corresponding emissions.

ITAB currently operates with a fragmented ERP landscape, which is being gradually harmonized over the coming years to improve efficiency and streamline processes. As part of this ERP project, master data actions will be implemented to enable the classification of incoming raw materials, allowing the tracking of recycled percentages for wood, metal, and purchased items. This transition will not only improve data integration across the organization but also support sustainability initiatives by enhancing the visibility of material sourcing and contributing to the reduction of virgin material usage.

We will also progress actions that will allow the ERP to provide output measurements based on the weight of raw materials and purchased items and compare it to the outgoing finished product for better waste reporting and continuous improvement opportunities.

ITAB has launched, as part of the Sustainability Services, the ReSTORE program, which refurbishes and extends the lifespan of retail fixtures, such as shelving, to 'as new' condition.

[3] E5-2, [4] E5-3, [5] E5-4, [6] E5-5

Performance Metrics and Targets [4]

ITAB has developed metrics around the Sustainability Services roll out through our commercial transformation project that will take place through 2025. ITAB will monitor the total revenue from the Sustainability Services and the number of leads in the CRM pipeline (Customer Relationship Management).

As we move through 2025 targets around recycled percentage in raw material use will be developed. Waste targets will be developed at a local level as part of the continuous improvement process of the ISO14001 systems in place.

Our ERP system is currently being enhanced to support material weights so they can be reported as part of the inflows, and that our PLM system (Product Lifecycle Management) can provide the weight of finished goods and the outflows.

Resource Inflows [5]

At present ITAB cannot report the total weight of raw materials and products used during the reporting period. ITAB cannot report what percentage of recycled raw materials are used to create the finished products and the associated packaging, or that of any reused or recycled components in purchased items. This will be resolved as the new ERP system is implemented throughout ITAB Group.

Resource Outflows [6]

ITAB uses a third-party supplier, Design Conformity, to provide detailed life cycle analysis of some of the ITABs products. As part of the assessment the de-constructability, reusability, recyclable content, recycled content, renewable content and any refurbished components are all assessed at a component level, giving an overall percentage for the finished product. The lifespan of the item is also captured as part of the certificate. The results are shown below summarised by a number of sales groups. At present ITAB cannot report the total weight of finished products created during the reporting period. This will be addressed as the new ERP system is implemented throughout ITAB Group.

Sales Group	Lifespan	De-constructability	Reusability	Recyclable content	Recycled content	Renewable content	Refurbished components
Gates & Guidance	10 years	99%	0%	98%	43%	1%	0%
Checkouts	10 years	96%	0%	93%	1%	1%	0%
Lighting	10 years	100%	94.4%	92.4%	26.4%	0%	0%

ITAB has developed metrics around the Sustainability Services roll out through our commercial transformation project that will take place through 2025.

E5 Resource Use and Circular Economy, cont.

Resource Outflows cont [6]

Waste is summarised in the tables below in tonnes.

Treatment Categories	Non Hazardous	% of Non Hazardous	Hazardous	% of Hazardous
Incineration with energy recovery R1	161,525	2%	7,714	2%
Recycling & Recovery R2, R4-R13	9,331,021	88%	15,414	3%
Biodegradation R3	214,185	2%	0	0%
Landfill D1-D5	670,326	6%	0	0%
Incineration without energy recovery D10	67,190	0%	7,247	1%
Other disposal operations D6-D9, D11-D15	176,183	2%	491,904	94%
Total	**10,620,430**	**100%**	**522,279**	**100%**

Waste material streams	Non Hazardous	% of Non Hazardous	Hazardous	% of Hazardous
Wood	1,795,554	17%	0	0%
Metal incl cable	7,231,823	68%	0	0%
Cardboard & paper	306,722	3%	0	0%
Electronics	9,528	0%	820	0%
Plastics	41,542	0%	478	0%
Waste oils	10,506	0%	15,572	3%
Glass	9,914	0%	0	0%
Paints and varnishes	195,022	2%	102,198	20%
Adhesives and sealants	28	0%	9,408	2%
Other waste	1,019,791	10%	393,803	75%
Total	**10,620,430**	**100%**	**522,279**	**100%**

Other Information [7]

As stated in BP-2 Disclosures in relation to specific circumstances, ITAB is not disclosing ESRS E5.6: Anticipated financial effects from material resource use and circular economy-related risks and opportunities.

[6] E5-5, [7] E5-6

Social information

Being an international company, ITAB's employees reflect a diverse and inclusive workplace, representing a broad range of backgrounds, identities, and experiences, including but not limited to gender, nationality, ethnicity, religion, age, sexual orientation, and ability. We engage with our employees through various channels, have an open and transparent culture and always work to improve. We are focused on the development of our employees' skills and competences and follow up on the general well-being of employees through appraisal talks at individual level and other measures.

S1 Own Workforce

Impacts, Risks and Opportunities[1]

Working conditions, equal treatment and opportunities
A diverse and inclusive workplace brings significant positive impacts to employees, business performance, and company culture. We recognize the positive impact we have already seen within ITAB from the Diversity, Equity and Inclusion (DEI) area and see that by working more systematically with DEI going forward there are more opportunities in front of us. ITAB's focus to date has been mainly related to gender split in all parts of the Group as well as disability inclusion.

Ensuring transparent and fair working conditions are rooted in our employer value proposition, where fair and competitive rewards and employment terms are foundational factors. Being even stricter in the follow-up regarding equal pay and opportunities is something we see as important, to reduce the potential risk of not reaching our high ambition level in this area.

Another fundamental part of our employer value proposition is to offer our employees the opportunity to grow and develop with the company. A key part in our dialogue with employees and our yearly employee development cycle is our appraisal talks. We advocate for a transparent and ongoing dialogue with all employees continuously, which is key but we also see the yearly appraisal talk as a key milestone in taking the time to reflect on the current situation, providing structured feedback and plan for future development. During 2024 we have seen positive development in both held appraisal talks and corresponding development plans for individuals, which we know have a positive impact on employee engagement and retention. There is still room for improvement, and we see clear positive opportunities ahead related to both appraisals and corresponding development plans and execution of thereof.

During 2024, we have seen important volume and sales growth in many of our regions which has put pressure on some of our functions and individuals to meet the increasing demand. This is something that is fundamentally positive for the Group and our employee sentiment but also has led to increasing stress levels in some functions and regions. To address these challenges, we are focused on our internal communication and change management, strengthening our focus on good leadership and mental health and reaffirming our commitment to transparency and the well-being of our workforce.

All employees in our own workforce are included in the scope of our disclosures. Our own workforce does not include self-employed people or people provided by third-party undertakings, primarily engaged in employment activities. Lastly, due to the nature of our operations and the jurisdictions covering our workforce, we are not at risk of either forced labour incidents or child labour incidents.

Health & Safety (H&S)
Many of our employees work in the manufacture of retail interiors, predominantly using metal and wood. As such the workplace provides a higher risk than that of our offices. Rigorous risk assessment and safety procedures reduce the risk in these areas, but it is still a risk to our employees, with potentially high impacts.

Risks are the potential to cause serious injury or death and the severity of an accident that could happen. The opportunities for H&S are to decrease the accident rate and the severity rate over time through the deployment of a H&S governance structure and the development of a safety vision and strategy.

[1] ESRS 2 SBM-3

S1 Own Workforce, cont.

Policies [2]

Working conditions, equal treatment and opportunities
Our commitments to our own workforce as well as employee obligations are outlined via global employee policies, country-specific policies, and employee handbooks.

Through the adopted policies, we describe our commitments and positions in place for our employees as well as obligations expected from employees. The key policies in this area include our Employee Code of Conduct but also our Group Pay Policy. These policies are owned by the People & Culture organisation, with our Chief People & Sustainability Officer being overall accountable for them.

Our Code of Conduct outlines ITAB Group's ethical principles, behavioural expectations, and compliance guidelines for employees. It emphasizes business integrity, including zero tolerance for corruption, fair competition, and responsible business practices. The document also covers human rights and workplace environment, promoting diversity, fair treatment, and a safe, inclusive work culture. Additionally, it details sustainability commitments, focusing on environmental responsibility and ethical supply chain management. Lastly, it includes guidance on reporting misconduct, with a whistleblowing mechanism to ensure accountability and transparency.

Our Group Pay Policy outlines the principles and rules that should be applied when it comes to compensation and benefits of our employees. It clearly outlines that our approach to compensation and benefits should be based upon fair and market-based salary levels, and it clearly states that no discrimination is tolerated.

For the benefit of our stakeholders, including our employees, we also have a whistleblowing policy (with our General Counsel being accountable) that allows any incidents under the equal treatment and opportunities topics to be reported also in an anonymous way.

Health & Safety (H&S)
Providing a safe workplace for all employees, contractors and visitors is a key priority for ITAB and we maintain a zero vision. This is reflected in the Group Health & Safety Policy, which informs all local H&S policies.

At present, four of the Group's manufacturing sites now maintain ISO45001: Occupational health and safety management systems. Under these management systems, policies are reviewed annually by local management and any changes or updates communicated to a Group level to inform any updates required at a Group level policy.

Processes for Engaging with Our Own Workforce [3, 4]

Engaging with our own workforce is crucial for ITAB's current and future success. We foster a culture built on transparency and trust where every employee should be confident in sharing their views and perspectives.

We utilize different methods and processes to foster dialogue with our workforce including:

1. Local work council structures and employment relation
2. Local surveys and pulse checks
3. Local People and Culture representatives
4. Appraisal talks between manager and employee

Remedy of negative impacts and channels to raise concern
We work actively to ensure a safe and inclusive working environment in ITAB, where all employees can feel comfortable, respected and valued. Having a clear process for being able to report grievances and complaints is a crucial part of ensuring fairness, justice, and protection for individuals and communities. It allows people to seek recourse and find a solution when they feel that their rights have been violated, promoting a more equitable and fairer workplace. If any employee feels they have experienced an instance of bullying, discrimination, or harassment, they are encouraged to seek support.

Employees can use various channels for raising their concerns or complaints e.g.:

- Reaching out to direct manager for support
- People & Culture organisation
- Local anonymous engagement survey
- Whistleblowing channel

Regardless of the reporting mechanisms and its severity level, we take all incidents seriously and handle all cases in a professional and confidential manner where all parties' needs are taken into consideration.

[2] S1-1, [3] S1-2, [4] S1-3

S1 Own Workforce, cont.

Actions on Material Impacts [5]

Diversity, equity and inclusion (DEI)
The DEI area is broad and includes several dimensions. ITAB has focused on a set of actions to date, to materialize the positive opportunities we have concluded from this:

- Increased share of female across white collar, blue collar and senior managers through more systematic follow up on country level, on regional and on group level. To ensure management attention on the topic but more importantly to share learnings and best practice across the Group,e.g. related to learnings regarding how to encourage females to blue collar roles.
- Increased number of people with diverse abilities by ensuring that our workplaces are inclusive and functional for all people. Over 2024 we have seen improvements in many of our sites related to this.
- During the year we have also started to improve our processes for handling grievances and complaints, to ensure that the bar for how to handle these important errands is the same across the Group.

Work-life balance
To mitigate the stress levels we have seen in some parts of ITAB Group, e.g. given the growing volumes we have seen during the year, we have focused on a set of actions:

- Local initiatives to support well-being but also promote teamwork and the local culture.
- Promoting collaboration across borders and share resources across the Group when possible.
- Utilize temporary workers to handle peaks.

Training and skill development
The focus on appraisal talks continued during 2024 and we see a positive development in the share of employees having had an appraisal talk. This year there has been several improvements to the process for our blue-collar workers which has been piloted in parts of the Group.

Local training initiatives, based on the individual development plans from the appraisal talks, have continued according to already established procedures. On Group level the focus during 2024 have been on Leadership development and we see many other learning and training topics as positive opportunities to focus on, on Group level going forward.

We have also appointed a VP Group Competence & Leadership Development role, to accelerate the focus on this important topic even more.

Health & Safety (H&S)
Health and safety considerations are embedded in ITAB's business strategy, influencing operational planning, investment priorities, and workforce management. Regular risk assessments and incident analyses inform leadership decisions, ensuring continuous safety improvements across all facilities. Employee feedback from the 2024 sustainability survey has further shaped ITAB's safety priorities, leading to the planned development of a robust accident investigation tool and a group-wide safety framework in 2025. These measures reinforce ITAB's commitment to integrating workplace safety into strategic decision-making, aligning with its Vision Zero objective and long-term business resilience.

Performance Metrics and Targets [6]

Working conditions, equal treatment and opportunities
ITAB tracks the progress on our key metrics on local level, regional level, Group level and the Board of Directors.

ITAB has a gender target centred around the following:
Maintaining a balanced workforce where neither gender represents more than 60 percent across all departments and management levels. We are currently measuring this metric for blue collar, white collar and senior managers. We are doing progress in many areas, even if the overall Group result indicate a slight reduction 2024, but there is still a clear room for improvement and advancement in this area.

Moreover, we have a zero vision when it comes to harassment and violence, where the current situation indicates that also here, we have more work to do. We also follow short-term sick leave and employee turnover closely.

Employee satisfaction would also be a key metric in this area and ITAB is looking into launching a groupwide employee survey during 2025.

Health & Safety (H&S)
ITAB has maintained its zero-fatality rate in 2024. However, in 2024 there were 59 lost time accidents giving a total frequency rate (TFR, incidents per million hours) of 11.60 (8.23) and a lost time severity rate (LTSR) of 0.25 (0.28) from 1,271 lost hours in 2024 (1,285).

100 percent of employees are covered by a Health & Safety Management System. Internal audits and ISO45001 external audits certify the validity of the management system.

Our long-term ambition is reducing lost time accidents to zero. In the short-term ITAB is focusing on reducing the TFR and the LTSR on the way to achieving the Zero vision. Short- and medium-term goals will be set during 2025. Our long-term goal is zero lost time accidents.

Gender balance targets:

Maintaining a balanced workforce where neither gender represents more than 60 percent across all departments and management levels.

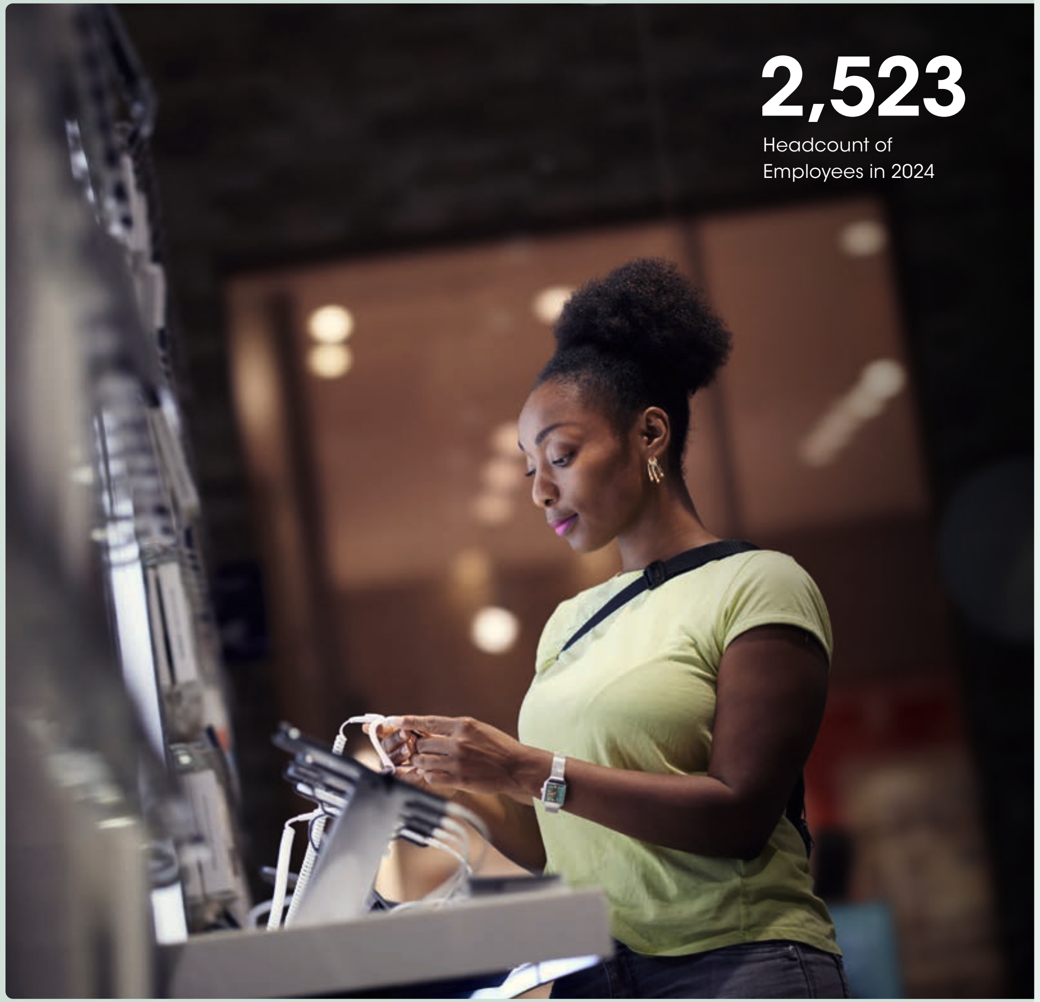
100%
of ITABs employees are covered by a Health & Safety Management System

[5] S1-4, [6] S1-5

S1 Own Workforce, cont.

S1-6 Characteristics of the undertaking's employees

Our workforce primarily consists of permanent employees, which helps attract and retain top talent, creating a knowledgeable and experienced team. This allows us to continuously invest in employee development and the reciprocal approach ensures continuity and operational effectiveness.



Employee Characteristics

Gender and Contract Type

	Headcount of employees as of 31 December 2024	Permanent	Temporary	Non-Guaranteed hours
Female	681	672	9	0
Male	1,842	1,823	19	0
Other	0	0	0	0
Non-disclosed	0	0	0	0
Total	**2,523**	**2,495**	**28**	**0**

Contract Type and Geographical Distribution

	Headcount of employees	Temporary	Non-Guaranteed Hours	Total headcount as of 31 Dec 2024
Argentina	79	0	0	79
Chile	1	0	0	1
China & Hong Kong	268	0	0	268
Czechia	390	0	0	390
Denmark	24	0	0	24
Estonia	8	0	0	8
Finland	145	1	0	146
France	34	0	0	34
Germany	246	11	0	257
India	1	0	0	1
Italy	360	3	0	363
Latvia	103	0	0	103
Lithuania	148	2	0	150
Malaysia	7	0	0	7
Netherlands	66	10	0	76
Norway	159	0	0	159
Poland	10	0	0	10
Spain	10	1	0	11
Sweden	264	0	0	264
UAE	7	0	0	7
UK	160	0	0	160
USA	5	0	0	5
Total	**2,495**	**28**	**0**	**2,523**

Turnover Rate

Employee turnover rate	2024
Rate	14.5%
Number of Employees	2,523

S1 Own Workforce, cont.

S1-7 Characteristics of non-employees in the undertaking's own workforce

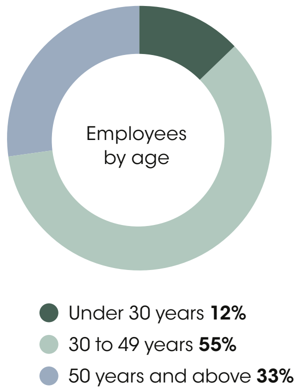
Contracted labour allows our facilities to flex to respond to customer requirements.

Headcount of non-employee in ITAB workforce	
Female	6
Male	35
Total	**41**

S1-8 Collective bargaining coverage and social dialogue

Social dialogue and the right of association are all covered in the ITAB Group Code of Conduct and are a right for every employee.

	Collective Bargining Coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 employees representing >10% total employees)	Employees – Non-EEA (estimate for regions with >50 employees representing >10% total employees)	Workplace representation in EEA countries >50 employees only
0-19%	Czechia, Latvia, Lithuania,	China, UK,	Czechia, Latvia, Lithuania,
20-39%			
40-59%		Argentina, Norway	
60-79%	Germany		Germany
80-100%	Finland, Netherlands, Sweden		Finland, Italy, Netherlands, Sweden



S1-9 Diversity metrics

As of 31 December 2024, 27.0 percent of the workforce identified as women, down slightly on the 2023 figure. Women in senior management compromised of 20.8 percent.

Senior managers are defined as the top four levels of employees below the Board of Directors.

Senior Managers Headcount		
Women	25	20.8%
Men	95	79.2%
Total	**120**	

Age distribution		
Under 30 years	305	12.1%
30-49 years	1384	54.9%
50 years and above	834	33.1%
Total	**2,523**	

	Permanent		Temporary		
Gender and country	Women	Men	Women	Men	% Women
Argentina	7	72	0	0	8.9%
Chile	0	1	0	0	0.0%
China & Hong Kong	127	141	0	0	47.4%
Czechia	128	262	0	0	32.8%
Denmark	5	19	0	0	20.8%
Estonia	2	6	0	0	25.0%
Finland	25	120	0	1	17.1%
France	11	23	0	0	32.4%
Germany	43	203	3	8	17.9%
India	0	1	0	0	0.0%
Italy	89	271	0	3	24.5%
Latvia	26	77	0	0	25.2%
Lithuania	25	123	1	1	17.3%
Malaysia	2	5	0	0	28.6%
Netherlands	10	56	5	5	19.7%
Norway	39	120	0	0	24.5%
Poland	3	7	0	0	30.0%
Spain	4	6	0	1	36.4%
Sweden	83	181	0	0	31.4%
UAE	1	6	0	0	14.3%
UK	37	123	0	0	23.1%
USA	5	0	0	0	100.0%
Total	**672**	**1,823**	**9**	**19**	**27.0%**

S1 Own Workforce, cont.

S1-10 Adequate wages

ITAB pays its employees adequate wages, in line with all applicable benchmarks in all countries.

S1-11 Social protection

ITAB ensures that our employees are covered against loss of income due to major life-changing events, such as sickness, occupational injury, redundancy, parental leave, and retirement.

S1-12 Persons with disabilities

Due to legal restrictions under the EU General Data Protection Regulation (GDPR) covering all EU member states and EEA countries, as well as similar principles of personal data protection through national legislation in the countries the Group operates in outside the EU and EEA, we are unable to report on the number of persons with disabilities within our organisation.

S1-13 Training and skills development metric

ITAB cannot currently provide the number of training hours per employee and will determine how this can be done through 2025.

Total appraisals by gender

	Appraisals	Headcount as of 31 Dec 2024	
Women	463	681	68.0%
Men	1,314	1,842	71.3%
Total	**1,777**	**2,523**	**70.4%**

S1-14 Health & safety metrics

Health & safety	2024
Percentage of employees covered by Health & Safety Management System	100%
Percentage of temporary employees covered by Health & Safety Management System	100%
Number of fatalities as a result of work-related injuries and work-related ill health	0
Number of recordable work-related accidents	59
Rate of recordable work-related accidents	11.6 per million hours
Number of cases of recordable work-related ill health	0
Number of days lost due to work-related injuries from work-related accidents	1,271

Due to GDPR restrictions, which apply to all EU member states and EEA countries, we cannot differentiate between occupational diseases as outlined by the International Labour Organization (ILO). Consequently, we report on all recorded sickness without distinguishing between work-related and non-work-related cases.

Sick leave, %	
Short Term	2.3%
Long Term	1.7%
Total	**4.0%**

S1-15 Work-life balance metrics

	Female	Female	Male	Male	% of total
Family related leave - Entitled	681	100.0%	1,842	100.0%	100.0%
Family related leave - Taken	74	10.9%	90	4.9%	6.5%

S1-16 Remuneration metrics

Our reporting is based on the remuneration of the highest-earning employee compared to employees in ITAB.

Total Annual Renumeration	2024
Renumeration Ratio	1:69.7

S1-17 Incidents, complaints and severe human rights impacts

We address all discrimination incidents and complaints filed within ITAB through formal channels. Given the sensitive nature of these matters, we do not disclose details about the incidents. Each report or complaint is handled with the highest level of confidentiality. Our grievance mechanisms ensure that employees can report any incident confidently and securely.

No fines and penalties related to discrimination were registered in 2024. We remain dedicated to complying with all relevant regulations and upholding the integrity of our business practices. In 2024, no severe human rights incidents relating to our workforce occurred, and consequently, no fines, penalties, or compensation related to severe human rights incidents were registered.

	Number
Total number of incidents of discrimination	4
Number of complaints filed through channels and grievance mechanisms	7
Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints	0 SEK
Number of severe human rights incidents	0
Non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises Incidents	0

S2 Workers in the Value Chain

Impacts, Risks and Opportunities[1]

ITAB is committed to building a robust ecosystem of partners and suppliers that enables us to deliver comprehensive solutions to our customers while enhancing efficiency, reducing lead times, improving quality, and minimizing waste. At the same time, we prioritize social sustainability across our value chain, ensuring that our business practices do not compromise human rights or fair labour conditions.

Our commitment is embedded in three of ITAB's seven strategic pillars:

- *Developing an Ecosystem of Partners* – fostering strong, responsible relationships with suppliers and stakeholders.
- *Sustainable Future* – ensuring long-term, ethical, and environmentally responsible business practices.
- *Excellence in Operations* – optimizing supply chain processes to improve quality and efficiency while upholding ethical standards.

As part of the double materiality assessment it identified the following material topics related to workers in the value chain:

- Workers in the value chain, upstream working conditions – ensuring fair wages, safe workplaces, and ethical labour practices.
- Workers in the value chain, upstream equal treatment and opportunities for all – preventing discrimination and promoting diversity and inclusion.
- Workers in the value chain, other work-related rights, upstream child and forced labour – mitigating the risk of human rights violations, particularly in high-risk regions.

While a significant portion of ITAB's upstream value chain is based in Europe, our supply chain includes partners in South America and China, where the risks related to working conditions, forced labour, and human rights violations may be heightened. To address these risks, ITAB is implementing a proactive due diligence framework that includes:

- Supplier audits and compliance monitoring to assess labour conditions.
- Risk assessments based on geographical and industry-specific factors.
- Collaboration with suppliers to drive improvements through training, corrective action plans, and capacity-building initiatives.
- A grievance mechanism to enable workers in the value chain to report labour rights violations.

Beyond risk mitigation, we recognize opportunities to enhance transparency and accountability within our value chain. By strengthening supplier engagement and implementing traceability measures, ITAB aims to:

- Improve visibility into potential social impacts across the value chain.
- Align with emerging regulatory requirements, such as the Corporate Sustainability Due Diligence Directive (CSDDD), by adopting best practices globally - not just in Europe.
- Strengthen our brand reputation and create a competitive advantage by demonstrating leadership in ethical sourcing and responsible supply chain management.

By embedding these principles into our strategy, ITAB is not only ensuring compliance with international sustainability standards but also enhancing long-term business resilience and stakeholder trust.

Policies[2]

ITAB ensures that working conditions, equal treatment, and child/forced labour protections are fully integrated into our Supplier Code of Conduct, which is derived from our overarching Group Code of Conduct to maintain consistency across the value chain. These commitments are further reinforced through our Group Sustainable Procurement Policy.

Local Compliance Measures:

- In Germany, we have implemented a policy aligned with the Supply Chain Act.
- In Norway, we comply with the Transparency Act to ensure greater supply chain accountability.
- In the UK, ITAB has adopted a Modern Slavery Policy in line with local legislation, which is publicly available on our website.

To ensure supplier compliance, ITAB has implemented:

- Supplier audits and due diligence processes to monitor adherence to these policies.
- Grievance mechanisms and reporting channels to identify and address violations.
- Performance Indicators (KPIs) and monitoring frameworks to assess policy effectiveness and track progress.

Through these measures, ITAB is committed to enhancing labour rights, promoting fair working conditions, and ensuring responsible sourcing across all regions of operation.

Processes for Engaging with Our Value Chain Workforce[3]

For the supply chain ITAB has local procurement functions in place in country which will regularly engage with the suppliers in their local supply chain. Local procurement professionals will conduct supplier audits on selected suppliers, presenting them an opportunity to see the facilities and the workers within.

At a Group level there are category managers who generally manage the relationships with suppliers that serve multiple countries. Suppliers' audits are scheduled and carried out on a rotating basis.

Both category managers and local procurement will audit focusing on health & safety standards within the facility, labour & human rights and ethics policies, training of workers, procurement policies and practices, amongst other things to ensure a high level of understanding of the supply chain.

Any issues identified with the audit will require a timebound improvement plan developed in conjunction with the supplier. ITAB has a tier approach to suppliers, approved, preferred and partner, which are defined in our sustainable procurement policy.

Suppliers and their workers also have access to the ITAB whistleblowing service for identification of breaches of the code of conduct. In 2024 there were no reported cases from the supply chain.

In 2024 a survey of all category managed suppliers was conducted looking for alignment of material impacts, risks and opportunities. Suppliers were invited to review ITAB's double materiality analysis and highlight how it overlapped with theirs, so potential synergies could be developed in the future. This information is also reflected back into our DMA as suppliers are a key stakeholder. In turn this is included in the periodic reviews of the strategy and business model.

[1] ESRS 2 SBM-3, [2] S2-1, [3] S2-2

S2 Workers in the Value Chain, cont.

Actions on Material Impacts [4, 5]

ITAB applies a risk-based due diligence process to assess potential suppliers before onboarding. This includes:

- A pre-selection questionnaire to evaluate key ESG risks.
- A risk assessment framework that assigns risk ratings based on factors such as geographical location, industry sector, and previous compliance history.
- A specific assessment of forced and child labour risks, ensuring that suppliers do not pose a high risk for human rights violations before approval.

To further enhance compliance with local regulations, ITAB has implemented targeted actions in Norway and Germany to align with:

- The Transparency Act (Norway) – increasing supply chain visibility and accountability.
- The Supply Chain Act (Germany) – ensuring suppliers adhere to mandatory human rights and environmental due diligence requirements.

Future Developments & Strengthening Due Diligence
Starting in 2025, ITAB will enhance its supplier due diligence processes to align with the upcoming Corporate Sustainability Due Diligence Directive (CSDDD), which takes effect in 2027. This will include:

- Refining risk assessment criteria to align with new CSDDD standards.
- Expanding supplier questionnaires to incorporate additional sustainability and human rights factors.
- Introducing on-site audits for medium- and high-risk suppliers to verify compliance with social and environmental standards.
- Developing supplier engagement programs to support continuous improvement and corrective action where risks are identified.

By strengthening our risk assessment and due diligence framework, ITAB is committed to ensuring ethical sourcing, minimizing human rights risks, and proactively preparing for evolving regulatory requirements.

[4] S2-3, [5] S2-4, [6] S2-5

Performance Metrics and Targets [6]

Within the value chain 100 percent of category managed suppliers have signed the Supplier Code of Conduct and 100 percent of the targeted onsite audits were completed for 2024. Short-, medium- and long-term goals will be developed through 2025. In total 14 audits of category managed suppliers were made and 22 improvement actions agreed.

There have been no identified child and forced labour incidents in the value chain in 2024. ITAB's target is to have no cases linked to child and forced labour through our value chain.

Governance information

At ITAB, strong governance ensures ethical business practices, transparency, and compliance with the European Sustainability Reporting Standards (ESRS). Sustainability is integrated into decision-making, with oversight from the Board and Group Management. Our framework includes risk management, responsible business conduct, and due diligence to uphold human rights, environmental standards, and corporate ethics across our value chain. Through continuous improvement, we enhance stakeholder trust and drive sustainable performance.

G1 Business Conduct

Impacts, Risks and Opportunities [1, 2]

The Board of Directors oversees Governance as they do will all aspects of sustainability. The Audit Committee within the Board applies oversight to sustainability reporting including reporting required under the governance heading, Group Management are responsible for strategy to achieve the sustainability goals, and key members of Group Management are responsible for deployment of activities through the organisation. More information can be found on page 18 where ESRS 2 GOV 1 is described in more detail.

Ethical business conduct is fundamental to ITAB's business model, which relies on both our own workforce and workers in the value chain. Compliance with legislation and international guidelines is a priority, not only to mitigate legal and financial risks but also to maintain an efficient and skilled workforce. A strong corporate culture is key to safeguarding employees and stakeholders from human rights violations, preventing corruption, and protecting whistleblowers. Beyond legal obligations, these commitments are essential to sustaining our license to operate, strengthening our internal social strategy, and achieving long-term commercial success.

The identification of IROs within the Governance standard are carried out on the basis of the insights from Group Legal and their knowledge of ITAB Group. The assessment rests on initial engagement with relevant stakeholders. In addition such rules and regulations as the EU Whistleblower Directive, UK Bribery Act 2019, current and upcoming EU anti-corruption legislation and the OECD Guidelines on Multinational Enterprises were consolidated and assessed against our current practices.

As part of the double materiality assessment ITAB identified the following material impacts, risks and opportunities:
- Business conduct, corruption and bribery, prevention, detection including training
- Business conduct, protection of whistleblowers

[1] ESRS 2 GOV-1, [2] ESRS 2 IRO-1

G1 Business Conduct, cont.

Policies [3]

ITAB Group Code of Conduct
ITAB Group's Code of Conduct applies to all employees, board members (executive and non-executive), and subsidiaries. It defines our commitment to legal compliance, ethical business conduct, and integrity across all operations and jurisdictions. The policy is publicly available on our website.

Our business conduct principles emphasize fair and honest relationships, respect, and zero tolerance for corruption and cartel activities. ITAB also remains politically neutral in all markets. Compliance is monitored through internal reviews, audits, and reporting mechanisms, with corrective actions taken in cases of violations.

Supplier Code of Conduct
In 2022, ITAB updated its Supplier Code of Conduct, aligning it with ISO20400:2017 Sustainable Procurement standards. The policy outlines mandatory legal and ethical requirements, including:
- Compliance with anti-corruption, bribery, and environmental laws.
- Fair operating practices, including rules on hospitality, gifts, and expenses.
- Regular supplier assessments and audits to ensure adherence.

Non-compliance may result in corrective action plans or termination of business relationships, ensuring ethical sourcing and sustainable procurement.

Our business conduct principles emphasize fair and honest relationships, respect, and zero tolerance for corruption and cartel activities.

Anti-Corruption Policy
Building on the Group Code of Conduct, ITAB has a dedicated Anti-Corruption Policy, accessible to all employees via the ITAB intranet. This policy expands on key principles, detailing guidelines for travel, training conferences, and promotional events to prevent conflicts of interest. Mandatory training programs reinforce ethical behaviour across all levels of the organization.

Whistleblower Policy
ITAB encourages employees, business partners, and stakeholders to report any suspected violations of our Code of Conduct through a confidential whistleblowing service. The system plays a crucial role in mitigating risks, strengthening corporate ethics, and maintaining public trust.

Whistleblowing reports can cover:
- Illegal activities, financial crimes, bribery, and corruption.
- Competition law breaches and environmental offenses.
- Workplace safety concerns affecting employee well-being.

All reports are investigated confidentially and resolved without undue delays. The policy strictly prohibits retaliation against whistleblowers, ensuring a secure reporting environment.

In late 2023, ITAB updated and relaunched the whistleblowing system, followed by awareness campaigns and training throughout 2024 to enhance accessibility and effectiveness.

By embedding strong governance policies, compliance mechanisms, and ethical safeguards, ITAB fosters a transparent, responsible, and legally compliant corporate culture.

G1-2 Management of relationships with suppliers

ITAB Group is committed to fair and responsible supplier management. Our procurement processes follow a standard practice of adhering to each supplier's agreed payment terms, ensuring that all payments are made in full compliance with the original contract. As payment terms vary significantly because we have grown and acquired various company over the years, ITAB will work throughout 2025 to establish standardized payment terms that promote consistency and fairness across our supply chain.

G1-3 Prevention and detection of corruption and bribery

ITAB is committed to preventing corruption and bribery, which is why we have implemented an Anti-Bribery and Anti-Corruption Policy that supports our Code of Conduct and upholds high ethical standards while ensuring compliance with relevant laws. The policy offers clear guidelines on the giving and receiving of gifts and hospitality, ensuring they do not serve as attempts to unduly influence decisions, and promotes transparency in all business activities and interactions.

To prevent bribery and corruption within our operations, we have established procedures to maintain continuous oversight of company expenses. A key element of these procedures is our approval system, which requires superior approval for any gifts, meals, or other forms of hospitality offered or received. This process ensures that all transactions align with our principles and fosters an environment of accountability and transparency.

Any allegations or incidents suggesting potential violations of our Anti-Bribery and Anti-Corruption Policy, or actions covered by anti-bribery and anti-corruption laws, will be promptly investigated by Group Legal if reported internally. If reported through our Whistleblowing System, the investigation will be conducted in line with our established procedures for handling whistleblower reports.

If a violation is confirmed, it is immediately addressed, and appropriate corrective actions are implemented. Additionally, all outcomes, findings, and decisions from the investigation are reported to the relevant management, Group Management, as well as to the Board of Directors. Incidents of corruption and bribery within the value chain are reported to the Group Management and the Board of Directors as part of our regular internal reporting.

[3] G1-1, [4] G1-2, [5] G1-3

G1 Business Conduct, cont.

G1-4 Incidents of corruption or bribery

	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount fines from violation of anti-corruption and anti-bribery laws	0 SEK
Number of errands reported through whistleblowing	6
Number of confirmed incidents of corruption and bribery from whistleblowing errands	0

G1-5 Political influence and lobbying activities

ITAB does not take part in political influencing and lobbying activities.

G1-6 Payment practices

During 2024 it has not been possible to calculate the average time to pay an invoice. There are currently no legal proceedings for late payments. Through 2025 ITAB will develop a methodology for measurement average payment time.

A strong corporate culture is key to safeguarding employees and stakeholders from human rights violations, preventing corruption, and protecting whistleblowers.

ESG Accounting Policy

Reporting scope
All ITAB companies in all geographical locations.

Reporting framework
The sustainability statement has been structured in preparation for compliance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Definitions

Climate

- CO_2e scope 1 is calculated as combusted fuel type x conversion factor per fuel type. Calculations have been done in line with GHG Protocol using WRI GHG Protocol Emission Factor from Cross Sector Tools (March 2017).
- CO_2e scope 2 is calculated as purchased MWh x conversion factor by country from carbonfootprint.com.
- Electricity is the billed amount in MWh amount from the energy provider.
- Natural Gas is either kWh directly from the energy provider, or where not available m^3 multiplied by the calorific value of the gas multiplied by 1.02264 divided by 3.6 to convert to kWh
- GHG intensity based on net revenue has been calculated as gross scope 1, scope 2 market-based emissions divided by reported net revenue in SEK million.

Circular Economy

- Waste is the collated sum taken from waste transfer notes and sorted using disposal codes.
- Using the same data, streams are sorted and totaled.

Own Workforce

- Headcount is the total of people employed on 31 December 2024 in a contract with ITAB. This includes permanent and temporary workers directly employed by ITAB. Permanent is defined as being employed by ITAB with no fixed end date of employment. Temporary is defined and employed by ITAB but with a pre-determined end date usually linked to project or a cover for a permanent employee.
- Employee turnover rate is the cumulative number of people on ITAB contracts that have left ITAB divided by the average number of employees in the reporting period (1 January – 31 December 2024) calculated as closing headcount 2023 added to the closing headcount 2024 divided by 2.
- Contractors are classified as non-employees. They do not hold an ITAB contract, but their labour contributes to ITAB. The headcount of non-employees is the number of people employed this way on 31 December 2024.
- Collective bargaining is calculated by aggregating the total number of employees covered by collective bargaining agreements in the reporting period, excluding contractors, and dividing this total by the number of employees in ITAB.
- Senior Managers are defined as the top four levels of management in the ITAB hierarchy.
- Gender distribution is calculated by summing the total aggregated headcount of both women and men, respectively, in senior management and dividing by the combined headcount of women and men in senior management.
- The age distribution of employees is calculated by aggregating the total headcount of employees under 30 years (29 or younger), employees between 30 and 49 years (30 to 49), and employees aged 50 years or above. This calculation is based on an actual headcount on 31 December 2024.
- The percentage of employees participating in performance appraisals is calculated using the total employee headcount from the S1-6 disclosure as the denominator.
- Work related fatalities are the number of deaths occurring from work related injuries or ill health, occurring to an ITAB employee in the reporting period.
- Work related accidents are the number of lost time accidents from work related injuries or ill health, occurring to an ITAB employee in the reporting period.
- The accident rate is calculated using the number of lost time accidents, divided by the hours worked and multiplied by 1 million to provide a rate per million hours worked.
- Sick leave is the total number of short-term hours lost plus the total number of long-term sick hours lost due to illness, divided by the total scheduled hours. Short term is defined as 30 calendar days and long term is equal to or greater than 30 days,
- Family-related leave includes leave for caring for sick children or relatives, maternity leave, paternity leave, parental leave, breastfeeding, birth, and adoption.
- Remuneration Ratio was calculated by using the numerator from the financial reports, Note 8, which shows the total remuneration of the CEO, including base salary, benefits, bonuses, short and long term and pension. The denominator is the median of the total compensation for each individual employee minus that of the CEO.

Business Conduct

- Convictions for violations of anti-corruption and anti-bribery laws which is determined during the financial year.
- Fines for violations of anti-corruption and anti-bribery laws are determined by a court of law during the financial year.
- The number of reports received through the Whistleblower System during the year is based on information and confirmation by our legal department at the end of the year.

ESRS 2 Appendix B

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulationreference	EU climate law reference	Material/ not material	Page reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	18
ESRS 2 GOV-1 Percentage of board mem- bers who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	84
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				Material	19
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities rela- ted to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	36
ESRS E1-1 Undertakings excluded from Pa- ris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Imple- menting Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material	
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Imple- menting Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignme- nt metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	37
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not Material	
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	37
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not Material	
ESRS E1-6 Gross scope 1, 2, 3 and Total GHG emis- sions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Imple- menting Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	37
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Imple- menting Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	37
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	

ESRS 2 Appendix B, cont.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulationreference	EU climate law reference	Material/ not material	Page reference
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not material	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not material	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material	
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Material	40
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Material	40
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	

ESRS 2 Appendix B, cont.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulationreference	EU climate law reference	Material/ not material	Page reference
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	44
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	44
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material	44
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	44
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	44
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	48
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Material	48
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	48
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	48
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	48
ESRS S1-17 Nonrespect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	48
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Material	49
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Material	49
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Material	49
ESRS S2-1 Nonrespect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	49
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material	49
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Material	50

ESRS 2 Appendix B, cont.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulationreference	EU climate law reference	Material/ not material	Page reference
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1 Policies related to consumers and endusers paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	52
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	52
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	53
ESRS G1-4 Standards of anti-corruption and antibribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	53

Global Reporting Initiative (GRI)

ITAB presents its sustainability information with the support of Global Reporting Initiatives' (GRI) standards, core level. The Sustainability Report is prepared annually as a section in the Annual Re- port. The sustainability information presented has not been reviewed by an external party.

The information in the Sustainability Report is to provide a comprehensive overview of ITAB's work within the framework of Environmental, Social, and Corporate Governance (ESG) sustainability. The sustainability information in this report has been defined and delimited on the basis of an analysis of ITAB's most essential issues, and describes the impact both within and outside of the organization.

GRI's fundamental principles for sustainability reporting form the basis for the preparation of ITAB's GRI report. This includes consideration having been given in order to ensure good reporting quality and to delimit and define the content of the report.

The index refers to ITAB's Annual Report 2024 including the Sustainability Report. The page references show where man- datory standard information and selected indicators based on the materiality analysis are reported in this report.

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Statement of use: ITAB Shop Concept AB has reported the information cited in this GRI content index for the period 1 January to 31 December 2024 with reference to the GRI Standards. **GRI used:** GRI 1: Foundation 2021 **Publication date:** 7 April 2025

GRI standard	Disclosure	ESRS Discloure	Page reference	Comments
GRI 2: General Disclosures 2021	2-1 Organizational details		3, 97, 116	
	2-2 Entities included in the organization's sustainability reporting	ESRS 2 BP-1	16	
	2-3 Reporting period, frequency and contact point		59	
	2-4 Restatements of information	ESRS 2 BP-2	17	There have been no material restatements
	2-5 External assurance		62	
	2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1	20	
	2-7 Employees	ESRS 2 SBM-1, ESRS S1-6	20, 47	
	2-8 Workers who are not employees	ESRS S1-7	47	
	2-9 Governance structure and composition	ESRS 2 GOV-1, ESRS G1	18, 52-53	
	2-10 Nomination and selection of the highest governance body		78-82	
	2-11 Chair of the highest governance body		84	
	2-12 Role of the highest governance body in overseeing the management of impacts	ESRS 2 GOV-1, ESRS 2 GOV-2, ESRS 2 SBM-2, ESRS G1	18, 19, 24-26, 52-53	
	2-13 Delegation of responsibility for managing impacts	ESRS 2 GOV-1, ESRS 2 GOV-2	18, 19	
	2-14 Role of the highest governance body in sustainability reporting	ESRS 2 GOV-1, ESRS 2 IRO-1	18, 28	
	2-15 Conflicts of interest		78-82	
	2-16 Communication of critical concerns	ESRS 2 GOV-2, ESRS G1-1	19, 52	
	2-17 Collective knowledge of the highest governance body	ESRS 2 GOV-1	18	
	2-19 Remuneration policies	ESRS GOV-3	19, 106-109	
	2-20 Process to determine remuneration	ESRS GOV-3	19, 106-109	
	2-21 Annual total compensation ratio	ESRS S1-16	48	
	2-22 Statement on sustainable development strategy	ESRS SBM-1	20-22	
	2-23 Policy commitments	ESRS GOV-4, ESRS S1-1, ESRS S2-1, ESRS G1-1	19, 44, 49, 52	
	2-24 Embedding policy commitments	ESRS GOV-2, ESRS S1-4, ESRS S2-4, ESRS G1-1	19, 45, 50, 52	
	2-25 Processes to remediate negative impacts	ESRS S1-1, ESRS S2-1	44, 49	
	2-26 Mechanisms for seeking advice and raising concerns	ESRS S1-3, ESRS S2-3, ESRS G1-1	44, 50, 52	
	2-27 Compliance with laws and regulations	ESRS SBM-3, ESRS E2-4, ESRS S1-17, ESRS G1-4	27, 48, 53	GRI 2-27 covers all significant non-compli- ance with laws and regulations, and break- downs by types of incidents of noncompli- ance. ESRS requirements cover information on current financial effects, non-compliance with regards to pollution, anticorruption and anti-bribery, and severe human rights inci- dents, in a number of topical standards.
	2-28 Membership associations	Political engagement is a sustainability matter for G1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity- specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	52-53	
	2-29 Approach to stakeholder engagement	ESRS 2 SBM-2, ESRS S1-1, S1-2, ESRS S2-1, S2-2	24-26, 44, 49	
	2-30 Collective bargaining agreements	ESRS S1-8	47	

Global Reporting Initiative, cont.

GRI standard	Disclosure	ESRS Discloure	Page reference	Comments
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESRS 2 SBM-1, SBM-3, IRO-1	20-23, 27, 28	
	3-2 List of material topics	ESRS 2 SBM-3, BP-2	17, 27	
	3-3 Management of material topics	ESRS 2 SBM-1, SBM-3, BP-2, ESRS S1-2, S1-5, ESRS S2-2, S2-4,S2-5	17, 20-23, 27, 44, 46, 49, 50	
GRI 201: Economic Performance 2016	3-3 Management of material topics	ESRS G1-1, G1-3, G1-4	52-53	
	201-1 Direct economic value generated and distributed	ESRS 2 SBM-1	20-23	
	201-2 Financial implications and other risks and opportunities due to climate change	ESRS 2 SBM-3, ESRS E1-3, E1-9	27, 36-37, 38	
	201-3 Defined benefit plan obligations and other retirement plans		106-109	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	ESRS S1-10	48	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	ESRS G1-2	52	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	ESRS G1-3	52	
	205-2 Communication and training about anti-corruption policies and procedures	ESRS G1-3	52	
	205-3 Confirmed incidents of corruption and actions taken	ESRS G1-4	53	
GRI 301: Materials 2016	3-3 Management of material topics	ESRS E5-1, E5-2, E5-3	39-40	
	301-1 Materials used by weight or volume	ESRS E5-4	40	
	301-2 Recycled input materials used	ESRS E5-4	40	
	301-3 Reclaimed products and their packaging materials	Resource outflows related to products and services' and 'Waste' are sustainability matters for E5 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS.	39-41	
GRI 302: Energy 2016	3-3 Management of material topics	ESRS E1-2, E1-3, E1-4	37	
	302-1 Energy consumption within the organization	ESRS E1-5		
	302-2 Energy consumption outside of the organization	Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an Entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	36-38	
	302-3 Energy intensity	ESRS E1-5	37	
	302-4 Reduction of energy consumption	Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an Entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	36-38	
	302-5 Reductions in energy requirements of products and services	Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an Entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	36-38	
GRI 305: Emissions 2016	3-3 Management of material topics	ESRS E1-2, E1-3, E1-4, E1-7	36-38	
	305-1 Direct (Scope 1) GHG emissions	ESRS E1-4, E1-6	37	
	305-2 Energy indirect (Scope 2) GHG emissions	ESRS E1-4, E1-6	37	
	305-3 Other indirect (Scope 3) GHG emissions	ESRS E1-4, E1-6	37	
	305-4 GHG emissions intensity	ESRS E1-6	37	
	305-5 Reduction of GHG emissions	ESRS E1-3, E1-4, E1-7	37-38	
GRI 306: Waste 2020	3-3 Management of material topics	ESRS E5-1, E5-2, E5-3	39-40	
	306-1 Waste generation and significant waste-related impacts	ESRS 2 SBM-3, ESRS E5-4	27, 40	
	306-2 Management of significant waste-related impacts	ESRS E5-2	40	
	306-3 Waste generated	ESRS E5-5	40	
	306-4 Waste diverted from disposal	ESRS E5-5	40	
	306-5 Waste directed to disposal	ESRS E5-5	40	
GRI 401: Employment 2016	3-3 Management of material topics	ESRS S1-1, S1-2, S1-4, S1-5, S1-17, ESRS S2-1	44-46, 48-49	
	401-1 New employee hires and employee turnover	ESRS S1-11	48	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESRS S1-15	48	
	401-3 Parental leave	ESRS S1-15	48	

Global Reporting Initiative, cont.

GRI standard	Disclosure	ESRS Discloure	Page reference	Comments
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	ESRS S1-1, S1-2, S1-4, S1-5, S1-17, ESRS S2-1	44-46, 48-49	
	403-1 Occupational health and safety management system	ESRS S1-1	44	
	403-2 Hazard identification, risk assessment, and incident investigation	ESRS S1-3	44	
	403-3 Occupational health services	ESRS S1-1	44	
	403-4 Worker participation, consultation, and communication on occupational health and safety	'Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	44-48	
	403-5 Worker training on occupational health and safety		44-48	
	403-6 Promotion of worker health	Social protection' is a sustainability matter for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	44-48	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESRS S2-4	50	
	403-8 Workers covered by an occupational health and safety management system	ESRS S1-14	48	
	403-9 Work-related injuries	ESRS S1-4, S1-14	45, 48	
	403-10 Work-related ill health	ESRS S1-4, S1-14	45, 48	
GRI 404: Training and Education 2016	3-3 Management of material topics	ESRS S1-1, S1-2, S1-4, S1-5, S1-17, ESRS S2-1	44-46, 48	
	404-1 Average hours of training per year per employee	ESRS S1-13	48	
	404-2 Programs for upgrading employee skills and transition assistance programs	ESRS S1-1	44	
	404-3 Percentage of employees receiving regular performance and career development reviews	ESRS S1-13	48	
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	ESRS S1-1, S1-2, S1-4, S1-5, S1-17, ESRS S2-1	44-46, 48-49	
	405-1 Diversity of governance bodies and employees	ESRS 2 GOV-1, ESRS S1-6, S1-9, S1-12	18, 47-48	
	405-2 Ratio of basic salary and remuneration of women to men	ESRS S1-16	48	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESRS S1-17	48	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Freedom of association' and 'Collective bargaining' are sustainability matters for S1 and S2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS.	44-50	
GRI 408: Child Labor 2016	3-3 Management of material topics	ESRS S1-1, S1-2, S1-4, S1-5, S1-17, ESRS S2-1	44-46, 48-49	
	408-1 Operations and suppliers at significant risk for incidents of child labor	ESRS S1-1, ESRS S2-1	44, 49	
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	ESRS S1-1, S1-2, S1-4, S1-5, S1-17, ESRS S2-1	44-46, 48-49	
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESRS S1-1, ESRS S2-1	44, 49	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESRS G1-2	52	
	414-2 Negative social impacts in the supply chain and actions taken	ESRS G1-2	52	
GRI 415: Public Policy 2016	415-1 Political contributions	ESRS G1-5	53	

This is a translation of the original Auditor's Report in Swedish

The Auditor's Report on the Statutory Sustainability Report

To the General Meeting of ITAB Shop Concept AB (publ), corporate reg. no. 556292-1089

Engagement and responsibility
The Board of Directors is responsible for that the Sustainability Report for 2024 on pages 15-61 has been prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

The scope of the audit
Our examination of the Statutory Sustainability Report has been conducted in accordance with FAR's auditing standard RevR 12 *Auditor's report on the Statutory Sustainability Report.* This means that our examination of the Statutory Sustainability Report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion
A Sustainability Report has been prepared.

Jönköping, 4 April 2025

Ernst & Young AB

Joakim Falck
Authorised Public Accountant

ITAB share

ITAB share

ITAB's shares were registered on Nasdaq First North in 2004, and the shares have been listed in the Mid Cap segment on Nasdaq Stockholm since 2008. In 2024, ITAB shares for approximately MSEK 945 were traded and the share price increased by 73 percent. On 31 December 2024, ITAB's market capitalisation totalled MSEK 5,292.

Market listing
ITAB's ordinary shares were registered on Nasdaq First North on 28 May 2004 and have been listed in the Nasdaq Stockholm Mid Cap segment since 2008. ITAB's shares are traded under the ticker ITAB.

The ITAB share's performance in 2024
In 2024, the ITAB share price increased by 73 percent to a final price paid of SEK 20.90 as of 31 December 2024. During the same period, the OMX Stockholm PI increased by 6 percent. The highest and lowest prices paid for the year were SEK 30.20 (closing price on 27 September) and SEK 11.60 (closing price on 8 January), respectively.

ITAB's total market capitalisation at 31 December 2024 was MSEK 5,292. Approximately 42 million ITAB ordinary shares were traded during the year at a total value of MSEK 945. Calculated against the average number of shares outstanding, this corresponds to a turnover rate of 18 percent. Calculated per trading day, an average of approximately 165,500 ITAB shares were traded per day at an average value of approximately MSEK 3.8.

Share capital
On 31 December 2024, the share capital amounted to MSEK 109. The total number of shares was 257,620,533, of which 253,220,533 were ordinary shares and 4,400,000 were Class C shares. All ordinary shares entitle the holder to an equal share of ITAB's assets and earnings, and entitle holders to one vote per share at general meetings of shareholders. The Class C shares do not carry the right to any dividend and entitle the holder to 1/10 of a vote each.

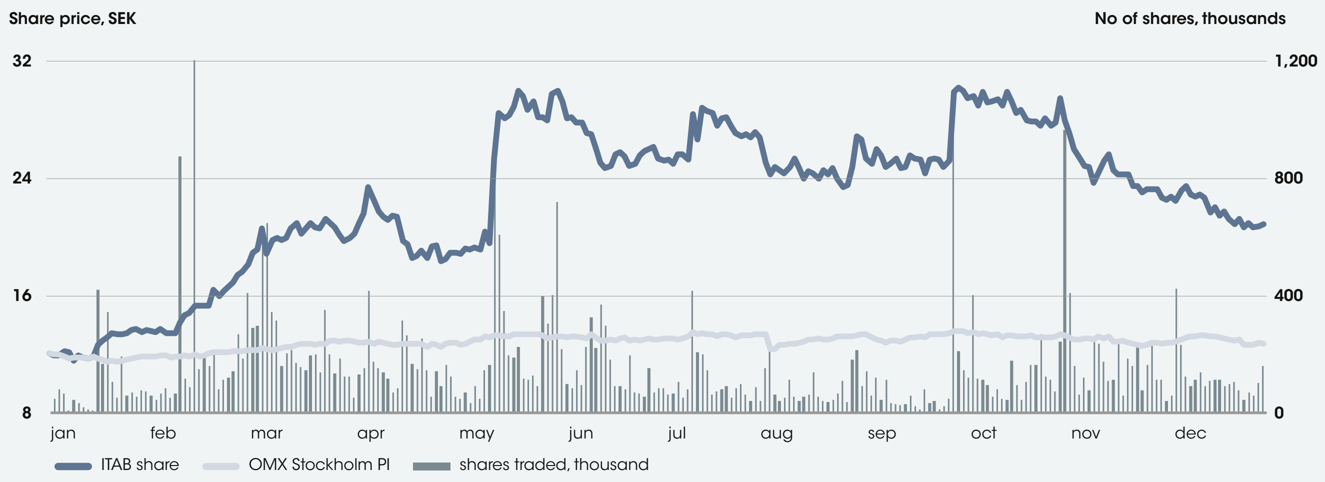
Dividends
ITAB's dividend policy states that dividends over a longer period are to follow the Group's results and correspond to at least 30 percent of the Group's profit after tax. However, dividends are to be adjusted to the Group's investment requirements and any share repurchase program. In light of the acquisition of HMY and the financial resources required to finance the acquisition, the Board of Directors has resolved to propose that no dividend be paid out for 2024 (SEK 0.75 per share for 2023).

Ownership structure
On 31 December 2024, ITAB had 6,727 shareholders. Legal entities, including equity funds, insurance companies and pension funds, etc. in Sweden and abroad owned approximately 83 percent of the total number of shares. Foreign ownership accounted for approximately 6 percent of the total number of shares. The largest shareholders at 31 December 2024 are presented in the table on page 65.

At 31 December 2024, ITAB held no ordinary shares in treasury. All 4,400,000 Class C shares were held in treasury.

Further information
ITAB's website, itabgroup.com, is continuously updated with information about price trends, changes in ownership, etc

Share performance 2024



The ITAB ordinary share [1]	2024	2023	2022	2021	2020
Share price at year-end, SEK	20.90	12.10	11.00	13.42	11.75
Market capitalisation at year-end, MSEK	5,292	2,639	2,399	2,927	1,203
Dividend, SEK	0.00 [4]	0.75	0.50	0.00	0.00
Payout ratio of net earnings	– [4]	60%	64%	–	–
Average number of shares outstanding before dilution, thousand [2]	226,184	218,015	218,100	191,396	102,383
Average number of shares outstanding after dilution, thousand [2]	227,410	219,275	219,558	218,100	102,383
Number of shares outstanding at year-end, thousand [2]	253,221	217,558	218,100	218,100	102,383
Number of shareholders at year-end	6,727	5,021	5,181	5,308	4,341
Highest share price during the year, SEK	30.20	13.24	16.00	19.90	14.69
Lowest share price during the year, SEK	11.60	8.30	7.65	10.50	4.77
Direct yield [3]	– [4]	6.2%	4.5%	–	–
Earnings per share before dilution, SEK	1.38	1.24	0.78	0.50	-0.21
Equity per share, SEK	16.30	14.01	13.81	12.17	15.69

1) All data refer to ITAB's ordinary shares listed on Nasdaq Stockholm.
2) As of 31 December 2024, ITAB Shop Concept AB held no ordinary shares in treasury.
3) Dividend divided by share price at year-end.
4) Pursuant to the Board of Directors' proposed dividend for the 2024 financial year.

Largest shareholders at 31 December 2024

	Number of			
Shareholder	**Ordinary shares**	**Class C shares**	**Shares (%)**	**Votes (%)**
ACapital ITAB HoldCo AB	56,116,610		22.16	22.16
Pomona-gruppen AB	40,018,440		15.80	15.80
Petter Fägersten, with companies and family	26,262,112		10.37	10.37
Stig-Olof Simonsson, with companies	20,335,800		8.03	8.03
Anna Benjamin, with companies and family	14,869,485		5.87	5.87
Svolder AB	13,116,080		5.18	5.18
Handelsbanken Funds	10,062,406		3.97	3.97
Lannebo Kapitalförvaltning	5,219,324		2.06	2.06
Nordea Funds	3,989,151		1.58	1.58
Försäkringsaktiebolaget Avanza Pension	3,545,167		1.40	1.40
Other Shareholders - total	59,685,958		23.58	23.58
Total number of shares outstanding	**253,220,533**	**–**	**100.00**	**100.00**
Repurchased shares held in treasury by ITAB Shop Concept AB	–	4,400,000		
Total number of shares	**253,220,553**	**4,400,000**		

Distribution of shares at 31 December 2024

		Number of		Proportion of	
Share holding	**Number of Shareholders**	**Ordinary shares**	**Class C shares**	**Shares (%)**	**Votes (%)**
1-1,000	4,856	1,084,678		0.42	0.44
1,001-5,000	1,128	2,661,848		1.03	1.05
5,001-10,000	290	2,153,562		0.84	0.85
10,001-50,000	320	7,241,714		2.81	2.85
50,001-100,000	36	2,574,123		1.00	1.01
100,001-	97	237,504,608	4,400,000 [5]	93.90	93.80
Total	**6,727**	**253,220,533**	**4,400,000**	**100.00**	**100.00**

[5] As of 31 December 2024, ITAB Shop Concept AB held no ordinary shares and all 4,400,000 Class C shares in treasury.

Financial information

Financial information

Administration Report with Corporate Governance Report

The Board of Directors and the Chief Executive Officer (CEO) of ITAB Shop Concept AB (publ), corp. reg. no. 556292-1089, based in Jönköping, hereby submit the annual accounts and consolidated accounts for the 1 January to 31 December 2024 financial year. The subsequent Corporate Governance Report, Statements of Comprehensive Income, Financial Position and Changes in Equity, Cash Flow Statements and Notes are integral components of the Annual Report and were reviewed by the company's auditors. Pursuant to the Swedish Annual Accounts Act, the statutory Sustainability Report can be found on pages 15-62.

Operations

ITAB Shop Concept develops, manufactures, sells and installs complete store concepts for retail chain stores. The comprehensive offering includes solution and store design, customised concept fittings, checkouts, customer-flow solutions, professional lighting systems, and digitally interactive solutions for physical stores. Customers include leading retailers in Europe operating in the global market. In 2024, ITAB had operating subsidiaries in Argentina, Chile, Denmark, Dubai, Estonia, Finland, France, Hong Kong, India, Italy, China, Latvia, Lithuania, Malaysia, the Netherlands, Norway, Poland, Spain, the UK, Sweden, Czechia, Germany and the US. The Group's operations in Russia were completely discontinued in 2024 (see below).

Working in close collaboration with the customer, ITAB contributes its experience and expertise to the customer's specific needs and requests. 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.

Acquisition of HMY

On 25 September 2024, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry, primarily in Europe, South America and the Middle East. In 2023, HMY had sales of just over MEUR 541. The aim of the acquisition is to strengthen ITAB's position and complement the Group's current offering. The acquisition was financed with a combination of new debt and equity. The transaction was conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. With a final and definitive share purchase agreement entered into on 5 December 2024 and the other conditions for the transaction fulfilled, the acquisition was completed on 31 January 2025. The purchase consideration was paid in connection with the closing of the transaction. HMY is consolidated in the ITAB Group as of 1 February 2025.

Discontinuation of operations in Russia

In March 2022, ITAB decided to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. For this reason, the Russian subsidiary has been recognised as Discontinued Operations in accordance with IFRS 5 as of ITAB's interim report for the third quarter of 2022. The discontinuation of the operations was completed on 27 March 2024 through the divestment of all shares in the Russian subsidiary. For more information, refer to Note 2 and Note 5. Other operations comprise Continuing Operations.

Comments and figures in this Administration Report pertain to Continuing Operations, unless otherwise stated.

Comments on the Group's performance in 2024

The year was characterised by higher sales and underlying earnings improvements, despite continued challenging market conditions and strong comparative figures for the second half of 2023. The historically strong start to the year in the first two quarters was followed by a slightly weaker autumn compared with the preceding year. The project-based nature of ITAB's operations entails that customer investments in more technology-intensive solutions do not follow the natural annual cycle of its more traditional solutions. Instead, they are the result of long decision-making processes and test periods. In integrating ITAB and HMY, the new ITAB Group is focusing on continuing to improve its operational efficiency and to secure and implement customer projects in the coming quarters in order to strengthen the competitiveness of all customers of the new Group.

Sales and profit

The Group's net sales increased by 7 percent to MSEK 6,585 (6,139). Currency-adjusted sales increased by 8 percent during the year.

Overall, the sales performance for 2024 was positive in several of ITAB's solution areas and geographic markets, with multiple new and expanded contracts signed with both existing and new customers. However, sales growth levelled out somewhat in the third and fourth quarters, primarily due to strong comparative figures and the postponement of a number of customer projects. Uncertainty around the conditions for future economic development in the retail market in Europe on the back of inflation and interest rates has gradually declined since autumn 2023, but some customers and customer groups still remain cautious in their investment decisions. Demand for the Group's technical and digital solutions for loss prevention, self-checkouts and other self-service solutions has trended positively during the year, and sales of customised shop fittings and traditional checkouts have also risen. At the same time, competition for customer assignments remains intense, which means that active sales initiatives close to the customers are needed to continue to secure customer projects in all product and solution areas.

Sales during the year were the strongest in Northern, Central and Eastern Europe, while sales to countries outside Europe declined in relation to the strong comparative figures in the preceding year. In total, Europe accounted for approximately 90 percent of net sales in 2024.

In terms of customer groups, the sales trend was positive in Grocery (+14 percent), Home Improvements (+5 percent) and Fashion (+9 percent) compared with the preceding year. Sales to other customer groups, such as retailers in pharmacies, consumer electronics, and health & beauty, decreased by 7 percent. The Group's largest customer group, Grocery, accounted for 56 percent of sales.

The Group's operating profit amounted to MSEK 459 (432), corresponding to an operating margin of 7.0 percent (7.0). Earnings were impacted by non-recurring items of MSEK -48 (0) pertaining to the acquisition costs to date for the acquisition of HMY and a capital loss in conjunction with the sale of a Group company in China (MSEK -16). Operating profit excluding these non-recurring items totalled MSEK 507 (432), corresponding to an operating margin of 7.7 percent (7.0).

The Group's earnings trend was strong during the year, primarily driven by a relatively high gross margin combined with a positive sales trend. The gross margin strengthened due to the favourable product and customer mix, with an increased share of sales of ITAB's technical solutions for loss prevention and self-service in stores in the past few years, but increased sales of customised shop fittings also positively impacted earnings. The lower share of sales of technical solutions in areas such as smart gates in the third and fourth quarters, compared with the corresponding quarters last year, is natural given that the operations are project-based and earnings for individual quarters can depend on specific project outcomes and natural seasonal variations. Adapted price increases have largely been able to compensate for the cost increases in the preceding years. Continued measures for increased sales, efficiency and cost adjustments, as well as improvements to capacity utilisation at the Group's production facilities, have yielded positive effects during the year.

Profit after financial items amounted to MSEK 438 (385) and profit after tax to MSEK 320 (292).

Cash flow, financing and liquidity

Cash flow from operating activities amounted to MSEK 624 (810). The relatively strong gross margin and operational measures to reduce the Group's working capital contributed to the cash flow performance.

Compared with the preceding year, inventories at 31 December 2024 remained largely unchanged, despite higher volumes. Cash conversion for the financial year amounted to 88 percent.

The acquisition of HMY announced on 25 September 2024 was financed through a combination of new debt and equity. As a result, ITAB obtained a binding commitment letter regarding debt financing provided by Danske Bank, Nordea and Swedbank. The debt financing comprised MEUR 255 in long-term credit facilities, also aimed at refinancing some of ITAB's existing debt outstanding under the MEUR 150 long-term credit facility entered into with Nordea and Swedbank in June 2022. To further strengthen the Group's financing capacity, the binding commitment letter also included a MEUR 100 revolving credit facility. The acquisition of HMY was completed on 31 January 2025, when the purchase consideration was paid. Accordingly, the previously obtained debt financing commitments were converted into loans.

Net debt on the balance sheet date of 31 December 2024 excluding lease liabilities amounted to MSEK -969 (45). Net debt including lease liabilities amounted to MSEK -384 (591). As of 31 December 2024, the Group had received MSEK 831 in issue proceeds from the completed directed share issue (see below and Note 27).

The Group's cash and cash equivalents, including granted unutilised credits, amounted to MSEK 2,770 (1,783) on the balance sheet date on 31 December 2024. The equity/assets ratio was 60 percent (56).

Investments

The Group's net investments amounted to MSEK 144 (107), of which MSEK -32 (-9) was attributable to corporate acquisitions/divestments. ITAB's current investments include common operational support systems for the Group, which corresponded to approximately 46 percent of total investments in 2024. For more information on corporate acquisitions and divestments, refer to Note 5.

Per share data

Earnings per share before dilution totalled SEK 1.38 (1.24). Earnings per share after dilution totalled SEK 1.37 (1.23). Equity per share amounted to SEK 16.30 (14.01). Refer to Note 17 for more information.

Employees

The average number of employees amounted to 2,532 (2,533). For more information, refer to Note 8.

Parent Company

The Group's Parent Company, ITAB Shop Concept AB, does not conduct any operational activities. Its operations mainly comprise Group-wide functions. The Parent Company's net sales pertain to revenue from subsidiaries and amounted to MSEK 198 (184). Profit after financial items totalled MSEK 7 (-69). Profit includes dividends from subsidiaries of MSEK 99 (27) and impairment of shares and receivables in subsidiaries of MSEK -16 (-32).

Corporate acquisitions, divestments and discontinued operations

On 25 September 2024, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry, primarily in Europe, South America and the Middle East. In 2023, HMY had sales of just over MEUR 541. The aim of the acquisition is to strengthen ITAB's position and complement the Group's current offering. The acquisition was financed with a combination of new debt and equity. As a result, ITAB obtained a binding commitment letter regarding debt financing provided by Danske Bank, Nordea and Swedbank. The debt financing comprised MEUR 255 in long-term credit facilities, also aimed at refinancing some of ITAB's existing debt outstanding under the MEUR 150 long-term credit facility entered into with Nordea and Swedbank in June 2022. To further strengthen the Group's financing capacity, the binding commitment letter also included a MEUR 100 revolving credit facility. For more information about partial financing of the acquisition through equity, see below under "Directed share issue" on page 70 and in Note 27. The transaction was conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. With a final and definitive share purchase agreement entered into on 5 December 2024 and the other conditions for the transaction fulfilled, the acquisition was completed on 31 January 2025. The purchase consideration was paid in connection with the closing of the transaction, converting the binding commitment letter into loans. HMY is consolidated in the ITAB Group as of 1 February 2025.

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

Through an investment of MEUR 2, ITAB acquired a minority holding of approximately 18 percent of the shares in Signatrix GmbH, a technology and retail AI startup, at the end of May. Since 2022, ITAB and Signatrix have together created frictionless security deterrents that reduce product loss for the retail sector. The partnership is now strengthened with this investment.

In connection with the restructurings of the Group, ITAB sold 100 percent of its shares in the company Nuco Sourcing (HK) Co Ltd in Hong Kong, with a subsidiary in China, through a subsidiary in December 2024. The purchase consideration amounted to MSEK 25. The effect on earnings including accumulated currency translation differences amounted to MSEK -16 and was recognised as a non-recurring item in the fourth quarter. The divestment had an impact of MSEK 15 on cash flow in the fourth quarter.

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

For more information, refer to Note 2 and Note 5.

Sustainability Report

ITAB works consciously with the Group's environmental, social and financial responsibility as part of meeting the ambitions of the Paris Agreement and the UN Sustainability Development Goals (SDGs). Through its sustainability efforts, ITAB wants to contribute to a sustainable development that the planet can manage while at the same time securing favourable social conditions, profitability and long-term economic growth. In dialogue with its stakeholders, ITAB has identified material sustainability issues – areas where the Group can make a difference linked to its customer offering and own operations. ITAB also takes into account the risks that are associated with its own operations and the world in which the Group operates. By doing so, ITAB creates a strong and resilient company that contributes to the necessary transition of society. The Group does not pursue any reporting activities according to the Swedish Environmental Code in the Parent Company or any of the Swedish subsidiaries.

In 2024, ITAB intensified its environmental, social and corporate governance (ESG) efforts with the aim of preparing the Group for a review of its sustainability targets and increased ESG reporting requirements under the EU Corporate Sustainability Reporting Directive (CSRD). For more information, refer to ITAB's Sustainability Report on pages 15-62.

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, ITAB has prepared its statutory Sustainability Report for 2024 as a separate report from its legal Annual Report. The statutory Sustainability Report can be found on pages 15-62.

As of 1 January 2022, ITAB is also eligible to disclose certain information about its operations in accordance with the EU Taxonomy for sustainable investments. The ITAB Group presents this information for 2024 on pages 32-35.

ITAB's Sustainability Reports are also available on the company's website, itabgroup.com.

The company's auditors review the sustainability reporting to the extent required to make a statement regarding the preparation of the statutory Sustainability Report (refer to page 62), but do not otherwise review the sustainability data.

Research and development

The Group companies carry out continuous product development – partly in collaboration with customers and partly in-house – to develop new products and improve existing products. Most of the Group's product development relates to self-checkout and lighting products as well as digital solutions for physical stores. In 2024, MSEK 13 (23) was capitalised as development expenditure and recognised as intangible assets. Amortisation of development costs totalling MSEK 20 (27) was charged to earnings.

The share and ownership structure

ITAB's shares were admitted to trading on the First North exchange in 2004. Since July 2008, the company's ordinary shares have been listed on Nasdaq Stockholm. On 31 December 2024, the total number of shares amounted to 257,620,533, of which 253,220,533 were ordinary shares and 4,400,000 were Class C shares. All ordinary shares entitle the holder to an equal share of ITAB's assets and earnings, and entitle holders to one vote per share at general meetings of shareholders. The Class C shares do not carry the right to any dividend and entitle the holder to 1/10 of a vote each. The Articles of Association stipulate no limitations on the number of votes each shareholder may cast at a general meeting. Refer also to Note 25.

The 2024 Annual General Meeting (AGM) resolved to authorise the Board of Directors, on one or more occasions, and with or without deviation from the shareholders' preferential rights, to decide on a new issue of shares up to a maximum of 10 percent of the company's outstanding shares. The purpose of the authorisation to decide on a new share issue is to increase the company's financial flexibility and to give the company opportunities for corporate acquisitions.

Pursuant to Chapter 6, Section 2a of the Swedish Annual Accounts Act, listed companies are required to disclose information concerning certain circumstances that may affect opportunities to take over the company through a public takeover bid pertaining to shares in the company. ITAB's creditors are entitled to terminate granted credit facilities if the company's shares are delisted from Nasdaq Stockholm, or in the event of a public takeover bid if the bidder secures a holding of more than 30 percent of the number of shares in the company or controls at least 30 percent of the votes in the company. In other respects, the company has not entered into any significant agreements with suppliers or employees that would take effect or change or cease to apply or stipulate payment of financial compensation should the control of the company change due to a public offer for the shares in the company.

At 31 December 2024, ACapital ITAB HoldCo AB held 22.2 percent of the shares and votes, Pomona-gruppen AB held 15.8 percent of the shares and votes, and Övre Kullen AB held 10.4 percent of the shares and votes in ITAB. No other shareholder had any direct or indirect holdings in the company that represented more than one tenth of the total number of votes. On 31 December 2024, ITAB had 6,727 shareholders (5,021).

Further information about ITAB's shares, share price development and ownership structure as of 31 December 2024 is presented in the section "ITAB share" on pages 64-65.

Directed share issue

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

24,719,827 of the newly issued ordinary shares were issued based on the Board's authorisation from the Annual General Meeting held on 15 May 2024 and the remaining 13,480,173 shares were issued following subsequent approval at the Extraordinary General Meeting (EGM) held on 21 October 2024. As of 31 December 2024, a total of MSEK 831 has been provided to the company in issue proceeds after transaction costs, of which MSEK 16 is share capital.

Repurchases of own shares

The 2023 AGM resolved to authorise the Board to make decisions on the acquisition and conveyance of own shares. On 28 September 2023, ITAB initiated a share buyback program with a maximum purchase amount of MSEK 50. The buyback program was completed on 22 March 2024 when the maximum amount for share repurchases was reached. In total, 3,079,659 ordinary shares were repurchased within the program. The purpose of the buyback program was to optimise the capital structure with the aim of reducing ITAB's share capital by cancelling repurchased shares. Following the resolution of the AGM on 15 May 2024, the cancellation of all 3,079,659 repurchased ordinary shares was completed.

At 31 December 2024, ITAB held no ordinary shares in treasury. All 4,400,000 Class C shares were held in treasury. Refer also to Notes 25 and 27.

Guidelines for remuneration to senior executives

In accordance with the Swedish Companies Act, the Board shall prepare proposals for guidelines for remuneration to senior executives at least every four years, or before that if there is a need for significant adjustments, and present the proposal for resolution at the AGM. The guidelines shall apply until new guidelines have been adopted by the AGM. The guidelines shall promote the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability. The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The level of remuneration for individual executives shall be based on factors such as position, competence, experience and performance. Additionally, a general meeting of shareholders may – irrespective of these guidelines – resolve on, among other things, share-based or share price-based remuneration.

The 2024 guidelines for remuneration and other employment conditions for senior executives were adopted by the 2021 AGM in accordance with the Board's proposal. The guidelines are presented in full in Note 8 on page 107.

In accordance with the Swedish Companies Act, the Board intends to propose updated guidelines for remuneration to senior executives ahead of the 2025 AGM, as specified on page 72. The proposed guidelines are essentially consistent with the guidelines adopted by the 2021 AGM, with a minor amendment that clarifies the calculation of the variable cash remuneration for the CEO and other members of Group management as a proportion of the fixed annual cash salary.

Remuneration Report 2023

ITAB's Remuneration Report 2023 provides an overview of how the guidelines for remuneration to senior executives, as adopted by the 2021 AGM, have been applied during the year. The Remuneration Report was adopted by the 2024 AGM and is available on ITAB's website, itabgroup.com.

Dividend policy and dividends 2024

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

In view of the acquisition of HMY and the financial means required to finance it, the Board of Directors has decided to propose that no dividend per share be paid for the financial year 2024 (SEK 0.75 per share for 2023).

Risks and risk management

Risk is defined as an uncertainty that an event will occur, which could impact ITAB's capacity to achieve the objectives the Group has set. Risks are inherent to all operations and must be managed continually and prevented effectively. This is essential to safeguard the business and create profitability and value.

Risk management

ITAB intends to maintain a risk management that is integrated into the Group's corporate governance. The aim of the risk management is to, in a balanced manner, avoid, prevent and limit risks that adversely impact the operations. The risk management process involves ensuring that risks are carefully identified, reported, analysed and monitored on an ongoing basis.

ITAB performs an overall risk assessment annually, through which the Group identifies and assesses risks that are detrimental to the attainment of ITAB's goals. Identified risks are assessed based on two criteria:

- The probability that the risk will occur
- The consequences for ITAB if the risk scenario should occur

ITAB's Group management identifies conceivable events that could impact the company's operations. These events are evaluated and a number of control activities established (risk-limiting measures) with the aim of managing and counteracting the identified risks. For each identified risk, a corresponding activity to counteract, limit, control and manage the risk concerned is then developed. An assessment of the efficiency of control activities is performed annually. The Group's CFO is responsible for presenting the results of the assessment to the Audit Committee and the Board.

Insurance

ITAB uses a centrally procured global insurance program for the Group as a risk management tool. The program includes insurance coverage for risks related to ITAB's operations, such as general liability, property, operational disruptions, accidents, transport, business travel and Board and management liability. Insurable risks and coverage are continuously evaluated as part of ITAB's ongoing loss prevention.

Significant risks and uncertainties

The risks, uncertainties and important circumstances that are deemed significant for the Group's operations and future development are described on pages 73-77. The risks relate to ITAB's operations, industry and markets, and are categorised as follows: strategic risks, operational risks, financial risks, compliance and regulatory risks, and sustainability risks. Financial risks are managed by the finance policy adopted by the Board of Directors. An account of the Group's significant financial risks can be found in Note 4.

Future outlook

ITAB's overall objective is to strengthen its customers' businesses and competitiveness with its unique solutions for increased operational efficiency in stores, reduced risk of theft and lower energy consumption.

In parallel, ITAB continuously works to strengthen its own earnings performance through adapted price increases as well as increased efficiency and lower costs in its operations. ITAB is also continuing to develop its operations and to invest in new capabilities with the aim of becoming the leading solutions provider in the retail sector. The acquisition of HMY will accelerate this transition and strengthen the Group's market position. The ambition is to continue increasing the proportion of services and technical solutions, and to further strengthen the Group's digital offerings. This will make the ITAB Group more scalable and flexible in an increasingly dynamic world.

Significant events after the end of the financial year

The acquisition of HMY was completed on 31 January 2025. The purchase consideration was paid in connection with the closing of the transaction. For more information, refer to Note 36. HMY is consolidated in the ITAB Group as of 1 February 2025.

No other significant events for the Group has occurred after the end of the financial year.

Proposed Allocation of Profits

Parent Company	**2024**
The following funds are at the disposal of the Annual General Meeting (SEK):	
Share premium reserve	1,898,479,949
Profit brought forward	304,298,693
Net profit for the year	50,907,283
Total	**2,253,685,925**
The Board of Directors and CEO propose that these funds be distributed as follows (SEK):	
To be carried forward	2,253,685,925
Total	**2,253,685,925**

Proposal for new guidelines for remuneration to senior executives ahead of the 2025 AGM.

These guidelines encompass the individuals who are part of executive management of ITAB Shop Concept AB (publ), currently the CEO and other members of Group management. To the extent a Board member performs work for ITAB in addition to the Board assignment, these guidelines shall also apply to any remuneration (such as consultant's fees) for such work. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2025 AGM. These guidelines do not apply to any remuneration decided or approved by a general meeting of shareholders.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability
In short, ITAB's business strategy is the following. ITAB shall offer complete store concepts for retail chain stores. With its expertise, long-term business relationships and innovative products, ITAB will secure a market-leading position in selected markets. A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain management with good competence and the capacity to achieve set goals. To this end, it is necessary that the company offers competitive remuneration, which these guidelines enable.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.
The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The level of remuneration for individual executives shall be based on factors such as position, competence, experience and performance. Additionally, a general meeting of shareholders may – and irrespective of these guidelines – decide on, for example, share and share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO, excluding holiday pay, may amount to not more than 75 percent of the fixed annual cash salary. The variable cash remuneration for other members of Group management, excluding holiday pay, may amount to not more than 50 percent of the fixed annual cash salary. For the CEO, pension benefits, including health insurance, shall be premium-defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

For other executives, pension benefits, including health insurance, shall be premium-defined unless the individual concerned is subject to defined-benefit pension under mandatory local legislation or collective agreement provisions.

Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory local legislation or collective agreement provisions for the individual concerned. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical care insurance and company cars. Premiums and other costs due to such benefits may amount to not more than 12 percent of the fixed cash salary.

For employment governed by rules other than Swedish rules, pension benefits and other benefits may be duly adjusted to ensure compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Termination of employment
The notice period may not exceed 12 months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for two years for the CEO, and one year for other members of executive management. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

Criteria for awarding variable cash remuneration, etc.
The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may also be individualised, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

The extent to which the criteria for awarding variable cash remuneration have been satisfied shall be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation so far as it concerns variable cash remuneration to executive management.

For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Salary and employment conditions for employees
In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Consultant's fees to Board members
If a Board member performs services for ITAB in addition to Board work, a special fee may be paid for this (consultant's fee), provided that such services contribute to the implementation of ITAB's business strategy and safeguard ITAB's long-term interests, including its sustainability. This also applies to such services that ITAB receives through a company wholly owned by a Board member. The annual consultant's fee for each Board member may never exceed the annual Directors' fee. The consultant's fee shall be on market terms and determined in relation to the benefit of ITAB.

The decision-making process to determine, review and implement the guidelines
The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for remuneration to senior executives. The Board shall prepare proposals for new guidelines at least every four years or before that if there is a need for significant adjustments, and present the proposal for resolution at the AGM.

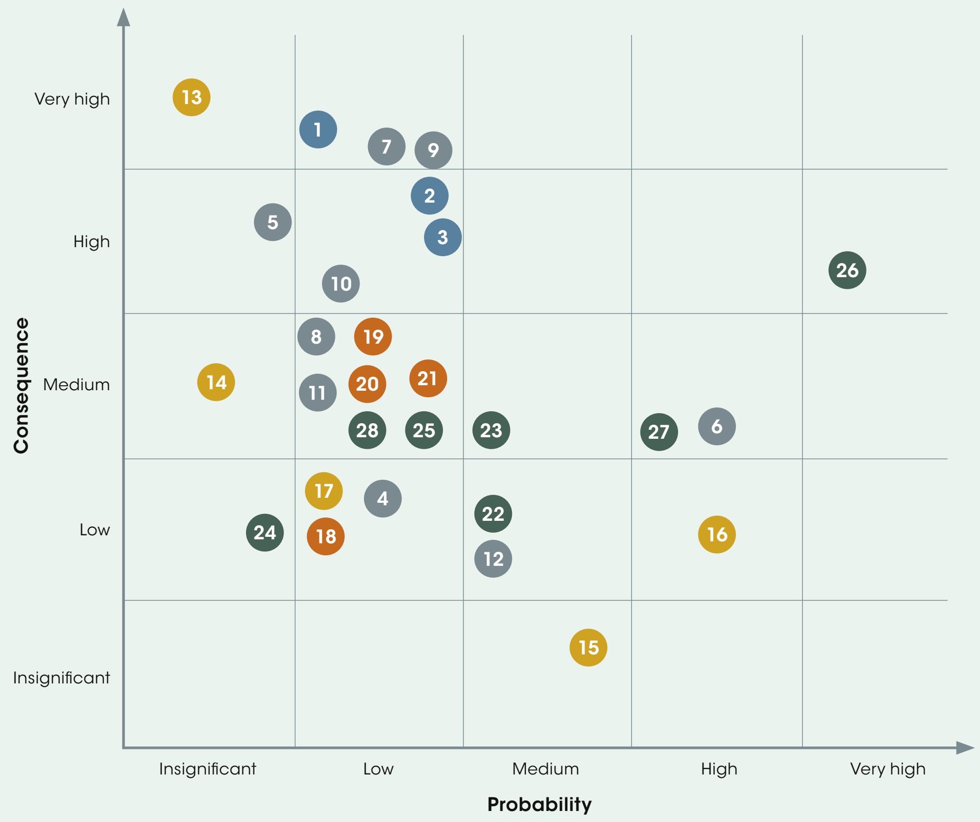
The guidelines shall apply until new guidelines have been adopted by the AGM. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for executive management, the application of the guidelines for remuneration to executive management as well as the current remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent of the company and its executive management. The CEO and other members of executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines
The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Significant risks and risk management

ITAB's operations, like all business activities, are associated with risks. Risks can have a negative impact on the business, but can also add value if properly managed. The way risks are managed is therefore very important. The risks, uncertainties and important circumstances that are deemed significant for the Group's operations and future development are described below.

The risks relate to ITAB's operations, industry and markets, and are categorised as follows: strategic risks, operational risks, financial risks, compliance and regulatory risks, and sustainability risks. Each risk is assessed based on the probability that the risk will occur and the consequences for ITAB if the risk were to occur. An account of the Group's significant financial risks can be found in Note 4. See page 70 for a more detailed description of the Group's overall risk management process and insurance program.



Note: The position of the risks in each square in the risk matrix above should be interpreted in no particular order.

Strategic risks

1 Changes in the retail market and non-relevant products
2 Macroeconomic factors
3 Geopolitical and political risks

Operational risks

4 Supply chain, distribution and logistics
5 Production and production facilities
6 Raw material prices
7 IT security risk
8 Customer concentration and business relationships
9 Acquisition and integration risk
10 Goodwill and participations in Group companies
11 Failed implementation and integration of new ERP system
12 Employee risk

Financial risks

13 Liquidity risk
14 Refinancing risk
15 Interest risk
16 Currency risk
17 Credit risk

Compliance and regulatory risks

18 Existing and new laws and regulations
19 Corruption risk
20 Intellectual property
21 Tax risk and regulations

Sustainability risks

22 Social sustainability
23 Health & Safety
24 Environment
25 Fair and ethical business culture
26 Energy and greenhouse gases
27 Materials, waste and circular economy
28 Child and forced labour

Strategic risks

Significant risks	Description	Risk management
1 **Changes in the retail market and non-relevant products**	The retail market is competitive and changing, with the emergence of online shopping in the last decade affecting consumer preferences and behaviour. There has been a transition in large parts of the market from large, solely physical stores to smaller stores with digital elements and interconnection with online stores. Changing consumer preferences and behaviours require not only attractive and effective solutions and products for shop fittings and design, but also new types of solutions and concepts.	It is crucial for ITAB to be able to predict and adapt to the changing preferences and behaviours of consumers, and in turn customers, in a timely manner, in order to be able to retain its current customers and attract new customers. To respond to the changing retail market, ITAB has developed the One ITAB strategy, which focuses on adapting operations so that the Group can successfully meet the needs and future demands of the retail sector. This includes improved flexibility in production and delivery, increased internal efficiency and an improved organisational structure. Successful implementation of the strategy requires that ITAB closely follow developments in consumer behaviour and the retail market and, based on this, develop and offer technical and sustainable solutions and products that meet the needs of customers in the market. At the end of 2024, it was noted that major parts of the One ITAB strategy had been concluded, and ITAB will develop a new strategy with new new ambitions for the new Group together with HMY. The new strategy presumes a continued transformation of the business to meet the future needs and demands of the retail industry.
2 **Macroeconomic factors**	The demand for ITAB's solutions, products and services is affected by general macroeconomic factors and other factors, including recession, high inflation, rising interest rates, higher energy prices and new consumption patterns. Any uncertainties regarding future economic prospects that affect consumer spending habits could have an adverse effect on consumer purchases in the retail sector, particularly in physical stores, which in turn would adversely affect retailers' willingness to invest for the future.	The Group's operations monitor macroeconomic developments closely and continuously implement measures if needed. The macroeconomic development appears to be more favorable ahead of 2025 than in the last few years even if uncertainties regarding inflation and other macroeconomic data remain. ITAB's overall goal is to strengthen its customers' competitiveness with unique and competitive solutions that reduce the risk of theft and shrinkage, improve operational efficiency, reduce costs in stores and enable lower energy consumption in the retail sector.
3 **Geopolitical and political risks**	Changes in the political situation could materially impact the sales of ITAB's shop solutions, products and services. Examples of such situations include war and armed conflicts, political decisions, trade wars, and economic sanctions affecting an industry, region or country where ITAB operates.	In 2024, ITAB operated in a total of 23 countries and through partners in other markets. Of the Group's net sales for 2024, sales to customers in Europe accounted for approximately 90 percent. ITAB's suppliers of metal, which is an important raw material for ITAB's operations, are found mainly in Italy, Sweden and Czechia. ITAB's production is mainly located in Scandinavia and Central Europe. ITAB closely monitors geopolitical developments in the world and makes business decisions accordingly, as necessary.

Operational risks

Significant risks	Description	Risk management
4 **Supply chain, distribution and logistics**	ITAB relies heavily on dependable and orderly supply chain processes in order to provide customers in Europe and the rest of the world with its comprehensive solutions, including everything from ideas for store concepts, development and production to on-site installation at the customer's premises. Any disruptions or interruptions in the supply chain could have an adverse effect on the Group's operations and sales.	ITAB's supply chain processes are continuously reviewed in order to improve and address any shortcomings. This includes, among other things, contact and coordination with relevant suppliers, such as suppliers of raw materials and transport services, and relevant production facilities, product testing, packaging, and installation. ITAB also has insurance for costs arising from disruptions or incidents during transportation.
5 **Production and production facilities**	ITAB's production facilities are a central function in the Group and are in continuous operation. Disruptions or total stoppages in production caused by operational errors, accidents, fires, theft, burglaries, machine failures or other incidents could entail that the Group is unable to fulfil its obligations to the customer in a timely manner or at all.	ITAB develops business continuity plans for its production facilities and carries out contingency exercises, risk analyses and prevention work in accordance with these plans. Prolonged disruptions or interruptions in production could also mean that ITAB needs to adapt its working methods and production to meet its commitments to customers. In order to reduce the financial impact of any damages and production interruptions, the ITAB Group has a centrally procured global insurance program. The program includes standard insurance coverage such as general liability, property and business interruption insurance.
6 **Raw material prices**	ITAB is dependent on raw materials and energy in its production. Price variations and supply disruptions for these raw materials can affect production costs in the short and long term. Raw material prices fluctuate based on supply and demand in the world market, which in turn is affected by factors such as transport and production chain dynamics as well as wars, regulatory, political and country-specific factors.	A large part of ITAB's business with customers is project-based and priced using a price on application (POA) approach. Many of the Group's customer contracts also contain clauses that protect against major changes in the price of raw materials. Significant and long-term increases in the price of relevant raw materials or supply disruptions may entail that ITAB needs to adapt its working methods and choice of raw materials in order to maintain an attractive customer offering.
7 **IT security risk**	ITAB's business and operations are dependent on the reliability, function and continued development of the Group's IT systems regarding all data communication and the enterprise systems that the Group uses for its workflow, from orders and warehousing to delivery. The Group engages several external third parties who assist in efficiently managing these systems. If the IT systems do not work as expected due to operational errors by ITAB or its suppliers, or due to external factors such as different types of cyberattacks or malware, the Group could be affected by production and administration disruptions. This in turn could entail that deliveries to the customer do not take place in a timely manner or at all, that sales or market share are lost or that ITAB's reputation is damaged.	ITAB has IT policies and guidelines to maintain the operation of its IT systems and to mitigate security risks related to these systems. The Group works according to the National Institute of Standards and Technology (NIST) framework, under which each ITAB site measures and structures its work according to a 60-point scale in order to reduce security risks. This includes working with modern protection and penetration testing solutions and regularly testing recoveries of backups. Security training for all employees in the Group is another important and ongoing aspect of its IT security processes. Two-factor authentication is used for all external or administrative access. The Group also conducts regular audits of critical IT systems delivered by third parties as well as external audits of ITAB's own IT systems and processes.

Operational risks, cont.

Significant risks	Description	Risk management
8 **Customer concentration and business relationships**	Most of ITAB's customers in terms of sales are major chain stores that operate in the retail trade, many of which have international operations and stores in several countries. If a major customer reduces its use of the Group's solutions, products or services, terminates an existing agreement or terminates the relationship with ITAB in its entirety, this could adversely affect the operations. During 2024, sales to ITAB's single largest customer accounted for approximately 11 percent of the Group's total sales. Apart from the largest customer, sales to any other individual customer did not account for more than 4 percent.	ITAB is dependent on maintaining good, long-term relationships with its customers, often through framework agreements. Specific customer contracts are often signed for each individual shop solution, product and/or service. Customer contracts that regulate a long-term commitment for the customer to purchase shop solutions, products and/or services from the Group are only entered into to a limited extent. ITAB's reputation is thus an important asset that contributes to distinguishing its solutions, products and services from those of its competitors. The Group's reputation also contributes to retaining and attracting customers, employees and suppliers in the markets where the Group operates. ITAB regularly carries out customer surveys and interviews in order to strengthen and develop the collaboration over time.
9 **Acquisition and integration risk**	ITAB's growth strategy includes both sustainable organic growth and strategic acquisitions. Accordingly, the Group intends to carry out acquisitions in order to expand its offering and/or geographic presence to support future growth and profitability. If the assumptions and judgements ITAB makes based on its due diligence of an acquisition candidate and other information available at the time of acquisition, including assumptions on future income and operating costs, prove to be incorrect, ITAB may not be able to achieve all of the benefits expected from the acquisition. Moreover, acquisitions of companies could expose the Group to risks associated with the integration of the acquisitions.	Acquisition risks are managed through strategies and plans decided by the Board of Directors and Group management. ITAB also relies on external specialists before and during the implementation of an acquisition. Thus, risks are carefully identified and analysed in the pre-acquisition due diligence process and are continuously monitored during the acquisition and integration phase. In acquisitions, ITAB emphasises the importance of a well-executed integration and retaining key personnel in the acquired company through well-developed plans and preparations. The acquisition of HMY, which was completed as of 31 January 2025, accelerates the transformation of the market and makes the ITAB Group more scalable and flexible in a changing world. However, a failed integration may entail major negative financial consequences. To succeed in the integration and achieve expected synergies, an integration management office function has been established which will monitor the status of the integration and its risks continiously, together with Group management and the Board. The purpose is to manage any problems and implement corrective measures as needed.
10 **Goodwill and participations in Group companies**	Goodwill is a significant asset item in the Group's balance sheet, corresponding to more than 26 percent of total assets in 2024. Similarly, participations in Group companies account for approximately 60 percent of total assets in the Parent Company's balance sheet. Any impairment of goodwill and participations in Group companies could affect ITAB's financial position.	In accordance with the significant accounting policies described in Note 2, ITAB tests goodwill for impairment annually, or more often if there are any indications of a need for impairment. This impairment test is based on a number of assumptions and sensitivity analyses, as described in Note 18. No impairment requirement has been identified.
11 **Failed implementation and integration of new ERP system**	In line with its strategy, ITAB has a need for integrated and coordinated work processes across the Group. ITAB is now in a phase where a number of local business/ERP systems are being replaced by a common global system. There is a risk that the implementation and integration of ERP systems may take longer time and require more resources than expected, which could increase costs.	The Group-wide ERP system is based on a well-established ERP solution from IFS, in which adaptations are made based on a well-developed project plan, prototype and common ERP template. The system is being implemented in stages in different parts of the Group based on experience from completed pilot installations, which minimises the risk of an unsuccessful integration. The project is a high priority for ITAB's Group management and other management teams, and the project plan is subject to regular follow-ups. The project is currently deemed to have sufficient resources to be successfully implemented in accordance with the established project plans.
12 **Employee risk**	ITAB's operations and future success are highly dependent on attracting and retaining dedicated and competent employees and key individuals. If one or more key individuals leave the Group, or if ITAB fails to attract and retain qualified employees in areas such as research and development or production on acceptable terms, this could have an adverse effect on the Group's operations and future prospects, and lead to postponements in the development of new solutions, products and services.	ITAB devotes considerable focus to offering all employees a pleasant and attractive workplace characterised by good working conditions, equal opportunities, diversity, and a safe and healthy environment – all in accordance with ITAB's Group-wide Code of Conduct. All workplaces are to be free from all forms of discrimination and victimisation. To counteract the negative effects of the loss of key individuals, the Group works continuously on skills development and succession planning.

Financial risks

Significant risks	
13 **Liquidity risk**	ITAB is exposed to financial risks in the form of liquidity risks, refinancing risks, interest risks, currency risks and credit risks. Each year, the Board of Directors adopts a Group-wide finance policy that governs the management of these risks. For information about financial risks, refer to Note 4.
14 **Refinancing risk**	
15 **Interest risk**	
16 **Currency risk**	
17 **Credit risk**	

Compliance and regulatory risks

Significant risks		Description	Risk management
18	**Existing and new laws and regulations**	ITAB's operations are subject to various laws and regulations in a number of different countries and jurisdictions. Accordingly, the Group is also exposed to risks related to the implementation of new or amended laws or regulations in these countries and jurisdictions. Non-compliance with laws and regulations related to the environment or data protection or other laws and regulations applicable to, among other things, the Group's production, work environment and certification could mean that ITAB becomes subject to fines, penalties and other sanctions, third party claims, lost reputation or loss of current customers, or have an adverse impact on potential new customers' inclination to enter into agreements with the Group.	ITAB has a central legal function that is responsible themselves or assist in monitoring and ensuring that the Group complies with various regulations and laws. The central function continuously monitors changing and new laws and regulations in order to recommend and ensure adjustments are made to the operations where necessary. The central function also sets guidelines for regulatory compliance and contractual terms within the Group, which means that each company within the ITAB Group also has a responsibility to comply with local laws and regulations.
19	**Corruption risk**	ITAB's geographic spread exposes the Group to risks attributable to sanctions and corruption. ITAB's marketing and sales in certain high-risk areas, such as countries in South America and Asia, increases its exposure to corruption. Corruption risks are particularly high in connection with procurement procedures for contracts of significant value. The risk of corruption is further increased by the fact that ITAB, often due to local practice in the country concerned, uses agents in some of its markets, including Italy and the Middle East.	ITAB has implemented a Group-wide Code of Conduct that regulates zero-tolerance of all forms of bribes, bribery and corruption. If the Group's employees or agents do not comply with this Code of Conduct and if undue benefits are offered or requested, the Group, its employees and Board members may be subject to criminal sanctions under applicable anti-corruption law. In addition to the Code of Conduct, ITAB also has other policies, such as a sustainable procurement policy, that relegate corruption in several areas of ITAB's value chain and its business relationships.
20	**Intellectual property**	ITAB's operations are dependent on a number of intellectual property rights, including trademarks, patents, other protected information and company secrets. If the Group does not protect its intellectual property rights effectively or if a third party takes legal action against ITAB for infringement of intellectual property rights, this may have an adverse effect on the Group's operations.	ITAB has established an Intellectual Property Rights Forum to identify and manage risks and issues related to the Group's rights. Furthermore, employees in the Group who work on these issues are provided with training and skills development.
21	**Tax risk and regulations**	The handling of tax issues, such as corporate tax, VAT and transfer pricing for transactions within the Group, is based on interpretations of applicable, relevant and new taxation legislation, tax treaties and other tax regulations, and the positions of the authorities concerned. If, for example, such legislation, agreements and regulations change or ITAB's interpretation and application proves to be incorrect, the Group's past and present handling of tax issues may be called into question. If tax authorities successfully present such claims, this could lead to increased tax expenses, fees, interest, and internal and external consultancy costs for ITAB.	ITAB conducts regular internal audits to evaluate the interpretation and outcome of tax issues both at Group level and locally in each subsidiary. The Group regularly obtains advice on tax issues from independent tax experts. ITAB and its subsidiaries are also occasionally subject to external tax audits and reviews. The management of matters regarding transfer pricing within the Group is based on the OECD's guidelines and national regulations for transfer pricing as well as documented principles for determining prices in related party transactions in accordance with market terms.

Sustainability risks (Environment, Social and Governance – ESG)

Significant risks		Description	Risk management
22	**Social sustainability**	ITAB is dependent on attracting and retaining dedicated and competent personnel (refer to Employee risk on page 75). A prerequisite for this is to offer all employees a workplace with good working conditions. This applies both to the physical work environment, as mentioned below, as well as to social and psychological aspects, characterised by, for example, equal opportunities and free of any discrimination. This also applies to the working conditions of the Group's suppliers and partners, and considers any affected communities through the value chain.	The ITAB Group Code of Conduct stipulates that all employees of the Group shall be offered a welcoming workplace and good working conditions, equal opportunities, diversity, and a safe and healthy environment. All of the Group's workplaces shall be free of any discrimination based on gender, marital status, ethnicity or national origin, sexual orientation, gender identity, religion, age, or disability. The Group works actively with skills and professional development. Through the Group's Supplier Code of Conduct and onsite audits of all main suppliers, similar requirements for good working conditions throughout the value chain are applied.
23	**Health & Safety**	The work environment within ITAB's operations is instrumental to the health and safety of the employees of the Group, especially due to the risk of accidents and incidents. ITAB is subject to regulations in areas such as occupational health and safety in the jurisdictions where ITAB conducts production. This also applies to the work environment of the Group's suppliers and partners, as well as the safety of the final users of ITAB's products. Non-compliance with acts and regulations in any of the jurisdictions in which the Group operates may result in authorities issuing orders for enforcement measures, imposing fees or fines, and in some cases even imposing restrictions on the operations of the Group.	Within ITAB Group, each company bears the responsibility for maintaining a secure workplace in accordance with local laws and regulations. To establish consistent standards throughout the Group, ITAB has formulated a Health & Safety (H&S) Framework and has initiated its implementation at the local level. Internal bodies overseeing H&S include employee representation, emphasising a collaborative approach to ensure the well-being and safety of all employees across the organisation. ITAB has a target of zero accidents and works actively to reduce the number of accidents and reviews the safety procedures of companies that report a higher number of accidents. Through the Group's Supplier Code of Conduct and onsite audits of all main suppliers, similar requirements for healthy and safe workplaces throughout the value chain are applied.
24	**Environment**	There is a risk that ITAB's operations have a negative impact on the environment because of pollution of land, air, and water, and its water usage through its activities. Any pollution may have significant impact on biodiversity and ecosystems, as well as on ITAB's financials and reputation.	The exposure to hazardous materials and substances is very limited in ITAB Group's production. Any use and disposal of such material or substance is handled in accordance with laws and regulations. The Group is in the process of adopting a series of water use measures in production and daily life in order to protect water resources and resolve any water waste issues.

Sustainability risks (Environment, Social and Governance – ESG), cont.

Significant risks		Description	Risk management
25	**Fair and ethical business culture**	If ITAB Group and / or any of its employees do not act in accordance with a fair and ethical business culture it may have severe impacts for the Group and / or individuals. If the Group's employees or external agents do not comply with ITAB Group Code of Conduct and if undue benefits are offered by the Group, or on behalf of the Group, this may be punishable for the Group and its employees and Directors of the Board, under Swedish or other applicable anti-corruption law.	ITAB Group's Code of Conduct establishes the essential principles on which all business in the Group should be conducted, built on trust, honesty and transparency. According to the Code of Conduct, ITAB has a zero-tolerance policy regarding all forms of bribery and corruption. The Group conducted an extensive training program on an updated Code of Conduct and new whistleblowing directives in 2023. ITAB has an internal and external whistleblowing service.
26	**Energy and greenhouse gases**	The activities within ITAB Group produce greenhouse gases both directly and indirectly in the value chain. Energy use, where not sourced from a renewable source, also contributes to the production of greenhouse gases.	ITAB Group has plans within energy consumption to achieve a target of 100 percent electricity generated from renewable sources. The Group has also committed to a 50 percent reduction in CO2e in Scope 1 and 2 emissions by 2030.
27	**Materials, waste and circular economy**	Material use and waste both contribute to the depletion of the natural resources available. In the future, designing for reuse of equipment and transitioning to a circular economy are going to be essential to reduce both consumption of materials and the waste generated through its processes.	ITAB Group's commitment to sustainable business development is evident in its strategy to create in-store solutions that support customers by offering energy-efficient and cost-effective products. The Group focuses on incorporating increasingly sustainable materials into its solution and product portfolio in line with its Sustainable Procurement Policy, aiming to minimise the environmental impact and contribute to customers achieving their Carbon Zero goals. In cooperation with retailers, ITAB develops solutions for a circular economy, whereby equipment is refurbished rather than replaced. To avoid landfill waste, the aim is to repair, reuse, refurbish, and recycle an increasing portion of existing equipment with the customers.
28	**Child and forced labour**	The risk of child or forced labour in ITAB's own production or within the supply chain for a product or service.	ITAB Group's Code of Conduct establishes the essential principles to respect human rights in accordance with international conventions. The Code of Conduct together with the Group's Supplier Code of Conduct stipulate a zero-tolerance policy regarding all forms of child and forced labour within ITAB and throughout the value chain. ITAB Group conducts annual onsite audits of all main suppliers, and companies within ITAB are regularly subject to audits themselves by some or their larger customers.

Corporate Governance Report 2024

Swedish Corporate Governance Code and ITAB'S Corporate Governance Report
ITAB Shop Concept AB (publ) is a Swedish public, registered limited liability company, whose overall ambition is to create long-term value for shareholders and other stakeholders. ITAB's ordinary shares are listed on Nasdaq Stockholm in the Mid Cap segment.

ITAB applies the Swedish Corporate Governance Code (hereinafter referred to as the "Code"). The Code is a component of self-regulation within the Swedish business sector and is based on a "comply or explain" principle. This means that a company that applies the Code may deviate from individual rules if it is deemed to result in better corporate governance, but must then explain the reasons for each deviation reported.

This Corporate Governance Report for the 2024 financial year describes ITAB's corporate governance, management and administration as well as internal controls of financial reporting, and is prepared in accordance with the Code's recommendations. The Corporate Governance Report constitutes part of the formal Annual Report documentation and was reviewed by the company's auditors pursuant to Swedish Annual Accounts Act.

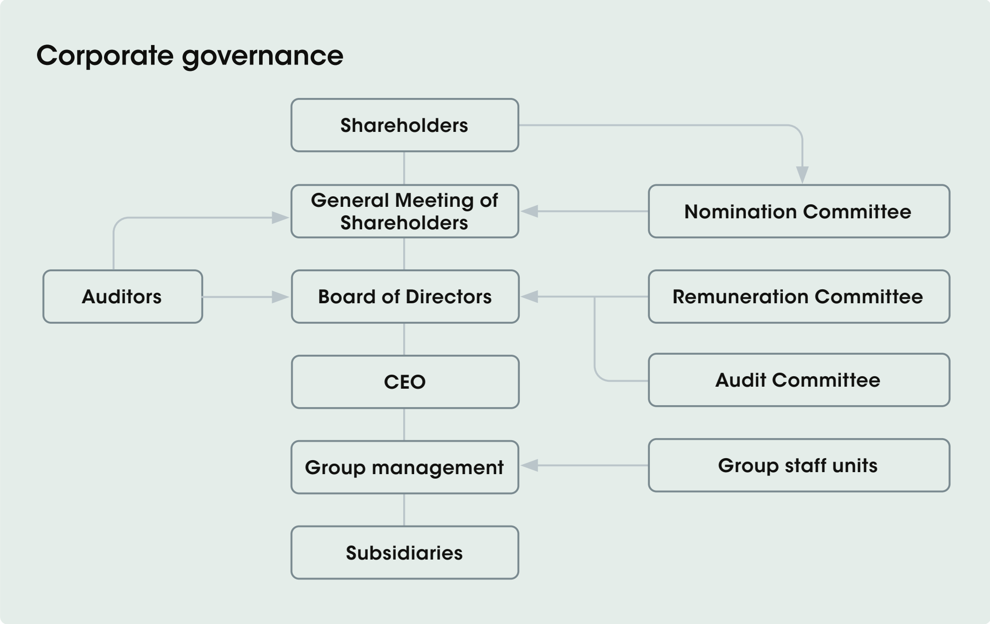
Corporate governance, division of responsibilities and Articles of Association
Good corporate governance involves ensuring that companies are managed sustainably, responsibly and as efficiently as possible for the shareholders. Trust among legislators and in society that companies are acting responsibly is crucial to the freedom of companies to realise their strategies in order to create value. Trust among existing and potential investors that this is taking place is decisive for their interest in investing in the companies. In this way, the business sector's freedom to develop and its supply of venture capital and expertise are safeguarded.

The aim of corporate governance in Swedish listed companies is to create a clear division of roles and responsibilities between shareholders, the Board of Directors, Board committees and executive management, and it is regulated by a combination of written rules and practices. At first instance, ITAB is to apply the Swedish Companies Act and the rules that apply in the regulated market in which the company's shares are listed for trading (Nasdaq Stockholm) as well as best practices in the stock market. The disclosure requirements to which ITAB is subject are found in the Rule Book for Issuers published by Nasdaq Stockholm, and the Code is a component of this regulatory framework. ITAB shall, at the same time, in the course of its operations abide by the provisions stipulated in the company's Articles of Association. The Articles of Association can be found in their entirety on ITAB's website, itabgroup.com.

Deviations from the Code
There are no deviations from the Code to report for 2024.

ITAB's corporate governance structure
The Swedish Companies Act states that there should be three decision-making bodies in the company: the General Meeting of Shareholders, the Board of Directors and the CEO. There must also be an inspection body – an auditor that is appointed by the Annual General Meeting. The Act specifies the duties of each body and the responsibility of the individuals included in the company's bodies.

Refer to pages 64-65 for information about the ITAB share and ownership structure.



General Meeting of Shareholders
The General Meeting of Shareholders is the highest decision-making body through which shareholders exercise their influence over the company. The body is superior in relation to the company's Board of Directors and CEO. According to the Articles of Association, notices for a general meeting shall be published by means of an announcement in Post- och Inrikes Tidningar (Official Swedish Gazette) and on the company's website. Information that notification has been issued must be announced in Dagens Industri. The statutory Annual General Meeting (AGM) passes resolutions on the adoption of annual accounts and consolidated accounts, discharge the Board of Directors and CEO from liability, appropriation of profits for the past year, election of the Board and, when required, auditors, and other matters in accordance with the Swedish Companies Act and the Articles of Association.

All shareholders registered in the share register and who have given notice of attendance may participate in the meeting and vote according to the number of shares owned. Shareholders who are unable to attend in person may exercise their rights by postal voting or by proxy. The company does not apply any special arrangements regarding the function of the general meeting due to provisions in the Articles of Association or, insofar as is known to the company, due to shareholder agreements.

Annual General Meeting 2024
ITAB's AGM was held on Wednesday, 15 May 2024. At the AGM, 50 shareholders participated, together representing approximately 172 million votes, corresponding to just over 80 percent of the total number of shares and votes outstanding in the company on the date of the meeting. The following main resolutions were passed:

- Discharge from liability for the Board of Directors and CEO for their administration in the 2023 financial year.
- Re-election of Board members Petter Fägersten, Anders Moberg, Madeleine Persson, Fredrik Rapp and Vegard Søraunet, and election of Amelie de Geer, Lars Kvarnsund and Peder Strand as new Board members.
- Anders Moberg was re-elected as Chairman.
- The registered auditing company Ernst & Young AB was elected as auditors, with authorised public accountant Joakim Falck as auditor in charge.
- Fees to the Board of Directors and auditors, and Remuneration Report for 2023 were adopted.
- Cancellation of repurchased ordinary shares
- Authorisation to the Board to decide on the purchase and conveyance of own shares.
- Authorisation of the Board to decide on new issues of shares up to a maximum of 10 percent of the company's outstanding shares.

Extraordinary General Meeting 2024
On Monday, 21 October 2024, ITAB held an EGM to approve the Board's resolution to carry out a directed share issue of a total of 38,200,000 ordinary shares to partially finance the acquisition of HMY. The EGM approved the Board's resolution. At the EGM, 71 shareholders participated, together representing approximately 186 million votes, corresponding to just over 77 percent of the total number of shares and votes outstanding in the company on the date of the meeting.

Annual General Meeting 2025
ITAB's AGM will be held on Wednesday, 7 May 2025 in Jönköping, Sweden. Further information can be found on page 134.

Nomination Committee
In accordance with Code, ITAB shall have a Nomination Committee. The Nomination Committee is the general meeting's body for proposals to the meeting's decisions regarding appointment issues in order to provide good conditions for the meeting's decisions on these issues.

At the 2022 AGM, revised instructions for the Nomination Committee were adopted. In accordance with these instructions, the Chairman of the Board is tasked with contacting the largest shareholders and requesting that they appoint three members to form the Nomination Committee. The selection of shareholders to contact is to be based on the share register maintained by Euroclear Sweden as of 31 August each year. Unless otherwise agreed by the members, the Chairman of the Nomination Committee is to be the member appointed by the largest shareholder. The composition of the Nomination Committee is to be announced not later than six months prior to the Annual General Meeting. The instructions apply until further notice.

In accordance with this, the largest shareholders ACapital ITAB HoldCo AB, Pomona-gruppen AB and Övre Kullen AB each appointed one member of the Nomination Committee ahead of the 2025 AGM. This Nomination Committee comprises Åsa Otterlund (appointed by ACapital ITAB HoldCo), Ulf Hedlundh (appointed by Pomona-gruppen) and Petter Fägersten (appointed by Övre Kullen) with Åsa Otterlund as Chairman. The members of the Nomination Committee were appointed for the period up to and including the 2025 AGM. In the event that a member steps down from the Nomination Committee before its work is completed, the remaining members are tasked with appointing a new member.

Ahead of the AGM 2025, the Nomination Committee is assigned with preparing and presenting proposals for the Chairman of the Meeting, Board members and the Chairman of the Board, fees to members of the Board and committees, and where applicable, the election of and fees to auditors. The Nomination Committee shall in other respects fulfil its tasks in accordance with the Code. In its assessment of the Board's evaluation and in its proposals, the Nomination Committee shall pay particular attention to the requirement for diversity and breadth in the Board and strive for an even gender distribution in accordance with the diversity policy according to rule 4.1 in the Code. The Nomination Committee's proposals shall be included in the notice to attend the 2025 AGM. In conjunction with the Board issuing the notice for the AGM, the Nomination Committee shall ensure that the company publishes the Nomination Committee's proposals and reasoned statement as well as information about how the Nomination Committee has conducted its work on ITAB's website, itabgroup.com.

No fees are paid for the Nomination Committee assignment.

Ahead of the 2025 AGM, the Nomination Committee has evaluated relevant aspects of Board's work and, to date, has held six minuted meetings with all members present, and had several other contacts.

Board of Directors
The tasks of the Board of Directors are to manage the company's affairs on behalf of the shareholders. According to ITAB's Articles of Association, the Board of Directors must comprise at least three and at most nine Board members with no more than nine deputies.

Board members
At the end of 2024, the Board of Directors of ITAB Shop Concept AB consisted of eight regular members appointed by the AGM on 15 May 2024: Anders Moberg (Chairman), Petter Fägersten, Amelie de Geer, Lars Kvarnsund, Madeleine Persson, Fredrik Rapp, Peder Strand and Vegard Søraunet. A presentation of these Board members, including information about their other assignments, is presented on page 84 as well as on ITAB's website, itabgroup.com. The CEO and other officers of the Group participate in Board meetings, acting as rapporteur or in administrative functions.

All of the Board members are independent in relation to the company and its senior executives. Four Board members are independent in relation to the major shareholders. The Board thereby fulfils the requirements for independence pursuant to regulatory frameworks. The Articles of Association do not contain any special conditions for appointment and dismissal of Board members or change of the Articles of Association.

In accordance with the AGM's resolution in May 2024, Directors' fees totalled SEK 2,500,000, of which SEK 575,000 was paid to the Chairman of the Board and SEK 275,000 to each of the other Board members.

See below for a summary of the Board members and their committee membership(s), attendance at Board meetings, independence and Directors' fees.

Chairman of the Board
The Chairman of the Board is tasked with ensuring that the Board's work is well organised and efficiently conducted, and that the Board fulfils its assignments. The Chairman shall, in particular, organise and lead the Board's work to create the best possible conditions for the Board's work. The Chairman is tasked with ensuring that a new Board member participates in requisite introductions and other training that the Board's Chairman and the Board member deem to be appropriate, that the Board continuously updates and deepens its knowledge of the company, that Board meetings are held when required and that satisfactory information and supporting material for decisions is obtained for its work, that the proposed agendas for Board meetings are adopted in consultation with the CEO, that the Board's resolutions are implemented, and that the

The Board of Directors' and committees' composition, independence, attendance and fees 2024

		Committees		Independent in relation to[1]		Participation in			
Name	Assignment	Remuneration	Audit	Company and executive management	Major shareholders	Board meetings (total number)	Remuneration Committee (total number)	Audit Committee (total number)	Directors' fees incl. committee fees (SEK)
Anders Moberg	Chairman	Chairman	–	Yes	Yes	18 (18)	1 (1)	–	600,000
Karin Eriksson[2]	Member	–	Member	Yes	Yes	6 (7)	–	4 (4)	103,000
Petter Fägersten	Member	Member	–	Yes	No	18 (18)	1 (1)	–	303,000
Amelie de Geer[3]	Member	–	Member	Yes	Yes	11 (11)	–	4 (4)	223,000
Lars Kvarnsund[3]	Member	–	Chairman[4]	Yes	Yes	11 (11)	–	4 (4)	283,000
Madeleine Persson	Member	–	Member	Yes	Yes	18 (18)	–	8 (8)	327,000
Fredrik Rapp	Member	–	Chairman[4]	Yes	No	18 (18)	–	4 (4)	270,000
Peder Strand[3]	Member	–	–	Yes	No	11 (11)	–	–	183,000
Vegard Søraunet	Member	Member	–	Yes	No	17 (18)	1 (1)	–	303,000

1) In accordance with the definitions of the Swedish Corporate Governance Code.
2) Karin Eriksson was a Board member during the period 1 January to 15 May 2024.
3) Amelie de Geer, Lars Kvarnsund and Peder Strand were elected as Board members at the Annual General Meeting on 15 May 2024.
4) Fredrik Rapp was Chairman of the Audit Committee during the period 1 January to 15 May 2024. Lars Kvarnsund was Chairman of the Committee during the period from 16 May to 31 December 2024.

Board's work is evaluated annually. The Chairman is responsible for contacts with shareholders regarding shareholder issues and for conveying the views of shareholders to the Board.

Board duties

The Board of Directors has ultimate responsibility for the company's organisation and the administration of the company's affairs in the interests of the company and all shareholders, pursuant to the laws, ordinances and agreements that the company is subject to. The Board shall also, based on an analysis of the business environment, pass resolutions on strategic issues.

The Board annually adopts written rules of procedures that regulate the Board's work and its division of responsibilities, including its committees, decision-making bodies within the Board, the Board's meeting plan, and the Chairman's tasks, as well as instructions for the financial reporting. The Board has also issued instructions to the CEO, which includes decision authority for investments, corporate acquisitions and divestments as well as financing matters. The Board has also adopted a number of policies for the Group's operations, such as a Code of Conduct.

The Board monitors the CEO's work by continuously following up operations during the year and is responsible for ensuring that the organisation, management and guidelines for the administration of the company's affairs are appropriately structured and that company has good internal controls and efficient systems for the follow-up and control of the company's operations and compliance with laws and regulations that are applicable to the company's operations. The company's auditor attends at least one of the Board's meetings annually. On such occasions, the auditor's observations concerning the company's accounts, procedures and internal control are reported and reviewed.

The Board is also responsible for the determination, development and follow-up of the company's goals and strategy, decisions about acquisitions and divestments of businesses, major investments, repurchases of own shares as well as the appointment and remuneration of executive management. The Board of Directors and CEO submit the annual accounts to the AGM.

Furthermore, the Board is responsible for preparing an annual Corporate Governance Report that shall include the Board of Directors' actions to follow up on internal controls related to the financial reporting and on how reporting to the Board has worked. The Corporate Governance Report shall be reviewed by the company's auditor. In connection with this, the Board shall annually assess and decide whether the company should have a special review function (internal audit). This decision shall be justified in the Corporate Governance Report.

The Board conducts an annual evaluation of its work, whereby a questionnaire is sent out to all its members. The results are compiled by the Chairman of the Nomination Committee, who then provides feedback to each Board member. The Board continuously evaluates the CEO's work.

Each Board member shall independently assess the matters that are to be addressed by the Board and request the information that the Board member deems necessary for the Board to make a well-informed decision. Each Board member shall continuously acquire knowledge of the company's operations, organisation, markets and similar information required for their assignment.

The Board's work

The Board's work follows an annual plan. In addition to the statutory meeting held in connection with the AGM, the Board normally meets seven times a year (regular meetings). Extraordinary meetings are convened as needed. Every meeting follows an agenda that is provided together with other underlying documentation to Board members prior to each Board meeting. Board resolutions are passed following a discussion led by the Chairman. Committees appointed by the Board are tasked with preparing matters for resolution by the Board (see below).

The agenda of the statutory Board meeting includes adoption the Board's rules of procedures, decisions about company signatories and the approval of minutes. The regular meeting held in February addresses the annual accounts, proposals on the appropriation of profits and the Year-End Report. In conjunction with this, the company's auditors submit a report to the Audit Committee with their findings and assessments of the conducted audit. Every regular meeting generally includes several other fixed items for presentation, such as a report on the current financial outcome of the operations.

The Board held eight regular meetings, of which one was a statutory meeting, and ten extraordinary Board meetings in 2024. The attendance at Board meetings and committee meetings is presented in the summary on page 79. Essential subjects that have been discussed during the year include:

- Strategic direction for the operations
- Business plans, financial plans and forecasts
- Acquisition of HMY
- Investments
- Long-term financing
- Policies and guidelines
- Risk management and internal control
- Interim reports and annual accounts
- Reports from the Board's committees
- Sustainability work
- Follow-up of external audit

Audit Committee

The Board has appointed an Audit Committee that, without impacting the Board's responsibilities and assignments in general, is to prepare the Board's work of quality-assuring the company's financial reporting, continually meet with the company's auditors to obtain information about the focus and scope of the audit as well as discuss coordination between the external audit and the internal control and views of the company's risks. The Audit Committee is also responsible for establishing guidelines regarding which services other than audits the company may procure from the company's auditors, evaluate the audit work and notify the company's Nomination Committee about the results of the evaluation as well as assist the Nomination Committee in preparing proposals for the election of auditors and the payment of fees for the audit work.

ITAB's Audit Committee comprises Amelie de Geer, Lars Kvarnsund (Chairman of the Committee) and Madeleine Persson. All members of the committee are independent of the company and its executive management and independent of the company's major shareholders. Lars Kvarnsund has accounting expertise. The company thus fulfils the requirements of the Swedish Companies Act. In 2024, the Audit Committee held eight minuted meetings, and maintained ongoing contact with the company's auditors. The Audit Committee also had a number of contacts with Group management. In 2024, fees for the Audit Committee's work comprised SEK 150,000 to the Chairman of the Committee and SEK 60,000 to each of the other members.

Remuneration Committee

The Remuneration Committee's primary tasks are preparing the Board's decisions on issues regarding remuneration principles, remuneration and other terms of employment for executive management, monitoring and evaluating ongoing schemes and schemes concluded during the year regarding variable remuneration to executive management, as well as monitoring and evaluating the application of the guidelines for remuneration to senior executives decided by the AGM and current remuneration structures and remuneration levels in the company. ITAB's Remuneration Committee has also been tasked with preparing issues regarding remuneration and other employment terms for the managing directors of other companies in the Group.

The tasks of the Remuneration Committee include preparing the Board's decisions on proposals for guidelines for remuneration of senior executives, and drafting the Board of Directors' annual remuneration report on the application of the company's remuneration guidelines for approval at the AGM. The Board shall prepare proposals for new guidelines at least every four years or before that if there is a need for significant adjustments, and present the proposal for resolution at the AGM. The guidelines shall apply until new guidelines have been adopted by the AGM. The current guidelines were adopted by the 2021 AGM (see Note 8), and the Board intends to propose new remuneration guidelines prior to the 2025 AGM (see page 72). The 2023 Remuneration Report adopted by the 2024 AGM is available on ITAB's website, itabgroup.com.

ITAB's Remuneration Committee comprises Anders Moberg (Chairman of the Committee), Petter Fägersten and Vegard Søraunet. The CEO is co-opted at committee meetings.

In 2024, the Remuneration Committee held one minuted meeting. During the year, fees for the Remuneration Committee's work comprised SEK 45,000 to the Chairman of the Committee and SEK 35,000 to each of the other members.

CEO and Group management

The CEO is appointed by the Board to be responsible for the company's day-to-day management in line with the Swedish Companies Act and within the framework established by the Board. The CEO's decision authority with respect to investments, corporate acquisitions and divestments as well as financing issues is subject to rules adopted by the Board. In consultation with Chairman of the Board, the CEO prepares the requisite information and supporting material for decisions in advance of Board meetings, presents agenda items and motivate proposed resolutions. The current CEO, Andréas Elgaard, took up his position in September 2019.

The CEO leads the work of Group management and makes decisions in consultation with other members of management. In 2024, ITAB's Group management comprised President & CEO Andréas Elgaard, Chief Financial Officer Ulrika Bergmo Sköld, Senior Vice President – MBU Nordic Jan Andersson, Senior Vice President – MBU South Europe Andrea Ciotti, Senior Vice President – MBU UK & Baltics Roy French, Chief Commercial Officer Nick Hughes, General Counsel Frida Karlsson, Chief Sustainability & People Officer Petra Axelsson, Chief Operating Officer Mikael Nadelmann, and Senior Vice President – MBU Central Europe Klaus Schmid.

A more detailed presentation of the CEO and Group management can be found on page 84. Remuneration of the CEO and Group management in the 2024 financial year is presented in Note 8 on page 108.

Group staff units

Group staff units that report directly to Group management have responsibility for business development, finance, insurance, HR, purchasing, IT, information, marketing, production, development, investor relations, legal affairs, communications, consolidation of accounts and Group-wide administration. Projects that cover all or the majority of the Group's companies are controlled and coordinated from here. Within each area, handbooks and policies are drawn up that regulate the work in the subsidiaries.

Auditors

To examine the company's annual accounts, consolidated accounts and accounting records as well as the administration of the Board of Directors and CEO, a registered auditing company or one or two authorised public accountants shall be appointed by the AGM according to the Articles of Association. The auditors report to the shareholders at the AGM via their Auditor's Report.

The regular election of auditors in ITAB took place at the 2024 AGM and pertained to the term up to and including the 2025 AGM. The company's auditor is the registered auditing company Ernst & Young AB, with authorised public accountant Joakim Falck as auditor in charge. Joakim Falck has been the auditor for ITAB since 2018. His other audit assignments include Nolato AB, Absolent Group AB, Hexpol AB, Nefab AB, and Gyllensvaans Möbler AB.

The company's auditor works in accordance with an audit plan that incorporates the views of the Board and its Audit Committee. The auditor then reports his/her observations to executive management teams, Group management and ITAB's Board and its Audit Committee during the course of the audit and in conjunction with the adoption of the annual accounts. The company's auditor also participates at the AGM and describes and expresses his opinion about the audit work. The independence of the external auditor is regulated by special instructions adopted by the Board, which stipulate the areas in which the external auditor may be engaged on matters beyond regular audit work. Ernst & Young continuously tests its independence in relation to the company and submits a written affirmation to the Board every year, stating that the auditing firm is independent from ITAB.

In 2024, a total of MSEK 2 (1) was paid in fees for Ernst & Young's services in addition to the audit assignment.

Ethical guidelines

ITAB strives to ensure that its business operations adhere to stringent demands on integrity and ethics. The Board has adopted a so-called Code of Conduct for Group operations, which also includes ethical guidelines. The Code of Conduct emphasises the importance of each and every employee, that the Group is to offer a safe and healthy work environment, and that ITAB works continuously to reduce its environmental impact. It also points out that ITAB stands for straightforward, honest communication and that all employees have to respect commercial confidentiality. If an issue relating to business ethics arises at company level, there is a system in place detailing how employees should report directly to the Group and how such issues will be handled. In accordance with the Code of Conduct, ITAB has a zero-tolerance policy regarding all forms of bribery and corruption. The Group's operations have whistleblowing systems for reporting any whistleblowing cases from both internal and external stakeholders.

ITAB regularly reviews and evaluates internal controls in all subsidiaries, which provides reasonable assurance of an appropriate and effective operation, reliable financial reporting and compliance with laws and ordinances. The internal audit also includes a follow-up of the sustainability program and the Code of Conduct. The managing director of each individual company within the ITAB Group is responsible for ensuring compliance with local regulations. All of ITAB's employees are covered by the Group-wide Code of Conduct and have signed it to confirm that they are complying with this code.

No known cases of corruption were discovered in the Group in 2024. Since the end of 2017, there is also a separate Group-wide supplier policy containing fundamental business ethics requirements that ITAB imposes on its suppliers. In order to ensure that ITAB is complying with GDPR, training has been conducted for employees who process personal data as part of their work.

Internal controls for the financial reporting

According to the Swedish Companies Act and the Code, the Board is responsible for internal controls aimed at protecting the company's assets and thereby the investments of its owners. This responsibility includes annually assessing the financial reporting that the Board receives and setting requirements for its content and presentation to ensure the quality of the reporting. This requirement entails that financial reporting must be appropriate, applying the relevant accounting rules and other requirements for listed companies. The following description is limited to ITAB's internal controls of the financial reporting.

The internal controls should provide reasonable assurance of appropriate and effective operations, reliable financial reporting, and compliance with laws and ordinances. The basis for the internal control of financial reporting is the control environment, including the organisation, decision-making paths, authorisations and responsibilities that are documented and communicated in the governing documents below. ITAB's tool for internal control is based on the COSO framework. COSO is a framework for evaluating a company's internal control over financial reporting. The framework streamlines the work with internal controls.

The Group's risk matrix (see pages 73-77) was reviewed during the year and forms the basis of the internal audit program. In addition to the business risks, the internal controls have focused on formalities, procedures and processes linked to the updated risk matrix.

Financial reporting

All subsidiaries submit monthly reports concerning financial outcomes, in accordance with the Group's internal finance manual. The reporting is consolidated and constitutes the basis for quarterly reports and operational follow-ups.

This operational follow-up is carried out in accordance with an established structure where invoicing, liquidity, profit, tied-up capital and other key figures of importance for the Group are collated and form the basis for analysis and measures by management and controllers at various levels. Other important, Group-wide aspects of the internal control include business plans and the annual forecast process.

For communication with external parties, the Group has an information policy intended to ensure that all disclosure requirements are complied with correctly and in full.

Control environment

The Audit Committee's primary task is to monitor the accounting and reporting processes and to ensure the quality of these reports and processes. The responsibility for maintaining an effective control environment, day-to-day risk management and internal controls in terms of financial reporting has been delegated to the CEO. Executives at various levels of the company are in turn responsible within their respective areas. Responsibilities and authorisations are defined in instructions to the CEOs, instructions concerning attestation rights, manuals, and other policies and procedures.

The Board determines the Group's policies regarding information, credit and finance. Group management determines other instructions, and the responsible Group functions issue guidelines and oversee the application of the regulatory framework. The Group's accounting and reporting rules are stipulated in an accounting handbook that is available to all accounting staff. Together with laws and other external regulatory frameworks, the organisational structure and internal regulatory frameworks constitute the control environment.

Risk assessment

ITAB works continually with risk analyses as a basis for revisions of the Group's risk matrix. Financial, operational and strategic risks are charted. The Audit Committee reviews the current risk matrix when necessary and at least once a year, as well as ongoing and planned activities linked to the respective risk, and revisions are undertaken if necessary.

Control activities

The purpose of control activities is to identify, prevent and correct errors and deviations. Policies and guidelines are particularly important for accurate accounting, reporting and information dissemination and also define which control activities should be conducted. ITAB regularly updates its policies and guidelines, in writing and at meetings. Control activities include approval procedures, reconciliation of accounts, analytical follow-up and control of IT systems.

Follow-up
Group management and controllers regularly follow up economic and financial reporting as well as key business events. At each Board meeting, financial performance is monitored against forecasts, and reviews are conducted of how well investments are proceeding according to plan. The follow-up of results is an important complement to the controls and reconciliations implemented in the financial processes themselves. The Audit Committee regularly evaluates the internal control, the Code and significant accounting issues.

Opinion on internal audit function
The Board has opted not to have a special function for internal audits. The assessment is based on the Group's size and operations as well as existing internal control processes where the work with internal controls is conducted in an internal audit program that covers all subsidiaries according to an established plan. If necessary, external advisers are used for internal control projects on behalf of the Audit Committee. Parts of the internal control are regularly examined by the auditors.

Violations
The company has not committed any violations of the regulatory framework of the stock market where the company's shares are traded nor breached any stock market best practices.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Board of Directors

Anders Moberg
(born 1950)

Chairman of the Board since 2018 and Board member since 2011.

Other Board assignments:
Chairman of the Board of Byggmax AB and Viva Wine Group AB. Board member of Bergendahl & Son AB, Boconcept A/S, Citygross AB, and Stichting INGKA Foundation.
Independence:
Independent in relation to the company and its senior executives.
Independent in relation to the major shareholders.
Shareholding:
2,500,000 ordinary shares (own holding and via endowment policy)

Petter Fägersten
(born 1982)

Board member since 2016.

Other Board assignments:
Board member of Inev AB, XANO Industri AB, Idyllum AB, Skanditape AB, Övre kullen AB, and others.
Independence:
Independent in relation to the company and its senior executives.
Dependent in relation to the major shareholders.
Shareholding:
26,262,112 ordinary shares (via Övre Kullen and with family)

Amelie de Geer
(born 1978)

Board member since 2024.

CEO of BAMA Nordic AB.

Other Board assignments:
Chairman of companies in the BAMA Nordic Group.
Independence:
Independent in relation to the company and its senior executives.
Independent in relation to the major shareholders.
Shareholding:
34,498 ordinary shares

Lars Kvarnsund
(born 1967)
Board member since 2024.

Board Member and Advisor.

Other Board assignments:
Board member of FM Mattsson AB, Ferroamp AB, Novedo Holding AB, United Power AB, and Prido AB, Chairman of the Board of Zinkteknik Group AB and P.O. Jansson Industri AB.
Independence:
Independent in relation to the company and its senior executives.
Independent in relation to the major shareholders.
Shareholding:
25,012 ordinary shares (own holding and via company)

Madeleine Persson
(born 1969)

Board member since 2023.

Advisor, Board Member and Executive Mentor.

Other Board assignments:
Board member of aim'n apparel AB and Stadium AB.
Independence:
Independent in relation to the company and its senior executives.
Independent in relation to the major shareholders.
Shareholding:
20,000 ordinary shares

Fredrik Rapp
(born 1972)

Board member since 2013.

CEO of Pomona-gruppen AB.

Other Board assignments:
Chairman of the Board of Argynnis Group AB, Estinvest AB, Serica Consulting AB, Svenska Handbollförbundet, and XANO Industri AB. Board member of AGES Industri AB, Corem Property Group AB, Pomona-gruppen AB, AB Segulah, and others.
Independence:
Independent in relation to the company and its senior executives.
Dependent in relation to the major shareholders.
Shareholding:
40,148,040 ordinary shares (via Pomona-gruppen and with family)

Peder Strand
(born 1980)

Board member since 2024.

Investment Director at Seatankers Management Company Ltd.

Other Board assignments:
Board member of ACapital ITAB HoldCo AB, Medistim ASA, and Mowi ASA.
Independence:
Independent in relation to the company and its senior executives.
Dependent in relation to the major shareholders.
Shareholding:
56,116,610 ordinary shares (via ACapital ITAB HoldCo)

Vegard Søraunet
(born 1980)

Board member since 2021.

CEO & Investment Director at Aeternum Management AS.

Other Board assignments:
Board member of ACapital ITAB HoldCo AB and SkiStar AB. CEO and Chairman of the Board of Søraunet Invest AS.
Independence:
Independent in relation to the company and its senior executives.
Dependent in relation to the major shareholders.
Shareholding:
56,116,610 ordinary shares (via ACapital ITAB HoldCo)

Other information: Refer to ITAB's website, itabgroup.com, for a more detailed presentation of each Board member, including education and work experience.
Information about the number of shares refers to shareholdings as of 28 February 2025.

Group management

Andréas Elgaard
(born 1972)

President & CEO

Employed by the Group: 2019
Education: Master of Science, Lund Institute of Technology.
Work experience: Senior positions within IKEA, Ballingslöv, Sperian, Icopal and Saint-Gobain Isover.
Shareholding: 700,000 ordinary shares

Jan Andersson
(born 1979)

Senior Vice President – MBU Nordic

Employed by the Group: 2013
Shareholding: 150,000 ordinary shares

Petra Axelsson
(born 1988)

Chief Sustainability & People Officer

Employed by the Group: 2024
Shareholding: –

Ulrika Bergmo Sköld
(born 1967)

Chief Financial Officer

Employed by the Group: 2020
Shareholding: 103,480 ordinary shares

Andrea Ciotti
(born 1971)

Senior Vice President – MBU South Europe

Employed by the Group: 2016
Shareholding: 20,000 ordinary shares

Roy French
(born 1965)

Senior Vice President – MBU UK & Baltics

Employed by the Group: 2010
Shareholding: –

Nick Hughes
(born 1969)

Chief Commercial Officer

Employed by the Group: 2010
Shareholding: 30,000 ordinary shares

Frida Karlsson
(born 1984)

General Counsel

Employed by the Group: 2021
Shareholding: –

Mikael Nadelmann
(born 1967)

Chief Operating Officer

Employed by the Group: 2024
Shareholding: –

Klaus Schmid
(born 1965)

Senior Vice President – MBU Central Europe

Employed by the Group: 2018
Shareholding: 8,000 ordinary shares

Other information: Information about the number of shares refers to shareholdings as of 28 February 2025.

Financial review – Five years in summary

Income statements (MSEK)	2024	2023	2022	2021	2020
Revenue from contracts with customers	6,585	6,139	6,868	6,087	5,323
Cost of goods sold	-4,728	-4,420	-5,286	-4,727	-4,137
Gross profit [1)]	**1,857**	**1,719**	**1,582**	**1,360**	**1,186**
Selling expenses	-1,000	-935	-871	-796	-784
Administrative expenses	-376	-327	-344	-331	-285
Other operating income and expenses	-22	-25	36	-17	-5
Operating profit [1)]	**459**	**432**	**403**	**216**	**112**
Financial items	-21	-47	-55	-69	-112
Profit after financial items [1)]	**438**	**385**	**348**	**147**	**0**
Tax on net profit for the year	-118	-93	-105	-52	-22
Net profit for the year – Continuing Operations	**320**	**292**	**243**	**95**	**-22**
Profit from Discontinued Operations, net after tax	1	-12	-53	8	–
Net profit for the year	**321**	**280**	**190**	**103**	**-22**
Attributable to:					
Parent Company shareholders	311	270	170	95	-21
Non-controlling interests	10	10	20	8	-1
Balance sheets (MSEK)					
Assets					
Intangible assets	2,064	1,919	1,897	1,756	1,743
Property, plant and equipment	1,250	1,222	1,408	1,366	1,367
Other non-current receivables	233	157	153	146	119
Non-current assets	**3,547**	**3,298**	**3,458**	**3,268**	**3,229**
Inventories	799	793	1,030	1,176	698
Current receivables	1,222	1,033	1,244	1,372	900
Cash and cash equivalents	1,513	578	756	208	692
Current assets	**3,534**	**2,404**	**3,030**	**2,756**	**2,290**
Assets held for sale	–	66	88	–	–
Total assets	**7,081**	**5,768**	**6,576**	**6,024**	**5,519**
Equity and liabilities					
Equity	4,262	3,208	3,169	2,782	1,725
Deferred tax liabilities	44	39	44	45	41
Other non-current liabilities	1,050	1,057	1,624	1,143	1,283
Other current liabilities	1,725	1,447	1,720	2,054	2,470
Liabilities attributable to assets held for sale	–	17	19	–	–
Total equity and liabilities	**7,081**	**5,768**	**6,576**	**6,024**	**5,519**
Cash flow (MSEK)					
Cash flow before change in working capital	653	523	527	424	417
Change in working capital	-29	287	15	-589	394
Cash flow from operating activities	**624**	**810**	**542**	**-165**	**811**
Cash flow from investing activities	-144	-107	-150	-103	-45
Cash flow after investing activities	**480**	**703**	**392**	**-268**	**766**
Cash flow from financing activities	432	-810	153	-253	-343
Cash flow for the year	**912**	**-107**	**545**	**-521**	**423**

1) For more information about non-recurring items, see the tables on page 87.

As of 2022, ITAB's Russian subsidiary ITAB Rus JSC was recognised as Discontinued Operations in accordance with IFRS 5. Comparative figures in the consolidated income statement have been restated for 2021.

Financial review – Five years in summary

Key ratios	2024	2023	2022	2021	2020
EBITDA (Operating profit before depreciation and amortisation), MSEK	713	686	674	487	376
EBITDA margin, %	10.8	11.2	9.8	8.0	7.1
EBIT margin, %	7.0	7.0	5.9	3.6	2.1
EBIT margin excl. non-recurring items, %	7.7	7.0	6.4	6.3	6.0
Profit margin, %	6.7	6.3	5.1	2.4	0.0
Profit margin excl. non-recurring items, %	7.4	6.3	5.7	5.1	3.9
Interest-coverage ratio, multiple	7.2	6.0	6.0	2.8	1.0
Equity attributable to Parent Company shareholders, MSEK	4,128	3,049	3,012	2,654	1,607
Interest-bearing net debt, MSEK	-384	591	1,080	1,239	1,748
Interest-bearing net debt excl. lease liabilities, MSEK	-969	45	399	609	1,092
Equity/assets ratio, %	60	56	48	46	31
Cash conversion, %	88	118	80	N/A	215
Return on equity, %	9.0	8.8	6.0	4.0	Neg
Return on capital employed, %	10.6	9.6	8.9	5.4	2.5
Return on total capital, %	8.1	7.4	6.8	3.9	2.0
Depreciation according to plan, MSEK	254	254	271	271	264
Net investments, MSEK	144	107	150	103	45
- of which, attributable to corporate acquisitions & divestments, MSEK	-32	-9	66	40	0
Average number of employees	2,532	2,533	2,715	2,930	3,030

As of 2022, ITAB's Russian subsidiary ITAB Rus JSC was recognised as Discontinued Operations in accordance with IFRS 5. Comparative figures in the consolidated income statement have been restated for 2021.

Financial targets – follow-up of outcomes	2024	2023	2022	2021	2020
Sales growth *(Target*: 4–8 percent over a business cycle), %	+8	-15	+8	+19	-10
EBIT margin (*Target*: 7–9 percent over a business cycle), %	7.0	7.0	5.9	3.6	2.1
Cash conversion *(Target*: >80 percent over a business cycle), %	88	118	80	N/A	215
Dividend as a share of profit after tax *(Target*: >30 percent over a longer period), %	0	60	64	0	0

See page 129 and "Definitions" on page 9 for a description of the ITAB Group's financial targets.

Items that do not belong to regular operations, known as non-recurring items (MSEK)

	2024	2023	2022	2021	2020
Acquisition, integration and restructuring costs	-32	–	-40	-166	-156
Divestment of companies	-16	–	–	–	–
Inventory impairment of non-recurring character	–	–	–	–	-52
	-48	**–**	**-40**	**-166**	**-208**

Impact of non-recurring items on the income statement (MSEK)

	2024	2023	2022	2021	2020
Gross profit	0	–	-19	-59	-121
EBITDA	-48	–	-30	-157	-202
Operating profit	-48	–	-40	-166	-205
Profit after net financial items	-48	–	-40	-166	-208

Comments on Five years in summary

Sales

Total net sales have increased by approximately 24 percent over the past five years, but with substantial differences in outcomes between years.

During the five-year period, ITAB has signed numerous long-term agreements with leading retail chains in Europe. These have laid the foundation for ITAB's position as the market-leading supplier of checkouts and loss prevention solutions to retailers and one of the largest suppliers of shop fittings and lighting systems in Europe.

In 2020, sales decreased by MSEK 741, corresponding to -12 percent. Currency-adjusted sales fell by 10 percent. A substantial part of the reduction was caused by the strict measures taken to reduce the spread of COVID-19, especially during the first six months of the year. Sales recovered somewhat during the second half of the year due to, among other things, increased sales of various protective products for stores. Sales decreased in all geographic markets except Central Europe. Grocery sales increased, while sales to Other customer groups decreased.

In 2021, sales grew by MSEK 764, corresponding to +14 percent. Currency-adjusted sales increased by 19 percent, with organic growth accounting for 8 percent and the acquisition of Cefla Retail Solutions contributing 11 percent. The sales trend was favourable throughout the entire year as societies and retailers opened up after lockdowns due to the pandemic. Sales to the Grocery and Home Improvements customer groups increased, while sales in Fashion were unchanged compared with the preceding year. The most significant growth took place in Southern and Eastern Europe.

In 2022, sales grew by MSEK 781, corresponding to +13 percent. Currency-adjusted sales increased by 8 percent, with organic growth accounting for 6 percent and the acquisition of Checkmark in February 2022 contributing 2 percent. Organic growth was mainly attributable to implemented price increases and stable underlying demand. The greatest sales increase took place in Central Europe. Growth was largest in Fashion and Home Improvements, but sales to Grocery and Other customer groups also increased.

In 2023, sales decreased by MSEK 729, corresponding to -11 percent. Currency-adjusted sales fell by 15 percent. Sales of the Group's loss prevention solutions increased during the year, while the year in other aspects was characterised by uncertainty regarding future economic trends, with rising inflation and interest rates. This had a negative impact on overall demand. The decline in sales was evident in all geographic markets except for non-European countries. Sales in Grocery, Home Improvements and Fashion were negatively impacted, while Other customer groups developed more positively.

In 2024, sales grew by MSEK 446, corresponding to +7 percent. Currency-adjusted sales increased by 8 percent. Overall, the sales performance for the full year was positive in several of ITAB's solution areas and geographic markets, with multiple new and expanded contracts signed with both existing and new customers. Sales were strongest in Northern, Central and Eastern Europe, while sales to countries outside Europe declined in relation to the strong comparative figures in the preceding year. While the Group's largest customer group, Grocery, experienced the highest growth (14 percent), sales in Home Improvements and Fashion also increased during the year.

Profitability

During the five-year period, operating profit varied between a minimum of MSEK 112 (2020) and a maximum of MSEK 459 (2024). The operating margin during the period also varied between 2.1 and 7.0 percent. Excluding non-recurring items (see summary on page 87), the operating margin varied between 6.0 and 7.7 percent. Profit after net financial items amounted to between MSEK 0 (2020) and MSEK 438 (2024), and the profit margin was between 0.0 and 6.7 percent.

Operating profit for 2020 declined to MSEK 112, corresponding to an operating margin of 2.1 percent. The decrease in sales and currency effects had a negative impact on profit, while an improved gross margin and effects of cost-saving measures had a positive effect. Profit was negatively affected by MSEK -208 in non-recurring items, most of which were attributable to restructuring costs and inventory impairment.

Profit for 2021 was positively impacted by increased sales and the ongoing efforts to transform the operations under One ITAB, including completed production relocations and cost adaptations, more common ways of working, and more efficient and flexible market cultivation. At the same time, the sharp increase in raw material prices and shortages of certain components during the first two quarters of the year had a negative impact on all of the Group's markets. Profit was negatively impacted by non-recurring items of MSEK -166 pertaining to restructuring costs.

Profit for 2022 was positively impacted by the sales increase enabled by implemented price increases and currency effects. At the same time, shortages of certain electronic components and rapidly rising prices for raw materials, shipping and energy as well as lockdowns in China due to the COVID-19 pandemic at the start of the year had a negative impact on the gross margin. Profit was negatively impacted by non-recurring items of MSEK -40 pertaining to restructuring costs.

In 2023, the increased share of sales of loss prevention and other technical solutions, implemented price increases and measures to reduce Group expenses gradually strengthened both the gross margin and the operating margin. At the same time, lower net sales had a negative impact on capacity utilisation and earnings in the Group. Profit was not impacted by any non-recurring items.

The earnings trend for 2024 was strong, primarily driven by a relatively high gross margin combined with a positive sales trend. The gross margin has strengthened due to the favourable product and customer mix, with an increased share of sales of ITAB's technical solutions for loss prevention and self-service in stores in the past few years, but increased sales of customised shop fittings also positively impacted earnings. Continued measures for increased sales, efficiency and cost adjustments, as well as improvements to capacity utilisation at the Group's production facilities, have yielded positive effects during the year. Profit was negatively impacted by non-recurring items of MSEK -48, mainly pertaining to costs in connection with the acquisition of HMY.

The Group's return on equity during the period averaged approximately 5.6 percent.

Investments

During the period, net investments, excluding corporate acquisitions, amounted to a maximum of 2.7 percent of sales. The Group's investments have mainly consisted of machinery with a focus on automated operations, high utilisation of resources, sustainability and cutting-edge technical development as well as generated development costs for proprietary products and solutions. In 2021, the Group invested in common production facilities in Czechia within the framework of One ITAB with the aim of securing sustainable and efficient production and assembly. In 2024, approximately 46 percent of total investments pertained to common operational support systems for the Group.

Investments attributable to corporate acquisitions have focused on strengthening the Group's position as a market-leading supplier of shop fittings to the Group's selected customer groups and geographic markets, and on strengthening and supplementing the services and product portfolio in certain areas.

With the aim of strengthening ITAB's position and complementing the Group's current offering, ITAB agreed in 2024 to acquire Financière HMY, a leading European supplier of shop fittings, checkouts and store design. The acquisition was completed on 31 January 2025, and HMY is consolidated in the ITAB Group as of 1 February 2025.

Financial development

The balance sheet total was MSEK 5,896 at the start of 2020 and MSEK 7,081 at year-end 2024. The changes in the balance sheet total are attributable to completed acquisitions, investments in production facilities, property sales and the new share issues conducted in autumn 2024 due to the acquisition of HMY. The expansion was achieved through positive cash flow from operating activities, bank financing, the recapitalisation and share issues in 2021, and the new share issue in 2024. Interest-bearing net debt (excluding lease liabilities) amounted to MSEK 1,092 at year-end 2020 and declined to MSEK 45 at year-end 2023. As of 31 December 2024, the Group had received MSEK 831 in issue proceeds from the new share issue in 2024 and interest-bearing net debt (excluding lease liabilities) amounted to MSEK -969.

The Group's equity/assets ratio gradually improved from 31 percent at the end of 2020 to 60 percent at the end of 2024.

Income Statement
Group

(MSEK)	Note	2024	2023
Revenue from contracts with customers	6	6,585	6,139
Cost of goods sold	8, 9, 10, 11	-4,728	-4,420
Gross profit		**1,857**	**1,719**
Selling expenses	8, 9, 10, 11	-1,000	-935
Administrative expenses	8, 9, 10, 11	-376	-327
Other operating income	12	23	52
Other operating expenses	12	-45	-77
Operating profit		**459**	**432**
Financial income	14	49	34
Financial expenses	14	-70	-81
Profit after financial items		**438**	**385**
Tax expenses for the year	16	-118	-93
Net profit for the year – Continuing Operations		**320**	**292**
Profit from Discontinued Operations, net after tax	5	1	-12
Net profit for the year		**321**	**280**
Net profit for the year attributable to:			
Parent Company shareholders		311	270
Non-controlling interests		10	10
Earnings per share, SEK	17		
Including Discontinued Operations before dilution		1.38	1.24
Including Discontinued Operations after dilution		1.37	1.23
Excluding Discontinued Operations before dilution		1.37	1.29

Statement of Other Comprehensive Income
Group

(MSEK)	Note	2024	2023
Net profit for the year		**321**	**280**
Other comprehensive income			
Items that will not be reclassified to the income statement:			
Revaluation of defined-benefit pension commitments	29	-1	0
Tax relating to items not to be reclassified	16	0	0
		-1	**0**
Items that may be reclassified to the income statement:			
Translation difference on translation of foreign operations		100	-144
Translation difference transferred to net profit for the year		40	0
Change in fair value of hedges of net investments		-8	26
Change in fair value of cash flow hedges		1	-9
Change in fair value of cash flow hedges transferred to net profit for the year		-3	2
Tax on items that may be reclassified	16	2	-4
	25	**132**	**-129**
Total other comprehensive income		**131**	**-129**
Comprehensive income for the year		**452**	**151**
Comprehensive income for the year attributable to:			
Parent Company shareholders		433	149
Non-controlling interests		19	2

Statement of Financial Position
Group

(MSEK)	Note	2024	2023
Assets			
Non-current assets			
Intangible assets			
Goodwill	18	1,844	1,786
Other intangible assets	10, 18	220	133
	6	**2,064**	**1,919**
Property, plant and equipment			
Buildings and land	10, 19, 22	905	884
Plant and machinery	10, 19, 22	218	226
Equipment, tools and installations	10, 19, 22	108	90
Construction in progress and advance payments for property, plant and equipment	19	19	22
	6	**1,250**	**1,222**
Financial assets			
Shares and participations	20	23	–
Non-current derivative receivables	21	5	12
Long-term investments	21, 35	96	49
Other financial non-current receivables	21	16	18
		140	**79**
Deferred tax assets	16	93	78
Total non-current assets		**3,547**	**3,298**
Current assets			
Inventories	23	799	793
Accounts receivable	21	1,008	861
Current tax assets		36	35
Current derivative receivables	21	3	6
Other receivables	21	76	63
Prepaid expenses and accrued income	6, 21, 24	99	68
Cash and cash equivalents	21	1,513	578
Total current assets		**3,534**	**2,404**
Assets held for sale	5	–	66
Total assets		**7,081**	**5,768**

(MSEK)	Note	2024	2023
Equity and liabilities			
Equity			
Share capital		109	93
Other contributed capital		1,911	1,093
Translation and hedging reserve		226	103
Profit brought forward including net profit for the year		1,882	1,760
Equity attributable to Parent Company shareholders		**4,128**	**3,049**
Non-controlling interests		134	159
Total equity	25, 26, 27	**4,262**	**3,208**
Non-current liabilities			
Liabilities to credit institutions	21	565	595
Non-current lease liabilities	21, 22	433	406
Other non-current liabilities	21	5	13
Provisions for pensions and similar obligations	29	32	29
Provision for deferred tax liabilities	16	44	39
Other non-current provisions	30	15	14
Total non-current liabilities		**1,094**	**1,096**
Current liabilities			
Liabilities to credit institutions	21	56	75
Current lease liabilities	21, 22	152	140
Overdraft facilities	21, 28	27	20
Advance payments from customers	6, 21	72	50
Accounts payable	21	817	692
Current tax liabilities		65	16
Other liabilities	21	111	90
Accrued expenses and prepaid income	6, 21, 31	413	356
Current provisions	30	12	8
Total current liabilities		**1,725**	**1,447**
Liabilities attributable to assets held for sale	5	0	17
Total equity and liabilities		**7,081**	**5,768**

Statement of Changes in Equity
Group

(MSEK)	Note	Share capital	Other contributed capital	Other reserves (see Note 25)	Profit brought forward	Attributable to Parent Company shareholders	Attributable to non-controlling interests	Total equity
Equity as of 1 January 2023	25, 26	**93**	**1,091**	**224**	**1,604**	**3,012**	**157**	**3,169**
Net profit for the year					270	270	10	280
Revaluation of defined-benefit pension commitments					0	0	0	0
Translation difference, foreign operations				-137		-137	-8	-145
Hedging of net investment				22		22		22
Hedging of cash flow				-6		-6		-6
Comprehensive income for the year				**-121**	**270**	**149**	**2**	**151**
Dividends					-109	-109		-109
Share incentive program	8, 27		2			2		2
Repurchase of own ordinary shares	27				-5	-5		-5
Equity as of 31 December 2023	25, 26	**93**	**1,093**	**103**	**1,760**	**3,049**	**159**	**3,208**
Equity as of 1 January 2024	25, 26	**93**	**1,093**	**103**	**1,760**	**3,049**	**159**	**3,208**
Net profit for the year					311	311	10	321
Revaluation of defined-benefit pension commitments					-1	-1	0	-1
Translation difference, foreign operations				131		131	9	140
Hedging of net investment				-6		-6		-6
Hedging of cash flow				-2		-2		-2
Comprehensive income for the year				**123**	**310**	**433**	**19**	**452**
Dividends					-161	-161	-15	-176
Acquisition of non-controlling interests	5				18	18	-29	-11
Share incentive program	8, 27		3			3		3
Repurchase of own ordinary shares	27				-45	-45		-45
Bonus issue	27	1			-1	0		0
Cancellation of ordinary shares	27	-1			1	0		0
New issue of ordinary shares	27	16	815			831		831
Equity as of 31 December 2024	25, 26	**109**	**1,911**	**226**	**1,882**	**4,128**	**134**	**4,262**

Statement of Cash Flows
Group

Indirect method (MSEK)	Note	2024	2023
Operating activities			
Operating profit		**459**	**432**
Adjustment for items not included in the cash flow			
depreciation and amortisation	10, 22	254	254
depreciation, amortisation and impairment losses – Discontinued Operations		–	9
impairment losses of current assets		42	36
adjustment for pensions and other provisions		4	-7
non-cash items from discontinued operations	5	16	–
participations in associated companies	5	–	6
other items		5	-28
Total		**780**	**702**
Interest received		28	34
Interest paid		-75	-76
Tax paid		-80	-137
Cash flow from operating activities before changes in working capital		**653**	**523**
Change in working capital			
Change in inventories (increase -/decrease +)		-29	181
Change in operating receivables (increase -/decrease +)		-172	201
Change in operating liabilities (increase +/decrease -)		172	-95
Total change in working capital		**-29**	**287**
Cash flow from operating activities		**624**	**810**
Investing activities			
Acquisition of Group companies, effect on cash and cash equivalents	5	-35	-6
Divestment of associated companies	5	–	15
Divestment of Group companies	5, 12	67	–
Investments in intangible assets	18	-117	-58
Investments in property, plant and equipment	19	-73	-86
Divestment of property, plant and equipment	12, 19	14	28
Cash flow from investing activities		**-144**	**-107**
Cash flow after investing activities		**480**	**703**
Financing activities			
New issue of ordinary shares	27	831	–
Repurchase of own ordinary shares	27	-45	-5
Repayment of loans	21	-67	-656
Repayment of lease liabilities	21	-128	-131
New loans raised	21	20	140
Change in operating receivables		-3	-49
Dividend paid to non-controlling interests		-15	–
Paid dividend to shareholders		-161	-109
Cash flow from financing activities		**432**	**-810**
Cash flow for the year		**912**	**-107**
Cash and cash equivalents at the start of the year		**578**	**756**
Translation differences on cash and cash equivalents		23	-71
Cash and cash equivalents at the end of the year		**1,513**	**578**

Income Statement
Parent Company

(MSEK)	Note	2024	2023
Net sales	7	198	184
Cost of goods sold	7, 8, 9, 11	-24	-31
Gross profit		**174**	**153**
Selling expenses	7, 8, 9, 10, 11	-140	-81
Administrative expenses	7, 8, 9, 10, 11	-63	-78
Other operating income	12	7	9
Other operating expenses	12	-8	-26
Operating profit		**-30**	**-23**
Income from participations in Group companies	13	99	27
Expenses from participations in Group companies	13	-16	-32
Financial income	14	41	45
Financial expenses	14	-87	-86
Profit after financial items		**7**	**-69**
Year-end appropriations	15	40	125
Profit before tax		**47**	**56**
Tax expenses for the year	16	5	-15
Net profit for the year		**52**	**41**

Statement of Other Comprehensive Income
Parent Company

(MSEK)	Note	2024	2023
Net profit for the year		52	41
Other comprehensive income		–	–
Comprehensive income for the year		**52**	**41**

Balance Sheet
Parent Company

(MSEK)	Note	2024	2023
Assets			
Non-current assets			
Property, plant and equipment			
Equipment, tools and installations	10, 19	3	4
Financial assets			
Participations in Group companies	20	2,095	2,046
Non-current receivables	21	1	1
Other non-current assets			
Deferred tax assets	16	21	18
Total non-current assets		**2,120**	**2,069**
Current assets			
Receivables with Group companies	21	135	342
Current tax assets		0	3
Other receivables	21	3	1
Prepaid expenses and accrued income	24	43	14
Cash and bank balance	21	1,231	292
Total current assets		**1,412**	**652**
Total assets		**3,532**	**2,721**
Equity and liabilities			
Equity			
Restricted equity			
Share capital		109	93
Statutory reserve		7	7
		116	**100**
Non-restricted equity			
Share premium reserve		1,898	1,083
Profit brought forward		304	466
Net profit for the year		52	41
		2,254	**1,590**
Total equity	25, 26, 27	**2,370**	**1,690**
Non-current liabilities			
Liabilities to credit institutions	21	565	589
Provision for pensions		1	1
Total non-current liabilities		**566**	**590**
Current liabilities			
Overdraft facilities	28	–	21
Accounts payable		3	4
Liabilities to Group companies		553	383
Other liabilities		0	1
Accrued expenses and prepaid income	31	40	32
Total current liabilities	21	**596**	**441**
Total equity and liabilities		**3,532**	**2,721**

Statement of Changes in Equity
Parent Company

		Restricted equity		Non-restricted equity			
(MSEK)	Note	Share capital	Statutory reserve	Share premium reserve	Profit brought forward	Net profit for the year	Total equity
Equity as of 1 January 2023		**93**	**7**	**1,083**	**642**	**-63**	**1,762**
Previous year's profit transferred					-63	63	**0**
Net profit for the year						41	**41**
Dividends paid					-109		**-109**
Share incentive program	8				1		**1**
Repurchase of own ordinary shares	27				-5		**-5**
Equity as of 31 December 2023	25, 26	**93**	**7**	**1,083**	**466**	**41**	**1,690**
Equity as of 1 January 2024		**93**	**7**	**1,083**	**466**	**41**	**1,690**
Previous year's profit transferred					41	-41	**0**
Net profit for the year						52	**52**
Dividends paid					-161		**-161**
Repurchase of own ordinary shares	27				-45		**-45**
Share incentive program	8				3		**3**
Bonus issue	27	1			-1		**0**
Cancellation of ordinary shares	27	-1			1		**0**
New issue of ordinary shares	27	16		815			**831**
Equity as of 31 December 2024	25, 26	**109**	**7**	**1,898**	**304**	**52**	**2,370**

Statement of Cash Flows
Parent Company

(MSEK)	Note	2024	2023
Operating activities			
Operating profit		**-30**	**-23**
Adjustment for items not included in the cash flow			
depreciation charged to operating profit		1	1
non-cash items from discontinued operations	13, 20	-1	–
other items		7	3
Total		**-23**	**-19**
Dividends received from subsidiaries	13	98	27
Interest received		39	45
Interest paid		-62	-55
Tax paid		0	-2
Cash flow from operating activities before change in working capital		**52**	**-4**
Change in working capital			
Change in operating receivables (increase -/decrease +)		6	-4
Change in operating liabilities (increase +/decrease -)		3	3
Total change in working capital		**9**	**-1**
Cash flow from operating activities		**61**	**-5**
Investing activities			
Acquisition costs ongoing acquisitions	20, 36	-32	–
Divestment of associated companies	20	–	15
Repayment of capital in connection with winding up of subsidiaries	20	8	–
Investments in property, plant and equipment	19	0	-3
Divestment of property, plant and equipment	19	–	4
Cash flow from investing activities		**-24**	**16**
Cash flow after investing activities		**37**	**11**
Financing activities			
New share issue		831	–
Repurchases of own shares		-45	-5
Repayment of loans		-40	-653
New loans raised		0	198
Lending from/to Group companies		277	323
Group contributions	15	40	125
Paid dividend to shareholders		-161	-109
Cash flow from financing activities		**902**	**-121**
Cash flow for the year		**939**	**-110**
Cash and cash equivalents at the start of the year		292	402
Cash and cash equivalents at the end of the year		**1,231**	**292**

Notes

Note 1 General information

ITAB Shop Concept AB (publ), corporate registration number 556292-1089, is a Swedish-registered limited liability company with its registered office in Jönköping, Sweden. The address of the company's head office is Instrumentvägen 2 (visiting address), Box 9054, 550 09 Jönköping, Sweden.

ITAB Shop Concept AB develops, manufactures, sells, and installs complete store concepts for retail chain stores.

The Parent Company's ordinary shares are listed on Nasdaq Stockholm.

ITAB's Annual Report includes the consolidated accounts including the Parent Company and its subsidiaries, jointly referred to as the Group. The Annual Report and consolidated accounts were approved for publication by the Board of Directors on 3 April 2025.

Note 2 Material information on accounting policies

Compliance with standards and laws

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards as adopted by EU (IFRS® Accounting Standards) issued by the International Accounting Standards Board (IASB). Furthermore, relevant sections of the Swedish Annual Accounts Act and the Swedish Corporate Reporting Board's recommendation RFR 1 have been applied.

The Parent Company applies the Swedish Annual Accounts Act and the Swedish Corporate Reporting Board's recommendation RFR 2. For more information, refer to the section "Parent Company accounting policies".

Basis for preparation of the financial statements

The Parent Company's functional currency is Swedish krona (SEK). This means that the financial statements for the Parent Company and the Group are presented in the reporting currency SEK, rounded off to the nearest million SEK.

New and amended standards and interpretations introduced 2024

Company management's assessments of relevant amendments and interpretations of existing standards that entered into force as of 1 January 2024 have not had any significant impact on the Group's or the Parent Company's financial statements.

Issued new and amended standards and interpretations that have not yet been applied by the Group

A number of new standards and interpretations will enter into force for financial years commencing on 1 January 2025 or later and have not been applied in the preparation of this financial report. IASB has issued a new standard which will take effect as of 1 January 2027, IFRS 18 *Presentation and Disclosure in Financial Statements* (published on 9 April 2024). The company has not concluded its evaluation of potential effects on the presentation of the financial statements from IFRS 18.

No new standards, amended standards or IFRIC interpretations published by IASB are expected to have any material impact on the financial statements of the Group or the Parent Company.

Consolidated accounts

The consolidated accounts include the Parent Company, ITAB Shop Concept AB, and the companies in which ITAB Shop Concept AB, directly or indirectly, has a controlling influence as of the balance sheet date.

Business combinations

Business combinations are recognised in accordance with the acquisition method. In the case of acquisitions of partly owned subsidiaries, non-controlling interests are recognised at a proportionate share of the identified net assets.

For acquisitions, the entity approach has been applied, which means that all assets and liabilities as well as income and expenses are included in their entirety, including for partly owned subsidiaries, which impacts recognised goodwill linked to the acquisition. Goodwill that has arisen in a corporate acquisition is assessed at least annually if there is an impairment requirement. See also the section on intangible assets below.

Discontinued Operations

Given that the Group's operations in the Russian subsidiary ITAB Rus JSC were deemed highly likely to be discontinued and the operations otherwise fulfilled the stated criteria for application of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Russian subsidiary was recognised as Discontinued Operations from September 2022.

In the consolidated income statement, ITAB Rus JSC is recognised separately under "Discontinued Operations" and comparative years up to and including 2021 have been restated in accordance with the same policies. In the consolidated statement of financial position, the operation's net assets are recognised under "Assets held for sale" and "Liabilities attributable to assets held for sale", respectively. In accordance with IFRS 5, balance sheets before September 2022 have not been restated. The group is measured at the lower of its carrying amount and fair value less selling expenses. More detailed financial statements for Discontinued Operations are presented in Note 5 *Corporate acquisitions, divestments and discontinued operations*.

Assets held for sale and discontinued operations are not presented separately in the Parent Company's income statement and balance sheet as the Parent Company's income statement and balance sheet are prepared in accordance with the Swedish Annual Accounts Act. In addition, depreciation and amortisation in the Parent Company are carried out in accordance with the Swedish Annual Accounts Act.

Associated companies

Associated companies are companies in which ITAB has a significant influence, but not a controlling influence. A significant influence means the opportunity to influence the operational and financial governance of the company and is achieved when ITAB's participation amounts to between 20 and 50 percent of the voting rights.

From the time the significant influence is achieved, participations in associated companies are recognised in accordance with the equity method in the consolidated accounts.

Translation of foreign currency

Functional currency and reporting currency

Items in the financial statements for the various Group units are measured in the currency used in the financial environment where each company primarily conducts its business (functional currency). The consolidated accounts employ SEK, which is the Parent Company's functional currency and thus the Group's reporting currency. ITAB uses the exchange rates of the European Central Bank (ECB) when converting foreign currencies.

Transactions and balance sheet items in foreign currencies

Transactions in foreign currencies are translated to the functional currency at the exchange rate from ECB prevailing on the transaction date.

Exchange rate gains and losses incurred when paying for such transactions and when converting monetary assets and liabilities in foreign currency at the closing day rate are recognised in profit or loss. Exceptions include when monetary assets and liabilities comprise hedging of net investments in foreign operations, in which case exchange rate differences are recognised in "Other comprehensive income". A prerequisite is that the hedging transactions satisfy the necessary requirements as regards hedge accounting. Exchange rate differences on interest-bearing loan receivables and borrowings are recognised as financial income and expenses; other exchange rate differences are recognised in operating profit.

Foreign Group companies

The profit and financial position of all Group companies with a functional currency other than the reporting currency are translated to the Group's reporting currency as follows:

(i) assets and liabilities for each balance sheet are translated at the closing day rate,

(ii) income and expenses for each income statement are translated at the average exchange rate (unless this average rate is not a reasonable approximation of the accumulated effect of the rates prevailing on the transaction date, in which case income and expenses are translated as of the transaction date),

(iii) all translation differences that arise are recognised in "Other comprehensive income".

Countries with a hyperinflationary currency are recognised in accordance with IAS 29, with all components of the subsidiaries' financial statements restated at the closing day rate. The translation difference arising from translation to SEK is transferred to other comprehensive income. In 2024, Argentina was defined as a country with a hyperinflationary currency. See also Note 35.

Goodwill and other assets and liabilities that arise when acquiring foreign operations are treated as assets and liabilities for these operations and translated at the closing day rate.

Revenue from contracts with customers

The Group recognises revenue when the commitments to supply promised goods or services are fulfilled according to identified customer contracts, excluding VAT, discounts and returns and after elimination of intra-Group sales.

The ITAB Group sells, develops, produces and distributes shop fittings and equipment to chain-based customers. Most of ITAB's customers are major chain stores that operate internationally and have stores in several countries. As ITAB sells customised store concepts and

Note 2 cont.

often sets a price for a combined product and service, the revenue types are not recognised separately.

Revenue recognition for sales takes place in the period when control has passed to the customers, which normally takes place when all material risks and rewards associated with ownership have been transferred to the buyer. As a result, the Group no longer has any involvement that is associated with ownership and does not exercise any real control. In the event of revenue from concept sales including service assignments, revenue recognition takes place over time based on the degree of completion on the balance sheet date, when the Group will probably receive economic benefits associated with the assignment and reliable calculations can be performed. The degree of completion is determined on the basis of expenditure incurred in relation to calculated total costs. Anticipated losses are expensed immediately.

Shipping costs to customers
ITAB presents shipping costs to customers in profit or loss under "Cost of goods sold". Shipping costs to customers are part of the costs that arise in connection with contracts with customers, and the assessment is therefore made that these costs should be presented under "Cost of goods sold".

Pensions
The Group's pension plans are mostly defined-contribution plans. The costs for these plans are recognised as personnel costs in operating profit during the period in which the employees perform the services to which the contribution refers. The Swedish subsidiaries have a defined-benefit ITP plan via Alecta. At present, Alecta cannot provide the required information for the Group to be able to recognise this plan in the balance sheet in accordance with IAS 19. Pension commitments that have not been taken over by insurance companies or secured in some other way with an external party are recognised as provisions in the balance sheet.

Intangible assets
Capitalised expenses for development work
Development expenses where the results are used to plan or create production of new or greatly improved processes or products are capitalised if it is deemed that the process or product is technically and commercially viable. The expenses are recognised as an asset in the balance sheet from the time when the future technical and commercial feasibility of the product has been established, the company has the resources to complete the development process to thereafter use or sell the intangible asset, and it is feasible that the product will generate future economic benefits. The carrying amount includes expenses for material, direct expenses and indirect expenses that can reasonably and consistently be attributed to the asset.

Capitalised development expenditure is recognised at cost less accumulated amortisation and any impairment. Amortisation is recognised in profit or loss over the estimated useful life of the capitalised development expenditure. Amortisation commences from the time the asset is available for use. The estimated useful life varies between three and ten years. Estimated useful lives are reassessed every year.

Trademarks, patents and similar rights
Trademarks, patents and similar rights are recognised at cost less accumulated amortisation. Amortisation is carried out on a straight-line basis over the estimated useful life of five to ten years. Estimated useful lives are reassessed every year.

Goodwill
The factors that constitute ITAB's recognised goodwill are primarily synergy effects in production, logistics, staff, know-how and effective organisation. Goodwill is recognised as an intangible asset with an indeterminable useful life and is tested for impairment annually at year-end or when there is an indication of possible impairment losses; see also the section on Impairment in Note 3.

A cash-generating unit (IAS 36) is defined as the smallest identifiable group of assets that, in continuous use, generates cash inflows that are essentially independent of other assets or groups of assets. No distribution of the Group's goodwill has been performed since all ITAB companies' activities and cash inflows are highly dependent on each other.

The recoverable value has been determined based on the unit's value in use, which consists of the present value of estimated future cash flows. Identification of projected cash flows is based in part on an assessment of the expected rate of growth of the business in accordance with forecasts prepared by company management for the next four years. The company uses weighted average cost of capital (WACC) to discount projected cash flows and estimate the cash-generating unit's value in use, see also Note 18.

Leases
ITAB is only a lessee, not a lessor. At the commencement date of a lease, the company determines the lease term as the non-cancellable period, together with periods covered by an extension or termination option if it is reasonably certain that the option will be exercised. The lease liability is measured at the present value of the lease payments that were not paid at the commencement date. Lease payments are discounted with the rate implicit in the lease if it can be determined; otherwise ITAB's incremental borrowing rate at the commencement date is used.

ITAB's lease portfolio consists mainly of real estate, machinery and vehicles. ITAB applies the practical exemptions in IFRS 16 regarding short-term leases, which are defined as leases where the initial lease term is a maximum of 12 months after consideration of extension options, and leases where the underlying asset is of a low value, which in the Group includes office equipment. ITAB does not apply IFRS 16 for intangible assets. Non-lease components are expensed and are not recognised as part of the right of use or lease liability.

Property, plant and equipment
Property, plant and equipment are measured at cost less deductions for accumulated depreciation according to plan and any impairment losses.

Depreciation is carried out systematically over the assets' expected useful life and commences after the non-current asset has been taken into operation. The Group applies component depreciation, which means that each part of property, plant and equipment with a cost that is significant in relation to the combined cost of the asset is depreciated separately. Land is not depreciated.

Depreciation plan	
Buildings	10 – 40 years
Land improvements	10 – 20 years
Improvements to others' property	10 – 20 years
Machinery and equipment	3 – 10 years

Depreciation plan for right-of-use assets	
Buildings, production	8 – 15 years
Buildings, offices and warehouses	3 – 10 years
Machinery and equipment	3 – 10 years

The useful life and residual values of assets are reviewed regularly and adjusted regularly as needed.

Financial instruments
Financial instruments include cash and cash equivalents, loan receivables, accounts receivable, accounts payable, current and non-current borrowings, and derivative instruments.

Classification of financial assets and liabilities
A financial instrument is classified on initial recognition according to the purpose for which the instrument was acquired. The Group divides up its financial assets and liabilities into debt instruments, equity instruments and derivatives such as hedging instruments in hedge accounting.

Debt instruments
The classification of financial assets that are debt instruments is based on the Group's business model for the management of the asset and the nature of the asset's contractual cash flows. The instruments are classified at: amortised cost or fair value through profit or loss. Financial liabilities are classified at amortised cost or at fair value through profit or loss.

Financial assets measured at amortised cost are non-derivative financial assets with payments that are established or can be established and that are not traded on an active market. Receivables of this type normally arise when the Group pays cash to a counterparty or supplies a customer with goods or services without the intent of converting the receivable that arises. Loan receivables, cash and cash equivalents, and accounts receivable are recognised at the amount that is expected to be received after deductions for expected credit losses. All loan receivables and accounts receivable are assessed individually. The anticipated maturity of accounts receivable is short, which is why the value is recognised at the nominal amount.

Financial assets measured at fair value through profit or loss include financial assets available for sale and financial assets that have been identified as being measured at fair value through profit or loss. Financial instruments in this category are initially recognised at fair value. Changes in fair value are recognised in profit or loss. Derivatives are classified at fair value through profit or loss if the instrument has not been identified as a hedging instrument in hedge accounting or is ineffective.

Financial liabilities measured at amortised cost. This category includes loans, other financial liabilities, accounts payable and financial accrued expenses and prepaid income. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. After initial recognition, they are measured at amortised cost according to the effective interest method.

Financial liabilities measured at fair value through profit or loss include financial liabilities that have initially been attributed to the relevant category as well as derivative liabilities if the instrument has not been iden-

Note 2 cont.

tified as a hedging instrument in hedge accounting or is ineffective. Changes in the fair value of financial instruments are recognised in profit or loss for the period in which they arise. Additional purchase considerations in connection with business combinations are classified as financial liabilities measured at fair value through profit or loss.

Equity instruments
The Group classifies equity instruments at fair value through profit or loss.

Derivatives as hedging instruments in hedge accounting
Hedging of net investments in foreign operations and future cash flows are recognised according to the principles for hedge accounting. When the transaction is entered into, the relationship between the hedging instrument and the hedged item is assessed and analysed against the Group's objective for risk management in respect of hedging. An assessment of whether the hedging instruments used in hedging transactions are effective when it comes to countering changes in fair value or the cash flows that are attributable to the hedged items is performed when hedging is entered into and continually during the hedging period.

Hedging of net investments in foreign operations. Investments in foreign subsidiaries (net assets including goodwill) have to a certain extent been hedged through loans in foreign currency. The exchange rate gain or loss in respect of borrowing that is deemed to be effective hedging is recognised as a translation difference when translating foreign operations in other comprehensive income. The ineffective portion is recognised immediately in net financial items in the income statement. Profit that has been recognised under other comprehensive income is transferred to the income statement when the foreign operation has been divested.

In addition to loans in foreign currencies, the Group uses currency futures to hedge net assets in foreign currencies. The fair value of currency hedges is recognised as a change in the fair value of hedges of net investments in other comprehensive income. Any ineffectiveness is recognised immediately in net financial items in the income statement.

Hedging of future cash flows. The derivative instruments used for hedging projected interest expenses and forecast cash flow in a foreign currency are recognised in the balance sheet at fair value. Any gain or loss is recognised as a change in the fair value of cash flow hedges in other comprehensive income until the hedged flow is recognised in the income statement, at which time the hedged instrument's accumulated change in value is transferred to net profit for the year to meet the earnings effects of translated foreign cash flows.

Impairment of financial assets
The Group's financial assets, apart from those that are classified at fair value through profit or loss, are covered by impairment for expected credit losses. In addition to this, the impairment covers lease receivables and contract assets that are not measured at fair value through profit or loss. Impairment for credit losses according to IFRS 9 is forward-looking, and a loss allowance is made when there is exposure to credit risk, normally on initial recognition. Expected credit losses reflect an objective, probability-weighted outcome that gives consideration to most scenarios based on reasonable and verifiable forecasts for the anticipated remaining term.

The financial assets are recognised in the balance sheet at amortised cost, meaning net of gross value and loss allowance. Changes in the loss allowance are recognised in profit or loss.

Inventories
Where possible, inventories are measured at the lower of cost or net realisable value and in accordance with first-in, first-out (FIFO) method. Otherwise, an average price is used. For manufactured goods and work in progress, cost includes a reasonable portion of the indirect costs based on a normal capacity. Deductions are made for internal gains that arise through sales between companies in the Group.

An assessment of the provision for obsolescence is conducted on an ongoing basis for inventories that have not moved for more than 12 months, alternatively if other relevant circumstances. The assessment of value is carried out for individual items.

Transactions with related parties
Related companies are defined as those companies included in the Group as well as companies in which related physical persons have a controlling, joint controlling or significant influence. Related physical persons are defined as Board members, senior executives and close family members of such persons. Information about transactions with related parties is presented in Note 34. The current Board and Group management are presented on pages 84-85.

Share-based payment
ITAB has long-term share-based incentive programs that enable employees to acquire shares in the Parent Company. The Group and the Parent Company recognise these programs in accordance with IFRS 2 *Share-based Payment.* The fair value of allocated share rights is recognised as a personnel cost with a corresponding increase of equity. Fair value is calculated at the time of allocation and is distributed over the vesting period. The fair value of the allocated share rights is calculated taking into account market conditions and conditions that are not vesting conditions as well as the prerequisites that applied at the time of allocation. The cost recognised corresponds to the fair value of an estimate of the number of shares expected to be vested taking into account service conditions and performance conditions that are not market conditions. This cost is adjusted in subsequent periods to ultimately reflect the actual number of shares vested. However, an adjustment is not made when forfeiture is only due to market conditions and/or conditions that are not vesting conditions not being met.

Social security contributions attributable to share-based instruments for employees as remuneration for purchased services are expensed distributed over the periods in which the services are rendered. Provisions for social security contributions are based on the fair value of the share rights on the reporting date.

Disclosures on share-based payment are presented in Note 8 *Personnel and senior executives* as well as Note 25.

Operating segments
Identification of operating segments has been performed in four stages: identifying the company's chief operating decision-maker, identifying the business activities, determining whether discrete financial information is available for the business activities, and determining whether this information is reviewed regularly by the company's chief operating decision-maker. The definition according to IFRS 8 has thereafter been used to define the Group's operating segments.

The company's chief operating decision-maker is identified as the Board of Directors, see page 84.

Profit at company level, or aggregated company level, are not used as a basis for decisions on the allocation of resources. Various parameters in customer projects based primarily on strategic aspects are used as a basis instead. The majority of the Group's sales are made to major global customers, which is why the ITAB Group has a local presence in many countries. Decisions are made at Group level, meaning, for example, that pricing takes place in relation to a particular customer. Pricing can entail an uneven allocation of resources between different Group units in order for the Group to secure an order. The various units' level of revenue and profit are consequently highly dependent on the Group's other companies, which is one reason why profit is not used as a basis for decisions on the allocation of resources.

Another reason is that the supporting data for decisions on the allocation of production resources is not determined by the various units' profit, rather by the conditions that exist in various customer projects as regards the most effective production for the Group as a whole. This can entail that certain units are allocated resources for production that are not favourable from the individual unit's perspective, but that are deemed to be the best decision from a Group perspective. The corresponding argument also applies to other parameters, such as design, construction, marketing, installation, development, etc.

This business model entails that a large portion of the decisions that affect the Group's various companies are taken centrally. ITAB does not have any independent financial information regarding products or product groups since the majority of sales take the form of concept sales, with a combination of several products and services.

These conditions mean that profit is not used as a basis for decisions regarding the allocation of resources to various parts of the company, and that the Group only comprises one operating segment.

Parent Company accounting policies
The Parent Company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Reporting Board's recommendation RFR 2. The Swedish Corporate Reporting Board's recommendations for listed companies have also been applied.

Presentation of income statement and balance sheet
The Parent Company uses the presentation formats specified in the Swedish Annual Accounts Act, which means for example that a different presentation of equity is applied and that provisions are recognised under a separate heading in the balance sheet. For the Parent Company, equity is presented divided into non-restricted and restricted equity.

Leases
In the Parent Company, IFRS 16 is not applied. Instead, lease payments are recognised as an expense on a straight-line basis over the lease term.

Group contributions, shareholder contributions and dividends
Group contributions are recognised according to RFR 2's alternative rule, which means that received and

Note 2 cont.

paid Group contributions are recognised as year-end appropriations in the income statement.

Shareholder contributions are recognised directly against equity for the recipient and capitalised in shares and participations for the provider to the extent impairment is not required.

Dividends received are recognised as revenue when the right to receive dividends has been determined.

Participations in subsidiaries

Participations in subsidiaries are recognised in the Parent Company according to the acquisition method. The investments' impairment requirements are tested annually or when there is a risk that the carrying amount of the investment is higher than the replacement cost.

Dividends from subsidiaries are recognised as financial income. When dividends stem from gains earned before the acquisition, the item must be tested for impairment.

Financial instruments

As a result of the relationship between accounting and taxation, the rules relating to financial instruments are not applied according to IFRS 9 in the Parent Company as a legal entity. Instead, the Parent Company applies the cost method in accordance with the Swedish Annual Accounts Act. In the Parent Company, financial non-current assets are thus measured at cost and financial current assets according at the lower of cost or net realisable value, with impairment of expected credit losses applied according to IFRS 9 in respect of assets that are debt instruments. For other financial assets, impairment is based on market values. Derivatives are recognised according at the lower of cost or net realisable value.

Note 3 Important estimates and assessments

The preparation of financial reports requires that the company management makes assessments and uses estimates and assumptions that affect recognised amounts in the consolidated accounts. These estimates, assessments and related assumptions are based on experience and other factors that are deemed reasonable in the prevailing circumstances. The actual results may deviate from these estimates. The estimates, assessments and assumptions are reassessed regularly. Changes to estimates and assessments are recognised in the period in which the change takes place as well as in future periods if these periods are affected.

Below are the estimates and assessments that, in the company management's opinion, are important for recognised amounts in the financial statements and for which there is a significant risk that future events or new information could result in them changing.

Business combinations

The measurement of identifiable assets and liabilities in conjunction with the acquisition of subsidiaries or operations involves items in the acquired company's balance sheet, as well as items that have not been recognised in the acquired company's balance sheet such as customer relationships, being measured at their fair value. There are normally no publicly listed prices for the assets and liabilities that are to be measured, whereupon various measurement techniques must be applied. These measurement techniques are based on a number of different assumptions. For a production-intensive company like ITAB, non-current assets, inventories and accounts receivable are significant items in the balance sheet that can be difficult to measure and assess.

The measurement of identifiable assets and liabilities is also dependent on the accounting environment in which the acquired company/business has operated. Assessments are made regarding the extent of the adaptations that are required to the Group's accounting policies, the frequency with which final accounts are prepared as well as access to data that may be required to measure identifiable assets and liabilities. All balance sheet items are thereby subject to estimates and assessments. This also means that a preliminary measurement is performed and subsequently adjusted. All acquisition calculations are subject to final adjustment at the latest one year after the time of the acquisition. With due consideration to the above description and the practical potential to compile and present all individual adjustments in a way that benefits the person reading the Annual Report, ITAB has decided, provided this is not a case of material adjustments, not to specify separately for each individual acquisition the reasons why the initial reporting of the business combination is preliminary, nor the assets and liabilities for which the initial reporting is preliminary.

Impairment testing for goodwill, other intangible assets and other non-current assets

Important sources of uncertainty in estimates

Goodwill is not amortised, rather impairment testing is performed annually instead. Other intangible assets and other non-current assets are amortised or depreciated over the period in which company management estimates that the asset will be used. In addition, regular assessments are performed as to whether there is any indication of a need for impairment. Impairment testing is based on a review of the recoverable amount. The value is estimated based on company management's calculations of future cash flows, which are based on internal business plans and forecasts.

Estimates and assessments

Company management's judgement is required when it comes to impairment, particularly when assessing:
– whether an event has occurred that can affect the values of the assets,
– whether an asset's carrying amount can be confirmed by the discounted present value of future cash flows, which are estimated based on the continued use of the asset in the operations,
– that adequate assumptions are used when preparing cash flow forecasts, and
– the discounting of these cash flows.

Changes to the assumptions that are made by company management when determining any level for impairment can affect the financial position and operating profit.

Impairment testing for financial assets

Important sources of uncertainty in estimates

Impairment for credit losses of financial assets according to IFRS 9 is forward-looking, and a loss allowance is made when there is exposure to credit risk, normally on initial recognition. Expected credit losses reflect an objective, probability-weighted outcome that gives consideration to most scenarios based on reasonable and verifiable forecasts for the anticipated remaining term.

Estimates and assessments

ITAB's credit risk is almost exclusively attributable to accounts receivable. The basis for expected credit losses comprises an assessment of the unpaid receivables. The loss allowance for expected credit losses is based on a calculation according to the internal regulatory framework in combination with an individual assessment. The assessment is performed on the basis of the circumstances that could have a significant impact in the valuation process, such as important customers' financial position and ability to pay that are known on the balance sheet date.

Leases

Important sources of uncertainty in estimates

ITAB applies IFRS 16 *Leases*. Lease liabilities attributable to long-term leases are valued at the present value of the remaining lease payments, discounted using the incremental borrowing rate. ITAB initially recognises a right-of-use asset as a non-current asset at an amount corresponding to the lease liability. The establishment of the lease term and incremental borrowing rate entails judgements that affect the value of the lease liability and right-of-use asset.

Estimates and assessments

When determining the lease liability and right-of-use asset, the most significant assessments are attributable to the establishment of the lease terms. The majority of ITAB's leases include options to either extend or terminate the agreement. When the term of the lease is established, ITAB takes into consideration all facts and circumstances that provide a financial incentive to utilise an option to extend or waive an option to terminate the agreement. Examples of factors that are considered include strategic plans, restructuring programs, the importance of the underlying asset to ITAB's operations and/or costs attributable to not extending or terminating leases.

Deferred tax

Important sources of uncertainty in estimates

Deferred tax assets/liabilities are recognised for temporary differences between the reported amounts for assets and liabilities and the relevant taxable values as well as unutilised capitalised loss carryforwards. Deferred tax assets are recognised on the basis of company management's estimates of future taxable profit in various tax jurisdictions.

The actual results may differ from the estimates due to changes in business climate, ownership and tax legislation.

Estimates and assessments

For example, company management estimates future taxable income in order to determine the value of deferred tax.

Estimate/Assessment	Note
Business combinations	5, 36
Impairment testing for goodwill, other intangible assets and other non-current assets	18, 19
Impairment testing for financial assets	21
Leases	22
Deferred tax	16

Note 4 Financial risk management

ITAB's risk management aims to identify, control, prevent and minimise the Group's risk mapping. ITAB's financial risks are described below. For other business-related risks, see pages 73-77.

Financial risks are managed by the finance policy adopted by the Board of Directors. Financial activities such as risk management, liquidity management and borrowing are handled centrally by the Parent Company. This allows the Group to optimise the financial risks and make use of economies of scale and synergy effects. The Group's identified financial risks are currency, interest, credit, liquidity and refinancing risks.

Note 4 cont.

Currency risk

ITAB Shop Concept is exposed to currency risks through its international business activities. These can be divided into transaction risk, risk when translating foreign subsidiaries' income statements, and risk when translating foreign subsidiaries' balance sheets.

Transaction risk

Commercial payment flows that occur in a currency other than the respective subsidiary's local currency entail a transaction risk. To reduce currency exposure, efforts are made to match the inflow and outflow in different currencies, for example by issuing invoices in the same currency in which purchases are made. In line with the finance policy, each individual Group company decides whether to hedge transaction exposure, which in that case occurs with ITAB Shop Concept AB as the counterparty. External currency exposure hedging is thereafter performed by the Parent Company ITAB Shop Concept AB, with due consideration for the Group's currency exposure within the next 12 months. According to ITAB's finance policy, 50–75 percent of the currency risk within the next upcoming 12 months is hedged through forward agreements. It is also possible to adjust prices for currency fluctuations through clauses in a number of customer contracts. As a result of the hedging strategy, the impact on ITAB's profit from a reasonable fluctuation in exchange rates is deemed to be small, whereupon the currency risk analysis regarding the transaction flows is not deemed to be significant. Hedging activities to reduce transaction exposure are classified as cash flow hedges. At the end of 2024, there were cash flow hedges of projected flows in EUR, GBP, CZK, NOK, USD and CNH. The fair value of the forward agreements used to hedge forecast flows amounted to MSEK 3 (-1), net. The year's change in fair value, MSEK 4 (5) after tax, has been recognised in comprehensive income. The realised results of the forward agreements for 2024 amounted to MSEK -6 (-13) before tax, which has been recognised as other operating income and expenses in the income statement.

Risks when translating the income statements of foreign subsidiaries

The income statements of foreign subsidiaries that are not located in hyperinflationary countries are translated at the average exchange rate for the respective period. In countries considered to be hyperinflationary, the translation of the income statement is instead recognised at the closing day rate and earnings in the local currency are adjusted according to local indexes. Given the invoicing and net profit of 2024, a 5 percent change in the SEK exchange rate to all currencies would affect invoicing by approximately MSEK 296 (271) and net profit by approximately MSEK 22 (12).

Risks when translating the balance sheets of foreign subsidiaries

The foreign subsidiaries' balance sheets are translated at the closing day rate. The translation risks relate to exchange rate fluctuations that affect the value of the net foreign assets when translating to SEK. The value of net foreign assets amounted to MSEK 2,328 (2,063) as of the balance sheet date. Investments in net foreign assets are partly financed by raising loans in foreign currencies, which reduces the translation risks. To reduce the net assets in foreign currencies and thereby reduce the currency risks, assets are financed locally in the foreign subsidiaries, in local currency, where this is commercially possible. However, some financing is arranged via the Parent Company ITAB Shop Concept AB. In addition to loans in foreign currencies, the Group uses currency futures to hedge net assets in foreign currencies. The fair value of the currency hedges is recognised against comprehensive income and can be reclassified as a financial gain or loss when currency futures are ineffective. Earnings from currency futures amounted to MSEK -6 (22) after tax in 2024, which was recognised against comprehensive income in the Group. Exchange rate fluctuations in 2024 had an impact of MSEK 134 (-123) after tax on the Group's comprehensive income. At the end of 2024, the fair value of the currency futures is estimated at MSEK -1 (7).

The value of the Group's foreign net assets after hedging per currency:

Currency (MSEK)	31 Dec 2024	31 Dec 2023
CZK	438	328
NOK	129	120
GBP	167	100
EUR [1]	988	927
USD, HKD and CNY	460	480
Other	146	108
	2,328	**2,063**

1) EUR also refers to currencies linked to EUR.

Currency hedges

At the end of the year, the Group had hedged the following net amount via currency futures for the purpose of hedging cash flows and net assets. The gross volumes below are stated per currency in the local currency (million) measured at nominal value. All contracts have a term of less than 12 months.

Currency	31 Dec 2024	31 Dec 2023
SEK	-750	332
NOK	-10	-40
CNH	120	86
CZK	242	11
GBP	-3	-4
EUR	45	-33

Average exchange rate, currency futures	31 Dec 2024
EUR/SEK	11.3910
EUR/CZK	25.2645
EUR/CNH	7.7014
GBP/CNH	9.0638
GBP/CZK	29.8872
NOK/SEK	0.9811
USD/SEK	11.0125

Interest risk

The interest risk consists of interest rate changes having a negative impact on the Group's profit through increased borrowing costs. In order to reduce the interest risk, interest rates can be fixed via restricted loans or through interest rate swap agreements. The Group's interest-bearing liabilities excluding lease liabilities amounted to MSEK 648 (690) on the balance sheet date. Of this amount, MSEK 116 (421) was financed at variable interest rates. The remaining MSEK 532 (269) is restricted through interest rate swap agreements and has an average fixed rate period of 36 months (29). The average interest rate for outstanding interest-bearing liabilities including interest rate swaps was 3.34 percent (4.02) at year-end. A 1 percentage point change in interest would affect net profit by approximately MSEK 1 (2) annually. The change in the fair value of interest rate swap agreements is recognised in comprehensive income until the hedged flow is transferred to net profit for the year. The change in comprehensive income amounts to MSEK -7 (-13) for 2024, of which MSEK -9 (-12) has been transferred to net profit for the year. Of the MSEK 9 recognised as financial expenses in 2024, MSEK 1 pertains to hedges deemed ineffective.

Derivative instruments

Interest rate swap agreements	31 Dec 2024 Nom. amount (MSEK)	31 Dec 2023 Nom. amount (MSEK)
Duration less than 1 year	102	–
Duration 1–3 years	215	–
Duration 3–5 years	143	269
Duration more than 5 years	72	–
	532	**269**

Liquidity and refinancing risk

Liquidity risk refers to the risk that a company has insufficient cash and cash equivalents or unutilised credit facilities to fulfil its payment obligations. Refinancing risk is the risk that a company cannot raise, or has difficulty raising, capital or refinancing its existing loans on acceptable terms. ITAB Shop Concept strives to maintain a high level of financing readiness, for example by monitoring and managing the Group's combined capital financing centrally within the Parent Company. The majority of the Group's borrowing takes place between banks and ITAB Shop Concept AB. Subsidiaries in turn borrow from ITAB Shop Concept AB on market terms. Some local borrowing from banks in the relevant company's local currency may occur. Refinancing of existing loans should be carried out in good time before maturity or be covered by guaranteed unutilised credit facilities. Time analysis of financial liabilities is presented in Note 21.

Credit risk

Credit risk refers to the risk that the counterparty in a financial transaction is unable to fulfil its obligations. ITAB Shop Concept's credit risk is almost exclusively attributable to accounts receivable. The Group has historically had low losses on accounts receivable.

The company's customers are primarily large, well-established companies with sound payment capacity distributed across several geographic markets. The risk of losses on accounts receivable is managed through set procedures for credit restrictions, reminder procedures and penalty interest invoicing. Credit insurance policies exist in conjunction with sales to customers in certain countries. The amount that best represents the maximum exposure to credit losses, without consideration for any security provisions and VAT, is the outstanding accounts receivable on the balance sheet date of MSEK 1,008 (861).

Credit risk from balances in banks and financial institutes is managed by the Parent Company in accordance with the Group's policy. The Group's total financial assets amount to MSEK 2,734 (1,594). See also Note 21.

Note 5 Corporate acquisitions, divestments and discontinued operations

Acquisitions and divestments had an impact of MSEK 32 on net investments in 2024, of which MSEK -12 pertained to the acquisition of a minority stake in Imola Retail Solutions Srl. and MSEK -23 to the acquisition of participations in Singatrix GmbH, MSEK +15 pertained to the divestment of a Group company in China and MSEK +52 to the divestment of operations in Russia. Acquisitions and divestments affected net investments in 2023 by MSEK 9, of which MSEK 15 relates to the divestment of the associated company Ombori Apps AB. Net investments in 2023 also include partial payment from acquisitions in 2021 of MSEK -6.

Expenses in connection with acquisitions are recognised as expenses in operating profit.

Acquisitions in 2024

On 25 September 2024, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320 on a cash and debt free basis. HMY is a leading European supplier of shop fittings, checkouts and store design to the retail industry, primarily in Europe, South America and the Middle East. In 2023, HMY had sales of just over MEUR 541. The aim of the acquisition is to strengthen ITAB's position and complement the Group's current offering. The acquisition was financed with a combination of new debt and equity (see page 69 for more information on debt financing and Note 27 for more information on the directed share issue). The transaction was conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. With a final and definitive share purchase agreement entered into on 5 December 2024 and the other conditions for the transaction fulfilled, the acquisition was completed on 31 January 2025. The purchase consideration was paid in connection with the closing of the transaction. HMY is consolidated in the ITAB Group as of 1 February 2025. Costs related to the transaction are recognised on an ongoing basis, and MSEK 32 was recognised as non-recurring items in 2024. Refer also to Note 36 *Events after the balance sheet date.*

In early May 2024, ITAB's Italian subsidiary La Fortezza S.p.A. exercised its right to acquire the minority holding of 19 percent of the shares in its subsidiary Imola Retail Solutions S.r.l. in accordance with the original acquisition agreement from October 2020. The purchase consideration for the outstanding minority holding amounted to approximately MEUR 1. For acquisitions, the entity approach is applied, which means that all assets and liabilities as well as income and expenses are included in their entirety on the initial acquisition date, including for partly owned subsidiaries, and no additional goodwill is therefore linked to the acquisition. The difference between the valuation of the non-controlling interest before the acquisition and the purchase consideration is recognised directly in equity attributable to Parent Company shareholders. Cash flow from investing activities in 2024 was affected in an amount of MSEK -12.

Cash flow for 2024 was also impacted in an amount of MSEK 23 with respect to an investment in a minority holding of approximately 18 percent of the shares in Signatrix GmbH, a technology and retail AI startup. Since 2022, Signatrix and ITAB have together created frictionless security deterrents that reduce thefts and shrinkage for the retail sector.

Divestments in 2024

In connection with the restructurings of the Group, ITAB sold 100 percent of its shares in the company Nuco Sourcing (HK) Co Ltd in Hong Kong, with a subsidiary in Shenzhen, China, through a subsidiary in December 2024. As of the divestment date, the Nuco Group had just over 65 employees. The purchase consideration amounted to MSEK 25. The effect on earnings including accumulated currency translation differences amounted to MSEK -16 and was recognised as a non-recurring item in 2024. The divestment had an impact of MSEK 15 on cash flow in the fourth quarter of 2024.

Nuco Sourcing on divestment date	Fair value, MSEK
Property, plant and equipment	4
Inventories	16
Accounts receivable	13
Other current assets	4
Cash and cash equivalents	10
Current liabilities	-6
Profit from divestment	-16
Consideration received	**25**
Less cash and cash equivalents on divestment date	-10
Impact on the Group's cash and cash equivalents for the year	**15**

The Group's Russian subsidiary, ITAB Rus JSC, has been recognised as Discontinued Operations in accordance with IFRS 5 since ITAB's interim report for the third quarter of 2022. Discontinuation of the Russian operations was completed on 27 March 2024 through ITAB divesting all participations in the Russian subsidiary ITAB Rus JSC through its Italian subsidiary, La Fortezza S.p.A. The purchase consideration amounted to MSEK 52, of which MSEK 49 was paid in April 2024 and MSEK 3 in August 2024. Since the Russian company has been recognised as Discontinued Operations, only the line item Discontinued Operations in the consolidated income statement has been impacted due to this divestment. Cash flow for 2024 was impacted positively in an amount of MSEK 52.

ITAB Rus JSC on divestment date	Fair value, MSEK
Property, plant and equipment	0
Inventories	36
Current assets	20
Cash and cash equivalents	13
Current liabilities	-17
Profit from divestment	0
Consideration received	**52**

In 2024, a company in Sweden was also divested and two dormant companies in the UK, a dormant company in Belgium, a dormant company in Luxembourg, and a dormant company in China were wound up.

Acquisitions and divestments in 2023

The ITAB Group did not complete any new acquisitions in 2023. During the second quarter of 2023, ITAB Shop Concept AB's 21-percent shareholding in the associated company OmboriGrid AB (Priv) was divested. The purchase consideration for the divested shares amounted to MSEK 15. The sale had an impact of MSEK 6 on the ITAB Group's profit and MSEK 15 on cash flow during 2023.

Cash flow was also impacted in an amount of MSEK -6 by partial payments of acquisitions from 2021 during the year. A dormant company in the Netherlands was also wound up in 2023.

Discontinued operations in 2023

In early March 2022, ITAB decided to discontinue its operations in Russia due to the Russian regime's invasion of Ukraine. The Russian operations consisted of a production facility and sales offices in Russia with some 140 employees in total. Total sales in Russia amounted to approximately MSEK 85 in 2023, corresponding to about 1.5 percent of ITAB's total annual sales.

Given that the discontinuation of the Group's operations in the Russian subsidiary ITAB Rus JSC was in progress and deemed highly probable, and otherwise fulfilled the stated criteria in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* in the third quarter of 2022, this company was recognised as Discontinued Operations as of the interim report for the third quarter of 2022. Discontinued operations are major lines of business that have been disposed of or comprise a disposal group held for sale. Profit after tax from discontinued operations is recognised separately in the income statement.

All assets included in the group were presented separately under assets and all liabilities in the group were presented separately under liabilities. The group was measured at the lower of its carrying amount and fair value less selling expenses.

For more information, see tables on page 104.

Note 5 cont.

Income statement in summary for Discontinued Operations (MSEK)	**2023**
Revenue from contracts with customers	85
Costs of goods sold	-79
Gross profit	**6**
Selling expenses	-16
Administrative expenses	-6
Impairment of assets measured at fair value	-1
Operating profit	**-17**
Financial items	2
Profit after financial items	**-15**
Tax expenses	3
Net profit for the year	**-12**

Cash flow statement in summary for Discontinued Operations (MSEK)	**2023**
Operating profit	-17
Interest paid and received, tax and adjustments for items not included in cash flow	9
Change in working capital	17
Cash flow from operating activities	**9**

Balance sheet in summary for Discontinued Operations (MSEK)	**2023**
Assets	
Non-current assets	0
Current assets	56
Cash and cash equivalents	13
Total assets	**69**
Equity and liabilities	
Equity	52
Deferred tax	0
Current liabilities	17
Total equity and liabilities	**69**

Note 6 Revenue from contracts with customers

Business segments and geographic areas

The ITAB Group comprises some 40 operating companies that sell, develop, produce and distribute shop fittings and equipment to chain-based customers. The largest customer accounts for approximately 11 percent of external sales, and none of the Group's other customers account for more than 4 percent of external sales. Most of ITAB's customers are major chain stores that operate internationally and have stores in several countries. Several of the Group's companies are involved in most business deals.

Because sales largely involve different customised store concepts, customer sales are often conducted with resources from several Group companies in order to fulfil the customer's various needs in the best possible way. Development and production of the various store concept segments are carried out by different Group companies depending on where the best conditions exist. This business model entails that a large portion of the decisions that affect the Group's various companies are taken centrally.

As ITAB sells customised store concepts and often sets a price for a combined product and service, ITAB performs no division between product groups. These circumstances mean that the profit or loss is not used as a basis for deciding on the allocation of resources to different parts of the company, and that ITAB makes no allocation according to operating segments or business segments. See more about the business operations on pages 10-14.

External revenue [1]

Group	2024	2023
Italy	1,014	971
United Kingdom	688	654
Germany	684	653
Norway	583	527
Finland	510	402
Sweden	445	410
The Netherlands	260	188
France	221	242
Czechia	204	155
Denmark	200	156
Poland	162	69
Argentina	140	107
Spain	131	100
Slovakia	107	68
USA	101	118
Other	1,135	1,319
	6,585	**6,139**

1) The allocation basis for deciding the country for external sales is the country where the product is delivered and/or service is performed.

Property, plant and equipment and intangible assets

Group	2024	2023
Sweden	351	295
Italy	199	197
China incl. Hong Kong	195	208
Czechia	168	183
United Kingdom	119	77
Norway	108	91
Finland	93	100
The Netherlands	59	16
Lithuania	58	60
Germany	49	56
Latvia	23	27
Other	48	45
Goodwill	1,844	1,786
	3,314	**3,141**

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

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

Sales per customer group [2]	2024	2023
Grocery	3,683	3,226
Home Improvements	810	769
Fashion	644	589
Other customer groups	1,448	1,555
	6,585	**6,139**

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

Sales per market [3]	2024	2023
Northern Europe	1,747	1,508
Southern Europe	1,480	1,408
Central Europe	1,311	1,169
United Kingdom & Ireland	716	680
Eastern Europe	667	475
Rest of the World	664	899
	6,585	**6,139**

3) Northern Europe consists of the Nordic countries. Southern Europe consists mainly of Italy, France and Spain. Central Europe's largest markets are Germany, the Netherlands and Czechia. Eastern Europe's largest markets are the Baltic countries, Poland, Romania and Slovakia. Rest of the World comprises all countries outside of Europe, with the US, Australia, Canada, China, and Argentina accounting for approximately 50 percent of sales.

Contract assets and contract liabilities

ITAB's contract assets comprise goods and services that have been delivered but not yet invoiced, normally in the event of concept sales over time, where additional performance commitments must be fulfilled. Contract liabilities comprise advance payments from customers, allocations from customer loyalty programs and invoicing in addition to performances not yet fulfilled in the event of concept sales over time. ITAB applies the practical expedient in accordance with IFRS 15.121 as ITAB's performance commitments are part of contracts that have a term of 1 year maximum.

Contract assets	2024	2023
Accrued income	15	7

Contract liabilities		
Advance payments from customers	72	50
Accrued expenses	26	29
Prepaid income	3	5
	101	**84**

The Group's recognised revenue includes:

	2024	2023
Revenue included in the opening balance in the item contract liabilities	52	55
Revenue attributable to commitments wholly or partially executed during previous periods	0	2

Note 7 Purchases and sales between Parent Company and subsidiaries

Of the Parent Company's invoiced sales, 100 percent consisted of invoicing to subsidiaries.

Purchases from subsidiaries relate primarily to IT, design, marketing and administration services. No goods were purchased from subsidiaries.

Profit from participations in subsidiaries as well as financial income and expenses from Group companies are presented in Notes 13 and 14, respectively.

Parent Company	2024	2023
Sales of services to subsidiaries	198	184
Purchases of services from subsidiaries	-156	-83

Note 8 Personnel and senior executives

Average number of employees		2024	Of which men	Of which women	2023	Of which men	Of which women
Parent Company [1]	**Sweden**	**1**	**100%**	**–**	**18**	**61%**	**39%**
Subsidiaries	Argentina	78	91%	9%	81	94%	6%
	Chile	2	100%	–	2	100%	–
	Denmark	21	76%	24%	26	62%	38%
	Estonia	9	78%	22%	9	67%	33%
	Finland	148	83%	17%	142	82%	18%
	France	34	68%	32%	35	71%	29%
	United Arab Emirates	7	86%	14%	8	75%	25%
	India	1	100%	–	1	100%	–
	Italy	357	76%	24%	359	76%	24%
	China and Hong Kong	334	48%	52%	384	50%	50%
	Latvia	100	75%	25%	93	80%	20%
	Lithuania	150	84%	16%	137	83%	17%
	Malaysia	7	71%	29%	11	82%	18%
	The Netherlands	68	84%	16%	66	88%	12%
	Norway	157	76%	24%	151	77%	23%
	Poland	10	70%	30%	9	67%	33%
	Spain	11	64%	36%	11	64%	36%
	United Kingdom	159	75%	25%	150	75%	25%
	Sweden	242	69%	31%	216	69%	31%
	Czechia	383	67%	33%	363	67%	33%
	Germany	248	83%	17%	255	83%	17%
	USA	5	–	100%	6	–	100%
Subsidiaries total		**2,531**	**72%**	**28%**	**2,515**	**72%**	**28%**
Group total		**2,532**	**72%**	**28%**	**2,533**	**72%**	**28%**

Salaries, other remuneration and social security expenses	2024		2023	
(MSEK)	Salaries and remuneration	Social security expenses	Salaries and remuneration	Social security expenses
Parent Company [1]	12.4	6.0	39.7	23.2
(of which pension costs) [2]		*1.7*		*6.9*
Subsidiaries	1,208.9	332.1	1,096.5	287.1
(of which pension costs)		*91.6*		*85.6*
	1,221.3	**338.1**	**1,136.2**	**310.3**
Costs for long-term incentive programs	3.7	3.9	2.5	1.0
Group total	**1,225.0**	**342.0**	**1,138.7**	**311.3**
(of which pension costs) [3]		*93.3*		*92.5*

1) Most of the Parent Company's employees moved their employment to a subsidiary in the fourth quarter of 2023. The information refers to the time when the employees were employed by the Parent Company, ITAB Shop Concept AB.
2) Of the Parent Company's pension costs, MSEK 1.7 (1.6) pertains to the Board and CEO. The company's outstanding pension commitments to these persons amount to MSEK 0 (0).
3) Of the Group's pension costs, MSEK 4.0 (4.9) pertains to Other senior executives in Group management.

Salaries and other remuneration divided per country	2024	2023
Parent Company in Sweden	**12.4**	**39.7**
Subsidiaries in Sweden	**164.2**	**116.7**
Subsidiaries outside Sweden		
Argentina	22.2	13.7
Chile	1.3	1.4
Denmark	23.9	26.0
Estonia	3.2	2.9
Finland	83.3	76.6
France	20.7	23.7
United Arab Emirates	4.1	4.4
India	0.2	0.2
Italy	187.0	174.5
China and Hong Kong	57.5	68.6
Latvia	27.3	24.8
Lithuania	59.8	48.6
Malaysia	1.4	1.7
The Netherlands	50.8	41.2
Norway	130.3	119.9
Poland	4.9	5.3
Spain	6.1	4.9
United Kingdom	103.0	105.5
Czechia	99.7	89.5
Germany	153.4	142.5
USA	4.7	3.9
Subsidiaries total	**1,208.9**	**1,096.5**
Group total	**1,221.3**	**1,136.2**

Salaries and other remuneration include:	2024	2023
To the Board and CEO of ITAB Shop Concept AB including variable salary	12.4	11.9
(of which variable salary)	*4.0*	*4.2*
To Other senior executives in Group management	25.1	29.1
(of which variable salary)	*9.9*	*9.6*

Note 8 cont.

Remuneration to senior executives
Remuneration Committee 2024
In 2024, the Remuneration Committee comprised Anders Moberg (Chairman), Petter Fägersten and Vegard Søraunet, with the CEO co-opted to attend committee meetings.

Directors' fees 2024
In accordance with the resolution at the 2024 Annual General Meeting (AGM), the fee for elected Board members amounted to a total of SEK 2,500 thousand, of which SEK 575 thousand to the Chairman of the Board and SEK 275 thousand to each of the other seven elected Board members.

In addition, selected Board members receive a fee for their work on the Remuneration Committee and the Audit Committee. These fees, which are distributed between the committee members, total SEK 115 thousand for the Remuneration Committee and SEK 270 thousand for the Audit Committee. Besides these fees, ITAB paid no other remuneration to Board members.

Guidelines for remuneration to senior executives
These guidelines encompass the individuals who are part of executive management of ITAB Shop Concept AB (publ), currently the CEO and other members of Group management. To the extent a Board member performs work for ITAB in addition to the Board assignment, these guidelines shall also apply to any remuneration (such as consultant's fees) for such work. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2021 AGM. These guidelines do not apply to any remuneration decided or approved by a general meeting of shareholders.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability
In short, ITAB's business strategy is the following. ITAB shall offer complete store concepts for retail chain stores. With its expertise, long-term business relationships and innovative products, ITAB will secure a market-leading position in selected markets. A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain management with good competence and the capacity to achieve set goals. To this end, it is necessary that the company offers competitive remuneration, which these guidelines enable.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.
The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The level of remuneration for individual executives shall be based on factors such as position, competence, experience and performance. Additionally, a general meeting of shareholders may – and irrespective of these guidelines – decide on, for example, share and share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO may amount to not more than 75 percent of the fixed annual cash salary. The variable cash remuneration for other members of Group management may amount to not more than 50 percent of the fixed annual cash salary. For the CEO, pension benefits, including health insurance, shall be premium-defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

For other executives, pension benefits, including health insurance, shall be premium-defined unless the individual concerned is subject to defined-benefit pension under mandatory local legislation or collective agreement provisions.

Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory local legislation or collective agreement provisions for the individual concerned. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical care insurance and company cars. Premiums and other costs due to such benefits may amount to not more than 12 percent of the fixed cash salary.

For employment governed by rules other than Swedish rules, pension benefits and other benefits may be duly adjusted to ensure compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Termination of employment
The notice period may not exceed 12 months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for two years for the CEO, and one year for other members of executive management. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

Criteria for awarding variable cash remuneration, etc.
The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may also be individualised, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

The extent to which the criteria for awarding variable cash remuneration have been satisfied shall be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation so far as it concerns variable cash remuneration to executive management.

For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Salary and employment conditions for employees
In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Consultant's fees to Board members
If a Board member performs services for ITAB in addition to Board work, a special fee may be paid for this (consultant's fee), provided that such services contribute to the implementation of ITAB's business strategy and safeguard ITAB's long-term interests, including its sustainability. This also applies to such services that ITAB receives through a company wholly owned by a Board member. The annual consultant's fee for each Board member may never exceed the annual Directors' fee. The consultant's fee shall be on market terms and determined in relation to the benefit of ITAB.

The decision-making process to determine, review and implement the guidelines
The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for remuneration to senior executives. The Board shall prepare proposals for new guidelines at least every four years or before that if there is a need for significant adjustments, and present the proposal for resolution at the AGM.

The guidelines shall apply until new guidelines have been adopted by the AGM. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for executive management, the application of the guidelines for remuneration to executive management as well as the current remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent of the company and its executive management. The CEO and other members of executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines
The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Guidelines adopted by ITAB's Annual General Meeting on 11 May 2021.

Note 8 cont.

Remuneration and benefits to senior executives
Costs are recognised as remuneration for the period during which each person held their role.

2024	Directors' fee 1) / Fixed salary	Short-term variable salary	Long-term incentive programs	Other remuneration and benefits 2)	Total salary and fees	Pensions costs	Total incl. pension 3)
Board of Directors							
Anders Moberg	0.6				**0.6**		**0.6**
Karin Eriksson 4)	0.1				**0.1**		**0.1**
Petter Fägersten	0.3				**0.3**		**0.3**
Amelie de Geer 5)	0.2				**0.2**		**0.2**
Lars Kvarnsund 5)	0.3				**0.3**		**0.3**
Madeleine Persson	0.3				**0.3**		**0.3**
Fredrik Rapp	0.3				**0.3**		**0.3**
Peder Strand 5)	0.2				**0.2**		**0.2**
Vegard Søraunet	0.3				**0.3**		**0.3**
Total – Board of Directors	**2.6**				**2.6**		**2.6**
Group management							
CEO	5.8	4.0	1.2	0.2	**11.2**	1.7	**12.9**
Other senior executives in Group management (9 people)	15.2	9.9	1.2	1.2	**27.5**	4.0	**31.5**
Total – Group management	**21.0**	**13.9**	**2.4**	**1.4**	**38.7**	**5.7**	**44.4**

2023	Directors' fee 1) / Fixed salary	Short-term variable salary	Long-term incentive programs	Other remuneration and benefits 2)	Total salary and fees	Pensions costs	Total incl. pension 3)
Board of Directors							
Anders Moberg	0.6				**0.6**		**0.6**
Anna Benjamin 4)	0.1				**0.1**		**0.1**
Karin Eriksson 5)	0.2				**0.2**		**0.2**
Jan Frykhammar 6)	0.1				**0.1**		**0.1**
Petter Fägersten	0.3				**0.3**		**0.3**
Roberto Monti 4)	0.1				**0.1**		**0.1**
Madeleine Persson 5)	0.2				**0.2**		**0.2**
Fredrik Rapp	0.3				**0.3**		**0.3**
Vegard Søraunet	0.3				**0.3**		**0.3**
Total – Board of Directors	**2.2**				**2.2**		**2.2**
Group management							
CEO	5.5	4.2	0.8	0.2	**10.7**	1.6	**12.3**
Other senior executives in Group management (9 people)	19.5	9.6	0.8	1.4	**31.3**	4.9	**36.2**
Total – Group management	**25.0**	**13.8**	**1.6**	**1.6**	**42.0**	**6.5**	**48.5**

1) Directors' fee including remuneration for committee work to Board members concerned.
2) Benefits refer to taxable benefits for cars, medical care insurances, etc.
3) Salaries and fees are recognised excluding employer's contributions. Pension costs are recognised excluding special payroll tax.
4) Board member stepped down in conjunction with ITAB's 2024 and 2023 AGMs, respectively.
5) Board member assumed the role in conjunction with ITAB's 2024 and 2023 AGMs, respectively.
6) Board member during the period 1 January to 3 July 2023.

Long-term incentive program 2022
The 2022 AGM resolved on a long-term incentive program (LTIP 2022) extending from June 2022 until June 2025. To participate in LTIP 2022, participants must own a predetermined number of shares in ITAB throughout the entire duration of the program and remain an employee of ITAB throughout the entire period. For each share held by the participant within the framework of LTIP 2022, the company will award the participant a minimum of one and a maximum of three new ordinary shares in ITAB Shop Concept AB free of charge.

The CEO was entitled to participate with a maximum of 296,368 ITAB shares, corresponding to a total maximum of 889,104 share rights under the program. Other members of Group management were entitled to participate with a maximum of 148,184 ITAB shares per person, corresponding to a total maximum of 444,552 share rights per person. In addition, certain key individuals in the Group were invited to participate in the programme with a maximum of 25,467 ITAB shares per person, corresponding to a maximum of 76,401 share rights per person.

The number of ordinary shares allocated under LTIP 2022 depends on how well the predetermined performance targets are met. All participants have the same performance targets. Performance target 1 is for the Group's average EBIT margin for the 2023–2024 period to reach a certain level, and performance target 2 is for the Group's average net growth for the 2022–2024 period to reach a certain level.

Note 8 cont.

Share-based incentive program LTIP 2022	
Number of participants still employed as of 31 December 2024	27 people
Performance target 1 – EBIT margin	The Group's average EBIT margin during the measurement period
Vesting period for performance target 1	January 2023–December 2024
Performance target 2 – Sales growth	Average annual net growth during the measurement period
Vesting period for performance target 2	January 2022–December 2024
Fair value per share right	SEK 10.16*

** The fair value of the share rights is calculated as the share price at the start of the program.*

No. of share rights LTIP 2022 at the start of the program	Number of participants	Maximum number Retention share rights	 Performance share rights	Total number
LTIP 2022	31	1,114,102	2,228,204	3,342,306

No. of share rights allocated / forfeited in 2023	Maximum number
No. of share rights as of 1 January 2023	3,342,306
Forfeited during the year	-454,350
No. of share rights as of 31 December 2023	**2,887,956**

No. of share rights allocated / forfeited in 2024	Maximum number
No. of share rights as of 1 January 2024	2,887,956
Forfeited during the year	-76,401
No. of share rights as of 31 December 2024	**2,811,555**

Recognised cost for LTIP 2022, MSEK	2024	2023
LTIP 2022	4	2

The cost for the share-based incentive program is included in operating profit and is recognised in the balance sheet as equity and accrued expenses (social security contributions). The cost is based on the fair value of the share rights expected to be allocated. Fair value is determined at the time of the participants' investment at the share price. Fair value for the cost for social security contributions is calculated on each balance sheet date.

Gender distribution of Board members/senior executives at year-end

	2024		2023	
Group	**Of which women**	**Of which men**	**Of which women**	**Of which men**
Board members	16%	84%	15%	85%
Senior executives	21%	79%	25%	75%
Parent Company				
Board members	25%	75%	33%	67%
Senior executives	30%	70%	33%	67%

Personnel costs divided by function

Group	2024	2023
Cost of goods sold	-790	-686
Selling expenses	-687	-622
Administrative expenses	-201	-174
	-1,678	**-1,482**
Parent Company		
Cost of goods sold	-17	-13
Selling expenses	-39	-28
Administrative expenses	-40	-35
	-96	**-76**

Note 9 Remuneration to auditors

Shown below are the fees for audit assignments and other assignments that are expensed during the year. Audit assignment refers to reviewing the annual accounts and the accounting records as well as the administration by the Board of Directors and the CEO. Audit activities other than the audit assignment refer to other quality assurance services that are performed in accordance with applicable regulatory requirements. Tax consultancy includes both advice and checking of compliance within the tax field. Other services are other assignments. The audit was mainly performed by Ernst & Young AB (EY).

	Group				Parent Company	
	2024		2023		2024	2023
	Fees to EY	Fees to other auditors	Fees to EY	Fees to other auditors	Fees to EY	Fees to EY
Audit assignment	7	4	7	4	1	1
Audit activities other than audit assignment	1	0	0	0	0	0
Tax consultancy	1	2	1	2	1	1
Other services	0	2	0	1	0	0
	9	**8**	**8**	**7**	**2**	**2**

Note 10 Depreciation, amortisation and impairment losses

Depreciation and amortisation divided per function

Group	2024	2023
Cost of goods sold	-161	-164
Selling expenses	-80	-74
Administrative expenses	-13	-16
	-254	**-254**

Depreciation and amortisation divided per asset type

Group	2024	2023
Capitalised development expenditure	-21	-22
Patents and other intellectual property rights	-9	-9
Buildings	-136	-137
Plant and machinery	-50	-46
Equipment, tools and installations	-38	-40
	-254	**-254**
Of which leases	-133	-136

Depreciation and amortisation divided per function

Parent Company	2024	2023
Selling expenses	-1	0
Administrative expenses	0	-1

Depreciation and amortisation divided per asset type

Parent Company	2024	2023
Equipment	-1	-1

Note 11 Costs divided by type of cost

Costs of goods sold, selling expenses and administrative expenses divided by cost type:

Group	2024	2023
Costs for direct materials	-2,580	-2,421
Shipping costs to customers	-287	-264
Personnel costs	-1,678	-1,482
Depreciation, amortisation and impairment losses	-254	-254
Other expenses	-1,305	-1,261
	-6,104	**-5,682**

Government grants are recognised as a cost reduction of the items to which the grants relate when there is reasonable assurance that the grant will be received, and that the Group will meet the conditions associated with the grant. The grants are systematically accrued in the same way and over the same periods as the costs the grants are intended to compensate for. Grants received during the year amounted to approximately MSEK 1 (9), most of which comprised employee-related grants in 2024.

Parent Company	2024	2023
Personnel costs	-96	-76
Depreciation, amortisation and impairment losses	-1	-1
Other expenses	-130	-113
	-227	**-190**

Note 12 Other operating income and expenses

Other operating income

Group	2024	2023
Operation's exchange rate differences	20	39
Capital gain on divestment of associated companies	–	7
Capital gain on divestment of non-current assets	1	2
Other [1]	2	4
	23	**52**

1) The item other operating income includes rental income of MSEK 1 (1).

Other operating expenses

Group	2024	2023
Operation's exchange rate differences	-26	-73
Capital loss on divestment of companies	-16	–
Capital loss on divestment of property, plant and equipment	-1	-1
Participations in associated companies	–	-1
Other	-2	-2
	-45	**-77**

Other operating income

Parent Company	2024	2023
Operation's exchange rate differences	7	9
	7	**9**

Other operating expenses

Parent Company	2024	2023
Operation's exchange rate differences	-8	-26
	-8	**-26**

Note 13 Profit from participations in Group companies

Parent Company	2024	2023
Income from participations in Group companies		
Dividends received	98	27
Profit from participations in subsidiaries	1	–
	99	**27**
Expenses from participations in Group companies		
Impairment of current receivables in Group companies [1)]	-1	–
Impairment of shares in subsidiaries [2)]	-15	-32
	-16	**-32**

1) Impairment of receivables in connection with the discontinuation of Group companies in 2024 pertains to Radlok S.à.r.l. in an amount of MSEK -1.
2) Impairment of shares in subsidiaries in 2024 refers to impairment in connection with shareholder contributions of MSEK -15. Impairment of shares in subsidiaries in 2023 refers to impairment in connection with shareholder contributions of MSEK -27 and a further MSEK -5 after impairment testing. For more information, see Note 20.

Note 14 Financial income and expenses

Financial income

Group	2024	2023
Interest income	31	34
Exchange rate differences	18	–
	49	**34**

Financial expenses

Group	2024	2023
Interest expenses from interest rate derivatives	9	-12
Interest expenses leases	-14	-14
Other interest expenses	-44	-36
Exchange rate differences	–	-5
Other financial expenses	-22	-14
	-71	**-81**

Financial income

Parent Company	2024	2023
Interest income, Group companies	30	40
Interest income, other	11	5
	41	**45**

Financial expenses

Parent Company	2024	2023
Interest expenses, Group companies	-26	-19
Other interest expenses	-30	-43
Interest expenses from interest rate derivatives	9	12
Exchange rate differences	-29	-30
Other financial expenses	-11	-6
	-87	**-86**

Note 15 Year-end appropriations

Parent Company	2024	2023
Group contributions received	47	154
Group contributions paid	-7	-29
	40	**125**

Note 16 Tax

Group	2024	2023
Current tax expenses		
Tax expenses for the year	-128	-79
Adjustment of tax attributable to previous years	0	2
	-128	**-77**
Deferred tax expenses (-) / tax income (+)		
Deferred tax attributable to temporary differences	1	9
Deferred tax attributable to previous years	0	-3
Deferred tax attributable to loss carryforwards	9	-22
	10	**-16**
Total recognised tax expense in the income statement	**-118**	**-93**

Difference between Swedish income tax rate and the effective tax rate

Group	2024	2024	2023	2023
Reported profit before tax	**438**		**385**	
Tax at Swedish income tax rate	-90	-20.6%	-79	-20.6%
Tax effect of				
Adjustment of previous years' tax	0	0.0%	-1	-0.3%
Other tax rates for foreign Group companies	-27	-6.1%	-20	-5.2%
Deductible temporary differences	1	0.2%	1	0.2%
Loss carryforwards	-9	-2.0%	-1	-0.4%
Altered tax rates	0	0.0%	0	0.1%
Non-taxable income and non-deductible expenses	7	1.6%	7	2.0%
Recognised tax expense	**-118**	**-26.9%**	**-93**	**-24.2%**

Tax items recognised in other comprehensive income	2024	2023
Tax on cash flow hedges	0	2
Tax on hedging of net investments	2	-6
Deferred tax on pension commitments	0	0
	2	**-4**

Changes in deferred tax

Group	2024	2023
Start of the year	39	60
Items recognised in other comprehensive income	0	0
Translation differences	0	-5
Recognised in net profit for the year	10	-16
End of the year	**49**	**39**

The deferred tax assets and liabilities recognised in the balance sheet are attributable to the following:

Group	Receivables 2024	Receivables 2023	Liabilities 2024	Liabilities 2023
Non-current assets [1)]	139	127	169	156
Inventories	17	18	2	1
Current receivables	2	2	0	0
Provisions for pensions and similar obligations	2	1	0	0
Loss carryforwards [2)]	53	49	–	–
Untaxed reserves	–	–	3	2
Other	16	7	7	6
	229	**204**	**181**	**165**

1) Amendments to IAS 12 Income Taxes clarify that the exemption, whereby deferred tax is not recognised on temporary differences arising on initial recognition of an asset or liability, does not apply to transactions that give rise to both an asset and a liability, such as right-of-use assets and lease liabilities. As a result of the amendments, deferred tax attributable to right-of-use assets and lease liabilities have been recognised gross in the note, while they continue to be recognised net in the balance sheet.

2) Of the deferred tax assets for loss carryforwards recognised in the balance sheet, there are loss carryforwards of MSEK 1 for which utilisation is subject to time restrictions. Of these loss carryforwards, MSEK 1 matures in 2025. The Group has loss carryforwards equivalent to a nominal amount of MSEK 428 (506), which are not recognised as a deferred tax asset. This is partially an effect of present value calculation and partially attributable to the fact that certain loss carryforwards are not deemed to be utilised within a reasonable time. For a small proportion of these loss carryforwards, there are restrictions as regards utilisation per year as well as time limits.

Parent Company	2024	2023
Current tax for the year	0	0
Deferred tax attributable to loss carryforwards	5	-15
Total recognised tax expense in the income statement	**5**	**-15**

Deferred tax assets are attributable to the following:

Parent Company	Receivables 2024	Receivables 2023
Loss carryforwards	20	17
Other	1	1
	21	**18**

Note 17 Earnings per share

Group

Earnings per share before dilution	2024	2023
Net profit for the period attributable to Parent Company shareholders, MSEK	311.4	269.6
Average number of ordinary shares outstanding	226,183,845	218,015,094
Earnings per share before dilution, SEK per share	**1.38**	**1.24**
Earnings per share for Continuing Operations before dilution		
Net profit for the period for Continuing Operations attributable to Parent Company shareholders, MSEK	310.0	281.3
Earnings per share for Continuing Operations before dilution, SEK per share	**1.37**	**1.29**
Earnings per share after dilution		
Net profit for the period attributable to Parent Company shareholders, MSEK	311.4	269.6
Average number of ordinary shares outstanding	226,183,845	218,015,094
Effect of long-term incentive program [1]	1,225,838	1,260,208
Average number of ordinary shares outstanding after dilution	**227,409,683**	**219,275,302**
Earnings per share after dilution, SEK per share	**1.37**	**1.23**
Actual number of ordinary shares at the end of the year		
before dilution	253,220,533	217,558,444
after dilution	254,446,371	218,818,652

1) For calculation of the number of shares after dilution, the average number of shares is adjusted taking into account the effects of dilutive potential ordinary shares, which, during the reporting periods in question, comprised rights to receive shares in ITAB within the framework of the LTIP 2022 long-term incentive program. As of 31 December 2024, only matching share rights held by employees are considered dilutive, while the right to receive shares with performance conditions are not considered dilutive since set performance targets are yet to be met. Adjustment of the number of dilutive shares is based on the hypothetical number of shares that could have been purchased with the value of remaining positions within the framework of the incentive program. Refer to Note 8 Personnel and senior executives for a description of the long-term incentive programs adopted.

Repurchases of own shares 2023–2024

On 28 September 2023, ITAB initiated a share buyback program with a maximum purchase amount of MSEK 50. The buyback program ran from 29 September 2023 until 22 March 2024, when the maximum amount for share repurchases of MSEK 50 was reached. The program was carried out in accordance with the EU Market Abuse Regulation ("MAR") and the EU Commission's Delegated Regulation 2016/1052 (the so-called "Safe Harbour Regulation"). A total of 3,079,659 ordinary shares were repurchased within the framework of the program.

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

Directed share issue 2024

In order to partly finance the intended acquisition of HMY, ITAB's Board of Directors resolved on 26 September 2024 to carry out a directed share issue of a total of 38,200,000 ordinary shares at a subscription price of SEK 22.70 per share, consequently raising proceeds for ITAB of approximately MSEK 867 before transaction costs. The subscription price corresponded to a discount of approximately 9.9 percent in relation to the closing price of the ITAB share on Nasdaq Stockholm on 25 September 2024 and was determined through an accelerated bookbuilding procedure.

24,719,827 of the newly issued shares were issued based on the Board's authorisation from the AGM held on 15 May 2024 and the remaining 13,480,173 shares were issued following subsequent approval at the EGM held on 21 October 2024. As of 31 December 2024, a total of MSEK 831 has been provided to the company in issue proceeds after transaction costs, of which MSEK 16 was share capital.

Share capital development

Year	Transaction	Change in share capital (SEK thousand)	Total share capital (SEK thousand)	Total no. of ordinary shares	Total no. of Class C shares	Total no. of shares	Quotient value per share (SEK)
1987	Formation of the company	50	50	500		500	100
1997	New share issue	50	100	1,000		1,000	100
1998	New share issue	8,500	8,600	86,000		86,000	100
2004	Bonus issue	8,600	17,200	172,000		172,000	100
2004	Split 20:1	–	17,200	3,440,000		3,440,000	5
2004	New share issue	16,281	33,481	6,696,200		6,696,200	5
2006	New share issue	1,500	34,981	6,996,200		6,996,200	5
2007	Split 2:1	–	34,981	13,992,400		13,992,400	2.5
2008	New share issue	725	35,706	14,282,400		14,282,400	2.5
2008	Conversion	0	35,706	14,282,500		14,282,500	2.5
2009	Conversion	9	35,715	14,285,940		14,285,940	2.5
2010	Conversion	0	35,715	14,285,952		14,285,952	2.5
2012	Conversion	6,668	42,383	16,953,205		16,953,205	2.5
2014	Split 2:1	–	42,383	33,906,410		33,906,410	1.25
2016	Split 3:1	–	42,383	101,719,230		101,719,230	0.417
2016	Conversion	277	42,660	102,383,430		102,383,430	0.417
2021	New share issue	42,660	85,320	204,766,860		204,766,860	0.417
2021	Offset issue	5,556	90,876	218,100,192		218,100,192	0.417
2022	New share issue Class C shares	1,833	92,709	218,100,192	4,400,000	222,500,192	0.417
2024	Cancellation of repurchased ordinary shares	-1,283	91,426	215,020,533	4,400,000	219,420,533	0.417
2024	Bonus issue	1,283	92,709	215,020,533	4,400,000	219,420,533	0.423
2024	New share issue ordinary shares	16,140	108,849	253,220,533	4,400,000	257,620,533	0.423
Of which repurchased shares held in treasury					*4,400,000*	*4,400,000*	

Note 18 Intangible assets

2024 Group	**Capitalised development expenditure**	**Patents and other intellectual property rights**	**Goodwill**	**Total**
Accumulated cost				
Start of the year	257	78	1,786	2,121
Additions	100	17	–	117
Translation differences for the year	–	3	58	61
	357	**98**	**1,844**	**2,299**
Accumulated amortisation according to plan				
Start of the year	-151	-51	–	-202
Amortisation according to plan for the year	-21	-9	–	-30
Translation differences for the year	–	-3	–	-3
	-172	**-63**	**–**	**-235**
Carrying amount at the end of the year	**185**	**35**	**1,844**	**2,064**

2023 Group	**Capitalised development expenditure**	**Patents and other intellectual property rights**	**Goodwill**	**Total**
Accumulated cost				
Start of the year	214	85	1,790	2,089
Additions	52	6	–	58
Sales and disposals	-9	-12	–	-21
Translation differences for the year	–	-1	-4	-5
	257	**78**	**1,786**	**2,121**
Accumulated amortisation according to plan				
Start of the year	-138	-54	–	-192
Sales and disposals	9	12	–	21
Amortisation according to plan for the year	-22	-9	–	-31
Translation differences for the year	–	0	–	0
	-151	**-51**	**–**	**-202**
Carrying amount at the end of the year	**106**	**27**	**1,786**	**1,919**

Intangible assets

Capitalised expenses for development work primarily comprise internally generated, capitalised costs for the development of checkouts and development work in preparation for the replacement of the Group's business system. Other intellectual property rights primarily consist of valued customer relationships as well as patents.

Amortisation of intangible assets excluding goodwill is recognised in the income statement over the estimated useful lives of the assets. Amortisation commences from the date the asset is available for use. Estimated useful lives are reassessed every year. No impairment losses or reversal of impairment losses took place in 2024.

The Group's goodwill comprises primarily synergy effects in terms of production, logistics, personnel, know-how and an effective organisation.

Impairment testing of goodwill

The Group assesses goodwill for impairment annually, or more often if there are any indications of a need for impairment, in accordance with the accounting policies described in Note 2. No distribution of the Group's goodwill has been performed since all Group companies' activities and cash inflows are highly dependent on each other.

The recoverable amount for the unit has been determined based on the value in use, which consists of the present value of the estimated projected cash flow. The estimate of projected cash flow is based on an assessment of expected growth in accordance with a cautious starting point in the forecasts prepared by management for the coming four years. The forecasts are based on experience from previous years, but with due consideration for future expected developments. According to the forecasts, average growth in the operations, after a period affected by the war in Ukraine as well as rising inflation and interest rates, is expected to amount to 2 percent (2) per year during 2025–2028. The cash flows beyond this four-year period have been extrapolated with the aid of an estimated rate of growth of 2 percent (2) per year, which corresponds to estimated long-term inflation.

The assumption of projected growth is the most important assumption and is based on external assessments of the market's growth, past trends and corporate management's assessment of market shares. The margins in the operations are an estimate that also has an impact on the testing. The EBITDA margin is an important assumption on which management bases its assessment.

When assessing impairment in 2024, a figure of 10.8 percent was used for 2025 and 10.5 percent for 2026 and onwards. Average interest rates have been assumed at the same levels as the outcome for 2024. The forecast cash flows have been converted to present value using a discount rate of 11.3 percent (12.0) before tax, which corresponds to 9.0 percent (9.5) after tax.

The discount factor, WACC, has been determined through the Capital Asset Pricing Model (CAPM). As a part of the discount factor, a risk-free rate of interest corresponding to the yield on ten-year government bonds has been used, with an addition for the equity market's average risk premium. Required return is also affected by the debt ratio in an optimal capital structure. The risk-free rate of interest has historically been low but has increased in recent years. In 2024, both the risk-free rate of interest and the risk premium decreased slightly, which means that the overall discount rate for 2024 decreased compared with 2023.

The recoverable amount exceeds the carrying amount, which means there is no need for impairment.

In order to support the impairment assessment that has been performed for goodwill within the Group, an overall assessment has been performed of the sensitivity of the variables used in the model. If the sustainable rate of growth is set at 0 percent or if the EBITDA margin is lowered by 3.5 percentage points, there is still no indication of an impairment need with an unchanged WACC.

Note 19 Property, plant and equipment

2024 Group	Buildings	Machinery	Equipment	Construction in progress	Total
Accumulated cost excl. leases					
Start of the year	668	711	314	22	1,715
Acquisitions/divestments of subsidiaries	–	-31	-2	–	-33
Additions	4	21	22	26	73
Sales and disposals	0	-17	-6	-9	-32
Reclassifications	1	19	1	-21	0
Translation differences for the year	22	22	11	1	56
	695	**725**	**340**	**19**	**1,779**
Accumulated depreciation according to plan excl. leases					
Start of the year	-282	-485	-256	–	-1,023
Divestments of subsidiaries	–	27	2	–	29
Sales and disposals	0	13	5	–	18
Depreciation according to plan for the year	-19	-50	-22	–	-91
Translation differences for the year	-7	-12	-9	–	-28
	-308	**-507**	**-280**	**–**	**-1,095**
Total	**387**	**218**	**60**	**19**	**684**
Right-of-use assets [1]	518	–	48	–	566
Carrying amount at the end of the year	**905**	**218**	**108**	**19**	**1,250**

2023 Group	Buildings	Machinery	Equipment	Construction in progress	Total
Accumulated cost excl. leases					
Start of the year	700	704	337	7	1,748
Additions	10	35	18	23	86
Sales and disposals	-20	-13	-38	0	-71
Reclassifications	2	3	2	-7	0
Translation differences for the year	-24	-18	-5	-1	-48
	668	**711**	**314**	**22**	**1,715**
Accumulated depreciation according to plan excl. leases					
Start of the year	-272	-465	-267	–	-1,004
Sales and disposals	2	12	30	–	44
Depreciation according to plan for the year – Continuing Operations	-19	-45	-23	–	-87
Translation differences for the year	7	13	4	–	24
	-282	**-485**	**-256**	**–**	**-1,023**
Total	**386**	**226**	**58**	**22**	**692**
Right-of-use assets [1]	498	0	32	–	530
Carrying amount at the end of the year	**884**	**226**	**90**	**22**	**1,222**

1) For more information about right-of-use assets, see Note 22.

Parent Company	2024 Equipment	2023 Equipment
Accumulated cost		
Start of the year	10	16
Additions	0	3
Sales and disposals	–	-9
	10	**10**
Accumulated depreciation according to plan		
Start of the year	-6	-11
Depreciation according to plan for the year	-1	-1
Sales and disposals	–	6
	-7	**-6**
Carrying amount at the end of the year	**3**	**4**

Note 20 Participations in Group companies, associated companies, and other shares and participations

Parent Company	**2024**	**2023**
Opening carrying amount	2,046	2,051
Divestments [1]	-6	–
Shareholder contributions to subsidiaries [2]	70	27
Impairment and revaluations for the year [3]	-15	-32
Closing carrying amount	**2,095**	**2,046**

1) In 2024, ITAB Shop Concept Belgium N.V. was wound up and the remaining equity corresponding to the share value was repaid.
2) In 2024, shareholder contributions were paid to ITAB Shop Products A/S (MSEK 6) and to ITAB Group Support AB (MSEK 64). In 2023, shareholder contributions were paid to ITAB Holding BV (MSEK 16) and to ITAB Shop Products A/S (MSEK 11).
3) In 2024, shares in ITAB Shop Products AS and ITAB Group Support AB were impaired by MSEK 15 in connection with the payment of shareholder contributions. In 2023, shares in ITAB Shop Products Oy and ITAB Shop Products UK were impaired by MSEK 5 in connection with the discontinuation of operations. In addition, shares in the subsidiaries ITAB Holding BV and ITAB Shop Products A/S were impaired by MSEK 27 in connection with the payment of shareholder contributions.

Participations are held in the following Group companies:	**Reg. No.**	**Domicile**	**Country**	**Number of shares**	**Holding**	**2024 Carrying amount**	**2023 Carrying amount**
ITAB Lithuania AB	233393310	Kaunas	Lithuania	635,350	100%	20	20
ITAB Eesti OÜ	10994786	Tallinn	Estonia	1	100%	0	0
ITAB Germany Gmbh	HRB 61998	Cologne	Germany	2	100%	17	17
ITAB Harr Gmbh	HRB 29025	Malschwitz	Germany	–	100%	–	–
ITAB Lighting Germany GmbH	HRB 104507	Menden	Germany	5	100%	–	–
ITAB Holding B.V	32082085	Woudenberg	The Netherlands	180	100%	36	36
ITAB Benelux B.V	61775185	Hertogenbosch	The Netherlands	180	100%	–	–
ITAB Group Support AB	556554-1520	Jönköping	Sweden	1,000	100%	56	1
ITAB Shop Products Finland OY	1569393-8	Lahti	Finland	1,165	100%	8	8
ITAB Pharmacy Concept AB	556603-8245	Jönköping	Sweden	40,000	100%	5	5
Sintek Industrial Property AB	556031-3362	Jönköping	Sweden	9,070	100%	1	1
ITAB Shop Concept AS	960912624	Oslo	Norway	1,534,500	100%	55	55
ITAB Industier AS	928907619	Stadsbygd	Norway	150	100%	–	–
ITAB Norge AS [4]	935500419	Oslo	Norway	50	100%	–	–
Reklamepartner Graphics AS	979895909	Vinterbro	Norway	100	100%	–	–
KB Design AS	913275438	Oslo	Norway	34	100%	–	–
ITAB Room Solutions AS	933437671	Oslo	Norway	66	55%	–	–
ITAB Shop Concept Belgium N.V	0413.792.003	Antwerp	Belgium	279,295	100%	–	6
ITAB Shop Concept CZ a.s	255 68,663	Blansko	Czechia	2,210	100%	277	277
ITAB Shop Concept A/S	19353443	Herning	Denmark	11,000	100%	0	0
ITAB Shop Products A/S	13769893	Taastrup	Denmark	500	100%	22	22
Checkmark Danmark ApS	36401389	Taastrup	Denmark	50	100%	–	–
ITAB Kiinteistö Oy	0719064-4	Järvenpää	Finland	77,000	100%	12	12
ITAB Shop Concept Polska Sp zoo	338168	Warsaw	Poland	100	100%	2	2
ITAB Shop Products Ltd	5822228	Hemel Hempstead	England	2,500,000	100%	33	33
ITAB Holdings UK Ltd	4135080	Hemel Hempstead	England	4,638,743	100%	119	119
ITAB UK Ltd	3411363	Hemel Hempstead	England	1,200,000	100%	–	–
Nordic Light Group AB	556306-5373	Skellefteå	Sweden	1,000	100%	523	523
ITAB Shop Products AB	556132-4046	Jönköping	Sweden	1,000	100%	–	–
ITAB Sweden AB	556474-2244	Nässjö	Sweden	2,000	100%	–	–
Nordic Light AB	556203-5161	Skellefteå	Sweden	130,000	100%	–	–
Nordic Light Group (HK) Co Ltd	759628	Hong Kong	Hong Kong	20,000	100%	–	–
Nordic Light (Suzhou) Investment (HK) Co Ltd.	875186	Hong Kong	Hong Kong	10,000	65%	–	–
ITAB Shop Concept China Co Ltd	91320505MA1MEFBL86	Suzhou	China	–	65%	–	–
Nordic Light America Inc.	27-4627942	Columbus	USA	1,500	100%	–	–
Nordic Light South America SpA	71.936 / 49.962	Santiago	Chile	100	100%	–	–
Nordic Light India Private Ltd	U74900KA2014FTC073090	Bangalore	India	10,000	100%	–	–
ITAB Finland Holding Oy	2447365-4	Jyväskylä	Finland	40,594	100%	43	43
ITAB Finland Oy	1882702-2	Jyväskylä	Finland	28,000	100%	–	–
Oy Checkmark Ltd [4]	2278277-9	Pieksämäki	Finland	3,500	100%	–	–
La Fortezza S.p.A. a Socio Unico	FI - 462981	Scarperia	Italy	20,900,000	100%	786	786
Imola Retail Solutions S.r.L	BO-555133	Imola	Italy	81,000	100%	–	–
La Fortezza Alser S.a.S	438699225	Jouy-le-Moutier	France	381,158	100%	–	–
La Fortezza Asia Sdn Bhd	396959-A	Kuala Lumpur	Malaysia	600,000	100%	–	–
ITAB Iberica S.L.Unipersonal	B85907236	Barcelona	Spain	19,000	100%	–	–
La Fortezza Middle East DMCC	JLT5135	Dubai	UAE	1	100%	–	–
La Fortezza Sudamericana S.A.	30-68703602-2	Buenos Aires	Argentina	5,645,921	100%	–	–
SIA ITAB Latvia	40103175540	Riga	Latvia	2,845	100%	80	80
						2,095	**2,046**

In addition to the above companies, the Group owns shares in inactive companies. In total, the Group comprised 53 legal companies at the end of 2024.

4) In 2024, the companies ITAB Rus JSC in Russia and Nuco Lighting Technology in China were divested and 55 percent of the shares in ITAB Room Solutions AS were acquired. The Danish company Checkmark Danmark ApS was sold internally from Oy Checkmark Ltd to ITAB Shop Products A/S and the Norwegian company Checkmark Norge AS was merged with ITAB Norge AS. In 2024, seven dormant companies in the UK, Belgium, China, Sweden, and Luxembourg were wound up. In 2023, the Norwegian company Checkmark Norge AS was sold internally from Oy Checkmark Ltd to ITAB Norge AS and a dormant company in the Netherlands was wound up.

Note 20 cont.

Group

Participations are held in the following associated companies
There were no material associated companies in the ITAB Group at year-end 2024. ITAB Shop Concept AB's 21-percent shareholding in the associated company OmboriGrid AB (556841-1333) with domicile in Stockholm, Sweden was divested in the second quarter of 2023. The purchase consideration for the divested shares amounted to MSEK 15. The sale had an impact of MSEK 6 on the ITAB Group's profit and MSEK 15 on cash flow in 2023.

Group	2024	2023
Carrying amount at the start of the year	–	9
Depreciation surplus value	–	0
Share of net profit for the period until divestment	–	-1
Disposals during the period	–	-8
Carrying amount at the end of the year	**–**	**0**

OmboriGrid AB's transactions with other ITAB companies	2023
Sales to companies within the ITAB Group until divestment	7

ITAB's share of OmboriGrid AB's assets, equity, net sales and profit before tax.

	Jan–May 2023
Assets	12
Equity	6
Net sales	2
Profit before tax	-1

Other shares and participations	Reg. No.	Domicile	Country	Number of shares	Holding	2024 Carrying amount	2023 Carrying amount
Unlisted shares and participations							
Signatrix GmbH	HRB 189186 B	Berlin	Germany	13,751	18.34%	23	–

Note 21 Financial assets and liabilities

	2024			2023		
Time analysis of financial assets	**Past due**	**Not past due**	**Total**	**Past due**	**Not past due**	**Total**
Group						
Accounts receivable, not impaired						
less than 30 days old	46	901	947	26	802	828
31–60 days old	33		33	23		23
more than 60 days old	28		28	10		10
Accounts receivable, impaired						
more than 60 days old	26		26	28		28
Deduction for reserves	-26		-26	-28		-28
Total accounts receivable	**107**	**901**	**1,008**	**59**	**802**	**861**
Other financial assets (excl. cash and cash equivalents)	–	213	213	–	155	155
Carrying amount, financial assets excl. cash and cash equivalents	**107**	**1,114**	**1,221**	**59**	**957**	**1,016**

The receivable is reserved as doubtful in the case of an expected credit loss. The assessment is individual and performed on a case-by-case basis.

Change in provision for expected credit losses

Group	**2024**	**2023**
Opening balance	28	21
Divestment of operations	-2	–
Increase in provision through the income statement	6	13
Utilised reserve due to confirmed losses on accounts receivable	-1	-4
Reversed provisions	-6	-2
Translation differences for the year	1	0
Closing balance	**26**	**28**

	2024			2023		
Time analysis of financial liabilities recognised as undiscounted cash flows including accrued interest	**Liabilities to credit institutions**	**Lease liabilities**	**Other financial liabilities**	**Liabilities to credit institutions**	**Lease liabilities**	**Other financial liabilities**
Group						
Maturity date						
within 1 year	81	167	1,056	106	152	892
between 1 and 3 years	586	224	13	615	205	15
between 3 and 5 years	–	168	–	–	143	–
after 5 years	–	79	–	–	82	–
	667	**638**	**1,069**	**721**	**582**	**907**
Parent Company						
Maturity date						
within 1 year	26		565	32		415
between 1 and 3 years	586		–	609		2
between 3 and 5 years	–		–	–		–
after 5 years	–		–	–		–
	612		**565**	**641**		**417**

Note 21 cont.

Change in liabilities attributable to financing activities in the Group's cash flow

Group	2023	Cash flow	Items that do not affect the cash flow: Short-term portion of long-term loans	Lease liabilities according to IFRS 16	Translation difference	Fair value	2024
Derivative receivables	-18					10	**-8**
Long-term investments	-49	-3				-44	**-96**
Non-current liabilities to credit institutions	595	-41	-6		17		**565**
Current liabilities to credit institutions and overdraft facilities	95	-6	6		-12		**83**
Lease liabilities	546	-128		168	-1		**585**
Net debt from financing activities	**1,169**	**-178**	**0**	**168**	**4**	**-34**	**1,129**
Cash and cash equivalents							**-1,513**
Interest-bearing net debt [1]							**-384**

1) Some of the company's bank loans are restricted with covenants, stipulated in the loan contract. One of the restrictions entails that ITAB has committed to keeping the company's interest-bearing net debt in relation to EBITDA within certain stipulated levels. None of the company's covenants were broken during the year.

Information about carrying amount per category and fair value per class

Valuation hierarchy
The Group recognises financial instruments that are measured at fair value in the statement of financial position. This requires information about valuation at fair value per level in the following fair value hierarchy:
Level 1: Listed prices (unadjusted) on active markets for identical assets or liabilities. Financial instruments measured at fair value based on level 1 comprise cash and cash equivalents and long-term investments as well as non-current and current interest-bearing liabilities.
Level 2: Other observable input data for assets or liabilities other than listed prices included in level 1, either direct (meaning as price quotations) or indirect (meaning derived from price quotations). Financial instruments measured at fair value based on level 2 comprise derivatives that are applied in hedge accounting.
Level 3: Input data for the asset or liability that are not based on observable market data (meaning non-observable input data).

Derivative instruments
Derivative instruments comprise interest rate swaps and currency futures, and are measured at market value according to level 2. In other words, for derivative instruments, the fair value is calculated through discounted future cash flows according to the contracts' terms and maturity dates, where all variables, such as discount rates and exchange rates, are obtained from market listings for calculations.

Note 21 cont.

Information about carrying amount per category and fair value per class

Group 2024	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at fair value through profit or loss	Financial assets and liabilities measured at amortised cost	Total carrying amount	Fair value [1]
Financial assets					
Financial non-current receivables			16	16	16
Accounts receivable			1,008	1,008	1,008
Derivative receivables (level 2)	8			8	8
Long-term investments (level 1)		96		96	96
Other receivables			76	76	76
Accrued income, financial assets			17	17	17
Cash and cash equivalents [2]			1,513	1,513	1,513
Total financial assets	**8**	**96**	**2,630**	**2,734**	**2,734**
Financial liabilities					
Liabilities to credit institutions			621	621	621
Lease liabilities			585	585	585
Overdraft facilities			27	27	27
Advance payments from customers			72	72	72
Accounts payable			817	817	817
Other liabilities			116	116	116
Accrued expenses, financial liability		4	34	38	38
Total financial liabilities	**0**	**4**	**2,272**	**2,276**	**2,276**
2023					
Financial assets					
Financial non-current receivables			18	18	18
Accounts receivable			861	861	861
Derivative receivables (level 2)	18			18	18
Long-term investments (level 1)		49		49	49
Other receivables			63	63	63
Accrued income, financial assets			7	7	7
Cash and cash equivalents [2]			578	578	578
Total financial assets	**18**	**49**	**1,527**	**1,594**	**1,594**
Financial liabilities					
Liabilities to credit institutions			670	670	670
Lease liabilities			546	546	546
Overdraft facilities			20	20	20
Advance payments from customers			50	50	50
Accounts payable			692	692	692
Other liabilities			103	103	103
Accrued expenses, financial liability		2	39	41	41
Total financial liabilities	**0**	**2**	**2,120**	**2,122**	**2,122**

1) For current receivables and liabilities with a lifetime of less than six months, the carrying amount is considered to reflect the fair value.
2) Cash and cash equivalents are made up in their entirety of cash and bank balances.

Note 21 cont.

Information about carrying amount per category and fair value per class

Parent Company 2024	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at fair value through profit or loss	Financial assets and liabilities measured at amortised cost	Total carrying amount	Fair value 1)
Financial assets					
Receivables with Group companies			135	135	135
Other receivables			4	4	4
Accrued income, financial assets			2	2	2
Cash and cash equivalents 2)			1,231	1,231	1,231
Total financial assets			**1,372**	**1,372**	**1,372**
Financial liabilities					
Liabilities to credit institutions			565	565	565
Accounts payable			3	3	3
Liabilities to Group companies			553	553	553
Other liabilities			0	0	0
Accrued expenses, financial liability		3	6	9	9
Total financial liabilities		**3**	**1,127**	**1,130**	**1,130**
2023					
Financial assets					
Receivables with Group companies			342	342	342
Other receivables			2	2	2
Cash and cash equivalents 2)			292	292	292
Total financial assets			**636**	**636**	**636**
Financial liabilities					
Liabilities to credit institutions			589	589	589
Overdraft facilities			21	21	21
Accounts payable			4	4	4
Liabilities to Group companies			383	383	383
Other liabilities			1	1	1
Accrued expenses, financial liability		2	6	8	8
Total financial liabilities		**2**	**1,004**	**1,006**	**1,006**

1) For current receivables and liabilities with a lifetime of less than six months, the carrying amount is considered to reflect the fair value.
2) Cash and cash equivalents are made up in their entirety of cash and bank balances.

Note 22 Leases

ITAB's leases are attributable to properties, machinery and vehicles. The majority of ITAB's leases include options to either extend or terminate the agreement. When the term of the lease is established, ITAB takes into consideration all facts and circumstances that provide a financial incentive to utilise an option to extend or waive an option to terminate the agreement. Examples of factors that are considered include strategic plans, restructuring programs, sustainability, the importance of the underlying asset to ITAB's operations and/or costs attributable to not extending or terminating leases.

Leases – right-of-use assets and lease liabilities
Items concerning leases have been included in the consolidated accounts as described below:

	31 December 2024				31 December 2023			
Right-of-use assets	**Buildings**	**Equipment**	**Machinery**	**Total**	**Buildings**	**Equipment**	**Machinery**	**Total**
Start of the year	498	32	0	**530**	641	22	1	**664**
Additions	130	31	0	**161**	119	28	0	**147**
Disposals during the year	-9	0	0	**-9**	-142	0	0	**-142**
Translation difference	16	1	0	**17**	-2	-1	0	**-3**
Depreciation during the year	-117	-16	0	**-133**	-118	-17	-1	**-136**
Carrying amount at the end of the year	**518**	**48**	**0**	**566**	**498**	**32**	**0**	**530**
Lease liabilities	**536**	**49**	**0**	**585**	**514**	**32**	**0**	**546**

	2024		2023	
Lease liabilities	**Nominal value**	**Present value**	**Nominal value**	**Present value**
Current portion, maturity date within one year	167	152	152	140
Non-current portion, maturity date from one to three years	224	203	205	190
Non-current portion, maturity date from three to five years	168	158	143	136
Non-current portion, maturity date over five years	79	72	82	80
Value at the end of the year	**638**	**585**	**582**	**546**

The Group's material leases pertain to leases for buildings, mainly located in Sweden, the UK, Italy, Finland and Czechia. Equipment primarily comprises cars and forklifts.

The Group's profit for the 2024 financial year was charged with costs attributable to finance leases, including depreciation of MSEK 133 (136) and interest expenses of MSEK 14 (14). Total lease expenses in 2024 amounted to MSEK 171 (153). Lease expenses related to low-value and short-term leases amounted to MSEK 29 (19). There are no significant variable payments or restrictions.

In 2024, leases had an impact of MSEK -128 (-131) on the Group's cash flow.

Note 23 Inventories

Group	**2024**	**2023**
Raw materials and consumables	268	293
Products in progress	88	81
Finished products and goods for resale	435	413
Advance payments for goods	8	6
	799	**793**

The year's impairment of finished products and goods for resale charged to net profit for the year totalled MSEK 26 (36) for the Group.

Note 24 Prepaid expenses and accrued income

Group	**2024**	**2023**
Prepaid rent and lease payments	17	15
Prepaid insurance premiums	5	4
Other prepaid expenses	60	42
Accrued revenue from contracts with customers	15	7
Other accrued income	2	0
	99	**68**

Parent Company	**2024**	**2023**
Prepaid insurance premiums	1	1
Other prepaid expenses	40	13
Accrued income	2	–
	43	**14**

Note 25 Equity

Group

Share capital
For information regarding share capital and the share capital development, see the information for the Parent Company below.

Other contributed capital
Pertains to equity contributed by the owners. This includes a portion of share premium reserves transferred to the statutory reserve as of 31 December 2005. Provisions to the share premium reserve from 1 January 2006 and onwards are also recognised as other contributed capital.

Costs for the share-based incentive program are recognised in accordance with IFRS 2 *Share-based Payment*. The fair value of the allocated share rights is included in operating profit and is recognised in the balance sheet as other contributed capital. Fair value is determined at the time of the participants' investment at the share price and is distributed over the vesting period.

For information on the directed share issue in 2024, refer to Note 27.

Other reserves
Other reserves in equity consist of the translation reserve and hedging reserve.

Translation reserve
Translation differences concerning foreign subsidiaries are recognised as a separate item in equity. The translation reserve includes all exchange rate differences arising on the translation of the financial statements of foreign operations that have prepared their financial statements in a currency other than the Group's functional currency. The Parent Company and the Group present their financial statements in SEK. The translation reserve also comprises exchange rate differences arising on the translation of liabilities used as hedging instruments for net investments in a foreign operation.

On the sale or discontinuation of foreign operations, accumulated translation differences are recognised as a portion of the profit from the divestment. In 2024, Group companies in Russia, China and Hong Kong were divested. In 2023, only dormant companies of a minor value were divested and wound up.

The accumulated translation reserve, recognised in comprehensive income as of 2004, amounts to the following:

Translation reserve attributable to Parent Company shareholders	2024	2023
Opening balance	94	210
Translation difference discontinued operations transferred to net profit for the year	40	0
Translation difference on translation of foreign operations	91	-136
Change in fair value of hedges of net investments	-8	26
Tax	2	-6
Closing balance	**219**	**94**

Translation reserve attributable to non-controlling interests	2024	2023
Opening balance	20	28
Translation differences for the year	9	-8
Closing balance	**29**	**20**

Hedging reserve
The hedging reserve includes the accumulated net change in the fair value of cash flow hedging instruments attributable to hedging transactions that have not yet taken place.

	2024	2023
Opening balance	9	14
Change in fair value of cash flow hedges	1	-9
Change in fair value of cash flow hedges transferred to net profit for the year	-3	2
Tax	0	2
Closing balance	**7**	**9**
Total other reserves attributable to Parent Company shareholders	**226**	**103**
Total other reserves attributable to non-controlling interests	**29**	**20**

Profit brought forward
Profit brought forward including net profit for the year includes profit earned in the Parent Company and its subsidiaries. Previous provisions to the statutory reserve, excluding transferred share premium reserves, are included in this equity item.

Note 25 cont.

Parent Company

Share capital
In order to partly finance the intended acquisition of HMY, ITAB's Board of Directors resolved on 26 September 2024 to carry out a directed share issue of a total of 38,200,000 ordinary shares. 24,719,827 of the newly issued ordinary shares were issued based on the Board's authorisation from the Annual General Meeting held on 15 May 2024 and the remaining 13,480,173 shares were issued following subsequent approval at the Extraordinary General Meeting held on 21 October 2024. As of 31 December 2024, a total of MSEK 831 has been provided to the company in issue proceeds after transaction costs, of which MSEK 16 was share capital.

On 28 September 2023, ITAB initiated a share buyback program with a maximum purchase amount of MSEK 50. The buyback program ran from 29 September 2023 until 22 March 2024, when the maximum amount for share repurchases of MSEK 50 was reached. The program was carried out in accordance with the EU Market Abuse Regulation (MAR) and the EU Commission's Delegated Regulation 2016/1052 (the so-called "Safe Harbour Regulation"). A total of 3,079,659 ordinary shares were repurchased within the framework of the program. 541,748 ordinary shares were repurchased in 2023 and the remaining 2,537,911 shares were repurchased in 2024, up until 22 March. The purpose of the buyback program was to optimise the capital structure and consequently ITAB's share capital was reduced by cancelling the repurchased shares.

For more information, see Note 27.

On 14 December 2022, the Board decided to issue new Class C shares intended for the long-term incentive program for senior executives in the Group, based on the issue authorisation decided at the Annual General Meeting of ITAB Shop Concept AB (publ) on 10 May 2022. The Board also decided to immediately repurchase all 4,400,000 Class C shares. For more information on the long-term incentive program, see Note 8.

Ordinary shares entitle the holder to one vote and Class C shares to 1/10 of a vote at general meetings of shareholders. Ordinary shares entitle the holder to dividends, while Class C shares do not. The share capital is distributed as follows: SEK 106,990 thousand pertaining to ordinary shares and SEK 1,859 thousand pertaining to Class C shares. All Class C shares are held in treasury by ITAB. The quotient value per share is SEK 0.422517. For information on the share capital development, refer to Note 17.

Statutory reserve
The purpose of the statutory reserve has been to save a portion of net profit, which is not used to cover the loss brought forward. This also includes a portion of share premium reserves transferred to the statutory reserve as of 31 December 2005.

Share premium reserve
When shares are issued at a share premium, meaning that the price paid for the shares are higher than their quotient value, an amount corresponding to the amount received over and above the quotient value for the shares must be transferred to the share premium reserve. Issue costs reduce the value of the share premium reserve. Share premium reserves prior to 31 December 2005 have been transferred to the statutory reserve.

For information on the new share issue in 2024, refer to Note 27.

Profit brought forward
Profit brought forward comprises the previous year's profit brought forward, including the previous year's profit after payment of any dividends.

Costs for the share-based incentive programme are recognised in accordance with IFRS 2 *Share-based Payment.* The fair value of the allocated share rights is included in operating profit and is recognised in the balance sheet as profit brought forward. Fair value is determined at the time of the participants' investment at the share price and is distributed over the vesting period.

Together with net profit for the year and the share premium reserve, profit brought forward constitutes total non-restricted equity, meaning the amount that is available for dividends to the shareholders.

Parent Company	31 December 2024			31 December 2023		
Shares outstanding	**Ordinary shares**	**Class C shares**	**Total**	**Ordinary shares**	**Class C shares**	**Total**
Opening number of shares	218,100,192	4,400,000	222,500,192	218,100,192	4,400,000	222,500,192
Cancellation of repurchased ordinary shares 1)	-3,079,659	–	-3,079,659	–	–	–
New share issue	38,200,000	–	38,200,000	–	–	–
Number of shares at the end of the year	**253,220,533**	**4,400,000**	**257,620,533**	**218,100,192**	**4,400,000**	**222,500,192**
of which held by ITAB Shop Concept AB		-4,400,000	-4,400,000	-541,748	-4,400,000	-4,941,748
Total shares outstanding at the end of the year	**253,220,533**	**0**	**253,220,533**	**217,558,444**	**0**	**217,558,444**

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

Note 26 Allocation of profits

Parent Company, MSEK	2024	2023
The following unrestricted profit is at the disposal of the Annual General Meeting:		
Share premium reserve	1,898	1,083
Profit brought forward	304	466
Net profit for the year	52	41
Total	**2,254**	**1,590**
The Board of Directors and CEO propose that these funds be allocated as follows:		
Proposed dividend to shareholders, SEK per ordinary share	0.00	0.75
Number of ordinary shares outstanding at the end of the year	253,220,533	217,558,444
Number of ordinary shares outstanding on the dividend date		215,020,533
To be paid as dividends to shareholders in total, MSEK	–	161
To be carried forward, MSEK	2,254	1,429
Total, MSEK	**2,254**	**1,590**

Note 27 Repurchases of own shares and new share issue

Repurchases of own shares 2023–2024

On 28 September 2023, ITAB initiated a share buyback program with a maximum purchase amount of MSEK 50. The buyback program ran from 29 September 2023 until 22 March 2024, when the maximum amount for share repurchases of MSEK 50 was reached. The program was carried out in accordance with the EU Market Abuse Regulation (MAR) and the EU Commission's Delegated Regulation 2016/1052 (the so-called "Safe Harbour Regulation"). A total of 3,079,659 ordinary shares were repurchased within the framework of the program, of which 541,748 ordinary shares were repurchased in 2023 and the remaining 2,537,911 shares were repurchased in 2024, up until March 22.

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

At 31 December 2024, ITAB held all 4,400,000 Class C shares in the company in treasury.

Directed share issue 2024

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

24,719,827 of the newly issued ordinary shares were issued based on the Board's authorisation from the Annual General Meeting held on 15 May 2024 and the remaining 13,480,173 shares were issued following subsequent approval at the Extraordinary General Meeting held on 21 October 2024. As of 31 December 2024, a total of MSEK 831 has been provided to the company in issue proceeds after transaction costs, of which MSEK 16 was share capital.

For more information about the number of shares, see Note 25.

Note 28 Overdraft facilities

Group	2024	2023
Granted overdraft facility	1,194	1,183
Utilised overdraft facility	33	26
Unutilised overdraft facility	1,161	1,157

Parent Company	2024	2023
Granted overdraft facility	1,153	1,100
Utilised overdraft facility	0	21
Unutilised overdraft facility	1,153	1,079

The companies in the ITAB Group are affiliated to the Group account system. At the end of the year, ITAB Shop Concept AB had net debt of MSEK 213 (52) via Group accounts. Together with the subsidiaries in the Group, the Parent Company's total receivables from credit institutions via Group accounts amounted to MSEK 231 (291) and liabilities to credit institutions to MSEK 0 (21), meaning that the Parent Company has debt to subsidiaries totalling MSEK 444, net (323).

Note 29 Provisions for pensions

The following tables present an overview of the items included in the net costs for remuneration recognised in the consolidated income statement for defined-benefit pension plans. Certain information concerning the outcome of capital management and amounts reported in the Group's balance sheet for these pension plans is also provided.

Defined-benefit pension plans	2024	2023
Net costs		
Interest on the year's increase in the present value of pension commitments	2	1
Net of pensions earned and premiums paid during the year	-2	-5
Expected return on plan assets	-1	0
Recognised pension costs, net	**-1**	**-4**
Recognised provision as of 31 December		
Present value of pension commitments	48	46
Fair value of plan assets	-16	-17
Recognised provision as of 31 December	**32**	**29**

Net amount distributed between the following countries	2024	2023
Norway	1	1
Sweden	4	3
Italy	23	22
France	2	2
Other	2	1
Recognised commitments in the balance sheet	**32**	**29**

	2024	2023
Change in recognised provision		
Opening net debt	29	34
Actuarial gains and losses	2	0
Value adjustment	2	-1
Pension costs, net	-1	-4
Recognised provision as of 31 December	**32**	**29**

The most important assumptions used for determining pension commitments (%)		
Discount factor	3.5-4.5%	3.5-4.5%
Future salary increases	1.0-3.8%	1.0-3.8%
Future pension increases	3.5-3.7%	2.4-3.3%
Expected return	3.70%	3.70%

ALECTA

For salaried employees in Sweden, the ITP 2 plan's defined-benefit pension commitments for retirement and family pension are secured through an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 *Recognition of the ITP 2 pension plan financed through insurance with Alecta*, this is a defined-benefit plan that covers several employers. For the 2024 financial year, the company did not have access to information in order to report its proportional share of the plan's obligations, plan assets and costs, which meant that it has not been possible to report the plan as a defined-benefit plan. The ITP 2 pension plan that is secured through insurance with Alecta is therefore reported as a defined-contribution plan. The premium for the defined-benefit retirement and family pension is calculated on an individual basis, and is dependent in part on salary, previously earned pension and the anticipated remaining period of service. The fees for the year for ITP 2 insurance policies taken out in Alecta amount to MSEK 7 (6).

The collective funding ratio comprises the market value of Alecta's assets as a percentage of the insurance commitments calculated according to Alecta's actuarial methods and assumptions, which do not coincide with IAS 19. The collective funding ratio is normally allowed to vary between 125 and 170 percent. If Alecta's collective funding ratio is below 125 percent or above 170 percent, measures must be taken with the aim of creating the conditions to bring the funding ratio back to the normal range. In the event of a low funding ratio, one measure may be to raise the agreed price for new subscriptions and to extend existing benefits. In the event of a high funding ratio, one measure may be to introduce premium reductions. At the end of 2024, Alecta's surplus in the form of the collective funding ratio was 162 percent (157).

Note 30 Other provisions

Group	2024	2023
Restructuring reserve [1]	0	1
Guarantee reserve [2]	8	8
Other provisions [3]	19	13
	27	**22**

Group 2024	Guarantee reserve [2]	Restructuring reserve [1]	Other provisions [3]	Total
Opening balance, 1 Jan 2024	**8**	**1**	**13**	**22**
Provisions during the year	1		6	7
Utilised provisions	-1	-1	0	-2
Closing balance, 31 Dec 2024	**8**	**0**	**19**	**27**
Of which, current provisions	–	0	12	12
Of which, non-current provisions	8	–	7	15

Group 2023	Guarantee reserve [2]	Restructuring reserve [1]	Other provisions [3]	Total
Opening balance, 1 Jan 2023	**6**	**3**	**18**	**27**
Provisions during the year	3	–	1	4
Utilised provisions	-1	-2	-6	-9
Closing balance, 31 Dec 2023	**8**	**1**	**13**	**22**
Of which, current provisions	–	1	7	**8**
Of which, non-current provisions	8	–	6	**14**

1) The restructuring reserve refers to costs in connection with the closure of the production unit in France.
2) The guarantee provision refers to ITAB's assessed costs for warranty commitments where ITAB's products are sold with more than a one-year warranty.
3) Other provisions refer primarily to a provision for agents pursuant to Italian law and are based on average commission over the past five years. This amount also includes a reserve for personnel costs in connection with restructuring.

Note 31 Accrued expenses and prepaid income

Group	2024	2023
Payroll and vacation expenses	198	147
Accrued social security contributions, incl. pension and payroll tax	77	75
Accrued expenses from contracts with customers	26	29
Accrued sales commissions	11	14
Accrued service-related expenses	16	5
Accrued interest expenses	5	6
Other accrued expenses	74	72
Prepaid revenue from contracts with customers	3	5
Other prepaid income	3	3
	413	**356**

Parent Company	2024	2023
Payroll and vacation expenses	14	12
Accrued social security contributions, incl. pension and payroll tax	14	11
Accrued interest expenses	5	6
Accrued service-related expenses	2	0
Other accrued expenses	5	3
	40	**32**

Note 32 Pledged assets

Group	2024	2023
Pledges for own liabilities		
Corporate mortgages	0	0
Total pledged assets	**0**	**0**

All collateral refers to collateral for liabilities to credit institutions.

The Parent Company has no pledged assets.

Note 33 Contingent liabilities

Group	2024	2025
Guarantee undertakings	12	10

Parent Company	2024	2023
Sureties for subsidiaries	100	97

Note 34 Transactions with related parties

Related companies are defined as those companies included in the Group as well as companies in which related physical persons have a controlling, joint controlling or significant influence. The ITAB Group's related physical persons refer to senior executives, the Parent Company's Board of Directors and close family members of these persons. Transactions of significance with related parties refer to transactions with a value of more than MSEK 1 with the Group's aforementioned related parties.

For information regarding salaries and remuneration to senior executives, see Note 8.

Transactions between the Parent Company ITAB Shop Concept AB and its subsidiaries are specified in Notes 7, 13 and 14. Transactions between ITAB companies and associated companies are specified in Note 20.

There were no other significant transactions with related parties during 2024.

Note 35 Inflation adjustment Argentina

Argentina's economy is considered to have been in a state of hyperinflation since 1 July 2018. Following the devaluation of the Argentinian peso in autumn 2023, the financial statements for ITAB's subsidiary in Argentina were adjusted as of 2023 to correct for the effects of inflation in accordance with IAS 29 *Financial Reporting in Hyperinflationary Economies*. This means that:

- The different items in the income statement have been adjusted in line with Argentina's national consumer price index (CPI). The historical cost of non-monetary assets and liabilities has been adjusted to reflect changes in the currency's purchasing power.
- All of the components in the subsidiary's financial statements have been restated at the closing day rate. Translation differences arising in the translation to SEK have been recognised in Other comprehensive income in accordance with IAS 21.
- The figures for financial year that began prior to 1 January 2023 have not been changed.

As of 31 December 2024, Argentina's base CPI was 7,693.7. The consumer price adjustment index at 31 December 2023 was 3,534.2. To hedge monetary assets against inflation, long-term investments have been made in an amount corresponding to MSEK 96. These are recognised at fair value through net financial items in the income statement.

Note 36 Events after the balance sheet date

On 25 September, ITAB agreed to acquire Financière HMY for a cash consideration of MEUR 320 on a cash and debt free basis. The transaction was conditional upon signing of a final and definitive share purchase agreement, necessary regulatory approvals as well as other customary closing conditions. With a final and definitive share purchase agreement entered into on 5 December 2024 and the other conditions for the transaction fulfilled, the acquisition was completed on 31 January 2025. The purchase consideration was paid in connection with the closing of the transaction. Accordingly, the previously obtained debt financing commitments from Danske Bank, Nordea and Swedbank (see page 69) were converted into loans. HMY is consolidated in the ITAB Group as of 1 February 2025.

Effect of the acquisition of the shares in HMY 2025

Preliminary fair values of acquired assets and liabilities, purchase considerations and the impact on the Group's cash and cash equivalents according to preliminary acquisition analysis are presented in the table below. Goodwill that arose in the transaction primarily comprised the value of expected synergies and the value of the employees. Final settlement of the purchase consideration is expected to occur at the end of third quarter 2025. Expenses in connection with the acquisition are reported on an ongoing basis as costs.

HMY Group on the acquisition date	**Preliminary fair values, MSEK**
Fixed assets incl. not yet allocated surplus values and goodwill	4,259
Inventories	671
Accounts receivable	1,277
Other current assets	557
Non-current liabilities incl. provisions and leasing liabilities	-2,556
Current liabilities incl. leasing liabilities	-2,431
Net identifiable assets and liabilities	**1,777**
Non-controlling interests	-28
Preliminary purchase consideration	**1,749**
Less net cash and cash equivalents in the acquired companies	-285
Impact on the Group's cash and cash equivalents on the acquisition date	**1,464**

No other significant events for the Group occurred after the end of the financial year.

Reconciliation of Alternative Performance Measures

Key ratios included in the Annual 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 IFRS regulations or directly in the income statement and statement of financial position, with the aim of illustrating the company's profit trend, financial position and how the company has invested its capital.

These financial measures are not always calculated in the same way by all companies. The main alternative performance measures presented below are EBITDA, cash conversion, interest-bearing net debt and return on equity, capital employed and total capital. The definitions of these alternative performance measures and other key ratios can be found on the next page.

EBITDA (Operating profit before depreciation and amortisation)

EBITDA (Earnings before interest, tax, depreciation and amortisation) is considered a relevant profit measure to assess the company's profit trend over time.

(MSEK)	2024	2023
Operating profit	459	432
Depreciation and amortisation	254	254
EBITDA	**713**	**686**
Reversal of non-recurring items [1]	48	–
EBITDA excl. non-recurring items	**761**	**686**

1) For more information about non-recurring items, see page 87.

Cash conversion (Operational cash flow in relation to EBITDA)

A relevant measure to assess capital efficiency. This measure is included in ITAB's financial targets.

(MSEK)	2024	2023
Operational cash flow (Cash flow from operating activities)	624	810
EBITDA	713	686
Cash conversion, %	**88**	**118**

Return on equity

This measure shows the return on the shareholders' capital invested in the ITAB Group.

(MSEK)	2024	2023
Net profit for the year attributable to Parent Company shareholders	311	270
Equity attributable to Parent Company shareholders	4,128	3,049
Average*) equity attributable to Parent Company shareholders	3,448	3,056
Return on equity, %	**9.0**	**8.8**

Return on capital employed

This measure is used to assess the efficiency and value added from the business.

(MSEK)	2024	2023
Net profit for the year after financial items plus financial borrowing costs	508	461
Average*) balance sheet total less non interest-bearing liabilities	4,798	4,781
Return on capital employed, %	**10.6**	**9.6**

Return on total capital

This measure is used to assess the ability to generate profit on the Group's assets, regardless of financing costs.

(MSEK)	2024	2023
Net profit for the year after financial items plus financial borrowing costs	508	461
Average*) total capital	6,260	6,246
Return on total capital, %	**8.1**	**7.4**

Interest-bearing net debt

Interest-bearing net debt is the most relevant measure to show total debt financing, and is included in the covenants that ITAB has in its loan agreements with the company's banks.

(MSEK)	2024	2023
Interest-bearing non-current liabilities	998	1,001
Interest-bearing current liabilities	235	235
Interest-bearing assets	-104	-67
Cash and cash equivalents	-1,513	-578
Interest-bearing net assets/debt	**-384**	**591**
Reversal of interest-bearing lease liabilities	-585	-546
Interest-bearing net assets/debt excl. Leases	**-969**	**45**

**) Average is calculated as the average of opening balance and the relevant reported quarterly data up until the closing period. In other words, 2024 is calculated as (31 December 2023 + 31 March 2024 + 30 June 2024 + 30 September 2024 + 31 December 2024) divided by five.*

Definitions

Performance measure & alternative performance measure	Definition	Motive
Return on equity	Net profit for the year attributable to the Parent Company's shareholders in relation to average equity attributable to the Parent Company's shareholders.	Relevant measure to show the return on the shareholders' capital invested in the ITAB Group.
Return on capital employed	Net profit for the year after financial items plus financial borrowing costs in relation to average balance sheet total less non-interest-bearing liabilities.	Relevant measure for assessing ITAB's efficiency and added value from the business.
Return on total capital	Net profit for the year after financial items plus financial borrowing costs in relation to average total capital.	Relevant measure for assessing ITAB's ability to generate profit on the Group's assets regardless of financing costs.
Cash conversion	Operational cash flow (Cash flow from operating activities) in relation to operating profit before depreciation/amortisation (EBITDA).	A relevant measure to assess capital efficiency. This measure is included in ITAB's financial targets.
Direct yield	Paid or proposed dividend in relation to the share price on the balance sheet date.	Return measure for shareholders.
Discount rate (WACC)	Weighted Average Cost of Capital – weighted required return for equity and borrowed capital on the company's future earnings.	Measures the required return on ITAB's capital and is used to discount future cash flows.
EBITDA	Earnings before interest, tax, depreciation and impairment of property, plant and equipment, and amortisation and impairment of intangible assets.	A relevant profit measure to assess the company's profit trend over time.
Equity per share	Equity at the end of the year attributable to Parent Company shareholders in relation to the number of ordinary shares outstanding at the end of the year.	Measure to describe how much equity belongs to the shareholders of the Parent Company.
Cash flow from operating activities per share	Cash flow from operating activities in relation to the average number of outstanding ordinary shares.	This measure highlights ITAB's ability to generate cash flow and pay dividends to its shareholders.
Average number of employees	Number of worked hours divided by normal annual working time. *Note:* In ITAB's Sustainability Report, the Group's headcount as of the balance sheet date is used instead. For definition, refer to ESG accounting policy on page 54.	This measure shows the size of ITAB's workforce.
Earnings per share after dilution	Net profit for the year attributable to Parent Company shareholders in relation to the average number of ordinary shares outstanding after dilution. For calculation of earnings per share after dilution, the average number of shares is adjusted taking into account the effects of dilutive potential ordinary shares, which, during the reporting years in question, comprised rights to receive shares in ITAB within the framework of the LTIP 2022 long-term incentive program. Matching share rights held by employees as of the reporting date are considered dilutive. Moreover, the right to receive shares with performance conditions is dilutive only to the extent that set performance targets are met as of the reporting date. Adjustment of the number of dilutive shares is based on the hypothetical number of shares that could have been purchased with the value of remaining positions within the framework of the incentive program.	A valuation measure that highlights ITAB's ability to pay dividends to its shareholders.
Earnings per share before dilution	Net profit for the year attributable to Parent Company shareholders in relation to the average number of ordinary shares outstanding before dilution.	A valuation measure that highlights ITAB's ability to pay dividends to its shareholders.
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.
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 /EBIT margin	Operating profit in relation to revenue.	Relevant for assessing ITAB's efficiency and added value. This measure is included in ITAB's financial targets.
Equity/assets ratio	Equity in relation to total capital.	This measure highlights financial risk.
Total capital	Total equity and liabilities (balance sheet total).	This measure highlights the size of the company's total assets.
Currency-adjusted sales	Translation of the foreign subsidiaries' income statements are conducted at each period's average currency rate. For comparison of profit excluding currency effects, the companies are recalculated at the previous year's average currency rate for the same period. ITAB applies the European Central Bank's average rates for the whole period. As of the 2023 financial year, the effects of the Group's operations in hyperinflationary countries are excluded from the calculation of currency effects.	Relevant to show the sales and profit trend without any effects from currency rates fluctuations. Currency-adjusted sales growth is included in ITAB's financial targets.
Profit margin	Profit after financial items in relation to revenue.	Relevant for assessing ITAB's efficiency and added value.

The Board of Directors and the CEO hereby verify that the consolidated accounts and the annual accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS Accounting Standards), as adopted by the EU, and the Swedish Annual Accounts Act, respectively, and provide a true and fair view of the Group's and the Parent Company's financial position and results, and that the Administration Report presents a true and fair view of the development of the Group's and the Parent Company's business activities, financial position and results as well as describing significant risks and uncertainties that the Parent Company and companies within the Group face. The annual accounts and the consolidated accounts were approved for issue by the Board of Directors on 3 April 2025. The consolidated income statement and statement of financial position as well as the Parent Company's income statement and balance sheet will be subject to adoption at the Annual General Meeting on 7 May 2025.

Jönköping, 3 April 2025

Anders Moberg
Chairman of the Board

Petter Fägersten
Board member

Amelie de Geer
Board member

Lars Kvarnsund
Board member

Madeleine Persson
Board member

Fredrik Rapp
Board member

Peder Strand
Board member

Vegard Søraunet
Board member

Andréas Elgaard
Chief Executive Officer

Our Auditor's Report was submitted on 4 April 2025

Ernst & Young AB

Joakim Falck
Authorised Public Accountant

This is a translation from the Swedish original

Auditor's report

To the General Meeting of Shareholders of ITAB Shop Concept AB (publ), corporate identity number 556292-1089

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of ITAB Shop Concept AB (publ) except for the corporate governance statement on pages 78-82 for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 67-130 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 78-82. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the General Meeting of Shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Audit Committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities* for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of goodwill and shares in Group companies

Description

As of 31 December 2024, the carrying amount of goodwill amounts to MSEK 1,844 in the Group's balance sheet which corresponds to 26,0% of total assets. Shares in Group companies are reported in the Parent Company's balance sheet at MSEK 2,095, which corresponds to 59.3% of total assets. Every year, and when there is an indication of a fall in value, ITAB tests that the carrying amount does not exceed the calculated recoverable amount. The recoverable amount is determined for each cash-generating unit by means of a current value calculation of future cash flows. Future cash flows are based on the management's business plans and forecasts and include a number of assumptions, including regarding profit trend, growth, investment needs and discount rate. For participations in Group companies, the recoverable amount is determined as fair value or value in use, whichever is the highest.

Altered assessments of the assumptions that the management has made in the calculation of the recoverable amount and the assumptions that the company has applied are therefore very important in the assessment of the need for impairment. We have therefore judged that the recognition of goodwill and shares in Group companies are a key audit matter.

A description of the impairment test can be found in Note 18 "Intangible assets" and in Note 3 "Important estimates and assessments".

How our audit addressed this key audit matter

In our audit, we have evaluated and tested the company's process for establishing impairment tests, including by evaluating the accuracy of forecasts and assumptions in previous years. With the aid of our valuation specialists, we have assessed the selected discount rate and assumptions regarding long-term growth. We have also reviewed the company's model and method for implementing impairment tests and have evaluated the company's sensitivity analysis. We have reviewed the additional information provided in the annual accounts.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-66. The other information also includes the remuneration report and were obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the companies and business entities within the group as a basis for our opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the audit conducted for the purpose of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of ITAB Shop Concept AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the General Meeting of Shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibilities

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion
In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the ESEF report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for ITAB Shop Concept AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion
We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the ESEF report*. Our responsibility under this recommendation is described in more detail in the *Auditors' responsibility* section. We are independent of ITAB Shop Concept AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the ESEF report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the ESEF report without material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to obtain reasonable assurance whether the ESEF report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the ESEF report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the ESEF report have been marked with iXBRL in accordance with what follows from the ESEF regulation.

The auditor's examination of the Corporate Governance Statement

The Board of Directors is responsible for that the corporate governance statement on pages 78-82 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 *The auditor´s examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB Box 7850, 103 99 Stockholm, Sweden, was appointed auditor of ITAB Shop Concept AB (publ) by the General Meeting of Shareholders on 15 May 2024. ITAB Shop Concept AB (publ) has been a public interest entity since 28 May 2004.

Jönköping, 4 April 2025

Ernst & Young AB

Joakim Falck
Authorized Public Accountant

Auditors

The auditors are appointed by the shareholders at the Annual General Meeting. The auditors examine the company's annual accounts, consolidated accounts and accounting records as well as the administration of the Board of Directors and CEO.

The company's auditor is the registered auditing company Ernst & Young AB, with authorised public accountant Joakim Falck as auditor in charge. Aside from his duties for ITAB Shop Concept AB, Joakim Falck also has auditing assignments for Nolato AB, Absolent Group AB, Hexpol AB, Nefab AB, and Gyllensvaans Möbler AB.

Joakim Falck (born 1972)
Auditor for ITAB since 2018
Authorized Public Accountant
Member of FAR SRS, Ernst & Young AB

ITAB Group
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Financial information
Annual General Meeting 2025

Annual General Meeting 2025

The 2025 Annual General Meeting for ITAB Shop Concept AB (publ) will be held on Wednesday, 7 May 2025 at 3:00 p.m. CEST at ITAB's head office at Instrumentvägen 2 in Jönköping, Sweden.

The notice to attend the Annual General Meeting will be published in early April 2025 through a press release and on the company's website, and through an advertisement in Post- och Inrikes Tidningar. An announcement of the publication of the notice will be made in Dagens Industri. The notice will encompass the proposed agenda and the proposals of the Nomination Committee and Board of Directors for resolutions at the Meeting.

Refer to itabgroup.com for more information, and to download and order reports.

Financial information for 2025

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

ITAB Group Contact – Investor Relations

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