**Rethink Retail. Together.**

ITAB Group


# Annual & Sustainability Report 2025.

ITAB Shop Concept AB

CONTENT



**About the Annual and Sustainability Report 2025**
Pages 20–153 comprise the statutory Annual Report including the Administration Report. Pages 18-28 and 104-153 have been audited and pages 29-103 have been reviewed. The sustainability report constitutes the statutory sustainability report in accordance with the Swedish Annual Accounts Act. ITAB Group presents the sustainability report in accordance with the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy Regulation.

This document is an English translation of the Swedish original. In the event of any discrepancies, the Swedish version shall govern.

# ITAB Group at a glance

ITAB Group develops, manufactures, sells and installs a broad range of solutions and services, with our portfolio consisting of interior fixtures, in-store technology and lighting for the retail sector. The Group has approximately SEK 13.3 billion in annual sales, some 5,300 employees and 22 production facilities in Europe, South America and China.

## Customer overview

51%

**Grocery**
The largest customer group mainly comprises grocery and convenience retailers and food stores, across all formats and scale.

12%

**Fashion / Apparel**
This customer group includes stores selling ready-to-wear clothing, shoes and jewellery.

10%

**DIY / Home improvement**
The customer group refers primarily to DIY, furniture, and home furnishings stores.

6%

**Health & Beauty**
This customer group includes major health & beauty retailers and pharmacies.

21%

**Other customer groups**
Other customer groups include consumer electronics, sport & leisure, service stations, hotels, automotive, travel, cafés and restaurants.

# Our offer

## Retail Tech

ITAB Group offers efficient and inspiring solutions for self-service and -checkouts, smart gates, in- store guidance, and traditional checkouts. All connected by our OnRed platform turning data into actionable outcomes.

**Read more on page 11**

## Retail Interior

ITAB Group co-creates modern store experiences through an iterative design and manu-facture process for both bespoke and standard store interiors.

**Read more on page 12**

## Retail Lighting

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

**Read more on page 12**

## Retail Services

Concept creation, store and solution design, sustainability benchmarking re-use and recycle, installation, consolidation and maintenance are examples of ITAB Group's service offering.

**Read more on page 13**

# ITAB Group in 2025

**Better Together**
As of 1 February 2025, ITAB and HMY came together into one group. With the purpose to build on our collective strengths, we have the potential to lead our industry forward and deliver positive outcomes for our customers. Simply put, we are Better Together.

Throughout 2025 we have been working to under-stand each other's heritage and sharing best practices and it is clear that our people have a diverse set of experiences and perspectives, and we are bringing together these benefits to our customers, people and shareholders to Rethink Retail. Together.

# 2025 in brief

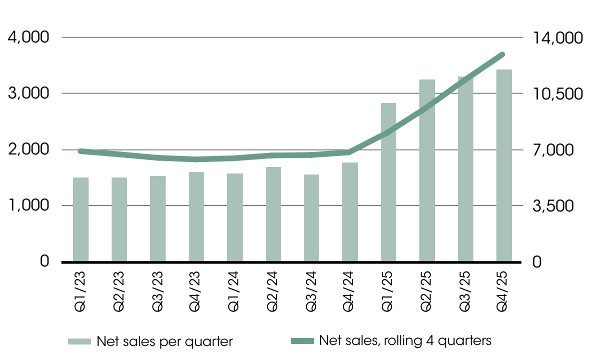
With the aim of strengthening ITAB Group’s position and complementing competence and offering, the acquisition of HMY, a leading European supplier of shop fittings, checkouts and store design to the retail industry, was completed on 31 January 2025. The integration is proceeding according to plan and together, ITAB and HMY create the leading solution provider for retailers with a strong market position.

The new ITAB Group reported a currency-adjusted sales increase of 97 percent for 2025, of which organic growth accounted for +4 percent and the acquisition of HMY for +93 percent (for 11 months, February-December). The earnings trend was stable and the EBIT margin (excluding non-recurring items) amounted to 6.0 percent, despite continued challenging market conditions and strong comparative figures.

**Stable sales and earnings trend**

The overall sales trend for the new ITAB Group was positive in 2025, despite the operations facing strong comparative figures for the previous year, when a number of major customer projects were completed, particularly in the first half of the year. At the same time, the Group has signed a number of new agreements with existing and new customers in several geographic markets during the year, some of which pertained to ITAB’s technical solutions and lighting systems for HMY’s customer base. While the market is continuing to show considerable interest in the Group’s technical and digital solutions for loss prevention measures, services and lighting solutions, sales of customised shop fittings also trended positively during the year.

NET SALES

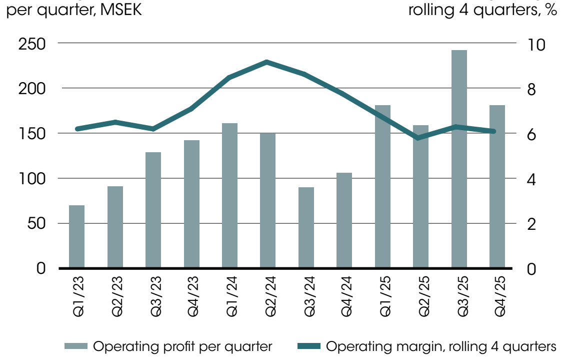



The Group’s earnings trend was stable during the year. Increased sales of ITAB’s technical solutions for loss prevention, such as smart gates, and self-checkouts during the year had a positive impact on the gross margin, although the total share of sales of technical solutions is lower for the new Group than it was prior to the merger with HMY. Compared with the preceding year, the new Group also faced strong comparative figures for both legacy HMY and legacy ITAB, which in the first six months of 2024 reported the highest-ever operating margin for a first half-year so far. In the integration of ITAB and HMY, purchasing and sales coordination and measures to improve efficiency have started to have a positive impact on earnings. However, the Group companies in France and Türkiye had a negative profit development during the year, and the implemented measures to improve their performance in both the short and long term continue. The Group is also continually carrying out various other sales activities and measures to increase efficiency and implement cost adaptations in different areas. Cash flow performance was strong in 2025 and cash conversion amounted to 72 percent.

**Highlights in 2025**

- HMY is consolidated in the ITAB Group as of 1 February 2025.
- Multiple new and expanded contracts for the delivery of smart gates and other loss prevention solutions, customised shop fittings, self-checkouts, lighting solutions, etc. for new and existing retailers in Europe and the rest of the world.
- Acquisitions of Signatrix, a technology and retail AI startup working with frictionless security deterrents, and the design agency Blink working with solution focused retail design.
- Appointment of Björn Borman as the new President & CEO of the ITAB Group, effective 1 May 2026.

OPERATING PROFIT AND OPERATING MARGIN 1)




*1) Excluding non-recurring items.*

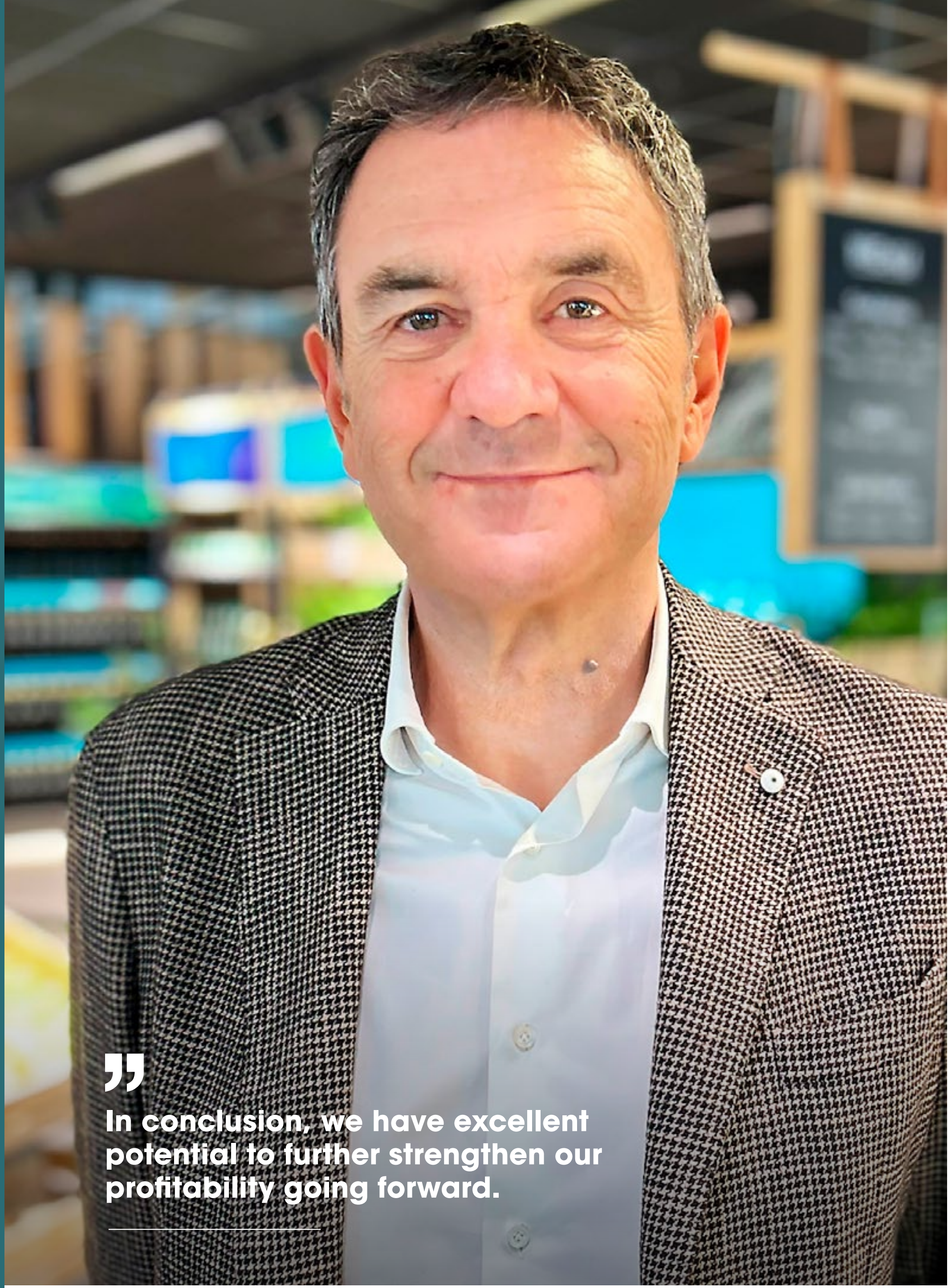
| ITAB Group in figures | 2025 | 2024 |
|---|---|---|
| Net sales, MSEK | 12,780 | 6,585 |
| Currency adjusted sales growth, % | +97 | +8 |
| Operating profit, MSEK | 580 | 459 |
| Operating profit excl. non-recurring items, MSEK | 763 | 507 |
| Operating margin (EBIT margin) excl. non-recurring items, % | 6.0 | 7.7 |
| Profit after financial items, MSEK | 344 | 438 |
| Profit margin, % | 2.7 | 6,7 |
| Proft after tax,MSEK | 158 | 320 |
| Cash flow from operating activities, MSEK | 785 | 624 |
| Cash conversion, % | 72 | 88 |
| Return on equity, % | 3.2 | 9.0 |
| Interest-bearing net debt excl. lease liabilities, MSEK | 2,332 | -969 |
| Equity/assets ratio | 35 | 60 |
| Average number of employees | 5,090 | 2,532 |
| **Per share data** | | |
| Earnings per share before dilution, SEK | 0.51 | 1.38 |
| Dividend per share, SEK | – 2) | – |
| Equity per share, SEK | 16.35 | 16.30 |

*2) Pursuant to the Board of Directors' proposed dividend for the 2025 financial year.*

**12,780 MSEK**
Net sales

**6.0%**
EBIT margin 1)

**5,090**
Average number of employees






# Eventful year as the new stronger ITAB Group takes shape

2025 was a truly eventful year for the ITAB Group, dominated by the acquisition and integration with HMY. Together, we are creating the leading solution provider for retailers with a strong market position. The integration is proceeding according to plan with the aim of achieving MEUR 30 in synergies by the end of 2027. We have started by focusing on a large number of immediate measures in 2025, and we now continue with the next phase in 2026.

Following a stronger second half of the year, the Group's earnings trend for full-year 2025 was stable, with most of our operations achieving profitability in line with or above set targets. The measures implemented to improve the performance in companies with lower profitability continue. At the same time, it is also encouraging to see our strong cash flow from operating activities.

**Stable sales trend despite challenging market conditions**

The sales trend for the whole Group was stable during the year, but with variations across different geographical markets and customer segments. The uncertainty regarding the future economic development that has characterized the retail market in recent years, mainly due to the geopolitical turmoil around the world, remained high. This creates a certain caution among retailers in preparation for their investments, longer decision-making processes and test periods.

We at ITAB Group are aligned with our customers' priorities around cost reduction and improving brand experiences, and have the scale, know-how and solutions to help retailers deal with both opportunities and challenges. We are working together with our customers to ensure good returns on their planned investments, with high quality in delivered products and services, to the right place and at the right time. In general, demand for our loss prevention solutions and opportunities for increased self-service in stores remain strong. Following the acquisition of HMY, our solution portfolio also offers good opportunities for additional sales to a larger customer base, and we see several joint sales initiatives for our more technical solutions and lighting system in particular, especially in Spain. This contributes to profitable growth, at the same time as the sales and profitability trends vary from quarter to quarter due to our project-based operations. Overall, the sales performance for 2025 was positive, and the currency-adjusted net sales rose by 97 percent to MSEK 12,780, with organic growth accounting for +4 percent and the acquisition of HMY contributing +93 percent.

**Continued measures to strengthen the Group's earnings performance**

The earnings performance for the Group as a whole remained stable in 2025 compared with very strong outcomes for both ITAB and HMY in 2024. We also focus on integration efforts to create the conditions for future profitability improvements for the new Group. Increased sales of ITAB's technical solutions for loss prevention, such as smart gates and self-checkouts, had a positive impact on the gross margin in 2025. At the same time, we are continuing our efforts to generate synergies related to purchasing, additional sales to the existing customer base and improved efficiency, and we noted a positive impact on earnings during the year as a result. The current earnings trend

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

for our companies in France and Türkiye had a negative impact during the year, and we are continuing to implement measures to strengthen the long-term efficiency and profitability of these operations.

Overall, reported operating profit excluding non-recurring items amounted to MSEK 763 (507), corresponding to an operating margin of 6.0 percent (7.7). The non-recurring items during the year of MSEK -183 mainly pertained to acquisition and integration costs. Profit after financial items excluding non-recurring items totalled MSEK 530 (486).

**Strong cash flow in the fourth quarter**

Cash flow from operating activities was strong in the fourth quarter, and increased by 26 percent to MSEK 785 (624) for full-year 2025. In line with the normal seasonal pattern for our project-based operations and with the Group's targeted initiatives to optimize payment terms and receivables efficiency, a significant share of the accounts receivable built up during the autumn were settled in the fourth quarter. Our capital efficiency target, measured as cash conversion, amounted to 72 percent (88).

In light of the acquisition of HMY and the resources needed to finance this acquisition, the Board of Directors has resolved to propose that no dividend be paid for 2025.

**Integration efforts according to plan**

When we began the integration work for the new ITAB Group in February 2025, our main focus areas were to ensure business continuity, establish a common organisation, and to start to deliver on the synergies in procurement, cross-selling, and increased efficiency. The work is off to a good start during the year with an initial focus on a large number of immediate measures. We are now continuing with the next phase of initiatives.

**Excellent potential to further strengthen the profitability**

Ongoing actions and further measures to improve our profitability in the short and long term are continuously being evaluated and will be implemented as necessary in all areas of the Group. We are also continuing our initiatives to reduce our tied-up capital and debt. In conclusion, we have excellent potential to further strengthen our profitability going forward. To ensure the continued successful implementation of all of our ongoing activities and plans for the future, leaders and employees from across the Group took part in a process during the autumn to establish shared culture and values, work methods, and the strategic themes and priorities for the new ITAB Group. The results of this work will be launched and implemented in the Group in 2026.

Finally and on behalf of the entire Group management, I would like to extend our sincere thanks to all of our customers, partners and employees for their many outstanding efforts during a very eventful and exciting 2025. We look forward to 2026 together with you all.

Jönköping, March 2026

**Glauco Frascaroli**
Interim President & CEO

## Priorities going forward

I took over as Interim President & CEO of the ITAB Group on 7 January 2026 to lay the groundwork for a smooth and efficient start for our new President & CEO, Björn Borgman, when he takes over in May 2026. The main focus areas for the Group going forward is to ensure that we continue to strengthen our profitability in the short and long term, that the integration progresses according to plan and that synergies are realised. In summary:

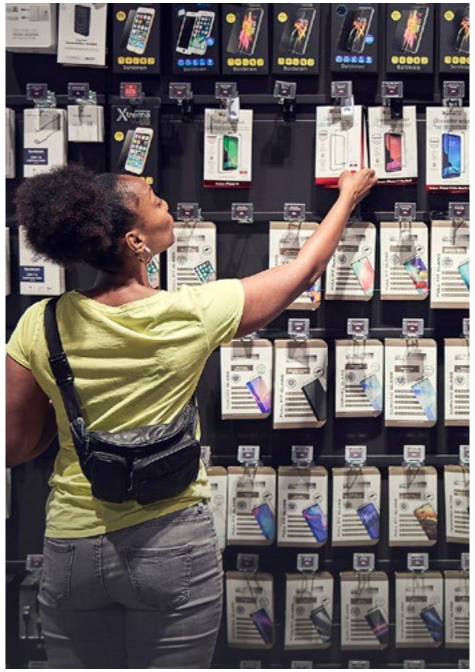
- Continued focus on integration and our efforts to achieve MEUR 30 in identified synergies by the end of 2027.
- Continuous assessment and implementation of measures to improve our profitability in all parts of the Group.
- Efforts to reduce our tied-up capital and debt continue.
- Launch of shared values and culture, ways of working, and strategic themes and priorities for ITAB Group in 2026.

# We are a strategic partner for positive outcomes

ITAB Group believes in lasting partnerships built on trust and value creation. Our people work side-by-side with our customers, making sure that they get access to our expertise and solutions from across international markets. We are well positioned to help retailers rethink retail, and to work together to solve the challenges and create measurable outcomes.

**Outcome based value proposition**
ITAB Group brings solutions to the retailers' business problems by understanding the retailers' business challenges, co-creating solutions, and delivering measurable improvements to the consumers' experiences and our customers' business performance. We are an integral part of how the retailers develop their store environment and operations.

> **Our diversity is the customer's advantage.**



**ITAB Group delivers for its customers:**

### Brand experiences that drive growth

Improving sales and loyalty by translating brand vision into physical reality, creating engaging consumer journeys that add value.

### Enhancing consumer engagement

Creating emotional engagement through inspiring design and personalized experience blending engagement across all channels.

### Proving operational efficiency

Enabling sustained productivity and operational efficiency. Reducing cost, waste and loss by understanding the process and simplifying complexity.

# The ITAB Group Strategy, developed and delivered through strategic themes and priorities

The ITAB Group strategy is an integral step towards the next phase of becoming Better Together, ensuring the strong legacies of the ITAB and HMY brands are leveraged with a common plan and strategic direction. Underpinned by a deep-rooted culture with our people at the core, transforming through three strategic themes, **Deliver Profitable Growth**, **Differentiate in the Market** and **Become Better Together**, which are collectively brought together through eight strategic objectives.


**1. Grow from the core**
Strengthen leadership in Grocery, DIY / Home improvement, Fashion / Apparel and Health & Beauty in Europe. Maximise the potential of our full portfolio across markets.

**2. Scale in high-potential markets**
Support customers where they operate. Build local sales teams and maximise supply through partners in markets like North America, Middle East and Asia.

**3. Lead with insight to deliver impact**
Become a strategic partner and solution provider, helping retailers improve their business.

**4. Deliver sustainability at the core**
Turn consumer, customer and regulatory expectations into opportunities for innovation.

**5. Power growth with Innovation**
Enhance our physical solutions with data and actionable insights.

**6. Build People and Leadership of the future**
Embed our new culture as prerequisite to inspire people to grow and succeed with our ambitions.

**7. Accelerate efficiency to enable growth**
Reshape the cost structure to fund our transformation by improving unprofitable businesses, unlocking ITAB / HMY synergies and reconfiguring our SG&A.

**8. Operate as one team**
Establish a common operating model and a connected, project-oriented sales/operations network.

**OUR VALUES**

**WE CARE** ABOUT OUR PEOPLE AND FUTURE. **WE CHALLENGE** OURSELVES AND THE INDUSTRY. **WE COLLABORATE** TO SUCCEED TOGETHER.

# 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 Group in Europe is estimated at some SEK 110 billion. [1)]

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

ITAB Group's opportunity to grow through cross selling more of the solution portfolio to our customer base is substantial, using deep industry and market insights. The Group remains curious about our customers business and have the confidence to challenge and focus on the retailer's challenges, and understand our customers' investment priorities.

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 estima- te of total annual revenue for the European retail market of SEK 44,000 billion, the total "adressable" market for ITAB Group 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 Group is one of the two largest players in Europe, none of which has a market share of more than 20 percent. This gives ITAB Group the 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.

*1) Source: Flywheel.*

## Deliver Profitable Growth

- Build profitable growth from our core in Europe. Focus on strengthening our leadership in Grocery, Home & DIY, Apparel and Health & Beauty.
- Share and scale insight from each sector and follow our customers where they operate by leveraging our reach.

## Differentiate in the Market

- Act as a strategic partner to our customers by deeply understanding their business challenges and develop products and services in solutions with positive outcome and P&L impact.
- Connecting equipment and stores to generate data-led insights that fuel innovation and drive retail and value chain efficiency.
- Help customers transform sustainability requirements into opportunities by reducing emissions and costs through product design, modularity and re-use.

## Become Better Together

- Better together requires capabilities to leverage our existing best practice to drive efficiency in ways of working and developing our capabilities and a high-performance and continuous improvement culture, delivered through empowered teams and leaders.



# Financial targets focusing on sustainable growth & profitability

ITAB Group's financial targets focus is on sustainable growth, increased profitability and capital efficiency. The targets are measured as an average over a business cycle.

## 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 2025:** +94 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 2025:** 72 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 2025:** 4.5 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 2025:** No dividend [2)]

*1) Excluding non-recurring costs for 2025: 6.0 percent.*
*2) 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 ordinary share be paid for the 2025 financial year.*

# Leader in Europe with global reach

ITAB Group is the market leading solution provider for retailers globally, and one of the largest suppliers of shop fitting concepts, checkouts, 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 88 percent of the Group's sales. Grocery is the largest customer group with 51 percent of sales.

## Grocery

Grocery retailers and convenience stores. **Customers include** ICA, Morrisons, Asda, Carrefour, Mercadona, Auchan, Tesco, Coop, Coles, and Woolworths.

**6,505** MSEK


## Fashion / Apparel

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

**1,479** MSEK


## DIY / Home improvement

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

**1,300** MSEK


## Health & Beauty

Retail chains and stores selling health, beauty and wellness ranges, along with pharmacies. **Customers include** Apotek Hjärtat, Holland & Barrett, Rossmann, and Sephora.

**770** MSEK


## Other customer groups

Consumer electronics, sport & leisure, service stations, automotive, travel, cafés, and restaurants. **Customers include** Expert, Costa, Circle K, Vodafone, Avolta, Renault, and XXL.

**2,726** MSEK


46%

**Southern Europe**
Main markets in Italy, France, Spain and Portugal.

14%

**Central Europe**
Largest markets include Germany, the Netherlands and Czechia.

12%

**Northern Europe**
All Nordic countries

8%

**United kingdom & Ireland**

8%

**Eastern Europe**
Main markets in Baltic countries, Poland, Romania, Lithuania, and Türkiey.

12%

**Rest of the World**
All countries outside Europe. Australia, Argentina, Saudi Arabia, Brazil, Chile, and Peru account for just over 50 percent of sales.

# Connecting the retail environment through technology

ITAB Group seamlessly merges the physical and digital through our cutting-edge portfolio of digital and physical technology solutions. Our solutions focus first on the retail challenges and are designed with measurable outcome in mind, and maximising connectivity to ensure that the data created is actionable and delivers clear return on investment.

Our offering is broad and ranges from self-service payment points and manned and self-serve checkouts to in-store guidance and gates systems, along with vision fraud detection, age verification, and automated locker and display systems. All solutions are focused on the challenges faced by retailers today such as tackling retail loss, enhancing colleague efficiency and improving the consumer experience. The acquisition of Signatrix in 2025 brings additional know-how and specialist expertise when developing retail focused AI solutions.

These solutions can be connected through ITAB Group's unified software platform, OnRed. The Group's market leading solutions create frictionless consumer journeys and experiences. By connecting in-store brand touch- points digitally, we help customers gain data-driven insights for operational optimisation and positively 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 Group has an in-depth understanding of existing and future consumer trends and how they impact stores.


## Optimised solutions enhance retail experiences

ITAB Group offers market leading solutions for protecting store entry and exits, checkouts and self-checkout solutions, self-service selection and payment, and store guidance solutions for the retail sector. The solutions can be connected, updated, and maintained using ITAB Group's OnRed platform to capture the valuable data and create measurable results.

**Blending physical and digital channels**
Ensuring consumers receive a seamless experience across all channels has been a key focus area for retailers, ITAB Group offers alternative solutions, ranging from basic pick-up points, in-store returns solutions to fully automated collection lockers.

**Creating seamless payment experiences**
ITAB Group's approach in co-creating seamless checkout experiences, has enabled us to partner with many retailers to help provide leading solutions that deliver significant benefits for both the store colleague and consumer. From optimising consumer flows, speed of transaction and service levels for the retailer which are important factors in attracting consumers to the physical store in a competitive market. Our experience means we have developed digital tools to map store data and present the ideal layout specifically meeting the demands of each store and service expectations.

With the added benefit of connecting data and multiple inputs across our OnRed platform, ITAB Group have been supporting retailers track accurate consumer and store colleague journeys across the entire purchase journey resulting in significant operational savings, increased consumer experience and reduced loss at the checkout.

# Design led consumer and brand experiences

With Group wide experience across both standard and custom retail interior equipment, this remains a key pillar of how we work with our customers shaping brand experiences across all retail sectors. ITAB Group co-creates modern in-store experiences alongside its customers through an iterative design process.

The Group's customised and bespoke displays are aimed at enhancing consumer engagement whilst improving the efficiency and operational costs of the store. With sustainability at the core, our re-use, recycle and circular design services ensure that sustainability is a shared advantage throughout our entire value chain.

With a focus on designing end-to-end solutions, ITAB Group's solution design approach enables our customers to co-create differentiating store experiences through an iterative and collaborative process. Using our collective know-how, retail industry experience, and knowledge of different geographical markets, our solution designers share and leverage ideas to create emotional engagement through inspiring design and personalised experience blending engagement across all channels, improving sales, loyalty and transaction value by translating brand vision into physical reality, creating engaging consumer journeys that add value.

**Working in Partnership to provide long-term outcomes**

Drawing on our deep retail insight and expertise and combining consumer research, market and trend analysis and data with our international expertise, our team works as an extension of the customer's organisation, collaborating and co-creating solutions for long-term benefit, providing consistent high-quality international delivery and local service in all markets where the customer operates.

ITAB Group's commitment to our customers encompasses both the Group's 22 own production facilities, alongside a trusted network of suppliers and manufacturers. In addition, the Group offers a comprehensive service portfolio, helping to maximise the life cycle of the products sold and installed thereby reducing waste and costs for our customers over time.


# Sustainable lighting solutions enhancing the in-store experience

Lighting is no longer simply a practical requirement, but a way to drive emotion and create a distinctive brand experience in store, and as a result the right lighting design and concept plays a key role in the store concept. During refurbishments and new construction, energy efficiency is also increasingly important. ITAB Group designs, develops, manufactures and supplies complete professional lighting systems and light planning services.

Energy consumption represents a large proportion of a store's total running costs. Energy efficiency is central to the development of ITAB Group's lighting products and systems. With continued rising energy costs and desire to reduce $CO_2$ emissions and using more recyclable materials, ITAB Group collaborates closely with our customers to add substantial value in the transition to more economic and sustainable solutions.

**Lighting that enhances experience for consumers and staff**

Lighting plays a critical role in shaping the retail experience, influencing brand perception, product presentation and the comfort and productivity of store teams. At ITAB Group, we approach lighting as a strategic design discipline, balancing commercial performance, brand identity and human wellbeing.

As a full solution provider, we design and deliver layered lighting solutions—combining general, accent and feature lighting—integrated seamlessly with the wider store concept. Continuous innovation in LED technology has significantly improved energy efficiency and product lifetime, helping customers reduce operational costs and environmental impact while maintaining high-quality, comfortable light throughout the store.

**Global reach with local expertise**

ITAB Group supplies lighting solutions to customers across a wide international footprint, supported by our own operations and a network of trusted national partners. This global presence enables us to manage complex supply chains while ensuring compliance with local standards, certifications and regulatory requirements in each market.

By combining global scale with local expertise, we provide reliable delivery, in-market support and ongoing service and maintenance helping customers roll out consistent lighting concepts across regions with confidence.

# Retail transformation services

ITAB Group's end-to-end consolidated service offering, designed to turn complex store refresh plans into seamless execution journeys. Our mission is to embed with retail partners from the earliest strategic stages through to post-opening support delivering faster, smarter, and more sustainable rollouts. Reducing cost, time, disruption, and environmental impact by consolidating supply chain, project management, equipment selection, and on-site execution within a single connected service platform.

ITAB Group 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 positive value creation for our customers. The Group's Solution Design experts reach every corner of our geographies meaning they can bring rich global and regional insights into the overall thinking. Solution Design always starts with the end consumers in mind, studying data, trends and market analysis and creating meaningful insights. Using a design thinking approach, our experts consider every stage of the consumer journey to capture all relevant touch points and through their know-how and experience view stores through both the consumer and colleague lenses to deliver considered outcome at every level.

**Retail transformation services**
A critical success factor for our retail customers is delivering right first-time. Our retail transformation services support our customers with the implementation services across each stage of a successful project, providing best in class project management, equipment consolidation and store implementation. Creating a single point of contact and combining complex programs, whether acting as principal contractor or working alongside other trades, we can help our customers reduce project timescales and minimise the impact on trading and customer disruption.

**Sustainability as an advantage**
Designing and engineering solutions and services that are energy efficient, reduce waste, continually evolving to changing business conditions, through responsible manufacturing, sourcing and ways of working.

As part of our end-to-end process, we measure and benchmark the carbon footprint of the in-store environment. Together we co-design positive improvements to support our customer's journey to achieve carbon reduction objectives. Our benchmarking includes certification, materials, equipment lifecycle and the total circularity of the equipment. Our ReStore, re-use and recycle process ensures we work together with customers to minimise waste and maximise the lifespan of in-store equipment.

**Maintenance and after-care**
ITAB Group's aim is to be close to our customers and maintain a long-term relationship even after a project has been completed. Ensuring that is 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 Group.


## Driving efficiencies through consolidated services

ITAB Group'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 our customers and creating long-term value in the process. Consolidating our service offering, ITAB Group delivers key savings for our customers by combining our total capabilities to bring together our own equipment alongside third parties to simplify the flow of activity and reduce the complexity within the store, taking the stress away from the store colleagues and providing an all-in-one service.

By turning complex project management, into efficient and pain-free service for the retailer, results in multiple delivered solutions that reduces total cost of ownership for the retailer in the long-term and helps accelerate return of investment in the short to mid-term

# Deliver sustainability at the core

Retail is undergoing one of the most significant periods of change in decades. Shifts in consumer behaviour, cost pressures, regulatory expectations and rapid-format evolution are reshaping what retailers need from their store environments. Sustainability is becoming increasingly integrated into these decisions—not because the industry is already fully there, but because retailers recognise that environmental performance, operational flexibility, and long-term cost efficiency are deeply connected.

At ITAB Group, we see our role as helping accelerate this integration. Our mission is to support retailers in a landscape where sustainability must deliver a win–win–win: greater flexibility, lower long-term costs, and reduced carbon impact. Through both our internal development and our customer-facing services, we aim to make sustainability practical, scalable and commercially viable, embedded not as an add-on but as part of everyday store decision-making.

This ambition sits at the heart of our ReStore Sustainability Services: an end-to-end approach that helps retailers reduce cost, carbon, waste and operational disruption through smarter design, connected services and circular pathways that can be repeated and adapted across markets.

**Retailers are facing a new set of pressures**
Retail sustainability today is not about ambitious statements. It is about the practical decisions that store operations, procurement, design, and sustainability teams make every day. Decisions such as: How do we extend the life of store equipment? What do we do with fixtures during remodels or closures? How do we reduce material demand and energy use without compromising look and feel? And how do we ensure credible scope 3 reporting, especially under growing regulatory expectations?

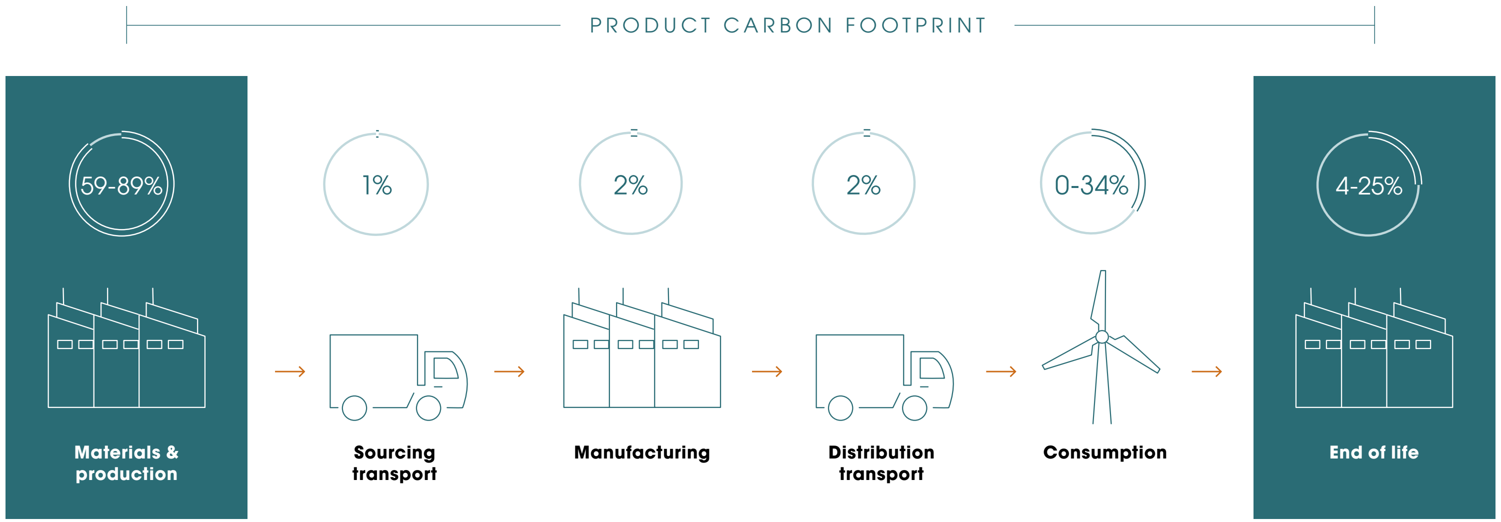
These questions are not abstract. They shape budgets, timelines, and brand reputation. And they increasingly define the competitive landscape.

Retailers tell us that the challenge is not why they should act, but how to do it at scale, without risk, without complexity, and without slowing the speed of store change. That is why ITAB Group developed ReStore.

> **...80% of a product's carbon footprint is determined in the design phase...**
>
> ELLEN MACARTHUR FOUNDATION

DID YOU KNOW?

**59-89%** of a product's carbon footprint is produced by materials and production, and **4-25%** is produced at end of life



# Introducing ReStore sustainability services

ReStore Sustainability Services is our circular operating model for retail. It brings together the full set of capabilities that retailers need to reduce carbon, cost, and waste across the lifecycle of fixtures, equipment, and store concepts. It is built on five pathways:

→ **ReDesign** – embedding sustainability and lower-carbon decisions into concept development
→ **ReUse** – reclaiming and then later redeploying fixtures directly into new projects
→ **ReFurbish** – value-engineering existing assets to meet new requirements
→ **ReCycle** – converting customer waste streams into new materials or components
→ **ReCare** – proactive maintenance to extend asset life and reduce replacement needs

Together, these pathways offer retailers a practical, measurable and commercially attractive route to circularity—supported by traceable data, connected services, and a partner able to deliver consistently across markets and store formats.

And while each pathway can be used individually, the impact grows when retailers combine them into a recurring model that makes circularity operational rather than optional.

**Strengthening our internal foundations**
To support this offer, ITAB Group has spent the last year strengthening the internal sustainability foundation that make circularity credible, measurable, and scalable.

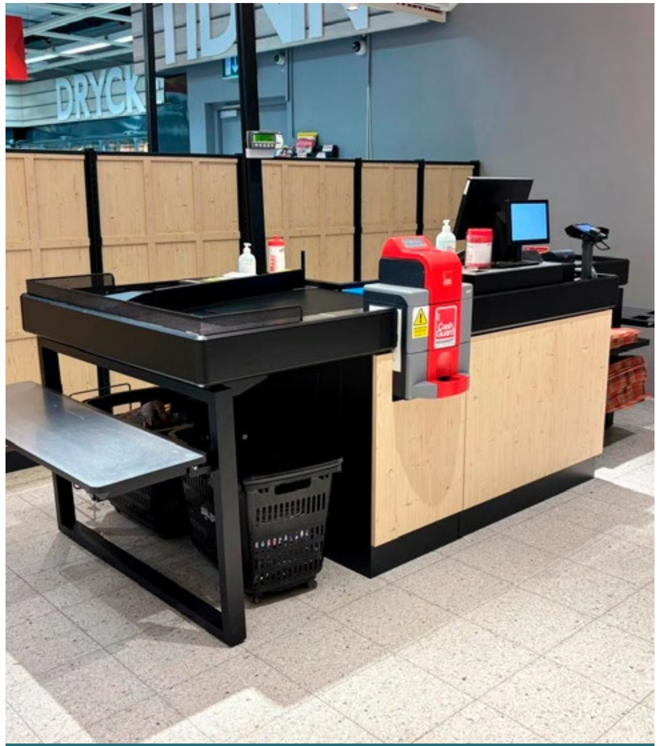
We continued embedding circular design principles across product development focusing on durability, modularity, repairability and recycled content. While this work has begun, we recognise that full implementation of circular design across all ranges is a focus for 2026 and beyond. Material choices remain one of the most significant drivers of scope 3 emissions, and this shift helps ensure that sustainability becomes a creative enabler from the earliest stages of design, rather than a late corrective step.

Our carbon estimator tool represents another important step forward. While still being refined and progressively rolled out, it is already enabling our engineering, design and commercial teams—and our customers—to understand the carbon implications of materials and design decisions. As the methodology continues to mature during 2026, the tool will provide increasing clarity and consistency.

Operationally, we advanced our renewable energy commitments, including the commissioning of a new solar installation in Cariñena (Spain), and continued progress in Scarperia e San Piero (Italy). We strengthened governance, completed our Group-wide Double Materiality Assessment, and integrated sustainability more deeply into Group Management and Board discussions.

We also continued to invest in our culture, embedding safety, continuous improvement, circular thinking and responsible decision-making into our ways of working. Our certifications and audit performance demonstrate progress, but our cultural foundation—how we act, collaborate and innovate—is equally important to sustaining long-term improvement.

This internal progress strengthens the credibility of our services, ensures we hold ourselves to the same standards as our customers, and supports our long-term transition.


REUSE & REFURBISH

## Bringing circularity to life

→ The ITAB Check Mate 700 checkout is designed to extend operational life from 8 years to 16 years
→ 95% of components are reuseable
→ Reducing CAPEX by 50% and decreasing the carbon impact by 30% in 2nd life

# How ReStore meets retailer needs across the store lifecycle

## ReDesign

**Making better decisions at the moment they matter most**

Retailers increasingly recognise that 80 percent of a product's carbon footprint is determined at the design stage. Choices made early in materials, joinery, modularity, lighting specifications, can lock in costs and emissions long before the first fixture is built.

ReDesign helps retailers embed sustainability at this moment of highest influence. We combine circular design principles with our carbon estimator tool to provide clear, scenario-based insights: new vs. reuse, recycled vs. virgin materials, alternative constructions, modular approaches, or lighter-weight engineering. This enables our customers to balance aesthetics, durability, and cost with measurable environmental benefits.

For retailers preparing for CSRD, the service also provides clear, traceable scope 3 (Capital Goods) data, helping build a more complete and credible emissions profile. In a world where store design sits under increasing scrutiny—from investors, regulators, and consumers, ReDesign brings confidence, transparency, and control.

The outcome is simple: better design decisions, lower carbon from the start, and fewer downstream surprises in sourcing, store build, or maintenance.

## ReUse

**The fastest way to avoid carbon and save costs**

ReUse is one of the most direct levers retailers can pull. When fixtures are reclaimed from store closures, remodels or inventory cycles and redeployed into new openings or concepts, the need for new manufacturing drops dramatically. Carbon and cost fall in step.

Commercially, this pathway avoids capital expenditures and stabilises lead times. Operationally, it reduces waste and simplifies store closures and relocations. And from an ESG perspective, it provides quantifiable avoided emissions; typically demonstrating carbon savings of 50–70 percent compared to buying new.

We manage the entire process: controlled disassembly, transport, warehousing, inventory coding, quality checks, and re-installation. Retailers gain predictable quality, traceable flows, and scalability across markets.

In short, ReUse turns what was once treated as waste into a strategic asset.

## ReFurbish

**Extending life without compromise**

Sometimes assets cannot be reused directly, but they can be transformed. ReFurbish allows retailers to extend the life of existing fixtures through value-engineering, re-coating, material substitution, and selective redesign. The result is equipment that meets current aesthetic and functional requirements without the cost, carbon, or disruption of manufacturing new items.

This pathway is especially impactful for large retail estates undergoing phased refresh programmes, category reinventions, or brand upgrades. Lead times shorten. Costs fall. Carbon intensity drops sharply. And assets that would previously have gone to waste are given a new lifecycle.

Customers increasingly see refurbishment not as a compromise but as a strategic option that aligns with sustainability commitments and protects the bottom line.

## ReCycle

**Turning waste into new value**

Not all assets can be reused or refurbished. But that does not mean they must become waste. ReCycle enables retailers to convert post-use materials; from wood and metal to plastics, textiles, and carpets, into new resources that can be reintegrated into future fixtures or store applications.

The process is fully traceable, certified, and increasingly innovative. Working with specialist partners, we develop solutions that transform waste into new panels, slats, structural components, or decorative elements. Beyond carbon reduction, this pathway strengthens brand credibility by making circularity visible to customers and employees.

For many retailers, ReCycle is the missing piece that turns sustainability ambition into circular reality.

## ReCare

**Sustainability through asset longevity**

Sustainability does not end with installation. Asset failures, reactive maintenance, and premature replacements are major sources of cost, disruption, and carbon emissions. ReCare addresses this by creating a proactive, connected maintenance model that keeps fixtures performing for longer.

Through regular servicing, condition monitoring, and coordinated repair/refurbishment options, ReCare helps retailers achieve higher uptime, fewer emergency interventions, and longer equipment life. When replacement is needed, the item can be channelled into ReUse, ReFurbish, or ReCycle, closing the loop.

The result is lower spend on Goods Not For Resale (GNFR), reduced scope 3 emissions, and a more predictable operational environment.

## Scaling circularity: From one-off projects to a repeatable operating model

The power of ReStore lies not only in the five pathways but in the ability to combine them into a circular operating model. For many retailers, the journey begins with a pilot, testing reuse or refurbishment in a single market or category. But the real value emerges when retailers embed circularity into their wider estate strategy. This model creates a predictable rhythm:

Baseline → Design → ReUse/ReFurbish → Maintain → ReCover → ReCycle → ReBaseline

It reduces complexity, supports scope 3 reporting, improves cost predictability, and creates year-on-year progress that is both visible and measurable.

For retailers navigating regulatory change, shrinking budgets, and rising customer expectations, this approach transforms sustainability from a challenge into a competitive advantage.

## A partnership mindset: Why retailers choose ITAB Group

Retailers tell us that sustainability can feel overwhelming. Too many tools. Too much data. Too many disconnected providers. Progress often depends on cross-functional alignment and that is hard to achieve without the right partner.

What makes ITAB Group different is not simply our technical capability. It is the combination of expertise, operational reach, connected services, and practical understanding of how stores actually work. As a manufacturer, installer, designer, and service provider, we connect the dots across the store lifecycle.

As a sustainability partner, we provide data transparency, credible methodologies, and circular pathways that retailers can trust.

Our services are not abstract concepts. They are grounded in real projects, measurable outcomes, and proven delivery across markets and formats. They are backed by internal improvements that ensure we meet the same standards we help our customers achieve.

In short: we make sustainability easier to implement, easier to measure, and easier to scale.

## Facts & Figures

**ReDesign**
Decisions made early in design account for up to:

80%

of total product carbon impact

**ReUse**
Up to 30% cost reduction less total cost of ownership

90%

carbon footprint reduction per item by avoiding remanufacturing

**ReFurbish**
Up to 10% cost reduction less total cost of ownership

70%

reduction in project carbon footprint by avoiding manufacturing from scratch

**ReCycle**
100% traceability zero waste certification up to 98% waste recyclability

20-30%

reduction in project carbon footprint

**ReCare**
Asset life cycle extended

25%

less total cost of ownership

## Looking Ahead

As retailers accelerate their transition to lower-carbon, more efficient, and more resilient store formats, ReStore Sustainability Services will continue to evolve. We will expand our data methodologies, strengthen our circular design principles, and deepen our partnerships in recycling and material innovation. We will continue integrating our learnings from the DMA, third-party assurance, and operational footprints into our services. And we will further embed sustainability into our design, manufacturing, installation, and maintenance operations across the Group.

The shift to circularity is already under way across the retail sector. Our ambition is to help retailers move confidently from intention to implementation, turning sustainability from a cost into a source of value, and from a regulatory obligation into a strategic advantage.

We look forward to continuing this journey with our customers, helping build retail environments that are better for business, better for people, and better for the planet.

**Refer to the Sustainability Report on pages 29-98** for more information in accordance with CSRD / ESRS reporting.

# Administration Report

# Content

# Administration Report with Sustainability Report and 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 2025 financial year. The following Sustainability Report, 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. The statutory Sustainability Report in accordance with the Swedish Annual Accounts Act is included in the company's sustainability statements on pages 29-98.

**Operations**

The ITAB Group 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 2025, the Group had operating subsidiaries in some 30 countries (for more information, refer to Note 20).

Working in close collaboration with the customer, ITAB Group contributes its experience and expertise to the customer's specific needs and requests. The operations are founded on long-term business relationships and delivery reliability, in combination with streamlined production resources. Today, the Group is 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. The aim of the acquisition was to strengthen the ITAB Group's position and complement the Group's current offering. The acquisition was financed with a combination of new debt and equity. 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.

**Comments on the Group's performance in 2025**

The year was characterised by a stable sales and earnings performance, despite continued challenging market conditions. Compared with last year, the new Group also faced strong comparative figures both for HMY and for ITAB, which reported their highest-ever operating margin for a first half-year to date in the first six months of 2024. The project-based nature of the Group's operations entails that customer investments in more technology-intensive solutions do not follow the natural annual cycle of more traditional shop solutions. Instead, they are the result of long decision-making processes and test periods. As a result, earnings for individual quarters can depend on specific project outcomes and natural seasonal variations. The integration is progressing according to plan with the aim of achieving MEUR 30 in synergies by the end of 2027. This work began with several immediate actions in 2025 and is now continuing in the next phase in 2026.

**Sales and profit.**

The Group's net sales increased by 94 percent to MSEK 12,780 (6,585). Currency-adjusted sales increased by 97 percent year on year, with organic growth accounting for +4 percent and the acquisition of HMY contributing +93 percent (for 11 months, February–December).

The overall sales trend for the new ITAB Group was positive in 2025, despite the operations facing strong comparative figures for the previous year, when a number of major customer projects were completed, particularly in the first half of the year. At the same time, the Group has signed a number of new agreements with existing and new customers in several geographic markets during the year, some of which pertained to ITAB's technical solutions and lighting systems for HMY's customer base. While the market is continuing to show considerable interest in the Group's technical and digital solutions for loss prevention measures, services and lighting solutions, sales of customised shop fittings also trended positively during the year. The sales trend was strongest in Southern and Central Europe and the UK, while Northern Europe and the countries outside Europe faced stronger comparative figures from last year. In total, Europe accounted for approximately 90 percent of sales in 2025.

Of the Group's customer groups, sales increased most in DIY/Home Improvements compared with 2024, but demand in Grocery, Fashion/Apparel and Health & Beauty also grew during the year. Other customer groups include retailers in consumer electronics, sports & leisure and service stations. The Group's largest customer group, Grocery, accounted for approximately 51 percent of sales.

Operating profit for the full financial year amounted to MSEK 580 (459), corresponding to an operating margin of 4.5 percent (7.0). Earnings were impacted by non-recurring items of MSEK -183 (-48), primarily pertaining to acquisition and integration costs in conjunction with the acquisition of HMY and a provision for a customer reclaim (MSEK -27). Operating profit excluding these non-recurring items totalled MSEK 763 (507), corresponding to an operating margin of 6.0 percent (7.7). EBITDA excluding non-recurring items totalled MSEK 1,267 (761).

The earnings performance was stable in 2025, with most of the operations achieving profitability in line with or above set targets. The Group also initiated measures to strengthen the long-term efficiency of Group companies that reported lower profitability. The operations are continually carrying out various sales activities and cost adaptations in different areas.

Increased sales of the Group's technical solutions for loss prevention, such as smart gates, and self-checkouts during the year had a positive impact on the gross margin, although the total share of sales of technical solutions is lower for the new Group than it was prior to the merger with HMY. Efforts to generate synergies related to purchasing, additional sales to the existing customer base and improved efficiency also started to have a positive impact on earnings.

Profit after financial items totalled MSEK 344 (438). Earnings excluding non-recurring items of MSEK -186 (48) amounted to MSEK 530 (486). The Group's financial expenses were impacted by higher interest expenses due to increased debt incurred to partially finance the acquisition of HMY and other costs during the year pertaining to currency effects and financial reporting in hyperinflationary economies.

Profit after tax amounted to MSEK 158 (320). Tax expenses for the year have been impacted by this year's corporate acquisitions with increased non-deductible costs, primarily consisting of acquisition costs and interest costs. The proportion of companies in countries with higher tax rates have also increased.

**Cash flow, financing and liquidity.**

Cash flow from operating activities was strong during the year and amounted to MSEK 785 (624). In line with the normal seasonal pattern for the Group's project-based operations and after the Group's targeted initiatives to reduce working capital, a significant share of the accounts receivable built up during the strong autumn sales months were settled in the fourth quarter. Cash conversion for the financial year amounted to 72 percent.

Net debt on the balance sheet date as of 31 December 2025 excluding lease liabilities amounted to MSEK 2,332 (-969). Net debt including lease liabilities amounted to MSEK 3,019 (-384). The increase in net debt compared with the preceding year is a consequence of the acquisition of HMY. See below as well as Note 2 and Note 5 for more information.

The Group's cash and cash equivalents, including granted unutilised credits, amounted to MSEK 1,739 (2,770) on the balance sheet date as of 31 December 2025. The equity/assets ratio was 35 percent (60).

**Investments**
The Group's net investments amounted to MSEK 1,766 (144), of which MSEK 1,473 (-32) was attributable to corporate acquisitions/divestments. For more information on corporate acquisitions and divestments, refer to Note 5.

**Per share data**
Earnings per share before dilution amounted to SEK 0.51 (1.38). Earnings per share after dilution totalled SEK 0.51 (1.37). Equity per share amounted to SEK 16.35 (16.30). Refer to Note 17 for more information.

**Employees**
The average number of employees amounted to 5,090 (2,532). 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 257 (198). Profit after financial items totalled MSEK 273 (7). Profit includes dividends from subsidiaries of MSEK 298 (99) and impairment of shares and receivables in subsidiaries of MSEK -14 (-16).

**Corporate acquisitions and divestments**
**Acquisitions in 2025**
On 25 September 2024, ITAB agreed to acquire all shares in Financière HMY SAS 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. 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 comprising MEUR 255 in long-term credit facilities and a MEUR 100 revolving credit facility. For more information, refer to Note 5. 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, and consequently, the previously obtained debt financing commitments were converted into loans. HMY is consolidated in the ITAB Group as of 1 February 2025. Expenses in connection with the transaction are reported on an ongoing basis as costs in profit or loss and are included in reported non-recurring items.

*Effect of the acquisition of the shares in HMY 2025*
Fair values of acquired assets and liabilities, purchase considerations and the impact on the Group's cash and cash equivalents according to acquisition analyses are presented in Note 5. Goodwill arising in the transaction primarily comprises the value of expected synergies and the value of the employees. Final payment of the purchase consideration is expected to take place in 2026.

In May 2025, ITAB acquired the remaining 82 percent of the shares in Signatrix GmbH, which thereby became a wholly owned subsidiary that was consolidated into the ITAB Group from June 2025. Signatrix is a technology and retail AI startup, and together with ITAB has created frictionless security deterrents that reduce thefts and shrinkage for the retail sector since 2022. The impact on the Group's cash and cash equivalents on the acquisition date was MSEK 0.

In December 2025, ITAB acquired all shares in Blink AB through a subsidiary. Blink is a solution-focused design agency with a focus on brand & retail design. By developing solutions that help retailers to improve consumer experiences across the entire store environment, reduce operational challenges and increase efficiency, the ITAB Group and Blink can jointly create the solutions and implement them. At the time of the acquisition, Blink had sales of approximately MSEK 13 and the average number of employees was six. The purchase consideration amounted to MSEK 16, with an additional purchase consideration of a maximum of MSEK 9.5 based on the company's performance over the next two years. The purchase consideration was settled at the time of acquisition and costs related to the acquisition are reported as expenses on an ongoing basis. The acquisition is consolidated from 31 December 2025. Acquired net assets estimated at fair value amounted to MSEK 22 at the time of acquisition, of which goodwill was MSEK 11. Goodwill mainly consists of know-how and personnel. The acquisition affected the Group's cash flow by MSEK 10.

**Divestments in 2025**
In connection with the restructurings in the Group, ITAB sold 100 percent of its shares in the company La Fortezza Asia Sdn Bhd in Malaysia through a subsidiary in April 2025. On the divestment date, the company had seven employees. The effect on earnings including accumulated currency translation differences amounted to MSEK -1 and was recognised as a non-recurring item in the second quarter of 2025. The divestment had an impact of MSEK 1 on cash flow in the quarter.

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 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.

Since 2024, ITAB has 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 29-98.

The statutory Sustainability Report is included in ITAB's sustainability statements on pages 29-98. As of 1 January 2022, ITAB is also eligible to disclose certain information about its operations in accordance with the EU Taxonomy Regulation. The ITAB Group presents this information for 2025 on pages 66-68.

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

**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, store concepts as well as digital solutions for physical stores. In 2025, MSEK 6 (13) was capitalised as development expenditure and recognised as intangible assets. Amortisation of development costs totalling MSEK 23 (20) 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 2025, the total number of shares amounted to 258,231,533, of which 255,275,518 were ordinary shares and 2,956,015 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 2025 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.

The 2022 AGM resolved on a long-term incentive program for key individuals (LTIP 2022) extending from June 2022 until June 2025. The program ended in the second quarter of 2025. As a result, 2,054,985 Class C shares were converted to ordinary shares, and 1,043,671 ordinary shares were thereafter conveyed to the participants and the remaining 1,011,314 ordinary shares were conveyed on Nasdaq Stockholm to cover part of the costs for the program.

With the support of the authorisation from the AGM, the Board of Directors resolved on 16 December 2025 on a directed cash issue of 611,000 Class C shares to Danske Bank A/S, Danmark, Sverige Filial (Danske

Bank) at a subscription price corresponding to the quotient value of the shares. The Board also decided to immediately repurchase all 611,000 Class C shares from Danske Bank at the same price as the subscription price. The purpose of the issue and repurchase was to secure delivery of ordinary shares to employees in ITAB Group who are participants in the LTIP 2025 performance-based incentive programme that was adopted by the AGM on 7 May 2025 by ITAB later converting the Class C shares to ordinary shares.

Refer to Note 8 for information about the long-term incentive programs LTIP 2022 and LTIP 2025.

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 2025, Pomona-gruppen AB held 15.7 percent of the shares and votes, WQZ Investments Group Ltd held 11.1 percent of the shares and votes, and Övre Kullen AB held 10.3 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 2025, ITAB had 7,229 shareholders (6,727). Further information about ITAB's shares, share price development and ownership structure as of 31 December 2025 is presented in the section "ITAB share" on pages 104-106.

*Repurchases of own shares*

The 2025 AGM resolved to authorise the Board to make decisions on the acquisition and conveyance of own shares. The authorisation is intended to give the Board increased leeway in its work with the company's capital structure and, if deemed appropriate, to enable share-based incentive programs for the Group's employees or the acquisition of businesses through payments with the company's shares. The Board of Directors shall, on one or more occasions, be able to make such decisions ahead of the 2026 AGM. For repurchased treasury shares, all rights associated with the shares cease to apply until the shares are reissued.

Aside from the repurchase of newly issued Class C shares resolved on by the Board of Directors on 16 December 2025 in accordance with the above, no repurchases of shares took place in 2025.

At 31 December 2025, ITAB held no ordinary shares in treasury. All 2,956,015 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 applicable guidelines for remuneration and other employment conditions for senior executives were adopted by the 2025 AGM in accordance with the Board's proposal. The guidelines are presented in full in Note 8 on page 130.

The Board of Directors has no intention to propose any amendments to the guidelines for remuneration of senior executives ahead of the AGM in 2026.

*Remuneration Report 2024*

ITAB's Remuneration Report 2024 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 2025 AGM and is available on ITAB's website, itabgroup.com.

**Dividend policy and proposed dividend 2025**

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 in 2025 and the financial means required to finance it, the Board of Directors has decided to propose that no dividend per ordinary share be paid for the 2025 financial year (SEK 0.00 per ordinary share for 2024).

**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, Board and management liability. and cyber security. 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 24-28. 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**

The ITAB Group's overall objective is to strengthen its customers' businesses and competitiveness with its solutions for increased operational efficiency in stores, reduced risk of theft and lower energy consumption. In parallel, the Group continuously works to strengthen its own earnings performance through adapted price increases as well as increased efficiency and lower costs in its operations. The acquisition of HMY in 2025 is accelerating this transition and strengthens the Group's market position.

The employees are ITAB Group's most important resource, but the Group's collective offering of unique solutions and products under a number of strong brands, collaboration between different parts of the Group and with strong partners, sustainability services, and efficient production are also key resources in the Group's business model that lay the foundation for a competitive business.

The employees' know-how, experience, engagement, and diversity are the basis for the Group's success, and its people and operations develop together through learning, participation, and a sustainable working life. With strong brands, solutions and products, the Group has a presence in all customer segments in the retail market in Europe and the rest of the world, and ITAB Group meets retailers and consumers on their terms. Together, employees in all parts of the business develop common ways of working and investments are made in efficient operational support solutions and IT systems for the whole Group. Overall, this creates major values for the business, customers, employees, owners, and other stakeholders.

Sustainability is integrated in ITAB Group's business model and operating activities, and in the offering to the customers. Ambitious sustainability efforts and several different types of sustainability related services for retailers lay the foundation for strengthened market positions and for long-term profitable growth.

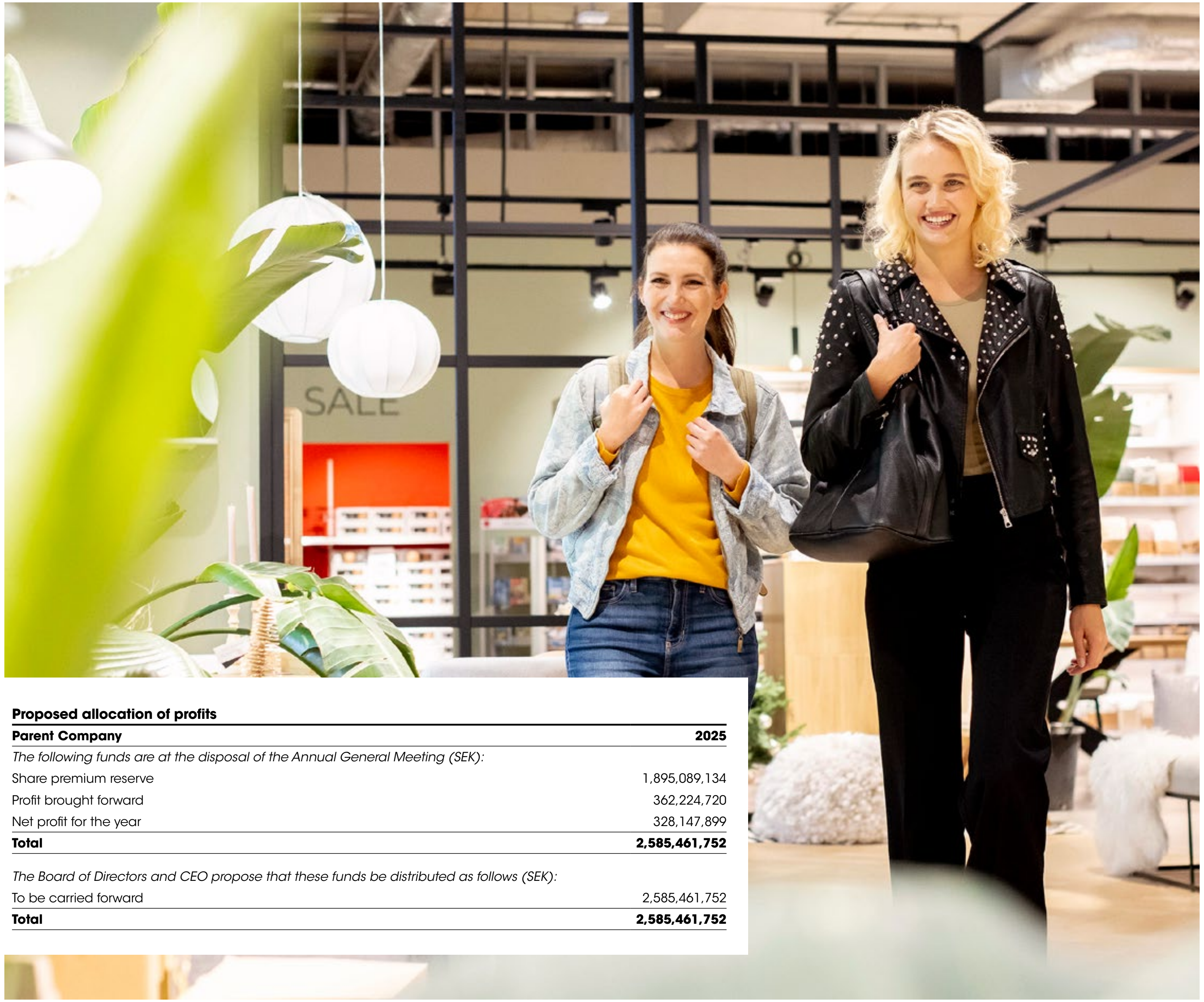
The ITAB Group is also continuing to develop its operations and to invest in new capabilities with the aim of becoming the leading solutions provider in the retail sector. The ambition is to continue increasing the proportion of services and technical solutions, and to further strengthen the Group's digital offerings. This will make the Group more scalable and flexible in an increasingly dynamic world.

**Significant events after the end of the financial year**

Glauco Frascaroli took over as interim President & CEO on 7 January 2026. Björn Borgman will take over as the new President & CEO of the ITAB Group on 1 May 2026.

In January 2026, ITAB exercised an annual extension option for its MEUR 255 credit facility and MEUR 100 revolving credit facility. The term has thus been extended by one year to January 2029 on unchanged terms compared with the original credit facilities.

No other significant events for the Group have taken place after the end of the financial year.



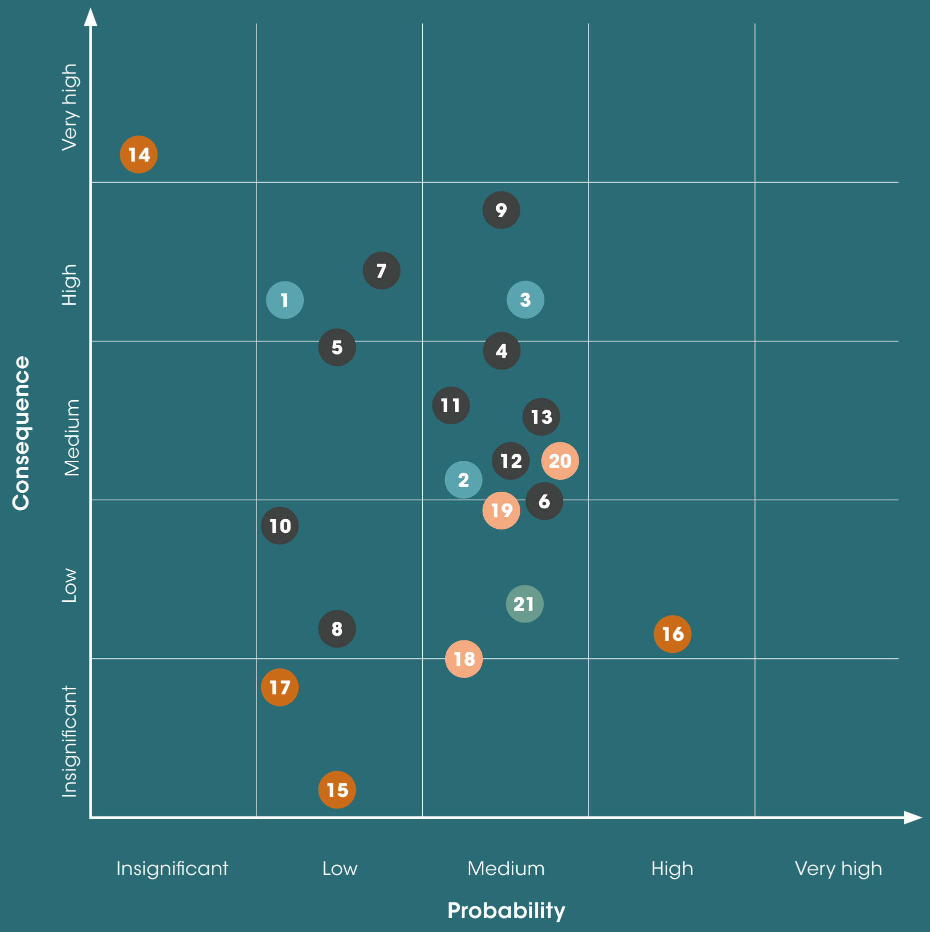

**Proposed allocation of profits**

| **Parent Company** | **2025** |
|---|---|
| *The following funds are at the disposal of the Annual General Meeting (SEK):* | |
| Share premium reserve | 1,895,089,134 |
| Profit brought forward | 362,224,720 |
| Net profit for the year | 328,147,899 |
| **Total** | **2,585,461,752** |
| *The Board of Directors and CEO propose that these funds be distributed as follows (SEK):* | |
| To be carried forward | 2,585,461,752 |
| **Total** | **2,585,461,752** |

# Significant risks and risk management

ITAB Group'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 Group'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 22 for a more detailed description of the Group's overall risk management process and insurance program.




**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 price & energy price
- **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 and social sustainability
- **13** Health and Safety

**Financial risks**
- **14** Liquidity & 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. Fraud & ethical business culture
- **20** Tax risk and regulations

**Sustainability risks**
- **21** Environment; Energy and greenhouse gases; materials, waste and circular economy

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

## 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 Group to continuously monitor and respond to evolving consumer preferences and customer requirements in order to remain relevant and competitive in the retail market. The market is characterized by ongoing changes in competitive dynamics and pricing conditions, which may influence demand and customer purchasing behavior over time. Maintaining competitive and differentiated offering, supported by ITAB's global scale and international customer support capabilities, remains central to sustaining long-term customer relationships. To respond to the changing retail market, ITAB developed the One ITAB strategy focusing on adapting operations to meet current and future needs of the retail sector. This has included increased flexibility in production and delivery, improved internal efficiency and a strengthened organizational structure. Continuous monitoring of market developments enables ITAB to develop and offer technical, sustainable, and value-adding solutions aligned with customer needs. Following the merger with HMY, ITAB has established a new Group strategy with renewed ambitions, supporting a continued transformation of the business to meet future needs and demands of the retail industry. |
| 2 | **Macroeconomic factors** | The demand for ITAB Group'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 demand for ITAB's solutions, products and services is affected by general macroeconomic and external factors, including geopolitical developments, changes in trade conditions and ongoing technological developments within the retail sector. Uncertainty regarding future economic and trade conditions may influence consumer spending habits and retailers' investment decisions. In addition, changes in consumption patterns and technological requirements may affect customer needs over time. ITAB continuously adapts its solutions and services to evolving market and technological developments to maintain the Group's competitiveness. These risks are managed through established compliance frameworks and by continuously monitoring relevant macroeconomic developments. |
| 3 | **Geopolitical and political risks** | Changes in the political situation could materially impact the sales of ITAB Group'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. | ITAB Group operates in some 30 countries and through partners in other markets. The Group's net sales are mainly generated in Europe, and key raw materials and production are primarily sourced and located within Europe. Geopolitical developments, including changes in trade conditions, tariff structures and regulatory requirements, may affect ITAB's operations and create uncertainty and pricing pressure.<br><br>In addition, increasing regulatory requirements related to sustainability, compliance and traceability may impact the Group's operating environment. ITAB closely monitors geopolitical and regulatory developments and makes business decisions accordingly, as necessary. |

## Operational risks

| | Significant risks | Description | Risk management |
|---|---|---|---|
| 4 | **Supply chain, distribution and logistics** | ITAB Group 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 including dependency on certain suppliers, limited sourcing alternatives or constraints in logistics and transportation capacity, could have an adverse effect on the Group's operations, delivery capability and sales.<br><br>In addition, external factors such as geopolitical developments, trade-related restrictions and other events affecting international transport routes may increase uncertainty in supply chains and logistics. | ITAB Group's supply chain, distribution and logistics processes are continuously reviewed and developed in order to improve resilience and address identified risks. This includes ongoing mapping of critical suppliers, maintaining contact and coordination with suppliers of raw materials, transport services and production facilities, and working to identify and validate alternative sourcing options where appropriate. The Group also reviews logistics arrangements and transport routes to improve flexibility and reduce dependency on single solutions. In addition, ITAB also maintains insurance coverage for costs arising from disruptions or incidents during transportation. |
| 5 | **Production and production facilities** | ITAB Group's production facilities are central to the Group and operate continuously. Disruptions or stoppages caused by operational errors, accidents, fires, theft, machine failures or other incidents could prevent the Group from fulfilling its obligations to customers on time. Limited network agility, climate-related events and natural disasters may further affect production continuity, while frequent machine breakdowns or insufficient planning could lead to delays and additional costs. | ITAB Group manages production risks through a combination of preventive, monitoring and contingency measures. Business continuity plans are developed for all production facilities, and contingency exercises, risk analyses and preventive maintenance are carried out regularly. Geographic risk assessments are performed to account for natural disaster and climate-related risks. To reduce the financial impact of disruptions, the ITAB Group maintains a centrally procured global insurance program covering property, business interruption and general liability. Additional measures include fire safety systems, maintenance programs to reduce machine breakdowns, and planning for backup production capacity where possible. These measures are continuously reviewed to ensure the Group can meet its commitments to customers. |

## Operational risks, cont.

| | Significant risks | Description | Risk management |
|---|---|---|---|
| 6 | **Raw material prices** | ITAB Group is dependent on raw materials and energy for its production. Fluctuations in prices or disruptions in supply may affect production costs in the short and long term. Global supply and demand dynamics, regulatory requirements and geopolitical developments may further increase uncertainty. Significant or prolonged increases in raw material costs or supply constraints could require ITAB to adapt its working methods and selection of materials to maintain an attractive customer offering. | A large part of ITAB Group'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. ITAB actively monitors developments in raw material markets and global supply conditions and takes measures to maintain continuity in production and delivery.<br><br>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. These practices help ITAB maintain stable production costs, secure supply continuity and continue to deliver reliable solutions to its customers. |
| 7 | **IT security risk** | ITAB Group'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, production and delivery. The Group engages several external third parties who assist in efficiently managing these systems.<br><br>Disruptions caused by operational errors, cyber threats or other IT-related incidents could affect operational processes and customer deliveries. The ongoing implementation of new enterprise systems, including ERP and CRM, also introduces complexity and requires careful management to ensure continuity during rollout and adaptation phases. | 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 continuous system monitoring, penetration testing, backup recovery exercises, redundant infrastructures and group-wide cyber insurance coverage. Employee awareness, security training and two-factor authentication further strengthen resilience. ITAB also has Group-wide insurance coverage for risks related to cyber security.<br><br>Enterprise system implementations are carried out gradually, supported by centralized teams, internal and external expertise, and continuous monitoring to ensure smooth performance. These measures help ITAB maintain reliable IT operations, support business continuity and enable the secure and consistent delivery of solutions to customers. |
| 8 | **Customer concentration and business relationships** | Most of ITAB Group's customers in terms of sales are major chain stores that operate in the retail sector, 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.<br><br>During 2025, sales to ITAB's single largest customer accounted for approximately 8 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 Group's growth strategy includes both sustainable organic growth and strategic acquisitions. Acquisitions are intended to expand the Group's offerings and geographic presence and support future growth and profitability. The successful realization of expected benefits depends not only on assumptions regarding future income and operating costs, but also on effective integration of acquired companies.<br><br>Integration introduces complexity, including alignment of operations, processes, systems and corporate culture, as well as retention of key personnel. If integration is not carefully managed, the Group may face operational or financial challenges. The acquisition of HMY, completed in January 2025, provides additional scale and flexibility and accelerates transformation, while requiring structured management to ensure synergies are achieved and operations continue smoothly. | 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.<br><br>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, together with Group management and the Board, oversees the alignment of operations, processes, systems and corporate culture.<br><br>These measures help ensure that acquisitions, including HMY, are successfully integrated, expected synergies are realized. |
| 10 | **Goodwill and participations in Group companies** | Goodwill is a significant asset item in the Group's balance sheet, corresponding to more than 31 percent of total assets in 2025. Similarly, participations in Group companies account for approximately 62 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 Group 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. |

## Operational risks, cont.

| | Significant risks | Description | Risk management |
|---|---|---|---|
| 12 | **Employee risk and social sustainability** | ITAB Group'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.<br><br>In addition, social sustainability aspects, including equal opportunities, diversity, inclusion, and safe and healthy working conditions, are central to maintaining an attractive workplace. These principles extend across the Group's suppliers and partners, as well as communities affected through the whole value chain. Compliance with evolving regulations, such as those related to harassment, discrimination and pay transparency, is increasingly important to protect the Group's reputation and ensure long-term sustainability. | ITAB Group 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.<br><br>Across the whole value chain, the Group ensures similar standards through the Supplier Code of Conduct and onsite audits of main suppliers. Compliance programs, training, whistleblowing channel and contingency measures support the prevention of harassment, discrimination and other workplace risks. Monitoring of regulatory developments, including pay transparency legislation, is conducted to ensure compliance and safeguard the Group's reputation. These measures support a motivated and sustainable workforce and the long-term success of the Group. |
| 13 | **Health & Safety** | The work environment within ITAB Group'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. |

## Financial risks

| | Significant risks | |
|---|---|---|
| 14 | **Liquidity and refinancing risk** | ITAB is exposed to financial risks in the form of liquidity risks, refinancing risks, interest risks, currency risks and credit risks.<br>Each year, the Board of Directors adopts a Group-wide finance policy that governs the management of these risks.<br>For information about financial risks, refer to Note 4. |
| 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 Group'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 Latin America, Italy and the Middle East. | ITAB promotes a culture of integrity through its Group-wide Code of Conduct and complementary policies, including sustainable procurement standards, which establish a zero-tolerance approach to bribery and corruption. Employee and agent training, onboarding and regular refresh programs reinforce compliance. Whistleblowing channels, audits and monitoring of business practices support transparency and responsible operations. These measures help ITAB maintain trust with customers, partners and stakeholders, while ensuring robust compliance across all markets. |
| 20 **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 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

| Significant risks | Description | Risk management |
|---|---|---|
| 21 **Environment** Energy and greenhouse gases, materials, waste and circular economy | ITAB Group's operations have potential environmental impacts through energy consumption, greenhouse gas emissions, material use, waste generation and water usage. These activities could affect ecosystems, biodiversity, and the Group's reputation if not managed carefully. Transitioning to sustainable energy, reducing emissions, and implementing circular economy principles are key to minimising environmental impact and supporting long-term sustainability. | ITAB manages environmental risks through compliance with relevant laws and regulations and proactive sustainability measures. Sustainable materials are increasingly incorporated into products and solutions, and circular economy principles are applied through refurbishment, reuse and recycling in cooperation with customers. These initiatives are complemented by water-saving measures, energy efficiency improvements, and continuous monitoring, supporting ITAB's commitment to responsible operations and helping customers achieve their own carbon reduction and sustainability goals. Refer to the Sustainability Report on pages 29-98 for more information on sustainability risks and risk management. |

# Sustainability Report

**We care**
**We challenge**
**We collaborate**

## About ITAB Group's Sustainability 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 report has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). It is subject to limited assurance by the Group's external independent auditor Ernst & Young AB (EY) in accordance with applicable regulatory requirements.

The Board of Directors of ITAB Shop Concept AB has approved the Statutory Sustainability Report in conjunction with the signing of the annual and consolidated financial statements. The auditor's limited assurance statement regarding the Sustainability Report is presented on page 157.

# General information

General disclosures form the foundation of sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD). They provide essential context for understanding how sustainability is embedded in ITAB Group's governance, strategy, and operations. This section outlines the scope of reporting and describes governance topics, including management responsibility, due diligence processes, and risk management. It also presents ITAB Group's strategy, business model, value chain, and key stakeholders, all in relation to the Double Materiality Assessment.

**ESRS 2 General disclosures**



*BP-1*

## General basis for preparation of sustainability statements

**Frameworks and data selection**

The sustainability statement is prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) adopted by the European Commission. All disclosures in the environmental, social and governance chapters are either identified as material through ITAB Group's Double Materiality Assessment (DMA) or are mandatory under ESRS. No other reporting frameworks have been applied.

Since the EU has not yet approved the digital taxonomies for ESRS and Article 8, the sustainability report has not been tagged in the format specified in Chapter 6 paragraph 14 of the Annual Accounts Act.

**Consolidation**

The sustainability statement is presented on a consolidated basis consistent with ITAB Group's 2025 financial statements. Data includes ITAB Shop Concept AB (publ) and all subsidiaries under ITAB Group's control.

**Value chain**

The report covers ITAB Group's whole value chain, including own operations, upstream and downstream activities, insofar as material impacts, risks and opportunities have been identified through the DMA. Selected policies, actions and targets extend to the value chain where relevant. Where value chain information is based on estimates, this is disclosed in the relevant sections.

**Measurement basis**

Accounting policies have been applied consistently during the reporting year and to comparative figures. Key estimation methods, calculation factors and assumptions, as well as known limitations or uncertainties, are disclosed alongside the relevant metrics in accordance with ESRS 1.

**External review**

The sustainability statement is subject to limited assurance by our external independent auditor Ernst & Young AB (see the auditor's limited assurance report on page 157).

ITAB Group has not applied the ESRS option to omit disclosures on the grounds of protecting intellectual property, know-how or the results of innovation.

ITAB Group has also not made use of the Member State option to omit information relating to impending developments or matters under negotiation.

*BP-2*

## Disclosures in relation to specific circumstances

**Time horizons**
ITAB Group's definition of time horizons aligns with ESRS 1 Section 6.4:

*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 applied consistently in risk and opportunity assessments.

**Value chain estimation**
No value chain estimations have been used in this report. Supplier and customer numbers have been rounded to the nearest hundred. These figures are derived from actual internal data sources, and rounding does not materially affect reported trends.

**Marking of estimates**
In accordance with ESRS 2 BP-2 (paragraphs 11a, 11b(i), and 11b(ii)), all disclosures within this Sustainability Report that contain estimates are clearly marked. For each such disclosure, we provide a concise explanation of the estimation methodology, the data sources and assumptions applied, and the process by which the estimates were executed and validated.

**Estimation methodology and execution**
Where estimates are used, the following approach is applied:

- **Data sources:** Estimates are based on a combination of internal data, external benchmarks, sector-average data, and, where necessary, proxies or extrapolations. For example, scope 2 Greenhouse Gases (GHG) emissions are calculated using activity data multiplied by relevant emissions factors, with country averages applied where supplier-specific data is unavailable.
- **Calculation methods:** The calculation approach for each estimate is described in the relevant disclosure. This may include the use of activity data, emission factors, expert assessments, or industry benchmarks.
- **Assumptions:** Key assumptions underlying each estimate are disclosed, such as market conditions, operational boundaries, or the use of rounding for certain value chain figures.
- **Execution and validation:** Estimates are subject to internal validation, cross-functional review, and governance oversight. Where relevant, estimates are reviewed by the Sustainability Steering Committee or equivalent governance body. The estimation process is periodically reassessed to incorporate new data, improved methodologies, and external feedback.

**Outcome uncertainty**
Estimates inherently involve measurement uncertainty due to data limitations, market variability or forward-looking assumptions. Where material, the sources of uncertainty and their potential impact on reported outcomes are disclosed. ITAB Group is committed to progressively improving estimation precision as data availability increases.

**Changes in preparation or presentation of sustainability Information**
This is the first year of ESRS reporting, however the previous report format was inspired by the ESRS standards.

**Reporting errors in prior periods**
No material errors were identified in previous reporting periods. Internal controls and external assurance activities 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 or from other generally accepted sustainability reporting frameworks.

**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 E1-9:** Financial effects from material physical and transition risks and potential climate-related opportunities
- **ESRS E3-5:** Financial effects from water-related impacts, risks and 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 Paragraph 89 – work related ill health of non-employees.

These disclosures will be progressively incorporated as data availability improves and within the timeframe permitted under ESRS 1 Appendix C.

*GOV-1*

## The role of the administrative, management and supervisory bodies

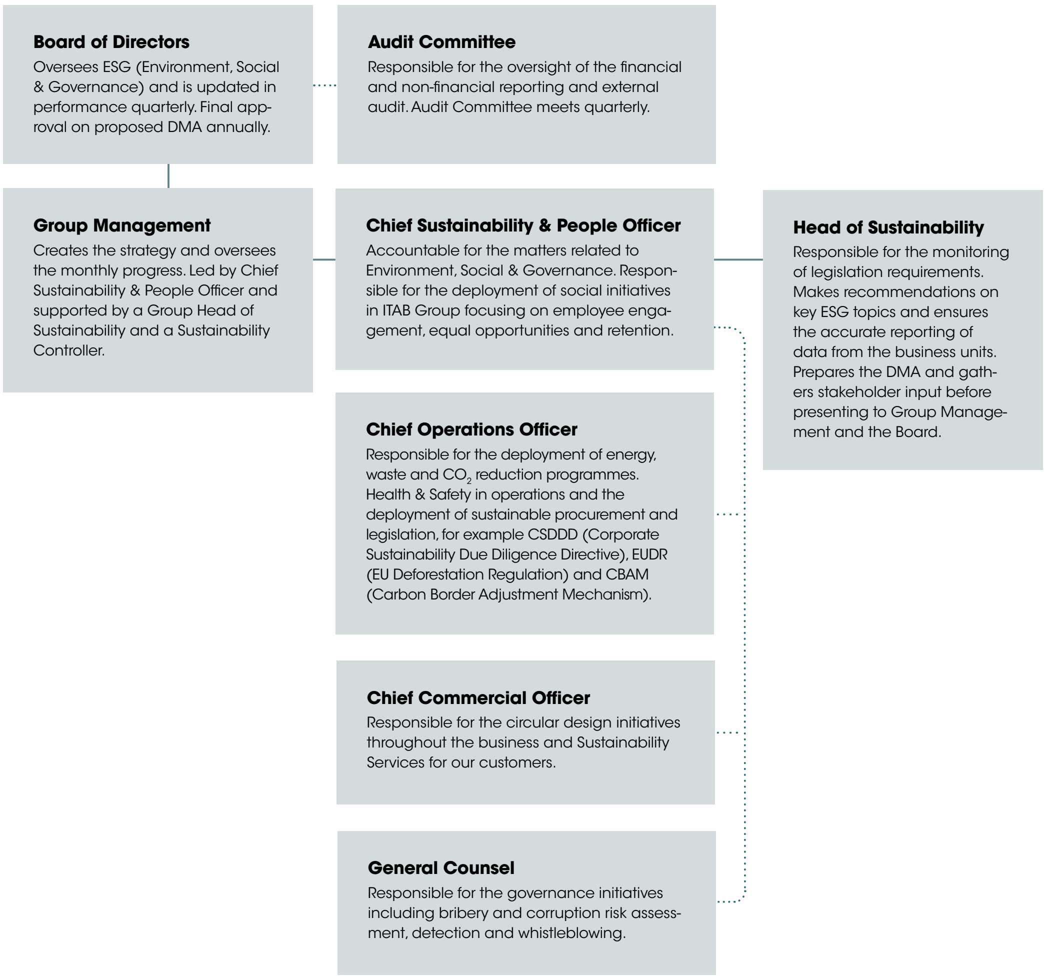
**Governance structure**

Sustainability governance at ITAB Group is embedded within existing corporate governance structures to ensure accountability and integration into strategic and operational decision-making. Oversight responsibilities follow Swedish corporate governance requirements and ESRS 2 GOV-1.

- **Board of Directors:** All eight members of ITAB's Board of Directors are non-executive and independent of the company and executive management. The Board holds ultimate responsibility for the oversight of sustainability matters, including strategic direction, risk management, and long-term sustainability commitments. The Board reviews sustainability performance quarterly and provides annual approval of the Double Materiality Assessment (DMA) and the sustainability-related sections of the Annual Report. The Board also oversees ITAB Group's alignment with ESRS requirements and due-diligence expectations. ITAB currently has no employee or worker representatives on its Board of Directors or other governance bodies.
- **Audit Committee:** The Audit Committee provides oversight of sustainability reporting and the effectiveness of related internal controls, ensuring the same level of rigor as financial disclosures. Meeting quarterly, it reviews both financial and non-financial information, internal control updates, and external assurance outcomes. The Committee monitors progress toward ESRS implementation and reporting readiness.
- **Group Management:** Group Management is responsible for setting the sustainability strategy, ensuring its integration into corporate policies, and overseeing implementation across the organisation. It monitors progress through structured reporting mechanisms, dashboards, and KPI reviews, and ensures sustainability matters are reflected in business planning and operational decision-making.
- **Chief Sustainability & People Officer (CSPO):** The CSPO holds overall responsibility for sustainability governance, including ESRS compliance, due-diligence processes, and the integration of sustainability considerations across Group functions. The CSPO oversees the deployment of sustainability initiatives, chairs relevant governance forums, and reports regularly to Group Management and the Board.
- **Head of Sustainability:** Reporting directly to the CSPO, the Head of Sustainability is responsible for monitoring legislation, preparing and updating the DMA, coordinating stakeholder input, and ensuring consistency of sustainability information. The Sustainability Controller reports to the CFO and indirectly to the Head of Sustainability, supporting data integrity and alignment between financial and sustainability information.
- **Operational Management:** Operational management is responsible for implementing sustainability initiatives across the organisation, including energy efficiency programmes, waste reduction, water management, and circular-economy measures. Operational teams provide data and performance updates through defined reporting structures.

The accompanying organogram illustrates these governance structures and reporting lines.

**Governance structures and reporting lines**



*GOV-1*

### The role of the administrative, management and supervisory bodies

**Expertise and skills**

ITAB Group has appointed dedicated sustainability specialists, including a CSPO, Head of Sustainability, and Sustainability Controller, who bring technical expertise and strategic guidance. To strengthen capabilities further, ITAB Group:

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

The Board receives regular briefings and targeted training from internal specialists and external experts to ensure it maintains the necessary collective competence to oversee ESRS-related matters.

**Employee engagement**

Annual employee surveys are carried out in selected countries to gather insights on development, empowerment, culture and dialogue. These results inform management decisions and support identification of potential impacts relating to workforce matters (ESRS S1). At present, survey outcomes are not systematically reported to Board level, but Group Management considers employee feedback in its ongoing assessment of material sustainability matters.

**Internal controls and reporting**

ITAB Group maintains internal controls that support the accuracy, completeness and reliability of sustainability information. These controls are integrated into the Group's broader internal control framework and are supported by defined reporting procedures, role-based responsibilities and standardised data definitions.

To strengthen sustainability-related internal controls, ITAB Group is undertaking several improvement initiatives, including:

- → Sustainability reporting process mapping and risk assessment for key ESRS topics, serving as the basis for identifying necessary controls (completion during 2025).
- → Review and enhancement of sustainability internal control activities, including documentation, control ownership and evidence requirements (completion by mid-2026).
- → Development of sustainability reporting tools, expected to improve data traceability and consistency across sites (implementation by 2027).
- → Training for data owners and controllers to support consistent understanding of definitions, processes and internal-control expectations (completion by end-2025).

Internal audit activities over sustainability information are conducted through ITAB Group's broader internal audit programme and are distinct from routine internal controls. Sustainability information is also subject to limited external assurance, and the results of assurance or audit activities are used to inform continuous improvement actions.

**Diversity**

The Board's gender diversity is 37.5 percent female and Group Management's gender diversity is 33.3 percent female. Further information on Board and Group Management composition can be found on pages 107-108.

*GOV-2*

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

The Board of Directors receives quarterly updates on sustainability progress through structured reporting, including key performance indicators, progress against targets, updates on actions, and emerging regulatory requirements. The Board also conducts an annual review of the Double Materiality Assessment (DMA), including significant changes in impacts, risks and opportunities (IROs). During the annual strategy meeting, material IROs and potential trade-offs between sustainability objectives are discussed with Group Management, and adjustments to the sustainability strategy are considered where required. In these meetings, the Board focuses on overall strategic direction and high-level sustainability targets, while Group Management monitors more detailed operational objectives and implementation progress.

Sustainability-related initiatives are developed by the member of Group Management responsible for the relevant area, typically the CSPO, CCO or COO, who assigns appropriate cross-functional teams to drive implementation and monitor progress.

The Board and Audit Committee are informed of the implementation of due-diligence processes and the effectiveness of sustainability-related policies, actions, metrics and targets. Information provided includes both multi-year historical performance and forward-looking assessments, such as target trajectories, planned actions, anticipated regulatory changes and, where available, expected financial effects of material sustainability-related risks and opportunities.

The Audit Committee reviews material sustainability matters identified through ITAB Group's Double Materiality Assessment  as part of its oversight of non-financial reporting and internal controls. In 2025, the Committee reviewed all material sustainability matters identified through ITAB Group's Double Materiality Assessment, covering the Environment, Social and Governance topical areas.

The Committee discussed associated impacts, risks, opportunities and the status of any relevant targets.

Sustainability expertise is made available to governance bodies through regular input from the Chief Sustainability & People Officer, Head of Sustainability and external experts. These specialists support the interpretation of sustainability data, regulatory developments and IRO analysis to inform decision-making.

The Audit Committee's reviews of sustainability matters are documented and integrated into ITAB Group's sustainability reporting processes and annual strategy cycle, ensuring transparency, continuous improvement and ongoing alignment with ITAB Group's sustainability objectives.

*GOV-3*

## Integration of sustainability-related performance in incentive schemes

ITAB Group does not currently operate any remuneration or performance-related incentive schemes that include sustainability-related performance measures for the Board of Directors, Group Management or other employee groups. At present, no sustainability indicators or targets are incorporated into variable pay, long-term incentive plans or other reward mechanisms.

Sustainability performance is monitored and discussed within ITAB Group's governance framework, but it has not yet been integrated into remuneration structures due to the ongoing development of ITAB Group's sustainability targets, data systems and measurement approaches. As these foundational elements mature, ITAB Group is assessing potential pathways for future alignment between incentive structures and sustainability objectives.

ITAB Group continuously monitors evolving market practice, regulatory expectations and stakeholder perspectives relating to sustainability-linked remuneration. As part of our broader review of remuneration governance, ITAB Group is actively evaluating whether and how sustainability-related performance indicators may be incorporated into future incentive schemes. No specific timeline has yet been established.

*GOV-4*

## Statement on due diligence

ITAB Group's sustainability due diligence process is aligned with ESRS 1, chapter 4 Due diligence and the OECD Guidelines for Responsible Business Conduct. The table below maps where the main aspects and steps of due diligence are described in this Sustainability Statement, as required under ESRS 2 GOV-4.

| Core elements of due diligence | Sections of the Sustainability Statement where these are disclosed |
|---|---|
| **Embedding due diligence in governance, strategy and business model** | GOV-1 Roles and responsibilities, page 32 |
| | GOV-1 Governance structure / organogram, page 32 |
| | GOV-2 Information provided to, and sustainability matters addressed by, the administrative, management and supervisory bodies, page 33 |
| | GOV-3 Integration of sustainability-related performance in incentive schemes (if applicable), page 34 |
| | SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model, page 39 |
| | MDR-P Policies adopted to manage material sustainability matters, page 49 |
| **Engaging with affected stakeholders in all key steps of the sustainability due diligence** | GOV-2 Description of information flows from stakeholder engagement to the administrative, management and supervisory bodies, page 33 |
| | SBM-2 Interests and views of stakeholders, page 38 |
| | SBM-3 Description of how stakeholder input informs the materiality assessment, page 38 |
| | IRO-1 Description of processes to identify and assess material impacts, risks and opportunities (including stakeholder engagement), page 41 |
| | MDR-P Policies on stakeholder engagement for material matters, pages 50, 58, 61, 71-72, 85 and 91 |
| **Identifying and assessing adverse impacts** | SBM-3 Overview of material impacts, risks and opportunities and link to strategy and business model, page 39 |
| | IRO-1 Identification and assessment of impacts, risks and opportunities, page 41 |
| | MDR-P Materiality Determination Process (criteria, thresholds and methods), page 41 |
| **Taking actions to address those adverse impacts** | MDR-A Actions and resources in relation to material sustainability matters |
| | E1-3 Actions to address material climate-related impacts, risks and opportunities, page 51 |
| | E3-2 Actions to address material water impacts, page 58 |
| | E5-2 Actions to address material resource use and circularity impacts, page 62 |
| | S1-4 Actions to address material own-workforce impacts (including health & safety, equal treatment and opportunities), page 74 |
| | S2-4 Actions to address material workers in the value chain impacts, page 87 |
| **Tracking the effectiveness of these efforts and communicating** | MDR-M Metrics in relation to material sustainability matters |
| | MDR-T Targets used to track effectiveness of policies and actions |
| | E1-4 Climate-related metrics and targets, page 52 |
| | E3-4 Water metrics and targets, page 58 |
| | E5-3 Resource use & circularity metrics and targets, page 62 |
| | S1-5 Own-workforce metrics and targets, page 75 |
| | S2-5 Workers in the value chain metrics and targets, page 88 |

*GOV-5*

## Risk management and internal controls over sustainability reporting

To mitigate risks associated with the security and quality of data used in sustainability reporting, ITAB Group has implemented a comprehensive set of internal controls and risk management processes aligned with our broader internal control framework.

The main sustainability-related risks identified through ITAB Group's risk assessment processes include climate-related transition risks, supply-chain disruptions, regulatory compliance risks, and risks related to data quality in sustainability reporting. Each risk is managed through defined mitigation strategies, for example, implementation of energy-efficiency and decarbonisation measures, diversification of suppliers and strengthened due-diligence procedures, enhanced monitoring of regulatory developments, and ongoing improvements to sustainability data controls. These mitigation actions are incorporated into ITAB Group's enterprise risk management processes and monitored through regular updates to Group Management and the Audit Committee.

**Formalised internal controls**

Sustainability data controls are fully integrated into ITAB Group's internal control framework. These controls address data accuracy, completeness, timeliness, and consistency, and are reviewed regularly for design and operating effectiveness. Controls apply to both own-operations data and value-chain information where relevant.

**Structured walkthroughs and prioritisation**

ITAB Group conducts structured walkthroughs of sustainability reporting processes, prioritising high-risk and material ESRS topics. These walkthroughs are facilitated by the Sustainability Controller together with local controllers and data owners, and are designed to identify risks, validate data flows, and evaluate the adequacy of existing controls.

**Integrated data collection**

All sustainability data is collected and consolidated through ITAB's Group financial consolidation system, which provides transparency, traceability and an auditable record of submissions. The system includes role-based access controls and standardised definitions to support data integrity across the organisation.

**Audit Committee oversight and assurance**

The Board of Directors has appointed an Audit Committee responsible for oversight of sustainability reporting quality. The Committee reviews risk assessments, internal control updates, and the status of improvement initiatives. Sustainability information is subject to limited assurance by ITAB Group's external auditor, and assurance findings form a key input into the continuous improvement of sustainability data controls and reporting processes. The Audit Committee oversees management's response to these findings.

Findings from sustainability risk assessments, internal-control evaluations and external assurance are reported to the Audit Committee quarterly as part of its standing agenda. Material issues and significant control findings are further escalated to the Board of Directors as part of the annual review of sustainability reporting and risk management.

**Continuous improvement**

ITAB Group is committed to strengthening its sustainability reporting controls as ESRS implementation progresses. Control enhancements will continue in accordance with our multi-year roadmap, including expanded walkthroughs, improved documentation and the introduction of additional automated controls.

**Enterprise Risk Management integration**

Sustainability-related risks are incorporated into ITAB Group's company-wide risk register and monitored through the enterprise risk management (ERM) framework. This integration ensures that both outside-in risks (such as climate-related physical risks, supply-chain disruptions or regulatory changes) and inside-out impacts (such as environmental or social impacts arising from ITAB Group's operations or value chain) are identified, assessed, escalated and managed using the same processes and taxonomy as other strategic, operational, financial and compliance categories.

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 24-28 . The risks relate to ITAB Group'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

**Overview**

ITAB Group is a leading innovator in the retail sector, specialising in the development and implementation of modern, sustainable shop concepts that enhance the customer experience while promoting environmental and social responsibility. Our business model integrates sustainability into every phase of the retail value chain, from concept design and operational excellence to supplier engagement and digital transformation.

**Business model and value chain**

ITAB Group's business model is built on close collaboration with customers, suppliers, and partners to co-create engaging, efficient, and sustainable retail environments. Our approach combines global reach with local expertise, enabling tailored solutions for diverse markets.

**Key components of the business model**

- *Solution Design and Co-Creation:* Collaborating with retailers to transform brand aspirations into physical store experiences.
- *Diverse Product and Service Portfolio:* Retail technology, lighting, interior solutions, and consulting services.
- *Sustainable Revenue Model:* Expanding offerings to create new demand and revenue streams.
- *Global Presence with Local Expertise:* Combining global scale with local market knowledge.
- *Commitment to Sustainability:* Integrating materials with reduced environmental impact, such as those with lower embodied carbon, higher recycled content or improved resource efficiency, energy efficiency, and circular principles

**Products and services**

ITAB Group offers innovative retail concept development, advanced retail technology and loss prevention solutions, sustainable lighting systems, and tailored consulting services. These solutions enhance customer experience, improve operational efficiency, and support sustainability goals.

**Value chain**

Our value chain, shown in the graphic on page 37, spans upstream suppliers (approximatley 7,900 suppliers), own operations (including 22 production facilities), and downstream customers (over 450 major retailers).

**Sector mapping and revenue breakdown**

ITAB Group's business activities are mapped to the ESRS sectors `Manufacturing – Building Materials and Fixtures (MMB)' and `Manufacturing – Electronics (MEL)'. MMB corresponds to NACE code C31; MEL corresponds to NACE code C27.40. For the reporting period, approximately 16 percent of ITAB Group's total revenue was generated from MMB activities and 4 percent from MEL activities. The sum of revenue from MMB and MEL equals the total revenue reported under IFRS 8 operating segments, as ITAB Group operates as a single integrated segment. No additional significant ESRS sectors have been identified for the reporting period. The sector mapping has not changed since the previous reporting period.

**Markets and geographic footprint**

In 2025, ITAB Group operated in some 30 countries, generating approximately SEK 12.8 billion in annual sales, with around 5,300 employees across Europe, South America, and China. The largest employee bases are in Spain, France, Czechia, Italy, Germany, Türkiye, Sweden and China.

**Customers and competitive landscape**

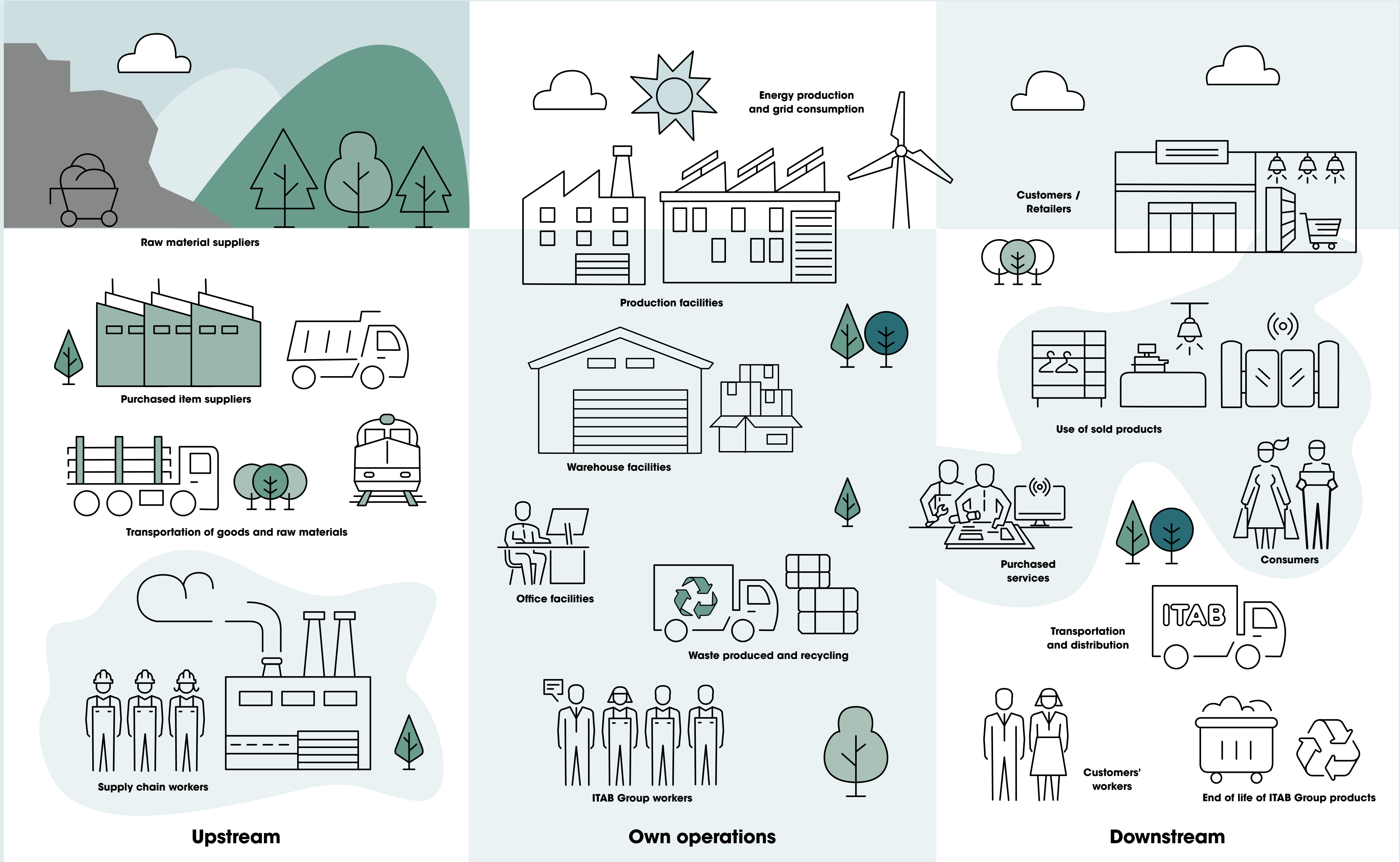
ITAB Group serves a diverse customer base across grocery, home improvement, fashion, and pharmacy sectors, with no single customer accounting for more than 8 percent of turnover. Key customers include Carrefour, H&M, Mercadona, Leroy Merlin, Coop Scandinavia and Decathlon.

ITAB Group competes with large multinational firms such as Wanzl, Diam, and Umdasch, as well as regional specialists. The company differentiates itself through integrated retail solutions, digital transformation expertise, and a strong focus on sustainability-driven innovation.

**Commitment to sustainability and regulatory compliance**

ITAB Group does not engage in activities involving banned materials, fossil fuels, chemical production, controversial weapons, or tobacco. Sustainability risks, including environmental, social, and governance (ESG) factors, are incorporated into the company risk register and monitored as part of our enterprise risk management framework. Continuous engagement with stakeholders, suppliers, employees, customers, and regulators enables ITAB Group to mitigate risks, seize new opportunities, and lead in sustainable retail solutions.

*SBM-1*
**Strategy, business model and value chain**



*SBM-2*

## Interests and views of stakeholders

**Identification of stakeholders**
ITAB Group identifies its stakeholders through a structured assessment based on the principles of impact, influence and dependency, in line with ESRS requirements. The process includes:

- Mapping stakeholder groups that are affected by ITAB Group's operations, such as employees, workers in the value chain, and society.
- Identifying stakeholders with a significant influence on ITAB Group's strategy, performance, or access to market, including customers, investors and regulators.
- Reviewing the stakeholder list annually as part of our Double Materiality Assessment (DMA) and due diligence processes to ensure relevant groups are captured, including those who may be underrepresented or more vulnerable to potential impacts.
- This structured approach ensures we recognise both affected stakeholders and users of sustainability statements, enabling balanced and inclusive engagement.

**How we engage with stakeholders**
ITAB Group's stakeholder engagement process is built on openness, transparency, and regular dialogue. Engagement is tailored to each stakeholder group to ensure effective two-way communication and meaningful participation. The table summarises the main stakeholder groups, engagement methods, purpose and key outcomes.

Where differing stakeholder opinions arise, ITAB Group evaluates these using the principles of impact severity, regulatory expectations, long-term strategic relevance and operational feasibility.

Stakeholder insights are regularly reviewed by ITAB Group's Group Management and Board of Directors, directly informing our strategy, risk management, and sustainability priorities. This ensures continuous alignment between stakeholder expectations and our business objectives

| Stakeholder group | How we engage | Purpose of engagement | Examples of outcomes |
|---|---|---|---|
| **Customers**<br>Users of our products and solutions | Key Account Managers, project meetings, customer surveys, sustainability dialogues | Understand needs, align solutions, support customer sustainability goals | Product/service improvements, co-development of sustainable solutions, long-term partnerships |
| **Suppliers/ Partners**<br>Including affected workers in the value chain | Supplier audits, Code of Conduct, regular meetings, sustainability training | Ensure responsible sourcing, compliance, and innovation | Improved sustainability performance, supplier development programmes, risk mitigation |
| **Employees**<br>Affected stakeholders | Appraisals, engagement surveys, safety committees, intranet, town halls | Foster well-being, gather feedback, promote inclusion and development | Enhanced workplace policies, training initiatives, improved satisfaction scores |
| **Investors/Owners**<br>Users of sustainability information | Annual meetings, quarterly reports, ESG disclosures, direct dialogue | Ensure transparency, align on strategy, address ESG expectations | Strategic updates, enhanced ESG reporting, investor feedback integration |
| **Society/ NGOs**<br>Affected stakeholders | Community meetings, public consultations, partnerships, grievance mechanisms | Build trust, address local impacts, support community development | Community benefit projects, local hiring, environmental initiatives |
| **Regulators & Policy Makers** | Regulatory compliance, industry forums, public consultations | Ensure compliance, contribute to policy development | Regulatory alignment, input into policy, licence to operate |

**Use of stakeholder insights in strategy, DMA and business model**
Stakeholder input forms a core part of ITAB Group's Double Materiality Assessment, where insights from customers, employees, suppliers, communities, and investors help to validate and prioritise impacts, risks and opportunities. Engagement outcomes are integrated into the DMA through:

- Stakeholder interviews and surveys forming part of the impact and financial materiality evaluation.
- Value chain assessments that incorporate supplier and community perspectives.
- Review and validation of DMA results by Group Management and the Board of Directors.

Stakeholder perspectives also contribute to strategic and operational decisions. In 2025, insights highlighted the importance of circularity, decarbonisation and cultural development. As a result:

- The ReStore model was strengthened as a strategic commercial focus.
- A fully costed decarbonisation roadmap was developed.
- The Code of Conduct was updated and refreshed.

These developments illustrate how stakeholder engagement directly influences ITAB Group's strategy, business model, and sustainability priorities.

**Changes in stakeholder engagement and future outlook**
ITAB Group reviews its stakeholder engagement processes annually. No significant changes were made during the reporting year, and no substantial modifications are currently anticipated. However, ITAB Group remains prepared to adjust its engagement mechanisms should emerging stakeholder concerns, regulatory developments or business changes require new approaches.

*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 Group established a structured Double Materiality Assessment (DMA), refined in 2025 as part of continuous improvement. The DMA integrates internal and external expert input as well as stakeholder engagement with employees, Group Management, investors, suppliers and customers. Topics such as substances of concern and substances of very high concern were consolidated given ITAB Group's non-use of such materials. Full methodology is provided in IRO-1 (page 41).

The assessment involved consultations with employees, Group Management, investors, suppliers and customers to align ITAB Group's strategic priorities with stakeholder concerns. To determine material IROs, ITAB Group 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.

Tables at the start of each ESRS topical chapter detail all material impacts, risks and opportunities, including the ESRS topic, whether the IRO is positive or negative, actual or potential, within own operations or the value chain, and the resulting materiality level.

Material sub-topics identified include:
**Environment**
- Climate change mitigation
- Climate change adaptation
- Energy
- Water
- Resource inflows including resource use
- Resource outflows related to products and services
- Waste

**Social**
- Working conditions for own workforce:
  - Secure employment, adequate wages, social dialogue, freedom of association and collective bargaining
  - Work-life balance and working time
  - Health and safety
- Equal opportunities and equal treatment for own workforce:
  - Equal treatment and opportunities for all including gender equality and diversity
  - Training and development
  - Measures against violence and harassment in the workplace
- Value chain workers' working conditions, health and safety

**Governance**
- Corporate Culture
- Management of relationships with suppliers including payment practices

**Changes in material impacts, risks and opportunities compared with the previous reporting period**
As part of the 2025 Double Materiality Assessment, ITAB Group identified changes to material IROs compared with the prior reporting cycle. The only material change was to water and marine resources (ESRS E3), which increased in materiality due to improved data availability following the integration of HMY, updated water-use mapping across manufacturing sites, and a clearer understanding of site-specific water-stress exposure. These developments resulted in water being reassessed from a non-material to a material topic in 2025.

**Alignment with business model & strategy**
Material IROs shape ITAB Group's business model, value chain and strategic direction. Insights from the DMA are embedded into ITAB Group's strategic pillars (such as Sustainable Future and Ecosystem of Partners) and programmes such as ReStore. The DMA outputs reviewed by Group Management and the Board inform:

- strategic planning;
- updates to ITAB Group's value chain management;
- risk registers and enterprise risk management processes;
- capital allocation decisions (CapEx/OpEx for decarbonisation, waste reduction, supplier compliance); and
- the design of KPIs, scheduled for development in 2026

Conversely, ITAB Group's business model—particularly its material use, manufacturing footprint, energy dependency and supply chain structure—influences the severity and likelihood of sustainability impacts, risks and opportunities. These reciprocal interactions are assessed through the DMA and due diligence processes.

**Current financial effects of material risks and opportunities**
As this is ITAB Group's first year reporting under the ESRS, the Group has not yet completed the data-collection, modelling and scenario-calibration work required to quantify the current period's financial effects of its material sustainability-related risks and opportunities. During 2026, ITAB Group will establish the internal processes, controls and data sources needed to assess short-term financial impacts, including margin effects, cost-base developments, capital expenditure implications, revenue-related opportunities and risk-mitigation costs.

Based on available information for the reporting period, ITAB Group did not identify any material and separately quantifiable financial effects directly attributable to sustainability-related risks or opportunities. The Group will develop its quantification methodology during 2026, with the aim of providing progressively more granular disclosures in future reporting periods, in line with ESRS requirements and auditor expectations.

**Anticipated financial effects, investment/divestment plans, and funding**
Based on our Double Materiality Assessment and scenario testing, ITAB Group anticipates the following ranges of financial effects over the Short (0–1 year), Medium (1–5 years), and Long (5+ years) horizons. These are estimates derived from top-down sensitivities applied to our current cost base and preliminary project scoping; they will be refined as baselines and KPIs are established during 2026.

*Energy & decarbonisation:*
- OpEx impact (S/M): MSEK 0 – 1 per year due to price volatility and efficiency programmes; potential savings of MSEK 1 – 10 from implemented measures (assumes electricity price +25% sensitivity at EU/UK/Türkiey/China sites).
- CapEx (M/L): MSEK 20 – 40 for metering, decarbonisation technology, on-site renewables/PPAs and process optimisation.

*Circular design & waste:*
- OpEx (S): MSEK 0.5 – 1.0 for carbon foot printing of own products.
- OpEx/CapEx (M/L): MSEK 0.5 – 3 per year for waste reduction and take-back pilots; potential revenue uplift in selected lines MSEK 0.5 – 2.5 MSEK (Europe) as circular offerings scale.

*Supplier sustainability compliance:*
- COGS/OpEx (S/M): MSEK 0.5 – 2 from compliant materials/components (+15% unit cost sensitivity in Europe/China/Türkiey); mitigations (alternative sourcing/design to cost) expected to offset 30–50% of uplift over 1–3 years.

*People & Culture (DEI, H&S, training):*
- OpEx (S/M): MSEK 1 – 5 per year for training, programmes and Health & Safety enhancements; productivity improvements are expected but not yet separately quantified.

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

*Funding and investment plans:*
Initiatives are expected to be funded primarily through operating cash flows, supplemented by grants where available.

*Uncertainty and methodology:*
Estimates reflect scenario parameters (e.g., +25% energy, +15% supplier sustainability cost) and geographic scope. Ranges will be updated as baselines and KPIs for energy, waste, circularity, Health & Safety and supplier compliance mature during 2026.

**Resilience of strategy and business model (beyond climate)**
As part of ITAB Group's Double Materiality Assessment and Enterprise Risk Management processes, we assess the resilience of our strategy and business model to material sustainability risks beyond climate change. The analysis is based on a three-year forward-looking scenario representing a severe-but-plausible stress case affecting key non-climate sustainability factors across our value chain.

*Scenario parameters and assumptions*
The scenario incorporates changes in market conditions, regulatory expectations, resource constraints, and social factors. Key parameters include:

- Energy price increase: +25%
- Supplier sustainability-related cost increases: +15% (due to legislation, traceability and waste handling requirements)
- Talent scarcity: +10% increase in labour cost or vacancy duration, particularly in technical roles
- Water stress: affecting sites in Italy, Spain, Türkiey and China, with potential for usage restrictions and cost increases
- Logistics disruption: +10% transportation cost and +5 days average lead-time extension
- Regulatory compliance uplift: +10% additional cost related to product, safety, circularity and due diligence requirements

The scenario assumes continued demand for store transformation, stable access to financing, and no major geopolitical shock.

*Potential impacts on strategy and business model*
Under these conditions, ITAB Group could experience:

- Higher cost of goods sold driven by energy, transport and supplier compliance costs
- Pressure on margins for energy-intensive manufacturing sites
- Production delays or increased working capital needs from extended lead times
- Heightened operational risks at water-stressed facilities
- Constraints in talent capacity, slowing innovation or delaying project execution
- Increased compliance workload across product development, sourcing and reporting

While the impacts are material, they do not jeopardise ITAB Group's overall business model. Instead, they reinforce the importance of ongoing operational efficiency, supplier engagement and innovation in circular design.

*Adaptation and mitigation capacity*
ITAB Group has identified and activated mitigation levers to maintain resilience and competitiveness under the stressed scenario:

- Energy efficiency projects delivering 5–10% reductions in consumption
- Potential use of Power Purchase Agreements (PPAs) and increasing on-site renewables to stabilise electricity costs
- Alternative sourcing strategies and long-term supplier partnerships delivering 5–10% cost reductions
- Acceleration of circular design, reducing dependency on virgin materials and lowering waste fees
- Automation and targeted training, improving productivity by 3–5%
- Water reuse and efficiency projects achieving 5% reductions at exposed sites

These measures collectively increase operational stability and reduce exposure to external volatility.

*Overall resilience assessment*
After applying mitigation measures, ITAB Group's strategy and business model remain resilient under the severe-but-plausible scenario.

- Margin compression is mitigated by efficiency, sourcing diversification and productivity gains.
- Disruption risks at water-stressed or logistics-exposed sites remain manageable through planned investment.
- Talent scarcity is being addressed through targeted capability programmes and automation.
- Regulatory cost increases are absorbed through process optimisation and strengthened governance.

The Board of Directors and Group Management review scenario outcomes annually and incorporate results into strategic planning, capital allocation and risk prioritisation.

*Governance & future updates*
The Board of Directors, in collaboration with Group Management, will review the material IROs assessment annually. ITAB Group's Sustainability, Legal and Commercial teams will continuously monitor regulatory changes, stakeholder expectations, and market trends to ensure alignment. ITAB Group does 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 Group used the topics, sub-topics, and sub-sub-topics outlined in ESRS 1 as a framework. This approach ensured a broad assessment of ITAB Group'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 Group 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.

**Integration of due-diligence outcomes into the DMA**
Outcomes from ITAB Group's ongoing due-diligence processes were directly used to inform the Double Materiality Assessment. Findings from supplier audits, health and safety reporting, grievance and whistleblowing channels, and internal compliance reviews were reviewed and incorporated into the scoring of impacts, risks and opportunities. Actual issues identified through these processes were treated as evidence of negative impacts and were reflected in the final materiality conclusions. This ensures that the DMA is grounded in real conditions observed across ITAB Group's operations and value chain.

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 Group 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. 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:

- 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, magnitude of potential financial effects and time horizon. Thresholds were defined to ensure alignment with ITAB Group's financial evaluation practices. The assessment considered:

- cost structures and operational exposure
- capital investment needs
- regulatory requirements
- market demand and commercial opportunities

Internally developed thresholds, informed by external advisors, were used for impact assessments, while financial thresholds reflected the Group's existing risk evaluation criteria. Information used in the financial materiality assessment was validated through internal reviews, data quality controls and cross-functional oversight to ensure reliability and consistency.

IROs were cross-referenced with EU regulatory requirements to ensure forward-looking compliance and proactive risk management.

**Governance, documentation and responsibilities**
The Group Sustainability Team, together with People & Culture, Legal and Operations, conducts the annual IRO reassessment. Sustainability domain specialists contribute to topic-specific evaluations, ensuring that environmental, social and governance matters reflect expert input. For social and governance IROs, Group People & Culture and Group Legal validated the assessments, while the Sustainability Team and Operations evaluated environmental topics.
Relevant documentation includes:

- sources of information
- stakeholders affected
- stakeholders engaged
- evidence supporting materiality conclusions

The Board of Directors and Group Management were provided with a detailed walkthrough of the Double Materiality Assessment (DMA) methodology, thresholds, process and findings before approving the final list of material IROs.

**Prioritisation of sustainability-related risks**
Sustainability-related risks are assessed and prioritised within ITAB Group's overall risk management framework, alongside financial, operational, strategic, and compliance risks. The Group's annual risk assessment process uses a risk matrix on page 24, that evaluates all risks, including sustainability, based on probability and potential impact. Sustainability risks are mapped and scored using the same criteria as other risk categories, ensuring that material sustainability risks are considered at the same level as financial and operational risks. The risk matrix is reviewed by Group Management and the Audit Committee, and sustainability risks that meet or exceed defined thresholds are escalated for Board-level oversight. ITAB Group uses a combination of qualitative and quantitative risk assessment tools, including scenario analysis, risk scoring, and benchmarking against industry standards.

**Decision-making process and internal controls**
The identification, assessment, prioritisation, and monitoring of risks and opportunities with potential financial effects are governed by a structured decision-making process. This process involves:

- Annual and ad-hoc risk reviews by Group Management, with input from operational leaders and subject-matter experts.
- Use of a risk register and risk matrix to document, score, and track all identified risks and opportunities.
- Internal control procedures, including regular audits, management reviews, and Audit Committee oversight, to ensure that risk assessments are robust and that mitigation actions are implemented and monitored.
- Integration of risk findings into strategic planning and financial forecasting, ensuring that material risks and opportunities are considered in business decisions.

*IRO-1*

**Description of the process to identify and assess material impacts, risks and opportunities**

The process for identifying, assessing, and managing material impacts, risks, and opportunities uses the following input parameters:

- Data sources: stakeholder input (surveys, interviews), grievance mechanisms, industry benchmarks, regulatory developments, and value chain analysis.
- Thresholds: Internally developed thresholds for materiality, inspired by external advisors and aligned with ESRS guidance.

Key assumptions underlying the identification and assessment process include:

- Future regulatory changes will continue to increase the importance of sustainability performance.
- Stakeholder expectations regarding sustainability will remain high and may intensify.
- Market and supply chain conditions will remain dynamic, requiring ongoing monitoring and flexibility.
- Financial impacts of sustainability risks are estimated based on historical data, expert judgment, and scenario analysis, with the understanding that actual outcomes may differ due to uncertainty.

**Process changes and review cycle**

The process for identifying and assessing material impacts, risks, and opportunities was refined in 2025 to improve the consistency and clarity of materiality scoring and thresholds. These refinements were made to ensure the assessment remains robust, transparent, and aligned with best practice. The most recent modification to the process was completed in October 2025.

ITAB Group is committed to reviewing and, where necessary, revising the materiality assessment on an annual basis, with the next scheduled review planned for the last quarter of 2026. Any further changes to the process, including updates to methodologies, input parameters, or assumptions, will be disclosed in future reports to ensure transparency and continuous improvement.

**Changes compared to the prior reporting period**

The IRO process for 2025 was updated compared to the previous reporting period to reflect structural changes within ITAB Group and improvements in methodology. The integration of HMY into the Group resulted in an expanded value-chain scope, additional stakeholder inputs, and new due-diligence findings that were incorporated into the assessment. Thresholds for financial materiality were refined to ensure consistency across the combined organisation. These changes improved the comparability and robustness of the assessment while maintaining continuity with prior-year conclusions.

*IRO-2*

## Disclosure requirements in ESRS covered by the undertaking's sustainability statement

ITAB Group applies a structured, transparent, and ESRS-aligned approach to determining which impacts, risks, and opportunities (IROs) are material for disclosure and strategic decision-making. Materiality is assessed using a qualitative five-point scale: minimal, informative, important, significant, and critical. In line with our commitment to prioritising issues with meaningful implications for our business and stakeholders, ITAB Group sets the materiality threshold at "significant" and above for both impact materiality and financial materiality assessments.

Based on this threshold, ITAB Group reports on all disclosure requirements contained in ESRS E1, E3, E5, S1, S2 and G1, as these were assessed as material topics, and all applicable cross-cutting requirements in ESRS 2. These topical standards were assessed as material during the Double Materiality Assessment (DMA).

**Impact versus financial materiality**

Although the materiality threshold is consistent across both dimensions, the assessment criteria differ:

- Impact materiality is based on severity (scale, scope, irremediable character) and, for potential impacts, likelihood.
- Financial materiality assesses the probability and likelihood of financial effects, including effects on revenues, costs, assets, liabilities, and cost of capital, supported by scenario analysis and forward-looking considerations.

These distinctions ensure that the impact assessment captures the significance of effects on people and the environment, while the financial materiality assessment captures implications for enterprise value.

**Immaterial topics and rationale**

During the DMA, several IROs were evaluated but did not meet the "significant" threshold. Specifically, aspects addressed by ESRS S3 (Affected communities), ESRS S4 (Consumers and end-users), ESRS E2 (Pollution), and ESRS E4 (Biodiversity and ecosystems) were determined to be non-material topics at this time. The rationale is as follows:

- Low severity and scope of actual or potential impacts in relation to our value chain activities.
- Limited stakeholder concern expressed during consultations, reflecting the lower relevance of these topics compared with others assessed.
- Low likelihood of substantial financial effects, confirmed through risk analysis and scenario considerations.
- No credible near-term escalation indicators, such as emerging regulatory obligations, substantial value chain exposure, or industry-specific risk patterns.

As required by ESRS 2, the exclusion of these topics means that the associated disclosure requirements (e.g. S3-1, S4-1, E2-1, E4-1) are omitted from our sustainability statement. These topics will continue to be monitored and may be reassessed in future reporting cycles.

**Disclosure requirements complied with following the DMA outcome**

In accordance with ESRS 2 ITAB Group provides a list of all ESRS Disclosure Requirements (DRs) that are reported in this Sustainability Statement as a result of the materiality assessment.

*IRO-2*

**Disclosure requirements in ESRS covered by the undertaking's sustainability statement**

Since ESRS E1, E3, E5, S1, S2 and G1 were identified as material topics, all Disclosure Requirements (DR) under these standards are disclosed, together with all cross-cutting DRs under ESRS 2. A full overview of these DRs, including the section and page reference where each requirement is addressed, is presented below.

| ESRS standard | Disclosure Requirement | Location (page) |
|---|---|---|
| ESRS 2 | GOV-1, GOV-2, BP-1 | 30 |
| ESRS E1 | E1-1 to E1-9 | 46 |
| ESRS E3 | E3-1 to E3-5 | 57 |
| ESRS E5 | E5-1 to E5-6 | 60 |
| ESRS S1 | S1-1 to S1-17 | 70 |
| ESRS S2 | S2-1 to S2-5 | 84 |
| ESRS G1 | G1-1 to G1-6 | 90 |

**Data points deriving from other EU legislation**

In accordance with ESRS 2 ITAB Group has identified the ESRS data points that originate from other EU legislation and confirms that these are included in the sustainability statement. These data points relate primarily to requirements stemming from the EU Taxonomy Regulation, the Non-Financial Reporting Directive (NFRD) legacy requirements applicable during the transition, and specific labour-related disclosures deriving from EU occupational health and safety legislation.

A cross-reference table is provided in Appendix A on page 94, indicating for each relevant item the corresponding ESRS datapoint and the page on which it is disclosed in this Sustainability Statement.

| EU Legislation / Requirement | Data point required | Location in Sustainability Statement | Applicability |
|---|---|---|---|
| EU Taxonomy Regulation (Reg. 2020/852) | Turnover, CapEx, OpEx: eligibility & alignment | p. 66 | Applicable |
| EU Taxonomy Delegated Acts (activities disclosures) | Substantial contribution criteria, DNSH, minimum safeguards | p. 66 | Applicable |
| Sustainable Finance Disclosure Regulation (SFDR) | PAI indicators relevant for investee companies (GHG emissions, waste, water, etc.) | p. 54, 55, 59, 65 (within E1/E3/E5) | Applicable for investors; ITAB reports relevant data |
| EU Whistleblowing Directive (2019/1937) | Existence of confidential & anonymous whistleblowing channel | p. 91, 92 (G1-1) | Applicable |
| EU Occupational Health and Safety Framework Directive | Worker health & safety performance metrics | p. 76, 78, 81, 87 (S1-6, S1-8, S1-14 & S2-4) | Applicable |
| Equal Treatment Directives (gender equality) | Gender diversity metrics | p. 79, 80 (S1-9, S1-12) | Applicable |
| Working Time Directive | Working time / work–life balance descriptions | p. 81 (S1-15) | Applicable |

**Stakeholder-informed threshold setting**

Stakeholder engagement plays a central role in validating our materiality conclusions. Through targeted consultations, surveys, and structured dialogue, we collect perspectives from employees, suppliers, customers, investors, and community representatives. Stakeholder perspectives are translated into an interest scale, which is used to adjust the weighting applied to the scale, scope and irremediability criteria for impact materiality, and to refine likelihood estimates in the financial assessment. This ensures that the DMA reflects both stakeholder expectations and ITAB Group's strategic priorities.

**Forward-looking considerations**

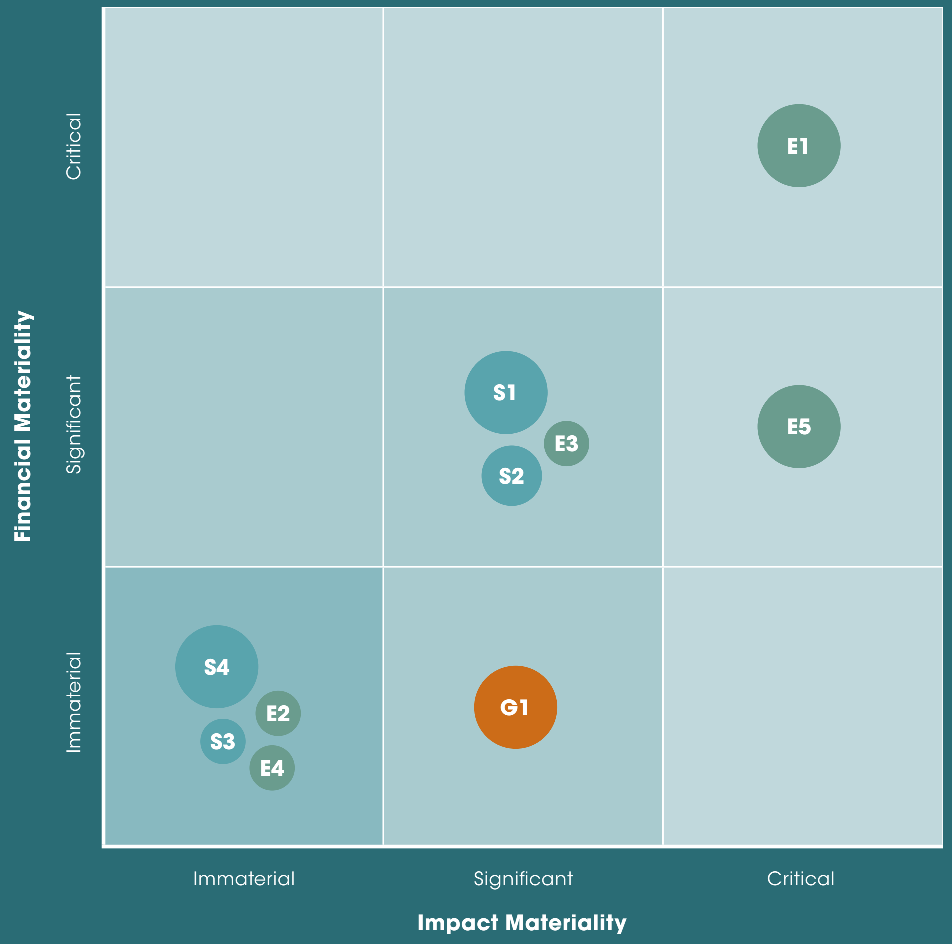
The DMA also identifies topics that are not material today but may become material in the future due to regulatory developments, industry trends, or changes in stakeholder expectations. These topics are monitored annually to ensure that emerging issues are captured promptly and transparently in future assessments.

**Documentation, approval and transparency**

All materiality determinations, including the justification for excluding non-material topics and the potential for future materiality, are documented within the DMA. The DMA methodology, scoring outcomes, and materiality conclusions are reviewed and approved annually by Group Management and the Board of Directors. This documentation is maintained for internal review and supports transparent reporting by clearly distinguishing between topics that are material, non-material, or potentially material in future reporting cycles.

By maintaining a focused threshold for materiality and integrating clear stakeholder and forward-looking insights, ITAB Group ensures that its sustainability strategy remains impactful, aligned with ESRS requirements, and supportive of long-term business resilience and value creation.

## Double Materiality Assessment




**Environment**

**E1** Climate change
**E2** Pollution
**E3** Water and marine resources
**E4** Biodiversity and ecosystems
**E5** Resource use and circular economy

**Social**

**S1** Own workforce
**S2** Workers in the value chain
**S3** Affected communities
**S4** Consumers and end-users

**Governance**

**G1** Business conduct

The size of the circle denotes the stakeholder interest in the topic.

The position of the topics in each square should not be interpreted in any specific order.

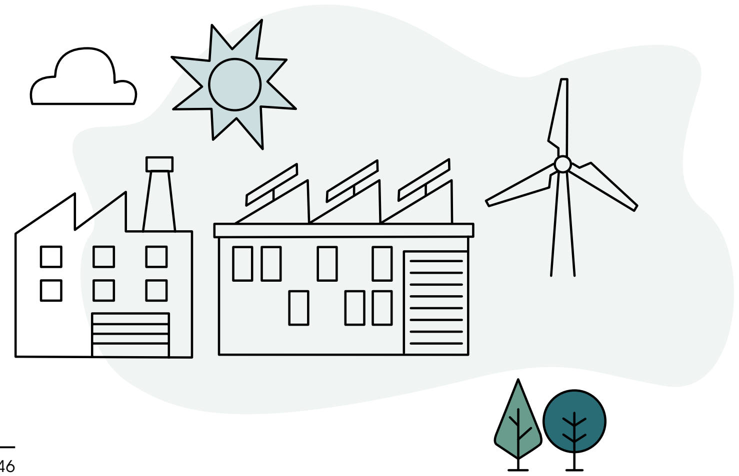
# Environment

Our commitment to environmental stewardship extends beyond mandatory reporting requirements. Through these disclosures, we aim to provide a transparent view of our progress, challenges, and ambitions in reducing our environmental impact. This section reflects our proactive approach to sustainability, demonstrating how we integrate environmental considerations into every aspect of our operations.

The tables that follow present detailed information aligned with the E1, E3, and E5 topics of the ESRS framework. These disclosures cover key areas such as greenhouse gas emissions, resource use, and circularity initiatives. By sharing this data, we seek to foster accountability and enable stakeholders to assess our performance against industry benchmarks and global sustainability goals.

Our narrative is guided by the principle that environmental responsibility is not only a regulatory obligation but a strategic priority. We recognise that addressing climate change, resource efficiency, and waste reduction requires continuous improvement and collaboration. These disclosures illustrate our progress and reaffirm our commitment to creating long-term value for both society and the environment.





**E1 Climate change**



**E3 Water and marine resources**



**E5 Resource use and circular economy**

# E1 Climate change

*E1-1, E1-4, SBM-3*

## Transition plan for climate change mitigation

**Alignment with 1.5°C and GHG reduction targets**
ITAB Group has developed a transition plan intended to align the Group with a 1.5°C pathway under the Paris Agreement

The Group has established a 2025 base year following full operational control of ITAB and HMY.

Preliminary near-term and long-term GHG reduction pathways have been developed for scopes 1, 2 and relevant scope 3 Categories. These trajectories are based on recognised climate science methodologies and are currently under internal review.

Scope 3 emissions are currently being calculated using a spend-based methodology, drawing on the Group's 2025 procurement data cube. This work is ongoing and will be finalised after publication of the Annual Report. The results will be used to strengthen the Scope 3 baseline and inform calibration of the Group's longer-term decarbonisation pathway.

These pathways are currently under internal review. Final targets will be submitted to Group Management and the Board for approval in quarter 2 of 2026. Once approved they will be disclosed in full in accordance with ESRS E1-4 – Targets related to climate change mitigation and adaptation.

Until approval, the Group discloses the following:

- The Board of Directors is reviewing proposed science-based GHG reduction trajectories aligned with a 1.5°C pathway.
- These trajectories include near-term (2030) and long-term (2050) reduction pathways for scopes 1, 2 and relevant scope 3 emissions.
- Target-setting follows recognised climate science methodologies and international decarbonisation guidance.
- The values referenced in internal planning are provisional and subject to change, and therefore are not disclosed publicly at this stage.

The Group continues to evaluate internationally recognised external validation frameworks. A decision regarding potential external validation will be made during 2026 following further assessment of methodological alignment, scope 3 data maturity and the long-term economic implications for the business. Regardless of this assessment, ITAB Group intends for its approved targets to be grounded in recognised climate science and aligned with the objectives of the Paris Agreement.

**Decarbonisation levers and key actions**
ITAB Group has identified the key decarbonisation levers required to deliver the transition plan:

*Scope 1*
- Transition of heating from fossil fuels to electrified or renewable alternatives (e.g., heat pumps, electrification, certified biogas).
- Efficiency optimisation of onsite combustion processes.

*Scope 2*
- Transition to certified renewable electricity sourcing.
- Onsite generation opportunities, including solar PV and biomass solutions.
- Energy-efficiency improvements across all manufacturing sites.

*Scope 3*
- Integration of circular design principles into product development.
- Use of material-level GHG estimators to assess and reduce product impact.
- Supplier engagement on low-carbon materials and production processes.
- Procurement standards favouring verified lower-emission alternatives.
- Logistics optimisation and increased use of low-emission freight options.

A detailed decarbonisation roadmap, including milestones and dependencies, will be submitted to the Board in quarter 2 of 2026. Work on the aforementioned levers is expected to start in the short to medium term after approval.

**Investments and financial resources**
The financial requirements of the transition plan, including investments in energy efficiency, renewable energy procurement, and product decarbonisation, are being quantified as part of the target calibration and roadmap development process.

The estimated capital expenditure (CapEx) and operational expenditure (OpEx) implications will be reviewed and approved by Group Management and the Board.

At this stage, the Group confirms:

- Investment needs are expected to be material but planned and manageable over the transition period.
- Climate-related investment decisions will be aligned with EU Taxonomy criteria where relevant.
- The approved financial plan will be integrated into the Group's capital allocation, budgeting and long term financial planning processes.

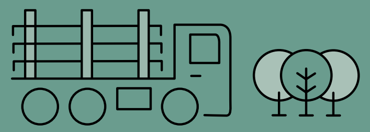
Final financial commitments will be disclosed after approval in the next reporting cycle.

### What is the 1.5°C pathway?
The 1.5°C pathway describes a global effort to limit the increase in average global temperatures to 1.5°C above pre-industrial levels, in order to significantly reduce the risks and impacts of climate change.

### Scope 1
the emissions from owned or operated assets (primarily emissions from the Group's paint lines)

### Scope 2
the emissions from purchased energy

### Scope 3
the emissions from everything else (suppliers, distributors, product use, etc.)



## E1 Climate change

*E1-1, E1-4, SBM-3*
### Transition plan for climate change mitigation

**Locked-in emissions and management plans**
ITAB Group has identified specific assets with potential locked-in emissions due to their energy-intensive nature and long useful life, including certain paint-line operations, where approximately 80 percent of ITAB Group's natural gas use take place. These assets present continued emissions risks unless new technologies are introduced. Mitigation options under evaluation include:

→ Transition to renewable or bio-based fuels.
→ Gradual electrification over the next two decades.
→ Efficiency upgrades and/or redesign of processes.

The Group does not plan investments that would create additional long-term fossil-fuel lock-in.

> **For ITAB Group, long-term fossil fuel lock-in would typically arise:**
> → where the Group invests in energy-intensive manufacturing equipment with a long technical lifetime (10-30 year),
> → where that equipment is designed to operate on fossil fuels, and
> → where conversion to low-carbon alternatives would be technically complex, costly, or disruptive.

**Taxonomy alignment and fossil-fuel activities**
ITAB Group does not conduct activities falling under fossil-fuel NACE codes and records no CapEx associated with fossil-fuel activities.

The Group is not excluded from EU Paris-aligned benchmarks and intends to align approved emissions-reduction targets with the relevant criteria.

**Embedding in strategy and financial planning**
Once approved, the transition plan will be integrated into core strategic and financial processes, including:

→ Long-term business planning
→ Annual budgeting
→ Investment appraisal and capital planning
→ Procurement specifications
→ Product development governance
→ Portfolio steering using lifecycle climate impact metrics

Climate transition requirements will be embedded across operational and functional decision-making to ensure delivery of the plan.

Climate-related impacts, risks and opportunities have a direct influence on ITAB Group's business model. The transition to lower-carbon manufacturing processes, materials and energy sources affects our production footprint, supply chain engagement and product offerings. These drivers shape decisions on site investments, product-design principles and customer value propositions. As a result, the Group's business model is progressively evolving toward more resource-efficient, low-carbon retail solutions.

**Governance and approval**
The Transition plan is being developed under the oversight of Group Management and will be submitted to the Board for approval in 2026. Following approval, progress will be monitored quarterly and reported to management through the Group's sustainability governance structure.

E1 **Climate change**

*SBM-3, IRO-1, E1-1*

## Impacts, risks and opportunities

The identification and materiality assessment of climate-related impacts, risks and opportunities (required under ESRS E1-IRO-1) are conducted under the Group-wide IRO identification and DMA methodology described in the general disclosures ESRS 2 IRO-1 found on page 41.

The climate-related assessment, including resilience considerations, was conducted in October 2025 as part of the Group-wide Double Materiality Assessment and will be updated annually.

**Below are the identified IROs for E1:**

| Material impacts, risks and opportunities | IRO | Positive / Negative | Actual / Potential | Own operations / Value chain | Materiality level | Management of the IRO |
|---|---|---|---|---|---|---|
| **Climate change mitigation** 1 | | | | | | |
| Renewable energy deployment to reduce its own scope 1&2 emissions: ITAB Group relies on non-renewable energy sources, contributing to scope 1&2 Greenhouse Gas Emissions (GHG). | I | Negative | Actual | Own operations | Critical | • Advance the transition to renewable electricity and low-carbon heating across operations.<br>• Make targeted investments to support renewable and low-carbon energy deployment. |
| Transition to renewable electricity and low-carbon heating to eliminate scope 1&2 emissions. | O | | | Own operations | Critical | • Evaluate long-term renewable electricity supply agreements.<br>• Integrate decarbonisation criteria into operational planning and decision-making.<br>• Monitor progress through oversight by Group Operations and the Sustainability Team. |
| Scope 1&2 GHG emissions from our operations | I | Negative | Actual | Own operations | Significant | • Implement energy-efficiency measures across operations.<br>• Increase electrification of processes and equipment where feasible.<br>• Expand the use of clean and renewable energy sources.<br>• Coordinate monitoring and energy reduction plans through Group Operations and Sustainability Team. |
| Scope 3 GHG emissions from value chain | I | Negative | Actual | Value chain | Critical | • Engage suppliers on emissions reduction and decarbonisation initiatives.<br>• Integrate sustainability criteria into sourcing and procurement decisions.<br>• Increase the use of low-carbon materials where feasible.<br>• Improve the quality and coverage of value-chain emissions data.<br>• Ensure oversight through Group Sustainability and Procurement. |
| Financial and reputational risks associated with ITAB Group's scope 1, 2 and 3 GHG emissions including potential exposure to carbon pricing, operational costs and stakeholder expectations | R | | | Own operations | Significant | • Integrate decarbonisation pathways into strategic planning and decision-making.<br>• Monitor regulatory, policy and market developments related to climate transition.<br>• Engage proactively with customers and investors on climate-related topics.<br>• Implement actions to reduce operational and value-chain GHG emissions.<br>• Ensuring oversight through Group Management. |
| **Climate change adaptation** 2 | | | | | | |
| Physical climate risks such as heatwaves, flooding and water stress, pose operational and financial risks across our European footprint and key international supplier locations in the medium term. | R | | | Own operations | Significant | • Monitor site- and supplier-level exposure to physical climate hazards.<br>• Integrate climate resilience considerations into operational and business planning.<br>• Develop mitigation measures such as efficiency upgrades and contingency plans.<br>• Ensure oversight through Group Operations and Sustainability Team |
| **Energy** 3 | | | | | | |
| Energy consumption at owned and rented properties has a negative environmental impact | I | Negative | Actual | Own operations | Significant | • Implement energy-efficiency measures across facilities.<br>• Optimise equipment and building performance.<br>• Monitor site-level energy consumption to identify reduction opportunities.<br>• Coordinate actions through Group Operations and Sustainability Team. |

## E1 Climate change

*SBM-3, IRO-1, E1-1*

### Impacts, risks and opportunities

**Process for identifying climate-related hazards**
In line with ESRS E1 requirements, we screened our own operations, rented premises and key suppliers for relevant physical and transition-related climate factors. The process included:

- identification of acute and chronic climate hazards using European and IPCC-aligned datasets;
- assessment of exposure and sensitivity of assets and business activities to these hazards;
- analysis of regulatory, policy, market and technology developments affecting the transition to a low-carbon economy; and
- a scenario-based resilience assessment using two publicly available climate pathways.

This approach ensures that climate-related impacts, risks and opportunities are identified consistently and integrated into our overall risk management system.

**Physical climate hazards and exposure**
The assessment identified several relevant climate-related hazards across our value chain:

- Acute hazards: heatwaves, localised flooding and storm events that can affect operations and logistics.
- Chronic hazards: long-term temperature increases and water stress, particularly in certain supplier regions in Southern Europe and Türkiey.

Based on location-specific screening, our sites show low overall exposure to severe physical climate risks. Water stress is monitored in some locations but at present it does not pose a significant financial threat but has been identified as material, see E3. Only one physical risk was assessed as material: the potential operational and financial disruption caused by acute and chronic climate hazards.

**Transition risks and opportunities**
Transition-related impacts are more significant for ITAB Group than physical risks. The assessment highlighted the following:

- GHG emissions from own operations (scope 1 and 2): exposure to rising carbon pricing and energy market changes.
- GHG emissions in the value chain (scope 3): high exposure due to the upstream emissions profile of purchased goods and materials.
- Market and regulatory developments: increasing customer requirements for low-carbon products and greater scrutiny of value-chain emissions.
- Opportunities: reduced operational emissions through renewable energy deployment, improved energy efficiency, and the development of lower-carbon solutions for customers.

Scope 3-related impacts were classified as critical, reflecting their scale relative to scope 1 and 2. Opportunities related to renewable energy deployment and decarbonisation of our operations were also assessed as material.

**Transition events with potential material impacts**
Several transition events could influence our financial and operational performance over time, including:

- strengthening of EU carbon-pricing mechanisms and related taxation;
- new regulatory requirements for supply-chain transparency and GHG reporting;
- customer procurement standards favouring low-carbon product specifications; and
- technological developments affecting material choices and energy use.

These events may result in increased operating costs, the need for targeted capital investments, and shifts in customer demand. At the same time, they present opportunities to enhance our product offering and support customers in achieving their sustainability objectives.

**Climate-scenario analysis and resilience**
A qualitative scenario analysis was carried out using two contrasting climate pathways:

- an accelerated EU-aligned transition scenario (approx. 1.5°C), and
- a delayed transition/high physical risk scenario (>3°C).

Under both scenarios, ITAB Group's predominantly European footprint, diversification of suppliers and ongoing decarbonisation initiatives support overall business resilience. Transition risks were found to have the most immediate relevance to our operations, while physical risks are expected to remain limited in the medium term.

E1 Climate change

*SBM-3, E1-2*

## Policies

ITAB Group has established Group-level environmental and climate-related policies that guide our approach to reducing greenhouse gas emissions, improving energy efficiency, strengthening climate resilience and promoting sustainable product design. These policies apply to all manufacturing sites and offices under ITAB Group's operational control. While the policies do not yet formally extend to the broader value chain, aspects such as product design, material choices and supplier expectations are influenced through other frameworks, including the Supplier Code of Conduct and Sustainable Procurement Policy and are complemented by local environmental policies and procedures where needed.

**Policy objectives and scope**
The Group Environmental Policy outlines ITAB Group's commitment to:

- reducing greenhouse gas emissions across scopes 1, 2 and 3,
- increasing the share of renewable energy used in our operations,
- establishing a robust baseline and calculation methodology for scope 3 based on recognised greenhouse gas accounting standards and climate science methodologies,
- integrating circular design principles into product development, and
- promoting responsible resource use and waste minimisation across the value chain.

These commitments guide both operational practices and decision-making across procurement, product development, site management and logistics.

**Alignment with climate change mitigation and adaptation objectives**
To address climate change mitigation and adaptation our policies require:

- systematic measurement and reduction of GHG emissions,
- transitioning towards renewable and low-carbon energy sources,
- continuous improvement of energy efficiency across all sites,
- assessing exposure to physical climate risks and integrating findings into local site contingency planning,
- responsible water management, particularly in regions vulnerable to water scarcity, and
- engagement with suppliers on low-carbon materials, transparency and responsible production practices.

This ensures climate considerations are embedded across both own operations and the broader value chain.

**Design principles for circular and low-carbon products**
Product development is governed by formal ITAB Group Design Principles, which incorporate:

- circularity requirements (modularity, reuse, recyclability),
- material selection rules prioritising lower-emission materials where commercially viable,
- lifecycle-based carbon impact estimation tools for assessing product choices, and
- alignment with forthcoming EU Ecodesign and ESPR (Ecodesign for Sustainable Products Regulation) requirements.

As material selection is a major driver of ITAB Group's scope 3 emissions, these principles form a critical lever for decarbonisation.

**Implementation and Management Systems**
Several ITAB Group sites operate under ISO 14001-certified environmental management systems, which operationalise the Group policy through site-level objectives, risk registers, audit cycles and continuous improvement processes.

Responsibilities for implementation are assigned as follows:

- Group Management oversees climate and environmental policy and approves updates.
- Sustainability function develops methodologies, monitors progress and supports sites.
- Local Site Management implements energy, emissions, waste and water programmes.
- Product-development teams apply design and material selection principles.

Monitoring is carried out through quarterly reporting to the Group sustainability governance structure, ensuring consistent application across all regions.

**Policy review and continuous Improvement**
In support of ITAB Group's transition plan under development the Group policy is updated regularly to reflect:

- evolving climate science and recognised decarbonisation methodologies,
- regulatory developments (e.g., EU Fit for 55, Ecodesign for Sustainable Product Design),
- climate risk assessment outcomes, and
- new opportunities for decarbonisation and circularity.

Policies are reviewed periodically and updated when material changes occur in sustainability strategy, risk profile or regulatory expectations.

*E1-3*

## Actions and resources

To decarbonise ITAB Group in a cost-effective way, we have initiated a structured programme of climate-related actions across our operations and value chain. In 2024, an on-site energy and decarbonisation audit was carried out at one of the Group's largest sites; Boskovice in Czechia by specialist energy consultants, forming the basis for a Group-wide decarbonisation roadmap. While most actions currently focus on climate change mitigation, initial steps to strengthen climate adaptation and physical resilience have also been launched.

The actions described below contribute to strengthening the Group's emissions baseline, improving data quality and building implementation capabilities required to deliver the transition plan and support the calibration of robust climate targets.

**Climate change mitigation actions and decarbonisation levers**
ITAB Group's key mitigation actions are organised around the following decarbonisation levers:

**Energy efficiency and process optimisation**
In 2024, ITAB Group completed an in-depth energy and decarbonisation audit at its Boskovice site in Czechia. The findings from this audit will be used to develop a new energy-reduction methodology during 2025, which is intended to be progressively rolled out to other major sites from 2026. These actions are expected to support gradual reductions in energy consumption and associated scope 1 and scope 2 emissions as site-level measures are implemented.

**Renewable and low-carbon energy deployment**
ITAB Group continues to increase the share of renewable and low-carbon energy in its operations through a combination of on-site generation and renewable electricity sourcing. A solar photovoltaic installation at the Scaperia production site in Italy, commissioned in 2023, completed its first full year of operation in 2024. In 2025, solar PV was brought online at the Cariñena facility in Spain, supplying approximately one third of the site's electricity demand from on-site renewable generation. In addition, biomass heating continues to be used at the Stadsbygd site in Norway, and operations in the UK have transitioned to renewable-sourced electricity contracts. ITAB Group is also evaluating the deployment of additional solar installations at selected sites from 2026 onwards. Together, these actions support ITAB Group's long-term objective of reducing reliance on fossil-based energy in its own operations and mitigating scope 1 and scope 2 emissions.

**Low-carbon products and circular design**
ITAB Group is addressing scope 3 emissions through the development of lower-carbon products and the integration of circular design principles. During the reporting period, ITAB Group launched SigmaGate 2, a new retail technology product with a 49.5 percent reduction in product carbon footprint compared to its predecessor, based on a product life-cycle assessment. In parallel, ITAB Group continues to develop eco-design principles and circular solutions aimed at reducing material intensity and extending product lifetimes, supporting longer-term reductions in value-chain emissions.

**Greenhouse gas emission targets development**
ITAB Group is progressing the development of greenhouse gas emission reduction targets through the consolidation of Group-wide scope 1, scope 2 and relevants scope 3 emissions baselines, which will inform the development of a Group decarbonisation roadmap. Near-term emission reduction targets for scopes 1, 2 and 3 are under development using climate science  methodologies. In parallel, site-level energy efficiency and decarbonisation projects are being aligned with decarbonisation trajectory to help ensure that near-term investments remain compatible with the Group's long-term emissions reduction trajectory. The Group continues to assess whether external validation of its climate targets would provide strategic value, taking into account methodological alignment, data maturity and the long-term economic implications for the business.


**Value chain engagement and supplier decarbonisation**
ITAB Group is strengthening value chain decarbonisation through the Group-wide rollout of a supplier management tool. This platform will support systematic engagement with key suppliers, standardise the collection of sustainability - and GHG-related information, and create a consolidated dataset for scope 3 emissions analysis. The tool will initially focus on priority categories such as steel, wood and electronics, enabling ITAB Group to track supplier-reported emissions, identify reduction opportunities and monitor progress over time as part of the decarbonisation roadmap.

E1 **Climate change**

*E1-3*
## Actions and resources

**Achieved and expected GHG reductions**
Actions implemented to date have already resulted in measurable improvements in energy performance at specific sites and in quantified product-level reductions for selected offerings, such as SigmaGate 2. A consolidated quantification of achieved and expected GHG emission reductions across all actions is still under development. ITAB Group is improving its data model and methodologies during 2025–2026 with the aim of reporting more granular achieved and expected reductions linked to key actions and decarbonisation levers in future reporting periods.

**Climate change adaptation and physical resilience actions**
Although ITAB Group's current climate programme is primarily mitigation-focused, the Group has begun to integrate adaptation into its risk and investment decisions:

- Incorporation of physical climate risk considerations (such as heatwaves, flooding and water stress) into Group level risk assessments.
- Monitoring of water stress and climate-related disruption risks at selected locations, including Italy, Spain, Türkiye and China.
- Initial business continuity and resilience planning, including contingency measures for energy supply and logistics disruption.

Specific adaptation projects and investments are being further developed and will be expanded as part of ITAB Group's broader climate resilience work.

**Resources, dependencies and constraints**
The implementation of these actions depends on the availability and allocation of financial, technical and organisational resources, including:

- Capital and operating expenditure for audits, metering, equipment upgrades, renewable installations and product redesign.
- Technical expertise, including external energy and decarbonisation consultants and internal engineering capabilities.
- Infrastructure and contractual constraints, such as landlord permissions for rooftop solar, grid connection capacity and local market access to renewable energy.

These dependencies can influence the pace and sequencing of implementation across sites. ITAB Group prioritises high-impact locations and actions, considering payback periods, feasibility and operational criticality.

**CapEx, OpEx and link to financial reporting and Taxonomy**
Climate-related activities described above are funded through regular operating and investment budgets. For the reporting period, climate-related CapEx and OpEx associated with these actions were not yet tracked systematically as a separate category and therefore cannot be fully reconciled to specific line items in the financial statements or to EU Taxonomy key performance indicators.

ITAB Group is in the process of implementing improved tagging and classification of climate-related investments and expenses. From future reporting periods, the intention is to:

- identify significant CapEx and OpEx associated with decarbonisation and climate resilience actions,
- link these amounts to relevant line items or notes in the financial statements, and
- where applicable, connect them to Taxonomy-aligned CapEx and CapEx plans in accordance with EU requirements.

*E1-4, E1-5*
# Targets and metrics

**Status of climate-related targets**
ITAB Group is committed to significantly reducing its greenhouse gas (GHG) emissions in line with global climate goals and the transition to a 1.5°C-compatible economy under the Paris Agreement. During the reporting period, ITAB Group progressed on developing a Group-wide decarbonisation roadmap and reduction targets for scope 1, scope 2 and relevant scope 3 categories, with the intention to submit these targets to Group Management and the Board in 2026 for approval.

The Group is assessing whether external validation of its climate targets would provide strategic value, taking into account methodological considerations, Scope 3 data maturity and long-term economic implications. Final approved targets will be disclosed in accordance with ESRS E1-4 in the subsequent reporting cycle.

At the reporting date, these climate-related targets are still under development and have not yet been formally adopted. As a result, ITAB Group does not disclose specific quantitative climate targets (such as percentage reduction figures, base year values or target years) in this report. Once the targets are finalised and approved, ITAB Group will disclose them in line with ESRS E1, including scope coverage, base year, target year(s), units of measurement and progress over time.

Previously communicated internal ambitions are currently under review as part of the broader development of the Group's decarbonisation roadmap. The previously communicated internal ambitions primarily related to improving energy efficiency in own operations, increasing the share of renewable electricity, and establishing a long-term emissions-reduction trajectory for scope 1 and scope 2. These ambitions were directional nature and supported operational decarbonisation efforts.

As part of the ongoing target development process, ITAB Group is consolidating and refining its emissions baseline and long-term decarbonisation pathway. Updated, Board-approved targets will supersede earlier internal ambitions and will be presented transparently in future reporting periods.

The Group continues to assess whether external validation of its climate targets would provide strategic value, taking into account data maturity, methodological considerations and long-term economic implications.

**Scope and intended coverage of future targets**
Although the targets are not yet final, the ongoing work is designed so that future climate-related targets will:

- Cover Group-wide scope 1 and scope 2 emissions, reflecting emissions from fuel use and purchased electricity for owned and rented operations.
- ITAB Group anticipates that the future scope 2 target will be based on the market-based method, in accordance with recognised greenhouse gas accounting standards, while both market-based and location-based metrics will continue to be reported.
- Include relevant scope 3 categories, in particular purchased goods and services (steel, wood, electronics), upstream and downstream transport, and selected other value-chain categories where ITAB Group has significant influence.
- Be expressed as gross GHG emission reduction targets, without relying on carbon credits, avoided emissions or removals to meet the core reduction commitments, in line with ESRS E1-4.
- Be set over clearly defined time horizons (short- (within 1 year), medium- (1-5 years) and long-term (more than 5 years)) consistent with ITAB Group's time horizon definitions disclosed in BP-2 and the material IROs described in SBM-3 and IRO-1.

## E1 Climate change

*E1-4, E1-5*
### Targets and metrics

The design of these targets is directly informed by the material climate-related impacts, risks and opportunities identified in ESRS E1:

- Scope 1 and 2 emissions from own operations (energy use and fuel consumption).
- Scope 3 emissions from purchased materials and products, especially steel, wood and electronics.
- Opportunities from renewable energy deployment and energy efficiency actions.
- Transition and reputational risks related to customer expectations, regulation and carbon pricing.

**Relationship with climate policies, actions and IROs**
The emerging climate-related targets are intended to provide the quantitative backbone for the policies and actions described in E1-2 and E1-3:
- They will guide the roll-out of energy and decarbonisation audits, site-level energy efficiency improvements and renewable energy deployment (including solar PV in Italy and Spain, biomass in Norway and renewable electricity contracts throughout the estate).
- They will steer the development of low-carbon products and circular design, including the continued reduction of product-level carbon footprints and expansion of modular and reuse-based solutions.
- They will support the scope 3 decarbonisation approach, including the Group-wide roll-out of the supplier management tool to collect and consolidate GHG data from key suppliers and enable targeted engagement.
- In this way, ITAB Group's future targets will be directly linked to its material climate-related IROs and will serve as a key mechanism for managing the negative impacts and transition risks, while capturing climate-related opportunities.

**Metrics used to monitor progress**
Pending formal adoption of quantitative targets, ITAB Group monitors progress on climate change mitigation and adaptation using a set of key performance indicators

- Total energy consumption and energy mix, including the share of renewable energy in ITAB Group's electricity and heat supply (disclosed in E1-5).
- Gross scope 1 and scope 2 GHG emissions, (disclosed in E1-6).
- GHG emissions market based intensity based on net revenue for 2025 is 2.14 $tCO_2e$ / MSEK, calculated using "Revenue from contracts with customers" as the denominator and disclosed in the income statement on page 128 in Note 6.
- Operational performance indicators, such as energy consumption per site, per unit of output or per floor area (where relevant), and product-level carbon footprint data for key solutions.
- Qualitative indicators of customer demand for low-carbon and circular solutions, including opportunities with a sustainability profile in the sales pipeline.

These metrics are used internally to assess whether ITAB Group is moving in the right direction relative to its developing decarbonisation pathway, even though formal quantitative targets have not yet been finalised.

**Tracking effectiveness and governance**
In line with ESRS 2 MDR-T, ITAB Group is in the process of building a more formalised target tracking and governance framework for climate-related performance:

- Data and systems: the Group consolidation and sustainability reporting tools are being upgraded to improve the accuracy and granularity of climate-related data, including scope 3 and supplier-reported information.
- Monitoring cadence: key climate metrics (energy, GHG emissions, renewables share and selected intensity indicators) are monitored at least annually at Group level and more frequently at site level, and are reported to Group Management on a quarterly basis.
- Board oversight: the Board of Directors and the Audit Committee review climate-related performance as part of the broader sustainability and risk reporting cycle, and will review progress against the future validated targets once adopted.
- Target tracking framework: Following Board approval of the Group's climate targets the monitoring framework will be updated to explicitly track progress against those targets and to disclose performance in accordance with ESRS E1-4 and the related application guidance.

**Adaptation-related targets**
At present, ITAB Group has not yet set separate quantitative climate adaptation targets (for example, targets related to physical climate risk resilience, water stress mitigation or climate-related business continuity). Adaptation is currently managed through qualitative objectives and integration of climate-related risks into the Enterprise Risk Management framework, including site and supplier risk assessments and resilience planning.

As ITAB Group's understanding of physical climate risks and dependencies evolves, the Group will assess the need to establish specific adaptation indicators and targets (for example, coverage of critical sites by resilience measures or water-related efficiency objectives). Any future adaptation targets will be disclosed in accordance with ESRS E1-4 once adopted.

E1 **Climate change**

*E1-5*

## Energy consumption and mix

| Energy Consumption and Mix | Unit | 2024 | 2025 |
|---|---|---|---|
| Fuel consumption from coal and coal products | MWh | – | – |
| Fuel consumption from crude oil and petroleum products | MWh | 1,384.0 | 3,441.2 |
| Fuel consumption from natural gas | MWh | 32,504.0 | 82,369.9 |
| Fuel consumption from other fossil sources | MWh | – | – |
| Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources | MWh | 21,652.0 | 37,293.5 |
| **Total energy consumption from fossil sources** | **MWh** | **55,540.0** | **123,104.6** |
| Share of fossil sources in total energy consumption | % | 93.1 | 87.5 |
| **Total energy consumption from nuclear sources** | **MWh** | – | – |
| Share of nuclear sources in total energy consumption | % | 0.0 | 0.0 |
| Fuel consumption from renewable sources (incl. biomass, biofuels, biogas, renewable hydrogen, etc.) | MWh | 973.0 | 999.0 |
| Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources | MWh | 2,442.0 | 14,283.4 |
| Consumption of self-generated non-fuel renewable energy (e.g. on-site solar PV) | MWh | 697.0 | 2,372.3 |
| **Total energy consumption from renewable sources** | **MWh** | **4,112.0** | **17,654.7** |
| Share of renewable sources in total energy consumption | % | 6.9 | 12.5 |
| **Total energy consumption related to own operations** | **MWh** | **59,652.0** | **140,759.3** |

| Energy production metric | 2024 | 2025 |
|---|---|---|
| Non-renewable energy production (own operations), MWh | 0 | 0 |
| Renewable energy production (own operations), MWh | 1,670.0 | 3,371.3 |

**Accounting policy**
Electricity is the billed amount in MWh amount from the energy provider.

Natural gas volumes provided in m³, from a meter, were converted to energy (MWh) using a net calorific value of 10.83 kWh per m³, corresponding to the upper range of IEA/Eurostat net calorific values for high-calorific natural gas (≈39 MJ/m³), where not billed in MWh. LPG volumes (kg) were converted to energy using 12.8 kWh per kg, consistent with Eurostat and IEA net calorific values for LPG (≈46 MJ/kg).

**ITAB Group works to increase its renewable energy use.**

Energy disclosures in this section are prepared in accordance with ESRS E1-5. Energy consumption figures relate to ITAB Group's own operations and are calculated on a consolidated Group basis, consistent with the organisational boundary used for scope 1 and scope 2 GHG emissions. The reporting period is the financial year 2025, with prior-year figures presented for comparability. The 2024 figures reflect the legacy ITAB Group prior to the acquisition of HMY, whereas 2025 represents the first full reporting year for the combined Group and is therefore considered the first representative baseline for the new organisational structure.

The Group has not retrospectively adjusted 2024 figures to include HMY, as reliable historical data for full consolidation prior to the acquisition is not available. Consequently, external factors, primarily the acquisition and integration of HMY, affect the comparability of 2024 and 2025 figures.

All energy amounts are reported as final energy consumption in MWh. Where local data is collected in other units (e.g. kg, kWh or m³), standard conversion factors are used to derive MWh.

For this disclosure:

- Fossil sources include coal and coal products, crude oil and petroleum products, natural gas and other fossil fuels, as well as purchased or acquired electricity, heat, steam and cooling generated from fossil sources.
- Renewable sources include biomass, biofuels, biogas, renewable hydrogen and other renewable fuels, as well as purchased or acquired electricity, heat, steam and cooling generated from renewable energy and self-generated non-fuel renewable energy (e.g. on-site solar PV).
- Nuclear sources include purchased or acquired electricity, heat, steam and cooling generated from nuclear energy.

Where the energy mix of purchased electricity, heat, steam or cooling cannot be determined with sufficient reliability, ITAB Group applies a conservative classification approach and reports such consumption within energy from fossil sources. This approach avoids overstating renewable energy consumption and ensures that total energy consumption reconciles with the sum of the energy categories presented in the table. Only energy supported by contractual instruments or credible supplier information (e.g. renewable tariffs, guarantees of origin or equivalent documentation) is classified as renewable.

Self-generated renewable electricity (for example from rooftop solar PV) is reported as self-generated non-fuel renewable energy consumption to the extent it is consumed on site. Currently there has been no surplus electricity exported to the grid and as such there is no requirement for reporting separately under energy production.

Energy data is collected primarily from meters, invoices and utility bills. Local entities report data into ITAB's Group consolidation and sustainability reporting tools, where it is subject to validation checks by Group Finance and Group Sustainability.

ITAB Group does not consider itself to operate in high climate impact sectors as defined in ESRS E1. As a result, the specific energy intensity disclosures for high climate impact sectors (E1-5 paragraphs 40–43) and the related reconciliation of revenue from such sectors are not applicable for the current reporting period. Internal energy intensity indicators (such as energy consumption per unit of output or per net revenue) may nevertheless be monitored for management purposes and, where relevant, disclosed on a voluntary basis.

E1 Climate change

*E1-6*

## Gross scopes 1, 2 and total GHG emissions

| | Scope | Unit | 2024 | 2025 | % N / N-1 |
|---|---|---|---|---|---|
| **Gross scope 1 GHG emissions – total** | **Scope 1** | **$tCO_2e$** | **6,968** | **16,794** | **241.0%** |
| Percentage of scope 1 GHG emissions covered by regulated ETS schemes | Scope 1 | % of scope 1 | 0.0 | 0.0 | N/A |
| **Gross scope 2 GHG emissions – location-based total** | **Scope 2 LB** | **$tCO_2e$** | **Not quantified** | **10,435** | **N/A** |
| **Gross scope 2 GHG emissions – market-based total** | **Scope 2 MB** | **$tCO_2e$** | **7,144** | **7,966** | **111.5%** |
| **Gross scope 3 GHG emissions – total (all categories)** | **Scope 3** | **$tCO_2e$** | **Not quantified** | **Not quantified** | **N/A** |
| **Total GHG emissions – location-based** | **Total (LB)** | **$tCO_2e$** | **Not quantified** | **27,229** | **N/A** |
| **Total GHG emissions – market-based** | **Total (MB)** | **$tCO_2e$** | **14,112** | **24,760** | **175.5%** |
| Scope 1 Biogenic $CO_2$ emissions – own operations | N/A | $tCO_2e$ | Not quantified | 403 | N/A |
| Scope 2 Biogenic CO2 emissions – own operations | N/A | $tCO_2e$ | Not quantified | 0 | N/A |

| | Unit | 2024 | 2025 | % N / N-1 |
|---|---|---|---|---|
| Total GHG emissions (location-based) per net revenue | $tCO_2e$ / Monetary unit | Not quantified | 2.13 | N/A |
| Total GHG emissions (market-based) per net revenue | $tCO_2e$ / Monetary unit | 2.14 | 1.94 | 90.4% |

| **Total energy consumption per net revenue** | Unit | 2024 | 2025 | % N / N-1 |
|---|---|---|---|---|
| Net revenue used to calculate GHG intensity | Monetary unit | 6,585 MSEK | 12,780 MSEK | 194.1% |
| Net revenue (other) | Monetary unit | – | – | N/A |
| Total net revenue (per financial statements) | Monetary unit | 6,585 MSEK | 12,780 MSEK | 194.1% |

### Accounting policy

Greenhouse gas (GHG) emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and reported in tonnes of carbon dioxide equivalent ($tCO_2e$).

Scope 1 emissions arise from fuels combusted in the Group's own operations. Activity data is reported in the relevant units (MWh or m³ for natural gas, kg for LPG and MWh for biomass). Emission factors by fuel type are sourced from the GHG Protocol Emission Factors for Cross-Sector Tools (v2.0) and global warming potential (GWP) factors from the Intergovernmental Panel on Climate Change Sixth Assessment Report (AR6).

Scope 2 emissions from purchased electricity, heat, steam and cooling are calculated using both location-based and market-based methods. Supplier-specific emission factors are applied where available; otherwise, country-level default factors from Carbondi are used for both market-based fallback and location-based calculations.

GHG intensity based on net revenue has been calculated as gross scope 1, scope 2 market-based emissions divided by reported net revenue in MSEK.

**Scope 3 emissions – data limitations and improvement plan**

Scope 3 greenhouse gas emissions have not yet been fully quantified for the reporting period. This is primarily due to the first year of consolidated reporting following the integration of acquired operations, the absence of harmonised supplier-level emissions data across legacy systems, and the complexity of establishing consistent activity data and emission factors for key value-chain categories. As a result, scope 3 emissions related to purchased goods and services, upstream and downstream transportation, and end-of-life treatment of sold products are not included in the reported emissions figures for 2025.

During 2025, ITAB Group initiated scope 3 emissions calculations using preliminary models and prioritised key categories based on relevance and data availability, including purchased goods and services (with a focus on steel, wood and electronics), logistics and end-of-life treatment. In parallel, the Group prepared for the selection and implementation of a dedicated emissions calculation and supplier-engagement tool to improve data consistency and coverage. Full scope 3 quantification is planned for the 2026 reporting year, supported by enhanced supplier engagement, improved data collection processes and alignment with the Group's science-based target development.

**Methodological notes for E1-6 GHG emissions**

GHG emissions in this section are reported on a consolidated Group basis, using the same organisational boundary as the financial statements. Scope 1 and scope 2 emissions cover all owned and controlled operations. The reporting period is the financial year 2025, with prior-year figures presented for comparability. The 2024 figures reflect the legacy ITAB Group prior to the acquisition of HMY, whereas 2025 represents the first full reporting year for the combined Group and is considered the first representative baseline for the new organisational structure.

All scopes are reported as gross emissions in $tCO_2e$, without the use of carbon credits, avoided emissions or removals to reduce the reported figures. Emissions include the GHGs covered by the Kyoto Protocol ($CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$ and $NF_3$), converted to $CO_2$-equivalents using 100-year global warming potentials from the IPCC, applied consistently across reporting periods. Biogenic $CO_2$ emissions are disclosed separately and are not included in gross scope 1–3 totals.

Scope 1 emissions are primarily based on measured or invoiced fuel consumption (e.g. natural gas, other combustion fuels), while scope 2 emissions are calculated from purchased or acquired electricity, heat, steam and cooling.

Scope 2 is presented on both a location-based and market-based basis. Location-based figures use average grid emission factors for the relevant countries or regions. Market-based figures use supplier-specific emission factors, including renewable contracts, guarantees of origin or equivalent instruments where available; where reliable contractual information is not available, ITAB Group applies a conservative approach and uses residual mix or grid-average factors.

Scope 3 emissions are not yet calculated and will be reported from 2026. This is due to the ongoing integration of HMY, the absence of harmonised supplier-level emissions data and the need to establish consistent Group-wide methodologies for key categories. Gross scope 3 GHG emissions for the reporting year are therefore presented as 'Not quantified'.

Any material changes in methodologies, emission factors, organisational boundaries or category coverage compared with the previous reporting period will be disclosed and, where feasible, prior-year figures restated to maintain comparability.

**E1 Climate change**

*E1-7*

## GHG removals and GHG mitigation projects financed through carbon credits

ITAB Group does not currently operate any GHG removal projects (such as land-based carbon sequestration or engineered removals) in its own operations, nor does it finance climate change mitigation projects outside its value chain through the purchase of carbon credits. Accordingly, no GHG removals or carbon credits are used to reduce the gross scope 1, 2 or 3 GHG emissions disclosed under E1-6, and ITAB Group has not made any public net-zero or carbon-neutrality claims that rely on such instruments. Any future use of GHG removals or carbon credits will be disclosed separately, including volumes, methodologies, quality standards applied and the relationship with long-term decarbonisation targets, in line with ESRS E1-7.

*E1-8*

## Internal carbon pricing

ITAB Group does not currently apply any internal carbon pricing schemes (such as internal carbon fees, carbon funds or shadow carbon prices) in its investment decisions, project evaluations or operational planning. Climate-related transition risks and opportunities are instead reflected through qualitative scenario analysis, energy price sensitivities, decarbonisation road-mapping and customer-driven requirements, as described in E1-1, E1-3 and E1-9. As the Group's climate strategy and emission reduction targets mature, ITAB Group will periodically reassess the potential introduction of an internal carbon price and, if such a mechanism is adopted, will disclose the type of scheme, scope of application, carbon price level(s) and covered emission volumes in accordance with ESRS E1-8.

**29% of electricity consumption was from renewable sources.**

*E1-9*

## Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

ITAB Group applies the phase-in provisions for ESRS E1-9 set out in ESRS 1. As disclosed in BP-2, the Group omits the quantitative datapoints required by E1-9 for the current reporting period due to ongoing work to establish robust Group-wide data on Energy, GHG and the financial impact of achieving those targets over the short, medium, and long periods.

# E3 Water and marine resources

*IRO-1*

## Impacts, risks and opportunities

The identification and materiality assessment of water-related impacts, risks and opportunities are conducted under the Group-wide IRO identification and DMA methodology described in the general disclosures ESRS 2 IRO-1 found on page 41.

Consultations relating to water and marine resources were carried out as part of this process, using the same stakeholder engagement channels applied in the wider Double Materiality Assessment. Input was obtained from internal operational managers, environmental coordinators and selected suppliers in regions with elevated water stress. No separate water-specific consultation exercise was undertaken; instead, water-related impacts, risks, dependencies and opportunities were assessed within the broader stakeholder and value-chain consultation framework.

**Below are the identified IROs for E3:**

| Material impacts, risks and opportunities | IRO | Positive / Negative | Actual / Potential | Own operations / Value chain | Materiality level | Management of the IRO |
|---|---|---|---|---|---|---|
| **Water** 1 | | | | | | |
| Water use at ITAB Group's premises contributes to pressure on local water resources even if it is not a highly water-intensive business. | I | Negative | Actual | Own operations | Significant | • Monitor site-level water consumption.<br>• Integrate water-related aspects into environmental management systems, including ISO 14001 at selected sites.<br>• Identify opportunities to improve water efficiency.<br>• Ensure compliance with local discharge permits and environmental regulations.<br>• Coordinate actions through Group Sustainability and local operations. |
| Water availability in water-scarce countries where ITAB Group has operations may face constraints in the medium or long-term. | R | | | Own operations | Significant | • Map sites located in areas of elevated water stress.<br>• Monitor local water-risk indicators and relevant regulatory developments.<br>• Incorporate water availability considerations into operational planning and investment decisions for affected locations.<br>• Lead coordination through Group Sustainability in collaboration with Group Operations. |

No material IROs related to marine resources have been identified. ITAB Group's activities do not involve extraction or direct use of marine resources, and any indirect interactions with oceans or seas are currently assessed as non-material.

Water is therefore treated as a material environmental topic under ESRS E3, while marine resources are monitored but not reported in detail.

E3 Water and marine resources

*E3-1*

## Policies

ITAB Group's approach to water management is embedded in its Group Environmental Policy and related local procedures. These policies are designed to manage the negative impacts of water withdrawal, consumption and discharge from ITAB Group premises and to address the risk of reduced water availability in water-stressed areas.

The Group Environmental Policy sets out high-level principles for efficient and responsible water use across production sites, warehouses and offices.

At selected sites, these principles are further operationalised through ISO 14001-certified environmental management systems, which include water-related aspects such as monitoring, local targets or improvement actions where relevant.

In line with ESRS E3, ITAB Group's policies address the following aspects where they are material to our activities:

- Water management in own operations – responsible sourcing and use of water, compliance with discharge conditions, and efforts to avoid unnecessary consumption.
- Water management in areas at water risk – heightened monitoring of water consumption and stress indicators for facilities and suppliers located in regions with elevated water risk, and consideration of water availability in investment and capacity planning.

Product and service design – through eco-design principles and circularity initiatives (see ESRS E5), ITAB Group seeks to reduce the water footprint associated with manufacturing processes and waste, even though product use-phase water impacts are limited.

ITAB Group has not adopted dedicated policies on sustainable oceans and seas, as the Group does not extract or directly use marine resources and has not identified marine resource-related IROs as material currently. This assessment will be revisited in future DMA updates should ITAB Group's activities or value chain exposure change.

Where at least one site is in an area of high-water stress and not yet covered by specific local water-efficiency or water-risk mitigation policies, this is disclosed as part of the E3-2 and E3-3 narratives, together with the planned timeframe for enhancing local policies.

*E3-2*

## Actions and resources

ITAB Group is implementing a series of actions to manage its significant water-related IROs. These actions are primarily focused on own operations, following the mitigation hierarchy in ESRS E3 (avoid–reduce–reuse–restore).

*Operational water management and efficiency*

- Integration of water consumption monitoring into site-level environmental management, with data collected via meters or utility invoices for production facilities.
- Ongoing identification of efficiency opportunities, such as optimising process water use and upgrading equipment where feasible.
- Inclusion of water-related topics in ISO 14001 systems at selected sites, including local objectives or improvement projects where water is a relevant environmental aspect.

These actions primarily address the negative impact IRO "Water withdrawal, consumption and discharge from ITAB Group premises".

*Actions in areas at water risk*

In countries and regions where water stress is known to be higher (for example parts of Italy, Spain, Türkiye and China), ITAB Group is:

- Monitoring trends in water availability and regulatory restrictions (e.g. seasonal constraints).
- Incorporating water availability as a qualitative factor in operational and investment planning, to avoid excessive dependency on highly water-stressed locations where practicable.

These actions are targeted at the "Water availability in water-scarce countries" risk IRO and are coordinated by Group Sustainability in collaboration with Operations and Procurement.

*Data, systems and resources*

Water-related actions are supported by:
Group-level consolidation of water data, to prepare for ESRS E3 metrics and intensity indicators.

- Allocation of staff time within Group Sustainability and local environmental coordinators to capture and validate water data.
- Integration of water topics into internal control and reporting projects that are being developed for ESRS implementation.

At this stage, water-related CapEx and OpEx are not tracked as a separate category, but are included within broader environmental, energy and process-improvement investments. ITAB Group plans to improve tagging and classification of water-related investments over the next reporting periods, in line with the general approach described under ESRS E1-3 and BP-2.

No actions are currently taken in relation to marine resources, as this sub-topic has been assessed as non-material. This will be periodically reassessed as part of the DMA.

E3 Water and marine resources

*E3-3*

## Targets and metrics

ITAB Group is in the process of strengthening its water management framework and improving the consistency and completeness of water-related data across its operations. While the Group has not yet adopted quantitative, Group-wide water reduction targets under ESRS E3, it uses a set of metrics to monitor water use and to support management of material water-related impacts and risks.

**Metrics**
ITAB Group records water-related data for its own operations using the following metrics, measured in cubic metres (m³):

- Municipal water supplied
- Groundwater withdrawn
- Collected water (including rainwater where applicable)
- Recycled and reused water

These metrics are used to monitor overall water withdrawal, sources of water supply and the extent of water reuse at site level. As data quality and coverage improve, these metrics will support more detailed analysis of water consumption patterns, site-level risks and opportunities for efficiency improvements, particularly in locations exposed to higher water stress.

**Targets**
For the current reporting period, ITAB Group has not set Group-wide quantitative targets for water withdrawal, consumption or discharge. Water-related objectives are therefore primarily qualitative and focus on building the foundations for effective water management and future target setting.

Current qualitative objectives include:

- Establishing consistent and reliable water consumption reporting for all material production sites by the end of 2026.
- Ensuring that all locations have appropriate water management measures in place.
- Integrating water-related considerations into future site investment and expansion decisions, particularly in higher-risk geographies.

These objectives support the management of ITAB Group's material water-related impacts and risks, including:

- Reducing the negative impact of water withdrawal and consumption from ITAB Group's operations, including in areas exposed to water stress.
- Managing the risk of constrained water availability in water-scarce regions.

ITAB Group's current water-related objectives are driven by local applicable permit conditions and ESRS compliance. As data quality improves and site-level assessments in water-stressed basins are further developed, ITAB Group will assess whether to adopt quantitative water targets, such as site-level reduction targets or risk-based targets for locations in high-stress areas.

Any future quantitative targets will be disclosed in accordance with ESRS E3-3 and ESRS 2 MDR-T, including information on base year, target year, scope, units of measurement and progress.

No targets have been set in relation to marine resources, as these are not currently considered material.

*E3-4*

## Water consumption

| Water consumption metrics, m³ | 2025 | 2024 |
|---|---|---|
| **Total water consumption** | **124,393** | **51,639** |
| of which: water consumption in areas at water risk | 94,210 | Not quantified |
| Total water recycled and reused | 0 | Not quantified |
| Total water stored and net change in storage | 0 | Not quantified |
| Water intensity (total water consumption / MSEK net revenue) | 9.73 | Not quantified |

**Methodology and contextual information**
Water data is collected from meters, utility invoices or site estimates. Water consumption includes water withdrawn from public water supplies and on-site sources (where applicable), minus water returned to the same source without significant quality change.

For the 2025 reporting period, 100 percent of water data was obtained from direct meter readings or utility invoices, while none were based on site estimates. No water data was derived from sampling or extrapolation methods.

Areas at water risk, including areas of high-water stress, are identified using recognised water-risk tools combined with local knowledge of regulatory restrictions and physical conditions.

The water intensity ratio is calculated using net revenue as reported in the consolidated financial statements as per IFRS 15 (MSEK 12,780) and total water consumption across own operations for the relevant year.

At present, ITAB Group does not have significant water-reuse systems or storage infrastructure at Group level, and therefore volumes of recycled, reused and stored water may be limited. As ITAB Group assesses opportunities for water-efficiency and reuse projects, these metrics will be updated accordingly in future reporting periods.

*E3-5*

## Anticipated financial effects from water-related impacts, risks and opportunities

ITAB Group applies the phase-in provisions for ESRS E3-5 set out in ESRS 1. As disclosed in BP-2, the Group omits the quantitative datapoints required by E3-5 for the current reporting period due to ongoing work to establish robust Group-wide data and targets.

### What is a water-stressed area?

A water-stressed area is a location where water resources are under pressure due to limited availability, declining quality, high demand or access constraints, creating increased risks for ecosystems, communities and businesses.

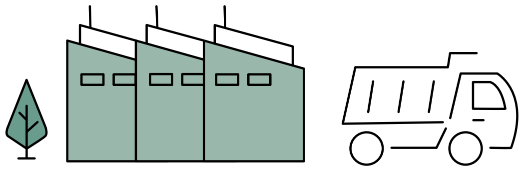
# E5 Resource use and circular economy

*IRO-1*

## Impacts, risks and opportunities

The identification and materiality assessment of resource-use and circular-economy-related impacts, risks and opportunities are conducted under the Group-wide IRO identification and DMA methodology described in the general disclosures ESRS 2 IRO-1 found on page 41. Consultations relevant to resource use and circularity were carried out as part of this process through structured engagement with internal product development teams, operational managers, procurement, and selected suppliers. These consultations focused on material efficiency, product lifetime, recyclability, packaging and waste processes.

No standalone consultation exercise was performed for circular economy topics; instead, circular-economy-related impacts, risks, dependencies and opportunities were assessed within the broader stakeholder and value-chain consultation framework applied in the Double Materiality Assessment.



**Below are the identified IROs for E5:**

| Material impacts, risks and opportunities | IRO | Positive / Negative | Actual / Potential | Own operations / Value chain | Materiality level | Management of the IRO |
|---|---|---|---|---|---|---|
| **Resource inflows including resource use 1** | | | | | | |
| Use and depletion of virgin materials such as steel, wood and electronics from suppliers | I | Negative | Actual | Own operations | Critical | • Implement circular design principles across product development.<br>• Optimise material use in production processes.<br>• Increase the use of recycled and certified materials where feasible.<br>• Upgrade ERP and PLM systems to improve tracking of material weights and recycled content across key product categories. |
| Increased demand for scarce raw materials | R | | | Own operations | Significant | • Monitor material criticality and availability risks.<br>• Diversify suppliers and material options where feasible.<br>• Use life-cycle assessment insights and circular design principles to reduce dependence on scarce inputs.<br>• Integrate resource availability considerations into sourcing and product development decisions. |
| **Resource Outflows related to products and services 2** | | | | | | |
| Equipment reuse programmes to give second life to sold products through ReStore where fixtures are refurbished and upgraded to extend their useful life. | I | Positive | Actual | Value chain | Significant | • Expand the ReStore programme across relevant markets<br>• Integrate reuse and refurbishment options into customer proposals<br>• Track pipeline and revenues to support the scaling of circular offerings in priority markets. |
| Design and manufacture of circular designed products focused on durability, modularity, reparability and recyclability to reduce material consumption and waste. | O | | | Own operations | Critical | • Roll out circular-design principles across all engineering teams.<br>• Use independent life-cycle assessment (LCA) results to inform material and design choices.<br>• Embed circularity requirements into product development processes and design governance. |
| **Waste handling 3** | | | | | | |
| Material losses and production scrap from the manufacturing process indicate inefficiencies in material use. | I | Negative | Actual | Own operations | Significant | • Pursue continuous improvement and material optimisation in production processes<br>• Strengthen waste segregation and recycling practices at operational sites.<br>• Enhance ERP-based tracking of material inputs and outputs to identify and reduce waste. |
| Rising costs and increased legislative responsibility for waste such as Extended Producer Responsibility Regulations (EPR) and Waste Electrical and Electronic Equipment Regulations (WEEE), combined with increasing waste-treatment and landfill costs. | R | | | Own operations | Significant | • Integrate end-of-life and extended producer responsibility (EPR) considerations into product design and ReStore offerings<br>• Monitor regulatory developments related to waste and EPR in key markets.<br>• Work with customers and waste-management partners to maximise reuse and recycling.<br>• Reduce exposure to disposal costs and regulatory compliance risks through circular solutions. |

*E5-1*

## Policies

ITAB Group's approach to resource use and circular economy is anchored in the Group Environmental Policy, the Supplier Code of Conduct and emerging circular design principles. Together, these policies aim to reduce the use of virgin materials, increase circularity in material flows, and minimise waste generation in line with ESRS E5-1.

The Environmental Policy sets out ITAB Group's commitment to:

- Minimising waste and material losses through continuous improvement in production processes and operational efficiency.
- Reducing reliance on virgin materials by improving material efficiency, promoting reuse and recycling, and enabling the use of recycled content where technically and commercially feasible.
- Integrating circular economy principles into product design and development, including design for durability, repairability, reuse, recyclability and modularity.

The Supplier Code of Conduct extends these expectations into the upstream value chain. Suppliers are expected to:

- Use materials responsibly and work to reduce waste and packaging,
- Improve resource efficiency in production processes,
- Support ITAB Group's transition towards more sustainable and recycled materials, and
- Comply with relevant waste, WEEE and extended producer responsibility (EPR) regulations in the markets where they operate.

In 2024, ITAB Group started developing circular design principles that operationalise these policy commitments for the product development process. This process finished in 2025 and now deployment to all design teams has begun. These principles cover, among other aspects:

- Reduced reliance on virgin materials and optimisation of product weight,
- Increased use of recycled or sustainably sourced materials where feasible,
- Design for longer lifetimes, modular upgrades, and improved ease of refurbishment and recycling,
- Improved packaging efficiency to reduce material use and transport emissions.

Waste responsibilities and end-of-life considerations (including compliance with the WEEE Directive and local EPR schemes where applicable) are embedded into product lifecycle management and customer offerings, and supported by ITAB Group's ReStore programme and broader Sustainability Services.

These policies apply to own operations and the upstream and downstream value chain, and are periodically reviewed as part of the Double Materiality Assessment and sustainability governance processes.

**Policy implementation, communication and monitoring**

*Implementation responsibility and governance*

Implementation of the Environmental Policy, Supplier Code of Conduct and circular design principles is coordinated by the Group Environmental Manager, supported by local coordinators, Group Procurement, and product development teams. Circular design requirements are embedded in the product development process, including material selection, modularisation, packaging optimisation and end-of-life considerations. Supplier requirements related to resource efficiency and waste are implemented through contractual Code of Conduct clauses and supplier evaluations.

*Communication of the policy*

The Environmental Policy and Supplier Code of Conduct are communicated to employees via the Group intranet and mandatory training programmes. Supplier requirements are communicated through onboarding processes, contracts and regular supplier assessments. Circular design guidance is shared through engineering functions and are being integrated into internal design tools used by product development teams.

*Monitoring and review of policy effectiveness*

Implementation of the Environmental Policy is monitored through ISO 14001-certified environmental management systems, internal audits and regular reviews of waste, recycling and material-efficiency KPIs. Group-level monitoring includes tracking recycled content, waste-to-recycling ratios, packaging optimisation and material choices in new products. Insights from monitoring activities inform updates to circular design guidance and continuous improvement in environmental management.

E5 **Resource use and circular economy**

*E5-2*

## Actions and resources

ITAB Group is implementing a range of actions to manage its material impacts, risks and opportunities on resource use, circularity and waste. These actions and the related resources align with ESRS E5-2 and ESRS 2 MDR-A.

**Circular design and product development**
Circular design principles were developed in 2024 and completed in 2025 and are now being rolled out to all engineering and design. Training sessions and design guidelines will support consistent application across product categories.

Life cycle assessments (LCA) have been completed for the core range of gates and guidance products, traditional checkouts and self-checkouts. These LCAs, performed by an independent specialist, Design Conformity, inform design decisions on material reduction, increased recycled content, modularity and end-of-life treatment.

LCA results and circular design guidance are used to steer the next generation of products towards lower material intensity, higher recyclability and reduced associated GHG emissions.

These actions directly address the IROs on use and depletion of virgin materials, scarce raw materials, and circular designed products.

**Circular business models and reuse**
Through its ReStore programme, ITAB Group refurbishes and upgrades existing fixtures such as shelving and shopfitting solutions, bringing them back to "as-new" condition and extending their service life.

ReStore forms part of ITAB Group's wider Sustainability Services offering, which also includes consulting and design support to help customers reuse, adapt and extend the life of existing equipment rather than replacing it.

These services reduce demand for virgin materials and waste generation at end-of-life, while creating new revenue streams linked to circular solutions. These actions manage the positive impact IRO on equipment reuse and support mitigation of waste-related risks at end-of-life.

**ERP and data systems for material flows**
To enable more robust measurement and management of resource inflows and outflows:

- ITAB Group is harmonising a fragmented ERP landscape over the coming years to support consistent master data on materials and products.
- As part of this ERP project, master data enhancements will classify incoming raw materials and purchased items (e.g. metals, wood, plastics, electronics) and enable tracking of recycled content percentages and other circular attributes.
- Planned upgrades will allow the ERP to capture material weights for raw materials and purchased items and link these to output weights from the Product Lifecycle Management (PLM) system for finished goods. This will support better waste reporting, yield analysis and continuous-improvement programmes in manufacturing.
- Shofia, a bespoke ERP system, is already fully deployed in the legacy HMY factories, and work is underway to assess how its material-tracking functionality can be replicated and integrated across the wider ITAB Group ERP landscape.

These system changes are a key enabler for future compliance with E5-4 and E5-5 quantitative datapoints and for managing the IROs on material waste and scarce raw materials.

**Waste reduction and management**
Production sites work continuously on process optimisation and yield improvement to reduce material scrap and avoidable waste.

Local waste-management practices focus on segregation and recycling of metals, wood, cardboard and other material streams, with hazardous waste handled by licensed operators in accordance with local regulation.

ITAB Group is working to increase transparency over waste treatment routes (recycling, preparation for reuse, recovery, landfill, incineration) as part of its ERP and reporting improvements.

**Resources allocated**
Actions are delivered through:

- Dedicated time from Group Sustainability, Operations and IT teams,
- External support from LCA specialists and ERP implementation partners,
- Integration of circular design and waste considerations into ongoing commercial transformation and product development projects rather than as stand-alone initiatives.

*E5-3*

## Targets and metrics

ITAB Group's resource use and circular economy targets are currently in development, reflecting the ongoing work to improve data quality on material flows and waste and to integrate circularity more deeply into the business model. In this reporting period, targets are mainly qualitative, with quantitative targets planned once reliable Group-wide data is available, in line with ESRS E5-3 and ESRS 2 MDR-T.

Progress against these qualitative targets is monitored through existing environmental KPIs, including waste generation and recycling rates. Sites operating under ISO 14001-certified management systems review these indicators as part of their regular environmental performance cycles. Group-level monitoring is performed annually and informs the development of future quantitative circularity and waste-reduction targets once harmonised Group-wide data is available following the integration of HMY.

**Current focus and qualitative objectives**
The current objectives, which support all material E5 IROs, include:

*Circular design and reuse*
- Roll-out of circular design principles to all relevant engineering teams and product categories by Q2 2026
- Expansion of the ReStore programme and Sustainability Services, with internal KPI tracking for revenue and number of projects linked to reuse, refurbishment and circular offerings by Q1 2027.

*Reduction of virgin material use and enhanced data on recycled content*
- Establishing the ability, via the ERP harmonisation project, to report total weight of material inflows and percentage of recycled content for key materials (e.g. steel, other metals, wood, packaging materials and selected purchased components).
- Using this improved data to develop targets for the share of recycled content in selected material categories and/or for reductions in virgin material use per unit of output.

E5 **Resource use and circular economy**

*E5-3*
### Targets and metrics

*Waste minimisation and circular waste management*
- Development of local waste-reduction targets at ISO 14001 sites as part of their continuous-improvement plans, aligned with the waste hierarchy (prevention, preparation for reuse, recycling, recovery, disposal).
- Increasing the share of waste diverted from disposal (landfill and incineration without energy recovery) through improved segregation, material recovery and reuse where feasible.

These targets are currently qualitative due to the need to harmonise Group-wide waste data following the integration of HMY. Progress against these qualitative waste targets is monitored through ISO 14001 continuous-improvement plans, site-level waste KPIs (including waste generation and diversion rates), and Group-level tracking of recycling and disposal pathways, as required.

**Relationship to resource inflows, outflows and waste**
These objectives relate to:

- Resource inflows – by reducing virgin material use, increasing the share of recycled and sustainably sourced materials and tracking material weights.
- Resource outflows and waste – by designing products and services that retain value for longer, expanding reuse and refurbishment, and improving waste diversion from disposal.

All current circularity objectives are voluntary, going beyond baseline legal requirements (such as WEEE/EPR compliance), although they support future regulatory readiness, customer expectations and ITAB Group's broader climate and resource strategies.
Once data from the ERP and PLM systems allows robust baselines to be set, ITAB Group plans to define and disclose quantitative circularity and waste targets (including base year, target year, scope and units of measure) in future reporting periods.

*E5-4*
## Resource inflows

**Description of resource inflows**
ITAB Group's business model relies primarily on the following material inflows in its own operations and upstream value chain, consistent with ESRS E5-4:

*Technical materials*
- Metals (primarily steel and other metals used for shopfitting structures, fixtures and equipment).
- Wood and wood-based products (panels, boards and other components).
- Plastics, glass and composite materials used in fixtures, fittings and product housings.
- Electronic components and assemblies used in lighting and retail technology products.

*Biological materials and packaging*
- Wood-based and paper/cardboard packaging for inbound materials and outbound finished products.
- Limited use of other biological materials (e.g. textiles) in specific product lines.

*Property, plant and equipment*
- Machinery and tooling used in manufacturing, which itself requires material inputs over its lifecycle (e.g. metals, electronic systems).

At present, ITAB Group does not yet have a consolidated, Group-wide dataset that would allow it to report, in tonnes or kilogrammes, the total mass of products and materials used during the reporting period, nor the weight and percentage of secondary (reused or recycled) materials used in production and packaging as required by E5-4 paragraph 31.

This limitation is due primarily to:

- the current fragmentation of ERP systems and material master data;
- incomplete capture of weight information for raw materials, purchased items and finished goods; and
- the need to enhance supplier data on recycled content and certification for biological and technical materials.

**Planned improvements**
Through the ongoing ERP harmonisation and master-data project described under E5-2, ITAB Group aims to:

- Capture weights of incoming raw materials and purchased items on a systematic basis.
- Classify materials by type (metals, wood, plastics, electronics, packaging, etc.) and flag secondary / recycled content.
- Link ERP material data with PLM information on finished product weights, enabling coherent analysis of resource inflows versus outflows and waste.

The Group's objective is to be able to report, in future periods:

- the total weight of materials used,
- the percentage of biological materials that are sustainably sourced (with disclosure of relevant certification schemes and application of the cascading principle where relevant),
- the weight and percentage of secondary materials and reused components used in manufacturing and packaging.

ITAB Group defines sustainable sourcing as the procurement of materials, components and products that minimise environmental impact across their lifecycle by reducing reliance on virgin resources, increasing the use of recycled or responsibly sourced materials, and supporting material efficiency and waste reduction in the value chain. Sustainable sourcing practices also include ensuring supplier compliance with ITAB Group's Supplier Code of Conduct, responsible materials management, and adherence to relevant waste, WEEE and extended producer responsibility regulations. This definition aligns with the ESRS E5 objective set out in paragraph 22, which aims to reduce virgin material extraction, increase circular material flows and minimise waste generation.
Methodologies, data sources and key assumptions will be disclosed alongside these metrics once available, in line with ESRS E5-4 paragraph 32.

E5 Resource use and circular economy

*E5-5*

# Resource outflows

**Circular products and materials**
ITAB Group contributes to the circular economy through both product design and business models:

- *Circular design features* – Many new and redesigned products increasingly incorporate features to support durability, reparability, modular upgrades and ease of disassembly and recycling. Circular design principles guide choices on materials (including recyclability and recycled content), fastening methods, modular structures, and packaging.
- *ReStore and refurbishment* – The ReStore programme extends the useful life of existing fixtures (e.g. shelving, shopfitting solutions and checkouts) by refurbishing them to "as-new" condition, reducing waste and the need for new materials.
- *Life Cycle Analysis (LCA) insights* – Through LCAs for selected product families, ITAB Group assesses de-constructability, reusability, recyclable content, recycled content, renewable content, refurbished components and expected lifespan at component level. These results are used to improve circular design and to provide customers with transparency on circular performance.

As data and methodologies mature, ITAB Group plans to provide more structured disclosures on durability, reparability and recyclable content for key product groups, in line with E5-5 paragraph 36.

**Waste and other resource outflows**
Waste generated in ITAB Group's own operations relates mainly to:

- Production scrap and offcuts (metals, wood, plastics and packaging materials),
- General operational waste from offices and warehouses,
- Hazardous waste, such as certain chemicals, coatings or electronic waste, which are managed by licensed third-party contractors.

From 2024 onwards, ITAB Group has a Group-wide dataset that allows reporting, in tonnes, of the total amount of waste generated and its treatment routes in line with ESRS E5-5. Waste is recorded and consolidated by material stream, including wood, metals (including cable), cardboard and paper, electronics, plastics, waste oils, paints and varnishes, adhesives and sealants, and other waste. For each stream, ITAB Group distinguishes between hazardous and non-hazardous waste and tracks treatment in accordance with contractor-reported disposal codes (such as preparation for reuse, recycling, other recovery, incineration and landfill). This enables disclosure of:

- total waste generated;
- amounts diverted from disposal by treatment route (preparation for reuse, recycling and other recovery), split by hazardous and non-hazardous,
- amounts directed to disposal by treatment route (incineration, landfill and other disposal), split by hazardous and non-hazardous,
- the total amount and percentage of non-recycled waste at Group level.

Waste data is collected quarterly from all manufacturing sites. Each site reports waste quantities by hazardous and non-hazardous classification and by treatment method, following the categories defined in the EU Waste Framework Directive (e.g., recycling, recovery, disposal). Within the EU, this information is sourced directly from Waste Transfer Notes and documentation issued by licensed waste contractors. For non-EU manufacturing entities, equivalent contractor documentation is used, and treatment categories are mapped to the closest European waste treatment codes to ensure consistency and comparability across the Group.

In addition to treatment reporting, sites provide a breakdown of waste by material type, such as wood, metals, plastics, cardboard and paper, electronics etc. as a balance check against the total reported volume. These material-type categories help validate completeness, highlight anomalies and improve data quality over time.

All sites are required to verify reported amounts against contractor records before submission, and data is consolidated centrally for Group-level reporting.

ITAB Group plans to use this dataset both to meet the quantitative requirements of ESRS E5-5 paragraphs 37–39 and to support internal analysis of waste hotspots and improvement opportunities by material stream and site.

Table for E5-5 Resource outflows, see p. 65.

**ITAB Group focuses on reducing hazardous waste.**

## E5 Resource use and circular economy

*E5-5*
**Resource outflows**

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| **Treatment categories (kg)** | **Non-hazardous, kg** | **Non-hazardous, %** | **Hazardous, kg** | **Hazardous, %** | **Non-hazardous, kg** | **Non-hazardous, %** | **Hazardous, kg** | **Hazardous, %** |
| Incineration with energy recovery R1 | 536,898 | 2.8% | 17,645 | 2.1% | 161,525 | 2.0% | 7,714 | 2.0% |
| Recycling & recovery R2, R4-R13 | 15,711,236 | 81.5% | 161,266 | 19.1% | 9,331,021 | 88.0% | 15,414 | 3.0% |
| Biodegradation R3 | 2,023,995 | 10.5% | 3,965 | 0.5% | 214,185 | 2.0% | 0 | 0.0% |
| Landfill D1-D5 | 647,613 | 3.4% | 74,528 | 8.8% | 670,326 | 6.0% | 0 | 0.0% |
| Incineration without energy recovery D10 | 36,230 | 0.2% | 47,790 | 5.7% | 67,190 | 0.0% | 7,247 | 1.0% |
| Other disposal operations D6-D9, D11-D15 | 328,153 | 1.7% | 538,459 | 63.8% | 176,183 | 2.0% | 491,904 | 94.0% |
| **Total** | **19,284,125** | **100.0%** | **843,653** | **100.0%** | **10,620,430** | **100.0%** | **522,279** | **100.0%** |

| | 2025 | 2024 |
|---|---|---|
| **Total waste, kg** | **20,127,778** | **11,142,709** |
| *of which:* | | |
| Recycled waste, % | 88.9% | 85.8% |
| Non-recycled waste, % | 11.1% | 14.2% |

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

Recycled waste is calculated by adding all Recovery codes, except R1, which is considered 'other energy recovery' and cannot be included as recycled waste, as such this is added to the disposal code for the calculation of non-recycled waste.

*E5-5*
**Waste material streams**

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| **(kg)** | **Non-hazardous, kg** | **Non-hazardous, %** | **Hazardous, kg** | **Hazardous, %** | **Non-hazardous, kg** | **Non-hazardous, %** | **Hazardous, kg** | **Hazardous, %** |
| Wood | 4,478,645 | 23.2% | 0 | 0.0% | 1,795,554 | 17.0% | 0 | 0.0% |
| Metal and cable | 12,305,951 | 63.8% | 3,804 | 0.5% | 7,231,823 | 68.0% | 0 | 0.0% |
| Cardboard and paper | 803,487 | 4.2% | 0 | 0.0% | 306,722 | 3.0% | 0 | 0.0% |
| Electronics | 8,057 | 0.0% | 1,671 | 0.2% | 9,528 | 0.0% | 820 | 0.0% |
| Plastics | 88,500 | 0.5% | 5,183 | 0.6% | 41,542 | 0.0% | 478 | 0.0% |
| Waste oils | 4,730 | 0.0% | 14,687 | 1.7% | 10,506 | 0.0% | 15,572 | 3.0% |
| Glass | 15,562 | 0.1% | 16,100 | 1.9% | 9,914 | 0.0% | 0 | 0.0% |
| Paints and varnishes | 209,689 | 1.1% | 75,894 | 9.0% | 195,022 | 2.0% | 102,198 | 20.0% |
| Adhesives and sealants | 42,560 | 0.2% | 2,004 | 0.2% | 28 | 0.0% | 9,408 | 2.0% |
| Other waste | 1,326,944 | 6.9% | 724,310 | 85.9% | 1,019,791 | 10.0% | 393,803 | 75.0% |
| **Total** | **19,284,125** | **100.0%** | **843,653** | **100.0%** | **10,620,430** | **100.0%** | **522,279** | **100.0%** |

| | 2025 |
|---|---|
| **Total waste, kg** | **20,127,778** |

*E5-6*
## Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

ITAB Group applies the phase-in provisions for ESRS E5-6 set out in ESRS 1. As disclosed in BP-2, the Group omits the quantitative datapoints required by E5-6 for the current reporting period due to ongoing work to establish robust Group-wide data on material inflows, circularity and waste.

# EU Taxonomy disclosure

**EU Taxonomy Regulation**
The EU Taxonomy Regulation (Regulation (EU) 2020/852) provides a classification system for environmentally sustainable economic activities, supporting the EU's 2030 climate goals and the European Green Deal. As a public-interest entity, ITAB is required under Article 8 and the associated delegated acts to disclose the proportion of its turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with taxonomy-eligible and taxonomy-aligned activities. The disclosures cover the full ITAB Group and relate to 2025.

Following a review of the economic activities listed in the Climate Delegated Act and Environmental Delegated Act, ITAB identified a limited number of taxonomy-eligible activities connected to its operations in interior fixtures, in-store technology and lighting for the retail sector.

**Taxonomy-eligible activities and application of the 10 percent threshold**
In line with the amended Disclosures Delegated Act (EU) 2026/73, ITAB assessed whether taxonomy-eligible activities exceed the 10 percent materiality threshold for turnover, CapEx and OpEx. Two Taxonomy-eligible activities were identified under the environmental objectives of Climate Change Mitigation and Transition to a Circular Economy.

Of these, only the activity under Transition to a Circular Economy (CE 1.2) exceeds the 10 percent materiality threshold in at least one KPI and is therefore reported.

*CCM 3.5. Manufacture of energy efficiency equipment for buildings*
ITAB Group's manufacture of lighting equipment for retailers (NACE C27.40) is Taxonomy-eligible under Climate Change Mitigation but represents less than 10 percent of the denominator across all KPIs. Accordingly, it has not been further assessed for Taxonomy alignment and is disclosed as "non-assessed (non-material <10%)", in accordance with Articles 2(1a)–(1d) of the amended Delegated Act.

*CE 1.2. Manufacture of electrical and electronic equipment*
Retail technology solutions manufactured by ITAB Group (NACE C26, C27) fall under the Circular-Economy environmental objective and exceed the 10 percent threshold for reporting. This activity is reported as Taxonomy-eligible but not Taxonomy-aligned for the 2025 reporting year.

**Minimum safeguards**
The EU Taxonomy requires compliant activities to meet minimum safeguards aligned with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights. As CE 1.2 (Manufacture of electrical and electronic equipment) is reported as Taxonomy-eligible but has not been assessed for alignment, a comprehensive minimum safeguards assessment was not conducted for the 2025 reporting period. ITAB maintains group-wide policies including the Code of Conduct, Supplier Code of Conduct, Anti-Corruption Policy and Whistleblower Policy, along with due-diligence processes, which are presented more thoroughly in G1, Business Conduct chapter of this report.

**Nuclear and fossil gas-related activities**
In accordance with the Complementary Climate Delegated Act, companies must identify any nuclear and fossil gas-related activities. ITAB confirms that none of its operations fall under these activity definitions; therefore, related alignment disclosures are not applicable.

**Non-material economic activities**
ITAB has reviewed all revenue-generating, investment and operating activities across the Group. As permitted by the amended Disclosures Delegated Act, activities below the 10% materiality threshold are disclosed as non-assessed, together with an explanation of immateriality. ITAB will continue to monitor updates to the EU Taxonomy framework and reassess materiality as new activities and criteria are introduced.

**Reporting principles and key performance indicators**
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) 2021/2178, supplementing Article 8 of the Taxonomy Regulation. Relevant data has been collated from the Group's financial systems.

*Denominators*
The *turnover* in the denominator consists of the Group's total net sales. Net turnover corresponds to the reported net sales for the financial year (see net sales for the Group on page 112 and in Note 6). Policies for consolidated revenue recognition are described in more detail in Note 2.

The *CapEx* in the denominator includes the Group's total capital expenditure during the reporting year. 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. See Notes 18 and 19 for further details.

The *OpEx* in the denominator covers the Group's total operational expenditure during the reporting year associated with the continued and effective functioning of such assets. 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. See also Note 11, with certain supplementary disclosures.

*Numerators*
The *turnover* numerator includes net sales from ITAB's retail technology solutions, classified under CE 1.2 (Manufacture of electrical and electronic equipment). These sales were grouped by economic activity in line with Annex I to Delegated Regulation (EU) 2021/2178.

The *CapEx* numerator covers investments in property, plant and equipment, and intangible assets linked to CE 1.2 manufacturing activities. This includes right-of-use assets and costs from business combinations but excludes land and goodwill. These amounts are below the 10 percent threshold and reported as non-assessed.

The *OpEx* numerator covers operating expenditures related to the CE 1.2 manufacturing activity. This includes direct costs associated with maintenance, repair, and short-term leases, as well as other day-to-day expenses supporting the activity. These amounts fall below the 10 percent threshold and are reported as non-assessed.

Detailed disclosures are presented in the tables on the following pages.

# Disclosures on EU Taxonomy objectives

## Proportion of turnover, CapEx, and OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

| Financial year 2025 | | | | | Breakdown by environmental objectives of Taxonomy-aligned activities | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| KPI (1) | Total (2) | Proportion of Taxonomy-eligible activities (3) | Taxonomy-aligned activities (4) | Proportion of Taxonomy-aligned activities (5) | Climate Change Mitigation (6) | Climate Change Adaptation (7) | Water (8) | Circular Economy(9) | Pollution (10) | Biodiversity (11) | Proportion of enabling activities (12) | Proportion of transitional activities (13) | Not assessed activities considered non-material (14) | Taxonomy-aligned activities in previous financial year 2024 (15) | Proportion of Taxonomy-aligned activities in previous financial year 2024 (16) |
| Unit | MSEK | % | MSEK | % | % | % | % | % | % | % | % | % | % | MSEK | % |
| Turnover | 12,780 | 15.80% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 3.90% | 23 | 0.30% |
| CapEx | 316 | 0% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 4.70% | 1 | 0.50% |
| OpEx | 11,643 | 0% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 7.30% | 0 | 0.00% |

**Disclosures on EU Taxonomy objectives**

## Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

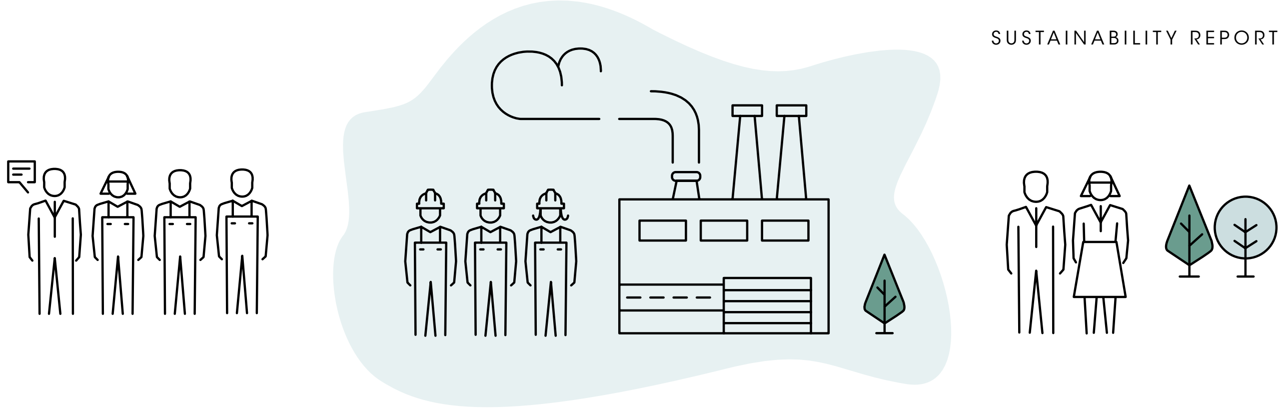
| Reported KPI (Turnover) | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Financial year 2025 | | | | | | | | | | | | | | |
| | | | | | Breakdown by environmental objectives of Taxonomy-aligned activities | | | | | | | | | |
| Economic Activities (1) | Code (2) | Taxonomy-eligible KPI (Proportion of Taxonomy eligible Turnover) (3) | Taxonomy-aligned KPI (monetary value of Turnover) (4) | Taxonomy-aligned KPI (Proportion of Taxonomy aligned Turnover) (5) | Climate Change Mitigation (6) | Climate Change Adaptation (7) | Water (8) | Circular Economy(9) | Pollution (10) | Biodiversity (11) | Enabling activity (12) | Transitional activity (13) | Proportion of Taxonomy-aligned in Taxonomy-eligible (14) |
| Unit | | % | MSEK | % | % | % | % | % | % | % | (E where applicable) | (T where applicable) | % |
| Manufacture of electrical and electronic equipment | CE 1.2 | 15.80 | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | 0% |
| **Sum of alignment per objective** | | | | | 0% | 0% | 0% | 0% | 0% | 0% | | | |
| **Total KPI (Turnover)** | | 15.80 | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |

# Social

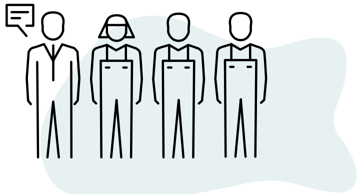
Our commitment to social responsibility goes beyond compliance with labour and human rights regulations. Through these disclosures, we aim to provide a transparent view of how we support and protect people connected to our business – from our own employees to workers in our value chain. This section reflects our focus on building a safe, fair and inclusive workplace, and on ensuring that the way we do business respects human dignity and fundamental human rights.

The tables and narratives that follow are aligned with the S1 Own workforce and S2 Workers in the value chain chapters of the ESRS framework. They cover key areas such as working conditions, health and safety, equal treatment and opportunities, training and development, social dialogue and freedom of association, as well as expectations and standards for workers employed by our suppliers and partners. By disclosing this information, we enable stakeholders to assess how ITAB Group manages social risks and impacts, and how we contribute to decent work across our value chain.

Our approach is guided by the principle that social responsibility is not only a regulatory requirement but a strategic enabler of long-term performance. We recognise that topics such as employee well-being, workplace culture, diversity and respect for labour rights require continuous improvement and active engagement with our people and partners. These disclosures illustrate our current practices and priorities and reaffirm our commitment to creating long-term value for employees, value chain workers, customers and the communities in which we operate.



# S1 Own workforce



*SBM-2, SBM-3*

## Impacts, risks and opportunities

**Below are the identified IROs for S1:**

| Material impacts, risks and opportunities | | IRO | Positive / Negative | Actual / Potential | Own operations / Value chain | Materiality level | Management of the IRO |
|---|---|---|---|---|---|---|---|
| **Working conditions** | | | | | | | |
| Secure employment, adequate wages, social dialogue, freedom of association and collective bargaining | **1** | I | Positive | Actual | Own operations | Significant | • Apply the employer value proposition and employment practices to support secure employment<br>• Promote fair and transparent remuneration practices across the Group.<br>• Engage with employee representatives to support constructive social dialogue.<br>• Aim to maintain transparent and fair working conditions across all operations. |
| Work-life balance and working time, wellbeing activities. | **2** | I | Positive | Actual | Own operations | Significant | • Apply working time arrangements that support work-life balance<br>• Offer flexible working practices where appropriate<br>• Implement well-being initiatives across the organisation<br>• Recognise and address workload pressures, particularly during periods of growth |
| Health and safety in the workplace | **3** | | | | | | |
| Work-related mental health issues, injuries and fatalities due to occupational health and safety risks from manufacturing processing of metal or wood | | I | Negative | Actual | Own operations | Significant | • Apply structured health and safety governance<br>• Conduct regular risk assessments<br>• Implement safety procedures across operations<br>• Drive continuous improvement initiatives to reduce the frequency and severity of workplace incidents |
| Risk of fines, prosecution, reputational damage and reduced employee engagement due to serious workplace injuries or fatalities | | R | | | Own operations | Significant | • Integrate health and safety risks into operational and governance processes<br>• Enable escalation and oversight of identified issues<br>• Implement corrective actions to mitigate legal, operational and reputational impacts |
| **Equal opportunities, including gender equality and diversity** | **4** | | | | | | |
| Gender inequality and low diversity such as an unequal representation of women at senior management may negatively affect fairness, inclusion and access to opportunities | | I | Negative | Actual | Own operations | Significant | • Implement diversity, equity and inclusion initiatives across the Group<br>• Apply policies that promote equal treatment and non-discrimination<br>• Reinforce leadership focus on fair representation and equal opportunities |
| **Training and development** | **5** | | | | | | |
| Improving employees' skills, employability and career progression through training and professional development activities, including appraisals and career development plans | | I | Positive | Actual | Own operations | Significant | • Use structured appraisal processes to support employee development<br>• Develop individual development plans aligned with business and employee needs<br>• Provide access to training opportunities to build skills and capabilities |
| **Measures against violence and harassment in the workplace** | **6** | | | | | | |
| Incidents related to violence, harassment, discriminations or other severe human rights issues in the workplace. | | I | Negative | Actual | Own operations | Significant | • Apply the Code of Conduct and workplace policies to prevent violence and harassment<br>• Provide reporting channels for employees to raise concerns<br>• Use investigation procedures to address reported cases<br>• Aim to ensure a safe and respectful working environment across the Group |

S1 Own workforce

*SBM-2, SBM-3*

### Impacts, risks and opportunities

ITAB Group recognises its own workforce as a key group of affected stakeholders whose working conditions, treatment, health, safety and access to opportunities have a direct impact on employee well-being, engagement and the Group's ability to deliver long-term value.

All employees in ITAB Group's own workforce are included in the scope of these disclosures, including permanent and temporary employees; employees who are directly employed by the Group under an ITAB Group contract for a defined period or for the duration of a specific project.

ITAB Group also uses third-party workers in certain parts of its operations, including in manufacturing facilities and for shop-fitting activities at customer sites, to provide flexibility in managing fluctuations in workload. These individuals are employed by external entities such as contractors, subcontractors or temporary work agencies and are not part of ITAB Group's own workforce. Accordingly, they are not included in the scope of S1 disclosures and are addressed, where relevant, under workers in the value chain.

Based on the nature of ITAB Group's operations and the jurisdictions in which the Group operates, ITAB Group has assessed that the risk of forced labour or child labour is not a salient issue within its own workforce.

The material impacts and dependencies related to ITAB Group's own workforce give rise to several strategic risks and opportunities that directly influence the Group's strategy and business model. A stable, skilled and engaged workforce is critical for ITAB Group's operational performance, product quality and capacity to deliver integrated retail solutions; therefore, workforce-related dependencies shape decisions on capability development, recruitment, retention and leadership programmes. Material risks, such as health and safety incidents, skill shortages, high turnover, or discrimination and harassment, may disrupt operations, increase costs, weaken productivity and undermine ITAB Group's ability to execute its strategic priorities. Conversely, opportunities such as enhanced employee engagement, strengthened people leadership, improved working conditions, and increased diversity and inclusion support innovation, operational excellence and long-term competitiveness. These workforce-related risks and opportunities are considered in strategic planning, investment decisions and the evolution of ITAB Group's business model as identified through the Double Materiality Assessment.

As part of ITAB Group's health, safety and people processes, the Group has developed an understanding of whether certain groups within its own workforce may be at greater risk of harm due to particular characteristics, contexts or activities. Through site-level risk assessments, safety committees, incident reviews and engagement with People & Culture and local management, ITAB Group has identified that heightened risk profiles may apply to employees working with machinery or heavy equipment, employees performing manual handling tasks, new employees or temporary workers who are less familiar with site procedures, and employees undertaking installation or shop-fitting activities at customer sites. Additional controls, supervision and training are in place for these groups, and risks are reviewed regularly as part of ITAB Group's ISO 45001-aligned management systems. At present, ITAB Group has not identified any workforce sub-groups who face significantly elevated risks due to personal characteristics such as age, disability, gender or other protected attributes.

*S1-1*

## Policies

**Working conditions, secure employment and social dialogue**

ITAB Group has policies in place that set out its commitments to fair working conditions, secure employment and constructive social dialogue for its own workforce. These commitments are reflected through global employee policies, country-specific policies and local employee handbooks, which together define both ITAB Group's responsibilities as an employer and the expectations placed on employees.

ITAB Group's policies also cover the material topics of work–life balance, working time, and training and development. Working-time provisions, leave entitlements, flexible-working arrangements and work–life balance expectations are governed through country-specific labour policies, collective agreements where applicable, and local employee handbooks. Training and development are guided by ITAB Group's People & Culture processes, which include performance and development reviews, leadership programmes, mandatory training and role-specific skills development. These policies and processes collectively ensure that the Group's commitments on these material topics are clearly defined and consistently applied across the organisation.

Key policies in this area include ITAB Group's Code of Conduct and Group Pay Policy. These policies are owned by the People & Culture organisation, with overall accountability resting with the Chief People & Sustainability & People Officer. They apply to all employees in ITAB Group's own workforce, including permanent and temporary employees directly employed by the Group.

ITAB Group's policies also cover the material topics of work–life balance, working time, and training and development. Working-time rules, leave provisions, and work–life balance expectations are governed through country-specific labour policies, collective agreements where applicable, and local employee handbooks. Training and development are supported through ITAB Group's People & Culture processes, including performance and development reviews, mandatory training, leadership programmes and role-specific skills development. These policies and processes apply to all employees in ITAB Group's own workforce, ensuring consistent and structured management of these material topics across the Group.

The Code of Conduct outlines ITAB Group's ethical principles and behavioural expectations, including respect for human rights, fair treatment, responsible business conduct and compliance with applicable laws and international labour and human rights standards. It supports freedom of association, social dialogue and, where applicable, collective bargaining, in line with local legislation and practices. The Code also promotes a respectful and inclusive workplace and provides guidance on reporting concerns or misconduct.

ITAB Group explicitly prohibits trafficking in human beings, forced or compulsory labour and child labour within its own workforce. These prohibitions are set out in the ITAB Group Employee Code of Conduct, supported by country-specific labour policies and legal requirements in all jurisdictions where the Group operates. Employment with ITAB Group is voluntary, and workers have the right to terminate their employment in accordance with applicable legislation. ITAB Group does not employ workers below the legal minimum working age in any country, and pre-employment checks, right-to-work verification and onboarding processes are designed to ensure compliance with these requirements.

The Group Pay Policy sets out the principles governing compensation and benefits across the Group. It establishes that remuneration should be fair, competitive and market-based, and explicitly prohibits discrimination in pay or benefits. Together, these poli-

**S1 Own workforce**

*S1-1*

### Policies

cies aim to support secure employment relationships, transparency and trust between ITAB Group and its employees.

ITAB Group does not have a Global Framework Agreement or other overarching binding agreements with trade unions or worker representative bodies at Group level relating to the respect of human rights. Worker rights and human-rights commitments are instead governed through ITAB Group's Employee Code of Conduct, country-specific labour legislation, collective agreements where applicable, and local employee policies and handbooks.

**Work-life balance and working time**

ITAB Group recognises that working time arrangements and work-life balance are important factors influencing employee well-being, engagement and retention. Policies and local practices are designed to support compliance with applicable working time regulations and to promote reasonable working hours.

Where appropriate and in line with operational requirements, ITAB Group supports flexible working arrangements and other practices intended to help employees balance work and personal commitments. These principles are reflected in local employment policies and handbooks and are implemented in accordance with national legislation and collective agreements where applicable.

**Health and safety**

Providing a safe and healthy workplace for employees is a key priority for ITAB Group. This commitment is reflected in the Group Health & Safety Policy, which sets out ITAB Group's overall approach to occupational health and safety and informs local health and safety policies and procedures.

ITAB Group maintains a zero-vision approach to serious workplace injuries and accidents. The Group Health & Safety Policy establishes responsibilities for risk assessment, incident prevention and continuous improvement. Local management is responsible for implementing health and safety practices in line with the Group policy and applicable legal requirements.

At present, ten of ITAB Group's manufacturing sites operate occupational health and safety management systems certified to ISO 45001. Local health and safety policies are reviewed regularly by site management, and relevant updates or lessons learned are communicated at Group level to support consistency and ongoing improvement across operations.

**Equal treatment and opportunities**

ITAB Group is committed to equal treatment and equal opportunities for all employees. This commitment is embedded in the Employee Code of Conduct and the Group Pay Policy, which prohibit discrimination and promote fairness, diversity and inclusion in the workplace.

The Employee Code of Conduct sets expectations for respectful behaviour and outlines ITAB Group's position on non-discrimination, diversity and inclusion. It applies across all stages of employment, including recruitment, development, promotion and remuneration. These principles are intended to support a workplace culture where differences are respected and where all employees have access to opportunities based on merit and competence.

Concerns related to discrimination, unequal treatment or other breaches of these principles can be raised through line management or through ITAB Group's whistleblowing mechanisms, which are available to employees, via local grievance procedures or via the intranet link for Whistlelink (https://itab.whistlelink.com/) and allows for confidential and/or anonymous reporting.

**Training and development**

ITAB Group recognises training and development as important enablers of employee engagement, performance and long-term employability. Employee development is supported through formal policies and structured processes, including appraisal discussions, ongoing feedback and individual development planning.

The annual appraisal process provides a formal opportunity for employees and managers to discuss performance, development needs and career aspirations. These discussions are intended to support individual growth while aligning employee development with business needs.

Training and development opportunities are delivered through a combination of local and Group-level initiatives, reflecting the diverse roles and skills required across the organisation.

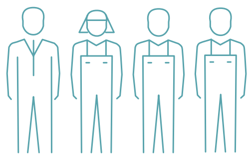
**Violence and harassment**

ITAB Group has a zero-tolerance approach to violence, harassment, discrimination and other inappropriate behaviour in the workplace. These principles are set out in the Employee Code of Conduct, which defines expected standards of behaviour and promotes a safe, respectful and inclusive working environment.

The Code of Conduct makes clear that harassment, bullying, discrimination or other forms of abusive behaviour are not tolerated. Employees are encouraged to raise concerns through established reporting channels, including line management, People & Culture representatives or ITAB Group's whistleblowing system.

The whistleblowing channel allows anonymous reporting, and where reporters choose to identify themselves, confidentiality is maintained throughout the process.

**Employee age distribution**

*S1-2*

## Processes for engaging with own workforce

Engaging with ITAB Group's own workforce is an important part of understanding and managing the impacts, risks and opportunities identified through the Double Materiality Assessment. ITAB Group seeks to foster a culture of transparency and trust, where employees feel encouraged to share their views, experiences and concerns related to working conditions, well-being, health and safety, equal treatment and development opportunities.

Engagement with employees takes place through a combination of formal and informal processes at both local and Group level. These processes are designed to enable dialogue with employees on an ongoing basis, rather than as one-off consultations, and to reflect the diversity of roles, functions and geographies within the Group.

The main engagement mechanisms include:

- Local work council structures and employee-relations processes, where applicable, which support dialogue between employees and management on working conditions, employment-related matters and organisational changes.
- Employee surveys and pulse checks conducted locally or at Group level, which are used to gather employee feedback on topics such as engagement, workload, leadership, well-being and workplace culture.
- Local People & Culture representatives, who act as a point of contact for employees and support dialogue on people-related topics, including working conditions, development and well-being.
- Appraisal and development discussions between managers and employees, which provide structured opportunities to discuss performance, development needs, workload and well-being.

Engagement with ITAB Group's workforce occurs at multiple stages of the decision-making and impact-management process. During the Double Materiality Assessment, employee perspectives inform the identification of material impacts, risks and opportunities. Throughout the year, workforce input is integrated into the design, prioritisation and evaluation of actions related to working conditions, well-being, equal treatment, health and safety, and development opportunities. Engagement takes place through a mix of formal and informal mechanisms, including bi-annual Group-wide employee engagement surveys, annual performance and development reviews, and local team dialogues, safety meetings and toolbox talks, which typically occur on an ad hoc basis when required. Day-to-day feedback channels, such as manager check-ins, local HR contact points and ongoing workplace interactions, operate continuously. These mechanisms, occurring at varying stages and frequencies, ensure that workforce perspectives are systematically incorporated into decisions and activities aimed at managing actual and potential impacts. These engagement processes apply to ITAB Group's own workforce, including both permanent and temporary employees directly employed by the Group.

Responsibility for ensuring that engagement with the own workforce is carried out in a structured and consistent manner rests with ITAB Group's People & Culture function, with implementation supported by local management. Oversight of workforce engagement practices is part of the Group's broader people governance framework.

Insights from employee engagement are used to inform management decisions, priorities and actions related to people policies, leadership development, workplace practices and organisational change. Key themes and findings from surveys, appraisals and employee dialogue are reviewed by local management and, where relevant, escalated to Group-level People & Culture and management forums. This helps ensure that employee perspectives are considered when reviewing policies, identifying improvement areas and implementing changes that may affect the workforce.

ITAB Group recognises that the effectiveness and maturity of engagement practices vary across regions and functions. The Group continues to work on strengthening consistency and follow-up, particularly in relation to feedback loops and communication back to employees on how their input has informed actions or decisions.

The effectiveness of ITAB Group's workforce engagement practices is assessed through a combination of qualitative and quantitative measures. Group-wide employee engagement surveys serve as a primary indicator, with results reviewed at Group and local management levels and compared across regions, functions and historical performance to identify strengths and areas requiring improvement. Follow-up actions from these surveys are tracked to assess whether issues raised by employees have been addressed within expected timeframes. Locally, the effectiveness of ongoing engagement mechanisms, such as team dialogues, safety meetings and feedback channels, is evaluated through participation levels, the volume and nature of issues raised, and the extent to which employee input results in concrete actions or changes to processes. People & Culture teams periodically review these insights and report key findings to senior management. Together, these mechanisms enable ITAB Group to evaluate whether engagement processes are functioning as intended, strengthening trust, and improving outcomes for employees.

**Link to remediation and channels to raise concerns**
In addition to engagement processes, ITAB Group has established channels that allow employees to raise concerns or grievances where they believe they have experienced negative impacts related to their employment. These channels are described in S1-3 Processes to remediate negative impacts and channels to raise concerns and complement the engagement mechanisms described above.

**Disclosure of steps taken to gain insight into perspectives of people in the own workforce who may be particularly vulnerable or marginalised**
Based on the nature of ITAB Group's operations, workforce profile and the jurisdictions in which the Group operates, ITAB Group has not identified any groups within its own workforce who are considered to be at heightened risk of marginalisation or particular vulnerability to negative impacts. As a result, no additional targeted engagement processes have been deemed necessary beyond the standard engagement mechanisms applied to all employees.

If future assessments were to identify specific groups at greater risk of harm or marginalisation, ITAB Group would implement proportionate engagement processes to ensure their perspectives are adequately understood and considered in decision-making.

*S1-3*

## Remediation processes and grievance channels for own workforce

ITAB Group has processes in place to remediate negative impacts on its own workforce and to enable employees to raise concerns or grievances related to their employment. This includes matters such as working conditions, health and safety, equal treatment, harassment, discrimination or other inappropriate behaviour.

Employees are encouraged to raise concerns as early as possible through appropriate channels. The available channels are intended to be accessible, confidential and proportionate to the nature and severity of the issue raised. These channels include:

- Line management, as a first point of contact for many work-related concerns.
- People & Culture representatives, who provide guidance, support and follow-up on people-related matters.
- Employee surveys or local engagement mechanisms, which may allow for anonymous feedback on workplace issues.
- ITAB Group's whistleblowing channel, which allows concerns to be reported confidentially or anonymously and is available to all employees.

Concerns raised through any of these channels are handled in accordance with ITAB Group's established procedures. All reported issues are taken seriously and assessed to determine appropriate actions, taking into account the nature of the concern, potential impacts on individuals, and applicable legal and internal requirements.

Where negative impacts are identified, ITAB Group seeks to remediate them through appropriate measures, which may include corrective actions, management interventions, disciplinary measures or other actions aimed at preventing recurrence. Investigations are conducted in a professional and confidential manner, with due consideration given to the rights and needs of all parties involved.

ITAB Group does not tolerate retaliation against employees who raise concerns in good faith. Protection against retaliation is embedded in ITAB Group's Code of Conduct and whistleblowing procedures.

Reported concerns are logged and tracked through ITAB Group's case-handling processes to monitor progress, outcomes and closure. Aggregated information from reported cases, including themes, recurrence and resolution status, is reviewed by relevant functions to assess the effectiveness of reporting channels and remediation measures and to identify areas for improvement.

Responsibility for overseeing remediation processes and handling reported concerns rests with the People & Culture function, in coordination with line management and other relevant functions, such as Legal, where appropriate. More severe or systemic issues may be escalated to Group Management in line with ITAB Group's governance and risk management processes.

Insights from reported concerns and remediation processes are used to inform continuous improvement of policies, practices and preventive measures, including updates to training, leadership practices and internal controls.

https://itab.com/whistleblowing-service

*S1-4*

## Actions and resources

ITAB Group implements a range of actions to support its workforce and strengthen overall working conditions across the Group. These actions are designed to maintain a safe, fair and supportive work environment and to drive continuous improvement over time. Responsibility for planning and implementation rests primarily with the People & Culture function, supported by local management and other relevant Group functions. Priorities are set based on employee feedback, operational needs and insights gained through ongoing monitoring of workplace practices.

**Resources and allocation**

To manage these material impacts, risks and opportunities, ITAB Group allocates resources through a combination of dedicated budgets within the People & Culture function and site-level operational budgets. These resources support activities such as health and safety programmes, training and development, leadership capability initiatives, employee well-being support, and diversity and inclusion actions. While the Group does not allocate financial resources at a granular activity level, material topics are integrated into the annual planning and budgeting cycle to ensure that adequate resources are available in each region and function. Actions are tracked through quarterly business reviews and People & Culture follow-up processes.

Several actions were initiated or continued during the reporting period. These include the rollout of the Group-wide leadership development framework, improvements to workplace safety management, the harmonisation of HR policies, and enhanced follow-up linked to the Group engagement survey. Actions completed during the reporting period include the establishment of updated Group HR procedures and the extension of the management training program beyond the senior management teams.

**Additional initiatives with a primary purpose of delivering positive impacts**

In addition to actions addressing material impacts, ITAB Group undertakes initiatives aimed specifically at strengthening positive outcomes for its workforce. These include:

- expanding leadership development offerings to broaden access for emerging leaders,
- increasing cross-regional collaboration initiatives to promote knowledge-sharing and career development,
- piloting improved onboarding processes to enhance early employee experience,
- implementing local well-being activities such as health campaigns and team-building initiatives.

The effectiveness of these initiatives is assessed through participation levels, qualitative feedback, and linkages to engagement survey outcomes. For example, actions arising from engagement survey themes, such as strengthening communication and clarifying priorities, have resulted in local improvements in managerial dialogue and team routines.

**Distinguishing actions from outcomes**

ITAB Group recognises the difference between evidence of actions taken and evidence of measurable outcomes for employees. During the reporting period, actions such as safety improvements, leadership training and policy enhancements were implemented. Evidence of resulting outcomes includes reductions in repeat themes in case-handling categories, strengthened consistency in policy application, and increased participation in training modules. These observed developments indicate that the implemented actions are contributing to improved employee experience and more consistent management practices.

S1 Own workforce

*S1-4*

## Actions and resources

**Tracking and assessing effectiveness of actions**
The effectiveness of actions and initiatives is monitored through a combination of quantitative and qualitative indicators. Reported concerns are logged and tracked through ITAB Group's case-handling processes to monitor progress, outcome and closure time. Aggregated insights, including recurring themes, resolution status and the type of issues raised, are reviewed regularly by relevant functions to assess whether actions are having the intended effect and to identify where further efforts are required.

In addition, People & Culture conducts structured follow-up on training participation. Improvements in local safety practices are monitored through incident data and qualitative assessments from site managers, providing insight into the impact of safety-related initiatives. Together, these mechanisms help ITAB Group evaluate whether actions are achieving meaningful outcomes for its workforce.

**Process to identify appropriate actions in response to actual or potential negative impacts**
When a potential or actual negative impact on the workforce is identified, for example through employee feedback, case handling, incident reporting, engagement surveys or management reviews, the relevant People & Culture representatives and operational managers assess the issue to determine the underlying causes and the required corrective or preventive actions. This process may involve revising work instructions, strengthening leadership practices, providing training, updating policies, or implementing site-level operational changes. Identified actions are then monitored through local follow-up processes and escalated where additional Group-level support is required.

**Planned and ongoing actions to mitigate material risks and dependencies**
ITAB Group's planned and ongoing actions to mitigate material risks arising from impacts and dependencies on its workforce include:

- improving consistency of health and safety practices through enhanced governance, risk assessment and accident investigation processes,
- strengthening leadership capability to support employee well-being, fair treatment and effective communication,
- harmonising HR policies and procedures to improve transparency and reduce disparities across regions and entities,
- supporting workforce stability and capability through recruitment, onboarding, upskilling and retention activities.

The effectiveness of these actions is tracked through review of incident data, safety observations, leadership feedback, case-handling trends, and engagement survey results.

**Ensuring ITAB Group's own practices do not cause or contribute to material negative impacts**
ITAB Group seeks to ensure that its own practices do not cause or contribute to material negative impacts on its workforce by maintaining clear employment policies, codes of conduct, safety requirements and remediation processes. Compliance is supported through mandatory training, leadership accountability, internal controls and local management oversight. Where issues arise, they are addressed through investigations, corrective actions and follow-up to prevent recurrence. Insights from case handling and engagement activities are used to strengthen policies, practices and leadership behaviours to reduce the likelihood of similar impacts occurring in the future.

*S1-5*

## Targets and metrics

ITAB Group maintains a set of workforce-related ambitions that guide the Group's people strategy and support continuous improvement across the organisation. These include a gender balance ambition, focus on health and safety outcomes, work-life balance considerations, and enhancements to training and development practices. While these ambitions shape internal planning and performance oversight, they are not currently structured as ESRS-aligned targets.

The ambitions monitored during the reporting period include:

- gender balance ambition (neither gender represents more than 60 percent at departmental and management levels),
- zero-tolerance approach to violence and harassment,
- continuous improvement of health and safety performance toward zero lost time accidents,
- strengthening appraisal and employee development processes.

**Status of ESRS-aligned targets**
ITAB Group confirms that it has not adopted quantitative, time-bound targets for its own workforce that fully meet the technical requirements of ESRS S1 (including a defined base year, specific KPIs and measurable milestones). This is due to the ongoing evolution of HR data systems, harmonisation of processes across the combined ITAB and HMY Group and enhancements to workforce indicators that are planned for implementation through 2026 and 2027.

As a result, the workforce-related aspirations described above do not constitute ESRS-aligned targets at this time, because they currently lack the necessary base year, milestones and quantitative metrics required under ESRS.

**Future plans for target development**
ITAB Group intends to reassess the feasibility of adopting ESRS-compliant targets for material workforce topics once its HR information systems have been harmonised and workforce indicator coverage has materially improved. This reassessment will consider lessons learned from the development and governance of Group-level targets and emerging HR data capabilities during the implementation of the Group's digital HR and learning platforms.

**S1 Own workforce**

*S1-6*

## Characteristics of the undertaking's employees

The disclosures under S1-6 cover ITAB Group's own workforce, defined as employees who have an employment contract with ITAB Group, including permanent and temporary employees engaged under fixed-term contracts. Temporary employees are paid directly by ITAB Group and employed for a defined period or for the duration of a specific project.

Individuals engaged through third-party contractors, temporary work agencies or other service providers are not included in the own workforce figures and are addressed separately under ESRS S2 Workers in the value chain.

The total number of employees disclosed in accordance with ESRS S1-6 is based on end-of-period headcount and represents the number of individuals employed by ITAB Group on the final day of the reporting period. This figure differs from the employee number presented in the financial statements, which is reported as FTE of employees over the financial year in accordance with financial reporting requirements. The employee information in this section should therefore be read alongside the FTE employee figures disclosed in Note 8 of the consolidated financial statements, which represent the "most representative" number for financial reporting purposes.

| Gender, headcount | 2025 | 2024 |
|---|---|---|
| Male | 4,031 | 1,842 |
| Female | 1,403 | 681 |
| Other | – | – |
| Non-disclosed | – | – |
| **Total** | **5,434** | **2,523** |

**Accounting policy**
Headcount is all employees with an ITAB Group contract on 31 December 2025, including temporary/fixed term employees. This also includes an employed person on family related leave.

| Country of employment, headcount | 2025 | 2024 |
|---|---|---|
| Spain | 1,332 | 10 |
| France | 802 | 34 |
| Czechia | 421 | 390 |
| Italy | 379 | 360 |
| Germany | 291 | 246 |
| Türkiye | 289 | – |
| Sweden | 283 | 264 |
| China | 253 | 268 |
| Brazil | 215 | – |
| UK | 196 | 160 |
| Norway | 160 | 159 |
| Finland | 156 | 145 |
| Lithuania | 143 | 148 |
| Latvia | 94 | 103 |
| Netherlands | 92 | 66 |
| Argentina | 88 | 79 |
| Poland | 55 | 10 |

**Accounting policy**
Headcount broken into country of employment, disclosing all countries with more than 50 employees.

| Contract type by gender | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| *Headcount* | Male | Female | Other | Not disclosed | Male | Female | Other | Not disclosed |
| Number of employees | 4,031 | 1,403 | – | – | 1,842 | 681 | – | – |
| Number of permanent employees | 3,989 | 1,389 | – | – | 1,823 | 672 | – | – |
| Number of temporary employees | 42 | 14 | – | – | 19 | 9 | – | – |
| Number of non-guaranteed hours employees | – | – | – | – | – | – | – | – |

**Accounting policy**
Headcount broken into type of contract.

| Contract type by region | 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| *Headcount* | Southern Europe | Central Europe | Rest of the World | Northern Europe | Eastern Europe | UK & Ireland | Total |
| Number of employees | 2,549 | 805 | 671 | 623 | 590 | 196 | **5,434** |
| Number of permanent employees | 2,544 | 757 | 670 | 621 | 590 | 196 | **5,378** |
| Number of temporary employees | 5 | 48 | 1 | 2 | – | – | **56** |
| Number of non-guaranteed hours employees | – | – | – | – | – | – | **-** |

**Accounting policy**
Headcount broken into the following regions; *Southern Europe*: France, Italy, Portugal, Spain. *Central Europe*: Belgium, Czechia, Germany, Netherlands. *Rest of the World*: Argentina, Brazil, Chile, China, India, Mexico, Peru, Saudi Arabia, UAE, USA. *Northern Europe*: Denmark, Finland, Norway, Sweden. *Eastern Europe*: Estonia, Latvia, Lithuania, Poland, Türkiye. *UK & Ireland*: United Kingdom.

| Employee turnover | 2025 | 2024 |
|---|---|---|
| Employee turnover (headcount) | 826 | 360 |
| Employee turnover rate, % | 15.2 | 14.5 |

**Accounting policy**
The *numerator* is the number of employees that left the business in 2025. The *denominator* is the opening balance of employees adding the closing balance of employees and then divided by 2 to give an average number of employees.

*S1-7*

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

In addition to its own workforce, ITAB Group engages non-employees to support its operations. Non-employees are individuals who perform work for the Group but are not directly employed by ITAB Group and are instead engaged through third-party providers, such as temporary work agencies, contractors or subcontractors.

Non-employees are primarily used in manufacturing facilities and in customer installation and shopfitting activities to provide operational flexibility and to respond to variations in workload and project demand. These arrangements allow ITAB Group to supplement its own workforce during peak periods or for specialised tasks.

Non-employees working on ITAB Group sites or projects are subject to applicable health and safety requirements and are expected to comply with ITAB Group's Code of Conduct and relevant site rules. Non-employees are not included in ITAB Group's own workforce figures and are addressed separately from employees engaged under ITAB Group employment contracts.

**Methodology and basis of preparation**

The number of non-employees reported by ITAB Group is compiled based on information provided directly by the external entities that supply temporary workers, contractors and subcontractors. Suppliers are requested to report the number of individuals performing work for ITAB Group at the end of the reporting period, disaggregated by gender.

- **Reporting unit:** Non-employee worker numbers are reported as headcount, not full-time equivalents, as ITAB Group does not have access to complete hour-level data for non-employees.
- **Reporting date:** The figures represent the number of non-employees engaged on the final day of the reporting period. ITAB Group does not currently calculate an average figure, as supplier-reported data is provided on a period-end basis.
- **Methodological assumptions:** ITAB Group assumes that information submitted by third-party suppliers is accurate and complete. No further adjustments or extrapolations are made by ITAB Group.

**Contextual information and fluctuations**

ITAB Group's use of non-employees changes throughout the year in line with operational needs such as project activity, seasonal installation work and production volumes. However, ITAB Group does not track or report these intra-year fluctuations.

For consistency and reliability, ITAB Group discloses non-employee numbers based solely on the headcount at the end of the reporting period, which is considered the most representative point-in-time figure for annual reporting. As a result, only year-end numbers are reported, and other fluctuations during the year are not disclosed, as ITAB Group does not monitor them systematically and they would not be possible to compile with sufficient accuracy.

**Use of estimates**

ITAB Group does not use estimates to calculate the number of non-employees. All figures are based on exact headcount data provided by external suppliers at the end of the reporting period. Therefore, the disclosure of estimated numbers, as foreseen under AR 63, is not applicable for ITAB Group.

*S1-7*

**Non-employee characteristics**

| *Headcount* | **2025** | **2024** |
|---|---|---|
| Female | 16 | 6 |
| Male | 105 | 35 |
| **Total** | **121** | **41** |

**Accounting policy**

All non-employees (not on an ITAB Group Contract) on 31 December 2025.

S1 Own workforce

*S1-8*

## Collective bargaining coverage and social dialogue

**Collective bargaining coverage**
ITAB Group recognises the role that collective bargaining plays in supporting fair and equitable employment conditions. Across the Group, the coverage of collective bargaining agreements varies by geography and national context:

- → % of total employees covered by collective bargaining agreements: 37.3%

For employees not covered by collective bargaining agreements, working conditions and terms of employment are determined through local employment policies, statutory frameworks and internal governance processes that align with applicable laws and industry practice.

**Social dialogue**
ITAB Group supports social dialogue through both formal and informal mechanisms that enable employee engagement, consultation and representation:

- → Employees covered by workers' representatives: 50.3% (reported at country level for EEA jurisdictions with significant employment)
- → ITAB Group does not currently have a European Works Council (such as EWC, SE Works Council or SCE Works Council) in place but maintains ongoing dialogue with employee representatives and local works councils where relevant.

Where employee representation structures exist, these provide channels for discussing working conditions, organisational changes and employee feedback at local level. For employees not covered by formal representation, ITAB Group encourages dialogue through People & Culture functions, management engagement, employee surveys and other regular communication channels.


*S1-8*

**Collective bargaining coverage and social dialogue**

| | Collective bargaining coverage | | | | Social dialogue | |
|---|---|---|---|---|---|---|
| | Employees-EEA | | Employees non-EEA | | Workplace representation (EEA only) | |
| **Coverage rate** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| 0-19% | Czechia, Spain, Latvia, Lithuania | Czechia, Latvia, Lithuania | China, UK | China, UK | Czechia, Poland | |
| 20-39% | Finland | | | | | |
| 40-59% | Germany, Norway | Norway | Argentina | Argentina | Spain, Germany | Germany |
| 60-79% | | Germany | | | | |
| 80-100% | France, Italy, Netherlands, Sweden | Finland, Italy, Netherlands, Sweden | Brazil | | Finland, France, Italy, Latvia, Lithuania, Netherlands, Norway, Sweden | Finland, Italy, Norway, Netherlands, Sweden |

**Accounting policy**
Collective agreements is calculatesd using the formula: Number of employees covered by collective bargaining agreements/Number of employees x 100.

Employees in that country which are employed in establishments in which employees are represented by workers' representatives is calculated using the following formula: Number of employees working in establishments with workers' representatives/ number of employees x 100.

*S1-9*

## Diversity metrics

ITAB Group monitors workforce diversity metrics to support transparency and to inform workforce planning and diversity, equity and inclusion initiatives. The diversity metrics disclosed for the reporting period cover ITAB Group's own workforce and are presented in the accompanying tables, including: (i) gender distribution at top management level (in both number and percentage), and (ii) age distribution of employees in the required age bands (under 30 years, 30–50 years, and over 50 years and above).

The metrics are compiled using Group-level HR reporting processes and are reviewed to support consistency and comparability across the Group. Where relevant, ITAB Group also monitors workforce composition by employee category (e.g., blue-collar and white-collar) to support internal analysis and targeted actions.

ITAB Group defines "senior management" as the four organisational levels below the Board of Directors. This includes:(1) the Chief Executive Officer; (2) the C-suite and Senior Vice Presidents; (3) Vice Presidents and Heads of Functions; and (4) Directors or equivalent senior leaders. This definition is applied consistently across all Group entities.

*S1-9*

**Diversity**

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **Senior managers** | **Headcount** | **%** | **Headcount** | **%** |
| Women | 35 | 21.2 | 25 | 20.8 |
| Men | 130 | 78.8 | 95 | 79.2 |
| **Age distribution** | | | | |
| Under 30 years | 785 | 14.4 | 305 | 12.1 |
| 30-50 years | 2,896 | 53.3 | 1,384 | 54.9 |
| Above 50 years | 1,753 | 32.3 | 834 | 33.0 |

**Accounting policy**

Senior management is defindled as the top four levels of management below the Board of Directors. In 2025 there were 165 Senior Management positions.

*S1-10*

## Adequate wages

ITAB Group ensures that all employees are paid in accordance with applicable national and local minimum wage legislation and collective bargaining agreements where such agreements apply. Compliance with statutory minimum wage requirements is monitored through local payroll and governance processes across the Group.

The concept of an "adequate wage" under ESRS S1 goes beyond legal minimum wages and may, in certain jurisdictions, require comparison against benchmarks reflecting a decent standard of living. Given ITAB Group's presence across multiple countries with differing wage-setting mechanisms, minimum wages may not in all cases fully reflect adequate wage levels as defined in the ESRS.

Within the European Economic Area, ITAB Group applies national minimum wage legislation or collective bargaining outcomes as the primary benchmark for wage setting, in line with applicable legal frameworks. In countries where no statutory minimum wage exists, wages are set through collective agreements or market-based practices.

Outside the EEA, ITAB Group currently uses statutory minimum wages and applicable collective agreements as the baseline for wage compliance. The Group recognises that in certain jurisdictions these benchmarks may not fully reflect adequate wage levels as defined in ESRS S1.

ITAB Group is therefore in the process of strengthening its approach to adequate wage assessment by reviewing available international wage benchmarks and methodologies, such as those referenced in ESRS S1 Application Requirement 73. This work will support a more robust assessment of wage adequacy over time and inform future disclosures.

*S1-11*

## Social protection

ITAB Group provides social protection for the vast majority of its employees through a combination of statutory national schemes and employer-provided benefits. Across most countries in which ITAB Group operates, employees have access to one or more forms of income protection in the event of sickness, occupational injury or disability, redundancy, parental leave or retirement. Coverage levels differ between jurisdictions, reflecting variations in local legislation, collective bargaining arrangements and market practice.

A review conducted during 2025 confirmed that statutory or employer-provided schemes exist for all key categories of social protection in almost all ITAB Group countries. For redundancy or unemployment protection, statutory schemes do not exist for all employees in a limited number of countries. Specifically, Peru, the UAE and the United States do not provide statutory income-replacement schemes equivalent to unemployment or redundancy insurance for all employees. In Saudi Arabia, statutory pension coverage applies only to Saudi nationals through the GOSI system, meaning expatriate employees are not covered by a state pension scheme. In all other countries, statutory schemes provide income protection across the major life events defined in this Disclosure Requirement, supplemented by employer-provided benefits where relevant.

Based on this assessment, ITAB Group is able to confirm that all employees are covered by social protection against loss of income due to sickness, employment injury or acquired disability, and retirement in every country in which the Group operates. Coverage for redundancy or unemployment and for parental leave is comprehensive in most jurisdictions but is limited in the specific cases noted above.

ITAB Group will continue to review its social protection landscape to ensure alignment with local regulatory requirements and to identify where additional measures may be appropriate in countries with more limited statutory protection.

**S1 Own workforce**

*S1-12*

## Persons with disabilities

ITAB Group aims to foster an inclusive working environment and to support employees with disabilities through reasonable workplace adjustments. However, the Group does not currently collect or disclose quantitative data on the number of employees with disabilities.

Under ESRS S1-12 and applicable data-protection frameworks (including GDPR), it is permissible to collect such data where collection is voluntary, proportionate and based on explicit consent or another lawful basis. At present, ITAB Group does not have the systems, processes or capacity required to collect, store and manage disability-related information in a way that would ensure full compliance with these requirements across all jurisdictions in which the Group operates.

As a result, ITAB Group has not yet established Group-wide mechanisms for voluntary self-identification, anonymous or aggregated reporting, or structured monitoring of disability status. Instead, support for employees with disabilities is provided on a case-by-case basis through local management and People & Culture teams, who handle requests for workplace adjustments confidentially and in line with local legal requirements.

As ITAB Group continues to harmonise its HR systems and processes, the Group will assess the feasibility of implementing a compliant and standardised approach to collecting voluntary, anonymised or aggregated data on employees with disabilities in future reporting periods.

*S1-13*

## Training and skills development metrics

ITAB Group provides training through a combination of onboarding, leadership development, role-based learning and local training initiatives. At present, ITAB Group cannot report the average number of training hours per employee on a consistent Group-wide basis, because training data is recorded in multiple systems and not all training is captured in a way that supports reliable consolidation.

To close this gap, ITAB Group is implementing a Group-wide digital training platform during 2026. This will harmonise how training is assigned, completed and recorded, enabling consistent tracking of participation and training hours and supporting future ESRS-aligned reporting.

In the meantime, ITAB Group continues to monitor progress in capability building through qualitative indicators, including the proportion of employees completing annual appraisal discussions with documented development plans and participation in key leadership and competence development initiatives. These measures form part of ITAB Group's ongoing efforts to strengthen workforce competence and support employee development across the Group.

*S1-13*

**Training and skills development**

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| **Total appraisals by gender** | **Appraisal** | **Headcount** | **%** | **Appraisal** | **Headcount** | **%** |
| Women | 924 | 1,403 | 65.9 | 463 | 681 | 68.0 |
| Men | 2,272 | 4,031 | 56.4 | 1,314 | 1,842 | 71.3 |
| **Total appraisals by gender** | **3,196** | **5,434** | **58.8** | **1,777** | **2,523** | **70.4** |

**Accounting policy**
Each employee, by gender, who has had an apprasial in 2025 as the *numerator*.
The total number of employees by gender as the *denominator*.

S1 Own workforce

*S1-14*

## Health and safety metrics

ITAB Group reports health and safety performance through Group indicators including fatalities, lost-time accidents, non-lost-time accidents and near misses. ITAB Group discloses the number of fatalities resulting from work-related injuries and work-related ill health for both employees and non-employees working under ITAB Group's operational control (such as contractors and agency labour on ITAB Group sites or under ITAB Group supervision). Where ill-health fatality data is not separately tracked in certain jurisdictions, ITAB Group discloses this limitation and the steps being taken to strengthen classification and reporting.

**Definition of recordable accidents and work-related ill health**

Recordable cases at ITAB Group are defined as incidents that result in lost working time due to either a work-related accident or a work-related ill-health condition. These definitions are part of ITAB Group's internal health and safety reporting framework and are applied consistently across all sites.

**Lost Time Accident (LTA)**

An LTA is defined as: "An unplanned single event that results in an injury and leads to the next normal working period being missed."

This means that if an employee cannot perform their normal work during the next scheduled shift because of a work-related injury, the incident is counted as a Lost Time Accident.

**Lost Time Work-Related Ill Health**

To ensure consistency with the LTA definition, ITAB Group defines a recordable work-related ill-health case as: "A medically confirmed work-related illness or condition that results in the next normal working period being missed."

This includes situations where an occupational illness (for example, repetitive strain injury, work-related stress, respiratory symptoms, hearing issues, etc.) is confirmed by a medical professional and prevents the employee from performing their normal duties during their next scheduled working time.

**Scope of recordable cases**

Only cases that result in lost time are included in ITAB Group's recordable incident metrics.

Cases requiring only first aid, medical treatment, or involving restricted duties without missed working time are not treated as recordable.

These definitions form the basis for calculating Lost Time Accident Frequency Rate, also known as Total Frequency Rate (TFR), Lost Time Severity Rate (LTSR) and other safety performance indicators.

**Data limitations**

ITAB Group's reporting system currently records incidents for all workers operating under the Group's operational control but does not consistently distinguish between employees and non-employees (such as contractors or agency workers). As a result, the health and safety metrics presented in this section reflect aggregated incident data covering all workers on ITAB Group sites or under the Group's supervision.

In addition, the current incident reporting database does not consistently classify commuting-related incidents separately from work-related incidents across all jurisdictions. While commuting incidents are not considered work-related under ITAB Group's health and safety definitions, they may in some cases remain included in the aggregated data due to local legislation. ITAB Group is implementing improvements to its health and safety reporting processes and systems in order to enhance the classification of incidents and enable clearer differentiation between worker categories and commuting-related events in future reporting periods.

*S1-14*

**Health & safety**

| **Health & safety** | **2025** | **2024** |
|---|---|---|
| Employees covered by Health & Safety Management System, % | 100% | 100% |
| Temporary employees covered by Health & Safety Management System, % | 100% | 100% |
| Fatalities - employees, number | – | – |
| Recordable work-related accidents employees, number | 100 | 59 |
| Recordable work-related accidents rate, per million hours worked | 11.1 | 11.6 |
| Non-recordable work-related accidents employees, number | 160 | N/A |
| Total frequency accident rate, per million hours worked | 28.8 | N/A |
| Days lost due to work-related injuries from work-related accidents, number | 1,550 | 1,271 |

| **Absence, %** | | |
|---|---|---|
| Short term | 2.0% | 2.3% |
| Long term | 2.0% | 1.7% |
| **Total** | **4.0%** | **4.0%** |

**Accounting policy**

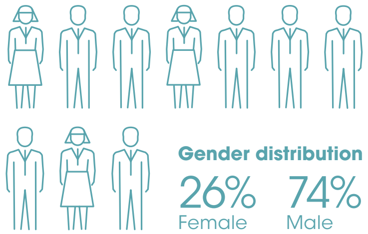
Work related fatalities are the number of deaths occurring from work related injuries or ill health, occurring to an ITAB Group employee in the reporting period.

Work related accidents are the number of lost time accidents from work related injuries or ill health, occurring to an ITAB Group 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. The total frequency accident rate is calculated by using the number of lost time accidents and non-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,

**All employees in ITAB Group are covered by Health & Safety Management Systems.**



Gender distribution

26% Female

74% Male

S1 Own workforce

*S1-15*

## Work-life balance metrics

ITAB Group discloses the extent to which employees are entitled to and make use of family-related leave. This includes: (i) the percentage of employees entitled to take family-related leave and (ii) the percentage of entitled employees that took family-related leave, with a breakdown by gender. Where all employees are entitled through social policy and/or collective agreements, ITAB Group states this to meet the disclosure requirement.

| *S1-15* | 2025 | | | | | 2024 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Work-life balance** | **Female, headcount** | **Female, %** | **Male, headcount** | **Male, %** | **Total, %** | **Female, headcount** | **Female, %** | **Male, headcount** | **Male, %** | **Total, %** |
| Employees entitled to take family-related leave | 1,400 | 99.7% | 4,029 | 100.0% | 99.9% | 681 | 100% | 1,842 | 100% | 100% |
| Employees that took family-related leave | 156 | 11.2% | 274 | 6.8% | 7.9% | 74 | 10.9% | 90 | 4.9% | 6.5% |


**Accounting policy**
Family-related leave includes leave for caring for sick children or relatives, maternity leave, paternity leave, parental leave, breastfeeding, birth, and adoption.

S1 Own workforce

*S1-16*

## Remuneration metrics

**Gender pay gap**

For the reporting period, ITAB Group is not yet able to calculate and disclose the unadjusted gender pay gap in accordance with ESRS S1-16 and the methodology described in AR 98–AR 100. The Group currently operates with multiple HR and payroll systems across different countries, which prevents the consistent extraction and consolidation of the detailed remuneration components required for an ESRS-compliant calculation (including annualised pay, benefits, allowances, and comparable categorisation of employee groups).

As part of the Group's digitalisation roadmap, ITAB Group will implement a common HR system beginning in mid-2026. This programme will harmonise remuneration and employee data across all regions, enabling ITAB Group to produce a complete and accurate gender pay gap calculation in future reporting periods. Until this system is implemented and validated, ITAB Group is unable to disclose the gender pay gap.

**Annual total remuneration ratio**

ITAB Group discloses the ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees, and the ratio of the annual total remuneration of the Chief Executive Officer (CEO) to the same median.

For the reporting period, the CEO is also the highest-paid individual. As a result, both ratios are identical. The ratio is presented in the accompanying table.

*S1-16*

**Renumeration metric**

| Renumeration annual total | 2025 | 2024 |
|---|---|---|
| Renumeration ratio | 1:41.5 | 1:35.4 |

**Accounting policy**

- Total remuneration includes fixed pay, variable pay, bonuses, allowances, benefits in kind, and employer pension contributions.
- Figures are based on annual remuneration, with part-time employees' pay annualised to ensure comparability.
- The median is calculated from the full employee population included in ITAB Group's own workforce on the final day of the reporting period.
- All remuneration amounts are converted to the Group's reporting currency using ITAB Group's standard annual exchange rate.
- Non-employees (contractors, agency workers) are excluded and disclosed separately under S1-7.

*The formula used to calculate the annual total renumeration ratio:*

$$\frac{\text{Annual total renumeration for ITAB Groups highest paid individual}}{\text{Median employee annual total renumeration (excluding the highest paid individual)}}$$

*S1-17*

## Incidents, complaints and severe human rights impacts

ITAB Group has processes in place to identify, record and address incidents and complaints related to discrimination, harassment and other adverse impacts affecting its own workforce. Employees may raise concerns through established grievance channels, line management, People & Culture functions and the Group's whistleblowing mechanism. All reports are handled confidentially and in accordance with applicable laws, internal policies and data protection requirements.

For the reporting period, ITAB Group discloses in the accompanying table the number of reported incidents of discrimination (including harassment), the number of complaints raised through formal grievance channels, and any related fines, penalties or compensation. In line with ESRS requirements, disclosures focus on aggregated figures to protect the confidentiality and privacy of individuals involved.

ITAB Group also assesses whether any severe human rights incidents involving its own workforce have occurred during the reporting period. A severe human rights incident is defined as an incident that has a significant adverse impact on individuals and requires remediation beyond routine corrective actions. During the reporting period, ITAB Group identified no severe human rights incidents involving its own workforce. Consequently, no fines, penalties or compensation related to severe human rights incidents were recorded.

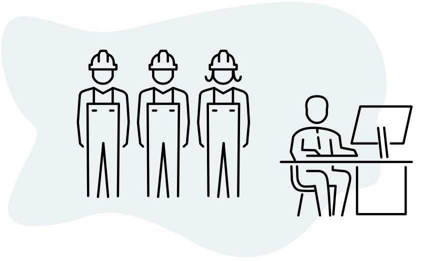
Insights from reported incidents and complaints are reviewed by relevant management functions and used to inform preventive measures, policy updates and awareness activities, supporting continuous improvement in maintaining a respectful and inclusive working environment.

*S1-17*

**Incidents, complaints and severe human rights impacts**

| | 2025 | 2024 |
|---|---|---|
| Complaints filed through channels for people in own workforce to raise concerns, number | 36 | N/A |
| Discrimination including harassment complaints raised and investigated, number | 17 | 7 |
| Confirmed incidents of discrimination including harassment, number | 8 | 4 |
| Fines, penalties, and compensation for damages as a result of the incidents and complaints, SEK thousands | – | – |
| Severe human rights incidents, number | – | – |
| Non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights of Work or OECD Guidelines for Multinational Enterprise Incidents, number | – | – |

# S2 Workers in the value chain



*SBM-2, SBM-3*

## Impacts, risks and opportunities

**Below are the identified IROs for S2:**

| Material impacts, risks and opportunities | IRO | Positive / Negative | Actual / Potential | Own operations / Value chain | Materiality level | Management of the IRO |
|---|---|---|---|---|---|---|
| **Value chain working conditions - Health and safety** | **1** | | | | | |
| Work-related incidents at supplier sites that may result in injuries, fatalities or adverse mental health outcomes for workers. | I | Negative | Actual | Value chain | Significant | • Apply risk-based supplier due diligence<br>• Conduct health and safety assessments during supplier onboarding<br>• Prioritise audits of high-risk suppliers<br>• Require corrective action plans at non-conformities |
| Serious health and safety incidents, including fatalities, that may lead to supply chain disruption, legal investigations or fines under due diligence legislation such as the Corporate Sustainability Due Diligence Directive (CSDDD), as well as reputational damage affecting stakeholder trust. | R | | | Value chain | Significant | • Integrate supplier health and safety risks into due diligence processes<br>• Incorporate supplier-related risks into enterprise risk management<br>• Enable escalation of significant issues<br>• Support informed decisions on supplier relationships to mitigate legal, operational and reputational risks |

ITAB Group recognises workers in the value chain as a key group of affected stakeholders whose interests, views and rights could be materially impacted by the Company's operations and supply chain relationships. Through the Company's Double Materiality Assessment, the principal concern for value chain workers was identified as health and safety risks, including the potential for workplace incidents that may result in injuries, fatalities or work-related mental health impacts.

These issues inform ITAB Group's strategy and business model in the following ways:

- Strategic risk prioritisation: The potential for serious health and safety incidents in the value chain has been integrated into supplier risk assessment and prioritisation of due diligence activities within the procurement and sustainability strategy.
- Human rights respect framework: Respect for the human rights of value chain workers, particularly the right to safe and healthy working conditions, is embedded in ITAB Group's Supplier Code of Conduct and Sustainable Procurement Policy.

By explicitly linking material impacts on value chain workers' health and safety to strategic priorities, ITAB Group aims to ensure that respect for workers' rights is reflected in how the business operates and how value-chain risk is governed.

**Types of value chain workers subject to material impacts**

Based on the Double Materiality Assessment and ITAB Group's supplier-risk mapping, the value chain workers most exposed to material impacts are those working in:

- Upstream manufacturing and fabrication activities, including metalworking, wood processing and electrical component assembly subcontractors.
- Installation and shopfitting at customer sites, often involving physically demanding tasks, power tools and work at height.
- Transport and logistics providers, where manual handling, loading activities and road-safety risks are present.
- Suppliers operating machinery or undertaking hazardous processes, such as welding, cutting, chemical handling or mechanical assembly.
- Small or non-ISO-certified suppliers with less formalised health and safety management systems.

These workers are typically employed by third-party suppliers, subcontractors or temporary labour providers and therefore fall outside ITAB Group's own workforce but may be affected by the conditions and practices within the value chain.

**Geographies or commodities with elevated child labour or forced labour risk**

ITAB Group's primary supply chain is located in Europe, Turkey, China and South America.

Based on screening using global human-rights risk indices and ITAB Group's supplier category analysis:

- No material risk of child labour or forced/compulsory labour has been identified in the commodities and geographies material to ITAB Group's business model.
- The Group's main procurement categories (metals, wood-based products, plastics, packaging and electronic components) are sourced from suppliers operating in jurisdictions with established labour regulatory frameworks.
- Where higher-risk jurisdictions exist globally for these commodities, ITAB Group does not source from the affected regions.

If this assessment changes due to business expansion, geopolitical shifts or new supplier onboarding, ITAB Group will update its analysis accordingly.

**Understanding of workers at greater risk of harm**

ITAB Group has developed an understanding of which value chain workers may be at greater risk of harm through the following processes:

- Supplier onboarding assessments, which include screening for hazardous tasks, machinery use and the existence of health and safety management systems.
- Risk-based supplier categorisation, identifying suppliers whose operations involve hazardous physical work, or lower levels of safety maturity.
- Supplier audits, focused on occupational health and safety governance, accident records, training practices and use of personal protective equipment.

ITAB Group recognises that some value chain workers may face higher risks of harm due to the nature of their employment, such as temporary agency workers or workers engaged in physically demanding or hazardous tasks. Although ITAB Group does not collect detailed information on vulnerable groups from supp-

*SBM-2, SBM-3*
**Impacts, risks and opportunities**

liers, indications of elevated risk may be observed during supplier onboarding and site visits, for example, where suppliers rely heavily on temporary labour or where language or training gaps are noted. When such factors are identified, they are considered qualitatively in supplier-risk assessments and in determining where additional follow-up or monitoring may be needed.

From this, ITAB Group has identified that workers performing hazardous manual tasks, working at height, operating heavy machinery and engaged in installation activities in customer environments are at higher risk of harm.

**Material risks and opportunities affecting specific groups**
The material impact identified for value chain workers, health and safety risk, primarily affects the following groups:

- Manufacturing workers in upstream production (metalworking, woodworking, assembly).
- Installation and shopfitting workers performing onsite customer work.
- Transport and logistics workers exposed to manual handling and road-safety risks.
- Workers at suppliers with limited safety governance, including SMEs or non-ISO-45001-certified suppliers.

These groups may face disproportionate impacts due to the physical nature of their work, the environments in which they operate, or the maturity of supplier safety systems.

*S2-1*
## Policies

ITAB Group has policies in place to address material impacts on workers in the value chain, with a specific focus on working conditions related to health and safety, which was identified as a material topic through the Double Materiality Assessment.

In addition to health and safety, ITAB Group's policies explicitly prohibit trafficking in human beings, forced or compulsory labour and child labour, recognising these as fundamental human rights risks that may affect workers in global supply chains.

The company's expectations regarding the treatment of value chain workers are set out in the Supplier Code of Conduct, which is derived from ITAB Group's Group Code of Conduct and applies to suppliers, contractors and other business partners. The Supplier Code of Conduct requires suppliers to provide safe and healthy working conditions, to prevent work-related injuries, incidents and fatalities, and to manage occupational health and safety risks in line with applicable laws and regulations.

- provide safe and healthy working conditions
- prevent work-related injuries, incidents and fatalities
- protect the mental and physical well-being of workers,
- prohibit all forms of forced, bonded or involuntary labour, including practices that restrict freedom of movement or require workers to surrender identity documents,
- comply with minimum working age laws and prohibit child labour,
- avoid all forms of human trafficking, exploitation or coercive recruitment practices.

These commitments are supported by ITAB Group's Sustainable Procurement Policy, which integrates health and safety considerations into supplier selection, onboarding and ongoing supplier management. Together, these policies establish minimum standards for suppliers operating within ITAB Group's value chain and form the basis for managing health and safety risks affecting value chain workers.

ITAB Group's policies are informed by internationally recognised standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and relevant ILO conventions, and are designed to support compliance with evolving due-diligence legislation, including the Corporate Sustainability Due Diligence Directive (CSDDD).

The Supplier Code of Conduct is communicated to suppliers and is a prerequisite for doing business with ITAB Group.

**Governance and accountability**
Oversight of policies relating to workers in the value chain is shared between Group Management and relevant procurement and sustainability functions, with governance and escalation mechanisms in place as part of ITAB Group's broader due-diligence framework. These functions are responsible for ensuring that policy requirements are embedded into sourcing decisions, supplier risk assessments, corrective actions and escalation processes. Cross-references to S2-1 requirements are embedded within:

- the Supplier Code of Conduct (Sections: Human Rights, Working Conditions, Child Labour, Forced Labour, Freedom of Employment)
- the Sustainable Procurement Policy (Sections: Supplier Due Diligence, Risk Screening, Audits and Corrective Actions)
- the Group Code of Conduct (Sections: Respect for Human Rights, Ethical Behaviour, Zero Tolerance for Exploitation)

**S2 Workers in the value chain**

*S2-2*

## Processes for engaging with value chain workers

ITAB Group engages with workers in the value chain primarily through indirect engagement processes, reflecting the nature of its business relationships and the fact that supply chain workers are employed by suppliers rather than by ITAB Group directly.

Engagement focuses on the material impact identified for value chain workers, namely health and safety risks that may lead to work-related mental health issues, injuries or fatalities.

*Supplier onboarding (pre-engagement stage)*

- Suppliers must confirm compliance with the Supplier Code of Conduct and complete a sustainability and health and safety self-assessment before being approved.
- Frequency: before onboarding

*Ongoing supplier management (implementation stage)*

- Supplier audits and on-site assessments provide opportunities to observe working conditions, verify the implementation of health and safety controls and discuss risks with supplier management and, where relevant, workers or worker representatives.
- Frequency: these audits are typically performed annually or bi-annually for suppliers

*Ongoing operational dialogue*

- Local procurement teams and category managers maintain regular dialogue with suppliers on health and safety expectations, incident prevention and improvements.
- Frequency: periodic

*Grievance mechanisms (continuous stage)*

- ITAB Group operates a confidential whistleblowing channel accessible to suppliers and workers within the supply chain (https://itab.whistlelink.com/), allowing concerns, including those relating to health & safety, to be raised anonymously at any time.
- Frequency: continuous as concerns can be raised at any time

Insights from these engagement processes are used to inform supplier risk assessments, prioritisation of due diligence activities, and the identification of areas requiring corrective action or enhanced monitoring. Where engagement identifies significant health and safety risks or incidents, these are escalated through ITAB Group's governance and due diligence processes.

ITAB Group does not have a Global Framework Agreement or similar formal agreement relating to the human rights of value chain workers. If relevant in the future, ITAB Group will disclose such agreements in line with ESRS requirements.

**Steps to gain insights into workers who may be particularly vulnerable or marginalised**

ITAB Group recognises that certain value chain workers may face higher risks of harm due to factors such as age, migration status, temporary employment arrangements, or the nature of hazardous work.

Direct engagement with these workers is limited because they are employed by suppliers; however, ITAB Group takes initial steps to gain insight into potential vulnerabilities through existing processes, including:

- General supplier risk assessments, which consider factors such as the country of operation, type of activity and nature of workforce (e.g., use of temporary or agency labour) as part of the overall risk profile.
- Supplier audits and self-assessments, which may highlight practices or conditions that could indicate increased risk for certain worker groups, although these tools are not yet systematically focused on vulnerable groups.
- The whistleblowing channel, which is accessible to supplier employees and may provide visibility of concerns raised by workers, including those who may be vulnerable or marginalised.

ITAB Group acknowledges that these approaches provide only partial insight. As part of the continued development of its due-diligence processes, ITAB Group intends to further strengthen how risks to potentially vulnerable worker groups are identified and monitored over time, particularly among higher-risk suppliers.

*S2-3*

## Remediation processes and grievance channels for value chain workers

ITAB Group has processes in place to remediate negative impacts on workers in the tier 1 supply chain related to health and safety incidents, including injuries, fatalities or adverse mental health outcomes.

Where actual or potential health and safety issues are identified through supplier audits, ongoing supplier dialogue, self-assessments or reported concerns, ITAB Group requires suppliers to develop and implement time-bound corrective action plans. Progress against corrective actions is monitored through follow-up assessments or reviews, and issues that are severe, repeated or not adequately addressed are escalated through ITAB Group's procurement, sustainability and governance processes. Where necessary, this may result in reassessment of the supplier relationship.

1st tier supply chain workers, including employees of suppliers, have access to ITAB Group's confidential whistleblowing channel, which allows concerns related to health and safety or other labour issues to be reported anonymously or confidentially. Reports received through this channel are reviewed in accordance with ITAB Group's whistleblowing procedures, investigated where appropriate, and followed up with relevant actions.

ITAB Group tracks reported incidents and grievances related to the value chain and uses insights from remediation processes to strengthen due diligence, supplier risk assessments and preventive measures over time.

*S2-4*

## Actions and resources

ITAB Group takes action to address the material negative impact on workers in the value chain related to health and safety, and to manage the associated risk of supply chain disruption, legal exposure and reputational damage.

Actions focus on preventing health and safety incidents at supplier sites and on reducing the likelihood and severity of adverse outcomes through a risk-based due diligence approach. Key actions include:

- Integrating health and safety criteria into supplier onboarding and risk assessment, to identify suppliers with elevated risk profiles and prioritise due diligence efforts.
- Conducting supplier audits and assessments, with a focus on occupational health and safety practices at higher-risk suppliers.
- Requiring corrective action plans where deficiencies or incidents are identified, with defined timelines and follow-up to verify implementation.
- Escalating severe or repeated issues through procurement, sustainability and governance processes, including reassessment of the supplier relationship where risks are not adequately addressed.

**Planned actions**

To further strengthen ITAB Group's approach, the Group is planning incremental improvements to supplier health and safety due diligence during 2025–2026. These include:

- Implementation of a Group-wide supplier management digital tool, which will be introduced during 2026. The tool is expected to support more consistent documentation, follow-up and visibility of supplier assessments, corrective actions, and risk indicators across all regions.
- Improve clarity and consistency in follow-up of corrective actions, focusing on documenting timelines and outcomes in a more structured way. The new tool is expected to assist with this once it is in place.
- Continue developing internal processes for identifying and prioritising higher-risk suppliers, in line with available data and resources.
- Further refine supplier communication on expectations relating to health and safety in a pragmatic way as processes mature.

These planned improvements will be rolled out progressively as part of ITAB Group's ongoing development of its due-diligence processes.

**Material opportunities**

While no standalone opportunities were identified as material in the Double Materiality Assessment, improved supplier health and safety performance may indirectly support more reliable operations and reduce the risk of delivery disruptions. ITAB Group will continue to review whether additional opportunities arise as due-diligence processes mature.

**Resources**

Resources to implement these actions are provided through ITAB Group's procurement, sustainability and category management functions at both local and Group level. These functions are supported by established governance and risk management processes, enabling coordination, escalation and oversight.

Due to the ongoing integration of procurement structures following the HMY acquisition, ITAB Group is not yet able to quantify the full resource allocation (e.g., hours for audits or specific budget amounts). Improved visibility is expected once the supplier-management tool is operational in 2026.

**Tracking effectiveness**

The effectiveness of actions is monitored through follow-up assessments, incident reporting, and review of supplier performance over time. Insights gained are used to strengthen preventive measures, refine due diligence priorities and support continuous improvement in managing health and safety risks in the value chain.

**Steps taken regarding workers who may be more vulnerable**

ITAB Group's existing processes, such as general supplier risk assessments, supplier audits and the whistleblowing channel, may highlight risks affecting certain worker groups, although they do not yet provide systematic insight into marginalised or vulnerable workers.

At present ITAB Group does not have dedicated processes focused specifically on vulnerable groups (e.g., migrants, young workers or temporary workers). As procurement processes mature, ITAB Group will review whether more targeted methods are feasible and proportionate.

S2 Workers in the value chain

*S2-5*

## Targets and metrics

During the reporting period, ITAB Group used a limited set of qualitative and quantitative indicators to monitor the effectiveness of actions aimed at addressing the material impact on value chain workers related to health and safety. Because the procurement organisation and due-diligence processes are undergoing significant transition following the integration of HMY, the scope and maturity of available metrics remain limited.

**Metrics**
Key metrics used during the reporting period include:

*Supplier Code of Conduct coverage (2025 baseline):*
- In 2025, ITAB Group introduced a new Supplier Code of Conduct that consolidates legacy ITAB and HMY requirements into a single Group-wide standard.

*Supplier audits:*
- Audit activity in 2025 remained limited due to the restructuring of the procurement organisation and the harmonisation of supplier categories.
- Where audits were conducted, they resulted in a small number of corrective actions related to health and safety management at supplier sites. Figures for 2025 therefore provide indicative insight only, and will form the foundation for a more consistent audit approach beginning in 2026

*Incidents and grievances:*
- No reported serious health and safety incidents affecting value chain workers were identified through audits or grievance channels during 2025.

These metrics are used to support oversight of supplier compliance, prioritisation of due diligence activities, and monitoring of potential health and safety risks in the value chain. However, ITAB Group acknowledges that its metric set does not yet fully meet the expectations of ESRS S2-5 or AR 45–48 due to data and system limitations during the transition year following the integration of HMY.

**Targets**
At present, ITAB Group has not adopted quantitative targets related to health and safety outcomes for workers in the value chain. This reflects the current maturity of the Group's supply-chain data and monitoring processes.

Following the integration of HMY and the restructuring of ITAB Group's procurement organisation, the Group is still in the process of building a consolidated approach to supplier risk assessment, monitoring and data collection. At this stage, ITAB Group does not yet have sufficiently complete or comparable data across all category-managed suppliers to establish a reliable baseline or define meaningful, outcome-based health and safety targets.

The current limitations relate to:
- inconsistent data availability across supplier categories and regions;
- ongoing redevelopment of due-diligence processes across the combined ITAB–HMY supply base;
- absence of a unified supplier-management system, which restricts Group-wide aggregation and analysis.

These constraints prevent ITAB Group from setting robust, ESRS-aligned targets with the required base year, milestones and KPIs.

While quantitative targets have not yet been set, ITAB Group focuses on strengthening governance and preventive measures, including:

- rollout of the updated Supplier Code of Conduct (2025);
- introduction of a harmonised supplier-risk classification model;
- corrective-action follow-up where issues are identified;
- availability of supplier grievance and whistle-blowing channels.

These measures support continuous improvement while ITAB Group develops the foundations required for future target-setting.

During 2026 and into 2027, ITAB Group will implement a Group-wide supplier-management system, which is expected to significantly improve visibility, data consistency and traceability. Once a stable data baseline is established, ITAB Group will reassess the feasibility of introducing quantitative targets related to value chain worker health and safety in future reporting periods.

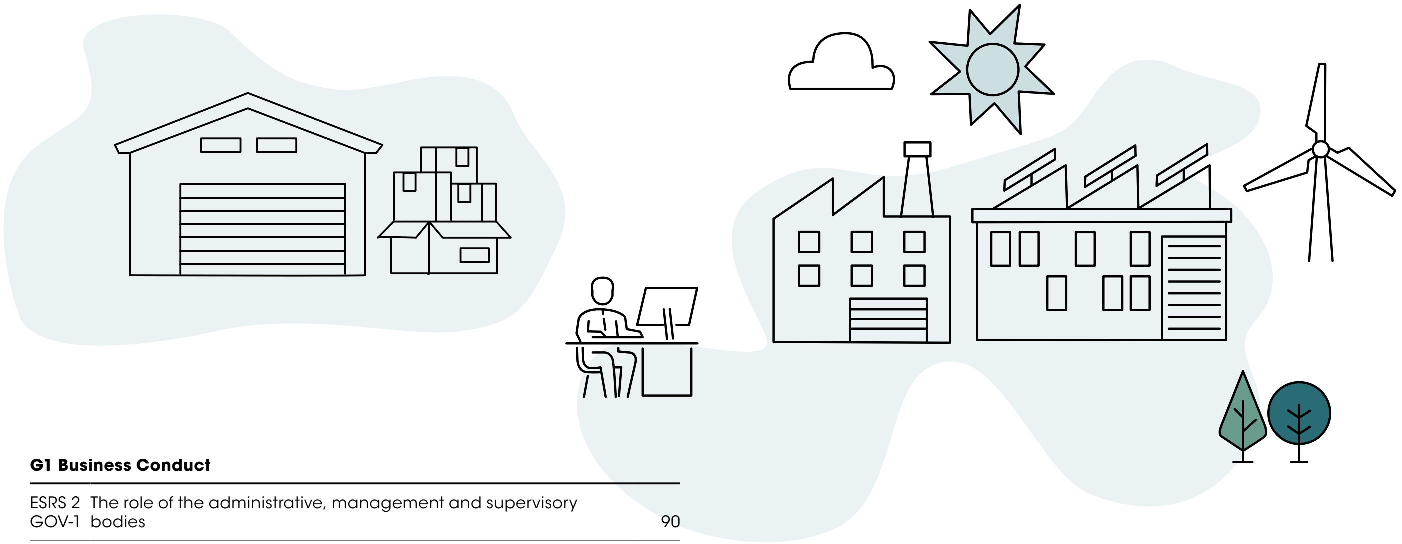
# Governance

Governance underpins ITAB Group's approach to sustainable value creation and responsible business conduct. Effective governance structures, policies and controls support ethical behaviour, legal compliance and transparency across the Group's own operations and its value chain.

ITAB Group's governance disclosures focus on how the Group manages material impacts and risks related to business conduct, including corporate culture, anti-corruption and bribery, management of supplier relationships and payment practices. These topics were identified as material through the Double Materiality Assessment.

The Board of Directors has overall responsibility for governance, including oversight of sustainability-related matters. Group Management is responsible for implementing governance policies and procedures and for ensuring that they are applied consistently across the organisation.

The sections below describe ITAB Group's approach to governance, including identified impacts, risks and opportunities, and the related policies, processes and practices.



# G1 Business conduct

*ESRS 2 GOV-1, ESRS 2 IRO-1*

## Impacts, risks and opportunities

The identification and materiality assessment of business conduct is conducted under the Group-wide IRO identification and DMA methodology described in the general disclosures ESRS 2 IRO-1 found on page 41.

**Below are the identified IROs for G1:**

| Material impacts, risks and opportunities | | IRO | Positive / Negative | Actual / Potential | Own operations / Value chain | Materiality level | Management of the IRO |
|---|---|---|---|---|---|---|---|
| **Corporate Culture** | **1** | | | | | | |
| Contribution to the creation of a corporate culture that promotes fair competition, prevents bribery and corruption, and supports long-term value creation for shareholders and other stakeholders. | | I | Positive | Actual | Own operations | Significant | • Promote a corporate culture with integrity, compliance and transparency<br>• Apply the Code of Conduct and dedicated anti-bribery and corruption policies<br>• Ensure leadership oversight of ethical business conduct<br>• Use internal controls to establish clear expectations on ethical behaviour and fair competition across the Group |
| **Management of relationships with suppliers including payment practices** | **2** | | | | | | |
| Failure to adhere to agreed payment terms, including delays in payments and extending payment terms beyond 30 days. | | I | Negative | Actual | Value chain | Significant | • Apply defined procurement and financial processes in supplier payments<br>• Use contractual payment terms to govern payment practices<br>• Maintain internal controls over invoice handling and payments<br>• Monitor payment practices across the Group<br>• Work towards increased consistency and transparency in payment practices |

G1 **Business Conduct**

*G1-1*

## Policies and corporate culture

ITAB Group has policies in place to promote ethical business conduct and a corporate culture that supports fair competition, prevents bribery and corruption, and contributes to long-term value creation for shareholders and other stakeholders. These policies apply across ITAB Group's own operations and, where relevant, extend to the value chain.

**Code of Conduct and ethical principles**
The foundation of ITAB Group's business conduct framework is the Code of Conduct, which applies to all employees, members of the Board of Directors (executive and non-executive), and subsidiaries. The Code of Conduct defines ITAB Group's commitment to legal compliance, integrity, transparency and responsible business behaviour across all jurisdictions in which the Group operates.

The Code of Conduct sets out expectations relating to:

- fair competition and compliance with competition law;
- zero tolerance for bribery, corruption and unethical business practices;
- avoidance of conflicts of interest; and
- respectful and responsible behaviour towards colleagues, business partners, suppliers and other stakeholders.

**Anti-bribery and corruption framework**
Building on the Code of Conduct, ITAB Group has a dedicated Anti-Bribery and Corruption Policy, which provides more detailed guidance on preventing bribery, corruption, money laundering and other dishonest behaviour. The policy includes requirements and limits related to gifts, hospitality, travel, training events and other benefits, and is designed to prevent undue influence in business decision-making.

Mandatory training and internal communication activities are used to reinforce these principles and support consistent understanding of ethical expectations across the organisation.

**Corporate culture and governance oversight**
Ethical business conduct and integrity are integral to ITAB Group's corporate culture and are reinforced through leadership expectations, governance structures and internal controls. Oversight of business conduct policies forms part of the Board of Directors' overall responsibility for governance, with Group Management responsible for implementation and day-to-day application across the organisation.

**Governance and accountability for business conduct policies**
Responsibility for implementing ITAB Group's business-conduct policies rests with Group Management, with overall oversight provided by the Board of Directors. The Chief Executive Officer (CEO) holds ultimate accountability for ensuring that the Group Code of Conduct, Anti-Bribery and Corruption Policy and related governance controls are embedded across the organisation. Day-to-day responsibilities are delegated to the Group Legal and Finance, with the Compliance function, who are jointly responsible for policy maintenance, training, monitoring of compliance, and escalation of potential breaches. Local management teams are required to ensure that these policies are implemented within their entities and that employees understand and adhere to the Group's ethical expectations. This governance structure ensures that senior leadership plays an active role in promoting a culture of integrity and ethical behaviour.

**Whistleblowing and protection against retaliation**
ITAB Group encourages employees and other stakeholders to report suspected breaches of the Code of Conduct or related policies through its whistleblowing system (https://itab.whistlelink.com/). The reporting channel allows individuals to submit concerns either anonymously or confidentially, depending on their preference. All reports are handled in accordance with ITAB Group's whistleblowing procedures, with protections in place to safeguard confidentiality, prevent retaliation and ensure that concerns related to unethical behaviour, corruption, bribery or other misconduct are appropriately investigated and followed up.

ITAB Group prohibits retaliation against individuals, who raise concerns in good faith and aims to ensure that reports are handled confidentially and in line with established procedures.

*G1-2*

## Management of relationships with suppliers

ITAB Group manages its relationships with suppliers with a focus on responsible business conduct, transparency and long-term collaboration. Supplier relationships are a key element of ITAB Group's business model and value supply chain and are governed through procurement processes, contractual arrangements and ongoing supplier management.

Supplier expectations are set out through ITAB Group's Supplier Code of Conduct and Sustainable Procurement Policy, which define requirements related to ethical business conduct, legal compliance and responsible practices. These frameworks support consistent engagement with suppliers and provide the basis for monitoring and managing supplier performance.

As part of supplier relationship management, ITAB Group also addresses payment practices, recognising that adherence to agreed payment terms is an important aspect of fair and responsible treatment of suppliers. Payment terms are defined contractually and applied through established procurement and finance processes.

Oversight of supplier relationships, including payment practices, is embedded within procurement, finance and governance structures. Where issues are identified, escalation mechanisms are in place to support resolution and continuous improvement in supplier engagement.

**G1 Business Conduct**

*G1-3*

## Prevention and detection of corruption and bribery

ITAB Group has processes in place to prevent, detect and address corruption, bribery and other forms of unethical business conduct across its own operations.

Prevention of corruption and bribery is embedded in ITAB Group's governance framework through the Group Code of Conduct and the Anti-Bribery and Corruption Policy, which define clear expectations regarding ethical behaviour, conflicts of interest, gifts, hospitality and other benefits. These expectations are supported by internal controls and approval processes designed to reduce the risk of improper conduct.

Detection of potential misconduct is supported through multiple channels, including management oversight, internal reviews and ITAB Group's confidential whistleblowing system. Employees and other stakeholders are encouraged to report suspected violations of business conduct policies, including bribery or corruption, anonymously or confidentially.

Allegations or suspected incidents of corruption or bribery are assessed and investigated in line with established procedures. Investigations are conducted confidentially and, where relevant, involve Group Legal and appropriate management functions. Confirmed violations result in appropriate corrective actions and disciplinary measures, and outcomes are reported to relevant management and governance bodies.

These processes support ITAB Group's objective of maintaining a strong ethical culture, preventing misconduct and ensuring compliance with applicable anti-corruption and bribery legislation.

**Training and capability building**

Training on anti-corruption and bribery forms part of ITAB Group's prevention framework and is delivered on a risk-based basis. ITAB Group has developed a structured assessment of bribery and corruption risks by job role and geography, which is used to identify functions with higher exposure and to determine appropriate training requirements.

Mandatory Code of Conduct training, which includes anti-corruption and bribery principles, is provided to all new employees. In addition, specific anti-corruption training is provided to employees in roles assessed as having elevated risk exposure, and tailored role-specific training modules are being developed for higher-risk roles, such as procurement, sales and marketing & communications.

During the reporting period, ITAB Group did not centrally track training hours related specifically to anti-corruption and bribery. Training has been delivered through a combination of classroom and online formats, but historical differences in systems and delivery methods limit consolidated reporting of training hours.

ITAB Group has introduced a formal risk-based framework to define training needs and has developed new training content during the year. A Group-wide digital learning platform is planned for implementation in 2026, which will enable improved tracking of training participation and hours as well asnd support more detailed reporting in future reporting periods. In parallel, ITAB Group is reviewing and updating its Code of Conduct, with a revised version and accompanying training planned for rollout in 2026.

*G1-4*

## Incidents of corruption or bribery

The table below presents information on identified incidents of corruption or bribery during the reporting period, including confirmed cases, convictions and fines. This information is based on reports received through ITAB Group's whistleblowing system and internal reporting channels and reflects incidents assessed in accordance with ITAB Group's established investigation and governance procedures.

*G1-5*

## Political influence and lobbying activities

ITAB Group maintains a position of political neutrality and does not participate in party-political activities or make political donations. The names or resources of ITAB Group are not used to promote the interests of political organisations or individuals, as such no payments have been made for memberships to lobbying associations and has no lobbying expenses, financial or in-kind.

Oversight of political neutrality is embedded within ITAB Group's governance framework and supported by internal policies, including the Code of Conduct and Anti-Corruption Policy, to ensure compliance with applicable laws and ethical standards.

**Public administration roles prior to appointment**

ITAB Group confirms that none of the members of its administrative, management or supervisory bodies held a comparable position in public administration during the two years preceding their appointment to ITAB Group. During the reporting period, no individuals with recent public-sector executive, regulatory or governmental roles were appointed to ITAB Group's Board of Directors or Group Management. As a result, no additional disclosures are required under ESRS G1-5 in relation to prior public administration positions.

*G1-4*

| Incidents of corruption or bribery | 2025 | 2024 |
|---|---|---|
| All incidents reported through Whistleblowing, number | 10 | 6 |
| Confirmed incidents of corruption and bribery from whistleblowing, number | 3 | – |
| Convictions for violation of anticorruption and anti-bribery laws, number | – | – |
| Amount fines from violation of anti-corruption and anti-bribery laws, SEK thousand | – | – |

**Accounting policy**

The total number of whistleblowing incidents disclosed under ESRS G1-4 covers all types of concerns raised and is presented to show that our reporting channel is active, trusted and functioning as intended. 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.

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.

G1 **Business Conduct**

*G1-6*

## Payment practices

ITAB Group monitors its payment practices as part of its management of supplier relationships and responsible business conduct.

During the reporting period, ITAB Group's average time to pay invoices was 59.9 days. This figure is calculated based on invoices paid during 2025.

In 2025, there was no legal proceedings outstanding or completed related to late payments to suppliers.

ITAB Group recognises that payment terms and practices have historically varied across parts of the Group because of growth and acquisitions. Work is ongoing to improve consistency and transparency in payment practices across the organisation, supported by procurement and finance processes and internal controls.

ITAB Group does not apply fully standardised payment terms across all countries. The Group-level averages presented below therefore reflect the weighted calculation of actual payment time and contractual payment terms across the reporting entities, in accordance with the accounting policy described below.

*G1-6*

| Payment practices | 2025 | 2024 |
|---|---|---|
| Average payment time to pay an invoice, number of days | 59.9 | N/A |
| Average payment terms, number of days | 55.9 | N/A |
| Variance, number of days | +4.0 | N/A |

### Accounting policy

Actual payment time is calculated as the weighted average number of days between the start of the contractual or statutory payment period and the date on which invoices were paid during the reporting period. The weighting is based on invoice value.

Average payment terms are calculated at country level using a weighted average of the contractual payment terms agreed with suppliers, also weighted by invoice value.

Due to data limitations, ITAB Group has not included entities in China, Italy, Norway and the United States in the calculation of payment practice metrics.

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## Environment

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| 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 | 36 |
| 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 | 36 |
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| ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) | Material | 46 |
| ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing 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 | 46 |
| 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 Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignme- nt metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | Material | 52 |
| ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indica- tor n. 5 Table #2 of Annex 1 | | | | Not material | |
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| 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 Implementing 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 | 55 |
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| 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 | |
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| ESRS 2- IRO 1 - E4 paragraph 16 (b) | Indicator number 10 Table #2 of Annex 1 | | | | Not material | |
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| 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 | |
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| ESRS S1-1 Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | Material | 71 |

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| ESRS S1-1 workplace accident prevention policy or management system paragraph 23 | Indicator number 1 Table #3 of Annex I | | | | Material | 71 |
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| 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 | 81 |
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| 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 | 83 |
| ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 Table #3 of Annex I | | | | Material | 83 |
| ESRS S1-17 Incidents of discrimination paragraph 103 (a) | Indicator number 7 Table #3 of Annex I | | | | Material | 83 |
| 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 | 83 |
| 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 | | | | Not material | |
| ESRS S2-1 Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1 | | | | Material | 85 |
| ESRS S2-1 Policies related to value chain workers paragraph 18 | Indicator number 11 and n. 4 Table #3 of Annex 1 | | | | Material | 85 |
| 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) | | Not material | |
| 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 | | Not material | |
| 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 | | | | Not material | |
| 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 | |

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| Disclosure requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark regulationreference | EU climate law reference | Material/ not material | P. |
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| 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 | 91 |
| ESRS G1-1 Protection of whistle-blowers paragraph 10 (d) | Indicator number 6 Table #3 of Annex 1 | | | | Material | 91 |
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# Corporate Governance Report

# Corporate Governance Report

**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 2025 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.

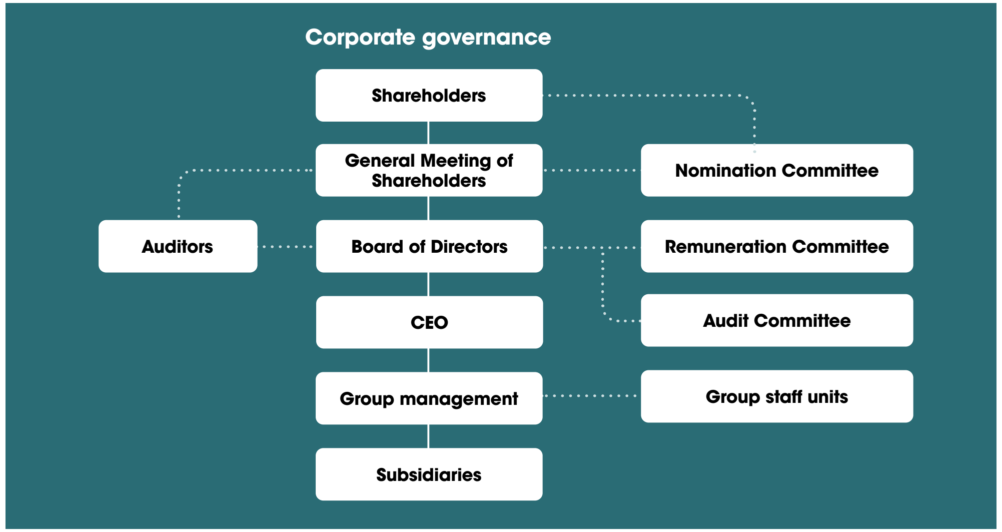
The aim of corporate governance in Swedish listed companies is to create a clear division of roles and responsibilities between shareholders, the Board of Directors, Board committees and executive management, and it is regulated by a combination of written rules and practices. At first instance, ITAB 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 2025.

**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 104-106 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 in time 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 2025**

ITAB's AGM was held on Wednesday, 7 May 2025. At the AGM, 74 shareholders participated, together representing approximately 196 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. The following main resolutions were passed:

- Discharge from liability for the Board of Directors and CEO for their administration in the 2024 financial year.
- Re-election of Board members Petter Fägersten, Amelie de Geer, Lars Kvarnsund, Anders Moberg, Madeleine Persson, Fredrik Rapp and Peder Strand, and election of Kerstin Anderson as a new Board member.
- Anders Moberg was re-elected as Chairman.
- The registered auditing company Ernst & Young AB was elected as auditors, with authorised public accountant Franz Lindström as auditor in charge.
- Fees to the Board of Directors and auditors, the Remuneration Report for 2024 and updated guidelines for remuneration to senior executives were adopted.
- 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.
- Establishment of a performance-based share savings programme for certain ITAB employees (LTIP 2025) and measures to conclude the performance-based share savings programme from 2022 (LTIP 2022).

**Annual General Meeting 2026**

ITAB's AGM will be held on Wednesday, 6 May 2026 in Jönköping, Sweden. Further information can be found on page 159.

**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 Pomona-gruppen AB, WQZ Investments Group Ltd and Övre Kullen AB each appointed one member of the Nomination Committee ahead of the 2026 AGM. This Nomination Committee comprises Ulf Hedlundh (appointed by Pomona-gruppen), Eirik Rogstad (appointed by WQZ Investments Group) and Petter Fägersten (appointed by Övre Kullen) with Ulf Hedlundh as Chairman. The members of the Nomination Committee were appointed for the period up to and including the 2026 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 2026 AGM, 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 2026 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.

**Board of Directors**

The task of the Board of Directors is 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 2025, the Board of Directors of ITAB Shop Concept AB consisted of eight regular members appointed by the AGM on 7 May 2025: Anders Moberg (Chairman), Kerstin Anderson, Petter Fägersten, Amelie de Geer, Lars Kvarnsund, Madeleine Persson, Fredrik Rapp and Peder Strand. A presentation of these Board members, including information about their other assignments, is presented on page 107 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 Board members are independent in relation to the company and its senior executives. Five 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 2025, Directors' fees totalled SEK 3,000,000, of which SEK 725,000 was paid to the Chairman of the Board and SEK 325,000 to each of the other Board members.

See page 102 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 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 targets 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 ten 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 ten regular meetings, of which one was a statutory meeting, and nine extraordinary Board meetings in 2025. The attendance at Board meetings and committee meetings is presented in the summary below. Essential subjects that have been discussed during the year include:

- → Strategic direction for the operations
- → Business plans, financial plans and forecasts
- → Completion of the acquisition of HMY and follow-up of integration work
- → Investments
- → Long-term financing
- → Appointment of new CEO to begin in May 2026 and the interim CEO for the period from January to May 2026
- → 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 Peder Strand. All members of the committee are independent of the company and its executive management. Amelie de Geer and Lars Kvarnsund are independent in relation to the company's major shareholders. Lars Kvarnsund has accounting expertise. The company thus fulfils the requirements of the Swedish Companies Act.

In 2025, 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 2025, 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 2025 AGM (see Note 8). The 2024 Remuneration Report adopted by the 2025 AGM is available on ITAB's website, itabgroup.com.

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

In 2025, the Remuneration Committee held three minuted meetings. 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 CEO leads the work of Group management and makes decisions in consultation with other members of management. At the end of 2025, ITAB's Group management comprised President & CEO Andréas Elgaard, Chief Financial Officer Andreas Helmersson, Senior Vice President – MBU North Europe Jan Andersson, Chief Sustainability & People Officer Petra Axelsson, Senior Vice President – MBU South Europe West José Benito Pardo, Senior Vice President – MBU South Europe East Nicola Frascaroli, Chief Commercial Officer & Senior Vice President – MBU Rest of the World Nick Hughes, General Counsel Frida Karlsson, Chief Sales Growth Officer – Annja Mostrup, Chief Operations Officer Mikael Nadelmann, Senior Vice President – MBU Central Europe Klaus Schmid, and Chief Information Officer Teresa Tomás Aznar.

Andréas Elgaard left his position as President & CEO on 6 January 2026. Glauco Frascaroli took over as interim President & CEO on 7 January 2026 and will remain in the role until Björn Borgman takes over as the new President and CEO on 1 May 2026.

A more detailed presentation of the current CEO (interim) and Group management can be found on page 108. Remuneration to the CEO and Group management in the 2025 financial year is presented in Note 8 on page 131.

**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

**The Board of Directors' and committees' composition, independence, attendance and fees 2025**

| | | 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 | 19 (19) | 3 (3) | – | 720,000 |
| Kerstin Anderson [2] | Member | – | Member | Yes | Yes | 13 (13) | – | – | 217,000 |
| Petter Fägersten | Member | Member | – | Yes | No | 19 (19) | 2 (3) | – | 343,000 |
| Amelie de Geer | Member | – | Member | Yes | Yes | 19 (19) | – | 8 (8) | 368,000 |
| Lars Kvarnsund | Member | – | Chairman | Yes | Yes | 19 (19) | – | 8 (8) | 458,000 |
| Madeleine Persson [3] | Member | Member | – | Yes | Yes | 18 (19) | 1 (1) | 4 (4) | 352,000 |
| Fredrik Rapp | Member | – | – | Yes | No | 19 (19) | – | – | 308,000 |
| Peder Strand [4] | Member | – | Member | Yes | No | 19 (19) | – | 4 (4) | 348,000 |
| Vegard Søraunet [5] | Member | – | Member | Yes | No | 6 (6) | 2 (2) | – | 103,000 |

*1) In accordance with the definitions of the Swedish Corporate Governance Code.*
*2) Kerstin Anderson was elected as a Board member at the Annual General Meeting on 7 May 2025.*
*3) Madeleine Persson was a member of the Audit Committee from 1 January to 7 May 2025 and the Remuneration Committee during the period 7 May to 31 December 2025.*
*4) Peder Strand was a member of the Audit Committee during the period from 7 May to 31 December 2025.*
*5) Vegard Søraunet was a Board member during the period from 1 January to 7 May 2025.*

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 2025 AGM and pertained to the term up to and including the 2026 AGM. The company's auditor is the registered auditing company Ernst & Young AB, with authorised public accountant Franz Lindström as auditor in charge. Franz Lindström has been the auditor for ITAB since 2025. Other audit assignments include AAK Sweden, Be-Ge Företagen, Bergkvara Group, Yaskawa Nordic and LW Fastigheter.

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 2025, a total of MSEK 1 (2) 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 appropriate and effective operations, 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.

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.

Based on reports received through ITAB Group's whistleblowing system and other internal reporting channels, three incidents of corruption and bribes were confirmed in the Group in 2025. These incidents were assessed in accordance with ITAB Group's established investigation and governance procedures. None of these incidents resulted in police reports.

**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 for 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 24-28) 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 frameworks. 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.

# 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 2025, ITAB shares for approximately MSEK 1,402 were traded and the share price decreased by 16 percent. On 31 December 2025, ITAB's market capitalisation totalled MSEK 4,493.

**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 2025**
In 2025, the ITAB share price decreased by 16 percent to a last price paid of SEK 17.60 as of 31 December 2025. During the same period, the OMX Stockholm PI increased by 10 percent. The highest and lowest prices paid for the year were SEK 26.90 (closing price on 2 May) and SEK 16.58 (closing price on 11 August), respectively.

ITAB's total market capitalisation at 31 December 2025 was MSEK 4,493. Approximately 71 million ITAB ordinary shares were traded during the year at a total value of MSEK 1,402. Calculated against the average number of shares outstanding, this corresponds to a turnover rate of 28 percent. Calculated per trading day, an average of approximately 284,525 ITAB shares were traded per day at an average value of approximately MSEK 5.6.

**Share capital**
On 31 December 2025, the share capital amounted to MSEK 109. The total number of shares was 258,231,533, of which 255,275,518 were ordinary shares and 2,956,015 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.

The Board of Directors proposes that no divided be paid for the 2025 financial year.

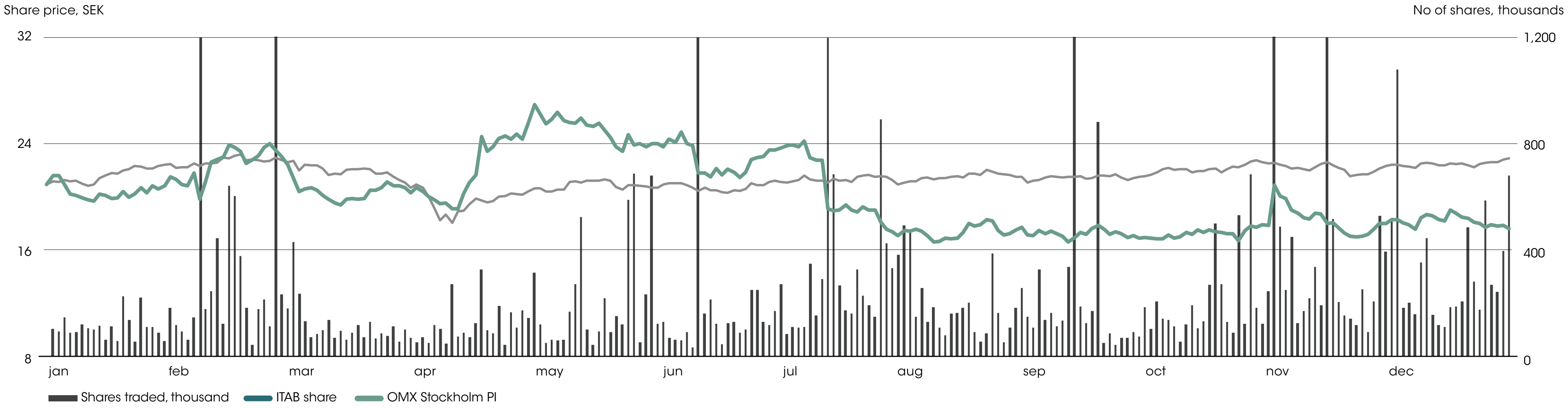
**Ownership structure**
On 31 December 2025, ITAB had 7,229 shareholders. Legal entities in Sweden, including equity funds, insurance companies and pension funds, etc., owned approximately 60 percent of the total number of shares. Foreign ownership accounted for approximately 25 percent of the total number of shares.

The largest shareholders at 31 December 2025 are presented in the table on page 106.

At 31 December 2025, ITAB held no ordinary shares in treasury. All 2,956,015 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 2025

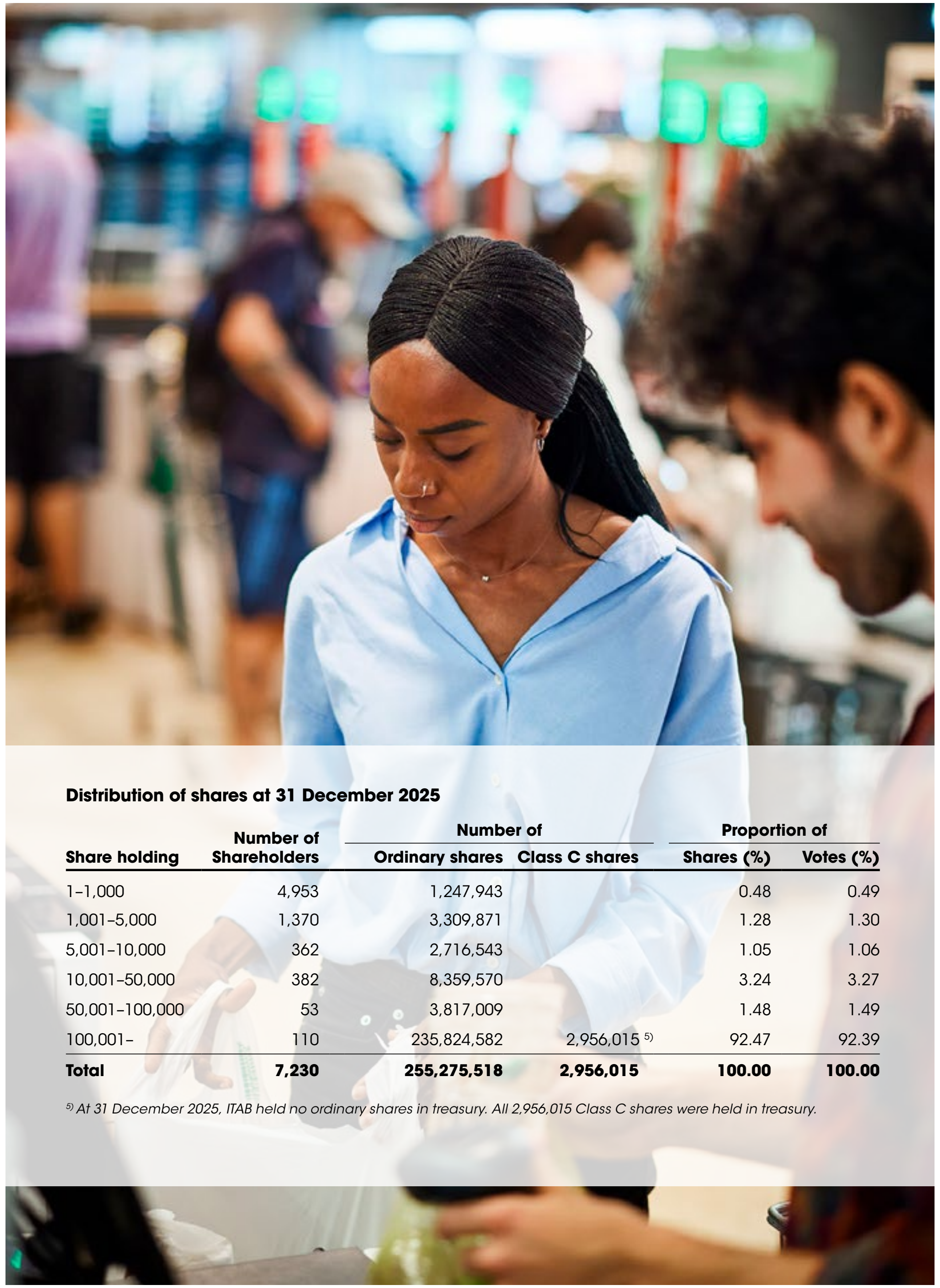


| The ITAB ordinary share [1] | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Share price at year-end, SEK | 17.60 | 20.90 | 12.10 | 11.00 | 13.42 |
| Market capitalisation at year-end, MSEK | 4,493 | 5,292 | 2,639 | 2,399 | 2,927 |
| Dividend, SEK | 0.00 [4] | 0.00 | 0.75 | 0.50 | 0.00 |
| Payout ratio of net earnings | – [4] | – | 60% | 64% | – |
| Average number of shares outstanding before dilution, thousand [2] | 254,485 | 226,184 | 218,015 | 218,100 | 191,396 |
| Average number of shares outstanding after dilution, thousand [2] | 255,809 | 227,410 | 219,275 | 219,558 | 218,100 |
| Number of shares outstanding at year-end, thousand [2] | 255,276 | 253,221 | 217,558 | 218,100 | 218,100 |
| Number of shareholders at year-end | 7,229 | 6,727 | 5,021 | 5,181 | 5,308 |
| Highest share price during the year, SEK | 26.90 | 30.20 | 13.24 | 16.00 | 19.90 |
| Lowest share price during the year, SEK | 16.58 | 11.60 | 8.30 | 7.65 | 10.50 |
| Direct yield [3] | – [4] | – | 6.2% | 4.5% | – |
| Earnings per share before dilution, SEK | 0.51 | 1.38 | 1.24 | 0.78 | 0.50 |
| Equity per share, SEK | 16.35 | 16.30 | 14.01 | 13.81 | 12.17 |

*1) All data refer to ITAB's ordinary shares listed on Nasdaq Stockholm.*
*2) As of 31 December 2025, 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 2025 financial year.*

**Largest shareholders at 31 December 2025**

| | Number of | | | |
|---|---|---|---|---|
| **Shareholders** | **Ordinary shares** | **Class C shares** | **Shares (%)** | **Votes (%)** |
| Pomona-gruppen AB | 40,018,440 | | 15.68 | 15.68 |
| WQZ Investments Group Ltd | 28,363,361 | | 11.11 | 11.11 |
| Petter Fägersten, with companies | 26,262,112 | | 10.29 | 10.29 |
| Stig-Olof Simonsson, with companies | 20,635,800 | | 8.08 | 8.08 |
| Anna Benjamin, with companies | 14,869,485 | | 5.82 | 5.82 |
| Aeternum Capital AS | 12,957,510 | | 5.08 | 5.08 |
| Svolder AB | 11,499,877 | | 4.50 | 4.50 |
| Handelsbanken Fonder AB | 9,403,666 | | 3.68 | 3.68 |
| Lannebo Kapitalförvaltning | 5,119,442 | | 2.01 | 2.01 |
| Alcur Fonder AB | 5,035,942 | | 1.97 | 1.97 |
| Other Shareholders – total | 81,109,883 | | 31.78 | 31.78 |
| **Total number of shares outstanding** | **255,275,518** | **-** | **100.00** | **100.00** |
| Repurchased shares held in treasury by ITAB Shop Concept AB | – | 2,956,015 | | |
| **Total number of shares** | **255,275,518** | **2,956,015** | | |



**Distribution of shares at 31 December 2025**

| | | Number of | | Proportion of | |
|---|---|---|---|---|---|
| **Share holding** | **Number of Shareholders** | **Ordinary shares** | **Class C shares** | **Shares (%)** | **Votes (%)** |
| 1–1,000 | 4,953 | 1,247,943 | | 0.48 | 0.49 |
| 1,001–5,000 | 1,370 | 3,309,871 | | 1.28 | 1.30 |
| 5,001–10,000 | 362 | 2,716,543 | | 1.05 | 1.06 |
| 10,001–50,000 | 382 | 8,359,570 | | 3.24 | 3.27 |
| 50,001–100,000 | 53 | 3,817,009 | | 1.48 | 1.49 |
| 100,001– | 110 | 235,824,582 | 2,956,015 [5] | 92.47 | 92.39 |
| **Total** | **7,230** | **255,275,518** | **2,956,015** | **100.00** | **100.00** |

*5) At 31 December 2025, ITAB held no ordinary shares in treasury. All 2,956,015 Class C shares were held in treasury.*

# 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:**
2,700,000 ordinary shares (own holding and via endowment policy)

**Kerstin Anderson**
(born 1964)

Board member since 2025.

Vice President Operations , Vitec Software Group AB.

**Other Board assignments:**
Board member of Ekan AB. Chairman/Board member of subsidiaries in Vitec Software Group.
**Independence:**
Independent in relation to the company and its senior executives. Independent in relation to the major shareholders.
**Shareholding:**
4,444 ordinary shares

**Petter Fägersten**
(born 1982)

Board member since 2016.

**Other Board assignments:**
Board member of Pontix AB, Inev AB, XANO Industri AB, Idyllum 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 Menigo Foodservice AB.

**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, and United Power 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 (via LKV Consulting and own holding)

**Madeleine Persson**
(born 1969)

Board member since 2023.

Advisor, Board Member and Executive Mentor.

**Other Board assignments:**
Chairman of the Board of PF Group AB and its subsidiaries Diamantbrev AB and Hailey's Jewelry House AB. 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 Medistim ASA and Mowi ASA.
**Independence:**
Independent in relation to the company and its senior executives. Dependent in relation to the major shareholders.
**Shareholding:**
19,357,835 ordinary shares (via WQZ Investments Group Ltd.)

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 2026.

# Group management

**Glauco Frascaroli**
(born 1958)

Interim President & CEO

**Employed by the Group:** 2016
**Shareholding:** 60,000 ordinary shares (held indirectly by a related company)

**Jan Andersson**
(born 1979)

Senior Vice President – MBU North Europe

**Employed by the Group:** 2013
**Shareholding:** 250,000 ordinary shares

**Petra Axelsson**
(born 1988)

Chief Sustainability & People Officer

**Employed by the Group:** 2024
**Shareholding:** 16,250 ordinary shares

**José Benito Pardo**
(born 1967)

Senior Vice President – MBU South Europe West

**Employed by the Group:** 2025
**Shareholding:** –

**Nicola Frascaroli**
(born 1988)

Senior Vice President – MBU South Europe East

**Employed by the Group:** 2008
**Shareholding:** 1,000 ordinary shares

**Andreas Helmersson**
(born 1985)

Chief Financial Officer

**Employed by the Group:** 2020
**Shareholding:** 25,000 ordinary shares

**Nick Hughes**
(born 1969)

Chief Commercial Officer & Senior Vice President – MBU Rest of the World

**Employed by the Group:** 2010
**Shareholding:** 63,000 ordinary shares

**Frida Karlsson**
(born 1984)

General Counsel

**Employed by the Group:** 2021
**Shareholding:** 3,768 ordinary shares

**Annja Mostrup**
(born 1968)

Chief Sales Growth Officer

**Employed by the Group:** 2025
**Shareholding:** 20,000 ordinary shares

**Mikael Nadelmann**
(born 1967)

Chief Operations Officer

**Employed by the Group:** 2024
**Shareholding:** 15,000 ordinary shares

**Klaus Schmid**
(born 1965)

Senior Vice President – MBU Central Europe

**Employed by the Group:** 2018
**Shareholding:** 16,800 ordinary shares

**Teresa Tomás Aznar**
(born 1983)

Chief Information Officer

**Employed by the Group:** 2025
**Shareholding:** 1,000 ordinary shares

Other information: Information about the number of shares refers to shareholdings as of 28 February 2026.

# Financial review – Five years in summary

| Income statements (MSEK) | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Revenue from contracts with customers | 12,780 | 6,585 | 6,139 | 6,868 | 6,087 |
| Cost of goods sold | -9,762 | -4,728 | -4,420 | -5,286 | -4,727 |
| **Gross profit [1)]** | **3,018** | **1,857** | **1,719** | **1,582** | **1,360** |
| Selling expenses | -1,680 | -1,000 | -935 | -871 | -796 |
| Administrative expenses | -728 | -376 | -327 | -344 | -331 |
| Other operating income and expenses | -30 | -22 | -25 | 36 | -17 |
| **Operating profit [1)]** | **580** | **459** | **432** | **403** | **216** |
| Financial items | -236 | -21 | -47 | -55 | -69 |
| **Profit after financial items [1)]** | **344** | **438** | **385** | **348** | **147** |
| Tax on net profit for the year | -186 | -118 | -93 | -105 | -52 |
| **Net profit for the year – Continuing Operations** | **158** | **320** | **292** | **243** | **95** |
| Profit from Discontinued Operations, net after tax | – | 1 | -12 | -53 | 8 |
| **Net profit for the year** | **158** | **321** | **280** | **190** | **103** |
| Attributable to: | | | | | |
| Parent Company shareholders | 131 | 311 | 270 | 170 | 95 |
| Non-controlling interests | 27 | 10 | 10 | 20 | 8 |
| **Balance sheets (MSEK)** | | | | | |
| **Assets** | | | | | |
| Intangible assets | 5,136 | 2,064 | 1,919 | 1,897 | 1,756 |
| Property, plant and equipment | 1,935 | 1,250 | 1,222 | 1,408 | 1,366 |
| Other non-current receivables | 245 | 233 | 157 | 153 | 146 |
| **Non-current assets** | **7,316** | **3,547** | **3,298** | **3,458** | **3,268** |
| Inventories | 1,320 | 799 | 793 | 1,030 | 1,176 |
| Current receivables | 2,865 | 1,222 | 1,033 | 1,244 | 1,372 |
| Cash and cash equivalents | 971 | 1,513 | 578 | 756 | 208 |
| **Current assets** | **5,156** | **3,534** | **2,404** | **3,030** | **2,756** |
| Assets held for sale | – | – | 66 | 88 | – |
| **Total assets** | **12,472** | **7,081** | **5,768** | **6,576** | **6,024** |
| **Equity and liabilities** | | | | | |
| **Equity** | 4,392 | 4,262 | 3,208 | 3,169 | 2,782 |
| Deferred tax liabilities | 279 | 44 | 39 | 44 | 45 |
| Other non-current liabilities | 3,671 | 1,050 | 1,057 | 1,624 | 1,143 |
| Other current liabilities | 4,130 | 1,725 | 1,447 | 1,720 | 2,054 |
| Liabilities attributable to assets held for sale | – | – | 17 | 19 | – |
| **Total equity and liabilities** | **12,472** | **7,081** | **5,768** | **6,576** | **6,024** |
| **Cash flow (MSEK)** | | | | | |
| Cash flow before change in working capital | 847 | 653 | 523 | 527 | 424 |
| Change in working capital | -62 | -29 | 287 | 15 | -589 |
| **Cash flow from operating activities** | **785** | **624** | **810** | **542** | **-165** |
| Cash flow from investing activities | -1,766 | -144 | -107 | -150 | -103 |
| **Cash flow after investing activities** | **-981** | **480** | **703** | **392** | **-268** |
| Cash flow from financing activities | 533 | 432 | -810 | 153 | -253 |
| **Cash flow for the year** | **-448** | **912** | **-107** | **545** | **-521** |

*1) For more information about non-recurring items, see the tables on page 110.*

*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** | **2025** | **2024** | **2023** | **2022** | **2021** |
|---|---|---|---|---|---|
| EBITDA (Operating profit before depreciation and amortisation), MSEK | 1,084 | 713 | 686 | 674 | 487 |
| EBITDA margin, % | 8.5 | 10.8 | 11.2 | 9.8 | 8.0 |
| EBIT margin, % | 4.5 | 7.0 | 7.0 | 5.9 | 3.6 |
| EBIT margin excl. non-recurring items, % | 6.0 | 7.7 | 7.0 | 6.4 | 6.3 |
| Profit margin, % | 2.7 | 6.7 | 6.3 | 5.1 | 2.4 |
| Profit margin excl. non-recurring items, % | 4.2 | 7.4 | 6.3 | 5.7 | 5.1 |
| Interest-coverage ratio, multiple | 2.6 | 7.2 | 6.0 | 6.0 | 2.8 |
| Equity attributable to Parent Company shareholders, MSEK | 4,174 | 4,128 | 3,049 | 3,012 | 2,654 |
| Interest-bearing net debt, MSEK | 3,019 | -384 | 591 | 1,080 | 1,239 |
| Interest-bearing net debt excl. lease liabilities, MSEK | 2,332 | -969 | 45 | 399 | 609 |
| Equity/assets ratio, % | 35 | 60 | 56 | 48 | 46 |
| Cash conversion, % | 72 | 88 | 118 | 80 | N/A |
| Return on equity, % | 3.2 | 9.0 | 8.8 | 6.0 | 4.0 |
| Return on capital employed, % | 7.1 | 10.6 | 9.6 | 8.9 | 5.4 |
| Return on total capital, % | 4.9 | 8.1 | 7.4 | 6.8 | 3.9 |
| Depreciation according to plan, MSEK | 504 | 254 | 254 | 271 | 271 |
| Net investments, MSEK | 1,766 | 144 | 107 | 150 | 103 |
| - of which, attributable to corporate acquisitions & divestments, MSEK | 1,473 | -32 | -9 | 66 | 40 |
| Average number of employees | 5,090 | 2,532 | 2,533 | 2,715 | 2,930 |

*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** | **2025** | **2024** | **2023** | **2022** | **2021** |
|---|---|---|---|---|---|
| Sales growth (*Target*: 4–8 percent over a business cycle), % | +94 | +8 | -15 | +8 | +19 |
| EBIT margin (*Target*: 7–9 percent over a business cycle), % | 4.5 | 7.0 | 7.0 | 5.9 | 3.6 |
| Cash conversion (*Target*: >80 percent over a business cycle), % | 72 | 88 | 118 | 80 | N/A |
| Dividend as a share of profit after tax (*Target*: >30 percent over a longer period), % | 0 | 0 | 60 | 64 | 0 |

*See page 9 and "Definitions" on page 152 for a description of the ITAB Group's financial targets.*

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

| | **2025** | **2024** | **2023** | **2022** | **2021** |
|---|---|---|---|---|---|
| Acquisition-related costs | -65 | -32 | – | – | – |
| Integration and restructuring costs | -93 | – | – | -40 | -166 |
| Capital loss on divestment of Group companies | -1 | -16 | – | – | – |
| Reserve for customer complaints | -27 | – | – | – | – |
| | **-186** | **-48** | **-** | **-40** | **-166** |

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

| | **2025** | **2024** | **2023** | **2022** | **2021** |
|---|---|---|---|---|---|
| Gross profit | -20 | 0 | – | -19 | -59 |
| EBITDA | -183 | -48 | – | -30 | -157 |
| Operating profit | -183 | -48 | – | -40 | -166 |
| Profit after net financial items | -186 | -48 | – | -40 | -166 |

# Comments on five years in summary

**Sales**

Total net sales have increased by approximately 110 percent over the past five years, primarily through the acquisition of HMY in 2025.

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.

Following the acquisition of HMY, sales grew by MSEK 6,195 in 2025, corresponding to +94 percent. Currency-adjusted sales increased by 97 percent, with organic growth accounting for +4 percent and the acquisition of HMY contributing +93 percent (for 11 months, February–December). The overall sales trend for the new ITAB Group was positive, despite the operations facing strong comparative figures for the previous year, when a number of major customer projects were completed. At the same time, the Group has signed a number of new agreements with existing and new customers in several geographic markets. Pro forma sales increased most in DIY/Home Improvement compared with 2024, but demand in Grocery, Fashion/Apparel and Health & Beauty also grew during the year. The sales trend was strongest in Southern and Central Europe and the UK, while Northern Europe and the countries outside Europe faced strong comparative figures from last year.

**Profitability**

During the five-year period, operating profit varied between a minimum of MSEK 216 (2021) and a maximum of MSEK 580 (2025). The operating margin during the period also varied between 3.6 percent (2021) and 7.0 percent (2024). Excluding non-recurring items (see summary on page 110), the operating margin varied between 6.0 percent (2025) and 7.7 percent (2024). Profit after net financial items amounted to between MSEK 147 (2021) and MSEK 438 (2024), and the profit margin was between 2.4 percent (2021) and 6.7 percent (2024).

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 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 earnings performance in 2025 was stable, with most of the operations achieving profitability in line with or above set targets. At the same time, the Group also initiated measures to strengthen the long-term efficiency of Group companies that reported lower profitability. These operations are continually carrying out various sales activities and cost adaptations in different areas. Increased sales of the Group's technical solutions for loss prevention, such as smart gates, and self-checkouts during the year had a positive impact on the gross margin. Efforts to generate synergies related to purchasing, additional sales to the existing customer base and improved efficiency also started to have a positive impact on earnings. Profit was impacted by non-recurring items of MSEK -183, mainly pertaining to costs in connection with the acquisition and integration of HMY.

The Group's return on equity during the period averaged approximately 6.2 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, generated development costs for proprietary products and solutions, and investments in shared 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. In line with this, the Group acquired 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 5,519 at the start of 2021 and MSEK 12,472 at year-end 2025. The changes in the balance sheet total are attributable to completed acquisitions and divestments, investments in production facilities, 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 609 at year-end 2021 and increased to MSEK 2,332 at year-end 2025 due to the acquisition of HMY. The Group's equity/assets ratio was 35 percent at year-end 2025.

# Income Statement
## Group

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| Revenue from contracts with customers | 6 | 12,780 | 6,585 |
| Cost of goods sold | 8, 9, 10, 11 | -9,762 | -4,728 |
| **Gross profit** | | **3,018** | **1,857** |
| Selling expenses | 8, 9, 10, 11 | -1,680 | -1,000 |
| Administrative expenses | 8, 9, 10, 11 | -728 | -376 |
| Other operating income | 12 | 83 | 23 |
| Other operating expenses | 12 | -113 | -45 |
| **Operating profit** | | **580** | **459** |
| Financial income | 14 | 24 | 49 |
| Financial expenses | 14 | -260 | -70 |
| **Profit after financial items** | | **344** | **438** |
| Tax expenses for the year | 16 | -186 | -118 |
| **Net profit for the year – Continuing Operations** | | **158** | **320** |
| Profit from Discontinued Operations, net after tax | 5 | – | 1 |
| **Net profit for the year** | | **158** | **321** |
| Net profit for the year attributable to: | | | |
| Parent Company shareholders | | 131 | 311 |
| Non-controlling interests | | 27 | 10 |
| **Earnings per share, SEK** | 17 | | |
| Including Discontinued Operations before dilution | | 0.51 | 1.38 |
| Including Discontinued Operations after dilution | | 0.51 | 1.37 |
| Excluding Discontinued Operations before dilution | | 0.51 | 1.37 |

# Statement of Other Comprehensive Income
## Group

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| **Net profit for the year** | | **158** | **321** |
| **Other comprehensive income** | | | |
| *Items that will not be reclassified to the income statement:* | | | |
| Revaluation of defined-benefit pension commitments | 29 | -3 | -1 |
| Tax relating to items not to be reclassified | 16 | 1 | 0 |
| | | **-2** | **-1** |
| *Items that may be reclassified to the income statement:* | | | |
| Translation difference on translation of foreign operations | | -106 | 100 |
| Translation difference transferred to net profit for the year | | -1 | 40 |
| Change in fair value of hedges of net investments | | 3 | -8 |
| Change in fair value of cash flow hedges | | -11 | 1 |
| Change in fair value of cash flow hedges transferred to net profit for the year | | 5 | -3 |
| Tax on items that may be reclassified | 16 | 1 | 2 |
| | 25 | **-109** | **132** |
| **Total other comprehensive income** | | **-111** | **131** |
| **Comprehensive income for the year** | | **47** | **452** |
| Comprehensive income for the year attributable to: | | | |
| Parent Company shareholders | | 39 | 433 |
| Non-controlling interests | | 8 | 19 |

# Statement of Financial Position
## Group

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| *Intangible assets* | | | |
| Goodwill | 18 | 3,897 | 1,844 |
| Other intangible assets | 10, 18 | 1,239 | 220 |
| | 6 | **5,136** | **2,064** |
| *Property, plant and equipment* | | | |
| Buildings and land | 10, 19, 22 | 1,359 | 905 |
| Plant and machinery | 10, 19, 22 | 354 | 218 |
| Equipment, tools and installations | 10, 19, 22 | 207 | 108 |
| Construction in progress and advance payments for property, plant and equipment | 19 | 15 | 19 |
| | 6 | **1,935** | **1,250** |
| *Financial assets* | | | |
| Shares and participations | 5, 20 | – | 23 |
| Non-current derivative receivables | 21 | 1 | 5 |
| Long-term investments | 21, 35 | 55 | 96 |
| Other financial non-current receivables | 21 | 28 | 16 |
| | | **84** | **140** |
| Deferred tax assets | 16 | 161 | 93 |
| **Total non-current assets** | | **7,316** | **3,547** |
| **Current assets** | | | |
| Inventories | 23 | 1,320 | 799 |
| Accounts receivable | 21 | 2,328 | 1,008 |
| Current tax assets | | 32 | 36 |
| Current derivative receivables | 21 | 7 | 3 |
| Other receivables | 21 | 211 | 76 |
| Prepaid expenses and accrued income | 6, 21, 24 | 282 | 99 |
| Short-term investments | 21, 35 | 5 | – |
| Cash and cash equivalents | 21 | 971 | 1,513 |
| **Total current assets** | | **5,156** | **3,534** |
| **Total assets** | | **12,472** | **7,081** |

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Share capital | | 109 | 109 |
| Other contributed capital | | 1,904 | 1,911 |
| Translation and hedging reserve | | 136 | 226 |
| Profit brought forward including net profit for the year | | 2,025 | 1,882 |
| **Equity attributable to Parent Company shareholders** | | **4,174** | **4,128** |
| Non-controlling interests | | 218 | 134 |
| **Total equity** | 25, 26, 27 | **4,392** | **4,262** |
| **Non-current liabilities** | | | |
| Liabilities to credit institutions | 21 | 2,979 | 565 |
| Non-current lease liabilities | 21, 22 | 520 | 433 |
| Non-current derivative liabilities | 21 | 2 | – |
| Other non-current liabilities | 21 | 32 | 5 |
| Provisions for pensions and similar obligations | 29 | 105 | 32 |
| Provision for deferred tax liabilities | 16 | 279 | 44 |
| Other non-current provisions | 30 | 33 | 15 |
| **Total non-current liabilities** | | **3,950** | **1,094** |
| **Current liabilities** | | | |
| Liabilities to credit institutions | 21 | 372 | 56 |
| Current lease liabilities | 21, 22 | 167 | 152 |
| Overdraft facilities | 21, 28 | 18 | 27 |
| Advance payments from customers | 6, 21 | 325 | 72 |
| Accounts payable | 21 | 1,939 | 817 |
| Current tax liabilities | | 91 | 65 |
| Other liabilities | 21 | 225 | 111 |
| Accrued expenses and prepaid income | 6, 21, 31 | 944 | 413 |
| Current provisions | 30 | 49 | 12 |
| **Total current liabilities** | | **4,130** | **1,725** |
| **Total equity and liabilities** | | **12,472** | **7,081** |

# 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 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** |
| | | | | | | | | |
| **Equity as of 1 January 2025** | 25, 26 | **109** | **1,911** | **226** | **1,882** | **4,128** | **134** | **4,262** |
| Net profit for the year | | | | | 131 | 131 | 27 | 158 |
| Revaluation of defined-benefit pension commitments | | | | | -2 | -2 | 0 | -2 |
| Translation difference, foreign operations | | | | -88 | | -88 | -19 | -107 |
| Hedging of net investment | | | | 2 | | 2 | | 2 |
| Hedging of cash flow | | | | -4 | | -4 | | -4 |
| **Comprehensive income for the year** | | | | **-90** | **129** | **39** | **8** | **47** |
| Dividends | | | | | | 0 | -31 | -31 |
| Acquisitions and divestments of partly owned companies | 5 | | | | | 0 | 107 | 107 |
| Share incentive program | 8, 27 | | -4 | | -10 | -14 | | -14 |
| Sale of own ordinary shares | 27 | | | | 24 | 24 | | 24 |
| Issue costs | 27 | | -3 | | | -3 | | -3 |
| **Equity as of 31 December 2025** | 25, 26 | **109** | **1,904** | **136** | **2,025** | **4,174** | **218** | **4,392** |

# Statement of Cash Flows
## Group

| Indirect method (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| **Operating activities** | | | |
| **Operating profit** | | **580** | **459** |
| **Adjustment for items not included in the cash flow** | | | |
| depreciation and amortisation | 10, 22 | 504 | 254 |
| impairment losses of current assets | | 32 | 42 |
| adjustment for pensions and other provisions | | 50 | 4 |
| non-cash items from discontinued operations | 5 | 1 | 16 |
| other items | | 13 | 5 |
| **Total** | | **1,180** | **780** |
| Interest received | | 22 | 28 |
| Interest paid | | -231 | -75 |
| Tax paid | | -124 | -80 |
| **Cash flow from operating activities before changes in working capital** | | **847** | **653** |
| **Change in working capital** | | | |
| Change in inventories (increase -/decrease +) | | 22 | -29 |
| Change in operating receivables (increase -/decrease +) | | -35 | -172 |
| Change in operating liabilities (increase +/decrease -) | | -49 | 172 |
| **Total change in working capital** | | **-62** | **-29** |
| **Cash flow from operating activities** | | **785** | **624** |
| **Investing activities** | | | |
| Business combinations/acquisitions of Group companies for the year, effect on cash and cash equivalents | 5 | -1,474 | -35 |
| Divestment of Group companies | 5, 12 | 1 | 67 |
| Investments in intangible assets | 18 | -205 | -117 |
| Divestment of intangible assets | 12, 18 | 17 | 0 |
| Investments in property, plant and equipment | 19 | -112 | -73 |
| Divestment of property, plant and equipment | 12, 19 | 7 | 14 |
| **Cash flow from investing activities** | | **-1,766** | **-144** |
| **Cash flow after investing activities** | | **-981** | **480** |
| **Financing activities** | | | |
| New share issue and issue costs | 27 | -3 | 831 |
| Sale of own ordinary shares | 8, 25 | 24 | – |
| Conclusion of long-term incentive program (LTIP2022) | 8, 25 | -26 | – |
| Repurchase of own ordinary shares | 27 | – | -45 |
| Repayment of loans | 21 | -923 | -67 |
| Repayment of lease liabilities | 21 | -171 | -128 |
| New loans raised | 21 | 1,624 | 20 |
| Change in operating receivables | | 39 | -3 |
| Dividend paid to non-controlling interests | | -31 | -15 |
| Dividend paid to shareholders | | – | -161 |
| **Cash flow from financing activities** | | **533** | **432** |
| **Cash flow for the year** | | **-448** | **912** |
| **Cash and cash equivalents at the start of the year** | | **1,513** | **578** |
| Translation differences on cash and cash equivalents | | -94 | 23 |
| **Cash and cash equivalents at the end of the year** | | **971** | **1,513** |

# Income Statement
## Parent Company

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| Net sales | 7 | 257 | 198 |
| Cost of goods sold | 7, 8, 9, 11 | -27 | -24 |
| **Gross profit** | | **230** | **174** |
| Selling expenses | 7, 8, 9, 10, 11 | -150 | -140 |
| Administrative expenses | 7, 8, 9, 10, 11 | -132 | -63 |
| Other operating income | 12 | 4 | 7 |
| Other operating expenses | 12 | -16 | -8 |
| **Operating profit** | | **-64** | **-30** |
| Income from participations in Group companies | 13 | 298 | 99 |
| Expenses from participations in Group companies | 13 | -14 | -16 |
| Financial income | 14 | 222 | 41 |
| Financial expenses | 14 | -169 | -87 |
| **Profit after financial items** | | **273** | **7** |
| Year-end appropriations | 15 | 68 | 40 |
| **Profit before tax** | | **341** | **47** |
| Tax expenses for the year | 16 | -13 | 5 |
| **Net profit for the year** | | **328** | **52** |

# Statement of Other Comprehensive Income
## Parent Company

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| Net profit for the year | | 328 | 52 |
| Other comprehensive income | | – | – |
| **Comprehensive income for the year** | | **328** | **52** |

# Balance Sheet
## Parent Company

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| *Property, plant and equipment* | | | |
| Equipment, tools and installations | 10, 19 | 3 | 3 |
| *Financial assets* | | | |
| Participations in Group companies | 20 | 3,826 | 2,095 |
| Non-current receivables with Group companies | 21 | 1,679 | – |
| Non-current receivables | 21 | 6 | 1 |
| *Other non-current assets* | | | |
| Deferred tax assets | 16 | 5 | 21 |
| **Total non-current assets** | | **5,519** | **2,120** |
| **Current assets** | | | |
| Receivables with Group companies | 21 | 479 | 135 |
| Current tax assets | | 1 | 0 |
| Other receivables | 21 | 29 | 3 |
| Prepaid expenses and accrued income | 24 | 21 | 43 |
| Cash and bank balance | 21 | 171 | 1,231 |
| **Total current assets** | | **701** | **1,412** |
| **Total assets** | | **6,220** | **3,532** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| *Restricted equity* | | | |
| Share capital | | 109 | 109 |
| Statutory reserve | | 7 | 7 |
| | | **116** | **116** |
| *Non-restricted equity* | | | |
| Share premium reserve | | 1,895 | 1,898 |
| Profit brought forward | | 363 | 304 |
| Net profit for the year | | 328 | 52 |
| | | **2,586** | **2,254** |
| **Total equity** | 25, 26, 27 | **2,702** | **2,370** |
| **Non-current liabilities** | | | |
| Liabilities to credit institutions | 21 | 2,876 | 565 |
| Provision for pensions | | 6 | 1 |
| Other non-current liabilities | | 6 | – |
| **Total non-current liabilities** | | **2,888** | **566** |
| **Current liabilities** | | | |
| Liabilities to credit institutions | | 221 | – |
| Accounts payable | | 9 | 3 |
| Liabilities to Group companies | | 372 | 553 |
| Other liabilities | | 2 | 0 |
| Accrued expenses and prepaid income | 31 | 26 | 40 |
| **Total current liabilities** | 21 | **630** | **596** |
| **Total equity and liabilities** | | **6,220** | **3,532** |

# 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 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** |
| **Equity as of 1 January 2025** | | **109** | **7** | **1,898** | **304** | **52** | **2,370** |
| Previous year's profit transferred | | | | | 52 | -52 | **0** |
| Net profit for the year | | | | | | 328 | **328** |
| Share incentive program | 8, 27 | | | | -17 | | **-17** |
| Sale of own ordinary shares | 27 | | | | 24 | | **24** |
| Issue costs | 27 | | | -3 | | | **-3** |
| **Equity as of 31 December 2025** | 25, 26 | **109** | **7** | **1,895** | **363** | **328** | **2,702** |

# Statement of Cash Flows

## Parent Company

| (MSEK) | Note | 2025 | 2024 |
|---|---|---|---|
| **Operating activities** | | | |
| **Operating profit** | | **-64** | **-30** |
| 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 | | 11 | 7 |
| **Total** | | **-52** | **-23** |
| Dividends received from subsidiaries | 13 | 298 | 98 |
| Interest received | | 99 | 39 |
| Interest paid | | -183 | -62 |
| Tax paid | | -1 | 0 |
| **Cash flow from operating activities before change in working capital** | | **161** | **52** |
| **Change in working capital** | | | |
| Change in operating receivables (increase -/decrease +) | | -15 | 6 |
| Change in operating liabilities (increase +/decrease -) | | -3 | 3 |
| **Total change in working capital** | | **-18** | **9** |
| **Cash flow from operating activities** | | **143** | **61** |
| **Investing activities** | | | |
| Acquisitions of subsidiaries | 20, 36 | -1,811 | -32 |
| Repayment of capital from subsidiaries | 20 | 81 | 8 |
| Investments in property, plant and equipment | 19 | 0 | 0 |
| **Cash flow from investing activities** | | **-1,730** | **-24** |
| **Cash flow after investing activities** | | **-1,587** | **37** |
| **Financing activities** | | | |
| New share issue and issue costs | | -3 | 831 |
| Repurchases of own shares | | 0 | -45 |
| Conclusion of own ordinary shares | 8, 25 | 24 | – |
| End of long-term incentive program (LTIP2022) | 8, 25 | -26 | – |
| Repayment of loans | | -885 | -40 |
| New loans raised | | 3,429 | 0 |
| Lending from/to Group companies | | -2,080 | 277 |
| Group contributions | 15 | 68 | 40 |
| Dividend paid to shareholders | | – | -161 |
| **Cash flow from financing activities** | | **527** | **902** |
| **Cash flow for the year** | | **-1,060** | **939** |
| Cash and cash equivalents at the start of the year | | 1,231 | 292 |
| **Cash and cash equivalents at the end of the year** | | **171** | **1,231** |

# Notes

All amounts are in MSEK unless otherwise stated..

## 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 content of the Annual Report and consolidated accounts was decided on 23 March 2026 and approved for issue by the Board on 31 March 2026.

## 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 2025**

Company management's assessments of relevant amendments and interpretations of existing standards that entered into force as of 1 January 2025 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 2026 or later and have not been applied in the preparation of this financial report.

The 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 and approved by the EU on 13 February 2026). The company is currently evaluating the effects of the introduction of IFRS 18. The standard is primarily expected to impact the presentation of the financial statements and the disclosure requirements in the financial statements. The most significant impact will be seen in the presentation of the statement of comprehensive income and in cash flow and related key ratios.

No new standards, amended standards or IFRIC interpretations published by the 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. Refer to the section on intangible assets below. Additional purchase considerations are classified as liabilities that are financial instruments and measured at fair value, while any resulting profit or loss is recognised in the income statement as other operating income or expenses.

**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 primarily uses the exchange rates of the European Central Bank (ECB) when translating foreign currencies. For currencies for which the ECB does not publish exchange rates, other official, reliable market sources are used for the translation of foreign currency.

**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 and 2025, Argentina and Türkiye were defined as countries with hyperinflationary currencies. Refer to 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 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.

## Note 2 cont.

**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; refer to 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. Goodwill arising from this year's acquisition of HMY has been tested separately within the acquired units for the year. The HMY Group operated in a similar manner to ITAB and as the integration with the ITAB Group began immediately after closing, no distribution of goodwill will be performed going forward.

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, refer to 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, 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 identified 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

## Note 2 cont.

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**
Inventories are measured at the lower of cost or net realisable value and in accordance with first-in, first-out (FIFO) method. Alternatively, weighted average prices are used. The same method is used for all goods with a similar nature in each company. 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 107-108.

**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 decisionmaker. 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 107. 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.

## Note 2 cont.

**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 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. In the case of acquisitions, the purchase consideration and any additional purchase consideration may also be assessed. 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 24-28.

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.

**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.

## Note 4 cont.

### 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 some 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 2025, there were cash flow hedges of projected flows in EUR, GBP, CZK and CNH. The fair value of the forward agreements used to hedge forecast flows amounted to MSEK 2 (3), net. The year's change in fair value, MSEK -1 (4) after tax, has been recognised in comprehensive income. The realised results of the forward agreements for 2025 amounted to MSEK -8 (-6) 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 2025, a 5 percent change in the SEK exchange rate to all currencies would affect invoicing by approximately MSEK 605 (296) and net profit by approximately MSEK 18 (22).

### 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 2,957 (2,328) 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 2 (-6) after tax in 2025, which was recognised against comprehensive income in the Group. Exchange rate fluctuations in 2025 had a total impact of MSEK -105 (134) after tax on the Group's comprehensive income. At the end of 2025, the fair value of the currency futures is estimated at MSEK 2 (-1).

**The value of the Group's foreign net assets after hedging per currency:**

| Currency (MSEK) | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|
| CZK | 325 | 438 |
| NOK | 147 | 129 |
| GBP | 214 | 167 |
| EUR [1] | 1,830 | 988 |
| USD, HKD and CNY | 378 | 460 |
| Other | 63 | 146 |
| | **2,957** | **2,328** |

*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 2025 | 31 Dec 2024 |
|---|---|---|
| SEK | 364 | -750 |
| NOK | – | -10 |
| CNH | 121 | 120 |
| CZK | 105 | 242 |
| GBP | -1 | -3 |
| EUR | -51 | 45 |

| Average exchange rate, currency futures | 31 Dec 2025 |
|---|---|
| EUR/SEK | 10.9520 |
| EUR/CZK | 24.7978 |
| EUR/CNH | 8.1751 |
| GBP/SEK | 12.7809 |
| CZK/SEK | 0.4489 |

### 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 3,369 (648) on the balance sheet date. Of this amount, MSEK 1,475 (116) was financed at variable interest rates. The remaining MSEK 1,894 (532) is restricted through interest rate swap agreements and has an average fixed rate period of 33 months (36). The average interest rate for outstanding interest-bearing liabilities including interest rate swaps was 4.45 percent (3.34) at year-end. A 1 percentage point change in interest would affect net profit by approximately MSEK 10 (1) per annum. 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 -5 (-7) for 2025, of which MSEK -3 (-9) 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. No hedges were deemed ineffective in 2025.

| Derivative instruments Interest rate swap agreements | 31 Dec 2025 Nom. amount (MSEK) | 31 Dec 2024 Nom. amount (MSEK) |
|---|---|---|
| Duration less than 1 year | – | 102 |
| Duration 1–3 years | 893 | 215 |
| Duration 3–5 years | 1,001 | 143 |
| Duration more than 5 years | – | 72 |
| | **1,894** | **532** |

### 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 2,328 (1,008).

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 3,766 (2,734). Refer to Note 21.

## Note 5 Corporate acquisitions and divestments

| Purchase consideration | 2025 | 2024 |
|---|---|---|
| Total purchase consideration excluding acquisition costs | 1,773 | 35 |
| of which, purchase consideration not paid during the year | 6 | – |

Acquisitions and divestments had an impact of MSEK -1,473 on net investments in 2025, of which MSEK -1,464 pertained to the acquisition of Financière HMY SAS, MSEK -10 to the acquisition of Blink AB and MSEK +1 to the divestment of La Fortezza Asia Sdn Bhd. 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 Signatrix GmbH, MSEK +15 pertained to the divestment of a Group company in China and MSEK +52 to the divestment of the operations in Russia.

Expenses in connection with acquisitions are recognised as expenses in operating profit.

**Acquisitions in 2025**

**Acquisition of Financière HMY SAS**

On 25 September 2024, ITAB agreed to acquire all shares in Financière HMY SAS 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 2024, the HMY Group had sales of approximately MEUR 585. The aim of the acquisition was 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 comprising MEUR 255 in long-term credit facilities and a MEUR 100 revolving credit facility. For more information regarding financing through equity, refer to Note 27 concerning 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, and consequently, the previously obtained debt financing commitments from Danske Bank, Nordea and Swedbank were converted into loans.

HMY is consolidated in the ITAB Group as of 1 February 2025. The operations of the former HMY Group had combined sales of approximately MEUR 600 for full-year 2025. Expenses in connection with the transaction are reported on an ongoing basis as costs in profit or loss and are included in reported non-recurring items.

*Effect of the acquisition of the shares in HMY 2025*

Fair values of acquired assets and liabilities, purchase considerations and the impact on the Group's cash and cash equivalents according to acquisition analyses are presented below. Goodwill arising in the transaction primarily comprises the value of expected synergies and the value of the employees, which are not recognised separately. Final payment of the purchase consideration is expected to take place in 2026. The summary below presents the estimated purchase consideration. The difference between estimated and final purchase consideration will impact operating profit in the income statement.

| HMY Group on the acquisition date | Fair value, MSEK |
|---|---|
| Intangible assets | 975 |
| Property, plant and equipment | 947 |
| Deferred tax assets | 86 |
| Financial assets | 8 |
| Inventories | 660 |
| Accounts receivable | 1,312 |
| Other current assets | 856 |
| Deferred tax liabilities | -257 |
| Non-current liabilities incl. provisions and lease liabilities | -2,380 |
| Current liabilities incl. lease liabilities | -2,498 |
| **Net identifiable assets and liabilities** | **-291** |
| Non-controlling interests | -107 |
| Group goodwill [1] | 2,124 |
| **Estimated purchase consideration** | **1,726** |
| Less net cash and cash equivalents in the acquired companies and non-cash items | -262 |
| **Impact on the Group's cash and cash equivalents on the acquisition date** | **1,464** |

*1) Goodwill comprises primarily synergy effects in terms of product supply, logistics, personnel, know-how and an effective organisation. No part of goodwill is expected to be tax deductible.*

*Pro forma combined financial information for the ITAB Group including HMY*

To illustrate the financial effects of the acquisition and to facilitate comparisons with the previous year, 2025 is also presented below with HMY included for the full year (from 1 January 2025) and the comparative figures for 2024 as combined financial information on a pro forma basis. The restated financial information for 2024 has been prepared and presented in accordance with the ITAB Group's accounting policies.

**Note:** All items below exclude non-recurring items. The combined financial information has not been audited.

| | 2025 | 2024 | | |
|---|---|---|---|---|
| | | A | B [2] | C [3] |
| | ITAB Group [1] Pro forma | ITAB Actual | HMY Pro forma | Consolidated ITAB Group Pro forma |
| Revenue from contracts with customers | 13,270 | 6,585 | 6,694 | 13,279 |
| Cost of goods sold | -10,142 | -4,728 | -5,324 | -10,052 |
| **Gross profit** | **3,128** | **1,857** | **1,370** | **3,227** |
| *Gross margin, %* | *23.6%* | *28.2%* | *20.5%* | *24.3%* |
| **EBITDA excl. non-recurring items** | **1,294** | **761** | **616** | **1,377** |
| *EBITDA margin, %* | *9.8%* | *12.0%* | *9.6%* | *10.8%* |
| **Adjusted EBIT excl. non-recurring items and amortisation of acquisition-related assets** | **847** | **507** | **411** | **918** |
| *Adjusted EBIT margin* | *6.4%* | *7.7%* | *6.1%* | *6.9%* |

*1) Pro forma for the combined Group including HMY for 12 months (January–December) in 2025.*
*2) Pro forma – HMY's financial information for 2024 restated in accordance with the IFRS Accounting Standards in MSEK.*
*3) Pro forma – Combined financial information for 2024 for the consolidated ITAB Group (column A + B).*

## Note 5 cont.

**Other acquisitions in 2025**

ITAB acquired, through a subsidiary, the remaining 82 percent of the shares in Signatrix GmbH, a technology and retail AI startup, in May 2025. The Group acquired 18 percent of the shares in 2024. Since 2022, Signatrix and ITAB have together created frictionless security deterrents that reduce thefts and shrinkage for the retail sector. On the acquisition date, Signatrix had 17 employees. The company is consolidated in the ITAB Group as of June 2025. The acquisition had a marginal impact on the Group's earnings per share and an impact of MSEK 0 on the Group's cash and cash equivalents on the acquisition date.

In December 2025, ITAB acquired, through a subsidiary, all shares in the design agency Blink AB with the aim of strengthening its position in brand and retail design. On the acquisition date, Blink had sales of MSEK 13 and the average number of employees was six. The purchase consideration amounted to MSEK 16, with an additional purchase consideration of a maximum of MSEK 9.5 based on the company's performance over the next two years. The purchase consideration was paid on the acquisition date and costs related to the acquisition are reported as expenses on an ongoing basis. The acquisition is consolidated from 31 December 2025. The acquisition had a marginal impact on the Group's earnings per share and an impact of MSEK 10 on the Group's cash flow for 2025.

The two acquisitions are not individually of material significance, which is why they are reported jointly below. Acquired net assets at preliminarily estimated fair values amounted to MSEK 47 on the acquisition dates, of which goodwill was MSEK 29. Goodwill mainly consists of know-how and personnel.

| Other acquisitions on the acquisition dates | Preliminary fair values, MSEK |
|---|---|
| Intangible assets | 29 |
| Property, plant and equipment | 1 |
| Financial assets | 1 |
| Accounts receivable | 2 |
| Other current assets | 9 |
| Deferred tax liabilities | -2 |
| Non-current liabilities incl. provisions and lease liabilities | -1 |
| Current liabilities incl. lease liabilities | -21 |
| **Net identifiable assets and liabilities** | **18** |
| Group goodwill [1] | 29 |
| **Purchase consideration including estimated contingent purchase consideration** | **47** |
| Estimated additional purchase consideration [2] | -6 |
| Purchase consideration paid 2025 | -23 |
| Less net cash and cash equivalents in the acquired companies | -8 |
| **Impact on the Group's cash and cash equivalents on the acquisition date** | **10** |

*1) Goodwill comprises primarily synergy effects in terms of product supply, logistics, personnel, know-how and an effective organisation. No part of goodwill is expected to be tax deductible.*
*2) The agreed contingent additional purchase consideration from the 2025 acquisition of Blink AB is attributable to the company's earnings in 2026–2027 and has a maximum of MSEK 9.5.*

**Divestments in 2025**

In connection with the restructurings in the Group, ITAB sold 100 percent of its shares in the company La Fortezza Asia Sdn Bhd in Malaysia through a subsidiary in April 2025. On the divestment date, the company had seven employees. The purchase consideration amounted to MSEK 1. The effect on earnings including accumulated currency translation differences amounted to MSEK -1 and was recognised as a non-recurring item in the second quarter of 2025. The divestment had an impact of MSEK 1 on cash flow in the quarter.

| La Fortezza Asia Sdn Bhd on divestment date | Fair value, MSEK |
|---|---|
| Accounts receivable | 3 |
| Cash and cash equivalents | 1 |
| Current liabilities | -2 |
| Profit from divestment | -1 |
| **Consideration received** | **1** |
| Less cash and cash equivalents on divestment date | 0 |
| **Impact on the Group's cash and cash equivalents for the year** | **1** |

In 2025, four minor companies were also wound up in Denmark, Norway, Hong Kong and Germany and a new company was registered in Ecuador.

**Acquisitions in 2024**

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. The 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.

## Note 6 Revenue from contracts with customers

**Business segments and geographic areas**

The ITAB Group comprises some 60 operating companies that sell, develop, produce and distribute shop fittings and equipment to chain-based customers. The largest customer accounts for approximately 8 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 10-17.

**External revenue [1]**

| Group | 2025 | 2024 |
|---|---|---|
| Spain | 2,435 | 131 |
| France | 1,766 | 221 |
| Italy | 1,291 | 1,014 |
| United Kingdom | 976 | 688 |
| Germany | 900 | 684 |
| Norway | 545 | 583 |
| Sweden | 466 | 445 |
| Finland | 388 | 510 |
| The Netherlands | 315 | 260 |
| Portugal | 304 | 59 |
| Poland | 288 | 162 |
| Brazil | 239 | 0 |
| Czechia | 193 | 204 |
| Türkiey | 139 | 20 |
| Australia | 135 | 45 |
| Other | 2,400 | 1,559 |
| | **12,780** | **6,585** |

*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 | 2025 | 2024 |
|---|---|---|
| France | 911 | 17 |
| Spain | 513 | 1 |
| Sweden | 424 | 351 |
| Italy | 170 | 199 |
| China including Hong Kong | 160 | 195 |
| Czechia | 153 | 168 |
| United Kingdom | 141 | 119 |
| Finland | 133 | 93 |
| Türkiey | 119 | 0 |
| Norway | 101 | 108 |
| Other | 279 | 219 |
| Goodwill and other intangible surplus values | 3,967 | 1,844 |
| | **7,071** | **3,314** |

**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] | 2025 | 2024 |
|---|---|---|
| Grocery | 6,505 | 3,683 |
| Fashion / Apparel | 1,479 | 644 |
| DIY / Home Improvement | 1,300 | 810 |
| Health & Beauty | 770 | 331 |
| Other customer groups | 2,726 | 1,117 |
| | **12,780** | **6,585** |

*2) The customer groups are divided according to the industries in which the customers operate. Other customer groups largely consist of distributors, consumer electronics, sport and leisure, service stations, hotels, etc.*

| Sales per market [3] | 2025 | 2024 |
|---|---|---|
| Southern Europe | 5,923 | 1,480 |
| Central Europe | 1,739 | 1,311 |
| Northern Europe | 1,531 | 1,747 |
| United Kingdom & Ireland | 1,034 | 716 |
| Eastern Europe | 1,000 | 667 |
| Rest of the World | 1,553 | 664 |
| | **12,780** | **6,585** |

*3) Southern Europe consists mainly of Spain, France, Italy and Portugal. Central Europe's largest markets are Germany, the Netherlands and Czechia. Northern Europe consists of the Nordic countries. Eastern Europe's largest markets are the Baltic countries, Poland, Romania, Lithuania and Türkiey. Rest of the World comprises all countries outside Europe, with Australia, Argentina, Saudi Arabia, Brazil, Chile and Peru accounting for just over 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 | 2025 | 2024 |
|---|---|---|
| Accrued income | 164 | 15 |

| Contract liabilities | | |
|---|---|---|
| Advance payments from customers | 325 | 72 |
| Accrued expenses | 121 | 26 |
| Prepaid income | 21 | 3 |
| | **467** | **101** |

**The Group's recognised revenue includes:**

| | 2025 | 2024 |
|---|---|---|
| Revenue included in the opening balance in the item contract liabilities | 68 | 52 |
| Revenue attributable to commitments wholly or partially executed during previous periods | 3 | 0 |

## 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 | 2025 | 2024 |
|---|---|---|
| Sales of services to subsidiaries | 253 | 198 |
| Purchases of services from subsidiaries | -218 | -156 |

## Note 8 Personnel and senior executives

| Average number of employees | | 2025 | Of which men | Of which women | 2024 | Of which men | Of which women |
|---|---|---|---|---|---|---|---|
| **Parent Company** | **Sweden** | **1** | **100%** | **-** | **1** | **100%** | **-** |
| Subsidiaries | Argentina | 89 | 87% | 13% | 78 | 91% | 9% |
| | Belgium | 1 | 100% | – | – | – | – |
| | Brazil | 204 | 77% | 23% | – | – | – |
| | Chile | 27 | 69% | 31% | 2 | 100% | – |
| | Denmark | 23 | 78% | 22% | 21 | 76% | 24% |
| | Estonia | 9 | 89% | 11% | 9 | 78% | 22% |
| | Finland | 151 | 83% | 17% | 148 | 83% | 17% |
| | France | 723 | 79% | 21% | 34 | 68% | 32% |
| | United Arab Emirates | 7 | 86% | 14% | 7 | 86% | 14% |
| | India | 1 | 100% | – | 1 | 100% | – |
| | Italy | 377 | 76% | 24% | 357 | 76% | 24% |
| | China and Hong Kong | 259 | 52% | 48% | 334 | 48% | 52% |
| | Latvia | 96 | 76% | 24% | 100 | 75% | 25% |
| | Lithuania | 150 | 82% | 18% | 150 | 84% | 16% |
| | Malaysia | 2 | 100% | – | 7 | 71% | 29% |
| | Mexico | 54 | 75% | 25% | – | – | – |
| | The Netherlands | 84 | 81% | 19% | 68 | 84% | 16% |
| | Norway | 157 | 76% | 24% | 157 | 76% | 24% |
| | Peru | 26 | 54% | 46% | – | – | – |
| | Poland | 50 | 64% | 36% | 10 | 70% | 30% |
| | Portugal | 31 | 65% | 35% | – | – | – |
| | Saudi Arabia | 5 | 100% | – | – | – | – |
| | Spain | 1,105 | 73% | 27% | 11 | 64% | 36% |
| | United Kingdom | 199 | 75% | 25% | 159 | 75% | 25% |
| | Sweden | 256 | 68% | 32% | 242 | 69% | 31% |
| | Czechia | 429 | 66% | 34% | 383 | 67% | 33% |
| | Türkiey | 302 | 85% | 15% | – | – | – |
| | Germany | 268 | 83% | 17% | 248 | 83% | 17% |
| | USA | 4 | 25% | 75% | 5 | – | 100% |
| **Subsidiaries total** | | **5,089** | **75%** | **25%** | **2,531** | **72%** | **28%** |
| **Group total** | | **5,090** | **75%** | **25%** | **2,532** | **72%** | **28%** |

| Salaries, other remuneration and social security expenses | 2025 | | 2024 | |
|---|---|---|---|---|
| (MSEK) | Salaries and remuneration | Social security expenses | Salaries and remuneration | Social security expenses |
| Parent Company | 11.8 | 10.7 | 12.4 | 6.0 |
| *(of which pension costs)* [1] | | *1.7* | | *1.7* |
| Subsidiaries | 2,287.1 | 681.5 | 1,208.9 | 332.1 |
| *(of which pension costs)* | | *98.5* | | *91.6* |
| | **2,298.9** | **692.2** | **1,221.3** | **338.1** |
| Costs for long-term incentive programs [2] | 15.6 | 0.6 | 3.7 | 3.9 |
| **Group total** | **2,314.5** | **692.8** | **1,225.0** | **342.0** |
| *(of which pension costs)* [3] | | *100.2* | | *93.3* |

*1) Of the Parent Company's pension costs, MSEK 1.7 (1.7) pertains to the Board and CEO. The company's outstanding pension commitments to these persons amount to MSEK 0 (0).*

*2) Long-term incentive programs refer both to terminated and to new programs. For terminated programs, social security contributions are recognised in the respective companies, which means that the figure for social security contributions refers exclusively to provisions for new programs.*

*3) Of the Group's pension costs, MSEK 4.9 (4.0) pertains to Other senior executives in Group management.*

| Salaries and other remuneration divided by country | 2025 | 2024 |
|---|---|---|
| **Parent Company in Sweden** | **11.8** | **12.4** |
| **Subsidiaries in Sweden** | **194.4** | **164.2** |
| **Subsidiaries outside Sweden** | | |
| Argentina | 20.1 | 22.2 |
| Belgium | 0.9 | – |
| Brazil | 26.9 | – |
| Chile | 6.8 | 1.3 |
| Denmark | 26.3 | 23.9 |
| Estonia | 2.9 | 3.2 |
| Finland | 84.8 | 83.3 |
| France | 348.4 | 20.7 |
| United Arab Emirates | 4.0 | 4.1 |
| India | 0.2 | 0.2 |
| Italy | 197.9 | 187.0 |
| China and Hong Kong | 49.5 | 57.5 |
| Latvia | 27.5 | 27.3 |
| Lithuania | 54.0 | 59.7 |
| Malaysia | 1.7 | 1.4 |
| Mexico | 12.2 | – |
| The Netherlands | 60.4 | 50.8 |
| Norway | 135.3 | 130.3 |
| Peru | 5.7 | – |
| Poland | 21.5 | 4.9 |
| Portugal | 10.4 | – |
| Saudi Arabia | 3.7 | – |
| Spain | 546.4 | 6.1 |
| United Kingdom | 114.4 | 103.0 |
| Czechia | 102.1 | 99.7 |
| Türkiey | 59.3 | – |
| Germany | 165.7 | 153.4 |
| USA | 3.7 | 4.7 |
| **Subsidiaries total** | **2,287.1** | **1,208.9** |
| **Group total** | **2,298.9** | **1,221.3** |

| Salaries and other remuneration include: | 2025 | 2024 |
|---|---|---|
| To the Board and CEO of ITAB Shop Concept AB including variable salary | 11.8 | 12.4 |
| *(of which variable salary)* | *1.9* | *4.0* |
| To Other senior executives in Group management | 27.2 | 25.1 |
| *(of which variable salary)* | *3.9* | *9.9* |

## Note 8 cont.

**Remuneration to senior executives**

**Remuneration Committee 2025**

The Remuneration Committee comprises Anders Moberg (Chairman), Petter Fägersten and Madeleine Persson, with the CEO co-opted to attend committee meetings.

**Directors' fees 2025**

In accordance with the resolution at the 2025 Annual General Meeting (AGM), the fee for elected Board members amounted to a total of SEK 3,000 thousand, of which SEK 725 thousand to the Chairman of the Board and SEK 325 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 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.

Guidelines adopted by ITAB's AGM on 7 May 2025.

## Note 8 cont.

**Remuneration and benefits to senior executives**
Costs are recognised as remuneration for the period during which each person held their role.

| 2025 | Directors' fee 1) / Fixed salary | Short-term variable salary | Long-term incentive programs | Other remuneration and benefits 2) | Total salary and fees | Pension costs | Total incl. pension 3) |
|---|---|---|---|---|---|---|---|
| **Board of Directors** | | | | | | | |
| Anders Moberg | 0.7 | | | | **0.7** | | **0.7** |
| Kerstin Anderson 4) | 0.2 | | | | **0.2** | | **0.2** |
| Petter Fägersten | 0.3 | | | | **0.3** | | **0.3** |
| Amelie de Geer | 0.4 | | | | **0.4** | | **0.4** |
| Lars Kvarnsund | 0.5 | | | | **0.5** | | **0.5** |
| Madeleine Persson | 0.4 | | | | **0.4** | | **0.4** |
| Fredrik Rapp | 0.3 | | | | **0.3** | | **0.3** |
| Peder Strand | 0.3 | | | | **0.3** | | **0.3** |
| Vegard Søraunet 5) | 0.1 | | | | **0.1** | | **0.1** |
| **Total – Board of Directors** | **3.2** | | | | **3.2** | | **3.2** |
| **Group management** | | | | | | | |
| CEO | 6.7 | 1.9 | 3.6 | 0.2 | **12.4** | 1.7 | **14.1** |
| Other senior executives in Group management (11 people) | 23.3 | 3.9 | 5.0 | 1.5 | **33.7** | 4.9 | **38.6** |
| **Total – Group management** | **30.0** | **5.8** | **8.6** | **1.7** | **46.1** | **6.6** | **52.7** |

| 2024 | Directors' fee 1) / Fixed salary | Short-term variable salary | Long-term incentive programs | Other remuneration and benefits 2) | Total salary and fees | Pension costs | Total incl. pension 3) |
|---|---|---|---|---|---|---|---|
| **Board of Directors** | | | | | | | |
| Anders Moberg | 0.6 | | | | **0.6** | | **0.6** |
| Karin Eriksson 4, 5) | 0.1 | | | | **0.1** | | **0.1** |
| Petter Fägersten | 0.3 | | | | **0.3** | | **0.3** |
| Amelie de Geer 4) | 0.2 | | | | **0.2** | | **0.2** |
| Lars Kvarnsund 4) | 0.3 | | | | **0.3** | | **0.3** |
| Madeleine Persson | 0.3 | | | | **0.3** | | **0.3** |
| Fredrik Rapp | 0.3 | | | | **0.3** | | **0.3** |
| Peder Strand 4) | 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** |

*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 assumed the role in conjunction with ITAB's 2025 and 2024 AGMs, respectively.*
*5) Board member stepped down in conjunction with ITAB's 2025 and 2024 AGMs, respectively.*

**Long-term incentive programs**
*LTIP 2022*
The 2022 AGM resolved on a long-term incentive program (LTIP 2022) extending from June 2022 until May 2025 covering senior executives and other key individuals. Assuming that the participant had invested in ITAB shares (savings shares), they were been allocated two retention share rights and two performance share rights for each savings share, depending on the participant category. The share rights were allocated free of charge, and were subject to a three-year vesting period and were conditional on the participant's continued employment. The vesting of performance shares was also contingent on fulfilment of applicable performance conditions pertaining to the Group's average adjusted EBIT margin during 2023–2024 and the Group's average net growth during 2022–2024. The number of performance shares vested depended on the extent to which the performance conditions were fulfilled. The vesting period for LTIP 2022 ended in May 2025 and the outcome of the program entitled participants to a total allocation of 2,054,985 ordinary shares, of which 652,010 pertained to the CEO.

To facilitate the termination of LTIP 2022, the AGM resolved on 7 May 2025 to approve a cash payment of part of the remuneration to those participants who requested such a solution. This meant that a total of 1,043,668 ordinary shares were allocated to the participants, of which 326,005 were allocated to the CEO. The remaining 1,011,314 ordinary shares were conveyed on Nasdaq Stockholm to cover part of the costs for the program. The market value of the other ordinary shares, totalling approximately MSEK 26, was paid to the participants in cash. Refer to the table on page 132.

*LTIP 2025*
The 2025 AGM resolved on a new long-term incentive program (LTIP 2025) covering senior executives and other key individuals. Assuming that the participant has invested in shares in ITAB shares (savings shares), they have been allotted two retention share rights and two to four performance share rights for each savings share, depending on the participant category. The share rights were allocated free of charge, and are subject to a three-year vesting period and are conditional on the participant's continued employment. The vesting of performance shares is also contingent on fulfilment of applicable performance conditions pertaining to annual organic growth, the adjusted EBIT margin and the Group's cash conversion, measured as an average over the measurement period 2025–2027. The number of performance shares vested depends on the extent to which the performance conditions are fulfilled. Refer to the table on page 132.

## Note 8 cont.

| Share savings program LTIP 2022 | |
|---|---|
| Number of participants on termination in May 2025 | 26 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.*

| Share savings program LTIP 2025 | |
|---|---|
| Number of participants still employed as of 31 December 2025 | 56 people |
| Performance target 1 – Annual organic growth | Average annual organic growth during the measurement period |
| Performance target 2 – Adjusted EBIT margin | The Group's average EBIT margin adjusted for non-recurring items during the measurement period |
| Performance target 3 – Cash conversion | The Group's average cash conversion during the measurement period |
| Vesting period for all performance targets | January 2025–December 2027 |
| Fair value per share right | SEK 17.52* |

** The fair value of the share rights is calculated as the share price at the start of the program.*

| No. of share rights 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 |
| LTIP 2025 | 56 | 1,167,900 | 1,435,400 | 2,603,300 |

| No. of share rights allocated / forfeited in 2024 | LTIP 2022 Maximum number | LTIP 2025 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** | **-** |

| No. of share rights allocated / forfeited in 2025 | Maximum number | Maximum number |
|---|---|---|
| No. of share rights as of 1 January 2025 | 2,811,555 | |
| Allocated during the year | | 2,029,140 |
| Forfeited during the year | -9,300 | |
| Non-performance due to unmet performance targets | -747,270 | |
| Terminated program | -2,054,985 | |
| **No. of share rights as of 31 December 2025** | **0** | **2,029,140** |

| Recognised cost for LTIP, MSEK | 2025 | 2024 |
|---|---|---|
| LTIP 2022 | 11 | 4 |
| LTIP 2025 | 4 | – |

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**

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **Group** | **Of which women** | **Of which men** | **Of which women** | **Of which men** |
| Board members | 23% | 77% | 16% | 84% |
| Senior executives | 21% | 79% | 21% | 79% |
| **Parent Company** | | | | |
| Board members | 38% | 62% | 25% | 75% |
| Senior executives | 33% | 67% | 30% | 70% |

**Personnel costs divided by function**

| Group | 2025 | 2024 |
|---|---|---|
| Cost of goods sold | -1,663 | -790 |
| Selling expenses | -1,125 | -687 |
| Administrative expenses | -405 | -201 |
| | **-3,193** | **-1,678** |
| **Parent Company** | | |
| Cost of goods sold | -17 | -17 |
| Selling expenses | -29 | -39 |
| Administrative expenses | -70 | -40 |
| | **-116** | **-96** |

## 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). Of fees to other auditors, PwC accounts for approximately 25 percent.

| | Group | | | | Parent Company | | |
|---|---|---|---|---|---|---|---|
| | 2025 | | 2024 | | 2025 | | 2024 |
| | Fees to EY | Fees to other auditors | Fees to EY | Fees to other auditors | Fees to EY | Fees to other auditors | Fees to EY |
| Audit assignment | 12 | 7 | 7 | 4 | 3 | – | 1 |
| Audit activities other than audit assignment | 0 | 1 | 1 | 0 | 0 | – | 0 |
| Tax consultancy | 1 | 4 | 1 | 2 | 1 | 0 | 1 |
| Other services | 0 | 4 | 0 | 2 | 0 | 2 | 0 |
| | **13** | **16** | **9** | **8** | **4** | **2** | **2** |

## Note 10 Depreciation, amortisation and impairment losses

**Depreciation and amortisation divided by function**

| Group | 2025 | 2024 |
|---|---|---|
| Cost of goods sold | -315 | -161 |
| Selling expenses | -161 | -80 |
| Administrative expenses | -28 | -13 |
| | **-504** | **-254** |

**Depreciation and amortisation divided by asset type**

| Group | 2025 | 2024 |
|---|---|---|
| Capitalised development expenditure | -80 | -21 |
| Patents and other intellectual property rights | -78 | -9 |
| Buildings | -178 | -136 |
| Plant and machinery | -83 | -50 |
| Equipment, tools and installations | -85 | -38 |
| | **-504** | **-254** |
| Of which leases | -179 | -133 |

**Depreciation and amortisation divided by function**

| Parent Company | 2025 | 2024 |
|---|---|---|
| Selling expenses | -1 | -1 |

**Depreciation and amortisation divided by asset type**

| Parent Company | 2025 | 2024 |
|---|---|---|
| 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 | 2025 | 2024 |
|---|---|---|
| Costs for direct materials | -5,319 | -2,580 |
| Shipping costs to customers | -611 | -287 |
| Personnel costs | -3,193 | -1,678 |
| Depreciation, amortisation and impairment losses | -504 | -254 |
| Other costs | -2,543 | -1,305 |
| | **-12,170** | **-6,104** |

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 (1), most of which comprised employee-related grants.

| Parent Company | 2025 | 2024 |
|---|---|---|
| Personnel costs | -116 | -96 |
| Depreciation, amortisation and impairment losses | -1 | -1 |
| Other costs | -192 | -130 |
| | **-309** | **-227** |

## Note 12 Other operating income and expenses

**Other operating income**

| Group | 2025 | 2024 |
|---|---|---|
| Operation's exchange rate differences | 72 | 20 |
| Capital gain on divestment of non-current assets | 1 | 1 |
| Capital gain on divestment of intangible assets | 3 | – |
| Rental income | 4 | 1 |
| Other | 3 | 1 |
| | **83** | **23** |

**Other operating expenses**

| Group | 2025 | 2024 |
|---|---|---|
| Operation's exchange rate differences | -97 | -26 |
| Capital loss on divestment of companies | -1 | -16 |
| Capital loss on divestment of intangible assets | -8 | 0 |
| Capital loss on divestment of property, plant and equipment | -1 | -1 |
| Other | -6 | -2 |
| | **-113** | **-45** |

**Other operating income**

| Parent Company | 2025 | 2024 |
|---|---|---|
| Operation's exchange rate differences | 4 | 7 |
| | **4** | **7** |

**Other operating expenses**

| Parent Company | 2025 | 2024 |
|---|---|---|
| Operation's exchange rate differences | -16 | -8 |
| | **-16** | **-8** |

## Note 13 Profit from participations in Group companies

| Parent Company | 2025 | 2024 |
|---|---|---|
| **Income from participations in Group companies** | | |
| Dividends received | 298 | 98 |
| Profit from participations in subsidiaries | – | 1 |
| | **298** | **99** |
| **Expenses from participations in Group companies** | | |
| Impairment of current receivables in Group companies [1] | – | -1 |
| Impairment of shares in subsidiaries [2] | -14 | -15 |
| | **-14** | **-16** |

*1) Impairment of receivables in connection with the discontinuation of Group companies in 2024 pertains to Radlok S.ã.r.l. in an amount of MSEK -1.*
*2) In 2025, shares in ITAB Shop Products AS were impaired by MSEK 14 in connection with the payment of shareholder contributions and the impairment of shares. 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.*
*For more information, see Note 20.*

## Note 14 Financial income and expenses

**Financial income**

| Group | 2025 | 2024 |
|---|---|---|
| Interest income | 24 | 31 |
| Exchange rate differences | – | 18 |
| | **24** | **49** |

**Financial expenses**

| Group | 2025 | 2024 |
|---|---|---|
| Interest expenses from interest rate derivatives | 3 | 9 |
| Interest expenses leases | -27 | -14 |
| Other interest expenses | -155 | -44 |
| Exchange rate differences | -43 | – |
| Other financial expenses | -38 | -22 |
| | **-260** | **-71** |

**Financial income**

| Parent Company | 2025 | 2024 |
|---|---|---|
| Interest income, Group companies | 119 | 30 |
| Interest income, other | 4 | 11 |
| Exchange rate differences | 99 | – |
| | **222** | **41** |

**Financial expenses**

| Parent Company | 2025 | 2024 |
|---|---|---|
| Interest expenses, Group companies | -19 | -26 |
| Other interest expenses | -135 | -30 |
| Interest expenses from interest rate derivatives | 3 | 9 |
| Exchange rate differences | – | -29 |
| Other financial expenses | -18 | -11 |
| | **-169** | **-87** |

## Note 15 Year-end appropriations

| Parent Company | 2025 | 2024 |
|---|---|---|
| Group contributions received | 76 | 47 |
| Group contributions paid | -8 | -7 |
| | **68** | **40** |

## Note 16 Tax

| Group | 2025 | 2024 |
|---|---|---|
| **Current tax expenses** | | |
| Tax expenses for the year | -193 | -128 |
| Adjustment of tax attributable to previous years | -10 | 0 |
| | **-203** | **-128** |
| **Deferred tax expenses (-) / tax income (+)** | | |
| Deferred tax attributable to temporary differences | 32 | 1 |
| Deferred tax attributable to previous years | 0 | 0 |
| Deferred tax attributable to loss carryforwards | -15 | 9 |
| | **17** | **10** |
| **Total recognised tax expense in the income statement** | **-186** | **-118** |

**Difference between Swedish income tax rate and the effective tax rate**

| Group | 2025 | 2025 | 2024 | 2024 |
|---|---|---|---|---|
| **Reported profit before tax** | **344** | | **438** | |
| Tax at Swedish income tax rate | -71 | -20.6% | -90 | -20.6% |
| **Tax effect of** | | | | |
| Adjustment of previous years' tax | -10 | -3.0% | 0 | 0.0% |
| Other tax rates for foreign Group companies | -27 | -7.9% | -27 | -6.1% |
| Deductible temporary differences | 5 | 1.4% | 1 | 0.2% |
| Loss carryforwards | -19 | -5.6% | -9 | -2.0% |
| Altered tax rates | 0 | 0.0% | 0 | 0.0% |
| Non-taxable income and non-deductible expenses | -64 | -18.3% | 7 | 1.6% |
| **Recognised tax expense** | **-186** | **-54.0%** | **-118** | **-26.9%** |

| Tax items recognised in other comprehensive income | 2025 | 2024 |
|---|---|---|
| Tax on cash flow hedges | 1 | 0 |
| Tax on hedging of net investments | 0 | 2 |
| Deferred tax on pension commitments | 1 | 0 |
| | **2** | **2** |

**Changes in deferred tax**

| Group | 2025 | 2024 |
|---|---|---|
| Start of the year | 49 | 39 |
| Acquisitions/divestments | -173 | – |
| Items recognised in other comprehensive income | 1 | 0 |
| Translation differences | -12 | 0 |
| Recognised in net profit for the year | 17 | 10 |
| **End of the year** | **-118** | **49** |

**The deferred tax assets and liabilities recognised in the balance sheet are attributable to the following:**

| Group | Receivables 2025 | Receivables 2024 | Liabilities 2025 | Liabilities 2024 |
|---|---|---|---|---|
| Non-current assets [1] | 164 | 139 | 417 | 169 |
| Inventories | 29 | 17 | 5 | 2 |
| Current receivables | 13 | 2 | 0 | 0 |
| Provisions for pensions and similar obligations | 20 | 2 | 0 | 0 |
| Loss carryforwards [2] | 82 | 53 | – | – |
| Untaxed reserves | – | – | 4 | 3 |
| Other | 6 | 16 | 6 | 7 |
| | **314** | **229** | **432** | **181** |

1) IAS 12 *Income Taxes* clarifies 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. This entails that 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 0 (1) for which utilisation is subject to time restrictions. The Group has loss carryforwards equivalent to a nominal amount of MSEK 1,574 (428), which are not recognised as a deferred tax asset since some loss carryforwards are not expected to be utilised within a reasonable time. For some of these loss carryforwards, there are restrictions as regards utilisation per year as well as time limits.

| Parent Company | 2025 | 2024 |
|---|---|---|
| Current tax for the year | 0 | 0 |
| Deferred tax attributable to loss carryforwards | -13 | 5 |
| **Total recognised tax expense in the income statement** | **-13** | **5** |

**Deferred tax assets are attributable to the following:**

| Parent Company | Receivables 2025 | Receivables 2024 |
|---|---|---|
| Loss carryforwards | 4 | 20 |
| Other | 1 | 1 |
| | **5** | **21** |

## Note 17 Earnings per share

**Group**

| **Earnings per share before dilution** | **2025** | **2024** |
|---|---|---|
| Net profit for the period attributable to Parent Company shareholders, MSEK | 130.8 | 311.4 |
| Average number of ordinary shares outstanding | 254,485,139 | 226,183,845 |
| **Earnings per share before dilution, SEK per share** | **0.51** | **1.38** |
| **Earnings per share for Continuing Operations before dilution** | | |
| Net profit for the period for Continuing Operations attributable to Parent Company shareholders, MSEK | 130.8 | 310.0 |
| **Earnings per share for Continuing Operations before dilution, SEK per share** | **0.51** | **1.37** |
| **Earnings per share after dilution** | | |
| Net profit for the period attributable to Parent Company shareholders, MSEK | 130.8 | 311.4 |
| Average number of ordinary shares outstanding | 254,485,139 | 226,183,845 |
| Effect of long-term incentive program 2022 [1)] | – | 1,225,838 |
| Effect of long-term incentive program 2025 [1)] | 1,324,332 | – |
| **Average number of ordinary shares outstanding after dilution** | **255,809,471** | **227,409,683** |
| **Earnings per share after dilution, SEK per share** | **0.51** | **1.37** |
| **Actual number of ordinary shares at the end of the year** | | |
| before dilution | 255,275,518 | 253,220,533 |
| after dilution | 256,599,850 | 254,446,371 |

*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 long-term incentive programs. As of 31 December 2025, only matching share rights held by employees in the LTIP 2025 program 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. As of 31 December 2024, only matching share rights held by employees in the LTIP 2022 program were considered dilutive, while the right to receive shares with performance conditions was not considered dilutive since set performance targets were yet to be met at that time. 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 AGM'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 AGM 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 Extraordinary General Meeting held on 21 October 2024. As of 31 December 2024, a total of MSEK 831 had been provided to the company in issue proceeds after transaction costs, of which MSEK 16 was share capital.

**Directed cash issue 2025**

On 16 December 2025, with the support of the issue authorisation from the 2025 AGM, ITAB's Board of Directors resolved to carry out a directed cash issue of 611,000 Class C shares intended for the long-term incentive program. The Board also resolved to immediately repurchase all 611,000 Class C shares. Following the issue, the total number of shares was 258,231,533, of which 255,275,518 were ordinary shares and 2,956,015 were Class C shares. The Class C shares do not carry the right to any dividend and entitle the holder to 1/10 of a vote each. ITAB currently holds no ordinary shares and 2,956,015 Class C shares in treasury. For more information about the share issue, see Note 27.

**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 |
| 2025 | Conversion of Class C shares into ordinary shares | – | 108,849 | 255,275,518 | 2,345,015 | 257,620,533 | 0.423 |
| 2025 | New share issue Class C shares | 258 | 109,107 | 255,275,518 | 2,956,015 | 258,231,533 | 0.423 |
| *Of which repurchased shares held in treasury* | | | | | *2,956,015* | *2,956,015* | |

## Note 18 Intangible assets

| 2025 Group | Capitalised development expenditure | Patents and other intellectual property rights | Goodwill | Total |
|---|---|---|---|---|
| **Accumulated cost** | | | | |
| Start of the year | 357 | 98 | 1,844 | 2,299 |
| Acquired subsidiaries, refer to Note 5. | 155 | 849 | 2,153 | 3,157 |
| Additions | 198 | 7 | – | 205 |
| Sales and disposals | -180 | -13 | – | -193 |
| Translation differences for the year | -9 | -5 | -100 | -114 |
| | **521** | **936** | **3,897** | **5,354** |
| **Accumulated amortisation according to plan** | | | | |
| Start of the year | -172 | -63 | – | -235 |
| Sales and disposals | 160 | 10 | – | 170 |
| Amortisation according to plan for the year | -80 | -78 | – | -158 |
| Translation differences for the year | 1 | 4 | – | 5 |
| | **-91** | **-127** | **-** | **-218** |
| **Carrying amount at the end of the year** | **430** | **809** | **3,897** | **5,136** |

| 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** |

**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 trademarks, customer relationships and 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 2025.

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. In connection with the acquisition of HMY, impairment testing was also carried out on goodwill arising in connection with this acquisition. The impairment testing was conducted in the same manner as for the entire ITAB Group. There was no impairment requirement for this acquisition.

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 is expected to amount to 2 percent (2) per year during 2026–2029. 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 2025, a figure of 9.8 percent was used for 2026 and 10.0 percent for 2027 and onwards. Average interest rates have been assumed at the same levels as the outcome for 2025. The forecast cash flows have been converted to present value using a discount rate of 11.5 percent (11.3) before tax, which corresponds to 9.0 percent (9.0) 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 2025, the risk-free rate of interest increased somewhat while the risk premium declined, which means that the overall discount rate for 2025 was at the same level as 2024.

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 3.0 percentage points, there is still no indication of an impairment need with an unchanged WACC.

## Note 19 Property, plant and equipment

| **2025 Group** | **Buildings** | **Machinery** | **Equipment** | **Construction in progress** | **Total** |
|---|---|---|---|---|---|
| **Accumulated cost excl. leases** | | | | | |
| Start of the year | 695 | 725 | 340 | 19 | 1,779 |
| Acquisitions/divestments of subsidiaries | 461 | 170 | 86 | 18 | 735 |
| Additions | 20 | 48 | 30 | 14 | 112 |
| Sales and disposals | 0 | -13 | -13 | – | -26 |
| Reclassifications | 3 | 28 | 3 | -34 | 0 |
| Translation differences for the year | -64 | -29 | -26 | -2 | -121 |
| | **1,115** | **929** | **420** | **15** | **2,479** |
| **Accumulated depreciation according to plan excl. leases** | | | | | |
| Start of the year | -308 | -507 | -280 | – | -1,095 |
| Divestments of subsidiaries | – | 0 | 1 | – | 1 |
| Sales and disposals | 0 | 9 | 11 | – | 20 |
| Reclassifications | 0 | 0 | 0 | – | 0 |
| Depreciation according to plan for the year | -42 | -83 | -42 | – | -167 |
| Translation differences for the year | 16 | 6 | 14 | – | 36 |
| | **-334** | **-575** | **-296** | **–** | **-1,205** |
| **Total** | **781** | **354** | **124** | **15** | **1,274** |
| Right-of-use assets 1) | 578 | 0 | 83 | – | 661 |
| **Carrying amount at the end of the year** | **1,359** | **354** | **207** | **15** | **1,935** |

| **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 |
| Reclassifications | 0 | 0 | 0 | – | 0 |
| 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** |

*1) For more information about right-of-use assets, see Note 22.*

| **Parent Company** | **2025 Equipment** | **2024 Equipment** |
|---|---|---|
| **Accumulated cost** | | |
| Start of the year | 10 | 10 |
| Additions | 1 | 0 |
| | **11** | **10** |
| **Accumulated depreciation according to plan** | | |
| Start of the year | -7 | -6 |
| Depreciation according to plan for the year | -1 | -1 |
| | **-8** | **-7** |
| **Carrying amount at the end of the year** | **3** | **3** |

## Note 20 Participations in Group companies and associated companies

| Parent Company | 2025 | 2024 |
|---|---|---|
| Opening carrying amount | 2,095 | 2,046 |
| Corporate acquisitions[1] | 1,826 | – |
| Divestments [2] | – | -6 |
| Repayment of part of the share capital of the subsidiary La Fortezza S.p.A. | -81 | – |
| Shareholder contributions to subsidiaries [3] | 1 | 70 |
| Impairment and revaluations for the year [4] | -14 | -15 |
| **Closing carrying amount** | **3,827** | **2,095** |

*1) In 2025, HMY Financière SAS, Blink AB and Signatrix GmbH were acquired.*
*2) In 2024, ITAB Shop Concept Belgium N.V. was wound up and the remaining equity corresponding to the share value was repaid.*
*3) In 2025, shareholder contributions of MSEK 1 were paid to ITAB Shop Products A/S. In 2024, shareholder contributions were paid to ITAB Shop Products A/S (MSEK 6) and to ITAB Group Support AB (MSEK 64).*
*4) In 2025, shares in ITAB Shop Products AS were impaired by MSEK 14 in connection with the payment of shareholder contributions and the impairment of shares. 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.*

| Participations are held in the following Group companies: | Reg. No. | Domicile | Country | Number of shares | Holding | 2025 Carrying amount | 2024 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 | Cologne | 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 | 56 |
| 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 |
| Blink AB [5] | 556732-0899 | Stockholm | Sweden | 1,000 | 100% | 22 | – |
| ITAB Shop Concept AS | 960912624 | Oslo | Norway | 1,534,500 | 100% | 55 | 55 |
| ITAB Industrier AS | 928907619 | Stadsbygd | Norway | 150 | 100% | – | – |
| ITAB Norge AS [5] | 935500419 | Oslo | Norway | 50 | 100% | – | – |
| Reklamepartner Graphics AS | 979895909 | Sofiemyr | Norway | 100 | 100% | – | – |
| KB Design AS | 913275438 | Oslo | Norway | 34 | 100% | – | – |
| 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 [5] | 13769893 | Taastrup | Denmark | 500 | 100% | 9 | 22 |
| 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% | – | – |
| Signatrix GmbH [5] | HRB 189186 B | Berlin | Germany | 74,979 | 100% | – | – |
| ITAB Sweden AB | 556474-2244 | Nässjö | Sweden | 2,000 | 100% | – | – |
| Nordic Light AB | 556203-5161 | Skellefteå | Sweden | 130,000 | 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% | – | – |
| ITAB North 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 [5] | 2278277-9 | Pieksämäki | Finland | 3,500 | 100% | – | – |
| La Fortezza S.p.A. a Socio Unico | FI - 462981 | Scarperia | Italy | 20,900,000 | 100% | 705 | 786 |
| Imola Retail Solutions S.r.L | BO-555133 | Imola | Italy | 81,000 | 100% | – | – |
| La Fortezza Alser S.a.S | 43869922500027 | Jouy-le-Moutier | France | 381,158 | 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 |
| Financiere HMY SAS [5] | 82925306100024 | Monéteau | France | 147,583,038 | 100% | 1,804 | – |
| HMY International SAS | 479 919 441 00028 | Monéteau | France | 105,902,580 | 100% | – | – |
| HMY SAS | 479 919 698 00023 | Monéteau | France | 70,000,000 | 100% | – | – |
| HMY UK Innovation In Retail Ltd | 5822214 | Newcastle | England | 3,000,000 | 100% | – | – |
| HMY Middle East Ltd | 7035234025 | Riyadh | Saudi Arabia | 37,500 | 75% | – | – |

The table continues on the next page.

*5) In 2025, Financière HMY SAS Group, Blink AB and the remaining shares of Signatrix GmbH were acquired and La Fortezza Asia Sdn Bhd was divested. The Danish company Checkmark Danmark ApS was merged into ITAB Shop Products A/S. The partly owned company ITAB Room Solutions has been declared bankrupt and dormant companies in Hong Kong and Germany were wound up. 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.*

## Note 20 cont.

| Participations are held in the following Group companies: | Reg. No. | Domicile | Country | Number of shares | Holding | 2025 Carrying amount | 2024 Carrying amount |
|---|---|---|---|---|---|---|---|
| Teknogon Teshir Elemanlari Sanayii Anonim Sirketi | 4257-4024 | Çerkezköy | Türkiey | 12,630,862,708 | 100% | – | – |
| HMY France SAS | 316 016 930 00018 | Monéteau | France | 105,643 | 100% | – | – |
| L.D.M Sarl | 393 409 420 00022 | La Haye-Pesnel | France | 500 | 100% | – | – |
| Solutionsmags | 797 556 016 00021 | Saint-Jean-d'Illac | France | 5,000 | 50.02% | – | – |
| HMY Benelux SA | 0418 618 049 | Seneffe | Belgium | 15,711 | 100% | – | – |
| HMY Deutchland GmbH | HRB 102177 | Saarbrücken | Germany | 3 | 100% | – | – |
| HMY Polska sp.z.o.o | KRS 0000027045 | Warsaw | Poland | 4,080 | 100% | – | – |
| HMY Retail Solutions Netherlands B.V. | 88280012 | Amsterdam | The Netherlands | 84,500 | 65% | – | – |
| Yudigar, S.L.U. | B50768167 | Cariñena | Spain | 144,573 | 100% | – | – |
| HMY Italia S.R.L. | MB - 2629371 | Meda | Italy | 2,760 | 100% | – | – |
| Serint HMY Grupo, S.L. | B99095671 | Cariñena | Spain | 1,200,000 | 100% | – | – |
| Yudigar Canarias S.L. | B35292754 | Aguimes | Spain | 800 | 66% | – | – |
| Yudigar Portugal LDA | 502647825 | Sintra | Portugal | 69,382 | 100% | – | – |
| HMY Yudigar Equipamiento, S.L.U. | B96106794 | Cariñena | Spain | 1,125 | 100% | – | – |
| Yudigar Argentina S.A. | 30-691586924 | Buenos Aires | Argentina | 21,821,613 | 100% | – | – |
| HMY DO Brasil LTDA | 3521558552-5 | Jundiaí | Brazil | 76,058,091 | 100% | – | – |
| Yudigar Chile S.A. | Page 19.197 No. 14.938 | Santiago | Chile | 0 | 100% | – | – |
| HMY Peru S.A.C | 11570835 | La Victoria | Peru | 275,000 | 100% | – | – |
| HMY Ecuador S.A.S | Tax id 1793230100001 | Quito | Ecuador | | 100% | – | – |
| HMY Innovation in Retail Mexico S.A. DE C.V. | HII160727239 | Cuauhtemoc-Ciudad de México | Mexico | 129,443,834 | 100% | – | – |
| HMY Retail Solutions, S.L.U. | B99448987 | Cariñena | Spain | 1,000,000 | 100% | – | – |
| HMY Group SAS | 412 929 333 00034 | Monéteau | France | 153,846 | 100% | – | – |
| HMY Business Equipment (Shanghai) Co., Ltd | 7000002201909120000 | Shanghai | China | 0 | 100% | – | – |
| | | | | | | **3,827** | **2,095** |

In addition to the above companies, the Group owns shares in inactive companies. In total, the Group comprised 87 legal companies at the end of 2025.

### Group

#### Participations in associated companies

There were no material associated companies in the ITAB Group at year-end 2025.

#### Other shares and participations

In 2024, ITAB Shop Concept AB owned 18.34% of the shares in Signatrix GmbH via a subsidiary and the company was recognised under other shares and participations. In 2025, the remaining shares were acquired and the company was consolidated into the ITAB Group from June 2025 (see Note 5).

| Other shares and participations | Reg. No. | Domicile | Country | Number of shares | Holding | 2024 Carrying amount |
|---|---|---|---|---|---|---|
| Unlisted shares and participations | | | | | | |
| Signatrix GmbH | HRB 189186 B | Berlin | Germany | 13,751 | 18.34% | 23 |

## Note 21 Financial assets and liabilities

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| **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 | 127 | 2,052 | 2,179 | 46 | 901 | 947 |
| 31–60 days old | 88 | | 88 | 33 | | 33 |
| more than 60 days old | 61 | | 61 | 28 | | 28 |
| **Accounts receivable, impaired** | | | | | | |
| more than 60 days old | 62 | | 62 | 26 | | 26 |
| Deduction for reserves | -62 | | -62 | -26 | | -26 |
| **Total accounts receivable** | **276** | **2,052** | **2,328** | **107** | **901** | **1,008** |
| Other financial assets (excl. cash and cash equivalents) | – | 467 | 467 | – | 213 | 213 |
| **Carrying amount, financial assets excl. cash and cash equivalents** | **276** | **2,519** | **2,795** | **107** | **1,114** | **1,221** |

*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** | **2025** | **2024** |
| Opening balance | 26 | 28 |
| Acquired operations | 54 | – |
| Divestment of operations | – | -2 |
| Increase in provision through the income statement | 21 | 6 |
| Utilised reserve due to confirmed losses on accounts receivable | -7 | -1 |
| Reversed provisions | -31 | -6 |
| Translation differences for the year | -1 | 1 |
| **Closing balance** | **62** | **26** |

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| **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 | 517 | 167 | 2,647 | 81 | 167 | 1,056 |
| between 1 and 3 years | 3,094 | 300 | 32 | 586 | 224 | 13 |
| between 3 and 5 years | 21 | 174 | 0 | – | 168 | – |
| after 5 years | 0 | 111 | – | – | 79 | – |
| | **3,632** | **752** | **2,679** | **667** | **638** | **1,069** |
| **Parent Company** | | | | | | |
| **Maturity date** | | | | | | |
| within 1 year | 356 | | 386 | 26 | | 565 |
| between 1 and 3 years | 3,005 | | 6 | 586 | | – |
| between 3 and 5 years | – | | – | – | | – |
| after 5 years | – | | – | – | | – |
| | **3,361** | | **392** | **612** | | **565** |

## Note 21 cont.

**Change in liabilities attributable to financing activities in the Group's cash flow**

| | 2024 | | Items that do not affect the cash flow | | | | | 2025 |
|---|---|---|---|---|---|---|---|---|
| **Group** | | **Cash flow** | **Acquisition of HMY** | **Short-term portion of long-term loans** | **Lease liabilities according to IFRS 16** | **Translation difference** | **Fair value** | |
| Derivative receivables | -8 | | | | | | 0 | **-8** |
| Long-term investments | -96 | 28 | | | | | 13 | **-55** |
| Short-term investments | | 11 | -16 | | | | | **-5** |
| Non-current liabilities to credit institutions [1] | 565 | 691 | 2,126 | -221 | | -182 | | **2,979** |
| Current liabilities to credit institutions and overdraft facilities | 83 | 10 | 52 | 221 | | 24 | | **390** |
| Lease liabilities | 585 | -171 | 211 | | 89 | -27 | | **687** |
| Derivative liabilities | 0 | | | | | | 2 | **2** |
| **Net debt from financing activities** | **1,129** | **569** | **2,373** | **0** | **89** | **-185** | **15** | **3,990** |
| Cash and cash equivalents | -1,513 | | | | | | | **-971** |
| **Interest-bearing net debt [2]** | **-384** | | | | | | | **3,019** |

*1) Acquisitions in 2025 were partly financed with newly raised credit facilities of MEUR 255 and a revolving credit facility of MEUR 100.*
*2) 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.

**Contingent purchase consideration**

The calculation of contingent purchase consideration (level 3) is dependent on the parameters of each contract. These parameters are primarily linked to expected earnings up to 2027 for acquired companies. However, for existing contracts, a ceiling is in place limiting the amount of liabilities that can be incurred. An increase in expected earnings would result in a slightly higher contingent purchase consideration liability. Refer to Note 5.

## Note 21 cont.

**Information about carrying amount per category and fair value per class**

| Group 2025 | 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 | | | 28 | 28 | 28 |
| Accounts receivable | | | 2,328 | 2,328 | 2,328 |
| Derivative receivables (level 2) | 8 | | | 8 | 8 |
| Long-term investments (level 1) | | 55 | | 55 | 55 |
| Other receivables | | 23 | 188 | 211 | 211 |
| Accrued income, financial assets | | | 165 | 165 | 165 |
| Cash and cash equivalents [2] | | | 971 | 971 | 971 |
| **Total financial assets** | **8** | **78** | **3,680** | **3,766** | **3,766** |
| **Financial liabilities** | | | | | |
| Liabilities to credit institutions | | | 3,351 | 3,351 | 3,351 |
| Lease liabilities | | | 687 | 687 | 687 |
| Overdraft facilities | | | 18 | 18 | 18 |
| Derivative liabilities (level 2) | 2 | | | 2 | 2 |
| Contingent purchase consideration (level 3) | | 6 | | 6 | 6 |
| Advance payments from customers | | | 325 | 325 | 325 |
| Accounts payable | | | 1,939 | 1,939 | 1,939 |
| Other liabilities | | | 251 | 251 | 251 |
| Accrued expenses, financial liability | | 1 | 155 | 156 | 156 |
| **Total financial liabilities** | **2** | **7** | **6,726** | **6,735** | **6,735** |

| 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** | **-** | **4** | **2,272** | **2,276** | **2,276** |

*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 2025 | 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 | | | 2,158 | 2,158 | 2,158 |
| Other receivables | | | 35 | 35 | 35 |
| Cash and cash equivalents 2) | | | 171 | 171 | 171 |
| **Total financial assets** | **-** | **-** | **2,364** | **2,364** | **2,364** |
| **Financial liabilities** | | | | | |
| Liabilities to credit institutions | | | 3,097 | 3,097 | 3,097 |
| Accounts payable | | | 9 | 9 | 9 |
| Liabilities to Group companies | | | 372 | 372 | 372 |
| Contingent purchase consideration (level 3) | | 6 | | 6 | 6 |
| Other liabilities | | | 2 | 2 | 2 |
| Accrued expenses, financial liability | | | 2 | 2 | 2 |
| **Total financial liabilities** | **-** | **6** | **3,482** | **3,488** | **3,488** |

| 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** |

*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 2025 | | | | 31 December 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| **Right-of-use assets** | **Buildings** | **Equipment** | **Machinery** | **Total** | **Buildings** | **Equipment** | **Machinery** | **Total** |
| Start of the year | 518 | 48 | 0 | **566** | 498 | 32 | 0 | **530** |
| Acquisitions | 140 | 72 | 0 | **212** | 0 | 0 | 0 | **0** |
| Additions | 92 | 8 | 0 | **100** | 130 | 31 | 0 | **161** |
| Disposals during the year | -11 | 0 | 0 | **-11** | -9 | 0 | 0 | **-9** |
| Translation difference | -25 | -2 | 0 | **-27** | 16 | 1 | 0 | **17** |
| Depreciation during the year | -136 | -43 | 0 | **-179** | -117 | -16 | 0 | **-133** |
| **Carrying amount at the end of the year** | **578** | **83** | **0** | **661** | **518** | **48** | **0** | **566** |
| **Lease liabilities** | **601** | **86** | **0** | **687** | **536** | **49** | **0** | **585** |

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **Lease liabilities** | **Nominal value** | **Present value** | **Nominal value** | **Present value** |
| Current portion, maturity date within one year | 167 | 167 | 167 | 152 |
| Non-current portion, maturity date from one to three years | 300 | 263 | 224 | 203 |
| Non-current portion, maturity date from three to five years | 174 | 155 | 168 | 158 |
| Non-current portion, maturity date over five years | 111 | 102 | 79 | 72 |
| **Value at the end of the year** | **752** | **687** | **638** | **585** |

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 2025 financial year was charged with costs attributable to finance leases, including depreciation of MSEK 179 (133) and interest expenses of MSEK 27 (14). Total lease expenses in 2025 amounted to MSEK 246 (171). Lease expenses related to low-value and short-term leases amounted to MSEK 49 (29). There are no significant variable payments or restrictions.

In 2025, leases had an impact of MSEK -171 (-128) on the Group's cash flow.

## Note 23 Inventories

| **Group** | **2025** | **2024** |
|---|---|---|
| Raw materials and consumables | 363 | 268 |
| Products in progress | 153 | 88 |
| Finished products and goods for resale | 795 | 435 |
| Advance payments for goods | 9 | 8 |
| | **1,320** | **799** |

*The year's impairment of finished products and goods for resale charged to net profit for the year totalled MSEK 3 (26) for the Group.*

## Note 24 Prepaid expenses and accrued income

| **Group** | **2025** | **2024** |
|---|---|---|
| Prepaid rent and lease payments | 17 | 17 |
| Prepaid insurance premiums | 8 | 5 |
| Other prepaid expenses | 130 | 60 |
| Accrued revenue from contracts with customers | 125 | 15 |
| Other accrued income | 2 | 2 |
| | **282** | **99** |

| **Parent Company** | **2025** | **2024** |
|---|---|---|
| Prepaid insurance premiums | 2 | 1 |
| Other prepaid expenses | 19 | 40 |
| Accrued income | – | 2 |
| | **21** | **43** |

## 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 share-based incentive programs 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 more information about the share issues completed in 2024 and 2025, see 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 2025, a Group company in Malaysia was divested, and in 2024, Group companies in Russia, China and Hong Kong were divested.

**The accumulated translation reserve, recognised in comprehensive income as of 2004, amounts to the following:**

| **Translation reserve attributable to Parent Company shareholders** | **2025** | **2024** |
|---|---|---|
| Opening balance | 219 | 94 |
| Translation difference discontinued operations transferred to net profit for the year | -1 | 40 |
| Translation difference on translation of foreign operations | -87 | 91 |
| Change in fair value of hedges of net investments | 3 | -8 |
| Tax | 0 | 2 |
| **Closing balance** | **134** | **219** |

| **Translation reserve attributable to non-controlling interests** | **2025** | **2024** |
|---|---|---|
| Opening balance | 29 | 20 |
| Translation differences for the year | -19 | 9 |
| **Closing balance** | **10** | **29** |

*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.

| | **2025** | **2024** |
|---|---|---|
| Opening balance | 7 | 9 |
| Change in fair value of cash flow hedges | -11 | 1 |
| Change in fair value of cash flow hedges transferred to net profit for the year | 5 | -3 |
| Tax | 1 | 0 |
| **Closing balance** | **2** | **7** |
| | | |
| **Total other reserves attributable to Parent Company shareholders** | **136** | **226** |
| **Total other reserves attributable to non-controlling interests** | **10** | **29** |

**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

On 16 December 2025, with the support of the issue authorisation from the AGM on 7 May 2025, ITAB's Board of Directors resolved to carry out a directed cash issue of 611,000 Class C shares. The Board also resolved to immediately repurchase all 611,000 Class C shares. The purpose of the issue and repurchase is to secure delivery of ordinary shares to the employees who are participants in the Group's long-term incentive program 2025 (LTIP 2025) by ITAB subsequently converting the Class C shares into ordinary shares. For more information on the Group's long-term incentive programs, see Note 8.

The 2022 AGM resolved on a long-term incentive program for senior executives and other key individuals (LTIP 2022) extending from June 2022 until June 2025. The program ended in the second quarter of 2025. As a result, 2,054,985 Class C shares were converted to ordinary shares, and 1,043,671 ordinary shares were thereafter conveyed to the participants and the remaining 1,011,314 ordinary shares were conveyed on Nasdaq Stockholm to cover part of the costs for the program.

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 AGM 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 had 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.

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 107,858 thousand pertaining to ordinary shares and SEK 1,249 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 more information about the completed share issues in 2024 and 2025, see 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 share-based incentive programs 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 2025** | | | **31 December 2024** | | |
|---|---|---|---|---|---|---|
| **Shares outstanding** | **Ordinary shares** | **Class C shares** | **Total** | **Ordinary shares** | **Class C shares** | **Total** |
| Opening number of shares | 253,220,533 | 4,400,000 | 257,620,533 | 218,100,192 | 4,400,000 | 222,500,192 |
| Conversion of Class C shares into ordinary shares | 2,054,985 | -2,054,985 | 0 | – | – | – |
| Cancellation of repurchased ordinary shares 1) | – | – | – | -3,079,659 | – | -3,079,659 |
| New share issue | – | 611,000 | 611,000 | 38,200,000 | – | 38,200,000 |
| **Number of shares at the end of the year** | **255,275,518** | **2,956,015** | **258,231,533** | **253,220,533** | **4,400,000** | **257,620,533** |
| of which held by ITAB Shop Concept AB | | -2,956,015 | -2,956,015 | | -4,400,000 | -4,400,000 |
| **Total shares outstanding at the end of the year** | **255,275,518** | **0** | **255,275,518** | **253,220,533** | **0** | **253,220,533** |

*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 AGM on 15 May 2024, the cancellation of all 3,079,659 repurchased ordinary shares was completed.*

## Note 26 Allocation of profits

| **Parent Company, MSEK** | **2025** | **2024** |
|---|---|---|
| **The following non-restricted funds are at the disposal of the AGM:** | | |
| Share premium reserve | 1,895 | 1,898 |
| Profit brought forward | 363 | 304 |
| Net profit for the year | 328 | 52 |
| **Total** | **2,586** | **2,254** |
| | | |
| **The Board of Directors and CEO propose that these funds be distributed as follows:** | | |
| Proposed dividend to shareholders, SEK per ordinary share | 0.00 | 0.00 |
| Number of ordinary shares outstanding at the end of the year | 255,275,518 | 253,220,533 |
| Number of ordinary shares outstanding on the date of the dividend | – | – |
| Total distributed to shareholders, MSEK | – | – |
| To be carried forward, MSEK | 2,586 | 2,254 |
| **Total, MSEK** | **2,586** | **2,254** |

## Note 27 Repurchases of own shares and new share issue

**Directed cash issue 2025**

On 16 December 2025, with the support of the issue authorisation from the 2025 AGM, ITAB's Board of Directors resolved to carry out a directed cash issue of 611,000 Class C shares intended for the long-term incentive program. The Board also decided to immediately repurchase all 611,000 Class C shares. The purpose of the issue and repurchase is to secure delivery of ordinary shares to the employees who are participants in the Group's long-term incentive program 2025 (LTIP 2025) by ITAB subsequently converting the Class C shares into ordinary shares.

**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 AGM 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 had been provided to the company in issue proceeds after transaction costs, of which MSEK 16 was share capital.

**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 AGM'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 AGM 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 2025, ITAB held no ordinary shares in treasury. All 2,956,015 Class C shares were held in treasury. For more information about the number of shares, see Note 25.

## Note 28 Overdraft facilities

| **Group** | **2025** | **2024** |
|---|---|---|
| Granted overdraft facility | 738 | 1,194 |
| Utilised overdraft facility | 23 | 33 |
| Unutilised overdraft facility | 715 | 1,161 |

| **Parent Company** | **2025** | **2024** |
|---|---|---|
| Granted overdraft facility | 699 | 1,153 |
| Utilised overdraft facility | 0 | 0 |
| Unutilised overdraft facility | 699 | 1,153 |

*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 264 (213) 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 171 (231), meaning that the Parent Company has debt to subsidiaries totalling MSEK 435, net (444).*

## 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** | **2025** | **2024** |
|---|---|---|
| **Net costs** | | |
| Interest on the year's increase in the present value of pension commitments | 3 | 2 |
| Net of pensions earned and premiums paid during the year | 5 | -2 |
| Expected return on plan assets | -2 | -1 |
| **Recognised pension costs, net** | **6** | **-1** |
| **Recognised provision as of 31 December** | | |
| Present value of pension commitments | 119 | 48 |
| Fair value of plan assets | -14 | -16 |
| **Recognised provision as of 31 December** | **105** | **32** |

| **Net amount distributed between the following countries** | | |
|---|---|---|
| Norway | 0 | 1 |
| Sweden | 10 | 4 |
| Italy | 21 | 23 |
| France | 68 | 2 |
| Türkiey | 4 | – |
| Other | 2 | 2 |
| **Recognised commitments in the balance sheet** | **105** | **32** |

| | **2025** | **2024** |
|---|---|---|
| **Change in recognised provision** | | |
| Opening net debt | 32 | 29 |
| Provision assumed in connection with corporate acquisition | 70 | – |
| Actuarial gains and losses | 3 | 2 |
| Value adjustment | -6 | 2 |
| Pension costs, net | 6 | -1 |
| **Recognised provision as of 31 December** | **105** | **32** |

| **The most important assumptions used for determining pension commitments (%)** | | |
|---|---|---|
| Discount factor | 3.7–4.0% | 3.5–4.5% |
| Future salary increases | 1.0–4.0% | 1.0–3.8% |
| Future pension increases | 2.0–3.75% | 3.5–3.7% |
| Expected return | 4.0% | 3.7% |

**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 Corporate 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 2025 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 (7).

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 2025, Alecta's surplus in the form of the collective funding ratio was 167 percent (162).

## Note 30 Other provisions

| Group | 2025 | 2024 |
|---|---|---|
| Guarantee reserve [1)] | 13 | 8 |
| Reserve for customer complaints [2)] | 38 | – |
| Other provisions [3)] | 31 | 19 |
| | **82** | **27** |

| Group 2025 | Guarantee reserve [1)] | Reserve for customer complaints [2)] | Other provisions [3)] | Total |
|---|---|---|---|---|
| **Opening balance, 1 Jan 2025** | **8** | **-** | **19** | **27** |
| Provisions during the year | 6 | 39 | 3 | 48 |
| Acquisitions of subsidiaries | 1 | – | 18 | 19 |
| Utilised provisions | 0 | – | -7 | -7 |
| Translation differences | -2 | -1 | -2 | -5 |
| **Closing balance, 31 Dec 2025** | **13** | **38** | **31** | **82** |
| Of which, current provisions | – | 38 | 11 | 49 |
| Of which, non-current provisions | 13 | – | 20 | 33 |

| Group 2024 | Guarantee reserve [1)] | Restructuring reserve [4)] | 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 |

*1) 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.*
*2) Reserve for customer complaints due to a lack of material quality from suppliers.*
*3) Other provisions primarily refer to provisions for personnel costs in connection with restructuring and disputes with former employees. The amount also includes a provision for agents pursuant to Italian law and is based on average commission over the past five years.*
*4) The restructuring reserve refers to costs in connection with the closure of the production unit in France.*

## Note 31 Accrued expenses and prepaid income

| Group | 2025 | 2024 |
|---|---|---|
| Payroll and vacation expenses | 275 | 198 |
| Accrued social security contributions, incl. pension and payroll tax | 120 | 77 |
| Accrued expenses from contracts with customers | 121 | 26 |
| Accrued sales commissions | 12 | 11 |
| Accrued service-related expenses | 27 | 16 |
| Accrued interest expenses | 3 | 5 |
| Other accrued expenses | 354 | 74 |
| Prepaid revenue from contracts with customers | 21 | 3 |
| Other prepaid income | 11 | 3 |
| | **944** | **413** |

| Parent Company | 2025 | 2024 |
|---|---|---|
| Payroll and vacation expenses | 6 | 14 |
| Accrued social security contributions, incl. pension and payroll tax | 5 | 14 |
| Accrued interest expenses | 2 | 5 |
| Accrued service-related expenses | 12 | 2 |
| Other accrued expenses | 1 | 5 |
| | **26** | **40** |

## Note 32 Pledged assets

| Group | 2025 | 2024 |
|---|---|---|
| **Pledges for own liabilities** | | |
| Corporate mortgages | 49 | – |
| **Total pledged assets** | **49** | **-** |

*All collateral refers to collateral for liabilities to credit institutions.*

The Parent Company has no pledged assets.

## Note 33 Contingent liabilities

| Group | 2025 | 2024 |
|---|---|---|
| Guarantee undertakings | 108 | 12 |

| Parent Company | 2025 | 2024 |
|---|---|---|
| Sureties for subsidiaries | 66 | 100 |

## 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.

There were no other significant transactions with related companies during 2025.

## Note 35 Inflation adjustment Argentina and Türkiey

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 fully adjusted to correct for the effects of inflation in accordance with IAS 29 *Financial Reporting in Hyperinflationary Economies*. Following the acquisition of HMY, the ITAB Group also includes companies in Türkiey. Türkiey is considered a hyperinflationary economy and is reported in the same manner as Argentina. This means that:

- The different items in the income statement have been adjusted in line with Argentina's and Türkiey's respective national consumer price indexes (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 subsidiaries' 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 2025, Argentina's base CPI was 10,060.6. The consumer price adjustment index at 31 December 2024 was 7,694. To hedge monetary assets against inflation, long-term investments have been made in an amount corresponding to MSEK 55. These are recognised at fair value through net financial items in the income statement.

As of 31 December 2025, Türkiey's base CPI was 3,513.87. On initial recognition in ITAB on 1 February 2025, the CPI was 2,819.65.

## Note 36 Events after the balance sheet date

Glauco Frascaroli took over as interim President & CEO on 7 January 2026. Björn Borgman will take over as the new President & CEO of the ITAB Group on 1 May 2026.

In January 2026, ITAB exercised an annual extension option for its MEUR 255 credit facility and MEUR 100 revolving credit facility. The term has thus been extended by one year to January 2029 on unchanged terms compared with the original credit facilities.

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) | 2025 | 2024 |
|---|---|---|
| Operating profit | 580 | 459 |
| Depreciation and amortisation | 504 | 254 |
| **EBITDA** | **1,084** | **713** |
| Reversal of non-recurring items [1] | 183 | 48 |
| **EBITDA excl. non-recurring items** | **1,267** | **761** |

*1) For more information about non-recurring items, see page 110.*

**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) | 2025 | 2024 |
|---|---|---|
| Operational cash flow (Cash flow from operating activities) | 785 | 624 |
| EBITDA | 1,084 | 713 |
| **Cash conversion %** | **72** | **88** |

**Return on equity**

This measure shows the return on the shareholders' capital invested in the ITAB Group.

| (MSEK) | 2025 | 2024 |
|---|---|---|
| Net profit for the year attributable to Parent Company shareholders | 131 | 311 |
| Equity attributable to Parent Company shareholders | 4,174 | 4,128 |
| Average*) equity attributable to Parent Company shareholders | 4,123 | 3,448 |
| **Return on equity, %** | **3.2** | **9.0** |

**Return on capital employed**

This measure is used to assess the efficiency and value added from the business.

| (MSEK) | 2025 | 2024 |
|---|---|---|
| Net profit for the year after financial items plus financial borrowing costs | 561 | 508 |
| Average*) balance sheet total less non interest-bearing liabilities | 7,859 | 4,798 |
| **Return on capital employed, %** | **7.1** | **10.6** |

**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) | 2025 | 2024 |
|---|---|---|
| Net profit for the year after financial items plus financial borrowing costs | 561 | 508 |
| Average*) total capital | 11,499 | 6,260 |
| **Return on total capital, %** | **4.9** | **8.1** |

**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) | 2025 | 2024 |
|---|---|---|
| Interest-bearing non-current liabilities | 3,501 | 998 |
| Interest-bearing current liabilities | 557 | 235 |
| Interest-bearing assets | -68 | -104 |
| Cash and cash equivalents | -971 | -1,513 |
| **Interest-bearing net assets/debt** | **3,019** | **-384** |
| Reversal of interest-bearing lease liabilities | -687 | -585 |
| **Interest-bearing net assets/debt excl. leases** | **2,332** | **-969** |

**) Average is calculated as the average of opening balance and the relevant reported quarterly data up until the closing period. In other words, 2025 is calculated as (31 December 2024 + 31 March 2025 + 30 June 2025 + 30 September 2025 + 31 December 2025) 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.<br>*Note:* In ITAB's Sustainability Report, the Group's headcount as of the balance sheet date is used instead. For definition, refer to ESG reporting principles on page 76. | 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.<br>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 long-term incentive programs. 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 Board of Directors and the CEO also assure that the Annual Report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the specifications that have been adopted with the support of EU Taxonomy Regulation. The content of the Annual Report and consolidated accounts was decided on 23 March 2026 and approved for issue by the Board on 31 March 2026. 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 AGM on 6 May 2026.

**Jönköping, 31 March 2026**

Anders Moberg
Chairman of the Board

Kerstin Anderson
Board member

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

Glauco Frascaroli
Chief Executive Officer

Our Auditor's Report on the Annual Report and consolidated financial statements was submitted on 1 April 2026.
Our Limited Assurance Report on the statutory Sustainability Report was submitted on 1 April 2026.

**Ernst & Young AB**

Franz Lindström
Authorised Public Accountant

This is a translation of the Swedish original Auditor´s Report.

# 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) for the year 2025, with the exception of the sustainability report on pages 29-98 and the corporate governance report on pages 99-103. The company's annual accounts and consolidated accounts are included on pages 18-153 of 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 2025 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 2025 and of its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the sustainability report on pages 29-98 and corporate governance report on pages 99-103. 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 2025, the carrying amount of goodwill amounts to MSEK 3,897 in the Group's balance sheet which corresponds to 31.2% of total assets. Shares in Group companies are reported in the Parent Company's balance sheet at MSEK 3,826, which corresponds to 61.5% 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 1–17. The other information also includes the remuneration report, which we have obtained prior to 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 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 entities and business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance 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 2025 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 2025.

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, and other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality control, including documented 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 the 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

## Auditor's report on the Corporate Governance Statement

It is the Board of Directors who is responsible for the corporate governance statement on pages 99-103 and that it has been prepared in accordance with the Annual Accounts Act.

Our examination has been 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 of the same law are consistent with 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 7 May 2025. ITAB Shop Concept AB (publ) has been a public interest entity since 28 May 2004.

Jönköping, 1 April 2026

**Ernst & Young AB**

**Franz Lindström**
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 Franz Lindström as auditor in charge. Aside from his duties for ITAB Shop Concept AB, Franz Lindström also has auditing assignments for AAK Sweden, Be-Ge Företagen, Bergkvara Group, Yaskawa Nordic and LW Fastigheter AB.

**Franz Lindström** (born 1977)
Auditor for ITAB since 2025
Authorized Public Accountant
Member of FAR SRS, Ernst & Young AB

This is a translation of the Swedish original Auditor´s Limited Assurance Report.

# Auditor's limited assurance report on ITAB Shop Concept AB (publ)'s sustainability statement

To the General Meeting of the shareholders ITAB Shop Concept AB (publ), corporate identity number 556292-1089.

**Conclusion**

We have conducted a limited assurance engagement of the sustainability statement prepared by ITAB Shop Concept AB (publ) (the Company) for the financial year 2025. The sustainability statement is included 29-98 of this document.

Based on our limited assurance engagement as described in the section *Auditor's Responsibility*, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects, prepared in accordance with the Swedish Annual Accounts Act, which includes:

- Whether the sustainability statement meets the requirements of ESRS
- Whether the process carried out by the Company to identify reported sustainability information has been conducted as described in the sustainability statement; and
- Compliance with the reporting requirements in Article 8 of the EU's Green Taxonomy Regulation.

**Basis for Conclusion**

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten.* Our responsibility under this recommendation is described in more detail in the section *Auditor's Responsibility.*

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

**Other Information than the sustainability statement**

This document also contains other information than the sustainability statement, found on pages 1-28 and 99-153. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information, and we do not express any conclusion with assurance regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement 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.

**Other matter**

The sustainability statement for the previous financial year 2024 has not been subject to a limited assurance engagement according to RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten.* Therefore, no limited assurance engagement of comparative figures in the sustainability statement for 2025 has been performed.

**Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director, are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion whether the sustainability statement is prepared in accordance with Chapter 6, Sections 12–12 f of the Swedish Annual Accounts Act based on our limited assurance engagement. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten.* This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

The audit firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement, and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards of professional practice, and applicable laws and regulations.

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 according to these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability statement. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

Our review procedures regarding the sustainability statement included, but were not limited to the following:

- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement.
- Evaluating whether information identified as material through the process the Company has undertaken to identify the content of the sustainability statement is also included.
- Evaluating whether the structure and presentation of the sustainability statements are consistent with the requirements of ESRS;
- Conducting inquiries with relevant personnel and analytical review procedures regarding selected disclosures in the sustainability statements;
- Performing substantive review procedures of selected disclosures in the sustainability statements;
- Obtain, through inquiries and analytical review procedures, support for the methods used for preparing material estimates and forward-looking information and on how these methods were applied;

Our review procedures regarding the process the Company has undertaken to identify sustainability information to report included, but were not limited to the following:

- Obtaining an understanding of the process by conducting inquiries to understand the sources of the information used by management (e.g., stakeholder dialogues, business plans, and strategy documents), and
- Reviewing the Company's internal documentation of its process; and
- Evaluating whether the information obtained from our procedures regarding the process implemented by the Company aligns with the description of the process in pages 42-44 in the sustainability statement.

Our review procedures regarding the taxonomy disclosures included, but were not limited to the following:

- Obtaining an understanding of the process for identifying economic activities that are covered by and are consistent with the EU Green Taxonomy and the corresponding disclosures in the sustainability statement.
- Conducting inquiries to relevant personnel and analytical review procedures on the taxonomy disclosures;
- Conducting inquiries to understand the sources of the information used in the taxonomy disclosures;
- Evaluating whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation.

**Inherent limitations**

In reporting forward-looking information in accordance with ESRS, the Board of Directors and Group management of ITAB Shop Concept AB (publ) must prepare forward-looking information based on specified assumptions about events that may occur in the future and possible future activities of ITAB Shop Concept AB (publ). Actual outcomes are likely to differ as expected events often do not occur as anticipated.

Jönköping, 1 April 2026

**Ernst & Young AB**

**Franz Lindström**
Authorized Public Accountant



# Annual General Meeting 2026

The 2026 Annual General Meeting for ITAB Shop Concept AB (publ) will be held on Wednesday, 6 May 2026 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 2026 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 2026

| | |
|---|---|
| Interim Report 3 months – 1 Jan-31 Mar 2026 | 30 April 2026 |
| Annual General Meeting 2026 | 6 May 2026 |
| Interim Report 6 months – 1 Jan-30 Jun 2026 | 16 July 2026 |
| Interim Report 9 months – 1 Jan-30 Sep 2026 | 3 November 2026 |
| Year-End Report 2026 – 1 Jan-31 Dec 2026 | 10 February 2027 |
| Annual & Sustainability Report 2026 | April 2027 |

## ITAB Group Contact – Investor Relations

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ITAB Group

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