

Axfood

Interim report second quarter 2025

A person wearing a green jacket is standing in an office environment. The background is slightly blurred, showing office furniture and a lamp. The text 'A strong quarter with increased market shares' is overlaid in large, white, bold font on the left side of the image.

A strong quarter with increased market shares

A strong quarter with increased market shares

Second quarter summary

- Net sales increased 9.3% to SEK 22,995 m (21,044).
- Retail sales increased 22.9% to SEK 20,282 m (16,509). Excluding City Gross, retail sales increased 8.8%.
- Operating profit amounted to SEK 934 m (836) including items affecting comparability of SEK -25 m (—). The operating margin was 4.1% (4.0).
- Adjusted operating profit amounted to SEK 959 m (836) and the adjusted operating margin was 4.2% (4.0).
- Net profit for the period amounted to SEK 622 m (582) and earnings per share before dilution to SEK 2.85 (2.68).

Summary January - June

- Net sales increased 6.6% to SEK 44,034 m (41,296).
- Retail sales increased 19.3% to SEK 39,111 m (32,790). Excluding City Gross, retail sales increased 5.9%.
- Operating profit was SEK 1,653 m (1,653) including items affecting comparability of SEK -63 m (—). The operating margin was 3.8% (4.0).
- Adjusted operating profit was SEK 1,716 m (1,653) and the adjusted operating margin was 3.9% (4.0).
- Net profit for the period amounted to SEK 1,075 m (1,143) and earnings per share before dilution to SEK 4.93 (5.28).

22.9% 9.3%

Retail sales growth in the second quarter 2025 Net sales growth in the second quarter 2025

Significant events during the quarter

- Volume growth and increased market shares
- Continued momentum for Willys, Hemköp and Snabbgross
- High level of activity to strengthen City Gross
- Lower cost level in logistics

Key ratios	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Net sales, SEK m	22,995	21,044	9.3%	44,034	41,296	6.6%	86,796	84,057
Retail sales, SEK m	20,282	16,509	22.9%	39,111	32,790	19.3%	74,373	68,052
Operating profit, SEK m	934	836	11.7%	1,653	1,653	0.0%	3,289	3,290
Operating profit excl. items affecting comparability, SEK m ¹⁾	959	836	14.7%	1,716	1,653	3.8%	3,495	3,433
Operating margin, %	4.1	4.0	0.1	3.8	4.0	-0.3	3.8	3.9
Operating margin excl. items affecting comparability, % ¹⁾	4.2	4.0	0.2	3.9	4.0	-0.1	4.0	4.1
Net profit for the period, SEK m	622	582	6.9%	1,075	1,143	-5.9%	2,152	2,219
Earnings per share before dilution, SEK	2.85	2.68	6.3%	4.93	5.28	-6.5%	9.82	10.16
Earnings per share before dilution excl. items affecting comparability, SEK ¹⁾	2.94	2.68	9.7%	5.17	5.28	-2.1%	10.71	10.82
Cash flow from operating activities, SEK m	1,929	879	119.5%	3,161	2,574	22.8%	6,046	5,459
Equity ratio, %	18.2	21.1	-2.9	18.2	21.1	-2.9	18.2	20.9
Net working capital as a share of net sales R12, %	-3.2	-3.5	0.2	-3.2	-3.5	0.2	-3.2	-3.4
Return on capital employed R12, %	17.0	21.0	-4.0	17.0	21.0	-4.0	17.0	16.6
Sustainability-labelled products, share of sales, %	26.7	26.9	-0.2	27.3	27.2	0.1	27.4	27.2

1) See Note 8 Items affecting comparability for more information.

For further information, please contact:
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The information herein is such that Axfood AB (publ) is required to make public in accordance with the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person listed above, at 7:00 a.m. CET on 11 July 2025.

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

Axfood will present the interim report for the second quarter of 2025 in a webcast at 9:30 a.m. CET, today, Friday, 11 July 2025. The report will be presented by Simone Margulies, President and CEO, and Anders Lexmon, CFO. A link to the webcast is available at axfood.com. A link to register to participate via conference call is also available at axfood.com. Upon registration, a telephone number and conference ID for the conference call will be provided.

CEO message

Axfood summarises a strong second quarter, with growth significantly outperforming the market. Thanks to affordable and attractive offerings, more and more consumers are choosing to shop with us. Moreover, investments in automation and logistics in recent years are having a positive impact on the Group's efficiency and competitiveness. Strategic initiatives are also under way to further strengthen the Group's market presence and the position of the store chains.

The market continues to be very competitive in all segments, and customers' purchasing behaviours continue to be dominated by a strong focus on price value. We are convinced that this is a dynamic that will continue given consumers' increased price awareness. Backed by our model of different concepts working in collaboration, combined with a broad and affordable assortment, we are well positioned to continue navigating a dynamic market.

Outperforming market growth, driven by the discount chain Willys

It is clear that a growing number of consumers are choosing to shop with us. Axfood grew significantly more than the market in the second quarter, primarily driven by Willys with the business concept of offering Sweden's cheapest bag of groceries. Retail sales increased 23% in total, or 9% excluding City Gross which was acquired in November last year. Overall market growth amounted to 6%, with a positive calendar effect of just over 1%.

With its strong position as Sweden's most recommended food retail chain, Willys reports strong growth in the quarter that was higher than the market growth on both a total and like-for-like basis. In all, Willys' sales increased 10%, driven by continued positive volume growth due to high customer traffic and customer loyalty. Hemköp reported a good performance in the traditional grocery segment with growth of 6%, and Snabbgross continued to successfully navigate a weak restaurant and café market, also delivering 6% growth.

City Gross has great potential and gives us presence in the hypermarket segment, an attractive market segment that the Group has not previously been present in. Growth for the quarter amounted to 3%. This year marks a year of transition, and we are working according to our plan to strengthen the store chain for the future and achieve profitability at some point in the second half of 2026.

High rate of activity at Dagab

With both Easter and Midsummer taking place during the quarter, Dagab is summarising a good quarter with large volumes, improved productivity and increased market investments to support its customers. Work also continued to optimise processes and flows at the highly automated logistics centre in Bålsta, which has been fully operational since the spring. As previously communicated, Dagab is also planning for the next stage in the development of the logistics structure in order to create even more capacity and further improve efficiency in southern Sweden from 2030.

Increased growth and efficiency gains contribute to improved competitiveness

With a significant increase in customer traffic, high growth and logistics efficiency improvements, the Group's earnings increased. Efficiency and a focus on costs in purchasing and internal processes continues to be important priorities for us to enable market investments, both in the store chains and in Dagab, and in an affordable and attractive offering for our customers. Initiatives to improve the efficiency of our support functions were implemented during the quarter. The efficiency gains will lead to annual cost savings of approximately SEK 80 m from 2026, creating the conditions for the Group to continue investing in price value and enhancing its competitiveness.

Further steps to contribute to the climate transition

Renewable energy is an important area when it comes to reducing our carbon footprint. During the quarter, we officially opened Sweden's largest solar park, located in Hallstavik in the Uppland region, which we established in collaboration with the solar energy company Alight. While our electricity mix has consisted almost exclusively of Swedish renewable energy for a long time now, the new solar park has enabled us to add additional capacity to the grid. This will help to create better conditions for the green transition, while also making our own energy supply more predictable.

The phase-out of fossil fuel in the Group's transports continued during the quarter through an increased use of renewable fuels. Emissions from own transports decreased significantly, down 20% compared with the preceding year.

A strong quarter with significant customer traffic

We summarise a strong quarter in which we grew more than the market and continued to attract both existing and new customers. We are seeing positive momentum in Willys, Hemköp and Snabbgross, and are working to improve City Gross. Our base operations have become more competitive thanks to our new logistics platform, and we continue to maintain a high tempo in our strategic initiatives in many areas. We have a high ambition level and development rate in order to further strengthen our positions – always with the customer meeting in focus.

Simone Margulies
President and CEO, Axfood AB



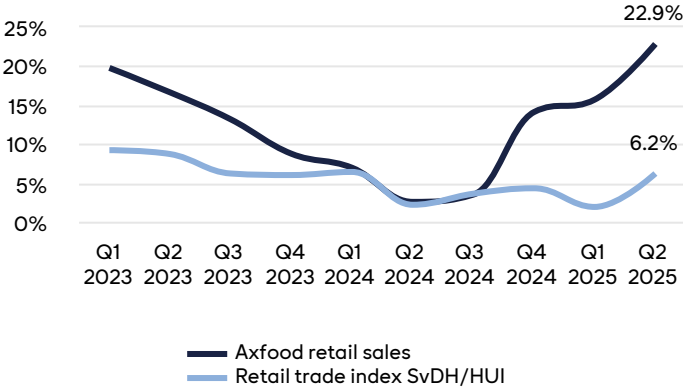
It is clear that a growing number of consumers are choosing to shop with us, and we summarise a strong quarter in which we once again grew more than the market.

The Swedish food retail market

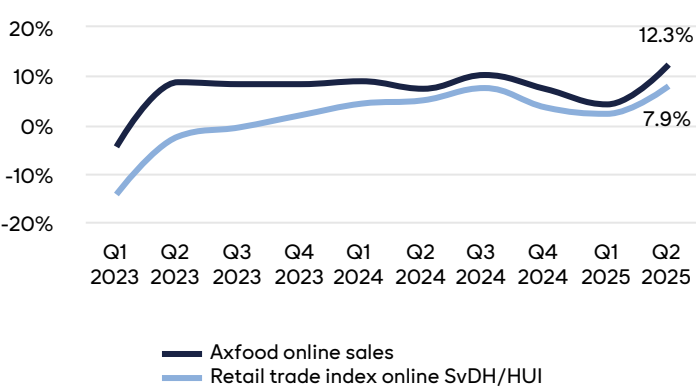
Food retail is an important part of Swedish industry and a large employer, providing a livelihood for more than 100,000 people. In total, there are just over 3,000 food retail stores across Sweden. The food retail market is relatively unaffected by economic fluctuations, with growth driven largely by population growth and inflation.

According to the Swedish Food Retail Index, total food retail sales growth during the second quarter of 2025 amounted to 6.2%. The calendar effect was positive at 1.2% due to Easter. According to Statistics Sweden, food prices increased at an annualised rate of 5.4% during the April-May period, mainly driven by higher prices for coffee, chocolate, dairy products and beef. Compared with the end of the first quarter, food prices were relatively stable. Sales growth for the market in physical stores amounted to 6.1% and in e-commerce to 7.9%. The share of food retail sales attributable to e-commerce was 4.1%.

Growth in Axfood’s retail sales compared with the Swedish Food Retail Index



Growth in Axfood’s online sales compared with the Swedish Food Retail Index



Food retail market segments in 2023

Market size (excluding VAT) in 2023

SEK 290bn

Discount			Hypermarkets	Traditional grocery	
Hard discount		Soft discount		Larger formats	Smaller formats
6%		15%	27%	43%	9%
Items:	3,000–4,000	6,000 → 10,000–15,000	20,000–45,000	10,000–15,000	1,000–5,000
Brands:	Lidl	Willys Hemma, Coop Xtra, Willys, Eurocash	City Gross, ICA Maxi, Stora Coop and others	Hemköp, Coop, ICA Supermarket, ICA Kvantum, Mathem and others	Tempo, Handlar’n, Matöppet, ICA Nära and others
Locations:	Residential and external	Residential and external	External	City centres, residential, pure-play online retail	Roadside and residential

Source: Axfood’s estimates. Full-year 2023 is used since complete public information is not available for 2024.

Group

Net sales and retail sales

Second quarter

Net sales increased 9.3% and totalled SEK 22,995 m (21,044). Retail sales increased 22.9% and totalled SEK 20,282 m (16,509). Excluding acquired City Gross, the increase was 8.8%, which was significantly more than the market growth of 6.2%. Volume growth through increased customer traffic and new store establishments, pricing, and positive mix effects contributed to the increase. The calendar effect amounted to 1.2%. Like-for-like sales grew 7.1% driven by a positive development for all store chains.

Online sales increased 12.3% and totalled SEK 966 m (860), which compares to market growth of 7.9%. The increase was 6.2% excluding the acquired City Gross and the discontinued business Middagsfrid. The share of retail sales attributable to e-commerce was 4.8% (5.2), which was higher than the e-commerce penetration on the market of 4.1%.

The share of retail sales attributable to private label products was 31.8% (32.4). Excluding City Gross, the share of sales increased.

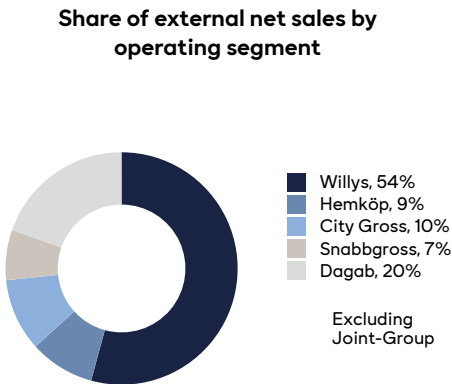
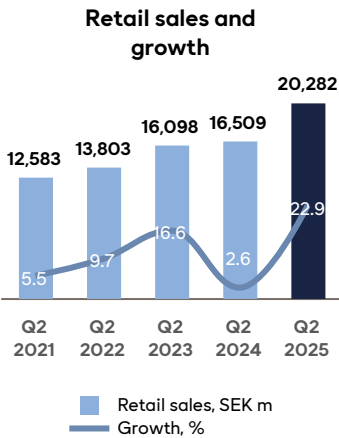
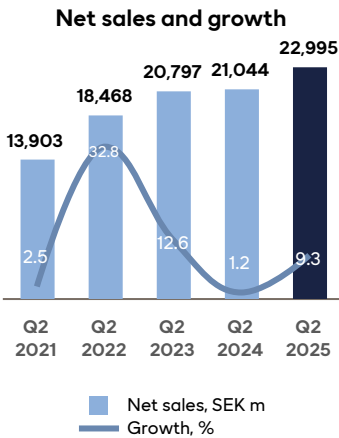
January - June

Net sales increased 6.6% and totalled SEK 44,034 m (41,296). Retail sales increased 19.3% and totalled SEK 39,111 m (32,790). Excluding City Gross, retail sales increased 5.9%, which compares to the market growth of 4.1%. Like-for-like sales grew 4.5%.

Online sales increased 8.0% and totalled SEK 1,964 m (1,818) which compares to the market's growth of 4.9%. The increase was 3.0% excluding City Gross and the discontinued business Middagsfrid. The share of retail sales attributable to e-commerce was 5.0% (5.5), which was higher than the e-commerce penetration on the market of 4.4%.

The share of retail sales attributable to private label products was 32.8% (32.9). Excluding City Gross, the share of sales increased.

Read about the performance of each operating segment on pages 9-13.



Net sales per segment

SEK m	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Willys	12,458	11,305	10.2%	24,037	22,550	6.6%	47,263	45,775
Hemköp	2,082	1,957	6.4%	4,138	3,912	5.8%	8,103	7,878
City Gross ¹⁾	2,319	—	—	4,378	—	—	6,024	1,646
Snabbgross	1,605	1,516	5.9%	2,845	2,695	5.6%	5,684	5,533
Dagab	20,676	19,157	7.9%	39,849	37,675	5.8%	78,763	76,589
Joint-Group	391	375	4.3%	780	753	3.6%	1,546	1,519
Internal sales between segments								
Dagab	-16,169	-12,942	24.9%	-31,260	-25,645	21.9%	-59,180	-53,565
Joint-Group/other	-368	-323	14.0%	-733	-644	13.7%	-1,408	-1,319
Total	22,995	21,044	9.3%	44,034	41,296	6.6%	86,796	84,057

1) City Gross is included from the acquisition date 1 November 2024.

Retail sales

SEK m	Q2 2025	Q2 2024	Change	Change like-for-like stores	6 mos. 2025	6 mos. 2024	Change	Change like-for-like stores	R12	Full-year 2024
Willys	12,459	11,304	10.2%	8.3%	24,040	22,552	6.6%	4.8%	47,270	45,782
Hemköp ¹⁾	5,505	5,205	5.8%	4.6%	10,696	10,238	4.5%	3.8%	21,100	20,642
City Gross ²⁾	2,317	—	—	—	4,374	—	—	—	6,003	1,629
Total	20,282	16,509	22.9%	7.1%	39,111	32,790	19.3%	4.5%	74,373	68,052
Total excluding City Gross	17,964	16,509	8.8%	7.1%	34,736	32,790	5.9%	4.5%	68,370	66,424

1) Refers to Hemköp (Group-owned and retailer-owned) and Tempo.
2) City Gross is included from the acquisition date 1 November 2024.

Operating profit

Second quarter

Operating profit amounted to SEK 934 m (836). Operating profit includes items affecting comparability totalling SEK -25 m (–) attributable to structural measures in City Gross. The operating margin was 4.1% (4.0).

Operating profit excluding items affecting comparability amounted to SEK 959 m (836). The increase was primarily due to the earnings trends for Willys and Dagab with positive effects from increased sales volumes. The positive trend for Dagab was also partly the result of a lower cost level in logistics. Earnings for Hemköp and Snabbgross increased on the back of good sales growth. City Gross, which was acquired on 1 November 2024, had a negative impact on consolidated operating profit. The operating margin excluding items affecting comparability amounted to 4.2% (4.0).

Net financial items for the period amounted to SEK -140 m (-93). The change was mainly due to higher interest expenses for leasing and increased debt in conjunction with the acquisition of City Gross. Profit after financial items amounted to SEK 794 m (744) and net profit for the period to SEK 622 m (582).

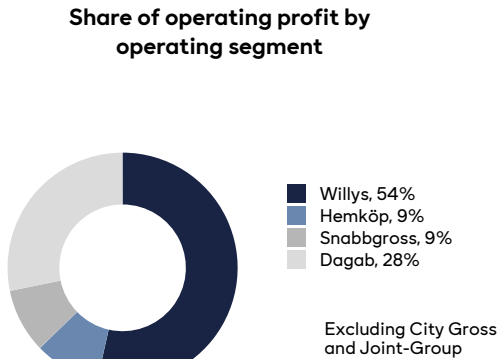
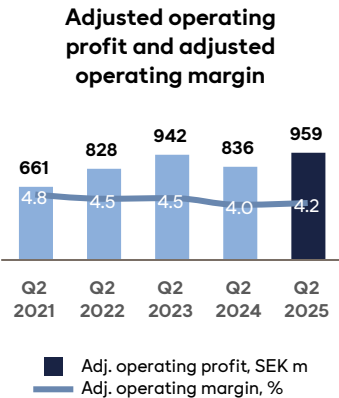
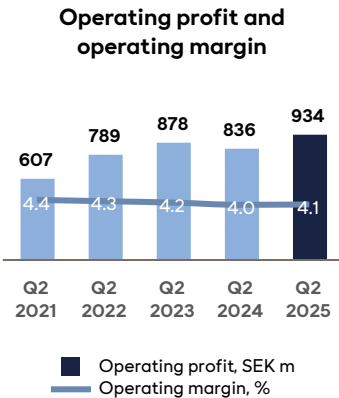
January - June

Operating profit amounted to SEK 1,653 m (1,653). Operating profit included items affecting comparability totalling SEK -63 m (–). The operating margin was 3.8% (4.0).

Operating profit excluding items affecting comparability amounted to SEK 1,716 m (1,653). The operating margin excluding items affecting comparability was 3.9% (4.0).

Net financial items amounted to SEK -280 m (-186). Profit after financial items amounted to SEK 1,373 m (1,467) and net profit for the period to SEK 1,075 m (1,143).

Read about the performance of each operating segment on pages 9–13.



Operating profit per segment excluding items affecting comparability

SEK m	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Willys	565	509	11.1%	1,061	993	6.8%	2,060	1,992
Hemköp	97	87	12.3%	192	188	2.1%	347	343
City Gross ¹⁾	-20	–	–	-100	–	–	-140	-40
Snabbgross	96	84	13.8%	121	111	9.2%	263	253
Dagab	298	247	20.6%	585	516	13.5%	1,226	1,156
Joint-Group	-77	-91	14.6%	-143	-154	7.3%	-260	-271
Operating profit excl. items affecting comparability	959	836	14.7%	1,716	1,653	3.8%	3,495	3,433
Items affecting comparability ²⁾	-25	–	–	-63	–	–	-206	-143
Operating profit	934	836	11.7%	1,653	1,653	0.0%	3,289	3,290
Net financial items	-140	-93	–	-280	-186	–	-499	-405
Profit after financial items	794	744	6.7%	1,373	1,467	-6.4%	2,790	2,885

1) City Gross is included from the acquisition date 1 November 2024.

2) Refers to structural costs in City Gross in Q2 2025 and accumulated. In Q4 2024 the item referred to the revaluation of the previous minority interest in City Gross. See Note 8 Items affecting comparability for more information.

Operating margin per segment excluding items affecting comparability

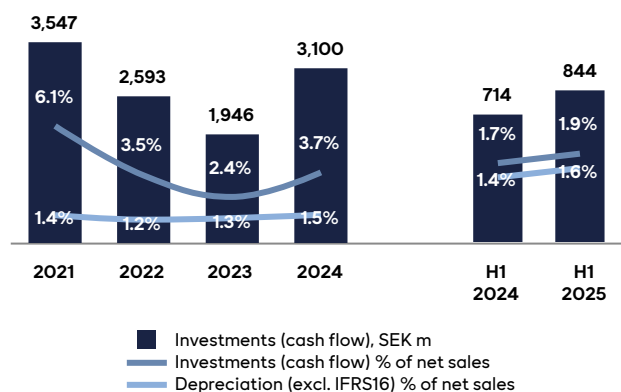
%	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Willys	4.5	4.5	0.0	4.4	4.4	0.0	4.4	4.4
Hemköp	4.7	4.4	0.2	4.6	4.8	-0.2	4.3	4.4
City Gross ¹⁾	-0.9	–	–	-2.3	–	–	–	-2.4
Snabbgross	6.0	5.5	0.4	4.3	4.1	0.1	4.6	4.6
Dagab	1.4	1.3	0.2	1.5	1.4	0.1	1.6	1.5
Operating margin excl. items affecting comparability	4.2	4.0	0.2	3.9	4.0	-0.1	4.0	4.1
Operating margin	4.1	4.0	0.1	3.8	4.0	-0.3	3.8	3.9

1) City Gross is included from the acquisition date 1 November 2024.

Capital expenditures

Total capital expenditures in intangible assets and property, plant and equipment during the January - June period amounted to SEK 842 m (714). Including acquisitions of operations, total capital expenditures amounted to SEK 844 m (714). Investments in intangible and tangible fixed assets consist primarily of store modernisations, new store establishments and IT investments. Depreciation as share of net sales increased compared to the prior year primarily as a result of completion of the Bålsta logistics centre ramp-up.

Investments (incl. acquisitions, excl. IFRS 16)



Investments (incl. acquisitions, excl. IFRS 16)

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024
Willys	185	132	315	223
Hemköp	72	21	115	36
City Gross ¹⁾	12	—	17	—
Snabbgross	7	12	24	21
Dagab	83	94	160	221
Joint-Group	112	101	213	214
Total investments (cash flow)	471	360	844	714

1) City Gross is included from the acquisition date 1 November 2024.

Financial position and cash flow

Cash flow from operating activities amounted to SEK 3,161 m (2,574) during the January - June period. Changes in net working capital had an impact of SEK 116 m (-316) on cash flow during the period. Net capital expenditures had an impact of SEK -875 m (-780) on cash flow. Cash flow from financing activities amounted to SEK -2,647 m (-1,839).

Net working capital (rolling 12 months) amounted to SEK -2,819 m, which compares to SEK -2,875 m at 31 December 2024. Net working capital as a share of net sales amounted to -3.2% compared with -3.4% as of 31 December 2024.

Cash and cash equivalents held by the Group amounted to SEK 374 m compared with SEK 735 m at 31 December 2024. Interest-bearing liabilities and provisions totalled SEK 15,712 m compared with SEK 15,596 m at 31 December 2024. Interest-bearing net debt amounted to SEK 15,337 m compared with SEK 14,861 m at 31 December 2024.

The return on capital employed was 17.0%, compared with 16.6% at 31 December 2024.

The equity ratio was 18.2% compared with 20.9% at 31 December 2024.

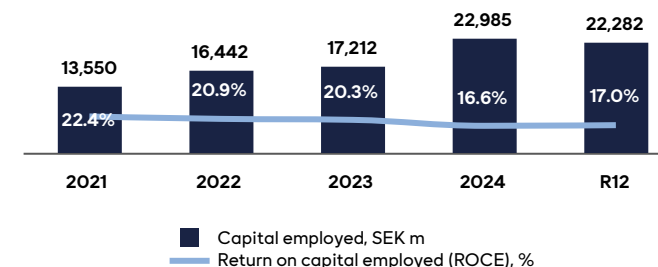
Net debt/EBITDA was 2.2 compared with 2.2 at 31 December 2024. Net debt/EBITDA excluding IFRS 16 was 0.6 compared with 0.6 at 31 December 2024.

Since 2019, Axfood has had financing through a revolving credit facility amounting to SEK 3,500 m. In July 2025, agreements were entered into with Handelsbanken, SEB and Swedbank regarding a new revolving credit facility that replaces the previous one. The new credit facility amounts to SEK 4,000 m of which SEK 1,000 m has a maturity date in July 2028 and SEK 3,000 m has a maturity date in July 2030.

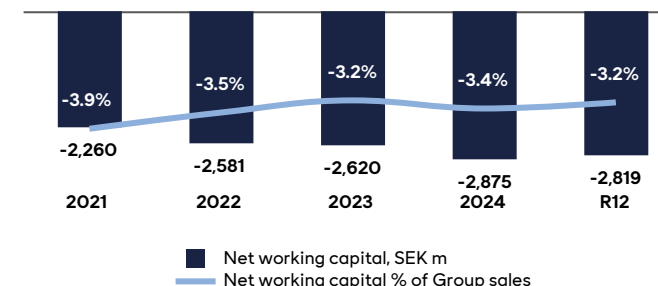
Cash flow summary

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024
Cash flow from operating activities	1,929	879	3,161	2,574
Cash flow from investing activities	-475	-427	-875	-780
Cash flow from financing activities	-1,415	-626	-2,647	-1,839
Cash flow for the period	39	-174	-361	-45

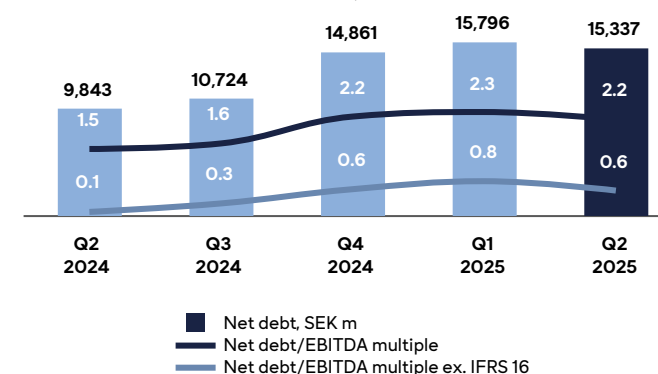
Capital employed



Net working capital



Net debt/EBITDA



Sustainability

For Axfood, sustainable development is about seeing the whole picture and the relentless pursuit of improvements. Sustainability is an integral part of the Group’s operations and encompasses the entire food supply chain, taking into account the environment, animal welfare, and the people who produce, sell and consume food. Axfood aims to be a positive force in society and the strongest driving force for sustainable food in Sweden.

Food

Axfood strives to make it easier for consumers to make sustainable and healthy choices through a broad and affordable assortment of sustainability-labelled products. The goal is also to promote more sustainable production and consumption of food.

During the second quarter, the share of sales attributable to sustainability-labelled products decreased slightly to 26.7% (26.9), mainly due to a decline in the share of organic products to 3.8% (4.4) as a result of an insufficient supply of organic beef and organic dairy products. This shortage also meant that the share of sales attributable to KRAV-certified meat declined to 1.9% (3.1). Hemköp is the industry leader with regards to organic products and offers, for example, double bonus points on purchases of organic and KRAV-certified products for members of the Klubb Hemköp loyalty programme.

Environment

Axfood strives to reduce the climate impact of food production as far as possible. Its climate targets encompass both its own and suppliers’ operations as well as reducing the carbon footprint per kilo of food sold.

In the second quarter, the carbon footprint per kg of food sold was 1.88 kg CO₂eq (1.92). This decrease was primarily due to a lower share of sales attributable to beef.

Axfood aims to fully phase out fossil fuel and to convert the company’s own and procured transports to renewable fuel or electricity by the end of 2025. Emissions from own transports decreased by approximately 20% in the second quarter to 7.1 kg CO₂eq (8.8) per tonne of delivered goods following a transition to renewable fuel. Fossil diesel now accounts for less

than 1% of the total fuel mix. A revision of the emissions factor for liquid biogas in the second quarter had a negative impact on the outcome, as liquid biogas accounts for roughly 40% of the fuel mix for the Group’s own vehicles. Using the previous emissions factor, the outcome for the quarter would have amounted to 5.2 kg CO₂eq per tonne of delivered goods.

Axfood has in collaboration with Alight established and commissioned Sweden’s largest solar park, located in Hallstavik in the Uppland region. The park produces Good Environmental Choice electricity and has a total capacity of 63 GWh, corresponding to approximately 15% of Axfood’s electricity consumption. While Axfood has used almost exclusively Swedish renewable energy for a long time, the new solar park has added additional capacity to the grid, contributing to society’s green transition. In addition, Axfood has in recent years established Sweden’s largest rooftop solar power facility at the logistics centre in Bålsta and a large solar power facility on the fruit and vegetables warehouse in Landskrona.

Circularity and smart resource use are important parts of Axfood’s sustainability agenda. Axfood is working to reduce the negative impact of plastic and chemicals by reducing its plastic consumption, transitioning to renewable materials and increasing recycling. The private label brand Garant recently changed to flowpack packaging for its minced meat, a protective plastic film. This change of packaging reduced the use of plastic by more than 100 tonnes per year and is Axfood’s most comprehensive initiative in this area to date. In addition, new technology has made it possible to recycle the plastic bags used for Garant’s pre-packaged potatoes – which correspond to just over 50 tonnes of plastic per year – into a new high-quality material.

People

Axfood aspires to be a positive force in society and is working to improve health, work and social conditions throughout the food supply chain, which includes customers, agricultural and production workers, and its own employees.

Social audits are conducted in risk countries in order to ensure compliance with Axfood’s Code of Conduct among suppliers of private label products. Of a total of 40 audits conducted during the quarter, all but one – or 97.5% (95.2) – had acceptable results. One supplier in Moldova did not meet the requirements due to marks regarding the work environment and working conditions. These remarks have been followed up with an action plan.

Axfood is committed to diversity and inclusion, and firmly believes that a mix of skills and perspectives yields better results. Gender balance in senior positions is an important part of this work. The share of women/ men in management positions during the first half of the year was 52.9/47.1% (50.9/49.1) and thus remained in line with the long-term target.

Willys and Hemköp are working to develop and offer young people in vulnerable areas positions in a programme called “Studiemotiverande Arbetslivsorientering” (SAO), providing them with paid work in collaboration with schools. The aim of the model is to create career paths and motivate young people to study. In the second quarter, the first young people started their employment under the SAO model.

For more information on Axfood’s sustainability work and key ratios, see the website and the 2024 Annual and Sustainability Report.

Sustainability key ratios	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Sustainability-labelled products, share of sales, %	26.7	26.9	-0.2	27.3	27.2	0.1	27.4	27.2
Organic products, share of sales, %	3.8	4.4	-0.6	4.0	4.5	-0.5	4.0	4.2
KRAV-certified meat, share of sales, %	1.9	3.1	-1.2	2.2	3.0	-0.8	2.4	2.7
Share of approved social audits, %	97.5	95.2	2.3	96.6	97.2	-0.6	97.4	97.9
Kg CO ₂ e per kg of food sold	1.88	1.92	-0.03	1.93	1.97	-0.04	1.98	2.01
Kg CO ₂ e/tonne of transported goods	7.1	8.8	-1.8	7.6	9.7	-2.1	7.1	7.9
Share of women/men in management positions, %	—	—	—	52.9/47.1	50.9/49.1	2.0/-2.0	—	52.2/47.8



Operating segments

Willys

Willys is the leading discount grocery chain in food retail, offering a broad range of products in both Group-owned stores and online. With the ambition to offer Sweden’s cheapest bag of groceries, Willys aspires to lead and develop the discount segment. The operating segment Willys also includes the partly owned cross-border grocery chain Eurocash.

Second quarter

Net sales increased 10.2% and totalled SEK 12,458 m (11,305). Retail sales increased 10.2%, which was significantly more than the market. Growth in like-for-like sales amounted to 8.3%. The development was primarily attributable to higher volumes as a result of an increased number of customer visits and new store establishments.

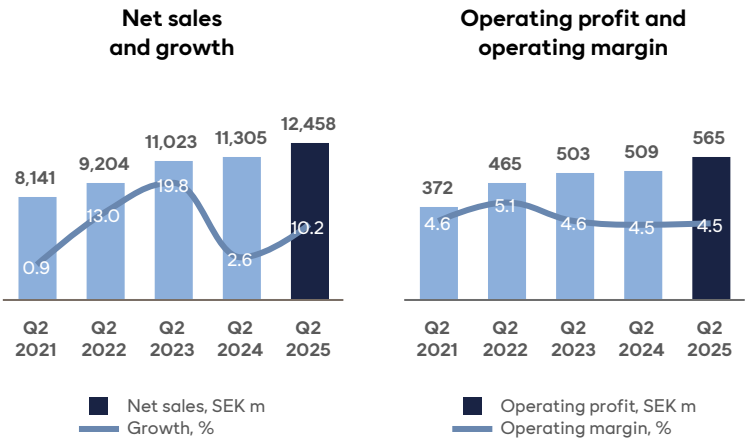
Willys is Sweden’s most recommended grocery food retail chain and has a unique position in the market through its combination of low prices, a comprehensive range, modern stores and online shopping. The rate of increase of new members in the Willys Plus loyalty programme continued to be on a high level, and the total number of members amounted to approximately 3.9 million (3.7) at the end of the quarter. In addition, loyalty among existing members remained strong.

The number of stores in the operating segment amounted to 254 at the end of the quarter. During the quarter, four new stores were established, one of which is Willys and three Willys Hemma.

Operating profit totalled SEK 565 m (509), which corresponds to an operating margin of 4.5% (4.5). The increase in operating profit was primarily driven by the increased sales volume and good cost control.

January - June

Net sales totalled SEK 24,037 m (22,550), an increase of 6.6%. Growth in retail sales was 6.6%. Growth in like-for-like sales was 4.8%. Operating profit amounted to SEK 1,061 m (993), which corresponds to an operating margin of 4.4% (4.4).



Willys key ratios	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Net sales, SEK m	12,458	11,305	10.2%	24,037	22,550	6.6%	47,263	45,775
Operating profit, SEK m	565	509	11.1%	1,061	993	6.8%	2,060	1,992
Operating margin, %	4.5	4.5	0.0	4.4	4.4	0.0	4.4	4.4
Retail sales, SEK m	12,459	11,304	10.2%	24,040	22,552	6.6%	47,270	45,782
Like-for-like sales growth, %	8.3	1.3	7.0	4.8	3.4	1.3	—	3.1
Number of stores	—	—	—	254	243	11	—	248
of which, Willys	—	—	—	186	182	4	—	184
of which, Willys Hemma	—	—	—	61	54	7	—	57
of which, Eurocash	—	—	—	7	7	—	—	7
Stores offering online shopping	—	—	—	170	163	7	—	166
Private label products, share of sales, %	35.4	34.2	1.2	35.6	34.7	0.9	35.0	34.6
Sustainability-labelled products, share of sales, %	27.9	27.9	0.0	28.6	28.2	0.4	28.2	28.3
Organic products, share of sales, %	3.6	4.2	-0.6	3.8	4.2	-0.4	3.8	4.0
Average number of employees	—	—	—	7,149	6,918	231	—	7,273
Share of women/men in management positions, %	—	—	—	58.5/41.5	57.2/42.8	1.3/-1.3	—	58.4/41.6

Hemköp

Hemköp offers a broad, attractively priced assortment with a rich offering of fresh products. Through Group-owned stores, retailer-owned stores and an online business, Hemköp inspires good meals. The Hemköp operating segment also includes Tempo, a mini-mart format comprising retailer-owned stores.

Second quarter

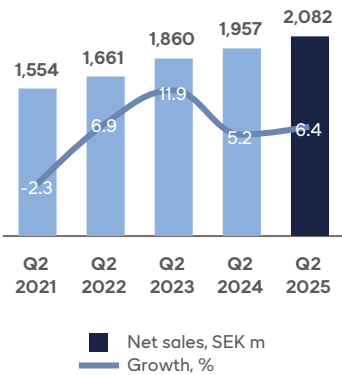
Net sales (including franchise fees) increased 6.4% and totalled SEK 2,082 m (1,957). Retail sales (including Tempo) increased 5.8%, which was in line with the market. Growth in like-for-like sales amounted to 4.6%. A higher number of customer visits and a higher average ticket value impacted the sales development positively. Hemköp is continuing to strengthen its position with a focus on price value, fresh products and meal solutions. Hemköp is also investing in modernisations of existing stores and strengthening its sustainability profile. In total, the number of members in the Klubb Hemköp loyalty programme amounted to more than 2.1 million (2.1) at the end of the quarter.

The number of stores in the operating segment amounted to 325 at the end of the quarter. Four retailer-owned Tempo stores were established during the quarter. In addition, four conversions between retailer-owned and group-owned stores were implemented. Operating profit amounted to SEK 97 m (87), which corresponds to an operating margin of 4.7% (4.4). The increase in operating profit was primarily driven by the increased sales, a stable gross margin, and good cost control.

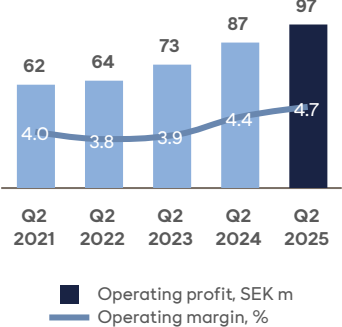
January - June

Net sales for the period totalled SEK 4,138 m (3,912), an increase of 5.8%. Growth in retail sales was 4.5%. Growth in like-for-like sales amounted to 3.8%. Operating profit amounted to SEK 192 m (188), which corresponds to an operating margin of 4.6% (4.8)

Net sales and growth



Operating profit and operating margin



Hemköp key ratios	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Net sales, SEK m	2,082	1,957	6.4%	4,138	3,912	5.8%	8,103	7,878
Operating profit, SEK m	97	87	12.3%	192	188	2.1%	347	343
Operating margin, %	4.7	4.4	0.2	4.6	4.8	-0.2	4.3	4.4
Retail sales, SEK m	5,505	5,205	5.8%	10,696	10,238	4.5%	21,100	20,642
Like-for-like sales growth, %	4.6	4.6	0.0	3.8	5.8	-2.0	—	5.1
Number of stores	—	—	—	325	322	3	—	326
of which, Group-owned Hemköp/Tempo stores	—	—	—	67	65	2	—	68
of which, retailer-owned Hemköp stores	—	—	—	133	133	0	—	134
of which, retailer-owned Tempo stores	—	—	—	125	124	1	—	124
Hemköp stores offering online shopping	—	—	—	67	66	1	—	67
Private label products, share of sales, %	26.9	27.1	-0.2	27.5	27.4	0.1	26.9	26.9
Sustainability-labelled products, share of sales, %	28.0	26.7	1.3	28.2	26.9	1.4	27.6	27.2
Organic products, share of sales, %	5.5	6.1	-0.6	5.7	6.3	-0.5	5.7	6.1
Average number of employees	—	—	—	1,654	1,618	36	—	1,697
Share of women/men in management positions, %	—	—	—	50.9/49.1	50.0/50.0	0.9/-0.9	—	49.3/50.7

City Gross

In City Gross’ stores and e-commerce, customers are offered a combination of a food market hall and hypermarket together with one of the market’s widest assortment of groceries.

Second quarter

Net sales amounted to SEK 2,319 m and retail sales to SEK 2,317 m. Compared to the prior year period, growth in total retail sales amounted to 2.6%. Like-for-like growth was 3.5%.

The number of stores amounted to 41 at the end of the quarter. Operating profit amounted to SEK -45 m, which corresponds to an operating margin of -1.9%. Operating profit includes items affecting comparability totalling SEK -25 m attributable to structural measures including discontinuation costs for the store in Borlänge ahead of concept change to Willys. Operating profit excluding items affecting comparability totalled SEK -20 m, which corresponds to an operating margin of -0.9%. The negative profit is mainly explained by a lower gross margin due to initiatives to strengthen the price position.

City Gross increases Axfood’s reach and gives the Group presence in the hypermarket segment, the fastest-growing segment in the market after discount. Axfood’s knowledge and experience provide the conditions to further develop and strengthen City Gross. This work proceeds according to plan and includes a series of improvement initiatives, with the aim of achieving profitability at some point in the second half of 2026 followed by a gradual improvement in profitability. These initiatives include developing the store concept and a review of the customer offering in terms of attractiveness, efficiency, price value and private label products. At the end of April, a new communications concept and an improved, more affordable customer offering were launched. To streamline operations, a chain management structure is being implemented, including a new operational model as well as new routines and procedures. Structural measures will also be implemented at a handful of stores in 2025, mainly pertaining to conversions to other concepts. The City Gross store in Bromma, Stockholm, was closed during the quarter ahead of concept change to Willys.

January - June

Net sales amounted to SEK 4,378 m and retail sales to SEK 4,374 m. Compared to the prior year period, growth in total retail sales was -0.5%. Like-for-like growth was 0.2%. Operating profit amounted to SEK -163 m, which corresponds to an operating margin of -3.7%. Operating profit excluding items affecting comparability totalled SEK -100 m, which corresponds to an operating margin of -2.3%.

On 1 November 2024 the acquisition of City Gross Sverige AB was completed. Reported figures for 2024 pertains to 1 November - 31 December. Information presented for periods prior to the acquisition date is not consolidated and not IFRS adjusted.



City Gross key ratios ¹⁾	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	Full-year 2024 ²⁾
Net sales, SEK m	2,319	—	—	4,378	—	—	1,646
Operating profit, SEK m	-45	—	—	-163	—	—	-40
Operating profit excl. items affecting comparability, SEK m ³⁾	-20	—	—	-100	—	—	-40
Operating margin, %	-1.9	—	—	-3.7	—	—	-2.4
Operating margin excl. items affecting comparability, % ³⁾	-0.9	—	—	-2.3	—	—	-2.4
Retail sales, SEK m	2,317	—	—	4,374	—	—	1,629
Like-for-like sales growth, %	—	—	—	—	—	—	—
Number of stores	—	—	—	41	—	—	42
Stores offering online shopping	—	—	—	41	—	—	42
Private label products, share of sales, %	22.2	—	—	21.8	—	—	20.0
Sustainability-labelled products, share of sales, %	21.9	—	—	22.2	—	—	20.6
Organic products, share of sales, %	3.1	—	—	3.2	—	—	3.0
Average number of employees ⁴⁾	—	—	—	1,823	—	—	1,828
Share of women/men in management positions, %	—	—	—	57.5/42.5	—	—	55.5/44.5

1) Data for City Gross is included from the acquisition date 1 November 2024. Comparison figures are not presented for periods prior to the acquisition date.
2) Refers to the period 1 November 2024 - 31 December 2024.
3) See Note 8 Items affecting comparability for more information.
4) For the full year 2024, the reported average number of employees refers to the annual working hours for the period 1 January - 31 December. For the consolidated period the average number of employees in relation to annual working hours was 305 persons.

Snabbgross

Snabbgross is one of Sweden’s leading restaurant wholesalers with a customer base of restaurants, fast food operators and cafés. Snabbgross offers personal service, accessibility, and quality at its stores and online. The Snabbgross operating segment also includes the concept Snabbgross Club, which is directed at consumers.

Second quarter

Net sales increased 5.9% and totalled SEK 1,605 m (1,516). Growth in like-for-like sales amounted to 4.7%. A higher number of customer visits and a higher average ticket value had a positive impact on sales. Unlike the food retail market, the overall calendar effect related to Easter was negative.

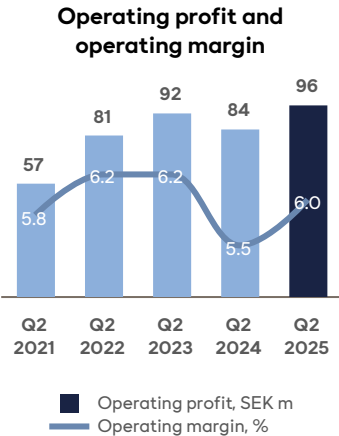
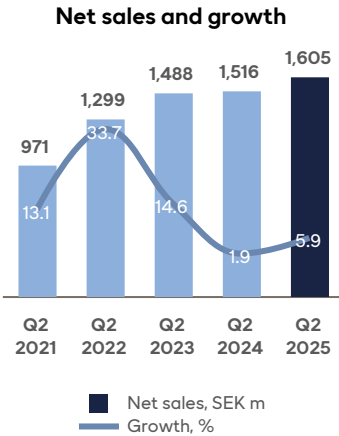
As a result of the positive development, Snabbgross strengthened its position, thereby navigating a continued weak restaurant and café market. The number of B2B customers continued to increase and amounted to more than 100,000 at the end of the quarter. In addition, the trend in B2C sales through Snabbgross Club was strong. The number of members in Snabbgross Club continued to increase and amounted to almost 150,000 (95,000) at the end of the quarter.

The number of stores in the operating segment amounted to 31 at the end of the quarter. During the quarter the Snabbgross store in Eskilstuna was converted to Snabbgross Club.

Operating profit amounted to SEK 96 m (84), which corresponds to an operating margin of 6.0% (5.5). The increase in operating profit was primarily driven by the increased sales, a stable gross margin, and good cost control.

January - June

Net sales for the period totalled SEK 2,845 m (2,695), an increase of 5.6%. Growth in like-for-like sales amounted to 4.4%. Operating profit amounted to SEK 121 m (111), which corresponds to an operating margin of 4.3% (4.1).



Snabbgross key ratios	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Net sales, SEK m	1,605	1,516	5.9%	2,845	2,695	5.6%	5,684	5,533
Operating profit, SEK m	96	84	13.8%	121	111	9.2%	263	253
Operating margin, %	6.0	5.5	0.4	4.3	4.1	0.1	4.6	4.6
Like-for-like sales growth, %	4.7	1.5	3.2	4.4	1.5	2.9	—	3.3
Number of stores	—	—	—	31	31	—	—	31
of which, Snabbgross	—	—	—	19	22	-3	—	21
of which, Snabbgross Club	—	—	—	12	9	3	—	10
Sustainability-labelled products, share of sales %	20.5	20.1	0.4	20.9	20.4	0.5	20.7	20.7
Organic products, share of sales, %	1.6	1.3	0.3	1.6	1.3	0.3	1.6	1.6
Average number of employees	—	—	—	558	549	9	—	598
Share of women/men in management positions, %	—	—	—	43.5/56.5	42.9/57.1	0.7/-0.7	—	44.4/53.6

Dagab

Dagab operates and develops the Group’s assortment, purchasing and logistics, but also conducts sales to external customers. The Dagab operating segment also includes retailer-owned Handlar’n and Matöppet, the restaurant chain Urban Deli and the partly owned online pharmacy Apohem.

Second quarter

Net sales increased 7.9% and totalled SEK 20,676 m (19,157). Growth was mainly attributable to sales to Axfood’s own concepts Willys, Hemköp and Snabbgross.

Operating profit amounted to SEK 298 m (247), which corresponds to an operating margin of 1.4% (1.3). The increase in earnings was primarily attributable to positive sales growth and a lower cost level due to improvements in logistics efficiency. However, operating profit was negatively impacted by a lower gross margin as a result of increased market investments to support Dagab’s customers.

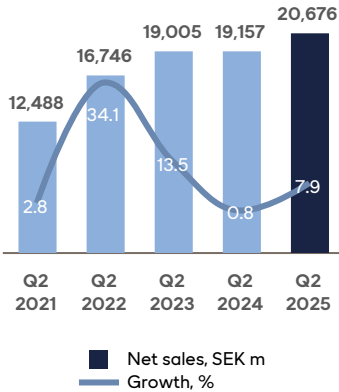
The logistics centre in Bålsta has been fully operational for a couple of months, and the focus is on optimisation to continue improving productivity and efficiency. Work on developing other parts of the Group’s warehouse and logistics structure is also progressing. The expansion of the existing high-bay warehouse in Backa, Gothenburg, and the optimisation of the fruit and vegetable warehouse in Landskrona are in their final phases.

Planning is under way to create even more capacity and further improve logistics efficiency from 2030. Given the Group’s growth ambitions combined with its performance in recent years – with strong organic volume growth and expansion – the plan is to also create a more efficient logistics structure in southern Sweden. A new automated logistics centre is planned in the Gothenburg region which will primarily replace the current warehouse in Backa. At the same time, a review is being carried out to determine the best way to handle the volume growth of other warehouses in southern Sweden.

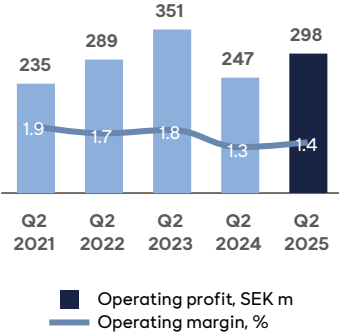
January - June

Net sales for the period totalled SEK 39,849 m (37,675), an increase of 5.8%. Operating profit amounted to SEK 585 m (516), which corresponds to an operating margin of 1.5% (1.4).

Net sales and growth



Adjusted operating profit and adjusted operating margin



Dagab key ratios	Q2 2025	Q2 2024	Change	6 mos. 2025	6 mos. 2024	Change	R12	Full-year 2024
Net sales, SEK m	20,676	19,157	7.9%	39,849	37,675	5.8%	78,763	76,589
Operating profit, SEK m	298	247	20.6%	585	516	13.5%	1,226	1,156
Operating margin, %	1.4	1.3	0.2	1.5	1.4	0.1	1.6	1.5
Average number of employees	—	—	—	3,098	3,203	-105	—	3,208
Share of women/men in management positions, %	—	—	—	33.6/66.4	30.3/69.7	3.3/-3.3	—	32.3/67.7

DAGAB

HANDLAR'N

MATÖPPET

URBAN DELI

apohem

Other information

Financial targets and capital expenditures

Axfood's long-term financial targets:

- Grow faster than the market
- Long-term operating margin of at least 4.5%
- Equity ratio of at least 20% at year-end

Axfood's dividend policy is that the shareholder dividend shall be at least 50% of profit after tax. The dividend is to be paid out on two occasions.

Investments in 2025 are expected to amount to between SEK 1,600 m and SEK 1,700 m, excluding acquisitions and right-of-use assets.

During 2025, Axfood plans to maintain a high pace of expansion and establish 10–15 new stores.

As part of the work to strengthen City Gross and achieve profitability at some point during the second half of 2026, operating profit for 2025 is expected to be charged with structural costs of SEK 100 m classified as items affecting comparability. The costs will be recognised in the City Gross segment and pertain primarily to structural measures for a handful of stores, mainly through changes of concept.

Initiatives to increase cost efficiency

With an increased focus on productivity and costs, measures have been implemented in the second quarter to improve efficiency within and between the Group's support functions. As a result, some 100 positions will be phased out in the second half of 2025. These changes will lead to cost savings on an annual basis of approximately SEK 80 m from 2026, creating conditions for the Group to continue investing in price value and enhancing its competitiveness.

Capital Markets Day

On 18 September 2025, Axfood will host a Capital Markets Day for institutional investors, analysts and financial media at Urban Deli Hagastaden in Stockholm. The event will start at 1:30 p.m. and is expected to end at 5:00 p.m. The purpose of the Capital Markets Day is to provide an update on the Group's long-term strategy, and presentations will be held by senior executives in the Group. More information and a link to register interest to attend are available on Axfood's website.



Financial statements, Group

Condensed statement of profit or loss and other comprehensive income

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024	R12	Full-year 2024
Net sales	22,995	21,044	44,034	41,296	86,796	84,057
Cost of goods sold	-19,565	-18,017	-37,507	-35,306	-74,027	-71,826
Gross profit	3,429	3,027	6,527	5,990	12,768	12,231
Selling expenses	-1,442	-1,055	-2,785	-2,075	-5,098	-4,388
Administrative expenses ¹⁾	-1,220	-1,296	-2,421	-2,561	-4,946	-5,087
Share of profit in associated companies and joint ventures	-14	-15	-22	-34	-47	-58
Other operating income	211	179	400	351	817	768
Other operating expenses ¹⁾	-29	-3	-47	-18	-205	-176
Operating profit	934	836	1,653	1,653	3,289	3,290
Interest income and similar profit/loss items	13	11	20	24	47	51
Interest expense and similar profit/loss items ²⁾	-153	-104	-300	-210	-545	-456
Profit before tax	794	744	1,373	1,467	2,790	2,885
Tax	-172	-161	-298	-325	-639	-666
Net profit for the period	622	582	1,075	1,143	2,152	2,219

1) Includes items affecting comparability, see Note 8 Items affecting comparability for more information.

2) Of which interest expenses from leasing amounted to SEK -116 m (-86) for the second quarter, SEK -227 m (-173) accumulated, and SEK -364 m for the full year 2024.

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024	R12	Full-year 2024
Other comprehensive income						
<i>Items that cannot be reclassified to profit or loss for the period, net after tax</i>						
Revaluation defined benefit pensions	0	-9	6	-13	-23	-42
Changes in holdings measured at fair value ³⁾	—	-75	—	-75	-81	-156
<i>Items that can be reclassified to profit or loss for the period, net of tax</i>						
Changes in hedging reserve	17	-5	0	18	2	20
Other comprehensive income for the period	17	-90	6	-69	-102	-177
Total comprehensive income for the period	639	492	1,081	1,073	2,050	2,042
<i>Net profit for the period attributable to</i>						
Owners of the parent	614	578	1,065	1,139	2,118	2,192
Non-controlling interest	8	4	10	4	33	27
<i>Total comprehensive income for the period attributable to</i>						
Owners of the parent	631	488	1,071	1,069	2,016	2,015
Non-controlling interest	8	4	10	4	33	27
Earnings per share before dilution, SEK	2.85	2.68	4.93	5.28	9.82	10.16
Earnings per share after dilution, SEK	2.83	2.67	4.91	5.25	9.77	10.11

3) See Note 4 Financial assets and liabilities for more information.

Condensed statement of financial position

SEK m	30 Jun 2025	30 Jun 2024	31 Dec 2024
Assets			
Goodwill	4,777	3,630	4,769
Other intangible assets	2,470	1,540	2,439
Property, plant and equipment	6,587	6,033	6,525
Right-of-use assets	12,958	9,547	12,488
Financial assets	191	586	178
Deferred tax assets	244	214	227
Total non-current assets	27,227	21,550	26,627
Inventories	5,215	4,315	4,887
Trade receivables	2,292	2,362	1,532
Other current assets	1,033	1,586	1,651
Cash and cash equivalents	374	643	735
Total current assets	8,914	8,906	8,805
Total assets	36,142	30,456	35,432
Equity and liabilities			
Equity attributable to owners of the parent	6,225	6,109	7,053
Equity attributable to non-controlling interests	345	312	335
Total equity	6,570	6,421	7,388
Non-current lease liabilities	10,664	7,842	10,161
Non-current interest-bearing liabilities	2,000	—	2,900
Provisions for pensions	288	269	300
Deferred tax liabilities	1,514	1,347	1,509
Other non-current liabilities	7	7	8
Total non-current liabilities	14,473	9,465	14,878
Current lease liabilities	2,266	1,694	2,233
Current interest-bearing liabilities	494	680	2
Trade payables	7,434	7,652	7,229
Other current liabilities	4,905	4,543	3,702
Total current liabilities	15,099	14,569	13,166
Total equity and liabilities	36,142	30,456	35,432

Condensed statement of cash flow

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024	R12	Full-year 2024
Operating activities						
Operating profit	934	836	1,653	1,653	3,289	3,290
Depreciation, amortisation, impairment	1,014	806	2,023	1,608	3,790	3,375
Interest paid and similar items	-153	-103	-300	-210	-543	-453
Interest received and similar items	13	11	20	24	47	51
Adjustments for non-cash items	29	58	51	100	412	461
Paid tax	-169	-140	-403	-284	-705	-587
Changes in working capital	261	-588	116	-316	-246	-678
Cash flow from operating activities	1,929	879	3,161	2,574	6,046	5,459
Investing activities						
Acquisitions of operations	—	—	-2	—	-1,562	-1,561
Acquisitions of intangible assets	-100	-121	-175	-218	-387	-430
Acquisitions of property, plant and equipment	-371	-240	-668	-497	-1,280	-1,109
Acquisitions of financial assets	-9	-70	-37	-70	-56	-89
Other changes in investing activities	6	4	6	5	6	5
Cash flow from investing activities	-475	-427	-875	-780	-3,279	-3,184
Financing activities						
Loans raised	1,612	280	4,059	1,039	7,702	4,682
Amortisation of debt	-2,379	-359	-4,467	-878	-6,304	-2,715
Amortisation of lease liability	-623	-519	-1,243	-1,055	-2,482	-2,294
Share repurchases	-25	-28	-25	-28	-63	-66
Dividend paid out	—	—	-971	-917	-1,888	-1,834
Cash flow from financing activities	-1,415	-626	-2,647	-1,839	-3,035	-2,227
Cash flow for the period	39	-174	-361	-45	-269	47

Condensed statement of changes in equity

SEK m	30 Jun 2025	30 Jun 2024	31 Dec 2024
Amount at start of year	7,388	7,185	7,185
Total comprehensive income for the period	1,081	1,073	2,042
Change in non-controlling interests	0	0	0
Share repurchases	-25	-28	-66
Share-based payments	14	25	61
Dividend to shareholders	-1,888	-1,834	-1,834
Amount at end of period	6,570	6,421	7,388

Financial statement, Parent Company

Condensed income statement

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024	Full-year 2024
Net sales	3	6	6	12	22
Selling and administrative costs	-171	-201	-321	-347	-658
Other operating income	125	113	234	217	433
Operating profit	-42	-82	-80	-119	-203
Net financial items ¹⁾	18	43	37	71	-304
Profit/loss after financial items	-24	-39	-43	-48	-508
Appropriations, net	—	—	—	—	2,132
Profit before tax	-24	-39	-43	-48	1,625
Tax	-1	3	-3	-1	-427
Net profit for the period	-25	-37	-46	-49	1,198
Total comprehensive income for the period	-25	-37	-46	-49	1,198

1) Net financial items for the full-year 2024 includes a write-down of shares in subsidiaries of SEK -436 m.

Condensed balance sheet

SEK m	30 Jun 2025	30 Jun 2024	31 Dec 2024
Assets			
Property, plant and equipment	24	32	28
Participations in Group companies	4,027	4,436	4,020
Other financial assets	1	1	2
Deferred tax assets	7	7	7
Total non-current assets	4,060	4,475	4,057
Receivables from Group companies ¹⁾	6,655	5,531	10,189
Other current assets	372	195	40
Cash and cash equivalents	12	5	14
Total current assets	7,039	5,731	10,243
Total assets	11,099	10,206	14,300
Equity and liabilities			
Restricted equity	296	296	296
Non-restricted equity	2,521	3,221	4,466
Total equity	2,817	3,517	4,762
Untaxed reserves	4,032	3,965	4,032
Non-current interest-bearing liabilities	2,000	—	2,900
Other non-current liabilities	10	8	10
Non-current liabilities	2,010	8	2,910
Current interest-bearing liabilities	494	680	2
Trade payables	10	32	25
Liabilities to Group companies ²⁾	700	994	2,406
Other current liabilities	1,036	1,010	163
Total current liabilities	2,239	2,716	2,596
Total equity and liabilities	11,099	10,206	14,300
1) Of which, interest-bearing receivables	6,642	5,510	7,317
2) Of which, interest-bearing liabilities	700	989	1,727

Notes

Note 1 Accounting policies

Axfood applies the International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting policies, measurement principles and definitions applied correspond with those described in the 2024 Annual and Sustainability Report, except for what is stated below.

This interim report has been prepared for the Group in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. For the Parent Company, the interim report has been prepared in accordance with recommendation RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board (RFR), and the Swedish Annual Accounts Act.

All amounts are rounded off to the nearest million kronor, unless stated otherwise. Totals may be affected by rounding.

New or amended accounting policies in 2025 and later

No new or amended standards or interpretations that have been endorsed for application in 2025 or later are to have any material effect on the consolidated financial statements.

Significant estimates and assessments

Preparing the financial statements in accordance with IFRS requires the Board and Executive Committee to make judgements and estimates as well as assumptions that affect the application of the accounting policies and the Company's result and position as well as other disclosures in general. The actual outcome may deviate from these estimates and assessments.

Note 2 Other material information

Seasonal effects

Axfood's sales are affected to some degree by seasonal variations. Sales increase in the quarter in which Easter falls, which is either the first or second quarter. Sales also increase ahead of Midsummer during the second quarter as well as ahead of the major holidays during the fourth quarter.

Transactions with related parties

The Axfood Group's transactions with related parties, aside from those covered by the consolidated financial statements, consist of transactions with associated companies and with subsidiaries within the Axel Johnson Group.

Significant risks and uncertainties

Like all business activities, Axfood's business is exposed to risks. The risks are broken down into operational, strategic and financial risks. Operational and strategic risks include sustainability risks. The risks that could have the greatest impact on the Group are the risk of disruptions in the logistics chain, IT and information security risks, and criminality. Axfood works continuously with risk identification and assessment. Major emphasis is placed on preventive work and on planning to maintain operating continuity in the event of unforeseen events. For a thorough account of the risks that affect the Group, please refer to the 2024 Annual and Sustainability Report.

Note 3 Operating segments

Segment reporting follows the internal reporting structure for reporting to the Executive Committee, which is the decision-making body within Axfood that comprises the chief operating decision-maker. The operating segments that have been identified are Willys, Hemköp, City Gross, Snabbgross and Dagab. Joint-Group pertains to support functions, such as the Executive Committee, Finance, Legal Affairs, Communications, Business Development, HR and IT.

The Executive Committee reviews the segments' operating profit or loss, both including and excluding items affecting comparability.

For information about Axfood's operating segments, see pages 9-13 of this interim report. For a more detailed description of the segments, please refer to the 2024 Annual and Sustainability Report. City Gross is a new operating segment from the fourth quarter 2024.

Note 4 Financial assets and liabilities

Financial assets measured at fair value amounted to SEK 20 m (59). SEK 13 m (—) is attributable to Level 2 of the fair value hierarchy and SEK 7 m (59) is attributable to Level 3. Financial liabilities measured at fair value amounted to SEK — m (7). The entire amount is attributable to Level 2 of the fair value hierarchy.

Forward exchange contracts are measured at fair value based on the Central Bank of Sweden's spot rates on the accounting date, which is assessed to be a reasonable approximation of fair value.

The carrying amount of the participation in Oda Group amounted to SEK 7 m (59). Axfood's shareholding in Oda Group amounted to 2.3% (4.7). The carrying amount and shareholding are unchanged since 31 December 2024.

Changes in the fair value of financial assets attributable to Level 3, SEK m	
Amount at start of year	7
Amount at end of period	7

Note 5 Acquired and divested operations

Acquired operations

On 1 November 2024, the acquisition of 90.1% of the shares in City Gross Sverige AB ("City Gross") was completed, which means that Axfood's holding in City Gross increased from 9.9% to 100% in conjunction with the transaction. City Gross was consolidated from 1 November 2024 and was previously recognised as an associated company.

In connection with the completion of the transaction, the previous minority stake was revalued, resulting in an earnings effect of SEK -143 m, which was recognised under other operating expenses and charged to the joint-Group segment in the fourth quarter of 2024. In the operational earnings follow-up, this item is recognised as an item affecting comparability.

In the second quarter of 2025, the acquisition of City Gross had an impact of SEK 364 m on consolidated net sales and SEK -45 m on consolidated operating profit. Cumulatively, the acquisition has affected the consolidated net sales by SEK 654 m and the consolidated operating profit by SEK -163 m. Prior to the acquisition, City Gross was an external customer of many of the companies in the Axfood Group, which is why the impact on the Axfood Group does not correspond with City Gross's net sales and operating profit.

The fair value according to the preliminary purchase price allocation is presented in the table. Minor adjustments were made to the preliminary purchase price allocation during the first quarter. The purchase price allocation may change after the valuation of the acquired assets is complete and will be finalised no later than one year from the date of the acquisition. The identified surplus values in the transaction are primarily attributable to brand (City Gross) and goodwill (buyer-specific synergies, future customers and market position) and, to a lesser extent, customer relationships (members of the Prio customer programme). Goodwill is not deemed to be tax deductible.

Fair value according to preliminary purchase price allocation, SEK m	
Brand	710
Customer relationships	8
Intangible assets	111
Property, plant and equipment	404
Right-of-use assets	2,016
Inventories	610
Trade receivables	7
Other current assets	196
Cash and bank balances	82
Deferred tax, net	-109
Lease liabilities	-2,016
Current financial liabilities	-416
Trade payables	-560
Other current liabilities	-350
Total acquired identifiable net assets	694
Goodwill	1,131
Total acquired identifiable net assets including goodwill	1,825

Purchase consideration paid, 100%	1,825
Deduct value of previously owned minority stake 9.9%	-181
Cash and cash equivalents in City Gross Sverige AB	-82
Change in consolidated cash and cash equivalents	1,562
Cash consideration paid	1,645

Note 6 Pledged assets and contingent liabilities

During the fourth quarter 2024, the Group made a new likelihood assessment of its guarantee commitments to government authorities such as the Swedish Customs Service and the Swedish Board of Agriculture. The new assessment is that it is extremely unlikely that the commitments will be utilised, and the commitments are therefore not recognised as a pledged asset or contingent liability. Corresponding assessment has already been made regarding the guarantee commitment towards NREP Logicens.

Group, SEK m	30 Jun 2025	30 Jun 2024	31 Dec 2024
Contingent liabilities	29	19	18

Parent Company, SEK m	30 Jun 2025	30 Jun 2024	31 Dec 2024
Contingent liabilities	286	264	275

There are no pledged assets in either the Group or the parent company.

Note 7 Long-term share-based incentive programmes

The 2025 AGM resolved to adopt a new long-term share-based incentive programme that runs over a three-year period, LTIP 2025. The programme corresponds in all essential respects to LTIP 2024 with the following changes. The share right for the previous performance condition that the total shareholder return should exceed 0% was replaced with a share right linked to the total shareholder return in relation to reference group of companies. In addition, the maximum level for full allocation for the share rights linked to the relative total shareholder return was adjusted slightly.

Allotment of LTIP 2022 has been carried out in April 2025 using treasury shares.

The holding of treasury shares amounts to 921 517 shares, which is sufficient to secure the delivery of shares for all of the Company's incentive programmes.

For more information about incentive programmes, please refer to the 2024 Annual and Sustainability Report.

Note 8 Items affecting comparability

Items affecting comparability in the second quarter totalled SEK -25 m (—), and cumulative SEK -63 m (—) and pertain in its entirety to structural costs relating to City Gross. The costs are included in other operating expenses and in administrative expenses. For the full year 2025, items affecting comparability are estimated to amount to SEK 100 m. Items affecting comparability for the full year 2024 comprised in its entirety of the revaluation of the previous minority stake of 9.9% in City Gross which has been carried out in connection with the acquisition of the remaining shares in City Gross. The cost was included in other operating expenses.

Item affecting comparability	Segment	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024	R12	Full-year 2024
Structural costs	City Gross	-25	—	-63	—	-63	—
Revaluation of City Gross	Joint-Group	—	—	—	—	-143	-143
Total		-25	—	-63	—	-206	-143

Note 9 Significant events after the balance sheet date

No significant events after the balance sheet date.

Key ratios

Change in store structure

Number of stores	Dec 2024	New establishment/ acquisitions	Sales/ closures	Conversions	June 2025	June 2024
Willys/Willys Hemma/Eurocash	248	6	—	—	254	243
Hemköp/Tempo, Group-owned stores	68	—	-1	0	67	65
City Gross	42	—	—	-1	41	—
Snabbgross/Snabbgross Club	31	—	—	—	31	31
Total, Group-owned stores	389	6	-1	-1	393	339
Hemköp, retailer-owned stores	134	—	—	-1	133	133
Tempo, retailer-owned stores	124	7	-7	1	125	124
Total, retailer-owned stores	258	7	-7	—	258	257
Total, Group-owned and retailer-owned stores	647	13	-8	-1	651	596

1) City Gross Bromma Blocks will be converted to Willys in the third quarter of 2025.

New group-owned store establishments and acquisitions

First quarter

Willys Vimmerby
Willys Hemma Malmö Oxie

Second quarter

Willys Hemma Örebro Varberga
Willys Hemma Ludvika Marnäs
Willys Hemma Sollentuna
Willys Skärholmen



Key ratios and other data, Group

SEK m	Quarterly overview								January - June		Full-year	
	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	6 mos. 2025	6 mos. 2024	R12	Full-year 2024
Net sales	22,995	21,040	21,860	20,902	21,044	20,252	20,769	20,293	44,034	41,296	86,796	84,057
Retail sales	20,282	18,829	18,836	16,427	16,509	16,281	16,507	15,873	39,111	32,790	74,373	68,052
Operating profit	934	719	629	1,007	836	817	744	1,036	1,653	1,653	3,289	3,290
Operating profit excl. items affecting comparability	959	757	772	1,007	836	817	815	1,095	1,716	1,653	3,495	3,433
Operating margin, %	4.1	3.4	2.9	4.8	4.0	4.0	3.6	5.1	3.8	4.0	3.8	3.9
Operating margin excl. items affecting comparability, %	4.2	3.6	3.5	4.8	4.0	4.0	3.9	5.4	3.9	4.0	4.0	4.1
Items affecting comparability	-25	-38	-143	—	—	—	-71	-60	-63	—	-206	-143
Net profit for the period	622	453	361	715	582	560	533	738	1,075	1,143	2,152	2,219
Cash flow from operating activities	1,929	1,232	1,872	1,013	879	1,695	2,219	1,423	3,161	2,574	6,046	5,459
Capital employed	22,282	22,091	22,985	18,058	16,907	16,509	17,212	17,408	22,282	16,907	22,282	22,985
Return on capital employed R12, %	17.0	16.8	16.6	19.6	21.0	21.5	20.3	20.5	17.0	21.0	17.0	16.6
Return on equity R12, %	34.3	37.0	31.5	36.2	40.7	45.7	35.0	34.8	34.3	40.7	34.3	31.5
Net working capital R12	-2,819	-2,791	-2,875	-2,902	-2,870	-2,804	-2,620	-2,597	-2,819	-2,870	-2,819	-2,875
Net working capital as a share of net sales R12, %	-3.2	-3.3	-3.4	-3.5	-3.5	-3.4	-3.2	-3.2	-3.2	-3.5	-3.2	-3.4
Total capital expenditures (incl. IFRS 16)	1,443	1,183	3,508	923	907	1,178	1,242	594	2,626	2,085	7,057	6,516
Investments in intangible assets and in property, plant and equipment	471	371	481	344	360	354	528	309	842	714	1,667	1,539
Depreciation/amortisation (incl. IFRS 16)	-1,003	-1,001	-944	-823	-806	-796	-779	-758	-2,005	-1,602	-3,772	-3,369
Depreciation/amortisation of intangible assets and property, plant and equipment	-357	-354	-341	-305	-299	-285	-279	-272	-712	-584	-1,358	-1,231
Equity ratio, %	18.2	16.8	20.9	23.7	21.1	19.4	23.9	22.7	18.2	21.1	18.2	20.9
Net debt (+)/net receivable (-)	15,337	15,796	14,861	10,724	9,843	9,750	9,339	10,247	15,337	9,843	15,337	14,861
Net debt (+)/net receivable (-) excl. IFRS 16	2,407	3,215	2,467	1,129	306	202	93	1,224	2,407	306	2,407	2,467
Net debt/EBITDA, multiple	2.2	2.3	2.2	1.6	1.5	1.5	1.5	1.7	2.2	1.5	2.2	2.2
Net debt/EBITDA excl. IFRS 16, multiple	0.6	0.8	0.6	0.3	0.1	0.0	0.0	0.3	0.6	0.1	0.6	0.6
Net debt-equity ratio (+)/net receivable-equity ratio (-), multiple	2.3	2.7	2.0	1.5	1.5	1.6	1.3	1.5	2.3	1.5	2.3	2.0
Net debt-equity ratio (+)/net receivable-equity ratio (-) excl. IFRS 16, multiple	0.3	0.5	0.3	0.2	0.0	0.0	0.0	0.2	0.3	0.0	0.3	0.3
Average number of employees	14,907	14,578	13,709	13,486	12,902	12,803	13,185	13,269	14,907	12,902	—	13,709
Number of shares outstanding at end of period	215,921,723	215,744,895	215,744,895	215,744,895	215,892,895	215,777,588	215,777,588	215,777,588	215,921,723	215,892,895	215,921,723	215,744,895
Average number of shares outstanding before dilution	215,874,569	215,744,895	215,744,895	215,768,250	215,860,865	215,777,588	215,777,588	215,777,588	215,809,732	215,819,227	215,783,152	215,787,900
Average number of shares outstanding after dilution	216,776,894	216,843,240	216,843,240	216,843,240	216,806,696	216,843,240	216,843,240	216,843,240	216,810,067	216,824,968	216,826,653	216,834,104
Earnings per share before dilution, SEK	2.85	2.09	1.62	3.26	2.68	2.60	2.42	3.38	4.93	5.28	9.82	10.16
Earnings per share before dilution excl. items affecting comparability, SEK	2.94	2.23	2.28	3.26	2.68	2.60	2.68	3.60	5.17	5.28	10.71	10.82
Earnings per share after dilution, SEK	2.83	2.08	1.61	3.25	2.67	2.59	2.41	3.36	4.91	5.25	9.77	10.11
Ordinary dividend per share, SEK	—	—	8.75	—	—	—	8.50	—	—	—	—	8.75
Equity per share, SEK	28.83	26.06	32.69	31.17	28.30	26.11	31.87	29.44	28.83	28.30	28.83	32.69
Cash flow from operating activities per share, SEK	8.94	5.71	8.68	4.69	4.07	7.86	10.28	6.59	14.65	11.93	28.02	25.30
Cash flow per share, SEK	0.18	-1.85	2.08	-1.66	-0.81	0.60	0.82	0.96	-1.67	-0.21	-1.25	0.22
Share price, SEK	279.60	225.80	234.00	286.20	278.40	311.20	273.00	250.40	279.60	278.40	—	234.00

Financial key ratios

In addition to the financial key ratios prepared in accordance with IFRS, Axfood presents financial key ratios that are not defined by IFRS or by the Swedish Annual Accounts Act, so-called alternative performance measures (APMs). These APMs aim to provide supplementary information that contributes to analysing Axfood’s operations and development. The APMs used are considered generally accepted in the industry. APMs should not be seen as a substitute for financial information presented in accordance with IFRS, but as a complement. The APMs are defined below under the financial key ratio definitions. Certain APMs are also reported excluding IFRS 16 to enable a follow-up of operational development excluding the technical accounting effects as a result of IFRS 16. Some APMs are also reported excluding items affecting comparability since the adjusted performance measure provides a better understanding of the operations’ underlying development when comparing between periods.

Financial key ratio definitions

Capital employed: Total assets less non-interest-bearing liabilities and non-interest-bearing provisions. Measures the Group’s capital use and efficiency.

Cash flow from operating activities per share: Cash flow from operating activities for the period divided by the average number of shares outstanding before dilution. Indicates cash flow generated from operating activities.

Cash flow per share: Cash flow for the period divided by the average number of shares outstanding before dilution. Indicates cash flow generated per share.

Earnings per share (defined in IFRS): Net profit for the period attributable to owners of the parent divided by the average number of shares outstanding. Reported both before and after dilution. Earnings per share are also reported based on earnings excluding items affecting comparability.

EBITDA: Operating profit before depreciation, amortisation and impairment. Also reported excluding the effects of reporting in accordance with IFRS 16 as EBITDA excl. IFRS 16. Indicates the underlying development of the operations.

Equity per share: Share of equity attributable to owners of the parent divided by the number of shares outstanding at the end of the period. Indicates shareholders’ share of the Company’s total equity per share.

Equity ratio: Equity including non-controlling interests as a percentage of total assets. An equity ratio of at least 20% at year-end is one of Axfood’s Group-wide strategic targets.

Items affecting comparability: Financial effects in connection with major acquisitions and divestments or other major structural changes as well as material non-recurring items that are relevant in order to understand the results when comparing between periods.

Reconciliation of EBITDA

SEK m	Q2 2025	Q2 2024	6 mos. 2025	6 mos. 2024	R12	Full-year 2024
Operating profit	934	836	1,653	1,653	3,289	3,290
Depreciation, amortisation, impairment	1,014	806	2,023	1,608	3,790	3,375
EBITDA	1,949	1,642	3,676	3,261	7,079	6,665
IFRS 16 Lease fees	-731	-574	-1,467	-1,182	-2,736	-2,452
EBITDA excl. IFRS 16	1,218	1,068	2,209	2,079	4,343	4,213

For reconciliation of additional key ratios, see Axfood’s website, axfood.com.

Net debt/EBITDA: Net debt divided by EBITDA on a rolling 12-month basis. Also reported excluding the effects of reporting in accordance with IFRS 16. Indicates the Group’s ability to pay its debt.

Net debt-equity ratio/net receivable-equity ratio: Net debt/net receivable divided by equity including non-controlling interests. Also reported excluding the effects of reporting in accordance with IFRS 16. Indicates the Company’s debt-equity ratio.

Net debt/net receivable: Interest-bearing non-current and current receivables and liabilities less cash and cash equivalents and interest-bearing financial assets. Net indebtedness is also referred to as net debt. Net receivable is also referred to as net receivables. Used to show the Company’s net interest-bearing assets and liabilities.

Net debt/net receivable excluding IFRS 16: Interest-bearing non-current and current receivables and liabilities, excluding lease liabilities, less cash and cash equivalents and interest-bearing financial assets.

Net working capital: Average current assets less current liabilities (adjusted for dividend), on a rolling 12-month basis. Indicates the average financing need for the group’s working capital.

Net working capital as a share of net sales: Working capital divided by net sales, rolling 12 months. Shows the group’s ability to use working capital to generate sales.

Operating margin: Operating profit as a percentage of net sales for the period. An operating margin of at least 4.5% is one of Axfood’s strategic Group-wide targets.

Operating margin excluding items affecting comparability: Operating profit excluding items affecting comparability as a percentage of net sales for the period. Also referred to as adjusted operating margin.

Operating profit: Profit before net financial items and tax. Indicates profitability for operating activities.

Operating profit excluding items affecting comparability: Profit before net financial items and tax adjusted for items affecting comparability. Also referred to as adjusted operating profit.

Return on capital employed: Profit after financial items, plus financial expenses on a rolling 12-month basis as a percentage of average capital employed. Indicates profitability in both equity and borrowed capital in the Company.

Return on equity: The share of net profit for the period on a rolling 12-month basis attributable to owners of the parent as a percentage of the share of average equity attributable to owners of the parent. Indicates the return that owners receive on capital invested.

Sales growth: Percentage change in sales between two periods. Axfood monitors growth in both retail sales and net sales. One of Axfood’s Group-wide strategic targets is to grow faster than the market and growth in retail sales is the target Axfood uses to measure this.

Operating key ratio definitions

Average number of employees: Total number of hours worked divided by the number of hours worked per year of 1,920. Also referred to as FTEs.

Joint-Group: Pertains to support functions, such as the Executive Committee, Finance, Legal Affairs, Communications, Business Development, HR and IT.

Like-for-like sales: Sales in stores that existed and generated sales in the current period and the comparison period.

Online sales: Reported online sales of the concepts Willys, Hemköp Group-owned stores, Hemköp retailer-owned stores and City Gross.

Private label products, share of sales: Sales of private label products, excluding meat, fruits and vegetables, as a percentage of retail sales.

Retail sales: Reported store sales including online sales for the concepts Willys, Willys Hemma, Eurocash, Hemköp Group-owned stores, Hemköp retailer-owned stores, Tempo and City Gross, excluding adjustments mainly related to customer bonuses.

R12: The sum of the past 12 months determined on a rolling basis.

Share price: Closing share price.

Wholesale sales: Company and private customer sales including online for the concepts Dagab and Snabbgross (including Snabbgross Club).

Key ratio definitions for sustainability

Kg CO₂e/tonne of transported goods: Emissions (kg CO₂e) from purchased fuel (litres) in relation to total transported goods (tonnes) between warehouses and stores or consumer. Transports between warehouses and consumers pertain to e-commerce transports and amounts to only a small share of the total. Reported data pertains only to goods delivered by own transports. Reported data is presented with a one-month lag.

Kg CO₂e/kg of food sold: The amount of greenhouse gas emissions (kilo carbon dioxide equivalents) from food in relation to total food sold (kilo food). The sample includes sales in stores within Willys, Eurocash, Hemköp (also retailer-owned), City Gross and Snabbgross.

KRAV-certified meat, share of sales: Sales from KRAV-certified meat items (fresh and frozen) as a percentage of Axfood's total sales of meat products. The selection includes stores in the Willys, Eurocash, Hemköp (also retailer-owned), City Gross and Snabbgross store chains.

Organic products, share of sales: Sales from organic-labelled products with a valid country of origin marking as a percentage of Axfood's total food sales. The selection includes stores in the Willys, Eurocash, Hemköp (also retailer-owned), City Gross and Snabbgross store chains.

Share of approved social audits: Share of social audits where the supplier received a rating of 1 or 2 on a three-point scale where rating 1 refers to approved audits, rating 2 to approved audits with remarks, and rating 3 to non-approved audits. Social audits comprise on-site visits and inspections carried out to ensure that suppliers fulfil the requirements of Axfood's Supplier Code of Conduct. The selection includes audits of suppliers of private label products and fresh fruit and vegetables operating in risk countries, as well as tomato suppliers in Italy. All audits have been carried out according to one of the 15 trusted third-party standards that Axfood accepts.

Share of women/men in management positions: The share of women/men in management positions at the end of the current period. Management positions are defined as employed managers with employee responsibility, including the Executive Committee.

Sustainability-labelled products, share of sales: Sales from sustainability-labelled products with a valid country of origin marking as a percentage of retail and wholesale sales from the corresponding chains. The selection includes stores in the Willys, Eurocash, Hemköp (also retailer-owned), City Gross and Snabbgross store chains.

Stockholm, 11 July 2025

Caroline Berg
Chairman

Björn Annwall
Director

Fabian Bengtsson
Director

Mia Brunell Livfors
Director

Christian Luiga
Director

Peter Ruzicka
Director

Kristofer Tonström
Director

Sara Öhrvall
Director

Anders Helsing
Director,
employee representative

Michaela Livenborn
Director,
employee representative

Michael Sjören
Director,
employee representative

Simone Margulies
President and CEO Axfood AB

This interim report has not been reviewed by the Company's auditors.

About Axfood

Axfood is a leader in food retail in Sweden and a family of different concepts in collaboration. The Group has approximately 15,000 employees (FTEs) and net sales of more than SEK 85 billion. Axfood aspires to be a strong force in society that drives development toward more sustainable food production and consumption. The share is listed on Nasdaq Stockholm and the principal owner is Axel Johnson.

Business model and strategy

Axfood's vision is to be the leader in affordable, good and sustainable food. This is how Axfood creates a greater quality of life for everyone, which is the Group's purpose. The business model covers purchasing and assortment, product flow and logistics, and sales channels and concepts. The customer is always in focus and value is created for Axfood and the Group's stakeholders in every step. The strategy rests upon a values-steered culture and core values, and consists of six growth-promoting and efficiency-improving focus areas. To promote growth, the focus is on developing and offering an attractively priced assortment. Apart from growing sales at existing stores, key initiatives include continued expansion through the e-commerce roll-out and establishment of new formats and more stores. The Group strives to increase efficiency in the organisation through a more data-driven work approach and continuous development of logistics solutions of the future. To stay at the forefront, Axfood continues to build a culture that enables the industry's best employees to be attracted and developed. Axfood aspires to take the lead in promoting a sustainable food system and to be a strong force for change in society.

A unique family of companies

Axfood is primarily represented in the Swedish food retail market through the leading discount grocery chain Willys, Hemköp in the traditional grocery segment and the hypermarket chain City Gross. With Tempo, Handlar'n and Matöppet, Axfood also has a position in mini-marts, while Eurocash operates stores in cross-border shopping adjacent to Norway. In addition to these concepts, Axfood also has a presence in cafés and restaurants with the wholesale business Snabbgross and the restaurant chain Urban Deli, and a position in the online pharmacy market with Apohem. Dagab is responsible for ensuring that the assortment, purchasing and logistics maintain high efficiency and quality

Financial targets and dividend policy

Axfood's long-term financial targets is to grow faster than the market, a long-term operating margin of at least 4.5% and an equity ratio of at least 20% at year-end. Axfood's dividend policy is that the shareholder dividend shall be at least 50% of profit after tax. The dividend is to be paid out on two occasions.

Investment case

- The food retail market is relatively unaffected by economic swings and is driven largely by population growth and inflation. Axfood has a clear strategy for addressing the trends in the market through concrete priorities in six focus areas. The goal is to grow faster than the market with a long-term operating margin of at least 4.5%.
- To meet customers' varying needs, Axfood is a family of different concepts with strong market positions. With a clear expansion plan, a focus on the customer meeting in physical stores and in e-commerce, as well as continuous development of the offering, customers' evolving behaviours are being met.
- Economies of scale and cost efficiency are achieved through close collaboration between the central functions and Group companies. Dagab is the joint purchasing and logistics company, setting high demands for price, quality and sustainability. Axfood's common IT company has a crucial role in the Group's digital development, automation and data-driven work approach to meet future needs.
- Axfood has a solid balance sheet, and the business model generates stable cash flow with efficient management of working capital. During the last five years, the dividend yield has on average been slightly more than 3%.
- Axfood has long been working to be a positive force in society. Axfood is taking the lead in promoting a sustainable food system, and innovative and sustainable products are being launched through the private label assortment.

Other

Selection of press releases

25 April 2025

City Gross lowers prices on meat, fruit and vegetables, as well as many everyday favourites

30 April 2025

Sweden's largest solar park inaugurated by Axfood and Alight

11 June 2025

Invitation to Axfood's Capital Markets Day 2025

Financial calendar

- Axfood's Capital Markets Day 2025 will be held on 18 September 2025
- The interim report for the third quarter of 2025 will be published at 7:00 a.m. CET on 23 October 2025
- The year-end report for 2025 will be published at 7:00 a.m. CET on 29 January 2026
- The interim report for the first quarter of 2026 will be published at 7:00 a.m. CET on 23 April 2026
- The interim report for the second quarter of 2026 will be published at 7:00 a.m. CET on 15 July 2026
- The interim report for the third quarter of 2026 will be published at 7:00 a.m. CET on 22 October 2026

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WILLYS

Hemköp

CITYGROSS

Tempo

HANDLARN

MATÖPPET

eurocash

Snabbgross

UP
URBAN DELI

apohem

DAGAB