Axfood

Interim report
1 January - 30 September 2023

Q3

Continued strong customer traffic and increased market share

Third quarter summary

- Net sales totalled SEK 20,293 m (18,674), an increase of 8.7%.
- Retail sales totalled SEK 15,873 m (14,026), an increase of 13.2%.
- Operating profit amounted to SEK 1,036 m (975) including items affecting comparability of SEK -60 m (-40). The operating margin was 5.1% (5.2).
- Adjusted operating profit amounted to SEK 1,095 m (1,015), an increase of 7.9%. The adjusted operating margin was 5.4% (5.4).
- Net profit for the period amounted to SEK 738 m (745) and earnings per share before dilution to SEK 3.38 (3.40).
- In September, a dividend of SEK 4.00 per share was paid out, the second part of the dividend to shareholders totalling SEK 8.15 (7.75) per share.

Summary January - September

- Net sales totalled SEK 60,342 m (53,735), an increase of 12.3%.
- Retail sales totalled SEK 47,196 m (40,541), an increase of 16.4%.
- Operating profit amounted to SEK 2,609 m (2,599) including items affecting comparability totalling SEK -179 m (103). The operating margin was 4.3% (4.8).
- Adjusted operating profit amounted to SEK 2,787 m (2,496), an increase of 11.7%. The adjusted operating margin was 4.6% (4.6).
- Net profit for the period amounted to SEK 1,841 m (2,017) and earnings per share before dilution to SEK 8.50 (9.43).

Significant events after the balance sheet date

- Hans Bax was appointed as the new Managing Director of Dagab and effective 1 February 2024 will succeed Nicholas Pettersson, who will take on the role as Managing Director of Willys on the same date.
- The Nominating Committee of Axfood proposes that Thomas Ekman be appointed new Chairman of the Board at the Annual General Meeting in 2024. Axfood's current Chairman, Mia Brunell Livfors, has declined re-election.

8.7%

Net sales growth for the Axfood Group during the third quarter

13.2%

The Axfood Group's growth in retail sales during the third quarter

Key ratios	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Net sales, SEK m	20,293	18,674	8.7%	60,342	53,735	12.3%	80,082	73,474
Retail sales, SEK m	15,873	14,026	13.2%	47,196	40,541	16.4%	62,376	55,721
Operating profit, SEK m	1,036	975	6.2%	2,609	2,599	0.4%	3,111	3,101
Operating profit excl. items affecting comparability. SEK m[1]	1,095	1,015	7.9%	2,787	2,496	11.7%	3,521	3,229
Operating margin, %	5.1	5.2	-0.1	4.3	4.8	-0.5	3.9	4.2
Operating margin excl. items affecting comparability, %[1]	5.4	5.4	0.0	4.6	4.6	0.0	4.4	4.4
Net profit for the period, SEK m	738	745	-0.9%	1,841	2,017	-8.7%	2,194	2,370
Earnings per share before dilution, SEK	3.38	3.40	-0.7%	8.50	9.43	-9.9%	10.12	11.04
Earnings per share before dilution excl. items affecting comparability, SEK[1]	3.60	3.55	1.4%	9.16	8.89	3.1%	11.63	11.36
Cash flow from operating activities, SEK m	1,423	1,487	-4.3%	3,588	4,083	-12.1%	5,432	5,927
Return on capital employed R12, %	20.5	25.8	-5.4	20.5	25.8	-5.4	20.5	20.9
Sustainability-labelled products, share of sales, %	26.0	25.9	0.1	26.4	27.1	-0.7	26.1	26.6

1) See *Note 9 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.
The information was submitted for publication, through the agency of the contact person listed above, at 7:00 a.m. CET on 25 October 2023.

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

CEO message

During the third quarter, Axfood continued to report strong growth and stable profitability, a testament to the fact that our customers appreciate our affordable and competitive offering. At the same time, we continued to pursue our extensive development agenda to strengthen our position for the future, and we took major steps in the establishment the Group's new warehouse and logistics structure during the quarter.

Annual food price inflation continued to slow considerably in the third quarter. However, there is still uncertainty concerning future developments due to various factors, such as the turbulent global situation, extreme weather and the weak Swedish krona. The current inflation rate is putting a strain on household finances, and it is clear that consumers are continuing to focus on price value and low prices.

Continued momentum thanks to strong growth
Despite high comparison figures, Axfood delivered robust growth of 13% during the quarter, compared with 6% growth in the food retail industry. Axfood's growth was thus twice as high as the market's, which follows the trend we have seen since the beginning of last year.

Willys once again reported exceptional growth, reaching an impressive 16% this quarter. The number of new customers and members of Willys Plus is continuing to grow at a rapid rate, and new and existing customers alike are becoming increasingly loyal and shopping more at the chain.

With a clear focus on price value, Hemköp grew faster than the market for the fourth consecutive quarter. In a market that mainly favours the low-price players, Hemköp delivered a strong performance. It is truly gratifying to see a return on the chain's investment in store modernisation and assortment development, with a focus on health and sustainability.

At the same time, we are seeing a certain slowdown in the café and restaurant market from previously high levels. Nevertheless, Snabbgross's focus on an affordable and flexible offering generated favourable growth, resulting in a higher market share.

Increased earnings and stable profitability
In line with the trend in the first half of the year, operating profit increased in the third quarter, and the adjusted operating margin was on a par with the previous year. This profit trend was attributable to the Group's strong sales growth, which compensated for the continued market investments in the store chains, negative currency effects and higher operating expenses, such as increased rental levels and salary costs.

Continued scale-up of new logistics platform
Our new highly automated logistics centre in Bålsta outside Stockholm is a large-scale project that represents a completely new way of running our warehouse and logistics operations. The transition to Bålsta progressed during the quarter, with a focus on continuing to scale up and stabilise the operations. A growing number of stores and larger volumes were connected to the flow of the dry range during the quarter, and the first deliveries of refrigerated items from Bålsta to stores were recently made.

In addition to scaling up the centre in Bålsta, we also continued our efforts to strengthen other parts of our new logistics platform. Planning for the new high-bay warehouse in Backa, Gothenburg, is under way, and at the new fruit and vegetable warehouse in Landskrona, testing of IT solutions and control systems is ongoing now that the automation solution has been fully installed.

"It is with a sense of humility in the face of an uncertain global backdrop that I present a strong third quarter. We are taking further steps in our development and continuing to strengthen our market position, and it is clear that more and more customers appreciate our offerings."

Significant events during the third quarter
- Strong growth double that of the market
- High customer traffic and increased loyalty
- Continued progress towards new logistics platform

Promoting a sustainable food strategy for Sweden
While focusing on delivering affordable, good and sustainable food here and now, and developing our operations to enable greater efficiency going forward, we must not lose sight of the longer-term challenges. We recently presented a new version of Food 2030, Axfood's proposal for a sustainable food strategy, filled with 125 recommendations that can make a real difference in accelerating the green transition. As a leading player in the food retail industry, we want to take the lead in promoting a sustainable food system in Sweden, and Food 2030 is an important part of our work to influence decision-makers and drive industry issues.

A strong third quarter
It is with a sense of humility in the face of an uncertain global backdrop that I present a strong third quarter for Axfood. It is clear that more and more customers appreciate the offerings of our various store concepts and operations. Together with all of our dedicated employees, we will maintain a high level of ambition and pace of development in order to further strengthen our position in the market.

Klas Balkow
President and CEO, Axfood AB

Presentation of the interim report for the third quarter of 2023

Axfood will present the interim report for the third quarter of 2023 in a webcast at 9:30 a.m. CET today, Wednesday, 25 October 2023. The report will be presented by Klas Balkow, 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.

Selection of press releases from Axfood during the third quarter of 2023

4 September 2023
Double bonus points on organic food as Hemköp gears up

11 September 2023
Invitation to Axfood's Capital Markets Day 2023

13 September 2023
Axfood partners with BalticWaters on new research laboratory for Baltic Sea fish

22 September 2023
Nominating Committee ahead of Axfood's 2024 Annual General Meeting

Financial calendar

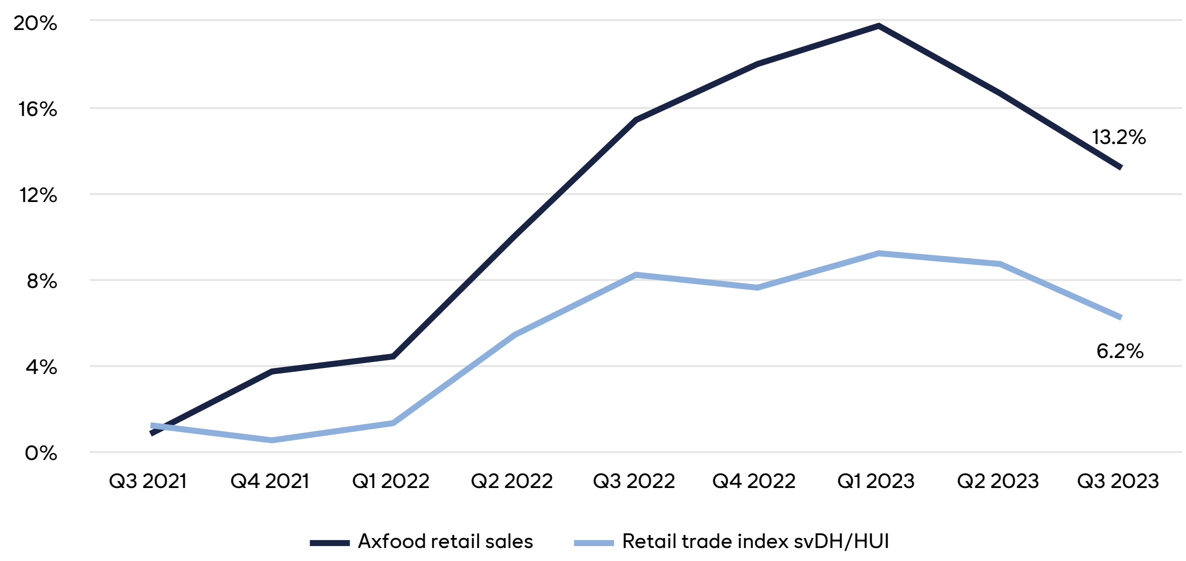
- The Capital Markets Day 2023 will be held on 24 November 2023
- The year-end report for 2023 will be published at 7:00 a.m. CET on 1 February 2024
- The 2024 Annual General Meeting (AGM) will be held on 20 March 2024
- The interim report for the first quarter of 2024 will be published at 7:00 a.m. CET on 25 April 2024
- The interim report for the second quarter of 2024 will be published at 7:00 a.m. CET on 12 July 2024
- The interim report for the third quarter of 2024 will be published at 7:00 a.m. CET on 24 October 2024

The Swedish food retail market

Market development
According to the Swedish Food Retail Index, total sales growth during the third quarter of 2023 amounted to 6.2%. The calendar effect during the quarter is estimated at -0.2 of a percentage point. Sales in physical stores increased by 6.5%. E-commerce sales declined by 0.6%. The share of food retail sales from e-commerce amounted to 3.6% during the quarter.

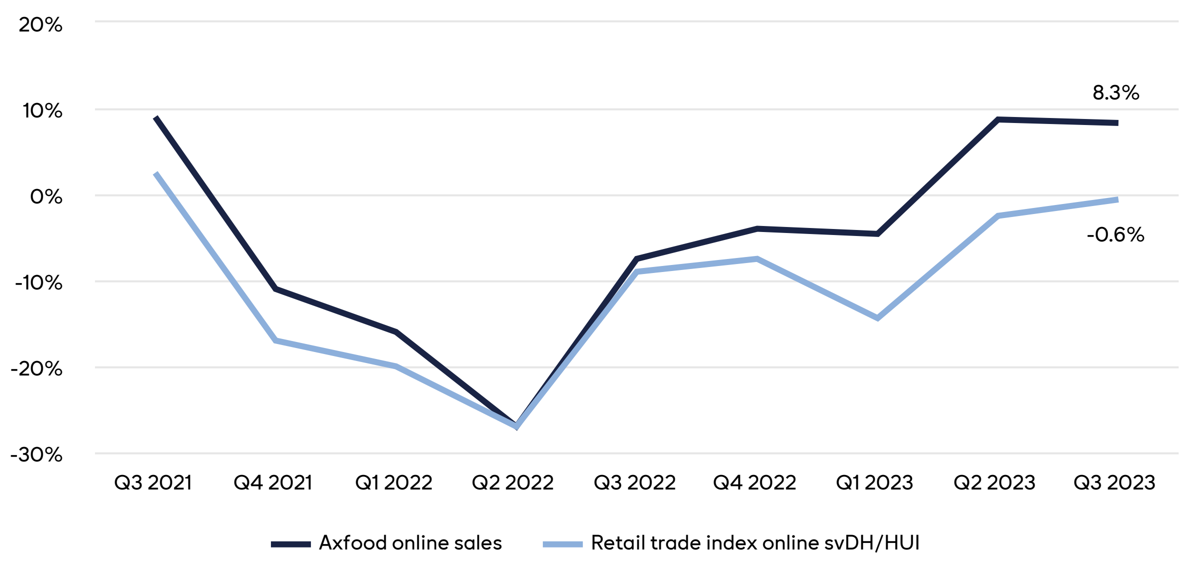
Food price inflation
During the July–September 2023 period, food prices increased by 9.1% compared with the year-earlier period, according to Statistics Sweden. The annual rate of inflation thus continued to decline compared with the preceding quarter and the level of 14.5% in the second quarter of 2023.

Growth in Axfood's retail sales[1] compared with the Swedish Food Retail Index



1) Includes retail sales growth in the Tempo concept as of the first quarter of 2022. Comparison figures are not restated.

Growth in Axfood's online sales[1] compared with the Swedish Food Retail Index



1) Mat.se is included in the sales figures until February 2022.

Group performance

Net sales

Third quarter
Net sales totalled SEK 20,293 m (18,674), an increase of 8.7%. This increase is attributable to high food price inflation and a higher number of new customers.

Retail sales totalled SEK 15,873 m (14,026), an increase of 13.2%, which was significantly higher than the market's growth of 6.2%. Volume growth, pricing and positive mix effects contributed to this performance. Like-for-like sales growth was 10.5%, primarily driven by Willys' strong performance, but also good growth for Hemköp relative to the market.

Online sales totalled SEK 723 m (667), an increase of 8.3% which compares to the market's growth of -0.6%. The share of retail sales attributable to e-commerce was 4.6% (4.8), which was higher than the e-commerce penetration on the market of 3.6%.

The share of retail sales attributable to private label products was 31.9% (31.0).

January - September
Net sales totalled SEK 60,342 m (53,735), an increase of 12.3%.

Retail sales increased 16.4% and amounted to SEK 47,196 m (40,541). Like-for-like growth was 13.8%.

Online sales totalled SEK 2,404 m (2,327), an increase of 3.3%. The share of retail sales attributable to e-commerce was 5.1% (5.7).

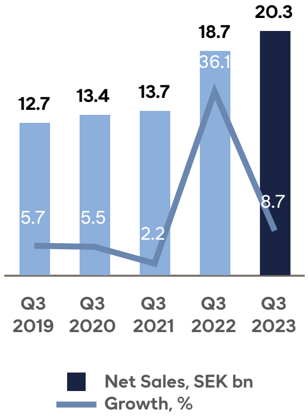
The share of retail sales attributable to private label products was 32.4% (31.1).

Read about the performance of the Willys, Hemköp, Snabbgross and Dagab operating segments on pages 9-12.

8.7%

Net sales growth for the Axfood Group during the third quarter

Net sales and growth



Net sales per segment

SEK m	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Willys	10,945	9,450	15.8%	32,432	27,071	19.8%	42,813	37,451
Hemköp	1,779	1,608	10.6%	5,456	4,858	12.3%	7,248	6,650
Snabbgross	1,437	1,324	8.6%	4,072	3,557	14.5%	5,242	4,727
Dagab	18,410	16,971	8.5%	55,167	48,780	13.1%	73,387	66,999
Joint-Group	342	305	12.2%	1,012	897	12.9%	1,350	1,234
Internal sales between segments								
Dagab	-12,333	-10,709	15.2%	-36,953	-30,619	20.7%	-48,824	-42,490
Joint-Group/other	-287	-275	4.5%	-846	-809	4.6%	-1,134	-1,097
Total	**20,293**	**18,674**	**8.7%**	**60,342**	**53,735**	**12.3%**	**80,082**	**73,474**

Retail sales

SEK m	Q3 2023	Q3 2022	Change	Change like-for-like stores	9 mos. 2023	9 mos. 2022	Change	Change like-for-like stores	R12	Full-year 2022
Willys	10,951	9,453	15.8%	12.4%	32,440	27,079	19.8%	16.6%	42,818	37,458
Hemköp[1)]	4,923	4,573	7.6%	6.4%	14,756	13,462	9.6%	8.1%	19,557	18,263
Total	**15,873**	**14,026**	**13.2%**	**10.5%**	**47,196**	**40,541**	**16.4%**	**13.8%**	**62,376**	**55,721**

1) Refers to Hemköp (Group-owned and retailer-owned) and Tempo.

Operating profit

Third quarter
Operating profit amounted to SEK 1,036 m (975), an increase of 6.2%. Operating profit includes items affecting comparability totalling SEK -60 m (-40), which pertained entirely to parallel warehouse operation during the transition to the new logistics centre in Bålsta. The operating margin was 5.1% (5.2).

Operating profit excluding items affecting comparability amounted to SEK 1,095 m (1,015), an increase of 7.9%. The increase was mainly attributable to strong growth and effective cost control. Overall, this compensated for lower gross margins in the segments and higher market investments. In addition, operating profit was affected by negative currency effects, increased rental levels and personnel costs, including the discontinuation of lower employer payroll tax for young people. The operating margin excluding items affecting comparability was 5.4% (5.4).

Net financial items for the period amounted to SEK -80 m (-33), a change mainly attributable to higher interest expenses for leases.

Profit after financial items amounted to SEK 956 m (942) and profit after tax to SEK 738 m (745).

January - September
Operating profit for the period totalled SEK 2,609 m (2,599), an increase of 0.4%. Operating profit includes items affecting comparability of SEK -179 m (103), net, which pertained entirely to parallel warehouse operation during the transition to the new logistics centre in Bålsta. In the year-earlier period, items affecting comparability included a capital gain of SEK 221 m for the divestment of Mat.se. The operating margin was 4.3% (4.8).

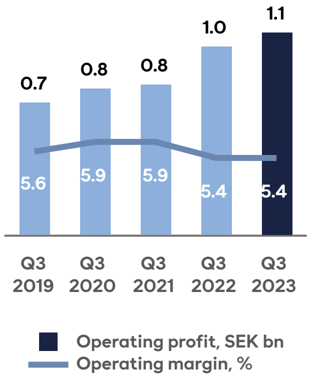
Adjusted operating profit amounted to SEK 2,787 m (2,496), an increase of 11.7%. The adjusted operating margin was 4.6% (4.6).

Net financial items for the period amounted to SEK -236 m (-114), a change mainly attributable to higher interest costs for leasing.

Profit after financial items amounted to SEK 2,373 m (2,485). Profit after tax amounted to SEK 1,841 m (2,017).

Read about the performance of the Willys, Hemköp, Snabbgross and Dagab operating segments on pages 9-12.

Adjusted operating profit and operating margin



Operating profit per segment excluding items affecting comparability

SEK m	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Willys	652	602	8.3%	1,608	1,434	12.2%	2,033	1,859
Hemköp	78	77	0.7%	222	207	7.2%	298	283
Snabbgross	86	90	-4.3%	207	201	3.4%	259	252
Dagab	340	309	9.9%	952	845	12.7%	1,247	1,139
Joint-Group	-59	-62	-4.7%	-203	-191	6.3%	-315	-303
Operating profit excl. items affecting comparability	**1,095**	**1,015**	**7.9%**	**2,787**	**2,496**	**11.7%**	**3,521**	**3,229**
Items affecting comparability[1]	-60	-40		-179	103		-410	-129
Operating profit	**1,036**	**975**	**6.2%**	**2,609**	**2,599**	**0.4%**	**3,111**	**3,101**
Net financial items	-80	-33		-236	-114		-288	-166
Profit after financial items	**956**	**942**	**1.5%**	**2,373**	**2,485**	**-4.5%**	**2,822**	**2,935**

1) See *Note 9 Items affecting comparability* for more information.

Operating margin per segment excluding items affecting comparability

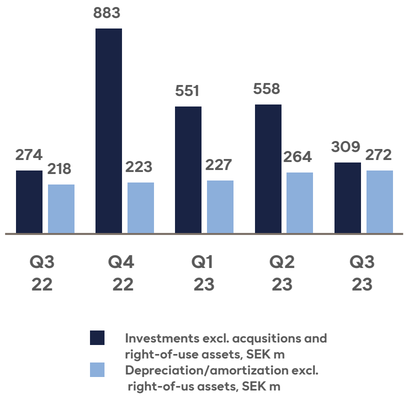
%	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Willys	6.0	6.4	-0.4	5.0	5.3	-0.3	4.7	5.0
Hemköp	4.4	4.8	-0.4	4.1	4.3	-0.2	4.1	4.3
Snabbgross	6.0	6.8	-0.8	5.1	5.6	-0.5	4.9	5.3
Dagab	1.8	1.8	0.0	1.7	1.7	0.0	1.7	1.7
Operating margin excl. items affecting comparability	**5.4**	**5.4**	**0.0**	**4.6**	**4.6**	**0.0**	**4.4**	**4.4**
Operating margin	**5.1**	**5.2**	**-0.1**	**4.3**	**4.8**	**-0.5**	**3.9**	**4.2**

Capital expenditures

Total capital expenditures in intangible assets and property, plant and equipment during the January - September period amounted to SEK 1,417 m (1,709). Of these capital expenditures, SEK 644 m (1,062) pertained to investments in the wholesale operations, of which SEK 388 m (747) related to investments in automation solutions. The year-earlier period also included an investment in land amounting to SEK 79 m. Investments in the retail operations amounted to SEK 461 m (346) and joint-Group and IT investments amounted to SEK 313 m (301).

Investments in right-of-use assets, mainly premises, amounted to SEK 1,428 m (1,216), during the January - September period, of which SEK 390 m (370) pertained to newly acquired assets and SEK 1,038 m (847) pertained to revaluations of existing leases, primarily due to upward indexation and extensions. Of the total investments in leases, SEK 251 m (166) pertained to the wholesale operations, SEK 1,160 m (1,039) pertained to the retail operations and SEK 17 m (11) pertained to joint-Group operations and IT.

Capital expenditures and depreciation/ amortisation



Financial position and cash flow

Cash flow from operating activities amounted to SEK 3,588 m (4,083) during the January - September period. The decrease was mainly due to higher working capital as a result of a parallel warehouse operations connected to the new logistics centre in Bålsta. Paid tax totalled SEK -526 m (-477).

Net capital expenditures had an impact of SEK -1,650 m (-1,872) on cash flow.

Cash flow from financing activities was SEK -1,987 m (-2,650) during January - September.

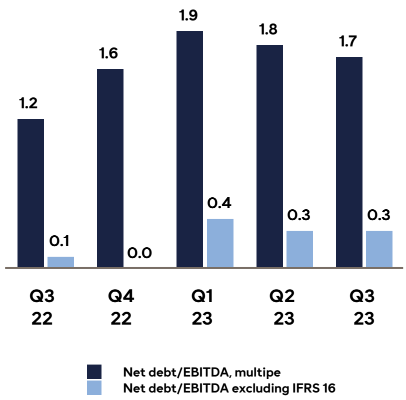
Cash and cash equivalents held by the Group amounted to SEK 510 m compared with SEK 559 m at 31 December 2022.

Interest-bearing liabilities and provisions totalled SEK 10,758 m compared with SEK 9,542 m at 31 December 2022. Interest bearing net debt amounted to SEK 10,247 m compared with SEK 8,982 m at 31 December 2022, which is primarily attributable to loans raised.

The equity ratio was 22.7% compared with 24.1% at 31 December 2022 and 26.4% at 30 September 2022.

Net debt/EBITDA was 1.7 compared with 1.6 at 31 December 2022. Net debt/EBITDA excluding IFRS 16 was 0.3 compared with 0.0 at 31 December 2022.

Net debt/EBITDA



Derivation of total investments and net capital expenditures in cash flow

SEK m	9 mos. 2023	9 mos. 2022
Total capital expenditures	-2,845	-2,926
Investments in leases	1,428	1,216
Divestment of property, plant and equipment/intangible assets	1	1
Acquisitions of financial assets	-241	-135
Acquisitions of operations	-3	10
Divested operations	–	-38
Dividends from joint ventures and associated companies	10	–
Cash flow from investing activities	**-1,650**	**-1,872**

Parent Company

The Parent Company's net sales and other operating income during the January - September period amounted to SEK 302 m (232). After operating expenses of SEK -412 m (-344) and net financial items of SEK 728 m (257) profit after financial items amounted to SEK 618 m (145). Net financial items include SEK 735 m (255) in dividends from subsidiaries.

Investments during the period totalled SEK 5 m (3). The Parent Company had an interest-bearing net receivable of SEK 1,367 m at the end of the quarter, compared with SEK 1,449 m at 31 December 2022. The Parent Company has no significant transactions with related parties, other than transactions with subsidiaries.

Sustainable development

For Axfood, sustainable development is about seeing the whole picture and the relentless pursuit of improvements. Sustainability permeates all operations and encompasses the entire food system, taking into account the environment, animal welfare, and the people who produce, sell and consume food. Axfood will take the lead in promoting a sustainable food system by influencing decision makers, leading the way through its own initiatives and driving important industry issues.

The foundation of these efforts is Axfood's sustainability programme designed to strengthen its operations while contributing to the UN SDGs and Sweden's Environmental Objectives. The sustainability programme is an important governance instrument that includes a sustainability policy and 40 targets.

Food

Axfood strives to make it easier for consumers to make sustainable choices through a broad assortment of sustainability-labelled products.

During the third quarter, the share of sales attributable to sustainability-labelled products remained essentially unchanged compared with the year-earlier period at 26.0% (25.9). The share of sales attributable to organic products declined to 4.4% (5.2). Generally speaking, this change was mainly the result of current inflation, which is a disadvantage for products that are priced slightly higher. However, Hemköp currently has the highest share of sales of organic products in the industry and launched double points on purchases of organic and KRAV-certified food for members of the Klubb Hemköp loyalty programme during the quarter. The share of sales attributable to KRAV-certified meat declined slightly to 2.6% (2.7) while the growth rate for vegetarian protein substitutes was 1.9% (7.9).

Axfood's offering of fish and seafood must come from sustainable stocks and be traceable. The aim is to offer only green-listed and sustainability-certified fish. As part of its strategic work, Axfood has become a long-term partner in the BalticWaters Foundation's investment in a new, unique research laboratory for fish. The laboratory will create the conditions for new research and restocking of endangered fish species in the Baltic Sea.

During the quarter, Garant launched a new quark from cows fed a soy-free diet, with the soy in their feed replaced by rapeseed. Soy is widely used as animal feed and is challenging from a sustainability perspective as expanded cultivation areas risk contributing to rainforest deforestation, which negatively impacts both the climate and biodiversity.

Environment

Axfood is striving to reduce the climate impact of food production as far as possible. The Group's climate targets encompass both its own and suppliers' operations as well as reducing the climate impact per kilo of food sold.

Axfood is working to reduce its climate impact from transports. During the quarter, five older diesel trucks were replaced with five trucks powered by liquid biogas. The CO_2 effect per tonne of delivered goods for the Group's own transports declined to 11.6 CO_2e (11.9).

The Group's annual energy intensity amounted to 238.6 kWh per square metre, a decrease compared to 2022 (276.2). The change is mainly attributable to more large warehouses being included as part of Axfood's central electricity agreement. The store chains are also implementing an action plan developed in 2022 in order to reduce electricity consumption in their own operations.

People

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

Social audits are conducted in all risk countries in order to ensure compliance with Axfood's Code of Conduct among suppliers of private label products. Of the 19 audits conducted by Amfori BSCI during the quarter, 18, or 94.7% (95.5) had acceptable results. Unacceptable results are followed up by developing action plans with measures.

Axfood is committed to diversity and inclusion, and firmly believes that a mix of skills and perspectives produces better results. Gender balance in senior positions is an important part of this work. The share of women in management positions during the quarter was 50.5% (50.6), which was in line with the Group's long-term target.

Sickness-related absence during the third quarter amounted to 5.5% (5.9), which is the lowest level recorded since the corresponding period in 2020. Axfood's target is for sickness-related absence not to exceed 5.3%.

For more information on Axfood's sustainability work and key ratios, see the website and the 2022 Annual and Sustainability Report.

Sustainability key ratios	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Sustainability-labelled products, share of sales, %	26.0	25.9	0.1	26.4	27.1	-0.7	26.1	26.6
Organic products, share of sales, %	4.4	5.2	-0.8	4.6	5.2	-0.6	4.6	5.1
KRAV-certified meat, share of sales, %	2.6	2.7	0.0	2.6	2.9	-0.4	2.5	2.7
Growth in vegetarian protein substitutes, %	1.9	7.9	-6.1	4.2	1.4	2.7	3.8	1.7
Share of approved social audits, %	94.7	95.5	-0.7	95.2	98.5	-3.3	94.4	96.8
Electricity consumption, kWh/m2 (stores and warehouses)	–	–	–	–	–	–	238.6	276.2
CO2e, kg/tonne of goods	11.6	11.9	-0.3	13.2	13.1	0.1	13.2	13.6
Share of women in management positions, %	–	–	–	50.5	50.6	-0.1	–	50.7
Sickness-related absence, %	5.5	5.9	-0.4	6.3	7.1	-0.8	6.4	7.0

Operating segment performance

Willys

Third quarter
Net sales totalled SEK 10,945 m (9,450), an increase of 15.8%.

Growth in retail sales amounted to 15.8%, which was significantly higher than the market. Growth in like-for-like sales amounted to 12.4%. As food price inflation has increased, price value has become increasingly relevant to consumers, resulting in increased customer traffic. Volume growth, pricing and positive mix effects contributed to the Willys chain's strong performance. Within cross-border shopping, Eurocash's sales increased.

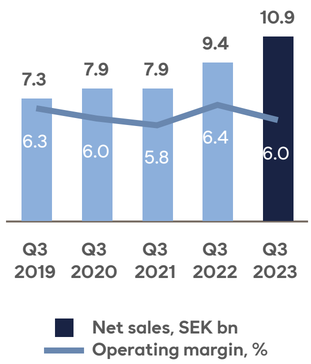
The number of stores in the segment amounted to 239 (230), of which 178 (171) were Willys stores, 54 (52) were Willys Hemma stores and 7 (7) were Eurocash stores. At the end of the quarter, online shopping was offered in 153 (138) stores.

Operating profit increased and totalled SEK 652 m (602), corresponding to an operating margin of 6.0% (6.4). The increase in operating profit was primarily attributable to the strong growth in like-for-like sales and effective cost control. Price increases by suppliers were not fully reflected in prices for consumers, which had a negative effect on the gross margin. Operating profit was negatively impacted by increased market investments, higher personnel costs and increased rental levels.

January - September
Willy´s net sales for the period totalled SEK 32,432 m (27,071), an increase of 19.8% compared with the corresponding period during the prior year. Willys growth in retail sales was 19.8%. Operating profit amounted to SEK 1,608 m (1,434) and the operating margin was 5.0% (5.3).

With the business concept of offering Sweden's cheapest bag of groceries, Willys is the country's leading discount grocery chain, offering a broad assortment both in Group-owned stores and online. The Willys operating segment includes the concepts Willys, Willys Hemma, the partly owned cross-border grocery chain Eurocash and a minority stake in the City Gross hypermarket chain.

Net sales and operating margin



Willys key ratios	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Net sales, SEK m	10,945	9,450	15.8%	32,432	27,071	19.8%	42,813	37,451
Operating profit, SEK m	652	602	8.3%	1,608	1,434	12.2%	2,033	1,859
Operating margin, %	6.0	6.4	-0.4	5.0	5.3	-0.3	4.7	5.0
Retail sales, SEK m	10,951	9,453	15.8%	32,440	27,079	19.8%	42,818	37,458
Like-for-like sales growth, %	12.4	18.3	-5.9	16.6	11.1	5.5	–	13.5
Number of stores	–	–	–	239	230	9	–	232
of which, Wilys	–	–	–	*178*	*171*	*7*	–	*173*
of which, Willys Hemma	–	–	–	*54*	*52*	*2*	–	*52*
of which, Eurocash	–	–	–	*7*	*7*	–	–	*7*
Stores offering online shopping	–	–	–	153	138	15	–	149
Private label products, share of sales, %	33.6	32.9	0.7	34.2	32.9	1.3	33.9	33.1
Sustainability-labelled products, share of sales %	27.5	26.6	0.9	28.0	28.0	0.0	27.7	27.4
Average number of employees	–	–	–	7,126	6,732	394	–	6,669
Share of women in management positions, %[1)]	–	–	–	62.4	60.4	2.0	–	60.6
Sickness-related absence. %	5.3	5.7	-0.4	6.2	7.0	-0.8	6.2	6.8

1) The definition of "Share of women in management positions" has been revised to also include team managers. Comparison figures have been restated.

Hemköp

Third quarter
Net sales (including franchise fees) amounted to SEK 1,779 m (1,608), an increase of 10.6%.

Growth in retail sales (including Tempo) amounted to 7.6%, which is more than the market and significantly higher than the rate of growth in the traditional grocery segment. Growth in like-for-like sales amounted to 6.4%. Hemköp is continuing to strengthen its position by focusing on sustainability and price value, and investing in the modernisation of existing stores. The development of Hemköp stores was better than the development of Tempo stores.

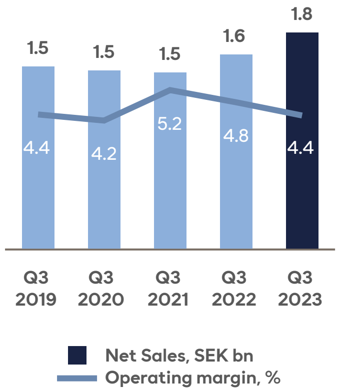
The number of stores in the segment amounted to 332 (332), of which 65 (64) were Group-owned Hemköp stores, 136 (137) were retailer-owned Hemköp stores and 131 (131) were retailer-owned Tempo stores. At the end of the quarter, online shopping was offered in 68 (68) stores.

Operating profit totalled SEK 78 m (77), corresponding to an operating margin of 4.4% (4.8). The increase in operating profit was primarily attributable to the growth in like-for-like sales and effective cost control. Price increases by suppliers were not fully reflected in prices for consumers, which had a negative effect on the gross margin. Operating profit was negatively impacted by increased market investments, higher personnel costs and increased rental levels.

January - September
Net sales for Group-owned Hemköp stores (including franchise fees) for the period totalled SEK 5,456 m (4,858), an increase of 12.3%. Growth in retail sales (including Tempo) amounted to 9.6%. Operating profit totalled SEK 222 m (207), corresponding to an operating margin of 4.1% (4.3).

Hemköp offers a broad, attractively priced assortment with a rich offering of fresh product. 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.

Net sales and operating margin



Hemköp key ratios	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Net sales, SEK m	1,779	1,608	10.6%	5,456	4,858	12.3%	7,248	6,650
Operating profit, SEK m	78	77	0.7%	222	207	7.2%	298	283
Operating margin, %	4.4	4.8	-0.4	4.1	4.3	-0.2	4.1	4.3
Retail sales, SEK m	4,923	4,573	7.6%	14,756	13,462	9.6%	19,557	18,263
Like-for-like sales growth, %	6.4	6.4	0.0	8.1	3.8	4.3	–	4.5
Number of stores	–	–	–	332	332	–	–	332
of which, Group-owned Hemköp/Tempo stores	–	–	–	*65*	*64*	*1*	–	*64*
of which, retailer-owned Hemköp stores	–	–	–	*136*	*137*	*-1*	–	*137*
of which, retailer-owned Tempo stores	–	–	–	*131*	*131*	–	–	*131*
Hemköp stores offering online shopping	–	–	–	68	68	–	–	68
Private label products, share of sales, %	26.6	25.6	1.0	27.3	26.3	1.0	26.9	26.2
Sustainability-labelled products, share of sales %	26.6	26.8	-0.2	26.7	27.5	-0.8	26.4	27.0
Average number of employees	–	–	–	1,667	1,646	21	–	1,632
Share of women in management positions, %[1]	–	–	–	51.0	50.7	0.2	–	49.4
Sickness-related absence. %	5.6	5.5	0.1	6.1	6.7	-0.6	6.2	6.7

1) The definition of "Share of women in management positions" has been revised to also include team managers. Comparison figures have been restated.

Snabbgross

Third quarter
Net sales totalled SEK 1,437 m (1,324), an increase of 8.6% which was more than the market. Growth in like-for-like sales amounted to 7.4%. Developments in newly established stores and sales to consumers through the member-based Snabbgross Club store concept contributed to this growth.

The number of stores in the segment amounted to 30 (29), of which 25 (26) were Snabbgross stores and 5 (3) were Snabbgross Club stores. In addition to establishments of new Snabbgross Club stores, existing stores are being converted to the concept on an ongoing basis.

Operating profit amounted to SEK 86 m (90), corresponding to an operating margin of 6.0% (6.8). The positive earnings effect of the growth in like-for-like sales was offset by costs related to new store establishments, increased personnel costs and higher rental levels.

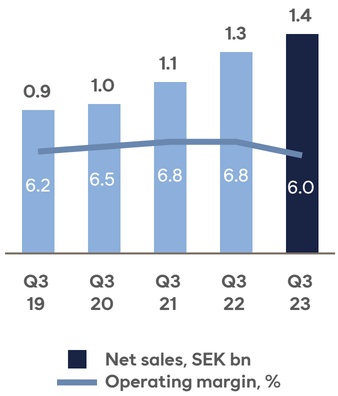
January - September

Net sales for the period was SEK 4,072 m (3,557), an increase of 14.5%.

Operating profit for the period amounted to SEK 207 m (201) and the operating margin was 5.1% (5.6).

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.

Net sales and operating margin



Snabbgross key ratios	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Net sales, SEK m	1,437	1,324	8.6%	4,072	3,557	14.5%	5,242	4,727
Operating profit, SEK m	86	90	-4.3%	207	201	3.4%	259	252
Operating margin, %	6.0	6.8	-0.8	5.1	5.6	-0.5	4.9	5.3
Wholesale sales, SEK m	1,442	1,329	8.5%	4,087	3,571	14.4%	5,264	4,748
Like-for-like sales growth, %	7.4	12.9	-5.5	12.2	21.6	-9.4	–	20.1
Number of stores	–	–	–	30	29	1	–	29
of which, Snabbgross	–	–	–	*25*	*26*	*-1*	–	*24*
of which, Snabbgross Club	–	–	–	*5*	*3*	*2*	–	*5*
Sustainability-labelled products, share of sales %	18.9	18.3	0.7	19.1	18.8	0.3	19.0	18.8
Average number of employees	–	–	–	577	530	47	–	524
Share of women in management positions, %[1]	–	–	–	41.1	37.3	3.8	–	40.7
Sickness-related absence. %	5.7	6.5	-0.8	6.4	7.4	-1.0	6.7	7.5

1) The definition of "Share of women in management positions" has been revised to also include team managers. Comparison figures have been restated.

Dagab

Third quarter
Net sales totalled SEK 18,410 m (16,971), an increase of 8.5%. The growth in net sales was mainly attributable to the increase in sales to food retail stores.

Operating profit amounted to SEK 280 m (253), corresponding to an operating margin of 1.5% (1.5). Operating profit includes items affecting comparability of SEK -60 m (-56), which pertained entirely to parallel warehouse operation during the transition to the new logistics centre in Bålsta.

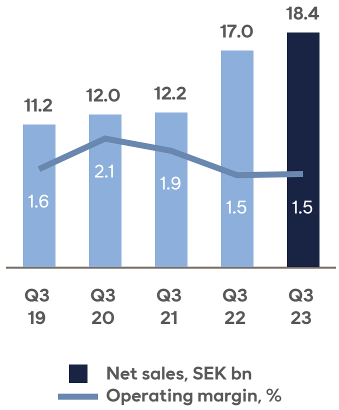
Adjusted operating profit amounted to SEK 340 m (309) and the adjuster operating profit was 1.8% (1.8). The higher operating profit was primarily attributable to strong growth. The higher operating profit was primarily attributable to favourable growth. Operating profit was impacted by negative currency effects, which were offset by synergy effects from the acquisition of Bergendahls Food.

The work on the Group's new warehouse and logistics structure is proceeding. The scale-up of the new logistics centre in Bålsta continued during the third quarter, with significantly higher delivery volumes of products from the dry assortment. The refrigerated area of the facility was put into operation at the end of the quarter, and the first deliveries were made in mid-October.

January - September
Net sales for the period totalled SEK 55,167 m (48,780), an increase of 13.1%. Operating profit amounted to SEK 773 m (915), corresponding to an operating margin of 1.4% (1.9). Operating profit includes items affecting comparability of SEK -179 m (70), which pertained entirely to parallel warehouse operation during the transition to the new logistics centre in Bålsta. In the year-earlier period, items affecting comparability included a capital gain of SEK 221 m for the divestment of Mat.se.

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 meal kit company Middagsfrid, the online pharmacy Apohem and the restaurant chain Urban Deli.

Net sales and operating margin



Dagab key ratios	Q3 2023	Q3 2022	Change	9 mos. 2023	9 mos. 2022	Change	R12	Full-year 2022
Net sales SEK m	18,410	16,971	8.5%	55,167	48,780	13.1%	73,387	66,999
Operating profit, SEK m	280	253	10.4%	773	915	-15.5%	836	978
Operating profit excl. items affecting comparability, SEK m[1]	340	309	9.9%	952	845	12.7%	1,247	1,139
Operating margin, %	1.5	1.5	0.0	1.4	1.9	-0.5	1.1	1.5
Operating margin excl. items affecting comparability, %[1]	1.8	1.8	0.0	1.7	1.7	0.0	1.7	1.7
Average number of employees	–	–	–	3,354	3,432	-78	–	3,438
Share of women in management positions, %[2]	–	–	–	28.5	29.9	-1.4	–	28.8
Sickness-related absence. %	6.1	6.7	-0.6	7.0	8.1	-1.0	7.6	7.9

1) See *Note 9 Items affecting comparability* for more information.
2) The definition of "Share of women in management positions" has been revised to also include team managers. Comparison figures have been restated.

Other information

Long-term targets and capital expenditures 2023

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 is to be at least 50% of profit after tax. The dividend is to be paid out on two occasions.

Investments in 2023 are expected to amount to between SEK 1,800 m and SEK 1,900 m, excluding acquisitions and right-of-use assets, of which approximately SEK 400 m pertains to the new logistics centre in Bålsta outside Stockholm and SEK 170 m pertains to the nationwide warehouse for fruits and vegetables in Landskrona (the majority of which concerns automation).

During 2023, Axfood plans to speed up its rate of expansion by establishing 10–15 new stores.

Costs affecting comparability of approximately SEK 250 m are expected to be charged against Axfood's operating profit for 2023 in order to ensure stable operation and a transition to the new logistics centre in Bålsta outside Stockholm. The investments are expected to result in SEK 200-300 m in annual efficiency improvements beginning in the second half of 2024, which will then increase to SEK 300-400 m at full capacity.

Nominating Committee

Ahead of the 2024 AGM and in accordance with the applicable instructions for Axfood's Nominating Committee, the following Nominating Committee has been appointed. The Nominating Committee consists of Marie Ehrling (Axel Johnson AB), Caroline Sjösten (Swedbank Robur Fonder), Sussi Kvart (Handelsbanken Fonder) and Hjalmar Ek (Lannebo Fonder). Marie Ehrling is the Chairman of the Nominating Committee. Axfood's Chairman, Mia Brunell Livfors, is a co-opted member of the Nominating Committee. Shareholders who wish to submit proposals to the Nominating Committee ahead of the AGM can do so by emailing valberedning@axfood.se. In order for the Nominating Committee to be able to address submitted proposals in a constructive manner, proposals must be received in due time before the AGM.

2024 Annual General Meeting

Axfood's Annual General Meeting (AGM) will be held on 20 March 2024 in Stockholm. All AGM documentation including the Annual and Sustainability Report will be available on the Company's website not later than three weeks before the AGM. The documents will be available at the Company's head offices and can be sent by post to shareholders who so request and provide their postal address.

Stockholm, 25 October 2023

Klas Balkow,
President and CEO

Auditor’s review report

To the Board of Directors of Axfood AB (publ)
Corporate registration number 556542-0824

Introduction

We have reviewed the interim report for Axfood AB (publ) for the period 1 January 2023–30 September 2023. The Board of Directors and the President are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that we would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion based on an audit.

Conclusion

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

Stockholm, 25 October 2023
Deloitte AB

Didrik Roos
Authorised Public Accountant

Financial statements, Group

Condensed statement of profit or loss and other comprehensive income, Group

SEK m	Q3 2023	Q3 2022	9 mos. 2023	9 mos. 2022	R12	Full-year 2022
Net sales	20,293	18,674	60,342	53,735	80,082	73,474
Cost of goods sold[1)]	-17,471	-16,006	-51,876	-46,131	-69,136	-63,392
Gross profit	**2,822**	**2,668**	**8,466**	**7,603**	**10,946**	**10,083**
Selling expenses[1)]	-945	-866	-2,952	-2,671	-3,902	-3,620
Administrative expenses[1)]	-1,023	-1,006	-3,396	-3,042	-4,593	-4,239
Share of profit in associated companies and joint ventures	-16	-11	-39	-39	-66	-66
Other operating income[1)]	203	195	545	809	770	1,034
Other operating expenses[1)]	-5	-6	-15	-62	-45	-92
Operating profit	**1,036**	**975**	**2,609**	**2,599**	**3,111**	**3,101**
Interest income and similar profit/loss items	21	7	44	11	59	26
Interest expense and similar profit/loss items	-100	-41	-280	-125	-347	-193
Profit before tax	**956**	**942**	**2,373**	**2,485**	**2,822**	**2,935**
Tax	-219	-197	-532	-468	-629	-564
Net profit for the period	**738**	**745**	**1,841**	**2,017**	**2,194**	**2,370**
Other comprehensive income						
Items that cannot be reclassified to profit or loss for the period, net after tax						
Revaluation defined benefit pensions	2	9	7	26	51	70
Changes in holdings measured at fair value[2)]	—	-635	-273	-635	-273	-635
Items that can be reclassified to profit or loss for the period, net of tax						
Changes in hedging reserve	-29	22	-48	82	-44	86
Other comprehensive income for the period	**-27**	**-604**	**-315**	**-528**	**-266**	**-479**
Total comprehensive income for the period	**711**	**141**	**1,526**	**1,489**	**1,928**	**1,892**
Net profit for the period attributable to						
Owners of the parent	729	735	1,835	2,011	2,185	2,360
Non-controlling interest	9	10	5	6	9	10
Total comprehensive income for the period attributable to						
Owners of the parent	702	130	1,521	1,483	1,919	1,882
Non-controlling interest	9	10	5	6	9	10
Earnings per share before dilution, SEK	3.38	3.40	8.50	9.43	10.12	11.04
Earnings per share after dilution, SEK	3.36	3.39	8.46	9.39	10.08	10.99

1) Includes items affecting comparability, see *Note 9 Items affecting comparability* for more information.
2) See *Note 5 Financial assets and liabilities* for more information.

Condensed statement of financial position, Group

SEK m	30 Sep 2023	30 Sep 2022	31 Dec 2022
Assets			
Goodwill	3,606	3,406	3,526
Other intangible assets	1,414	1,451	1,464
Property, plant and equipment	5,821	4,731	5,294
Right-of-use assets	8,955	6,332	9,025
Financial assets	611	617	598
Deferred tax assets	258	301	253
Total non-current assets	**20,665**	**16,837**	**20,159**
Inventories	4,237	3,520	3,839
Trade receivables	2,337	2,092	2,143
Other current assets	1,613	1,577	1,917
Cash and cash equivalents	510	295	559
Assets held for sale	–	46	–
Total current assets	**8,696**	**7,529**	**8,459**
Total assets	**29,361**	**24,367**	**28,618**
Equity and liabilities			
Equity attributable to owners of the parent	6,353	6,194	6,609
Equity attributable to non-controlling interests	298	230	292
Total equity	**6,651**	**6,424**	**6,901**
Non-current lease liabilities	7,312	4,785	7,388
Provisions for pensions	265	329	292
Deferred tax liabilities	1,278	1,191	1,289
Other non-current liabilities	7	30	6
Total non-current liabilities	**8,862**	**6,335**	**8,975**
Current lease liabilities	1,711	1,548	1,662
Current interest-bearing liabilities	1,469	502	200
Trade payables	7,138	6,389	7,190
Other current liabilities	3,529	3,169	3,691
Total current liabilities	**13,848**	**11,608**	**12,743**
Total equity and liabilities	**29,361**	**24,367**	**28,618**

Condensed statement of cash flows, Group

SEK m	Q3 2023	Q3 2022	9 mos. 2023	9 mos. 2022	R12	Full-year 2022
Operating activities						
Operating profit	1,036	975	2,609	2,599	3,111	3,101
Adjustments for non-cash items	26	35	101	-146	122	-125
Depreciation, amortisation, impairment	758	642	2,214	1,930	2,900	2,615
Interest paid	-101	-38	-280	-116	-331	-167
Interest received	23	3	44	5	51	12
Paid tax	-142	-151	-526	-477	-617	-568
Changes in working capital	-178	21	-574	289	195	1,058
Cash flow from operating activities	**1,423**	**1,487**	**3,588**	**4,083**	**5,432**	**5,927**
Investing activities						
Acquisitions of operations	–	–	-3	10	-3	10
Acquisitions of intangible assets	-79	-52	-322	-207	-489	-374
Acquisitions of property, plant and equipment	-229	-222	-1,095	-1,503	-1,811	-2,219
Acquisitions of financial assets	–	-14	-241	-135	-262	-156
Other changes in investing activities	1	2	11	-37	9	-39
Cash flow from investing activities	**-307**	**-286**	**-1,650**	**-1,872**	**-2,556**	**-2,778**
Financing activities						
Issue of shares	–	–	–	1,485	–	1,485
Loans raised	1,154	302	3,339	463	3,539	663
Amortisation of debt	-1,199	-726	-3,508	-2,837	-4,441	-3,770
Shareholder contribution from minority owners	–	–	–	–	59	59
Share repurchases	–	–	-59	-115	-59	-115
Dividend paid out	-863	-810	-1,759	-1,646	-1,759	-1,646
Cash flow from financing activities	**-908**	**-1,235**	**-1,987**	**-2,650**	**-2,661**	**-3,324**
Cash flow for the period	**208**	**-34**	**-49**	**-439**	**215**	**-175**

Condensed statement of changes in equity, Group

SEK m	30 Sep 2023	30 Sep 2022	31 Dec 2022
Amount at start of year	6,901	5,176	5,176
Total comprehensive income for the period	1,526	1,489	1,892
Change in non-controlling interests	–	–	0
Rights issue[1]	–	1,485	1,485
Share repurchases	-59	-115	-115
Share-based payments	42	34	50
Shareholder contribution from minority owners	–	–	59
Dividend to shareholders	-1,759	-1,646	-1,646
Amount at end of period	**6,651**	**6,424**	**6,901**

1) See *Note 8 Equity* for more information

Financial statement, Parent Company

Condensed income statement, Parent Company

SEK m	Q3 2023	Q3 2022	9 mos. 2023	9 mos. 2022	Full-year 2022
Net sales	5	2	16	6	8
Selling and administrative costs	-134	-117	-412	-344	-514
Other operating income	95	73	286	226	301
Operating profit	**-33**	**-42**	**-110**	**-112**	**-205**
Net financial items	-2	2	728	257	260
Profit/loss after financial items	**-35**	**-40**	**618**	**145**	**56**
Appropriations, net	–	–	–	–	2,154
Profit before tax	**-35**	**-40**	**618**	**145**	**2,209**
Tax	-1	7	11	19	-410
Net profit for the period	**-36**	**-33**	**629**	**164**	**1,799**

Net profit/loss for the period corresponds to total comprehensive income for the period.

Condensed balance sheet, Parent Company

SEK m	30 Sep 2023	30 Sep 2022	31 Dec 2022
Assets			
Property, plant and equipment	29	34	33
Participations in Group companies	4,412	4,319	4,389
Other financial assets	1	1	1
Deferred tax assets	7	8	8
Total non-current assets	**4,449**	**4,362**	**4,431**
Receivables from Group companies[1]	5,608	3,975	6,244
Other current assets	424	351	28
Cash and cash equivalents	4	11	96
Total current assets	**6,036**	**4,338**	**6,368**
Total assets	**10,485**	**8,700**	**10,799**
Equity and liabilities			
Restricted equity	296	296	296
Non-restricted equity	2,915	2,411	4,062
Total equity	**3,211**	**2,708**	**4,358**
Untaxed reserves	**3,661**	**3,847**	**3,661**
Provisions	**1**	**6**	**6**
Non-current liabilities	**8**	**9**	**8**
Current interest-bearing liabilities	1,469	502	200
Trade payables	18	12	18
Liabilities to Group companies[2]	2,025	1,823	2,363
Other current liabilities	91	154	186
Total current liabilities	**3,604**	**2,490**	**2,767**
Total equity and liabilities	**10,485**	**8,700**	**10,799**
1) Of which, interest-bearing receivables	4,858	3,936	3,849
2) Of which, interest-bearing liabilities	2,024	1,823	2,291

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 2022 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.

New accounting policies effective in 2023 and later
Axfood has determined that new or amended standards and interpretations do not and will not 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 holiday season during the fourth quarter.

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. Climate and environmental risks are included in operational risks. In recent years, the risk scenario has been impacted by a number of external factors, such as the spread of the Covid-19 pandemic and the war in Ukraine. 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 liability and trust risks. 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 2022 Annual and Sustainability Report.

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. During the second quarter, a company was acquired from Axel Johnson AB. The acquisition is not considered material.

Electricity support for businesses
In the second quarter, the government decided on electricity support for businesses. For businesses that are part of an associate enterprise, electricity support for the entire associate enterprise may amount to a maximum of SEK 20 m. Since Axfood is part of the Axel Johnson Group, Axfood has received its proportional share of the associate enterprise's total electricity support, which for Axfood amounted to SEK 16 m. The support is recognised as other revenue in each segment in the third quarter.

Note 3 Operating segments

Segments have been defined based on how Axfood's Executive Committee monitors and governs the operations to evaluate performance and allocate resources. The operating segments that have been identified are Willys, Hemköp, Snabbgross and Dagab. Joint-Group pertains to support functions, such as the Executive Committee, Accounting, Legal Affairs, HR, Communications, Business Development 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 9-12 of this interim report. For a more detailed description of the segments, please refer to the 2022 Annual and Sustainability Report.

Note 4 Acquired and divested operations

No significant acquisitions or divestment took place in the third quarter 2023.

Note 5 Financial assets and liabilities

Financial assets measured at fair value amounted to SEK 147 m (271). SEK 14 m (66) is attributable to Level 2 of the fair value hierarchy and SEK 134 m (206) is attributable to Level 3. Financial liabilities measured at fair value amounted to SEK 35 m (0). The entire amount is attributable to Level 2 of the fair value hierarchy.

The carrying amount of the call option agreement entered into with City Gross in conjunction with the acquisition amounted to SEK 0 m (0). The call option agreement is recognised at fair value based on an assessment of the change in City Gross's future sales and earnings performance.

The carrying amount of the participation in Mathem amounted to SEK 134 m (206). Carrying amount of the participation in Mathem amounted to SEK 134 m at the beginning of the quarter. Axfood's shareholding in Mathem amounted to 18.5% (16.5). The valuation corresponds to an EV/sales multiple of 0.3x based on Mathem's LTM sales as of 30 June 2023. A 10% increase in the multiple would have resulted in a valuation of SEK 146 m, while a corresponding reduction of the multiple would have resulted in a valuation of SEK 122 m.

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.

Changes in the fair value of financial assets attributable to Level 3, SEK m

Amount at start of year	**206**
Convertible loans	101
Revaluation via other comprehensive income	-273
Conversion of convertible loans/issue of convertibles	17
New issue	83
Amount at end of period	**134**

Note 6 Pledged assets and contingent liabilities

Group, SEK m	30 Sep 2023	30 Sep 2022	31 Dec 2022
Pledged assets	–	–	–
Contingent liabilities	19	20	20

Parent Company, SEK m	30 Sep 2023	30 Sep 2022	31 Dec 2022
Pledged assets	–	–	–
Contingent liabilities	256	244	256

Note 7 Long-term share-based incentive programmes

The 2023 AGM resolved to adopt a new long-term share-based incentive programme that runs over a three-year period, LTIP 2023. The programme corresponds in all essential respects to LTIP 2022, with the exception that the number of savings shares that may be allocated has been reduced to the number of shares that applied for LTIP 2021 and the reference group of companies for measuring the share price performance has been adjusted for a delisted share.

To secure the Company´s obligations under LTIP 2023, Axfood repurchased 155,000 shares for a total of SEK 37 m during the second quarter of 2023, at an average price of SEK 239.53 per share.

The holding of treasury shares amounts to 1,065,652 shares, which is sufficient to secure the delivery of shares for all the Company´s incentive programmes.

For more information about incentive programmes, see Axfood's 2022 Annual and Sustainability Report.

Note 8 Equity

A rights issue was carried out during the second quarter of 2022. The rights issue comprised 6,972,528 shares, and Axfood received SEK 1,499 m from the rights issue before issue costs. The number of registered shares is 216,843,240 after the rights issue.

Change in number of shares and share capital

	Number of shares	Share capital, SEK
1 January 2022	209,870,712	262,338,390
Rights issue 2022	6,972,528	8,715,660
31 December 2022	**216,843,240**	**271,054,050**

Note 9 Items affecting comparability

Items affecting comparability in the third quarter of 2023 amounted to SEK -60 m and cumulative items affecting comparability amounted to SEK -179 m. Items affecting comparability pertained entirely to parallel warehouse operations within Dagab. The costs mainly included premises and personnel costs and were entirely attributable to the transition to the new logistics centre in Bålsta. The costs are included in cost of goods sold.

Items affecting comparability in the third quarter of 2022 comprised integration costs, structural costs and a repayment from Fora/Afa. Cumulative items affecting comparability also included a capital gain. Integration costs totalled SEK -16 m during the quarter and cumulative integration costs totalled SEK -74 m. The costs pertained entirely to the integration of Bergendahls Food and were included in other operating expenses. Structural costs in the quarter amounted to SEK -40 m and cumulative structural costs amounted to SEK -77 m. Structural costs pertained to costs connected with the restructuring of Dagab's logistics operations and were included in cost of goods sold. The capital gain of a cumulative SEK 221 m pertained to earnings from the divestment of Mat.se, which was recognised in other operating income. Fora/Afa amounted to SEK 16 m in the quarter and cumulative Fora/Afa amounted to SEK 33 m and pertained to a repayment from Fora/Afa employer's liability. The revenue was included in other operating income.

	Segment	Q3 2023	Q3 2022	9 mos. 2023	9 mos. 2022	R12	Full-year 2022
Parallel warehouse operations	Dagab	-60	–	-179	–	-179	–
Integration costs	Dagab	–	-16	–	-74	-46	-120
Structural costs	Dagab	–	-40	–	-77	-186	-263
Capital gain	Dagab	–	–	–	221	–	221
Fora/Afa	Joint-Group	–	16	–	33	–	33
Total		**-60**	**-40**	**-179**	**103**	**-410**	**-129**

Note 10 Significant events after the balance sheet date

Hans Bax was recruited as the new Managing Director of Dagab and effective 1 February 2024 will succeed Nicholas Pettersson, who will take on the role as Managing Director of Willys on the same date.

The Nominating Committee of Axfood proposes that Thomas Ekman be appointed new Chairman of the Board at the Annual General Meeting in 2024. Axfood's current Chairman, Mia Brunell Livfors, has declined re-election.

Key ratios

Change in store structure

Number of stores	Dec 2022	New establishment/ acquisitions	Sales/ closures	Conversions	Sep 2023	Sep 2022
Willys/Willys Hemma/Eurocash	232	7	–	–	239	230
Hemköp/Tempo, Group-owned stores	64	1	-1	1	65	64
Snabbgross/Snabbgross Club	29	1	–	–	30	29
Total, Group-owned stores	**325**	**9**	**-1**	**1**	**334**	**323**
Hemköp, retailer-owned stores	137	2	-2	-1	136	137
Tempo, retailer-owned stores	131	2	-2	–	131	131
Total, retailer-owned stores	**268**	**4**	**-4**	**-1**	**267**	**268**
Total, Group-owned and retailer-owned stores	**593**	**13**	**-5**	**0**	**601**	**591**

Key ratios and other data, Group

	9 mos. 2023	9 mos. 2022	Full-year 2022
Operating margin, %	4.3	4.8	4.2
Operating margin excl. items affecting comparability, %	4.6	4.6	4.4
Equity ratio, %	22.7	26.4	24.1
Net debt (+)/net receivable (-), SEK m	10,247	6,868	8,982
Net debt (+)/net receivable (-) excl. IFRS 16, SEK m	1,224	536	-68
Net debt/EBITDA, multiple	1.7	1.2	1.6
Net debt/EBITDA excl. IFRS 16, multiple	0.3	0.1	0.0
Net debt-equity ratio (+)/net receivable-equity ratio (-), multiple	1.5	1.1	1.3
Net debt-equity ratio (+)/net receivable-equity ratio (-), excl. IFRS 16, multiple	0.2	0.1	0.0
Capital employed, SEK m	17,408	13,588	16,442
Return on capital employed R12, %	20.5	25.8	20.9
Return on equity R12, %	34.8	49.9	40.8
Average number of employees during the year	13,269	12,834	12,772
Total capital expenditures, SEK m	2,845	2,926	6,967
Investments in intangible assets and in property, plant and equipment, SEK m	1,417	1,709	2,593
Depreciation/amortisation, SEK m	-2,214	-1,930	-2,580
Number of shares outstanding at end of period	215,777,588	215,805,384	215,805,384
Average number of shares outstanding before dilution	215,805,142	212,221,661	213,117,592
Average number of shares outstanding after dilution	216,835,622	213,100,288	214,036,026
Key data per share			
Earnings per share before dilution, SEK	8.50	9.43	11.04
Earnings per share before dilution excl. items affecting comparability, SEK	9.16	8.89	11.36
Earnings per share after dilution, SEK	8.46	9.39	10.99
Ordinary dividend per share, SEK[1]	–	–	8.15
Equity per share, SEK	29.44	28.70	30.62
Cash flow per share, SEK	-0.23	-2.07	-0.82

1) Paid out on two occasions.

Quarterly overview, Group

SEK m	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Net sales	20,293	20,797	19,252	19,740	18,674	18,468	16,593	17,062
Operating profit	1,036	878	695	502	975	789	835	739
Operating profit excl. items affecting comparability	1,095	942	750	734	1,015	828	653	653
Operating margin, %	5.1	4.2	3.6	2.5	5.2	4.3	5.0	4.3
Operating margin excl. items affecting comparability, %	5.4	4.5	3.9	3.7	5.4	4.5	3.9	3.8
Net profit for the period	738	631	472	353	745	590	682	608
Earnings per share before dilution, SEK[1)]	3.38	2.93	2.20	1.62	3.40	2.75	3.27	2.90
Earnings per share before dilution excl. items affecting comparability, SEK[1)]	3.60	3.16	2.40	2.47	3.55	2.90	2.43	2.57
Cash flow from operating activities	1,423	1,684	481	1,844	1,487	1,167	1,429	1,288
Cash flow from operating activities per share, SEK	6.59	7.80	2.23	8.54	6.89	5.51	6.83	6.16
Return on capital employed R12, %	20.5	20.6	20.3	20.9	25.8	26.4	26.5	22.4
Return on equity R12, %	34.8	37.4	47.1	40.8	49.9	51.3	65.5	46.3
Equity per share, SEK	29.44	26.11	23.44	30.62	28.70	28.15	19.35	23.68
Total capital expenditures	594	835	1,417	4,046	544	1,247	1,135	929
Investments in intangible assets and property, plant and equipment	309	558	551	883	274	904	531	616
Depreciation/amortisation	-758	-756	-700	-651	-642	-644	-644	-634
Items affecting comparability	-60	-64	-55	-232	-40	-39	182	86
Net debt (+)/net receivable (-)	10,247	10,226	10,889	8,982	6,868	7,005	8,225	7,640
Share price, SEK	250.40	228.20	253.20	285.90	254.90	294.30	306.20	260.40

1) Comparison figures were restated for the bonus issue element of the rights issue that was completed in the second quarter of 2022.

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.

Reconciliation of EBITDA

SEK m	Q3 2023	Q3 2022	9 mos. 2023	9 mos. 2022	R12	Full-year 2022
Operating profit	**1,036**	**975**	**2,609**	**2,599**	**3,111**	**3,101**
Depreciation, amortisation, impairment	758	642	2,214	1,930	2,900	2,615
EBITDA	**1,794**	**1,617**	**4,823**	**4,528**	**6,010**	**5,716**
IFRS 16 Lease fees	-553	-461	-1,638	-1,373	-2,169	-1,904
EBITDA excl. IFRS 16	**1,241**	**1,157**	**3,185**	**3,155**	**3,842**	**3,812**

For reconciliation of additional key ratios, see Axfood´s Website, axfood.com.

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.

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.

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 and glossary

Average number of employees: Total number of hours worked divided by the number of hours worked per year of 1,920.

Joint-Group: Pertains to support functions, such as the Executive Committee, Finance/Accounting, 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 and Hemköp retailer-owned stores.

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

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

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

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

Electricity consumption in stores and warehouses: Reported as the number of kilowatt hours (kWh) of purchased electricity used per square metre (sq. m.). The selection includes electricity consumption under joint contracts for a total of 303 of Axfood's Group-owned stores and ten warehouses. The number of square metres corresponds to the total area of all stores and warehouses in the selection. Reported data is presented on a rolling 12-month basis. As of the first quarter of 2023, more warehouses are included in the calculation since they are now encompassed by Axfood's central power purchase agreement. Comparison figures have not been restated.

Emissions from own transports: Emissions (kg CO_2e) from purchased fuel (litres) in relation to total transported goods (tonnes) between warehouses and stores. Reported data pertains only to goods delivered by own transports. Reported data for the quarter and accumulated are presented with a one-month lag.

Gender equality: The share of women in management positions at the end of the current period. Management positions are defined as employed managers with employee responsibility, including the Executive Committee. As of the first quarter of 2023, the key ratio has been redefined to also include team managers. Comparison figures have been restated. Reported data is presented on a rolling 12-month basis.

Growth in vegetarian protein substitutes: Percentage change in sales of vegetarian protein substitutes compared with the year-earlier period. Vegetarian protein substitutes include refrigerated and frozen items. The selection includes Group-owned stores in the Willys, Eurocash, Hemköp and Snabbgross store chains.

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

Share of approved social audits: Share of social audits where the supplier received a score of A, B or C on a scale of A to E, where A is without remarks and E is unacceptable. Social audits comprise on-site visits and inspections to ensure suppliers fulfil the requirements of Axfood's Code of Conduct. The selection includes on-site visits carried out by the organisation Amfori BSCI.

Sickness-related absence: The number of reported hours of sickness-related absence in relation to scheduled work time. The selection includes active employees in Axfood. Active employees pertains to all employees in the Group except for employees of Urban Deli AB and Hall Miba AB. Internal consultants and employees on parental leave or leave of absence are not included. Sickness-related absence for the third quarter pertains to time worked during the June–August period.

Sustainability-labelled products share of sales: Sales from sustainability-labelled products with a valid country of origin marking as a percentage of Axfood's total food sales. The selection includes Group-owned stores in the Willys, Eurocash, Hemköp and Snabbgross store chains.

About Axfood

Axfood is a leader in food retail in Sweden and a family of different concepts in collaboration. Axfood has more than 13,000 employees (FTEs) and net sales of approximately SEK 80 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.

Purpose
Better quality of life for everyone.

Vision
A leader in affordable, good and sustainable food.

Business concept
A family of different concepts in collaboration.

Business model and strategy

Axfood's business model covers purchasing and assortment, 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. Axfood pursues a strategy of growth-promoting and efficiency enhancing priorities. The strategy is built on six strategic focus areas: customer offering, customer meeting, expansion, supply chain, work approach and our people. 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. We are striving 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, we need to continue building 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.

Long-term financial targets and dividend policy

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 is to be at least 50% of profit after tax. The dividend is to be paid out on two occasions.

2030 targets

Axfood's purpose is to create a better quality of life for everyone. We work to improve and simplify life around food for everyone we impact through our different concepts, operations and brands. Our ambition is to, by 2030:
- be Sweden's most inclusive food company
- be the strongest driving force for sustainable food in Sweden
- have created a healthier Sweden
- be a leader in the development of the simplest and best food experiences

Operating segments

- Willys has the ambition to offer Sweden's cheapest bag of groceries and is the leading discount grocery chain. Willys aims to develop the discount segment in food retail with a wide assortment in Group-owned stores and online. The Willys operating segment includes the concepts Willys, Willys Hemma, the partly owned cross-border grocery chain Eurocash and a minority stake in the City Gross hypermarket chain.
- 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.
- 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.
- 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 meal kit company Middagsfrid, the online pharmacy Apohem and the restaurant chain Urban Deli.

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 the development of meal solutions, customers' evolving behaviours in the market 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 been close to 4%.
- 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.

Axfood

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