



PRESS RELEASE 22 APRIL 2021

Solid quarter with improved profitability

Axfood delivered a solid first quarter with growth despite high comparison figures as well as higher earnings and improved profitability. The Willys chain and Hemköp's franchise stores continued to grow more than the market, and Dagab once again showed impressive productivity. At the same time, there is continued focus on developing the business and large steps have been taken in the area of sustainability.

President and CEO Klas Balkow's comments on the interim report for the first quarter 2021:

"Axfood had a solid start to the new year, but for understandable reasons the 2.4% growth in store sales was considerably lower than during prior quarters. After more than a year into the pandemic, we have begun to meet high comparison figures. In addition to a negative calendar effect, this quarter is compared with a first quarter a year ago that was dramatically affected by hoarding. Our online B2C sales continue to experience sharp growth and were up a full 139% in the quarter. We have a lot happening in all parts of the Axfood family to develop our business for the future and can today announce that we will be moving our fruit and vegetable warehouse from Helsingborg to a new, larger and more efficient warehouse in Landskrona with good opportunities for future expansion and automation."

First quarter summary

- Consolidated net sales totalled SEK 13,203 m (13,067), an increase of 1.0%.
- Store sales for the Axfood Group totalled SEK 11,757 m (11,483), an increase of 2.4%.
- Operating profit totalled SEK 565 m (544), an increase of 3.9%. The operating margin was 4.3% (4.2%).
- Net profit for the period was SEK 430 m (402), and earnings per share before dilution were SEK 2.16 (1.93).
- The Annual General Meeting on 24 March resolved in favour of a shareholder dividend of SEK 7.50 (7.25) per share. The dividend amount is being divided into two payments of SEK 3.75 each in March and September, respectively.
- The quarter was characterized by the ongoing Covid-19 pandemic and compares with prior year's hoarding effects.

Significant events after the balance sheet date

- To further develop and improve efficiency in the logistics operations and handle future volume growth, an agreement was signed for a new, larger nationwide warehouse for fruits and vegetables in Landskrona, which will replace the current fruit and vegetable warehouse in Helsingborg.
- Axfood's Board of Directors has decided that the company will repurchase a maximum of 310,000 shares in connection with the long-term incentive programme LTIP 2021.

Axfood will present the interim report for the first quarter of 2021 in a conference call at 9.30 a.m. (CET) today. The report will be presented by Klas Balkow, President and CEO, and Anders Lexmon, CFO. To follow the presentation, visit www.axfood.com or ring:

Sweden: +46 8 505 583 51, UK: +44 333 300 9032, USA: +1 833 823 0586

For further information, please contact:

Alexander Bergendorf, Head of Investor Relations, Axfood AB, tel +46 730 49 18 44

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 a.m. CET on 22 April 2021.

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

Axfood aspires to be the leader in good and sustainable food. Our family of companies includes the store chains Willys and Hemköp as well as Tempo and Handlar'n. B2B sales are handled through Snabbgross, and our support company Dagab is responsible for the Group's product development, purchasing and logistics. The Axfood family also includes Mat.se, Middagsfrid and Urban Deli as well as the partly owned companies Apohem and Eurocash. Together the Group has more than 11,000 employees and sales of more than SEK 53 bn. Axfood has been listed on Nasdaq Stockholm since 1997, and the principal owner is Axel Johnson AB. Read more at www.axfood.com.