

# Axfood

PRESS RELEASE 23 APRIL 2026

## Increased earnings through volume growth and improved efficiency

**Axfood summarises a quarter with higher volumes in a market characterised by a particularly high activity rate ahead of the Easter holidays and the reduction of VAT on food that came into effect on 1 April. Sales growth was lower than what we had hoped for, however through a clear customer focus and improved efficiency, we are creating value throughout the entire value chain and increased our earnings.**

**President and CEO Simone Margulies comments on the interim report for the first quarter 2026:**

“Overall, the food retail market performed well in the first quarter of the year. The market remains highly competitive and continues to be characterised by a strong focus on price value, with a particularly high activity level ahead of the temporary reduction of VAT on food that came into effect on 1 April.

With positive customer traffic and higher volumes, Axfood’s retail sales increased 3.8% in the first quarter of the year, which was below market growth of 4.4%. Excluding City Gross, where sales were impacted by store closures, Axfood’s growth was in line with the market. Our financial performance was strong, with increased profitability primarily driven by the higher sales volume, effective cost control and improved productivity.

Willys, continued to attract additional customers and increase its volumes during the quarter, growing 3.8%. In connection with the VAT reduction, Willys chose to strengthen its position as Sweden’s leading discount chain by leading the way and reduce its prices two days early. A large share of its marketing activities were concentrated to the end of the quarter, which negatively impacted profitability. Willys’ expansion activities were also concentrated to the end of the quarter, and the aim is to maintain a high rate of expansion based on the chain’s strong position among consumers.

Hemköp performed very well and posted a clear increase in market share during the quarter, delivering growth of 5.9%. With a focus on rapidly modernising the store base and enhancing its offering in terms of price value, fresh produce and meal solutions, Hemköp has made excellent progress in recent years.

Our efforts to develop City Gross into a long-term competitive hypermarket chain is proceeding according to plan, and the store chain continued to deliver a positive performance in the first quarter. Our restaurant wholesaler, Snabbgross, successfully offset weak growth of 1.0% through strict cost control, delivering earnings on a par with last year.

We are investing in line with our long-term plan to gain further market share and create the right conditions for continued profitable growth. I am glad that our clear focus on efficiency and productivity improvements strengthens our competitiveness. We are enhancing the way we work, increasing the use of data and AI, and further optimising product flows and our new logistics structure. Through innovation, we are also developing our assortment to create attractive offerings and make it easier for customers to choose sustainable and healthy options. I also take a positive view on our high rate of store expansion and modernisation, which is creating new growth opportunities. Equally self-evident is our continued focus on diversity, inclusion, and climate. Axfood is thus well positioned to continue creating long-term value for its customers, employees and owners, and for society at large.”

### **First quarter summary**

- Net sales increased 2.6% to SEK 21,595 m (21,040).
- Retail sales increased 3.8% to SEK 19,550 m (18,829).
- Operating profit amounted to SEK 806 m (719) including items affecting comparability of SEK -6 m (-38). The operating margin was 3.7% (3.4).
- Adjusted operating profit amounted to SEK 812 m (757) and the adjusted operating margin to 3.8% (3.6).
- Net profit for the period amounted to SEK 525 m (453) and earnings per share before dilution to SEK 2.42 (2.09).
- The Annual General Meeting (AGM) on 18 March approved a dividend of SEK 9.00 (8.75) per share. The dividend amount is divided into two equal payments of SEK 4.50. The first payment was made in March, and the second payment will be made in September. In addition, the AGM re-elected all directors except Fabian Bengtsson, who declined re-election. The Board of Directors also resolved on the repurchase of no more than 400,000 shares related to the long-term share-based incentive programme LTIP 2026, which the AGM also approved.

Axfood will present the interim report for the first quarter of 2026 in a webcast at 9:30 a.m. (CET) today, 23 April 2026. The report will be presented by Simone Margulies, President and CEO, and Anders Lexmon, CFO. You can find a link to the webcast at [axfood.com](https://axfood.com). A link to register to participate via conference call is also available at [axfood.com](https://axfood.com). Upon registration, a telephone number and conference ID for the conference call will be provided.

### **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 23 April 2026.

This document has been prepared in both a Swedish and an English version. In the event of any discrepancies between the two, the Swedish version shall apply.

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**Axfood** aspires to be the leader in affordable, good and sustainable food. Our family of companies includes the store chains Willys, Hemköp and City Gross as well as Tempo, Handlar'n and Matöppet. 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 Urban Deli as well as the partly owned companies Apohem and Eurocash. Together the Group has approximately 15,000 employees and sales of close to SEK 90 billion. Axfood has been listed on Nasdaq Stockholm since 1997, and the principal owner is Axel Johnson AB. Read more at [www.axfood.com](https://www.axfood.com).