



PRESS RELEASE 22 OCTOBER 2026

Continued volume growth in a dynamic market

President and CEO Simone Margulies comments the interim report for the third quarter 2026.

"Axfood continued to grow and improve its earnings, and has now turned City Gross from loss-making to profitable. The market is characterised by falling food prices, cost pressure and intense competition. While value for money remains a key factor for consumers, we are seeing some signs of quality and convenience being given more consideration. With strong and distinctive concepts, and investments that improve our efficiency and competitiveness, we are well-positioned for continued profitable growth.

Household purchasing power has increased in recent years on the back of real wage increases, tax cuts and the temporary reduction in food VAT. However, we know that the reality is different for every household, and value for money remains a key factor when customers shop for groceries.

In a market where more people can afford to buy more, Axfood's quarterly growth was largely driven by higher volumes. Retail sales increased by 2.9% against high comparison figures and market growth of 4.0%.

Willys holds a very strong position but grew at a slower pace than the market in the third quarter with a 2.1% sales increase. With the customer meeting as our top priority, we work to further increase growth with a focus on price, campaign, assortment and loyalty. During the quarter, this work contributed to a more positive trend compared with the second quarter. At the same time, we continue to upgrade stores to the latest store concept, Willys 5.0, and these stores are having a clear impact on both growth and profitability. We also continue to open new stores to enable more customers to shop at Willys.

Hemköp gained significant market share following volume-driven sales growth of 7.1%, and delivered strong earnings. It is rewarding to see the chain's long-term efforts to modernise its stores and expand its assortment paying off.

When we acquired City Gross, our ambition was to achieve profitability at some point during the second half of 2026. We are now delivering on that ambition. During the quarter, like-for-like sales increased, and the chain reported positive earnings, less than two years after the acquisition. This is very encouraging and the result of extensive efforts by many employees across both City Gross and the Axfood Group. The next step is to gradually strengthen profitability and enable the chain to be competitive long term.

In a market facing deflation, cost pressure and intense competition, our earnings improved as a result of volume growth and cost control. This is where our structure becomes a real strength. Dagab and Axfood IT allow us to leverage our resources and investments to benefit all of our store chains. Our investments in technology, AI, automation and logistics are boosting our efficiency and making a clear contribution to earnings growth. The fact that productivity at the logistics centre in Bålsta reached its highest level to date during the quarter is a testament to this."

Third quarter summary

- Net sales increased 1.9% to SEK 22,711 m (22,286).
- Retail sales increased 2.9% to SEK 20,200 m (19,625).
- Operating profit amounted to SEK 1,118 m (1,059) including items affecting comparability of SEK -1 m (-39). The operating margin amounted to 4.9% (4.8).
- Adjusted operating profit amounted to SEK 1,119 m (1,099) and the adjusted operating margin to 4.9% (4.9).
- Net profit for the period amounted to SEK 772 m (727) and earnings per share before dilution to SEK 3.47 (3.30).
- Robert Stekovic has been appointed new Managing Director of Snabbgross and will assume the role on 1 August 2027 at the latest.

Summary January - September

- Net sales increased 1.8% to SEK 67,504 m (66,321).
- Retail sales increased 2.9% to SEK 60,462 m (58,736).
- Operating profit amounted to SEK 2,888 m (2,712) including items affecting comparability of SEK -15 m (-102). The operating margin amounted to 4.3% (4.1).
- Adjusted operating profit amounted to SEK 2,903 m (2,814) and the adjusted operating margin to 4.3% (4.2).
- Net profit for the period amounted to SEK 1,944 m (1,802) and earnings per share before dilution to SEK 8.83 (8.24).

Axfood will present the interim report for the third quarter of 2026 in a webcast at 9:30 a.m. (CET) today, 22 October 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. 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.

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 22 October 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.

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 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.