



Stable Group earnings but lower margin for ICA Sweden

- Continued very high food price inflation, but with signs that the peak has been reached
- Lower volumes and greater price competition pressuring ICA Sweden's margins
- Structural costs of approximately SEK 75 million in ICA Sweden
- Strong earnings improvements for Rimi Baltic and ICA Bank
- Apotek Hjärtat taking market shares
- Successful bond issue of SEK 3.5 billion in February
- Bond issue with Svensk Exportkredit of SEK 1 billion in March

Important events after the end of the quarter

- New real estate joint venture – Delcore. Start-up according to plan in early April. Cash flow SEK +3.7 billion

Key data

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Group, SEKm					
Net sales	34,605	31,600	9.5	139,293	136,288
Operating profit before depreciation/amortisation (EBITDA)	2,853	2,752	3.6	12,626	12,526
Operating profit excluding items affecting comparability	1,293	1,298	-0.4	5,900	5,905
Operating profit	1,338	1,305	2.5	6,508	6,475
Operating margin excluding items affecting comparability, %	3.7	4.1	—	4.2	4.3
Profit before tax	839	1,190	-29.5	4,752	5,103
Profit for the period	687	953	-27.9	4,252	4,518
Cash flow from operating activities excluding ICA Bank	1,778	2,125	-16.3	9,980	10,327
Return on capital employed, %	8.9	9.1	—	8.9	9.1
Return on equity, %	13.3	12.3	—	13.3	12.2
Net debt excl. ICA Bank and IFRS 16 Leases/EBITDA excl. IFRS 16 Leases	3.3	0.5	—	—	3.3

CEO's comments

The high rate of inflation at the end of 2022 rolled in to 2023 with even higher speed. We have to go back decades to find similar levels, and this is putting very strong pressure on our customers and the entire market. To parry this trend, since the start of the year we have been lowering our food prices in both Sweden and the Baltic countries. These price initiatives were launched during the first quarter and start of the second quarter. Cost inflation has been high for several months, but we are now seeing signs that it is abating, which will likely entail a dampened rate of inflation going forward. Despite the extensive turbulence in the world around us, overall ICA Gruppen had stable earnings performance.



The steadily growing rate of inflation has quite naturally prompted customers to focus closely on low prices, and for some time we have been preparing the price initiatives that are now being carried out in Rimi Baltic and in Sweden together with ICA retailers. Through them we are meeting customer demand for affordable alternatives and strengthening our competitiveness. According to the Swedish Food Retail Index (DVI), the Swedish grocery retail market grew by 9.2% during the first quarter, while sales for ICA stores grew by 5.9%. At the same time, food price inflation was 20.1%, which indicates a continued drop in volume.

The clearly changed customer behaviour can be seen above all in the fact that customers are doing more of their shopping based on promotional campaigns, refraining from certain products in favour of cheaper ones, and buying fewer items and/or occasionally switching over from traditional grocery stores to discount stores. These are behaviours that surely to a great extent will remain once the current trend turns. What's most important for us now in 2023 is to follow through with our initiatives, work together with the ICA retailers to offer our customers good and affordable products, and continue developing ICA's joint offers through the Stammis customer loyalty programme.

ICA Sweden – lower margin, structural costs and continued price investments

The lower volumes along with the price cuts we have introduced are affecting earnings, and the negative margin trend for ICA Sweden continued. We have also incurred structural costs coupled to the cost-cutting and the organisational change that ICA Sweden carried out during the quarter. These measures are needed to free up resources for the initiatives that we are taking in the market now and going forward. Lower profits in ICA stores also mean that profit sharing is lower than a year ago.

Continued strong performance in Rimi Baltic, Apotek Hjärtat facing strong comparison figures

Even though Rimi Baltic has carried out price initiatives and is showing lower volumes, its earnings were considerably stronger than a year ago. Higher efficiency and cost savings have contributed to this favourable performance, which comes in the wake of a strong end to 2022. Since November the rate of inflation for food in the Baltic countries has slowed significantly in all three countries. The action programme targeted at customers includes price cuts for 600 everyday products, a broadened and deeper loyalty programme, and focus on private label products.

Apotek Hjärtat had positive pandemic effects during the first quarter a year ago and comparatively weaker earnings this year. Much to our pleasure, however, earnings for Min Doktor are pointing upwards. In addition, Apotek Hjärtat continued to take market shares during the first quarter, mainly driven by sales in physical pharmacies, while our online business is performing in line with the market. In contrast to food online, e-commerce in the pharmacy market continues to grow, and the online share of total sales in the pharmacy market is now approaching 21%.

ICA Real Estate completes formation of Delcore, stronger earnings for ICA Bank

Just after the close of the quarter, the formation of our new joint-venture, Delcore, was completed as the other part-owner AMF took possession of its share of the company. This is an important transaction that has contributed to a reduction of debt and opens opportunities for interesting development of the properties that are now included in Delcore.

ICA Bank's earnings strengthened in a market with rising interest rates. At the same time, higher mortgage lending volume is contributing to continued growth in business volume for the bank.

Here and now – but also for the future

Our focus on price value, customer loyalty and cost efficiency is now crucial, but in the tough situation that we currently find ourselves in it is important that we can also look ahead, and not only at the here and now. As part of our long-term work we have pledged to cut the carbon footprint of our customers' grocery purchases in half by 2030. This is a journey that we are taking along with our customers, and it requires that we help them in their ability to make sustainable choices also with a considerably thinner wallet – both by creating relevant offerings and guiding them in the right direction. Through long-term cooperation we can also work to strengthen our offering and promote the value-added of Swedish and local production, which is part of what we regard as our broad responsibility to society. During 2023 we will return to more initiatives and goals where we will even more clearly position ourselves in an effort to support our customers in an eventful and challenging time.

Group performance – first quarter

Net sales

Consolidated net sales increased by 9.5% compared with 2022. In local currencies the increase was 8.5%. Price effects were positive in all businesses, especially for Rimi Baltic and ICA Sweden. These were countered to some extent by negative volume effects, except for in Apotek Hjärtat and ICA Insurance, where volume effects were positive.

Net sales per segment

SEKm	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
ICA Sweden	24,285	22,411	8.4	99,126	97,252
Rimi Baltic	4,807	4,184	14.9	19,105	18,482
Apotek Hjärtat	4,503	4,179	7.8	17,287	16,963
ICA Real Estate	768	718	7.0	2,943	2,893
ICA Bank	671	512	31.1	2,497	2,338
Other	339	320	5.7	1,321	1,303
Internal sales	-768	-724	6.1	-2,985	-2,941
Net sales	34,605	31,600	9.5	139,293	136,288

Earnings performance

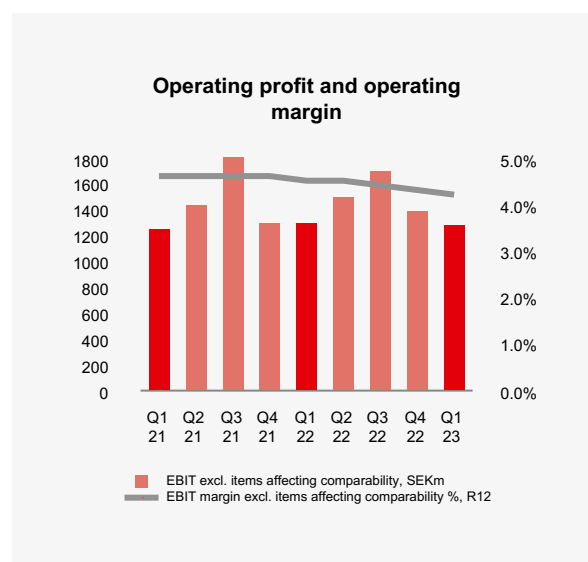
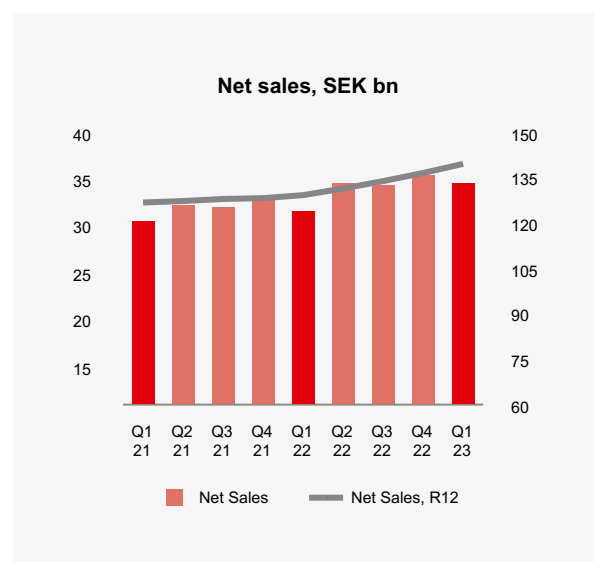
Operating profit excluding items affecting comparability and IFRS 16 effects was essentially unchanged compared with the same period a year ago. Performance was affected by high inflation and lower volumes, especially for ICA Sweden. ICA Sweden's earnings include structural costs of approximately SEK 75 million and positive effects from the Easter weekend of approximately SEK 20 million. Rimi Baltic continued to perform positively, and earnings increased sharply, while Apotek Hjärtat's result was lower. Earnings for Apotek Hjärtat a year ago included strong, positive effects from sales of Covid-19 tests. ICA Bank's earnings increased, mainly owing to a positive effect of higher market interest rates. ICA Real Estate's earnings were also slightly higher, owing to discontinued depreciation of assets held for sale. Gross profit increased overall, but high inflation and lower volumes especially for ICA Sweden led to a lower gross margin than for the same period a year ago. Joint-Group costs were slightly lower, and the IFRS 16 effect was more positive than in the preceding year, which is coupled to the formation of the new joint venture company Trecore in spring 2022 and other large lease arrangements. The reported operating margin excluding items affecting comparability was 3.7%, but excluding structural costs in ICA Sweden it was 4.0%, which is on par with 2022, when it was 4.1%. The net result of divestments and impairment losses totalled SEK 45 million (7) during the period. A considerably larger negative level of net financial items, owing to the merger with Murgröna Holding AB on 1 November 2022, led to a decrease in profit for the period by SEK 266 million to SEK 687 million (953).

Operating profit excluding items affecting comparability per segment

SEKm	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
ICA Sweden	665	827	-19.7	3,606	3,769
Rimi Baltic	193	114	68.7	760	682
Apotek Hjärtat	131	158	-16.9	516	543
ICA Real Estate	188	169	11.3	709	690
ICA Bank	115	66	72.8	415	367
Other	-88	-96	-8.0	-431	-439
Operating profit excluding items affecting comparability, excl. IFRS 16 Leases	1,204	1,239	-2.9	5,576	5,611
IFRS 16 Leases	89	59	52.0	324	294
Operating profit excluding items affecting comparability, incl. IFRS 16 Leases	1,293	1,298	-0.4	5,900	5,905

IFRS 16

The segments are reported excluding IFRS 16. The total effect of IFRS 16 is reported only on a consolidated basis at the ICA Gruppen level.



Net financial items and tax

Net financial items during the quarter totalled SEK -499 million, a worsening by SEK 384 million compared with the preceding year. This includes interest of SEK 125 million (82) owing to IFRS 16 Leases. The difference between the years in general is mainly attributable to higher interest expenses coupled to the increased level of debt following the merger with Murgröna Holding AB on 1 November 2022 and higher interest rates than a year ago. Interest on loans during the quarter totalled SEK -339 million (-7). In addition, the interest expense on the pension liability was higher. The bond issue carried out during the quarter also resulted in an increase in bank fees compared with 2022.

The effective tax rate was lower than a year ago, which is due in part to slightly higher tax-exempt capital gains from property sales, but mainly to the preceding year's tax on dividends from Rimi Baltic, which pushed up the tax rate during the first quarter of 2022. Paid tax was lower than a year ago, mainly owing to differences in paid preliminary taxes between the years.

Net financial items and tax

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Net financial items, SEKm	-499	-115	>200	-1,756	-1,372
Of which, interest expenses, SEKm	-527	-119	>200	-1,789	-1,382
Tax cost, SEKm	-152	-237	-35.8	-501	-585
Effective tax rate, %	18.1	19.9	—	—	11.4
Paid tax, SEKm	-228	-270	-15.6	-779	-822

Cash flow (excluding ICA Bank)

Cash flow from operating activities (excluding ICA Bank) decreased by SEK 347 million compared with a year ago. The decrease is mainly attributable to an unfavourable change in working capital, SEK -481 million, which was partly countered by higher EBITDA and slightly lower paid tax. The change in working capital is mainly explained by increased inventory levels, partly driven by inflation.

The year-on-year difference in cash flow from investing activities is coupled to sales of properties in ICA Real Estate, which were partly countered by an underlying higher level of investment in ICA Real Estate. The sale of two warehouse properties to Catena generated cash flow of SEK 476 million, which was used to amortise the Group's loans.

Cash flow from financing activities improved by SEK 1.1 billion, which is explained by the repayment of bonds during the first quarter of 2022. This was partly countered by considerably higher interest payments. Overall, cash flow for the period excluding ICA Bank improved by approximately SEK 1.1 billion compared with the same period in 2022.

Dividend 2023

On 20 April the Annual General Meeting of ICA Gruppen approved a dividend to ICA Gruppen's two owners, ICA-handlarnas Förbund and AMF. The dividend amounts to SEK 559 million and was paid on 24 April 2023.

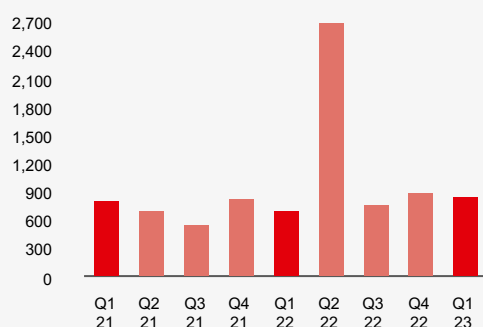
Effect of IFRS 16 on cash flow

During the first quarter of 2023, lease payments (interest and principal) amounted to SEK -1,172 million (-1,011).

Cash flow, Group excl. ICA Bank

SEKm	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
From operating activities before change in working capital	2,436	2,303	5.8	10,647	10,513
Change in working capital	-659	-178		-667	-186
From operating activities	1,778	2,125	-16.3	9,980	10,327
Investing activities, net	-309	-657		-396	-744
Before financing activities	1,469	1,468	0.0	9,584	9,583
Financing activities, net	-1,256	-2,394		-5,558	-6,696
Cash flow for the period	213	-926	-123.0	4,025	2,887

Investments (cash flow), SEKm



Investments

The Group's investments were slightly higher than in the same period in 2022, mainly owing to a higher level of investment in ICA Real Estate, which in turn pertained to a few ongoing, large warehouse investments and large store projects.

For 2023 the Group's investments are expected to amount to approximately SEK 4.0 billion, of which approximately SEK 2.0 billion in ICA Real Estate.

Investments (cash flow) by segment

SEKm	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
ICA Sweden	188	250	1,048	1,110
Rimi Baltic	143	124	484	465
Apotek Hjärtat	74	61	191	178
ICA Real Estate	384	231	1,113	960
ICA Bank	12	22	73	84
Other	37	12	171	146
Investments	838	700	3,081	2,943

Depreciation/amortisation by segment

SEKm	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
ICA Sweden	184	187	752	754
Rimi Baltic	109	113	454	458
Apotek Hjärtat	48	49	198	198
ICA Real Estate	108	147	524	563
ICA Bank	14	7	45	38
Other	39	34	151	146
Depreciation/amortisation by segment	502	537	2,123	2,158
IFRS 16 Leases	1,011	911	3,765	3,665
Depreciation/amortisation	1,514	1,447	5,889	5,822

Net debt and return on capital employed

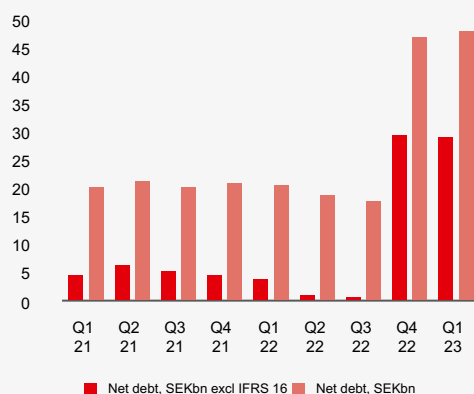
At the end of the quarter the Group's net debt (excluding IFRS 16 Leases, ICA Bank and pension liabilities) was approximately SEK 29.3 billion (4.1). The increase in debt compared with 2022 is mainly attributable to the merger with Murgröna Holding AB. See also Note 1 for further details. Added to this are completed divestments and stable cash flow from operating activities, which were partly countered by a higher level of investment and capital contributions to ICA Bank. The Group's net debt including IFRS 16 (excluding ICA Bank and pension liabilities) was approximately SEK 48.2 billion (20.5) at the end of the quarter. As per 31 March 2023, net debt in relation to EBITDA was 3.8 (1.8), and 3.3 (0.5) based on net debt excl. IFRS 16 Leases and EBITDA excl. IFRS 16 Leases. According to the Group's updated long-term target for the level of debt, the latter metric is to be <2. Return on capital employed was 8.9% (9.1%) on a rolling 12-month basis.

During the quarter, new borrowing as well as amortisation of debt took place, which has affected the durations and breakdown of non-current and current liabilities. The table below shows a summary of the changes in interest-bearing liabilities. The average duration of outstanding interest-bearing liabilities was 22 months as per 31 December 2022 and 24 months as per 31 March 2023.

Interest-bearing liabilities excl. lease liabilities and ICA Bank	
SEKm	
Opening debt, 1/1/2023	
Non-current interest-bearing liabilities	16,943
Current interest-bearing liabilities	18,057
Total	35,000
Change during the quarter	
Amortisation of bridge loan	-2,687
Bond issue	3,500
Maturity of bonds	-1,726
Bond raised with Svensk Exportkredit	1,000
Other changes in loans	-102
Closing debt, 31/3/2023	
Non-current interest-bearing liabilities	20,486
Current interest-bearing liabilities	14,499
Total	34,985
Maturity profile (excl unutilized facilities)	
2023	13,541
2024	1,944
2025	9,750
2026	7,250
2027	2,000
2028	500
2029 and later	0

ICA Gruppen has financial covenants to meet. As per 31 March 2023 these were met.

Net debt and net debt/EBITDA



Return on capital employed, R12



Net debt and net debt/EBITDA ratio

SEKm	31 mars		Full year
	2023	2022	2022
Net debt excl. ICA Bank	-48,176	-20,503	-47,084
Net debt excl. ICA Bank and IFRS16 Leases	-29,289	-4,066	-29,520
Net debt excl. ICA Bank and IFRS 16 Leases/EBITDA excl. IFRS 16 Leases	3.3	0.5	3.3
Net debt excl. ICA Bank/EBITDA	3.8	1.8	3.8

Important events during the quarter

10 January 2023 – Fredrik Lagercrantz named as new CFO of ICA Gruppen. He will assume his role by 4 July 2023 at the latest.

1 February 2023 – ICA Real Estate sells two warehouse properties to Catena.

16 February 2023 – ICA Gruppen issues two bonds for a combined total of SEK 3.5 billion.

23 March 2023 – ICA Gruppen issues bond of SEK 1 billion with Svensk Exportkredit.

Important events after the end of the quarter

3 April 2023 – AMF assumes its ownership in Delcore Fastigheter. The transaction generated cash flow of approximately SEK 3.7 billion, which was used in April to amortise the Group's loans.

24 April 2023 – Dividend totalling SEK 559 million paid to ICA Gruppen's two owners, ICA-handlarnas Förbund and AMF.

Sustainability Report

Sustainability is an integral part of the daily activities of all of ICA Gruppen's operations. All segments work actively on improvements in the value chain – by setting standards for and working in cooperation with suppliers, working towards common goals and certifications, and by developing new, sustainable products and services that make it easier for customers to make healthy and sustainable choices. ICA Gruppen's sustainability reporting is broken down into five focus areas: Environment, Health, Local, Inclusion & Diversity, and Quality.

ICA Gruppen companies publish their sustainability reports

Several companies in ICA Gruppen publish their own sustainability reports on a yearly basis. During the quarter, in addition to ICA Gruppen's Annual and Sustainability Report, the following reports were published:

- ICA Real Estate: <https://www.icafastigheter.se/hallbarhet/hallbarhetsrapport-2022/>
- Rimi Baltic: <https://www.rimibaltic.com/rimi-corporate-responsibility-report-2022>

Environment

"We will minimise our environmental impact, go from climate-neutral to net zero emissions in our own operations, and help our customers make more sustainable choices."



Environment indicators

	12 months	12 months
	Apr 2022 - Mar 2023	Apr 2021 - Mar 2022
Net zero emissions from own operations by 2030 (tonnes CO ₂ e)	97,265	79,552
Net zero emissions from own operations by 2030 (tonnes CO ₂ e / SEKm sales)	0.70	0.62
Cut the climate impact of customers' grocery purchases in half by 2030 (kg CO ₂ e/kg sold food)	1.79	1.78
Cut food waste in half by 2025 (food waste weight share)	1.51%	1.63%
Cut food waste in half by 2025 (development as % relative to base year 2016)	-17%	-11%

ICA Gruppen's climate impact from its own operations (stores, pharmacies, warehouses, offices and transports) is to be net zero by 2030. This requires reducing emissions as much as possible, at the same time that emissions that cannot be eliminated by 2030 will be offset by measures that result in a net zero effect on the atmosphere. Emissions from own operations during the period April 2022–March 2023 amounted to 97,265 tonnes of CO₂ equivalents (CO₂e). The greatest emissions increases have taken place in goods transports, owing to a smaller share of renewable fuel.

ICA's ambition is to cut the carbon footprint of customers' grocery purchases in half by 2030. During the period April 2022–March 2023 the carbon footprint of the food sold in ICA stores was 1.79 kg CO₂e per kg sold food. Sales of climate-intensive foods decreased during the 12-month period, but since sales of foods with a lower carbon footprint also decreased, the effect on climate intensity was negligible. Current data pertains to ICA Sweden (Rimi Baltic will be included in future reporting).

ICA Gruppen has set a target to cut food waste in half by 2025. Since the base year 2016, food waste from warehouses and stores has decreased by 17%. The share of food waste by weight during the 12-month period was 1.51%. Changed consumption patterns have made preventive work with reducing food waste more difficult, but following an increase in food waste during the second quarter of 2022, steady decreases are now once again being seen both in stores and warehouses.

ICA Sweden joins collaboration for reduced food waste

ICA Sweden has joined a voluntary collaboration called SAMS ("Collaboration for reduced food waste"). SAMS was launched in 2020 as part of the Swedish government's food strategy and is today run by the Swedish National Food Agency. SAMS aims to contribute to the UN's Sustainable Development Goal 12.3, which is to halve global food waste by 2030, as well as to Sweden's national action plan for reduced food waste.

Initiative to reduce use of paper bags in online deliveries

ICA is conducting and participating in numerous initiatives to find alternatives for the paper bags that are currently used for online deliveries. Among other things, during the quarter three different alternatives were tested for home deliveries of groceries from ICA's e-commerce warehouse in Gothenburg: returnable boxes, reusable bags, and package-free deliveries. ICA is also participating in a project together with Coop, Dagab and Mathem on an industry-wide circular solution for reusable bags. The project will continue until spring 2024 and is receiving partial funding from Vinnova and Re:source.

First circular plastic package made of recycled plastic from Swedish households

In collaboration with Swedish Plastic Recycling, ICA launched a new package for SKONA detergent made of 95% recycled plastic that has been collected from Swedish households. The package is one of the first that recycles the plastic collected from Swedish consumers to packages that they can then find in stores. The launch is a step on the path to ICA's goal that all plastic packaging will be made of renewable or recycled plastic by 2030 at the latest.

Continued electrification of goods transports, with larger and more heavy-duty vehicles in operation

As part of ICA's efforts to reduce the climate impact of goods transports, during the quarter one of the world's first fully electric trucks with trailer longer than 25 metres and gross weight of 50 tonnes was put in operation, in cooperation with ICA's strategic partner Volvo Trucks and the transport contract firm Malmö LBC. The truck is delivering goods from the warehouse in Helsingborg to stores in southern Sweden and has a range of approximately 200 km.

New partnership will bring hybrid meat to store shelves in 2023

In partnership with ICA and Nybergs Deli, the foodtech company Mycorena is working on development of a new category of hybrid meat products that is expected to reach store shelves in 2023. The products blend meat ingredients with mycoprotein, with the aim to reduce the climate impact compared with fully animal-based products. The partnership is contributing to ICA's ambition to cut the carbon footprint of customers' grocery purchases in half by 2030.

Diclofenac products moved behind the counter for reduced environmental impact

On 1 March Apotek Hjärtat removed diclofenac topical gels (such as Voltaren) from customer displays as part of an industry-wide agreement that was reached in autumn 2022. The substance diclofenac has a negative environmental impact, and by moving the product behind the counter, pharmacies can make sure that customers are informed about this and advised on how they can minimise the environmental impact of its use.

Climate-smart menus in cooperation with the Swedish Ski Association

ICA and the Swedish Ski Association cross country have a long-standing cooperation aimed at inspiring athletes to embrace appetising, simple and healthy meals. ICA has developed a climate-smart menu that is being offered at three Ford Smart Energy Cup competitions in 2023, with plant-based, chicken and fish burgers as options. The results from the first event showed that the menu contributed to a 79% reduction in greenhouse gas emissions from the menu's ingredients. The partnership will continued until 2026.

Health

"We will actively contribute to improved public health by leveraging the strength of our entire organisation."



Health indicators

Q1 2023

Number of products with reduced sugar, ICA Sweden¹

7

¹ Target under development.

During the quarter, seven reduced-sugar products were launched – two granola variants, iced coffee, two breakfast cereals, a rye bread, and a wheat bread.

ICA Stiftelsen promoting exercise among children and teens

The ICA Stiftelsen foundation runs a number of projects aimed at promoting exercise among children and teens. Proceeds of sales of ICA's own Folke-brand cheese are used to fund various projects around the country; during the quarter this included a hockey rink in the town of Fritsla. For the recently launched line of "Matchkorv" products including hot dogs, hot dog buns and condiments, a portion of every sold product goes to the foundation's initiative to develop the football movement in Sweden through donations to local football associations for their meeting places and facilities.

Local

"Taking the ICA Idea and the unique local circumstances as our starting point, together with our customers, partners and suppliers we will contribute to positive development in communities and a stronger food system throughout the grocery chain."



Partnerships for food donations to people in need in the Baltic countries

Rimi is involved in a number of long-term partnerships in the Baltic countries with recurring campaigns to donate food to people in need. In Latvia, during the quarter the Angels over Latvia campaign, which was conducted in cooperation with the Children Hospital Fund (Bernu slimnīcas fonds), was concluded. Rimi's donations amounted to a total of EUR 165,000 and came from, among other sources, sales of Rimi-brand clementines and donation boxes in stores. In addition, in cooperation with Food Bank, 5,000 food packages were collected from customers at 54 stores. A Food Bank campaign was also conducted in Lithuania in March, where more than 25,000 products worth more than EUR 38,000 were donated.

Inclusion & diversity

"We work actively with transparency, diversity and equality in order to be the most inclusive workplace and contribute to a more inclusive society."



Inclusion & diversity indicators

Q1 2023

50/50 gender balance in key positions, ICA Gruppen (women/men, %)

50/50

ICA's target is to achieve a 50/50 gender balance in key positions, which includes approximately 200 positions in ICA Gruppen. At the end of the quarter the breakdown of these positions was 50% women and 50% men.

Women in Tech

During the quarter ICA participated in Women in Tech, the largest tech conference for women in the Nordic countries. For the fourth year in a row ICA served as a partner to inspire and motivate women to apply for tech jobs in the company.

Quality

"By being open and transparent we will actively take responsibility for quality and the impact of production on people, animals and the environment."



Quality indicators	12 months	12 months
	Apr 2022 - Mar 2023	Apr 2021 - Mar 2022
Share of socially audited suppliers of ICA Gruppen's corporate brand products in high-risk countries (%) ¹	93	95
Share of suppliers of ICA Gruppen's corporate brand products in high-risk countries with a valid follow-up social audit (%) ¹	91	89
Share of suppliers of ICA Gruppen's corporate brand products with quality certification (%) ¹	94	93

¹ Reported until further notice, new target under development.

At the end of the quarter, 93% of suppliers of ICA Gruppen's corporate brand products in high-risk countries had been socially audited, and 91% had undergone a valid follow-up social audit. 94% of suppliers of ICA Gruppen's corporate brand products were quality-certified.

Unusually large recalls of eggs due to salmonella outbreak at producer

If it is found that any food product that ICA sells may pose a health risk, the product is recalled, and if such a product has already been distributed to stores, its sale is stopped at checkout. During the quarter ICA handled unusually large recalls of eggs, where more than 12 million private label eggs were recalled after salmonella was detected at a producer. As a safety measure, ICA stopped delivery of all items from one of the egg suppliers during a period and is engaged in close dialogues with all of its egg suppliers on the matter.

Criticism, media debates and dialogues

Awards and distinctions

- ICA Sweden was named as Sweden's strongest brand in the yearly ranking by Brand Finance, the world's leading brand ranking company. ICA's focus on sustainability was highlighted in the jury's statement. In the Sustainable Brand Index's annual survey of which brands that consumers perceive as being the most sustainable, ICA was also the brand that was ranked as the most sustainable in the grocery retail industry.
- In February Apotek Hjärtat was named as Sweden's Greenest Brand 2022 in Differ's annual survey of how Swedish consumers perceive various companies' sustainability work. In addition, Apotek Hjärtat's Klimakteriesäkringen ("Menopause-proofing") initiative received a Silver award in the Diversity & Inclusion category in The Magnet Employer Branding Awards.
- Rimi was named as Latvia's most vegan-friendly store chain, with the most varied offering for vegans, while in Estonia it was named as "Sport Friend 2023" by the Estonian Olympic Committee and the Ministry of Culture for its engagement in sport and promoting healthy lifestyles.
- The ICA Stiftelsen foundation handed out awards to seven ICA retailers who with their hearts and involvement contributed to making significant societal contributions in 2022 together with ICA Stiftelsen's partners and projects.

About ICA Gruppen's sustainability report

This is a quarterly status report with information about ICA Gruppen's work with sustainability. The report highlights continuing developments during the year and covers all companies in ICA Gruppen. The criteria applied in preparation of this report are based on the annual sustainability report published by ICA Gruppen. ICA Gruppen publishes the actual Sustainability Report once a year, which provides a comprehensive picture of the Group's sustainability work, including boundaries and materiality analysis. The full 2022 report as well as current reporting principles can be found at ICA Gruppen's website: <https://www.icagruppen.se/en/sustainability/#/>.

ICA Sweden

ICA Sweden conducts grocery retail business in cooperation with independent ICA retailers. The retailers own and manage their stores, but have agreements with ICA Sweden in areas such as purchasing, logistics, market communication and store development. ICA Sweden also includes ICA Special, which is responsible for sales of non-food items at Maxi ICA Stormarknad stores.

Net sales

ICA Sweden's net sales increased by 8.4% during the first quarter. The continued very high food price inflation means that the sales increase was entirely price-driven and was largely countered by negative volume effects. The calendar effect from the Easter weekend is estimated to have been +0.6%.

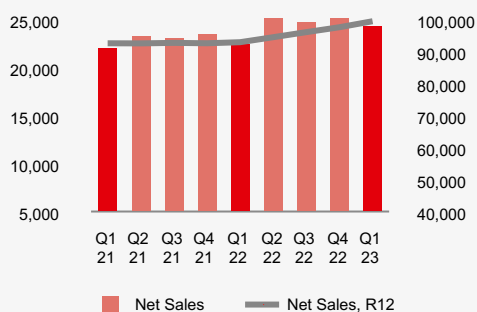
Earnings

Operating profit excluding items affecting comparability was SEK 162 million lower than a year ago. Profit includes structural costs of approximately SEK 75 million coupled to a completed reorganisation and ongoing efficiency improvement measures. The Easter weekend's impact on earnings is estimated to have been approximately SEK +20 million. Price effects were positive, but were dampened by higher promotional pressure during the quarter and could not fully compensate for the negative volume effects caused by the high inflation. Logistics costs had more positive development than in preceding quarters and decreased as a share of sales. However, gross profit and the gross margin were lower than a year ago. The earnings impact from e-commerce improved to some extent, while the opposite applied for non-food sales. Added to this, profit distribution from ICA stores was lower, and it is clear that the challenging volume development is bearing an impact on stores' profitability. On the whole, operating profit and the operating margin were lower than a year ago. The measures that have been taken and that are planned to increase efficiency and lower costs will mainly be used to strengthen price value for customers.

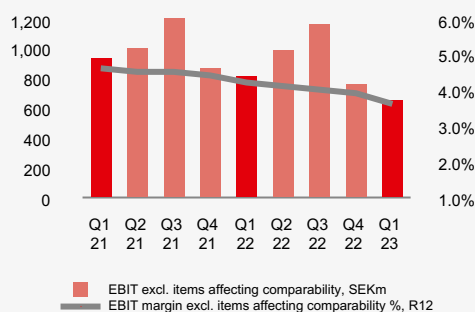
Key data

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Net sales, SEKm	24,285	22,411	8.4	99,126	97,252
Operating profit before depreciation/amortisation (EBITDA), SEKm	848	1,015	-16.4	4,357	4,524
Operating profit excl. items affecting comparability, SEKm	665	827	-19.7	3,606	3,769
Operating margin excl. items affecting comparability, %	2.7	3.7	—	3.6	3.9
Investments, SEKm	188	250	-24.8	1,048	1,110
Depreciation/amortisation, SEKm	184	187	-1.4	752	754
Average number of employees	8,420	8,656	—	—	8,723
Private label share, %	28.4	27.6	—	—	26.7
Sales online, SEKm	1,098	1,444	-24.0	4,268	4,614
Share of sales online, %	3.3	4.6	—	—	3.4

Net sales, SEKm



EBIT and EBIT margin



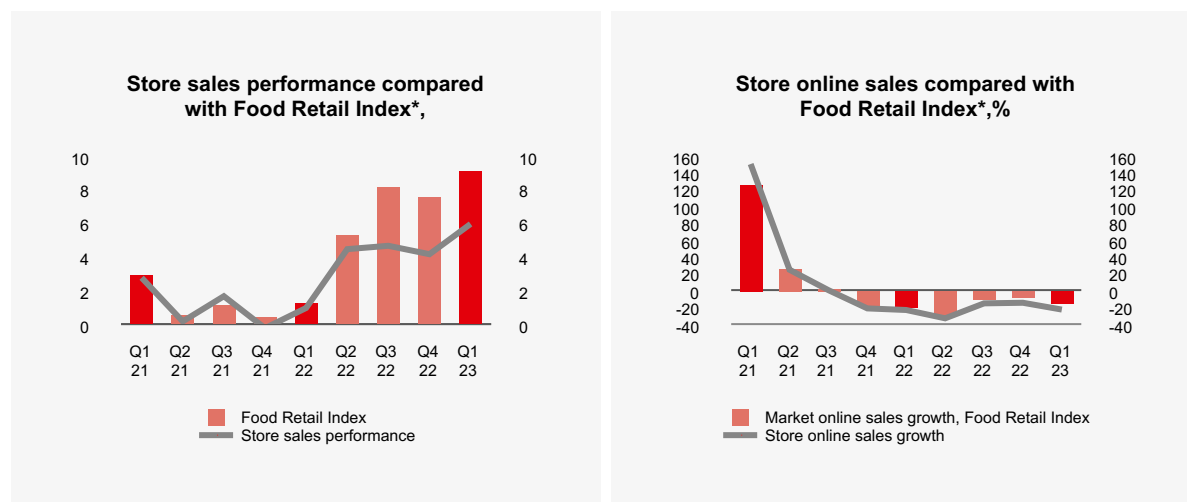
ICA store sales and market development

Sales for ICA stores increased by 5.9% during the first quarter compared with the same period a year ago. As in the preceding quarter, sales were driven by a higher number of customer visits and a higher average spend, while the number of items purchased per customer visit decreased relatively sharply. The decrease in sales online continues to dampen the growth rate of average spend. Market growth during the quarter was 9.2% according to the Food Retail Index (DVI), and growth for ICA stores was thereby lower than for the market as a whole. Food price inflation continued to grow during quarter and was +20.1%. In the preceding quarter it was +17.8%, while during the first quarter a year ago it was +3.9%. Given the price trend and market growth, volume development was thus negative during the quarter for ICA stores as well as for the market as a whole.

Five stores were opened and three were closed during the first quarter.

E-commerce performance

Online sales for ICA stores decreased by 24.0% during the quarter compared with the same period in 2022. According to the Food Retail Index (DVI), the market for groceries online in Sweden decreased by 14.4% during the first quarter.



* DVI = Dagligvaruindex (Food Retail Index), which is published monthly by the Swedish Food Retailers Federation and HUI Research.

Store sales and growth in Sweden (incl. retailer-owned stores)

Store sales excl. VAT	First quarter 2023		
	SEKm	All stores, %	Like-for-like stores, %
Maxi ICA Stormarknad	10,784	5.8	5.5
ICA Kvantum	8,150	5.7	6.0
ICA Supermarket	9,611	6.6	6.3
ICA Nära	4,896	4.9	3.9
Total	33,440	5.9	5.6

Number of stores in Sweden (incl. retailer-owned stores)

Format	December 2022	New	Closed	March 2023
Maxi ICA Stormarknad	88	1	0	89
ICA Kvantum	130	0	-1	129
ICA Supermarket	423	0	-2	421
ICA Nära	626	4	0	630
Total	1,267	5	-3	1,269

Rimi Baltic

Rimi Baltic conducts grocery retail business via 296 wholly owned stores in Estonia, Latvia and Lithuania. Store formats include Rimi Hyper, Rimi Super, Rimi Mini and Rimi Express. Rimi Baltic also includes the properties owned by the Group in the three Baltic countries.

Net sales

Rimi Baltic's net sales increased by 7.6% during the first quarter (14.9% in SEK). As in the preceding quarter, sales growth was driven by strongly positive price effects, which were countered to a large extent by negative volume effects, although these were slightly less negative than in the preceding quarter. Both total and like-for-like sales increased in all three countries.

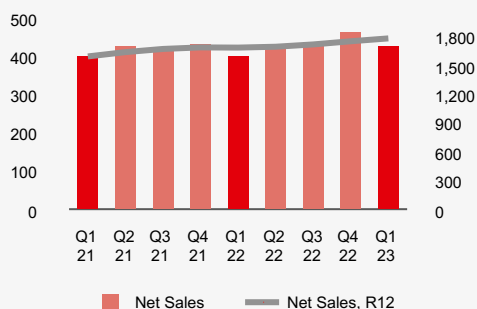
Earnings

Operating profit excluding items affecting comparability as well as the operating margin continued to move in a positive direction and were considerably higher than a year ago. Positive price effects, lower costs for shrinkage and stable logistics costs were partly countered by negative volume effects, but overall both gross profit and the gross margin strengthened. This was achieved despite a broad price campaign that was rolled out during the quarter for some 600 everyday products. Lower energy costs and efficiency improvements countered higher costs for personnel and higher rents as well as costs for development of the store network. Operating profit increased by SEK 79 million, or by 68.7%, and the operating margin grew by 1.3 percentage points to 4.0%.

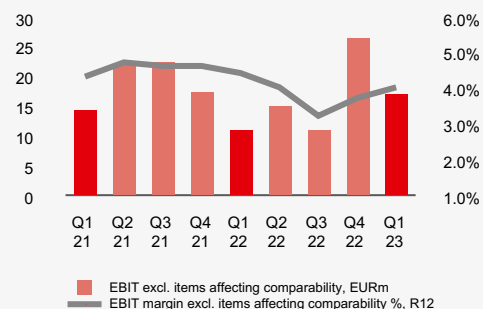
Key data

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Net sales, SEKm	4,807	4,184	14.9	19,105	18,482
Operating profit before depreciation/amortisation (EBITDA), SEKm	302	225	34.0	1,239	1,162
Operating profit excl. items affecting comparability, SEKm	193	114	68.7	760	682
Operating margin excl. items affecting comparability, %	4.0	2.7	—	4.0	3.7
Investments, SEKm	143	124	15.6	484	465
Depreciation/amortisation, SEKm	109	113	-3.1	454	458
Average number of employees	10,516	10,847	—	—	10,893
Private label share, %	26.6	24.2	—	—	24.3
Sales online, EURm	12.2	13.0	-6.4	44.2	45.0
Share of sales online, %	2.9	3.3	—	—	2.6
EUR/SEK exchange rate, average	11.20	10.48	—	10.81	10.63

Net sales, EURm



EBIT and EBIT margin



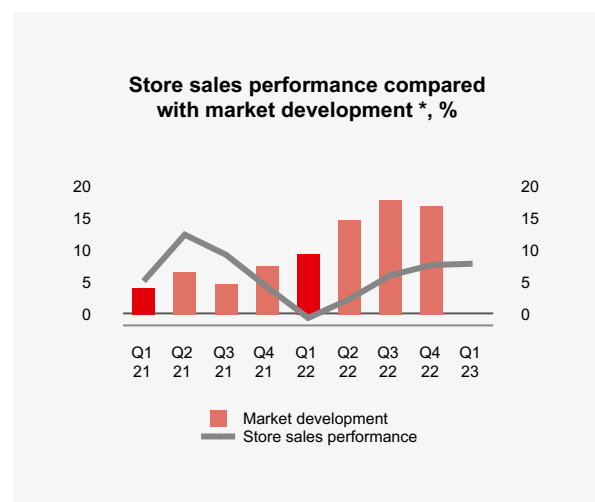
Rimi store sales and market development

Market growth in the Baltic countries during the first quarter is still not known, but given development through February, it is likely that Rimi stores lost market shares during the quarter. Food price inflation in the region remains high, but has decreased month by month since November 2022 and was in the quarter as follows in the three countries: 25.7% in Estonia, 25.8% in Latvia and 30.3% in Lithuania. Given the rate of inflation, sales volume decreased both for Rimi and for the market as a whole. The average spend increased in Estonia during the quarter, but was lower in Latvia and Lithuania. Customer visits increased relatively sharply in all three countries.

Rimi Baltic opened one new store during the quarter and closed two.

E-commerce performance

Rimi Baltic's online sales decreased by approximately 6.4% during the quarter in local currencies. The share of total sales was approximately 2.9%, which is slightly lower than a year ago.



*) Source: Country statistics.

Sales breakdown by country

Store sales excl. VAT	First quarter 2023		
	EURm	All stores, %	Like-for-like stores, %
Estonia	109.5	6.5	6.3
Latvia	209.3	7.5	8.2
Lithuania	104.7	8.0	5.4
Total	423.6	7.4	7.0

Number of stores per country

Country	December 2022	New	Closed	March 2023
Estonia	81	0	-1	80
Latvia	133	1	0	134
Lithuania	83	0	-1	82
Total	297	1	-2	296

Apotek Hjärtat

Apotek Hjärtat is the largest actor in the Swedish pharmacy market, with 391 pharmacies. Apotek Hjärtat is also a part owner of the digital healthcare company Min Doktor.

Net sales

Net sales grew by 7.8% during the quarter in a market with continued favourable growth and in which Apotek Hjärtat continued to take market shares, mainly owing to very good sales growth in pharmacies. Development was driven by price, including higher average prices for prescription drugs, but volume also contributed to the increase. Sales of traded goods decreased compared with a year ago, when sales of Covid-19 tests were very high.

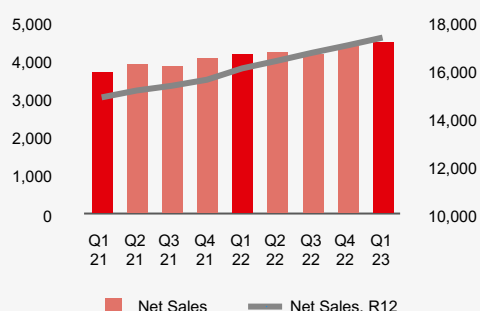
Earnings

Operating profit excluding items affecting comparability decreased by SEK 27 million. The difference between the years, including an improved earnings contribution from Min Doktor, can be attributed in full to the very strong earnings contribution from Covid-19 tests during the first quarter a year ago. Underlying earnings performance was positive, where above all price – but also increased volume of prescription drugs – contributed, as did certain positive mix effects in self-care products. However, earnings performance was dampened by slightly higher logistics costs, but above all by higher costs in pharmacies, mainly coupled to higher sales volume and thus increased staffing in pharmacies. IT costs also increased. The share of profit in Min Doktor improved by SEK 17 million owing to stable sales and lower costs. On the whole, the operating margin was 0.9 percentage point lower than a year ago.

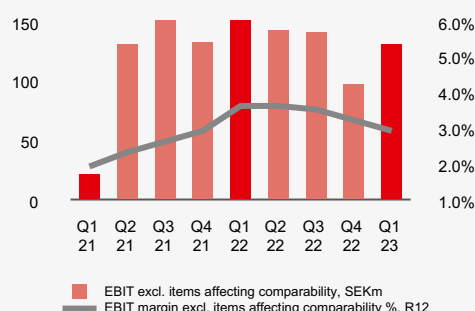
Key data

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Net sales, SEKm	4,503	4,179	7.8	17,287	16,963
Of which, prescription drugs	3,387	3,043	11.3	12,891	12,547
Of which, OTC drugs	405	369	9.8	1,624	1,588
Of which, other products and services	678	742	-8.6	2,674	2,738
Operating profit before depreciation/amortisation (EBITDA), SEKm	180	207	-13.3	714	741
Operating profit excl. items affecting comparability, SEKm	131	158	-16.9	516	543
Of which, share of profit in Min Doktor	-11	-28	-61.2	-63	-81
Operating margin excl. items affecting comparability, %	2.9	3.8	—	3.0	3.2
Investments, SEKm	74	61	22.2	191	178
Depreciation/amortisation, SEKm	48	49	-1.6	198	198
Average number of employees	3,185	3,105	—	—	3,203
Private label share, other products, %	18.3	14.6	—	—	17.0
Sales online, SEKm	471	437	7.8	1,691	1,657
Share of sales online, %	10.5	10.5	—	—	9.8

Net sales, SEKm



EBIT and EBIT margin



Pharmacy sales and market development

Apotek Hjärtat's pharmacy sales increased by 7.6% during the quarter, which can be compared to the estimated market growth of 4.3%. Sales growth for physical pharmacies was 7.6% for Apotek Hjärtat during the quarter, compared to an estimated market growth of 3.4%. Seen over the last 12-month period, Apotek Hjärtat's market share is now approximately 31.9%, and Apotek Hjärtat's market-leading position has thereby further strengthened.

One pharmacy was opened during the quarter.

E-commerce performance

Apotek Hjärtat's online sales increased by 7.8% during the first quarter, while online sales for the market as a whole increased by an estimated 7.9%. The online share for the market was 20.8%, while Apotek Hjärtat's online share was 10.5%.

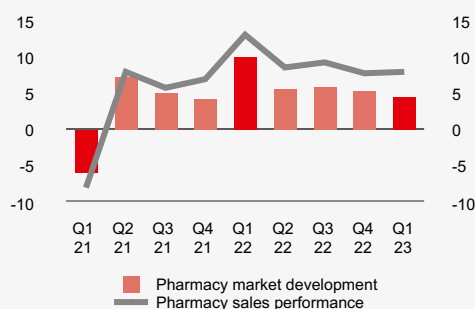
Key data

	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
Sales all pharmacies, SEKm	4,470	4,154	17,189	16,873
Sales growth, all pharmacies, %	7.6	12.7	—	9.2
Sales growth, like-for-like pharmacies, %	7.5	12.0	—	8.7

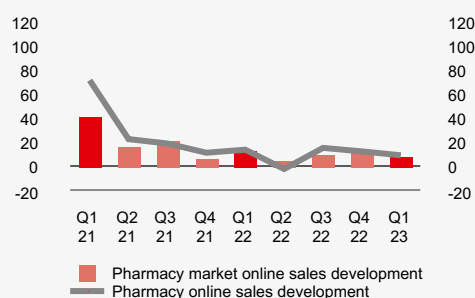
Number of pharmacies

	December 2022	New	Closed	March 2023
Apotek Hjärtat	390	1	0	391

Pharmacy sales performance compared with pharmacy market development *, %



Pharmacy online sales performance compared with pharmacy market online sales development *, %



* Source: Sveriges Apoteksförning.

ICA Real Estate

ICA Real Estate's mission is to satisfy the Group's future need of logistics and store properties at attractive locations in Sweden. The real estate company is an active buyer and seller of properties and both develops shopping centres from scratch and buys strategic properties with existing ICA stores.

Net sales

Net sales during the quarter for owned properties were level with a year ago overall. Underlying changes balanced each other on whole, including lower income due to divestments – mainly the formation of the joint venture company Trecore in 2022 – and positive effects from increased rents driven by a higher rental index.

Earnings

Operating profit excluding items affecting comparability increased by SEK 19 million. This development is mainly explained by discontinued depreciation of properties booked as assets held for sale, totalling approximately SEK 35 million. This positive item was countered by higher operating expenses coupled to maintenance and seasonal cost increases. In other respects, the earnings contribution from joint venture companies was SEK 5 million lower than a year ago owing to higher financing costs.

Items affecting comparability, investments and divestments

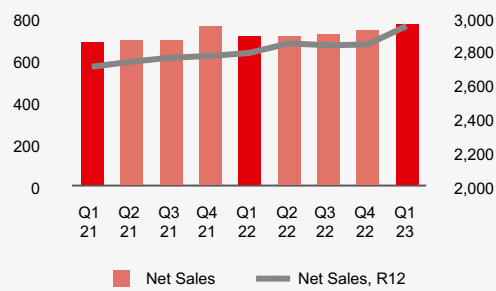
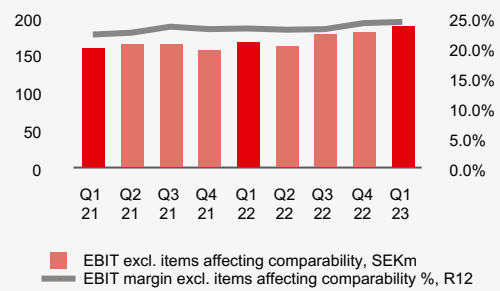
Operating profit includes the result of divestments, totalling SEK +65 million, net (7). The outcome for the quarter is essentially coupled to the sale of two warehouse properties to Catena. The earnings effect for the Group including IFRS 16 effects was SEK 46 million. The cash flow effect from the transaction was SEK 476 million. The slightly higher level of investment during the quarter can be attributed to ongoing investments in a new freezer warehouse and a new flower warehouse in Västerås, a mixed-use property with stores in Brunnshög, and a few larger store projects.

Formation of new joint venture company with AMF – transaction completed on 3 April 2023

On 23 December 2022 it was announced that ICA Real Estate and AMF would be forming the jointly owned company Delcore Fastigheter (see ICA Gruppen press release of 23 December 2022 at www.icagruppen.se). The transaction was completed on 3 April 2023 and generated cash flow of approximately SEK 3.7 billion, which was used to amortise the Group's loans. The transaction generated a capital gain of approximately SEK 400 million, which will be recognised as an item affecting comparability in consolidated operating profit for the second quarter of 2023.

Key data

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Net sales, SEKm	768	718	7.0	2,943	2,893
Of which, rental income from owned properties	346	348	-0.6	1,352	1,354
Operating profit before depreciation/amortisation (EBITDA), SEKm	361	323	11.8	2,489	2,451
Operating profit excl. items affecting comparability, SEKm	188	169	11.3	709	690
Of which, share in profit of JV companies	19	24	-22.0	92	97
Operating margin excl. items affecting comparability, %	24.5	23.5	—	24.1	23.9
Investments, SEKm	384	231	66.2	1,113	960
Divestments, SEKm	475	9	>200	1,055	588
Depreciation/amortisation, SEKm	108	147	-26.3	524	563
Yield, %	6.9	7.1	—	—	7.1
Occupancy rate, %	98.7	98.5	—	—	98.6
Number of owned properties	125	134	-6.7	—	128
Number of owned square metres, 000 sq. m.	795	855	-7.0	—	822
Average number of employees	112	117	—	—	116

Net sales, SEKm**EBIT and EBIT margin**

ICA Bank

ICA Bank and ICA Insurance (which is part of ICA Bank's operations) offer a full range of financial services and insurance in Sweden. The goal is to increase customer loyalty to ICA and to reduce transaction costs for ICA stores and ICA Gruppen.

Net sales

ICA Bank's revenue, including ICA Insurance, increased by SEK 159 million during the quarter. The increase was driven mainly by a considerably higher level of net interest income, where higher market interest rates had a positive impact. Net commission income also grew somewhat, driven by higher mortgage lending volume. Premium revenue for ICA Insurance continued to develop in a positive direction and increased by SEK 36 million.

Earnings

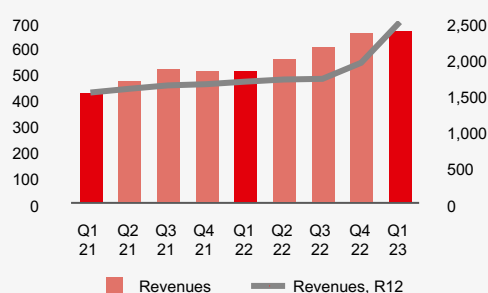
Operating profit excluding items affecting comparability increased by SEK 49 million compared with a year ago. The bank's earnings increased driven by higher revenue reported above, however, this growth was partly countered by higher credit losses, which increased to SEK -102 million (-80), or by SEK 22 million. Other costs, mainly depreciation/amortisation and IT, also increased. The C/I ratio improved, and over the last 12-month period the bank's business volume grew 4.3%.

ICA Insurance's operating profit was SEK 6 million lower than a year ago. Continued positive development of premium revenue was insufficient to fully compensate for negative claims experience and higher costs, mainly for IT and reinsurance.

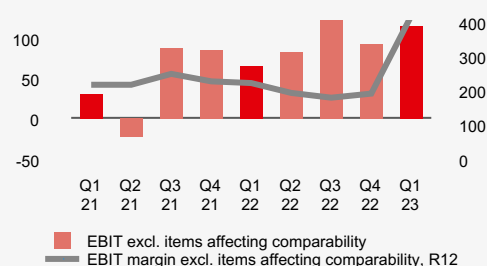
Key data

	First quarter			12 months	Full year
	2023	2022	%	Apr 2022 - Mar 2023	2022
Revenue, SEKm	671	512	31.1	2,497	2,338
Of which, net interest income	333	218	52.8	1,174	1,059
Of which, net commission income	69	64	6.4	295	290
Of which, premium revenue	236	200	18.0	913	877
Operating profit before depreciation/amortisation (EBITDA), SEKm	129	74	74.1	460	405
Operating profit before items affecting comparability, SEKm	115	66	72.8	415	367
Of which, ICA Insurance	16	22	-26.6	94	100
Of which, share in profit of JV (home mortgages)	-6	1	>200	-23	-16
C/I ratio, % (ICA Banken AB)	53.3	62.7	—	—	55.8
Return on equity, %	9.4	5.6	—	—	8.5
Credit loss ratio, %	-2.0	-1.5	—	—	-1.8
Common Equity Tier 1 ratio, % (ICA Banken AB)	13.7	13.3	—	—	13.9
Business volume, SEKm (ICA Banken AB)	59,027	56,573	—	—	58,194
Average number of employees	509	474	—	—	485

Revenues, SEKm



EBIT excl. items affecting comparability, SEKm



Other, Group

Seasonal variations

The grocery retail trade is affected by the year's national holidays and when these occur. Christmas and Easter, in particular, are key holidays. For a large part of the retail sector the fourth quarter is seasonally the strongest quarter of the year.

Risks and uncertainties

ICA Gruppen works at the Group level to systematically identify and manage the risks associated with its operations. The risk management process is an integrated part of the strategy and planning work of each unit. Risks are consolidated, and risk management is reported to and monitored by ICA Gruppen's Executive Management and Board of Directors.

ICA Gruppen has significant exposure to the Swedish and Baltic grocery retail sector as well as to the Swedish pharmacy market. An economic downturn and political decisions are factors that could have a negative impact on the Group's sales and earnings. ICA Gruppen's finance policy stipulates how financial risks are to be managed and mitigated. The policy also provides a framework for the Group's treasury management. More information about risk management is provided on pages 111–117 in ICA Gruppen's 2022 Annual Report.

Related party transactions

No significant transactions have taken place between ICA Gruppen and related parties.

Parent Company – first quarter

The Parent Company's net sales totalled SEK 339 million (320). Financial expenses during the quarter amounted to SEK -377 million (22). Profit after financial items was SEK -356 million (-152).

For comments on changes in loans and financial expenses, see the Group performance section.

Financial statements

Consolidated statement of comprehensive income, ICA Gruppen

SEKm	Note	First quarter		12 months	Full year
		2023	2022	Apr 2022 - Mar 2023	2022
Net sales		34,605	31,600	139,293	136,288
Cost of goods and services sold		-28,830	-26,208	-115,853	-113,230
Gross profit		5,775	5,393	23,440	23,058
Selling expenses		-3,534	-3,292	-14,100	-13,858
Administration expenses		-1,068	-928	-4,059	-3,919
Other operating income		118	128	613	623
Other operating expenses		—	0	—	—
Share of profits of associates and joint ventures	2	2	-3	5	1
Operating profit (EBIT) excl items affecting comparability		1,293	1,298	5,900	5,905
Capital gains/losses from sale of subsidiaries and non-current assets	3, 4	46	7	838	799
Impairment and impairment reversals	3	-1	—	-230	-229
Operating profit	7	1,338	1,305	6,508	6,475
Financial income		27	4	33	10
Financial expenses	7	-527	-119	-1,818	-1,410
Net financial items		-499	-115	-1,756	-1,372
Profit before tax		839	1,190	4,752	5,103
Tax		-152	-237	-501	-585
Profit for the period		687	953	4,252	4,518
Other comprehensive income, items that may not be reclassified to profit or loss, net after tax					
Remeasurement defined benefit pensions		—	564	584	1,148
Other comprehensive income, items that may be reclassified to profit or loss, net after tax					
Change in translation reserve		34	25	216	208
Change in hedging reserve		-111	66	485	663
Share of other comprehensive income of joint ventures		-9	23	21	53
Total items that may be reclassified to profit or loss		-87	114	722	924
Comprehensive income for the period		600	1,631	5,558	6,589
Profit for the period attributable to					
Owners of the parent		687	948	4,250	4,511
Non-controlling interests		—	5	2	7
Comprehensive income for the period attributable to					
Owners of the parent		600	1,626	5,556	6,582
Non-controlling interests		—	5	2	7

Condensed consolidated statement of financial position, ICA Gruppen

SEKm	Note	31 March 2023	31 March 2022	31 December 2022
ASSETS				
Non-current assets				
Goodwill		16,301	16,301	16,301
Trademarks		12,998	12,919	12,985
Other intangible assets		2,272	2,092	2,269
Land, buildings and investment properties		14,415	17,589	14,051
Right of use assets	7	18,379	16,440	17,042
Interests in joint ventures and associates	2	1,238	1,462	1,162
ICA Bank's lending and investments		20,341	20,985	21,047
Deferred tax assets		59	58	59
Other non-current assets		3,863	3,217	3,908
Total non-current assets		89,865	91,063	88,823
Current assets				
Inventories		6,002	5,277	5,506
ICA Bank's lending and investments		3,871	3,817	3,707
Other current assets		8,702	7,950	8,796
Assets held for sale	4	3,834	725	4,236
ICA Bank's cash and cash equivalents		4,809	5,393	4,663
Cash and cash equivalents	5	5,695	387	5,480
Total current assets		32,913	23,549	32,389
TOTAL ASSETS		122,778	114,612	121,211
EQUITY AND LIABILITIES				
Equity				
		15,478	39,425	14,878
Non-current liabilities				
Provisions		2,858	3,419	2,815
Deferred tax liabilities		4,324	4,379	4,314
Non-current interest-bearing liabilities		20,486	1,472	16,943
Non-current lease liabilities		14,898	12,844	13,772
Other non-current liabilities		35	70	37
Total non-current liabilities		42,601	22,184	37,881
Current liabilities				
Current interest-bearing liabilities		14,499	2,981	18,057
Deposits ICA Bank		25,630	26,919	25,828
Current lease liabilities		3,990	3,594	3,793
Other current liabilities		20,581	19,509	20,775
Total current liabilities		64,700	53,003	68,453
TOTAL EQUITY AND LIABILITIES		122,778	114,612	121,211

Condensed consolidated statement of cash flows

SEKm	Note 5	First quarter		12 months	Full year
		2023	2022	Apr 2022 - Mar 2023	2022
Operating profit		1,338	1,305	6,508	6,475
Depreciation, amortisation and impairment		1,515	1,447	6,119	6,051
Dividend from joint ventures		—	—	75	75
Other non-cash items		-64	-112	-801	-849
Income tax paid		-228	-270	-779	-822
Cash flow from operating activities before change in working capital		2,561	2,370	11,121	10,931
Change in working capital:					
Inventories		-511	-545	-657	-692
Current receivables		159	273	-780	-666
Current liabilities		-272	181	709	1,162
ICA Bank's net of deposits, lending and investments		383	481	-670	-572
Cash flow from operating activities		2,320	2,760	9,723	10,163
Acquisitions of property, plant and equipment and intangible assets		-838	-700	-3,081	-2,943
Sale of property, plant and equipment and intangible assets		493	31	1,130	667
Change in financial assets		2	31	-16	14
Interest received		25	1	60	36
Purchase and sale of properties in Secore/Trecore	2	—	—	—	1,452
Investments in joint ventures and associated companies		-84	-125	-187	-228
Cash flow from investing activities		-404	-763	-641	-1,001
Dividend paid to shareholders of ICA Gruppen AB		—	—	—	—
Change in loans		-56	-1,594	9,528	7,991
Interest paid		-330	-4	-1,473	-1,147
Interest paid lease liabilities		-125	-82	-426	-383
Amortisation lease liabilities		-1,047	-929	-3,690	-3,572
Repurchase of own shares via former parent company ¹⁾		—	—	-9,249	-9,249
Capital contributions, acquisitions, and dividends relating to non-controlling interests		—	—	-331	-331
Cash flow from financing activities		-1,558	-2,609	-5,641	-6,692
Cash flow for the period		359	-612	3,441	2,470
Cash and cash equivalents at beginning of period		10,143	6,391	5,780	6,391
Merged cash and cash equivalents		—	—	1,258	1,258
Exchange differences in cash and cash equivalents		3	1	25	24
Cash and cash equivalents at end of period		10,504	5,780	10,504	10,143

¹⁾ Effect attributable to Murgroņa Holding AB's purchase of shares in ICA Gruppen AB in 2022. See further in Note 1.

Condensed consolidated statement of changes in equity

SEKm	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Opening equity, 1 January 2023	14,878	0	14,878
Change of non-controlling interest	—	—	—
Comprehensive income for the period	600	0	600
Closing equity, 31 March 2023	15,477	0	15,478

SEKm	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Opening equity, 1 January 2022	37,499	186	37,686
Change in principle in IFRS 17 Insurance Contracts	108	—	108
Opening equity after application of new principle	37,608	186	37,794
Comprehensive income for the period	1,626	5	1,631
Closing equity, 31 March 2022	39,234	191	39,425

Supplementary disclosures – Group

NOTE 1 | ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The same accounting principles and calculation methods have been used as in the 2022 Annual Report, except with respect to IFRS 17 Insurance Contracts, which is applied as from 1 January 2023. See further below.

ICA Gruppen aktiebolag (AB) is a subsidiary of ICA-handlarnas Förbund (corporate identity number 802001-5577). ICA-handlarnas Förbund owns 87.3% of the shares in ICA Gruppen AB, and AMF Tjänstepension AB (AMF) owns 12.7%.

Murglöna Holding AB was formed in autumn 2021 to carry out the public acquisition of ICA Gruppen AB. On 1 November 2022 the company was merged with ICA Gruppen AB in a downstream merger. For further information, see Note 11 in ICA Gruppen AB's 2022 Annual Report.

Disclosures in accordance with IAS 34:16A are provided – in addition to in the financial statements – also in other parts of the interim report. All amounts in this report are presented in millions of Swedish kronor (SEKm), unless stated otherwise. Rounding differences may occur.

New IASB standards to be applied in 2023 and onwards with relevance for ICA Gruppen

IFRS 17 *Insurance Contracts* is applied starting in 2023 with retrospective application. IFRS 17 sets principles for reporting, valuation and disclosures of issued insurance contracts.

ICA Insurance conducts insurance business. The financial statements for ICA Gruppen are affected to a small extent by the changed reporting under IFRS 17 for ICA Insurance.

Since IFRS 17 is applied retrospectively, the financial statements for 2022 have been changed in accordance with IFRS 17.

The transition effect on equity as per 1 January 2022, after the effect of deferred tax, is SEK +108 million.

On an accumulated basis, ICA Gruppen's statement of comprehensive income for 2022 has been changed as follows:

SEKm, accumulated	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Net sales	5	13	24	36
Cost of goods and services sold	17	-11	-9	-13
Gross profit	22	2	15	22
Operating profit	22	2	15	22
Tax	-5	—	-3	-5
Profit for the year	18	2	12	18

ICA Gruppen's balance sheet has been changed as follows:

SEKm	31/3/2022	30/6/2022	30/9/2022	31/12/2022
Current receivables	-483	-511	-512	-514
Total assets	-483	-511	-512	-514
Equity	126	110	121	126
Non-current liabilities	33	29	31	33
Current liabilities	-642	-650	-664	-673
Total equity and liabilities	-483	-511	-512	-514

Cash flow from operating activities, investing activities and financing activities for 2022 is unchanged by IFRS 17.

New IASB standards to be applied starting in 2024 and onwards with relevance for ICA Gruppen

Minor amendments have been made of standards that have been approved for application starting in 2024, but none that are believed to affect ICA Gruppen's financial statements to a significant degree. The same applies for the interpretation pronouncements issued by the IFRS IC.

New IASB standards that have not been endorsed by the EU with relevance for ICA Gruppen

In 2023 the IASB intends to introduce amendments in IAS 12 Income Taxes as a result of the rules on global minimum taxation (BEPS 2.0).

There are no other amendments issued by IASB with relevance for ICA Gruppen.

Important assumptions and assessments

Preparation of the financial statements in accordance with IFRS requires management to make assessments, estimates and assumptions that affect application of the accounting principles and the amounts reported in the income statement and carried on the balance sheet. Estimates and assumptions are based on historical experience and a number of factors that are considered to be reasonable based on the current circumstances. The results of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are not readily apparent from other sources. The actual outcome may differ from these estimates and assessments.

NOTE 2 | INTERESTS IN JOINT VENTURES AND ASSOCIATES

Share of profit	First quarter		12 months	Full year
SEKm	2023	2022	Apr 2022 - Mar 2023	2022
Ancore Fastigheter AB	19	16	73	70
Trecore Fastigheter AB	0	—	19	19
Secore Fastigheter AB	—	8	—	8
Borgo AB (publ)	-6	1	-23	-16
MD International AB (Min Doktor)	-11	-28	-63	-81
Fastighetsaktiebolaget Postgården AB	0	0	0	0
Total	2	-3	5	1

Book value	31 March 2023	31 March 2022	31 December 2022
SEKm			
Ancore Fastigheter AB	782	768	769
Trecore Fastigheter AB	30	—	31
Secore Fastigheter AB	—	167	—
Borgo AB (publ)	327	169	250
MD International AB (Min Doktor)	89	351	100
Fastighetsaktiebolaget Postgården AB	11	7	11
Total	1,238	1,462	1,162

Information regarding Ancore Fastigheter AB

Ancore Fastigheter AB is a joint arrangement between the pension insurance company Alecta and ICA Gruppen. The parties each own 50% of the company. All significant decisions about the operations of Ancore must be made as a joint understanding between the two owners. Ancore Fastigheter AB owns and manages properties at 33 marketplaces in Sweden that house ICA stores in which operations are conducted by non-consolidated ICA retailers. Based on all relevant information in the joint arrangement, Ancore Fastigheter AB is classified as a joint venture. Consolidation is done according to the equity method.

Ancore Fastigheter AB	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
SEKm				
Income	140	126	520	506
Expenses	-66	-65	-244	-242
Operating profit	74	61	277	264
Net financial items	-24	-19	-84	-79
Tax	-12	-10	-45	-43
Profit for the period	38	32	148	141
Other comprehensive income	-12	48	31	92
Comprehensive income for the period	26	80	179	233
Non-current assets	5,579	5,427		5,582
Current assets	235	254		214
Total assets	5,815	5,681		5,796
Equity	1,509	1,480		1,483
Non-current liabilities	3,306	3,191		3,311
Current liabilities	1,000	1,011		1,002
Total equity and liabilities	5,815	5,681		5,796

Information regarding Trecore Fastigheter AB

Trecore Fastigheter AB is a joint arrangement between Bonnier Fastigheter and ICA Gruppen that was formed on 1 April 2022. The parties each own 50% of the company. All significant decisions about the operations of Trecore Fastigheter AB must be made as a joint understanding between the two owners. Trecore Fastigheter AB owns and manages properties at 45 marketplaces in Sweden that house ICA stores in which operations are conducted by non-consolidated ICA retailers. Based on all relevant information in the joint arrangement, Trecore Fastigheter AB is classified as a joint venture. Consolidation is done according to the equity method.

Trecore Fastigheter AB	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
SEKm				
Income	71	—	261	190
Expenses	-37	—	-165	-128
Operating profit	34	—	96	62
Net financial items	-31	—	-101	-69
Tax	-5	—	-11	-6
Profit for the period	-2	—	-15	-12
Other comprehensive income	-4	—	12	15
Comprehensive income for the period	-6	—	-3	3
Non-current assets	4,042	—		4,050
Current assets	34	—		46
Total assets	4,076	—		4,096
Equity	1,083	—		1,089
Non-current liabilities	2,881	—		2,887
Current liabilities	112	—		120
Total equity and liabilities	4,076	—		4,096

Information regarding Borgo AB (publ)

Borgo is a joint arrangement between ICA Bank, Ikano Bank, Söderberg & Partners and Ålandsbanken pertaining to a jointly owned mortgage company in the Swedish market. ICA Gruppen owns 19.9% of the company through ICA Bank. The jointly owned company is an associated company in ICA Gruppen, and accounting is conducted according to the equity method.

Borgo AB (publ)	First quarter		12 months	Full year
SEKm	2023	2022	Apr 2022 - Mar 2023	2022
Revenue	0	4	-29	-14
Expenses	-40	-44	-112	-126
Operating profit	-40	-40	-141	-141
Tax	8	8	29	29
Profit for the period	-32	-31	-112	-112
Other comprehensive income	-28	-6	-24	-2
Comprehensive income for the period	-60	-38	-136	-114
Non-current assets	22,021	11,615		17,260
Current assets	2,695	2,890		1,068
Total assets	24,716	14,505		18,329
Equity	1,537	718		1,151
Non-current liabilities	18,260	13,522		12,716
Current liabilities	4,919	264		4,461
Total equity and liabilities	24,716	14,505		18,329

Information regarding MD International AB (Min Doktor)

MD International AB (Min Doktor) is a joint arrangement between ICA Gruppen and a number of other parties, including EQT Ventures Fund. ICA Gruppen owns 49.50% of the company through Apotek Hjärtat. All significant decisions pertaining to the operations of Min Doktor are made through joint agreement between the owners. Min Doktor is one of Sweden's largest actors in digital primary care services and operates a number of drop-in clinics located primarily adjacent to larger ICA stores. Based on all relevant information in the joint arrangement, Min Doktor is an associated company. Consolidation is done according to the equity method.

MD International AB (Min Doktor)	First quarter		12 månader	Helår
SEKm	2023	2022	Apr 2022 - Mar 2023	2022
Revenue	67	66	321	320
Expenses	-89	-127	-446	-484
Operating profit	-22	-60	-125	-163
Net financial items	0	0	-1	-1
Tax	—	—	0	0
Profit for the period	-22	-60	-126	-164
Other comprehensive income	—	—	—	—
Comprehensive income for the period	-22	-60	-126	-164
Non-current assets	273	295		276
Current assets	69	209		96
Total assets	342	503		372
Equity	265	392		287
Non-current liabilities	2	3		2
Current liabilities	75	109		82
Total equity and liabilities	342	503		372

NOTE 3 | ITEMS AFFECTING COMPARABILITY

SEKm	First quarter		Full year
	2023	2022	2022
Capital gains/losses net on sale of subsidiaries and non-current assets			
ICA Sweden	0	2	1
Rimi Baltic	0	-1	22
ICA Real Estate	65	7	1,199
Internal profit regarding sale and leaseback according to IFRS16 Leases	-18	—	-424
Total	46	7	799
Impairment and impairment reversals			
ICA Sweden	—	—	-5
Rimi Baltic	-1	—	-22
Apotek Hjärtat	—	—	-199
ICA Real Estate	—	—	-3
Total	-1	—	-229
Total items affecting comparability	45	7	570

NOTE 4 | ASSETS AND LIABILITIES HELD FOR SALE

Assets held for sale pertain to 30 store properties in Sweden that will be sold to Delcore Fastigheter AB. In addition to these properties are properties in Sweden and the Baltic countries that are planned to be sold in 2023.

Delcore Fastigheter AB will be 50%-owned each by ICA Real Estate and the occupational pensions company AMF, and will be reported in ICA Gruppen as a joint venture in accordance with the equity method starting on 1 April 2023. The properties will be leased back by ICA Gruppen from Delcore.

NOTE 5 | CASH FLOW STATEMENT (excl. ICA Bank)

SEKm	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
Cash flow from operating activities before change in working capital	2,436	2,303	10,647	10,513
Change in working capital:				
Inventories	-511	-545	-657	-692
Current receivables	138	215	-761	-685
Current liabilities	-286	153	752	1,191
Cash flow from operating activities	1,778	2,125	9,980	10,327
Cash flow from investing activities	-309	-657	-396	-744
Cash flow from financing activities	-1,256	-2,394	-5,558	-6,696
Cash flow for the period	213	-926	4,025	2,887
Cash and cash equivalents at the beginning of the period	5,480	1,310		1,310
Merged cash and cash equivalents	—	—		1,258
Exchange differences in cash and cash equivalents	3	3		24
Cash and cash equivalents at the end of the period	5,695	387		5,480

Of cash and cash equivalents, SEK 805 million are blocked for the ongoing arbitration process that will determine if the shareholders of the compulsorily redeemed shares are to receive a higher payment than SEK 534 per share. See also Note 8.

NOTE 6 | FINANCIAL INSTRUMENTS

As per 31 March 2023, financial assets at fair value in ICA Gruppen amounted to SEK 4,759 million (4,177). In the fair value hierarchy, the entire amount is attributable to Level 1. Financial liabilities measured at fair value amounted to SEK 89 million (360) as per 31 March 2023. The carrying amount corresponds to fair value for all assets and liabilities, except for bond issues, where the fair value is less than the carrying amount by SEK 87 million (less than the carrying amount by 24).

NOTE 7 | LEASES

	First quarter		Full year
	2023	2022	2022
Lease items in the income statement, SEKm			
Total lease revenue incl. variable revenue	890	798	3,212
Variable lease expenses	-42	-27	-100
Interest expenses, lease liabilities	-125	-82	-383

There are leases of low value and leases with a term shorter than 12 months, for which the amounts are immaterial.

	First quarter		Full year
	2023	2022	2022
Total right-of-use assets, SEKm			
At start of year	17,042	16,215	16,215
Changed and new contracts	2,305	1,107	4,242
Depreciation	-1,011	-911	-3,665
Translation differences	44	28	249
Book value	18,379	16,440	17,042

Right-of-use assets consist mainly of properties and premises, but also include automation equipment, forklifts, trucks and passenger cars.

NOTE 8 | OTHER DISCLOSURES

Shares corresponding to approximately 2.95% of the total number of shares in ICA Gruppen AB were redeemed through a compulsory buyout process in May 2022. A claim is currently in arbitration to receive a higher payment than the received payment of SEK 534 per share. The claim is within the blocked bank funds of SEK 805 million. See also Note 5.

ICA Gruppen AB, condensed income statement

SEKm	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
Net sales ¹⁾	339	320	1,321	1,303
Cost of services sold	-313	-301	-1,244	-1,232
Gross profit	26	19	77	71
Administrative expenses	-130	-241	-501	-612
Operating profit/loss	-105	-222	-424	-541
Profit/loss from participations in Group companies	—	—	7,000	7,000
Financial income, Group companies	188	44	653	449
Financial income	24	47	799	823
Finansiella kostnader koncernföretag	0	—	-2	-2
Financial expenses	-464	-21	-1,417	-974
Profit/loss after financial items	-356	-152	6,551	6,755
Appropriations	—	—	371	371
Profit before tax	-356	-152	6,922	7,126
Tax	73	31	42	0
Profit for the period	-283	-121	6,963	7,126

¹⁾ Of net sales for the quarter, SEK 336 million (319) pertains to Group companies.

ICA Gruppen AB, condensed balance sheet

SEKm	31 March 2023	31 March 2022	31 December 2022
ASSETS			
Non-current assets			
Investments in Group companies	30,621	30,402	30,621
Other intangible assets	177	156	178
Deferred tax assets	32	33	32
Non-current receivables from Group companies	1,423	1,336	1,404
Other non-current assets	927	553	1,062
Total non-current assets	33,180	32,479	33,297
Current assets			
Current receivables from Group companies	16,493	13,852	19,076
Other current assets	485	554	634
Cash and cash equivalents	5,486	96	5,070
Total current assets	22,464	14,502	24,780
TOTAL ASSETS	55,644	46,981	58,077
EQUITY AND LIABILITIES			
Equity	13,595	35,804	13,878
Provisions	626	581	613
Non-current liabilities			
Non-current interest-bearing liabilities	20,478	1,464	16,935
Other non-current liabilities	1	29	2
Total non-current liabilities	20,480	1,493	16,936
Current liabilities			
Current interest-bearing liabilities	14,499	2,068	18,057
Current liabilities to Group companies	5,900	6,129	8,059
Other current liabilities	543	905	534
Total current liabilities	20,942	9,103	26,649
TOTAL EQUITY AND LIABILITIES	55,644	46,981	58,077

Key figures ICA Gruppen

	First quarter		12 months	Full year
	2023	2022	Apr 2022 - Mar 2023	2022
Operating profit before depreciation/amortisation (EBITDA), SEKm	2,853	2,752	12,626	12,526
Operating margin excl. items affecting comparability, %	3.7	4.1	4.2	4.3
Operating margin, %	3.9	4.1	4.7	4.8
Net margin, %	2.0	3.0	3.1	3.3
Return on capital employed, %	8.9	9.1	—	9.1
Return on equity, %	13.3	12.3	—	12.2
Equity/assets ratio, %	12.6	34.4	—	12.3
EBITDA excl IFRS 16 Leases	1,771	1,783	—	8,991
Net debt excl. ICA Bank and IFRS 16 Leases, SEKm	-29,289	-4,066	—	-29,520
Net debt excl ICA Bank, SEKm	-48,176	-20,503	—	-47,084
Net debt excl. ICA Bank and IFRS 16 Leases/EBITDA excl. IFRS 16 Leases	3.3	0.5	—	3.3
Net debt excl. ICA Bank/EBITDA	3.8	1.8	—	3.8
Average number of employees	23,193	23,655	—	23,877

Quarterly overview

Quarterly overview key ratios

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Net sales, SEKm	32,401	32,094	32,860	31,600	34,586	34,544	35,558	34,605
Operating profit before depreciation/amortisation (EBITDA), SEKm	2,836	3,197	2,744	2,752	3,419	3,471	2,883	2,853
Operating profit excl. items affecting comparability, SEKm	1,446	1,818	1,298	1,298	1,511	1,707	1,389	1,293
Operating margin excl. items affecting comparability, %	4.5	5.7	4.0	4.1	4.4	4.9	3.9	3.7
Operating profit, SEKm	1,466	1,815	1,305	1,305	1,968	2,004	1,197	1,338
Operating margin, %	4.4	5.7	4.0	4.1	5.7	5.8	3.4	3.9
Profit before tax, SEKm	1,365	1,713	1,208	1,190	1,844	1,884	185	839
Profit for the period, SEKm	1,139	1,389	1,043	953	1,753	1,596	216	687
Return on equity, %	12.2	12.2	12.7	12.3	13.3	13.2	12.2	13.3
Return on capital employed, %	9.2	9.4	9.2	9.1	9.5	9.5	9.1	8.9
Cash flow from operating activities, SEKm	3,206	2,863	1,839	2,760	3,980	806	2,617	2,320
Investing activities (cash flow), SEKm	695	553	825	700	2,689	773	888	838
Capital employed excl. ICA Bank, average, SEKm	61,518	61,485	61,735	62,653	63,886	65,543	67,403	68,904
Net debt excl. ICA Bank and IFRS 16 Leases, SEKm	-6,264	-5,408	-4,680	-4,066	-1,226	-618	-29,520	-29,289
Net debt excl. ICA Bank, SEKm	-21,375	-20,207	-20,915	-20,503	-18,846	-17,986	-47,084	-48,176
Net debt excl. ICA Bank and IFRS 16 Leases/EBITDA excl. IFRS 16 Leases	0.8	0.7	0.6	0.5	0.1	0.1	3.3	3.3
Net debt excl. ICA Bank/EBITDA	1.9	1.8	1.8	1.8	1.6	1.5	3.8	3.8

Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1.

Quarterly data by segment

Net sales by segment								
SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
ICA Sweden	23,376	23,192	23,600	22,411	24,936	24,777	25,129	24,285
Rimi Baltic	4,313	4,225	4,387	4,184	4,550	4,660	5,088	4,807
Apotek Hjärtat	3,923	3,846	4,056	4,179	4,240	4,182	4,362	4,503
ICA Real Estate	696	691	757	718	712	720	743	768
ICA Bank ¹⁾	474	521	510	512	558	605	662	671
Other	331	322	332	320	329	323	331	339
Intra-Group sales	-712	-702	-782	-724	-738	-723	-756	-768
Net sales ¹⁾	32,401	32,094	32,860	31,600	34,586	34,544	35,558	34,605

¹⁾ Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1.

Operating profit before depreciation/amortisation by segment (EBITDA)								
SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
ICA Sweden	1,175	1,373	1,061	1,015	1,190	1,359	959	848
Rimi Baltic	356	346	304	225	295	232	410	302
Apotek Hjärtat	177	203	182	207	194	192	148	180
ICA Real Estate	326	315	333	323	1,167	627	334	361
ICA Bank ¹⁾	-16	94	92	74	91	135	105	129
Other	-72	-34	-140	-62	-79	-65	-86	-49
Operating profit before depreciation/ amortisation (EBITDA) by segment ¹⁾	1,947	2,297	1,832	1,783	2,859	2,480	1,870	1,771
IFRS 16	889	900	912	969	560	992	1,014	1,082
Operating profit before depreciation/ amortisation (EBITDA) ¹⁾	2,836	3,197	2,744	2,752	3,419	3,471	2,883	2,853

¹⁾ Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1.

Operating profit excluding items affecting comparability by segment								
SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
ICA Sweden	1,007	1,198	872	827	1,003	1,171	767	665
Rimi Baltic	225	232	179	114	159	117	292	193
Apotek Hjärtat	132	157	133	158	144	142	98	131
ICA Real Estate	165	166	158	169	162	177	182	188
ICA Bank ¹⁾	-21	88	86	66	83	125	93	115
Other	-108	-74	-179	-96	-114	-103	-126	-88
Operating profit excluding items affecting comparability by segment ¹⁾	1,400	1,767	1,249	1,239	1,437	1,629	1,306	1,204
IFRS 16	47	51	49	59	75	78	83	89
Operating profit excluding items affecting comparability ¹⁾	1,446	1,818	1,298	1,298	1,511	1,707	1,389	1,293

¹⁾ Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1.

Operating margin excluding items affecting comparability, %, by segment								
SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
ICA Sweden	4.3	5.2	3.7	3.7	4.0	4.7	3.1	2.7
Rimi Baltic	5.2	5.5	4.1	2.7	3.5	2.5	5.7	4.0
Apotek Hjärtat	3.4	4.1	3.3	3.8	3.4	3.4	2.3	2.9
ICA Real Estate	23.7	24.1	20.9	23.5	22.7	24.6	24.5	24.5
Group ¹⁾	4.5	5.7	4.0	4.1	4.4	4.9	3.9	3.7

¹⁾ Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1.

Financial key ratios

ICA Gruppen relies on a number of financial key ratios in its interim reporting, some of which are not defined in IFRS but are so-called Alternative Performance Measures (APMs). The aim is to provide additional information that contributes to a more thorough comparison of year-on-year development and to give an indication of the Group's performance and financial position. The APMs used by ICA Gruppen are generally recognised within the sectors that ICA Gruppen works in. The most important of these measures are those for which the Board of Directors has set financial targets. These are: to grow faster than the market in the grocery retail and pharmacy businesses; to achieve an operating margin (excluding items affecting comparability) of 4.5%; to achieve a return on capital employed of 7.5%; and to maintain net debt excl. ICA Bank and IFRS 16 Leases in relation to EBITDA excl. IFRS 16 Leases that is lower than a multiple of 2.

Reconciliation EBITDA

	First quarter		12 months	Full year
SEKm	2023	2022	Apr 2022 - Mar 2023	2022
Operating profit (EBIT)	1,338	1,305	6,508	6,475
Depreciation/amortisation	1,514	1,447	5,889	5,822
Impairment and impairment reversals	1	—	230	229
Operating profit before depreciation/amortisation (EBITDA) excl. IFRS 16	1,771	1,783	8,979	8,991
IFRS 16 Operating profit	71	59	-118	-130
IFRS 16 Depreciation/amortisation	1,011	911	3,765	3,665
Operating profit before depreciation/amortisation (EBITDA)	2,853	2,752	12,626	12,526

Reconciliation EBITDA

SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Operating profit excl IFRS 16	1,424	1,765	1,256	1,246	2,317	1,927	1,115	1,267
Depreciation/amortisation excl IFRS 16	510	527	567	537	539	548	534	502
Impairment and impairment reversals	12	6	10	—	2	6	221	1
Operating profit before depreciation/amortisation (EBITDA) excl. IFRS 16 ¹⁾	1,947	2,297	1,832	1,783	2,859	2,480	1,870	1,771
IFRS 16 Operating profit	42	51	49	59	-349	78	83	71
IFRS 16 Depreciation/amortisation	847	849	863	911	909	914	931	1011
Operating profit before depreciation/amortisation (EBITDA) ¹⁾	2,836	3,197	2,744	2,752	3,419	3,471	2,883	2,853

¹⁾ Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1.

Reconciliation net debt

SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Non-current interest-bearing liabilities	-3,759	-3,759	-3,760	-1,472	-1,473	-1,473	-16,943	-20,486
Current interest-bearing liabilities	-2,885	-2,185	-2,230	-2,981	-4,279	-3,872	-18,057	-14,499
Cash and cash equivalents	381	537	1,310	387	4,527	4,727	5,480	5,695
Net debt excl. ICA Bank and IFRS 16 Leases	-6,264	-5,408	-4,680	-4,066	-1,226	-618	-29,520	-29,289
Non-current lease liabilities	-11,855	-11,531	-12,741	-12,843	-13,967	-13,720	-13,771	-14,897
Current lease liabilities	-3,256	-3,268	-3,493	-3,593	-3,653	-3,648	-3,792	-3,989
Net debt excl. ICA Bank	-21,375	-20,207	-20,915	-20,503	-18,846	-17,986	-47,084	-48,176

Reconciliation capital employed excluding ICA Bank

SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Equity	35,302	36,721	37,686	39,425	41,520	43,504	14,878	15,478
Provisions for pensions	3,859	3,911	4,139	3,387	2,936	2,527	2,796	2,819
Other provisions	21	30	23	23	17	13	12	32
Non-current interest-bearing liabilities	3,759	3,759	3,760	1,472	1,473	1,473	16,943	20,486
Current interest-bearing liabilities	2,885	2,185	2,230	2,981	4,279	3,872	18,057	14,499
Other non-current liabilities	108	113	61	70	45	44	37	35
Non-current lease liabilities	11,855	11,531	12,741	12,843	13,967	13,720	13,771	14,897
Current lease liabilities	3,256	3,268	3,493	3,593	3,653	3,648	3,792	3,989
Capital employed	61,046	61,520	64,133	63,795	67,891	68,801	70,287	72,236
Average capital employed	61,518	61,485	61,735	62,653	63,886	65,543	67,403	68,904

¹⁾ Retrospective application of IFRS 17 Insurance Contracts has been made starting with Q1 2022. See further Note 1

Definitions of key ratios

Business volume (ICA Bank)

Sum of lending, deposits, fund savings and home mortgages (including volume intermediated via collaborations).

Capital employed

Equity plus interest-bearing liabilities.

C/I ratio (ICA Bank)

Total costs in relation to total income.

Common Equity Tier I ratio (ICA Bank)

The bank's capital base in relation to risk-weighted assets.

Divestments

Payments received for sold tangible and intangible non-current assets during the period according to the statement of cash flows.

EBITDA

Operating profit before depreciation, amortisation and impairment losses (Earnings Before Interest, Taxes, Depreciation and Amortisation).

EBITDA excl. IFRS 16 Leases

Operating profit before depreciation, amortisation and impairment losses (Earnings Before Interest, Taxes, Depreciation and Amortisation) excl EBITDA from IFRS 16 Leases.

Equity/assets ratio

Equity including non-controlling interests in relation to total assets.

Gross profit

Net sales less cost of goods sold.

Investments

Investments paid in tangible and intangible non-current assets during the period according to the statement of cash flows.

Items affecting comparability

Gain/loss on disposal of non-current assets, impairment of non-current assets and major structural changes.

Like-for-like store/pharmacy sales

Sales for stores/pharmacies that generated sales both in the reporting period and in the comparison period.

Credit loss ratio (ICA Bank)

Credit losses in relation to average lending.

Net debt excl. ICA Bank

Interest-bearing liabilities excluding pensions, ICA Bank and cash and cash equivalents.

Net debt excl. ICA Bank and IFRS 16 Leases

Interest-bearing liabilities excluding lease liabilities, pensions, ICA Bank, and cash and cash equivalents.

Net debt excl. ICA Bank/EBITDA

Interest-bearing liabilities excluding pensions, ICA Bank, and cash and cash equivalents in relation to EBITDA, rolling 12 months.

Net debt excl. ICA Bank and IFRS 16 Leases/EBITDA excl. IFRS 16 Leases

Interest-bearing liabilities excluding pensions, ICA Bank, lease liabilities according to IFRS 16 Leases, and cash and cash equivalents in relation to EBITDA, excluding EBITDA from IFRS 16 Leases, rolling 12 months.

Net interest (ICA Bank)

The difference between the bank's interest income and interest expense.

Net margin

Profit for the period as a percentage of net sales.

Occupancy rate (ICA Real Estate)

Market rents for rented properties divided by total rental value (contracted annual rent + market rent for unrented premises).

Operating margin

Operating profit as a percentage of net sales.

Operating profit/loss

Profit/loss before net financial items and tax.

Return on capital employed

Operating profit plus financial income (rolling 12 months) in relation to average capital employed. ICA Bank's operations are excluded from both the income statement and balance sheet when calculating return on capital employed.

Return on equity

Profit for the period (rolling 12 months) in relation to average equity. ICA Bank's operations are excluded from both the income statement and balance sheet when calculating return on equity.

Yield (ICA Real Estate)

Operating net in relation to the average book value of properties.

This interim and sustainability report has not been reviewed by the Company's auditor.

Stockholm, 26 April 2023

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Calendar

17 August	Interim report Q2 2023
26 October	Interim report Q3 2023
7 February 2024	Interim report Q4 2023, year-end report

The information in this report is such that ICA Gruppen AB is obligated to disclose pursuant to the Swedish Securities Market Act. The information was submitted, by the agency of the contact person above, for publication at 07.00 CET on Wednesday, 26 April 2023.

ICA Gruppen AB (publ) is a leading retail company with a focus on food and health. The Group includes ICA Sweden and Rimi Baltic, which mainly conduct grocery retail, Apotek Hjärtat, which conducts pharmacy business, ICA Real Estate, which owns and manages properties, and ICA Bank, which offers financial services in Sweden.

For more information, visit [icagruppen.se](https://www.icagruppen.se).

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