



## Strong performance during volatile year

- Continued strong earnings performance for Apotek Hjärtat and higher market share
- Stable earnings for Rimi Baltic in challenging market
- ICA Bank launches home mortgages and improves earnings
- ICA Sweden – start-up of automated e-commerce warehouse in Stockholm
- ICA-handlarnas Förbund and AMF make public acquisition offer to ICA Gruppen's shareholders

### Events after the end of the quarter

- ICA Gruppen shares delisted – last day of trading 13 January 2022
- Voluntary repurchase offer to holders of outstanding Notes
- Extra general meeting on 3 February 2022

#### Key data

	Fourth quarter			Jan-Dec		
	2021	2020	%	2021	2020	%
Group, SEKm						
Net sales	32,860	32,593	0.8	127,957	126,283	1.3
Operating profit before depreciation/amortisation (EBITDA)	2,744	2,716	1.0	11,408	11,141	2.4
Operating profit excluding items affecting comparability	1,298	1,371	-5.3	5,826	5,831	-0.1
Operating profit	1,305	1,325	-1.5	5,876	5,774	1.8
Operating margin excluding items affecting comparability, %	4.0	4.2	—	4.6	4.6	—
Profit before tax	1,208	1,215	-0.6	5,478	5,308	3.2
Profit for the period	1,043	919	13.5	4,554	4,173	9.1
Cash flow from operating activities excluding ICA Bank	2,379	3,772	-36.9	9,654	10,444	-7.6
Return on capital employed, %	—	—	—	9.2	9.2	—
Return on equity, %	—	—	—	12.7	11.7	—
Earnings per share, SEK	5.16	4.54	13.6	22.52	20.65	9.1

## CEO's comments

We can now sum up the full year 2021 – a year characterised by continued volatile markets, but for which we can show favourable performance for our businesses. Important steps have been taken in our future-oriented projects, and given the conditions, sales and earnings performance were favourable for the various parts of the Group. In addition, we succeeded in maintaining the operating margin at the same high level as in 2020.



The Swedish grocery retail market grew by 0.5 % during the fourth quarter, with stronger growth for physical stores at the same time that online performance was negative. This development was expected given the very strong online growth during 2020. As expected, food price inflation increased gradually towards the end of the year. In the Baltic countries, renewed restrictions in Latvia and Lithuania unfortunately led to low market growth towards the end of the year. The pharmacy market in Sweden continued to show favourable growth. Here, too, online growth has slowed, although it continues to be higher than growth for physical pharmacies.

### ICA Sweden – start-up of automated e-commerce warehouse in Stockholm

For ICA Sweden, considerable focus during the year was on completing the major e-commerce projects that have been in progress for several years. In December the first deliveries were made according to plan from our new, automated e-commerce warehouse in Stockholm. Volumes will now be increased, and the move from our existing warehouse is being completed. Much work remains to be done, but the journey to a large-scale and efficient e-commerce operation has definitely begun. Other important areas to focus on are price value – where our private label products are a key tool – continued efficiency improvement across the entire value chain, and perhaps most importantly, supporting the ICA stores, where a broad programme is in place to support them in their efficiency improvement work with the goal of further strengthening our joint competitiveness.

### Rimi Baltic – strong performance. New CEO installed

Despite a challenging close to the year with new restrictions and with newly opened Lidl stores in Latvia, Rimi Baltic succeeded in delivering a full year with growth as well as strongly improved earnings and higher margins. During the year, work on building up the omnichannel capacity was intensified along with a continued focus on digitalisation and greater efficiency. I also want to mention that Giedrius Bandzevicius has now taken office as new CEO of Rimi Baltic, succeeding Edgar Sesemann, who retired after successfully leading operations since 2008. The appointment of Giedrius, who served previously as country manager for Lithuania, ensures that we have good continuity and favourable conditions to drive Rimi Baltic's continued development, where digitalisation, price value and development of the range are important components.

### Apotek Hjärtat – higher market shares and strong earnings improvement

Following a strong conclusion to the year, we can confirm that Apotek Hjärtat strengthened its market-leading position in 2021 with higher market shares both online and for sales in physical pharmacies. On top of this came a strong earnings improvement. The work now continues on strengthening our omnichannel capacity, building an even more compelling online presence and at the same time utilising our strong pharmacy network, for example with respect to ensuring faster deliveries nationwide and competitive, local customer offerings.

### ICA Bank – home mortgage offering launched. ICA Real Estate – favourable earnings performance

ICA Bank has now launched its home mortgage offering, which we have also tied together with our customer loyalty programme, Stämmis. This is an example of how we as a group can create value for our customers and offer something extra – in this case interest rate reductions based on a customer's other purchases in the ICA system. ICA Insurance also had very favourable performance during the year.

Our real estate portfolio continues to show good value development, growing by more than SEK 4 billion in 2021. Currently we have strong focus on putting together the final details of the deal we announced during the autumn regarding Secore's properties.

### Sustainability – the journey towards net zero has begun

We have now concluded our first year with our new climate targets, and our journey to net zero emissions by 2030 is under way. During 2021 we reduced our emissions of CO<sub>2</sub> equivalents by 14% from 2020. I can also note that sustainability is becoming increasingly important in our real estate operations, and extensive work is in progress to reduce the environmental and climate impacts both from existing properties and from new construction. In this regard, several of our ongoing projects meet the highest standards for sustainability.

As we head in to 2022, the ownership change that began in November last year has essentially been completed, and ICA Gruppen's shares have been delisted. We have thereby entered 2022 with slightly different conditions but with intact plans and an unchanged strategy. We are moving forward to build a stronger and more exciting company in every way on the foundation of the ICA system, and we continue to drive our development projects with focus on growth, high efficiency and profitability, an omnichannel presence and a strong food ecosystem.

Per Strömberg  
CEO ICA Gruppen

## Group performance – fourth quarter

### Net sales

Consolidated net sales increased by 0.8% compared with 2020. In local currencies the increase was 1.0%. This performance is explained by positive price effects for ICA Sweden and Rimi Baltic, and positive volume effects in other operations. Overall, Covid-19 is estimated to have had a continued slightly positive effect on sales growth, but to a considerably lower degree than during the same period in 2020.

Net sales per segment						
SEKm	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
ICA Sweden	23,600	23,722	-0.5	92,242	91,684	0.6
Rimi Baltic	4,387	4,278	2.5	16,991	16,373	3.8
Apotek Hjärtat	4,056	3,805	6.6	15,531	15,178	2.3
ICA Real Estate	757	744	1.7	2,833	2,840	-0.2
ICA Bank	510	440	15.9	1,931	1,699	13.6
Other	332	318	4.5	1,334	1,282	4.1
Internal sales	-782	-714	9.5	-2,904	-2,772	4.8
<b>Net sales</b>	<b>32,860</b>	<b>32,593</b>	<b>0.8</b>	<b>127,957</b>	<b>126,283</b>	<b>1.3</b>

### Operating profit

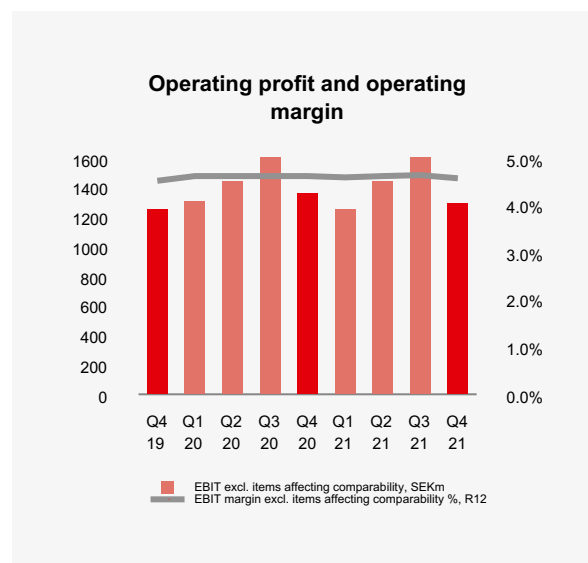
Operating profit excluding items affecting comparability was lower than a year ago. This is attributable to ICA Sweden's earnings performance, which was strongly affected by the start-up of new e-commerce warehouses and the higher costs this has entailed. ICA Real Estate was in line with last year while operating profit for other segments increased, where operating profit for Apotek Hjärtat and ICA Bank, in particular, was considerably higher than a year ago. In the preceding year, Apotek Hjärtat had strongly negative Covid-19 effects in operating profit, and ICA Bank's result included the effect of the acquisition of Forex's customer portfolios, by approximately SEK +29 million. For the Group as a whole, the price effect in particular was positive, while the volume effect was limited. Gross profit and the gross margin strengthened somewhat, while the operating margin excluding items affecting comparability was 4.0% (4.2%). Operating profit includes non-recurring costs of SEK -28 million attributable to the buyout of ICA Gruppen shares from the stock market. In other respects, the earnings effect between years was marginal with respect to non-recurring items. Profit for the period totalled SEK 1,043 million (919). Profit includes the result of divestments and impairment losses totalling SEK +6 million, net (-47). Earnings per share increased to SEK 5.16 (4.54), mainly owing to lower reported tax.

For the Group as a whole, Covid-19 is estimated to have had a marginally negative effect on operating profit. In the preceding year it was estimated to have had a slightly positive effect.

Operating profit excluding items affecting comparability per segment						
SEKm	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
ICA Sweden	872	1,003	-13.1	4,019	4,240	-5.2
Rimi Baltic	179	176	1.7	784	703	11.6
Apotek Hjärtat	133	85	55.6	444	383	15.9
ICA Real Estate	158	165	-3.7	650	603	7.7
ICA Bank	86	59	44.4	181	174	4.4
Other	-179	-163	10.1	-446	-446	0.1
<b>Operating profit excluding items affecting comparability, excl. IFRS 16 Leases</b>	<b>1,249</b>	<b>1,326</b>	<b>-5.8</b>	<b>5,632</b>	<b>5,657</b>	<b>-0.4</b>
IFRS 16 Leases	49	45	8.5	194	175	11.3
<b>Operating profit excluding items affecting comparability, incl. IFRS 16 Leases</b>	<b>1,298</b>	<b>1,371</b>	<b>-5.3</b>	<b>5,826</b>	<b>5,831</b>	<b>-0.1</b>

### 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 improved by SEK 13 million during the quarter, mainly owing to lower interest expenses related to refinancing of loans at lower interest rates, and lower interest on the pension liability.

The effective tax rate was lower than in 2020, mainly owing to changed reporting of tax on dividends received from Rimi Baltic. Starting with December 2020, these are booked through monthly provisions, and during the fourth quarter of 2020, deferred tax was booked in lump sum, which basically explains the difference between the two years. Paid tax was slightly higher than in 2020.

Net financial items and tax						
	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
Net financial items, SEKm	-97	-110	-12.0	-399	-466	-14.5
Of which, interest expenses, SEKm	-97	-116	-16.5	-404	-483	-16.4
Tax cost, SEKm	-165	-296	-44.2	-924	-1,135	-18.6
Effective tax rate, %	13.7	24.3	—	16.9	21.4	—
Paid tax, SEKm	-182	-166	9.4	-976	-1,078	-9.5

### Financing

In connection with the buyout of ICA Gruppen shares from the stock market and subsequent delisting of the shares, with 13 January 2022 as the last day of trading, an offer was made to holders of ICA Gruppen's outstanding Notes to repurchase these. The Repurchase Offer was announced on 13 January 2022, and it expires at 5 p.m. CET on 14 February 2022. See also the ICA Gruppen press release of 13 January 2022 at [www.icagruppen.se](http://www.icagruppen.se).

To finance the repurchase, bridge financing at market terms has been contracted with the offering company, Murgröna Holding AB. See also Note 9 in this report.

### Cash flow (excluding ICA Bank)

Cash flow from operating activities during the quarter (excluding ICA Bank) decreased by SEK 1,393 million compared with a year ago. The decrease is mainly attributable to a calendar-related change in working capital and effects of new rules governing payments of accounts payable.

Cash flow from investing activities was affected by a lower level of investment particularly in ICA Real Estate and Rimi Baltic.

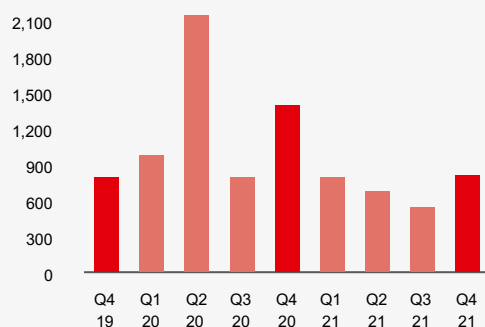
### Effect of IFRS 16 on cash flow

During the fourth quarter of 2021, lease payments (interest and principal) amounted to SEK -881 million (-854).

## Cash flow, Group excl. ICA Bank

SEKm	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
<b>From operating activities before change in working capital</b>	<b>2,549</b>	<b>2,631</b>	<b>-3.1</b>	<b>10,301</b>	<b>10,133</b>	<b>1.7</b>
Change in working capital	-170	1,140		-647	310	
<b>From operating activities</b>	<b>2,379</b>	<b>3,772</b>	<b>-36.9</b>	<b>9,654</b>	<b>10,444</b>	<b>-7.6</b>
Investing activities, net	-743	-1,413		-2,382	-5,184	
<b>Before financing activities</b>	<b>1,636</b>	<b>2,359</b>	<b>-30.7</b>	<b>7,272</b>	<b>5,259</b>	<b>38.3</b>
Financing activities, net	-863	-1,872		-7,282	-4,802	
<b>Cash flow for the period</b>	<b>773</b>	<b>487</b>	<b>58.8</b>	<b>-10</b>	<b>457</b>	<b>-102.2</b>

## Investments (cash flow), SEKm



## Investments

The Group's investments were lower than in the same period in 2020, mainly owing to a lower level of investment in ICA Real Estate due to postponed projects and a lower level of investment in land and future locations. Rimi Baltic also had a lower level of investment, as construction of the new warehouse in Riga has now been completed. At the same time, the investment level in ICA Sweden was slightly higher, mainly owing to several projects in online logistics and IT.

Major capex projects include purchases of logistics properties, future store locations, new establishments, investments in the Group's e-commerce and IT investments.

On 8 December 2021 it was announced that ICA Gruppen will invest in a new freezer warehouse in Västerås. The investment is worth SEK 1.8 billion, and the warehouse is planned to be commissioned in 2025.

## Investments (cash flow) by segment

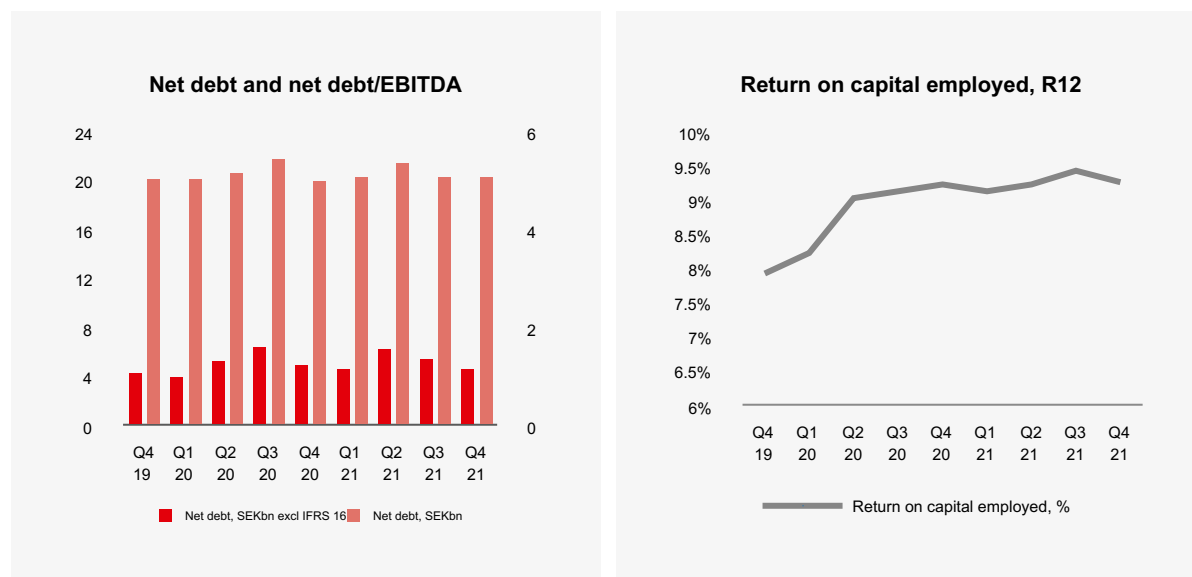
SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
ICA Sweden	293	258	1,000	825
Rimi Baltic	114	189	507	1,068
Apotek Hjärtat	47	52	208	212
ICA Real Estate	306	829	889	3,005
ICA Bank	34	32	106	88
Other	31	50	162	174
<b>Investments</b>	<b>825</b>	<b>1,411</b>	<b>2,872</b>	<b>5,372</b>

## Depreciation/amortisation by segment

SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
ICA Sweden	189	162	689	611
Rimi Baltic	110	108	442	405
Apotek Hjärtat	49	46	184	167
ICA Real Estate	173	141	610	533
ICA Bank	7	4	22	24
Other	39	38	150	144
<b>Depreciation/amortisation by segment</b>	<b>567</b>	<b>499</b>	<b>2,097</b>	<b>1,884</b>
IFRS 16 Leases	863	846	3,403	3,421
<b>Depreciation/amortisation</b>	<b>1,429</b>	<b>1,345</b>	<b>5,500</b>	<b>5,305</b>

## Net debt and return on capital employed

As per the end of the quarter the Group's net debt (excluding IFRS 16 lease liabilities, ICA Bank and pension liabilities) was slightly more than SEK 200 million lower than a year ago. The lower level of net debt is mainly attributable to a lower level of investment and continued stable cash flow from operating activities, and to some degree to completed property sales. The Group's net debt including IFRS 16 (excluding ICA Bank and pension liabilities) amounted to SEK 20.9 billion (19.9) at the end of the quarter. As per 31 December 2021, net debt in relation to EBITDA was 1.8 (1.8), which is well in line with the Group's long-term target of <3.0. Return on capital employed was 9.2% (9.2%) on a rolling 12-month basis.



### Net debt (excl. ICA Bank and pension liability)

SEKm	31 december	
	2021	2020
Net debt	-20,915	-19,901
Net debt excl. IFRS16	-4,680	-4,904
Net debt/EBITDA	1.8	1.8

## Important events during the quarter

**9 November** – It is announced that Giedrius Bandzevicius has been named as new CEO of Rimi Baltic, effective 31 December 2021. He succeeds Edgar Sesemann, who decided to retire.

**10 November** – ICA-handlarnas Förbund and AMF Pensionsförsäkring, through Murgröna Holding AB, announce an offer to all shareholders to sell their shares in ICA Gruppen. The Board's independent directors recommend that the shareholders accept the offer, and Murgröna attains an ownership share of more than 90% on 20 December, after which ICA Gruppen on 23 December requested that its shares be delisted.

**21 December** – It is announced that Benny Svensson has been named as the new Chief Information Officer of ICA Gruppen and a member of the ICA Gruppen Management Team. He will take office by 1 August 2022 at the latest.

## Important events after the end of the quarter

**13 January 2022** – Last day for trading in ICA Gruppen shares.

**13 January 2022** – ICA Gruppen announces a voluntary repurchase offer to holders of outstanding Notes. See the press release of 13 January 2022 at [www.icagruppen.se](http://www.icagruppen.se).

**3 February 2022** – At the Extraordinary General Meeting of ICA Gruppen four new board members were elected, among other things. Three previous board members stated before the EGM that they were not available for reelection. See also report from the EGM at [www.icagruppen.se](http://www.icagruppen.se)



## Performance for the period January-December 2021

ICA Gruppen's net sales increased by 1.3% during the period to SEK 127,957 million (126,283). Excluding currency effects and the effect of the leap year day in 2020, the increase was 1.9%. The increase is attributable to positive volume effects in ICA Sweden's wholesale operations and all other segments, and positive price effects in all segments except for ICA Bank.

Operating profit excluding items affecting comparability totalled SEK 5,826 million (5,831) and was level with the preceding year. The price effect was positive, while the volume effect overall had a limited earnings effect. All segments showed higher earnings except for ICA Sweden. ICA Sweden's earnings performance was strongly affected by the start-up of e-commerce projects, such as the new, automated e-commerce warehouse in Stockholm. The higher costs associated with this could only partly be compensated by significantly higher profit distribution from ICA stores, which generally have seen higher profitability following the strong pandemic driven sales growth from March 2020. Profit sharing increased by SEK 138 million compared to 2020.

ICA Sweden's operating profit includes non-recurring items of approximately SEK +35 million, net, consisting of structural costs, an insurance settlement, and a refund of funding capital from Afa sjukförsäkring. The corresponding items in 2020 amounted to approximately SEK +30 million, so the difference between the years is small. ICA Bank's operating profit includes an effect related to the acquisition of Forex's customer portfolios, for a combined total of SEK -8 million. The operating margin excluding items affecting comparability was unchanged at 4.6%.

Profit for the period totalled SEK 4,554 million (4,173), and earnings per share were SEK 22.52 (20.65). The improvement is explained by lower reported tax resulting from changed reporting of tax on dividends from Rimi Baltic and improved net financial items following completed refinancings. Profit includes the combined result of divestments/impairment charges totalling SEK +50 million (-58).

Covid-19 is estimated to have had a continued effect on the Group's sales during 2021, but to a considerably lower extent than in the preceding year. The effect on operating profit for the year is estimated to have been slightly positive. In the preceding year the effect was estimated to have been marginally negative. Covid-19 effects include certain general government assistance payments, mainly compensation for sick pay, totalling approximately SEK 55 million (125).



# 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.*

## Important events during the quarter

### 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
	Jan 2021 - Dec 2021	Jan 2020 - Dec 2020
Net zero emissions from own operations by 2030 (tonnes CO <sub>2</sub> e)	78,791	92,121
Net zero emissions from own operations by 2030 (tonnes CO <sub>2</sub> e / SEKm sales)	0.62	0.73
Cut the climate impact of customers' grocery purchases in half by 2030 (kg CO <sub>2</sub> e/kg sold food)	1.78	1.80
Cut food waste in half by 2025 (food waste weight share)	1.67%	1.57%
Cut food waste in half by 2025 (development as % relative to base year 2016)	-8%	-14%

ICA Gruppen's climate impact from its own operations (stores, pharmacies, warehouses, offices and transports) shall be net zero by 2030. This means that emissions are to be reduced as much as possible. At the same time, 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 continue to decrease and in 2021 amounted to 78,791 tonnes of CO<sub>2</sub> equivalents (CO<sub>2</sub>e), a decrease of 14% from 2020. The largest emissions reductions have been achieved in goods transports in Sweden and in refrigerants in Sweden and Rimi Baltic.

ICA's ambition is to cut the carbon footprint of customers' grocery purchases in half by 2030. During 2021 the average carbon footprint was 1.78 kg CO<sub>2</sub>e per kg sold food. The base year for this target is 2020, for which a carbon footprint of 1.80 kg CO<sub>2</sub>e per kg sold food was measured. The decrease in 2021 is mainly attributable to a shift towards lower sales of climate-intensive foods compared with the base year. Current data pertains to ICA Sweden (Rimi Baltic will be included in future reporting).

ICA has set a target to cut food waste in half by 2025 (base year 2016). Since the base year 2016, ICA Gruppen's food waste has decreased by 8%, and the share by weight is 1.67%. The increase compared with 2020 can partly be attributed to improved data collection and new measurement methods as well as to the opening of a new e-commerce warehouse and a higher level of waste from fruits and vegetables in ICA Sweden. Food waste in Rimi Baltic decreased during the year.

#### Continued development of more environmentally smart properties

ICA Real Estate is driving a number of initiatives aimed at steadily reducing the environmental and climate impacts of the real estate portfolio. During the quarter, construction was started of a new store in Arninge that will be built entirely of wood and certified according to the Sweden Green Building Council's Zero CO<sub>2</sub> standard and Miljöbyggnad Guld (Environmental Building Gold). Also during the quarter, the decision was made to establish a new ICA Supermarket in Östhammar. This store will also be built of wood and will be certified according to the Zero CO<sub>2</sub> standard and Miljöbyggnad Guld.

#### New partnership reducing food waste in Rimi Baltic

For many years Rimi Baltic has been donating food that is nearing its best before date to food banks. This food, in turn, is donated to people in need. During the quarter a cooperation agreement was signed with the organisation Samariesu apvieniba, which is behind one of the largest food banks in Latvia. The partnership now entered into enables larger volumes as well as new types of product categories, including frozen products and vegetables.

#### Rimi Baltic Lithuania first to introduce growing in stores

During the quarter, Rimi Baltic was the first grocery retailer in the Baltics to undertake vertical growing at one of its stores in Vilnius, as a pilot project. The project is based on hydroponic growing, which entails growing without soil and is instead entirely water-based. The technique makes it possible to grow locally and in a small area. In Sweden several independent ICA retailers have had growing operations in their stores for many years.

#### New, reusable solution for deliveries of groceries bought online

Within the framework of the Future Hub accelerator programme and in close collaboration with the Norwegian start-up company Packoorang, Rimi Baltic has developed a reusable alternative to the paper bags that are commonly used for delivery of groceries bought online. Paper bags are typically used only once, and in total more than 250,000 paper bags are used every month, which corresponds to more than 130 tonnes of paper yearly. Packoorang's solution is made of recycled plastic and can be reused 50 to 100 times.

## Health

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



### Health indicators

Q4 2021

Customers' daily consumption of fruits and vegetables is to correspond to 500 g per customer by 2025, ICA Sweden (grams)	n/a*
Number of products with reduced sugar, ICA Sweden <sup>1</sup>	0

<sup>1</sup> Target under development.

During the quarter, no products with reduced sugar content were launched. In total during the year, ten products with reduced sugar content were introduced.

\*To estimate how much fruit and vegetables ICA's customers in Sweden consume, a calculation is performed based on sales data for the customers who are assumed to do most of their grocery shopping with ICA. Due to a need to update the calculation model, reporting of the indicator has been paused and will be resumed when a new model is in place.

### Record collection raised SEK 57 million for cancer research

ICA has been a main sponsor of the Swedish Cancer Society's Pink Ribbon campaign since the start in 2003. During the past year a new record was set. Through donations and sales of Pink Ribbons and other selected products, ICA and Apotek Hjärtat raised SEK 57 million on behalf of Swedish cancer research. The Swedish Cancer Society's research commission decides how the funds are to be allocated.

### Great interest in "Kompis med Kroppen" and "Melliskockarna"

Children and young people are prioritised target groups in ICA's health promotion work. During the year more than 660 school classes in grades 2 and 5 used ICA Sweden's educational material on the advantages of a healthy diet and exercise. During the year, 191 classes participated in Melliskockarna ("Snack cooks"), an initiative developed by ICA Sweden in cooperation with Generation Pep. The ambition is to teach children to prepare healthy snacks.

### Launch of life insurance

During the quarter, ICA Insurance launched the opportunity for customers to purchase life insurance. Financial security is an important aspect in ensuring both physical and mental health. Life insurance helps secure a family's financial situation in the event of death before reaching a certain age. ICA's life insurance is offered in connection with home mortgages, but can also be purchased as a standalone product or as an alternative to mortgage protection insurance.

## Local

"We will actively contribute to the local communities where we operate."



### New report on ICA's contribution to rural development in Sweden

During the quarter, the report "Handlarkraft" was published, which addresses the importance of ICA stores for thriving rural communities. The report covers 23 municipalities which the Swedish Parliament's rural development committee regards as having particularly large challenges. Among other things, the report ascertains that 75 ICA retailers operate stores in the 23 municipalities and together contribute to more than 1,500 jobs, nearly SEK 200 million in municipal tax revenue, and more than SEK 1 billion per year in gross regional product. ICA retailers are often one of the largest employers in small towns, and for many an ICA store is the first step in to the job market.

### Deeper cooperation with Ståda Sverige

Since 2019 ICA Sweden and the ICA Foundation have cooperated with the environmental organisation Ståda Sverige. During the quarter this cooperation was further deepened through the formation of a three-year partnership which will entail, among other things, a doubling of the number of participating associations and teams in the Klara, färdiga, plocka! ("Ready, set, pick!") initiative. During 2021, 91 associations participated. In all, approximately 1,700 bags with 18 tonnes of litter were picked up.

### Support to local producers in Latvia and Lithuania

In September and October, food producers in Latvia could get advice from Rimi Baltic's experts in business development, marketing and sustainability. A number of producers were then selected for additional coaching, with the aim to launch their products in Rimi stores. The project will also be conducted in Lithuania. The aim is to promote local agriculture and smaller food producers.

## Inclusion & diversity

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



Inclusion & diversity indicators	Q4 2021
50/50 gender balance in key positions, ICA Gruppen (women/men, %)	51 / 49

ICA's target is to achieve a 50/50 gender balance in key positions, which includes approximately 230 positions in ICA Gruppen. At the end of the quarter the breakdown of these positions was 51% women and 49% men.

## Quality

*"We will ensure that quality and social responsibility always guide our operations and our business relationships."*



Quality indicators	12 months	12 months
	Jan 2021 - Dec 2021	Jan 2020 - Dec 2020
Share of socially audited suppliers of ICA Gruppen's corporate brand products in high-risk countries (%) <sup>1</sup>	94	92
Share of suppliers of ICA Gruppen's corporate brand products in high-risk countries with a valid follow-up social audit (%)	89	86
Share of suppliers of ICA Gruppen's corporate brand products with quality certification (%) <sup>1</sup>	93	91

<sup>1</sup> Reported until further notice, new target under development.

After the Covid-19 pandemic had made it difficult to conduct social audits of suppliers, we are now seeing a gradual return to a more normal situation. At the end of the quarter, 94% of suppliers of ICA Gruppen's corporate brand products in high-risk countries had been socially audited, and 89% had undergone a valid follow-up social audit. 93% of suppliers of ICA Gruppen's corporate brand products were quality-certified.

## Awards and distinctions

### High scores in surveys

In the LEAD Network Gender Diversity Scorecard, a survey that studied gender equality in large European corporates in the retail and consumer products industries, ICA Gruppen earned a top score, with 51% of women in leadership roles, compared with the industry average of 35%.

In the Albright foundation's annual review of gender equality balance in listed companies in Sweden, ICA Gruppen earned a place on the Green List. The results of the survey are based on the share of women on management teams, the share of women in line positions on management teams, and the share of women on the board of directors.

During the fourth quarter ICA Sweden won the Swedish Marketing Federation's newly established Senior Talent Award. The distinction was created to recognise organisations that are helping redefine stereotypical concepts and obsolete structures regarding age coupled to jobs and competence.

### Rimi Baltic Sustainability Awards

In December the winners of Rimi Baltic's newly established Rimi Baltic Sustainability Awards were announced. A total of 323 actors were nominated (companies, organisations, startups and private individuals) in the three categories Impact, Innovation and Changemaker. A more in-depth presentation of the winners is available at <https://www.balticsustainabilityawards.eu/winners>.

### 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 2020 report as well as 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 (Hypermarket) stores.

### Net sales

ICA Sweden's net sales were at the same level as in the fourth quarter of 2020 despite challenging comparison figures given the preceding year's very strong pandemic-driven sales increase. Price effects were countered to a large degree by negative volume effects in the wholesale operations. Added to this, sales in subsidiary stores were lower due to store divestments at the start of 2021. Non-food sales continued to show favourable performance. The Covid-19 pandemic is estimated to have continued contributing to higher sales, but to a considerably lower degree than a year ago.

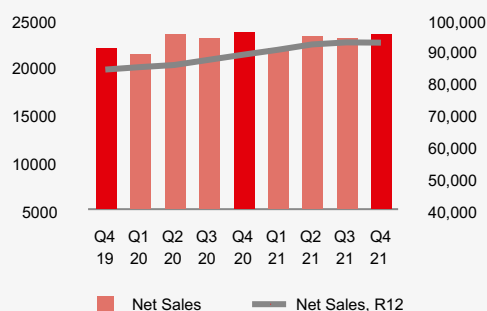
### Earnings

Operating profit excluding items affecting comparability was lower than in the fourth quarter of 2020. In the wholesale operations, the price effect was positive, and volume effects were negative. The ongoing implementation of the online growth project, such as the start-up of the automated e-commerce warehouse in Stockholm, resulted in a continued high level of costs compared with a year ago. Over time these projects will increase capacity and efficiency in ICA Sweden's e-commerce operations. This development was compensated only partly by higher profit distribution from ICA stores, which is strongly coupled to a generally higher level of profitability for many ICA stores following the strong sales increase that took place due to the pandemic. Operating profit includes a refund of funding capital from Afa sjukförsäkring totalling more than SEK +70 million and structural costs of just under SEK -70 million coupled to the move of an e-commerce warehouse in Stockholm. The net effect of these items was thus marginal. Overall, positive earnings effects from Covid-19 are estimated to have been lower than a year ago.

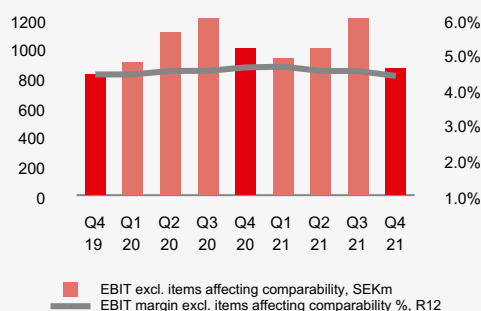
#### Key data

	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
Net sales, SEKm	23,600	23,722	-0.5	92,242	91,684	0.6
Operating profit before depreciation/amortisation (EBITDA), SEKm	1,061	1,166	-9.0	4,708	4,851	-3.0
Operating profit excl. items affecting comparability, SEKm	872	1,003	-13.1	4,019	4,240	-5.2
Operating margin excl. items affecting comparability, %	3.7	4.2	—	4.4	4.6	—
Investments, SEKm	293	258	13.4	1,000	825	21.2
Depreciation/amortisation, SEKm	189	162	16.3	689	611	12.7
Average number of employees	—	—	—	8,662	8,412	—

#### Net sales, SEKm



#### EBIT and EBIT margin



## ICA store sales and market development

Sales for ICA stores decreased by 0.3% during the fourth quarter compared with the preceding year, which was strongly characterised by a pandemic-driven high growth rate. Compared with the same quarter in 2019, sales increased by 6.9%. Sales were driven by a higher number of customer visits, while the average spend was lower, which in turn was attributable to the decline in online sales. Stores at urban locations with a high online share had an extra hard time meeting the high comparison figures from a year ago. Stores at urban locations near residential areas also experienced weaker growth in pace with the pandemic's subsiding. Market growth during the quarter was +0.5% according to the Food Retail Index (DVI), entailing that growth for ICA stores was lower than for the market as a whole. Market growth for the full year was +1.3%. Food price inflation during the quarter was +1.3% and gradually increased during the second half of the year.

Three stores were opened and two were closed during the fourth quarter. A total of 12 to 15 new stores are planned to be established in 2022.

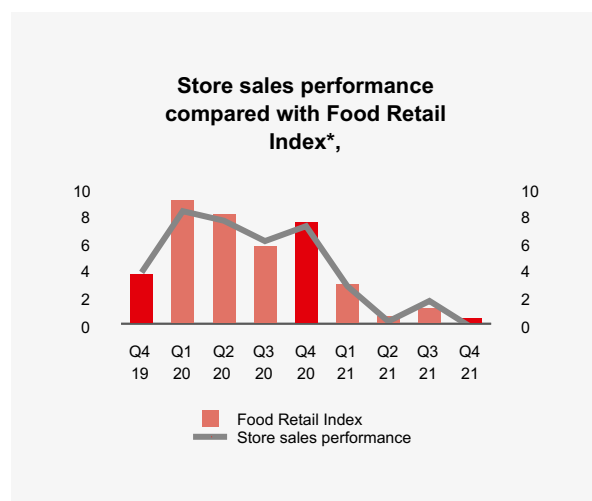
## E-commerce performance

Online sales decreased by 22% compared with a rather extreme comparison period, as online sales during the same period a year ago increased by 156%. Compared with the full year 2019, online sales in 2021 increased by 165%. According to the Food Retail Index (DVI), the market for groceries online in Sweden decreased by 16.7% in the fourth quarter. For the whole year market growth reached 24% while ICA stores' online sales increased by 22%.

### Key data, ICA stores

	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Sales growth, all stores, %	-0.3	7.1	1.0	7.2
Sales growth, like-for-like stores, %	-0.7	7.2	0.7	7.0
Calendar effect, %	0.0	0.3	-0.3	0.3
Food price inflation, %	1.3	1.2	0.4	2.1
Volume growth, total store sales <sup>1)</sup> , %	-1.6	5.6	0.9	4.8
Volume growth, like-for-like stores, %	-2.0	5.7	0.6	4.6
Private label share, %	25.9	25.2	26.7	26.9
Sales online, SEKm	1,289	1,663	6,070	4,975
Share of sales online, %	3.8	4.9	4.6	3.8
Number of stores offering e-commerce (groceries online)	—	—	441	374

<sup>1)</sup> Volume- and calendar adjusted.



\* 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	Fourth quarter 2021			January-December 2021		
	SEKm	All stores, %	Like-for-like stores, %	SEKm	All stores, %	Like-for-like stores, %
Maxi ICA Stormarknad	11,164	-0.1	-0.9	42,910	1.8	1.0
ICA Kvantum	8,224	-0.3	-0.5	31,932	0.6	0.2
ICA Supermarket	9,356	-0.6	-0.8	37,515	0.1	0.1
ICA Nära	4,793	0.1	0.1	19,726	1.6	2.2
<b>Total</b>	<b>33,537</b>	<b>-0.3</b>	<b>-0.7</b>	<b>132,083</b>	<b>1.0</b>	<b>0.7</b>

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

Format	December 2020	New	Closed	December 2021
Maxi ICA Stormarknad	87	1	0	88
ICA Kvantum	129	1	0	130
ICA Supermarket	422	3	-3	422
ICA Nära	628	2	-3	627
<b>Total</b>	<b>1,266</b>	<b>7</b>	<b>-6</b>	<b>1,267</b>

## Rimi Baltic

*Rimi Baltic conducts grocery retail business via 294 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 3.9% during the quarter (2.5% in SEK). The increase was driven by positive price effects, which were countered by negative volume effects. Growth remained favourable in Estonia, while growth in Latvia and Lithuania was negatively affected by reinstated restrictions towards the end of the year. Owing to these, the negative effect from Covid-19 overall is assessed to have been at the same level as in the preceding year. In addition, in Latvia, new competition from 17 newly opened Lidl stores contributed to a lower rate of growth.

### Earnings

Operating profit excluding items affecting comparability increased by slightly less than 3% in local currencies during the quarter, and the operating margin was unchanged. Price effects were positive, while volume effects were slightly negative. Lower logistics costs and higher efficiency, together with positive mix effects and a lower share of campaign sales, resulted in an improved gross profit and gross margin. This was countered by higher electricity costs, continued wage inflation, online expansion and investments in the store network. Marketing costs were also higher. Covid-19 continued to have a negative impact on earnings performance, and owing to renewed restrictions, the negative effect is estimated to have been higher than for the same period in 2020.

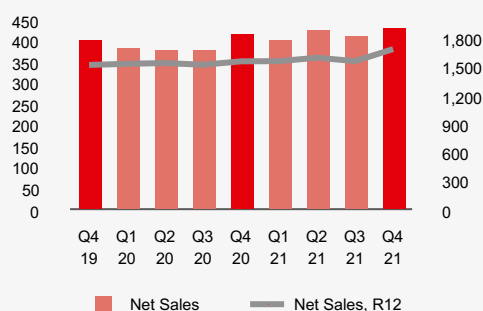
### Other

Operating profit for the quarter includes a net result of SEK +9 million (-3) from sales/impairment losses.

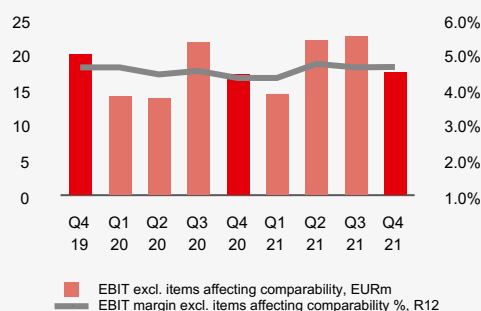
#### Key data

	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
Net sales, SEKm	4,387	4,278	2.5	16,991	16,373	3.8
Operating profit before depreciation/amortisation (EBITDA), SEKm	304	284	7.1	1,264	1,111	13.8
Operating profit excl. items affecting comparability, SEKm	179	176	1.7	784	703	11.6
Operating margin excl. items affecting comparability, %	4.1	4.1	—	4.6	4.3	—
Investments, SEKm	114	189	-39.7	507	1,068	-52.5
Depreciation/amortisation, SEKm	110	108	2.0	442	405	8.9
Average number of employees	—	—	—	11,175	10,647	—
EUR/SEK exchange rate, average	10.13	10.27	—	10.14	10.48	—

#### Net sales, EURm



#### EBIT and EBIT margin





## Rimi store sales and market development

Market growth in the Baltic countries in the fourth quarter is not yet published but full year growth is estimated at 5-6%, which is approximately the same level as 2020. Rimi Baltic's store sales grew by 7.2% in 2021. The inflation rate in the region has increased and is judged to have been substantially higher than the same period in 2020 and also higher than the previous quarter. During the fourth quarter Lidl opened a total of 17 stores, which led to a lower rate of growth for Rimi Baltic's stores in Latvia.

During the fourth quarter, the average spend grew comparatively strongly in Latvia and Estonia, while customer visits to like-for-like stores decreased except for in Estonia. The reinstatement of restrictions in Latvia and continued restrictions in Lithuania, including limitations on access to stores larger than 1,500 sq. m., had a relatively larger negative impact on Rimi Baltic's sales.

Rimi Baltic opened eight stores during the quarter and three were closed. A total of 18 to 22 store openings are planned for 2022.

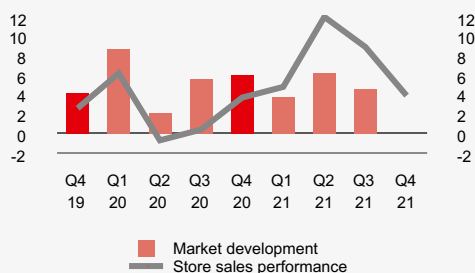
## E-commerce performance

Rimi Baltic's online business continued to grow and increased in local currency by 34% during the quarter. The increase for the full-year 2021 was approximately 133%. The share of total sales in 2021 was approximately 2.6%, with roughly the same share for all three countries.

### Key data, Rimi stores

	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Sales growth, all stores, %	3.8	3.6	7.2	2.3
Sales growth, like-for-like stores, %	2.1	-2.1	3.4	-1.3
Private label share, %	22.9	22.7	23.1	23.4
Sales online, EURm	12	9	43.4	18.7
Share of sales online, %	2.8	2.2	2.6	1.2

### Store sales performance compared with market development \*, %



\*) Source: Country statistics.

## Sales breakdown by country

Store sales excl. VAT	Fourth quarter 2021			January-December 2021		
	EURm	All stores, %	Like-for-like stores, %	EURm	All stores, %	Like-for-like stores, %
Estonia	110.4	8.6	9.3	408.7	6.9	5.9
Latvia	213.3	1.1	0.8	855.2	6.2	2.6
Lithuania	104.7	4.8	-2.4	395.0	9.7	2.8
<b>Total</b>	<b>428.4</b>	<b>3.8</b>	<b>2.1</b>	<b>1,658.9</b>	<b>7.2</b>	<b>3.4</b>

## Number of stores per country

Country	December 2020	New	Closed	December 2021
Estonia	84	1	-3	82
Latvia	131	6	-4	133
Lithuania	68	12	-1	79
<b>Total</b>	<b>283</b>	<b>19</b>	<b>-8</b>	<b>294</b>

## Apotek Hjärtat

*Apotek Hjärtat is the largest actor in the Swedish pharmacy market, with 390 pharmacies. Apotek Hjärtat is also a part owner of the digital healthcare company Min Doktor.*

### Net sales

Net sales increased by nearly 7% during the quarter in a market with favourable growth and in which Apotek Hjärtat continued to take market shares. The increase was volume-driven, with certain, negative price effects in prescription drugs. Volume growth was particularly strong for self-care products.

### Earnings

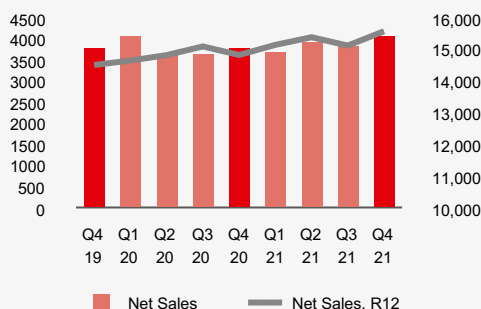
Operating profit excluding items affecting comparability increased by SEK 48 million during the quarter. Excluding Min Doktor the increase was SEK 59 million. The earnings increase was mainly driven by positive volume effects, while price effects along with parallel imports also made positive contributions. Improved efficiency in logistics contributed to the higher operating margin. These positive logistics effects were countered to some extent by increased shrinkage (mainly Covid-related products) and higher store costs, mainly coupled to higher sales volume at pharmacies. In the preceding year, Covid-19 effects were estimated to have been sharply negative, while in 2021 they are estimated to have been only marginal.

Operating profit for the quarter includes SEK -23 million (-12) for Min Doktor. This development is mainly explained by higher costs associated with more physical clinics and increased marketing.

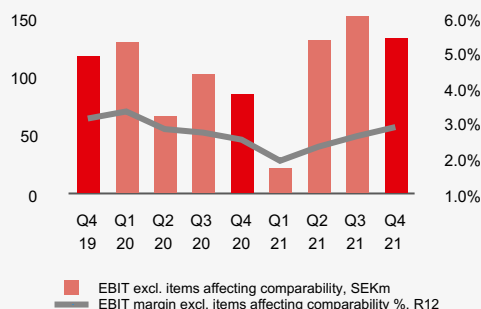
#### Key data

	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
Net sales, SEKm	4,056	3,805	6.6	15,531	15,178	2.3
Of which, prescription drugs	3,001	2,881	4.2	11,558	11,384	1.5
Of which, OTC drugs	376	313	20.1	1,400	1,389	0.8
Of which, other products and services	679	611	11.1	2,574	2,405	7.0
Operating profit before depreciation/amortisation (EBITDA), SEKm	182	131	38.5	627	550	14.1
Operating profit excl. items affecting comparability, SEKm	133	85	55.6	444	383	15.9
Of which, share in profit in Min Doktor	-23	-12	91.3	-56	-44	29.7
Operating margin excl. items affecting comparability, %	3.3	2.2	—	2.9	2.5	—
Investments, SEKm	47	52	-9.8	208	212	-1.9
Depreciation/amortisation, SEKm	49	46	6.7	184	167	9.8
Average number of employees	—	—	—	3,049	3,067	—

Net sales, SEKm



EBIT and EBIT margin



## Pharmacy sales and market development

Growth in the pharmacy market during the quarter was estimated to have been 4.1%. Apotek Hjärtat's pharmacy sales increased by 6.6%. Apotek Hjärtat's sales of traded goods increased by 11.0%, while the market is estimated to have grown by 6.8%. Growth was positive for physical pharmacies but remained lower than growth online. Apotek Hjärtat took market shares in both channels, and growth was driven mainly by a sharp increase in customer visits along with a higher average purchase of traded goods. During 2021 Apotek Hjärtat grew faster than the market in physical pharmacies, online and overall. It is estimated that the market grew by a total of 2.3% in 2021. Seen over the last 12-month period, Apotek Hjärtat's market share has neared 31%, entailing that Apotek Hjärtat continues to be the market leader.

Four pharmacies were opened during the fourth quarter and one was closed. Three new pharmacies are planned to open in 2022, all at locations near ICA stores.

## E-commerce performance

The online channel continues to grow faster than sales in physical pharmacies. Market growth online was 6.6% during the quarter and approximately 19.2% for the full-year 2021. At the same time, Apotek Hjärtat's growth was 9.9% during the fourth quarter and 26.9% for the full year. The online share for the market was approximately 19% in 2021, while Apotek Hjärtat's online share was just under 10%.

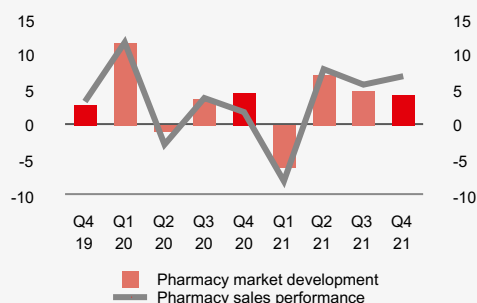
### Key data

	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Stores sales, SEKm	4,035	3,787	15,447	15,060
Sales growth, all pharmacies, %	6.6	1.5	2.6	3.2
Sales growth, like-for-like pharmacies, %	6.3	1.1	2.3	2.5
Private label share, other products, %	17.4	18.5	17.4	18.5
Sales online, SEKm	384	349	1,531	1,206
Share of sales online, %	9.5	9.2	9.9	8.0

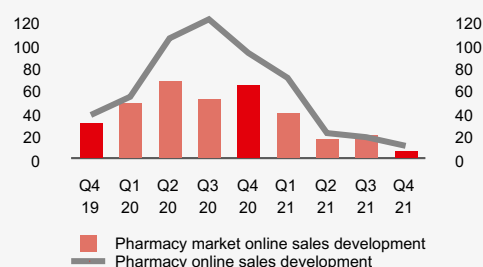
### Number of pharmacies

	December 2020	New	Closed	December 2021
<b>Apotek Hjärtat</b>	<b>391</b>	<b>7</b>	<b>-8</b>	<b>390</b>

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



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



\* Source: Sveriges Apoteksförening.

# 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

Underlying net sales during the quarter were slightly higher than in the preceding year due to completed investments that were partly countered by lower sales-based rents than a year ago. Net sales also include a negative effect from transfers of leases between ICA Real Estate and ICA Sweden. These transfers have no earnings effect in SEK, but have a marginal effect on the operating margin.

## Earnings

Operating profit excluding items affecting comparability was slightly lower than in the same period in 2020. Apart from higher depreciation and slightly higher maintenance costs, the positive earnings effect from sales-based rents was considerably lower in 2021 than in 2020. In other respects, revenue from completed investments made a positive contribution to operating profit.

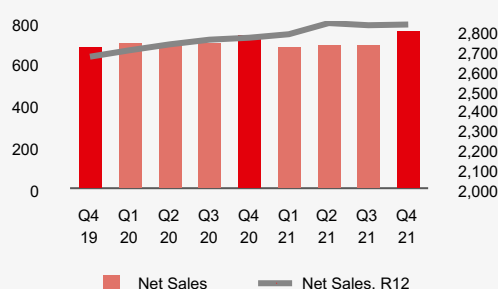
## Other and investments

Operating profit for the quarter includes a net earnings effect of SEK -3 million (-0) from property sales/impairment losses. Investments during the quarter were lower than a year ago, mainly owing to a high level of investment in 2020, but also to lower investments in land and property banking and postponed projects. Property sales during the quarter pertain to construction rights.

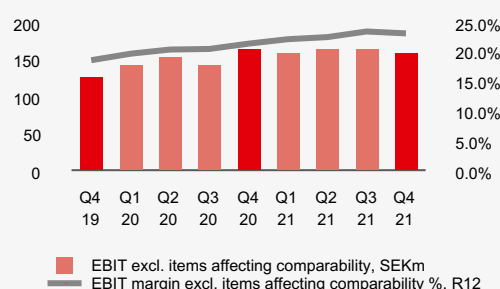
### Key data

	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
Net sales, SEKm	757	744	1.7	2,833	2,840	-0.2
Of which, rental income from owned properties	344	333	3.1	1,329	1,213	9.6
Operating profit before depreciation/amortisation (EBITDA), SEKm	333	305	9.0	1,308	1,138	14.9
Operating profit excl. items affecting comparability, SEKm	158	165	-3.7	650	603	7.7
Of which, share in profit of JV companies Ancore and Secore	23	22	2.8	97	93	4.2
Operating margin excl. items affecting comparability, %	20.9	22.1	—	22.9	21.2	—
Investments, SEKm	306	829	-63.2	889	3,005	-70.4
Divestments, SEKm	23	0	>200	221	29	>200
Depreciation/amortisation, SEKm	173	141	23.1	610	533	14.6
Yield, %	—	—	—	7.0	7.0	—
Occupancy rate, %	—	—	—	98.5	98.5	—
Number of owned properties	—	—	—	132	136	—
Number of owned square metres, 000 sq. m.	—	—	—	855	822	—
Average number of employees	—	—	—	117	111	—

Net sales, SEKm



EBIT and EBIT margin



### Appraisal of property holdings including partly owned properties

An appraisal was conducted of all Swedish wholly and partly owned properties during the fourth quarter. The appraisal showed total growth of the fair market value by approximately SEK 4.3 billion.

Key data	2021		2020	
	Book value	Estimated market value	Book value	Estimated market value
SEKm				
Wholly owned Swedish properties	13.5	22.0	13.2	18.4
Properties partly owned through joint ventures, of which:	9.2	13.5	9.2	12.1
Långeberga logistik <sup>1)</sup>	1.4	2.4	1.4	2.0
Ancore <sup>2)</sup>	5.4	8.3	5.5	7.5
Secore <sup>2)</sup>	2.4	2.9	2.4	2.6
<b>Total, incl. partly owned properties</b>	<b>22.7</b>	<b>35.5</b>	<b>22.4</b>	<b>30.4</b>
<b>Total, ICA Real Estate</b>	<b>18.1</b>	<b>28.7</b>	<b>17.8</b>	<b>24.4</b>

<sup>1)</sup> Consolidated in ICA Real Estate  
<sup>2)</sup> Reported in accordance with the equity method

# 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 70 million during the quarter. Net interest income improved as a result of the completed acquisition of Forex's customer portfolios in May 2021. Net commission income increased slightly, driven by higher revenues from bank cards. Premium revenue in ICA Insurance increased by SEK 24 million.

## Earnings

Operating profit excluding items affecting comparability increased by SEK 27 million during the quarter, of which SEK 26 million is attributable to ICA Insurance. The acquisition of Forex's customer portfolios made a net contribution of approximately SEK +29 million to operating profit. Loan losses totalled SEK -67 million (-40). The increase compared with a year ago is mainly attributable to the acquisition of customer portfolios. The bank's underlying operating profit excluding ICA Insurance and the acquisition of customer portfolios was thus slightly lower than in the preceding year. Covid-19 is estimated to have had a continued negative effect on the bank's revenue, mainly pertaining to sales of consumer loans. In addition, costs and loan losses were slightly higher than a year ago.

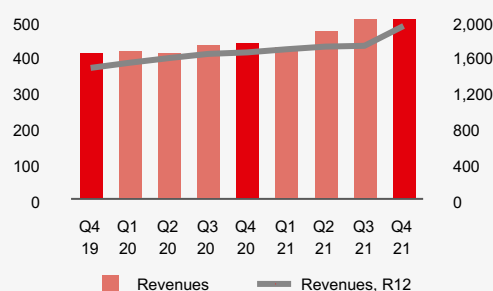
ICA Insurance's improved operating profit includes the dissolution of a claims reserve, totalling SEK +13 million. In other respects, the earnings improvement was driven by higher sales combined with limited cost increases.

### Key data

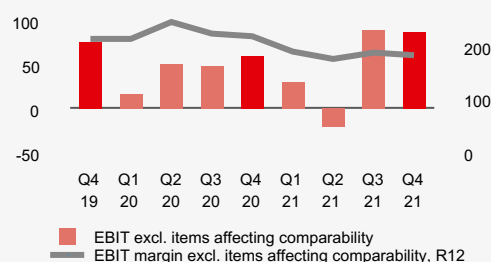
	Fourth quarter			Jan-dec		
	2021	2020	%	2021	2020	%
Revenue, SEKm	510	440	15.9	1,931	1,699	13.6
Of which, net interest income	223	180	24.1	835	700	19.3
Of which, net commission income	70	66	4.7	250	252	-0.9
Of which, premium revenue	188	164	14.3	733	634	15.6
Operating profit before depreciation/amortisation (EBITDA), SEKm	92	64	45.0	203	197	3.2
Operating profit before items affecting comparability, SEKm	86	59	44.4	181	174	4.4
Of which, ICA Insurance	27	1	>200	38	1	>200
C/I ratio, %	—	—	—	74.5	78.5	—
Return on equity, % <sup>1)</sup>	—	—	—	4.9	5.6	—
Loan loss ratio, %	—	—	—	-1.5	-1.3	—
Common Equity Tier 1 ratio, % (ICA Banken AB)	—	—	—	13.9	14.0	—
Business volume, SEKm	—	—	—	54,489	38,722	—
Average number of employees	—	—	—	452	440	—

<sup>1)</sup> Calculation of the return on equity for ICA Bank is adjusted for the effect of Group contributions. The definition of return on equity for ICA Bank has been changed in 2021, and the value for 2020 has been recalculated according to the new definition.

Revenues, SEKm



EBIT excl. items affecting comparability, SEKm





## Other, Group

### Seasonal variations

Grocery retail sales are 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 43-48 in ICA Gruppen's 2020 Annual Report.

### Related party transactions

No significant transactions have taken place between ICA Gruppen and related parties, apart from the acquisition of Första AP-fonden's 50% stake in the jointly owned company Secore Fastigheter AB.

## Parent Company – fourth quarter

The Parent Company's net sales amounted to SEK 316 million (294). Profit after financial items totalled SEK -126 million (-81). The change compared with the corresponding period a year ago is mainly attributable to non-recurring costs associated with the offer made by Murgröna Holding AB for ICA Gruppen AB and ICA Gruppen's subsequent delisting from Nasdaq Stockholm. The change is also attributable to lower internal Group interest income and external interest expenses attributable to bonds.

## Share information

On 10 November 2021 ICA-handlarnas Förbund and AMF Pensionsförsäkring AB, through Murgröna Holding AB (Murgröna), made a public offer to the shareholders of ICA Gruppen to acquire their shares. The offer price was SEK 534 per share, and Murgröna attained more than 90% ownership on 20 December. On 23 December ICA Gruppen applied to have the company's shares delisted, and the last day of trading on the stock exchange was 13 January 2022. As per 31 December 2021 Murgröna's share of ownership was 91.4%.

No dividend will be paid for the year 2021.

# Financial statements

## Consolidated statement of comprehensive income

SEKm	Note	Fourth quarter		Jan-dec	
		2021	2020	2021	2020
Net sales		32,860	32,593	127,957	126,283
Cost of goods and services sold		-27,275	-27,100	-106,064	-104,739
<b>Gross profit</b>		<b>5,585</b>	<b>5,493</b>	<b>21,894</b>	<b>21,544</b>
Selling expenses		-3,467	-3,281	-12,967	-12,569
Administration expenses		-957	-979	-3,679	-3,635
Other operating income		168	129	579	441
Other operating expenses		-28	—	-28	—
Share of profits of associates and joint ventures	2	-2	10	28	50
<b>Operating profit (EBIT) excl items affecting comparability</b>		<b>1,298</b>	<b>1,371</b>	<b>5,826</b>	<b>5,831</b>
Capital gains/losses from sale of subsidiaries and non-current assets	3, 4	16	0	82	6
Impairment and impairment reversals	3	-10	-47	-31	-63
<b>Operating profit</b>	7	<b>1,305</b>	<b>1,325</b>	<b>5,876</b>	<b>5,774</b>
Financial income		0	6	5	17
Financial expenses	7	-97	-116	-404	-483
Net financial items		-97	-110	-399	-466
<b>Profit before tax</b>		<b>1,208</b>	<b>1,215</b>	<b>5,478</b>	<b>5,308</b>
Tax		-165	-296	-924	-1,135
<b>Profit for the period</b>		<b>1,043</b>	<b>919</b>	<b>4,554</b>	<b>4,173</b>
<b>Other comprehensive income, items that may not be reclassified to profit or loss, net after tax</b>					
Remeasurement defined benefit pensions		-141	332	257	-99
<b>Other comprehensive income, items that may be reclassified to profit or loss, net after tax</b>					
Change in translation reserve		7	-107	44	-75
Change in hedging reserve		66	-70	257	-157
Share of other comprehensive income of joint ventures		5	2	12	4
<b>Total items that may be reclassified to profit or loss</b>		<b>78</b>	<b>-175</b>	<b>313</b>	<b>-228</b>
<b>Comprehensive income for the period</b>		<b>980</b>	<b>1,076</b>	<b>5,125</b>	<b>3,846</b>
<b>Profit for the period attributable to</b>					
Owners of the parent		1,037	913	4,531	4,153
Non-controlling interests		6	6	23	20
<b>Comprehensive income for the period attributable to</b>					
Owners of the parent		974	1,070	5,101	3,823
Non-controlling interests		6	6	24	23
<b>Earnings per share, SEK</b>					
Earnings per share		5.16	4.54	22.52	20.65

## Condensed consolidated statement of financial position

SEKm	Note	31 december 2021	31 december 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		16,301	16,301
Trademarks		12,910	12,895
Other intangible assets		2,090	1,990
Land, buildings and investment properties		18,186	17,936
Right of use assets	7	16,215	15,054
Interests in joint ventures and associates	2	1,316	1,287
ICA Bank's lending and investments		21,272	15,591
Deferred tax assets		58	62
Other non-current assets		2,951	2,629
<b>Total non-current assets</b>		<b>91,298</b>	<b>83,744</b>
<b>Current assets</b>			
Inventories		4,757	4,731
ICA Bank's lending and investments		3,771	3,063
Other current assets		8,416	8,108
Assets held for sale	4	2	157
ICA Bank's cash and cash equivalents		5,081	3,276
Cash and cash equivalents		1,310	1,309
<b>Total current assets</b>		<b>23,337</b>	<b>20,644</b>
<b>TOTAL ASSETS</b>		<b>114,635</b>	<b>104,388</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
		<b>37,686</b>	<b>35,226</b>
<b>Non-current liabilities</b>			
Provisions		4,170	4,272
Deferred tax liabilities		4,094	3,970
Non-current interest-bearing liabilities		3,760	4,173
Non-current lease liabilities		12,742	11,903
Other non-current liabilities		61	183
<b>Total non-current liabilities</b>		<b>24,826</b>	<b>24,500</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities		2,230	2,040
Deposits ICA Bank		26,682	19,293
Current lease liabilities		3,494	3,096
Other current liabilities		19,717	20,233
<b>Total current liabilities</b>		<b>52,123</b>	<b>44,661</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>114,635</b>	<b>104,388</b>

## Condensed consolidated statement of cash flows

SEKm	Note 5	Fourth quarter		Jan-dec	
		2021	2020	2021	2020
Operating profit		1,305	1,325	5,876	5,774
Depreciation, amortisation and impairment		1,439	1,392	5,531	5,368
Dividend from joint ventures		30	25	85	100
Other non-cash items		63	138	-31	129
Income tax paid		-182	-166	-976	-1,078
<b>Cash flow from operating activities before change in working capital</b>		<b>2,655</b>	<b>2,714</b>	<b>10,486</b>	<b>10,293</b>
Change in working capital:					
Inventories		68	-182	-69	-199
Current receivables		-635	-661	-207	-544
Current liabilities		288	1,919	-272	1,143
ICA Bank's net of deposits, lending and investments		-537	124	1,004	950
<b>Cash flow from operating activities</b>		<b>1,839</b>	<b>3,911</b>	<b>10,942</b>	<b>11,641</b>
Acquisitions of property, plant and equipment and intangible assets		-825	-1,411	-2,872	-5,372
Sale of property, plant and equipment and intangible assets		47	4	307	81
Change in financial assets		-2	36	75	85
Interest received		0	1	1	5
Investments in joint ventures and associated companies		-65	-97	-74	-108
<b>Cash flow from investing activities</b>		<b>-844</b>	<b>-1,467</b>	<b>-2,563</b>	<b>-5,309</b>
Dividend paid to shareholders of ICA Gruppen AB		—	—	-2,615	-2,414
Change in loans		42	-949	-231	1,239
Interest paid		-11	-53	-71	-109
Interest paid lease debts		-76	-77	-304	-321
Amortisation lease debts		-805	-777	-3,313	-3,255
Capital contributions, acquisitions, and dividends relating to non-controlling interests		-15	-15	-50	-50
<b>Cash flow from financing activities</b>		<b>-864</b>	<b>-1,873</b>	<b>-6,585</b>	<b>-4,911</b>
<b>Cash flow for the period</b>		<b>131</b>	<b>572</b>	<b>1,795</b>	<b>1,422</b>
Cash and cash equivalents at beginning of period		6,260	4,017	4,584	3,157
Exchange differences in cash and cash equivalents		1	-5	11	5
<b>Cash and cash equivalents at end of period</b>		<b>6,391</b>	<b>4,584</b>	<b>6,391</b>	<b>4,584</b>

## Condensed consolidated statement of changes in equity

SEKm	Attributable to owners of the parent	Attributable to non-controlling interests	Total
<b>Opening equity, 1 January 2021</b>	<b>35,013</b>	<b>213</b>	<b>35,226</b>
Dividend	-2,615	-50	-2,665
Comprehensive income for the period	5,101	24	5,125
<b>Closing equity, 31 December 2021</b>	<b>37,499</b>	<b>187</b>	<b>37,686</b>

SEKm	Attributable to owners of the parent	Attributable to non-controlling interests	Total
<b>Opening equity, 1 January 2020</b>	<b>33,604</b>	<b>240</b>	<b>33,844</b>
Dividend	-2,414	-50	-2,464
Comprehensive income for the period	3,823	23	3,846
<b>Closing equity, 31 December 2020</b>	<b>35,013</b>	<b>213</b>	<b>35,226</b>

## 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 2020 Annual Report. There are no new or amended IFRSs or IFRS IC pronouncements that have an effect on the 2021 financial statements.

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.

Effective 16 December 2021, ICA Gruppen aktieföretag (AB) is a subsidiary of Murgröna Holding AB, which is a subsidiary of ICA-handlarnas Förbund, corporate identity number 802001-5577. On 31 December 2021 ICA Gruppen AB was listed on Nasdaq Stockholm, Large Cap segment.

On 10 November 2021 ICA-handlarnas Förbund and AMF Pensionsförsäkring AB (AMF), through Murgröna Holding AB (Murgröna), made a public offer for all of the shares in ICA Gruppen AB. On 20 December, owners had accepted the offer to such extent that Murgröna's holding reached over 90%. The bidder announced that it will acquire the remaining shares through compulsory redemption in accordance with the Swedish Companies Act (*Aktieföretagslagen 2005:551*). On 23 December, ICA Gruppen's board of directors applied for a delisting of ICA Gruppen's shares from Nasdaq Stockholm, and the last day of trading in the shares was 13 January 2022. Murgröna Holding AB is approximately 87%-owned by ICA-handlarnas Förbund and approximately 13%-owned by AMF. On 31 December 2021, Murgröna's ownership of ICA Gruppen was 91.4%.

See also Note 9, Events after the balance sheet date and description of the Group.

#### **New IASB standards to be applied from 2022 and onwards with relevance for ICA Gruppen**

IFRS 17 *Insurance Contracts* was endorsed by the EU in November 2021 and is to be applied starting in 2023. IFRS 17 sets principles for reporting, valuation and disclosures of insurance contracts. The subsidiary ICA Försäkring AB (ICA Insurance) conducts insurance business, and the consolidated financial statements for ICA Gruppen will be affected to a minor extent by the changed reporting for ICA Insurance.

There are a few IFRS amendments that have been approved for application starting in 2022, 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.

#### **Estimated effects of the Covid-19 pandemic**

The estimated effects of the Covid-19 pandemic are described in the business review of ICA Gruppen including the segments.

#### **Payment of funds from Fora**

The payment from Fora of funding capital from Afa sjukförsäkring that Fora informed about on its website in October 2021 amounted to SEK 76 million and is recognised in the ICA Sweden segment as a reduction of costs.

#### **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 now 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 SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Ancore Fastigheter AB	15	17	67	64
Secore Fastigheter AB	7	5	30	30
MD International AB (Min Doktor)	-23	-12	-56	-44
Fastighetsaktiebolaget Postgården AB	0	0	0	0
IISÅ Holdco/Borgo	-2	—	-13	—
<b>Total</b>	<b>-2</b>	<b>10</b>	<b>28</b>	<b>50</b>

Book value, SEKm	31 December 2021	31 december 2020
Ancore Fastigheter AB	728	725
Secore Fastigheter AB	158	138
MD International AB (Min Doktor)	334	391
Fastighetsaktiebolaget Postgården AB	7	7
IISÅ Holdco/Borgo	87	26
<b>Total</b>	<b>1,316</b>	<b>1,287</b>

**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 SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Income	122	123	486	492
Expenses	-61	-56	-230	-211
<b>Operating profit</b>	<b>60</b>	<b>67</b>	<b>256</b>	<b>281</b>
Net financial items	-19	-20	-76	-107
Tax	-10	-12	-44	-44
<b>Profit for the period</b>	<b>31</b>	<b>35</b>	<b>137</b>	<b>129</b>
Other comprehensive income	9	5	23	9
<b>Comprehensive income for the period</b>	<b>40</b>	<b>40</b>	<b>160</b>	<b>138</b>
Non-current assets			5,442	5,475
Current assets			213	188
<b>Total assets</b>			<b>5,655</b>	<b>5,663</b>
Equity			1,400	1,390
Non-current liabilities			4,096	4,120
Current liabilities			159	153
<b>Total equity and liabilities</b>			<b>5,655</b>	<b>5,663</b>



### Information regarding Secore Fastigheter AB

Secore Fastigheter AB is a joint arrangement between Första AP-fonden and ICA Gruppen. The parties each own 50% of the company. All significant decisions about the operations of Secore Fastigheter AB must be made as a joint understanding between the two owners. Secore Fastigheter AB owns and manages properties at 40 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, Secore Fastigheter AB is classified as a joint venture. Consolidation is done according to the equity method.

ICA Real Estate has entered into an agreement to acquire Första AP-fonden's 50% stake in Secore on 1 April 2022. See also Note 8.

Secore Fastigheter AB	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
SEKm				
Income	46	46	184	183
Expenses	-27	-33	-104	-100
<b>Operating profit</b>	<b>19</b>	<b>14</b>	<b>80</b>	<b>84</b>
Net financial items	-6	-6	-25	-28
Tax	-3	-2	-14	-15
<b>Profit for the period</b>	<b>10</b>	<b>5</b>	<b>41</b>	<b>41</b>
Other comprehensive income	—	—	—	—
<b>Comprehensive income for the period</b>	<b>10</b>	<b>5</b>	<b>41</b>	<b>41</b>
Non-current assets			2,354	2,365
Current assets			77	49
<b>Total assets</b>			<b>2,432</b>	<b>2,414</b>
Equity			809	788
Non-current liabilities			1,560	1,565
Current liabilities			63	61
<b>Total equity and liabilities</b>			<b>2,432</b>	<b>2,414</b>

### 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, through Apotek Hjärtat, 46.51% of the company. 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 and is consolidated according to the equity method.

### Information regarding IISÅ Holdco/Borgo

In partnership with Ålandsbanken, Ikano Bank, Söderberg & Partners and Borgo, ICA Bank continued work in 2021 on establishing a jointly owned mortgage company in the Swedish market. The company began conducting business in December 2021. The jointly owned company is an associated company in ICA Gruppen, and accounting is conducted according to the equity method.

**NOTE 3 | ITEMS AFFECTING COMPARABILITY**

SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
<b>Capital gains/losses net on sale of subsidiaries and non-current assets</b>				
Rimi Baltic	15	—	38	3
ICA Real Estate	1	0	48	2
Other	—	—	-4	1
<b>Total</b>	<b>16</b>	<b>0</b>	<b>82</b>	<b>6</b>
<b>Impairment and impairment reversals</b>				
Rimi Baltic	-6	-3	-26	-12
ICA Real Estate	-4	—	-6	-7
ICA Bank	—	-8	—	-8
Other	—	-36	—	-37
<b>Total</b>	<b>-10</b>	<b>-47</b>	<b>-31</b>	<b>-63</b>
<b>Total items affecting comparability</b>	<b>6</b>	<b>-47</b>	<b>50</b>	<b>-58</b>

**NOTE 4 | ASSETS AND LIABILITIES HELD FOR SALE**

Assets held for sale pertain to properties in Sweden and the Baltic countries.

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

SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
<b>Cash flow from operating activities before change in working capital</b>	<b>2,549</b>	<b>2,631</b>	<b>10,301</b>	<b>10,133</b>
Change in working capital				
Inventories	68	-182	-69	-199
Current receivables	-632	-604	-187	-413
Current liabilities	394	1,926	-391	922
<b>Cash flow from operating activities</b>	<b>2,379</b>	<b>3,772</b>	<b>9,654</b>	<b>10,444</b>
<b>Cash flow from investing activities</b>	<b>-743</b>	<b>-1,413</b>	<b>-2,382</b>	<b>-5,184</b>
<b>Cash flow from financing activities</b>	<b>-863</b>	<b>-1,872</b>	<b>-7,282</b>	<b>-4,802</b>
<b>Cash flow for the period</b>	<b>773</b>	<b>487</b>	<b>-10</b>	<b>457</b>
Cash and cash equivalents at the beginning of the period			1,309	846
Exchange differences in cash and cash equivalents			11	5
<b>Cash and cash equivalents at the end of the period</b>			<b>1,310</b>	<b>1,309</b>

**NOTE 6 | FINANCIAL INSTRUMENTS**

As per 31 December 2021, financial assets at fair value in ICA Gruppen amounted to SEK 4,057 million (2,591). In the fair value hierarchy, the entire amount is attributable to Level 1. Financial liabilities measured at fair value amounted to SEK 34 million (304) as per 31 December 2021. The carrying amount corresponds to fair value for all assets and liabilities, except for bond issues, where the fair value is higher than the carrying amount by SEK 3 million (10).

**NOTE 7 | LEASES**

Lease items in the Income statement, SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Total lease revenue incl variable revenue	769	751	3,057	2,914
Variable lease expenses	-27	-32	-123	-115
Interest expenses, lease liabilities	-76	-77	-304	-321

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

Total right-of-use assets, SEKm	Jan-dec	
	2021	2020
At start of year	15,054	16,142
Changed and new contracts	4,515	2,438
Depreciation	-3,403	-3,421
Translation differences	50	-105
<b>Book value</b>	<b>16,215</b>	<b>15,054</b>

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

**NOTE 8 | ACQUISITIONS**

ICA Real Estate has entered into an agreement to acquire Första AP-fonden's 50% stake in the jointly owned company Secore Fastigheter AB (Secore), which was announced in a press release on 30 September 2021. The purchase price for the shares will amount to SEK 738 million. All else equal, the acquisition, which will close on 1 April 2022, will increase ICA Gruppen's net debt by SEK 0.9 billion and the key ratio EBITDA/Net debt by 0.1, until an arrangement with a new long-term partner has begun.

In May 2021 ICA Bank acquired a portfolio of customer deposit and consumer loan business from Forex, which was announced in a press release on 22 December 2020.

**NOTE 9 | EVENTS AFTER THE BALANCE SHEET DATE**

On 10 November 2021 ICA-handlarnas Förbund and AMF Pensionsförsäkring AB (AMF), through Murgröna Holding AB (Murgröna), made a public offer for all of the shares in ICA Gruppen AB. On 20 December, owners had accepted the offer to such extent that Murgröna's holding reached over 90%. The bidder announced that it will acquire the remaining shares through compulsory redemption in accordance with the Swedish Companies Act (*Aktiebolagslagen 2005:551*). On 23 December, ICA Gruppen's board of directors applied for a delisting of ICA Gruppen's shares from Nasdaq Stockholm, and the last day of trading in the shares was 13 January 2022. Murgröna Holding AB is approximately 87%-owned by ICA-handlarnas Förbund and approximately 13%-owned by AMF. On 31 December 2021, Murgröna's ownership of ICA Gruppen was 91.4%.

As per the balance sheet date, ICA Gruppen has four long-term loans ("Notes") worth a combined total of SEK 3,750 million. On 13 January 2022 ICA Gruppen announced a voluntary repurchase offer for these Notes pursuant to Clause 9 of the loan terms and conditions. According to the clause, each holder of a Note (the "Noteholders") is entitled to have its Note repurchased in connection with a delisting of the shares in ICA Gruppen from Nasdaq Stockholm. Since the last day for trading in ICA Gruppen shares was 13 January 2022, the Issuer was obligated to offer to repurchase the Notes in a voluntary repurchase offer by way of notice to the Noteholders. Such an offer entails that the issuer is obligated to offer to repurchase all Notes at a price equivalent to 100.00% of the nominal amount of each Note together with accrued but unpaid interest. The Noteholders are entitled, but not obligated, to participate in the repurchase offer. The Repurchase Offer expires at 5 p.m. CET on 14 February 2022. The settlement date of the Repurchase Offer will be on or about 14 March 2022.

The short-term loans under Note 20 in the Annual Report 2020 of SEK 1,000 million are not subject to the Repurchase Offer, since the final redemption date of these notes is 4 March 2022, i.e., prior to the settlement date.

As per the balance sheet date, ICA Gruppen had unutilised confirmed credit facilities worth a total of SEK 6 billion, of which SEK 5 billion consists of a syndicated bank loan, which expired on 26 January 2022.

To finance the repurchase, bridge financing at market terms has been contracted with the offering company, Murgröna Holding AB.

## Condensed parent company income statement

SEKm	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Net sales <sup>1)</sup>	316	294	1,249	1,192
Cost of services sold	-323	-299	-1,190	-1,137
<b>Gross profit</b>	<b>-7</b>	<b>-5</b>	<b>59</b>	<b>55</b>
Administrative expenses	-162	-140	-474	-460
<b>Operating profit/loss</b>	<b>-169</b>	<b>-145</b>	<b>-415</b>	<b>-405</b>
Profit/loss from participations in Group companies	—	—	1,850	3,500
Financial income, Group companies	50	79	202	287
Financial income	7	5	29	12
Financial expenses	-15	-20	-65	-112
<b>Profit/loss after financial items</b>	<b>-126</b>	<b>-81</b>	<b>1,601</b>	<b>3,283</b>
Appropriations	233	211	233	211
<b>Profit before tax</b>	<b>107</b>	<b>130</b>	<b>1,834</b>	<b>3,494</b>
Tax	-20	-29	7	—
<b>Profit for the period</b>	<b>87</b>	<b>101</b>	<b>1,841</b>	<b>3,494</b>

<sup>1)</sup> Of net sales for the fourth quarter, SEK 313 million (298) pertains to Group companies.

## Condensed parent company balance sheet

SEKm	31 December 2021	31 december 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investments in Group companies	30,402	29,702
Other intangible assets	161	143
Deferred tax assets	33	28
Non-current receivables from Group companies	1,321	1,357
Other non-current assets	237	223
<b>Total non-current assets</b>	<b>32,154</b>	<b>31,452</b>
<b>Current assets</b>		
Current receivables from Group companies	17,141	20,079
Other current assets	350	505
Cash and cash equivalents	908	877
<b>Total current assets</b>	<b>18,398</b>	<b>21,461</b>
<b>TOTAL ASSETS</b>	<b>50,552</b>	<b>52,912</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>35,924</b>	<b>36,692</b>
<b>Provisions</b>	<b>475</b>	<b>456</b>
<b>Non-current liabilities</b>		
Non-current interest-bearing liabilities	3,750	3,250
Other non-current liabilities	19	136
<b>Total non-current liabilities</b>	<b>3,769</b>	<b>3,386</b>
<b>Current liabilities</b>		
Current interest-bearing liabilities	1,318	2,040
Current liabilities to Group companies	8,572	9,824
Other current liabilities	494	514
<b>Total current liabilities</b>	<b>10,385</b>	<b>12,379</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>50,552</b>	<b>52,912</b>

## Key figures ICA Gruppen

	Fourth quarter		Jan-dec	
	2021	2020	2021	2020
Operating profit before depreciation/amortisation (EBITDA), SEKm	2,744	2,716	11,408	11,141
Operating margin excl. items affecting comparability, %	4.0	4.2	4.6	4.6
Operating margin, %	4.0	4.1	4.6	4.6
Net margin, %	3.2	2.8	3.6	3.3
Return on capital employed, %	—	—	9.2	9.2
Return on equity, %	—	—	12.7	11.7
Equity/assets ratio, %	—	—	32.9	33.7
Net debt excl IFRS 16, SEKm	—	—	-4,680	-4,904
Net debt, SEKm	—	—	-20,915	-19,901
Net debt/EBITDA	—	—	1.8	1.8
Average number of employees	—	—	23,994	23,196
<b>Share data</b>				
Earnings per share, SEK	5.16	4.54	22.52	20.65
Share price at the end of period, SEK	—	—	534.40	410.90
Dividend per ordinary share, SEK	—	—	0.00	13.00
Dividend, SEKm	—	—	0	2,615
Dividend payout ratio, %	—	—	—	63
Equity per share, SEK	—	—	186.43	174.07
Cash flow from operating activities per share, SEK	9.14	19.45	54.40	57.88
Number of shares	201,146,795	201,146,795	201,146,795	201,146,795
Average number of shares	201,146,795	201,146,795	201,146,795	201,146,795
Average number of shares after dilution	201,146,795	201,146,795	201,146,795	201,146,795

## Quarterly overview

### Quarterly overview key ratios

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Net sales, SEKm	30,366	31,924	31,401	32,593	30,602	32,401	32,094	32,860
Operating profit before depreciation/amortisation (EBITDA), SEKm	2,624	2,774	3,026	2,716	2,631	2,836	3,197	2,744
Operating profit excl. items affecting comparability, SEKm	1,310	1,452	1,698	1,371	1,264	1,446	1,818	1,298
Operating margin excl. items affecting comparability, %	4.3	4.5	5.4	4.2	4.1	4.3	5.7	4.0
Operating profit, SEKm	1,309	1,454	1,686	1,325	1,290	1,466	1,815	1,305
Operating margin, %	4.3	4.6	5.4	4.1	4.2	4.4	4.8	4.0
Profit before tax, SEKm	1,183	1,338	1,572	1,215	1,191	1,365	1,713	1,208
Profit for the period, SEKm	976	976	1,302	919	984	1,139	1,389	1,043
Earnings per share, SEK	4.83	4.83	6.45	4.54	4.86	5.64	6.87	5.16
Equity per share, SEK	172.79	169.26	168.75	174.07	181.96	174.49	181.59	186.43
Share price at the end of period, SEK	417.90	441.80	455.30	410.90	427.00	398.30	402.10	534.40
Return on equity, %	10.6	11.8	12.0	11.7	11.6	12.2	12.2	12.7
Return on capital employed, %	8.2	9.0	9.1	9.2	9.1	9.2	9.4	9.2
Cash flow from operating activities, SEKm	2,381	4,021	1,328	3,911	3,034	3,206	2,863	1,839
Cash flow per share from operating activities, SEK	11.84	19.99	6.60	19.45	15.08	15.95	14.23	9.14
Investing activities (cash flow), SEKm	992	2,167	802	1,411	799	695	553	825
Capital employed excl. ICA Bank, average, SEKm	59,799	60,102	60,821	61,355	61,631	61,518	61,485	61,735
Net debt, SEKm	-20,134	-20,573	-21,734	-19,901	-20,164	-21,374	-20,207	-20,915
Net debt/EBITDA	1.9	1.9	2.0	1.8	1.8	1.9	1.8	1.8



## Quarterly data by segment

### Net sales by segment

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
ICA Sweden	21,430	23,496	23,035	23,722	22,074	23,376	23,192	23,600
Rimi Baltic	4,098	4,051	3,946	4,278	4,067	4,313	4,225	4,387
Apotek Hjärtat	4,087	3,638	3,648	3,805	3,706	3,923	3,846	4,056
ICA Real Estate	700	696	699	744	689	696	691	757
ICA Bank	417	408	434	440	426	474	521	510
Other	319	322	323	318	349	331	322	332
Intra-Group sales	-684	-687	-686	-714	-709	-712	-702	-782
<b>Net sales</b>	<b>30,366</b>	<b>31,924</b>	<b>31,401</b>	<b>32,593</b>	<b>30,602</b>	<b>32,401</b>	<b>32,094</b>	<b>32,860</b>

### Operating profit before depreciation/amortisation by segment (EBITDA)

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
ICA Sweden	1,061	1,264	1,361	1,166	1,100	1,175	1,373	1,061
Rimi Baltic	249	250	328	284	257	356	346	304
Apotek Hjärtat	168	107	144	131	65	177	203	182
ICA Real Estate	266	285	282	305	334	326	315	333
ICA Bank	23	56	54	64	34	-16	94	92
Other	-58	-85	-35	-125	-50	-72	-34	-140
<b>Operating profit before depreciation/ amortisation (EBITDA) by segment</b>	<b>1,709</b>	<b>1,878</b>	<b>2,134</b>	<b>1,825</b>	<b>1,739</b>	<b>1,947</b>	<b>2,297</b>	<b>1,832</b>
IFRS 16	916	896	892	891	892	889	900	912
<b>Operating profit before depreciation/ amortisation (EBITDA)</b>	<b>2,624</b>	<b>2,774</b>	<b>3,026</b>	<b>2,716</b>	<b>2,631</b>	<b>2,836</b>	<b>3,197</b>	<b>2,744</b>

### Operating profit excluding items affecting comparability by segment

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
ICA Sweden	916	1,113	1,207	1,003	942	1,007	1,198	872
Rimi Baltic	152	147	227	176	148	225	232	179
Apotek Hjärtat	130	66	101	85	22	132	157	133
ICA Real Estate	142	154	143	165	160	165	166	158
ICA Bank	17	50	47	59	29	-21	88	86
Other	-92	-120	-71	-163	-85	-108	-74	-179
<b>Operating profit excluding items affecting comparability by segment</b>	<b>1,266</b>	<b>1,410</b>	<b>1,655</b>	<b>1,326</b>	<b>1,216</b>	<b>1,400</b>	<b>1,767</b>	<b>1,249</b>
IFRS 16	44	42	43	45	48	47	51	49
<b>Operating profit excluding items affecting comparability</b>	<b>1,310</b>	<b>1,452</b>	<b>1,698</b>	<b>1,371</b>	<b>1,264</b>	<b>1,446</b>	<b>1,818</b>	<b>1,298</b>

### Operating margin, %, by segment

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
ICA Sverige	4.3	4.7	5.2	4.2	4.3	4.3	5.2	3.7
Rimi Baltic	3.7	3.6	5.8	4.1	3.6	5.2	5.5	4.1
Apotek Hjärtat	3.2	1.8	2.8	2.2	0.6	3.4	4.1	3.3
ICA Fastigheter	20.3	22.1	20.4	22.1	23.2	23.7	24.1	20.9
<b>Group</b>	<b>4.3</b>	<b>4.5</b>	<b>5.4</b>	<b>4.2</b>	<b>4.1</b>	<b>4.5</b>	<b>5.7</b>	<b>4.0</b>

## 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 in relation to EBITDA that is lower than a multiple of 3.

### Reconciliation EBITDA

	Fourth quarter		Jan-dec		12 months	Full year
SEKm	2021	2020	2021	2020	Jan 2021 - Dec 2021	2020
Operating profit	1,305	1,325	5,876	5,774	5,876	5,774
Depreciation/amortisation	1,429	1,345	5,500	5,305	5,500	5,305
Impairment and impairment reversals	10	47	31	63	31	63
<b>Operating profit before depreciation/amortisation (EBITDA)</b>	<b>2,744</b>	<b>2,716</b>	<b>11,408</b>	<b>11,141</b>	<b>11,408</b>	<b>11,141</b>

### Reconciliation EBITDA

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Operating profit excl IFRS 16	1,265	1,412	1,643	1,279	1,243	1,424	1,765	1,256
Depreciation/amortisation excl IFRS 16	441	466	477	499	493	510	527	567
Impairment and impairment reversals	3	0	13	47	4	12	6	10
<b>Operating profit before depreciation/amortisation (EBITDA) excl IFRS 16</b>	<b>1,709</b>	<b>1,878</b>	<b>2,134</b>	<b>1,825</b>	<b>1,739</b>	<b>1,947</b>	<b>2,297</b>	<b>1,832</b>
IFRS 16 Operating profit	43	42	43	46	48	42	51	49
IFRS 16 Depreciation/amortisation	872	854	850	846	844	847	849	863
<b>Operating profit before depreciation/amortisation (EBITDA)</b>	<b>2,624</b>	<b>2,774</b>	<b>3,026</b>	<b>2,716</b>	<b>2,631</b>	<b>2,836</b>	<b>3,197</b>	<b>2,744</b>

### Reconciliation Net debt excluding ICA Bank

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Non-current interest-bearing liabilities	-3,761	-4,673	-4,173	-4,173	-4,671	-3,759	-3,759	-3,760
Current interest-bearing liabilities	-3,414	-2,512	-3,021	-2,044	-1,875	-2,885	-2,185	-2,230
Cash and cash equivalents	3,256	1,937	827	1,309	1,937	381	537	1,310
<b>Net debt excl IFRS 16</b>	<b>-3,919</b>	<b>-5,248</b>	<b>-6,367</b>	<b>-4,904</b>	<b>-4,610</b>	<b>-6,264</b>	<b>-5,408</b>	<b>-4,680</b>
Non-current lease liabilities	-12,790	-12,011	-12,063	-11,902	-12,265	-11,855	-11,531	-12,741
Current lease liabilities	-3,425	-3,314	-3,303	-3,095	-3,290	-3,256	-3,268	-3,493
<b>Net debt</b>	<b>-20,134</b>	<b>-20,573</b>	<b>-21,734</b>	<b>-19,901</b>	<b>-20,165</b>	<b>-21,375</b>	<b>-20,207</b>	<b>-20,915</b>

### Reconciliation Capital employed excluding ICA Bank

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Equity	35,001	34,277	34,165	35,226	36,820	35,302	36,721	37,686
Provisions for pensions	3,979	4,301	4,623	4,256	3,807	3,859	3,911	4,139
Other provisions	31	30	13	7	24	21	30	23
Non-current interest-bearing liabilities	3,761	4,673	4,173	4,173	4,671	3,759	3,759	3,760
Current interest-bearing liabilities	3,414	2,512	3,021	2,044	1,875	2,885	2,185	2,230
Other non-current liabilities	63	151	137	183	90	108	113	61
Non-current lease liabilities	12,790	12,011	12,063	11,902	12,265	11,855	11,531	12,741
Current lease liabilities	3,425	3,314	3,303	3,095	3,290	3,256	3,268	3,493
<b>Capital employed</b>	<b>62,465</b>	<b>61,270</b>	<b>61,500</b>	<b>60,887</b>	<b>62,843</b>	<b>61,046</b>	<b>61,520</b>	<b>64,133</b>
<b>Average capital employed</b>	<b>59,799</b>	<b>60,102</b>	<b>60,821</b>	<b>61,355</b>	<b>61,631</b>	<b>61,518</b>	<b>61,485</b>	<b>61,735</b>

# 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.

## Cash flow from operating activities per share

Cash flow from operating activities for the period divided by the average number of shares outstanding.

## 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.

## Earnings per share

Profit for the period, excluding non-controlling interests, divided by the average number of shares outstanding.

## EBITDA

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

## Equity/assets ratio

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

## Equity per share

Equity, excluding non-controlling interests, divided by the total number of shares outstanding.

## 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.

## Loan loss ratio (ICA Bank)

Loan losses in relation to average lending.

## Net debt

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

## Net debt excl. IFRS 16

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

## Net debt/EBITDA

Interest-bearing liabilities excluding pensions, ICA Bank and cash and cash equivalents in relation to EBITDA 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 year-end report and sustainability report has not been reviewed by the company's auditors.

Stockholm, 9 February 2022

Per Strömberg  
CEO ICA Gruppen

## Contacts and calendar

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**Calendar**

28 April 2022	Interim report Q1 2022
17 August 2022	Interim report Q2 2022
27 October 2022	Interim report Q3 2022

The information in this report is such that ICA Gruppen AB is obligated to disclose pursuant to the EU Market Abuse Regulation and 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, 9 February 2022.

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 operations, ICA Real Estate, which owns and manages properties, and ICA Bank, which offers financial services in Sweden.

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

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