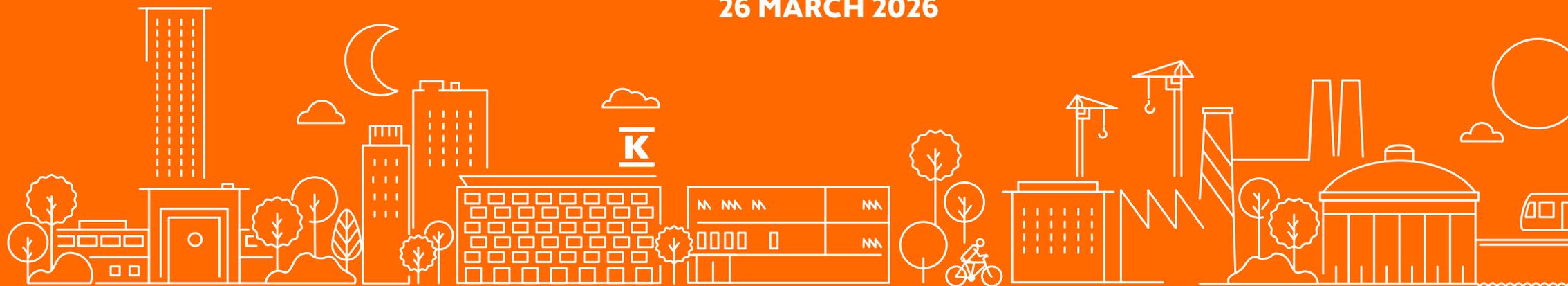




**KESKO ANNUAL GENERAL MEETING
REVIEW OF 2025 BY
THE PRESIDENT AND CEO**

A GOOD RESULT FROM ALL DIVISIONS

**JORMA RAUHALA
26 MARCH 2026**



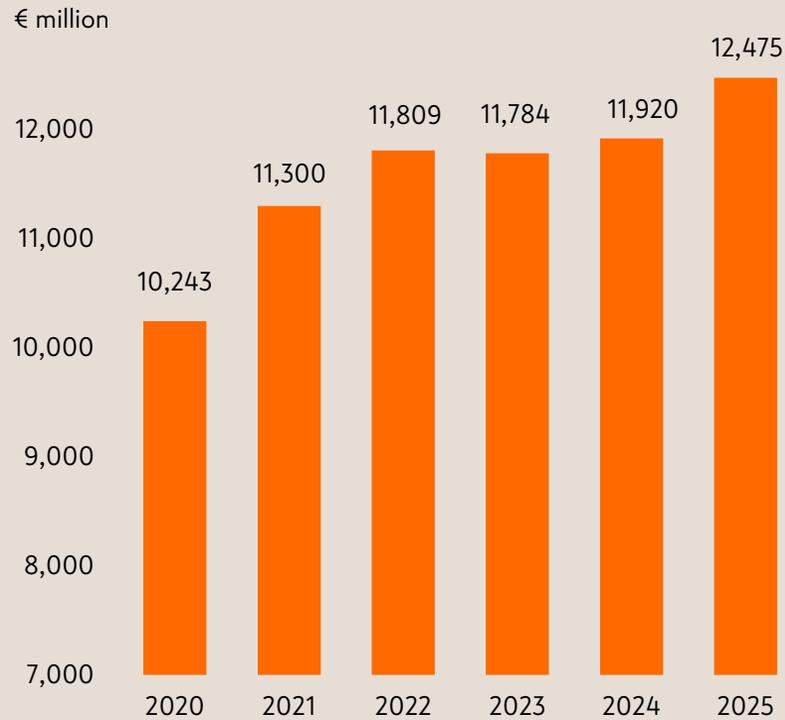
KEY TOPICS FOR KESKO IN 2025

- Kesko's comparable operating profit improved, net sales grew in all divisions
- Grocery trade: upturn in market share, profitability strong despite investments
- Building and technical trade: comparable operating profit grew despite the challenging market; strong market position achieved in Denmark through acquisitions
- Car trade: market position grew stronger, comparable operating profit increased significantly
- The shared Onninen and K-Auto logistics centre Onnela in Hyvinkää, Finland was completed on schedule, and the total investment for the project amounted to €250 million
- Kesko estimates that its 2026 comparable operating profit will amount to €650–750 million
- Operating environment and profit are estimated to improve in 2026 in all divisions and all operating countries

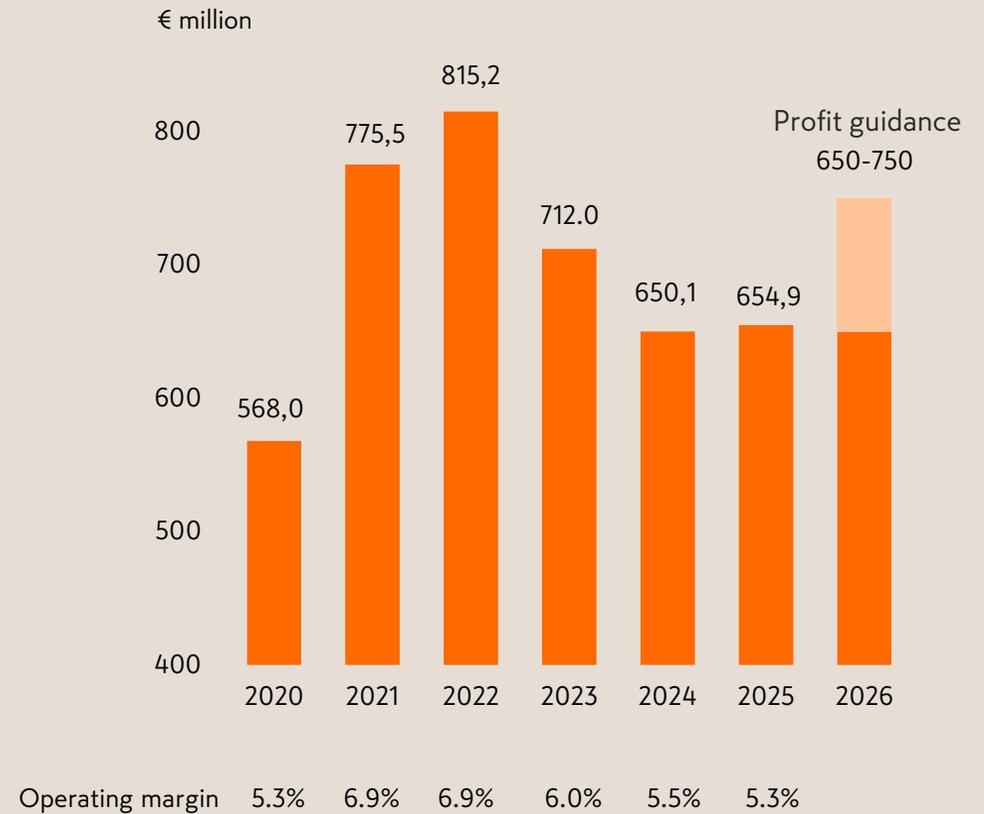


A GOOD PERFORMANCE DESPITE THE CHALLENGING CYCLE

NET SALES

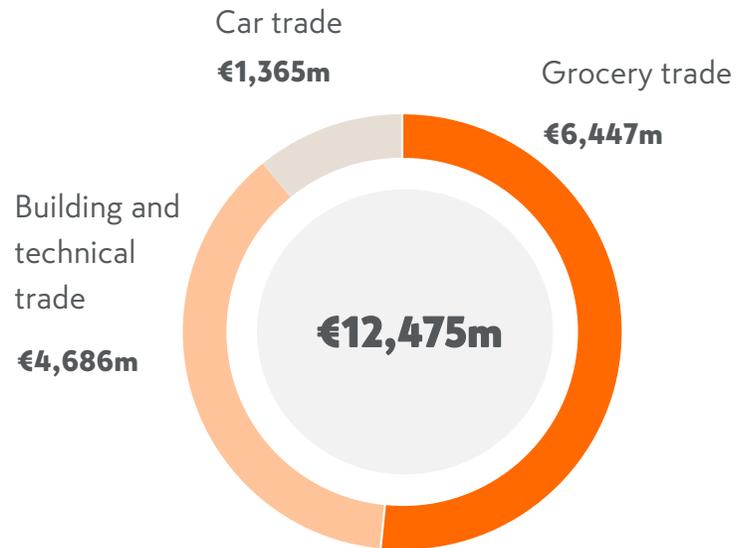


OPERATING PROFIT

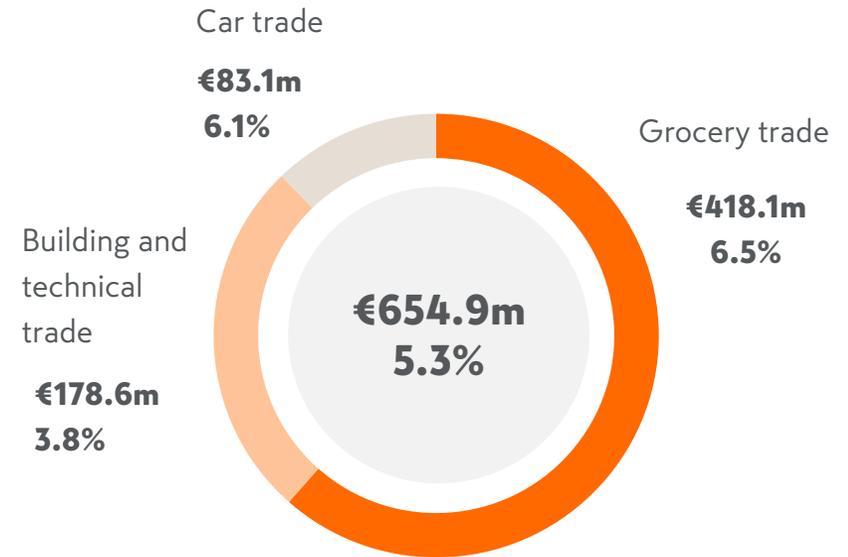


KESKO KEY FIGURES

NET SALES



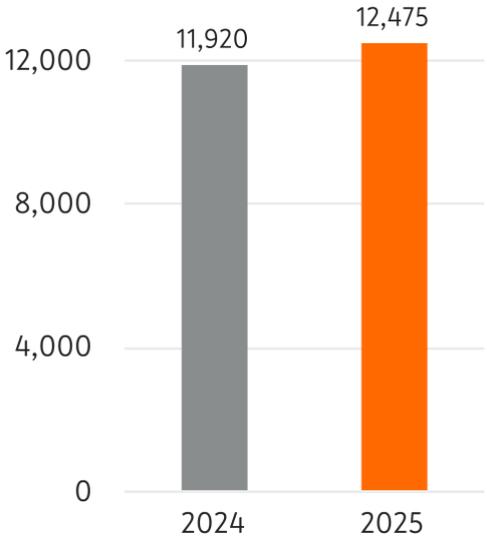
OPERATING PROFIT



NET SALES 2025

GROUP

€ million

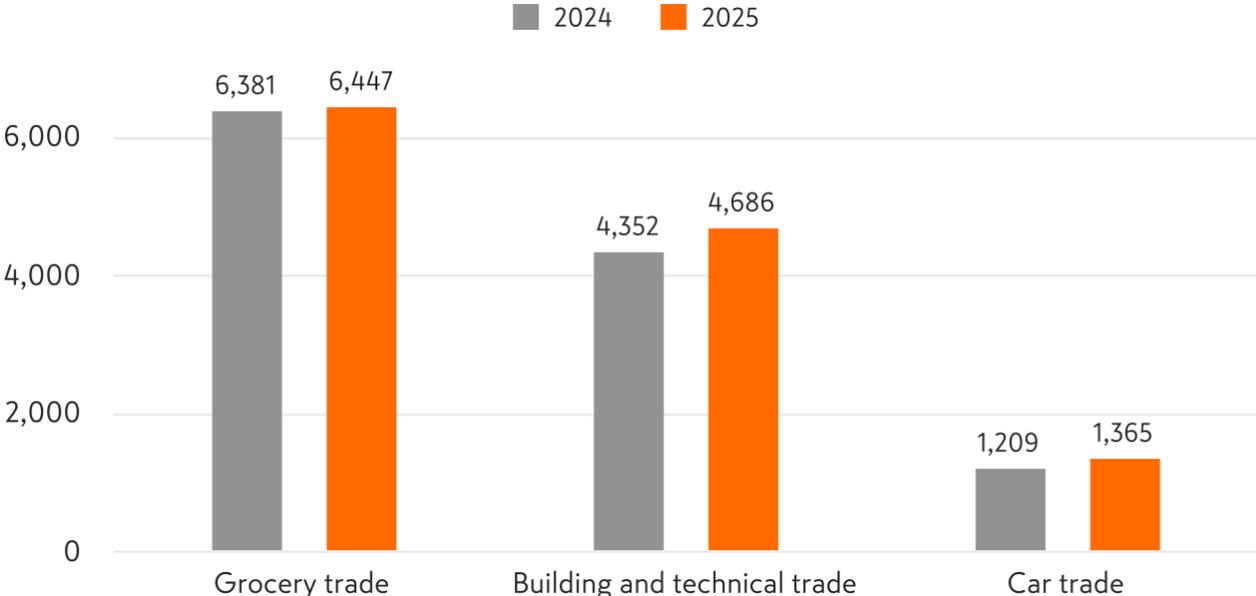


Change, comparable

2.3%

DIVISIONS

€ million



1.0%

1.4%

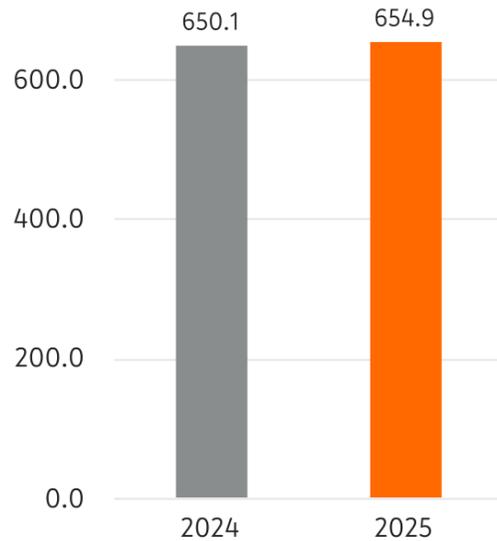
12.0%



OPERATING PROFIT 2025

GROUP

€ million



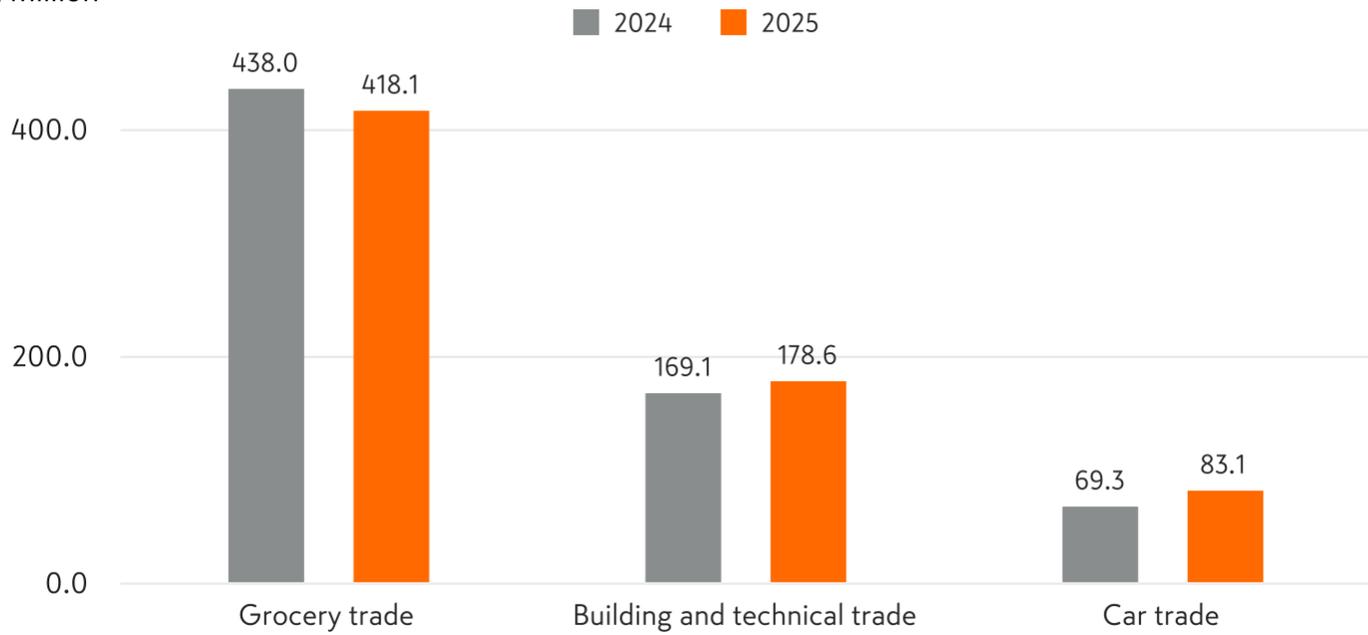
Operating margin

5.5%

5.3%

DIVISIONS

€ million



6.9%

6.5%

3.9%

3.8%

5.7%

6.1%

RESULTS

	2025	2024
Net sales, € million	12,474.7	11,920.1
Change in net sales, %*	2.3	-2.3
Operating profit, € million	631.3	579.5
Operating profit, € million*	654.9	650.1
Operating margin, %*	5.3	5.5
Profit before tax, € million*	533.8	543.0
Earnings per share, basic and diluted, €*	1.02	0.95
Earnings per share, basic, €*	1.07	1.11
Cash flow from operating activities, € million	879.7	1,008.2

FINANCIAL POSITION

Amount of net debt impacted by investments in store sites and acquisitions

	2025	2024
Cash flow from operating activities, € million	879.7	1,008.2
Liquid assets, € million	166.2	488.1
Capital expenditure, € million	735.7	675.9
Interest-bearing net debt excl. lease liabilities, € million	1,308.9	857.2
Interest-bearing net debt / EBITDA (excl. IFRS 16 impact, rolling)	1.6	1.1
Lease liabilities, € million	2,097.5	2,051.0

CAPITAL EXPENDITURE

Main CAPEX: acquisitions in Denmark, investments in store sites and the Onnela logistics centre

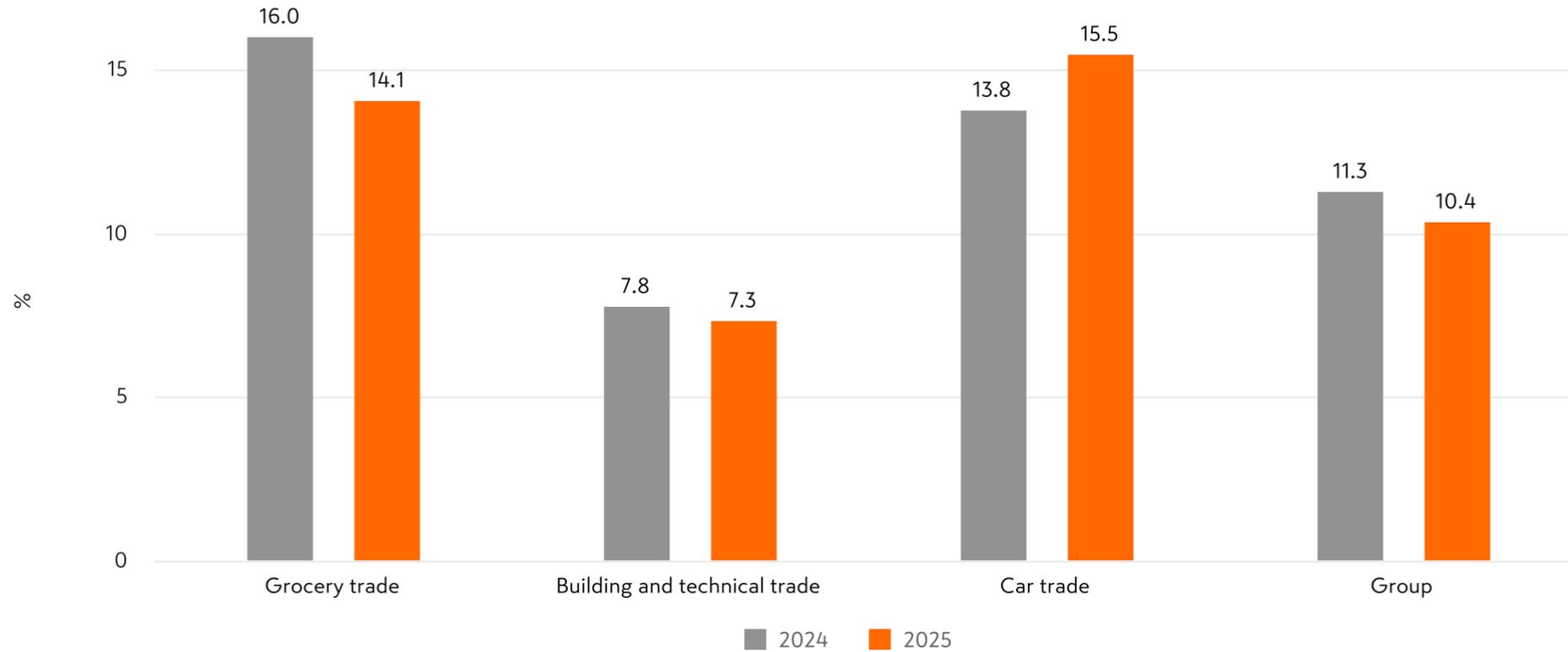
	2025	2024
Store sites, € million	334.4	289.2
Acquisitions, € million	185.8	172.9
IT, € million	22.8	18.0
Other investments, € million	192.8	195.8
Total, € million	735.7	675.9

EXPENSES

**Expenses have increased mainly due to acquisitions –
without new acquisitions, expenses up by just 1.6%**

	2025	2024
Fixed costs, € million	2,158.3	2,076.4
- Employee benefit expenses, € million	908.0	838.1
- Other expenses, € million	676.3	673.1
- Depreciation, € million	574.0	565.2
Cost ratio, %	17.3	17.4

RETURN ON CAPITAL EMPLOYED



KESKO ANNUAL GENERAL MEETING

KESKO'S STRATEGY IS YIELDING RESULTS



MEGATRENDS AFFECTING KESKO AND THE OPERATING ENVIRONMENT

GLOBAL POLITICAL AND ECONOMIC UNCERTAINTY

BUSINESS AND CONSUMER CONFIDENCE

URBANISATION AND DEMOGRAPHIC CHANGES

INDIVIDUALITY AND CONVENIENCE

CLIMATE CHANGE AND THE GREEN TRANSITION

DIGITALISATION AND AI



KESKO'S GROWTH STRATEGY

VISION

**THE LEADING AND MOST ATTRACTIVE TRADING SECTOR
GROWTH COMPANY IN NORTHERN EUROPE**

STRATEGIC TARGETS

**DELIVERING
PROFITABLE GROWTH**

**STRENGTHENING
MARKET POSITION**

**BUILDING A FOCUSED
B2C AND B2B
BUSINESS PORTFOLIO**

**INCREASING
CUSTOMER VALUE**

COMPETITIVE ADVANTAGES

**OPERATIONAL
EXCELLENCE**

**OMNICHANNEL
CUSTOMER EXPERIENCE**

**K-RETAILERS &
COMMERCIAL SPIRIT**

**FORERUNNER IN
SUSTAINABILITY**

**TRUSTED
K BRAND**

BUSINESSES



GROCERY TRADE



**BUILDING AND
TECHNICAL TRADE**



CAR TRADE

PURPOSE

TOWARDS BETTER TRADE EVERY DAY **LET'S K!**

PEOPLE PRINCIPLES

**CUSTOMER
ALWAYS FIRST**

**SALES AND GROWTH
IN MIND**

**POSITIVE GET-THINGS-
DONE ATTITUDE**

**STRONGER
TOGETHER**

**FAIR
PLAY**



GROCERY TRADE:

TARGETING PROFITABLE MARKET SHARE GAINS

- **STRENGTHENING QUALITY AND STORE-SPECIFIC BUSINESS IDEAS:**
Focus on strengthening our chosen competitive advantages and further raising the quality level of our stores.
- **IMPROVING PRICE COMPETITIVENESS:**
Strengthening our price competitiveness and improving our price image.
- **DEVELOPING THE STORE SITE NETWORK:**
Targeted investments in the store site network, focus on growth centres. Annual investments in the network totalling some €200-250 million.
- **CONTINUING THE GOOD DEVELOPMENT IN KESPRO:**
Further strengthening Kespro's market-leading position.

**DESPITE INVESTMENTS,
OPERATING PROFIT DEVELOPMENT
WILL BE STABLE AND PROFITABILITY
CLEARLY ABOVE 6% IN THIS
STRATEGY PERIOD**



QUALITY x PRICE x NETWORK: STRATEGY WORKING

QUALITY

- Significant joint efforts with the retailers to raise quality levels
- Store-specific business ideas at the core, special focus on fruit and vegetables, bread, and non-food
- Digital reach risen to a new level: nearly 2 million customers, up by 365,000

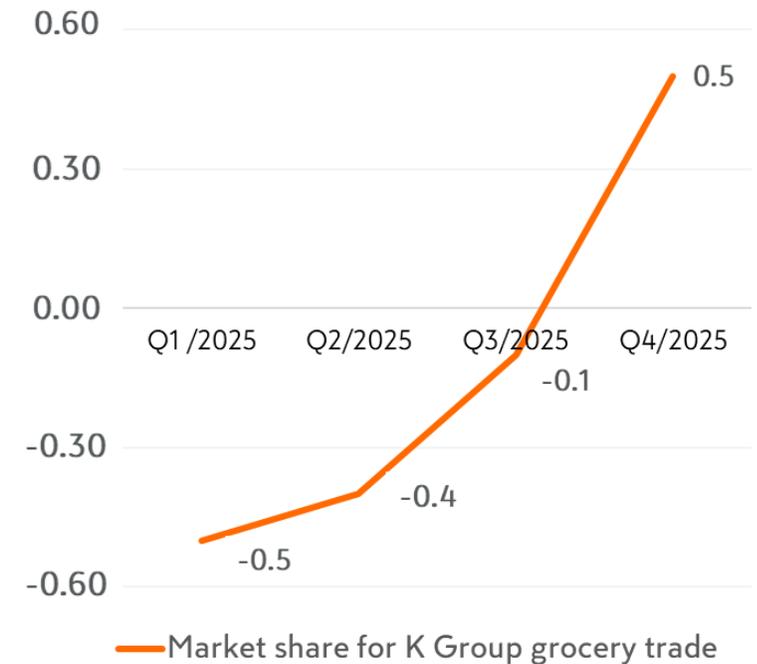
PRICE

- Long-term price programme launched in January 2025
- Customer flows up thanks to active campaigns and personalised offers

NETWORK

- 60 new or remodelled stores in 2025, incl. 2 new K-Citymarket stores
- Network net impact on market share still negative in 2025
- Impact in 2026 expected to be neutral, network investments set to support market share development gradually in upcoming years

UPTURN IN MARKET SHARE IN JULY 2025



Based on market data by the Finnish Grocery Trade Association (PTY)



BUILDING AND TECHNICAL TRADE:

FOCUS ON IMPROVING SALES AND PROFITABILITY AND GENERATING CASH FLOW

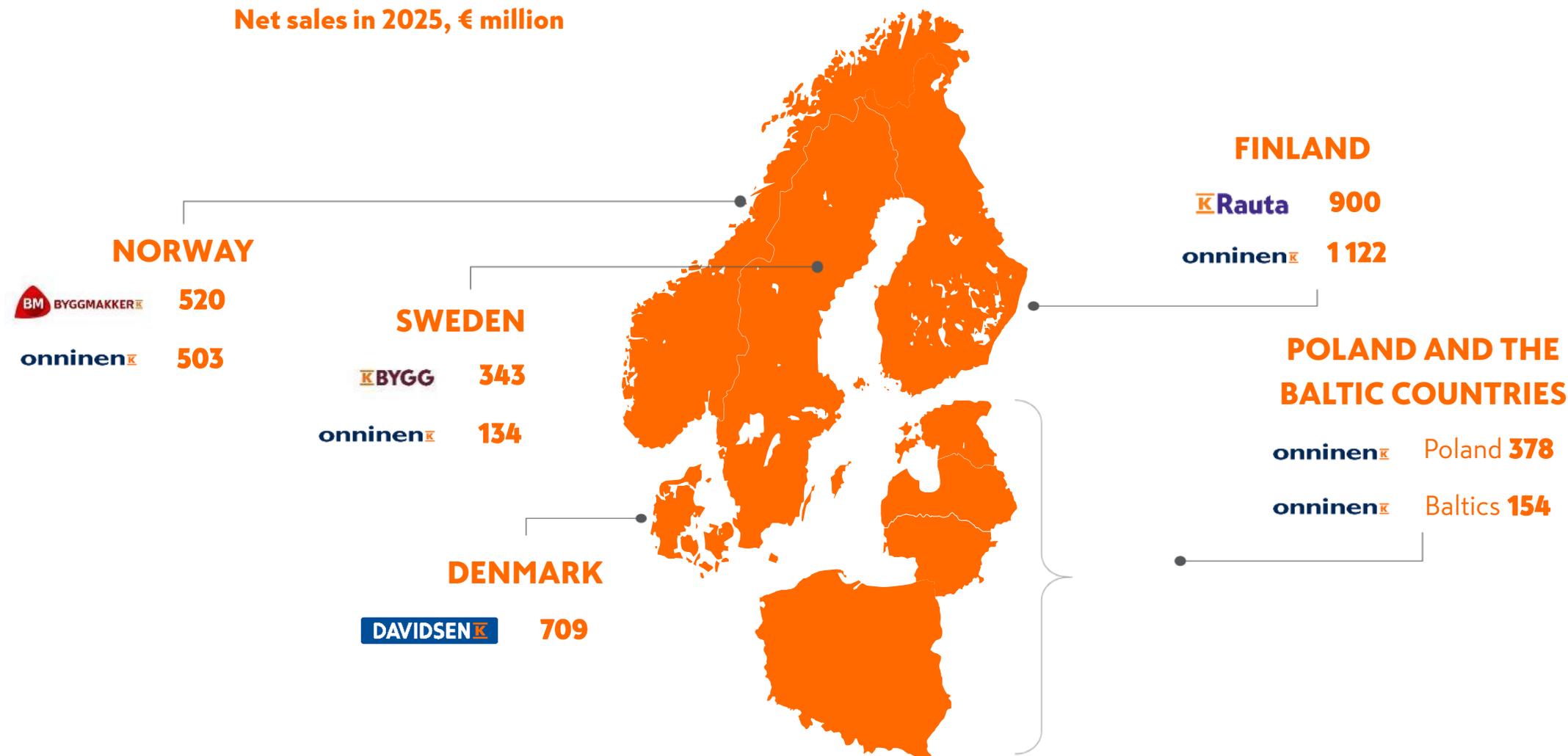
- **FINLAND:** Continuing to grow and win over market share.
- **SWEDEN AND NORWAY:** Seeking more sales and improving operating result.
- **DENMARK:** Acquired companies integrated, focus on increasing sales and profit.
- **GROWTH THROUGH ACQUISITIONS:** Actively taking part in sector consolidation, seeking profitable growth in Northern Europe with acquisitions.

**IN THE LONG-TERM, TARGETING
AN OPERATING MARGIN OF 6-8%**



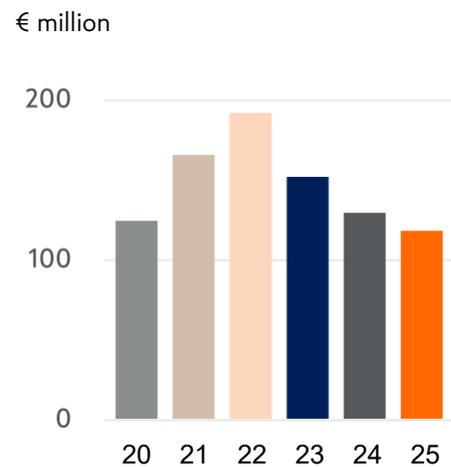
NEARLY 60% OF SALES COME FROM OUTSIDE FINLAND

Net sales in 2025, € million



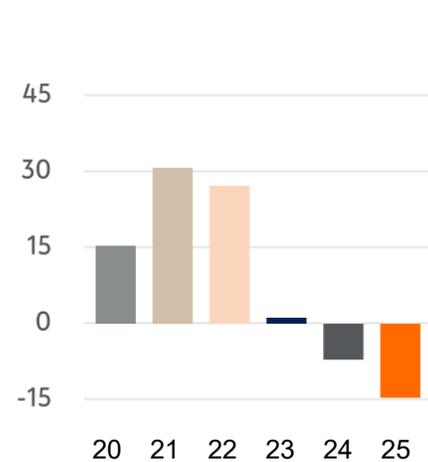
PROFIT IMPROVEMENT IN 2025 CAME FROM COUNTRIES OUTSIDE FINLAND

FINLAND



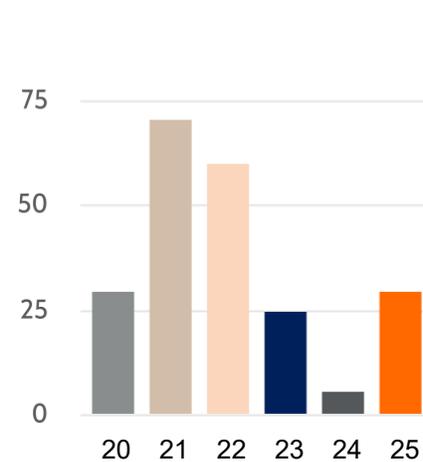
Both K-Rauta and Onninen strong market leaders

SWEDEN



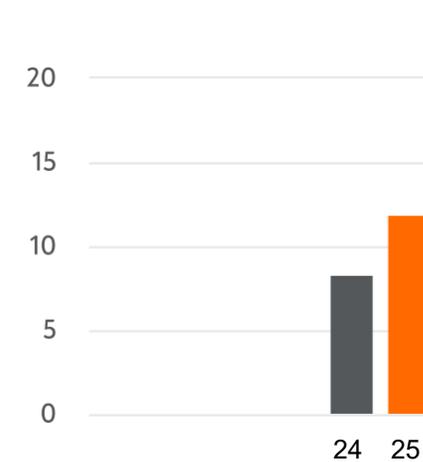
Closure of K-Rauta stores and/or their conversion into K-Bygg stores has impacted profit negatively

NORWAY



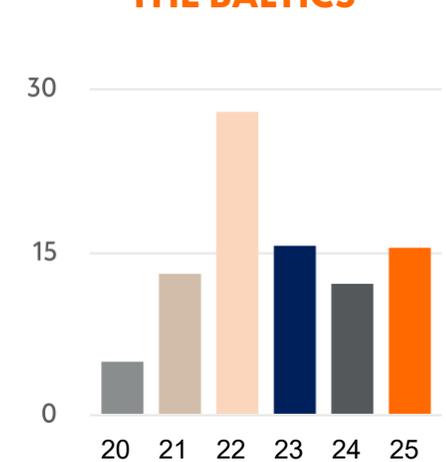
Significant profit improvement for both Byggmakker and Onninen, Onninen's market share increased

DENMARK



Strong market position for Davidsen, integration-related costs impacted result (€5.7m expense recorded in the allocation of fair value)

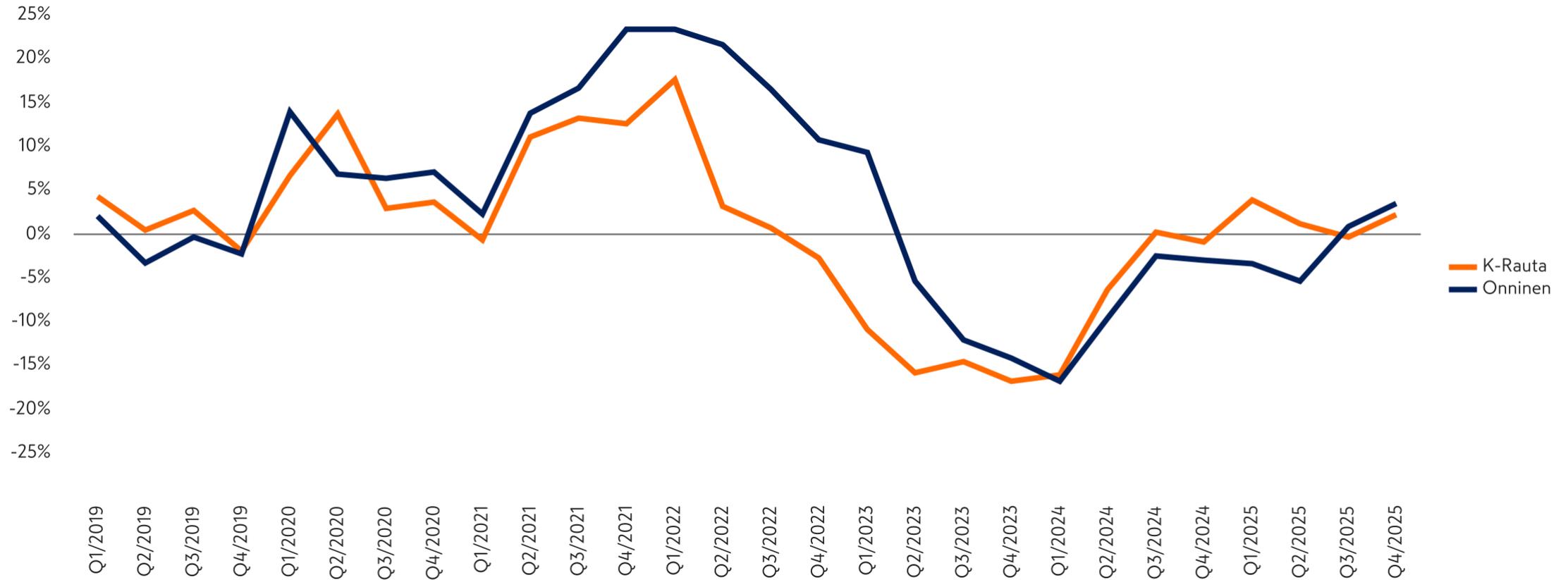
POLAND AND THE BALTICS



Good market position and stable profitability for Onninen

SALES OF K-RAUTA FINLAND AND ONNINEN FINLAND

Retail and B2B sales



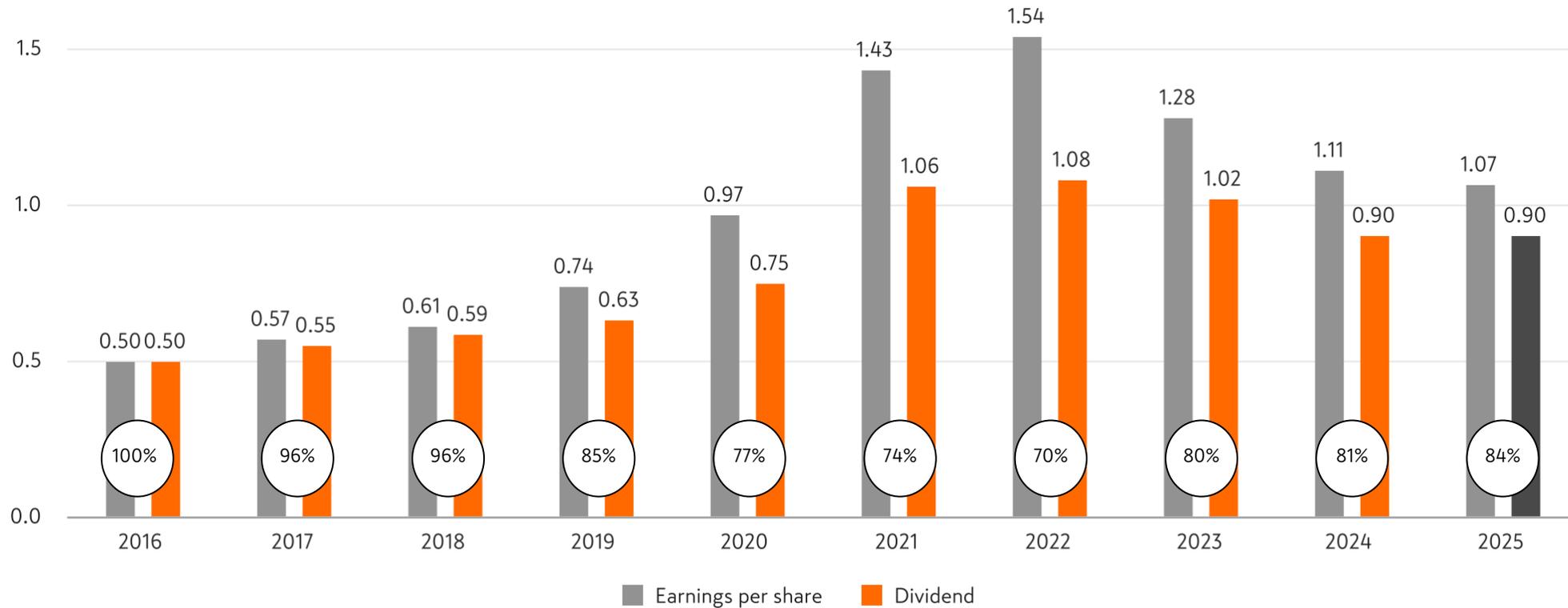
KESKO ANNUAL GENERAL MEETING

DIVIDEND PROPOSAL



BOARD'S DIVIDEND PROPOSAL TO THE GENERAL MEETING

Strong investments in growth continue, proposal in line with dividend policy



Comparable EPS, Group

2017-2019 comparable EPS, continuing operations

Accounting for share split



FUTURE OUTLOOK



PROFIT GUIDANCE FOR 2026

Kesko Group's profit guidance is given for the year 2026, in comparison with the year 2025. Kesko's operating environment is estimated to improve in 2026, but to still remain somewhat challenging. Kesko's comparable operating profit is estimated to improve in 2026. Kesko estimates that its **2026 comparable operating profit will amount to €650–750 million.**

Key uncertainties impacting Kesko's outlook are developments in consumer confidence and investment appetites, as well as geopolitical crises and tensions.

OUTLOOK FOR 2026

The operating environment for Kesko is estimated to **improve** in 2026 **in all divisions and all operating countries**.

Kesko's **comparable operating profit** is also **estimated to improve** in 2026 **in all divisions and all operating countries**.



In grocery trade, B2C trade is estimated to pick up and the foodservice business to remain stable. In 2026, the comparable operating margin for the grocery trade division is estimated to stay clearly above 6% despite the investments in price and the store site network. The comparable operating profit for the grocery trade division is estimated to improve in 2026 compared to 2025.



In building and technical trade, the cycle is expected to improve moderately in 2026 from an exceptionally low level. The comparable operating result for the building and technical trade division is estimated to improve in 2026 compared to 2025 in all Kesko operating countries.



In the car trade market, new car sales are expected to remain muted compared to long-term levels, but to nonetheless grow compared to 2025. The net sales and comparable operating profit for Kesko's car trade division are estimated to improve in 2026 compared to 2025.

KESKO AS PART OF SOCIETY



SUSTAINABILITY STRATEGY FOCUS AREAS



WE ENABLE MORE SUSTAINABLE CHOICES FOR OUR CUSTOMERS AND DRIVE CHANGE THROUGHOUT THE VALUE CHAIN



CLIMATE AND NATURE

- Reducing emissions in the value chain
- Promoting biodiversity
- Taking care of the water sufficiency
- Enhancing circular economy



VALUE CHAIN

- Ensuring sustainability in the value chain
- Encouraging customers to make sustainable choices
- Creating added value for the whole society



OUR PEOPLE

- Supporting our people's safety and wellbeing
- Fostering diversity, equity and inclusion for our employees



GOOD GOVERNANCE

- Commitment to the K Code of Conduct
- Strengthening sustainability competencies across the organisation
- Utilising data and using it to create added value

KESKO IS SUCCESSFUL IN SUSTAINABILITY ASSESSMENTS

‘Global 100’ January 2026: Kesko once again ranked the highest in its industry as well as highest of all Finnish companies on the listing of the world’s 100 most sustainable companies. Kesko is the only company in the world to have made the list every year since its inception in 2005.

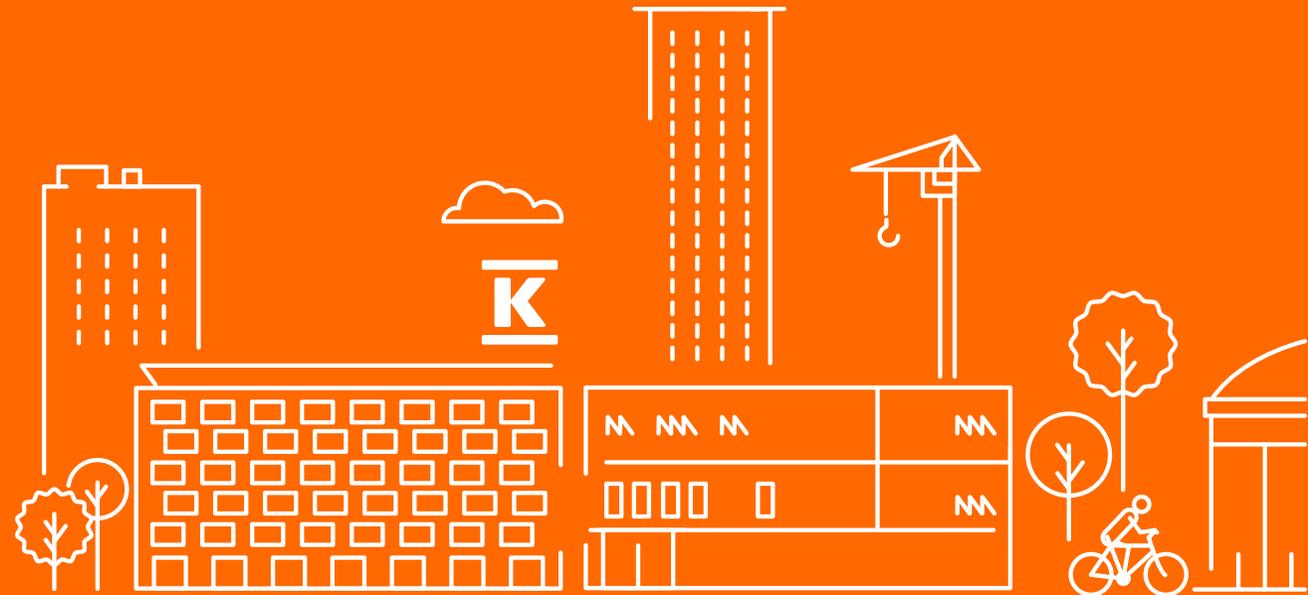
Kesko was included in the **Sustainability Yearbook 2026** by S&P Global.

In the **MSCI ESG Ratings**, Kesko received the rating AAA (scale: AAA-CCC).



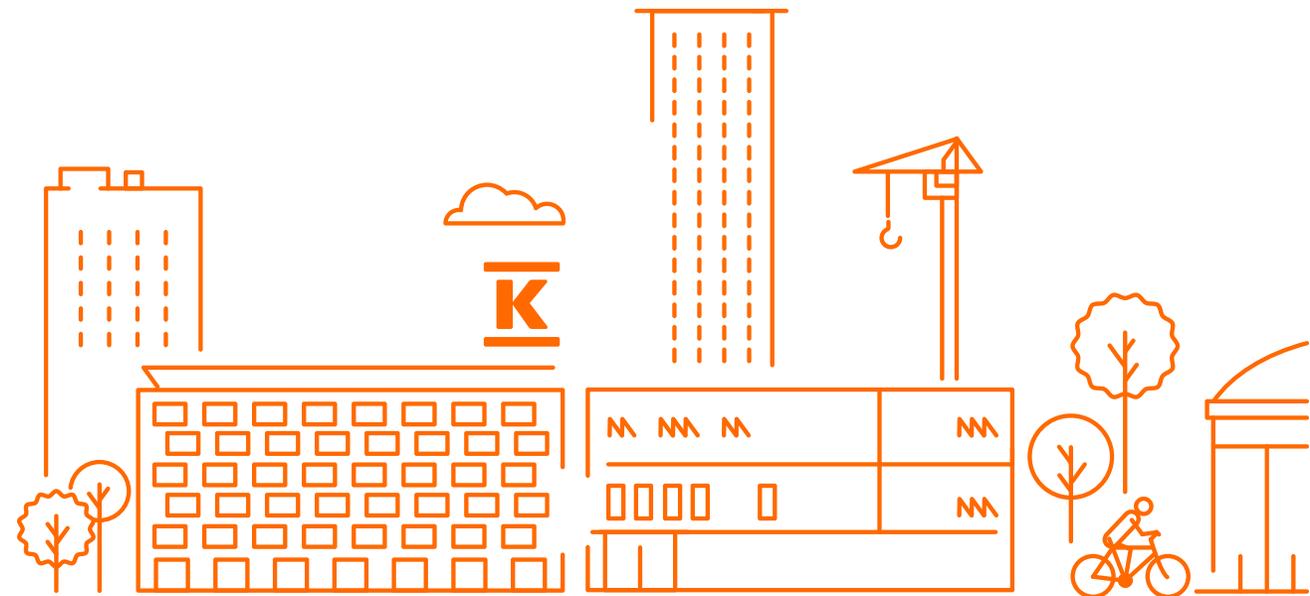
K GROUP AND THE TRADING SECTOR HAVE A BIG IMPACT ON THE FINNISH ECONOMY AND SOCIETY

- **ONE OF THE PILLARS OF THE FINNISH ECONOMY:**
The trading sector contributes some 10% of the Finnish GDP
- **SIGNIFICANT EMPLOYER:**
Kesko and K-retailers combined employ some 34,000 people in Finland
- **LARGE TAX FOOTPRINT:**
K Group is the third largest payer of corporation tax in Finland – Kesko and the K-retailers combined paid €147.3 million in corporation tax in 2024
- **INVESTING HUNDREDS OF MILLIONS EACH YEAR:**
K Group's total investments in Finland amounted to €568 million in 2025
- **WELLBEING FOR THE WHOLE SOCIETY:**
The trading sector generates vitality, innovation and wealth in Finland



KESKO AS AN INVESTMENT

- **STABILITY:**
Long history, three strong divisions, good market positions in steady economies in Northern Europe
- **EFFECTIVE STRATEGY:**
Strong track-record in executing a strategy that focuses on profitable growth
- **PERFORMS EVEN IN CHALLENGING CONDITIONS:**
Good potential for profit growth when the market improves
- **GOOD STEADY YIELD:**
Offers good dividend yield to shareholders
- **FORERUNNER IN DIGITALISATION:**
Multichannel customer experience, operational efficiency, new sources of earnings
- **LONG-STANDING SUSTAINABILITY WORK:**
Long-standing, internationally recognised sustainability work





TOWARDS BETTER TRADE EVERY DAY

