

# SOLID EXECUTION OF OUR GROWTH STRATEGY CONTINUES IN ALL THREE DIVISIONS

MAY 2026

HANNA JAAKKOLA, VP IR

JARKKO KARJALAINEN, VP GROUP TREASURY AND M&A



# K GROUP TODAY

**3 DIVISIONS:  
GROCERY TRADE  
BUILDING AND TECHNICAL TRADE  
CAR TRADE**

**39,000 EMPLOYEES,  
1,800 STORES AND  
1,100 RETAILERS  
8 OPERATING COUNTRIES**

**KESKO'S MARKET CAP OVER €8.0 BN  
~125,000 SHAREHOLDERS**

**RETAIL AND B2B SALES  
~ €16 BILLION**

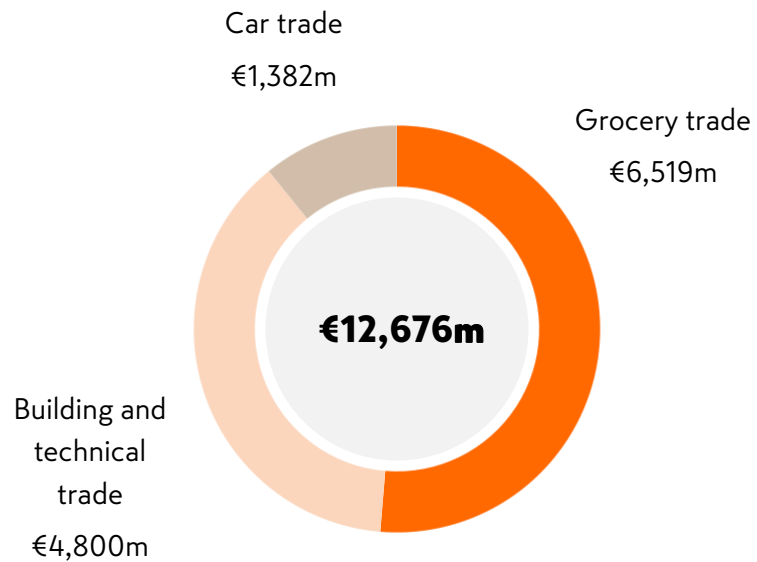
**2 MILLION DAILY  
CUSTOMER ENCOUNTERS**



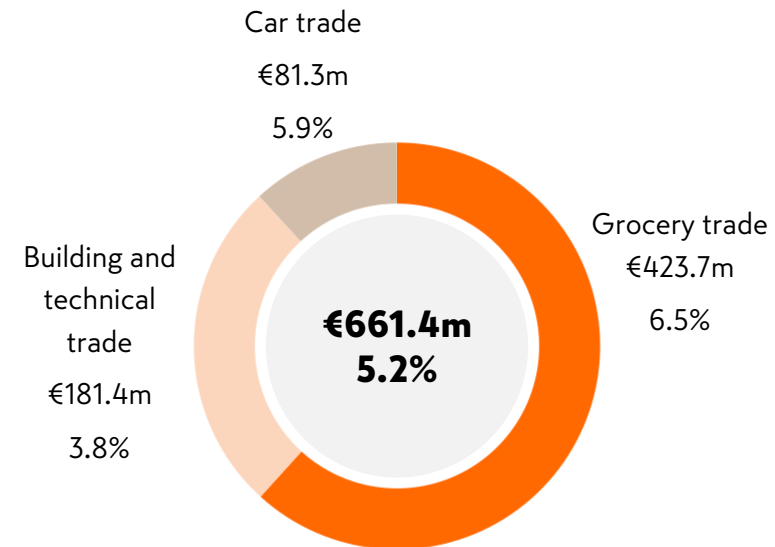
# KESKO SEGMENT KEY FIGURES



## NET SALES

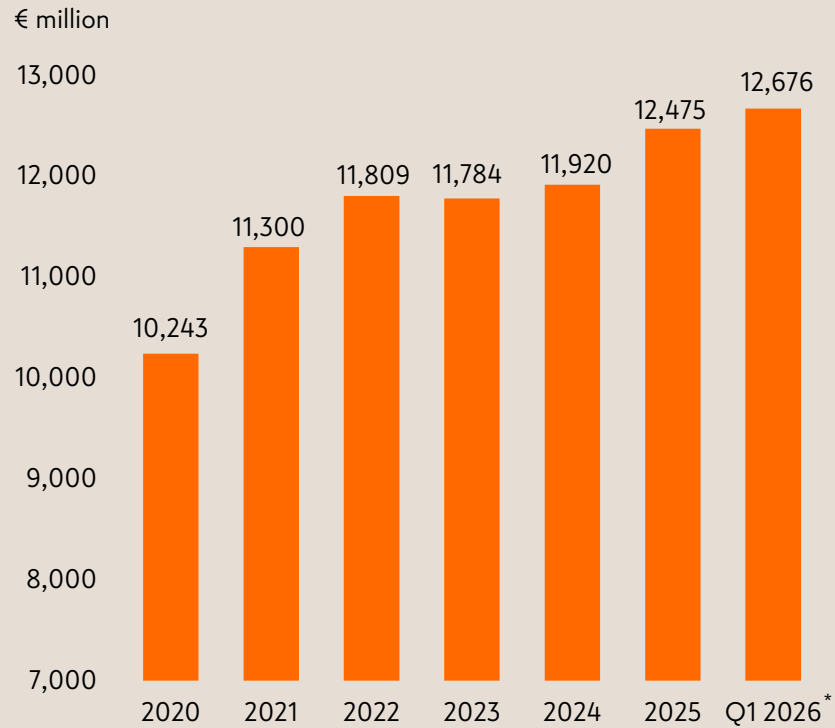


## OPERATING PROFIT

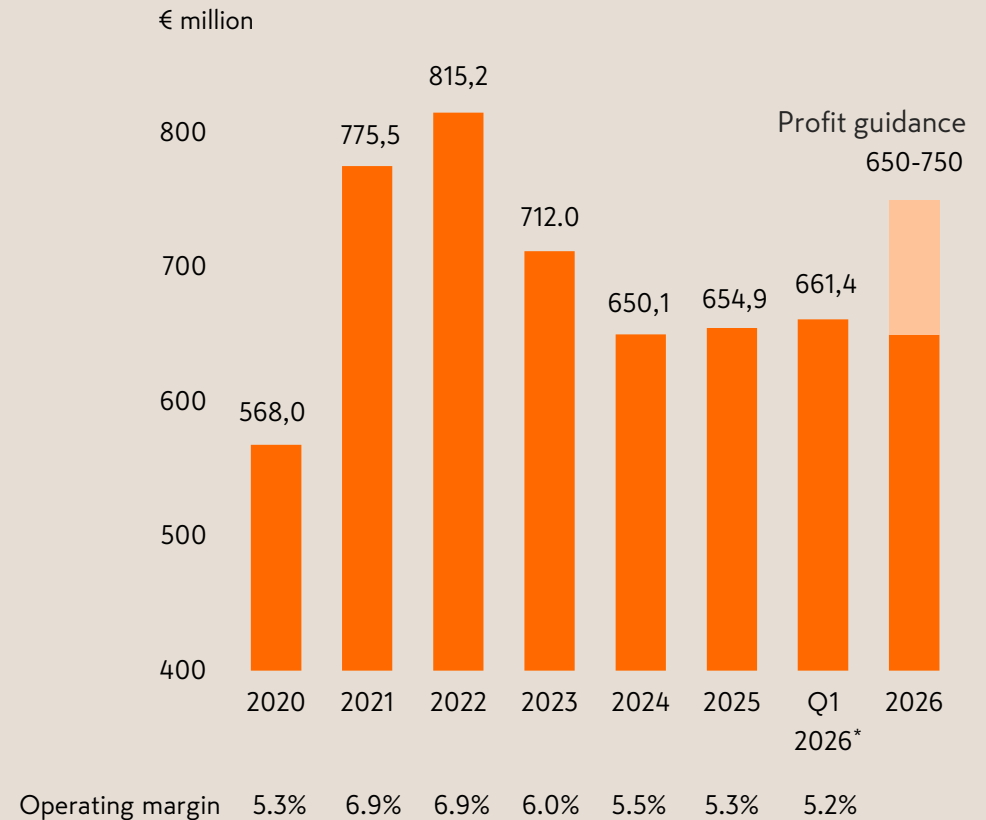


# A GOOD PERFORMANCE DESPITE THE CHALLENGING CYCLE

## NET SALES



## OPERATING PROFIT



# 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**



# KESKO LISTED IN SUSTAINABILITY INDICES

Sustainability indices are key tools for investors to assess the ESG level of corporations.



Kesko is the only company in the world to have been on the Global 100 list every year since it was launched in 2005.



Dow Jones Best-in-Class Indices (World and Europe)



Grocery trade Q1

**Market share  
gained,  
result strong**



# GROCERY TRADE DIVISION IN BRIEF



**MARKET  
SHARE IN  
2025  
(NIELSEN)**



**1,100** stores  
Almost 800 K Group grocery  
stores offer online grocery  
services

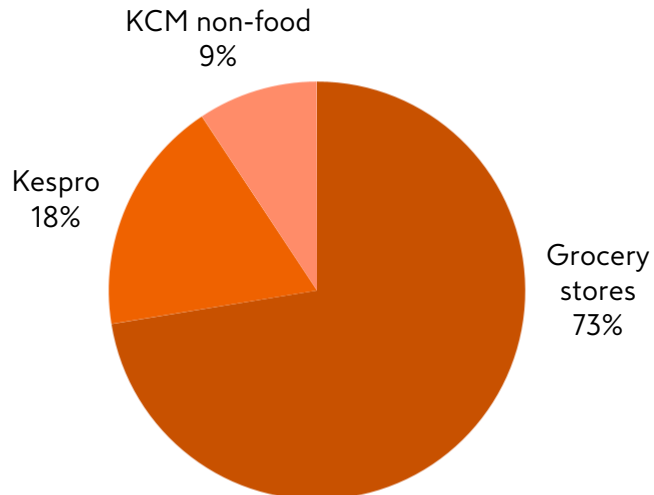


**6,300**  
employees  
**860**  
K-retailers

**KESPRO**

The leading foodservice  
provider in Finland  
**49.2%** market share

## NET SALES



\*Comparable

	Rolling 12 mo 3/2026	2025	2024	2023
<b>Net sales, € million</b>	6,519	6,447	6,381	6,352
<b>Operating profit*, € million</b>	423.7	418.1	438.0	444.8
<b>Operating margin*</b>	6.5%	6.5%	6.9%	7.0%
<b>Capital expenditure, € million</b>	317.3	309.2	276.0	303.7

## GROCERY STORE CHAINS

**K CITYMARKET**

**K Supermarket**

**K Market**

## FOODSERVICE

**KESPRO**



# GROCERY TRADE: TARGET TO MAINTAIN GOOD PROFITABILITY AND GAIN MARKET SHARE

## KEY ACTIONS:

- **STRENGTHENING QUALITY:** Focusing on store-specific business ideas to strengthen chosen competitive advantages and raising the level of stores.
- **DEVELOPING STORE SITE NETWORK:** Targeted investments in the store site network focusing on growth centres.
- **IMPROVING PRICE COMPETITIVENESS:** Strengthening price competitiveness with a systematic price program and improving price image.
- **CONTINUING GOOD DEVELOPMENT IN KESPRO:** Further strengthening Kespro's market-leading position.

**EBIT DEVELOPMENT WILL BE STABLE AND  
PROFITABILITY CLEARLY ABOVE 6% DESPITE  
INVESTMENTS.**





**# Our recipe for market share growth:  
Quality x Price x Network**

# 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

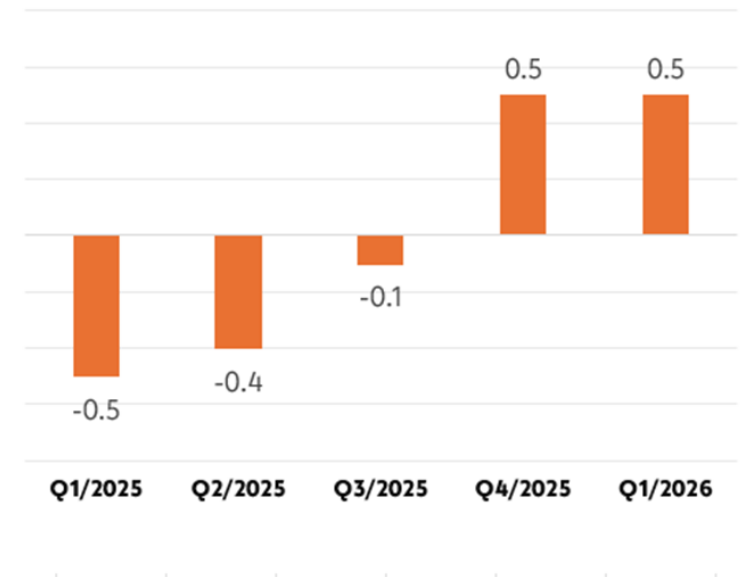
## PRICE

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

## NETWORK

- Impact in 2026 expected to be neutral, network investments set to support market share development gradually in upcoming years
- Network net impact on market share still negative in 2025
- Annual investments in the store network around €200 – 250 million

### UPTURN IN MARKET SHARE IN JULY 2025



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



# GROCERY TRADE HIGHLIGHTS IN Q1

- Division net sales increased and comparable operating profit improved. Most of Easter wholesale took place in March, versus April in 2025
- Total grocery market grew by approximately 2.9%
- K Group grocery sales were up by 4.4%
- K Group grocery stores gained market share in Q1
  - Customer flows and average purchase continued to grow
  - Customer satisfaction clearly up in all our grocery store chains
- Kespro's net sales down by 0.6% – gained market share
- K-Citymarket non-food sales up by 4.4%
- Online grocery sales up by 10.5%, accounted for 4.6% of K Group's grocery sales (incl. VAT)
- Grocery price inflation in Finland approx. 1.5%\*, price development in K Group stores 1.0%
- Demand for quality products and services increased in our grocery stores



\* Statistics Finland, including VAT

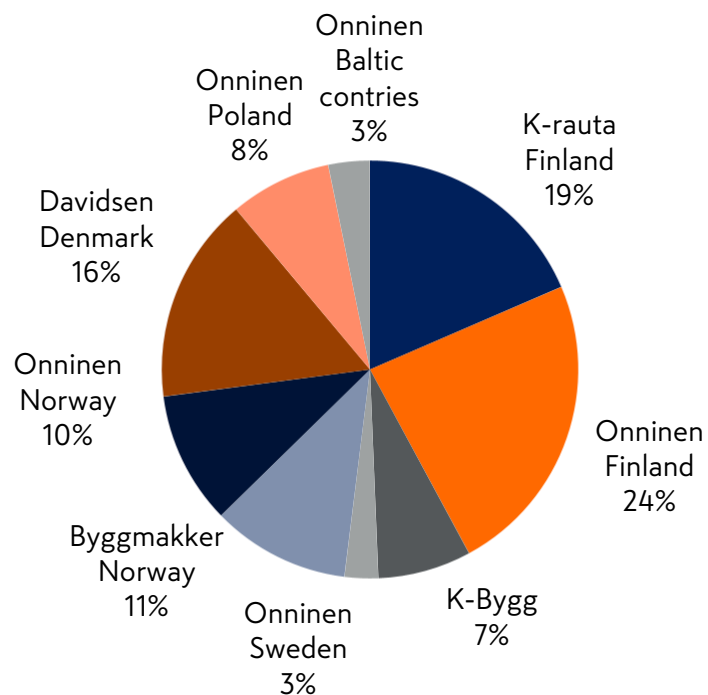
Building and technical trade Q1

**Sales grew and  
result improved**



# BUILDING AND TECHNICAL TRADE IN BRIEF

## NET SALES



**Leading operator in building and technical trade in Northern Europe**



**B2B trade accounts for more than 80% of net sales**

**Customer segments:** Technical professionals, professional builders and consumers

**Division's number of employees:** some 6,500

	Rolling 12 mo 3/2026	2025	2024	2023
<b>Net sales, € million</b>	4,800	4,686	4,352	4,193
<b>Operating profit*, € million</b>	181.4	178.6	169.1	212.5
<b>Operating margin*</b>	3.8%	3.8%	3.9%	5.1%
<b>Capital expenditure, € million</b>	231.6	279.7	293.7	273.0

\* comparable

## TECHNICAL TRADE

onninen

## BUILDING AND HOME IMPROVEMENT TRADE

Rauta

BYGG

BYGGMAKKER

DAVIDSEN

# BUILDING AND TECHNICAL TRADE: FOCUSING ON SECURING PROFITABILITY AND GENERATING CASH FLOW

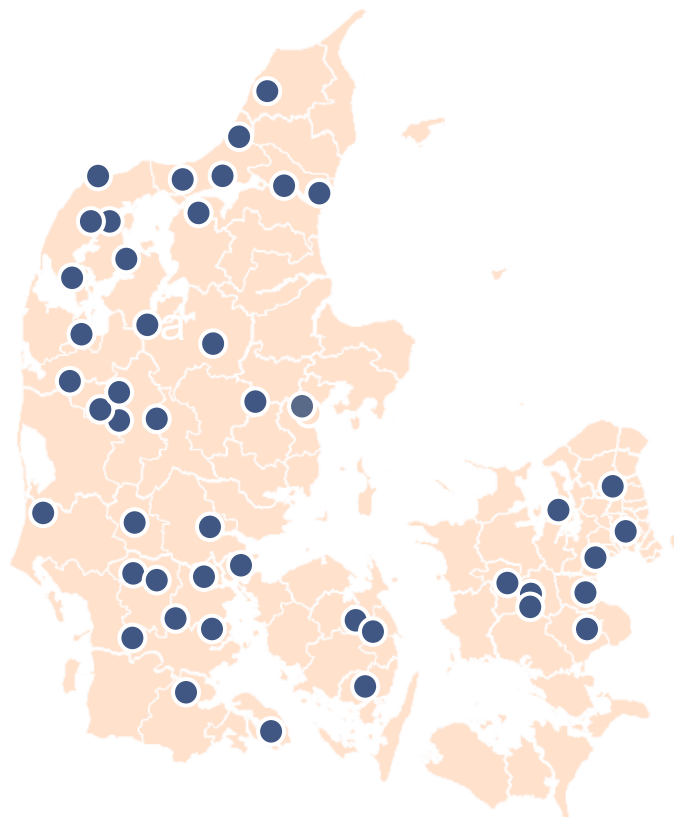
## KEY ACTIONS:

- **FINLAND:** Continuing growth and winning market share.
- **SWEDEN AND NORWAY:** Improving business performance.
- **DENMARK:** Continuing the integration of Davidsen, improving performance through growth.
- **GROWTH THROUGH ACQUISITIONS:** M&A to boost profitable growth in Northern Europe.

**THE LONG-TERM STRATEGIC TARGET OF 6-8 %  
EBIT MARGIN IS STILL VALID.**



# NATIONWIDE BUILDING AND HOME IMPROVEMENT TRADE NETWORK IN DENMARK

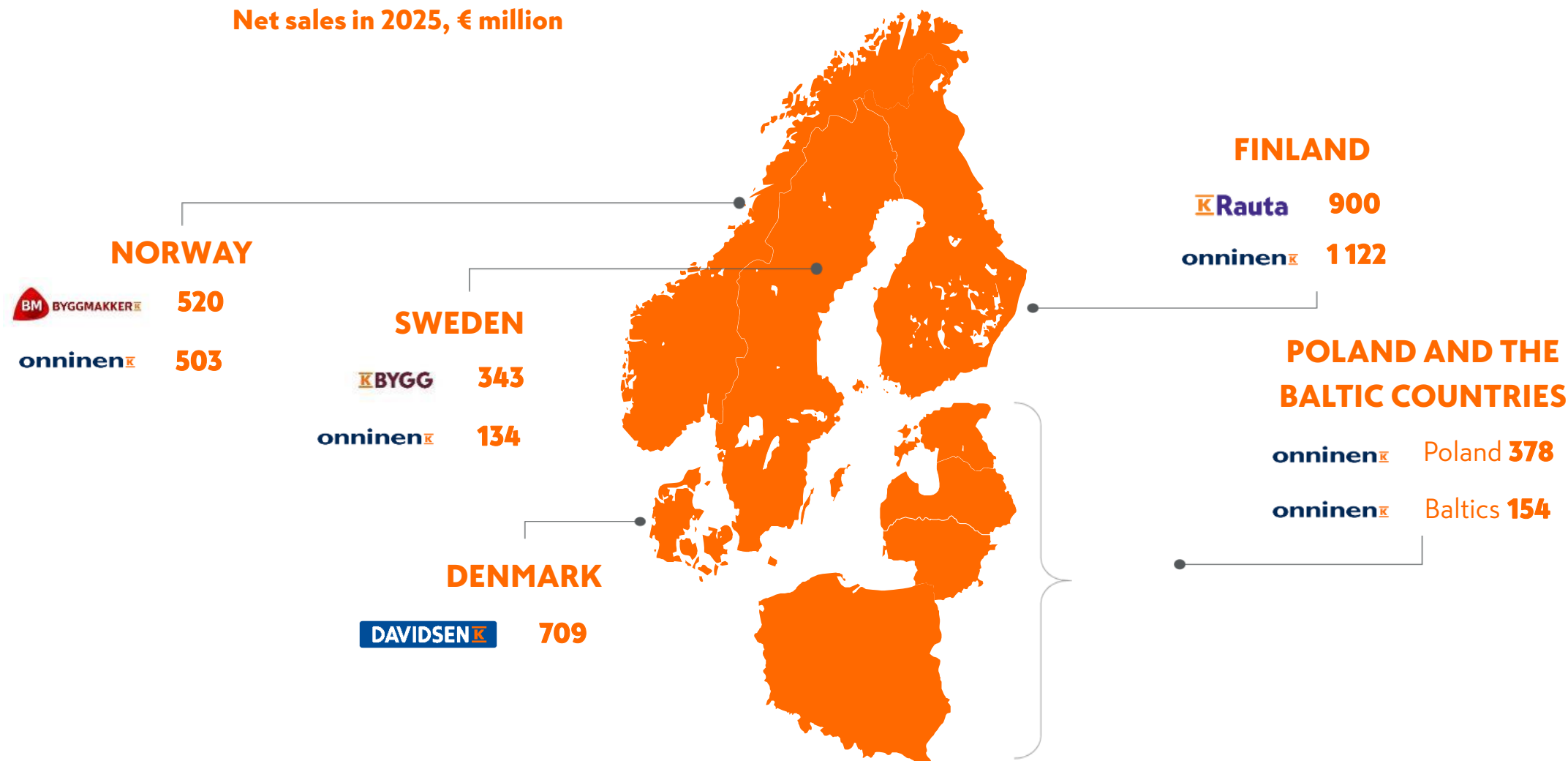


## KESKO IN DENMARK

- Kesko expanded its operations to Denmark by acquiring the builders' merchant chain Davidsen on 31 Jan. 2024, Kesko holds 90% of shares in Davidsen
- Three additional companies added to Davidsen in 2025
- Following the acquisitions, Davidsen has a nationwide network of building and home improvement trade stores, with focus on B2B customers
- Post-acquisitions, Davidsen's sales amount to some €800 million, with a total market share of nearly 20% → Clear #3 on the Danish market

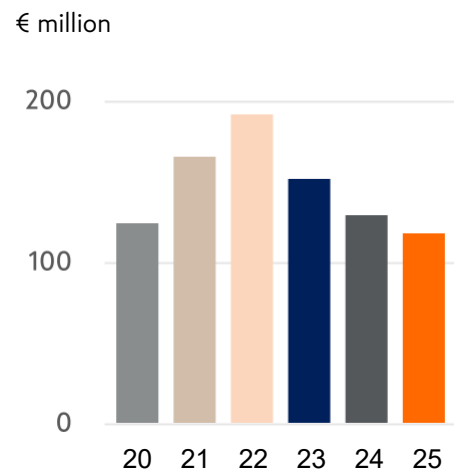
# NEARLY 60% OF SALES COME FROM OUTSIDE FINLAND

Net sales in 2025, € million



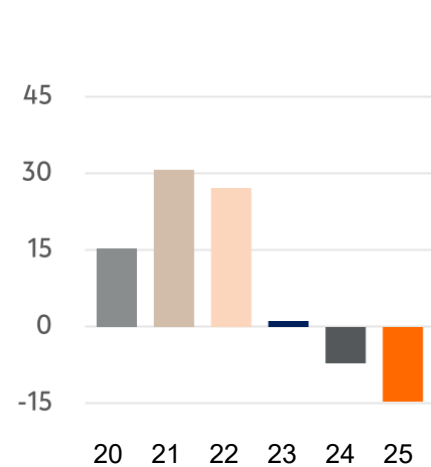
# PROFIT IMPROVEMENT IN 2025 CAME FROM COUNTRIES OUTSIDE FINLAND

## FINLAND



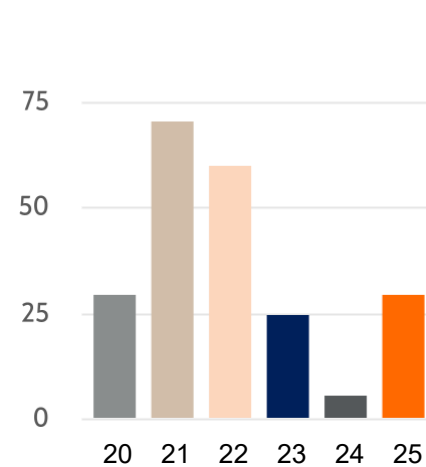
Both K-Rauta and Onninen strong market leaders

## SWEDEN



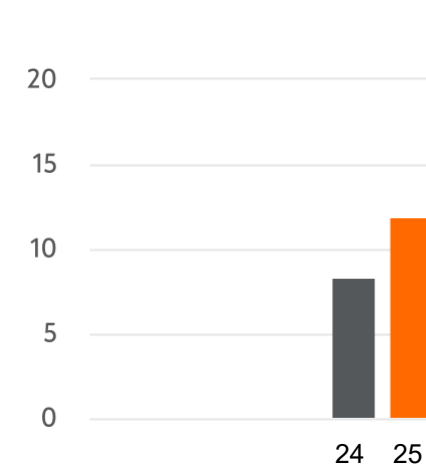
Closure of K-Rauta stores and/or their conversion into K-Bygg stores has impacted profit negatively

## NORWAY



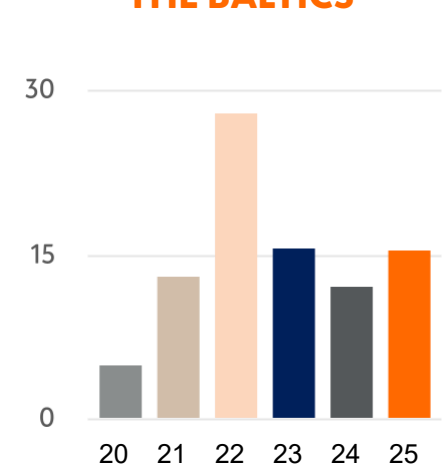
Significant profit improvement for both Bygghjelp and Onninen, Onninen's market share increased

## 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

# BUILDING AND TECHNICAL TRADE HIGHLIGHTS IN Q1

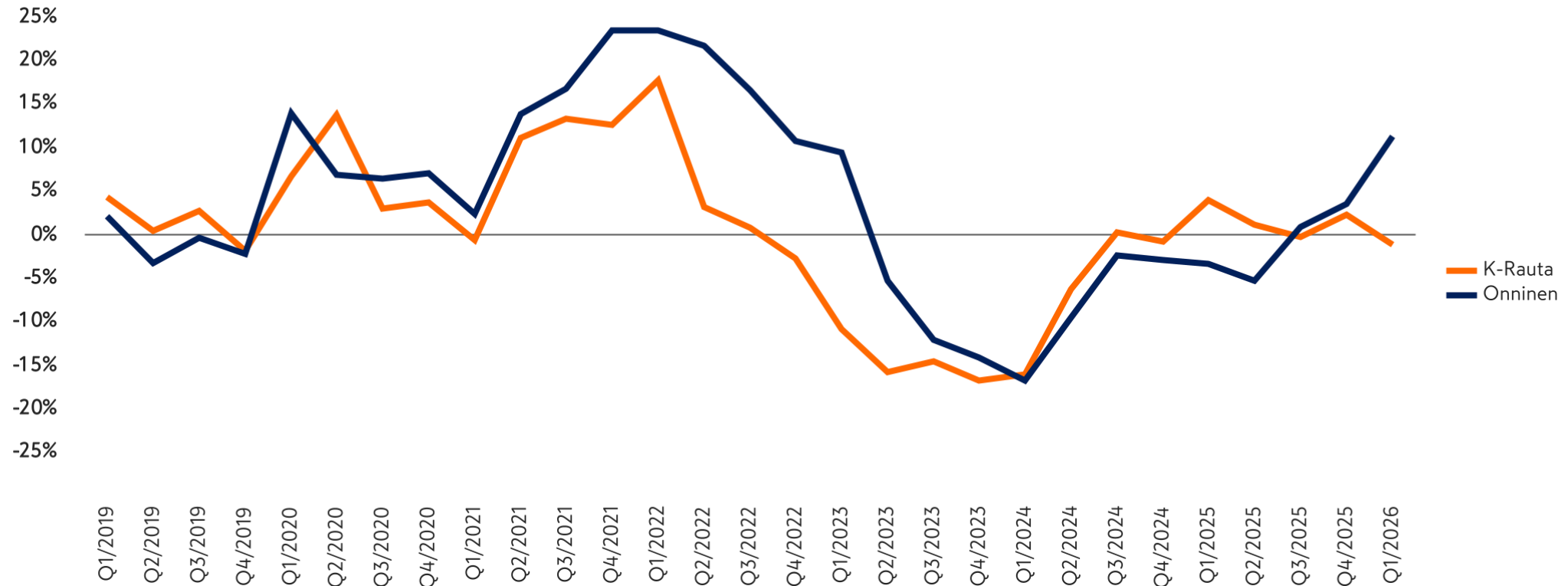
- Division net sales increased and profit improved, sales margin also improved
- Market demand continued to be muted, especially in new housing construction
- A pick-up seen in construction activity in Finland in infrastructure construction, industrial projects, and data centres, for example
  - Finland, technical trade: Onninen's sales grew and profit improved clearly, growth attributable to strengthening market share in particular
  - Finland, building and home improvement trade: K-Rauta's sales grew slightly, profit at a good level
  - Norway: Sales for Byggmakker and Onninen close to comparison year levels, Onninen's profit improved while Byggmakker's decreased
  - Denmark: Sales strengthened and profit improved, exceptionally harsh winter negatively impacted Davidsen's sales in January-February
  - Sweden: K-Bygg's sales growth strong, profit improved
  - Poland and the Baltics: Onninen's sales growth strong, profit improved
- Credit risk well under control, €0.2 million written down for trade receivables past due date (€0.3 million)

	Q1/2026	Q1/2025
<b>Net sales, € million</b>	<b>1,147.2</b>	<b>1,033.1</b>
Technical trade	555.5	527.0
Building & home improvement trade	610.9	522.7
<b>Operating profit*, € million</b>	<b>14.5</b>	<b>11.7</b>
Technical trade	18.2	13.2
Building & home improvement trade	-1.8	-0.1
<b>Operating margin, %*</b>	<b>1.3</b>	<b>1.1</b>
Technical trade	3.3	2.5
Building & home improvement trade	-0.3	-0.0

\*Comparable

# SALES OF K-RAUTA FINLAND AND ONNINEN FINLAND

Retail and B2B sales  
development, %



Onninen Q1 sales: +11.0%  
Competitors, total: -1.5%

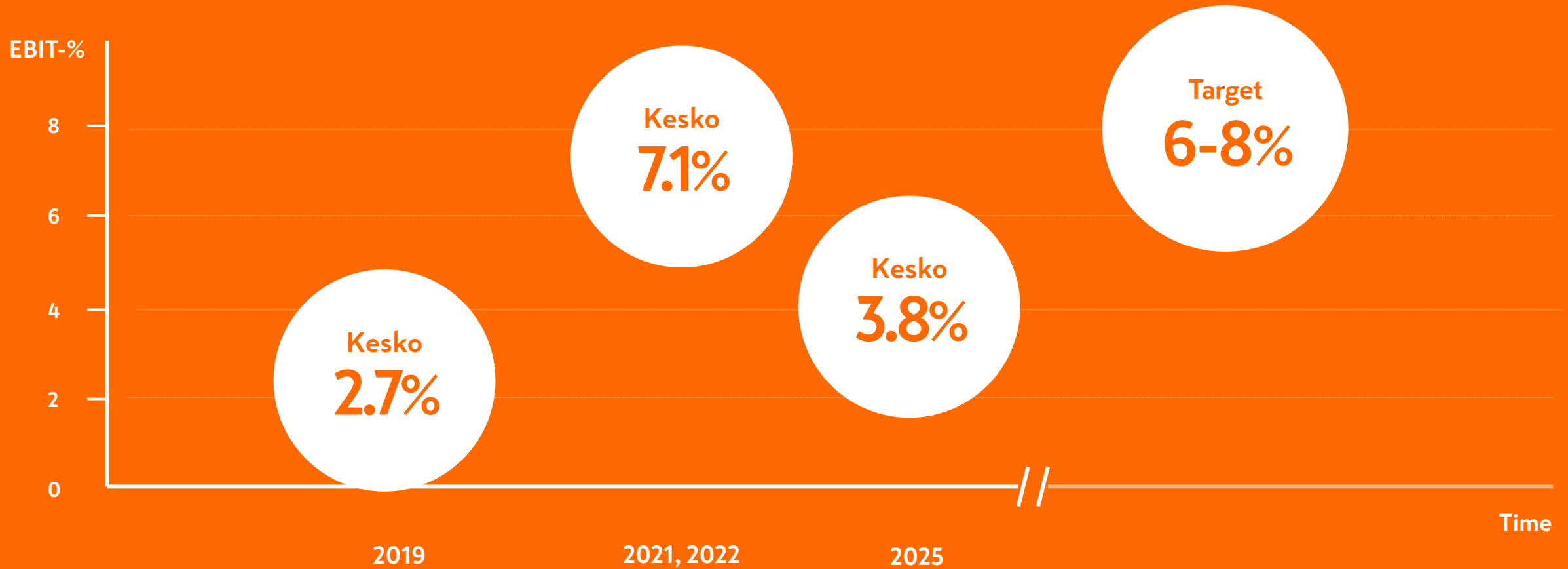
Sources: Talteka and STK

K-Rauta Q1 sales: -1,4%  
Competitors, total: -0.6%

Source: RaSi



# BUILDING AND TECHNICAL TRADE LONG-TERM EBIT-% TARGET INTACT



Car trade Q1

**Good sales  
development  
driven by  
used cars**



# CAR TRADE IN BRIEF



**K-Auto is the leading and most interesting automotive company in Finland**



Importing and sales of attractive and high-quality new cars.



Significant multi-brand used car sales in Finland.



Comprehensive offering of car maintenance and repair services including nationwide K-Lataus EV charging network.

**Number of employees:** Some 1,600

	Rolling 12 mo 3/2026	2025	2024	2023
<b>Net sales, € million</b>	1,382	1,365	1,209	1,262
<b>Operating profit*, € million</b>	81.3	83.1	69.3	82.6
<b>Operating margin*</b>	5.9%	6.1%	5.7%	6.5%
<b>Capital expenditure, € million</b>	138.1	125.0	89.0	80.1

\* Comparable



Market share in new cars in 2025 (incl. passenger cars and vans)

## K Auto

One unified brand for over million customers



**CUPRA RAVAL**  
Sales began 9 April 2026  
Prices starting at €25,990



Includes also Sports Trade: **INTERSPORT** **Budget sport** **kesport**

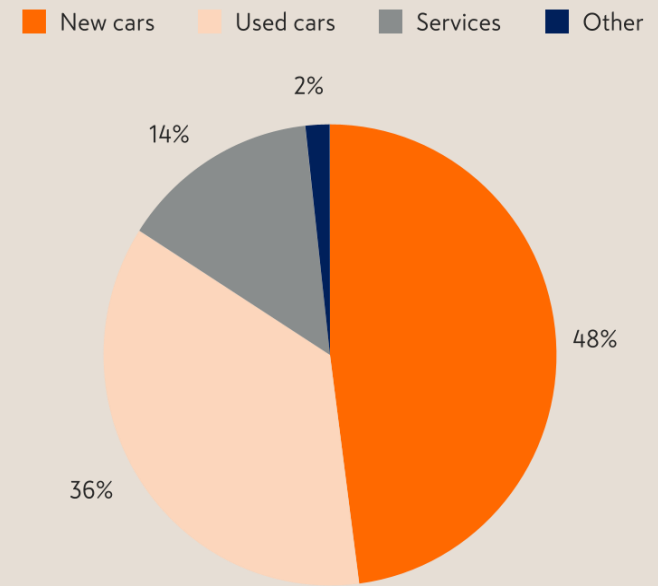
# CAR TRADE: FOCUS ON PERFORMING BETTER THAN THE MARKET IN ALL BUSINESSES

## KEY ACTIONS:

- **CONTINUING WITH GROWTH STRATEGY:** Major turnaround and continuous development form a robust foundation for the strategy period.
- **MAINTAINING THE BALANCED BUSINESS PORTFOLIO:** New cars, used cars and services.
- **COOPERATION WITH THE VOLKSWAGEN GROUP:** Continuing the good cooperation with the Volkswagen Group and Porsche AG.
- **SPORTS TRADE:** Continues as a strong market leader in sports trade.

## WINNING THE MARKET IN ALL BUSINESSES

### K-AUTO, NET SALES



'Other' consists primarily of car leasing services

Net sales for the division's car trade businesses, Q1 2026 rolling 12 mnths



# CAR TRADE HIGHLIGHTS IN Q1

- Division net sales increased and comparable operating profit decreased, due to the increase in the share of used car sales, where sales margins are lower than in new car sales
- Market demand for new cars still muted, Q1 first registrations of passenger cars and vans +0.1%; first registrations of brands represented by Kesko +1.5% in Q1
- Order book for new cars grew markedly stronger especially in March; order book set to translate into sales over the next six months
- Used car sales from dealerships were +1.1% in Finland (in units), used car sales in K-Auto were up by 18% (in units)
- Service sales in car trade increased
- In sports trade, net sales and comparable operating profit increased, market share grew stronger



**Volkswagen ID.Polo**

**Sales begin 29 April 2026**  
**Prices starting at €26,390**  
**Upcoming: ID.Polo GTI and ID. Cross**

# POTENTIAL IMPACTS OF THE MIDDLE EASTERN CONFLICT

## PROFIT GUIDANCE AND OUTLOOK

# POTENTIAL IMPACTS OF THE MIDDLE EASTERN CONFLICT ON KESKO IN Q2/2026

**No significant impacts in the short term – a prolonged crisis could weaken consumer confidence, purchasing power and corporate investments, and increase costs**

## GROCERY TRADE

- Rise in inbound purchase and delivery freight costs
- No significant impact on food prices
- A prolonged situation would have a cost impact on agriculture and the whole food chain

## BUILDING AND TECHNICAL TRADE

- Rise in inbound purchase and delivery freight costs
- Rise in the prices of oil-based products in particular

## CAR TRADE

- Rise in fuel prices could have a positive impact on demand for electric cars
- Demand may focus particularly on used cars



# 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 net sales and comparable operating profit are 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 comparable operating profit for Kesko's car trade division is estimated to improve in 2026 compared to 2025.

# FINANCIALS

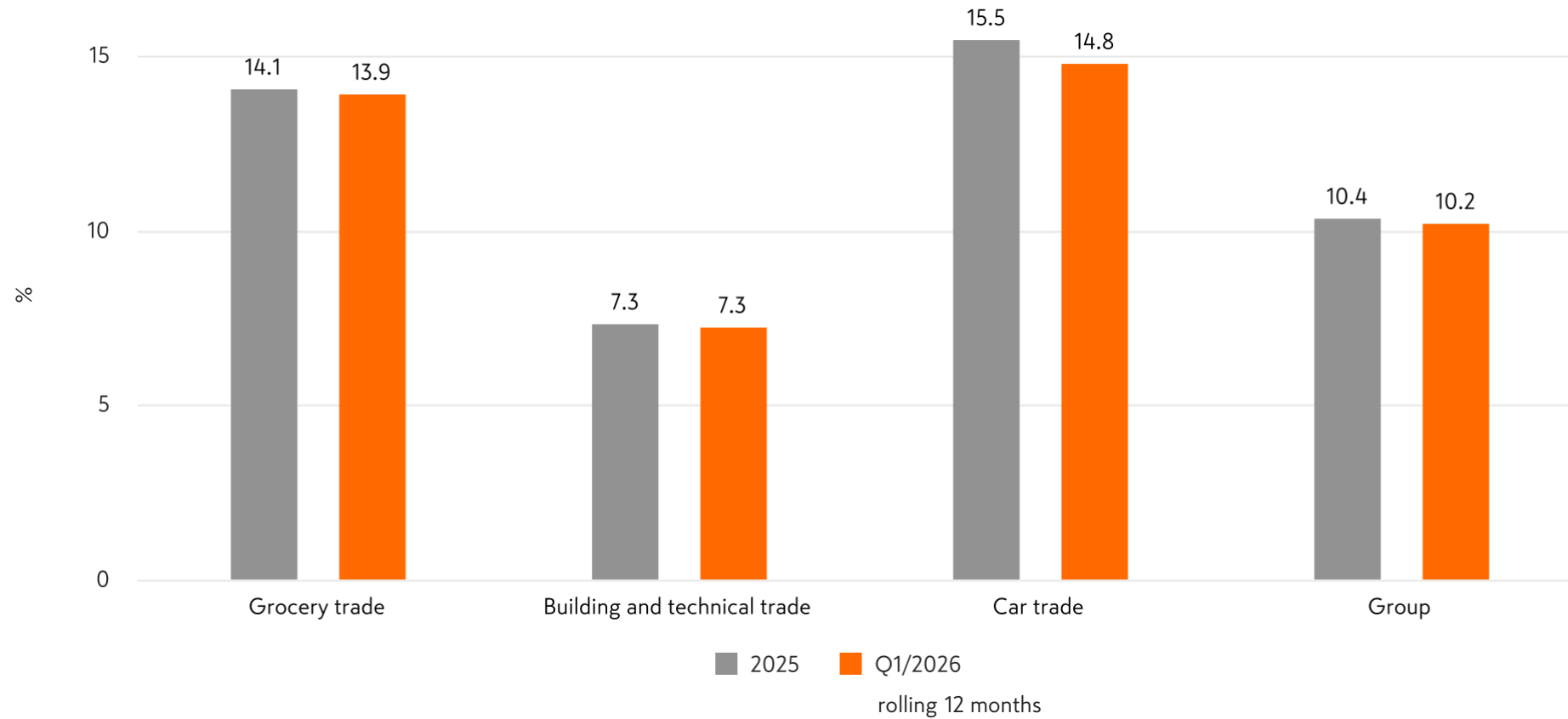
# KESKO'S FINANCIAL TARGETS

	TARGET	Rolling 12 mo 3/2026
OPERATING MARGIN, COMPARABLE	OVER 6%	5.2%
RETURN ON CAPITAL EMPLOYED, COMPARABLE, %	OVER 14.5%	10.2%
INTEREST-BEARING NET DEBT/EBITDA, EXCLUDING IFRS 16 IMPACT	AT MAXIMUM 2.5	1.9

## DIVIDEND POLICY

In the long-term, Kesko aims to distribute a steadily growing dividend of some 60-100% of its comparable earnings per share, taking into account the company's financial position and strategy.

# RETURN ON CAPITAL EMPLOYED



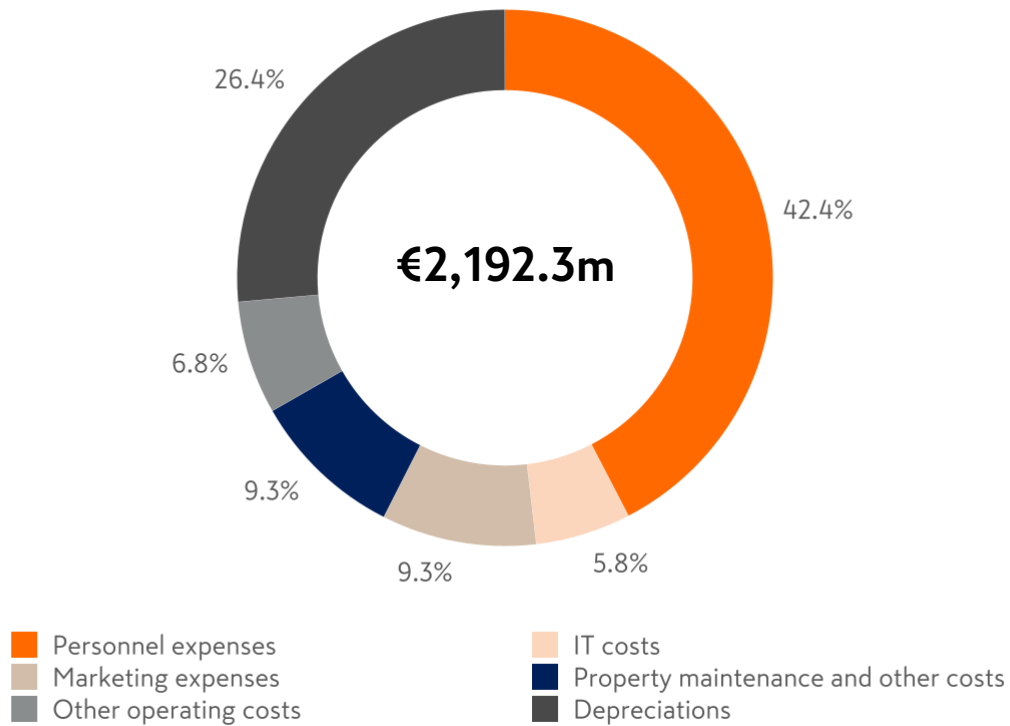
# FINANCIAL POSITION

**Good cash flow from operating activities, net debt has increased due to capital expenditure**

	Q1/2026	Q1/2025
Cash flow from operating activities, € million	77.7	-24.5
Liquid assets, € million	169.3	147.5
Capital expenditure, € million	113.5	138.0
Interest-bearing net debt excl. lease liabilities, € million	1,503.6	1,216.7
Interest-bearing net debt / EBITDA (excl. IFRS 16 impact, rolling)	1.9	1.6
Lease liabilities, € million	2,206.4	2,196.8

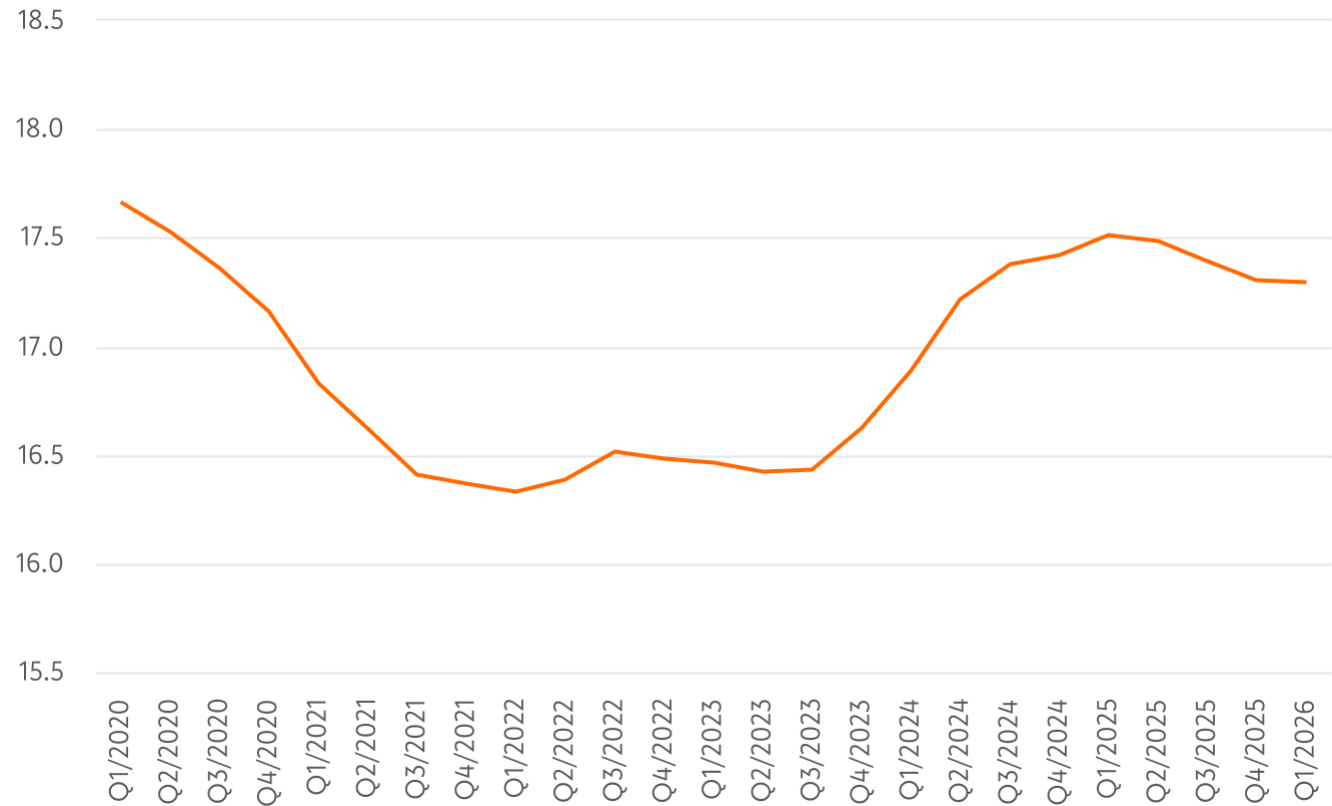
# FOCUS ON OPERATIONAL EFFICIENCY AND PRODUCTIVITY

**OPERATING EXPENSES**  
Q1/2026, rolling 12 months



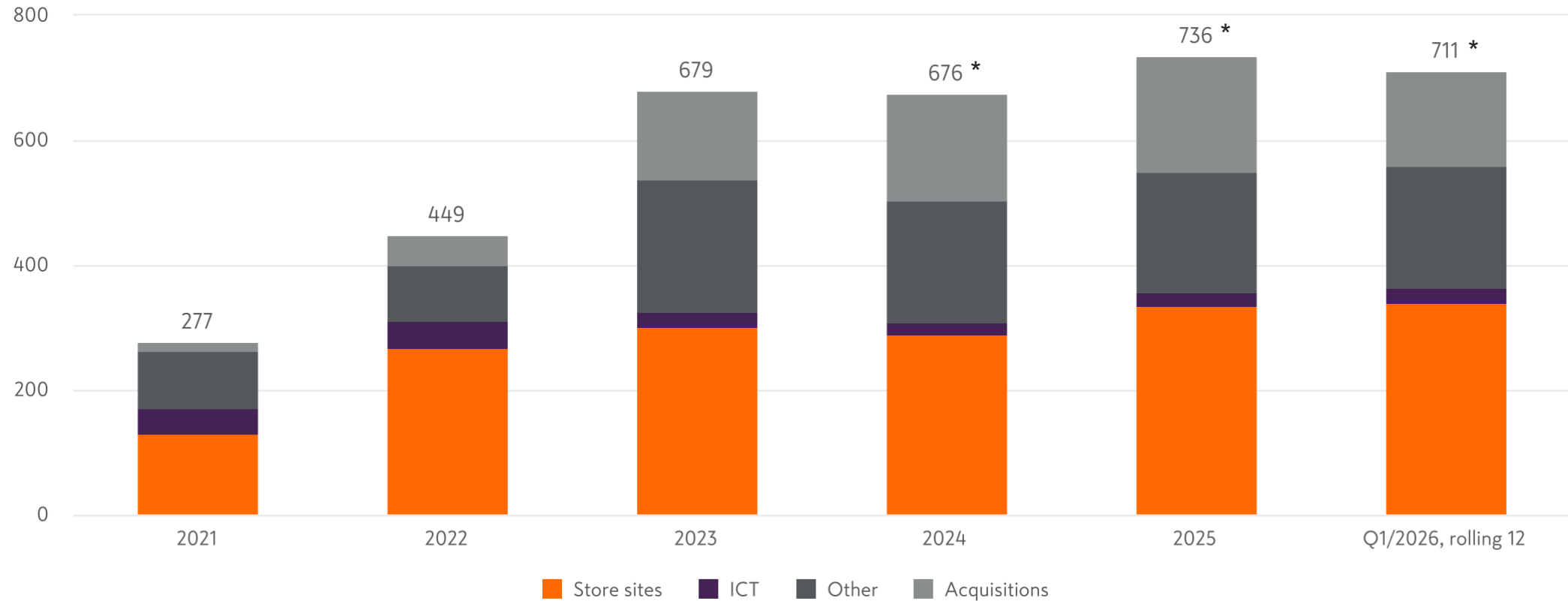
Comparable, excl. non-recurring items  
Incl. acquisitions

**COST RATIO, ROLLING 12 MONTHS, %**



# INVESTING IN FUTURE

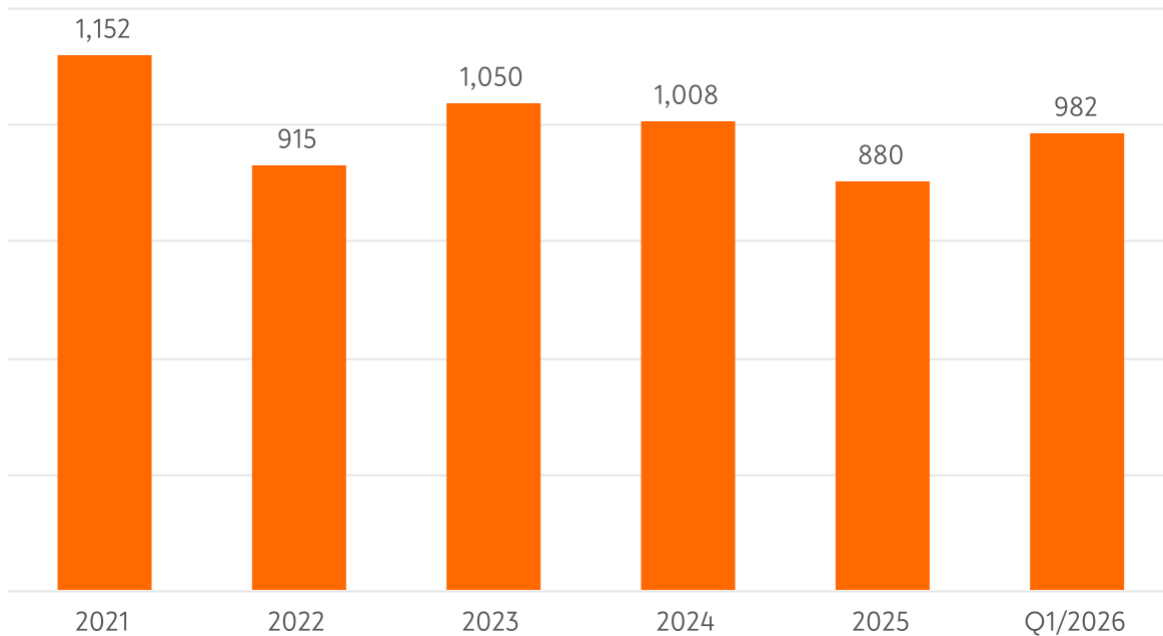
## CAPITAL EXPENDITURE, € MILLION



# CASH FLOW FROM OPERATING ACTIVITIES

## CASH FLOW FROM OPERATING ACTIVITIES

by quarter, rolling 12 months, € million

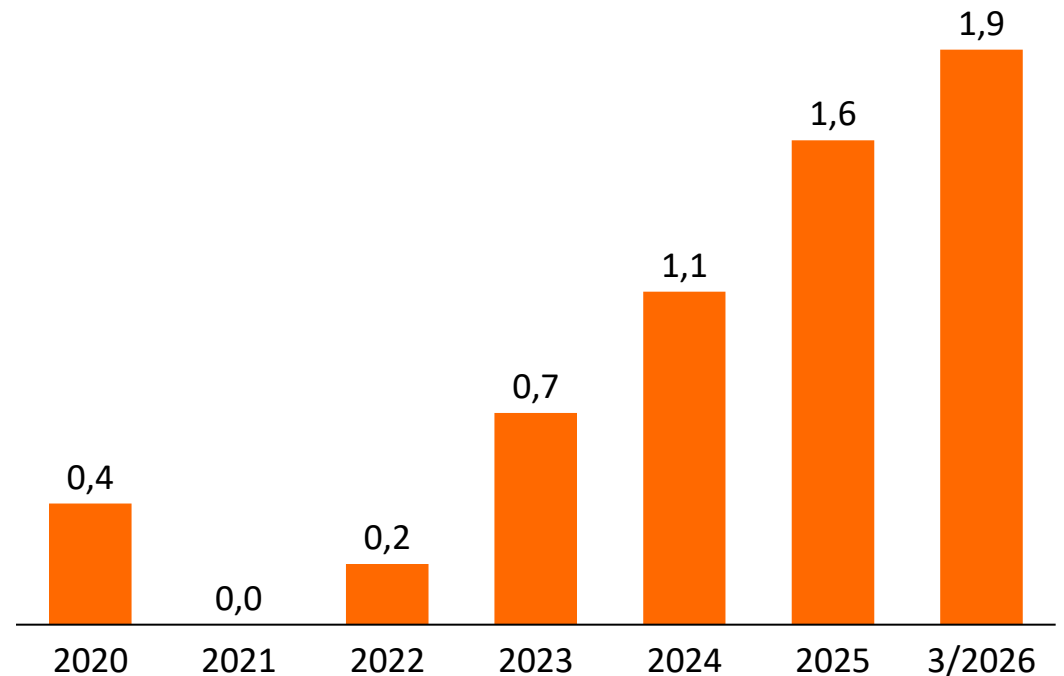


- Key initiatives driving cash flow:
  - Maintaining good profitability
  - Well-prioritised CAPEX and project portfolio
  - Improving working capital efficiency
    - Focusing on inventory turnover
    - Sales receivables under control: credit losses at a low level

# FINANCIAL POSITION

- Net debt/EBITDA 1.9 and gearing 138.7% (31.3.2026)
- Our financial target is to stay below 2.5 net debt/EBITDA excl. IFRS 16 lease liabilities
- Additional net debt fire power close to €500 million
- Actions to improve financial position:
  - Active balance sheet and property portfolio management
  - Financing and maturity profile according to investment needs

## NET DEBT/EBITDA – MAXIMUM TARGET LEVEL 2.5

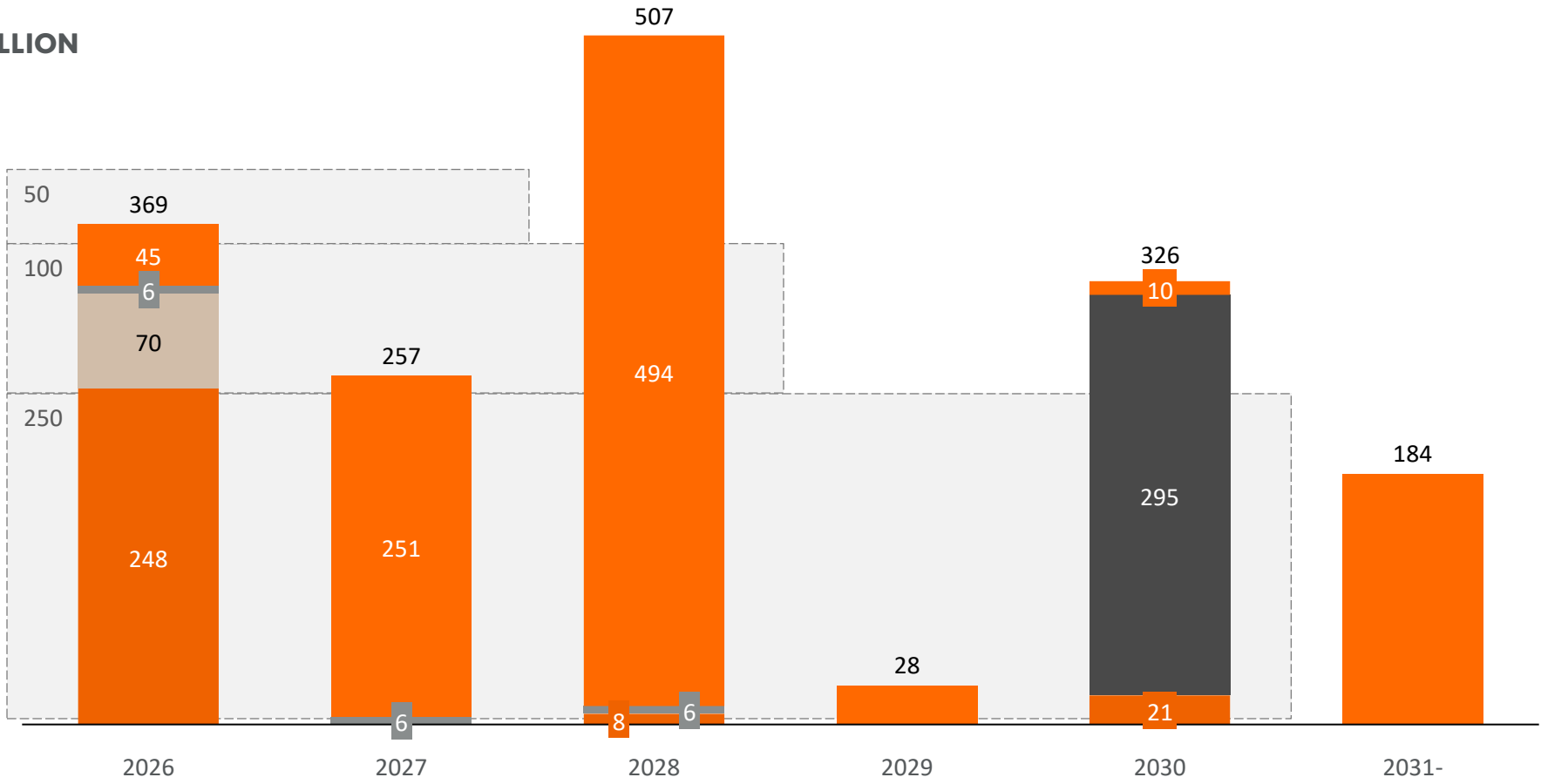


Excl. IFRS 16 lease liabilities

# DEBT MATURITY

AS AT 3/2026

€ MILLION



■ Debt to financial institutions 
 ■ Bonds 
 ■ TyEL (pension) loans 
 ■ Debt to K-retailers 
 ■ Other interest-bearing debt

☐ RCFs (committed, 3/2026 unused)

Other: CPP limits 513M€ (uncommitted)

Debts to financial institutions have extension options, terms apply

# LET'S **K**!

