



KESKO INVESTOR NEWS 29.8.2023 AT 12.30

Kesko Sweden to concentrate its building and home improvement trade operations under the K-Bygg chain

Kesko will concentrate its building and home improvement trade operations in Sweden under the K-Bygg chain, and will increasingly focus on serving building professionals alongside consumers. The K-Rauta stores in Sweden will either be converted into K-Bygg stores or closed. Kesko's building and home improvement trade operations in Sweden will be concentrated under one brand by the end of 2024.

Kesko is a leading operator in building and technical trade in Northern Europe and has a solid foothold and long history in Sweden. At the moment, Kesko operates in Sweden under two building and home improvement trade chains, K-Bygg and K-Rauta, as well as in technical wholesale.

In the future, Kesko's business in the Swedish building and home improvement market will focus on serving B2B and B2C customers in K-Bygg stores. K-Bygg is a successful nationwide chain that currently has 51 stores across the country. The current 16 K-Rauta stores in Sweden will be either converted into K-Bygg stores or closed.

Kesko's technical wholesale operations will continue as before under the Onninen brand.

"Kesko has a growth strategy that focuses on Northern Europe. In Sweden, we want to grow the K-Bygg chain both organically and through acquisitions. Focusing more strongly on and investing in the building and home improvement market for professionals is a strategic choice that builds future success and growth by improving our efficiency and profitability", says **Jorma Rauhala**, President of Kesko's building and technical trade division.

The concentration of building and home improvement operations in Sweden under the K-Bygg brand will be completed by the end of 2024.

Figures for Kesko Sweden:

Kesko sales in Sweden in 2022:

K-Bygg: €382 million

K-Rauta €190 million

Technical wholesale: €156 million

Number of building and home improvement stores:

K-Bygg: 51

K-Rauta: 16

Share of B2B sales in building and home improvement trade:

K-Bygg: 79%

K-Rauta: 38%

Further information:

Jorma Rauhala, President of Kesko's building and technical trade division, Deputy CEO, tel. +358 105 322 211, jorma.rauhala@kesko.fi

Paula Niemistö, Vice President, Communications, Kesko's building and technical trade division tel. +358 40 7070 121, paula.niemisto@kesko.fi

Kesko Corporation

DISTRIBUTION

Main news media

www.kesko.fi

Kesko and K-retailers together form K Group, whose retail sales total around €16 billion. Kesko is one of the leading trading sector operators in Northern Europe and it employs approximately 45,000 people. Kesko operates in grocery trade, building and technical trade, and car trade. Its divisions and chains act in close cooperation with retailer entrepreneurs and other partners. Kesko's net sales total around €12 billion and it employs approximately 18,000 people. Kesko has approximately 1,800 stores engaged in chain operations in Finland, Sweden, Norway, Estonia, Latvia, Lithuania and Poland. Kesko's shares are listed on Nasdaq Helsinki. The company's domicile and main premises are in Helsinki. www.kesko.fi