

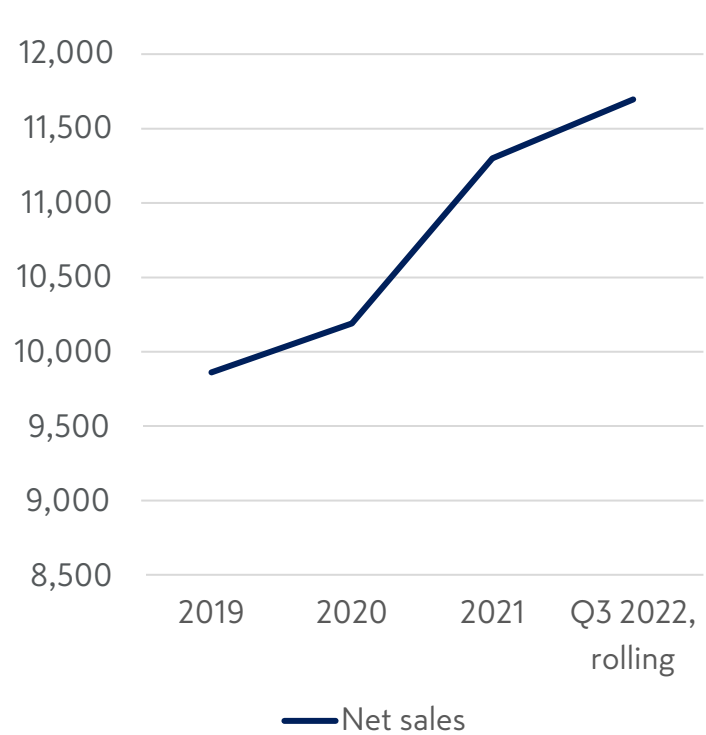


GROWTH AND EFFICIENCY IN A CHANGING OPERATING ENVIRONMENT

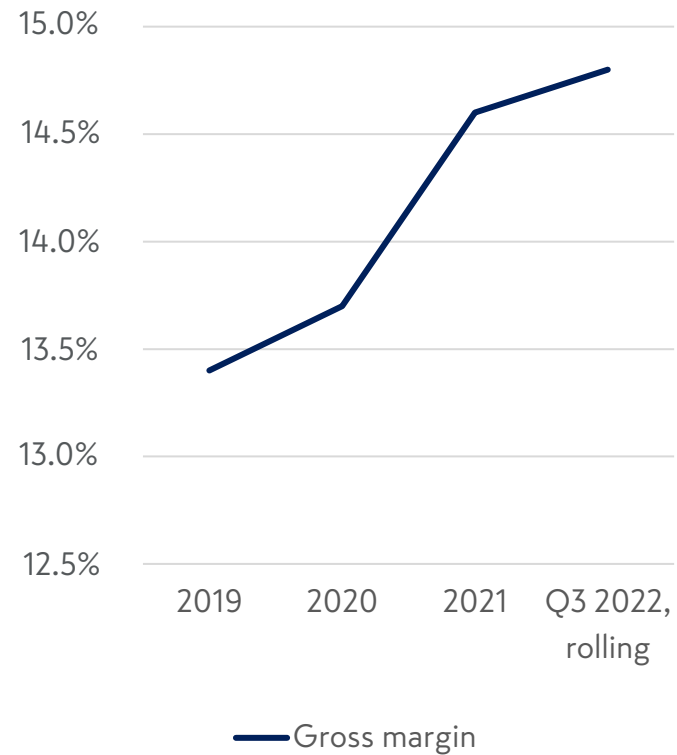
Jukka Erlund
Chief Financial Officer
Kesko Capital Markets Day 2022

GOOD PERFORMANCE IN ALL AREAS...

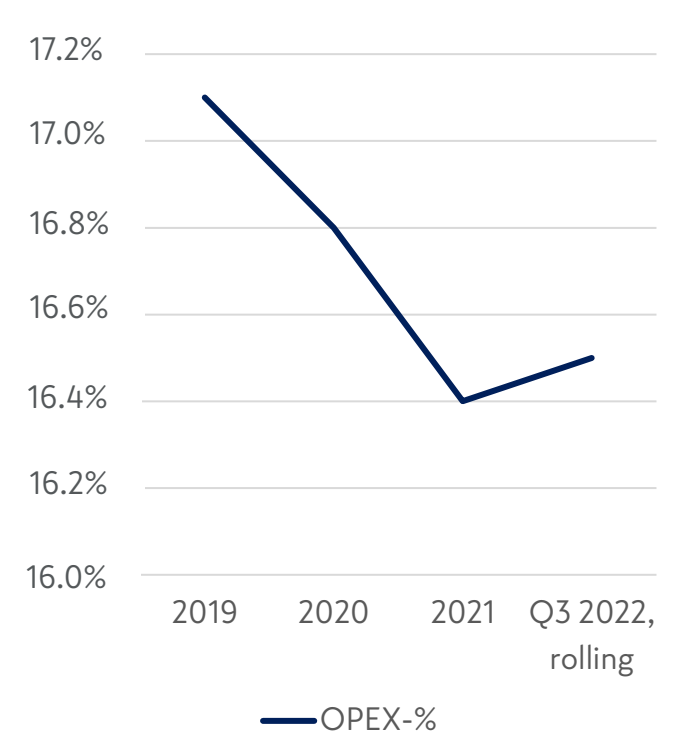
NET SALES, € MILLION



GROSS MARGIN

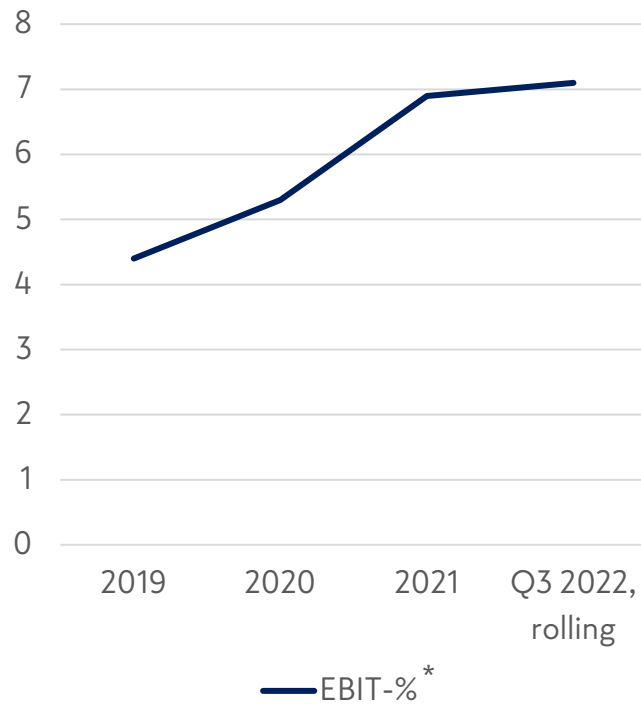


OPEX-%

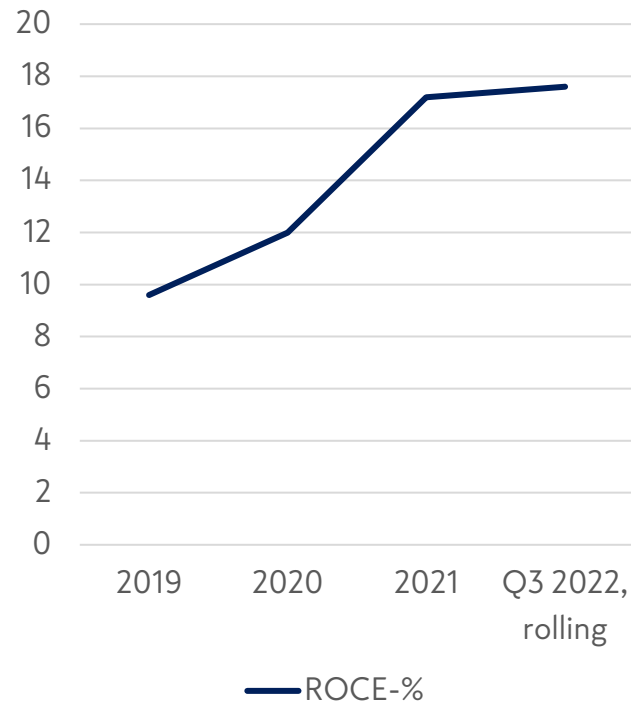


... ALSO IN CAPITAL EFFICIENCY

EBIT-%, COMPARABLE



ROCE-%, COMPARABLE

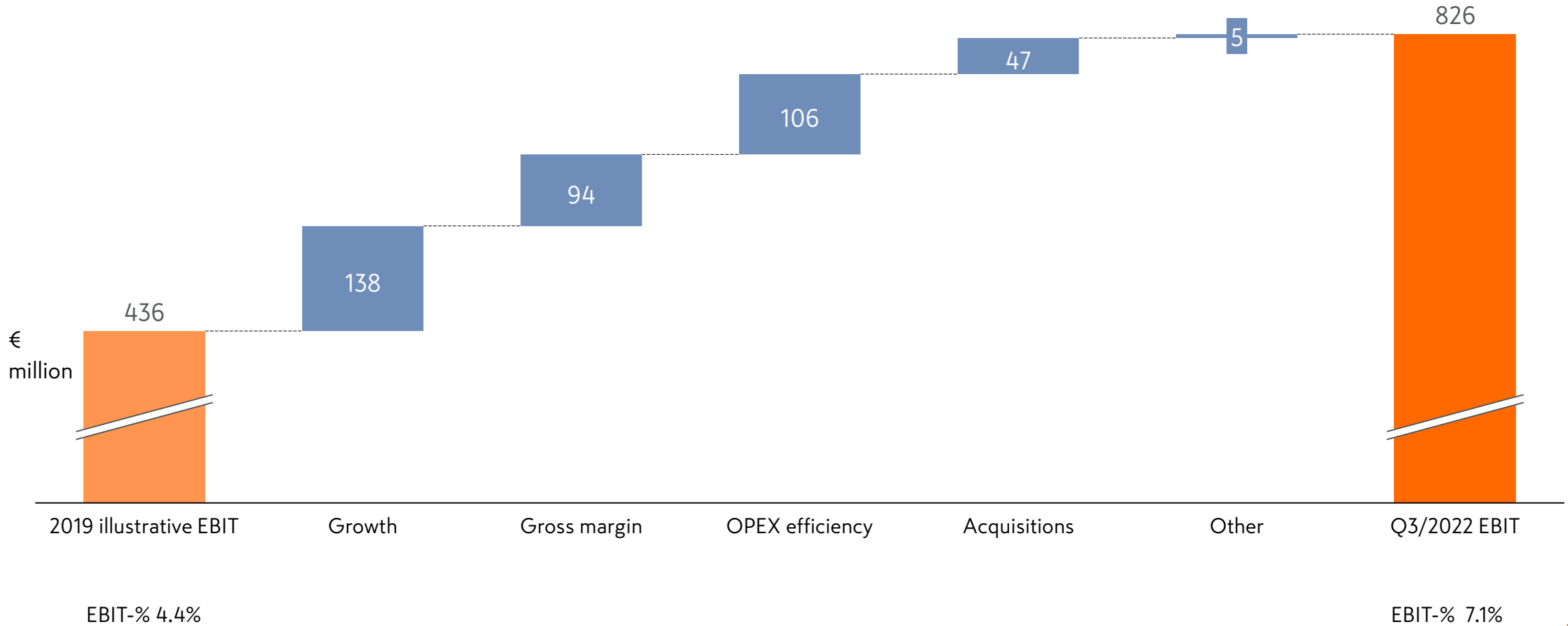


NET WORKING CAPITAL/NET SALES



PROFITABILITY IMPROVEMENT FROM ALL SOURCES

Operating profit up by €390 million



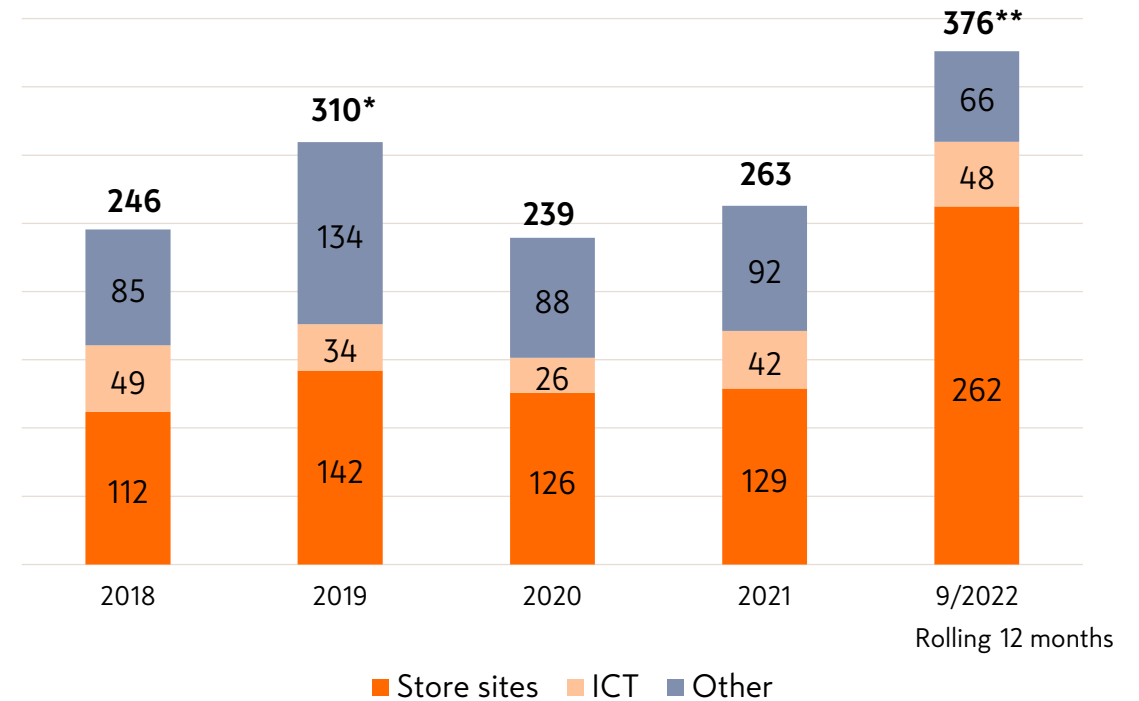
Kesko Senukai treated as a joint venture in the illustrative comparison figures



INVESTING IN GROWTH

- In upcoming years, no major changes in capital expenditure compared to current levels
- In store site CAPEX, focus on renewals
- Investing in logistical capabilities, starting with Onninen technical trade and car trade
- Investments in technology to improve customer experience and cost efficiency
- In car trade, investments in leasing fleet and EV charging network
- Acquisitions to boost market share growth and synergies

CAPITAL EXPENDITURE (EXCL. ACQUISITIONS), € MILLION



* Excluding Kruunuvuoren Satama store sites €85.3 million

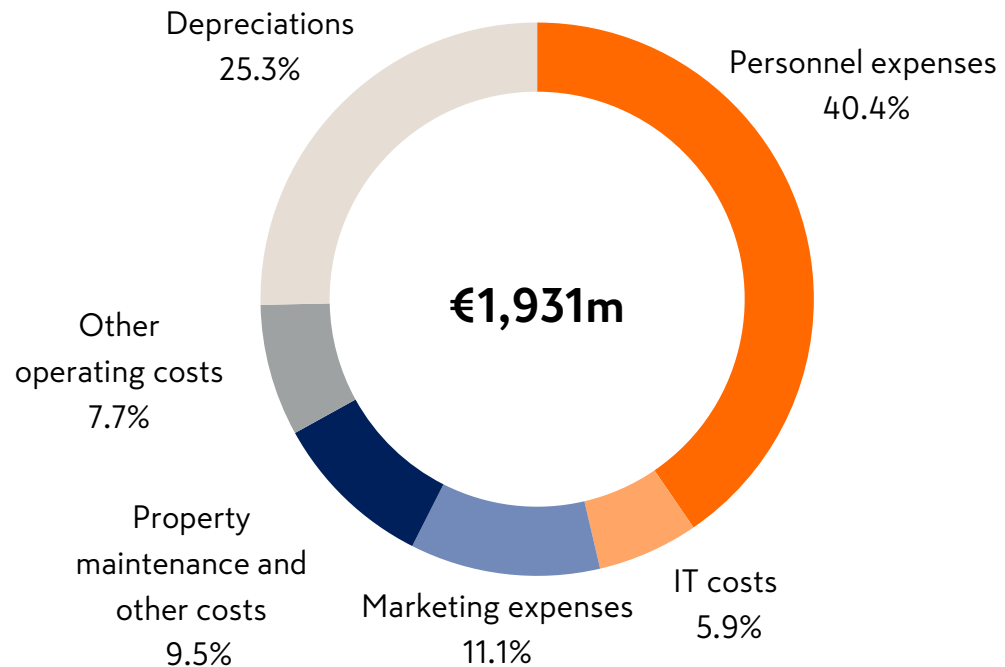
** Including K-Citymarket Turtola €40.3 million



ENSURING OPERATIONAL EFFICIENCY

OPERATING EXPENSES

09/2022, rolling 12 months

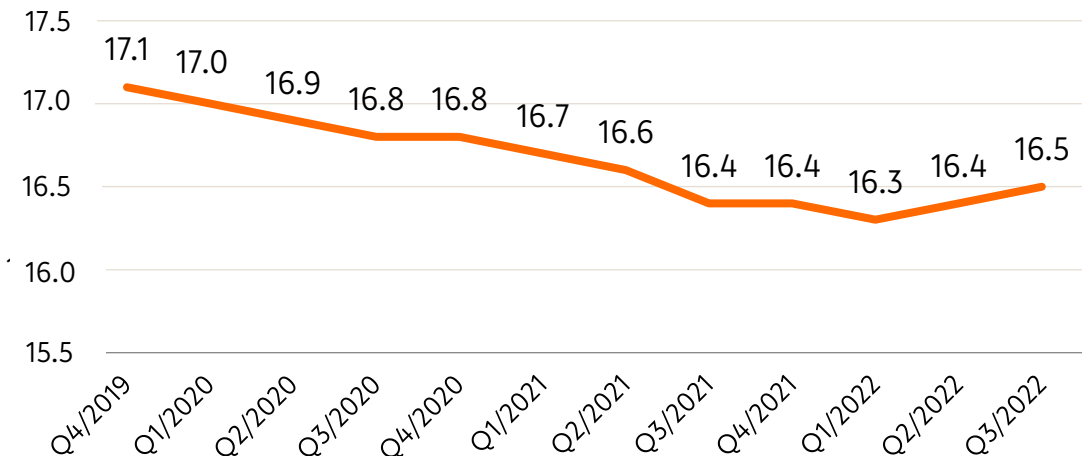


Comparable, excl. non-recurring items

KEY FOCUS AREAS

- Organisational efficiency
- Process re-engineering and automation
- Efficiencies in indirect sourcing
- Measures to mitigate cost-inflation

COST RATIO, ROLLING 12 MONTHS, %



MANAGING ELECTRICITY COSTS

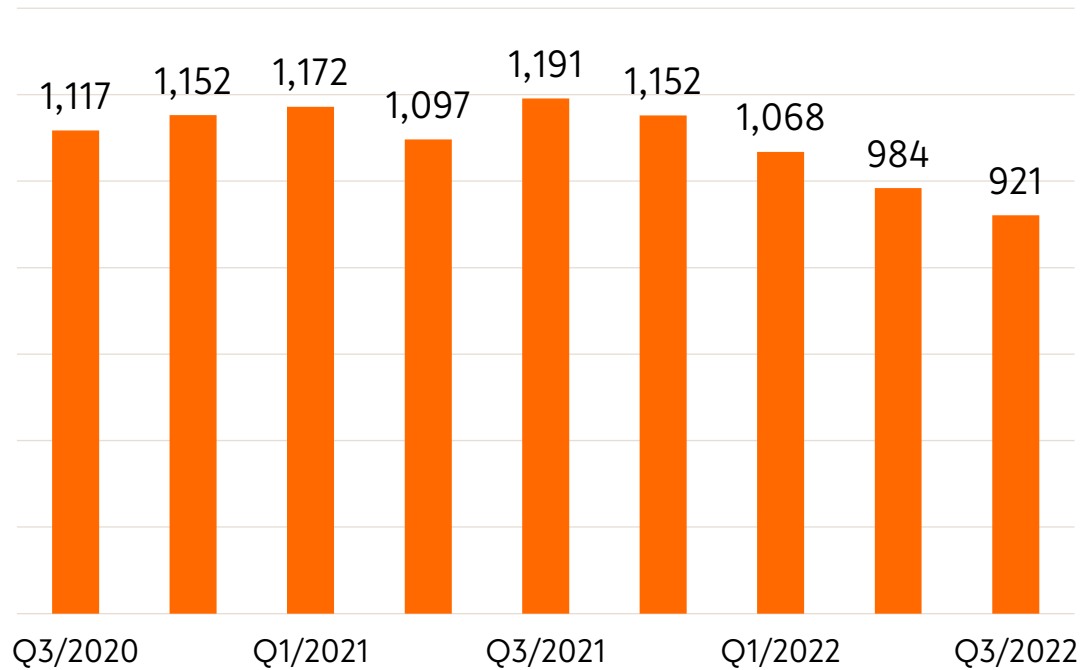


- Kesko's electricity costs were around €35 million in 2021
- Spot prices have increased substantially in 2022
- Kesko has centrally hedged 50-80% of K Group's electricity consumption in 2022-2025
- We are currently reducing our electricity consumption with both short-term and long-term actions

MEASURES TO IMPROVE CASH FLOW GENERATION CONTINUE

CASH FLOW FROM OPERATING ACTIVITIES

by quarter, rolling 12 months, € million

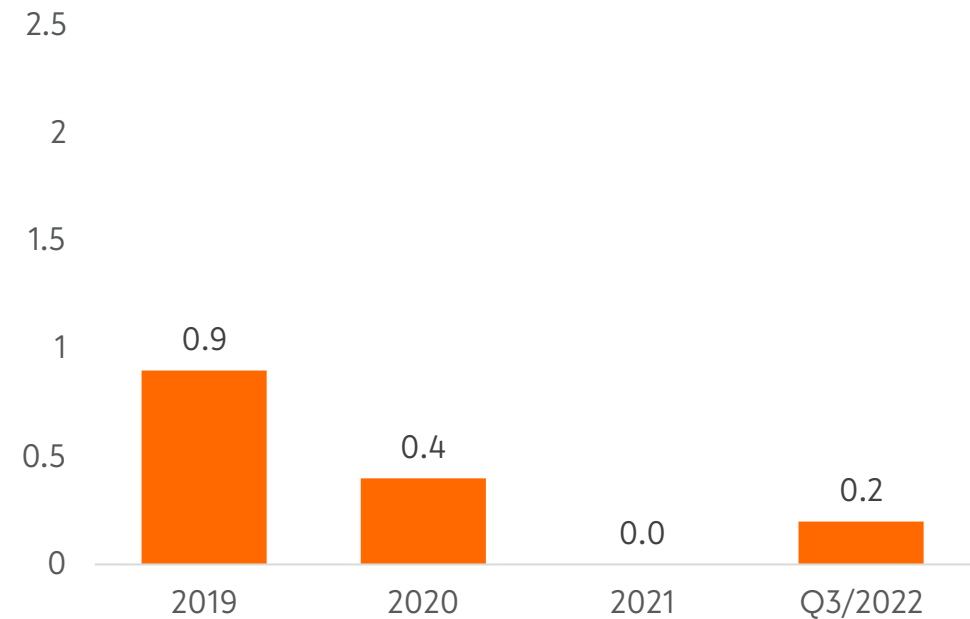


- Key initiatives driving cashflow:
 - Maintaining good profitability
 - Improving working capital efficiency, especially inventory turnover
 - Well-prioritised CAPEX and project portfolio

STRATEGY EXECUTION SUPPORTED BY STRONG BALANCE SHEET

- Net debt/EBITDA 0.2 and gearing 80.6%
- Additional net debt fire power of over €1.5 billion
- Our strong balance sheet enables
 - Organic investments and acquisitions in line with our strategy
 - Good dividends according to our dividend policy

NET DEBT/EBITDA - MAXIMUM TARGET LEVEL 2.5

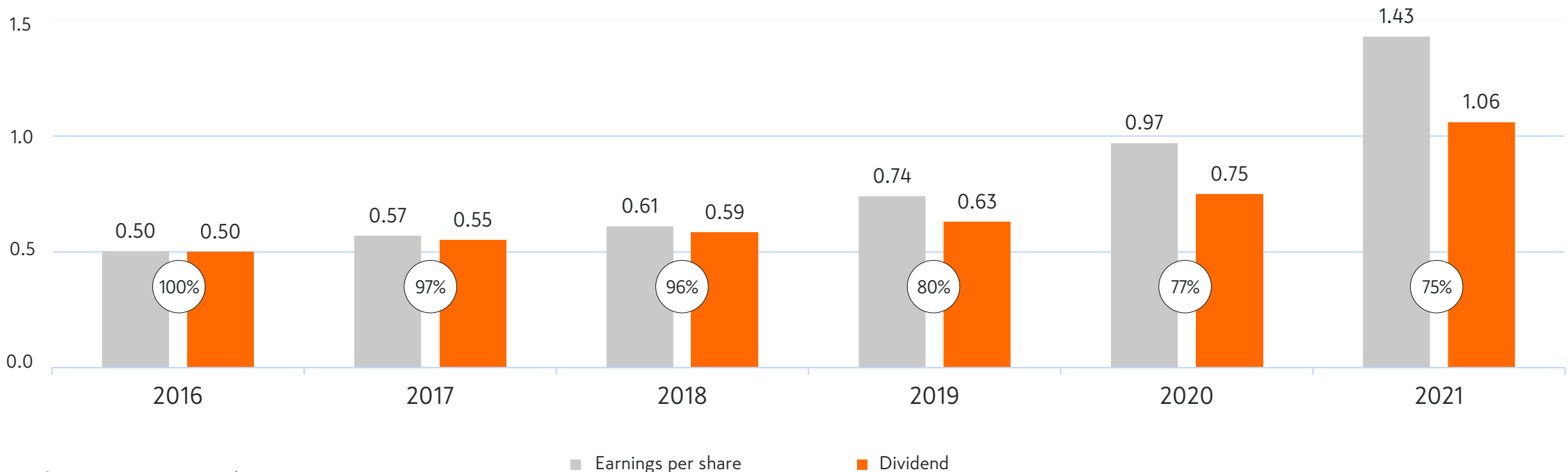


Excl. IFRS 16 lease liabilities

SOLID DIVIDEND TRACK-RECORD

Kesko's 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.

Dividend paid in four instalments in 2022.



Continuing operations, post split

2014-2016 comparable EPS, Group. 2017-2019 comparable EPS, continuing operations

THANK YOU!

