

KESKO CORPORATION JANUARY-SEPTEMBER INTERIM REPORT 30.10.2024 AT 8.00

KESKO INTERIM REPORT 1.1.-30.9.2024: A TURN FOR THE BETTER IN BUILDING AND TECHNICAL TRADE

Financial performance in brief:

7-9/2024

- Group net sales in July-September totalled €3,026.6 million (€2,949.1 million); reported net sales grew by 2.6% while comparable net sales were down by 0.8%.
- Comparable operating profit totalled €201.5 million (€208.1 million)
- Operating profit totalled €202.1 million (€206.6 million)
- Cash flow from operating activities totalled €285.6 million (€394.9 million)
- Comparable earnings per share €0.34 (€0.38); reported earnings per share €0.35 (€0.37).

1-9/2024

- Group net sales in January-September totalled €8,879.5 million (€8,881.8 million); reported net sales were at last year's level, while comparable net sales were down by 3.5%
- Comparable operating profit totalled €479.3 million (€541.6 million)
- Operating profit totalled €458.5 million (€535.5 million)
- Cash flow from operating activities totalled €707.2 million (€707.1 million)
- Comparable earnings per share €0.80 (€0.97); reported earnings per share €0.76 (€0.96)

Key performance indicators

	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Net sales, € million	3,026.6	2,949.1	8,879.5	8,881.8	11,783.8
Operating profit, comparable, € million	201.5	208.1	479.3	541.6	712.0
Operating margin, comparable, %	6.7	7.1	5.4	6.1	6.0
Operating profit, € million	202.1	206.6	458.5	535.5	695.4
Profit before tax, comparable, € million	172.1	188.4	399.7	485.3	630.4
Profit before tax, € million	172.5	186.8	378.5	479.1	613.5
Cash flow from operating activities, € million	285.6	394.9	707.2	707.1	1,049.5
Capital expenditure, € million	109.4	127.5	566.9	520.5	678.9
Earnings per share, €, basic and diluted	0.35	0.37	0.76	0.96	1.25
Earnings per share, comparable, €, basic	0.34	0.38	0.80	0.97	1.28

	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Return on capital employed, comparable, %, rolling 12 months	11.5	14.1	11.5	14.1	13.4
Return on equity, comparable, %, rolling 12 months	16.7	20.2	16.7	20.2	18.5

In this interim report, the comparable change % in net sales has been calculated in local currencies and excluding the impact of acquisitions and divestments completed in 2024 and 2023. The comparable operating profit has been calculated by deducting items affecting comparability from the reported operating profit.

Profit guidance for 2024 (specified)

Kesko Group's profit guidance is given for the year 2024, in comparison with the year 2023. Kesko's operating environment is estimated to remain challenging in 2024. Kesko's net sales and operating profit are estimated to remain at a good level in 2024 despite the challenges in the company's operating environment. Kesko estimates that its comparable operating profit in 2024 will amount to €630–680 million. Previously, the comparable operating profit was estimated to amount to €620–680 million. The profit guidance specification is based on third-quarter profit development in building and technical trade.

The profit guidance and outlook are based on an estimate of a relatively short recession in Kesko's operating countries. Key uncertainties impacting Kesko's outlook are developments in inflation and interest rate levels, and geopolitical crises and tensions.

Outlook for 2025

Kesko's operating environment is estimated to improve in 2025, and Kesko's comparable operating profit is also estimated to improve in 2025.

In grocery trade, B2C trade and the foodservice market are estimated to remain stable. In 2025, 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 in accordance with Kesko's strategy for 2024-2026.

In building and technical trade, the cycle is expected to improve in 2025 from the historically low levels. Profitability in the building and technical trade division is estimated to improve on 2024.

In car trade, new car orders are expected to stay at a low level in 2025. Demand for used cars and services is estimated to remain good. Profitability for the car trade division is estimated to remain at a good level in 2025 despite weak demand for new cars.

President and CEO Jorma Rauhala:

Kesko's performance in the third quarter of 2024 was good considering the market, which remained challenging. Our net sales totalled €3,027 million, up by 2.6% year-on-year, while in comparable terms net sales decreased by 0.8%. Our comparable operating profit totalled €201.5 million, and it was up in both building and technical trade and grocery trade.

Net sales for the grocery trade division totalled €1,609 million, up by 1.0%, while the division's comparable operating profit amounted to €118.8 million. K Group's grocery sales were down by 0.1%, slightly underperforming the market. Online grocery sales increased by 13.9% thanks in particular to growth in express deliveries. Kespro's net sales grew by 3.1%, exceeding market growth. Grocery price inflation slowed down notably and stood at 0.4%. Our customer flows continued to grow thanks to campaigns, while customers emphasise price. Our strategy execution in grocery trade is proceeding according to plans, focusing on strengthening store-specific business ideas, developing our store site network, and improving our price competitiveness.

In the building and technical trade division, we can see a turn for the better: result for the division grew for the first time in eight quarters. Sales have picked up in both building and home improvement trade and technical trade, but the market remains challenging. The division's net sales totalled €1,128 million, up by 7.4%, or down by 2.2% in comparable terms. Comparable operating profit for the division totalled €70.1 million, up by €0.2 million. In building and home improvement trade, net sales increased thanks to sales growth in K-Rauta Finland and the Davidsen acquisition in

Denmark. Operating profit for Onninen Finland was nearly at last year's level, and sales and profitability for solar power products have returned to normal levels. In Norway, there have been logistics-related delays in the Elektroskandia integration process, while Byggmakker's sales slightly underperformed the market. In Sweden, our increased focus on B2B trade under the K-Bygg brand has proceeded according to plans.

In the car trade division, both net sales and profit decreased as the market remained challenging, but profitability stayed at a good level. Market demand for new cars was muted, but the market for used cars grew slightly. The division's net sales totalled €295 million and comparable operating profit €17.8 million. New car sales decreased, but when it came to orders for new cars, the market share of car brands represented by Kesko increased. Our sales growth in used cars notably outpaced the market. Service sales also increased. In September, we completed the acquisition of Autotalo Lohja.

Kesko's net sales and operating profit are estimated to remain at a good level in 2024 despite the challenges in our operating environment. We now specify our profit guidance and estimate that our comparable operating profit in 2024 will amount to €630–680 million. We furthermore estimate that Kesko's comparable operating profit will improve in 2025.

Financial performance

Net sales and profit in July-September 2024

7-9/2024	Net sales, € million	Change, %	Change, comparable, %	Operating profit, comparable, € million	Change, € million
Grocery trade	1,609.1	+1.0	+0.9	118.8	+0.5
Building and home improvement trade	567.0	+18.8	-2.9	29.5	+2.1
Technical trade	578.0	-1.8	-1.4	35.7	-2.0
Kesko Senukai	-	-	-	4.8	+0.1
Building and technical trade, total	1,128.0	+7.4	-2.2	70.1	+0.2
Car trade	295.2	-5.0	-5.0	17.8	-6.5
Common functions and eliminations	-5.8	-	-	-5.1	-0.8
Total	3,026.6	+2.6	-0.8	201.5	-6.6

Group net sales increased by 2.6% in July-September. In comparable terms, net sales decreased by 0.8%. Net sales decreased in comparable terms by 0.2% in Finland, while in other operating countries net sales decreased by 3.6% in comparable terms. The comparable change % has been calculated in local currencies and excluding the impact of acquisitions and divestments completed.

Net sales for the grocery trade division increased by 1.0%. Sales to K Group grocery store chains increased by 1.5%. Net sales for Kespro's foodservice business increased by 3.1% in July-September.

Net sales for the building and technical trade division increased by 7.4% in July-September, while in comparable terms, division net sales decreased by 2.2%, impacted by the weak construction cycle. Net sales for technical trade decreased by 1.8%, while in comparable terms net sales decreased by 1.4%. In building and home improvement trade, net sales increased by 18.8% thanks to the acquisitions completed, while in comparable terms, net sales decreased by 2.9%. The Danish building and home improvement trade chain Davidsen has been consolidated into the building and technical trade division's figures as of 1 February 2024.

Net sales for the car trade division decreased by 5.0% in July-September. In comparable terms, net sales decreased by 5.0%. Of the car trade businesses, net sales decreased in new cars, and increased in used cars and services. In the comparison period, net sales for new cars were increased by the clearing of order books as the availability of cars improved. Net sales for sports trade increased.

The Group's comparable operating profit in July-September totalled €201.5 million (€208.1 million), down by €6.6 million. The grocery trade division's comparable operating profit increased by €0.5 million. The comparable operating profit for the building and technical trade division increased by €0.2 million, thanks to positive profit development in Finland and the Davidsen acquisition in Denmark. Onninen's comparable operating profit in Finland totalled €26.2 million (€26.6 million). In Finland, profitability in building and home improvement trade remained good. Building and home improvement trade profitability was burdened by a €0.5 million expense related to the Davidsen acquisition, recorded for the allocation of fair value. The share of result from Kesko Senukai was up by €0.1 million year-on-year. The comparable operating profit for the car trade division decreased by €6.5 million. The comparable operating profit for the car trade businesses decreased by €6.7 million due to a decline in net sales. In sports trade, the comparable operating profit increased by €0.1 million on the comparison period.

Items affecting comparability, € million	7-9/2024	7-9/2023	1-12/2023
Operating profit, comparable	201.5	208.1	712.0
Items affecting comparability			
+gains on disposal	+9.9	-	+0.4
-losses on disposal	-	-	-1.0
+/- structural arrangements	-9.3	-1.5	-16.1
Items affecting comparability, total	+0.6	-1.5	-16.7
Operating profit	202.1	206.6	695.4

The most significant items affecting comparability were related to the reorganisation of the K-Rauta chain in Sweden, in which the Swedish building and home improvement trade operations will be concentrated in the K-Bygg chain, the discontinuation of the Neste K chain, and acquisitions.

K Group's (Kesko and the chain stores) retail and B2B sales (0% VAT) in July-September totalled €4,116.8 million, representing a decrease of 1.2%.

Net finance costs, income tax and earnings per share

	7-9/2024	7-9/2023	1-12/2023
Net finance costs, € million	-29.7	-20.2	-83.9
Interests on lease liabilities, € million	-19.4	-18.6	-73.4
Profit before tax, comparable, € million	172.1	188.4	630.4
Profit before tax, € million	172.5	186.8	613.5
Income tax, € million	-33.4	-38.0	-118.0
Earnings per share, comparable, €	0.34	0.38	1.28
Earnings per share, €	0.35	0.37	1.25
Equity per share, €	6.61	6.62	6.93

The increase in Group net finance costs in July-September was impacted by the increase in interest-bearing debt. The share of result of associates totalled €0.1 million (€0.4 million).

The Group's effective tax rate was 19.4% (20.4%).

The Group's earnings per share and comparable earnings per share decreased compared to the year before.

Net sales and profit in January-September 2024

1-9/2024	Net sales, € million	Change, %	Change, comparable, %	Operating profit, comparable, € million	Change, € million
Grocery trade	4,720.6	+0.2	+0.1	315.8	-4.8
Building and home improvement trade	1,658.5	+10.4	-8.0	51.8	-8.1
Technical trade	1,684.4	-4.7	-6.7	70.4	-36.0
Kesko Senukai	-	-	-	10.8	+5.3
Building and technical trade, total	3,295.4	+2.3	-7.4	133.0	-38.9
Car trade	880.2	-8.8	-8.3	49.1	-19.0
Common functions and eliminations	-16.7	-	-	-18.7	+0.4
Total	8,879.5	-0.0	-3.5	479.3	-62.3

Group net sales were at last year's level in January-September. In comparable terms, net sales decreased by 3.5%. Net sales decreased in comparable terms by 2.9% in Finland, while in other operating countries they decreased by 6.2%.

The comparable change % has been calculated in local currencies and excluding the impact of acquisitions and divestments completed.

Net sales for the grocery trade division increased by 0.2%. Sales to K Group grocery store chains grew by 0.6%. Net sales for Kespro's foodservice business increased by 0.9% in January-September.

Net sales for the building and technical trade division increased by 2.3% in January-September, while in comparable terms, net sales decreased by 7.4%, impacted by the weak construction cycle. Net sales for technical trade decreased by 4.7%, while in comparable terms, net sales decreased by 6.7%. In building and home improvement trade, net sales increased by 10.4% thanks to the acquisitions completed, while in comparable terms, net sales decreased by 8.0%. The Danish building and home improvement trade chain Davidsen has been consolidated into the building and technical trade division's figures as of 1 February 2024.

Net sales for the car trade division decreased by 8.8% in January-September, while in comparable term net sales decreased by 8.3%. Of the car trade businesses, net sales decreased in new cars, and increased in used cars and services. In the comparison period, net sales for new cars were increased by the clearing of order books as the availability of cars improved. Net sales for sports trade decreased.

The Group's comparable operating profit in January-September totalled €479.3 million (€541.6 million), representing a decrease of €62.3 million. The comparable operating profit for the grocery trade division decreased by €4.8 million. The comparable operating profit for the building and technical trade division decreased by €38.9 million. The decrease was due to a decline in net sales, which was mainly impacted by the weak construction cycle. In the first year-half, net sales and gross margin for solar power products in particular fell short of the comparison period. Onninen's comparable operating profit in Finland totalled €54.6 million (€76.5 million). In Finland, profitability in building and home improvement trade remained good. Building and home improvement trade profitability was burdened by a €2.0 million expense related to the Davidsen acquisition, recorded in the allocation of fair value mainly in relation to inventories. The share of result from Kesko Senukai was up by €5.3 million year-on-year. The comparable operating profit for the car trade division decreased by €19.0 million. The comparable operating profit for the car trade businesses decreased by €16.9 million due to a decline in net sales. In sports trade, the comparable operating profit decreased by €2.1 million on the comparison period.

Items affecting comparability, € million	1-9/2024	1-9/2023	1-12/2023
Operating profit, comparable	479.3	541.6	712.0
Items affecting comparability			
+gains on disposal	+11.4	+0.4	+0.4
-losses on disposal	-1.6	-1.0	-1.0
+/- structural arrangements	-30.5	-5.5	-16.1
Items affecting comparability, total	-20.8	-6.1	-16.7
Operating profit	458.5	535.5	695.4

The most significant items affecting comparability were related to the reorganisation of the K-Rauta chain in Sweden, in which the Swedish building and home improvement trade operations will be concentrated in the K-Bygg chain, the discontinuation of the Neste K chain, and acquisitions.

K Group's (Kesko and the chain stores) retail and B2B sales (0% VAT) in January-September totalled €11,863.7 million, representing a decrease of 3.4%. During the 12-month period that ended in September 2024 the number of Finnish households belonging to the K-Plussa loyalty scheme and using the K-Plussa network totalled 2.6 million, with 3.4 million K-Plussa loyalty card users.

Net finance costs, income tax and earnings per share

	1-9/2024	1-9/2023	1-12/2023
Net finance costs, € million	-83.4	-58.4	-83.9
Interests on lease liabilities, € million	-58.8	-54.4	-73.4
Profit before tax, comparable, € million	399.7	485.3	630.4
Profit before tax, € million	378.5	479.1	613.5
Income tax, € million	-73.8	-96.4	-118.0
Earnings per share, comparable, €	0.80	0.97	1.28
Earnings per share, €	0.76	0.96	1.25
Equity per share, €	6.61	6.62	6.93

The increase in Group net finance costs in January-September was impacted by the increase in interest-bearing debt and the rise in interest rate levels. Net finance costs were reduced by a positive change in the fair value of interest rate derivatives. The share of result of associates totalled €3.4 million (€2.0 million).

The Group's effective tax rate was 19.5% (20.1%).

The Group's earnings per share and comparable earnings per share decreased compared to the year before.

Cash flow and financial position

€ million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Cash flow from operating activities	285.6	394.9	707.2	707.1	1,049.5
Cash flow from investing activities	-79.3	-131.2	-476.1	-452.7	-590.2
Cash flow from financing activities	-340.7	-365.3	-223.0	-351.3	-492.2

€ million	30.9.2024	30.9.2023	31.12.2023
Liquid assets	219.9	169.6	227.3
Interest-bearing liabilities	3,087.5	2,723.6	2,787.0
Lease liabilities	2,011.7	1,994.2	1,997.9
Interest-bearing net debt excl. lease liabilities	855.8	559.8	561.9
Interest-bearing net debt/EBITDA, excl. IFRS 16 impact, rolling 12 months	1.2	0.7	0.7
Gearing, %	108.6	97.0	92.8
Equity ratio, %	32.3	34.2	35.8

The Group's cash flow from operating activities in July-September totalled €285.6 million (€394.9 million). Cash flow from operating activities decreased on the comparison period due to growth in working capital.

The Group's cash flow from investing activities in July-September totalled €-79.3 million (€-131.2 million).

The Group's cash flow from operating activities in January-September was at last year's level, totalling €707.2 million (707.1 million).

The Group's cash flow from investing activities January-September totalled €-476.1 million (€-452.7 million). Cash flow from investing activities included a positive item of €15.5 million (€48.1 million) from the redemption of money market funds, included in the Group's liquid assets.

The Group's net debt excluding lease liabilities increased due to acquisitions completed and investments made in the store site network for grocery trade and Onninen's logistics centre in Finland.

Capital expenditure

€ million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Capital expenditure	109.4	127.5	566.9	520.5	678.9
Store sites	54.6	77.9	233.0	213.5	300.3
Acquisitions	2.5	-0.4	172.4	134.6	141.1
IT	4.5	4.6	12.4	15.6	25.0
Other investments	47.9	45.3	149.0	156.8	212.5

As of 1 January 2024, investments in Kespro's cash-and-carry outlets are reported under capital expenditure in store sites, while before they were reported under other investments. Figures for the comparison periods have been adjusted accordingly.

In July-September, capital expenditure in store sites decreased by €23.3 million year-on-year. In January-September capital expenditure in store sites increased by €19.6 million year-on-year. Capital expenditure included the March acquisition of store sites in Espoo and Salo where Kesko's grocery trade has long been the primary tenant.

Other investments in January-September included an investment of €66.5 million (€64.7 million) in the construction of Onninen and K-Auto's shared logistics centre in Hyvinkää, Finland. The construction project is expected to be completed in 2025.

Capital expenditure included the acquisition of the Danish building and home improvement trade company Davidsen Koncernen A/S, completed on 31 January 2024, and the acquisition of Autotalo Lohja, completed on 1 September 2024. Capital expenditure in the comparison period included the acquisitions of Elektroskandia Norge AS in Norway, completed on 1 March 2023, and Zenitec Sweden AB, completed on 5 April 2023.

Personnel

	1-9/2024	1-9/2023	1-12/2023
Average number of personnel converted into full-time employees	15,340	14,853	14,766
Personnel at the end of the reporting period	30.9.2024	30.9.2023	31.12.2023
Finland	12,262	12,286	12,384
Other operating countries	5,976	5,341	5,318
Total	18,238	17,627	17,702

Segments

New segment structure

Kesko changed its division structure and segment reporting from 1 April 2023 onwards. Sports trade became part of the car trade division, while it previously had been part of the building and technical trade division. Data concerning the comparison periods have been adjusted to correspond to the new segment structure. Kesko published comparison figures for the new segment structure for 2022 and for the first quarter of 2023 on 25 May 2023.

Seasonal nature of operations

The Group's operating activities are affected by seasonal fluctuations. The net sales and operating profits of the reportable segments are not earned evenly throughout the year. Instead, they vary by quarter depending on the characteristics of each segment. In terms of the level of operating profit, the second and third quarter are the strongest, whereas the impact of the first quarter on the full-year profit is the smallest.

Grocery trade

July-September 2024

	7-9/2024	7-9/2023	1-12/2023
Net sales, € million	1,609.1	1,593.5	6,351.61
Operating profit, comparable, € million	118.8	118.2	444.8
Operating margin, comparable, %	7.4	7.4	7.0
Return on capital employed, comparable, %, rolling 12 months	16.3	17.6	17.4
Capital expenditure, € million	51.4	77.4	303.7
Average number of personnel converted into full-time employees	6,398	6,398	6,257

	7-9/2024	7-9/2023	Change, %	Change, comparable, %	1-12/2023
Net sales, € million					
Sales to K Group grocery stores	1,139.4	1,122.4	+1.5	+1.5	4,484.0
K-Citymarket, non-food	144.7	150.9	-4.1	-4.1	615.5
Kespro	305.5	296.2	+3.1	+3.1	1,154.9
Others	19.6	24.0	-18.4	-23.6	97.3
Total	1,609.1	1,593.5	+1.0	+0.9	6,351.6

Net sales for the grocery trade division in July-September totalled €1,609.1 million (€1,593.5 million), an increase of 1.0%. Sales to K Group grocery store chains increased by 1.5%. Net sales for Kespro's foodservice business increased by 3.1% in July-September.

The total grocery retail market in Finland (incl. VAT) is estimated to have grown by approximately 1.5% in July-September (Finnish Grocery Trade Association PTY), and retail prices are estimated to have risen by some 0.4% (incl. VAT, Statistics Finland). K Group's grocery sales decreased by 0.1% (incl. VAT). Online grocery sales grew by 13.9%, and accounted for approximately 3.4% of K Group's grocery sales (incl. VAT). All K Group grocery store chains offer online grocery services. The number of K Group stores offering online grocery services was 767 at the end of the reporting period, up by 63 year-on-year. The total market for the foodservice business is estimated to have increased by 0.2% in July-September (PTY). Kespro's market share is estimated to have continued to grow.

The comparable operating profit for the grocery trade division in July-September totalled €118.8 million (€118.2 million), up by €0.5 million. The comparable operating profit for Kespro totalled €23.3 million (€21.7 million). The development of comparable operating profit was impacted by an increase in store site costs and a decline in net sales for K-Citymarket's home and speciality goods (non-food). Operating profit for the grocery trade division totalled

€117.6 million (€118.2 million). Items affecting comparability totalled €-1.2 million, mainly related to the discontinuation of the Neste K chain.

Capital expenditure for the grocery trade division in July-September totalled €51.4 million (€77.4 million). Capital expenditure in store sites totalled €47.8 million (€71.5 million).

January-September 2024

	1-9/2024	1-9/2023	1-12/2023
Net sales, € million	4,720.6	4,712.5	6,351.61
Operating profit, comparable, € million	315.8	320.6	444.8
Operating margin, comparable, %	6.7	6.8	7.0
Return on capital employed, comparable, %, rolling 12 months	16.3	17.6	17.4
Capital expenditure, € million	221.6	227.7	303.7
Average number of personnel converted into full-time employees	6,321	6,300	6,257

	1-9/2024	1-9/2023	Change, %	Change, comparable, %	1-12/2023
Net sales, € million					
Sales to K Group grocery stores	3,362.8	3,342.6	+0.6	+0.6	4,484.0
K-Citymarket, non-food	417.0	428.0	-2.6	-2.6	615.5
Kespro	875.6	867.9	+0.9	+0.9	1,154.9
Others	65.3	74.0	-11.7	-14.1	97.3
Total	4,720.6	4,712.5	+0.2	+0.1	6,351.6

Net sales for the grocery trade division in January-September totalled €4,720.6 million (€4,712.5 million), an increase of 0.2%. Sales to K Group grocery store chains grew by 0.6%. Net sales for Kespro's foodservice business increased by 0.9% in January-September.

The total grocery retail market in Finland (incl. VAT) is estimated to have grown by approximately 1.7% in January-September (Finnish Grocery Trade Association PTY), and retail prices are estimated to have risen by some 0.4% (incl. VAT, Statistics Finland). K Group's grocery sales grew by 0.6% (incl. VAT). Online grocery sales grew by 15.8%, and accounted for approximately 3.6% of K Group's grocery sales (incl. VAT). All K Group grocery store chains offer online grocery services. The number of K Group stores offering online grocery services was 767 at the end of the reporting period, up by 63 year-on-year. The total market for the foodservice business is estimated to have decreased by 1.8% in January-September (PTY). Kespro's market share is estimated to have continued to grow.

The comparable operating profit for the grocery trade division in January-September totalled €315.8 million (€320.6 million), down by €4.8 million. The development of comparable operating profit was impacted by an increase in store site costs and a decline in the net sales for K-Citymarket's home and speciality goods (non-food). Kespro's comparable operating profit totalled €60.1 million (€57.1 million). Operating profit for the grocery trade division totalled €301.7 million (€318.9 million). Items affecting comparability totalled €-14.1 million (€-1.6 million), and were mainly related to the discontinuation of the Neste K chain.

Capital expenditure for the grocery trade division in January-September totalled €221.6 million (€227.7 million). Capital expenditure in store sites totalled €205.0 million (€195.9 million). Capital expenditure in store sites included the March acquisition of store sites in Espoo and Salo where Kesko's grocery trade has long been the primary tenant.

Building and technical trade

July-September 2024

	7-9/2024	7-9/2023	1-12/2023
Net sales, € million	1,128.0	1,050.3	4,193.2
Building and home improvement trade	567.0	477.3	1,912.1
Technical trade	578.0	588.9	2,344.7
Operating profit, comparable, € million	70.1	69.8	212.5
Building and home improvement trade	29.5	27.4	65.0
Technical trade	35.7	37.7	128.5
Kesko Senukai	4.8	4.7	19.0
Operating margin, comparable, %	6.2	6.6	5.1
Building and home improvement trade	5.2	5.7	3.4
Technical trade	6.2	6.4	5.5

	7-9/2024	7-9/2023	1-12/2023
Return on capital employed, comparable, %, rolling 12 months	8.2	12.8	11.4
Capital expenditure, € million	30.9	29.2	273.0
Average number of personnel converted into full-time employees	6,599	6,108	6,073

Net sales, € million	7-9/2024	7-9/2023	Change, %	Change, comparable, %	1-12/2023
Building and home improvement trade, Finland	231.8	228.7	+1.4	+1.4	937.6
K-Rauta, Sweden	30.4	40.5	-24.9	-26.9	149.8
K-Bygg, Sweden	70.6	67.2	+5.0	+1.9	280.0
Byggmakker, Norway	133.3	141.4	-5.7	-4.7	547.6
Daidsen, Denmark	101.8	-	-	-	-
Building and home improvement trade, total	567.0	477.3	+18.8	-2.9	1,912.1
Technical trade, Finland	300.9	307.3	-2.1	-2.1	1,234.0
Technical trade, Sweden	32.9	30.7	+7.0	+3.7	132.8
Technical trade, Norway	117.8	130.0	-9.4	-3.0	517.5
Technical trade, Baltics	33.3	34.7	-3.9	-3.9	129.1
Technical trade, Poland	94.4	87.2	+8.3	+3.0	336.9
Technical trade, total	578.0	588.9	-1.8	-1.4	2,344.7
Total	1,128.0	1,050.3	+7.4	-2.2	4,193.2

Net sales for the building and technical trade division increased by 7.4% in July-September. In comparable terms, net sales decreased by 2.2%. Net sales for technical trade decreased by 1.8%, while in comparable terms, net sales decreased by 1.4%. In building and home improvement trade, net sales increased by 18.8%, while in comparable terms, net sales decreased by 2.9%. The Danish building and home improvement trade chain Davidsen has been consolidated into the division's figures as of 1 February 2024. Net sales development in euro terms was increased by the strengthening of the Polish zloty and Swedish krona, and was decreased by the weakening of the Norwegian krone against the euro.

In Finland, net sales for the building and technical trade division in July-September totalled €518.6 million (€522.3 million), a decrease of 0.7%. Net sales from international operations totalled €609.4 million (€528.0 million) in July-September, up by 15.4% thanks to the acquisitions carried out. In comparable terms, net sales from international operations decreased by 3.6%.

The comparable operating profit for the building and technical trade division in July-September totalled €70.1 million (€69.8 million), up by €0.2 million. The comparable operating profit increased thanks to positive profit development in Finland and the Davidsen acquisition in Denmark. Onninen's comparable operating profit in Finland totalled €26.2

million (€26.6 million). In Finland, profitability in building and home improvement trade remained good. Building and home improvement trade profitability was burdened by the allocation of fair value related to the Davidsen acquisition, €-0.5 million. The share of result from Kesko Senukai was up by €0.1 million year-on-year.

Operating profit for the building and technical trade division totalled €71.8 million (€68.3 million). Items affecting comparability totalled €+1.8 million (€-1.5 million). The most significant items affecting comparability were related to the reorganisation of the K-Rauta chain in Sweden, in which the Swedish building and home improvement trade operations will be concentrated in the K-Bygg chain, and to acquisitions.

Capital expenditure for the building and technical trade division in July-September totalled €30.9 million (€29.2 million). Capital expenditure included an investment of €28.3 million in the construction of Onninen and K-Auto's shared logistics centre in Hyvinkää, Finland. Construction of the centre is expected to be completed in 2025.

January-September 2024

	1-9/2024	1-9/2023	1-12/2023
Net sales, € million	3,295.4	3,222.1	4,193.2
Building and home improvement trade	1,658.5	1,502.7	1,912.1
Technical trade	1,684.4	1,768.0	2,344.7
Operating profit, comparable, € million	133.0	171.9	212.5
Building and home improvement trade	51.8	59.9	65.0
Technical trade	70.4	106.4	128.5
Kesko Senukai	10.8	5.5	19.0
Operating margin, comparable, %	4.0	5.3	5.1
Building and home improvement trade	3.1	4.0	3.4
Technical trade	4.2	6.0	5.5

	1-9/2024	1-9/2023	1-12/2023
Return on capital employed, comparable, %, rolling 12 months	8.2	12.8	11.4
Capital expenditure, € million	266.5	220.9	273.0
Average number of personnel converted into full-time employees	6,560	6,097	6,073

Net sales, € million	1-9/2024	1-9/2023	Change, %	Change, comparable, %	1-12/2023
Building and home improvement trade, Finland	701.0	752.1	-6.8	-6.8	937.6
K-Rauta, Sweden	91.5	119.7	-23.6	-24.0	149.8
K-Bygg, Sweden	204.5	213.0	-4.0	-4.5	280.0
Byggmakker, Norway	390.7	420.1	-7.0	-7.0	547.6
Davidsen, Denmark	274.1	-	-	-	-
Building and home improvement trade, total	1,658.5	1,502.7	+10.4	-8.0	1,912.1
Technical trade, Finland	858.0	951.3	-9.8	-9.8	1,234.0
Technical trade, Sweden	96.5	102.1	-5.5	-6.1	132.8
Technical trade, Norway	370.4	374.7	-1.1	-5.4	517.5
Technical trade, Baltics	95.0	96.6	-1.6	-1.6	129.1
Technical trade, Poland	268.2	247.7	+8.3	+1.8	336.9
Technical trade, total	1,684.4	1,768.0	-4.7	-6.7	2,344.7
Total	3,295.4	3,222.1	+2.3	-7.4	4,193.2

Net sales for the building and technical trade division increased in January-September by 2.3%. In comparable terms, net sales decreased by 7.4%. Net sales development was impacted by the weak construction cycle. Net sales for technical trade decreased by 4.7%, while in comparable terms, net sales decreased by 6.7%. In building and home improvement trade, net sales increased by 10.4% thanks to acquisitions carried out, while in comparable terms, net sales decreased by 8.0%. The Danish building and home improvement trade chain Davidsen has been consolidated

into the division's figures as of 1 February 2024. Net sales development in euro terms was increased by the strengthening of the Polish zloty and Swedish krona, and decreased by the weakening of the Norwegian krone against the euro.

In Finland, net sales for the building and technical trade division in January-September totalled €1,519.1 million (€1,659.7 million), a decrease of 8.5%. Net sales from international operations in January-September totalled €1,776.3 million (€1,562.4 million), an increase of 13.7% due to the acquisitions carried out. In comparable terms, net sales from international operations decreased by 6.2%.

The comparable operating profit for the building and technical trade division in January-September totalled €133.0 million (€171.9 million), and it decreased by €38.9 million, due to a decline in net sales, which was mainly impacted by the weak construction cycle. In the first year-half, net sales and gross margin for solar power products in particular fell short of the comparison period. Onninen's comparable operating profit in Finland totalled €54.6 million (€76.5 million). In Finland, profitability in building and home improvement trade remained good. Profitability in building and home improvement trade was burdened by a €2.0 million expense related to the Davidsen acquisition, recorded for the allocation of fair value mainly in relation to inventories. The share of result from Kesko Senukai was up by €5.3 million year-on-year.

Operating profit for the building and technical trade division totalled €126.5 million (€168.7 million). Items affecting comparability totalled €-6.5 million (€-3.2 million). The most significant items affecting comparability were related to the reorganisation of the K-Rauta chain in Sweden, in which the Swedish building and home improvement trade operations will be concentrated in the K-Bygg chain, and to acquisitions.

Capital expenditure for the building and technical trade division in January-September totalled €266.5 million (€220.9 million). Capital expenditure included an investment of €66.5 million in the construction of Onninen and K-Auto's shared logistics centre in Hyvinkää, Finland. Construction on the centre is expected to be completed in 2025. Capital expenditure also included the acquisition of the Danish building and home improvement trade company Davidsen Koncernen A/S, completed on 31 January 2024. Capital expenditure in the comparison period included the acquisitions of Elektroskandia Norge AS in Norway, completed on 1 March 2023, and Zenitec Sweden AB, completed on 5 April 2023.

Car trade

July-September 2024

	7-9/2024	7-9/2023	1-12/2023
Net sales, € million	295.2	310.8	1,262.3
Car trade	250.0	266.0	1,078.6
Sports trade	45.3	44.8	183.9
Operating profit, comparable, € million	17.8	24.3	82.6
Car trade	15.7	22.3	73.1
Sports trade	2.1	2.0	9.5
Operating margin, comparable, %	6.0	7.8	6.5
Car trade	6.3	8.4	6.8
Sports trade	4.7	4.5	5.1
	7-9/2024	7-9/2023	1-12/2023
Return on capital employed, comparable, %, rolling 12 months	12.6	16.8	15.8
Capital expenditure, € million	22.8	17.6	80.3
Average number of personnel converted into full-time employees	1,584	1,547	1,531

Net sales, € million	7-9/2024	7-9/2023	Change, %	Change, comparable, %	1-12/2023
Car trade	250.0	266.0	-6.0	-6.0	1,078.6
Sports trade	45.3	44.8	+1.1	+1.1	183.9
Total	295.2	310.8	-5.0	-5.0	1,262.3

Net sales for the car trade division decreased by 5.0% in July-September. Net sales declined in the car trade business by 6.0% in comparable terms. Of the car trade businesses, net sales decreased in new cars, and increased in used cars and services. In the comparison period, net sales for new cars were increased by the clearing of order books as the availability of cars improved. Net sales for sports trade increased.

The combined market performance of first registrations of passenger cars and vans was -24.4% in July-September. The combined market share of the Volkswagen, Audi, SEAT, CUPRA, Porsche and Bentley passenger cars and Volkswagen vans imported by Kesko's car trade division was 13.8% (13.9%) in July-September.

The comparable operating profit for the car trade division in July-September totalled €17.8 million (€24.3 million). The comparable operating profit for the car trade businesses decreased by €6.7 million, as net sales declined. In sports trade, the comparable operating profit increased by €0.1 million year-on-year.

Operating profit for the car trade division in July-September totalled €17.8 million (€24.3 million). Items affecting comparability totalled €-0.0 million.

Capital expenditure for the car trade division totalled €22.8 million (€17.6 million) in July-September. Capital expenditure included the acquisition of Autotalo Lohja, completed on 1 September 2024.

January-September 2024

	1-9/2024	1-9/2023	1-12/2023
Net sales, € million	880.2	964.9	1,262.3
Car trade	758.7	832.2	1,078.6
Sports trade	121.6	132.8	183.9
Operating profit, comparable, € million	49.1	68.2	82.6
Car trade	45.6	62.5	73.1
Sports trade	3.5	5.6	9.5
Operating margin, comparable, %	5.6	7.1	6.5
Car trade	6.0	7.5	6.8
Sports trade	2.9	4.2	5.1

	1-9/2024	1-9/2023	1-12/2023
Return on capital employed, comparable, %, rolling 12 months	12.6	16.8	15.8
Capital expenditure, € million	66.9	57.6	80.3
Average number of personnel converted into full-time employees	1,547	1,541	1,531

Net sales, € million	1-9/2024	1-9/2023	Change, %	Change, comparable, %	1-12/2023
Car trade	758.7	832.2	-8.8	-8.2	1,078.6
Sports trade	121.6	132.8	-8.4	-8.4	183.9
Total	880.2	964.9	-8.8	-8.3	1,262.3

Net sales for the car trade division decreased by 8.8% in January-September, while in comparable terms, net sales decreased by 8.3%. Of the car trade businesses, net sales decreased in new cars, and increased in used cars and

services. In the comparison period, net sales for new cars were increased by the clearing of order books as the availability of cars improved. Net sales for sports trade decreased.

The combined market performance of first registrations of passenger cars and vans was -18.6% in January-September. The combined market share of the Volkswagen, Audi, SEAT, CUPRA, Porsche and Bentley passenger cars and Volkswagen vans imported by Kesko's car trade division was 14.1% (15.5%) in January-September.

The comparable operating profit for the car trade division in January-September totalled €49.1 million (€68.2 million). The comparable operating profit for the car trade businesses decreased by €16.9 million, as net sales declined. In sports trade, the comparable operating profit decreased by €2.1 million year-on-year.

Operating profit for the car trade division in January-September totalled €49.2 million (€68.3 million). Items affecting comparability totalled €+0.1 million (€+0.1 million).

Capital expenditure for the car trade division totalled €66.9 million (€57.6 million) in January-September. Capital expenditure included the acquisition of Autotalo Lohja, completed on 1 September 2024.

Changes in Group composition

Kesko acquired 90% of the share capital of the Danish building and home improvement trade company Davidsen Koncernen A/S on 31 January 2024. The acquisition of Autotalo Lohja was completed on 1 September 2024.

Shares, securities markets and Board authorisations

At the end of September 2024, the total number of shares in Kesko Corporation was 400,079,008, of which 126,948,028 or 31.7%, were A shares, and 273,130,980 or 68.3%, were B shares. On 30 September 2024, Kesko Corporation held 2,122,600 of its own B shares as treasury shares.

These treasury shares accounted for 0.78% of the total number of B shares, 0.53% of the total number of shares, and 0.14% of the votes attached to all shares in the company. The total number of votes attached to all shares was 1,542,611,260. Each A share carries ten (10) votes and each B share one (1) vote. The company cannot vote with own shares held by it as treasury shares and no dividend is paid on such shares. At the end of September 2024, Kesko Corporation's share capital was €197,282,584.

The price of a Kesko A share quoted on Nasdaq Helsinki was €18.02 at the end of 2023 and €19.04 at the end of September 2024, representing an increase of 5.7%. Meanwhile, the price of a Kesko B share was €17.93 at the end of 2023 and €19.17 at the end of September 2024, representing an increase of 6.9%. In January-September 2024, the highest price for an A share was €19.26 and the lowest €16.06, while the highest price for a B share was €19.17 and the lowest €15.63. The Nasdaq Helsinki All-Share index (OMX Helsinki) was up by 2.3% and the weighted OMX Helsinki Cap index up by 5.0% in January-September 2024. The Retail Sector Index was down by 7.9%.

The market capitalisation of Kesko's A shares was €2,417 million at the end of September 2024, while the market capitalisation of Kesko's B shares was €5,195 million, excluding the shares held by the parent company as treasury shares. The combined market capitalisation of the A and B shares was €7,612 million, up by €469 million compared to the end of 2023.

In January-September, a total of 4.0 million Kesko A shares were traded on Nasdaq Helsinki. The exchange value of the A shares was €70.2 million. Meanwhile, 108.9 million B shares were traded, for an exchange value of €1,871.7 million. Nasdaq Helsinki accounted for over 95% of the trading on Kesko's A and B shares. Kesko shares were also traded on multilateral trading facilities, the most significant of which were Turquoise and BATS (source: Euroland).

At the end of September 2024, the number of registered shareholders was 114,918, the highest figure in the company's history. At the end of September, foreign ownership of all shares was 32.8%, and foreign ownership of B shares 47.1%.

Kesko has a share-based commitment and incentive scheme. To implement the scheme, Kesko's Board of Directors may decide, within the share issue authorisations granted by the company's General Meeting, to transfer Kesko B shares held by the company as treasury shares. In January-September 2024, Kesko Corporation transferred 196,208 Kesko B shares held as treasury shares to members of management and other key persons in the company, while a total of 17,100 B shares were returned to Kesko in accordance with the terms and conditions of Kesko's share-based commitment and incentive plan. Kesko issued related stock exchange releases 15 March 2024, 20 March 2024, 18 June 2024 and 8 July 2024. Kesko issued a stock exchange release on 30 January 2024 regarding the most recent share-based commitment and incentive plans. In addition, Kesko transferred 7,789 B shares held by the company as treasury shares to members of Kesko's Board of Directors as part of their annual fees, and issued a related stock exchange release on 26 April 2024.

Kesko's Annual General Meeting of 26 March 2024 authorised the Board to decide on the issuance of a maximum of 33,000,000 new B series shares or B shares held by the company as treasury shares, and on the repurchase of a maximum of 16,000,000 of the company's own B shares. The authorisations are valid until 30 June 2025, and were communicated in a stock exchange release issued on 26 March 2024.

Key events in January-September 2024

Kesko's Board of Directors appointed Jorma Rauhala as the managing director of Kesko Corporation and President and CEO of Kesko Group as of 1 February 2024, as Mikko Helander announced on 8 December 2023 his intentions to retire. (Stock exchange release 19.12.2023)

Kesko announced in August 2023 it would expand its operations to Denmark by acquiring 90% of the shares in Davidsen Koncernen A/S. On 5 January 2024, the EU Commission approved the acquisition without conditions. The transaction was completed on 31 January 2024. (Investor news releases 23.8.2023 and 31.1.2024)

Kesko will withdraw from operating the Neste K service stations. Kesko is currently responsible for the grocery trade operations and additional services at Neste K stations. Kesko plans to withdraw from operating 64 Neste K service stations by the end of 2024. The stations will continue as a service offered by Neste. The motive behind the decision is the diminished role of grocery sales at service stations. (Investor news release 23.1.2024)

Kesko Corporation's Chief Financial Officer Jukka Erlund announced that he will be leaving Kesko and joining Fazer Group as Chief Financial Officer. Erlund acted as Kesko's CFO and a member of the Group Management Board since November 2011. (Stock exchange release 13.2.2024)

Sami Kiiski was appointed as President of Kesko's building and technical trade division and a member of Group Management Board, and Johanna Ali was appointed as acting President of the car trade division and a member of Group Management Board, both as of 1 April 2024. (Stock exchange release 20.3.2024)

Anu Hämäläinen (M.Sc. Econ.) was appointed as Kesko's Chief Financial Officer and a member of Group Management Board, and Lasse Luukkainen (Master of Laws) was appointed as Kesko's Executive Vice President, Legal and Sustainability, and a member of Group Management Board, both effective as of 1 June 2024. (Stock exchange release 14.5.2024)

The Board of Directors of Kesko Corporation confirmed an updated strategy for the company. The main pillars of the strategy remain intact, while each division's competitive advantages and objectives were refined. Central to Kesko's

growth strategy continues to be profitable growth in three selected divisions, namely grocery trade, building and technical trade, and car trade. (Investor news release 4.6.2024)

Johanna Ali (M.Sc. Econ.) was appointed as President of Kesko's car trade division and a member of Group Management Board as of 4 June 2024. (Stock exchange release 4.6.2024)

Kesko established a Green Finance Framework applicable for the issuance of green debt instruments. (Investor news release 4.6.2024)

The two largest shareholders in Kesko on 1 September 2024 by votes were K-Retailers' Association and Ilmarinen Mutual Pension Insurance Company. Both used their right of nomination for Kesko's Shareholders' Nomination Committee. The members of Kesko's Shareholders' Nomination Committee are Pauli Jaakola, retailer, appointed by K-Retailers' Association, Jouko Pölönen, President and CEO, appointed by Ilmarinen Mutual Pension Insurance Company, and Esa Kiiskinen, Chair of Kesko's Board of Directors. At its organisational meeting on 23 September 2024, the Committee elected Pauli Jaakola to continue as Committee Chair. (Stock exchange releases 7.6.2024 and 23.9.2024)

Kesko agreed to acquire three builders' merchants in Denmark: Roslev Trælasthandel A/S, Tømmergaarden A/S, and CF Petersen & Søn A/S. The combined net sales of the three operators total some €400 million. The acquisitions are part of the execution of Kesko's growth strategy in Northern Europe, and once completed, will make Kesko's subsidiary Davidsen a significant nationwide operator in the Danish builders' merchant market. The completion of all three acquisitions is subject to the approval of the competition authorities and the fulfilment of certain other conditions. The transactions are expected to be completed in the first half of 2025 at the latest. (Investor news release 14.8.2024)

The Finnish Competition and Consumer Authority (FCCA) investigated actions by Kesko Group company Onninen as well as several other companies in the HPAC infra plastic pipe product market for nearly a decade. The investigation concerned events between 2009 and 2016. Kesko was aware of the ongoing investigation when it acquired Onninen in 2016. Kesko was not at any point of the investigation suspected of violations. In 2022, the FCCA decided to take the matter to the Market Court, and proposed that a penalty payment be imposed on Onninen and the other companies. In its decision on 28 August 2024, the Market Court dismissed all FCCA demands. The Market Court furthermore ordered the FCCA to reimburse Onninen for litigation costs. Apart from the issue of reimbursement of litigation costs, the Market Court decision has gained legal force. (Investor news release 28.8.2024)

Kesko signed a €150 million 7-year sustainability-linked loan with the Nordic Investment Bank (NIB), where the interest rate margin is tied to Kesko's attainment of certain sustainability targets set for greenhouse gas emissions and food waste. (Investor news release 13.9.2024)

Kesko announced it would be issuing senior unsecured green notes of €300 million, with a maturity of approximately five years and four months. The notes mature on 2 February 2030. The notes carry a fixed annual interest of 3.500 percent. The issue price of the notes was 99.317 percent. The issue date of the notes was 2 October 2024, and trading began on 4 October 2024 on the list of sustainable bonds of Nasdaq Helsinki Ltd. The net proceeds from the notes issue will be used for financing or refinancing eligible green projects or assets or otherwise in accordance with the Green Finance Framework established by Kesko in May 2024. (Stock exchange releases on 20.9.2024, 25.9.2024 and 2.10.2024)

Resolutions of the 2024 Annual General Meeting

The Annual General Meeting of Kesko Corporation held on 26 March 2024 adopted the company's financial statements for 2023. The Annual General Meeting resolved to distribute a dividend of €1.02 per share – based on the adopted balance sheet for 2023 – on shares held outside the company at the time of distribution. The remaining distributable assets remain in equity. The dividend will be paid in four instalments: the record date of the first dividend instalment of €0.26/share was 28 March 2024 and the pay date 9 April 2024; the record date of the second dividend instalment of €0.25/share was 16 July 2024 and the pay date 23 July 2024; the record date of the third dividend instalment of €0.26/share was 15 October 2024 and the pay date 22 October 2024; and the record date of the fourth dividend instalment of €0.25/share is 14 January 2025 and the pay date 21 January 2025. The Board was authorised to decide, if necessary, on new dividend payment record dates and pay dates for the second, third and/or fourth instalments, if the rules and statutes of the Finnish book-entry system change or otherwise so require.

The resolutions of the Annual General Meeting were communicated in more detail in a stock exchange release issued on 26 March 2024.

Sustainability

Kesko has initiated the process for preparing sustainability reporting under the new EU Corporate Sustainability Reporting Directive (CSRD). Kesko's sustainability reporting in its current form will end, and Kesko will report under the new framework from 2024 onwards. More information on Kesko's sustainability efforts and previous sustainability reports can be found at www.kesko.fi/sustainability.

Risk management

Risk management at Kesko is proactive and an integral part of day-to-day management to assess and manage business-related opportunities and risks.

Kesko's divisions and common operations are responsible for identifying, assessing, handling and managing risks related to their operations, and they report on risks, risk management responses and the results of those responses to the Group risk management function. Members of the Group Management Board are responsible for the effective and efficient implementation of internal control and risk management in their respective areas of responsibility.

A risk management function independent of businesses is responsible for providing a framework and guidance for internal control and risk management, and it supports, coordinates and supervises risk management implementation in Kesko Group. The Chief Audit and Risk Officer reports functionally to the Chair of the Audit Committee and administratively to Kesko's President and CEO on matters related to internal audit, and to the Group's Chief Financial Officer on matters related to risk management. The Risk Management Steering Group headed by the Chief Financial Officer is responsible for establishing the Group's overview of the risk situation. The President and CEO is responsible for the effectiveness and efficiency of the Group's risk management, and approves Group risk reports before they are reviewed by the Board of Directors. Kesko's Board of Directors monitors and assesses the effectiveness of risk management and supervises the assessment of risks related to the company's strategy and operations and their management, aided by the Audit Committee.

The Group's most significant risks and uncertainties, as well as material changes in and management responses to them, including indicators, are reported to Kesko Board's Audit Committee quarterly in connection with the review of interim reports, the half-year financial report, and the financial statements. The Audit Committee Chair reports on risk management to the Board as part of Audit Committee reporting. The most significant risks and uncertainties and

emerging risks are reported to the market by the Board in the Report by the Board of Directors, and any material changes in them in the interim reports and the half-year financial report.

Weak demand in building and technical trade and car trade due to economic uncertainty and interest rate levels and emphasis on price in grocery trade remain significant risks. In terms of geopolitical risks, growing tensions in security policy as a result of the war in Ukraine and other military conflicts, as well as the potential expansion of the conflicts and tightened military and economic competition between superpowers could have a significant impact on Kesko's operating environment, supply chain continuity, and product availability. There also continue to be significant risks in cybercrime-related loss of critical information and business continuity.

Helsinki, 29 October 2024
Kesko Corporation
Board of Directors

The information in this interim report release is unaudited.

Further information, audioconference and webcast

Further information is available from Anu Hämäläinen, Executive Vice President, Chief Financial Officer, tel. +358 105 323 713, Hanna Jaakkola, Vice President, Investor Relations, tel. +358 105 323 540, and Eva Kaukinen, Vice President, Group Controller, tel. +358 105 322 338. An English-language audio conference on the results briefing will be held on 30 October 2024 at 9.00 (EET). The audio conference login is available on Kesko's website at www.kesko.fi. A Finnish-language webcast of the interim report briefing can be viewed at 10.30 am (EET) at www.kesko.fi.

Kesko's Financial statements release for January-December 2024 will be published on 5 February 2025. In addition, Kesko Group's sales figures are published monthly. News releases and other company information are available on Kesko's website at www.kesko.fi.



Head Office K-Kampus
PO Box 1, 00016 Kesko
Visiting address: Työpajankatu 12, 00580 Helsinki
Phone: 010 5311

www.kesko.fi/investors