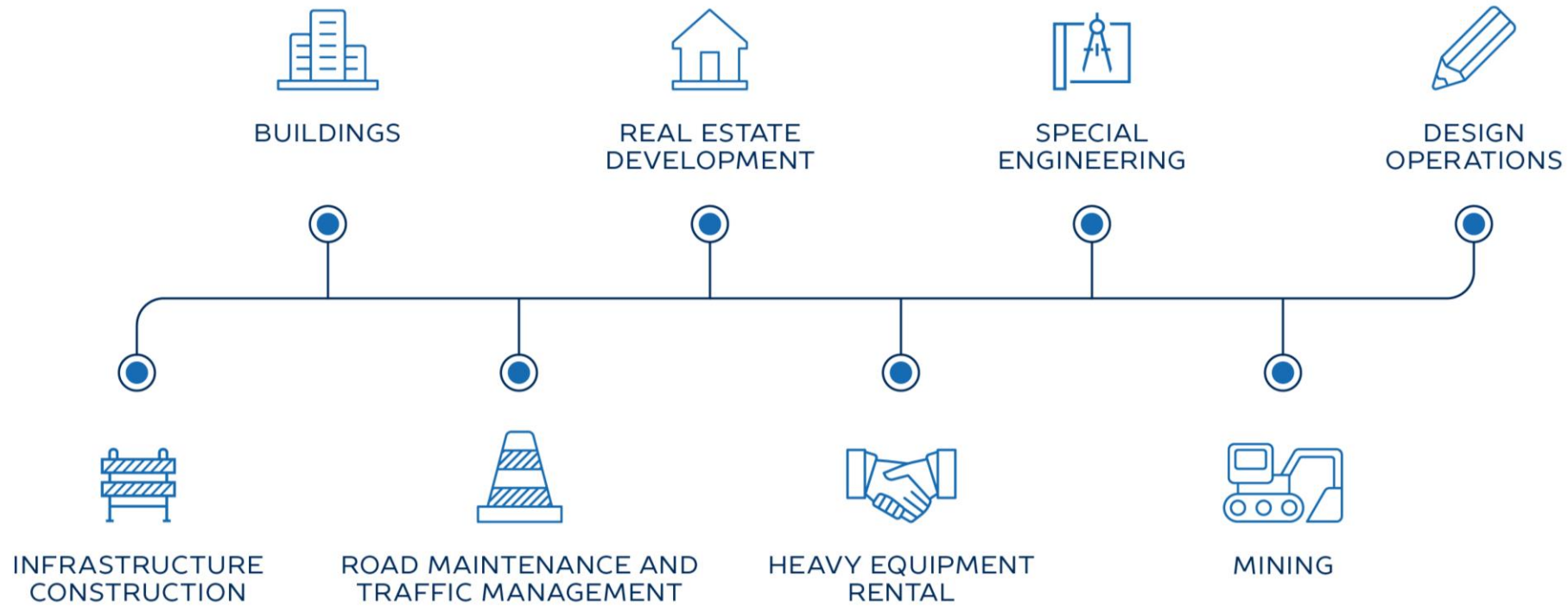




Investor presentation  
Q1 2025

# BUSINESS MODEL



## STRATEGIC AGENDA FOR 2023–2027

The group will grow, mostly organically, with a focus on efficient use of resources.

In Estonia, we will operate in the building and infrastructure construction as well as housing development segments.

In foreign markets (Ukraine, Sweden), we will compete as a general contractor and a provider of concrete works.

### BUSINESS LINES AND MARKETS

We will provide our people with a modern and inspiring work environment and a motivation system that fosters collaboration and initiative.

We will improve our profitability by planning and managing our design and construction operations more precisely.

We will streamline our work and decision-making processes by implementing modern digital solutions.

We will maintain the order books of our different operating segments in balance.

We will set our sustainable development goals and adopt an action plan to achieve them.

### ACTIVITIES

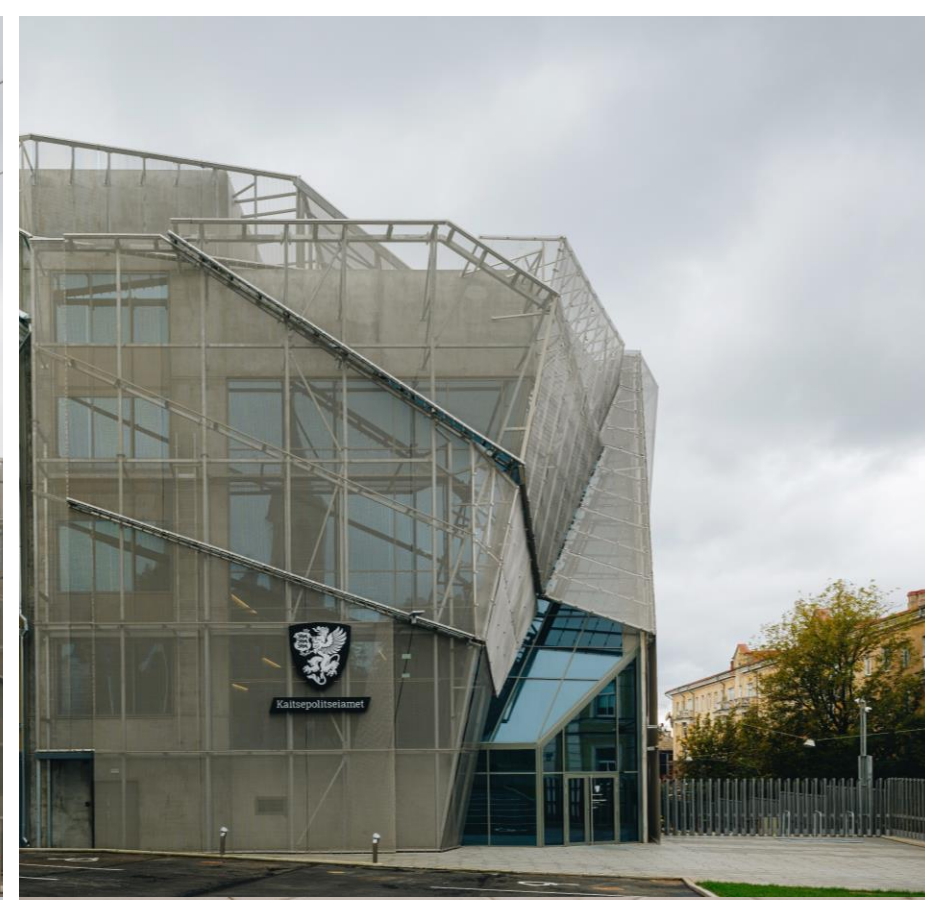
Revenue will grow by at least 5% per year.

Operating margin for the year will be consistently above 3%.

Operating profit per employee will increase to at least €10 thousand per year.

We will deliver a strong dividend yield for Nordecon's shareholders.

### FINANCIAL TARGETS



Public  
buildings

## ESTONIAN INTERNAL SECURITY SERVICE'S MAIN BUILDING

- Location: Tallinn, Estonia
- Completed: 2024
- Architects: Sweco Projekt AS
- Contractor: Nordecon AS
- Client: Estonian Internal Security Service

# PERIOD IN BRIEF

The group’s **revenue** for the first quarter of 2025 was €39,355 thousand, approximately 15% lower than in the first quarter of 2024, when revenue amounted to €46,245 thousand.

The **Buildings** segment generated 93% and the **Infrastructure** segment 7% of revenue, respectively.

Revenue generated **outside Estonia**, in Ukraine, accounted for approximately 2% of the group’s total revenue in the first quarter of 2025.

Nordecon’s **gross profit** for the first quarter of 2025 was €1,802 thousand (Q1 2024: 2,138 thousand) and gross margin for the period was 4.6% (Q1 2024: 4.6%).

The gross margin of the Buildings segment was 7.5% (Q1 2024: 7.8%).

The gross margin of the Infrastructure segment, which in the first quarter is affected by a large share of uncovered fixed costs and made a loss, was negative at (24.6)% (Q1 2024: (30.9)%).

The group’s **administrative expenses** for the first quarter of 2025 were €1,546 thousand, at the same level as in the same period last year (Q1 2024: €1,564 thousand).

The ratio of administrative expenses to revenue (12 months rolling) increased year on year, rising to 3.6% (Q1 2024: 3.3%).

The group’s **operating profit** for the first quarter of 2025 was €191 thousand (Q1 2024: 386 thousand).

**EBITDA** was €858 thousand (Q1 2024: €1,094 thousand).

The group’s **order book** stood at €283,548 thousand at 31 March 2025, reflecting an increase of approximately 43% year on year.

In the first quarter of 2025, we signed new contracts for €111,276 thousand (Q1 2024: €17,617 thousand).

Operating activities produced a **net cash outflow** of €249 thousand in the first quarter of 2025 (Q1 2024: an inflow of €5,422 thousand).

The strongest impact on operating cash flow had cash paid to suppliers. The decrease in revenue also reduced cash receipts from customers.





Commercial  
buildings

# VEKTOR COMMERCIAL AND RESIDENTIAL COMPLEX

- Location: Tallinn, Estonia
- Completed: 2024
- Architects: Kadarik Tüür Arhitektid
- Contractor: Nordecon AS
- Client: Triple Net Capital OÜ

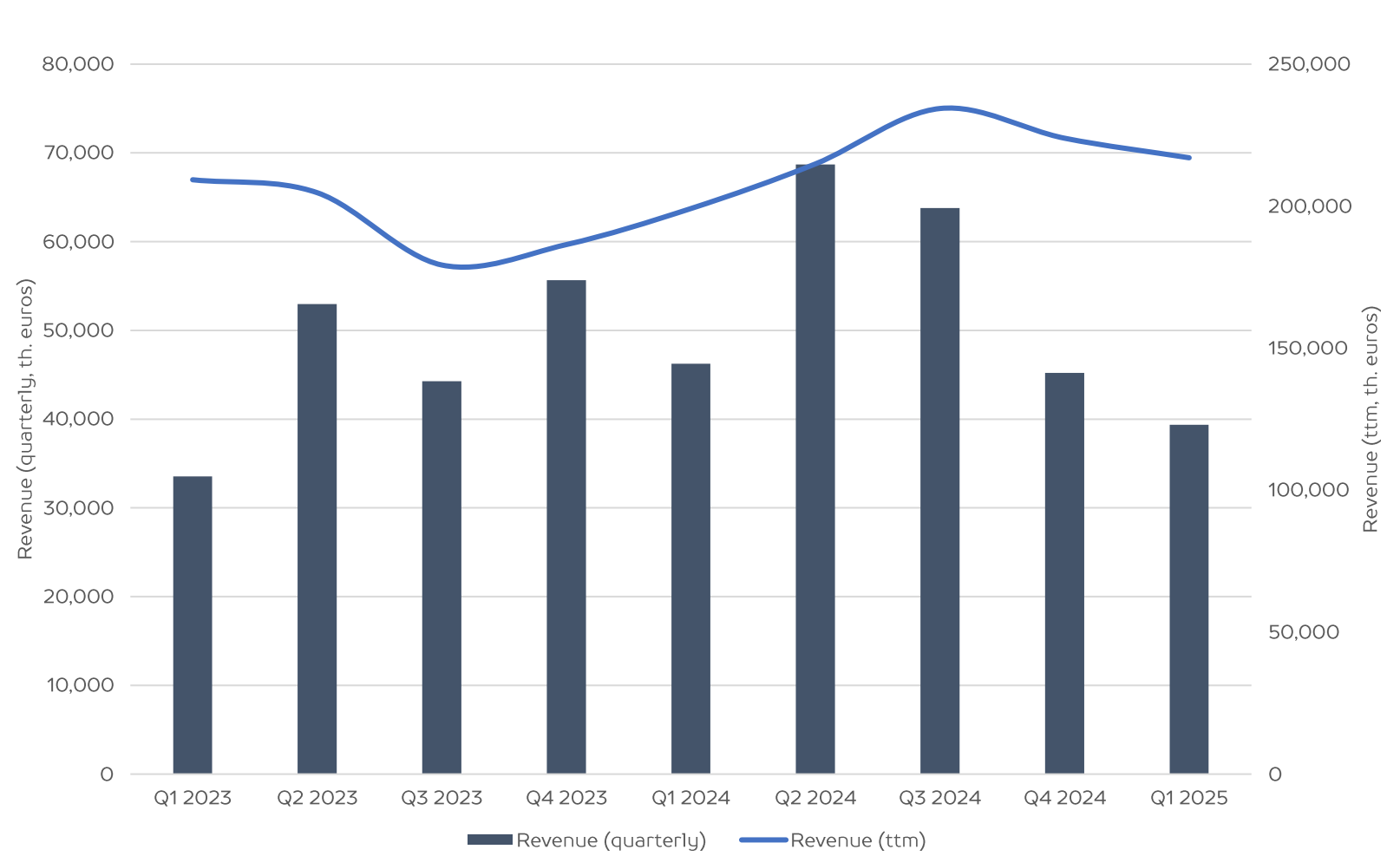
# REVENUE

The Buildings segment generated revenue of €36,584 thousand and the Infrastructure segment revenue of €2,766 thousand.

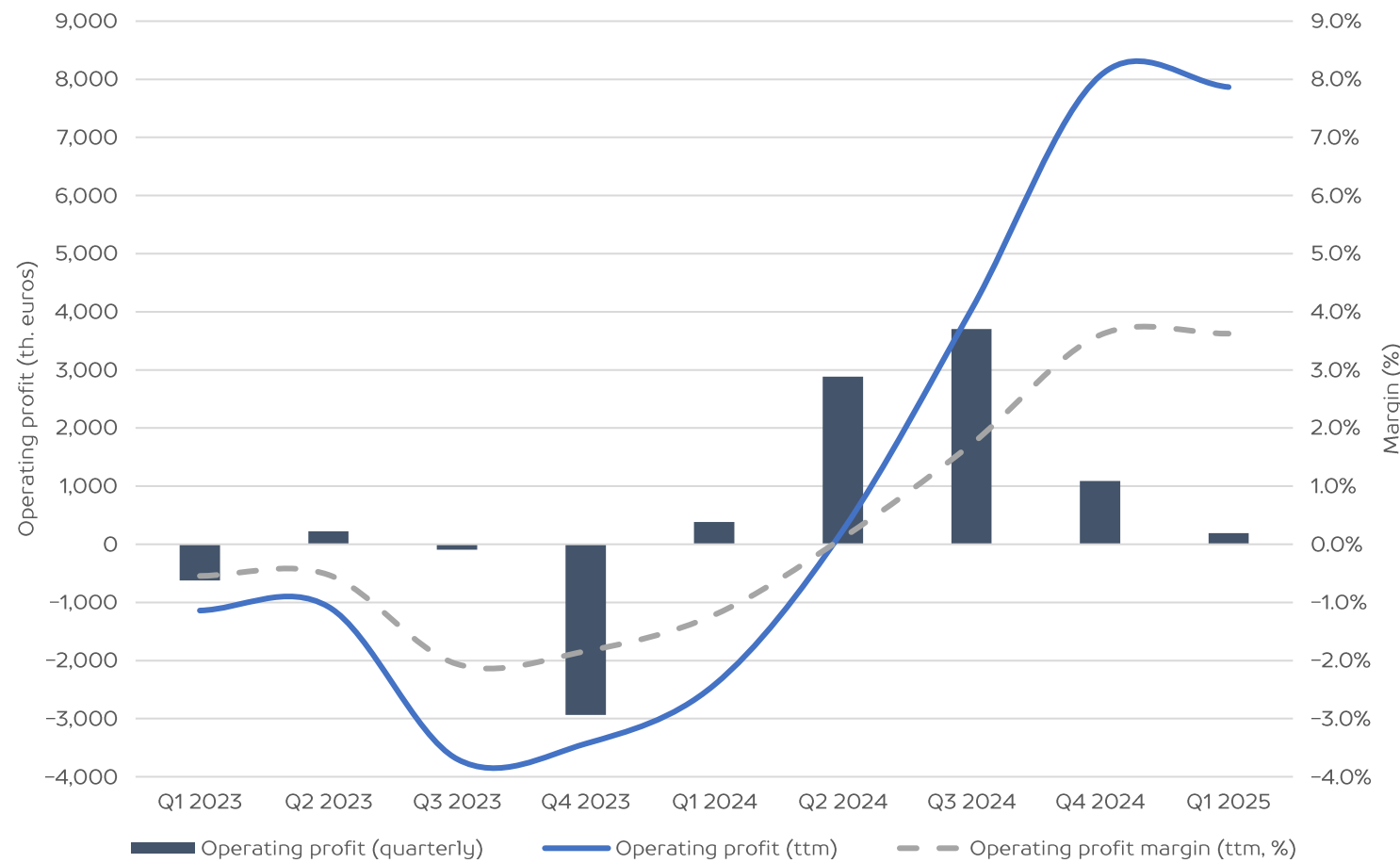
The corresponding figures for the first quarter of 2024 were €43,408 thousand and €2,808 thousand.

Revenue generated by the Buildings segment decreased by 16% and revenue generated by the Infrastructure segment decreased by 1.5%.

The revenue decline in the first quarter was expected. Although the group secured a significant volume of new contracts during the reporting period, these will have an impact on revenue over a longer period.



# OPERATING PROFIT



Nordecon's **gross profit** for the first quarter of 2025 was €1,802 thousand (Q1 2024: 2,138 thousand) and gross margin for the period was 4.6% (Q1 2024: 4.6%).

The gross margin of the Buildings segment was 7.5%, at the same level as a year earlier, when it was 7.8%.

The gross margin of the Infrastructure segment, which in the first quarter is affected by a large share of uncovered fixed costs and made a loss, was negative at (24.6)% (Q1 2024: (30.9)%).

The group's **operating profit** for the first quarter of 2025 was €191 thousand (Q1 2024: 386 thousand) and margin 0.5% (Q1 2024: 0.8%).





Public  
buildings

## KARLOVA SCHOOL

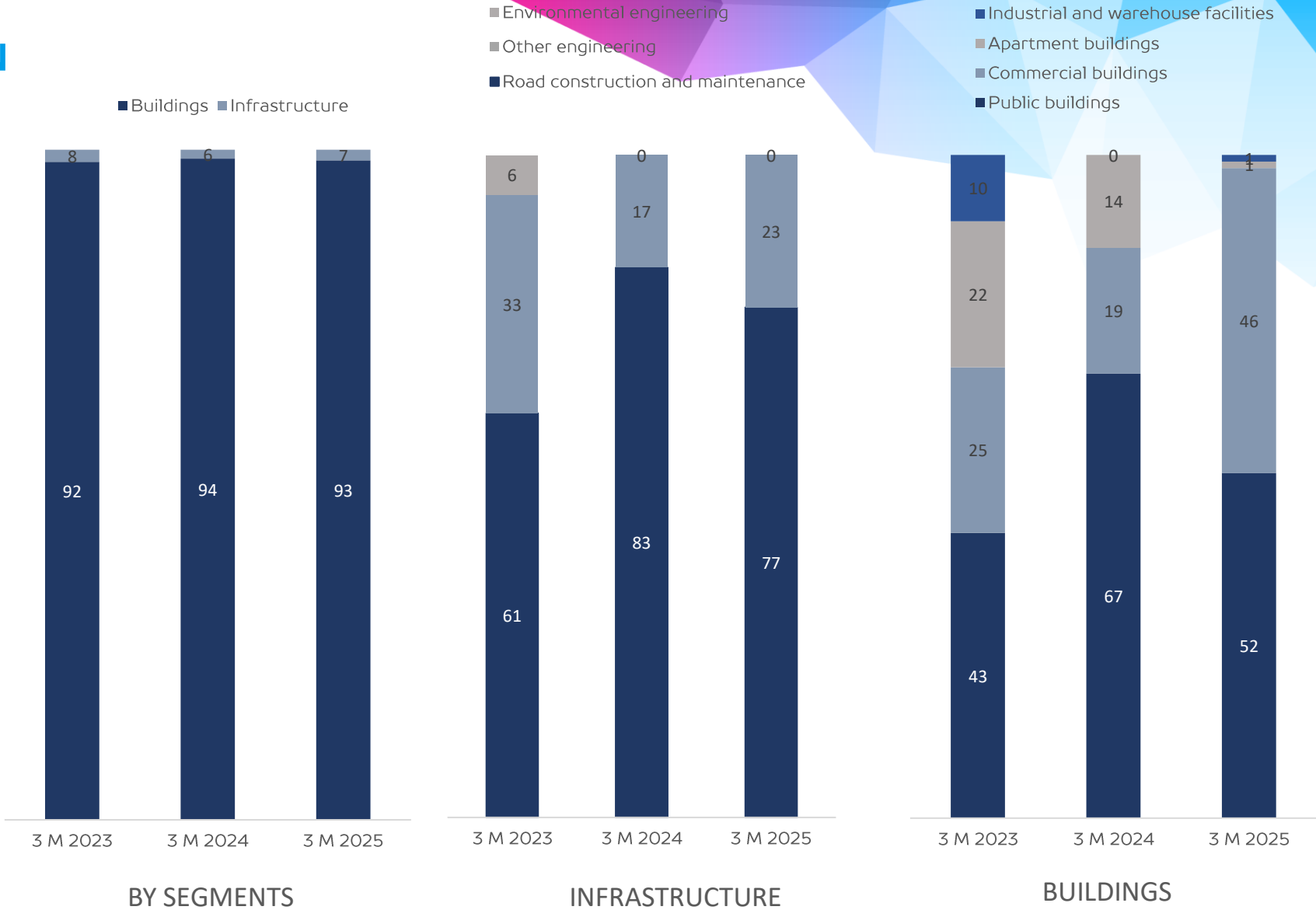
- Location: Tartu, Estonia
- Completed: 2024
- Contractor: Embach Ehitus OÜ
- Client: Tartu City Government

# REVENUE DISTRIBUTION

In the first quarter of 2025, most of the revenue generated by the Buildings segment came from the **public buildings and commercial buildings subsegments**, with the contribution from commercial buildings at its highest level in recent years.

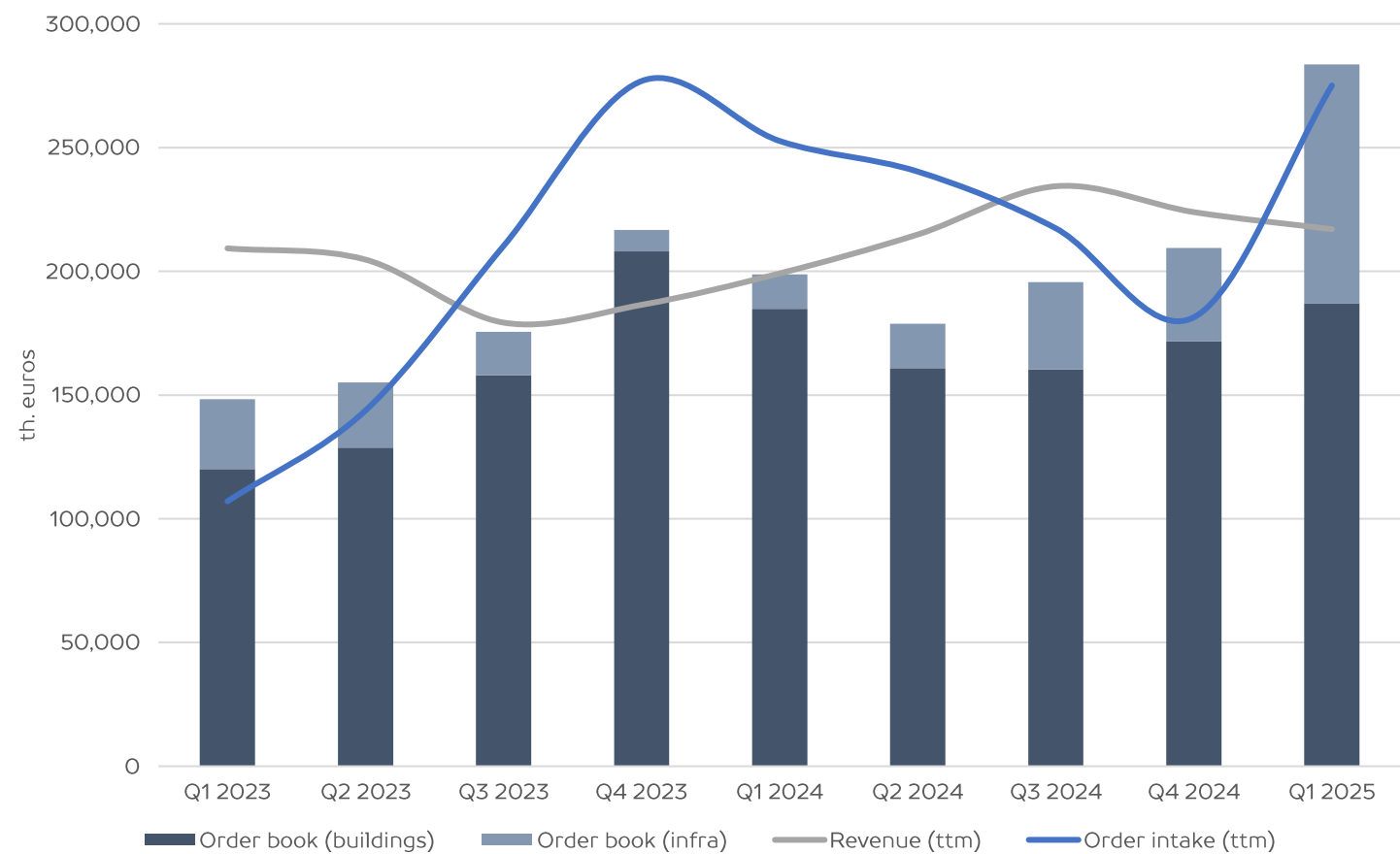
While revenue from commercial buildings increased by 36% year on year, revenue from public buildings decreased at a similar rate.

The largest revenue contributor in the Infrastructure segment is still the **road construction and maintenance subsegment**, whose revenue decreased by around 17% compared to the same period last year.





# ORDER BOOK



The group’s **order book** stood at €283,548 thousand at 31 March 2025, reflecting an increase of approximately 43% year on year.

In the first quarter of 2025, we signed new contracts for €111,276 thousand (Q1 2024: €17,617 thousand). After the reporting date, we have signed new contracts for €17 474 thousand.

The Buildings segment accounted for 66% and the Infrastructure segment for 34% of the group’s order book (31 March 2024: 93% and 7%, respectively).

Compared to 31 March 2024, the order book of the Buildings segment has remained stable, while the order book of the Infrastructure segment has increased significantly, driven by the Rail Baltica contracts





Infrastructure

# Neanurme-Pikknurme 2+1

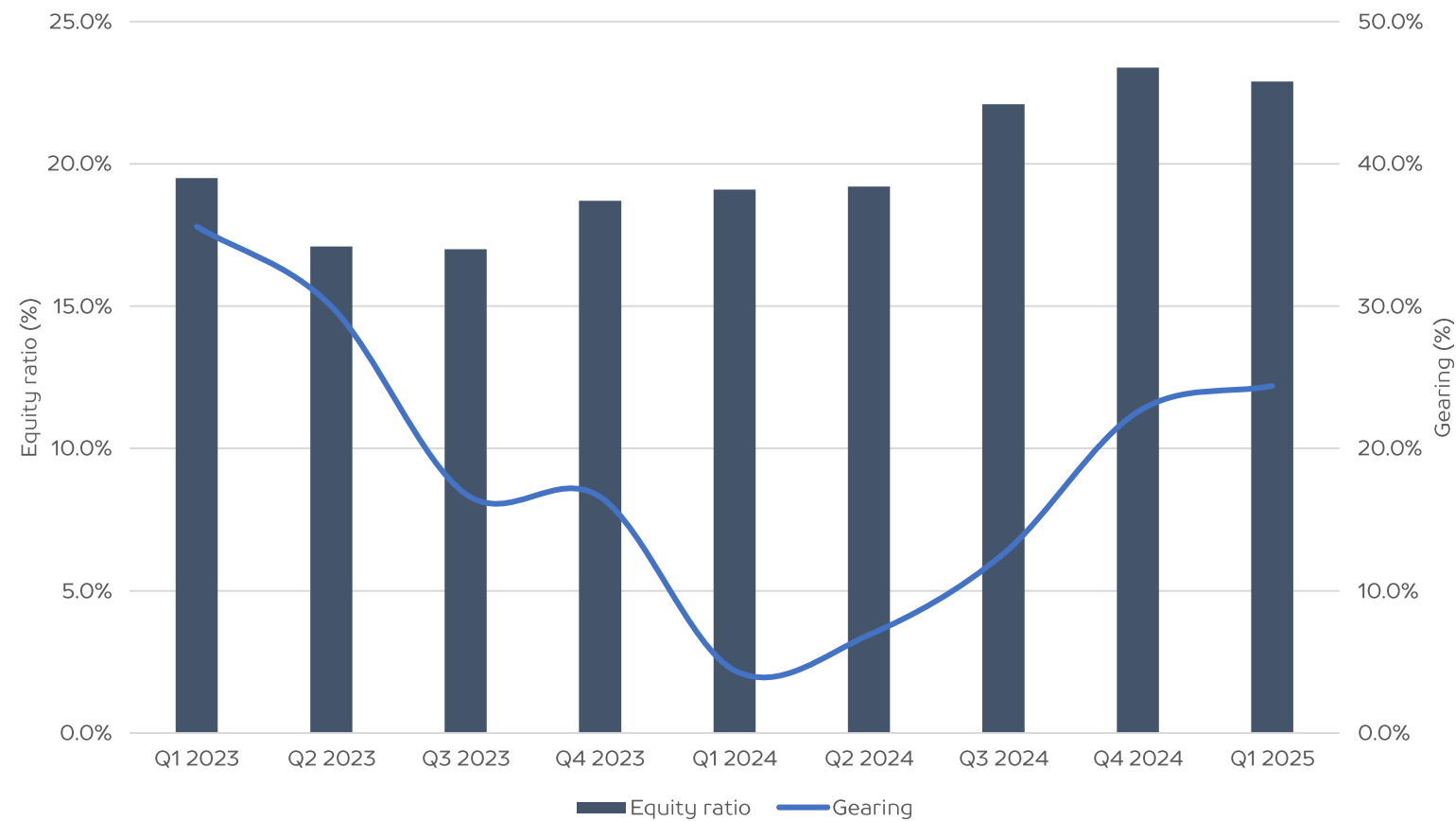
- Location: Jõgeva County, Estonia
- Completed: 2024
- Contractor: Tariston AS
- Client: Estonian Transport Administration



# CAPITAL STRUCTURE

The **equity ratio** has gradually improved over the observed quarters, surpassing 20%. Increased profits have directly contributed to a more stable financial structure.

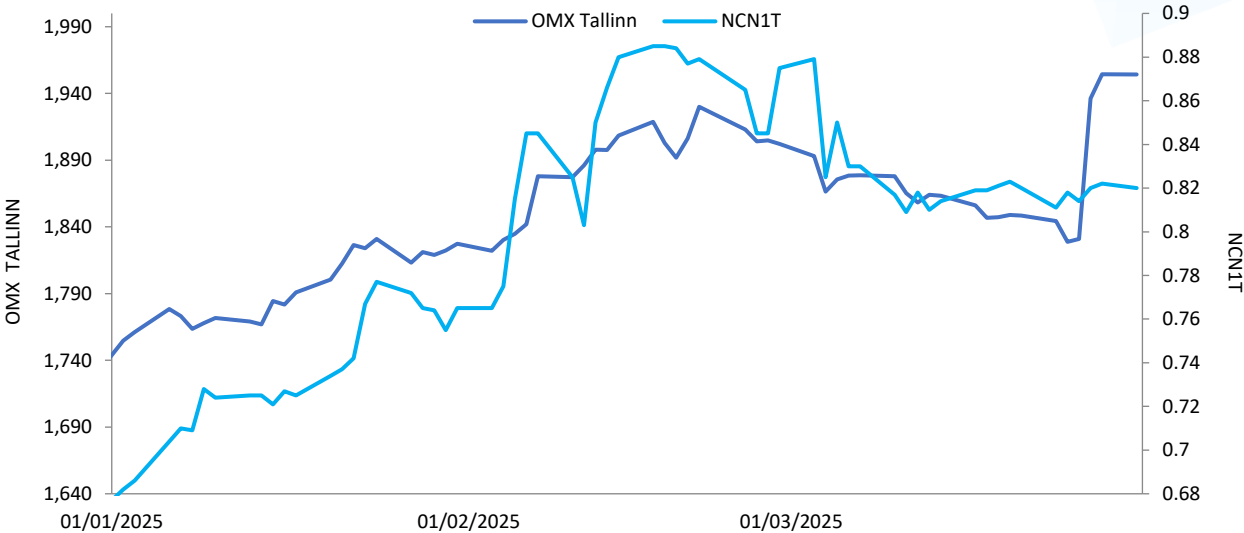
This improvement is also reflected in lower **gearing** levels throughout the quarters, highlighting the company's strategic efforts to enhance its financial leverage.



# SHARE AND SHAREHOLDERS

## Largest shareholders in Nordecon AS at 31 March 2025

Shareholder	Number of shares	Ownership interest (%)
AS Nordic Contractors	16 563 145	51,16
Luksusjaht AS	4 332 342	13,38
Toomas Luman	816 450	2,52
Olegs Radcenko	574 200	1,77
Nõmme Erahariduse SA	370 370	1,14
Lembit Talpsepp	360 100	1,11
SEB Pank AS clients	300 000	0,93
OÜ Alar Invest	255 000	0,79
Genadi Bulatov	250 600	0,77
Endel Palla	200 600	0,62



Index/equity	1 January 2025*	31 March 2025	+/-
OMX Tallinn	1 733,00	1 954,22	+12,77%
NCN1T	0,67 EUR	0,82 EUR	+22,02%

\* Closing price on the Nasdaq Tallinn Stock Exchange at 31 December 2024

## KEY FINANCIAL FIGURES AND RATIOS

Figure/ratio	Q1 2025	Q1 2024	Q1 2023
Revenue (€'000)	39 355	46 245	33 549
Revenue change	-14,90%	37,80%	-24,70%
Net profit (loss) (€'000)	-403	-182	-1 674
Net profit (loss) attributable to owners of the parent (€'000)	-616	-593	-1 874
Earnings per share (€)	-0,02	-0,02	-0,06
Administrative expenses to revenue	3,90%	3,40%	4,70%
EBITDA (€'000)	858	1 094	155
EBITDA margin	2,20%	2,40%	0,50%
Gross margin	4,60%	4,60%	2,90%
Operating margin	0,50%	0,80%	-1,90%
Operating margin excluding gain on non-current asset sales	0,40%	0,80%	-2,20%
Net margin	-1,00%	-0,40%	-5,00%
Return on invested capital	-0,50%	0,10%	-2,40%
Return on equity	-1,50%	-0,80%	-6,40%
Equity ratio	22,90%	19,10%	19,50%
Return on assets	-0,40%	-0,20%	-1,30%
Gearing	24,40%	4,40%	35,60%
Current ratio	0,94	0,85	0,85
	Q1 2025	Q1 2024	Q1 2023
Order book (€'000)	283 548	198 737	148 302

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