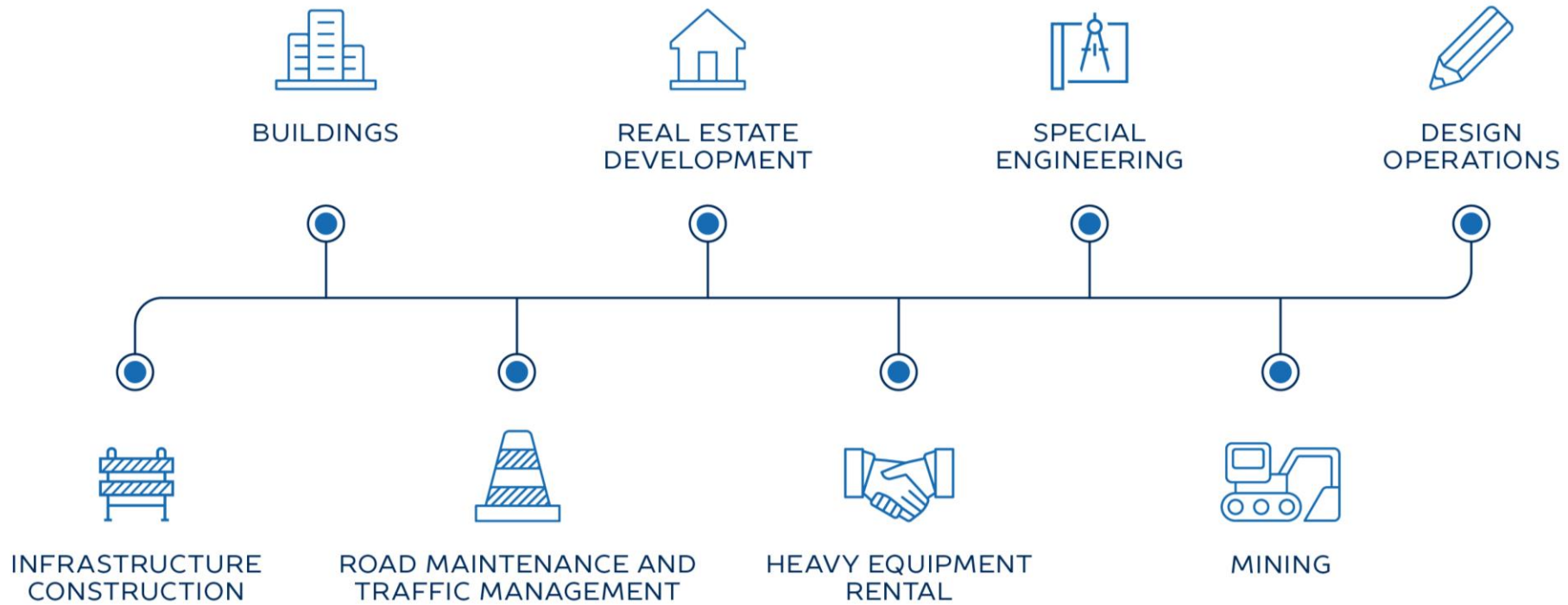


The logo features a blue sphere with a white curved line on the left, followed by the word "NORDECON" in a bold, dark blue, sans-serif font. To the right of "NORDECON" is the number "35" in a large, elegant, dark blue serif font.

NORDECON 35

Investor presentation
Q2 2024

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

TARTU UNIVERSITY HOSPITAL (M-block, C-block)

- Location: Tartu, Estonia
- Completed: 2023
- Architects: Sweco Projekt AS & AW2 Architects OY Eesti filiaal
- Contractor: Nordecon AS, Embach Ehitus OÜ
- Client: Tartu University Hospital

PERIOD IN BRIEF

The group's **revenue** for the first half of 2024 was €114,945 thousand, around 33% higher than in the same period last year, when revenue from continuing operations amounted to €86,526 thousand.

Revenue generated outside Estonia remained stable compared to the first half of 2023, accounting for around 2% of the group's total revenue for the first half of 2024.

The main foreign market was Ukraine. Despite the war, Nordecon's construction volumes in Ukraine increased, particularly in the second quarter.

The group ended the first half of 2024 with an **operating profit** of €3,268 thousand (H1 2023: an operating loss of €403 thousand).

EBITDA for the period was €4,690 thousand (H1 2023: €1,149 thousand).

Nordecon delivered a **gross profit** of €7,194 thousand in the first half of 2024 (H1 2023: €2,783 thousand).

The group's gross margin improved significantly year on year, rising to 6.3% for the first half (H1 2023: 3.2%) and 7.4% for the second quarter (Q2 2023: 3.4%).

Both main operating segments earned a profit in the first half and the second quarter of the year, showing a strong year-on-year margin improvement.

The group's **order book** stood at €178,799 thousand at 30 June 2024. Compared to the same period last year, the order book has grown by 15%.

In the first half of 2024, we signed new contracts for €64,030 thousand (H1 2023: €100,632 thousand), of which €46,413 thousand in the second quarter (Q2 2023: €58,771 thousand).

The group's **administrative expenses** for the first half of 2024 amounted to €3,373 thousand. Administrative expenses increased by around 13% compared to the first half of 2023, when the figure was €2,984 thousand.

The rise was attributable to staff costs, which were strongly influenced by the recognition of a provision for performance-related pay.

The ratio of administrative expenses to revenue (12 months rolling) increased year on year, rising to 3.2% (H1 2023: 3.0%).

Operating activities produced a **net cash inflow** of €6,114 thousand in the first half of 2024 (H1 2023: an inflow of €4,329 thousand).

Operating cash flow is affected by contracts lacking advance payments, requiring the group to prepay subcontractors and suppliers, while 5-10% contractual retentions are only released at the end of construction.



Public
buildings

OVRUTCH KINDERGARTEN

- Location: Ovrutch, Ukraine
- Completed: 2023
- Contractor: Nordecon AS, Eurocon Ukraine TOV
- Client: Estonian Centre for International Development

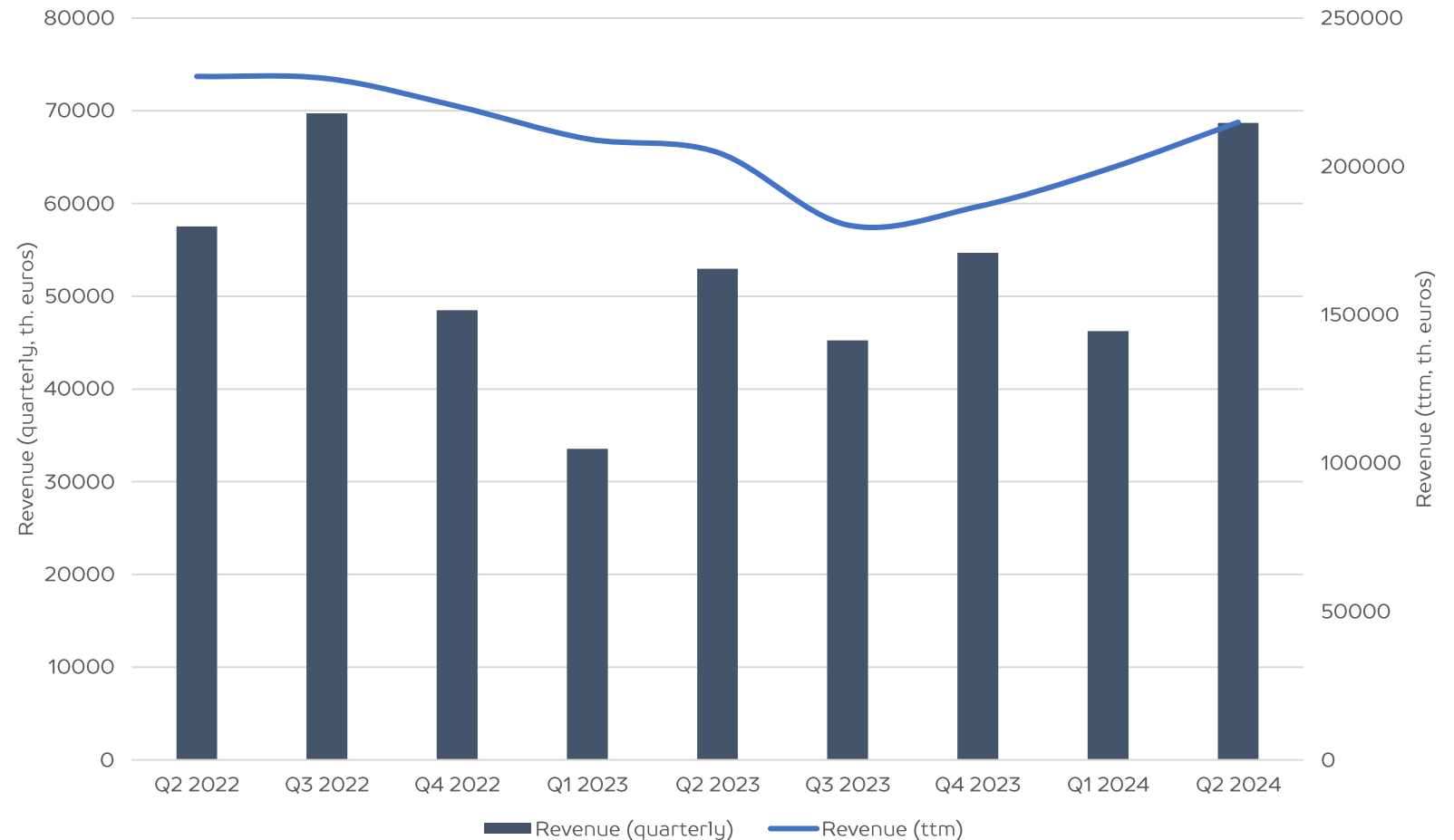
REVENUE*

In H1 2024, the **Buildings** segment generated revenue of €100,421 thousand and the **Infrastructure** segment revenue of €14,486 thousand.

The corresponding figures for H1 2023 were €66,651 thousand and €19,821 thousand.

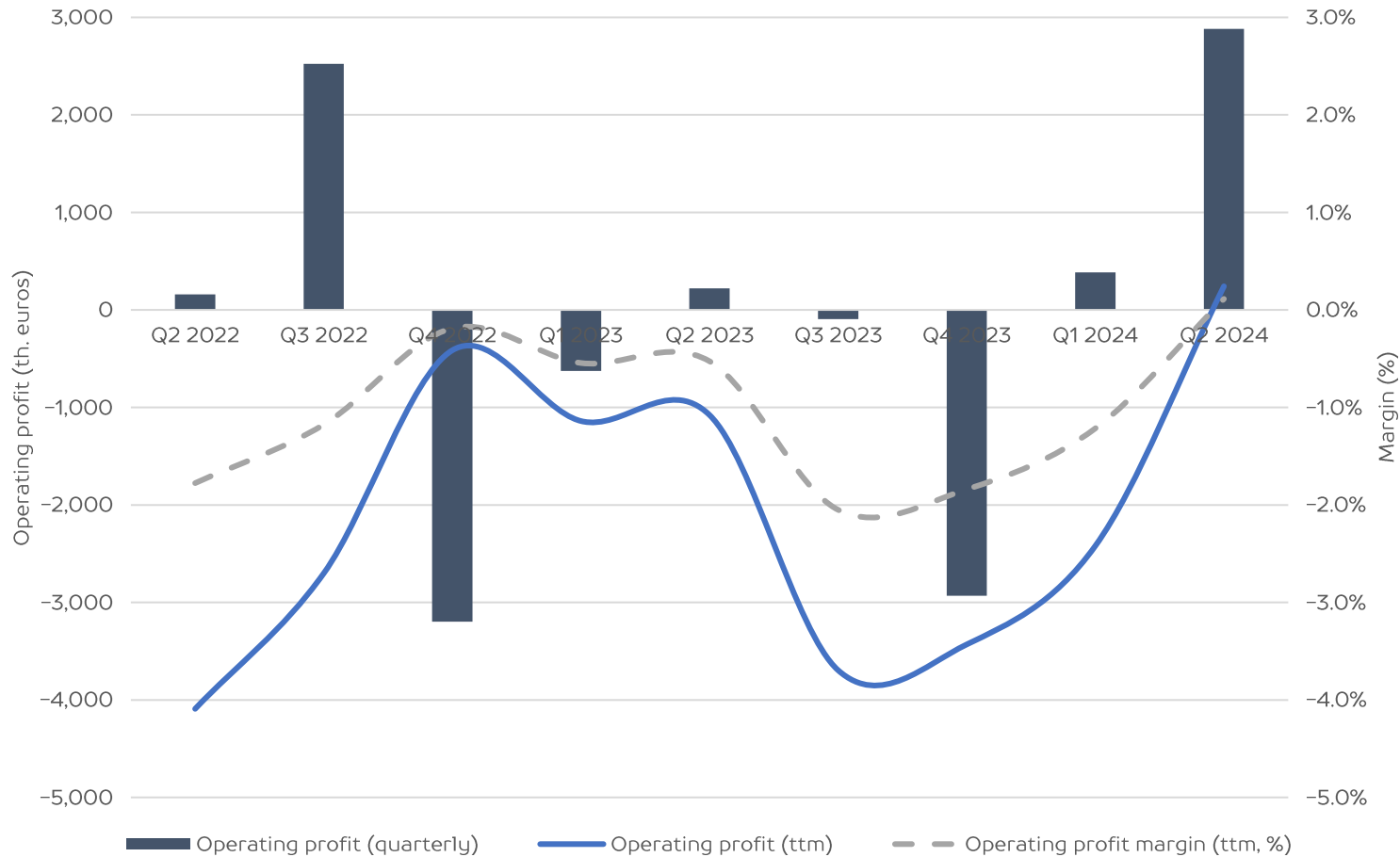
Revenue generated by the Buildings segment increased by 51%, while revenue generated by the Infrastructure segment decreased by 27%.

The revenue growth and changes in the performance of the reportable segments were expected and in line with the group's order book.



* Continuing operations

OPERATING PROFIT*



Nordecon delivered a **gross profit** of €7,194 thousand in the first half of 2024 (H1 2023: €2,783 thousand).

The gross margin of the Buildings segment was 7.7% for both the first half and the second quarter (H1 2023: 4.9% and Q2 2023: 3.6%).

The Infrastructure segment's gross margin was lower, reaching 0.9% for the first half and 8.5% for the second quarter of 2024 (H1 2023: 0.1% and Q2 2023: 4.5%).

The group ended the first half of 2024 with an **operating profit** of €3,268 thousand (H1 2023: an operating loss of €403 thousand).

* Continuing operations



Industrial
buildings and
warehouses

E-PIIM DIARY FACTORY

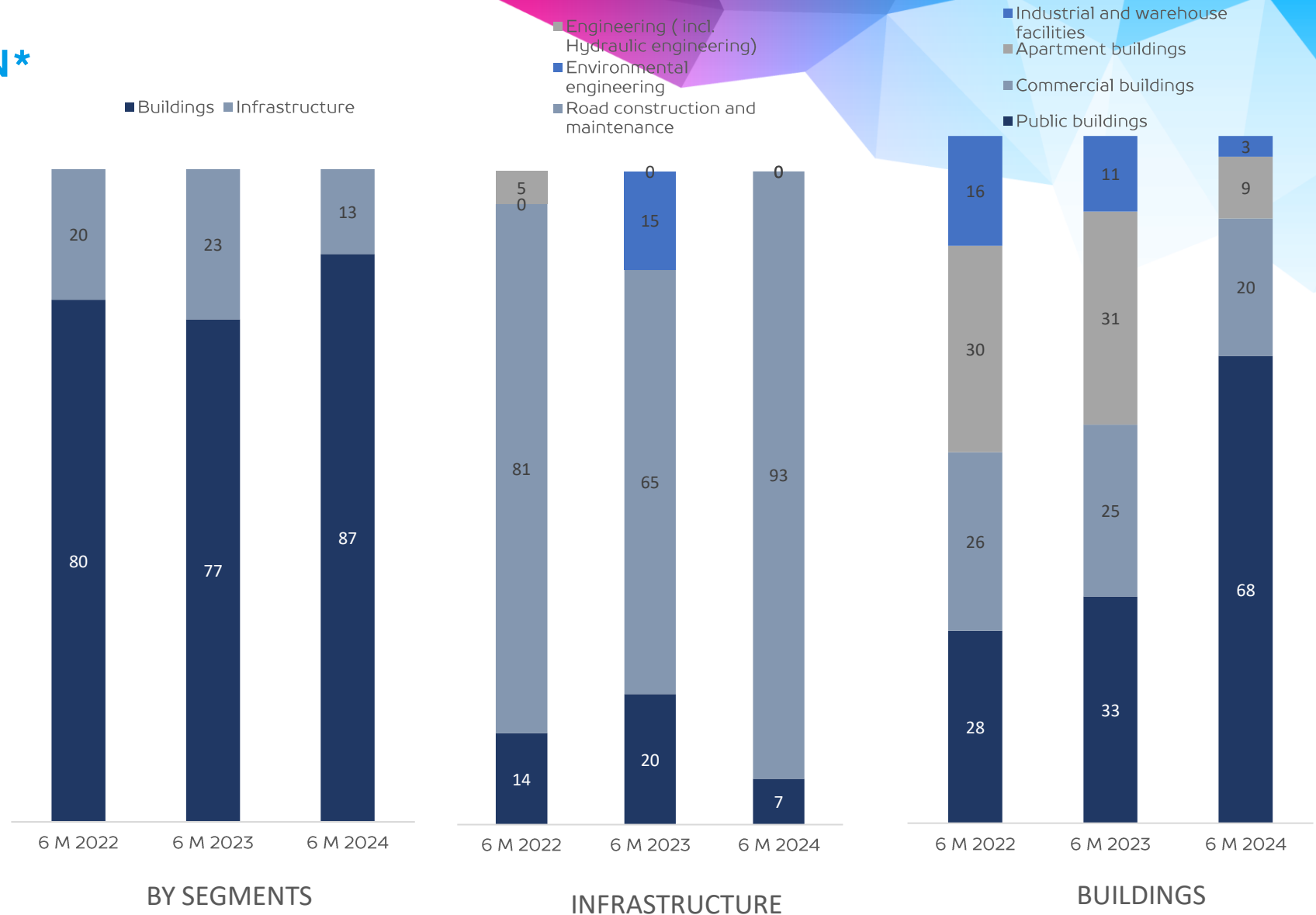
- Location: Paide, Estonia
- Completed: 2023
- Contractor: Nordecon AS
- Client: AS E-Piim Tootmine

REVENUE DISTRIBUTION*

In the Buildings segment, the **public buildings** subsegment doubled its revenue and the **commercial buildings** subsegment increased its revenue by 27% compared to the same period last year.

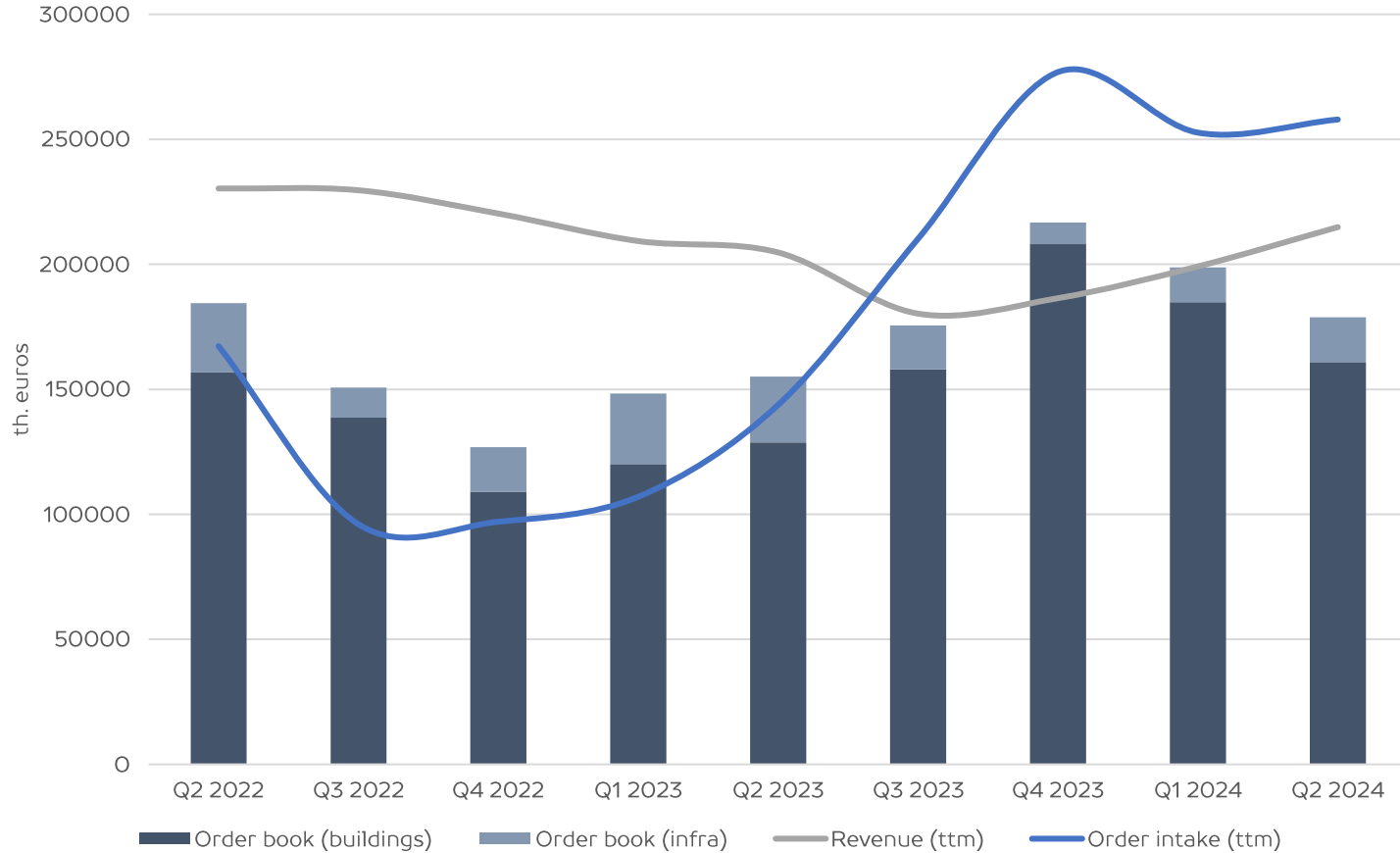
The revenue of the **apartment buildings** subsegment decreased considerably (38%), particularly revenue from apartment construction contracts, which reflects the current market situation in the subsegment.

The largest revenue contributor in the Infrastructure segment is **road construction and maintenance** although its revenue decreased by around 8% compared with a year earlier.



* Continuing operations

ORDER BOOK*



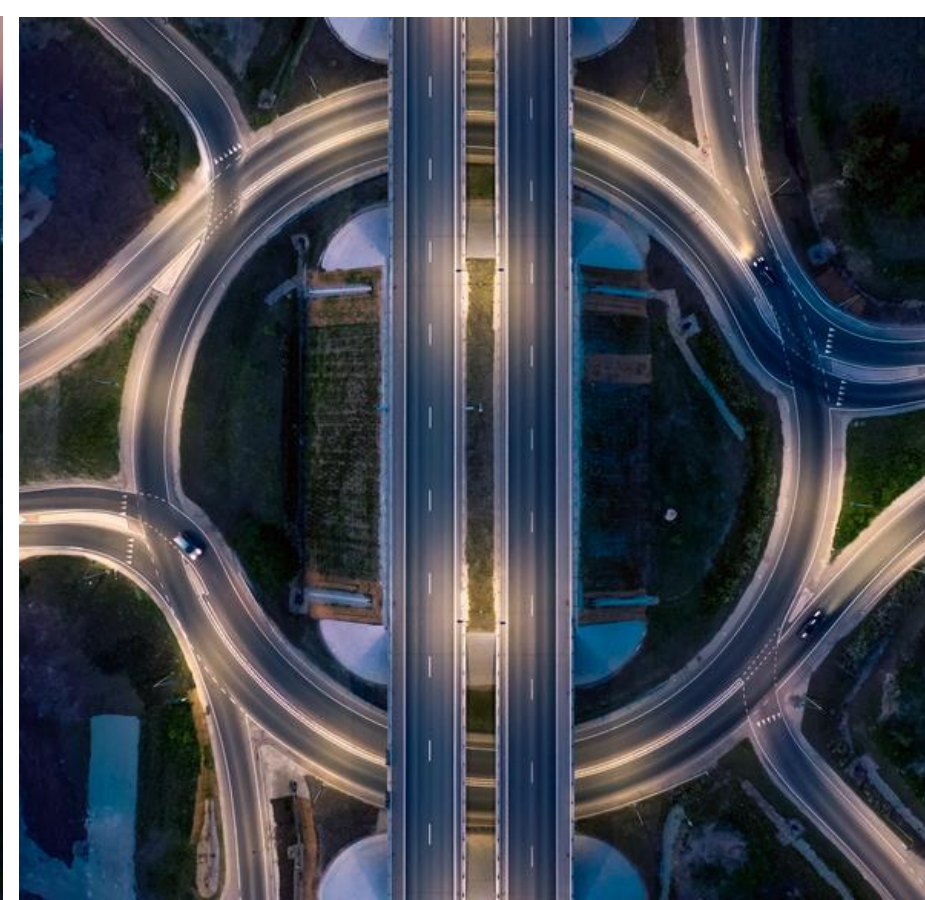
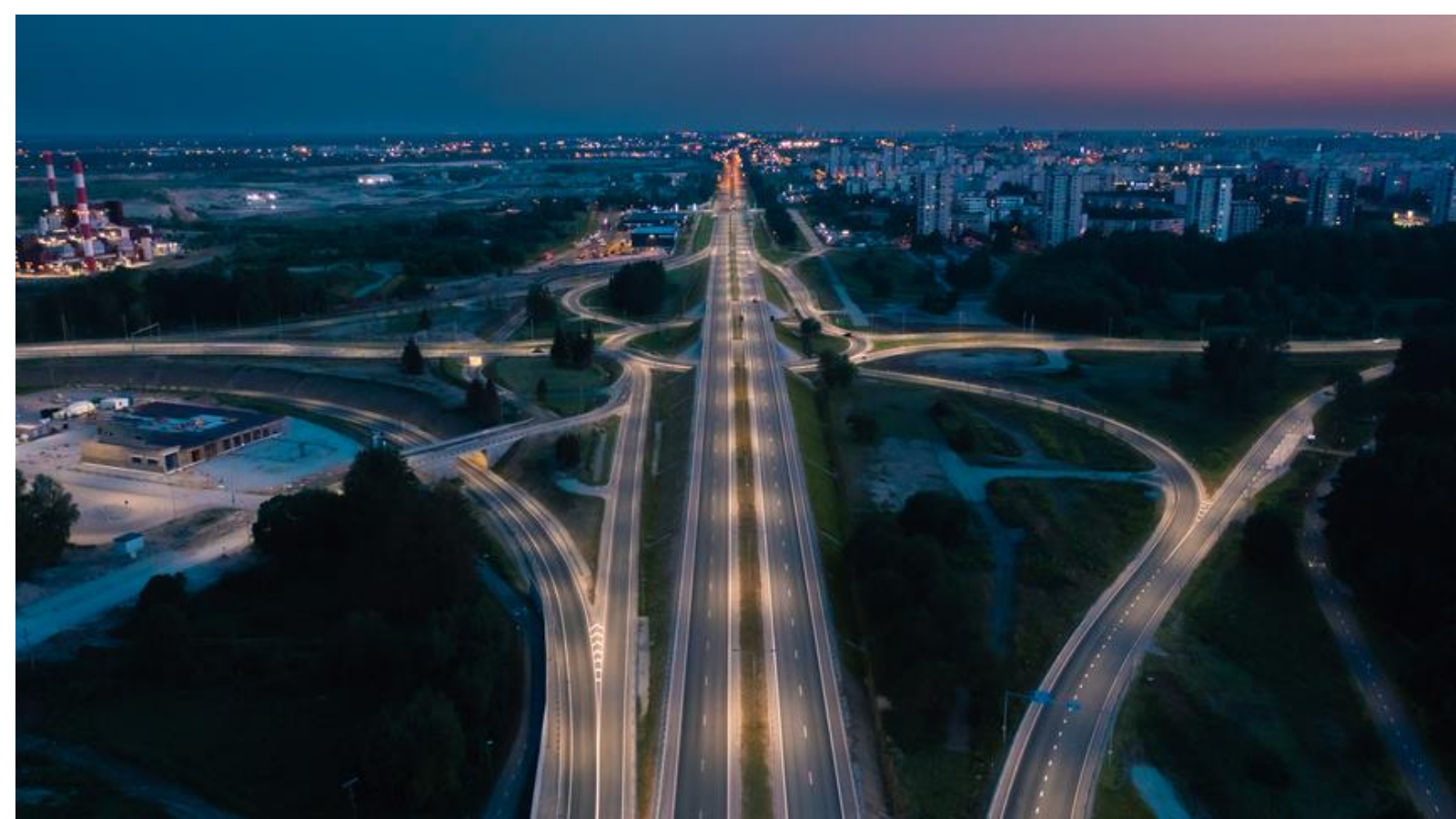
The group’s **order book** stood at €178,799 thousand at 30 June 2024, reflecting an increase of approximately 15% year on year.

The share of the Buildings segment in the group’s order book has increased: at 30 June 2024, the Buildings segment accounted for 90% and the Infrastructure segment for 10% of the group’s total order book (30 June 2023: 83% and 17%, respectively).

%. In the first half of 2024, we signed new contracts for €64,030 thousand (H1 2023: €100,632 thousand), of which €46,413 thousand in the second quarter (Q2 2023: €58,771 thousand).

Management expects the group’s revenue to increase slightly in 2024 compared to the revenue generated by continuing operations in 2023.

* Continuing operations



Infrastructure

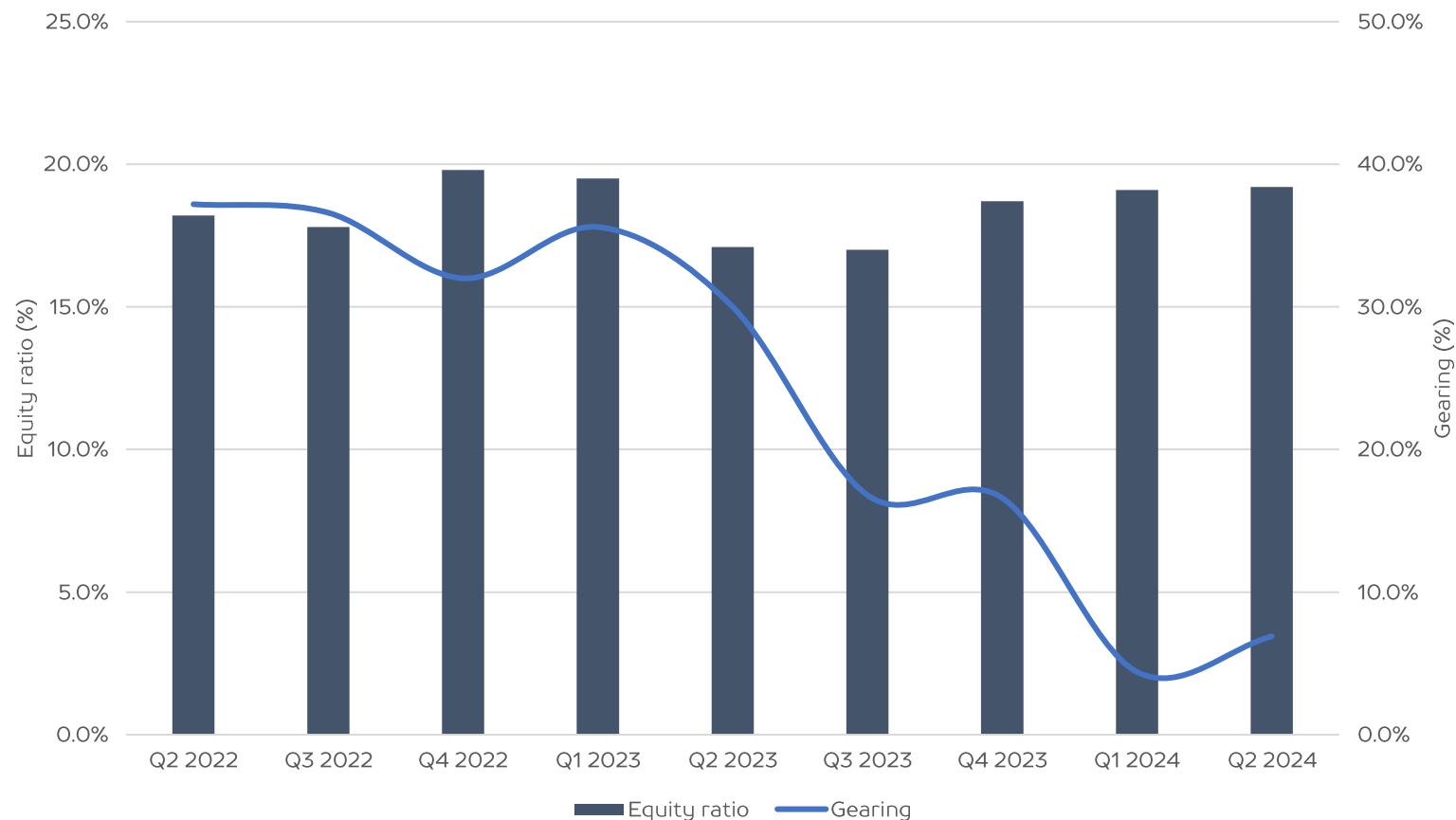
VÄO TRAFFIC JUNCTION

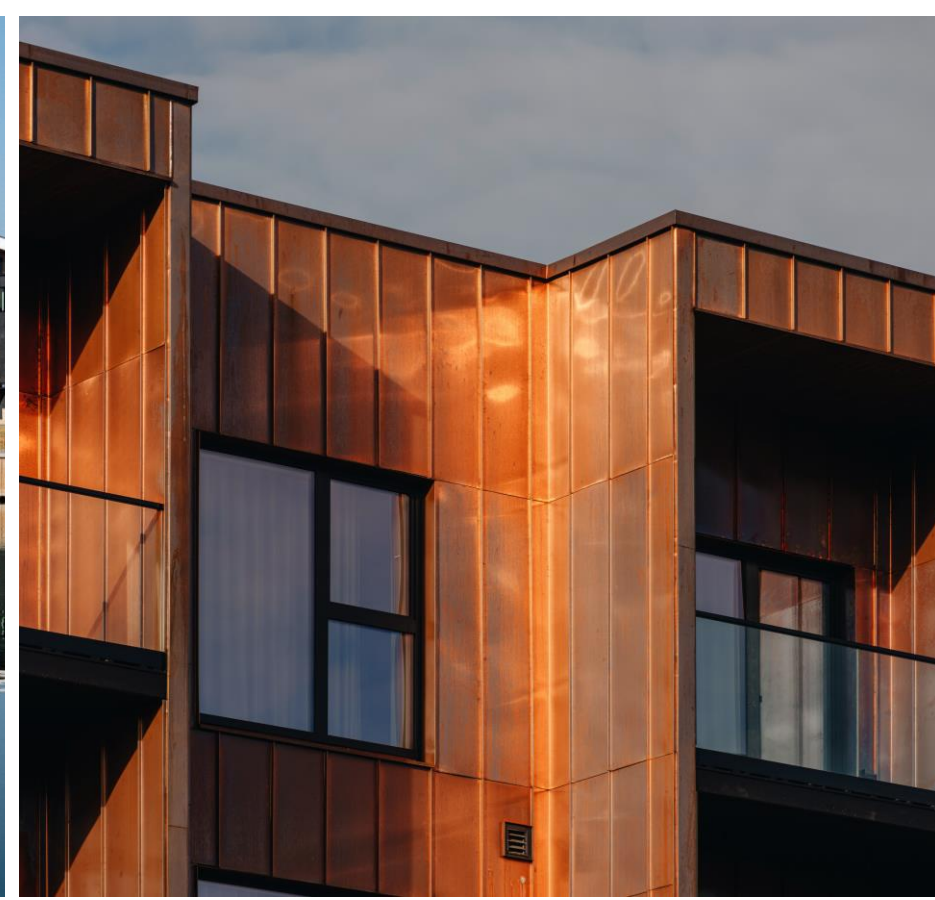
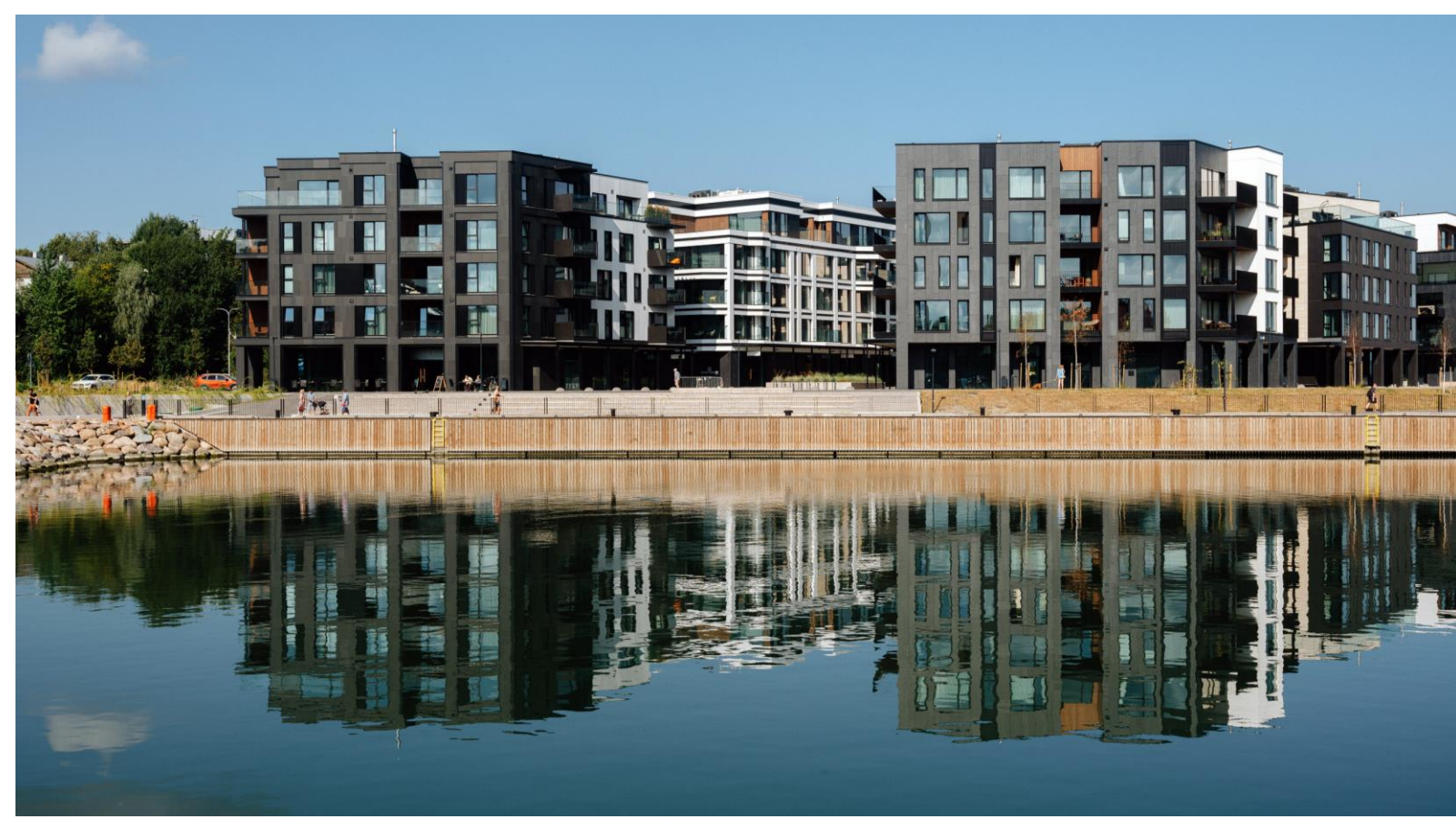
- Location: Tallinn, Estonia
- Completed: 2022
- Contractor: Nordecon AS
- Client: Estonian Transport Administration

CAPITAL STRUCTURE

The **equity ratio** has remained relatively stable over the observed quarters, maintaining levels between 15% and 20%. It saw a gradual decline but remained consistent, reflecting a steady financial structure.

The continuous decrease in **gearing** across the quarters reflects the company's strategic effort to improve its financial leverage.





Apartment
buildings

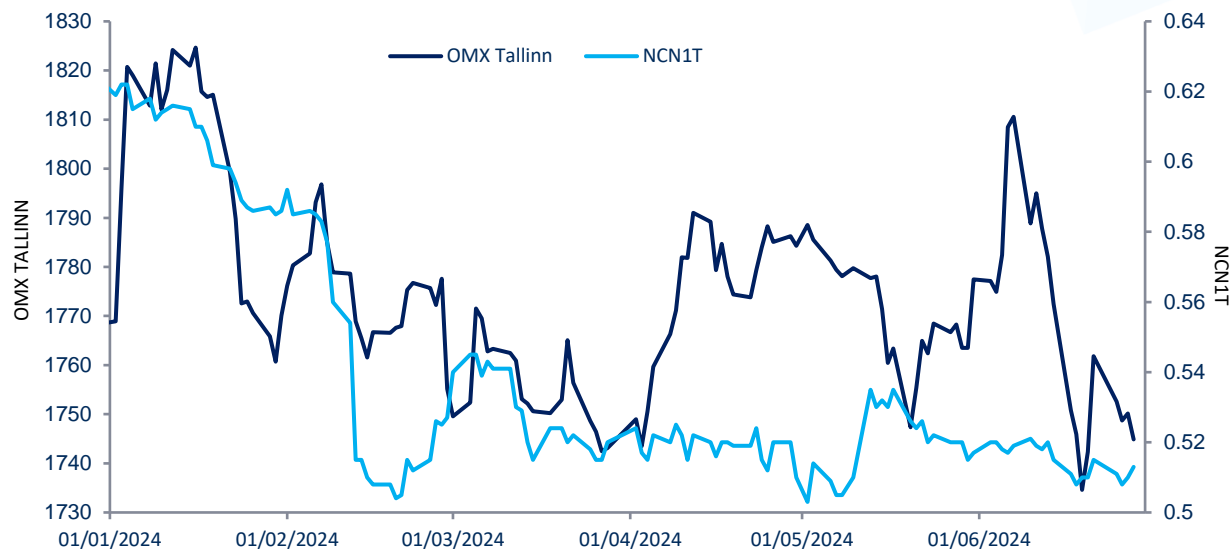
KALARANNA QUARTER (8 apartment buildings)

- Location: Tallinn, Estonia
- Completed: 2022
- Architect: Kadarik Tüür Arhitektid OÜ
- Contractor: Nordecon AS
- Client: OÜ Kalaranna Kvartal

SHARE AND SHAREHOLDERS

Largest shareholders in Nordecon AS at 30 June 2024

Shareholder	Number of shares	Ownership interest (%)
AS Nordic Contractors	16 563 145	51,16
Luksusjaht AS	4 332 342	13,38
Toomas Luman	791 500	2,44
Olegs Radcenko	574 200	1,77
Nõmme Erahariduse SA	370 370	1,14
Lembit Talpsepp	370 100	1,14
SEB Pank AS clients	300 000	0,93
OÜ Alar Invest	255 000	0,79
Genadi Bulatov	250 600	0,77
Swedbank AB kliendid	203 259	0,63



Index/equity	1 January 2024*	30 June 2024	+/-
OMX Tallinn	1 768,56	1 744,90	-1,34%
NCN1T	0,62EUR	0,51 EUR	-17,52%

* Closing price on the Nasdaq Tallinn Stock Exchange at 31 December 2023

KEY FINANCIAL FIGURES AND RATIOS

Figure/ratio	H1 2024	H1 2023	H1 2022	2023
Revenue (€'000)	114 945	86 526	102 073	186 464
Revenue change	33%	-15%	18%	-15,40%
Net profit (loss) (€'000)	1 802	-2 299	-1 125	-6 418
Net profit (loss) attributable to owners of the parent (€'000)	1 020	-2 493	-928	-942
Earnings per share (€)	0,03	-0,08	-0,03	-0,03
Administrative expenses to revenue	2,90%	3,40%	2,50%	3,50%
EBITDA (€'000)	4 690	1 149	1 847	-412
EBITDA margin	4,10%	1,30%	1,80%	-0,20%
Gross margin	6,30%	3,20%	1,10%	2,00%
Operating margin	2,80%	-0,50%	0,30%	-1,80%
Operating margin excluding gain on non-current asset sales	2,80%	-0,70%	0,10%	-2,00%
Net margin	1,60%	-2,70%	-1,10%	-3,40%
Return on invested capital	6,20%	-1,00%	1,20%	8,00%
Return on equity	7,80%	-6,10%	0,10%	8,30%
Equity ratio	19,20%	17,10%	18,20%	18,70%
Return on assets	1,50%	-1,10%	0,00%	-1,60%
Gearing	6,90%	30,00%	37,20%	16,60%
Current ratio (note 5)	0,88	0,89	0,91	0,95
	30 June 2024	30 June 2023	30 June 2022	31 Dec 2023
Order book (€'000)	178 799	155 133	184 420	216 732



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