



CONSTI PLC

INVESTOR MEETING
hosted by EVLI

25 MARCH 2025

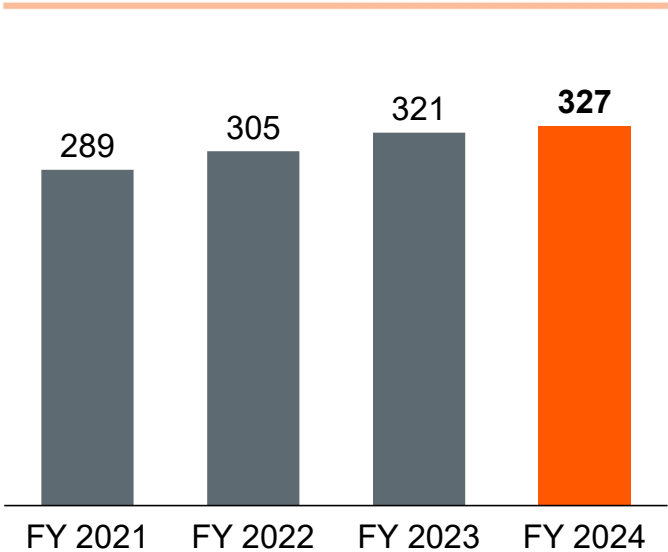
CEO Esa Korkeela

CONSTI

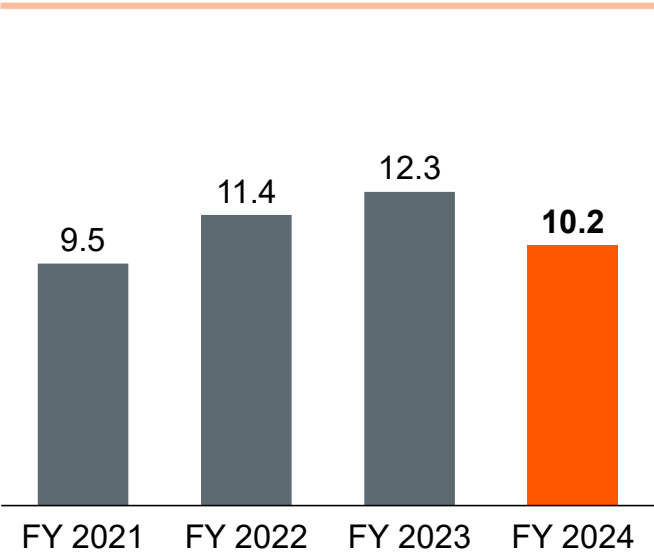
Consti Group is the leading renovation company in Finland

Solid performance throughout uncertain market environment in 2021-24

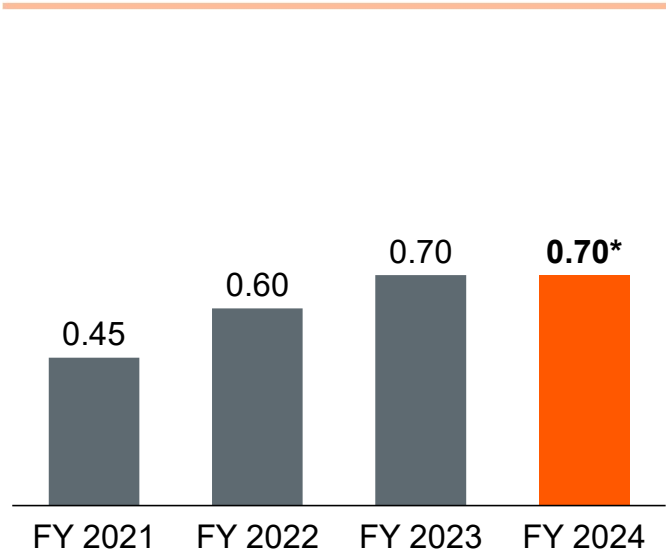
ANNUAL NET SALES (MEUR)



ANNUAL ADJUSTED EBIT (MEUR)



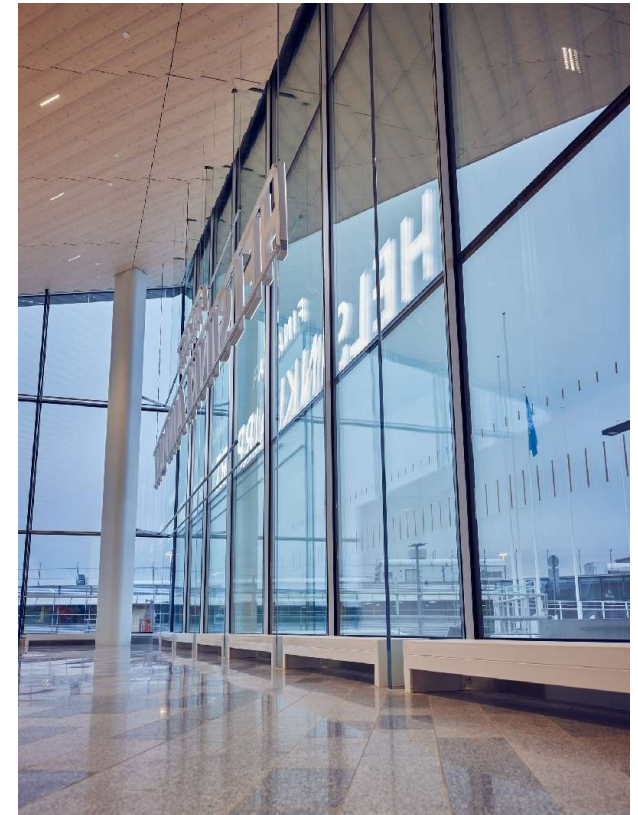
DIVIDEND PER SHARE (EUR)



* Board of Directors' proposal to the Annual General Meeting

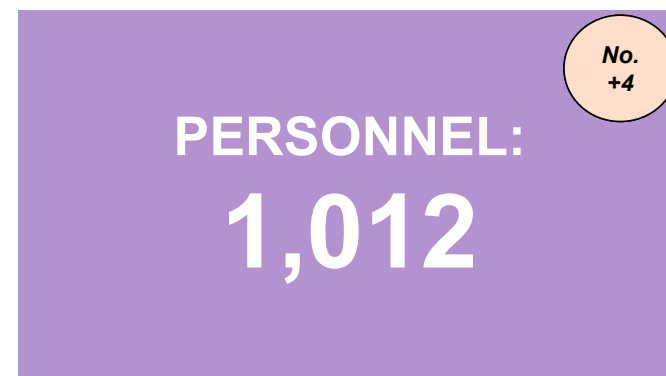
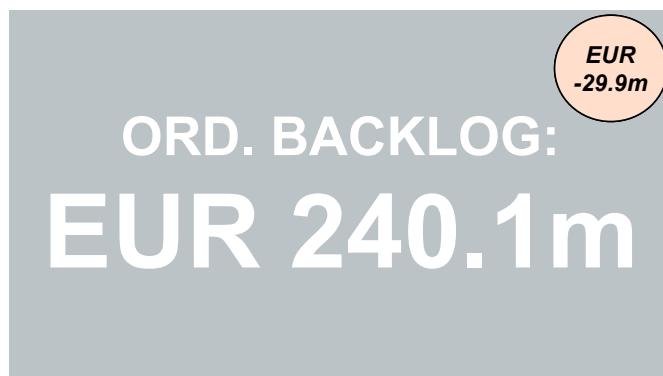
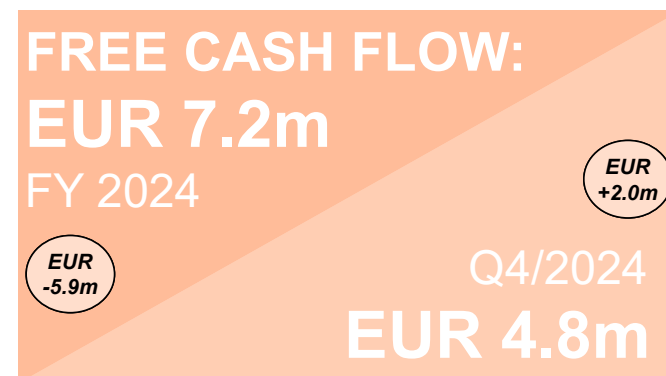
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Highlights of FY 2024 and Q4/2024

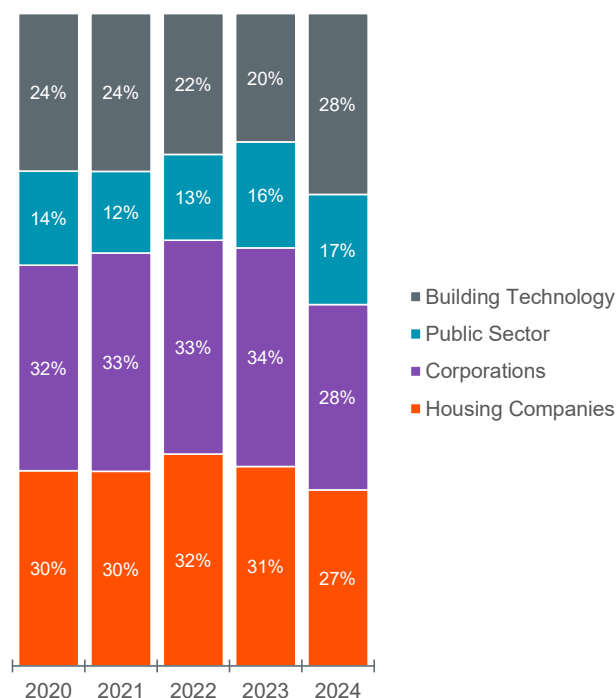
A reasonable financial year in a challenging market



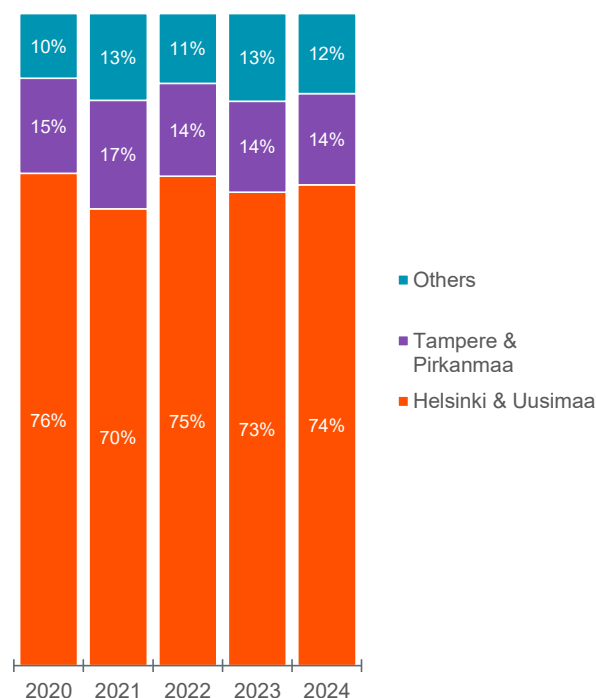
Consti Group's net sales overview 2020-24

Four strong business areas with focused customer segments, presence in Finnish growth centres. Diversified customer base an advantage in prevailing market conditions

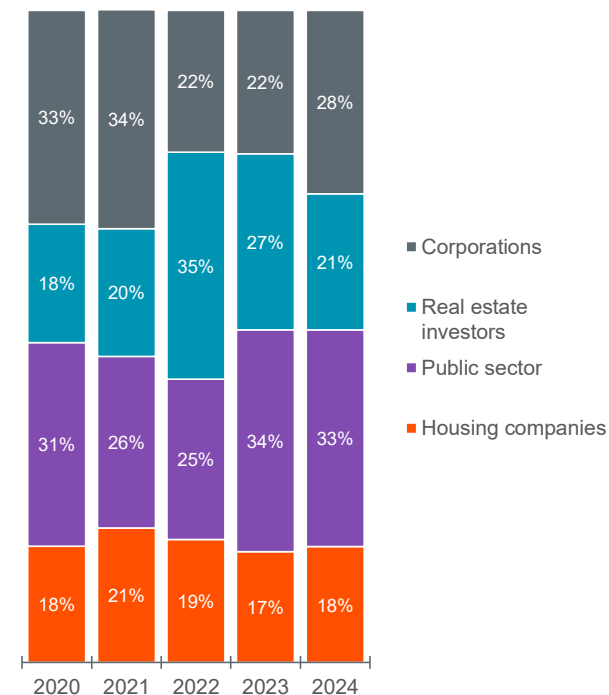
Net sales by business area



Net sales by geography



Net sales by customer group

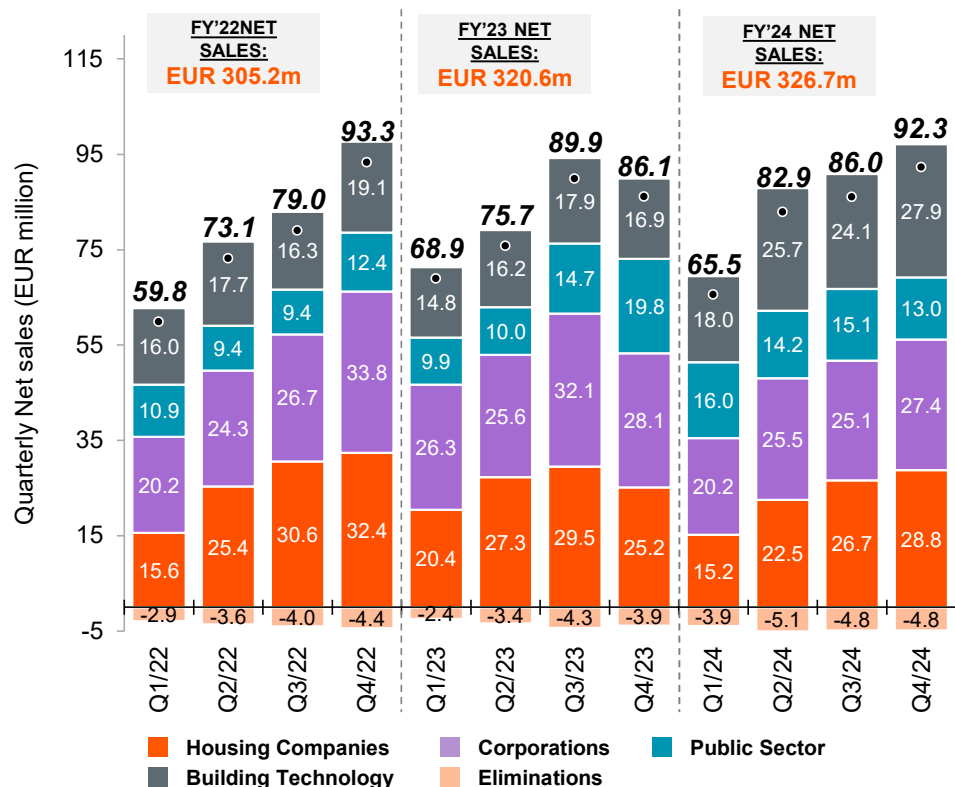


1) Business area splits excluding eliminations

Net sales continued to grow in FY 2024

Strong growth in Building Technology business area (45.5% y-o-y) compensated the decline in the construction business area.

Quarterly net sales development Q1/2022 – Q4/2024 (EUR m)

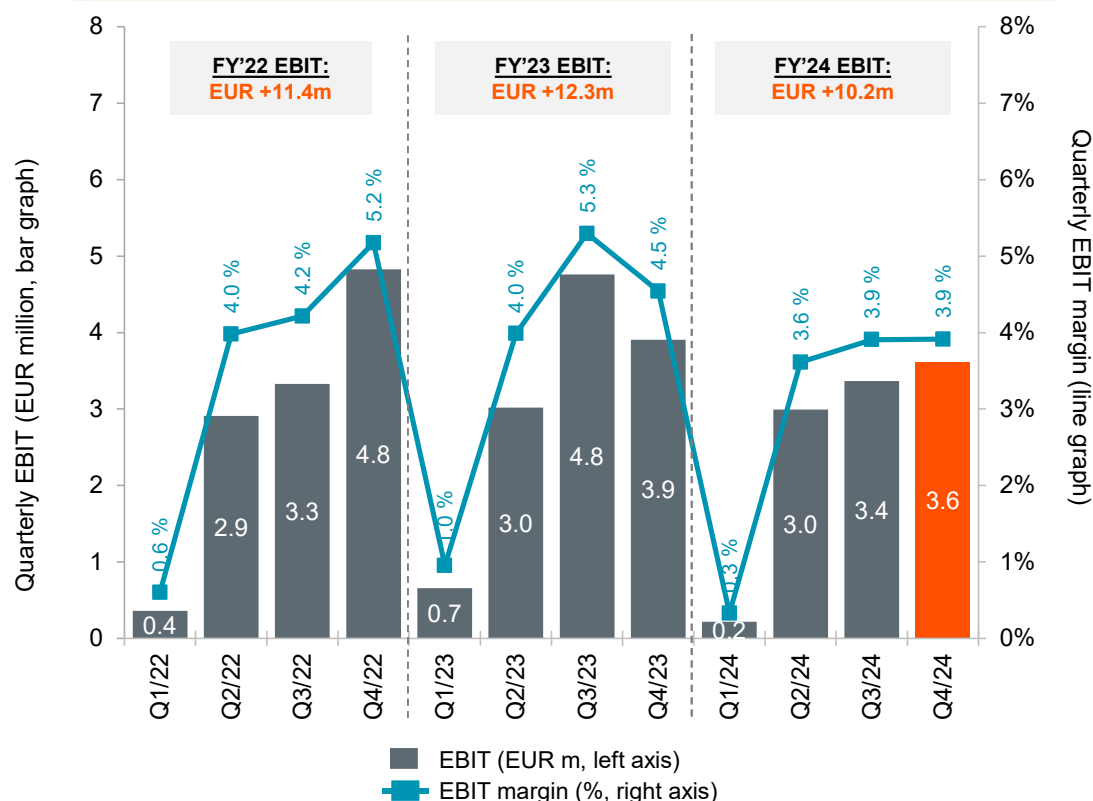


Comments

- FY 2024 net sales EUR 326.7m (320.6m)
 - Year-on-year growth 1.9%
 - Housing Companies net sales EUR 93.2m (102.4m), -9.0% y-o-y
 - Corporations net sales EUR 98.1m (112.2m), -12.5% y-o-y
 - Public Sector net sales EUR 58.3m (54.3m), +7.3% y-o-y
 - Building Technology net sales EUR 95.7m (65.7m), +45.5% y-o-y

Regardless of the prevailing market conditions and sharply intensified competition, Consti has managed to maintain a reasonable level of profitability in 2024

Quarterly EBIT development Q1/2022 – Q4/2024 (EUR m)

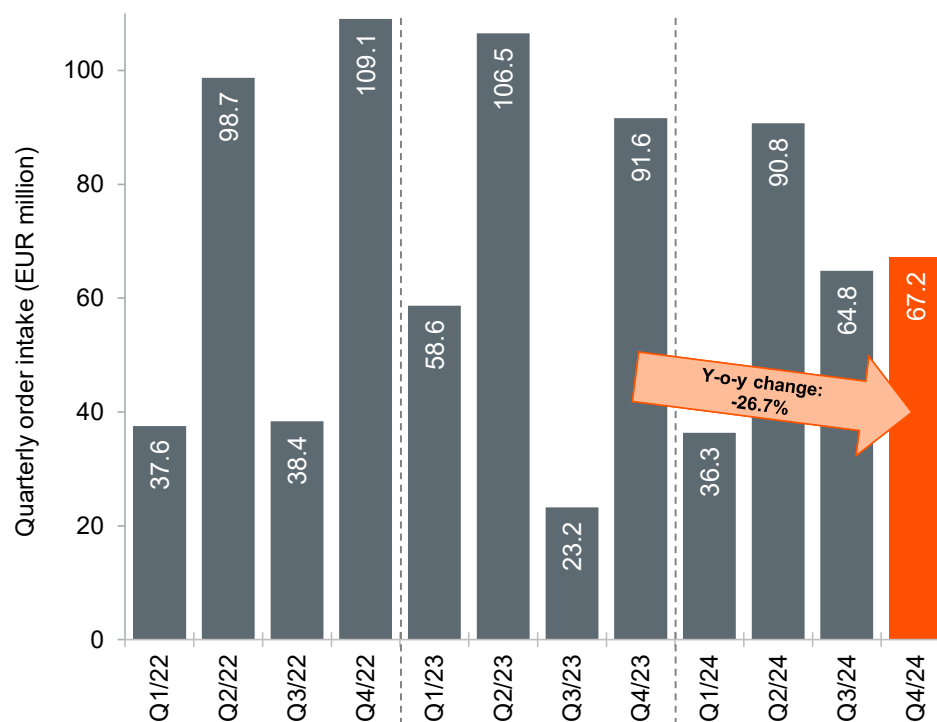


Comments

- FY 2024 EBIT amounted to EUR 10.2 (12.3) million, or 3.1% (3.9%) of net sales
 - 2024 proceeded in line with our expectations, with projects progressing predominantly as planned
 - Relative profitability was primarily influenced by changes in the relative net sale shares of the business areas compared to the reference period, and partly by allocation of resources in tendering and negotiation activities to secure order backlog, along with the sharply intensified competition
 - The approximately 1 million euro gain from the sale of the property-related relining business supported profitability in FY 2023

Order intake during FY 2024 EUR 259m (-7.5% y-o-y)

Quarterly order intake development Q1/2022 – Q4/2024 (EUR m)

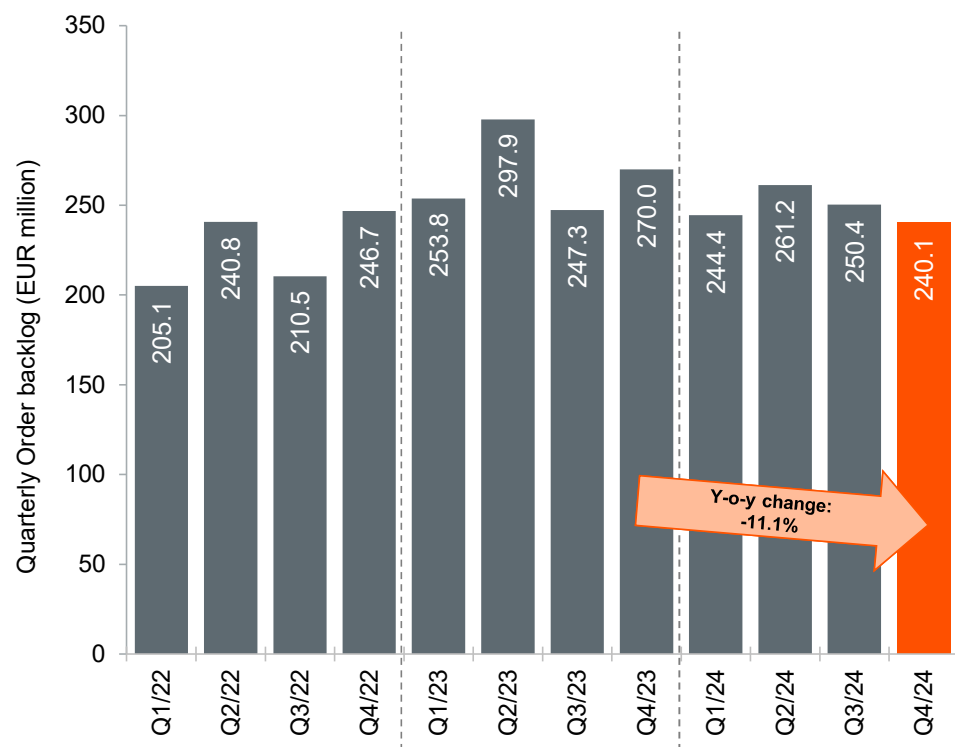


Comments

- FY 2024 order intake EUR 259.0m (280.0m), change -7.5% year-on-year
 - Q4/2024 order intake EUR 67.2m (91.6m)
- Order intake during the review period was affected by continued intense competition, continued weak demand in the private real estate investment company market, and disciplined tendering activities.

Order backlog at EUR 240.1 million (270.0m) at the end of 2024 supporting solid performance going forward

Quarterly order backlog development Q1/2022 – Q4/2024 (EUR m)

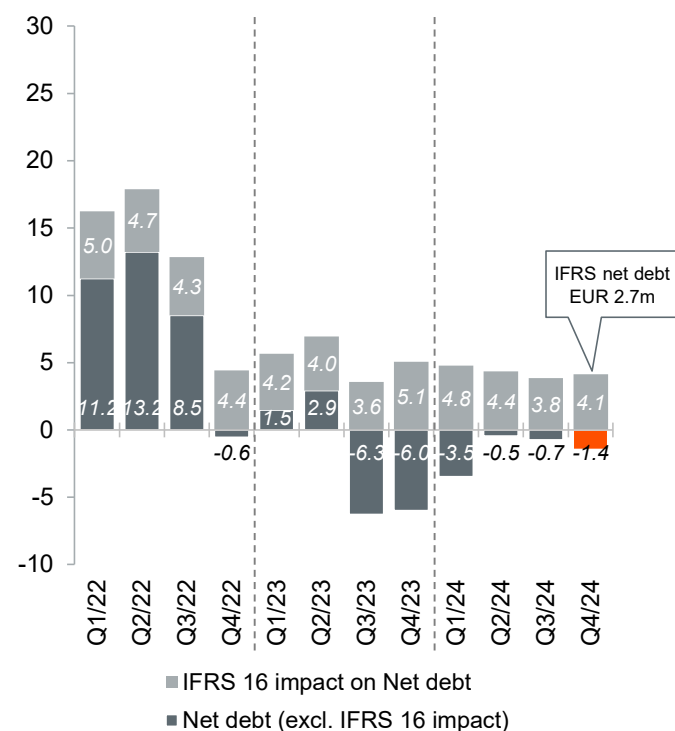


Comments

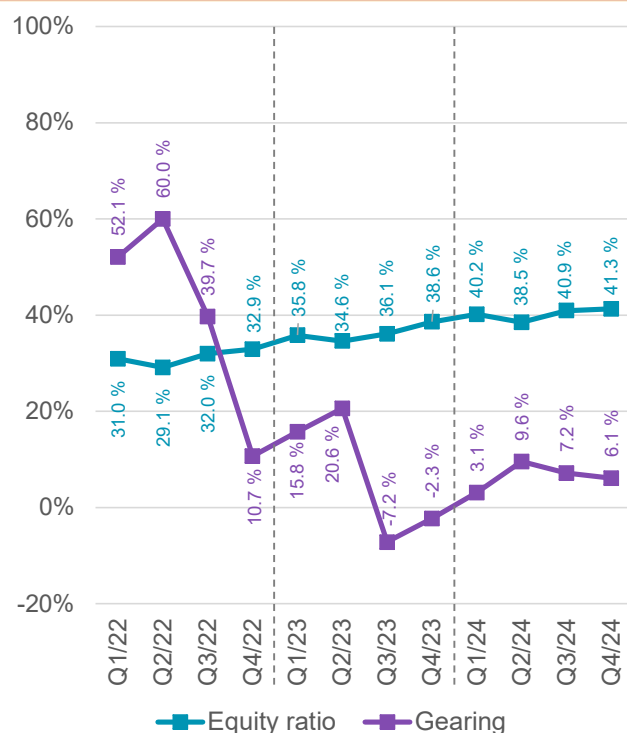
- Year-end order backlog at EUR 240.1m (270.0m)
 - Year-on-year change -11.1%
 - In relative terms a larger and in absolute terms a slightly smaller share of December 2024 order backlog to be recognised in revenue within the next twelve months compared to December 2023 backlog
 - At the end of 2024 order backlog of Housing Companies business area was approximately 29 million higher than in the reference period
 - Healthy order backlog to support solid performance going forward
 - However, order intake in H1 still plays an important role from the full-year net sales' perspective

Financial position remained at a good level at year-end

Quarterly net debt development (EUR m)
Q1/2022 – Q4/2024



Quarterly equity ratio and gearing development
Q1/2022 – Q4/2024



Comments

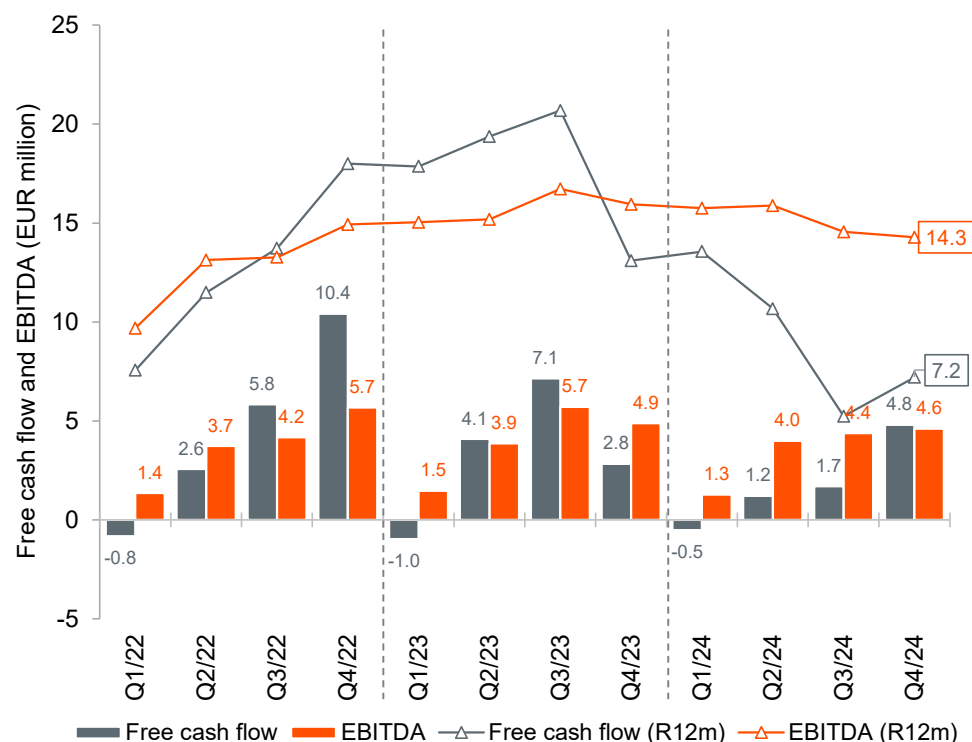
- Q4/2024 net debt at EUR 2.7m (-0.9m), of which EUR 4.1m (5.1m) attributable to IFRS 16 related lease liabilities
 - Net debt excluding IFRS 16 at EUR -1.4m (-6.0m)
- Q4/2024 equity ratio at 41.3% (38.6%)
 - Equity ratio excluding IFRS 16 at 43.0% (40.7%)
- Q4/2024 gearing at 6.1% (-2.3%)
 - Gearing excluding IFRS 16 at -3.3% (-14.5%)

1) Net working capital calculated as follows: Inventories + Trade and other receivables + Deferred tax receivables – Trade and other payables – Advances received – Provisions

FY 2024 free cash flow EUR 7.2m

12-month cash conversion ratio was 50.5% (82.2%), an improvement towards the end of the year

Quarterly free cash flow¹⁾ and EBITDA Q1/2022 – Q4/2024 (EUR m)



Comments

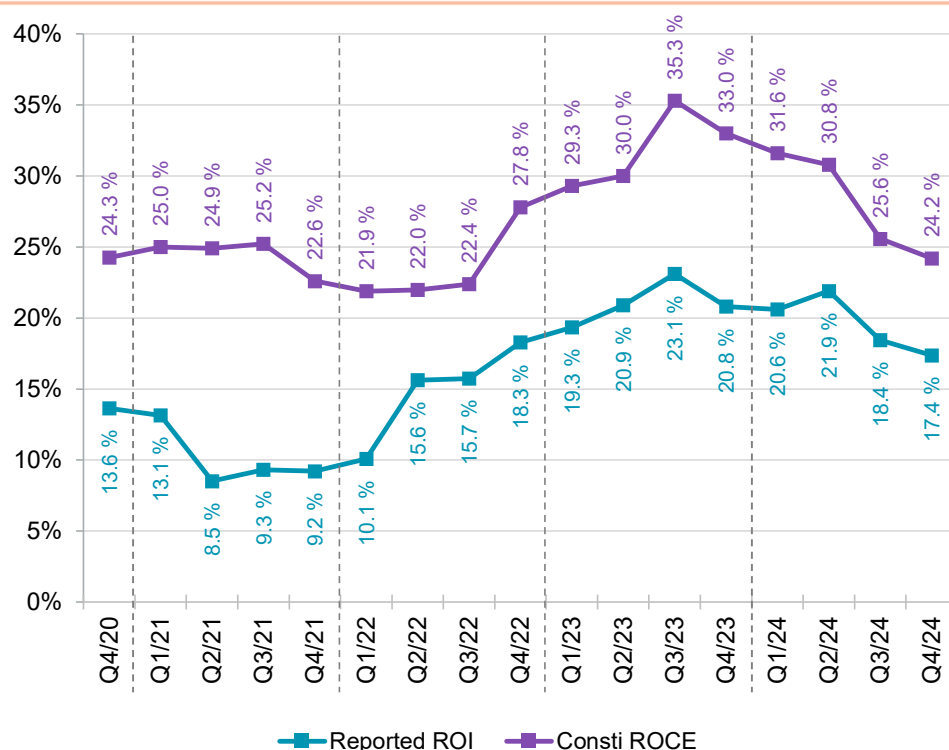
- FY 2024 free cash flow EUR 7.2m (13.1m)
 - EBITDA amounted to EUR 14.3m (15.9m)
 - Cash flow impact from change in net working capital was EUR -6.6m (0.3m)
 - Cash flow from investments in tangible and intangible assets amounted to EUR -1.2m (-2.0m)
- Rolling 12-month cash conversion ratio was 50.5% (82.2%), an improvement towards the end of the year
- In the longer term 2022-2024, Consti's cash conversion ratio totaled 84.9%

¹⁾ Free cash flow means net cash flow from operating activities before financial items and taxes, less capital used for purchase of intangible assets and property, plant and equipment

Reported ROI¹⁾ and Consti ROCE²⁾

Return on capital continues to be on a good level

Reported ROI¹⁾ and Consti ROCE²⁾ Q4/2020 – Q4/2024 (%)



Comments

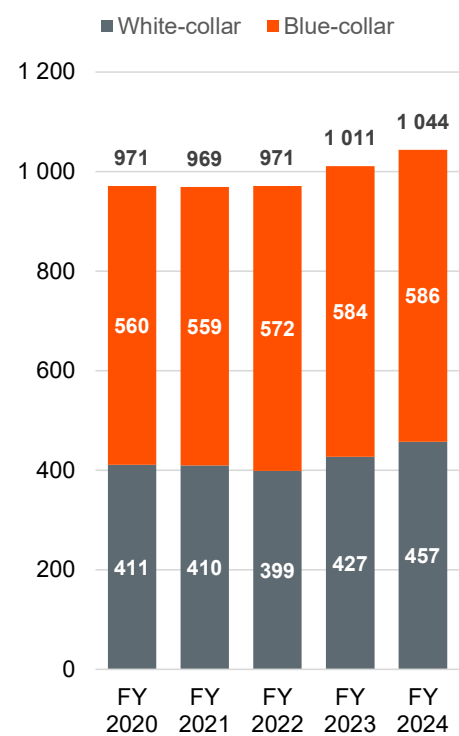
- In financial years 2020-2024, Consti's return on capital employed has exceeded 20%
- Q4 2024 Consti ROCE totaled 24.2% (33.0%)
 - Q4 2024 R12m EBIT margin 3.1% (3.9%)
- Q4 2024 Reported ROI totaled 17.4% (20.8%)

1) Return on investment, ROI (%) = Profit/loss before taxes + interest and other financial expenses (R12m) / Total equity + interest-bearing liabilities (average)

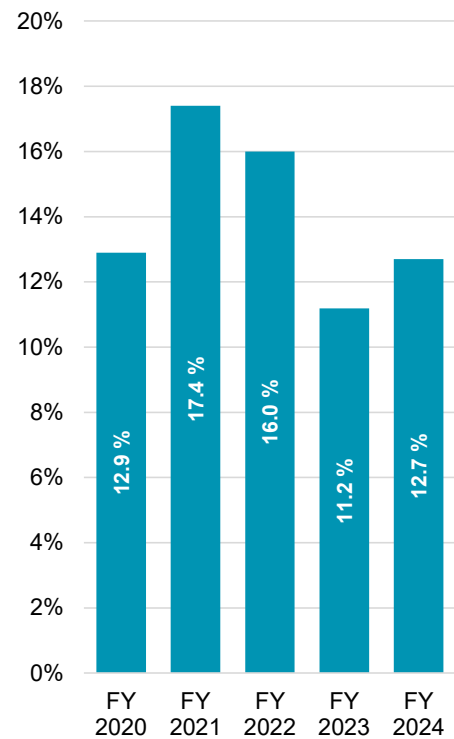
2) Consti ROCE = Adjusted EBIT (R12m) / Capital employed (R12m average), where Capital employed = Tangible and intangible assets (excl. IFRS 16) + Net working capital

Average number of personnel increasing along with growing business volumes, accident rate of 7 a good outcome of continuous efforts to improve employee safety

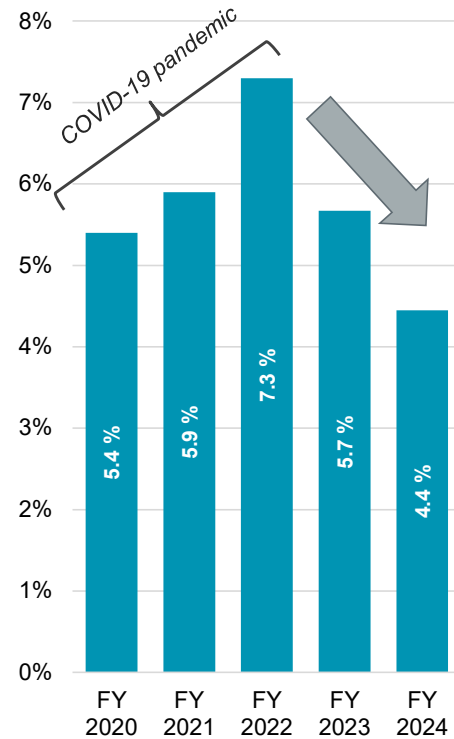
Average number of personnel
2020–2024



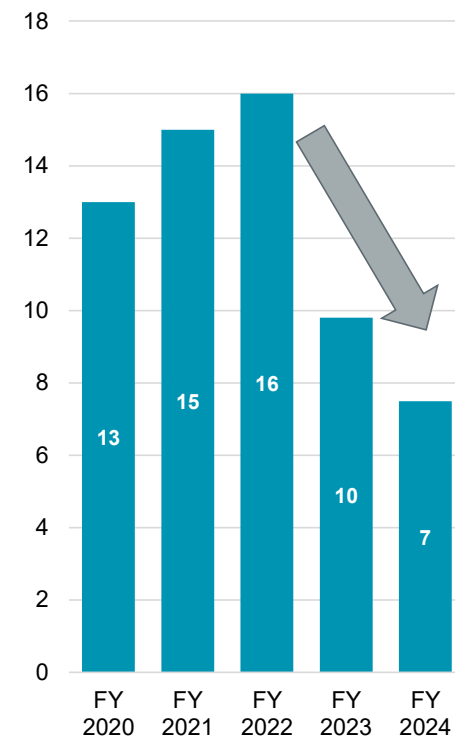
Permanent personnel turnover ratio
(% of employees leaving)



Average absence rate (%)

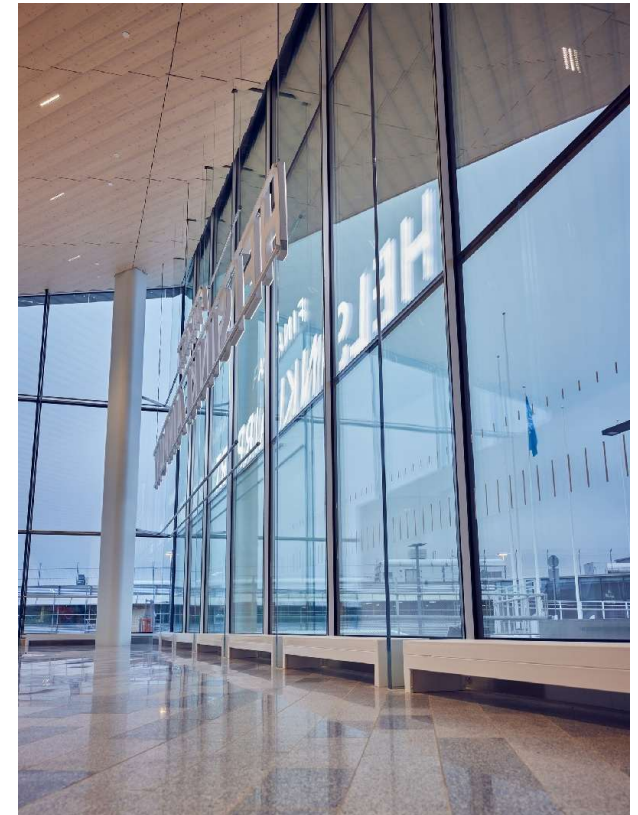


Accident rate / LTIFR
(accidents per million hours worked)













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Consti will grow in construction and building technology by responding to the demand created by the ageing building stock, urbanisation, and climate change

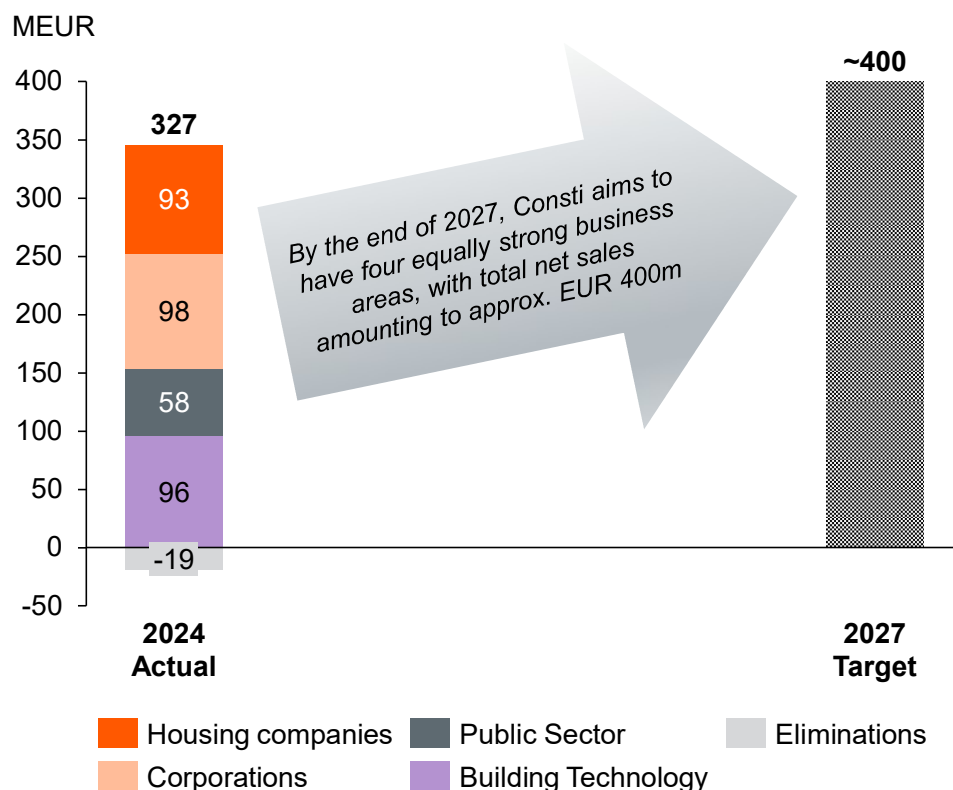
Fundamental market trends	 Ageing building stock	 Urbanisation and changes in the use of buildings	 Sustainability and energy efficiency	 Growing complexity in construction and tightening legislation
				
Consti's vision and mission	Vision: Our customer's number one partner and expert in multiple types of construction			
	Mission: Our mission is to improve the value of the building stock and mitigate climate change through our excellent competence in construction and building technology			
Group strategic choices and projects	Growth in construction <i>Profitable development of current business Expansion in construction value chain Capitalising on attractive opportunities in new construction Strengthening special expertise</i>		Growth in building technology and technical real estate services <i>Profitable development of current business Strengthening broad offering of installation and technical real estate services Offering comprehensive technical energy efficiency solutions for buildings</i>	
	Customers and partnerships <i>Comprehensive customer understanding Subcontractor partnerships Consti brand</i>	Operational efficiency <i>Procurement development Utilisation of digitalisation Performance management</i>	Personnel and leadership <i>Consti Way Development of expertise and leadership Group-wide collaboration</i>	Sustainability <i>Climate change mitigation Enhancing occupational safety and well-being at work Developing responsible practices of the industry</i>
Sources of competitive advantage	Customer-centricity <i>Meeting customer needs through the best professionals in the industry</i>		Expert in multiple types of construction <i>A one stop shop for all renovation and new construction solutions as well as building technology</i>	Responsible and reliable partner <i>Sustainability and climate change mitigation inherently at the core of the business</i>
Financial targets 2027	 Net sales: ~400 MEUR	 EBIT margin: > 5%	 Cash conversion: > 90%	 Capital structure: Net Debt/EBITDA < 2.5x
	 Dividend ratio: > 50 % of EPS			

Group Strategy 2024–2027

The ageing building stock, urbanisation, and climate change to create demand for construction and building technology services going forward



NET SALES BY BUSINESS AREA, 2024–2027 (illustration)



HIGHLIGHTS OF THE STRATEGY

- Growth in construction based on the development of current business operations
→ *current status: growth not achieved due to intensified competition and prolonged weak market conditions, progress in strengthening special expertise*
- Particular focus on growing in building technology and technical real estate services
→ *current status: achieved*
- The role of M&A relevant in strengthening expertise in strategically important areas
→ *current status: M&A an opportunity going forward*
- In sustainability, Consti focuses on mitigating climate change
→ *current status: work in sustainability continues*

Realisation of Consti's long-term financial targets in 2024

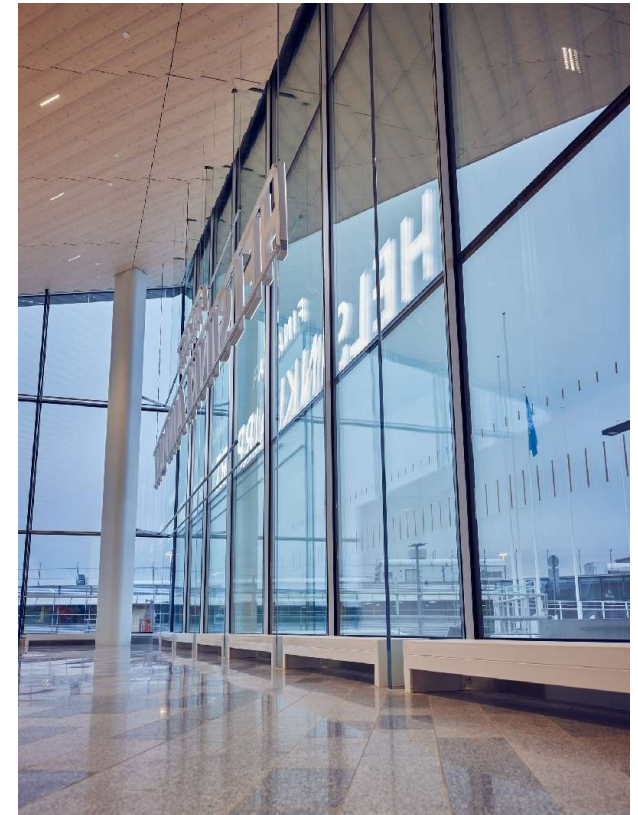
Growth	Profitability	Cash flow	Capital structure	Dividends
Net sales growing faster than the market	EBIT-margin exceeding 5 percent	Cash conversion ratio exceeding 90 percent ¹	Net debt to adjusted EBITDA ratio of less than 2.5x	The Company's aim is to distribute as dividends at least 50 percent of the Company's annual net profit ²
FY 2024	FY 2024	FY 2024	FY 2024	FY 2024 proposal
1.9%	3.1%	50.5%	-0.13	76.9%
<ul style="list-style-type: none"> Euroconstruct estimates that Finnish renovation decreased by 0.9% in 2024 	<ul style="list-style-type: none"> EBIT margin 3.1% in 2024 Efforts continue to achieve long-term financial target of EBIT >5% 	<ul style="list-style-type: none"> Target was not achieved in 2024 	<ul style="list-style-type: none"> Target was achieved on balance sheet date 2024 (based on frozen GAAP calculation) 	<ul style="list-style-type: none"> Board proposes dividend of EUR 0.70 per share, or 76.9% of 2024 EPS
✓			✓	✓

1) Cash conversion defined as free cash flow divided by EBITDA. Free cash flow equals operating cash flow before net financial items and taxes less investments in tangible and intangible assets

2) While taking other factors such as financial position, cash flow and growth opportunities into consideration.

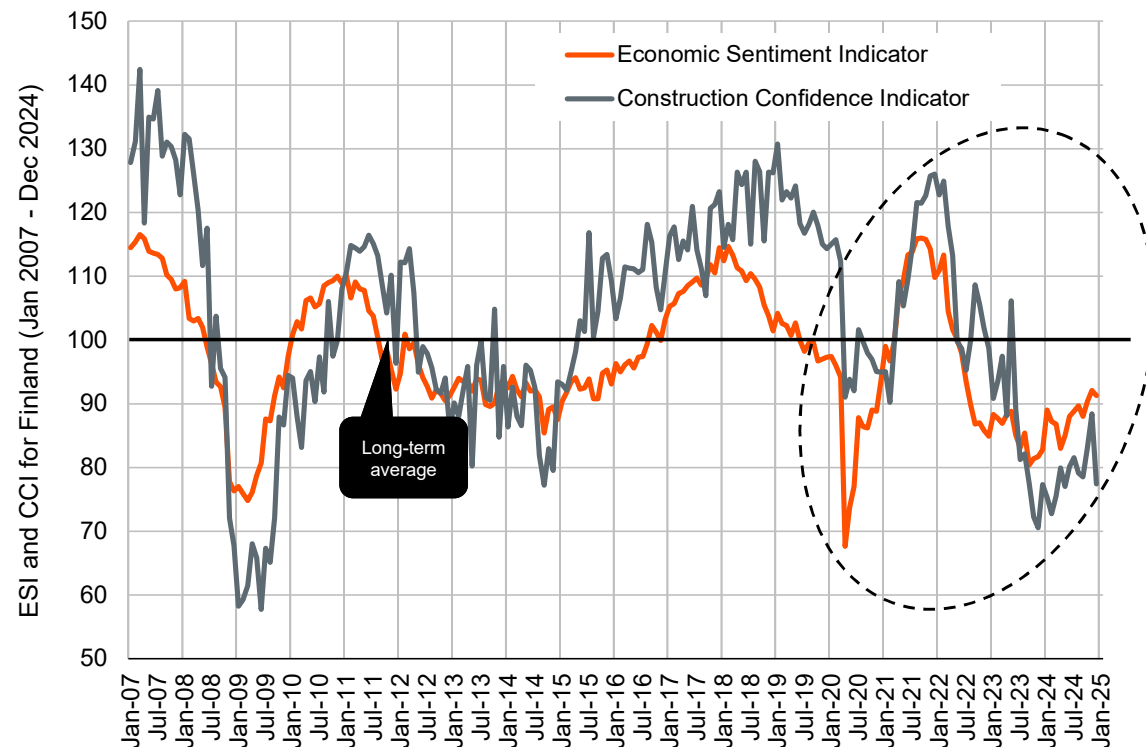
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Economic sentiment and construction confidence in Finland clearly below their long-term average levels

Economic Sentiment and Construction Confidence / Finland (2007 – 12/2024)



Note: Mean-adjusted figures

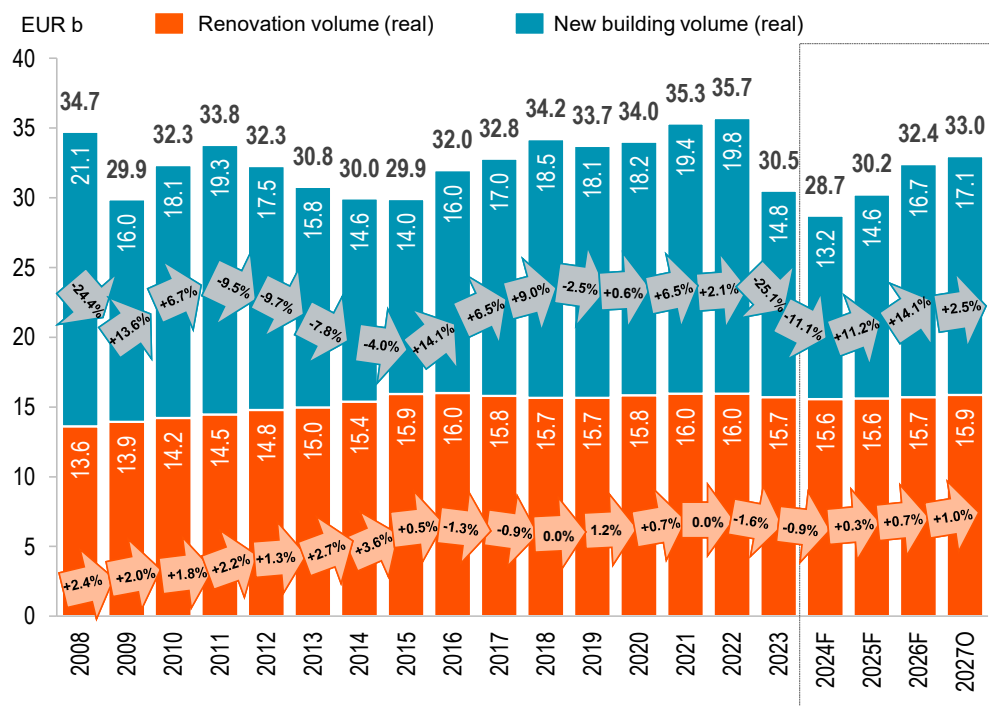
Source: European Commission, December 2024

Comments

- Economic Sentiment Indicator (ESI) clearly below its long-term average level
 - Driven by a deterioration in confidence in all surveyed business sectors (industry, services, consumer, retail trade and construction)
- Construction confidence indicator (CCI) still at a low level at the end of Q4/2024
 - CCI clearly below its long-term average level
 - The construction confidence in Finland one of the lowest among the European Union countries

Housebuilding construction output is estimated to decline by approximately 6 percent in 2024 whereas renovation volume is projected to decline by 0.9% in 2024 (Euroconstruct)

Finnish new building and renovation market development 2008 – 2027



Source: Euroconstruct, December 2024

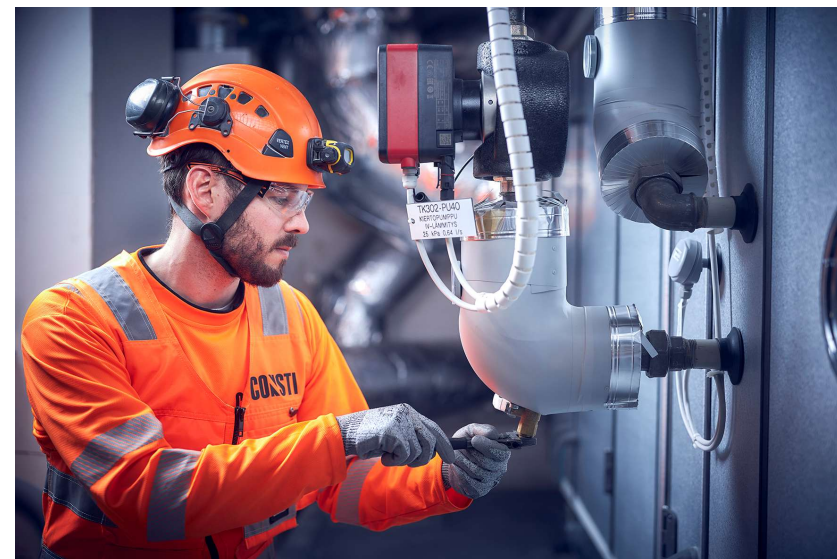
Confederation of Finnish Construction Industries RT (CFCI), September 2024

Comments

- According to the Euroconstruct's December 2024 report the housebuilding construction output is estimated to decline by approximately 6 percent in 2024
- Euroconstruct estimates that renovation volume declined by approximately 0.9 percent in 2024 and the Confederation of Finnish Construction Industries RT (CFCI) estimates decline of 4 percent
- According to the Euroconstruct's December 2024 report, new building volume is estimated to decline by 11 percent in 2024
- Euroconstruct estimates that the housebuilding construction output will grow by 5.3% and renovation by 0.3 percent in 2025
- In general, renovation is more needs-oriented and less sensitive to economic cycles than new construction

Outlook and guidance for 2025

- According to forecasts, the renovation market is expected to return to moderate growth. Euroconstruct's growth forecast is 0.3 percent, while RT's is 1.0 percent.
- Euroconstruct predicts a slight increase in the value of residential building renovation and, correspondingly that the value of other renovation will decrease slightly.
- Euroconstruct forecasts a 5.3 percent growth for housebuilding construction in 2025. After a weak comparison year, new housing construction is expected to grow by about 26 percent. Non-residential construction is expected to grow by 2 percent.
- The continued weak demand for new construction has maintained tight competition for renovation projects and building technology contracts.
- The demand outlook for construction is weakened by interest rates, persistently high construction costs, and tighter availability of financing, and Consti does not expect a significant improvement in construction demand prospects during the first half of 2025.
- Supported by a healthy order backlog, Consti aims to maintain solid performance while focusing on the implementation of its updated strategy.



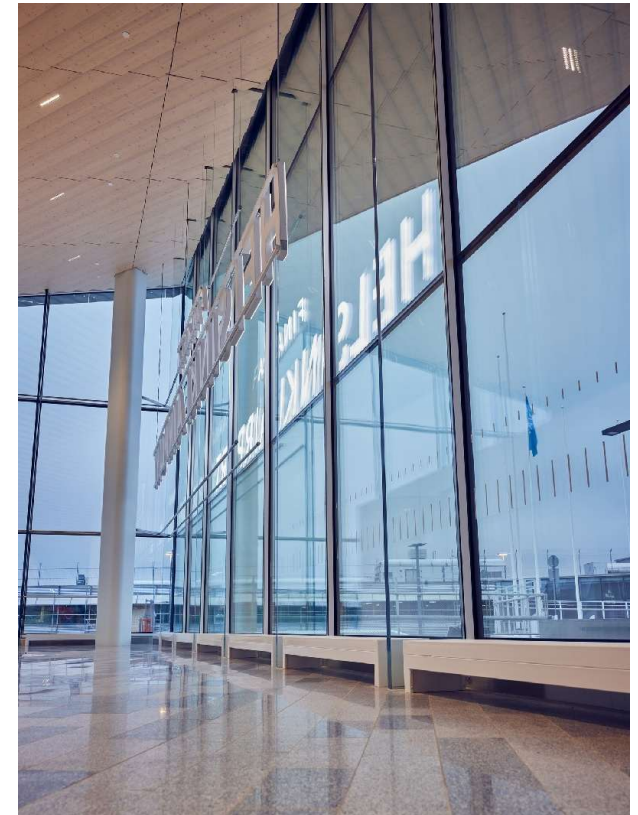
- **"Consti estimates that its operating result for 2025 will be in the range of EUR 9–12 million."**

Summary of FY 2024

1. A reasonable financial year in a challenging market
2. Net sales continued to grow in FY 2024, order intake during FY 2024 EUR 259m, order backlog EUR 240.1m at YE 2024
3. Despite the prevailing market conditions and the sharply intensified competition, Consti has been able to maintain a reasonable level of profitability in 2024
4. Financial and liquidity positions remained at a good level, The Board of Directors proposes a dividend of EUR 0.70 per share
5. Despite the market conditions, Consti aims to continue its solid performance supported by a healthy order backlog and focus on the implementation of its updated strategy

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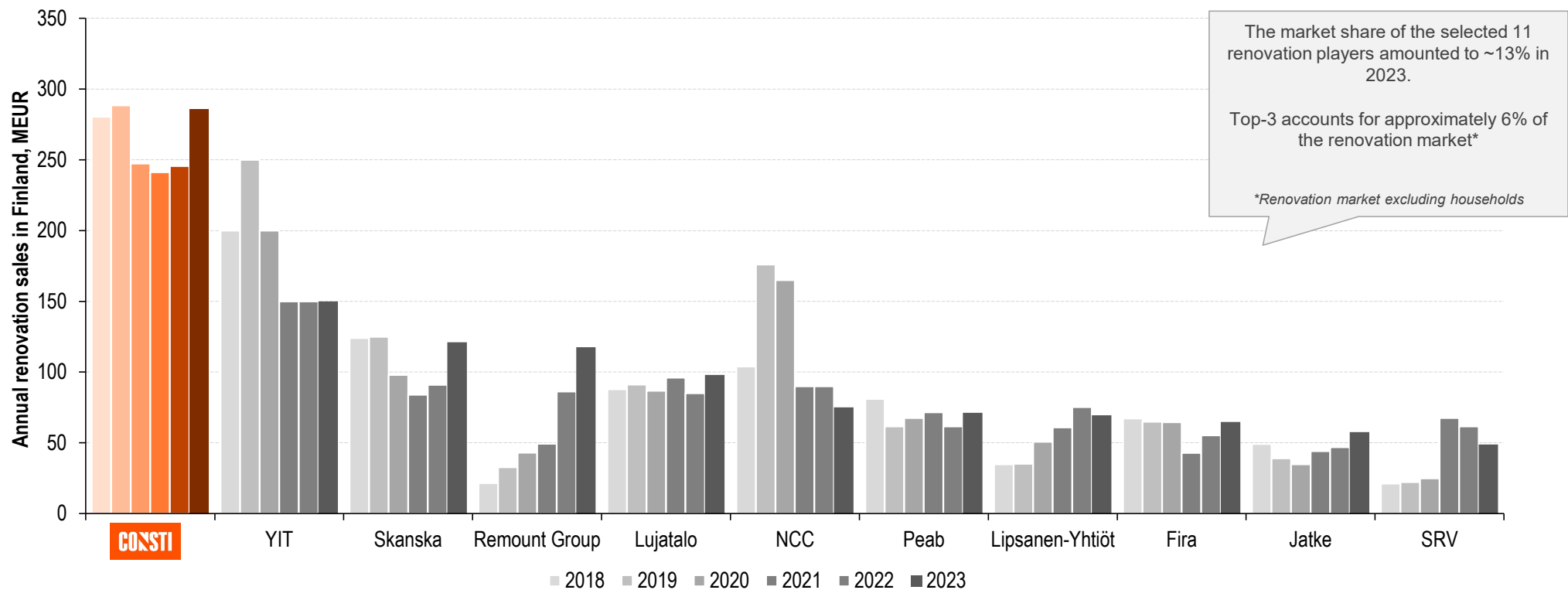
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Net sales development of the Finnish largest renovation players 2018-2023

Consti continues to be the largest renovation player in Finland. The combined net sales of the selected renovation companies grew by 10.6% in 2023

Net sales development of the Finnish largest renovation players 2018-2023 (MEUR)

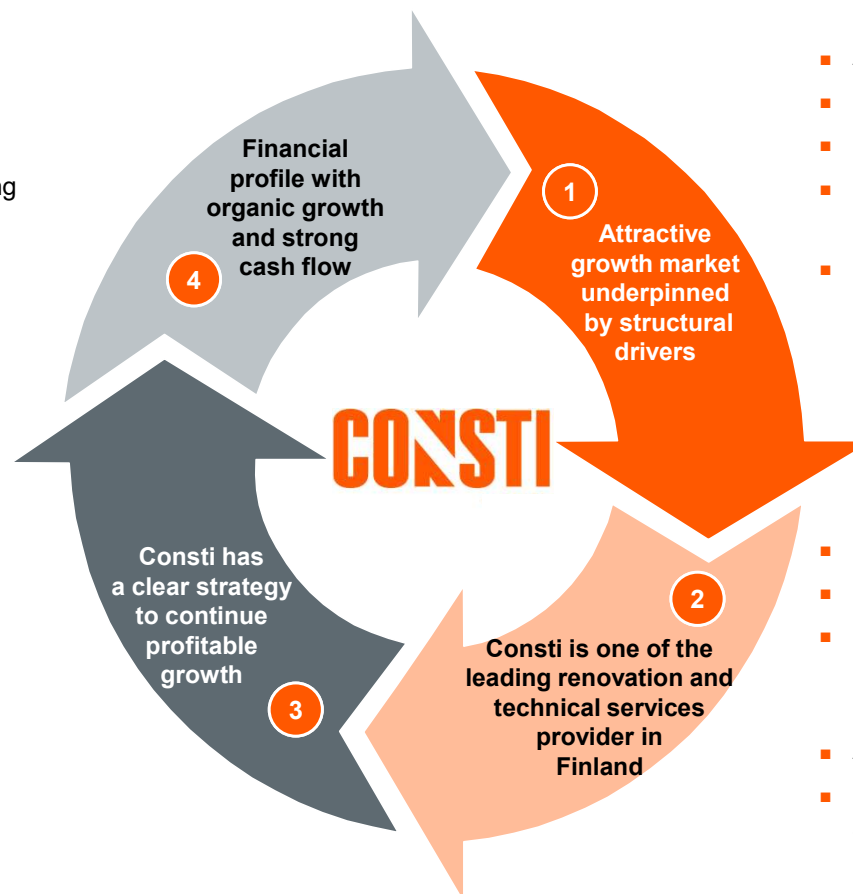


Source: Rakennuslehti

Consti as an investment - Key investment highlights

- Successful turnaround since 2019
- Steadily improving profitability
- Solid platform for future growth
- Asset-light business model with negative working capital and strong cash flow

- Utilising the full potential of customer-oriented organisational structure
- Growing in existing businesses as well as in attractive new construction projects
- Expanding value created for customers
- Improving production efficiency and maintaining steady level of performance in project deliveries
- Complementary acquisitions



- Aging building stock driving need-based renovation
- Climate change and energy efficiency requirements
- Urbanisation and changes in working methods
- Increased need for building technology and automation
- Fragmented market with limited renovation focused players

- Comprehensive service offering
- Focus on Finnish growth centres
- Diversified customer base including housing companies, corporations, real estate investors and public sector
- Ability to deliver projects of all sizes
- Responsible company creating a clearly positive overall impact on its social and ecological environment

A worker in an orange high-visibility jacket and helmet stands with their back to the camera at night. The jacket has the word 'CONSTI' printed on the back. The background is a blurred city street at night with various lights.

CONSTI

THANK YOU!

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