

Luotea

# Luotea – a leading facility services platform

26 November 2025



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You should carefully read the section captioned "Risk Factors" in the demerger and listing prospectus, as well as the section captioned "Risks and risk management" of the Demerging Company's 2024 Annual Report published on 5 March 2025, and the risks detailed in the Demerging Company's most recent interim report published on 29 October 2025.

This presentation includes forward-looking statements which are based on present plans, estimates, projections and expectations and are not guarantees of future performance. These forward-looking statements are subject to numerous risks, uncertainties and assumptions, including risks relating to the contemplated Demerger and its completion. These forward-looking statements reflect knowledge and information available at, and speak only as at, the date they are made, which, even though they seem to be reasonable at present, may turn out to be incorrect. Except as required by law, neither the Demerging Company nor Luotea, nor any of their respective affiliates, advisors or representatives or any other person, undertake any obligation to update or revise publicly any forward-looking statements after the date hereof. Readers are cautioned not to place undue reliance on such forward-looking statements.

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The Demerging Company's revenues, costs, assets, liabilities, and cash flows are allocated between Luotea and the New L&T based on the Demerging Company's respective historical reporting segments, of which Facility Services Finland and Facility Services Sweden are allocated to Luotea, and Circular Economy Business (Environmental Services and Industrial Services until 1 January 2025) is allocated to the New L&T. As such, the historical segment information of Luotea substantially reflects its business operations, excluding adjustments / consolidation following the Demerger, and the effects of the re-financing of the Demerging Company's long-term debts announced on 27 June 2025, which impact the financial position of both Luotea and the New L&T. Such long-term debts will almost entirely transfer to the New L&T in accordance with the Demerger Plan published on 7 August 2025. The illustrative division of assets and liabilities between Luotea and the New L&T as at 30 June 2025 is presented in more detail in appendix 3 to the Demerger Plan. At the Extraordinary General Meeting, convened to be held on 4 December 2025, the shareholders will resolve on the Demerger in accordance with the division of assets and liabilities laid down in the Demerger Plan (mainly in section 11 and as preliminarily illustrated in appendix 3). Luotea's historical segment financial information included in this presentation may not accurately reflect what Luotea's actual operations, financial position and result of operations would have been, had Luotea presented stand-alone financial information during the periods presented, and they may not be indicative of Luotea's future operations, financial position and/or result of operations.

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The market and industry data and forecasts included in this presentation were obtained from internal surveys, estimates, experts and studies, where appropriate, as well as external market research, publicly available information and industry publications. Statistics, data and other information relating to markets, market sizes, market shares and market positions contained in this presentation are estimates by nature and are based on statistics and information from industry associations and other market data providers, internal financial and operational information supplied by, or on behalf of, the Demerging Company, and publicly available information from other sources. The Demerging Company and its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market and industry data and forecasts or sought to verify that the information remains accurate as at the date of this presentation and neither the Demerging Company, nor its affiliates, directors, officers, advisors and employees make any representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only. Market data included in this presentation and not attributed to a specific source are estimates of the Demerging Company and have not been independently verified. By attending this presentation, you acknowledge that you will be solely responsible for your own assessment of the market and the market position of Luotea and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of Luotea.

# Risk factors

The planning and related measures for the Demerger include risks related to, for example, the retention of skilled personnel, customer relationships, costs, and the execution of potential transactions. There is no certainty that the Demerger will be completed, or the completion may be delayed, and any delay in the completion of the Demerger could result in increased expenses and require increased resources from Luotea's management and other personnel. Luotea's ability to achieve the estimated benefits of the Demerger will depend on its ability to organise its business operations and implement its independent strategy effectively and in a timely manner. The implementation of Luotea's strategy involves certain risks and uncertainties, some of which are outside of Luotea's control, and there can be no assurance that Luotea will be able to implement its strategy as currently expected or to realise any or all of the anticipated benefits of the Demerger. Following the completion of the Demerger, Luotea may not, as an independent entity, be able to maintain the market position that it has achieved as part of the Demerging Company. Should Luotea not be able to organise its operations or implement its independent strategy as currently anticipated and in a timely manner and realise the estimated benefits of the Demerger in the manner or within the timeframe currently anticipated, it could have a material adverse effect on Luotea's business operations, financial position, results of operations, future prospects and/or share price.

Luotea, as a stand-alone company, has not been previously traded on a regulated market or multilateral trading facility and the market price of the shares in Luotea may be volatile, and there may not be an active and liquid trading market for Luotea's shares. General economic uncertainty (including interest rates and exchange rates) may affect the level of economic activity among customers, which may reduce the demand for Luotea's services. Luotea's business is susceptible to economic fluctuations and changing market conditions and variations in the industries of Luotea's customers may affect the demand for Luotea's services and solutions. The geopolitical situation involves continued uncertainty due to Russia's war of aggression and the U.S. customs policy. The indirect impacts on overall economic activity in Finland and Sweden may have a negative impact on Luotea's net sales and result of operations.

Luotea's business lines are competitive. Increased competition or failure in reacting to competitive situations may result in Luotea losing market position. Reductions in the prices of Luotea's services may result from market driven price reductions, market acceptance of new services, or changes in customer preferences, which may result in Luotea losing market position. The competitiveness of Luotea's offering influences Luotea's future growth.

Luotea's merger and acquisition activities expose Luotea to various risks that may have an adverse effect on its business operations.

Luotea operates in a labour-intensive industry and failures in recruiting skilled personnel, losing senior managers or key employees or other disruptions in the availability or work capacity of personnel may adversely affect Luotea's business, and it may fail to recruit and retain people with the required skill set. A permanent increase in sickness rates and the personnel's disability and accident pension costs may negatively affect Luotea's competitiveness and profitability.

Luotea's business is sensitive to fluctuations in the pricing and supply of materials, raw materials, and capital goods.

Luotea's operations and services rely largely on data networks and digital solutions, and any malfunctions in and breaches or attacks targeting such networks and solutions as well as potential failures in information system development projects as well as lack of adequate data processing agreements may adversely affect the business operations and financial position of Luotea and lead to reputational damage.

These risk factors also expressly qualify all forward-looking statements contained in this presentation and should be considered by the reader. New risks can arise, and it may not be possible for management to predict all such risks, nor to assess the impact of all such risks on Luotea's business or the extent to which any individual risk, or combination of risks, may cause results to differ materially from any forward-looking statement contained in this presentation.

# Luotea capital markets day



## **12:30 - Start**

- Luotea as an investment
- Large and resilient growth markets
- Operating model enabling growth
- Sticky customers with repositioned contract portfolio
- Executing our profitability playbook

## ***Q&A session***

### ***Break***

- Accelerating our growth journey
- Financial highlights

## ***Q&A session***

### ***Closing remarks***

## **15:00 – End of session**

# Today's speakers



**Antti Niitynpää**  
CEO



**Erja Heiskanen**  
Business director – *Cleaning and support services Finland*



**Mika Stirkinen**  
CFO



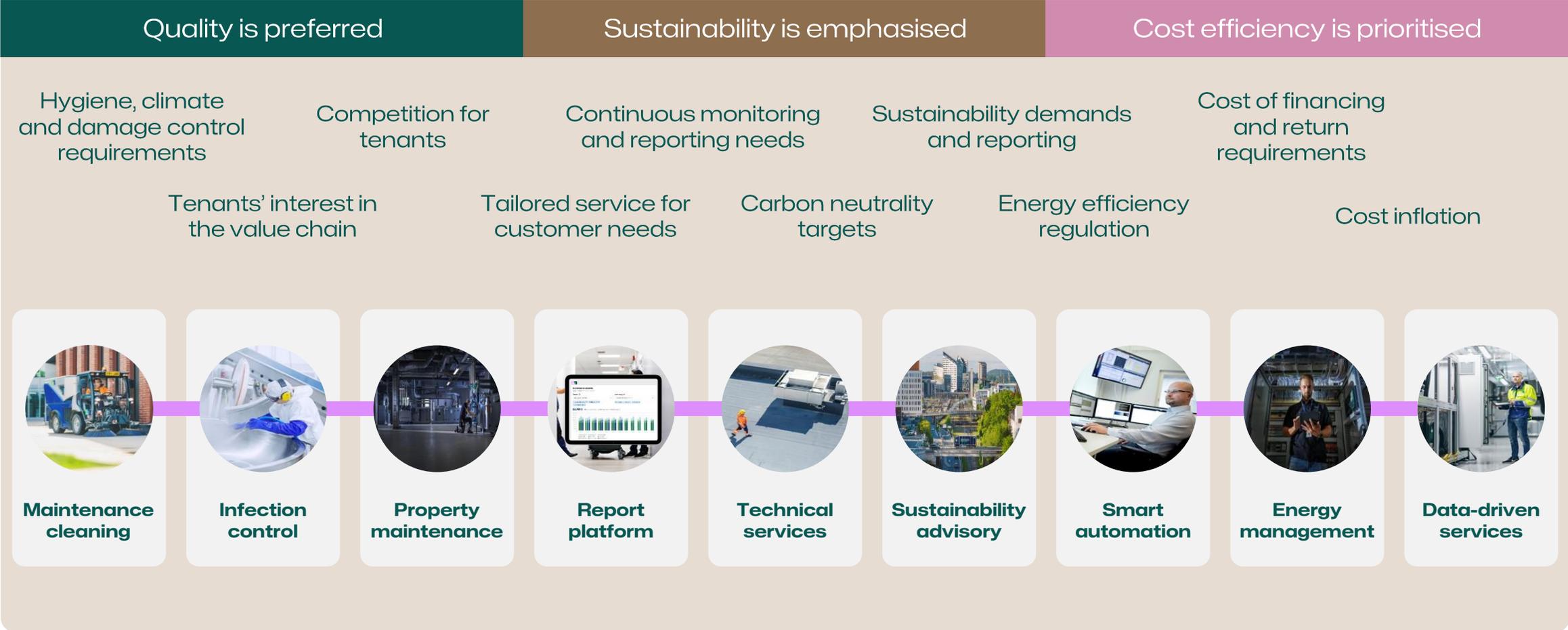
**Jani Lindström**  
Business director – *Property maintenance and technical services Finland*

# Luotea

Luotea as an  
investment



# We improve the value of properties and end-user experience



Source: Luotea management

Luotea

# Attractive value creation potential for Luotea

Promising avenues for growth

## Attractive market fundamentals for Facility Services...

- **EUR ~12bn** market with above-GDP growth
- **Recurring** necessity services – drives resilience and visibility
- **Asset-light** with strong cash flow and ROCE characteristics

## Growth drivers

Energy efficiency regulation and general sustainability requirements

Digitalisation and growth in building technology

Maintenance debt

Outsourcing

## ...offering a significant profitable growth pathway for Luotea

- **Cross- and up-sales** in a comprehensive Nordic facility services platform
- **Unique data-driven services and energy efficiency** technology platform spearheading growth
- **Significant margin upside** with a proven playbook

# Luotea – a leading facility services platform positioned for profitable growth

## Luotea key highlights



**EUR 347m**

Net sales



**Top-3 position**

In Finland



**9% / 6%**

Adj. EBITDA/EBITA margin in Finland



**75%**

Return on capital employed in Finland<sup>1)</sup>



**97%**

Re-occurring natured revenue<sup>2)</sup>



**~5,000**

Employees

## Comprehensive offering with nationwide presence

Net sales breakdown (2024)

Technical services

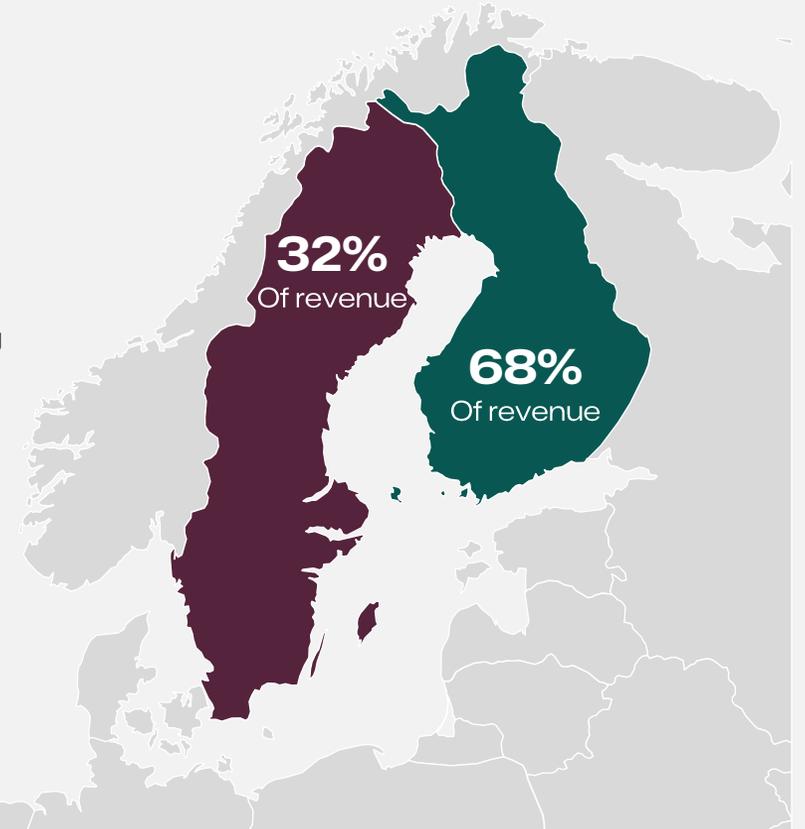
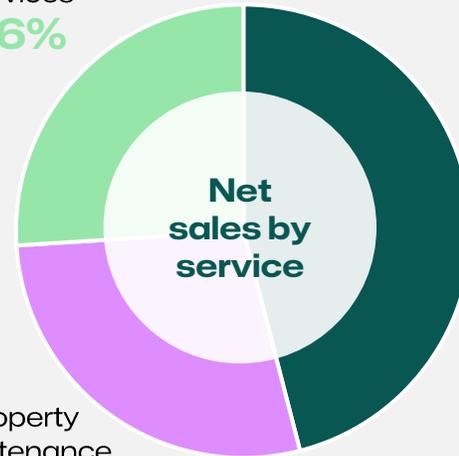
**26%**

Property maintenance

**28%**

Cleaning and support services

**46%**



Note: Figures presented correspond to Lassila & Tikanoja Facility Services segment numbers from Q3 LTM 2025 unless otherwise mentioned; 1) figure at Q3 2025; 2) figure from 2024A  
Source: Luotea management; Orbis; Annual reports

# Management team



Antti Niitynpää

CEO



Mika Stirkinen

CFO



Tom Lindgren

Director – strategy,  
sustainability and  
development



Jami Pohja

HR



Heikki Eskola

Legal, EHSQ



Erja Heiskanen

Business director –  
cleaning and support  
services



Jani Lindström

Business director –  
property maintenance  
and technical services



Mikko Taipale

Business Director –  
Sweden



Ivo Kukavica

CIO<sup>1)</sup>



Minttu Vilander

Communications and  
brand<sup>1)</sup>

1) Part of extended management team  
Source: Luotea management

# Financial targets



## Revenue growth

Average annual organic growth of **4-5%** in the mid-term

## Profitability

Adjusted EBITA margin exceeding **5%** in the mid-term

## Cash flow

Operating free cash flow of over **90%** of EBITA in the mid-term

## Dividend policy

Dividend payout at least **50%** of net profit

# Key Investment Highlights



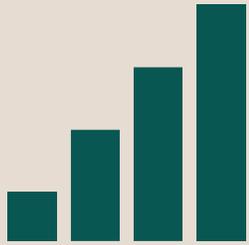
- 1 Large and resilient growth markets
- 2 Strong position with differentiated spearhead offerings
- 3 Diversified and sticky customers with healthy contract portfolio
- 4 Margin expansion through an improved operating model
- 5 Significant upside from large customer base and innovation-enabled offering
- 6 Contracted business model with potential for high cash generation and capital returns

# Luotea

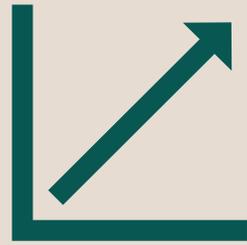
## Large and resilient growth markets



# Large and resilient growth markets



Large growing market that exceeds GDP growth

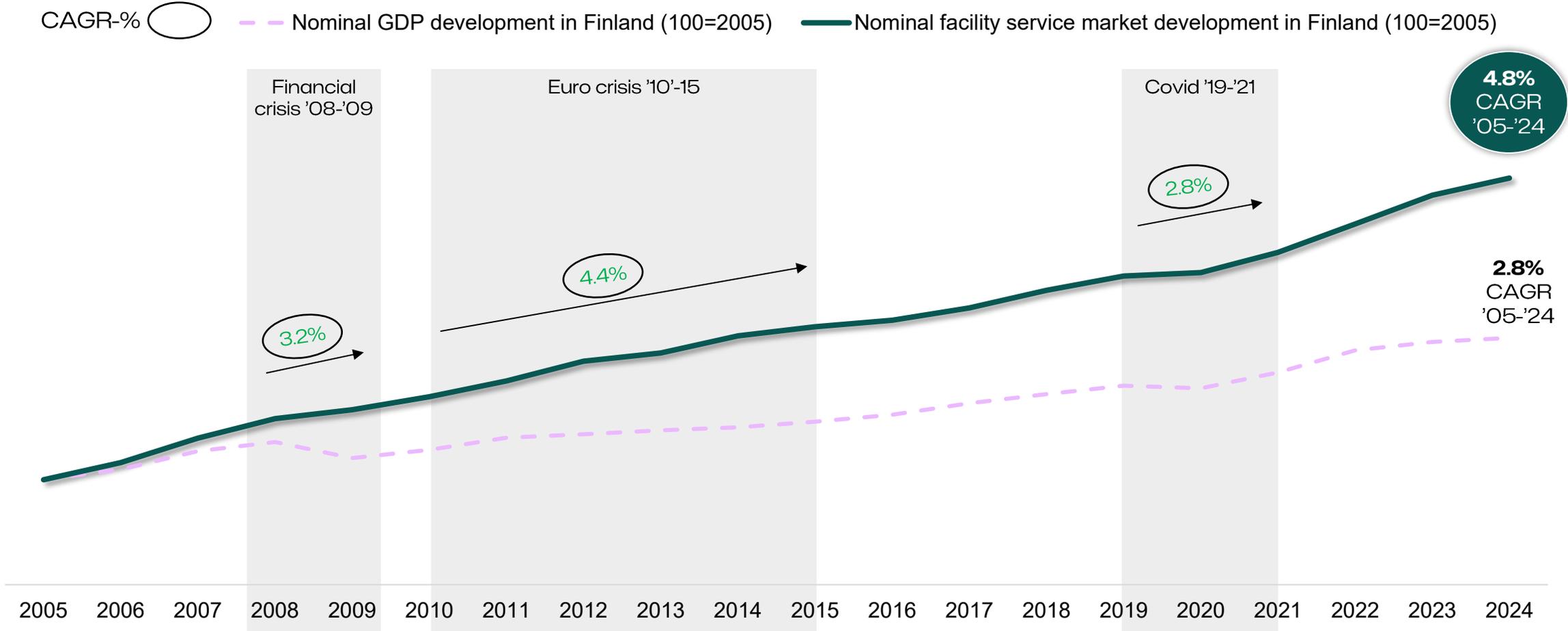


Strong visibility and resilience through business cycles



Digitalisation and tightening regulation favouring large market players

# Facility services market has shown stable and above GDP growth over decades

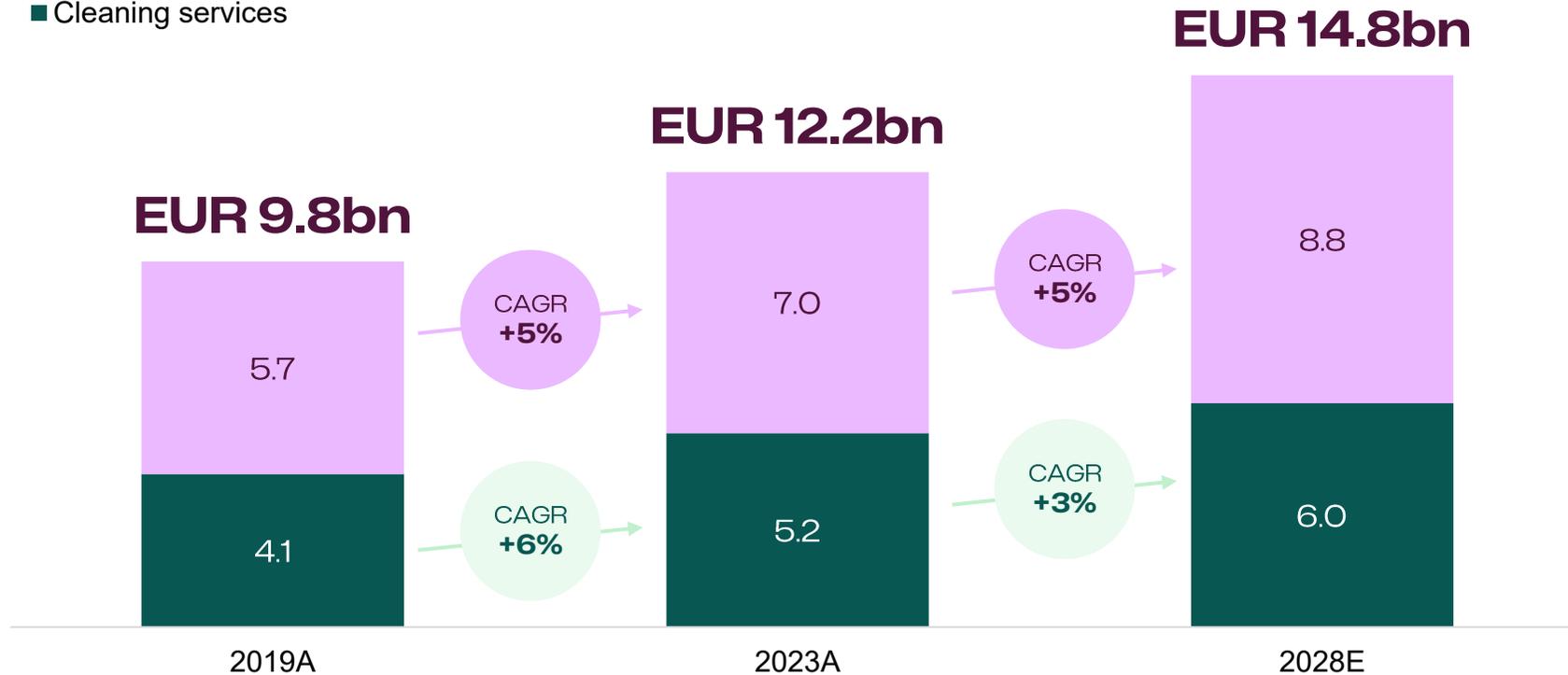


Source: Statistics Finland

# Large and resilient facility services market

## Attractive and growing market<sup>1)</sup>

- Property services<sup>2)</sup>
- Cleaning services

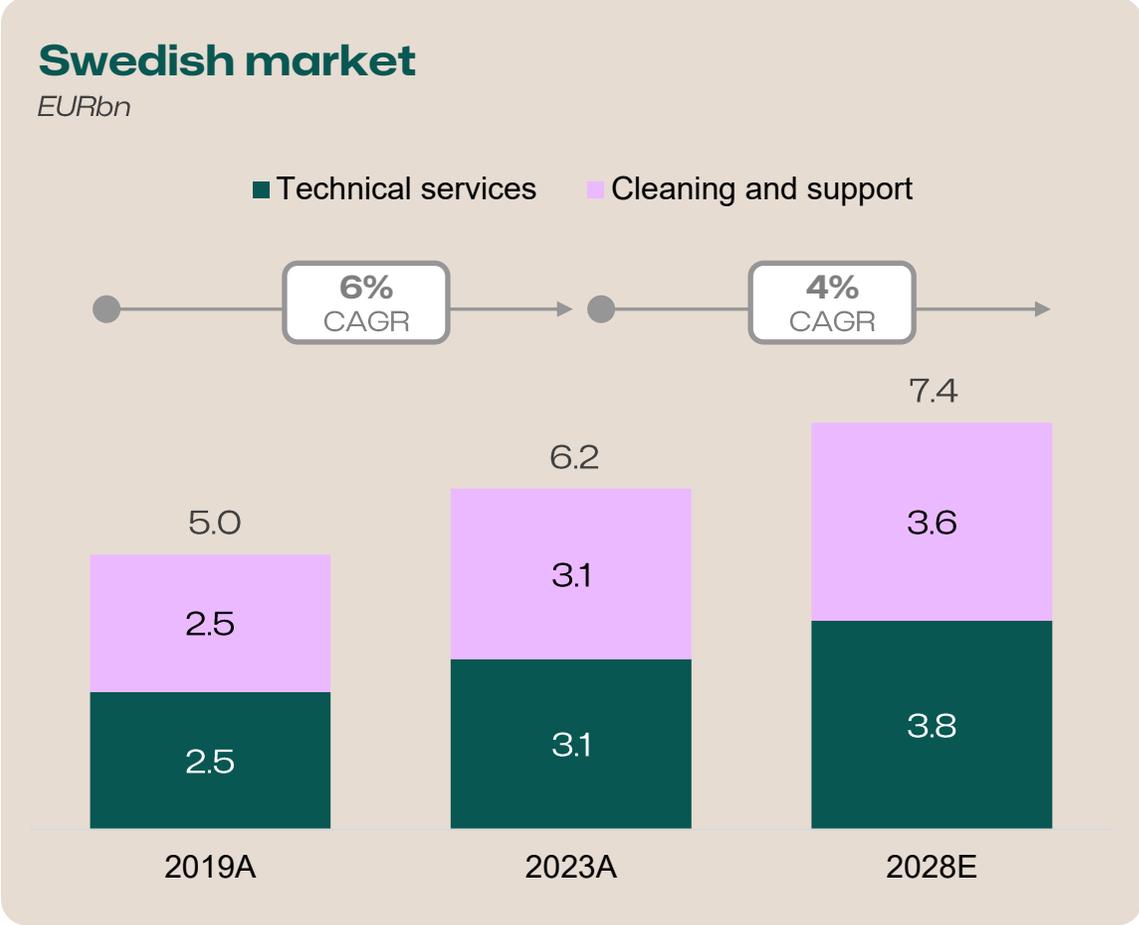
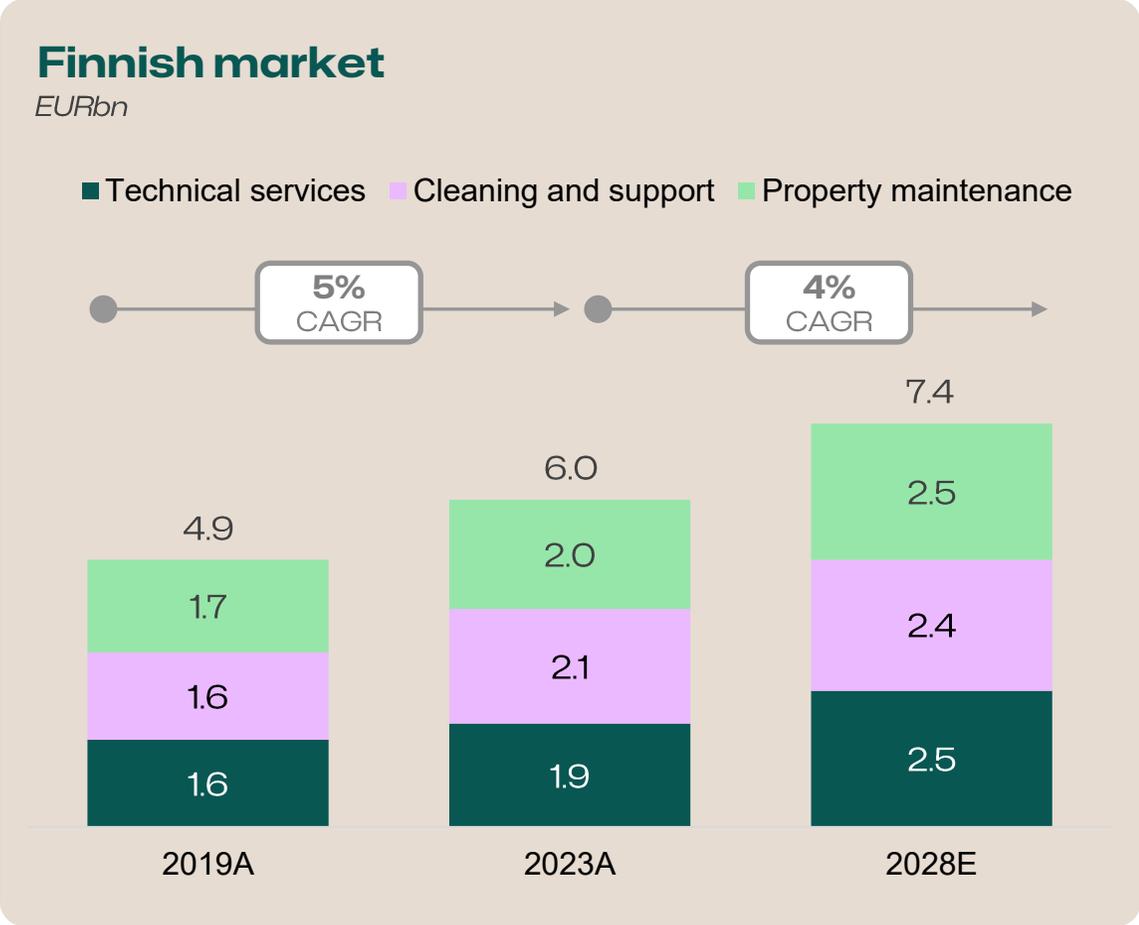


## Strong market growth drivers

- Energy consumption regulation
- Digitalisation and automation
- Buildings becoming increasingly technical, and regulations tightening
- Maintenance backlog and public sector outsourcings

1) Finland and Sweden combined; 2) Includes property maintenance and technical services in Finland and technical services in Sweden  
Source: Luotea management; Statistics Finland; KTI; Repab Fakta; Prognoscenteret; World Bank

# Market growth is driven by increasing outsourcing, floorspace and median spend



Source: Statistics Finland; KTI; Repab Fakta; Prognoscenteret; World Bank; Third party market study

# Strong market position in the fragmented Nordic market

## Cleaning and support services

Market share Finland & Sweden (2023)



### Key Competitors



## Property services<sup>1)</sup>

Market share Finland & Sweden (2023)



### Key Competitors



1) Property maintenance and technical services combined; 2) In Finland  
Source: Luotea management

# Luotea will benefit from upcoming regulatory development

## Energy consumption regulation

**8,500** Buildings in Finland must install an intelligent property system by 2025

**Year 2026** All new public buildings must be emission-free

**Year 2028** All new (non-residential) buildings must be emission-free

## EU sustainability regulation

**55%** EU greenhouse gas emission reduction target for 2030

**11.7%** EU energy consumption reduction target for 2030

**Year 2024-** New EU sustainability reporting standards launched<sup>1)</sup>

## Reform of public procurement legislation

**Year 2026** New procurement legislation expected to come into force

**10%** Minimum ownership threshold for procuring from in-house companies

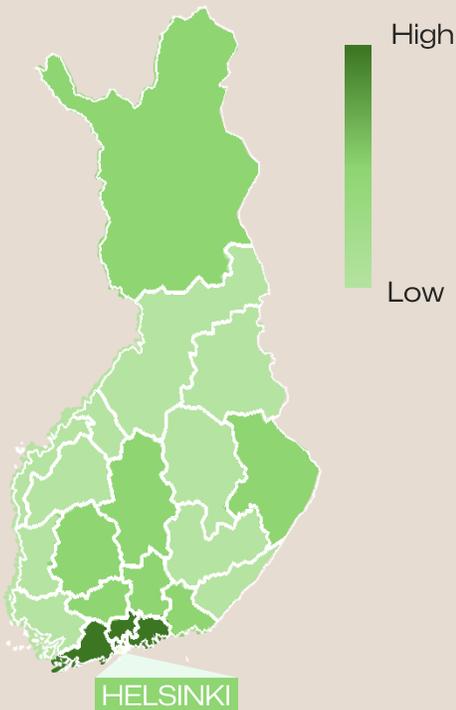
Public tendering to be renewed if only a single offer is received

<sup>1)</sup> Corporate Sustainability Reporting Directive  
Source: Luotea management

# Upcoming outsourcing in the public sector provides additional market growth potential

Increasing pressure to outsource support services in wellbeing services counties provides a significant growth opportunity

Outsourcing level



**EUR 1.5 - 3bn**  
Value of services produced by public companies affected by changing regulation

Outsourcing of support services taking priority, with changes in procurement legislation accelerating change

Tendering processes are on-going in several wellbeing services counties while others are expected to follow

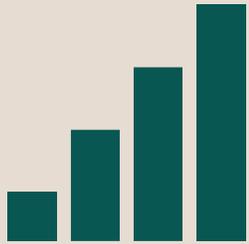
County	Service	Contract length	Estimated value
 HUS	Property maintenance	4 years	EUR 80m
 ELOISA <small>Etelä-Savon hyvinvointialue</small>	Cleaning and catering	5 years	EUR 10m
 Itä-UUSIMAA <small>Östra NYLAND</small>	Cleaning	5 years	EUR 10m
 lapha.fi	Cleaning	5 years	EUR 6m

Source: Luotea management; wellbeing services counties' annual reports

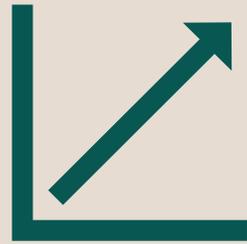
# Industry trends favouring large players - Luotea is well positioned

Market trends	Development drivers	Luotea impact
 <b>Sustainability</b>	Market and regulation requires organisations to adopt sustainable practices	
 <b>Energy consumption regulation</b>	The rise in data collection and carbon footprint transparency is driving demand for carbon-management services	
 <b>Digitalization and automation</b>	Changing use of buildings and customer targets of optimizing costs driving demand for more efficient solutions	
 <b>Public sector outsourcing</b>	Rising pressure to outsource support services in wellbeing counties and changes in procurement legislation drive public sector outsourcing	
 <b>Full-service offering</b>	Public sector and large companies prefer service providers with national coverage for comprehensive services and accountability	

# Large and resilient growth markets



Large growing market that exceeds GDP growth



Strong visibility and resilience through business cycles



Digitalisation and tightening regulation favouring large market players

# Luotea

## Operating model enabling growth



# Uniquely positioned in the facility services market...

## Cleaning and Support Services



**EUR ~160m**  
(46% of total sales)



**Data-driven services**

## Property Maintenance



**EUR ~100m**  
(28% of total sales)



**Sustainability advisory**

## Technical Services



**EUR ~90m**  
(26% of total sales)



**Energy efficiency**

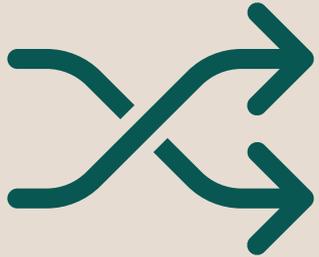
Net sales  
2024 (% of  
Group sales)

Spearhead  
offering

→ Cleaning and spearheads driving growth in entire facility service value chain

Note: 2024 figures  
Source: Luotea management

# ...based on full-service offering, differentiated digital solutions and skilled employees



Cross-sell opportunities through full-service offering



Contracted operations with unique segment capabilities

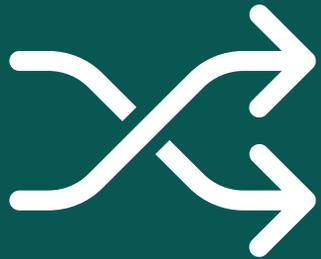


Differentiated spearhead offering and front-runner in digital solutions

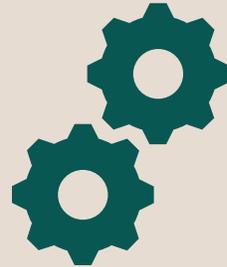


Satisfied and skilled employee base

# Cross-sell opportunities through full-service offering



Cross-sell opportunities through full-service offering



Contracted operations with unique segment capabilities



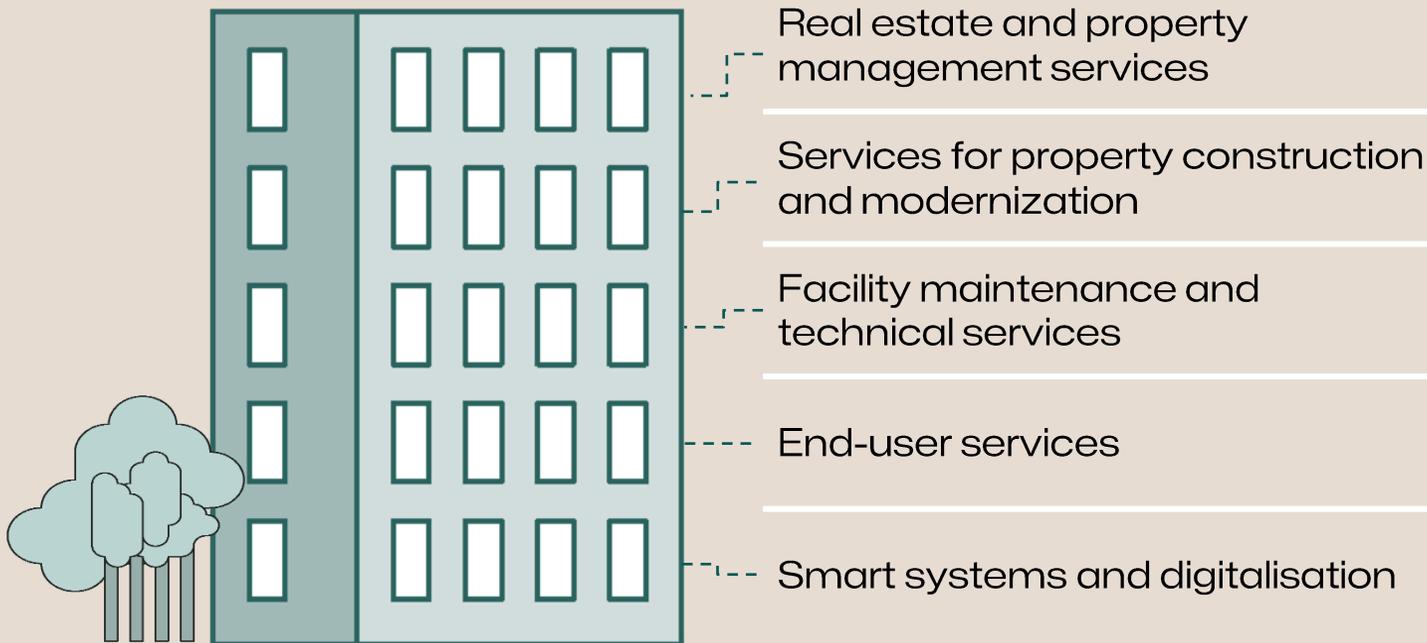
Differentiated spearhead offering and front-runner in digital solutions



Satisfied and skilled employee base

# Full-service offering with significant cross-sell potential in current customer base

## Luotea has a full-service offering within facility services

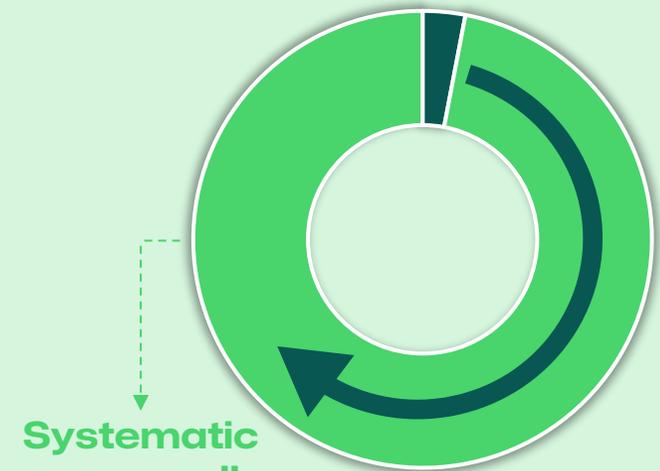


Partnership network in place to cater for all specific customer needs

## Potential to further increase top-line through up-sell and cross-sell

Share of Luotea customers<sup>1)</sup>

**Under 5%**  
of customers utilizing  
all service lines



<sup>1)</sup> in Finland  
Source: Luotea management

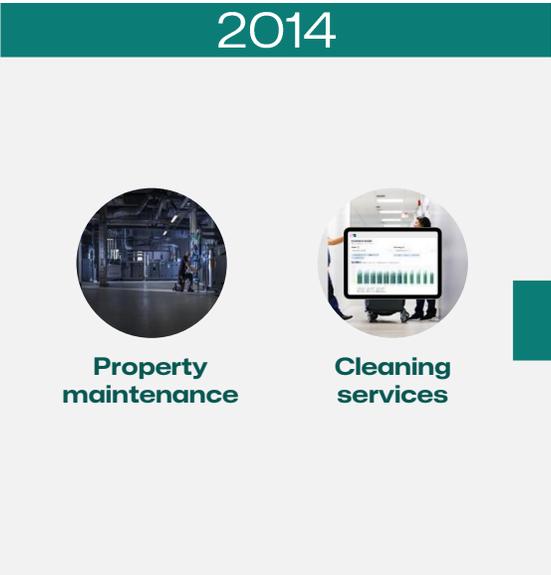
# Case study: Valmet – Extensive use of Luotea’s integrated facility service portfolio



**2014**  
Beginning of the customer relationship

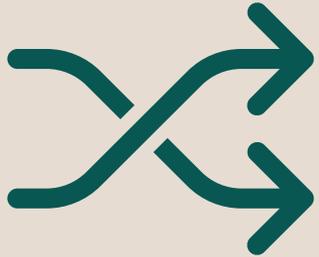
**7**  
New sites added during the customer relationship

**+30%**  
Increase in the customer contract value<sup>1)</sup>



<sup>1)</sup> From 2015 to 2025  
Source: Luotea management

# Contracted operations with unique segment capabilities



Cross-sell opportunities through full-service offering



Contracted operations with unique segment capabilities



Differentiated spearhead offering and front-runner in digital solutions



Satisfied and skilled employee base

# Cleaning and support services

## Service offering overview



- Maintaining the everyday cleanness
- Data-driven cleaning



- Cleaning of production lines and areas
- Washing of equipment



- Office and personal assistant services
- Courier and mailing services
- Retail support services



- Complementary cleaning services



- Home aid
- Logistical support
- Hospital cleaning services

Net sales EUR **~160m** (46% of total sales) | Expected market growth EUR **400m** by 2028<sup>1)</sup>

<sup>1)</sup> In Finland and Sweden from 2025 to 2028  
Source: Luotea management

## Current operating sectors

 Private social and health sector

 Public social and health sector

 Food industry

 Forest industry

 Public sector

 Trade and logistics

 Housing

 Offices

# Property maintenance

## Service offering overview



### Facility management

- Tailored service
- Real estate manager responsible of property maintenance and operation



### Indoor maintenance

- Repair, maintenance, inspections, observations, door opening



### Janitorial services

- Tailored service where janitor takes overall responsibility of the property



### Outdoor maintenance

- Seasonal outdoor area services



### Green care

- Green area maintenance and constructions, expert services



### Winter maintenance

- Snow removal, sanding, roof snow removal, snow transport

Net sales EUR **~100m** (28% of total sales) | Expected market growth EUR **300m** by 2028<sup>1)</sup>

<sup>1)</sup> In Finland from 2025 to 2028  
Source: Luotea management

## Current operating sectors



Mechanical engineering industry



Forest industry



Public sector



Trade and logistics



Housing



Offices



Construction

# Technical services

## Service offering overview



### Energy management

- Energy manager services
- Smartti
- Energy efficiency



### HVAC and plumbing

- Ventilation services and piping work



### Electrical works

- Expert services, installation, electrical traffic



### Automation

- Installation, repair, maintenance, modifications



### Fire safety

- Expert services, installations, modifications, maintenance



### Cooling

- Convenience store systems, cooling systems, heat pumps

Net sales EUR ~**90m** (26% of total sales)

Expected market growth EUR **700m** by 2028<sup>1)</sup>

<sup>1)</sup> In Finland and Sweden from 2025 to 2028  
Source: Luotea management

## Current operating sectors



Housing



Healthcare



Forest industry



Mechanical engineering industry

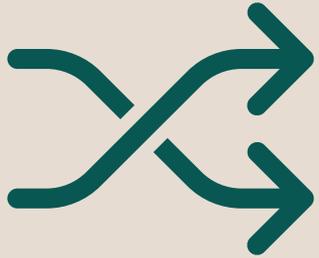


Public sector



Trade and logistics

# Differentiated spearhead offering and front-runner in digital solutions



Cross-sell opportunities through full-service offering



Contracted operations with unique segment capabilities



Differentiated spearhead offering and front-runner in digital solutions



Satisfied and skilled employee base

# Unique portfolio of spearhead services driving impact both internally and externally

## Data-driven services



The data-driven model enhances efficiency by identifying high-usage areas, enabling real-time tracking via a mobile app and streamlining planning

## Energy efficiency



Smartti is a new generation intelligent energy management system that takes properties directly to the climate-smart era

## Sustainability advisory



Teaming up with clients to design sustainability roadmaps and secure energy savings with a commitment to delivering planned outcomes

Selected customers:

**VAISALA**

**TECHNOPOLIS**

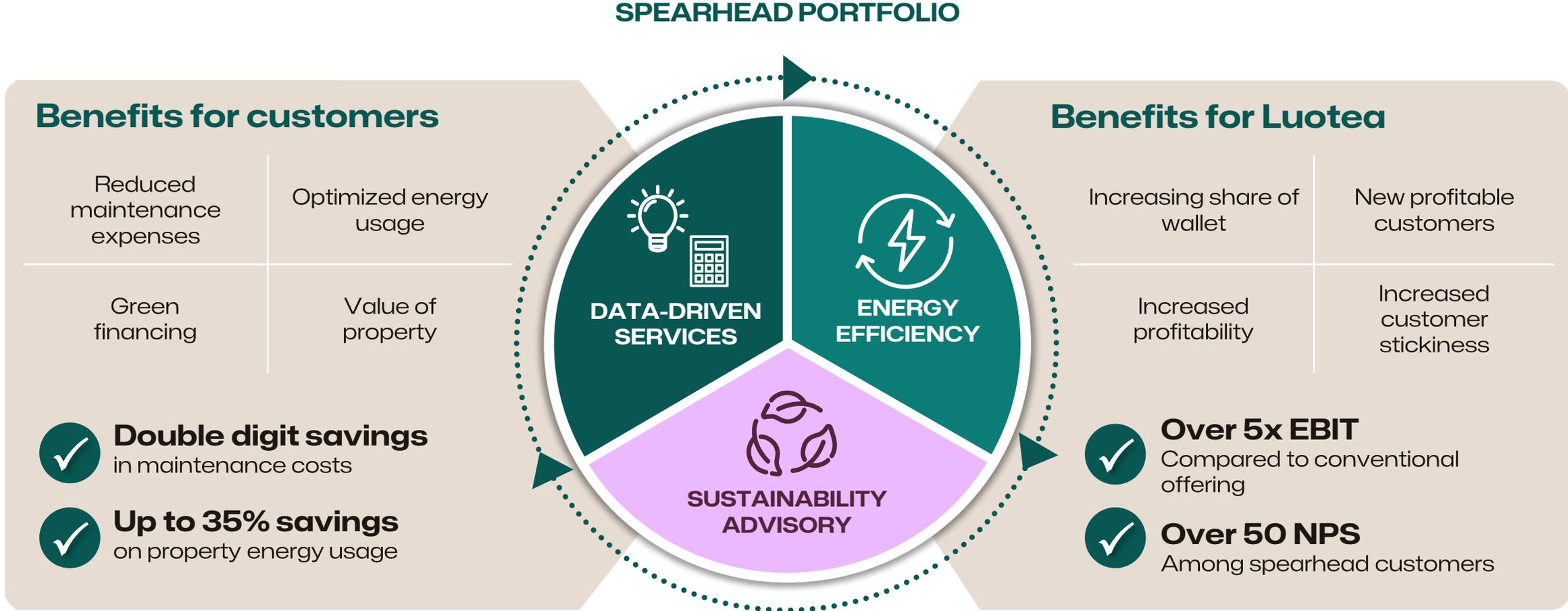
 **SENAATTI**

**Valmet** 

**posti**

**meira**

# Spearhead offering creating significant benefits for both customers and Luotea



Source: Luotea management

# Case study: Data-driven cleaning is in use at Vaisala Vantaa buildings



Identification of service need with data-driven approach



Better situation awareness enables efficient resource allocation



Improved efficiency reducing the workforce needed



Reduced workforce means cost savings for the customer

”

” Using a single partner for all property services provides us with flexibility and improves our service portfolio management processes. This enables us to simplify and expand our property services at our Vantaa office. Energy efficiency and the circular economy are also important to us from the perspective of climate actions.”

**Jouni Parhankangas, Property manager, Vaisala**



# Case study: Energy-efficient Technopolis



**8%**

decrease in property  
electricity  
consumption



**23%**

decrease in heating  
consumption



**271 t**

decrease in annual  
CO<sub>2</sub> emission



**Energy excellence  
recognition<sup>1)</sup>  
for Technopolis**

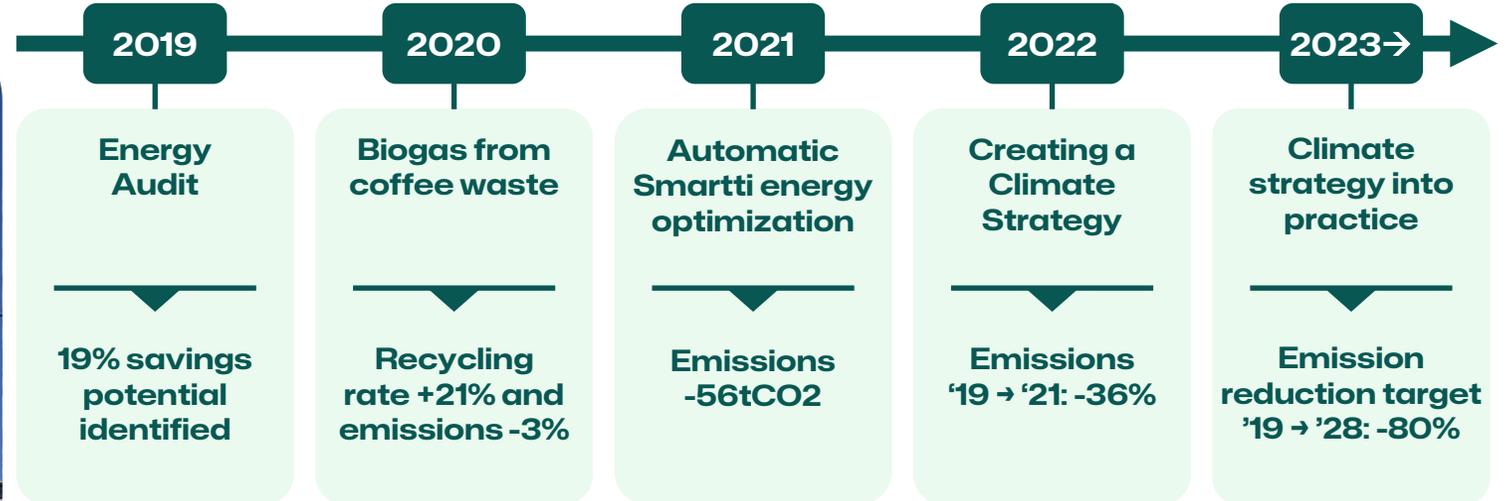
”

Over the years, we have tested various energy management systems. Through the pilot of Luotea Smart Automation, we managed to achieve significant operational cost savings while maintaining optimal indoor conditions. Therefore, we have expanded the use of Smart to several of our properties.

**Ismo Myllymäki, Group Property Manager, Technopolis**

<sup>1)</sup> Granted by the Ministry of Economic Affairs and Employment, the Energy Authority and Motiva  
Source: Luotea management

# Case study: Helsinki-based coffee and spice producer

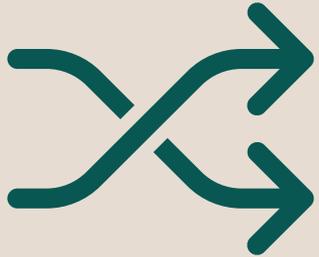


”

Luotea played a central role in the creation of Meira's climate strategy. The cooperation has been professional, forward-looking and customer-oriented. We especially like the fact that now that the plan is clear, Luotea is also a strong support for us during the implementation phase of the strategy.

**Heidi Päiviniemi, Director - Strategy sustainability and communications, Meira Oy**

# Satisfied and skilled employee base



Cross-sell opportunities through full-service offering



Contracted operations with unique segment capabilities



Differentiated spearhead offering and front-runner in digital solutions

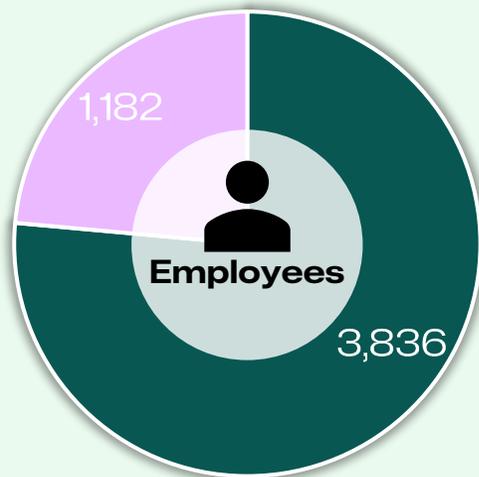


Satisfied and skilled employee base

# Unique and efficient operating model with ~5,000 facility services professionals

## Luotea employs ~5,000 facility services professionals

- Finland
- Sweden

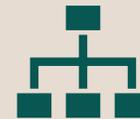


Strong employer image

Experience in sourcing employees globally

Healthy and satisfied employee base

## Unique and efficient operating model



Clear roles and responsibilities to reduce span of control levels

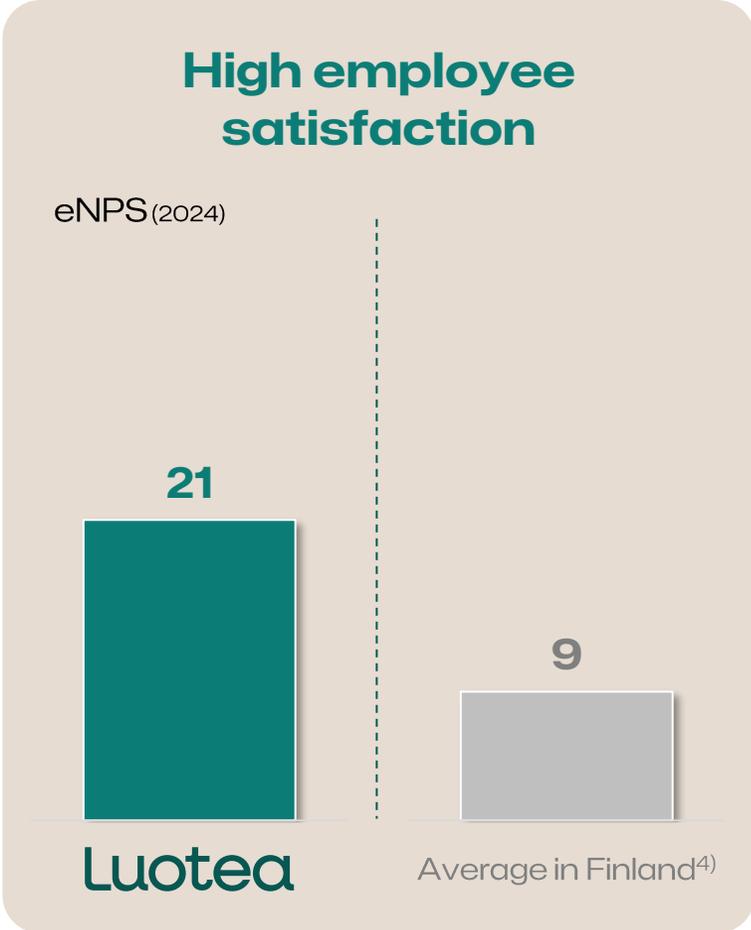
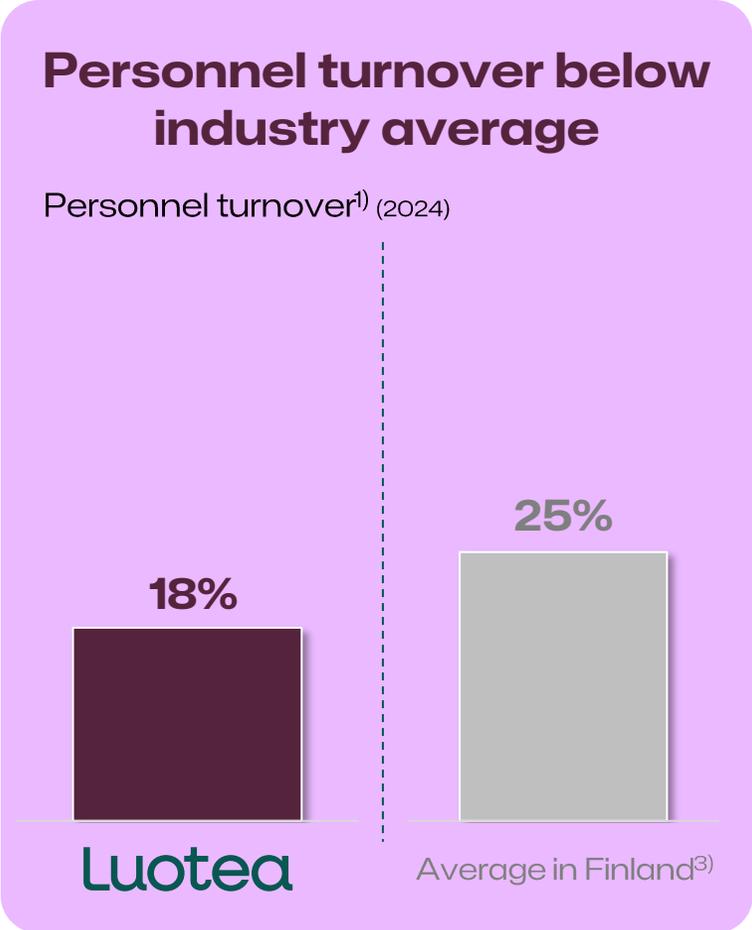
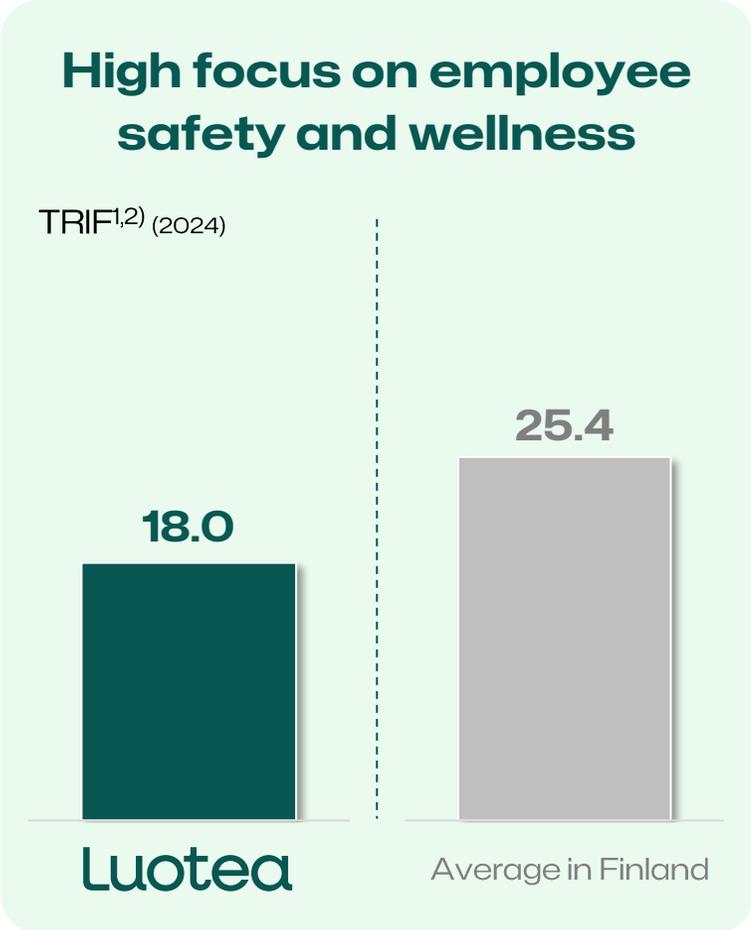


Streamlined on-site organization across all customer sites



Exceptional management model with relevant performance indicators and achievable goals

# Luotea's personnel base is the most valuable asset of the company



1) Finland; 2) Total Recordable Injury Frequency; 3) Average turnover of cleaning and other employees in facility services; 4) Administration and support services 2020-2023  
Source: Luotea management

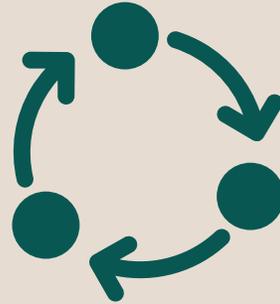
# Luotea

Sticky customers with  
healthy contract  
portfolio

# Diversified and sticky customers with healthy contract portfolio



Diversified and low risk customer base



Contracted business model with long customer tenures

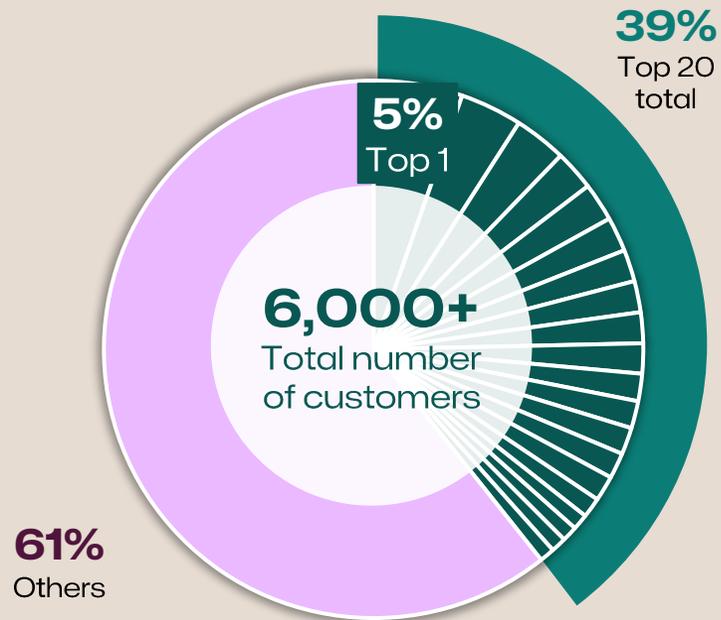


Optimised contract portfolio with high-value customer focus

# Diversified and low risk customer base

## Diversified and low risk customer base

Share of Luotea's revenue



## Finland's top 20 customers represent a premium and highly valued customer base

Customer relationship length

**+10 years**  
for all top 20 customers

Average growth in customer spend<sup>1)</sup>

**+9%**  
CAGR ('18-'24)

Select customer examples

**posti**

**KESKO**

**VAISALA**

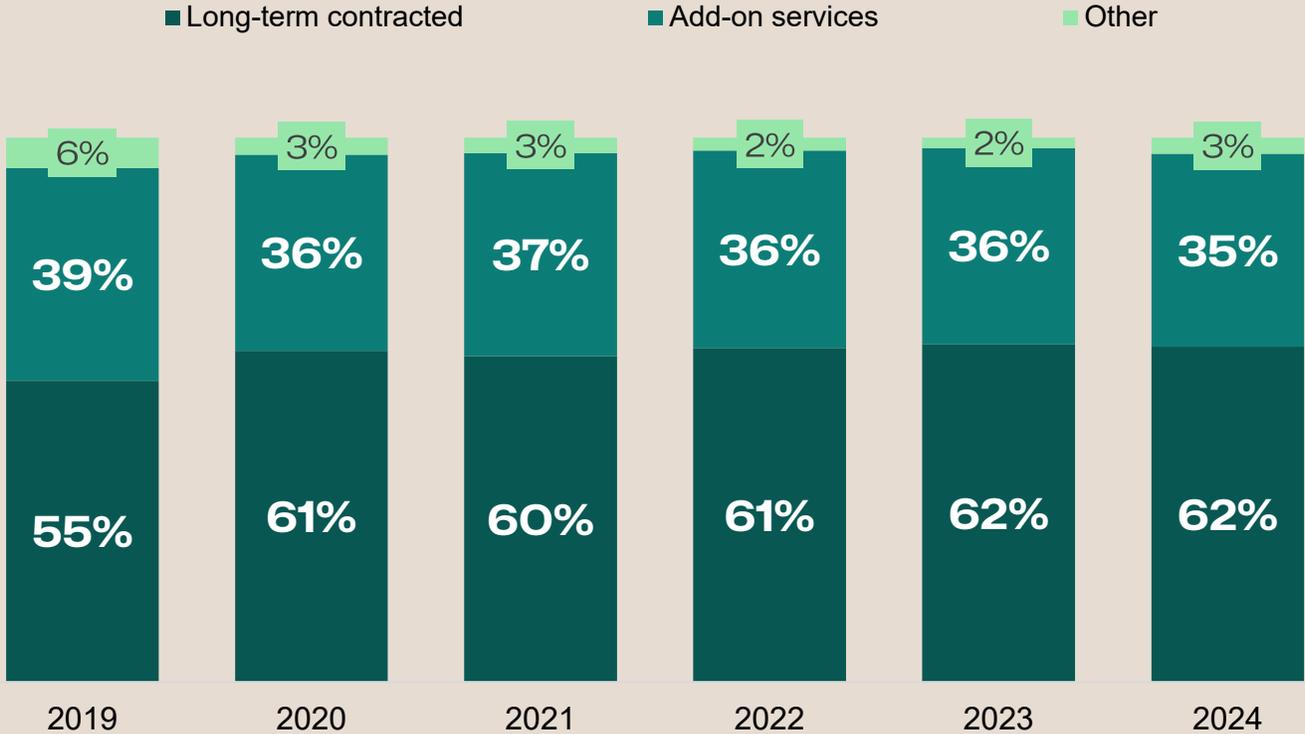
**ESPOO  
ESBO**

**NESTE**

<sup>1)</sup> Based on customer invoicing  
Source: Luotea management

# Customer stickiness through long-term contracted revenues

Clear majority of revenues are re-occurring natured



## Strong KPI's in current contract base<sup>1)</sup>



**~14,000**

Active contracts (2024)



**>5 years**

Average customer relationship length



**97%**

Share of re-occurring natured revenue

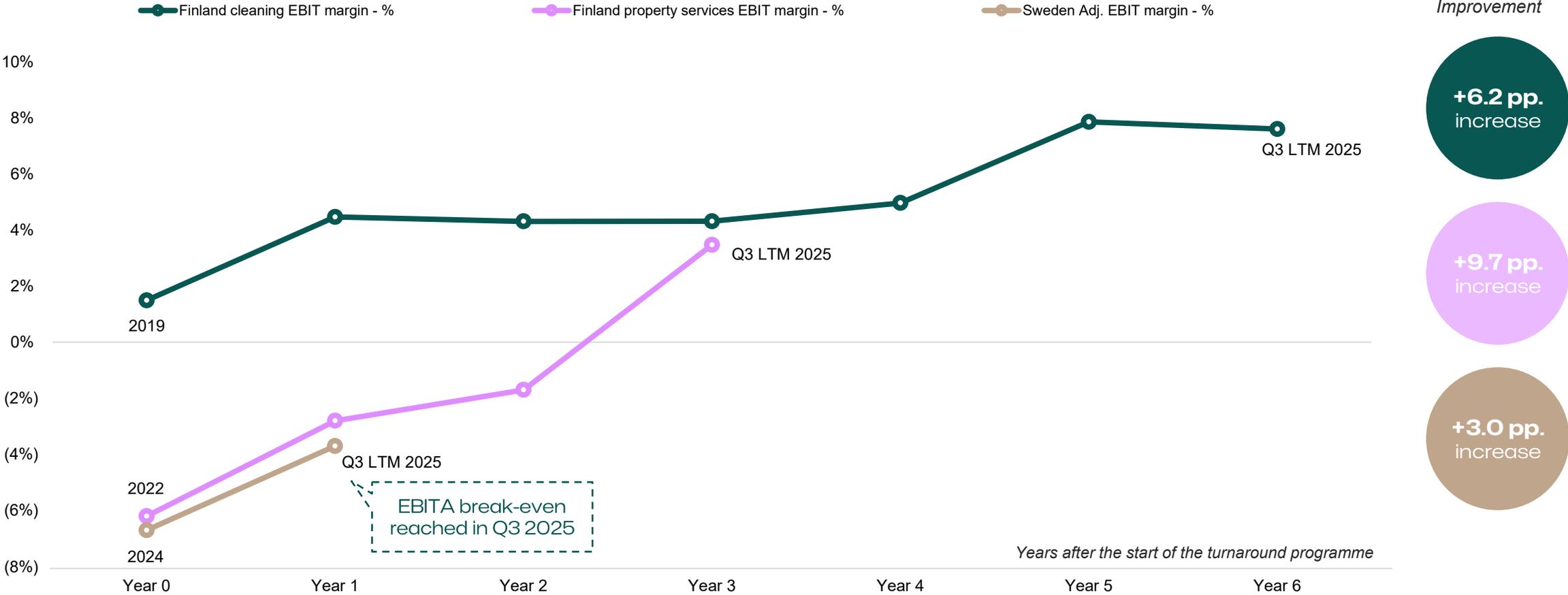
<sup>1)</sup> Data based on Finnish operations  
Source: Luotea management

Luotea

# Executing our profitability playbook

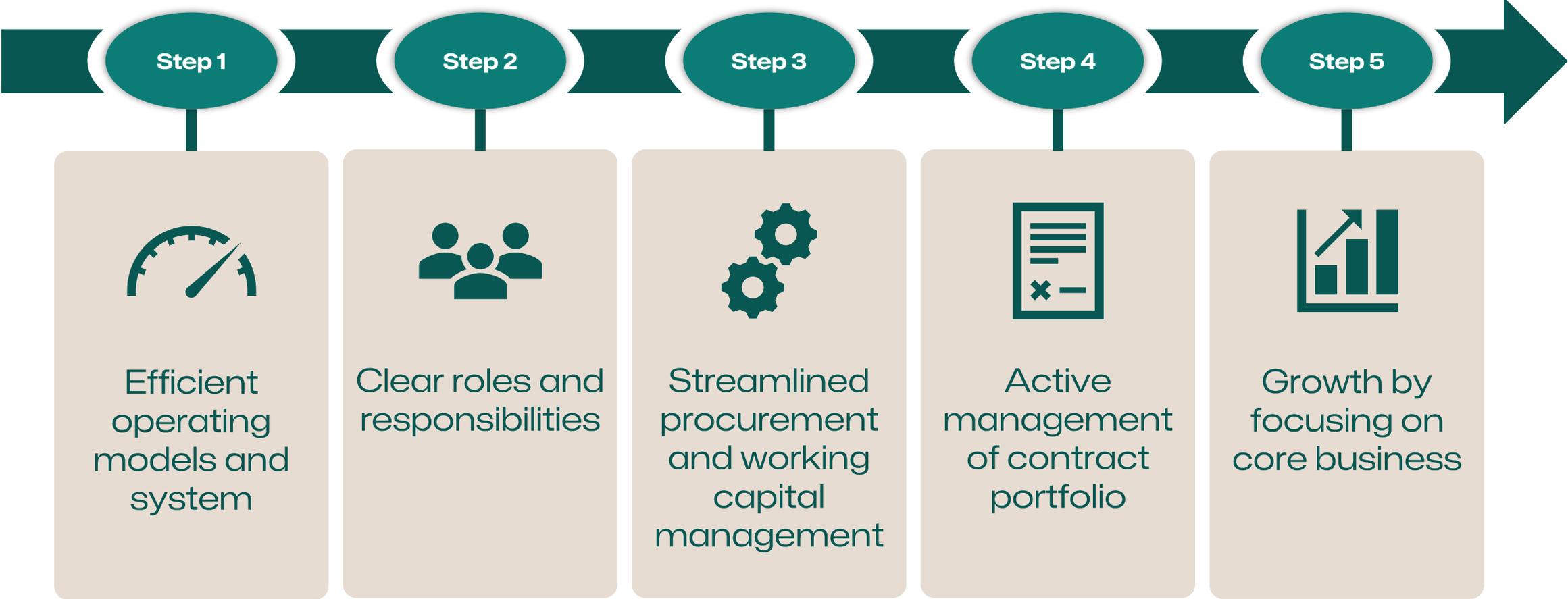


# Strong results executed in Finnish operations – Sweden currently being addressed



Note: Parent company cost allocations to segments not necessarily in line with final carve-out allocations  
 Source: Luotea management

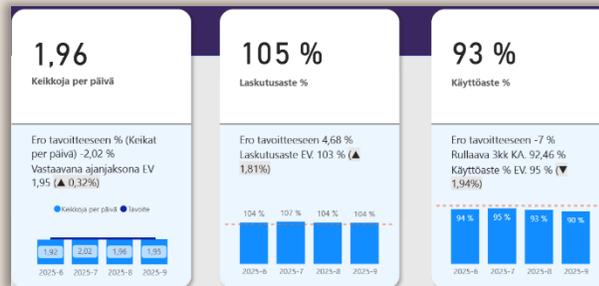
# Repeatable profitability playbook providing sustainable results



Source: Luotea management

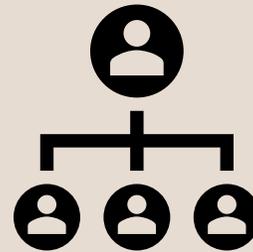
# Efficient operating and management models along with the right KPIs

## Productivity dashboard



- ✓ Real-time dashboard to track key metrics
- ✓ Regularly revised KPIs across contract types
- ✓ Alignment of targets with role specific expectations

## Leadership training & practices



- ✓ Standardized training across units
- ✓ Shared guidelines and best practices
- ✓ “Train-to-train” model

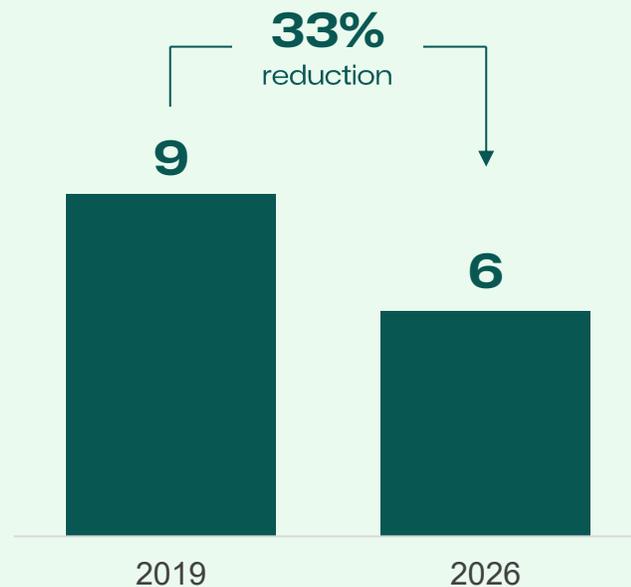
## Kiito operating management system

- ✓ Unique planning system
- ✓ Improved situational awareness
- ✓ Increased employee and customer satisfaction

# Top professionals in the industry with clear roles and responsibilities

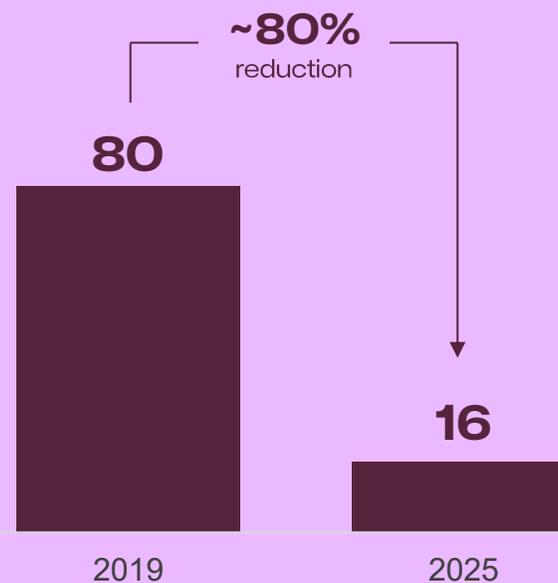
## Streamlined chain of command

Chain of command levels (#)



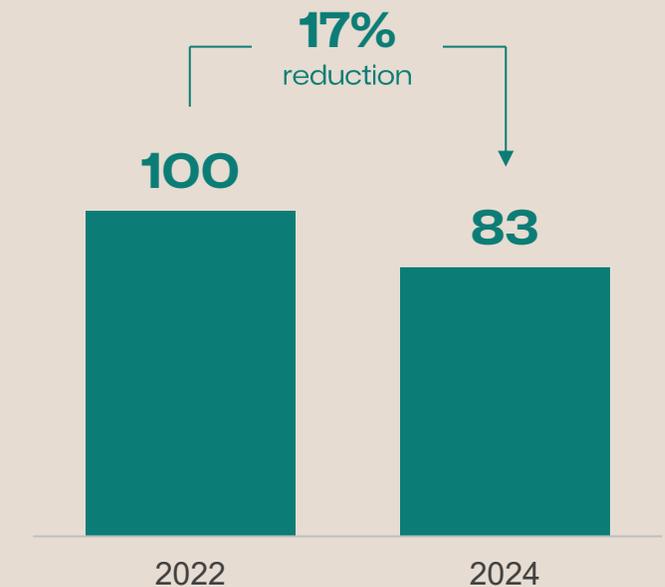
## Smaller team sizes to improve communication and cohesion

Average team size (#)



## Clarified roles of support functions enabling a leaner organization

Number of support personnel (indexed, 2022=100)

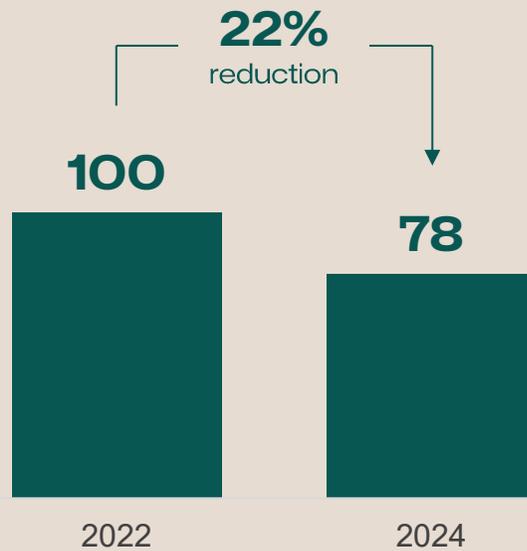


# Centralization and reduction of outsourcing have been the main tools to reduce costs

## Comprehensive review of direct and indirect procurement

Reduction in the number of suppliers

Number of suppliers (indexed, 2022=100)



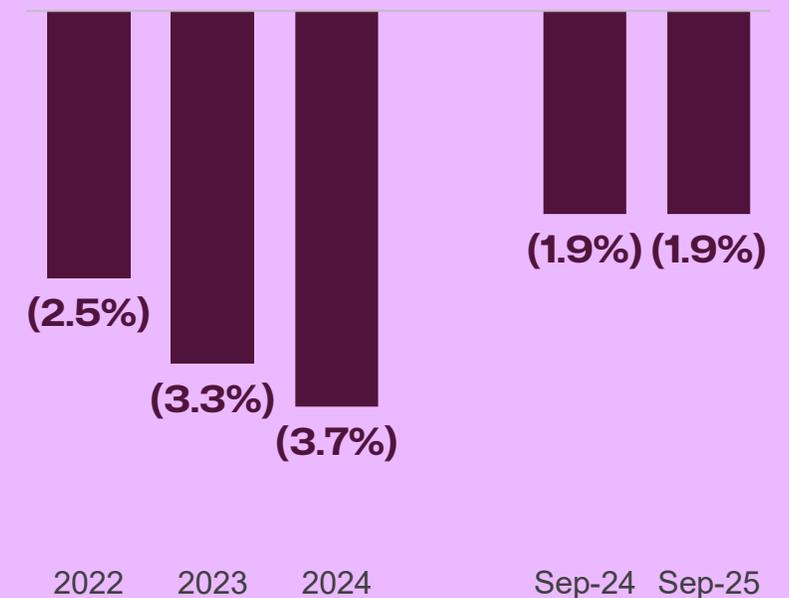
Decrease in procurement costs relative to sales

Procurement cost as % of sales



## Efficient working capital

Net working capital as % of sales

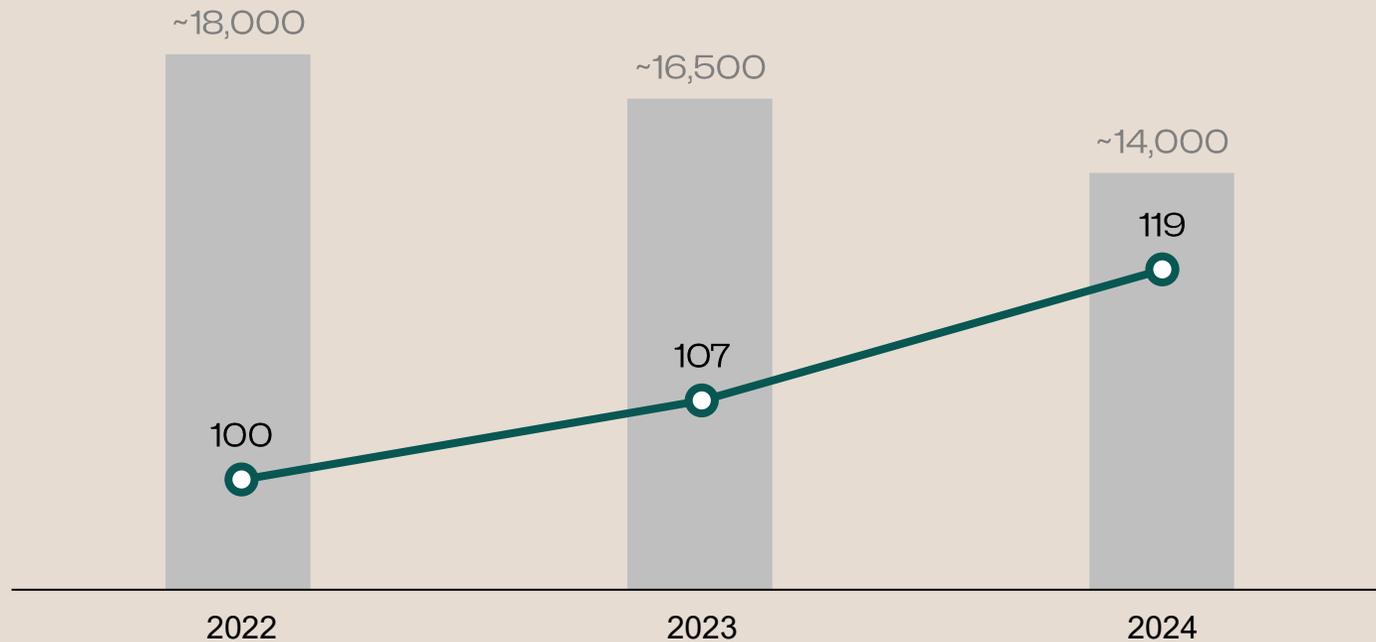


# We have focused on optimising the contract portfolio with strong results to-date

## Optimised contract portfolio with high-value customer focus<sup>1)</sup>

— Average contract value development (Index, 2022=100)

■ # of active contracts



## Strong KPIs in current contract base<sup>1)</sup>



**+19%**

Average contract size growth (2022 vs. 2024)



**+9 pp.**

Growth in average contract margins (2022-Q3 LTM 2025)



**67%**

hit rate in renegotiated contracts (2024)

<sup>1)</sup> Data based on Finnish operations  
Source: Luotea management

# Growth by focusing on core businesses

Actively focusing on core business growth through customer management and new service offerings

1

**Clear segment and target customer selections**

2

**Ensuring the retention of key customers by clarifying customer relationship management models, responsibilities and quality**

3

**Ensuring new customer sales with the right organization and management**

4

**Development and implementation of spearheads to accelerate growth**

# Luotea

## Q&A

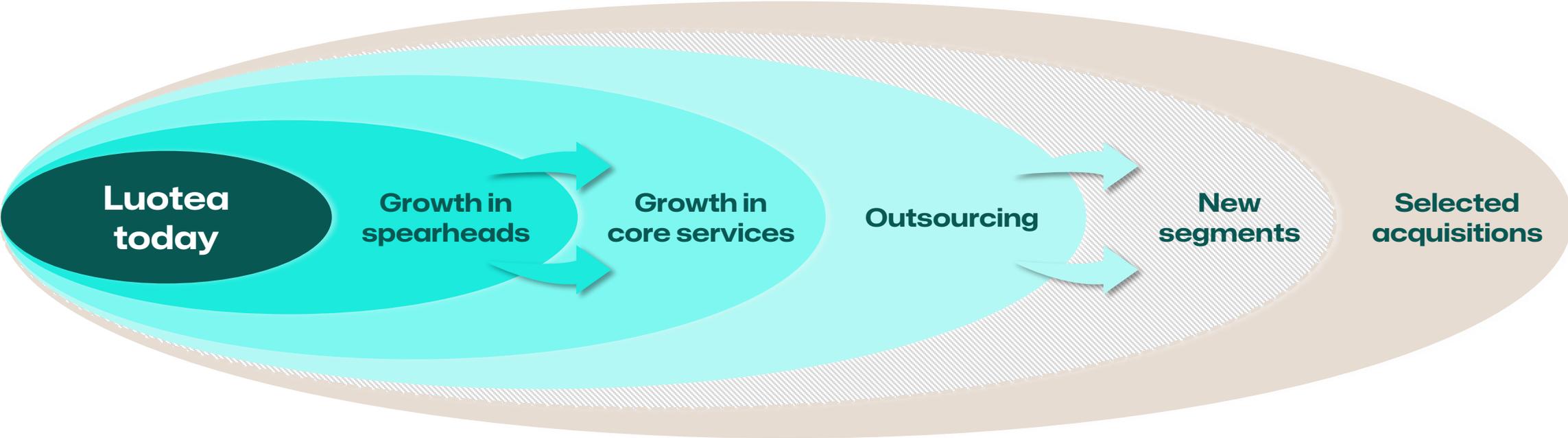
Luotea

# Accelerating our growth journey



# Growth journey to drive Luotea value creation

Identified and tangible growth avenues providing strong foothold for future success

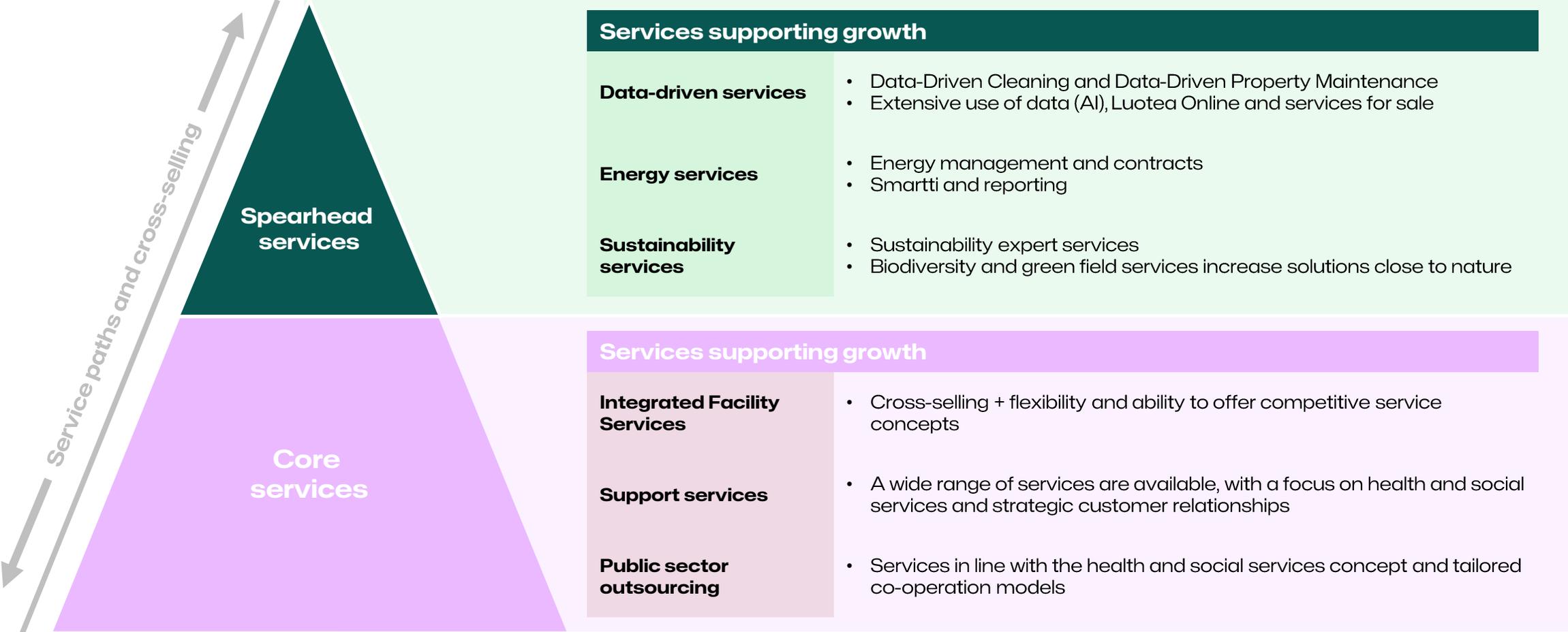


Above market growth in current operations through competitive position and compelling spearhead services

Adjacent markets and selected M&A providing additional growth pockets

Source: Luotea management

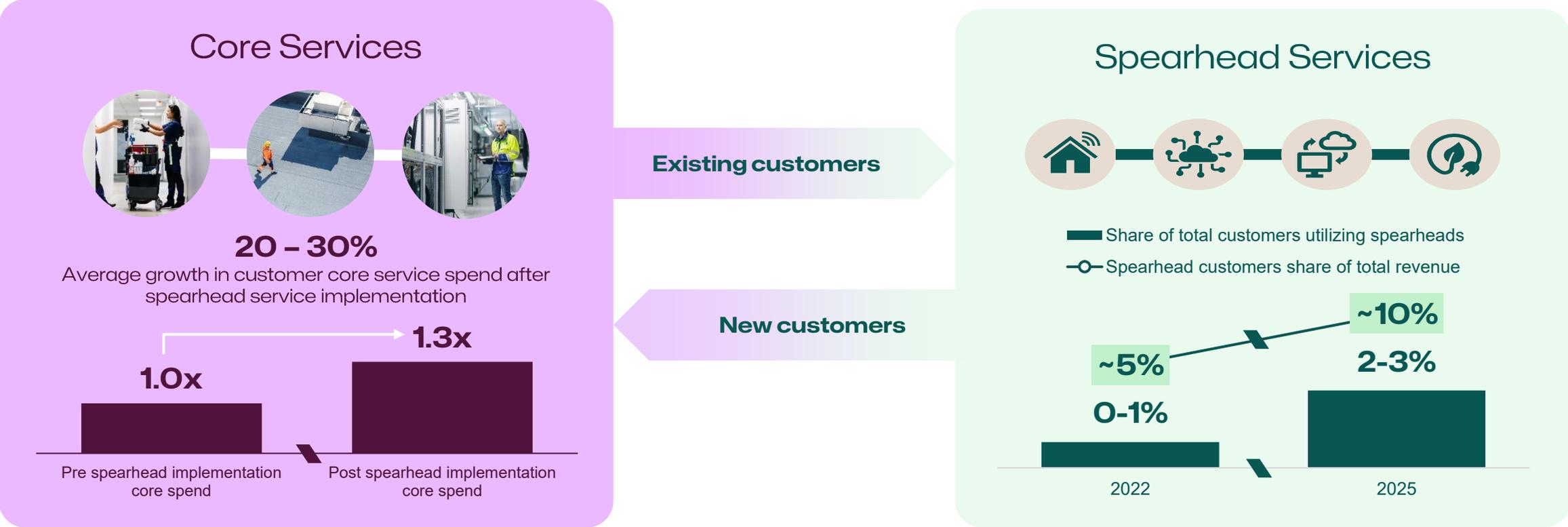
# Core service activities majority of business – spearheads key avenue for driving growth



Source: Luotea management

# Spearhead services provide a unique avenue for further growth

Spearhead services act as a powerful growth accelerator across the portfolio with significant remaining penetration potential



Source: Luotea management

# EUR 3 billion market potential in outsourcing and support services

## Focus on outsourcing of strategic and social and healthcare customers

Strategic customers outsourcing manual support services

Participating in the increasing number of wellbeing counties' outsourcings



**EUR 5-20m** *Growth potential*

**EUR 30-40m** *Growth potential*

## Examples from support service offering



### Commercial

- Bottle return operations
- Shelving
- Store security
- Pickup point operations
- Special cleaning



### Industrial

- Lobby
- Mailing & courier
- Warehouse services
- Production interface tasks
- Indoor plant care



### Offices

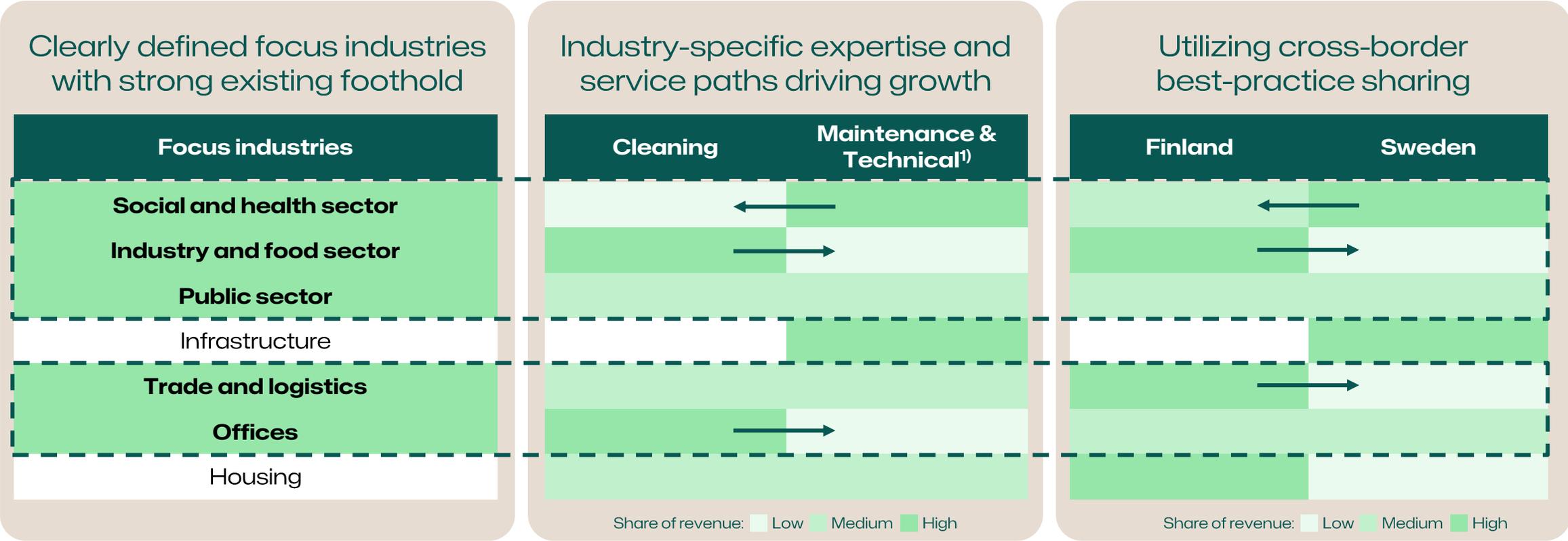
- Lobby
- Mailing
- Local security
- Indoor plant care
- Infection control



### Social and healthcare

- Bed & Laundry services
- Food service
- Equipment maintenance
- Other assisting tasks
- Home support services

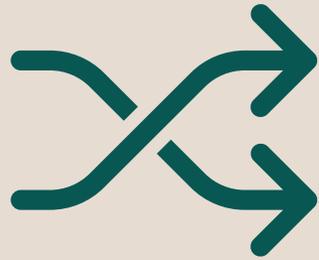
# Spearheads, cross-selling and outsourcing will drive growth in our focus industries



Utilizing strong existing foothold and expertise to accelerate growth in focus industries → <5% of customers utilizing all service lines - penetration potential though cross-selling → Increased co-operation cross-borders to drive industry specific best practice

<sup>1)</sup> Property maintenance and technical services segments  
Source: Luotea management

# Key elements of the growth journey



Above market growth  
through spearhead  
services and systematic  
cross-sell



Up-side in public sector  
outsourcing and support  
services of strategic  
customers



Leveraging strong  
foothold and cross-  
border expertise for  
growth in focus  
industries

Luotea

# Financial highlights

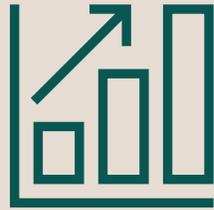
# Financial Highlights



Top-class EBITA margin among key competitors<sup>1)</sup>

Adj. EBITA margin<sup>2,3)</sup>

**6%**



Improving profitability

Adj. EBITA margin improvement<sup>4)</sup>

**3 pp.**



Healthy balance sheet to ensure stability

Net debt / adj. EBITDA<sup>5)</sup>

**0.2x**



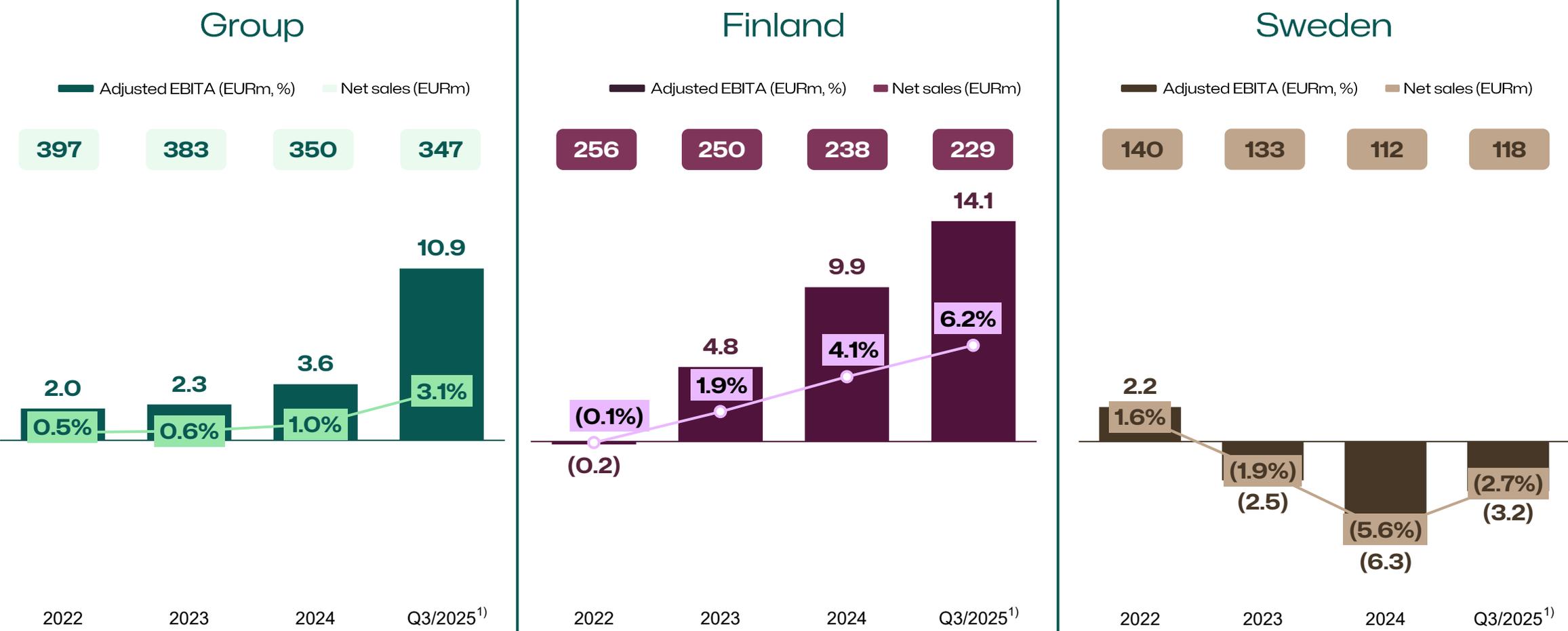
Solid cash conversion rate

Cash conversion<sup>2)</sup>

**127%**

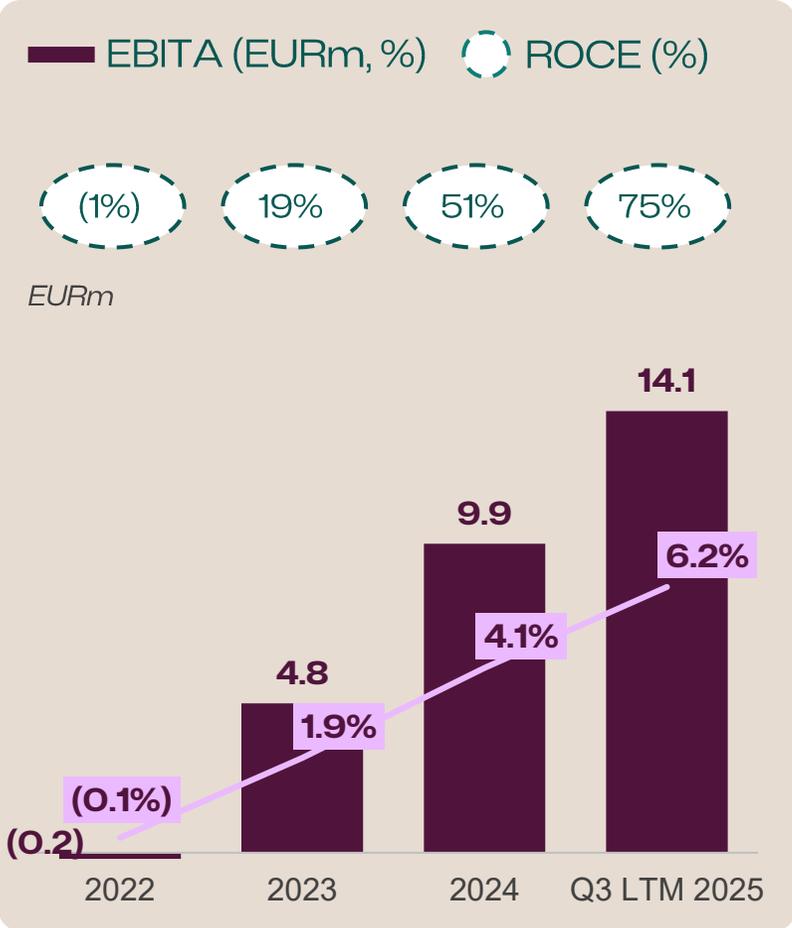
Note: 1) Compared to competitors' latest full year actuals; 2) Q3 LTM 2025; 3) In Finland; 4) EBITA margin improvement 2022 - Q3 LTM 2025; 5) Q3 2025  
Source: Luotea management

# Strong profitability improvement in Finland – Sweden currently being addressed



1) Based on Q3 LTM 2025 figures  
Source: Luotea management

# Strong profitability development in Finland...



**Strong base for further growth**

Industry top profitability with further identified potential

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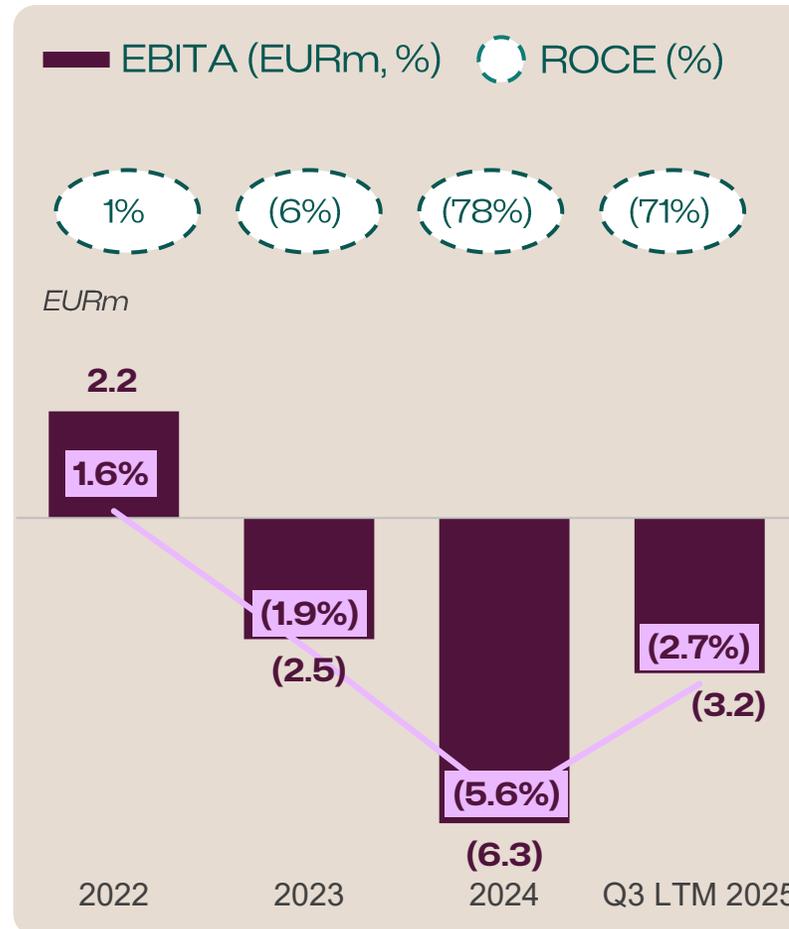
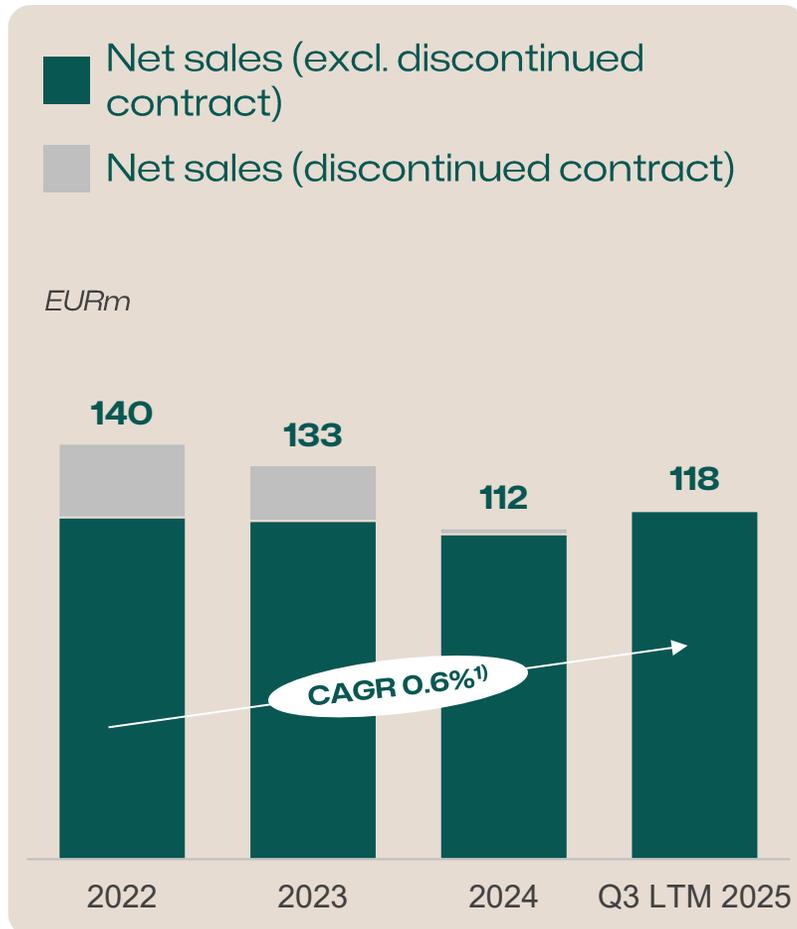
Repositioned and healthy contract portfolio

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Focus on growth strategy execution

<sup>1)</sup> Net sales from 2022 to Q3 LTM 2025 excluding low sales margin contracts  
 Source: Luotea management

# ...is to be replicated in Sweden



**Turnaround progress well underway**

EBITA break-even reached during Q3 2025

---

New dedicated management team

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8% net sales growth YTD 2025<sup>2)</sup>

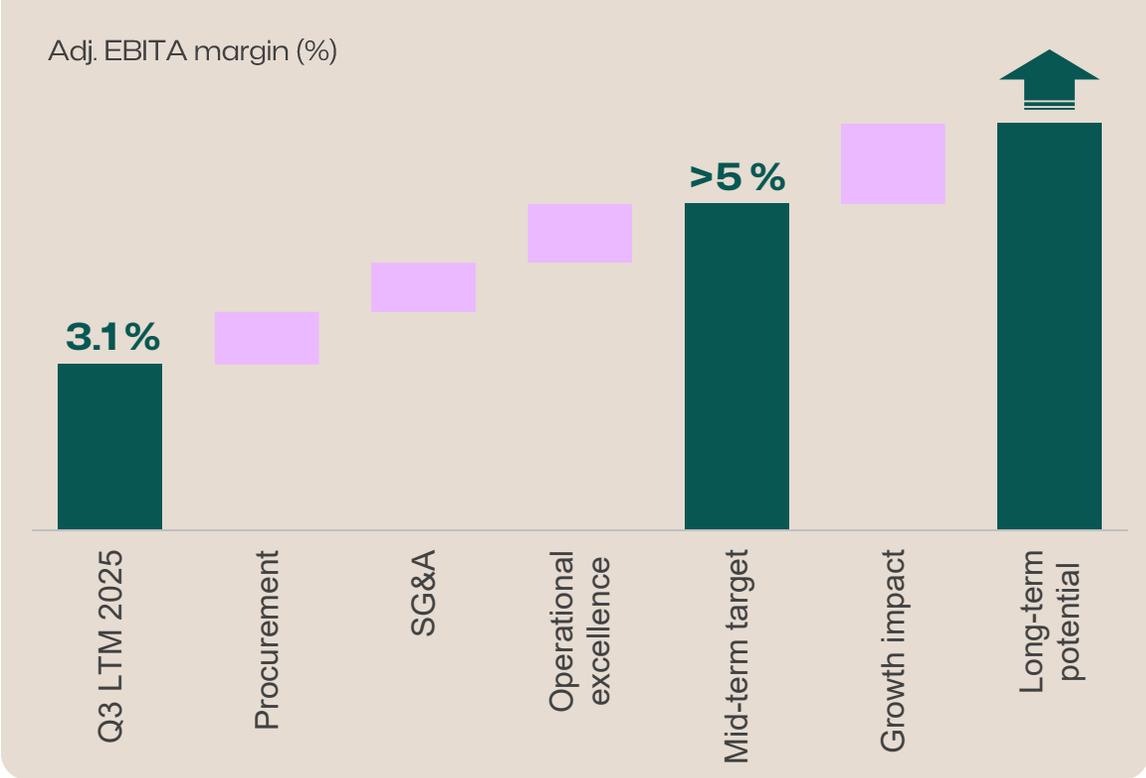
1) Net sales from 2022 to Q3 LTM 2025 excluding discontinued contract; 2) Compared to YTD 2024  
 Source: Luotea management

# Proven profitability track record and pathway for future improvement

## Improvements in underlying profitability drivers...

Cost category	Cost improvement <sup>1)</sup>	
	2022	Q3 LTM 2025
Variable personnel expenses	47.3% of net sales	→ <b>47.0%</b> of net sales
Employee subcontracting	14.2% of net sales	→ <b>9.8%</b> of net sales
Facility expenses	2.1% of net sales	→ <b>1.8%</b> of net sales
Fleet expenses	5.0% of net sales	→ <b>4.4%</b> of net sales

## ... and clear next steps for further development

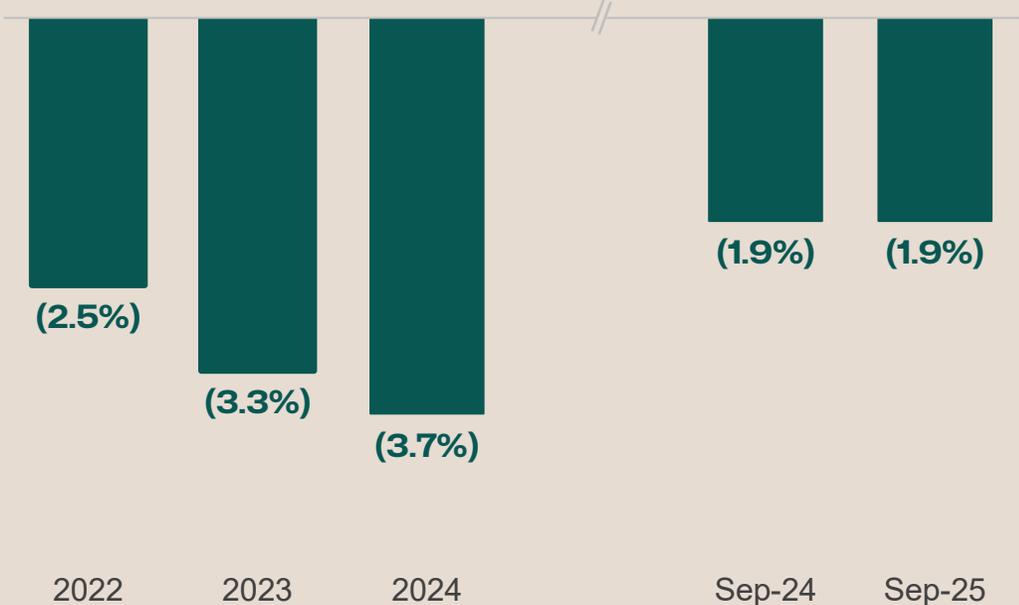


<sup>1)</sup> In Finland  
Source: Luotea management

# We are an asset light business with low net working capital and capex requirements

## Decreasing net working capital as a proof of efficient capital allocation

Net working capital of net sales (%)



## Low capital-intensity in the business

Capital expenditure of net sales (%)



Source: Luotea management

# Strong and stable cash flows supporting cash conversion ability

## Cash generation and conversion

■ Free operating cash flow (EURm)<sup>1,2)</sup> ○ Cash conversion (%)<sup>3)</sup>



## Uses of cash flow

- High cash conversion rate ensures high payout ratio while leaving funds for investments for organic growth
- Maintaining high dividend payout ratio (minimum of 50% of net profit)
- Aiming for organic growth from developing new products and expanding customer base
- Further development of spearhead offering (such as Smartti software)

Note: 1) December YoY-change in NWC for 2022-2024 and September YoY-change for Q3 LTM 2025; 2) Adj. EBITDA +/- Changes in NWC - Capex - Lease payments); 3) OpFCF as % of adj. EBITA  
Source: Luotea management

# Strong balance sheet combined with low capital-intensity

## Strong financial position<sup>1)</sup>

Financial interest-bearing liabilities <sup>2)</sup>	€5.0m
+ Lease liabilities	€11.6m
- Cash and cash equivalents	€13.5m
<b>Net debt</b>	<b>€3.1m</b>
<b>Financial net debt / Adj. EBITDA</b>	<b>(0.4x)</b>
<b>Net debt / Adj. EBITDA</b>	<b>0.2x</b>

## Balance Sheet highlights

Below industry average leverage ratio

High liquidity driven by strong cash conversion and reinforced by an undrawn RCF<sup>3)</sup>

Strong financial position providing flexibility

1) Q3 2025; 2) A commercial paper of EUR 10 million issued for the Circular Economy business (New Lassila & Tikanoja) was included in the Loans from credit institutions for Luotea in the demerger plan. To reflect this, a corresponding EUR 10 million receivable from New Lassila & Tikanoja was recorded under Luotea's current assets, resulting in a net zero impact on interest-bearing liabilities. The table illustrates the net interest-bearing liabilities of EUR 5 million, representing the bank loan that will remain with Luotea after the demerger and accurately reflect the position as of the balance sheet date; 3) RCF matures in 2030 assuming 2-year maturity option to be exercised  
Source: Luotea management

# Financial targets



## Revenue growth

Average annual organic growth of **4-5%** in the mid-term

## Profitability

Adjusted EBITA margin exceeding **5%** in the mid-term

## Cash flow

Operating free cash flow of over **90%** of EBITA in the mid-term

## Dividend policy

Dividend payout at least **50%** of net profit

# Luotea

## Q&A

Luotea

# Summary



# Key Investment Highlights



- 1 Large and resilient growth markets
- 2 Strong position with differentiated spearhead offerings
- 3 Diversified and sticky customers with healthy contract portfolio
- 4 Margin expansion through an improved operating model
- 5 Significant upside from large customer base and innovation-enabled offering
- 6 Contracted business model with potential for high cash generation and capital returns

# Thank You

Luotea