



LASSILA & TIKANOJA INTERIM REPORT Q3 2025

Eero Hautaniemi, President & CEO

Joni Sorsanen, CFO

29 October 2025



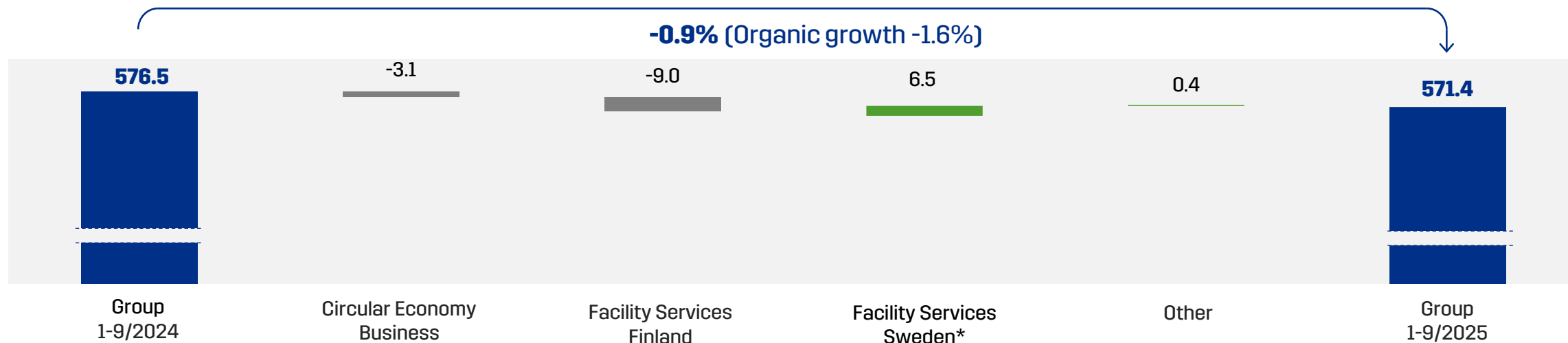
IN FOCUS 1-9/2025

Profitability in Facility Services improved significantly, FS Sweden returned to black in Q3

Solid performance in Circular Economy continued

Net sales grew by 3.8% in Q3

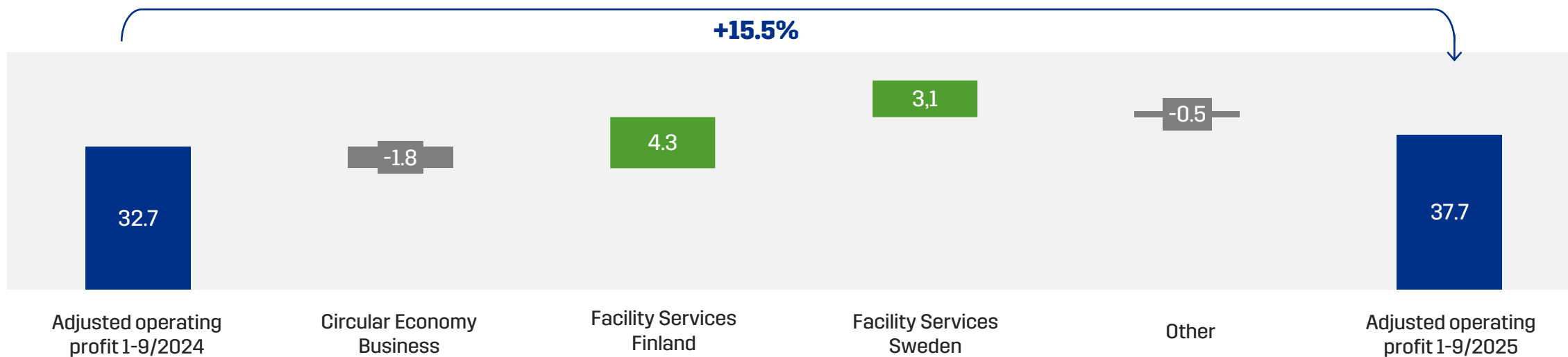
NET SALES



MEUR	Q3/25	Q3/24	Change%	1-9/25	1-9/24	Change%	2024
Circular Economy Business	116.1	110.4	5.1	315.5	318.6	-1.0	424.0
Facility Services Finland	54.9	57.4	-4.4	170.2	179.2	-5.0	238.0
Facility Services Sweden	29.1	25.2	15.7	87.3	80.9	8.0	111.9
L&T Group	199.5	192.3	3.8	571.4	576.5	-0.9	770.7

* Impact of exchange rates was approx. EUR 3 million

ADJUSTED OPERATING PROFIT

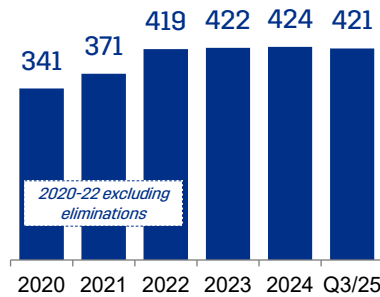


MEUR	Q3/25	Q3/24	Change%	1-9/25	1-9/24	Change%	2024
Circular Economy Business	15.1	16.4	-7.8	31.1	33.0	-5.6	42.8
Facility Services Finland	4.8	4.9	-1.6	11.1	6.8	63.8	9.6
Facility Services Sweden	0.1	-1.5	107.8	-2.9	-6.0	51.3	-7.5
Group administration and other	0.1	0.1		-1.5	-1.0		-1.6
L&T Group	20.1	20.0	0.8	37.7	32.7	15.5	43.2

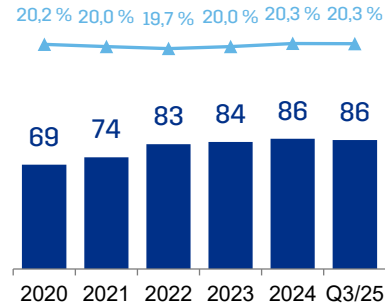
SOLID PERFORMANCE IN CIRCULAR ECONOMY BUSINESSES, PERFORMANCE IN FACILITY SERVICES IMPROVING

CIRCULAR ECONOMY BUSINESSES

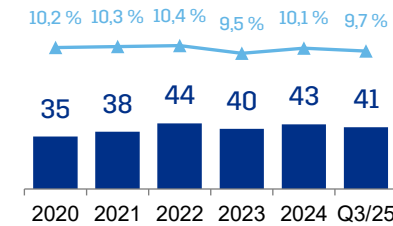
Net sales 2020-25 (m€, LTM)



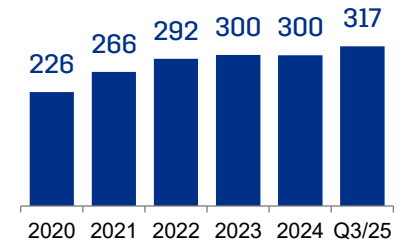
Adj. EBITDA 2020-25 (m€, LTM)



Adj. EBIT 2020-25 (m€, LTM)



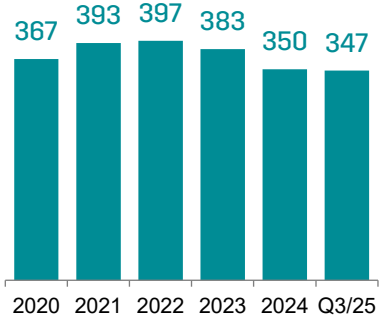
Capital empl. 2020-25 (m€)



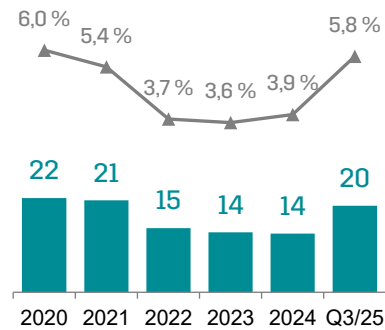
Note: all figures excluding non-allocated Group costs, Renewable energy sources and Russia. Parent company cost allocations to segments not necessarily in line with final carve-out allocations.

FACILITY SERVICES BUSINESSES

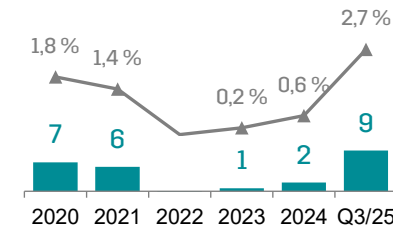
Net sales 2020-25 (m€, LTM)



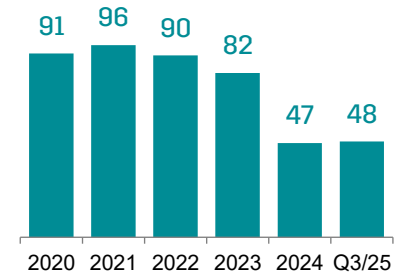
Adj. EBITDA 2020-25 (m€, LTM)



Adj. EBIT 2020-25 (m€, LTM)



Capital empl. 2020-25 (m€)

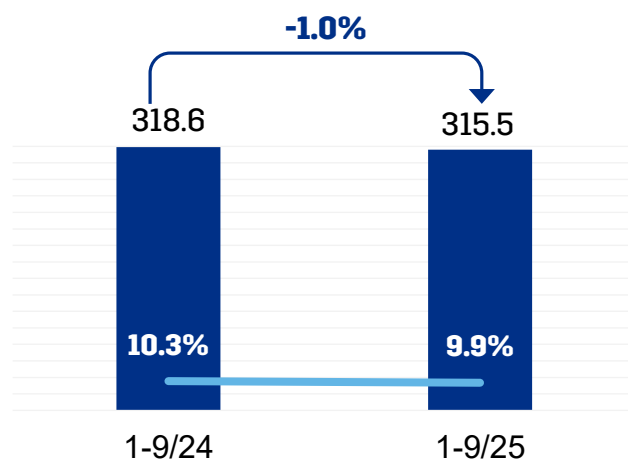


Note: all figures excluding eliminations and non-allocated Group costs. Parent company cost allocations to segments not necessarily in line with final carve-out allocations.

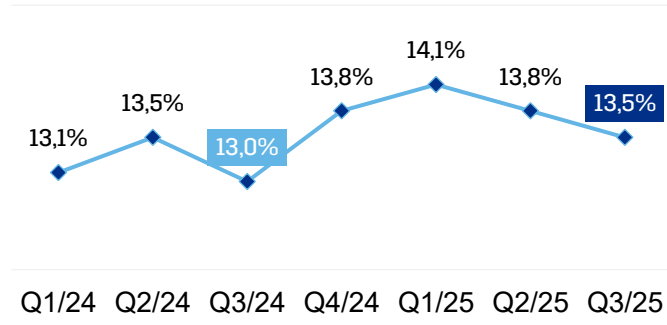


CIRCULAR ECONOMY BUSINESS

- Solid performance continued
- Relative profitability remained stable y-o-y, thanks to successful efficiency improvement measures
- Another strong quarter for process cleaning business
- In the hazardous waste business line, both net sales and profitability remained at a good level
- In environmental construction, net sales grew driven by strong project portfolio
- In waste management, net sales and profitability under pressure due to challenging business environment, ICT roll-out costs and ERP amortisation



- Net sales
- Adjusted operating margin, %



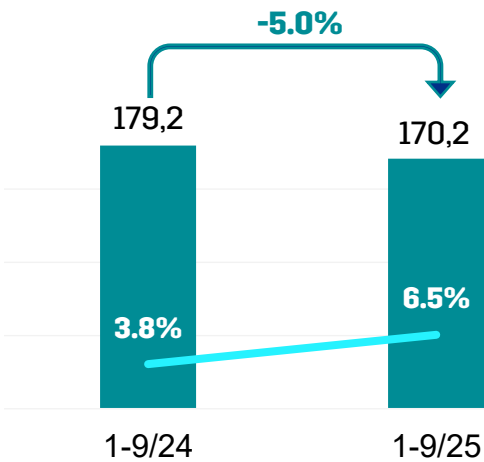
- ◆ Return on capital employed (ROCE), %

MEUR	Q3/25	Q3/24	Change %	1-9/25	1-9/24	Change %	2024
Net sales	116.1	110.4	5.1%	315.5	318.6	-1.0%	424.0
Adjusted EBITDA	26.6	27.1	-1.9%	64.6	65.3	-1.1%	86.3
Adjusted EBITDA, %	22.9%	24.6%		20.5%	20.5%		20.3%
Adjusted operating profit	15.1	16.4	-7.8%	31.1	33.0	-5.6%	42.8
Adjusted operating margin, %	13.0%	14.8%		9.9%	10.3%		10.1%
Employees				2,282	2,276		2,168

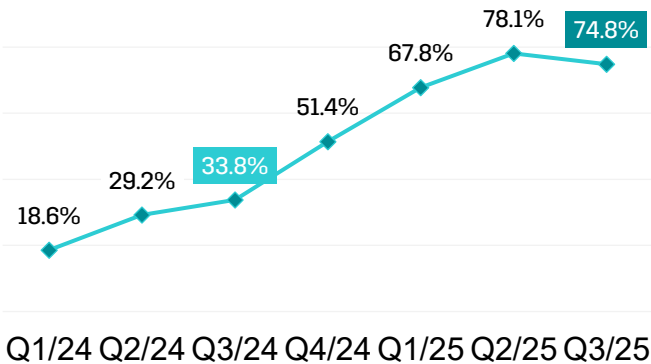


FACILITY SERVICES FINLAND

- Revenue decreased due to a mild winter and planned optimization of contract portfolio
- Demand for digital services remained strong
- Efficiency measures continued according to plan and supported strong profitability improvement
- Profitability improved particularly in property maintenance, and cleaning business continued to perform well



● Net sales
● Adjusted operating margin, %

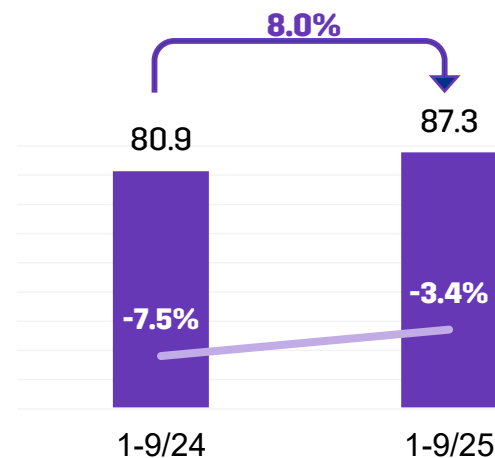


◆ Return on capital employed (ROCE), %

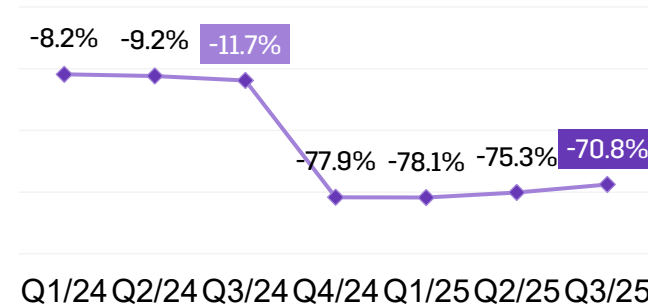
MEUR	Q3/25	Q3/24	Change %	1-9/25	1-9/24	Change %	2024
Net sales	54.9	57.4	-4.4%	170.2	179.2	-5.0%	238.0
Adjusted EBITDA	5.9	6.6	-11.1	15.0	11.8	26.8	16.4
Adjusted EBITDA, %	10.7%	11.5%		8.8%	6.6%		6.9%
Adjusted operating profit	4.8	4.9	-1.6	11.1	6.8	63.8	9.6
Adjusted operating margin, %	8.8%	8.6%		6.5%	3.8%		4.0%
Employees				3,982	4,196		4,140

FACILITY SERVICES SWEDEN

- Turnaround progressed in line with expectations
- Net sales increased due to new customer contracts
- Efficiency measures continued and operating loss decreased as expected
- Adjusted EBIT for Q3 returned to black
- Cumulative adjusted EBITDA for 2025 was positive
- Profitability has improved across both business lines, cleaning services and technical services



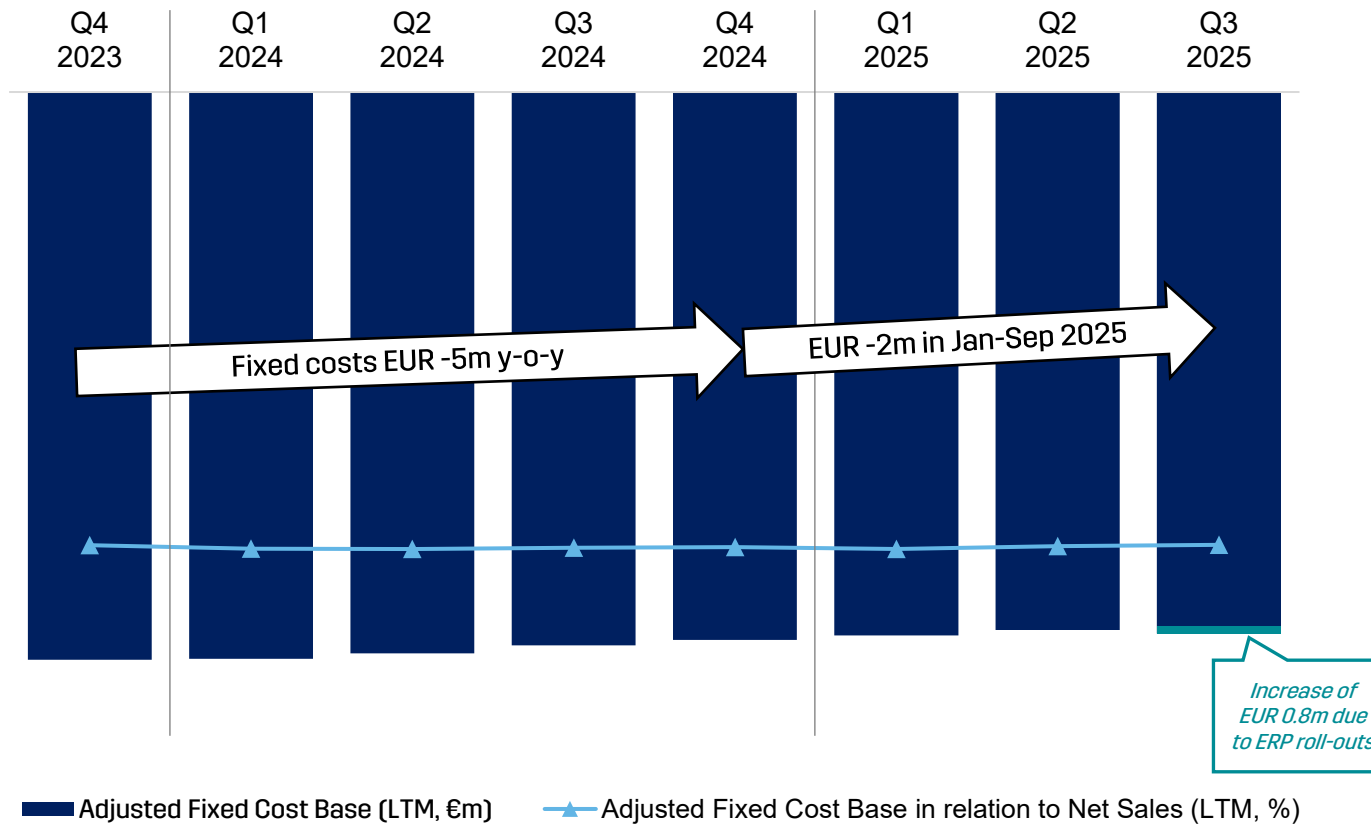
- Net sales
- Adjusted operating margin, %



- ◆ Return on capital employed (ROCE), %

MEUR	Q3/25	Q3/24	Change %	1-9/25	1-9/24	Change %	2024
Net sales	29.1	25.2	15.7%	87.3	80.9	8.0%	111.9
Adjusted EBITDA	1.3	-0.4		0.8	-2.5		-2.8
Adjusted EBITDA, %	4.5%	-1.4%		0.9%	-3.1%		-2.5%
Adjusted operating profit	0.1	-1.5		-2.9	-6.0	51.3%	-7.5
Adjusted operating margin, %	0.4%	-5.8%		-3.4%	-7.5%		-6.7%
Employees				1,142	1,149		1,032

PROFITABILITY IMPROVEMENT PROGRAMME PROGRESSING / CASE FIXED COSTS



Comments

- Adjusted for externally reported IAC, L&T's fixed cost base has decreased by EUR ~5m between year-ends 2023 and 2024
- During Jan-Sep 2025, adjusted fixed cost base decreased by approximately EUR 2m year-on-year
 - Fixed costs negatively impacted by ERP system roll-outs in Jan-Sep FY2025
 - Negative impact approx. EUR 0.8m → adjusted fixed cost savings EUR ~3m in Jan – Sep 2025 year-on-year
- In relative terms, adjusted fixed cost base has been well adjusted to development in net sales

SUSTAINABILITY SCORE CARD 2025

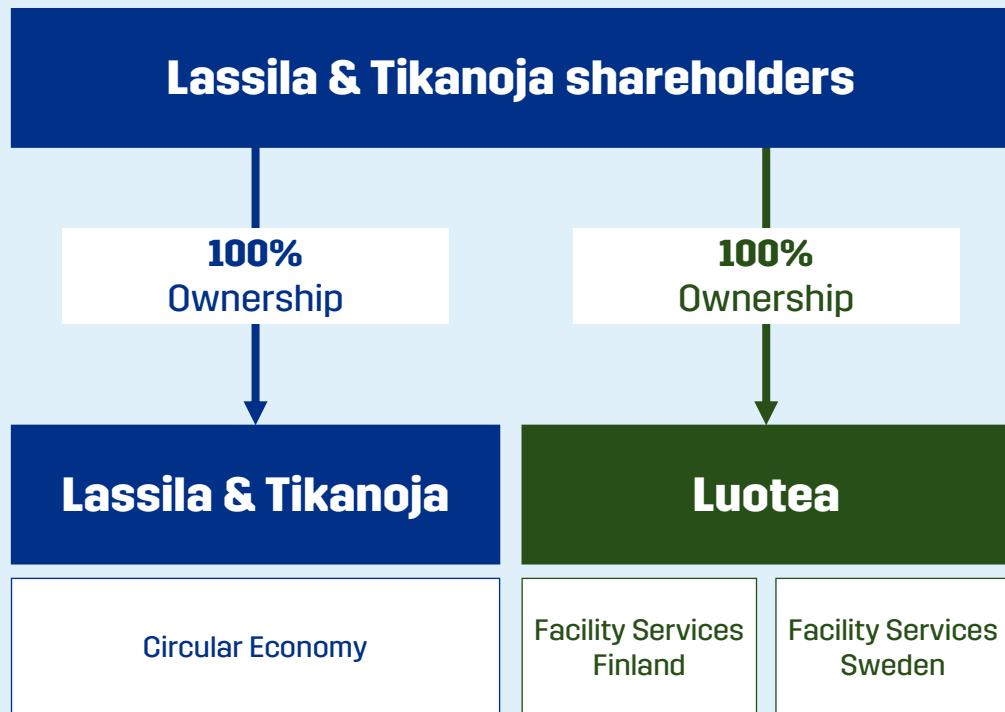
- Occupational safety reached an all-time best level.
- The carbon footprint of own operations (Scope 1 and 2) decreased by 19% compared to 1-9/2024.
- In spring, customer satisfaction (NPS) reached an all-time high of 41.

L&T	2020	2021	2022	2023	2024	1-9/2024	1-9/2025	Target 2025	Target 2026	Target 2030
CARBON FOOTPRINT (tCO2-ekv)	36,700	37,800	34,200	31,200	27,200	20,700	16,700	26,000	27,200	24,400
CARBON HANDPRINT (MCO2-ekv)	-506.8	-524.9	-534.5	-457.0	-438.0	-322.0	-276.0	>3%	>3%	>3%
TRIF	24	24	23	23	19	19	17	19	19	15
SICK LEAVE (%)	4.7	5.0	5.6	5.1	5.0	4.7	4.8	4.6	4.5	4



LASSILA & TIKANOJA DEMERGER IS EXPECTED ON 31 DECEMBER 2025

POST TRANSACTION LASSILA & TIKANOJA AND LUOTEA WOULD BE SEPARATE STANDALONE BUSINESSES



Listing and ownership

Planned new L&T listing on Nasdaq Helsinki on 31 December 2025

Current L&T shareholders will have a 100% ownership of both Luotea and new L&T

Shareholder commitments

Certain major shareholders, holding a total of 27.59% of the shares and votes, have, subject to certain customary conditions, irrevocably undertaken to attend the EGM and vote in favour of the Demerger

Conditions precedent

Shareholder approval at the EGM on 4 December 2025

PRELIMINARY TIMELINE FOR THE DEMERGER AND LISTING OF LASSILA & TIKANOJA



JAN-SEP 2025 FINANCIAL HIGHLIGHTS

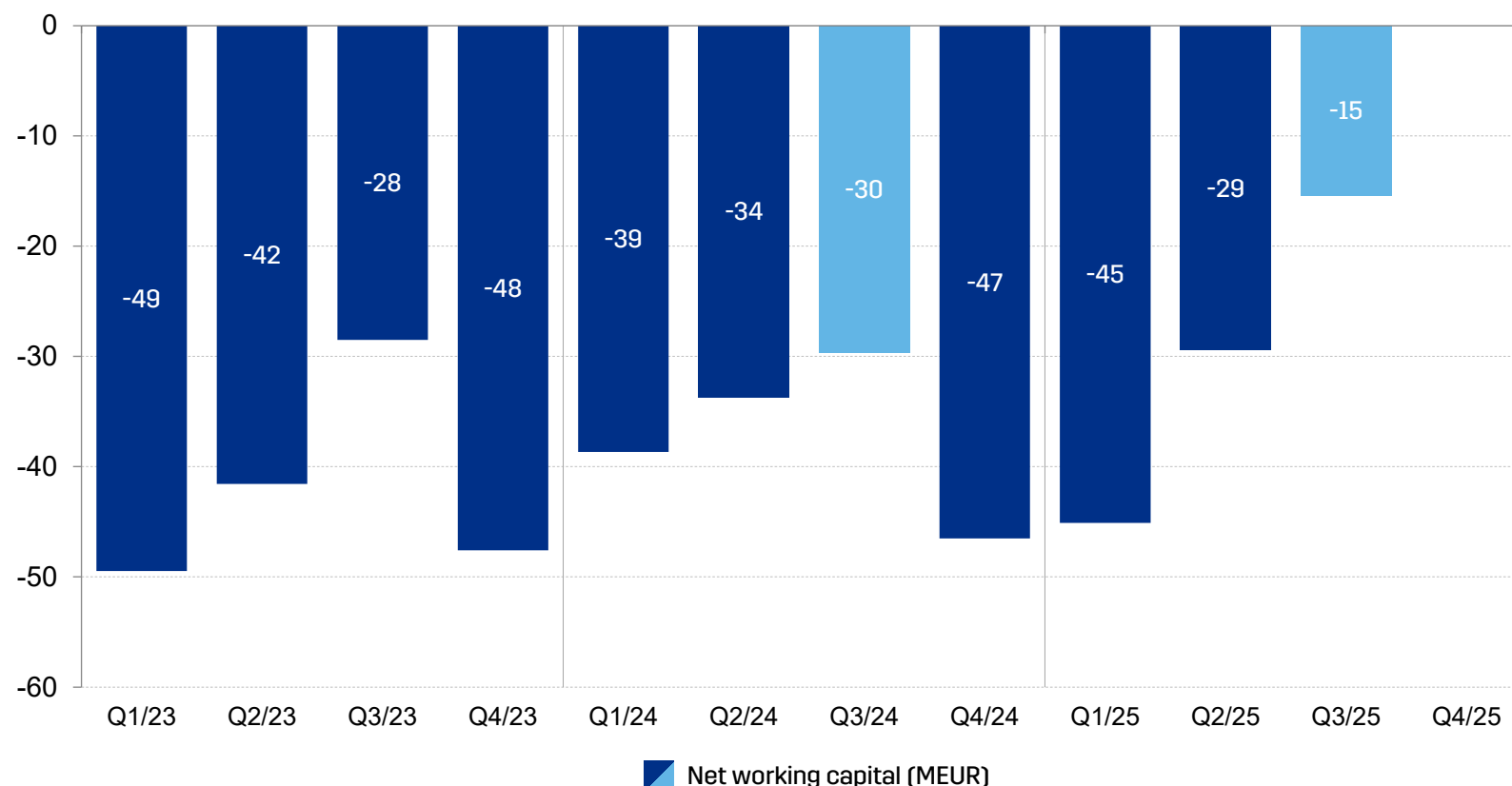
**EPS grew to EUR
0.63 (0.51), driven
by improved
operative
profitability**

**Solid financial
position and
decrease in net
debt**

**Successful written
procedure for
outstanding EUR
75m notes**

NET WORKING CAPITAL

Net working capital by quarter 2023-2025 (EUR million)



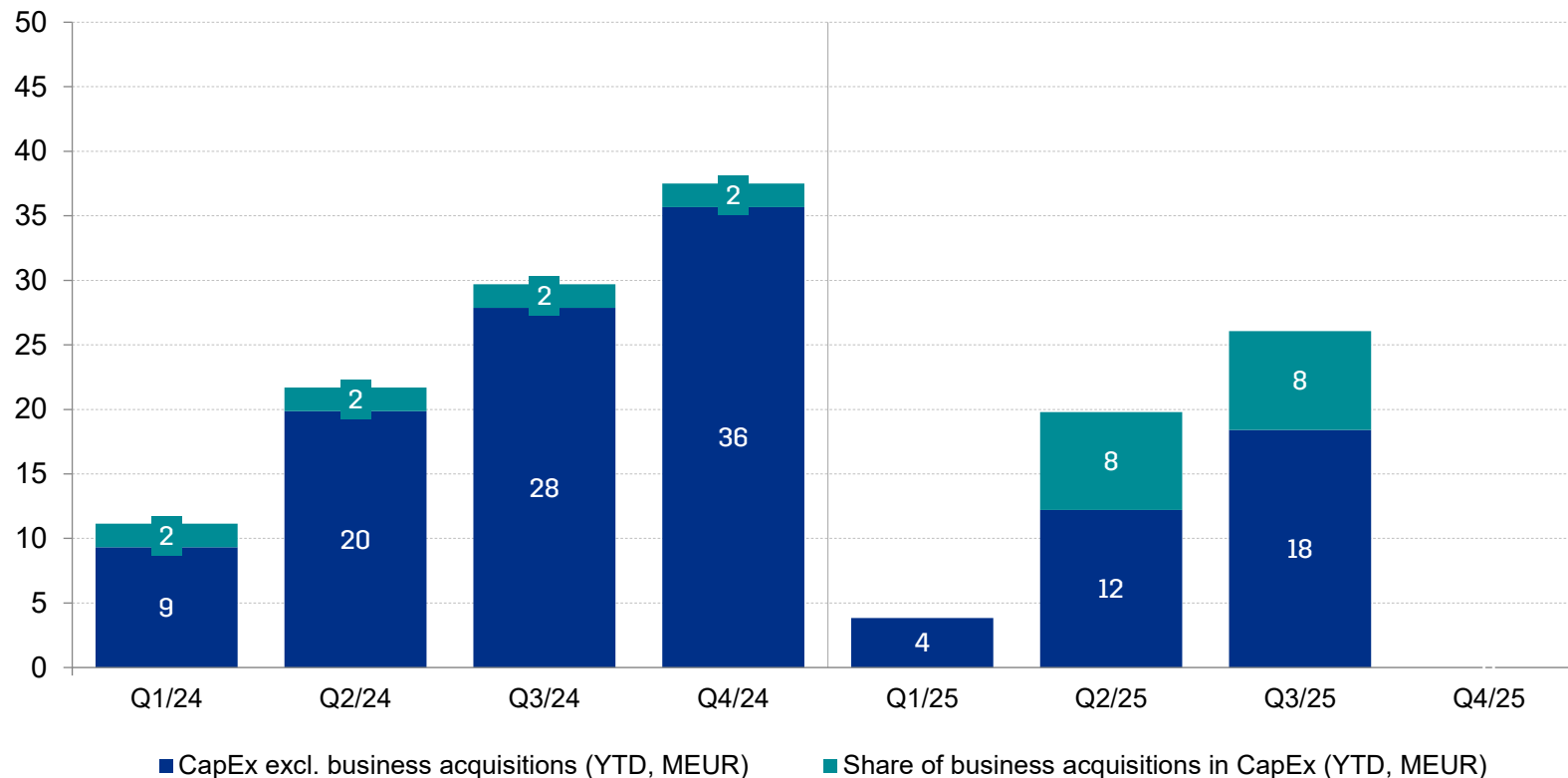
Net working capital = Current assets - income tax receivables - cash and cash equivalents - other non-current liabilities excluding deferred consideration - current trade and other payables

Comments

- NWC at the end of Q3 amounted to EUR -15.4m (-29.7m), change of EUR +14.3m year-on-year, and change of EUR +31.1m (+17.9m) compared to year-end
- NWC was tied up in Circular Economy businesses due to:
 - Project-driven business mix in environmental construction
 - Timing of annual maintenance breaks' invoicing towards the end of the quarter
 - Invoicing delays caused by the ICT system renewal
- Stable NWC development in Facility Services businesses year-on-year

CAPITAL EXPENDITURE

Capital expenditure 2024-2025 (year-to-date, EUR million)

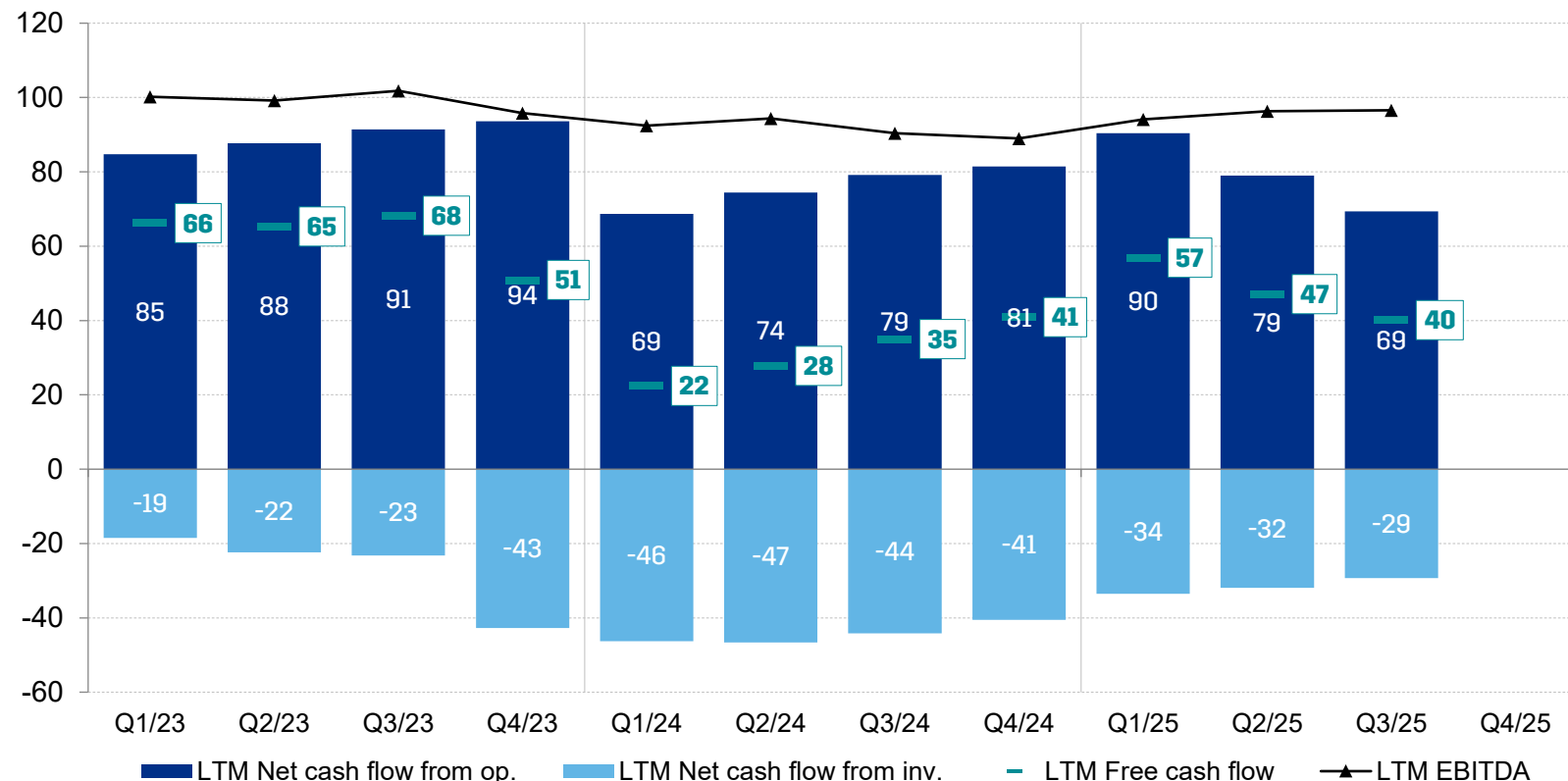


Comments

- Capital expenditure in Jan-Sep 2025 was EUR 26.1m (29.7) showing a decrease of EUR 3.6 million or 12.2%
- The acquisition of Stena Recycling Oy's pallet business was completed in June 2025
- Organic CapEx in Jan-Sep EUR 18.4m (27.9m), y-o-y decrease mostly attributable to ICT related investments
- In Jan-Sep 2025, depreciation and amortization in total amounted to EUR 42.5m (41.6m)
 - Amortization of new ERP in Circular Economy amounted to EUR 0.6m in Q3

CASH FLOW

Cash flow from operations and investments 2023-2025 (LTM, EUR m)



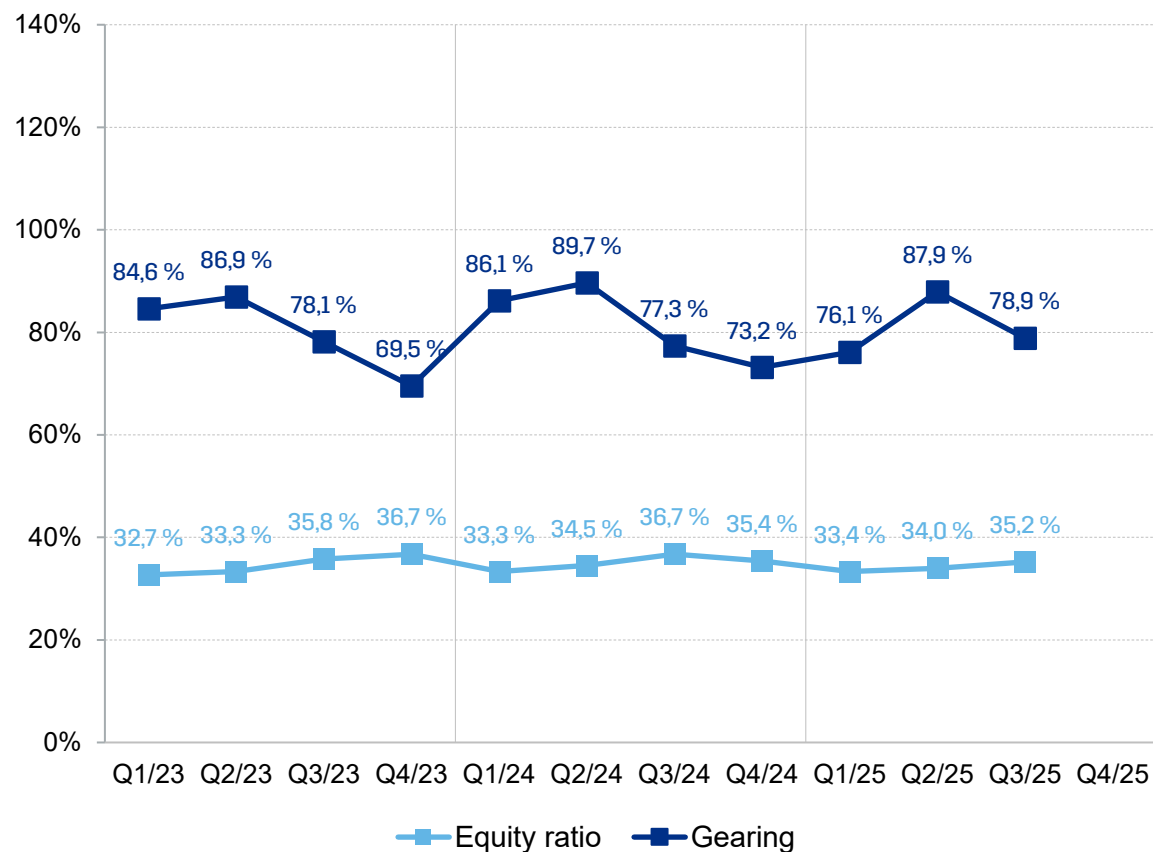
Comments

- Free cash flow in Jan-Sep 2025 was EUR 11.4m (12.2m)
 - Operating cash flow in Jan-Sep was EUR 32.1m (44.1m)
 - Cash flow from inv. in Jan-Sep was EUR -20.7m (-31.9m)
- September 2025 LTM free cash flow EUR 40.1m
 - LTM operating cash flow EUR 69.4m
 - LTM cash flow from investments EUR -29.3m
- LTM EBITDA EUR 96.6m → cash conversion approximately 72%

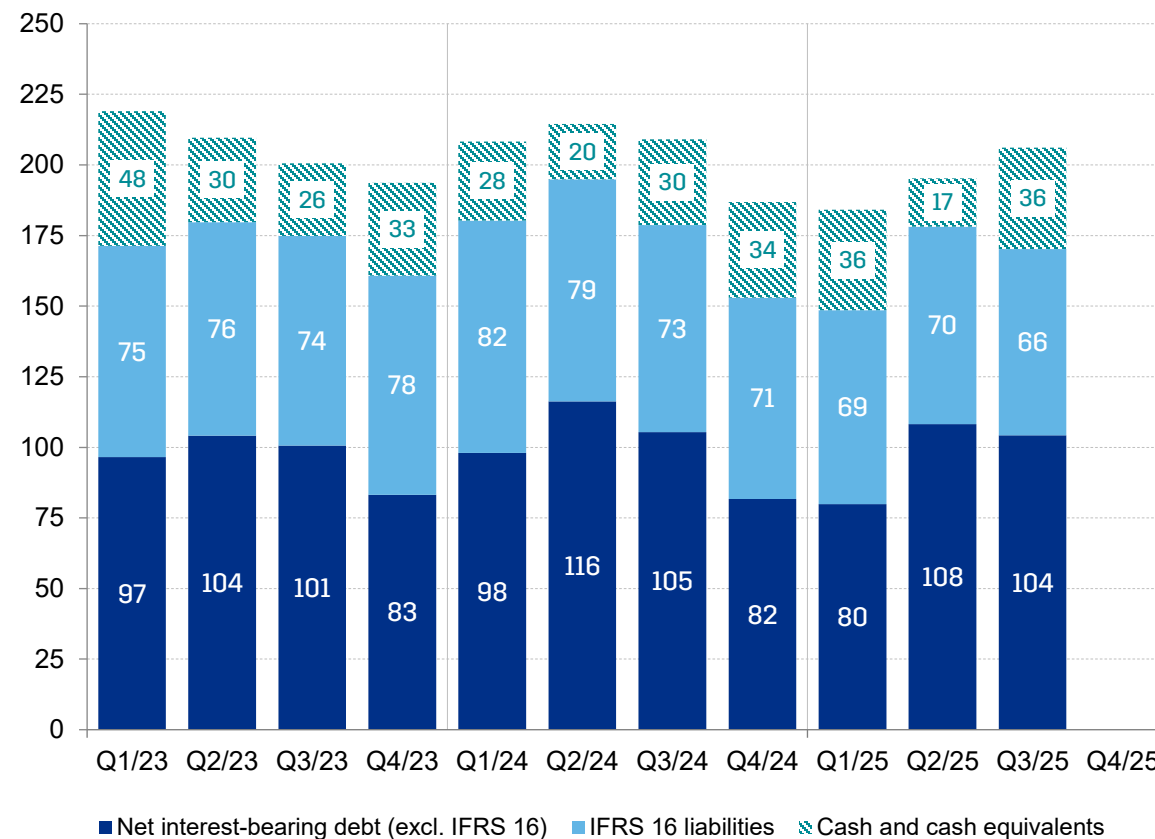
FINANCIAL POSITION

- Strong financial position at the end of Q3 2025. Gearing 78.9% (77.3%)
- Net interest-bearing debt at EUR 170.2m (178.8m), decrease of EUR 8.5m year-on-year

Equity ratio and Gearing by quarter 2023-2025

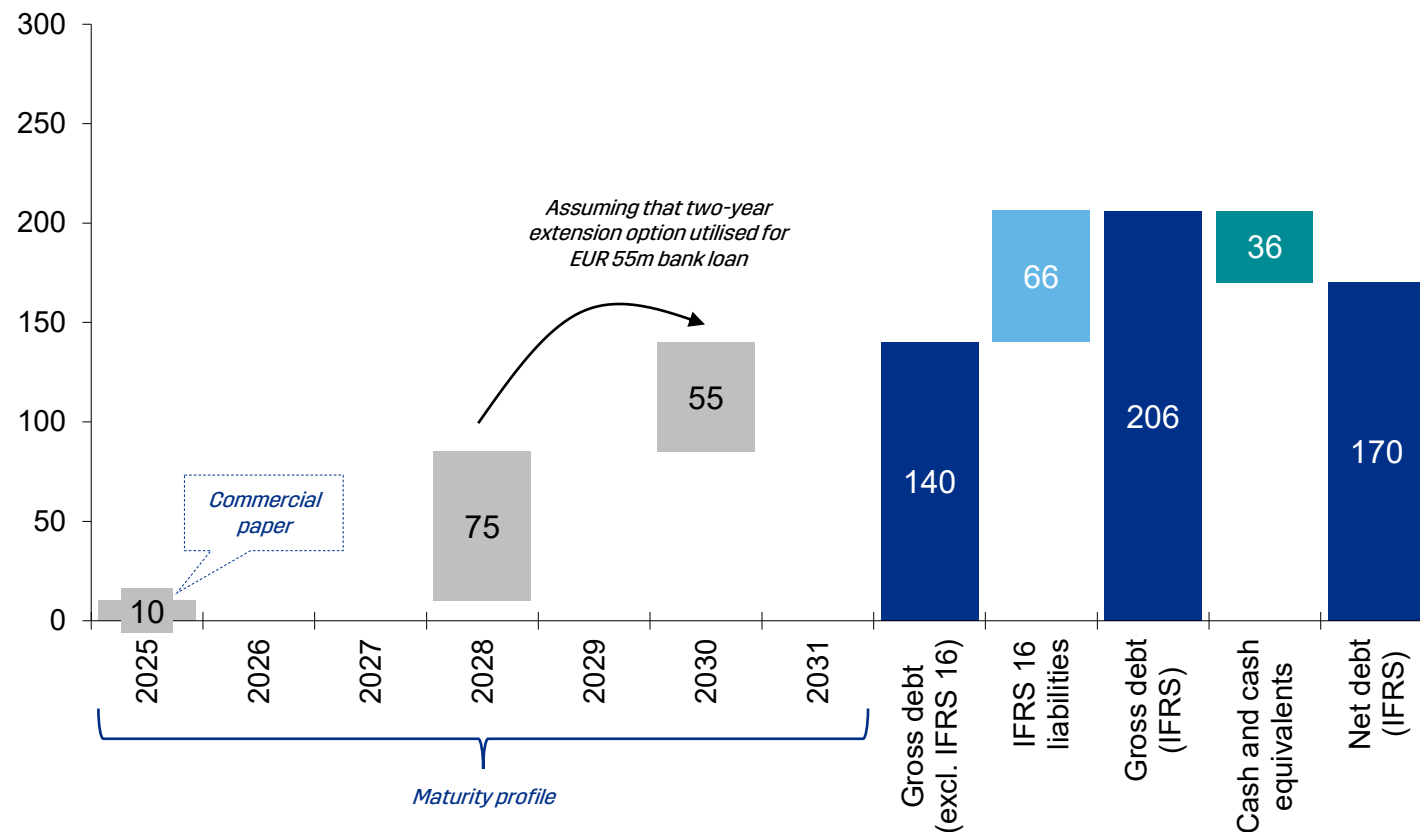


Net debt specification by quarter 2023-2025



MATURITY STRUCTURE AND REFINANCING

Maturity structure of interest-bearing liabilities as per 30 Sep 2025 (EUR m)

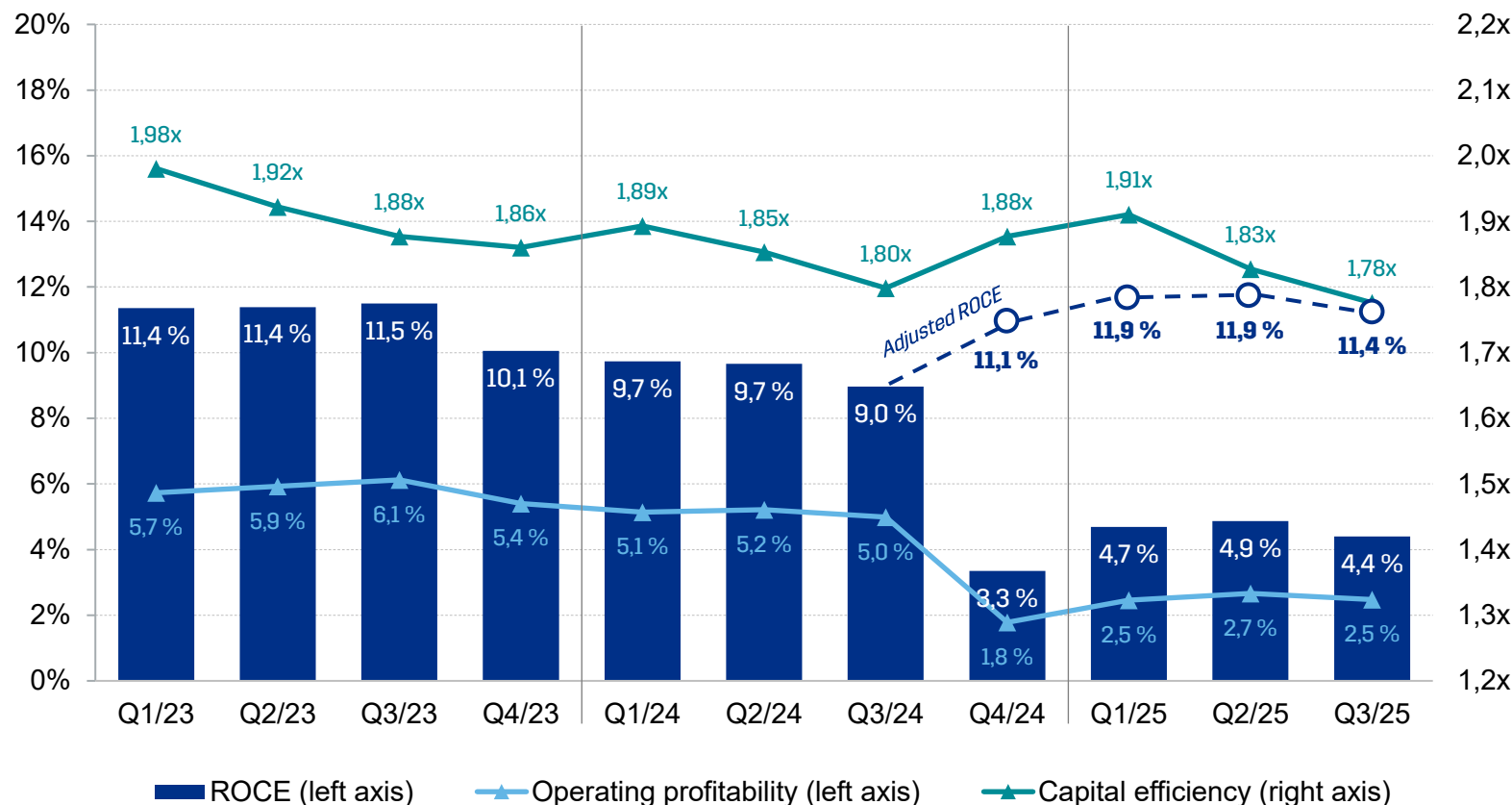


Comments

- Interest-bearing liabilities excluding IFRS 16 at EUR 140.2m
 - Commercial paper EUR 10m due in 2025
 - Bond EUR 75m due in 2028
 - Bank loan EUR 55m due in 2030 (2028 + two-year extension)
- In the planned demerger, current interest-bearing liabilities would be allocated between the New L&T and Luotea as follows:
 - EUR 75m sustainability-linked bond (New L&T)
 - EUR 50m term loan (New L&T)
 - EUR 5m term loan (Luotea)
- Successful consent solicitation process concerning the EUR 75m bond in August. Required majority of bondholders voted in favor of the proposal. 100 per cent of the votes cast supported the proposal, representing 99 per cent of the outstanding bonds.

RETURN ON CAPITAL EMPLOYED

ROCE-% development by quarter 2023-2025 (LTM)



Comments

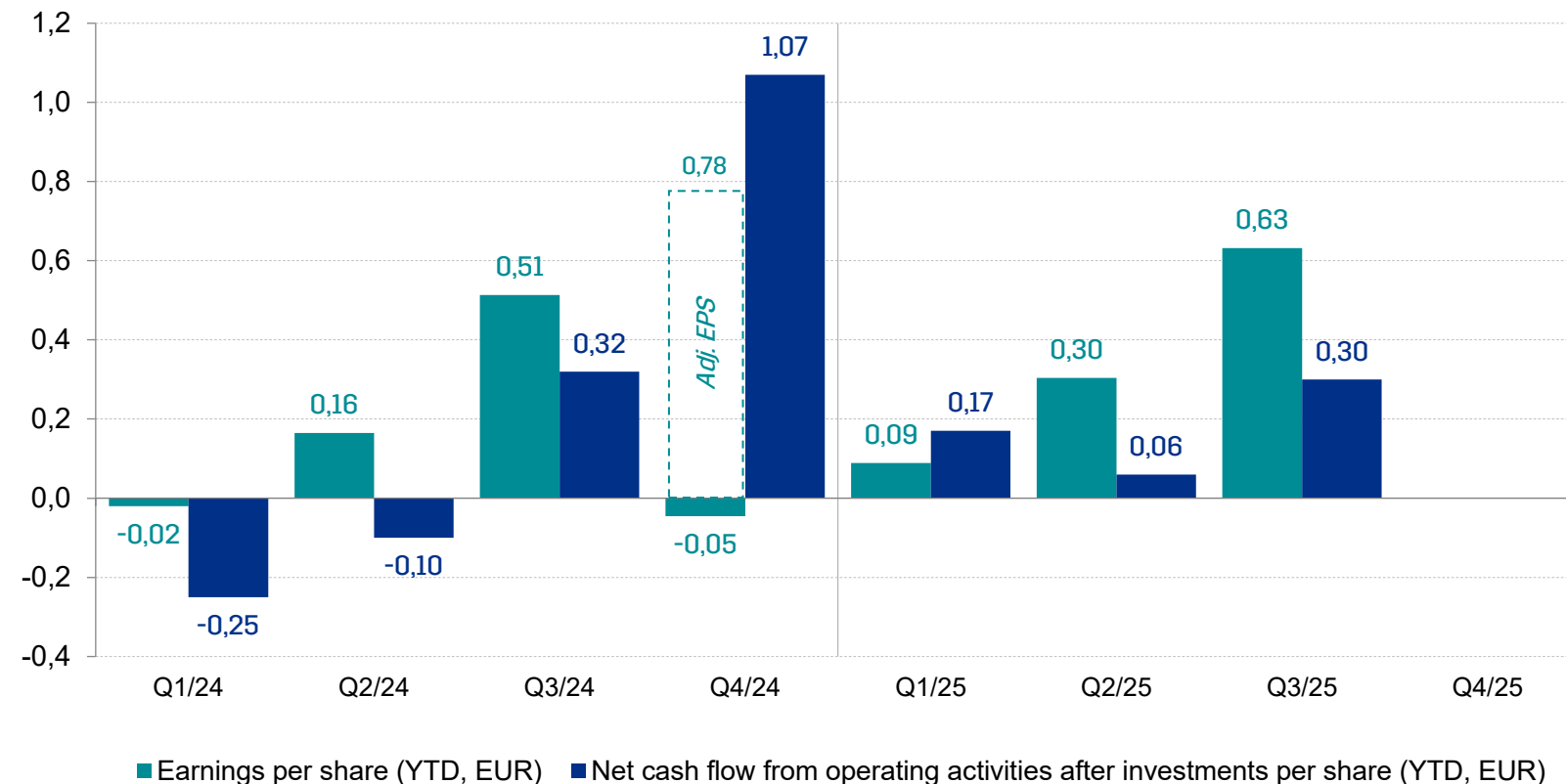
- Return on capital employed in Q3/2025 was 4.4% (9.0%) burdened by one-off items
- Adjusted ROCE excluding IAC for 2024 approximately 11.1% and for Q3 2025 approximately 11.4%
- In Q3 2025, ROCE of Circular Economy Business totalled 13.5% (13.0%)
- Facility Services Finland achieved ROCE of 74.8% (33.8%)
- L&T's share of profit from Laania in 1-9/2025 was EUR 1.0m (2.3m)

Operating profitability refers to EBIT + Financial income + Share of result of associated companies & joint ventures (R12m) / Net sales (R12m)
 Capital efficiency = Net sales (rolling 12 months) / Capital employed (average)



EARNINGS PER SHARE AND CASH FLOW PER SHARE

EPS and cash flow per share 2024-2025 (YTD, EUR)



Comments

- Earnings per share in January-September 2025 was EUR 0.63 (0.51) supported by improved profitability year-on-year
- EPS growth 23% y-o-y
- Net operating cash flow after investments per share in Jan-Sep 2025 was EUR 0.30 (0.32), negatively impacted by tied-up NWC



OUTLOOK FOR 2025

Net sales in 2025 are estimated to be at the same level as in the previous year, and adjusted operating profit is estimated to be EUR 44 – 48 million.

CONTACTS



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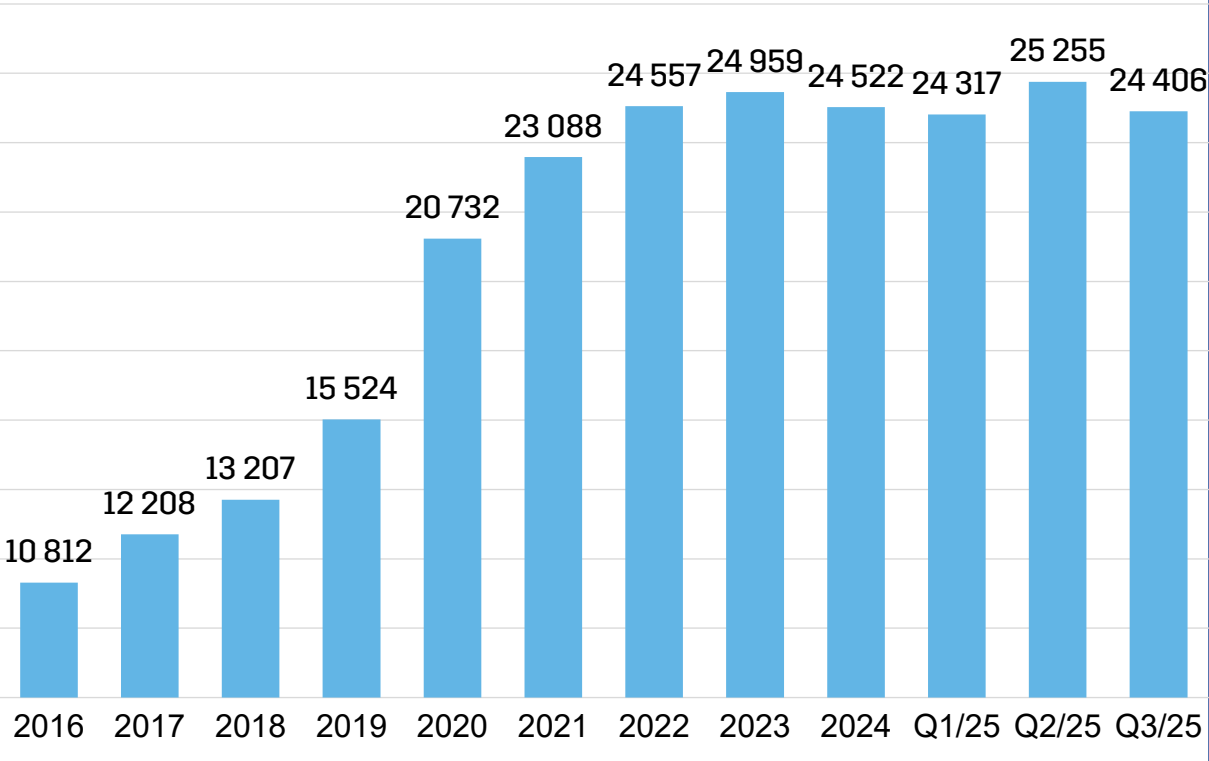
joni.sorsanen@lassila-tikanoja.fi



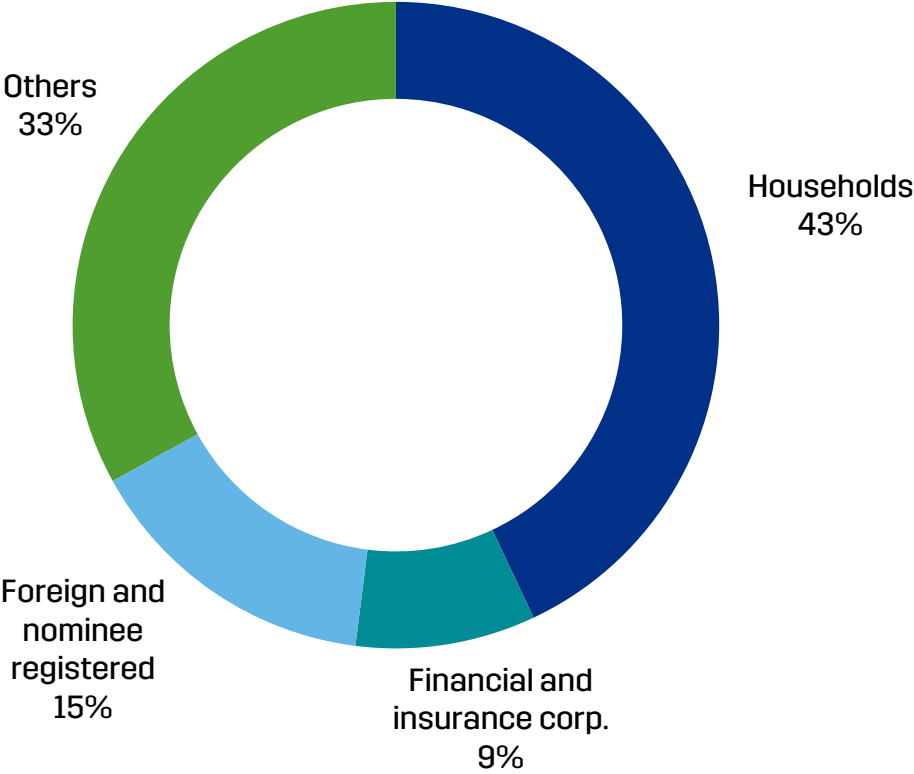
APPENDIX

SHAREHOLDER STRUCTURE

Number of shareholders



Shareholder structure

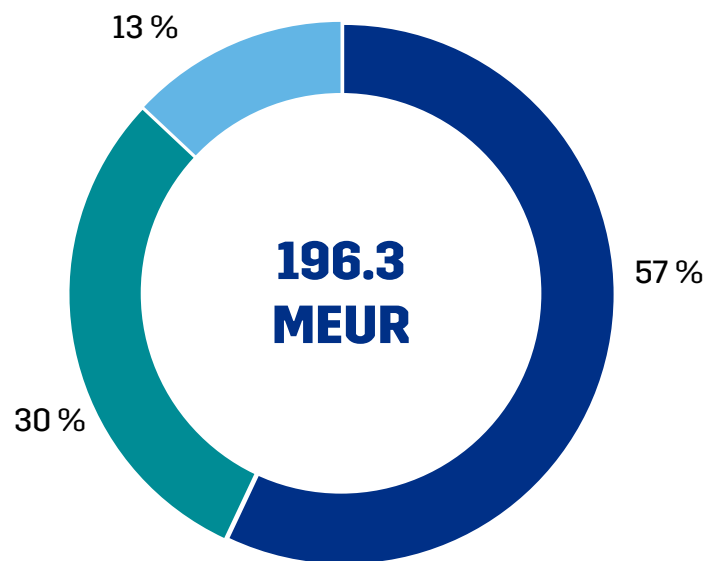


MAJOR SHAREHOLDERS ON 30 SEPTEMBER 2025

Shareholder	Shares	%
Evald and Hilda Nissi's Foundation	3,496,487	9.01
Nordea Nordic Small Cap Fund	1,834,300	4.73
Maijala Juhani	1,529,994	3.94
Bergholm Heikki	895,057	2.31
Åbo Akademi University Foundation	816,282	2.10
Ilmarinen Mutual Pension Insurance Company	790,000	2.04
Varma Mutual Pension Insurance Company	729,791	1.88
Maijala Mikko	720,000	1.86
Lassila & Tikanoja Oyj	587,150	1.51
Elo Mutual Pension Insurance Company	574,180	1.48
Ownership structure / sector	Shares	%
Nominee-registered shares	5,211,353	13.43
Number of shares	38,798,874	100.00
Number of shareholders	24,406	

KEY FIGURES

NET SALES Q3/2025



- 57% Circular Economy Business
- 30% Facility Services Finland
- 13% Facility Services Sweden

	Q3/25	Q3/24	Change%	1-9/25	1-9/24	Change%	2024
Net sales, MEUR	199.5	192.3	3.8	571.4	576.5	-0.9	770.7
EBITDA, MEUR	33.0	32.7	0.8	77.4	69.9	10.8	89.0
Operating profit, MEUR	18.2	18.9	-3.9	34.9	28.2	23.6	9.8
Operating margin, %	9.1	9.8		6.1	4.9		1.3
Earnings per share, EUR	0.33	0.35	-5.8	0.63	0.51	23.1	-0.05

Primary financial statements

Consolidated income statement

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Net sales	199.5	192.3	571.4	576.5	770.7
Other operating income	0.4	0.5	4.6	2.9	4.6
Materials and services	-57.1	-54.6	-160.5	-168.6	-228.2
Employee benefit expenses	-83.6	-80.2	-257.1	-257.2	-342.7
Other operating expenses	-26.2	-25.3	-81.0	-83.8	-115.5
Depreciation, amortisation and impairment	-14.8	-13.8	-42.5	-41.6	-55.9
Impairment of goodwill	-	-	-	-	-23.3
Operating profit	18.2	18.9	34.9	28.2	9.8
Financial income	0.1	0.2	0.4	0.5	0.8
Financial expenses	-2.1	-2.4	-6.3	-6.8	-9.3
Exchange rate differences (net)	0.0	0.0	0.1	-0.0	-0.0
Financial income and expenses	-2.0	-2.2	-5.8	-6.2	-8.6
Share of the result of associated companies and joint ventures	-0.2	0.2	1.0	2.3	3.2
Result before taxes	15.9	16.9	30.1	24.3	4.4
Income taxes	-3.4	-3.6	-5.9	-4.7	-6.1
Result for the period	12.5	13.3	24.1	19.6	-1.7
Attributable to:					
Equity holders of the company	12.5	13.3	24.1	19.6	-1.7
Earnings per share attributable to the equity holders of the parent company:					
Earnings per share, EUR	0.33	0.35	0.63	0.51	-0.05
Diluted earnings per share, EUR	0.33	0.35	0.63	0.51	-0.05

Consolidated statement of financial position

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	161.1	180.9	157.0
Other intangible assets	42.6	41.7	42.2
	203.6	222.5	199.2
Tangible assets ¹	155.6	166.1	164.3
Right-of-use assets	63.5	71.3	69.1
	219.1	237.4	233.4
Other non-current assets			
Shares in associated companies and joint ventures	18.3	18.1	18.9
Other shares and holdings	0.2	0.2	0.2
Deferred tax assets	3.6	4.9	2.0
Other receivables	0.9	1.0	1.0
	23.0	24.2	22.0
Total non-current assets	445.8	484.1	454.7
Current assets			
Inventories	11.1	9.1	9.2
Trade receivables ²	97.2	93.5	86.5
Contract assets ²	29.7	20.3	16.1
Income tax receivables	0.7	1.3	0.3
Other receivables	8.4	7.0	7.1
Cash and cash equivalents	35.9	30.4	33.9
Total current assets	183.1	161.5	153.2
Total assets	628.8	645.6	607.9

¹The figure for the 30 September 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

² The Company redefined the presentation of contract assets in the final quarter of 2024 and adjusted contract assets and trade receivables for prior quarters of year 2024 accordingly.

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the equity holders of the parent company			
Share capital	19.4	19.4	19.4
Translation reserve	-12.4	-12.7	-13.5
Invested unrestricted equity reserve	0.6	0.6	0.6
Retained earnings ¹	208.2	223.8	202.7
Total equity¹	215.8	231.1	209.2
Liabilities			
Non-current liabilities			
Deferred tax liabilities ¹	26.9	27.6	26.6
Retirement benefit obligations	1.0	1.1	1.1
Provisions	8.5	6.7	9.0
Borrowings	129.7	115.0	115.1
Lease liabilities	49.6	54.8	53.2
Other liabilities	6.0	12.7	13.4
	221.8	217.9	218.4
Current liabilities			
Borrowings	10.5	20.7	0.5
Lease liabilities	16.3	18.6	18.1
Trade and other payables	160.6	153.0	158.8
Income tax liabilities	2.1	2.9	0.3
Provisions	1.6	1.3	2.5
	191.2	196.5	180.3
Total liabilities	413.0	414.4	398.7
Total equity and liabilities	628.8	645.6	607.9

¹The figure for the 30 September 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

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