CONSTI INTERIM REPORT 1 January – 31 March 2021

30 April 2021 at 8.30 a.m.

NET SALES AT PAR WITH PREVIOUS YEAR, ORDER INTAKE INCREASED

1–3/2021 highlights (comparison figures in parenthesis 1–3/2020):

- Net sales 59.3 (59.0) million euro; growth 0.4%
- EBITDA 0.9 (1.3) million euro and EBITDA margin 1.5 (2.2)%
- Operating result (EBIT) 0.1 (0.5) million euro and EBIT margin 0.2 (0.8)%
- Order backlog 196.5 (202.2) million euro; change -2.8%
- Order intake 69.8 (62.1) million euro; growth 12.4%
- Free cash flow -2.9 (2.0) million euro
- Earnings per share -0.02 (0.01) euro

Guidance on the Group outlook for 2021:

The Company estimates that its operating result for 2021 will be in the range of EUR 7-11 million. The range for 2021 profit guidance is wide due to the uncertainties related to the Covid-19 pandemic.

KEY FIGURES (EUR 1,000)	1-3/2021	1-3/2020	Change %	1-12/2020
Net sales	59,283	59,039	0.4 %	274,646
EBITDA	878	1,281	-31.4 %	11,440
EBITDA margin, %	1.5 %	2.2 %		4.2 %
Operating result (EBIT)	101	462	-78.1 %	8,237
Operating result (EBIT) margin, %	0.2 %	0.8 %		3.0 %
Profit/loss for the period	-85	128		5,675
Order backlog	196,489	202,220	-2.8 %	177,857
Free cash flow	-2,929	1,986		18,334
Cash conversion, %	n/a	155.1 %		160.3 %
Net interest-bearing debt	11,714	17,760	-34.0 %	4,737
Gearing, %	38.6 %	60.8 %		14.1 %
Return on investment, ROI %	13.1 %	9.5 %		13.6 %
Number of personnel at period end	946	973	-2.8 %	927
Earnings per share, undiluted (EUR)	-0.02	0.01		0.70

CEO's review

"During the first quarter of 2021, our net sales were 59.3 (59.0) million euro, ending up slightly above last year's level. Our net sales for January-March, which are typically low due to the season, grew 0.4 percent to the comparison period.

Our operating result for the reporting period was profitable, but it was somewhat lower than in the comparison period. Our operating result for January-March was 0.1 (0.5) million euro, which is 0.2 (0.8) percent of our net sales. Our business volumes are usually at their lowest levels during the first quarter of each year, so our profitability for the reporting period was mainly in line with our expectations.

In January-March our order intake was 69.8 (62.1) million euro, which is a 12.4 percent increase to the comparison period. Our order backlog at the end of the reporting period was 196.5 (202.2) million euro. Despite the good order intake during the first quarter, our order backlog at the end of March was 2.8 percent lower than the order backlog for the comparison period. However, our order backlog grew 10.5 percent compared to the order backlog at the end of the previous financial year.

We announced our new strategy during this reporting period in February. We are now implementing our strategy and the feedback we have received from stakeholders has been positive. In particular, our decision to base our strategy on utilising the full potential of our customer focused organisation and the fact that we have emphasised corporate social responsibility and sustainable development in our strategy have been well received by our customers. Our work on implementing the new strategy at business area level is advancing according to our plans.

The coronavirus pandemic (COVID-19) hindered our ability to advance projects according to plans during the reporting period. While we have been able to keep the number of confirmed coronavirus cases and exposures to COVID-19 at a low level, the pandemic caused more interruptions at our worksites than in the comparison period. Despite the pandemic, demand for renovations remained at an adequate level. In the greater Helsinki area, housing company activities are increasing towards a more normal level from the previous year. Demand for renovation and modification work in commercial premises, however, has further declined especially in those industries that have suffered most from the coronavirus pandemic.

The coronavirus pandemic continues to cause uncertainty to construction and building technology short-term outlook. During the year 2021, we will concentrate on ensuring our business performance and implementing our new strategy."

Operating environment

Construction market 2021

The Confederation of Finnish Construction Industries, RT, estimated in its March review of market conditions that the construction market as a whole will decrease approximately two percent in 2021. RT predicts that the renovation market will grow approximately one percent in 2021. However, the coronavirus pandemic continues to cause uncertainty to near-future renovation outlook. In housing companies, the corona crisis delayed decision making and renovation project plans during 2020, but if the corona situation allows it, the pent-up renovation needs are expected to boost demand in apartment renovations. On the other hand, the uncertainty caused by the corona crisis is estimated to slow down business premises renovations in particular. The poor demand for business premises renovations is due to for instance decreased ability to pay rent, an oversupply of business premises, and uncertainty regarding the coronavirus pandemic's effects on consumer behaviour and business premises demand.

The renovation market in general

The value of professional renovations in total was nearly 14 billion euro in 2020, with residential building renovations' share amounting to 8.0 billion euro. Most renovations are conducted in apartment buildings and row houses.

Professional renovation has grown nearly continuously in Finland for the past 20 years. Renovations' share of all construction was approximately 47 percent in 2020.

Public service construction, especially schools and hospitals, has grown rapidly in recent years. New construction of schools is estimated to continue active, but on the whole public construction is expected to decline in upcoming years. This will have a considerable impact on the volume development of construction.

The need for facade renovations is growing, mainly due to the age of the building stock in Finland. Residential construction was at its heights in the 1970s and the building technology, facades and structures from that time now require major renovations. However, housing companies from the 1960s have still been renovated most when looking at the value of the renovations in proportion to the net floor area. Housing companies from the 1960s are clearly the largest group especially in building technology renovations.

Building technology renovations are the fastest growing area of renovations, including for example pipeline renovations, heating, ventilation, cooling and electrical renovations. They have made up nearly half of all housing company renovations in recent years. About 70 percent of building technology renovations are pipeline renovations.

Structures and facades are the second largest group, making up nearly 40 percent of all renovations. For financial reasons, facade renovations have had to be postponed in many housing companies to make room for pipeline renovations. According to the Finnish Real Estate Federation's renovation barometer, there is currently almost the same number of facade and pipeline renovations ongoing in housing companies. The barometer estimates that in upcoming years renovation needs will focus increasingly on facades.

Approximately one fifth of renovations are repair and maintenance renovations.

The demand for renovation is maintained by the large building stock of residential buildings from the 1970s and also renovation needs in commercial and office buildings. In the 1980s commercial and office building construction was especially large-scale in Finland, and in the 1990s and early 2000s more commercial and office buildings were built than residential buildings. Premises from that era do not necessarily meet present-day needs. In addition, the growing amount of remote work and online shopping due to the corona pandemic add new challenges to the efficient use of premises.

Megatrends such as aging population, urbanisation and climate change also add to renovation needs. Like new construction, renovation is also estimated to continue concentrating to growth centres.

Climate change mitigation requires for instance improved energy efficiency in buildings, as stipulated in the EU's energy efficiency directive. This is fostered for example with building technology and facade renovations. Adaption to weather variations caused by climate change necessitates meticulous maintenance of facades in particular.

Group structure

Consti is one of Finland's leading companies focused on renovation contracting and technical building services. Consti offers comprehensive renovation and building technology services and selected new construction services to housing companies, corporations, investors and the public sector in Finland's growth centres.

Consti has four business areas: Housing Companies, Corporations, Public Sector and Building Technology. All these also contain Servicing and maintenance services which is not reported as its own business area. Consti however reports its Service operations' sales per financial year. Consti's Service business includes service contracting as well as technical repair and maintenance services to contract customers.

Business areas are reported in one segment. In addition, Consti reports net sales for each business area.

The Group's parent company is Consti Plc. The business areas operate in two subsidiaries completely owned by the parent company: Consti Korjausrakentaminen Oy (Housing Companies, Corporations and Public Sector) and Consti Talotekniikka Oy (Building Technology).

Long-term goals

Consti's mission is to improve the value of the building stock and people's quality of life. Consti's vision is to be "Our customer's number one partner and expert in multiple types of construction". To achieve its vision and goals, Consti has defined strategic focus areas, which are: growth in current businesses, new businesses, improving relative profitability, improving production efficiency, people and management and corporate social responsibility and sustainable development.

The company's long-term financial goals are to achieve:

- Growth: net sales growing faster than the market
- Profitability: EBIT margin exceeding 5 percent
- Free cash flow: Cash conversion ratio exceeding 90 percent
- Balance sheet structure: Net debt and adjusted EBITDA rate less than 2.5x
- The Company's aim is to distribute as dividends at least 50 percent of the Company's annual net profit

Sales, result and order backlog

Consti Group's January-March net sales 2021 increased 0.4 percent and were 59.3 (59.0) million euro. Housing Companies net sales were 13.4 (16.5), Corporations net sales were 21.8 (20.8) Public Sector net sales were 7.5 (9.4) and Building Technology net sales were 19.2 (15.5) million euro.

Of the business areas engaged in the construction business, net sales grew in Corporations but decreased in Housing Companies and Public Sector. Net sales in Housing Companies business area grew in Greater Helsinki area but due to weaker demand than in previous year, decreased in other areas. The net sales of Building Technology business area increased mainly due to the volume increase in building technology installations business in Greater Helsinki area.

Operating result for January-March was 0.1 (0.5) million euro. Operating result from net sales was 0.2 (0.8) percent. Consti's business volumes are typically lowest during the first quarter of the year so the profitability in the reporting period was mainly in line with expectations. The result from January-March was weakened by costs linked to experts and arbitration proceedings relating to the construction project of Hotel St. George. These costs were larger than in the comparison period, and they amounted to 0.4 (0.1) million euro during the reporting period.

Order backlog decreased 2.8 percent and was 196.5 (202.2) million euro. Order intake value in January-March increased 12.4 percent and was 69.8 (62.1) million euro.

Investments and business combinations

Investments into intangible and tangible assets in January-March were 0.3 (0.3) million euro, which is 0.4 (0.6) percent of the company's sales. The largest investments were made into property, plant and equipment, which primarily include machinery and equipment purchases. Investments into right-of-use assets (IFRS 16) during January-March were EUR 0.2 (0.2) million. The majority of investments into right-of-use assets during the reporting period were related to renewed leasing contracts of vans used in project and service business.

Cash flow and financial position

The operating cash flow in January-March before financing items and taxes was -2.7 (2.3) million euro. Free cash flow was -2.9 (2.0) million euro. Cash flow for January-March was affected by tied up working capital during the period.

Consti Group's cash and cash equivalents on 31 March 2021 were 15.9 (14.9) million euro. In addition, the company has undrawn revolving credit facilities and unused credit limits amounting to 8.0 million euro in total. The Group's interest bearing debt were 27.6 (32.7) million euro. External loans are subject to two financial covenants based on the ratio of the Group's net debt to EBITDA and gearing. On the balance sheet date, the interest bearing net debt was 11.7 (17.8) million euro and the net gearing ratio 38.6 (60.8) percent. At the balance sheet date 31 March 2021, the Group's interest-bearing net debt to adjusted EBITDA ratio was under the covenant's maximum level according to the confirmed calculation principles.

During the reporting period, Consti Plc redeemed the EUR 3.2 million hybrid bond issued on March 2019 in accordance with its terms and conditions. The interest paid on the hybrid bond during the reporting period, EUR 0.4 million in total, was in part paid to persons in managerial positions in the company. The interest on the hybrid bond is recognised as deduction from Group's equity.

The balance sheet total on 31 March 2021 was 115.9 (121.6) million euro. At the end of the reporting period tangible assets in the balance sheet were 4.8 (6.1) million euro. Equity ratio was 32.1 (29.9) percent.

Within the framework of the EUR 50 million domestic commercial paper program initiated in October 2019, Consti may issue commercial papers with maturity of under one year. During January-March 2021, Consti issued new commercial papers with maturity of under one year amounting to EUR 7.0 million. During the same period, matured total of EUR 8.0 million earlier issued commercial papers.

MATURITY DISTRIBUTION OF INTEREST-BEARING DEBT (EUR 1,000)*	2021	2022	2023	2024	2025	2026-	Total
Bank loans	1,164	16,609	0	0	0	0	**17,773**
Commercial papers	7,000	0	0	0	0	0	**7,000**
Lease liabilities	1,244	588	226	61	5	0	**2,123**
Other interest-bearing liabilities	394	395	226	76	0	0	**1,091**
Total	**9,801**	**17,592**	**451**	**137**	**5**	**0**	**27,987**

**Including deferred interest expense*

Personnel

Consti Group's average personnel count during the reporting period was 942 (971). The personnel count was 946 (973) at the end of the reporting period.

At the end of the reporting period 331 (338) employees worked in Housing Companies, 220 (232) in Corporations, 54 (44) in Public Sector and 331 (349) in the Building Technology business area. The parent company employed 10 (10) people.

PERSONNEL AT PERIOD END	31 March 2021	31 March 2020	Change %	31 Dec 2020
Housing Companies	331	338	-2.1 %	320
Corporations	220	232	-5.2 %	222
Public Sector	54	44	22.7 %	47
Building Technology	331	349	-5.2 %	328
Parent company	10	10	0.0 %	10
Group	**946**	**973**	**-2.8 %**	**927**

Management Team

Consti announced on 28 January 2021, that Jukka Kylliö (born.1967, B.Eng., CPM®) has been appointed as Business Area Director Public Sector and Consti Plc's Management Team member. Jukka Kylliö assumed his position as member of Consti Plc's Management Team on 4 February 2021 and reports to Esa Korkeela, CEO of Consti Plc.

Consti Plc's Management Team at the end of the reporting period consisted of CEO Esa Korkeela and the following persons: Joni Sorsanen, CFO; Risto Kivi, Business Area Director Housing Companies; Jukka Mäkinen, Business Area Director Corporations; Jukka Kylliö, Business Area Director Public Sector; Pekka Pöykkö, Business Area Director Building Technology; Markku Kalevo, Bid and Sales Director Housing Companies; Pirkka Lähteinen, Regional Director Corporations; Heikki Untamala, Chief Legal Officer and Turo Turja, HR Director.

Important events during the reporting period

Consti Plc ("Consti") received an announcement from Wipunen varainhallinta Oy on 19 January 2021, in accordance with the Finnish Securities Market Act Chapter 9, Section 5. According to the announcement, the number of Consti shares and votes owned by Wipunen varainhallinta Oy exceeded five (5) per cent of the share capital of Consti on 18 January 2021.

Consti Plc ("Consti") received an announcement from Heikintorppa Oy on 19 January 2021, in accordance with the Finnish Securities Market Act Chapter 9, Section 5. According to the announcement, the number of Consti shares and votes owned by Heikintorppa Oy exceeded five (5) per cent of the share capital of Consti on 18 January 2021.

Consti announced 25 February 2021, that it will exercise its right to redeem its remaining EUR 3.2 million hybrid bond (the "2019 Capital Securities") issued on 29 March 2019 (ISIN: FI4000375357). The outstanding EUR 3.2 million 2019 Capital Securities was redeemed in full on 29 March 2021 (the "Redemption Date") in accordance with its terms and conditions. On the Redemption Date, Consti paid the holders of the outstanding 2019 Capital Securities a redemption price equal to the principal amount of the note together with any accrued interest to, but excluding the Redemption Date.

Consti Plc's Board decided on 2 March 2021 to continue the key employee share-based incentive plan launched in 2016. The plan offers the key employees that belong to the target group of the plan an opportunity to earn the Company's shares as reward by converting half or all of their performance-based bonuses to be earned on the basis of the Company's bonus scheme in 2021 into shares. Before the reward payment, the performance-based bonuses that have been converted into shares will be multiplied by a reward multiplier determined by the Board. The potential reward from the performance period 2021 will be paid to participants partly in shares and partly in cash after a two-year vesting period in 2024. During the performance period 2021, a maximum of approximately 70 key employees will belong to the target group of the plan, including the members of the Management Team. The rewards to be paid for the performance period 2021 will amount up to a maximum total of approximately 230,000 Consti Plc shares at the prevailing share price level, including also the cash portion, providing that all of the key employees that belong to the target group of the plan decide to participate and convert their performance-based bonuses entirely into shares.

Consti Plc ("Consti") received an announcement from Elementa Management AB ("Elementa") on 10 March 2021, in accordance with the Finnish Securities Market Act Chapter 9, Section 5. According to the announcement, the number of Consti shares and votes owned by Elementa decreased below ten (10) per cent of the share capital of Consti on 9 March 2021.

Shares and share capital

Consti Plc's share capital on 31 March 2021 was 80 000 euro and the number of shares 7,858,267. Consti Plc held 173,031 of these shares. The Company has a single series of shares, and each share entitles its holder to one vote at the General Meeting of the company and to an equal dividend. The Company's shares have no par value. Consti Plc's shares are added into the Book-Entry Securities System.

Trade at Nasdaq Helsinki

Consti Plc has been listed in the Helsinki Stock Exchange main list since 15 December 2015. The trade symbol is CONSTI. On the Nordic list Consti Plc is classified a small cap company within the Industrials sector. During 1 January – 31 March 2021 Consti Plc's lowest share price was 9.30 (6.00) euro and the highest 14.10 (8.88) euro. The share's trade volume weighted average price was 11.77 (7.56) euro. At the close of the stock day 31 March 2021, the share value was 13.00 (6.52) euro and the Company's market value was 102.2 (51.2) million euro.

Related-party transactions

In addition to the hybrid bond related transactions mentioned earlier in Cash flow and financial position chapter, there were no significant related-party transactions during the reporting period.

Outlook for 2021

The coronavirus pandemic continues to cause uncertainty to Consti's operating environment. Although market research institutes expect the renovation market to grow in 2021, new waves of the pandemic and lockdowns remain possible. The most significant short-term impacts of the corona crisis have to do with both the company's ability to carry out existing projects and also short-term demand outlook. Uncertainty pertaining to handling existing projects relate to workforce availability, possible illnesses, material availability and official regulations. The short-term demand outlook is still uncertain due to some projects currently in the negotiation stage that may possibly be postponed, as well as delayed decision making. In 2021 Consti will concentrate on ensuring the performance of its business and implementing its new strategy.

The Company estimates that its operating result for 2021 will be in the range of EUR 7-11 million. The range for 2021 profit guidance is wide due to the uncertainties related to the Covid-19 pandemic.

Significant risks and risk management

Consti divides risks into strategic and operative risks, financing risks and risks of injury or damage.

Risks pertain to defining and carrying out strategy. The main goal of Consti's strategy is to utilise the full potential of its customer focused organisation structure. Consti aspires to achieve controlled and profitable growth in attractive renovation and building technology segments. In order to answer more comprehensively to customer needs the company will also offer selected new construction services. Consti's strategy includes both organic growth and acquisitions. Risks related to acquisitions are managed with careful deal preparation and integration monitoring. Market risks are controlled by actively following the market and adjusting operations as necessary.

Operative risks relate to clients and project operations, personnel, subcontractors, suppliers, legislation and legal claims. In addition the coronavirus pandemic causes uncertainty to Consti's operating environment. The risks arising from coronavirus pandemic are described above in Outlook for 2021 -section. Consti has a wide customer base that consists of housing companies, municipalities and other public-sector operators, real estate investors as well as corporations and industrial players. Our broad customer base decreases risks related to both individual projects and the market environment. A substantial part of Consti Group's business comes from tendered projects and services. The Company and its business areas have procedures that determine which tenders Consti participates in and what the decision making processes regarding these projects are. Consti's jointly agreed upon procedures for internal tender calculation and authorisation for decision making are also central to tender processes.

Our success depends to a large extent on how well we are able to acquire, motivate and retain professional personnel and upkeep our employees' competence. Personnel turnover risk will be kept at minimum with for example continuous training and by supporting voluntary training. Personnel risks also include possible human errors and misconducts. These risks are managed with careful recruiting, orientation, work supervision and with ethical guidelines created for supervisors. Subcontractor and supplier risks are managed with meticulously made contracts, long term partnerships and regular assessments of the subcontractor and suppliers' financial position. Changes in building, environmental protection, workforce and work safety legislation as well as taxation and financial re-porting all have an impact on Consti's operating possibilities.

Risks relating to legal proceedings are managed with meticulous contract preparation and monitoring, the highest possible work quality, and liability insurance. The Group has ongoing and pending legal cases relating to normal business. It is difficult to predict the outcome of these proceedings, but provisions based on the best possible estimate have been recorded in those cases where such provisions are estimated necessary.

Risks pertaining to injuries or damage include injuries, environmental risks, and ICT risks. Consti strives to follow all applicable regulation aimed at protecting employees, and occupational safety is emphasized in all our actions. The most significant environmental risks are related to environmentally harmful substances which may be produced for example in deconstruction waste processing, or caused by neglects in end-storage. In addition, operations can cause noise, construction dust and tremor to nearby surroundings. Consti abides by legislation, regulation, permit procedures and authority regulations regarding construction, the materials used in building, storage, recycling, waste disposal and other environmental issues. ICT risk are assessed and managed in cooperation between the Group's ICT function and business areas and together with partners.

Consti Group's business has financial risks. Financial risks include interest rate, credit and liquidity risks as well as risk relating to the realisation of payments from long-term contract and service agreements.

The Group's risks related to market rate fluctuations are due largely to the Group's long-term variable interest rate loans. Consti monitors the sensitivity of its loans to changes in interest rates and the effect such changes would have on the Group's results prior to taxes. Consti's credit risk is related to customers who have unpaid invoices or with whom Consti has long-term contracts as well as counterparties to cash and cash equivalents and derivative agreements. The businesses credit risk is managed for instance with advance payments, front-loaded payment schedules for projects and by examining client backgrounds.

The Group strives to ensure the availability and flexibility of financing with sufficient credit limit reserves and sufficiently long loan periods. The Group's working capital management makes every effort to ensure that it abides to covenants included in interest bearing loans, which in turn determine the capital structure provisions. Consti. At the balance sheet date 31 March 2021, the Group's interest-bearing net debt to adjusted EBITDA ratio was under the covenant's maximum level according to the confirmed calculation principles. The financial covenant's degree is continuously monitored and assessed in relation to net debt and EBIT realisations and predictions.

There is a risk that revenue and results of operations from long-term contracts recognised using the percentage-of-completion method and presented by financial year do not necessarily correspond to an even distribution of the final overall result over the contract period. Calculating the total result of a contract involves estimates of the total cost of completing the contract and the progress of the work to be invoiced. If the estimates of the final result of the contract change, the effect of this is reported in the period when the change first became known and could be estimated.

Goodwill is based on management estimates. Goodwill recognised on Consti's balance sheet is not amortised, but it is tested for impairment annually or if necessary more often by the Group.

A detailed description of risks related to Consti and its operating environment and business, as well as the Group's risk management are presented in the Board of Directors' Report published in Consti's annual report 2020. Financial risks and their management is described in detail in note 18 to the financial statements "Financial risk management".

Hotel St. George construction project

Consti Plc's subsidiary Consti Korjausrakentaminen Oy (former Consti Korjausurakointi Oy) has initiated on 17 August 2018 arbitration proceedings in accordance with the Arbitration Rules of the Finland Chamber of Commerce against Kiinteistö Oy Yrjönkatu 13, which relates to the construction project for Hotel St. George. This disagreement has arisen between Consti Korjausrakentaminen Oy and Kiinteistö Oy Yrjönkatu 13 relating to the project management agreement signed on 21 December 2015, which concerns the construction project for Hotel St. George. In addition, the disagreement relates to a so-called rush contract signed on 1 December 2017. The construction project for Hotel St. George has been completed and handed over to the client.

Consti Korjausrakentaminen Oy demands payments from Kiinteistö Oy Yrjönkatu 13 based on the above-mentioned contracts. During the arbitration court process, the amount of capital of Consti's settlement requirement has been specified as approximately 12.7 million euro. Kiinteistö Oy Yrjönkatu 13's counterclaims have been specified as approximately 10.3 million euro during the arbitration court process. The amounts do not include VAT. In addition, the parties claim interest payments and compensation for legal expenses from each other. Consti Korjausrakentaminen Oy's demand related to legal expenses is 2.4 million euro in total. Kiinteistö Oy Yrjönkatu 13's demand related to legal expenses is 3.9 million euro in total. The amounts do not include VAT. Consti Korjausrakentaminen Oy considers the claims of Kiinteistö Oy Yrjönkatu 13 to be unfounded.

On 9 April, 2020, the Arbitration Institute decided to extend the time limit given for the delivery of final arbitral award until 11 June, 2021. To the best of its ability, Consti has taken the disagreement into consideration in its financial reporting. In the future, Consti will disclose information on this matter, on the final claims presented and on the relevance of this matter to the company's financial position as necessary in connection with interim reports and by separate releases, as necessary.

Events after the reporting period

The Annual General Meeting 2021 and Board authorisations

The Annual General Meeting of Shareholders of Consti Plc held on 7 April 2021 adopted the Financial Statements and discharged the Members of the Board of Directors and the CEO from liability for the financial year 1 January - 31 December 2020. The Annual General Meeting resolved that a dividend of 0.40 euro per share for the financial year 2020 is paid. The record date for dividend payment is 9 April 2021 and the dividend is paid on 16 April 2021.

The Annual General Meeting resolved that the Board of Directors consists of six members. The current members of the Board of Directors, Tapio Hakakari, Erkki Norvio, Petri Rignell, Pekka Salokangas, Anne Westersund and Johan Westermarck were re-elected as members of the Board of Directors for the following term of office.

Authorised Public Accounting firm Ernst & Young Ltd was elected as the Auditor of the Company and Toni Halonen, Authorised Public Accountant, will act as the Responsible Auditor.

It was resolved that the annual remuneration of the members of the Board of Directors is paid as follows: The Chairman of the Board of Directors is paid EUR 36,000 and members of the Board of Directors are each paid EUR 24,000. It was also resolved that a EUR 500 fee per member per meeting is paid for Board meetings. It was resolved that the remuneration for the Auditor shall be paid according to the Auditor's reasonable invoice.

The Board of Directors was authorised to decide on the acquisition of a maximum of 580,000 own shares in one or more tranches by using the unrestricted equity of the Company. The own shares can be acquired at a price formed in public trading on the acquisition date or at a price otherwise formed on the market. In the acquisition, derivatives, inter alia, can be used. The acquisition of own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition). Own shares acquired by the Company may be held by it, cancelled or transferred. The authorisation includes the right of the Board of Directors to resolve on how the own shares are acquired as well as to decide on other matters related to the acquisition of own shares.

The authorisation revokes previous unused authorisations on the acquisition of the Company's own shares. The authorisation is valid until the following Annual General Meeting, however no longer than until 30 June 2022.

The Board of Directors was authorised to decide on the issuance of shares and on the transfer of special rights entitling to shares referred to in Chapter 10, Section 1 of the Limited Liability Companies Act, in one or several tranches, either against or without consideration. The number of shares to be issued, including shares transferred under special rights, may not exceed 780,000 shares. The Board of the Directors may decide to issue either new shares and/or transfer of own shares possibly held by the Company. The authorisation entitles the Board of Directors to resolve on all the conditions of the issuance of shares and the issuance of special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription right.

The authorisation revokes previous unused authorisations on the issuance of shares and the issuance of options and other special rights entitling to shares. The authorisation is valid until the end of the following Annual General Meeting, however no longer than until 30 June 2022.

Organising Meeting of the Board of Directors

The Board of Directors elected by the Annual General Meeting of Shareholders of Consti Plc on 7 April 2021 held its organising meeting and elected Tapio Hakakari as the Chairman of the Board and Erkki Norvio as the Deputy Chairman of the Board. The Board of Directors appointed Petri Rignell, Erkki Norvio, Tapio Hakakari and Pekka Salokangas as members of the Nomination and Compensation Committee. The Board of Directors has not established other committees.

INTERIM REPORT 1.1. - 31.3.2021: FINANCIAL TABLES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)	1-3 / 2021	1-3 / 2020	Change %	1-12 / 2020
Net sales	**59,283**	**59,039**	**0.4 %**	**274,646**
Other operating income	91	116	-21.3 %	511
Materials and services	-42,367	-40,823	-3.8 %	-191,711
Employee benefit expenses	-13,191	-14,045	6.1 %	-58,108
Depreciation	-777	-819	5.1 %	-3,203
Other operating expenses	-2,938	-3,007	2.3 %	-13,899
Operating result (EBIT)	**101**	**462**	**-78.1 %**	**8,237**
Financial income	2	1	91.6 %	4
Financial expenses	-209	-308	32.2 %	-1,006
Total financial income and expenses	-207	-308	32.6 %	-1,002
Profit/loss before taxes (EBT)	**-106**	**154**		**7,235**
Total taxes	21	-26		-1,560
Profit/loss for the period	**-85**	**128**		**5,675**
Comprehensive income for the period 1)	**-85**	**128**		**5,675**
Earnings per share attributable to equity holders of parent company				
Earnings per share, undiluted (EUR)	-0.02	0.01		0.70
Earnings per share, diluted (EUR)	-0.02	0.01		0.69

1) The group has no other comprehensive income items.

CONSOLIDATED BALANCE SHEET (EUR 1,000)	31 Mar 2021	31 Mar 2020	Change %	31 Dec 2020
ASSETS				
Non-current assets				
Property, plant and equipment	4,791	6,082	-21.2 %	5,142
Goodwill	48,604	48,604	0.0 %	48,604
Other intangible assets	349	390	-10.7 %	401
Shares and other non-current financial assets	17	17	0.0 %	17
Deferred tax receivables	354	792	-55.2 %	278
Total non-current assets	**54,116**	**55,886**	**-3.2 %**	**54,443**
Current assets				
Inventories	687	643	6.8 %	656
Trade and other receivables	45,142	50,165	-10.0 %	49,239
Cash and cash equivalents	15,923	14,934	6.6 %	24,257
Total current assets	**61,752**	**65,742**	**-6.1 %**	**74,152**
TOTAL ASSETS	**115,868**	**121,628**	**-4.7 %**	**128,595**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent company	30,320	26,023	16.5 %	30,378
Hybrid bond	0	3,200	-100.0 %	3,200
Total Equity	**30,320**	**29,223**	**3.8 %**	**33,578**
Non-current liabilities				
Interest-bearing liabilities	17,683	19,518	-9.4 %	17,869
Total non-current liabilities	**17,683**	**19,518**	**-9.4 %**	**17,869**
Current liabilities				
Trade and other payables	34,174	33,532	1.9 %	37,373
Advances received	21,321	23,849	-10.6 %	25,980
Interest-bearing liabilities	9,954	13,177	-24.5 %	11,126
Provisions	2,415	2,328	3.7 %	2,670
Total current liabilities	**67,864**	**72,887**	**-6.9 %**	**77,149**
TOTAL EQUITY AND LIABILITIES	**115,868**	**121,628**	**-4.7 %**	**128,595**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR 1,000)	Equity attributable to owners of the parent company						
	Share capital	Reserve for invested non-restricted equity	Treasury shares	Retained earnings	Total	Hybrid bond	Total equity
Equity on 1 January 2021	**80**	**28,252**	**-610**	**2,656**	**30,298**	**3,200**	**33,578**
Total comprehensive income				-85	-85		**-85**
Hybrid bond				-71	-71	-3,200	**-3,271**
Conveyance of own shares			132		132		**132**
Share-based incentive				-67	-67		**-67**
Option scheme				33	33		**33**
Transactions with shareholders, total			*132*	*-34*	*99*		***99***
Equity on 31 March 2021	**80**	**28,252**	**-477**	**2,466**	**30,240**	**0**	**30,320**
Equity on 1 January 2020	**80**	**28,252**	**-395**	**-1,800**	**26,057**	**3,200**	**29,337**
Total comprehensive income				128	128		**128**
Hybrid bond				-307	-307		**-307**
Conveyance of own shares			52		52		**52**
Share-based incentive				14	14		**14**
Transactions with shareholders, total			*52*	*14*	*66*		***66***
Equity on 31 March 2020	**80**	**28,252**	**-343**	**-1,965**	**25,944**	**3,200**	**29,223**
Equity on 1 January 2020	**80**	**28,252**	**-395**	**-1,800**	**26,057**	**3,200**	**29,337**
Total comprehensive income				5,675	5,675		**5,675**
Hybrid bond				-544	-544		**-544**
Dividend distribution				-1,230	-1,230		**-1,230**
Purchase of own shares			-266		-266		**-266**
Conveyance of own shares			52		52		**52**
Share-based incentive				487	487		**487**
Option scheme				67	67		**67**
Transactions with shareholders, total			*-215*	*-676*	*-891*		***-891***
Equity on 31 December 2020	**80**	**28,252**	**-610**	**2,656**	**30,298**	**3,200**	**33,578**

CONSOLIDATED STATEMENT OF CASH FLOWS (EUR 1,000)	1-3/2021	1-3/2020	1-12/2020
Cash flows from operating activities			
Operating result	101	462	8,237
Adjustments:			
Depreciation	777	819	3,203
Other adjustments	53	51	422
Change in working capital	-3,606	982	7,678
Operating cash flow before financial and tax items	**-2,675**	**2,314**	**19,539**
Financial items, net	-207	-308	-1,002
Taxes paid	-181	0	-728
Net cash flow from operating activities	**-3,064**	**2,006**	**17,810**
Cash flows from investing activities			
Investments in tangible and intangible assets	-253	-327	-1,206
Investments in right-of-use assets (IFRS 16)	-155	-189	-940
Proceeds from sale of property, plant and equipment	80	15	359
Net cash flow from investing activities	**-328**	**-501**	**-1,787**
Cash flows from financing activities			
Purchase of own shares	0	0	-266
Dividend distribution	0	0	-1,230
Hybrid bond	-3,584	-384	-384
Payments of long-term liabilities	0	0	-1,000
Change in lease liabilities	-373	-315	-1,103
Change in other interest-bearing liabilities	-984	4,096	2,185
Net cash flow from financing activities	**-4,941**	**3,397**	**-1,798**
Change in cash and cash equivalents	**-8,334**	**4,902**	**14,225**
Cash and cash equivalents at period start	24,257	10,032	10,032
Cash and cash equivalents at period end	**15,923**	**14,934**	**24,257**

Accounting principles

Consti Plc's interim financial report has been prepared for the accounting period of 1 January – 31 March 2021 according to the IAS 34 Interim Financial reporting principles. Consti has abided by the same accounting principles in its interim financial reporting as in its IFRS financial statement 2020. The information presented in the interim reports are not audited. All figures in these accounts have been rounded. Consequently, the sum of individual figures can deviate from the presented sum figure. The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities, and the recognition of income and expenses in the statement of income. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the values given in interim reports. ESMA (European Securities and Markets Authority) has published guidelines on Alternative Performance Measures (APMs). Consti presents Alternative Performance Measures (APMs) to reflect the underlying business performance and to enhance comparability between financial periods. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Lease agreements

The impact of the leases on Consti's 1 Jan - 31 March 2021 profit or loss and balance sheet is presented in table below:

CLASSIFICATION OF AMOUNTS RECOGNISED IN BALANCE SHEET AND PROFIT OR LOSS ACCORDING TO IFRS 16 (EUR 1,000)	Right-of-use assets				
	Buildings and structures	Machinery and equipment	Other intangible assets	Total	Lease liabilities
31 Dec 2020	**1,197**	**1,068**	**140**	**2,406**	**2,454**
Additions	57	98	0	155	153
Depreciations	-345	-149	-26	-521	-
Interest expense	-	-	-	-	13
Payments	-	-	-	-	-539
31 March 2021	**909**	**1,017**	**115**	**2,040**	**2,082**

Business areas

NET SALES BY BUSINESS AREA (EUR 1,000)	1-3 / 2021	1-3 / 2020	Change %	1-12 / 2020
Housing Companies	13,387	16,452	-18.6 %	86,145
Corporations	21,813	20,781	5.0 %	90,589
Public Sector	7,455	9,357	-20.3 %	41,431
Building Technology	19,241	15,472	24.4 %	69,350
Parent company and eliminations	-2,613	-3,021	13.5 %	-12,868
Total net sales	**59,283**	**59,039**	**0.4 %**	**274,646**

NET SALES CLASSIFICATION ACCORDING TO IFRS 15 (EUR 1,000)	1-3 / 2021	1-3 / 2020	Change %	1-12 / 2020
Project deliveries				
Housing Companies	12,880	16,109	-20.0 %	83,806
Corporations	19,922	18,054	10.3 %	77,852
Public Sector	7,453	9,357	-20.3 %	41,431
Building Technology	17,530	13,622	28.7 %	60,703
Parent company and eliminations	-2,613	-3,021	13.5 %	-12,868
Total project deliveries	**55,172**	**54,119**	**1.9 %**	**250,923**
Other cost + fee projects and service contracts				
Housing Companies	507	343	47.8 %	2,339
Corporations	1,891	2,727	-30.7 %	12,737
Public Sector	2	0		0
Building Technology	1,711	1,850	-7.5 %	8,647
Parent company and eliminations	0	0		0
Total other cost + fee projects and service contracts	**4,111**	**4,920**	**-16.4 %**	**23,723**
Total net sales	**59,283**	**59,039**	**0.4 %**	**274,646**

ACCOUNTS RECEIVABLE AND CONTRACT ASSETS AND LIABILITIES (EUR 1,000)	31 Mar 2021	31 Mar 2020	Change %
Trade receivables	33,539	39,884	-15.9 %
Receivables from project deliveries and cost + fee accruals	9,074	8,800	3.1 %
Advances received from project deliveries and cost + fee accruals	21,321	23,849	-10.6 %

In the view of the management, the carrying amount of accounts receivable is reasonably close to fair value due to the short maturity of these items.

Group liabilities

GROUP LIABILITIES (EUR 1,000)	31 Mar 2021	31 Mar 2020	31 Dec 2020
Other liabilities			
Leasing and rental liabilities	3,651	3,650	3,663

The off-balance sheet leasing and rental liabilities include lease liabilities from short-term leases and lease liabilities from low value items and lease liabilities from new headquarters in Helsinki.

Key figures

KEY FIGURES (EUR 1,000)	1-3 / 2021	1-3 / 2020	1-12 / 2020
INCOME STATEMENT			
Net sales	59,283	59,039	274,646
EBITDA	878	1,281	11,440
EBITDA margin, %	1.5 %	2.2 %	4.2 %
Operating result (EBIT)	101	462	8,237
Operating result margin, %	0.2 %	0.8 %	3.0 %
Profit/loss before taxes (EBT)	-106	154	7,235
as % of sales	-0.2 %	0.3 %	2.6 %
Profit/loss for the period	-85	128	5,675
as % of sales	-0.1 %	0.2 %	2.1 %
OTHER KEY FIGURES			
Balance sheet total	115,868	121,628	128,595
Net interest-bearing debt	11,714	17,760	4,737
Equity ratio, %	32.1 %	29.9 %	32.7 %
Gearing, %	38.6 %	60.8 %	14.1 %
Return on investment, ROI %	13.1 %	9.5 %	13.6 %
Free cash flow	-2,929	1,986	18,334
Cash conversion, %	n/a	155.1 %	160.3 %
Order backlog	196,489	202,220	177,857
Order intake	69,842	62,146	214,281
Average number of personnel	942	971	971
Number of personnel at period end	946	973	927
SHARE RELATED KEY FIGURES			
Earnings per share, undiluted (EUR)	-0.02	0.01	0.70
Earnings per share, diluted (EUR)	-0.02	0.01	0.69
Shareholders' equity per share (EUR)	3.95	3.39	3.97
Number of shares, end of period	7,858,267	7,858,267	7,858,267
Number of outstanding shares, end of period	7,670,114	7,685,123	7,652,123
Average number of outstanding shares	7,656,521	7,679,279	7,668,170

Calculation of key figures

EBITDA =	Operating result (EBIT) + depreciation, amortisation and impairment	
Net interest-bearing debt =	Interest-bearing liabilities - cash and cash equivalents	
Equity ratio (%) =	Equity Total assets - advances received	X 100
Gearing (%) =	Interest-bearing liabilities - cash and cash equivalents Equity	X 100
Return on investment, ROI (%) =	Profit/loss before taxes + interest and other financial expenses (r12m) Total equity + interest-bearing liabilities (average)	X 100
Average number of personnel =	The average number of personnel at the end of each calendar month during the period	
Number of personnel at period end =	Number of personnel at the end of period	
Free cash flow =	Net cash flow from operating activities before financial and tax items - investments in intangible and tangible assets	
Cash conversion (%) =	Free cash flow EBITDA	X 100
Earnings per share =	Profit/loss attributable to equity holders of the parent company - hybrid bond's transaction costs and accrued interests after tax Weighted average number of shares outstanding during the period	X 100
Shareholders' equity per share (EUR) =	Equity attributable to owners of the parent company Number of outstanding shares, end of period	
Order backlog =	At the end of the period the unrecognised amount of construction contracts recognised in accordance with the percentage of completion method, including not started ordered project deliveries, long-term service agreements and the part which has not been invoiced in ordered invoice based projects	
Order intake =	Orders of project deliveries, long-term service agreements and invoice based projects during the period	

Quarterly information

QUARTERLY INFORMATION (EUR 1,000)	Q1/21	Q4/20	Q3/20	Q2/20	Q1/20	Q4/19	Q3/19	Q2/19	Q1/19
Net sales	59,283	78,098	68,202	69,306	59,039	78,259	81,837	81,225	73,480
Other operating income	91	122	41	232	116	355	200	63	303
Materials and services	-42,367	-54,035	-48,292	-48,561	-40,823	-53,478	-60,125	-60,178	-56,103
Employee benefit expenses	-13,191	-15,626	-13,583	-14,854	-14,045	-16,703	-14,776	-16,023	-14,234
Other operating expenses	-2,938	-4,831	-3,119	-2,942	-3,007	-4,790	-4,157	-4,057	-2,961
EBITDA	878	3,729	3,249	3,181	1,281	3,643	2,979	1,030	486
EBITDA margin, %	1.5 %	4.8 %	4.8 %	4.6 %	2.2 %	4.7 %	3.6 %	1.3 %	0.7 %
Depreciation	-777	-775	-795	-813	-819	-821	-890	-910	-883
Operating result (EBIT)	101	2,954	2,454	2,368	462	2,822	2,089	120	-398
Operating result margin, %	0.2 %	3.8 %	3.6 %	3.4 %	0.8 %	3.6 %	2.6 %	0.1 %	-0.5 %
Financial income	2	2	1	1	1	8	2	3	5
Financial expenses	-209	-230	-227	-240	-308	-316	-327	-379	-215
Total financial income and expenses	-207	-228	-227	-239	-308	-308	-325	-376	-210
Profit/loss before taxes (EBT)	-106	2,725	2,227	2,129	154	2,514	1,764	-256	-608
Total taxes	21	-583	-533	-418	-26	-558	-352	51	122
Profit/loss for the period	-85	2,142	1,694	1,711	128	1,956	1,412	-205	-486
Balance sheet total	115,868	128,595	127,038	122,930	121,628	116,585	118,023	116,009	115,048
Net interest-bearing debt	11,714	4,737	7,383	11,272	17,760	18,880	22,727	22,007	24,001
Equity ratio, %	32.1 %	32.7 %	32.6 %	31.0 %	29.9 %	29.8 %	28.2 %	27.2 %	27.7 %
Gearing, %	38.6 %	14.1 %	23.6 %	37.9 %	60.8 %	64.4 %	83.3 %	85.2 %	92.0 %
Return on investment, ROI %	13.1 %	13.6 %	14.1 %	13.7 %	9.5 %	8.9 %	-0.7 %	-7.5 %	-4.5 %
Order backlog	196,489	177,857	189,402	211,838	202,220	185,820	206,406	226,765	237,763
Order intake	69,842	54,322	31,003	66,811	62,146	46,790	37,017	57,437	73,514
Average number of personnel	942	938	977	998	971	997	1,052	1,072	1,028
Number of personnel at period end	946	927	959	999	973	990	1,024	1,097	1,016
Earnings per share, undiluted (EUR)	-0.02	0.27	0.21	0.21	0.01	0.25	0.17	-0.04	-0.08
Number of outstanding shares, end of period	7,670,114	7,652,123	7,652,123	7,671,123	7,685,123	7,676,942	7,685,042	7,685,042	7,684,849
Average number of outstanding shares	7,656,521	7,652,123	7,657,699	7,683,872	7,679,279	7,681,422	7,685,042	7,685,023	7,666,737

Largest shareholders

10 LARGEST SHAREHOLDERS 31 March 2021		Number of shares	% of shares and voting rights
1	Lujatalo Oy	790,000	10.05 %
2	Wipunen Varainhallinta Oy	520,000	6.62 %
3	Heikintorppa Oy	500,000	6.36 %
4	Korkeela Esa	434,637	5.53 %
5	Evli Finnish Small Cap Fund	419,870	5.34 %
6	Kivi Risto	380,267	4.84 %
7	Fennia Life Insurance Company	329,471	4.19 %
8	Kalevo Markku	299,128	3.81 %
9	Korkeela Antti	176,705	2.25 %
10	Consti Oyj	173,031	2.20 %
Ten largest owners, total		**4,023,109**	**51.20 %**
Nominee registered		1,168,100	14.86 %
Others		2,667,058	33.94 %
Total		**7,858,267**	**100.00 %**

In Helsinki, 29 April 2021

Consti Plc's Board of Directors

Press conference

Microsoft Teams meeting for analysts, portfolio managers and media representatives, will take place 30 April 2021, at 10:00 a.m. (EET). The meeting will be hosted by CEO Esa Korkeela and CFO Joni Sorsanen.

Financial communication in 2021

- Half-year report 1-6/2021 will be published 23 July 2021
- Interim report 1-9/2021 will be published 27 October 2021

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This communication includes future-oriented statements that are based on Consti's managements current assumptions and issues it is aware of as well as its existing decisions and plans. Although the management believes that the future expectations are well-founded, there is no certainty that these expectations will prove to be correct. Thus the results may significantly deviate from the assumptions included in the future-oriented statements as a result of issues such as changes in the economy, markets competitive conditions, legislation and regulations.