

A modern office interior with a glass-walled corridor and large windows. The floor is covered in a patterned carpet, and the ceiling features exposed ductwork and linear lighting fixtures. Sunlight streams in from the windows, creating long shadows on the floor.

CONSTI PLC

Annual General Meeting

7 April 2021

CONSTI

CONSTI PLC

**ANNUAL GENERAL MEETING
7 APRIL 2021**

CEO Esa Korkeela

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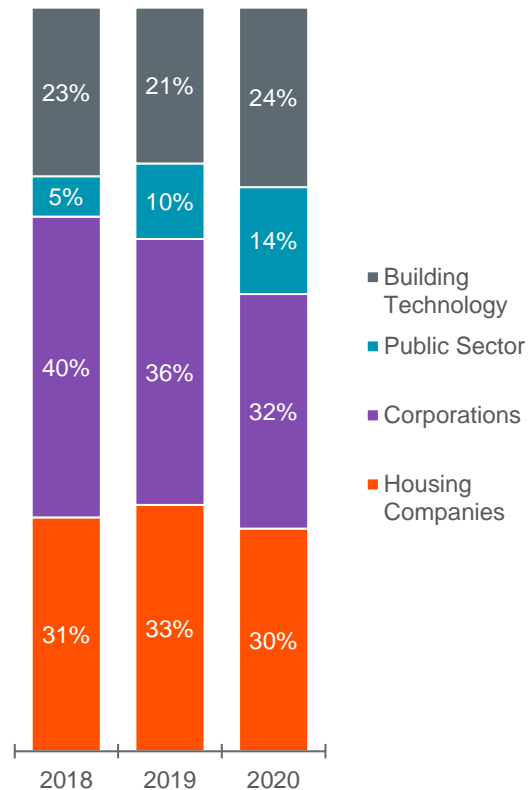
1. **Figures for FY 2020**
2. **Consti's renewed strategy**
3. **Outlook for 2021**



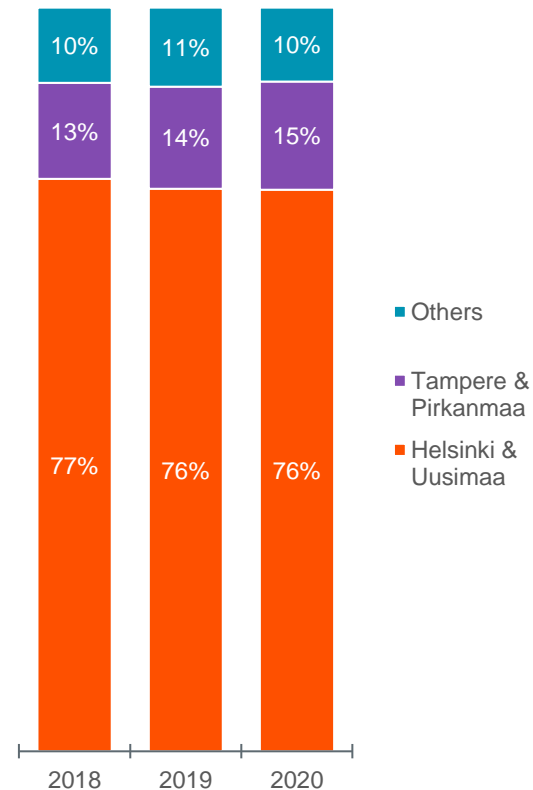
Consti Group's net sales overview 2018-20

Diverse business and customer mix, presence in Finland's growth centres

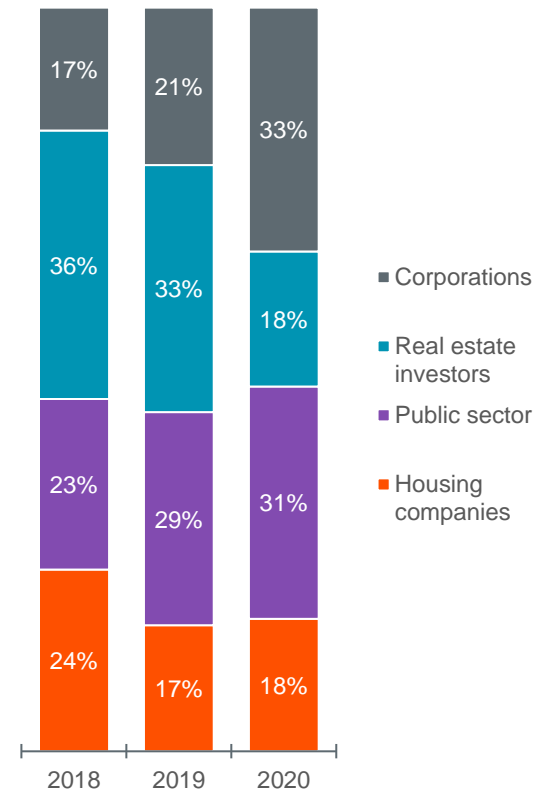
Net sales by business area



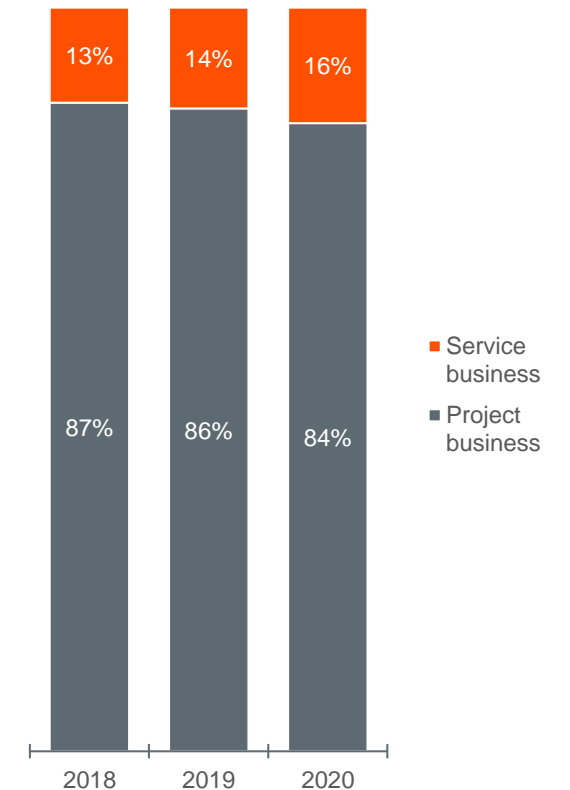
Net sales by geography



Net sales by customer group



Net sales by project / service

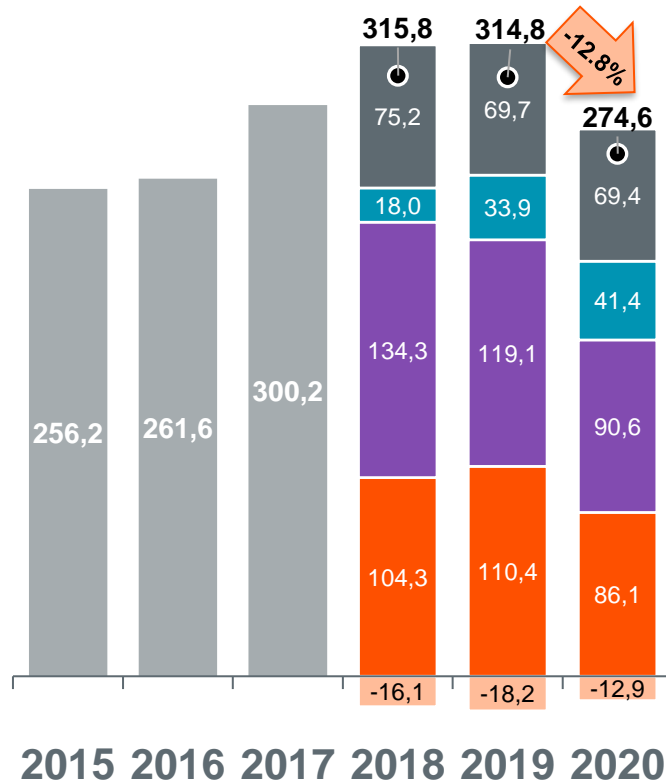


1) Business area splits excluding eliminations

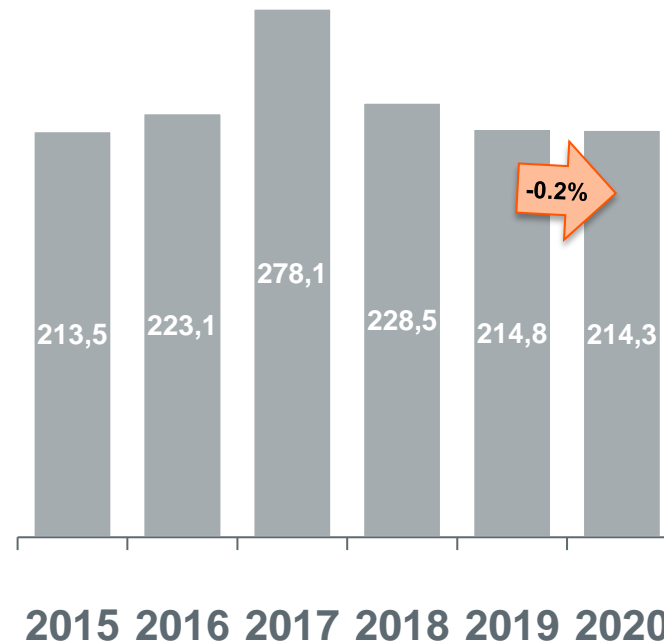
Net sales, order intake and order backlog

Uncertainty increased by COVID-19 reflected in the development of net sales and order intake in financial year 2020

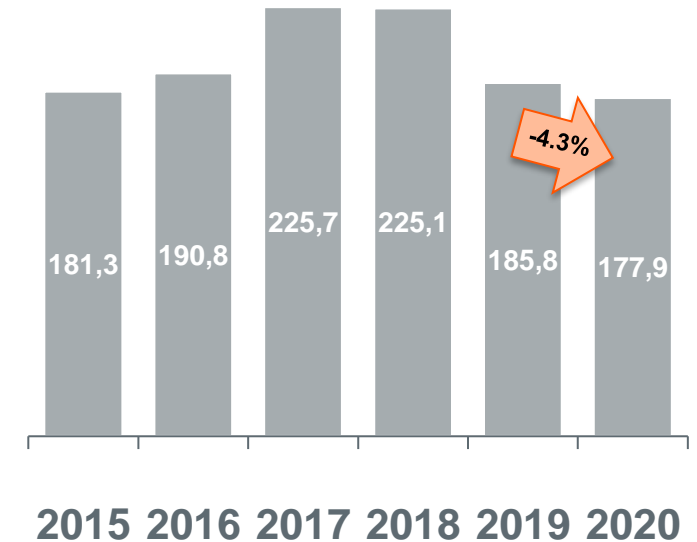
NET SALES (EUR million)



ORDER INTAKE (EUR million)



ORDER BACKLOG (EUR million)



■ Housing Companies
 ■ Corporations
 ■ Public Sector
 ■ Building Technology
 ■ Eliminations
 ■ Group

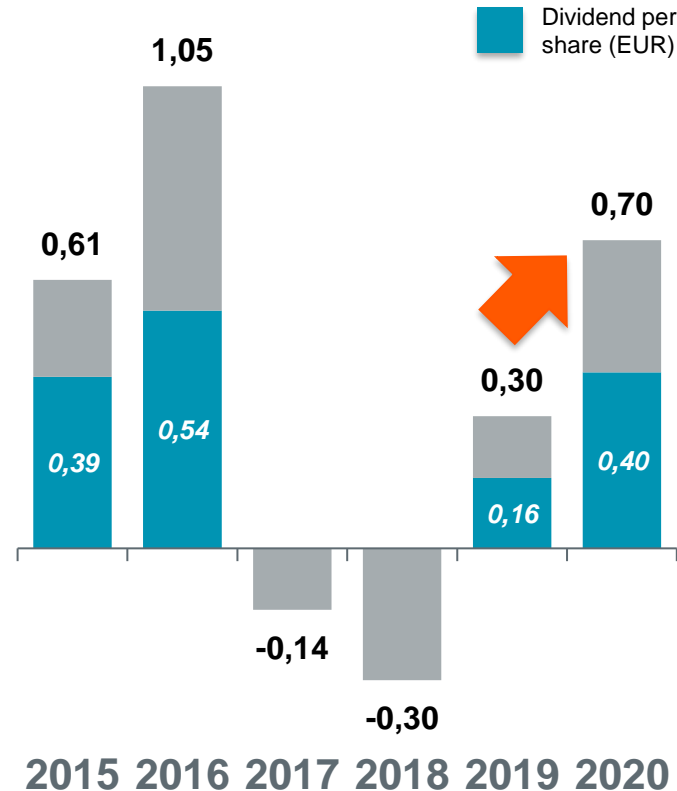
Development of operating result (EBIT) and earnings per share (EPS)

In 2020, profitability improved each quarter towards the end of the year and was clearly better compared to previous year

EBIT (EUR million)



EPS (EUR)



COMMENTS

- FY 2020 EBIT amounted to EUR 8.2 (4.6) million
- EBIT margin was 3.0 (1.5) percent
- EBIT improved quarter by quarter towards the end of the year and was clearly better than in comparison period
- All business areas were profitable in FY 2020
- FY 2020 EPS amounted to EUR 0.70 (0.30)
- The Board of Directors proposes to the General Meeting that a dividend of EUR 0.40 per share shall be paid for the financial year 1 January – 31 December 2020

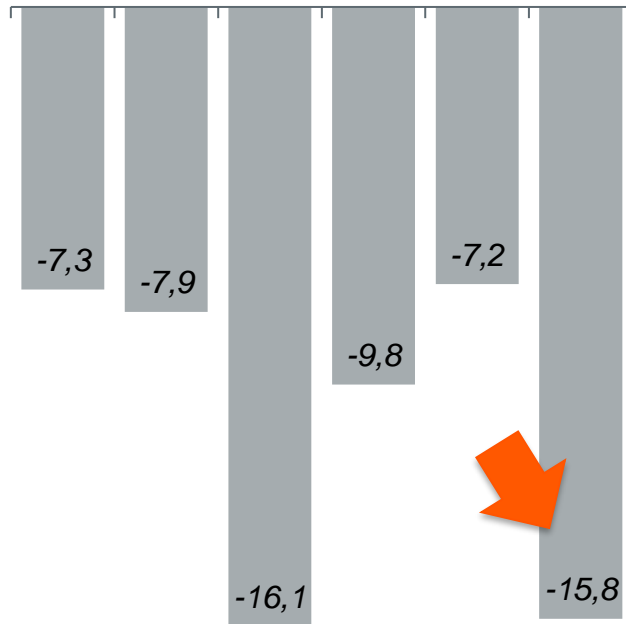
Net working capital, cash flow and financial position

Cash flow improved clearly year-on-year and financial position strengthened in 2020

Net working capital

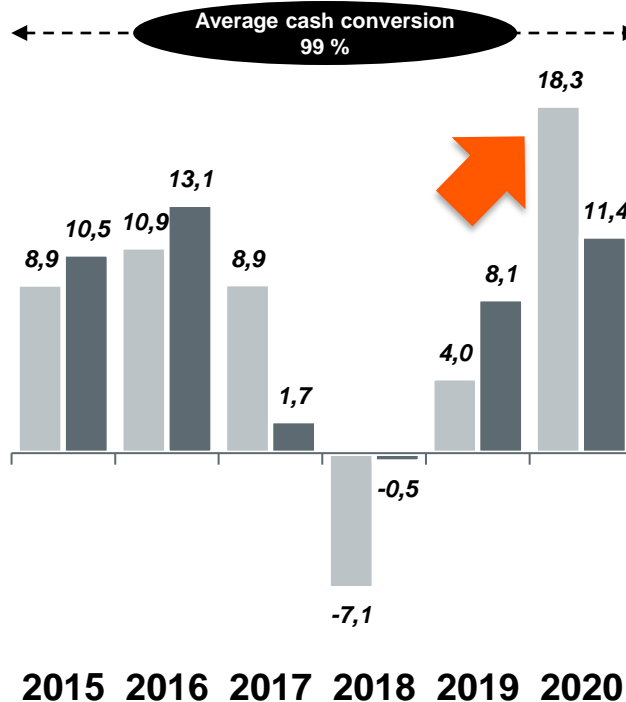
■ Net working capital at year-end (EUR million)

2015 2016 2017 2018 2019 2020



Cash conversion¹⁾

■ Free cash flow (EUR million)
■ EBITDA (EUR million)



Balance sheet KPIs (31 Dec 2020)

14.1 %
(64.4 %)
Gearing

32.7 %
(29.8 %)
Equity ratio

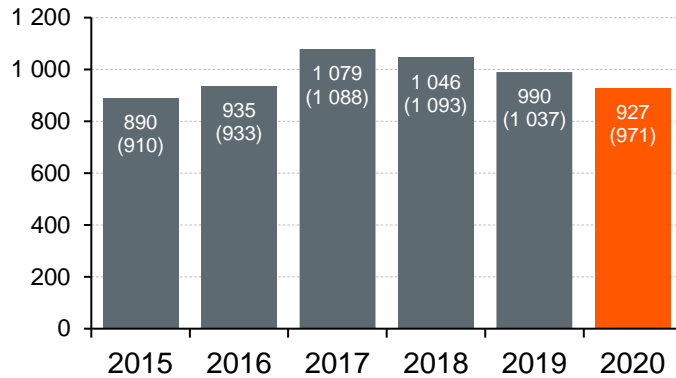
EUR 4.7m
(18.9m)
Net debt

¹⁾ The cash conversion is the amount of free cash flow divided by EBITDA. Free cash flow means net cash flow from operating activities before financial items and taxes, less capital used for purchase of intangible assets and property, plant and equipment

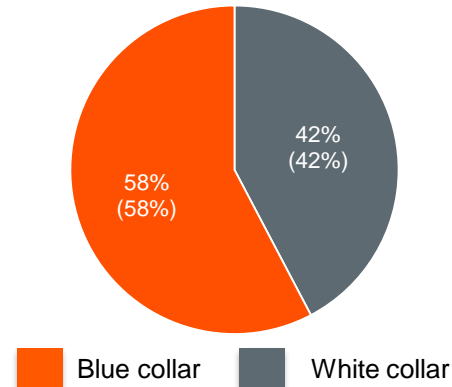
Personnel KPIs 2015-20

Personnel turnover decreased while absence rate increased year-on-year, Consti employed 927 renovation and building technology professionals at the end of the financial year 2020

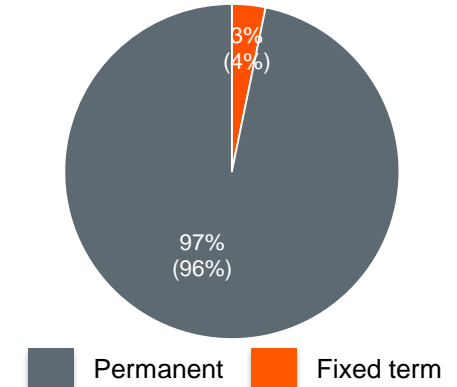
Personnel at year-end
(average)



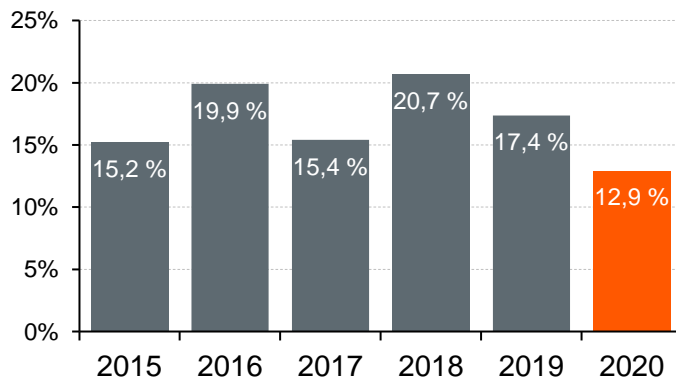
Blue collar / White collar
2020 (2019)



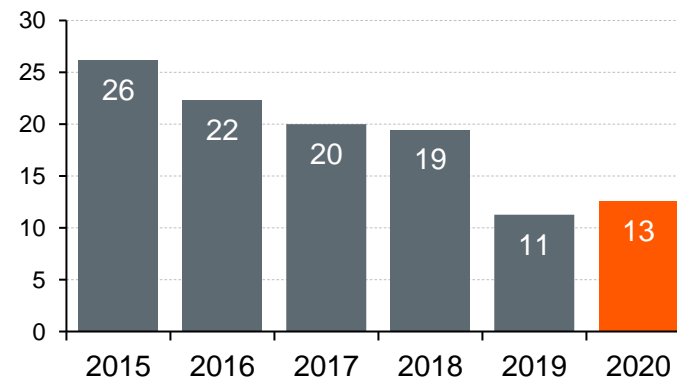
Permanent / Fixed term
2020 (2019)



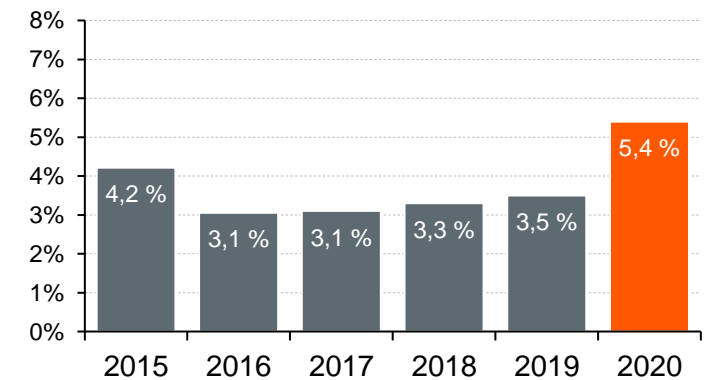
Permanent personnel turnover ratio
(% of employees leaving)



Accident rate
(accidents per million hours worked)



Average absence rate (%)



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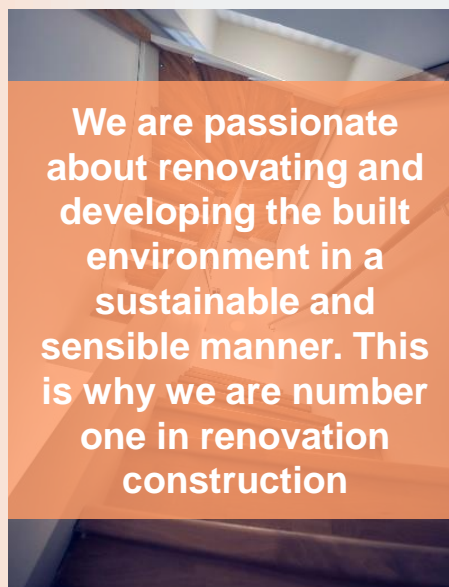


Consti vision development 2017-2023

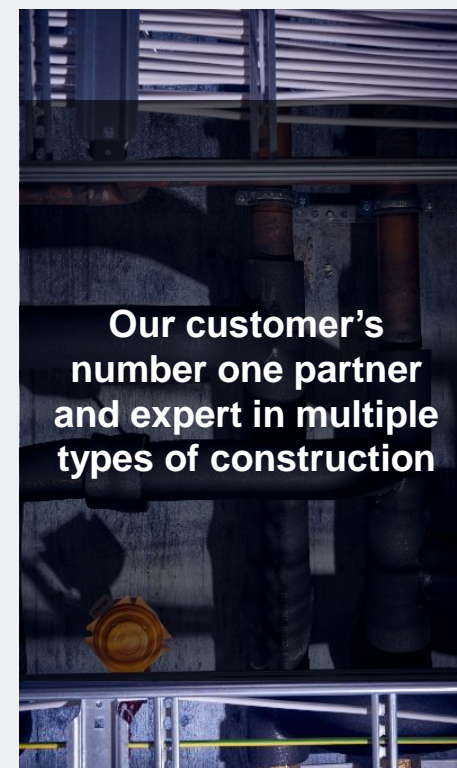
2017



2020



2023



CONSTI GROUP STRATEGY 2021–2023

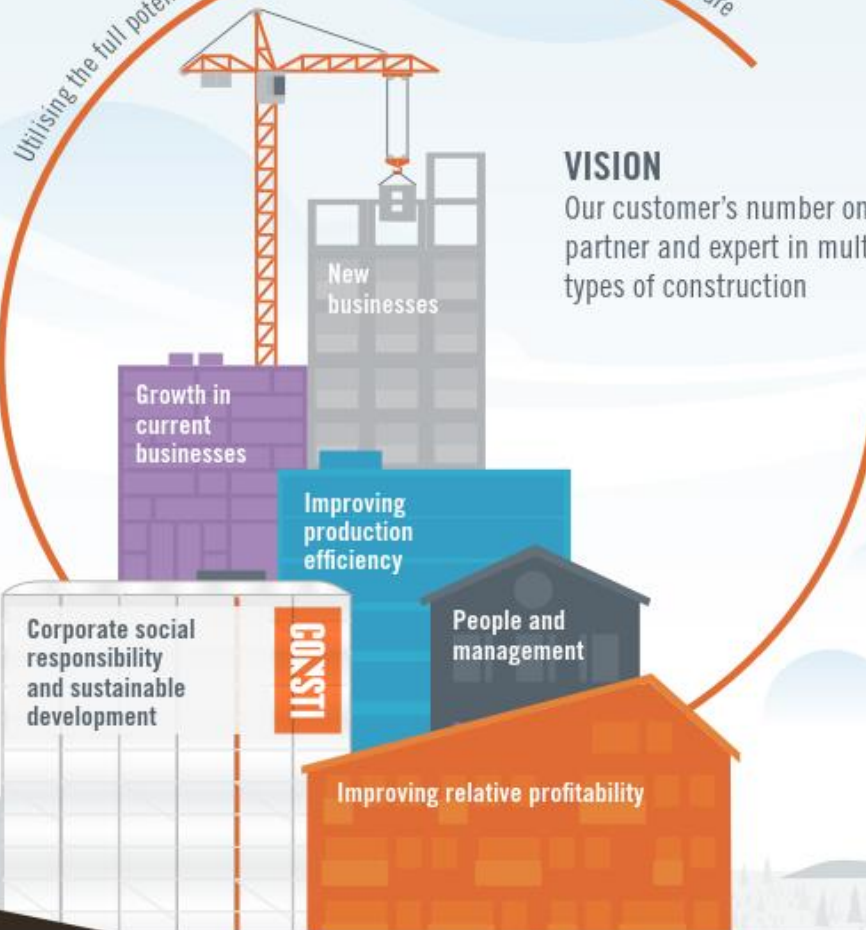
MISSION

Our mission is to improve the value of the building stock, and the value of life. The satisfaction of our customers and partners, as well as the well-being of our personnel are the prerequisites to all our operations.

VISION

Our customer's number one partner and expert in multiple types of construction

Utilising the full potential of Consti's customer-oriented organisational structure



- 1 **Growth in current business**
 - ▷ controlled and profitable growth in attractive renovation and building technology segments
- 2 **New businesses**
 - ▷ comprehensively answering customer needs by growing in attractive new construction projects
- 3 **Improving relative profitability**
 - ▷ expanding value created for customers and active management of business portfolio
- 4 **Improving production efficiency**
 - ▷ Target to have the industry's most efficient production and a steady level of performance in project deliveries
- 5 **People and management**
 - ▷ supporting profitable growth by investing in the implementation of the Consti Way, expanding competence, adding diversity, and adopting LEAN principles
- 6 **Corporate social responsibility and sustainable development**
 - ▷ concentrating on updated responsibility themes, which are environmentally friendly business, work safety and well-being at work, supply chain and customer satisfaction

Long-term financial goals

Growth: net sales growing faster than the market

Profitability: EBIT-margin exceeding **>5%**

Cash flow: Cash conversion ratio exceeding* **>90%**

Capital structure: Net debt to adjusted EBITDA ratio **<2,5x**

* The cash conversion is the amount of free cash flow divided by EBITDA. Free cash flow means net cash flow from operating activities before financial expenses and taxes, less capital used for purchases of intangible assets and property, plant and equipment.

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3. **Outlook for 2021**



Outlook and guidance 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 as well as short-term demand outlook
 - Uncertainty pertaining to handling existing projects relate to workforce availability, possible illnesses, material availability and official regulations
 - In 2021, Consti will concentrate on ensuring the performance of its business and implementing its new strategy. The company estimates that it has good opportunities for continuing solid performance in 2021 as well
- "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."

