

**SOLID PERFORMANCE CONTINUED, ORDER BACKLOG AT A GOOD LEVEL**
**4–6/2022 highlights (comparison figures in parenthesis 4–6/2021):**

- Net sales EUR 73.1 (70.9) million; growth 3.1 %
- EBITDA EUR 3.7 (0.3) million and EBITDA margin 5.1 % (0.4 %)
- Adjusted operating result (EBIT) EUR 2.9 (2.9) million and Adjusted EBIT margin 4.0 % (4.1 %)
- Operating result (EBIT) EUR 2.9 (-0.5) million and EBIT margin 4.0 % (-0.7 %)
- Order backlog EUR 240.8 (236.2) million; growth 1.9 %
- Order intake EUR 98.7 (98.5) million; growth 0.3%
- Free cash flow EUR 2.6 (-1.4) million
- Earnings per share EUR 0.28 (-0.09)

**1–6/2022 highlights (comparison figures in parenthesis 1–6/2021):**

- Net sales EUR 132.9 (130.2) million; growth 2.1 %
- EBITDA EUR 5.1 (1.2) million and EBITDA margin 3.8 % (0.9 %)
- Adjusted operating result (EBIT) EUR 3.3 (3.4) million and Adjusted EBIT margin 2.5 % (2.6 %)
- Operating result (EBIT) EUR 3.3 (-0.4) million and EBIT margin 2.5 % (-0.3 %)
- Order intake EUR 136.3 (168.3) million; change -19.0%
- Free cash flow EUR 1.7 (-4.3) million
- Earnings per share EUR 0.29 (-0.11)

**Guidance on the Group outlook for 2022:**

The Company estimates that its operating result for 2022 will be in the range of EUR 9-13 million.

KEY FIGURES (EUR 1,000)	4-6/ 2022	4-6/ 2021	Change %	1-6/ 2022	1-6/ 2021	Change %	1-12/ 2021
Net sales	73,118	70,902	3.1 %	132,947	130,185	2.1 %	288,773
EBITDA	3,729	276	1251.4 %	5,086	1,154	340.7 %	9,202
EBITDA margin, %	5.1 %	0.4 %		3.8 %	0.9 %		3.2 %
Adjusted operating result (EBIT)	2,912	2,918	-0.2 %	3,271	3,400	-3.8 %	9,535
Adjusted EBIT margin, %	4.0 %	4.1 %		2.5 %	2.6 %		3.3 %
Operating result (EBIT)	2,912	-531		3,271	-429		5,705
Operating result (EBIT) margin, %	4.0 %	-0.7 %		2.5 %	-0.3 %		2.0 %
Profit/loss for the period	2,154	-721		2,265	-806		3,717
Order backlog				240,756	236,191	1.9 %	218,578
Free cash flow	2,577	-1,356		1,747	-4,285		5,458
Cash conversion, %	69.1 %	n/a		34.4 %	n/a		59.3 %
Net interest-bearing debt				17,880	20,404	-12.4 %	14,262
Gearing, %				60.0 %	76.3 %		44.7 %
Return on investment, ROI %				15.6 %	8.5 %		9.2 %
Number of personnel at period end				997	1,003	-0.6 %	961
Earnings per share, undiluted (EUR)	0.28	-0.09		0.29	-0.11		0.47

## CEO's review

"Our net sales for the second quarter of 2022 were 73.1 (70.9) million euro. Our net sales increased 3.1 percent compared to the comparison period.

Our adjusted operating result for April-June was 2.9 (2.9) million euro, which is 4.0 (4.1) percent of our net sales. The second quarter advanced according to our expectations and our projects predominantly proceeded as planned. Our balance sheet and liquidity positions at the end of the reporting period remained at a good level.

During April-June, our order intake was 98.7 (98.5) million euro. Order intake was particularly good in our Housing Companies business area, in which demand is maintained by the needs-oriented nature of renovations. Due to the good order intake, our order backlog at the end of the reporting period was 240.8 (236.2) million euro, which is 1.9 percent higher than the order backlog for the comparison period. Compared to the comparison period, we estimate that a larger share of our order backlog at the end of the reporting period will contribute to our net sales during the rest of the year, both in absolute and relative terms.

Increased construction costs had a greater impact on our profitability than in the comparison period in certain ongoing projects where the steepness and duration of cost increases has not been sufficiently considered. Inflation also weakened our profitability somewhat during the reporting period through increased indirect costs. The coronavirus pandemic, on the other hand, continued to affect our business mainly through increased sick leave.

During the reporting period, we continued to implement our strategy and measures to ensure the performance of our business in an uncertain operating environment. Our actions focus especially on procurement, tendering, customer work and fixed cost management.

Russia's military aggression, with its ramifications, creates uncertainty about the short-term demand outlook for renovation and building technology. This uncertainty may lead to the rescheduling of some projects in the negotiation phase as well as the postponement of investment decisions. However, demand is maintained by the needs-oriented nature of renovations. Due to the geopolitical situation, the EU is seeking to accelerate the Green Transition, which is expected to create demand for Consti's services and solutions.

Despite the uncertainty in the operating environment, we are keeping our guidance for the current year unchanged. Our strong order backlog, the progress of our strategic projects, and our steadily improved performance put us in a good position to continue our positive and solid development in 2022."

## Operating environment

### *Construction market 2022*

In its May economic outlook, the Confederation of Finnish Construction Industries CFCI estimates that the economic outlook for construction has declined significantly due to Russia's military aggression in Ukraine. According to CFCI, the main hazards are caused by the sharp increase in costs and the growing uncertainty towards the end of the year. However, in its economic outlook, CFCI estimates that due to the large number of housing projects that started before the war in Ukraine began, and the pick-up in business premises construction, the entire construction market will grow by around 2.0% in 2022. According to CFCI's forecast, the renovation market is estimated to grow by 1.5 percent in 2022.

Construction market research institute Euroconstruct estimated in its June 2022 report that the entire market for housebuilding will grow by 3.9% in 2022. According to Euroconstruct's forecast, the renovation market is estimated to grow by 1.4 percent and the new construction market by around 6.0 percent in 2022.

### *The renovation market in general*

Professional renovations have increased almost continuously in Finland for the past 20 years. Growth has been relatively steady, as renovations are more need-driven and less cyclical than new construction. In addition to the age of the building stock, the need for renovations is increased especially by climate change and energy efficiency requirements, as well as urbanisation and changes in working methods.

The value of professional renovations was approximately 14 billion euro in 2021, of which residential buildings accounted for about 8.1 billion euro. The majority of renovations are conducted in apartment buildings and terraced houses. The renovation market in Finland is very fragmented and there are numerous small companies working in the sector.

Renovations have made up approximately half of all housing construction projects in recent years. In 2021 the share was about 45 percent. Forecon's market analysis estimates that the number of renovations tripled in Finland between 1980-2020. Although the growth rate of renovations is expected to slow down somewhat, it is estimated that renovations have better growth prospects than new construction, when looking at the 2020s as a whole. New construction growth has been driven by residential building, and also numerous public service construction projects, especially schools and hospitals. Despite the growth in new school construction, public construction is expected to slow down in the next few years, and this will have a significant impact on the volume of construction.

In Finland renovations are driven primarily by the age of the building stock. Housing construction peaked in the 1970s and building technology, facades and structures from that era now require substantial renovations. Thus far, the greatest number of renovations have been conducted on housing companies built in the 1960s and renovations have focused on building technology. Building technology has been the fastest growing renovation type. Forecon estimates that building technology renovations increased about 4–5 percent annually in the 2020s, while the number of renovations as a whole has grown approximately 1–2 percent per year. Building technology has accounted for about half of all housing company renovations in recent years, and about 40 percent of all the renovations of the building stock. Exterior surfaces and structures have been the second largest renovation type, making up nearly 40 percent of all renovations. Facade renovations have had to be postponed in many housing companies for financial reasons, to make way for pipeline renovations. Consequently, housing company renovations will focus more strongly on facade renovations in upcoming years. In addition, strong weather fluctuations and wind driven rain brought forth by climate change put facades under greater duress than before and add to maintenance needs. Approximately one fifth of all renovation projects are maintenance and repair projects.

The demand for renovations in Finland is also driven by the growing need for commercial and office building renovations. Commercial and office building construction was especially rapid in Finland in the 1980s and also in the early 1990s and 2000s. Buildings from this time period do not often meet current needs. For example, the increase in remote work and e-commerce have set new challenges for the efficient use of these premises.

Renovation needs are also increased by many phenomena classified as megatrends such as population aging, urbanisation, and climate change. Climate change mitigation necessitates better energy efficiency in buildings, which increases the need to renovate both residential buildings and commercial and office premises.

Repair measures related to emission reduction and improved energy efficiency hold more importance than before. Finland, as part of the EU, is committed to strongly reducing emissions. The EU is preparing a large-scale 'Renovation Wave' initiative which aims to double the renovation rate to cut emissions and improve energy efficiency.

General risks to growth include increased construction costs and the availability of both personnel and materials. The shortage of skilled personnel particularly affects growth centres, where both new construction and renovations are increasingly concentrating.

## 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 subsidiaries completely owned by the parent company: Consti Korjausrakentaminen Oy (Housing Companies, Corporations and Public Sector) and Consti Talotekniikka Oy (Building Technology) and RA-Urakointi Oy, acquired in August 2021.

## 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 to adjusted EBITDA ratio of less than 2.5x
- The Company's aim is to distribute as dividends at least 50 percent of the Company's annual net profit

## Net sales, operating result and order backlog

4-6/2022

Consti Group's April-June net sales increased 3.1 percent and were 73.1 (70.9) million euro. Housing Companies net sales were 25.4 (21.7), Corporations net sales were 24.3 (26.0), Public Sector net sales were 9.4 (8.5) and Building Technology net sales were 17.7 (17.8) million euro.

Net sales grew in Housing Companies and Public Sector business areas but decreased in Corporations business area. The net sales of Building Technology business area were at previous year's level. Housing Companies' net sales grew by 16.9 percent despite the prolonged winter, which negatively affected net sales accumulation. New construction projects that started in the summer of 2021 boosted net sales in the Public Sector business area. Net sales in the Corporations business area were affected by the regional units' decreased volume compared to the comparison period. Net sales in the Building Technology business area grew in Greater Helsinki but decreased in other areas.

Operating result (EBIT) for April-June was 2.9 (-0.5) million euro. Operating result from net sales was 4.0 (-0.7) percent. Adjusted operating result (EBIT) for April-June was 2.9 (2.9) million euro. Adjusted operating result from net sales was 4.0 (4.1) percent. The second quarter advanced mainly as expected. Increased construction costs had a greater impact on profitability than in the comparison period in certain ongoing projects where the steepness and duration of cost increases has not been sufficiently considered. Inflation also weakened the profitability in the reporting period through increased indirect costs. Items affecting comparability in the comparison period relate to the arbitral tribunal's award received in June 2021, and the legal costs of the procedures.

The order backlog at the end of the reporting period increased 1.9 percent and was 240.8 (236.2) million euro. Order intake value during April-June increased 0.3 percent and was 98.7 (98.5) million euro. The order intake value during April-June included Housing Companies Business Area's new orders totalling EUR 44.8 million.

1-6/2022

Consti Group's January-June net sales increased 2.1 percent and were 132.9 (130.2) million euro. Housing Companies net sales were 41.0 (35.1), Corporations net sales were 44.5 (47.8), Public Sector net sales were 20.3 (16.0) and Building Technology net sales were 33.7 (37.0) million euro.

Of the business areas engaged in the construction business, net sales grew in Housing Companies and Public Sector but decreased in Corporations. Housing Companies' net sales grew by 16.8 percent despite the prolonged winter, which negatively affected net sales accumulation. New construction projects that started in the summer of 2021 boosted net sales in the Public Sector business area. Net sales in the Corporations business area were affected by the regional units' decreased volume compared to the comparison period. Net sales in Building Technology decreased due to the lower volume compared to the comparison period in the first quarter.

Operating result (EBIT) for January-June was 3.3 (-0.4) million euro. Operating result from net sales was 2.5 (-0.3) percent. Adjusted operating result (EBIT) for January-June was 3.3 (3.4) million euro. Adjusted operating result from net sales was 2.5 (2.6) percent.

The first half of the year advanced mainly as expected. Increased construction costs had a greater impact on profitability than in the comparison period in certain ongoing projects where the steepness and duration of cost increases has not been sufficiently considered. Inflation also weakened the profitability in the reporting period through increased indirect costs. Items affecting comparability in the comparison period relate to the arbitral tribunal's award received in June 2021, and the legal costs of the procedures.

The order backlog at the end of the reporting period grew 10.1 percent compared to the end of the previous financial year and was 240.8 million euro. The order intake value during January-June decreased 19.0 percent and was 136.3 (168.3) million euro. The order intake value during January-June included Housing Companies Business Area's new orders totalling EUR 68.0 million.

### Investments and business combinations

Investments into intangible and tangible goods in April-June were 0.3 (0.5) million euro, which is 0.4 (0.7) percent of the company's net sales. Investments into tangible and intangible assets in January-June were 0.6 (0.7) million euro, which is 0.4 (0.6) percent of net 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-June were EUR 0.5 (3.9) 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 April-June before financing items and taxes was 2.9 (-0.9) million euro. Free cash flow was 2.6 (-1.4) million euro. The cash flow ratio in April-June was 69.1 (n/a) percent. The cash flow in April-June was affected by the improvement of operating result during the reporting period.

The January-June operating cash flow before financing items and taxes was 2.3 (-3.5) million euro. Free cash flow was 1.7 (-4.3) million euro. The cash flow ratio in January-June was 34.4 (n/a) percent. The cash flow in January-June was affected by the improvement of operating result and the lower amount of tied up working capital compared to comparison period.

Consti Group's cash and cash equivalents on 30 June 2022 were 12.9 (13.0) 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 debts were 30.7 (33.4) million euro. External loans are subject to two financial covenants based on the ratio of the Group's net debt to adjusted EBITDA and gearing. On the balance sheet date, the interest-bearing net debt was 17.9 (20.4) million euro and the gearing ratio 60.0 (76.3) percent. At the balance sheet date 30 June 2022, 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 balance sheet total on 30 June 2022 was 114.0 (113.7) million euro. At the end of the reporting period tangible assets in the balance sheet were 7.9 (8.2) million euro. Equity ratio was 29.1 (26.9) 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-June 2022, Consti issued new commercial papers with maturity of under one year amounting to EUR 6.0 million. During the same period, matured total of EUR 6.0 million earlier issued commercial papers.

The long-term loan refinanced by the company in June 2021 includes an extension option that allows to extend the maturity of the loan in two phases by a maximum of two years. The Company exercised the first extension option in May 2022, which extended the maturity of the loan by one year.



MATURITY DISTRIBUTION OF INTEREST-BEARING DEBT (EUR 1,000)*	2022	2023	2024	2025	2026	2027-	Total
Bank loans	1,128	2,232	2,200	11,088	0	0	16,648
Commercial papers	9,000	0	0	0	0	0	9,000
Lease liabilities	1,052	1,288	1,084	962	384	10	4,780
Other interest-bearing liabilities	273	414	269	150	22	0	1,127
<b>Total</b>	<b>11,452</b>	<b>3,934</b>	<b>3,553</b>	<b>12,200</b>	<b>407</b>	<b>10</b>	<b>31,556</b>

\*Including deferred interest expense

## Personnel

Consti Group's personnel count was 997 (1,003) at the end of the reporting period. The average personnel count during the reporting period January-June was 955 (960).

At the end of the reporting period 381 (374) employees worked in Housing Companies, 211 (230) in Corporations, 40 (47) in Public Sector and 350 (340) in the Building Technology business area. The parent company employed 15 (12) people.

PERSONNEL AT PERIOD END	30 Jun 2022	30 Jun 2021	Change %	31 Dec 2021
Housing Companies	381	374	1.9 %	357
Corporations	211	230	-8.3 %	216
Public Sector	40	47	-14.9 %	49
Building Technology	350	340	2.9 %	325
Parent company	15	12	25.0 %	14
<b>Group</b>	<b>997</b>	<b>1,003</b>	<b>-0.6 %</b>	<b>961</b>

## Management Team

Consti announced on 21 April 2022, that Markku Kalevo will end his term as a Management Team member. Markku Kalevo has acted as Bid and Sales Director for Housing Companies Business Area and as a member of the Group Management Team since 2009. Consti Plc and Kalevo have jointly agreed that he will leave his position as Management Team member on 29 April 2022.

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; Heikki Pesu, Business Area Director Building Technology; Pirkka Lähteinen, Regional Director Corporations; Heikki Untamala, Chief Legal Officer and Turo Turja, HR Director.

## Important events during the reporting period

Consti announced on 23 June 2022 that The Board of Directors of Consti Plc has decided to launch a new key employee stock option plan. There is a weighty financial reason for the Company to issue stock options 2022 since the stock options are intended to form part of the key employee incentive and commitment program of Consti Plc and its subsidiaries. The purpose of the stock options is to encourage the key employees to work on a long-term basis to increase shareholder value. The purpose of the stock options is also to commit the key employees to the employer.

The maximum total number of stock options 2022 issued is 250,000 and they entitle their owners to subscribe for a maximum total of 250,000 new shares in the Company or existing shares held by the Company. The stock options are issued gratuitously. The number of shares subscribed by exercising stock options now issued corresponds to a maximum total of 3.1 per cent of the shares and votes in the Company,

if new shares are issued in the share subscription. The share subscription price for stock options 2022 is EUR 9.65 per share, which is the trade volume weighted average quotation of the Consti Plc share on Nasdaq Helsinki Ltd during 1 May 2022 – 31 May 2022. The share subscription price is deducted by the amount of dividends and/or distribution of assets to be decided before share subscription. The share subscription period for stock options 2022 is 1 July 2025 – 30 June 2026.

The Board of Directors decided on the new stock option plan by virtue of the authorization granted by the Company's Annual General Meeting of Shareholders on 5 April 2022. Stock options 2022 are distributed to approximately 26 Management Team members and other key employees determined by the Board of Directors.

### **The Annual General Meeting 2022 and Board authorisations**

The Annual General Meeting of Shareholders of Consti Plc held on 5 April 2022 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 2021. The Annual General Meeting resolved that a dividend of 0.45 euro per share for the financial year 2021 is paid. The record date for dividend payment is 7 April 2022 and the dividend is paid on 14 April 2022.

The Annual General Meeting resolved that the Board of Directors consists of six members. The current members of the Board of Directors, Erkki Norvio, Petri Rignell, Pekka Salokangas, Anne Westersund and Johan Westermarck were re-elected and Juhani Pitkääkoski was elected as a new member to 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 42,000 and members of the Board of Directors are each paid EUR 30,000. 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 621,000 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 2023.

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 2023.

### **Organising Meeting of the Board of Directors**

The Board of Directors elected by the Annual General Meeting of Shareholders of Consti Plc on 5 April 2022 held its organising meeting and elected Petri Rignell as the Chairman of the Board. The Board of Directors

appointed Petri Rignell, Erkki Norvio, Pekka Salokangas and Juhani Pitkäkoski as members of the Nomination and Compensation Committee. The Board of Directors has not established other committees.

### **Shares and share capital**

Consti Plc's share capital on 30 June 2022 was 80 000 euro and the number of shares 7 858 267. Consti Plc held 123 739 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.

### **Share based bonus schemes**

Consti Plc's Board decided on 3 March 2022 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 2022 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 2022 will be paid to participants partly in shares and partly in cash after a two-year vesting period in 2025. During the performance period 2022, a maximum of approximately 75 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 2022 will amount up to a maximum total of approximately 272,257 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.

### **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 – 30 June 2022 Consti Plc's lowest share price was 8.56 (9.30) euro and the highest 12.80 (14.10) euro. The share's trade volume weighted average price was 10.98 (12.02 euro). At the close of the stock day 30 June 2022 the share value was 9.08 (12.75) euro and the Company's market value was 71.4 (100.2) million euro.

### **Related-party transactions**

There were no significant related-party transactions during the reporting period.

### **Outlook for 2022**

The uncertainty in Consti's operating environment increased significantly after Russia launched an attack on Ukraine in February. Due to geopolitical instability, the prices of building materials and products important to the company have continued to rise. In addition to the cost impact, the war has a negative impact on the availability of building materials and products, which may complicate Consti's ability to advance ongoing projects according to plans. Russia's military aggression, with its ramifications, also creates uncertainty about the short-term demand outlook for renovation and building technology. This uncertainty may lead to the rescheduling of some projects in the negotiation phase, as well as the postponement of investment decisions. However, demand is maintained by the needs-oriented nature of renovation.

Consti has continued the additional measures initiated during Q1 to ensure its business performance in an uncertain operating environment. The measures will continue to focus especially on procurement, tendering, customer work and fixed cost management.

Despite the uncertainty in the operating environment, the guidance for the current year remains unchanged. The strong order backlog, progress of strategic projects, and steadily improved performance put Consti in a good position to continue its positive and solid development in 2022.

The Company estimates that its operating result for 2022 will be in the range of EUR 9-13 million.



## 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, Russia's military aggression causes uncertainty in Consti's operating environment, the resulting risks are described above under Outlook for 2022. 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-reporting 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 30 June 2022, 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 2021. Financial risks and their management is described in detail in note 18 to the financial statements "Financial risk management".

### **Dividend and dividend policy**

The Annual General Meeting of Shareholders held on 5 April 2022 resolved that dividend of EUR 0.45 per share for the financial year 2021 is paid. No dividend was paid on own shares held by the Company. The record date for dividend distribution was 7 April 2022, and the dividend was paid on 14 April 2022.

According to the Company dividend policy its goal is to distribute a minimum of 50 percent of the fiscal year's profit as dividend, however taking into consideration the Company's financial position, cash flow and growth opportunities.

### **Events after the reporting period**

No material events have been disclosed after the reporting period.

**HALF-YEAR FINANCIAL REPORT 1.1. - 30.6.2022: FINANCIAL TABLES**

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)</b>	<b>4-6 / 2022</b>	<b>4-6 / 2021</b>	<b>Change %</b>	<b>1-6 / 2022</b>	<b>1-6 / 2021</b>	<b>Change %</b>	<b>1-12 / 2021</b>
<b>Net sales</b>	<b>73,118</b>	<b>70,902</b>	<b>3.1 %</b>	<b>132,947</b>	<b>130,185</b>	<b>2.1 %</b>	<b>288,773</b>
Other operating income	168	78	115.0 %	286	169	69.1 %	430
Materials and services	-50,804	-51,748	1.8 %	-93,223	-94,115	0.9 %	-206,753
Employee benefit expenses	-14,995	-14,919	-0.5 %	-28,760	-28,109	-2.3 %	-59,767
Depreciation	-817	-807	-1.3 %	-1,815	-1,584	-14.6 %	-3,497
Other operating expenses	-3,758	-4,037	6.9 %	-6,164	-6,975	11.6 %	-13,482
<b>Operating result (EBIT)</b>	<b>2,912</b>	<b>-531</b>		<b>3,271</b>	<b>-429</b>		<b>5,705</b>
Financial income	1	114		2	116		139
Financial expenses	-220	-485	54.7 %	-441	-694	36.5 %	-1,261
Total financial income and expenses	-218	-371	41.1 %	-439	-578	24.0 %	-1,122
<b>Profit/loss before taxes (EBT)</b>	<b>2,693</b>	<b>-901</b>		<b>2,832</b>	<b>-1,008</b>		<b>4,583</b>
Total taxes	-539	180		-567	201		-866
<b>Profit/loss for the period</b>	<b>2,154</b>	<b>-721</b>		<b>2,265</b>	<b>-806</b>		<b>3,717</b>
<b>Comprehensive income for the period 1)</b>	<b>2,154</b>	<b>-721</b>		<b>2,265</b>	<b>-806</b>		<b>3,717</b>
Earnings per share attributable to equity holders of parent company							
Earnings per share, undiluted (EUR)	0.28	-0.09		0.29	-0.11		0.47
Earnings per share, diluted (EUR)	0.27	-0.09		0.29	-0.11		0.46

1) The group has no other comprehensive income items.

CONSOLIDATED BALANCE SHEET (EUR 1,000)	30 Jun 2022	30 Jun 2021	Change %	31 Dec 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	7,896	8,242	-4.2 %	8,571
Goodwill	49,501	48,604	1.8 %	49,501
Other intangible assets	233	305	-23.8 %	386
Shares and other non-current financial assets	57	17	236.8 %	57
Deferred tax receivables	156	413	-62.2 %	261
<b>Total non-current assets</b>	<b>57,844</b>	<b>57,582</b>	<b>0.5 %</b>	<b>58,777</b>
<b>Current assets</b>				
Inventories	843	655	28.7 %	827
Trade and other receivables	42,471	42,501	-0.1 %	41,365
Cash and cash equivalents	12,860	12,955	-0.7 %	18,072
<b>Total current assets</b>	<b>56,174</b>	<b>56,111</b>	<b>0.1 %</b>	<b>60,264</b>
<b>TOTAL ASSETS</b>	<b>114,018</b>	<b>113,693</b>	<b>0.3 %</b>	<b>119,041</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to owners of the parent company	29,804	26,751	11.4 %	31,939
<b>Total Equity</b>	<b>29,804</b>	<b>26,751</b>	<b>11.4 %</b>	<b>31,939</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities	17,540	20,140	-12.9 %	18,783
<b>Total non-current liabilities</b>	<b>17,540</b>	<b>20,140</b>	<b>-12.9 %</b>	<b>18,783</b>
<b>Current liabilities</b>				
Trade and other payables	39,362	36,676	7.3 %	40,255
Advances received	11,675	14,143	-17.5 %	11,816
Interest-bearing liabilities	13,200	13,219	-0.1 %	13,551
Provisions	2,437	2,764	-11.8 %	2,696
<b>Total current liabilities</b>	<b>66,674</b>	<b>66,802</b>	<b>-0.2 %</b>	<b>68,319</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>114,018</b>	<b>113,693</b>	<b>0.3 %</b>	<b>119,041</b>

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
<b>Equity on 1 January 2022</b>	<b>80</b>	<b>28,781</b>	<b>-696</b>	<b>3,774</b>	<b>31,939</b>	<b>0</b>	<b>31,939</b>
Total comprehensive income				2,265	2,265		2,265
Dividend distribution				-3,481	-3,481		-3,481
Purchase of own shares			-678		-678		-678
Conveyance of own shares			983		983		983
Share-based incentive				-1,211	-1,211		-1,211
Option scheme				-14	-14		-14
<i>Transactions with shareholders, total</i>			305	-4,705	-4,400		-4,400
<b>Equity on 30 June 2022</b>	<b>80</b>	<b>28,781</b>	<b>-391</b>	<b>1,334</b>	<b>29,804</b>	<b>0</b>	<b>29,804</b>

<b>Equity on 1 January 2021</b>	<b>80</b>	<b>28,252</b>	<b>-610</b>	<b>2,656</b>	<b>30,378</b>	<b>3,200</b>	<b>33,578</b>
Total comprehensive income				-806	-806		-806
Hybrid bond				-71	-71	-3,200	-3,271
Dividend distribution				-3,068	-3,068		-3,068
Conveyance of own shares			132		132		132
Share-based incentive				119	119		119
Option scheme				67	67		67
<i>Transactions with shareholders, total</i>			132	-2,882	-2,750		-2,750
<b>Equity on 30 June 2021</b>	<b>80</b>	<b>28,252</b>	<b>-477</b>	<b>-1,103</b>	<b>26,751</b>	<b>0</b>	<b>26,751</b>

<b>Equity on 1 January 2021</b>	<b>80</b>	<b>28,252</b>	<b>-610</b>	<b>2,656</b>	<b>30,378</b>	<b>3,200</b>	<b>33,578</b>
Total comprehensive income				3,717	3,717		3,717
Hybrid bond				-71	-71	-3,200	-3,271
Dividend distribution				-3,068	-3,068		-3,068
Purchase of own shares			-318		-318		-318
Conveyance of own shares		529	231		760		760
Share-based incentive				407	407		407
Option scheme				133	133		133
<i>Transactions with shareholders, total</i>		529	-86	-2,528	-2,085		-2,085
<b>Equity on 31 December 2021</b>	<b>80</b>	<b>28,781</b>	<b>-696</b>	<b>3,774</b>	<b>31,939</b>	<b>0</b>	<b>31,939</b>



CONSOLIDATED STATEMENT OF CASH FLOWS (EUR 1,000)	4-6/2022	4-6/2021	1-6/2022	1-6/2021	1-12/2021
<b>Cash flows from operating activities</b>					
Profit/loss before taxes (EBT)	2,693	-901	2,832	-1,008	4,583
Adjustments:					
Depreciation	817	807	1,815	1,584	3,497
Other adjustments	52	204	-353	257	557
Total financial income and expenses	218	371	439	578	1,122
Change in working capital	-899	-1,351	-2,415	-4,958	-2,905
<b>Operating cash flow before financial and tax items</b>	<b>2,883</b>	<b>-871</b>	<b>2,318</b>	<b>-3,547</b>	<b>6,854</b>
Financial items, net	-198	-360	-397	-555	-1,070
Taxes paid	-231	-181	-463	-363	-1,094
<b>Net cash flow from operating activities</b>	<b>2,453</b>	<b>-1,413</b>	<b>1,458</b>	<b>-4,464</b>	<b>4,691</b>
<b>Cash flows from investing activities</b>					
Acquisition of subsidiaries and business operations, net of cash acquired	0	0	0	0	-1,089
Investments in tangible and intangible assets	-305	-485	-571	-739	-1,396
Proceeds from sale of property, plant and equipment	39	35	211	115	258
<b>Net cash flow from investing activities</b>	<b>-266</b>	<b>-450</b>	<b>-359</b>	<b>-623</b>	<b>-2,227</b>
<b>Cash flows from financing activities</b>					
Purchase of own shares	-147	0	-678	0	-317
Dividend distribution	-3,481	-3,068	-3,481	-3,068	-3,068
Hybrid bond	0	0	0	-3,584	-3,584
Proceeds from long-term liabilities	0	18,000	0	18,000	18,000
Payments of long-term liabilities	-1,000	-17,500	-1,000	-17,500	-18,500
Payments of lease liabilities	-542	-499	-1,193	-1,039	-2,132
Change in other interest-bearing liabilities	99	1,961	41	976	953
<b>Net cash flow from financing activities</b>	<b>-5,071</b>	<b>-1,106</b>	<b>-6,311</b>	<b>-6,215</b>	<b>-8,649</b>
<b>Change in cash and cash equivalents</b>	<b>-2,884</b>	<b>-2,969</b>	<b>-5,212</b>	<b>-11,303</b>	<b>-6,185</b>
Cash and cash equivalents at period start	15,744	15,923	18,072	24,257	24,257
<b>Cash and cash equivalents at period end</b>	<b>12,860</b>	<b>12,955</b>	<b>12,860</b>	<b>12,955</b>	<b>18,072</b>

## Accounting principles

Consti Plc's half-year financial report has been prepared for the accounting period of 1 January – 30 June 2022 according to the IAS 34 Interim Financial reporting principles. Consti has abided by the same accounting principles in its half-year financial reporting as in its IFRS financial statement 2021. The information presented in the half-year financial report 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 the half-year financial report. 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 - 30 June 2022 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				Lease liabilities
	Buildings and structures	Machinery and equipment	Other intangible assets	Total	
<b>1 Jan 2021</b>	<b>3,938</b>	<b>973</b>	<b>115</b>	<b>5,026</b>	<b>5,287</b>
Additions	131	374	11	516	516
Depreciations	-801	-278	-52	-1,130	-
Interest expense	-	-	-	-	42
Payments	-	-	-	-	-1,194
<b>30 June 2022</b>	<b>3,269</b>	<b>1,069</b>	<b>74</b>	<b>4,412</b>	<b>4,652</b>

## Items affecting comparability

4-6/2022 (EUR 1,000)	IFRS	IAC	Income statement before IAC
<b>Net sales</b>	<b>73,118</b>		<b>73,118</b>
Other operating income	168		168
Materials and services	-50,804		-50,804
Employee benefit expenses	-14,995		-14,995
Other operating expenses	-3,758		-3,758
<b>EBITDA</b>	<b>3,729</b>		<b>3,729</b>
Depreciation	-817		-817
<b>Operating result (EBIT)</b>	<b>2,912</b>		<b>2,912</b>
Financial income and expenses	-218		-218
<b>Profit/loss before taxes (EBT)</b>	<b>2,693</b>		<b>2,693</b>
Taxes	-539		-539
<b>Profit/loss for the period</b>	<b>2,154</b>		<b>2,154</b>

Items affecting comparability in 2021 relate to the arbitral award from the arbitral tribunal in the dispute between Consti Korjausrakentaminen Oy and Kiinteistö Oy Yrjönkatu 13 which relates to the construction project for Hotel St. George carried out by Consti Korjausrakentaminen Oy between years 2015-2018 and to the related legal costs.

4-6/2021 (EUR 1,000)	IFRS	IAC	Income statement before IAC
<b>Net sales</b>	<b>70,902</b>	<b>-3,077</b>	<b>73,979</b>
Other operating income	78		78
Materials and services	-51,748	-182	-51,566
Employee benefit expenses	-14,919		-14,919
Other operating expenses	-4,037	-189	-3,849
<b>EBITDA</b>	<b>276</b>	<b>-3,448</b>	<b>3,724</b>
Depreciation	-807		-807
<b>Operating result (EBIT)</b>	<b>-531</b>	<b>-3,448</b>	<b>2,918</b>
Financial income and expenses	-371	-114	-257
<b>Profit/loss before taxes (EBT)</b>	<b>-901</b>	<b>-3,562</b>	<b>2,660</b>
Taxes	180	712	-532
<b>Profit/loss for the period</b>	<b>-721</b>	<b>-2,850</b>	<b>2,128</b>

1-6/2022 (EUR 1,000)	IFRS	IAC	Income statement before IAC
<b>Net sales</b>	<b>132,947</b>		<b>132,947</b>
Other operating income	286		286
Materials and services	-93,223		-93,223
Employee benefit expenses	-28,760		-28,760
Other operating expenses	-6,164		-6,164
<b>EBITDA</b>	<b>5,086</b>		<b>5,086</b>
Depreciation	-1,815		-1,815
<b>Operating result (EBIT)</b>	<b>3,271</b>		<b>3,271</b>
Financial income and expenses	-439		-439
<b>Profit/loss before taxes (EBT)</b>	<b>2,832</b>		<b>2,832</b>
Taxes	-567		-567
<b>Profit/loss for the period</b>	<b>2,265</b>		<b>2,265</b>

1-6/2021 (EUR 1,000)	IFRS	IAC	Income statement before IAC
<b>Net sales</b>	<b>130,185</b>	<b>-3,077</b>	<b>133,262</b>
Other operating income	169		169
Materials and services	-94,115	-182	-93,933
Employee benefit expenses	-28,109		-28,109
Other operating expenses	-6,975	-570	-6,406
<b>EBITDA</b>	<b>1,154</b>	<b>-3,829</b>	<b>4,984</b>
Depreciation	-1,584		-1,584
<b>Operating result (EBIT)</b>	<b>-429</b>	<b>-3,829</b>	<b>3,400</b>
Financial income and expenses	-578	-114	-465
<b>Profit/loss before taxes (EBT)</b>	<b>-1,008</b>	<b>-3,943</b>	<b>2,935</b>
Taxes	201	789	-587
<b>Profit/loss for the period</b>	<b>-806</b>	<b>-3,155</b>	<b>2,348</b>

1-12/2021 (EUR 1,000)	IFRS	IAC	Income statement before IAC
<b>Net sales</b>	<b>288,773</b>	<b>-3,077</b>	<b>291,851</b>
Other operating income	430		430
Materials and services	-206,753	-182	-206,571
Employee benefit expenses	-59,767		-59,767
Other operating expenses	-13,482	-570	-12,912
<b>EBITDA</b>	<b>9,202</b>	<b>-3,829</b>	<b>13,031</b>
Depreciation	-3,497		-3,497
<b>Operating result (EBIT)</b>	<b>5,705</b>	<b>-3,829</b>	<b>9,535</b>
Financial income and expenses	-1,122	-114	-1,009
<b>Profit/loss before taxes (EBT)</b>	<b>4,583</b>	<b>-3,943</b>	<b>8,526</b>
Taxes	-866	789	-1,654
<b>Profit/loss for the period</b>	<b>3,717</b>	<b>-3,155</b>	<b>6,871</b>

## Business areas

NET SALES BY BUSINESS AREA (EUR 1,000)	4-6 / 2022	4-6 / 2021	Change %	1-6 / 2022	1-6 / 2021	Change %	1-12 / 2021
Housing Companies	25,384	21,710	16.9 %	40,977	35,097	16.8 %	89,998
Corporations	24,255	25,997	-6.7 %	44,452	47,809	-7.0 %	100,956
Public Sector	9,393	8,498	10.5 %	20,321	15,953	27.4 %	37,659
Building Technology	17,676	17,807	-0.7 %	33,721	37,048	-9.0 %	72,884
Parent company and eliminations	-3,591	-3,110	-15.5 %	-6,524	-5,723	-14.0 %	-12,725
<b>Total net sales</b>	<b>73,118</b>	<b>70,902</b>	<b>3.1 %</b>	<b>132,947</b>	<b>130,185</b>	<b>2.1 %</b>	<b>288,773</b>

NET SALES CLASSIFICATION ACCORDING TO IFRS 15 (EUR 1,000)	4-6 / 2022	4-6 / 2021	Change %	1-6 / 2022	1-6 / 2021	Change %	1-12 / 2021
<b>Project deliveries</b>							
Housing Companies	24,714	21,132	17.0 %	40,043	34,012	17.7 %	87,907
Corporations	21,194	22,916	-7.5 %	40,045	42,838	-6.5 %	93,291
Public Sector	9,391	8,498	10.5 %	20,318	15,951	27.4 %	37,657
Building Technology	15,707	15,848	-0.9 %	29,947	33,378	-10.3 %	65,919
Parent company and eliminations	-3,591	-3,110	-15.5 %	-6,524	-5,723	-14.0 %	-12,725
<b>Total project deliveries</b>	<b>67,415</b>	<b>65,285</b>	<b>3.3 %</b>	<b>123,828</b>	<b>120,457</b>	<b>2.8 %</b>	<b>272,049</b>
<b>Other cost + fee projects and service contracts</b>							
Housing Companies	670	578	15.9 %	934	1,085	-13.9 %	2,092
Corporations	3,061	3,080	-0.6 %	4,407	4,971	-11.3 %	7,665
Public Sector	2	0		3	2	50.7 %	2
Building Technology	1,969	1,959	0.5 %	3,774	3,670	2.8 %	6,965
Parent company and eliminations	0	0		0	0		0
<b>Total other cost + fee projects and service contracts</b>	<b>5,702</b>	<b>5,617</b>	<b>1.5 %</b>	<b>9,119</b>	<b>9,728</b>	<b>-6.3 %</b>	<b>16,724</b>
<b>Total net sales</b>	<b>73,118</b>	<b>70,902</b>	<b>3.1 %</b>	<b>132,947</b>	<b>130,185</b>	<b>2.1 %</b>	<b>288,773</b>

ACCOUNTS RECEIVABLE AND CONTRACT ASSETS AND LIABILITIES (EUR 1,000)	30 Jun 2022	30 Jun 2021	Change %	31 Dec 2021
Trade receivables	28,359	27,970	1.4 %	28,517
Receivables from project deliveries and cost + fee accruals	11,569	12,094	-4.3 %	10,453
Advances received from project deliveries and cost + fee accruals	11,675	14,143	-17.5 %	11,816

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)	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>Other liabilities</b>			
Leasing and rental liabilities	152	20	74

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

## Key figures

KEY FIGURES	1-6 / 2022	1-6 / 2021	1-12 / 2021
<b>INCOME STATEMENT (EUR 1,000)</b>			
Net sales	132,947	130,185	288,773
EBITDA	5,086	1,154	9,202
EBITDA margin, %	3.8 %	0.9 %	3.2 %
Adjusted operating result (EBIT)	3,271	3,400	9,535
Adjusted operating result (EBIT) margin, %	2.5 %	2.6 %	3.3 %
Operating result (EBIT)	3,271	-429	5,705
Operating result margin, %	2.5 %	-0.3 %	2.0 %
Profit/loss before taxes (EBT)	2,832	-1,008	4,583
as % of sales	2.1 %	-0.8 %	1.6 %
Profit/loss for the period	2,265	-806	3,717
as % of sales	1.7 %	-0.6 %	1.3 %
<b>OTHER KEY FIGURES (EUR 1,000)</b>			
Balance sheet total	114,018	113,693	119,041
Net interest-bearing debt	17,880	20,404	14,262
Equity ratio, %	29.1 %	26.9 %	29.8 %
Gearing, %	60.0 %	76.3 %	44.7 %
Return on investment, ROI %	15.6 %	8.5 %	9.2 %
Free cash flow	1,747	-4,285	5,458
Cash conversion, %	34.4 %	n/a	59.3 %
Order backlog	240,756	236,191	218,578
Order intake	136,284	168,299	275,108
Average number of personnel	955	960	969
Number of personnel at period end	997	1,003	961
<b>SHARE RELATED KEY FIGURES</b>			
Earnings per share, undiluted (EUR)	0.29	-0.11	0.47
Earnings per share, diluted (EUR)	0.29	-0.11	0.46
Shareholders' equity per share (EUR)	3.86	3.49	4.15
Number of shares, end of period	7,858,267	7,858,267	7,858,267
Number of outstanding shares, end of period	7,719,528	7,670,114	7,694,406
Average number of outstanding shares	7,711,571	7,663,355	7,679,882



## 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 (%) =	$\frac{\text{Equity}}{\text{Total assets - advances received}} \times 100$
Gearing (%) =	$\frac{\text{Interest-bearing liabilities - cash and cash equivalents}}{\text{Equity}} \times 100$
Return on investment, ROI (%) =	$\frac{\text{Profit/loss before taxes + interest and other financial expenses (r12m)}}{\text{Total equity + interest-bearing liabilities (average)}} \times 100$
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 (%) =	$\frac{\text{Free cash flow}}{\text{EBITDA}} \times 100$
Earnings per share =	$\frac{\text{Profit/loss attributable to equity holders of the parent company - hybrid bond's transaction costs and accrued interests after tax}}{\text{Weighted average number of shares outstanding during the period}} \times 100$
Shareholders' equity per share (EUR) =	$\frac{\text{Equity attributable to owners of the parent company}}{\text{Number of outstanding shares, end of period}}$
Adjusted operating result (EBIT) =	Operating result (EBIT) before items affecting comparability (IAC)
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)	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21	Q4/20	Q3/20	Q2/20
Net sales	73,118	59,830	82,605	75,984	70,902	59,283	78,098	68,202	69,306
Other operating income	168	118	171	89	78	91	122	41	232
Materials and services	-50,804	-42,420	-58,050	-54,588	-51,748	-42,367	-54,035	-48,292	-48,561
Employee benefit expenses	-14,995	-13,765	-17,255	-14,402	-14,919	-13,191	-15,626	-13,583	-14,854
Other operating expenses	-3,758	-2,406	-3,457	-3,050	-4,037	-2,938	-4,831	-3,119	-2,942
EBITDA	3,729	1,357	4,014	4,033	276	878	3,729	3,249	3,181
EBITDA margin, %	5.1 %	2.3 %	4.9 %	5.3 %	0.4 %	1.5 %	4.8 %	4.8 %	4.6 %
Depreciation	-817	-998	-1,004	-910	-807	-777	-775	-795	-813
Adjusted operating result (EBIT)	2,912	359	3,011	3,124	2,918	482	3,522	2,631	2,721
Adjusted operating result (EBIT) margin,	4.0 %	0.6 %	3.6 %	4.1 %	4.1 %	0.8 %	4.5 %	3.9 %	3.9 %
Operating result (EBIT)	2,912	359	3,011	3,124	-531	101	2,954	2,454	2,368
Operating result margin, %	4.0 %	0.6 %	3.6 %	4.1 %	-0.7 %	0.2 %	3.8 %	3.6 %	3.4 %
Financial income	1	1	21	2	114	2	2	1	1
Financial expenses	-220	-222	-232	-335	-485	-209	-230	-227	-240
Total financial income and expenses	-218	-221	-212	-333	-371	-207	-228	-227	-239
Profit/loss before taxes (EBT)	2,693	138	2,799	2,791	-901	-106	2,725	2,227	2,129
Total taxes	-539	-28	-509	-558	180	21	-583	-533	-418
Profit/loss for the period	2,154	111	2,290	2,233	-721	-85	2,142	1,694	1,711
Balance sheet total	114,018	110,776	119,041	113,512	113,693	115,868	128,595	127,038	122,930
Net interest-bearing debt	17,880	16,255	14,262	18,635	20,404	11,714	4,737	7,383	11,272
Equity ratio, %	29.1 %	31.0 %	29.8 %	29.1 %	26.9 %	32.1 %	32.7 %	32.6 %	31.0 %
Gearing, %	60.0 %	52.1 %	44.7 %	62.6 %	76.3 %	38.6 %	14.1 %	23.6 %	37.9 %
Return on investment, ROI %	15.6 %	10.1 %	9.2 %	9.3 %	8.5 %	13.1 %	13.6 %	14.1 %	13.7 %
Order backlog	240,756	205,094	218,578	217,895	236,191	196,489	177,857	189,402	211,838
Order intake	98,722	37,561	66,854	39,956	98,458	69,842	54,322	31,003	66,811
Average number of personnel	966	944	969	990	977	942	938	977	998
Number of personnel at period end	997	933	961	998	1,003	946	927	959	999
Earnings per share, undiluted (EUR)	0.28	0.01	0.30	0.29	-0.09	-0.02	0.27	0.21	0.21
Number of outstanding shares, end of period	7,719,528	7,734,528	7,694,406	7,719,406	7,670,114	7,670,114	7,652,123	7,652,123	7,671,123
Average number of outstanding shares	7,730,572	7,692,360	7,706,091	7,686,187	7,670,114	7,656,521	7,652,123	7,657,699	7,683,872

## Largest shareholders

10 LARGEST SHAREHOLDERS 30 June 2022		Number of shares	% of shares and voting rights
1	Lujatalo Oy	790,000	10.05 %
2	Heikintorppa Oy	750,000	9.54 %
3	Wipunen Varainhallinta Oy	750,000	9.54 %
4	Fennia Life Insurance Company	518,525	6.60 %
5	Korkeela Esa	442,058	5.63 %
6	Kivi Risto	380,473	4.84 %
7	Kalevo Markku	300,044	3.82 %
8	Varma Mutual Pension Insurance Company	172,000	2.19 %
9	Korkeela Antti	157,214	2.00 %
10	Drumbo Oy	150,000	1.91 %
<b>Ten largest owners, total</b>		<b>4,410,314</b>	<b>56.12 %</b>
Nominee registered		1,200,204	15.27 %
Others		2,247,749	28.60 %
<b>Total</b>		<b>7,858,267</b>	<b>100.00 %</b>

In Helsinki, 21 July 2022

Consti Plc's Board of Directors

## Press conference

Microsoft Teams meeting for analysts, portfolio managers and media representatives, will take place 22 July 2022, at 10:00 a.m. (EET). The meeting will be hosted by CEO Esa Korkeela and CFO Joni Sorsanen.

## Financial communication in 2022

- Interim report 1-9/2022 will be published 27 October 2022

## Further information:

Esa Korkeela, CEO, Consti Plc, Tel. +358 40 730 8568

Joni Sorsanen, CFO, Consti Plc, Tel. +358 50 443 3045

## Distribution

Nasdaq Helsinki

Key media

[www.consti.fi](http://www.consti.fi)

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.