

Company Nordecon AS
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Attachments:

- Nordecon-10004446201-en.pdf (<http://oam.fi.ee/en/download?id=5074>)
- Nordecon-10004446202-en.pdf (<http://oam.fi.ee/en/download?id=5075>)
- Nordecon-10004446204-et.pdf (<http://oam.fi.ee/en/download?id=5076>)
- Nordecon-10004446205-et.pdf (<http://oam.fi.ee/en/download?id=5077>)

Currency

Title Information on the sale of holding in related company

Nordecon AS group company AS Tariston concluded with OÜ Tõrvatilk on 08 December 2020 an agreement to sell its 49% shareholding in a related company OÜ Pigipada.

The purpose of the sale is to resolve the ownership of the aforementioned company and sell it on profitable terms for AS Tariston. The total value of the transaction is approximately 3.6 million euros. As due to the transaction the relationship of control of OÜ Pigipada will change, the implementation of the related rights and obligations is subject to the approval of the Estonian Competition Authority

As the transaction value constitutes 11% of the consolidated equity of Nordecon AS for 2019, the sale of this holding can be considered as material within the meaning of the Rules of Nasdaq Tallinn Stock Exchange "Requirements for Issuers". The estimated effect of the sale of holding in OÜ Pigipada to the Nordecon AS net profit for 2020 will be approximately 2.7 million euros.

The transaction is not regarded as a transaction between related persons within the meaning of the "Requirements for Issuers" of the Rules of Nasdaq Tallinn Stock Exchange and the members of the supervisory board and management board of Nordecon AS are otherwise not personally interested in the transaction.

Overview of the circumstances relating to and the financial results of OÜ Pigipada

The economic activity of OÜ Pigipada is operating as a producer of bitumen-emulsions in its factories in Paide and Tsirguliina. The products of OÜ Pigipada are used in road construction and maintenance and its home market is Estonia while supplying the export markets in Latvia and Finland as well.



The audited annual reports of OÜ Pigipada for 2018 and 2019 have been attached to this announcement.

The turnover and net profit of OÜ Pigipada for the last three financial years were as follows:

(in euros)		
2017	2018	2019
Revenue		
8 885 830	8 808 296	9 578 454
Net profit		
747 213	646 245	647 738

There have been no significant changes in the economic activity of OÜ Pigipada in 2020 in comparison to the previous period. The company has no loan obligations as of 30 September 2020. OÜ Pigipada is not a party to any court and arbitration proceedings, which could have a significant effect on the company's economic activity. As of 30 September 2020, there are no valid contracts with material effect between Nordecon AS and OÜ Pigipada.

OÜ Pigipada has two shareholders - OÜ Tõrvatilk (51%) and AS Tariston (49%). The management board of OÜ Pigipada has one member, Marek Koit. The supervisory board of the company consists of Priit Post, Maret Tambek, Kaspar Kaldjärv and Märt Järvik.

Nordecon (www.nordecon.com (<http://www.nordecon.com>)) is a group of construction companies whose core business is construction project management and general contracting in the buildings and infrastructures segment. Geographically the Group operates in Estonia, Sweden, Finland and Ukraine. The parent of the Group is Nordecon AS, a company registered and located in Tallinn, Estonia. The consolidated revenue of the Group in 2019 was 234 million euros. Currently Nordecon Group employs close to 710 people. Since 18 May 2006 the company's shares have been quoted in the main list of the Nasdaq Tallinn Stock Exchange.

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