

Company Nordecon AS
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Attachments:

- Nordecon_Betoon_OU-aruanne_2021.pdf (<http://oam.fi.ee/en/download?id=7807>)
- Nordecon_Betoon_OU-aruanne_2022.pdf (<http://oam.fi.ee/en/download?id=7809>)
- Nordecon_Betoon_OU-aruanne_2021.pdf (<http://oam.fi.ee/en/download?id=7811>)
- Nordecon_Betoon_OU-aruanne_2022.pdf (<http://oam.fi.ee/en/download?id=7812>)

Currency

Title Information on the sale of subsidiary

At the 7 November 2023 meeting of the supervisory board of Nordecon AS (hereinafter the "Company"), it was decided that the Company's 52% majority holding in OÜ Nordecon Betoon (hereinafter also the "Private Limited Company") will be sold in full to the company that is controlled by the current minority shareholders. The closing of the sales transaction requires the approval of the extraordinary general meeting of the shareholders of Nordecon AS which will be held on 29 November 2023. The amount to be paid for the share of Nordecon AS in the Private Limited Company with a nominal value of 13,286 euros is 9,050,000 (nine million fifty thousand) euros and it is paid in one instalment in return for the share (DVP payment). The difference between the share acquisition and sale price is 8,219,233 euros which will have an effect on the Company's financial revenue in 2023.

With the transfer of the share of Nordecon Betoon OÜ belonging to the Company, the Nordecon group exits under profitable terms the market of subcontracting services in the concrete works and focuses on its main services in the field of general construction contracting and design management.

The economic activity of OÜ Nordecon Betoon is concrete works and operating as a contractor in the construction and technical design of buildings. The Company's operations are primarily focused on the Estonian construction market, it also operates on the Finnish construction market through its subsidiary Nobe Rakennus Oy and on a project basis also on the Latvian and Lithuanian construction market.

The audited annual reports of OÜ Nordecon Betoon for 2022 and 2021 have been attached to this announcement. The sales revenue and net profit of the Company for the previous three years were:



(in euros)	2020	2021	2022
Sales revenue	7,222,473	73,775,855	102,575,491
Net profit	2,256,695	1,191,832	2,563,835

The sales revenue of OÜ Nordecon Betoon according to the annual results of 2022 was 102,575,491 euros, constituting 28.4% of the consolidated (considering intercompany revenue) sales revenue of Nordecon AS for 2022, which means that the transfer of the majority shareholding can be considered significant within the meaning of the section "Requirements for Issuers" in the Rules of Nasdaq Tallinn Stock Exchange.

This transaction cannot be treated as a related party transaction within the meaning of the section "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.

There have been no significant changes in the economic activity of OÜ Nordecon Betoon in 2023 compared to the previous period. The Private Limited Company has no loan obligations as at 30 September 2023. The minority shareholders of OÜ Nordecon Betoon are Mait Rõõmusaar and OÜ Varavalvur with equal 24% shareholdings. The Private Limited Company is not a party to any court and arbitration proceedings which could have a significant effect on the Company's economic activity. During the first nine months of 2023, OÜ Nordecon Betoon has provided subcontracting services to Nordecon AS and other companies of the consolidation group in the amount of 6,367,862 euros and will continue the provision of services under the valid contracts also after the closing of the transaction.

The management board of OÜ Nordecon Betoon has two members - Mait Rõõmusaar (chairman) and Priit Nigols. The members of the supervisory board of the Private Limited Company are Gerd Müller (chairman), Maret Tambek, Andri Hõbemägi, Priit Luman and Andre Luman.

Nordecon (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, Finland, Ukraine and Sweden. The parent of the Group is Nordecon AS, a company registered and located in Tallinn, Estonia. The consolidated revenue of the Group in 2022 was 323 million euros. Currently Nordecon Group employs close to 570 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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