

A nighttime photograph of a city street scene. In the foreground, a multi-lane road with a yellow-painted median runs diagonally. Light trails from cars are visible on the road. In the background, several construction cranes are silhouetted against the dark sky. City buildings with lit windows and streetlights are visible, creating a warm glow. The overall atmosphere is one of urban activity and development.

A YEAR THAT MET EXPECTATIONS CREATES A GOOD BASIS FOR 2021

TIMO VIKSTRÖM, PRESIDENT AND CEO
ANTTI HEINOLA, CFO

31 MARCH 2021

KREATE GROUP PLC / ANNUAL RESULT 2020

KREATE
THE FUTURE IS BUILT TODAY

We got listed on
Nasdaq Helsinki on
19 February 2021 and
received over

18,600

new shareholders

**THANK YOU FOR YOUR
TRUST IN US AND
WELCOME ONBOARD!**

**NASDAQ HELSINKI
WELCOMES KREATE
TO MAIN MARKET**

KREATE

 **Nasdaq**

PRIME BOWTIE RETAIL

Largest shareholders on 29 March 2021

1. Harjavalta Oy (15.3%)
2. Intera Fund II Ky (12.5%)
3. Tirinom Oy (10.4%)
4. Seppo Valtonen (4.6%)
5. Varma (3.5%)



NASDAQ HELSINKI
WELCOMES KREATE
TO MAIN MARKET

KREATE



PRIME BOWTIE RETAIL

KREATE IN 2020 – WE DELIVERED ON THE PROMISES GIVEN DURING THE IPO

Guidance for 2020

ITF-release, 25 January 2021

“According to preliminary information, Kreate’s revenue for the financial year ended on 31 December 2020 is estimated to amount to approximately EUR 235 million. EBITA for the financial year 2020 is estimated to amount to approximately EUR 10.5 million (excluding the costs related to the IPO), corresponding to an EBITA margin of approximately 4.5%.”

→ **Revenue EUR 235.3 million, EBITA EUR 10.5 million and EBITA-% 4.5% in 2020**

Long term financial targets

ITF-release, 25 January 2021

- "Net sales of EUR 300 million in 2024 through a balanced combination of organic growth and selective bolt-on acquisitions;
- EBITA margin of above 5 per cent in the medium term; and
- Net debt to EBITDA below 2.0x."

→ **Unchanged**

Guidance for 2021

Prospectus, 5 February 2021

“Kreate expects that its revenue (2020: around EUR 235 million) will decline in 2021 compared to 2020.”

→ **Unchanged**

Upcoming events

6 April 2021
Financial statements
& Annual report 2020

28 April 2021
Interim report
1–3/2021

5 May 2021
AGM

28 July 2021
Half-year report

27 October 2021
Interim report
1–9/2021

THE IPO STRENGTHENED KREATE'S FINANCIAL POSITION

Situation on 31 December 2020 if adjusted with the impact of IPO

EQUITY RATIO

36.4%

(excluding IPO 26.3%)

Equity** /
Balance sheet total (actual)

NET DEBT

EUR 17.6 MILLION

(excluding IPO EUR 27.9 MILLION)

NET DEBT/ EBITDA

1.3

(excluding IPO 2.0)

Net debt */
EBITDA (actual)

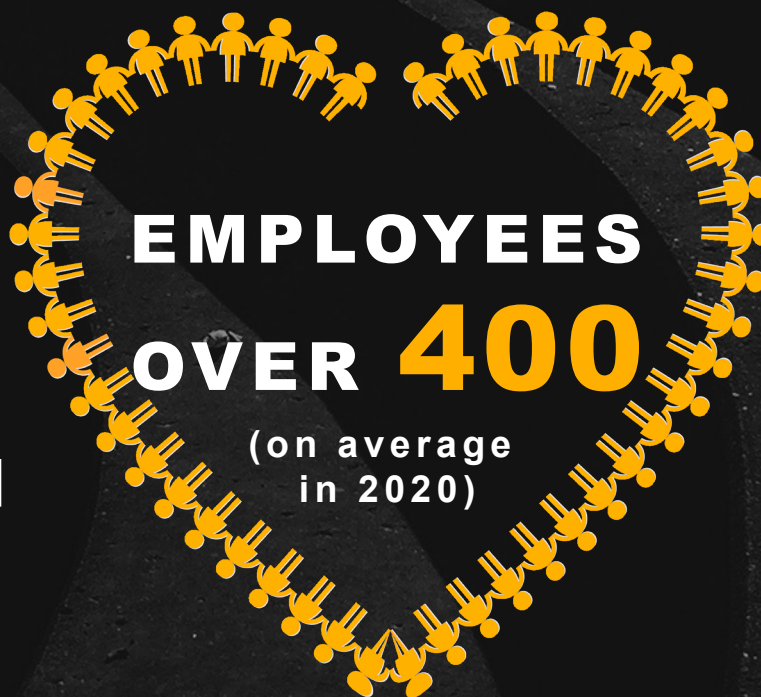
KREATE GROUP IN NUMBERS 2020

REVENUE

M€ ~235

ANNUAL GROWTH

6.4% 



EBITDA

6%

ORDER BACKLOG

M€ ~135

(at year end 2020)

KEY FIGURES: 2020 – A YEAR THAT MET EXPECTATIONS

EUR MILLION	10-12 2020	10-12 2019	1-12 2020	1-12 2019
Order backlog	134.9	177.2	134.9	177.2
Revenue	62.0	72.1	235.3	221.1
EBITDA	3.1	5.6	14.0	14.9
EBITDA %	5.0	7.7	6.0	6.7
EBITA	2.3	4.6	10.5	11.7
EBITA %	3.8	6.4	4.5	5.3
Operating profit	2.3	4.6	10.4	11.5
Operating profit %	3.7	6.3	4.4	5.2
Return on capital employed, %	19.2	20.7	19.2	20.7
Free cash flow from operating activities	7.2	12.4	9.7	14.5
Net working capital	-5.4	-4.0	-5.4	-4.0
Net debt	27.9	17.3	27.9	17.3
Net debt/EBITDA	2.0	1.2	2.0	1.2
Equity ratio, %	26.3	34.5	26.3	34.5
Earnings per share, €**	0.07	0.33	0.88	1.00
Dividend per share, €**			0.44*	0.00
Personnel at the end of the period			383	395

* The Board of Directors' proposal to the Annual General Meeting

** The calculation of earnings per share is based on the average number of Kreate Plc's shares in 2020 (7,454,895), and the calculation of dividend per share is based on the number of shares after the public listing (8,894,772).

HIGHLIGHTS 2020

A circular economy project was launched in Hirvihaara. The multi-year project provides alternatives for material experimentation and promotes the creation of sustainable solutions in infrastructure construction.

3

Competitive tendering win: E18 Turku ring road, Kausela-Pukkila design and build contract with development phase.



Infrastructure project for Neste's first low-carbon traffic station with attention to circular economy and environmental aspects.

7

The historical transfer of the Tampere freight station opens doors for a new kind of urban development.



8

The Kimola Canal opened for water traffic.



10

The design and build contract with development phase for the Hanko overpass bridge initiated with bridge demolition Work.



Kreate to cooperate on excavation work for Metsä Fibre's billion-euro project in Kemi.

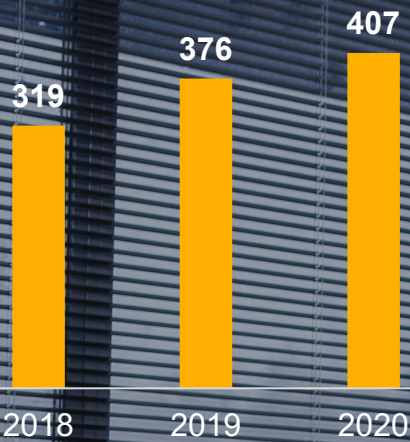
Environmental certification from the Construction Quality Association.

11

Klaukkala bypass opened for traffic nearly a year ahead of schedule and about EUR 10 million under budget.

12

PERSONNEL ON AVERAGE



ACCIDENT FREQUENCY

11.1

COMPANY CULTURE

CLEAR CAREER PATHS
& PROFESSIONAL
DEVELOPMENT

ATTRACTIVE
REMUNERATION

KREATE'S
STRENGTHS AS
AN EMPLOYER

PROFESSIONALLY
CHALLENGING
PROJECTS

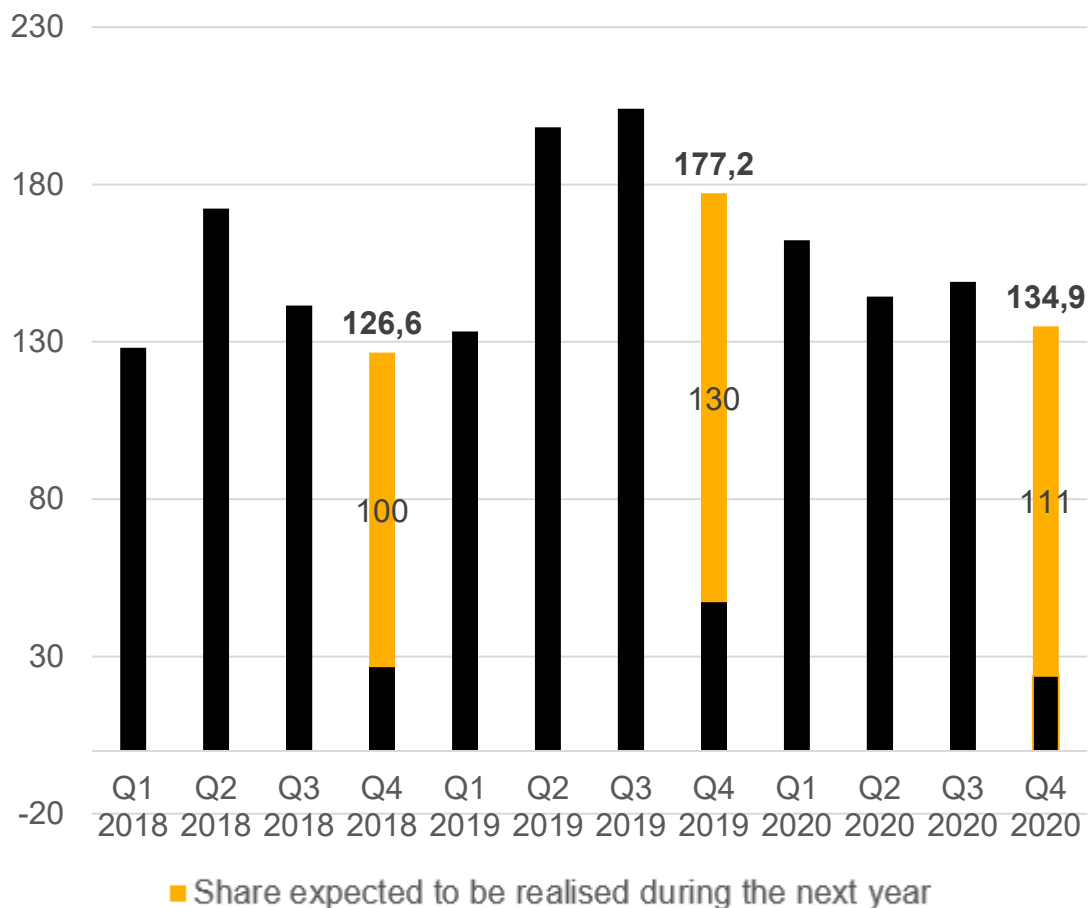
OFFERING
COVERING
MULTIPLE BUSINESS
AREAS

SAID BY THE PERSONNEL:

"We have low hierarchy, flexible decision making and professional management with industry expertise who understands matters on the site."

ORDER BACKLOG ON NORMAL LEVEL AT THE END OF THE YEAR

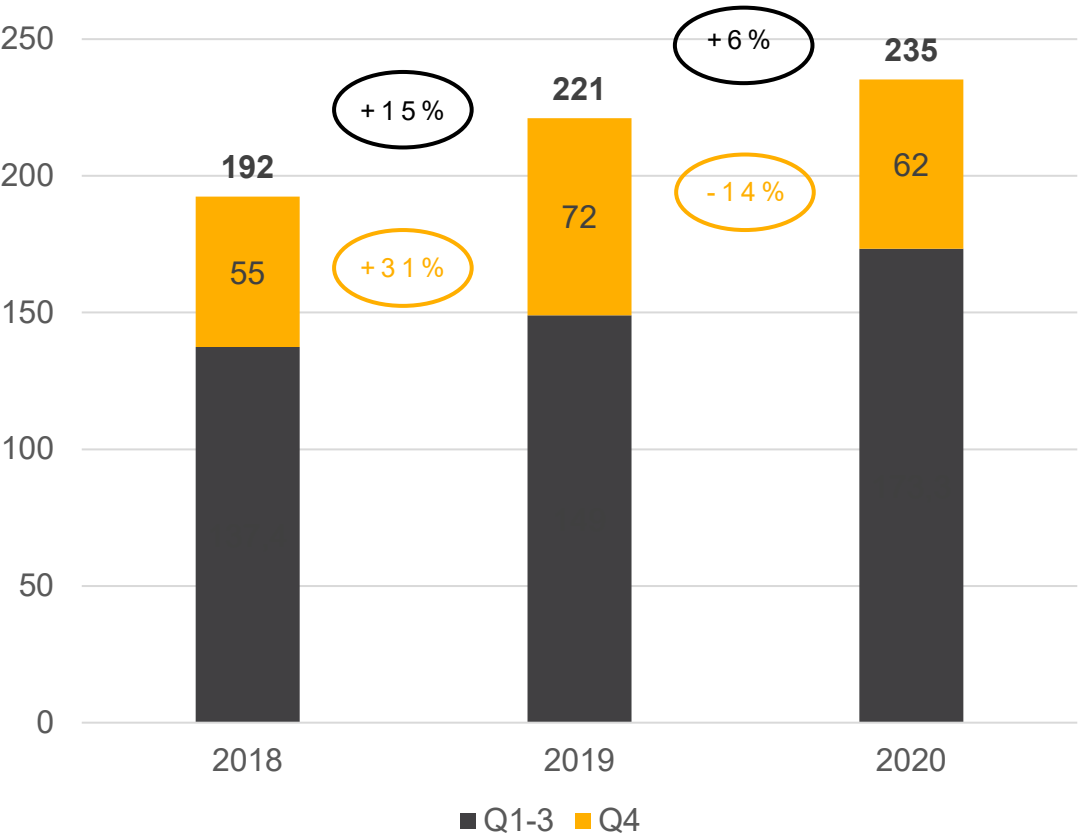
ORDER BACKLOG Q1 2018–Q4 2020, EUR MILLION



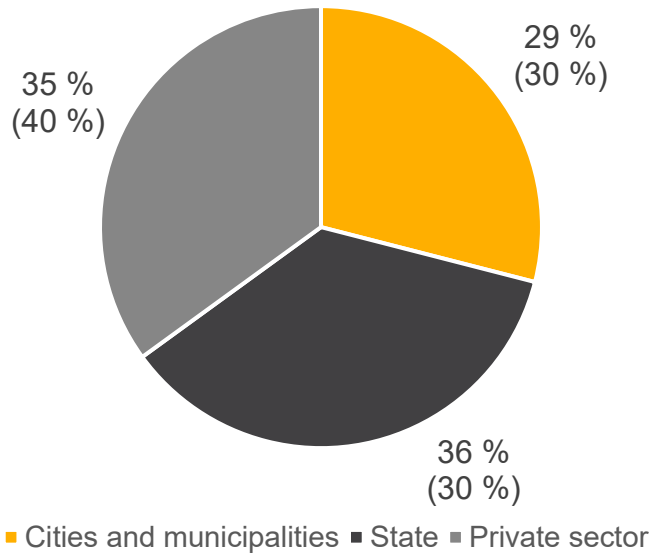
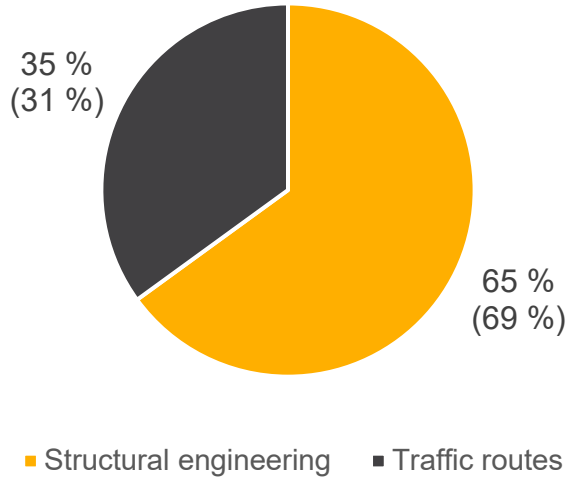
- At the end of December 2020, the order backlog was EUR 134.9 (177.2) million
- Of this, around EUR 111 million is expected to be realised during 2021 (31 December 2019: EUR 130 million during 2020)
- The expected profitability of the order backlog was on a normal level

REVENUE GREW IN 2020

REVENUE, EUR MILLION

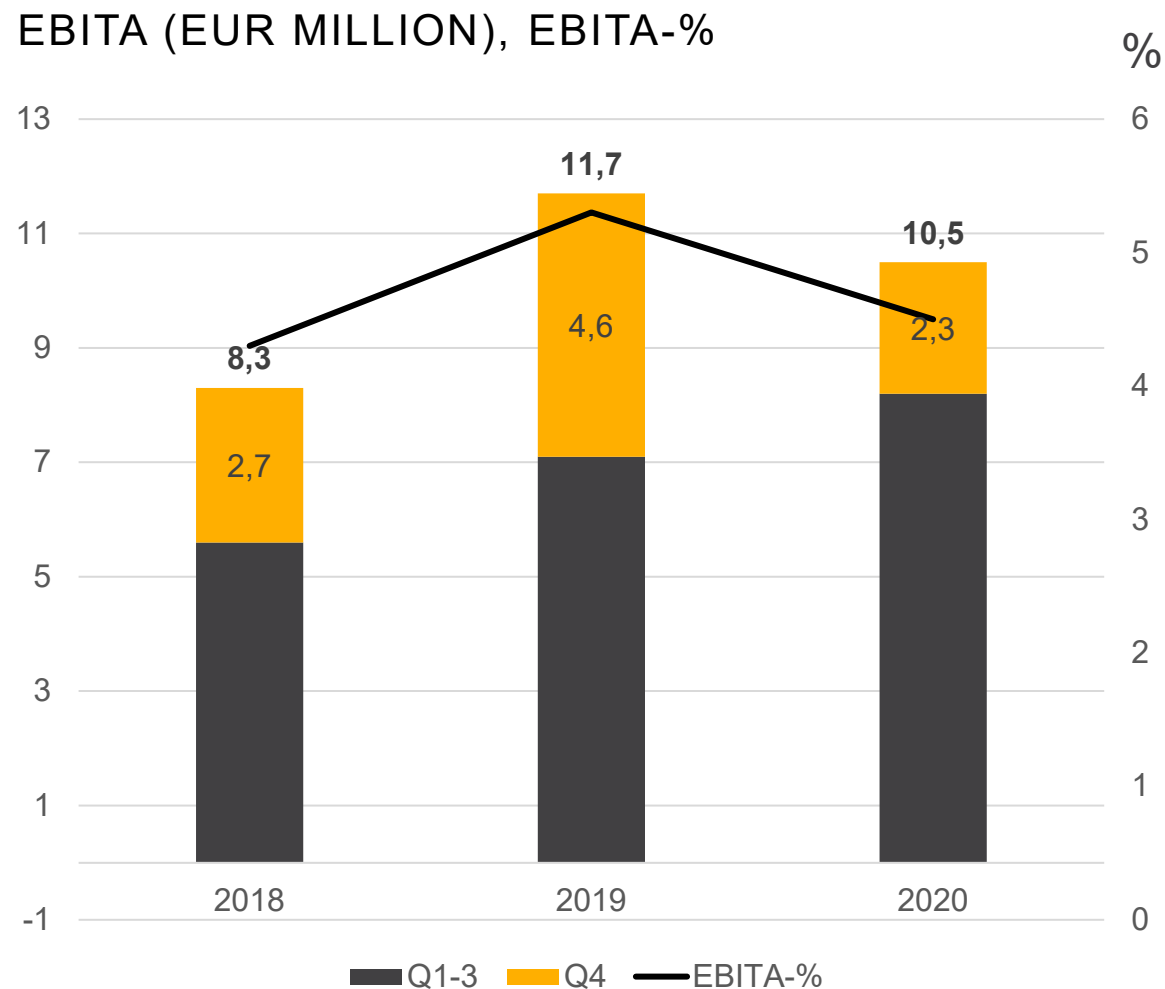


○ = change to previous year
○ = change to the previous year's corresponding quarter



PROJECT PROFITABILITY REMAINED ON A NORMAL LEVEL

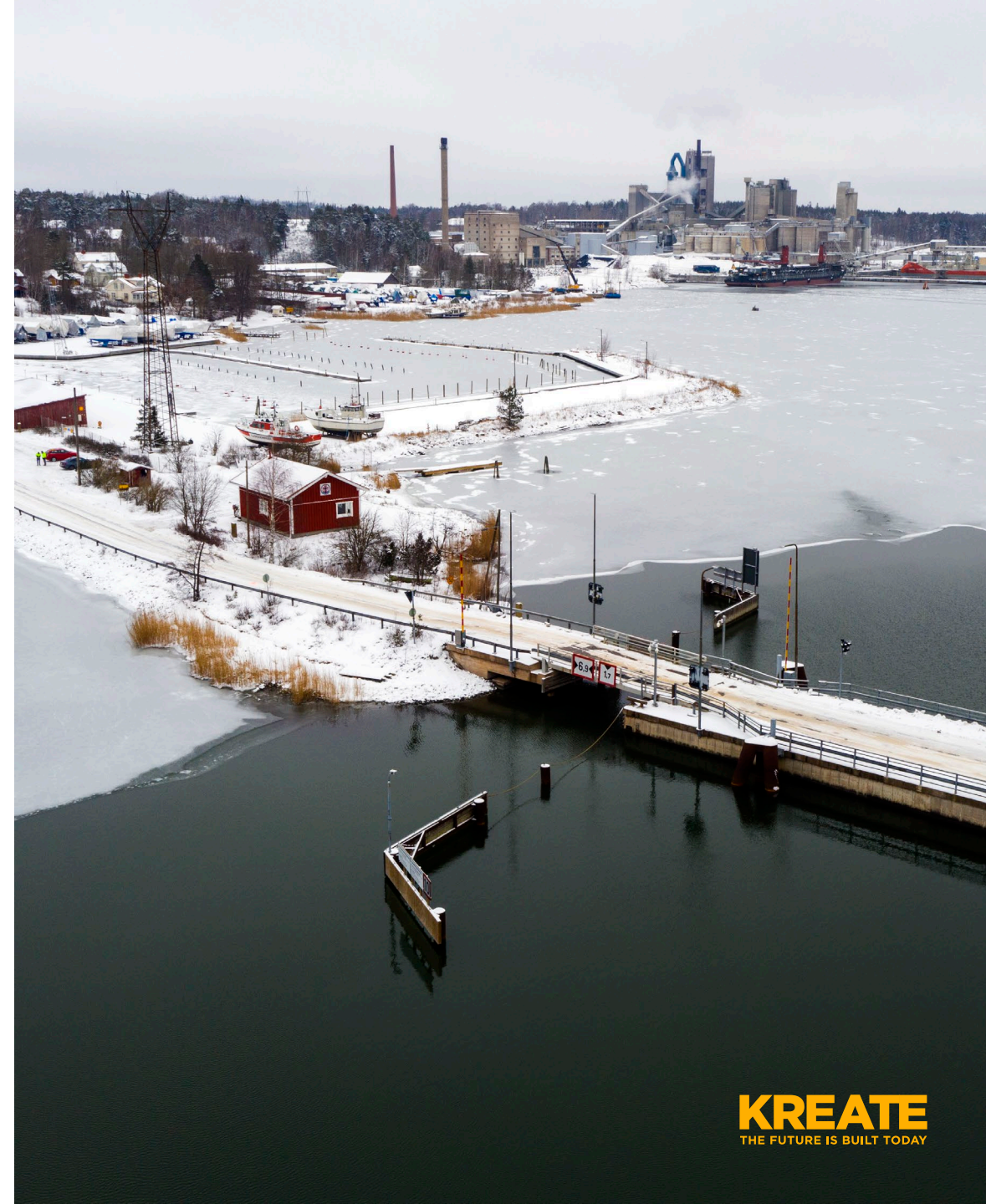
- EBITA was EUR 10.5 (11.7) million in 2020
- EBITA was EUR 2.3 (4.6) million during the last quarter
- The Group's profitability was supported by projects proceeding according to plan
- The profitability level of the project base remained on the regular level



KREATE STARTS ITS YEAR 2021 FROM AN EXCELLENT POSITION

DEMANDING PROJECTS WAITING TO BE BUILD

- The Finnish infrastructure construction market has shown stable growth historically. In 2020, the estimated market size was approximately EUR 7 billion, and it is expected to remain at the same level or decline slightly in 2021.
- In 2020, we succeeded in strengthening our competitiveness in strategically important areas, for example, by increasing our capabilities in rail and bridge construction, and we made important investments in special machinery and equipment.
- Due to the listing, our balance sheet is strong.
- In addition to good profitability and strong cash flow, we have robust technical expertise and the ability to execute all large infrastructure projects that demand special skill.
- From this position, we are well equipped to take on the year 2021 and proceed on the path of profitable growth in line with our strategic plans.



CLEAR STRATEGY AIMING AT CONTINUOUS PROFITABLE GROWTH

PROFITABLE AND ENTREPRENEURIAL GROWTH COMPANY THAT IMPLEMENTS THE MOST DEMANDING INFRASTRUCTURE CONSTRUCTION PROJECTS AND IS THE MOST ATTRACTIVE WORKPLACE IN THE INDUSTRY WITH DEVELOPMENT OPPORTUNITIES.

1

POSITIONING IN
GROWING MARKET
SEGMENTS

2

STRENGTHENING AND
EXPANDING THE
CUSTOMER BASE AND
SERVICE OFFERING

3

SUPPORTING THE
STRATEGY WITH
SELECTED
ACQUISITIONS

4

CONTINUOUS IMPROVEMENT OF OPERATIONAL EFFICIENCY AND PROFITABILITY

KREATE GROUP'S MANAGEMENT TEAM AS OF 1 APRIL 2021

OVER 200 YEARS OF STRONG INFRASTRUCTURE EXPERTISE



TIMO VIKSTRÖM
PRESIDENT AND CEO



ANTTI HEINOLA
CFO



KATJA PUSSINEN
VP, HR



JAAKKO KIVI
VP, TECHNICAL OFFICE



TOMMI HAKANEN
VP, SPECIAL FOUNDATION
CONSTRUCTION



TOMMI LEHTOLA
VP, FOUNDATION AND ROCK
ENGINEERING AND CIRCULAR
ECONOMY



SAMI RANTALA
VP, BRIDGE
CONSTRUCTION AND
REPAIR



SAMI LAAKSO
VP, TRANSPORT
INFRASTRUCTURE
CONSTRUCTION



TIMO LEPPÄNEN
VP, RAILWAY
CONSTRUCTION



FINANCIAL REVIEW

ANTTI HEINOLA, CFO

KEY FIGURES: A YEAR THAT MET EXPECTATIONS

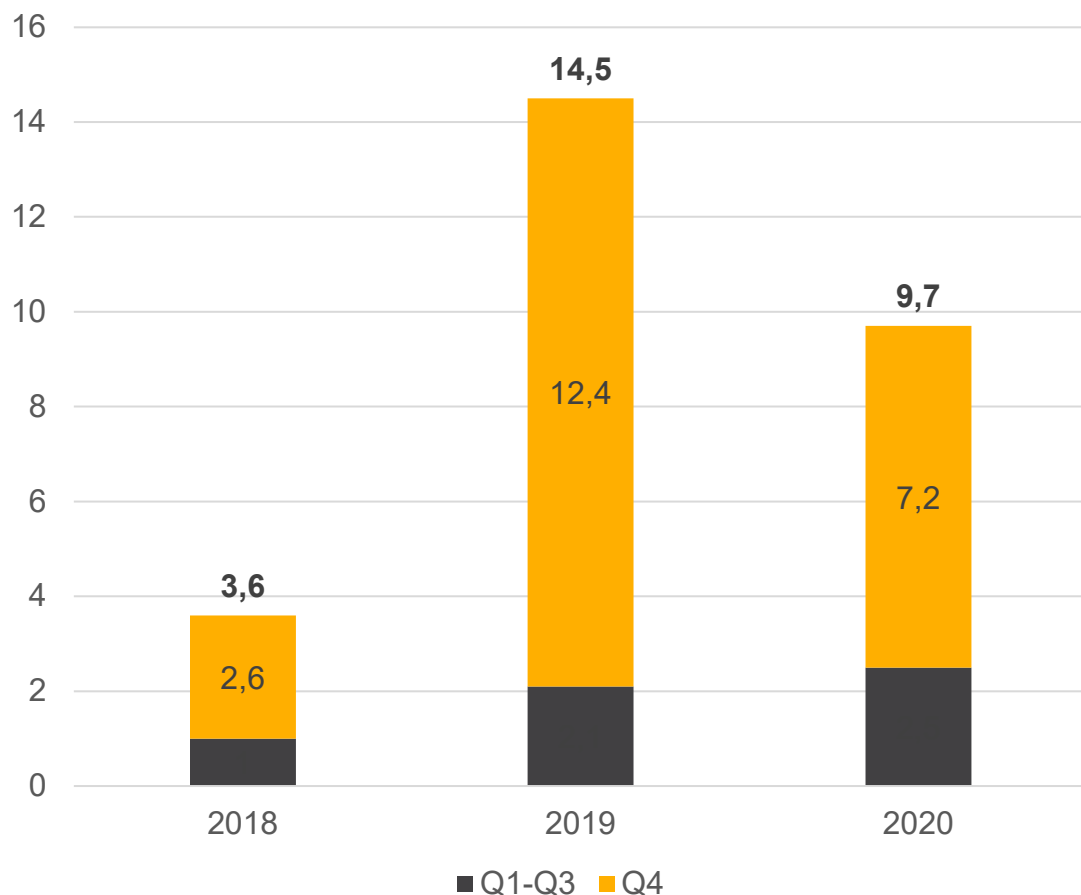
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KREATE HAD A STRONG CASH FLOW IN THE END OF 2020

FREE CASH FLOW FROM OPERATING ACTIVITIES
2018–2020, EUR MILLION

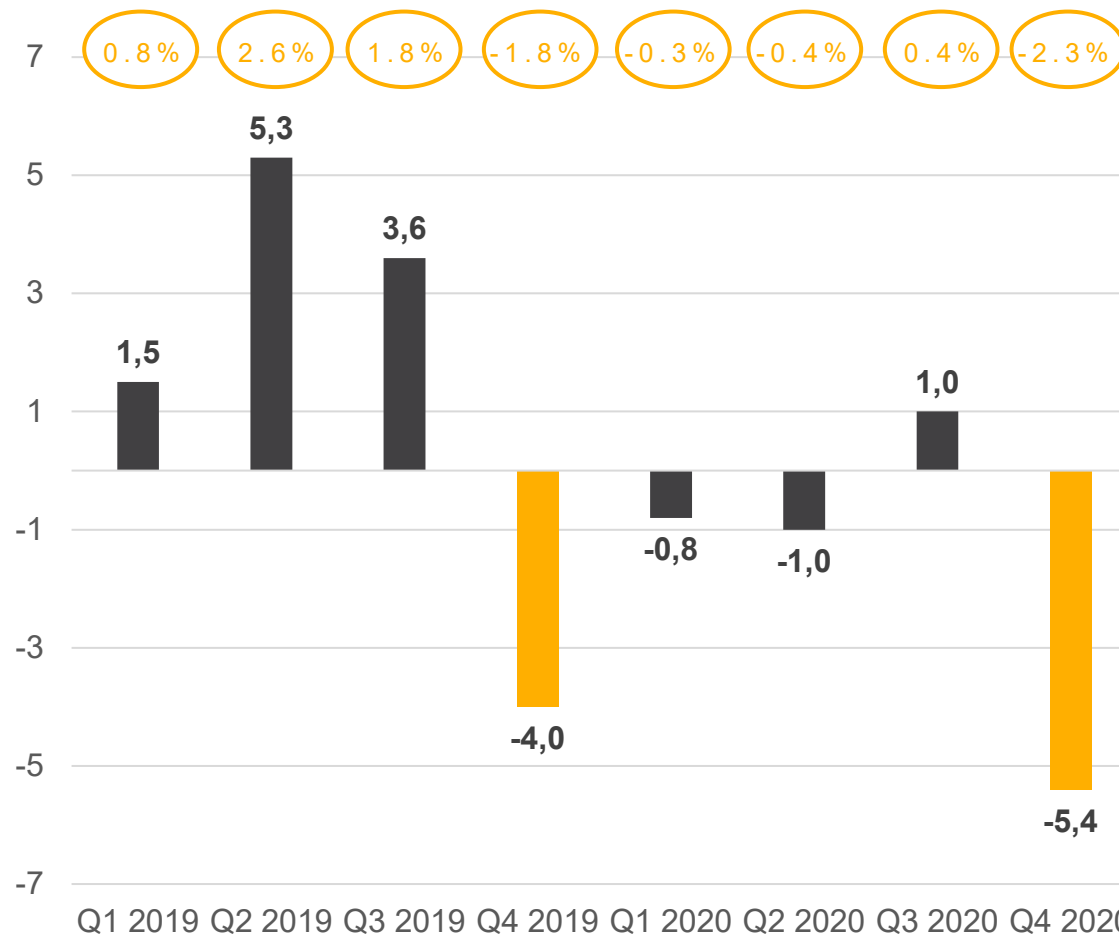


- Gross investments in intangible and tangible assets amounted to EUR 5.1 (5.3) million and net investments in operating activities were EUR 4.6 (5.0) million in 2020.
- In 2020, free cash flow from operating activities was EUR 9.7 (14.5) million

NET WORKING CAPITAL AT THE CORE OF OPERATIONS

- At the end of 2020, the company's net working capital was EUR -5.4 (-4.0) million
- Net working capital remained on an excellent level with the management of project-specific working capital remaining at the core of the company's operations

NET WORKING CAPITAL, EUR MILLION

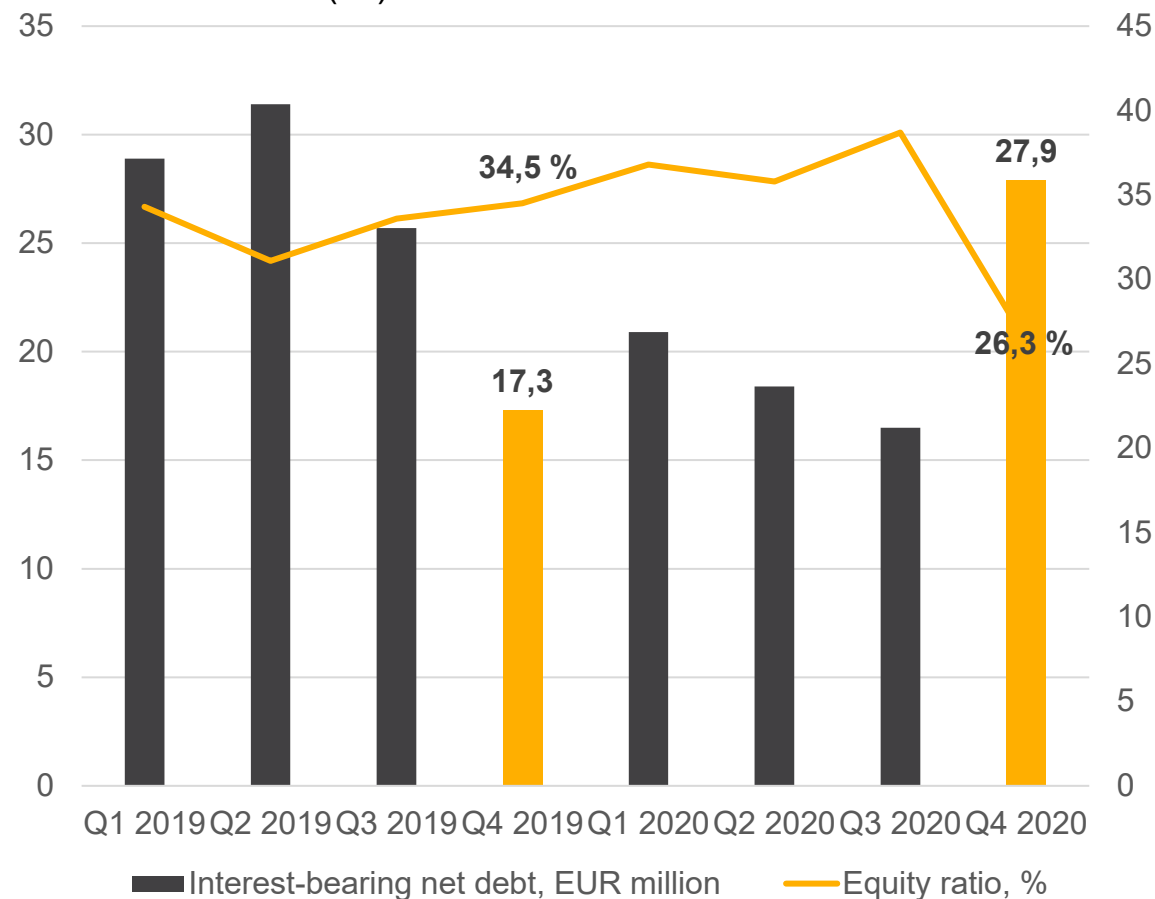


○ = compared to revenue, %
(previous 12 months)

REPAYMENT OF EQUITY SHAREHOLDER LOANS IMPACTED THE INTEREST-BEARING NET DEBT AND EQUITY RATIO

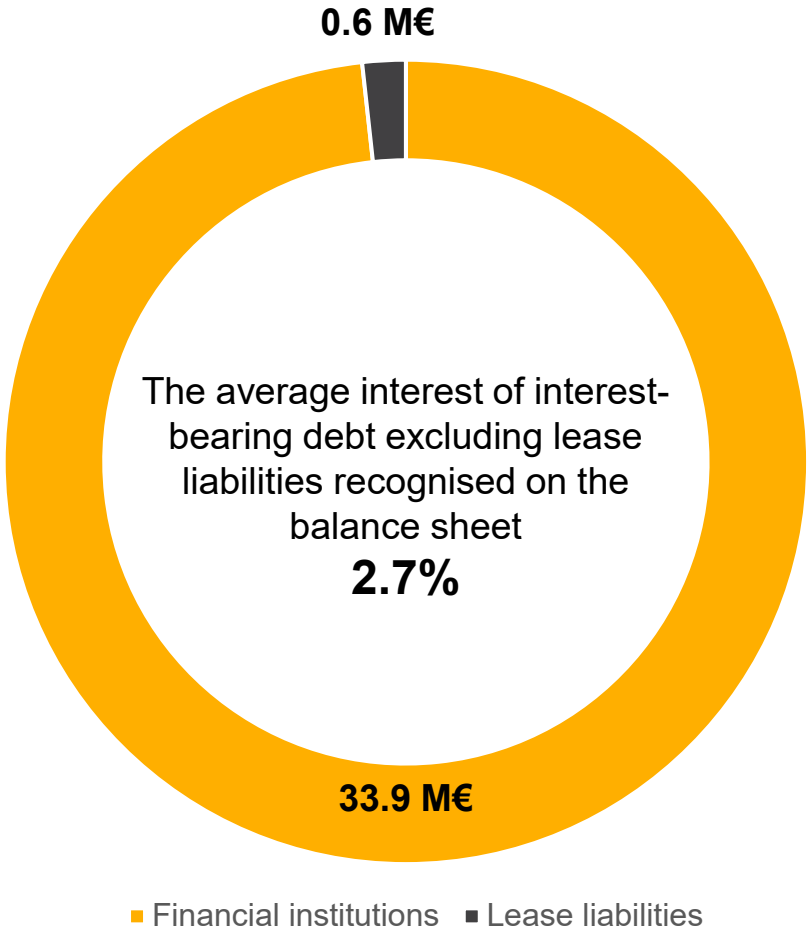
- At the end of 2020, Kreate's interest-bearing net debt was EUR 27.9 (17.3) million
- Interest-bearing net debt was increased by the repayment of equity shareholder loans and their interests in December 2020
- Equity ratio stood at 26.3 (34.5) per cent at the end of the year

INTEREST-BEARING NET DEBT (EUR MILLION) AND EQUITY RATIO (%)

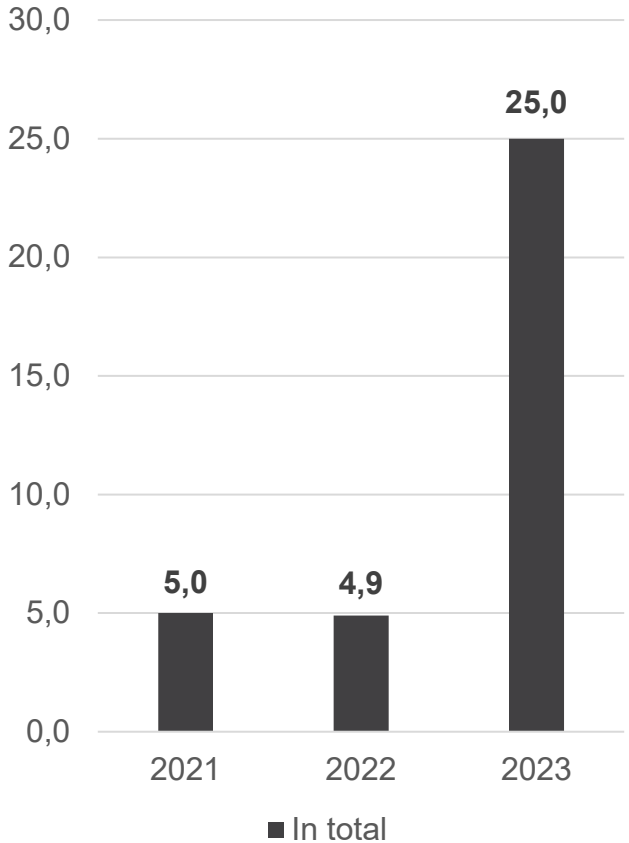


BALANCED DEBT PORTFOLIO

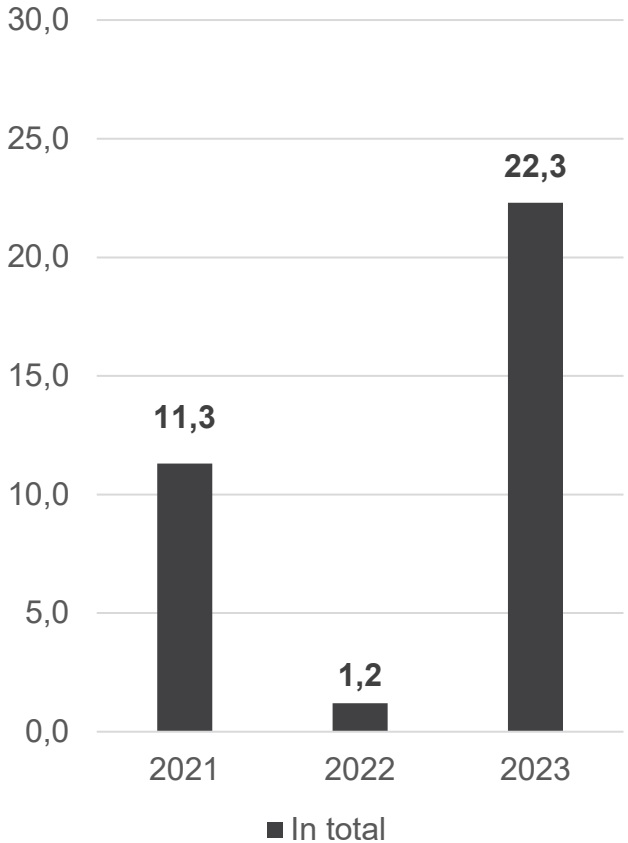
DEBT PORTFOLIO 31 DECEMBER 2020



REPAYMENT OF INTEREST-BEARING DEBT
31 DECEMBER.2020, EUR MILLION

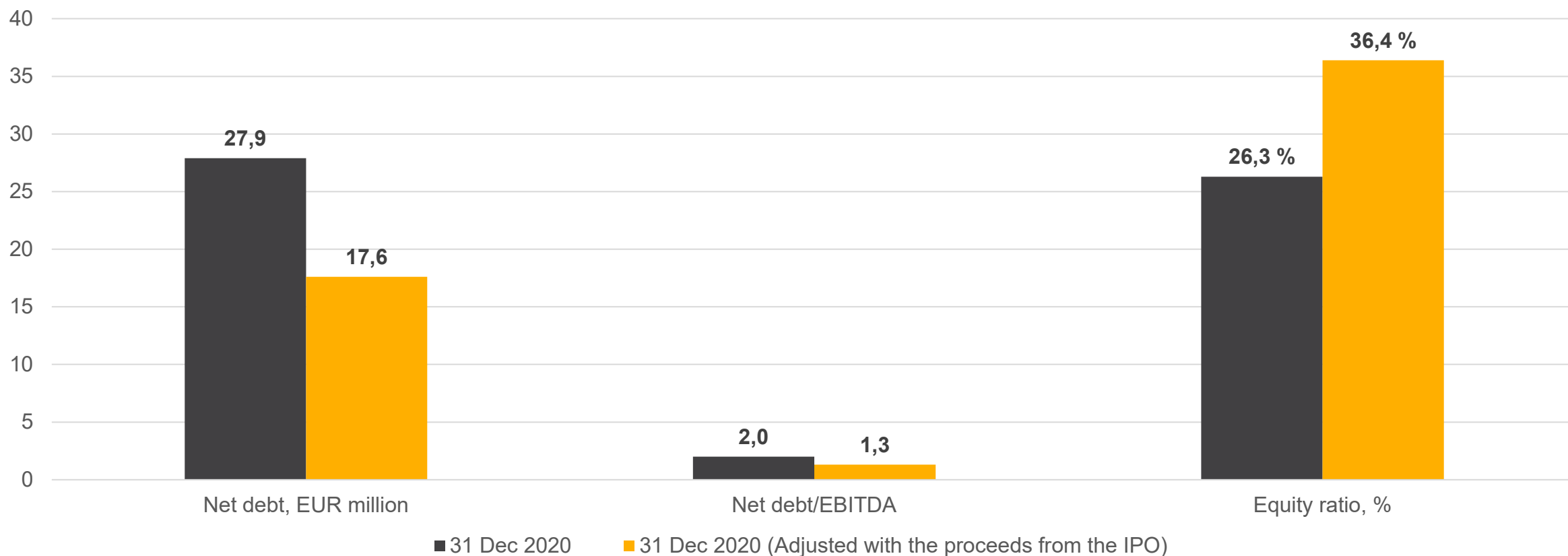


REPAYMENT OF INTEREST-BEARING DEBT
31 MARCH 2021*, EUR MILLION



* Updated repayment schedule after the IPO.
Repayments of EUR 10 million made by 31 March 2021.

IPO, CARRIED OUT IN FEBRUARY 2021, STRENGTHENED KREATE'S BALANCE SHEET



GUIDANCE FOR 2021 (UNCHANGED)

Kreate expects that its revenue (2020: EUR 235.3 million) will decline in 2021 compared to 2020

As at 31 December 2020, Kreate's order backlog stood at EUR 134.9 million (31 December 2019: EUR 177.2 million). Of this, around EUR 111 million is expected to be realised during 2021 (31 December 2019: EUR 130.3 million during 2020). During the last 3 years, Kreate has generated on average EUR 107 million of additional revenue during a financial year on top of order backlog at the beginning of the year. Management estimates that, as of 31 December 2020, the expected profitability of the order backlog has been on a normal level.



KREATE'S LONG TERM TARGETS

GROWTH

Revenue growth

EUR 300 million

in 2024
through a balanced combination
of organic growth and
selective bolt-on acquisitions

PROFITABILITY

EBITA-margin

> 5%

in the medium term

LEVERAGE

Net debt/EBITDA

< 2.0

KREATE'S DIVIDEND POLICY

Kreate's target is to distribute at least half of Kreate's annual net result as dividends, taking into account Kreate's financial position, cash flows and growth opportunities

DISTRIBUTION OF THE RESULT OF THE PERIOD

The distributable funds of the parent company Kreate Group Plc on 31 December 2020 were EUR 17,600,468.80.

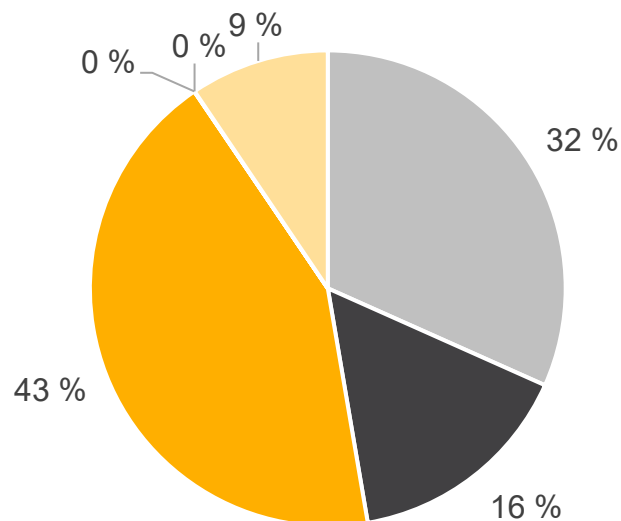
The Board of Directors proposes to the Annual General Meeting convening on 5 May 2021 that based on the balance sheet to be adopted for the year 2020, a dividend of EUR 0.44 per share be paid for shares outside the company's ownership on the record date of the dividend. The rest of the distributable funds remain in unrestricted equity.

On the drafting day of the proposal on the distribution of profit for the period, 30 March 2021, there were a total of 8,894,772 shares outside the ownership of the company, and the corresponding total amount of dividend is EUR 3,913,699.68.



KREATE'S SHAREHOLDERS ON 29 MARCH 2021

SHAREHOLDERS BY SECTOR



- Private companies
- Financial and insurance institutions
- Households
- Non-profit instit serving households
- Foreigners
- Public sector organisations

* *Nominee registered*

	Shareholder	Shares	% of shares
1.	Harjavalta Oy	1,378,689	15.34
2.	Intera Fund II Ky	1,119,973	12.47
3.	Tirinom Oy	933,951	10.39
4.	Valtonen Seppo Timo Johannes	412,101	4.59
5.	Keskinäinen työeläkevakuutusyhtiö Varma	315,000	3.51
6.	Rantala Sami Kalle Antero	273,534	3.04
	➤ Via Beachfish Invest Oy	55,796	0.62
7.	Keskinäinen Eläkevakuutusyhtiö Ilmarinen	270,000	3.01
8.	Inkala Tero Antero	208,396	2.32
9.	Salminen Juha Petri	160,490	1.79
	➤ Via Lynx Rave Invest Oy	47,919	0.53
10.	Skandinaviska Enskilda Banken Ab (publ) Helsinki Branch*	151,130	1.68
11.	Eläkevakuutusosakeyhtiö Veritas	135,000	1.50
12.	Keskinäinen Työeläkevakuutusyhtiö Elo	130,000	1.45
13.	Neva-Aho Ronnie Juhani	100,519	1.12
14.	Kreate Group Oyj	90,000	1.00
15.	Vikström Timo Olavi	85,108	0.95
16.	Heinola Antti Juhani	79,058	0.88
17.	Nordea Bank Abp*	78,238	0.87
18.	Hat Invest Oy	76,193	0.85
19.	Petri Rignell	2,032	0.02
	➤ Via Prirock Oy	69,908	0.78
20.	Kulmala Teuvo Kalle Olavi	67,966	0.76
TOP 20 IN TOTAL		6,241,001	69.47
ALL SHARES IN TOTAL		8,984,772	

**THE FUTURE IS
BUILT TODAY**