

An aerial photograph of a city waterfront. In the foreground, a large construction site is visible with various pieces of heavy machinery, including excavators and trucks, working on a large area of land. The site is adjacent to a body of water. In the background, a city skyline is visible with several tall buildings and a bridge crossing the water. The sky is overcast.

# KREATE – STABLE AND PROFITABLE INFRASTRUCTURE COMPANY

Timo Vikström, CEO  
Mikko Laine, CFO  
Danske Bank Finnish Small and Mid Cap Seminar  
14 March 2024



# KREATE IN BRIEF

- Infrastructure construction company
  - technically challenging projects
  - projects requiring special expertise or cooperation of multiple expertise
- Versatile solutions
  - Bridges, roads and railways, environmental and foundation construction, circular economy and geotechnical services
- Group
  - Finnish Business Kreate Oy
  - Swedish business Kreate Sverige Ab
  - 50% ownership of KFS Finland Oy
- Listed on Nasdaq Helsinki

**+100**  
projects annually

**~450**  
Professionals

EBITA  
**2.4%**

Revenue  
**320M€**

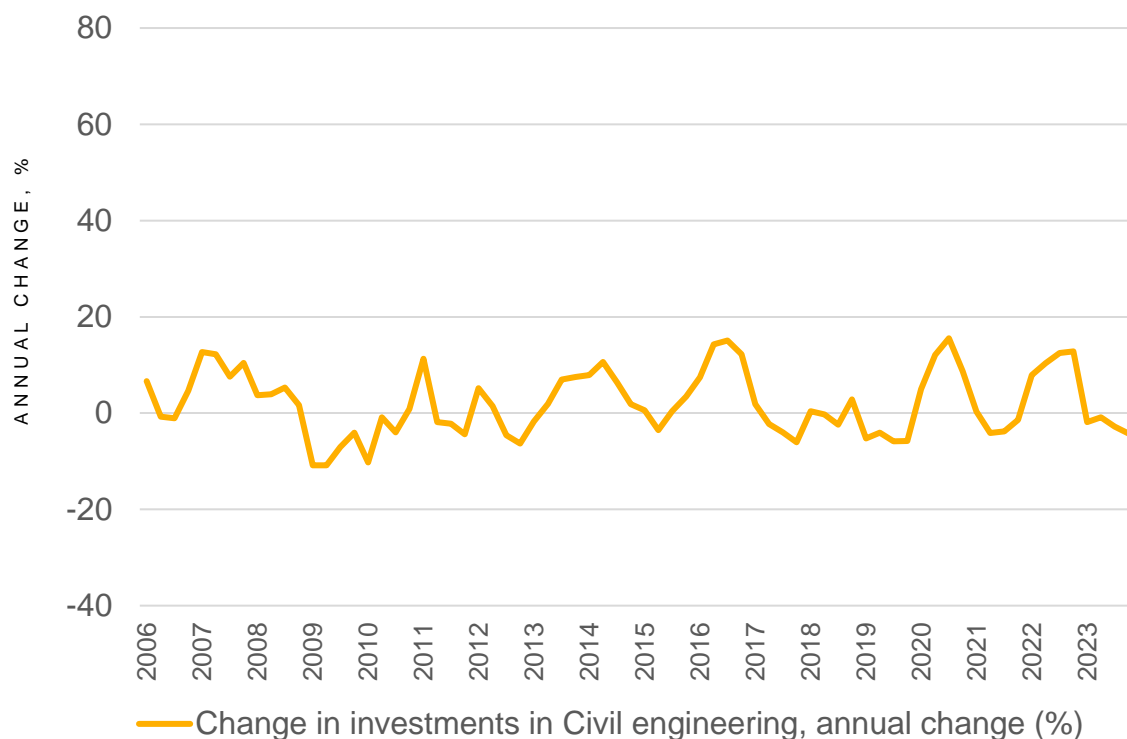
Order backlog  
**196 M€**

7<sup>th</sup> consecutive  
growth year  
**12%**  
(2017-2023 CAGR)

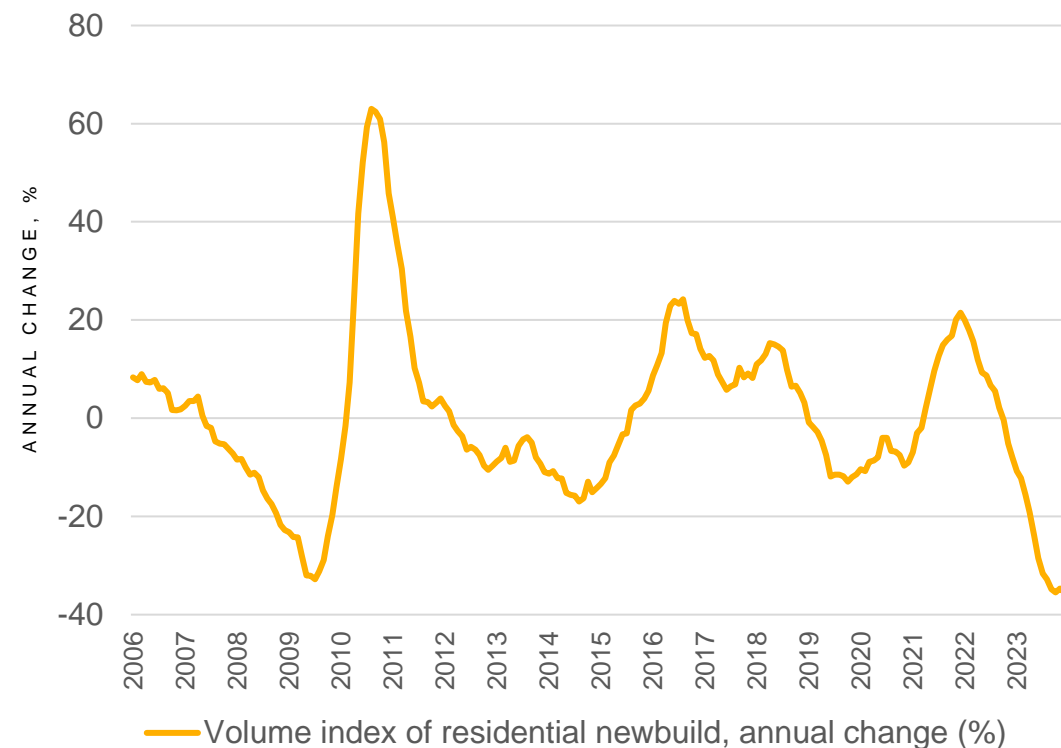
# KREATE OPERATES IN EUR 9 BILLION INFRASTRUCTURE MARKET

CONSTRUCTION MARKET IN TOTAL EUR 42 BILLION IN FINLAND

## INFRASTRUCTURE CONSTRUCTION - STABLE



## RESIDENTIAL CONSTRUCTION - CYCLICAL



# CHARACTERISTICS OF KREATE'S BUSINESS MODEL

- We are in project business
  - Project selectiveness is the key
  - Over 100 projects annually
  - Risk-sharing models managed in large projects
- We have a light balance sheet
  - We build directly to the end-client
  - No major in-house development projects  
→ no plots in balance sheet
  - Excellent NWC and cash flow management
- We are agile
  - Short lead times from offer to execution
  - Ability for fixed contracts & prices
  - Flexible cost structure – no additional layers





# STRUCTURAL ENGINEERING – 78% OF REVENUE

## BRIDGE CONSTRUCTION AND REPAIR



## GROUND ENGINEERING AND FOUNDATION CONSTRUCTION



## ROCK AND CONCRETE CONSTRUCTION IN SWEDEN





# TRANSPORT INFRASTRUCTURE CONSTRUCTION – 22% OF REVENUE

## ROAD AND STREET CONSTRUCTION



## RAILWAY AND LIGHT RAIL CONSTRUCTION





# GEOTECHNICAL CONSTRUCTION EXPERTISE

50 % OWNERSHIP OF KFS FINLAND OY – NOT CONSOLIDATED IN KREATE'S REVENUE



1/3 of KFS's  
turnover is  
coming from  
Kreate's  
projects



# CIRCULAR ECONOMY AND ENVIRONMENTAL CONSTRUCTION

OWN RECYCLING AREAS SUPPORT CIRCULAR ECONOMY AND OUR BUSINESSES

Solutions for the efficient utilization, use and recycling of materials

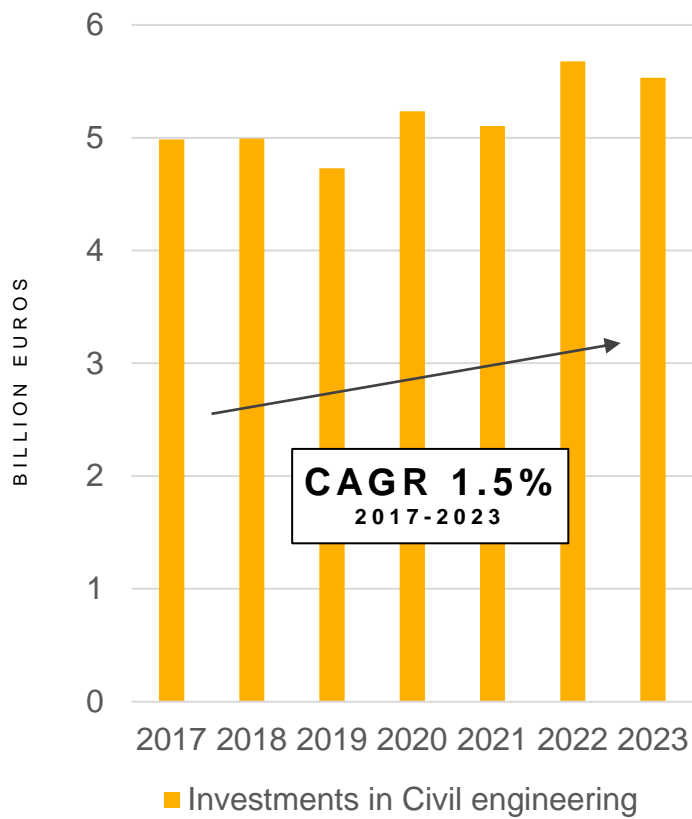
Solutions for environmental and landfill construction

Actively seeking solutions that support the circular economy, utilizing them both in our own projects and offering them to our partners

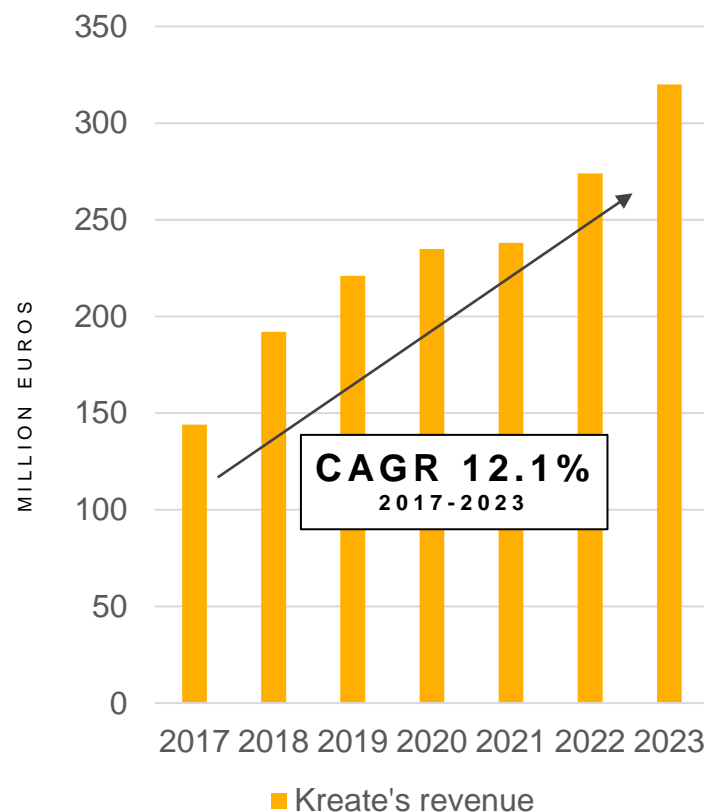




# COUNTERCYCLICAL - PUBLIC SECTOR BRINGS OVER 50% OF REVENUE

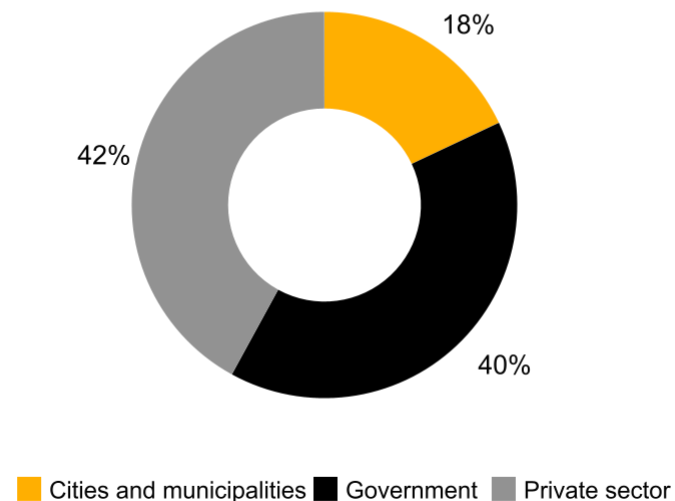


Source: Statistics Finland and Confederation of Finnish Construction Industries RT

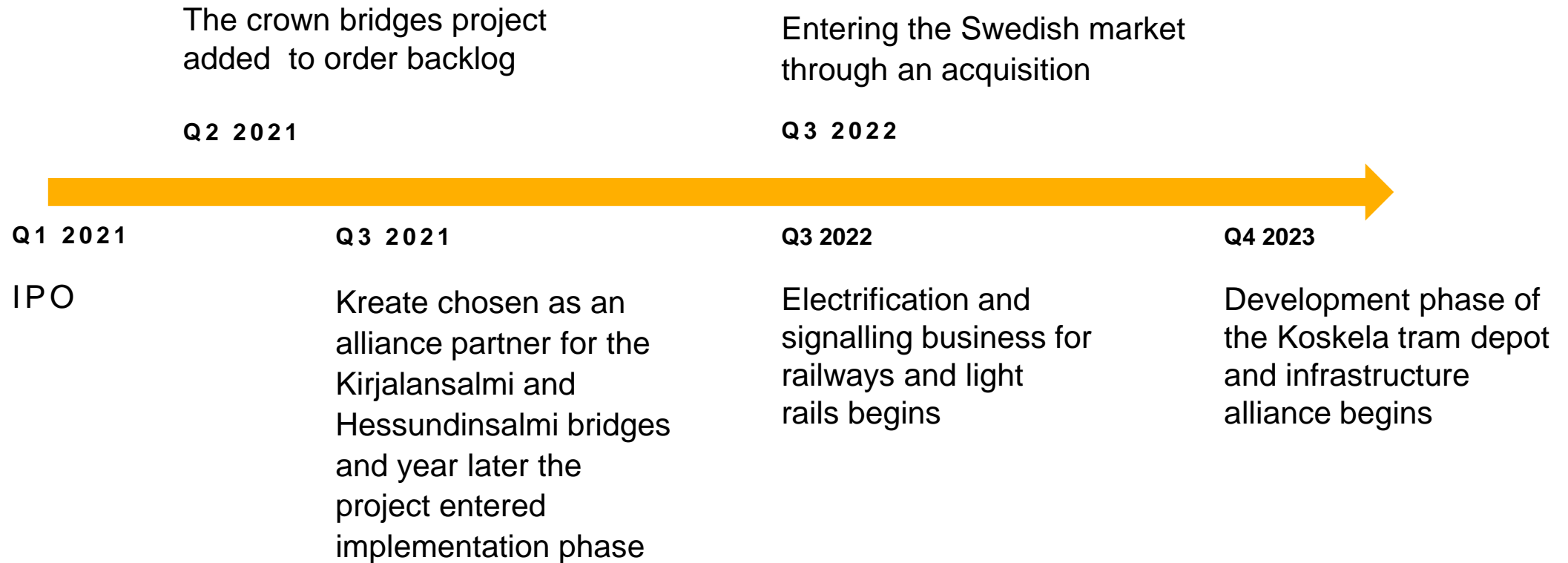


## Revenue distribution 2023

By customer group



# MLESTONES IN KREATE'S JOURNEY





# MAJOR ONGOING PROJECTS



Crown Bridges joint Venture Project



Kesko logistics Centre Project



Kirjalansalmi and Hessundinsalmi Bridges



Bohusbanan

# POSITIVE LONG-TERM OUTLOOK

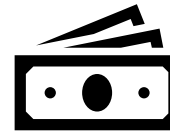
KREATE'S BUSINESSES ARE WELL POSITIONED



URBANISATION



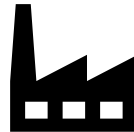
GREEN TRANSITION



TRANSPORT INVESTMENTS



RAILWAY AND LIGHTRAIL



INDUSTRIAL INVESTMENTS



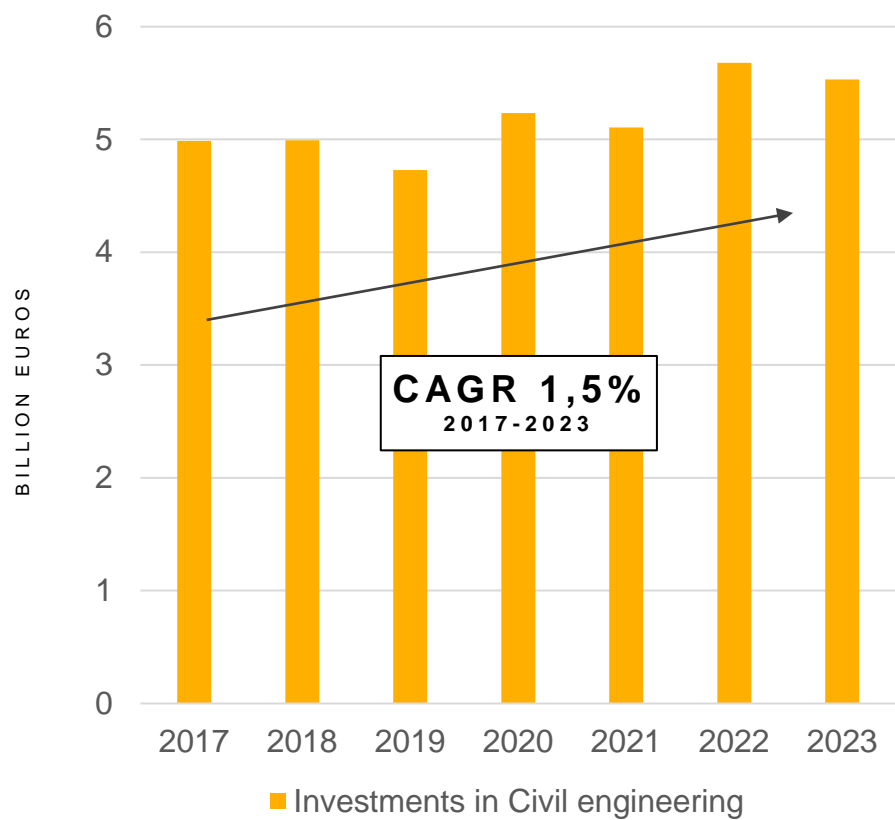
MILITARY MOBILITY



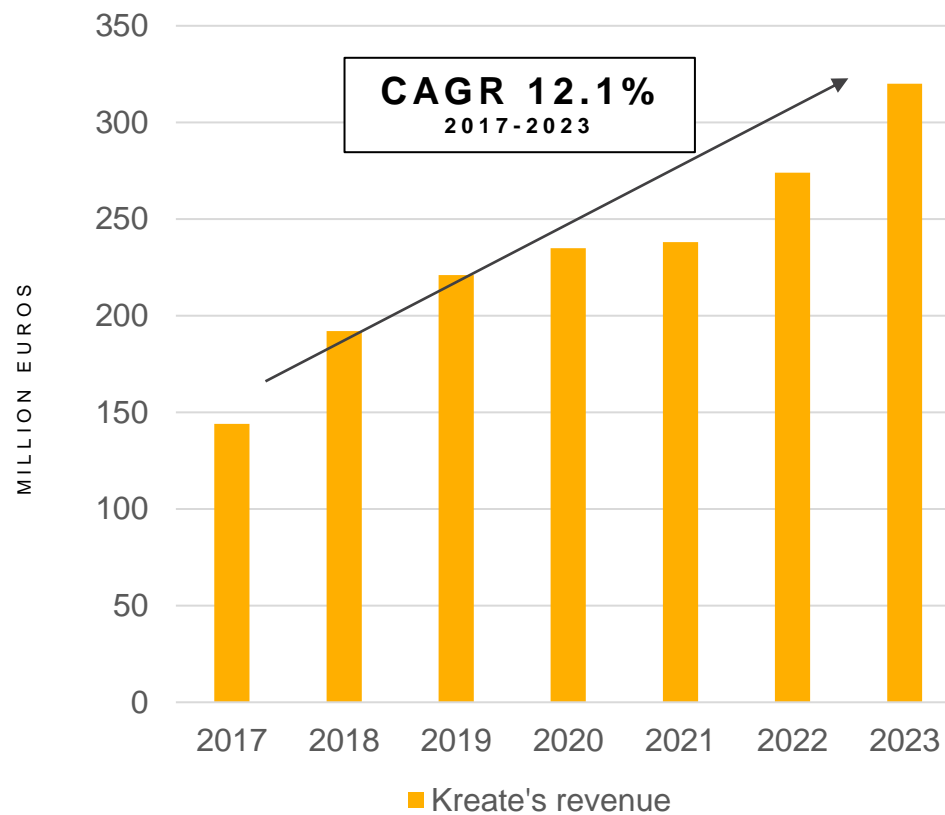
An aerial night photograph of a large bridge under construction over a body of water. The bridge's concrete piers and girders are illuminated by bright work lights, creating a strong contrast with the dark water and sky. In the background, a construction crane and other industrial structures are visible on the left side. The overall scene conveys a sense of large-scale engineering and infrastructure development.

# KREATE AS AN INVESTMENT

# GROWING FASTER THAN THE MARKET



Source: Statistics Finland and Confederation of Finnish Construction Industries RT





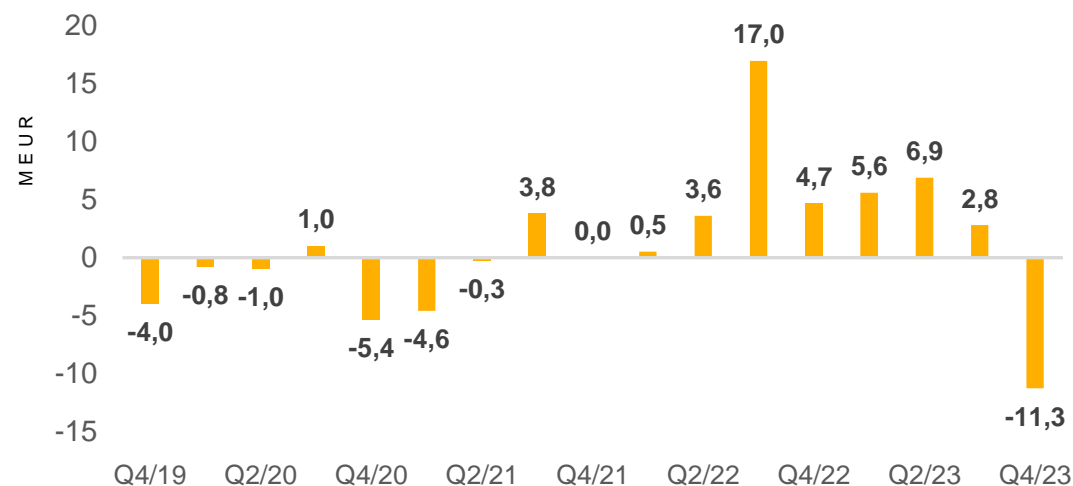
# GOOD RETURN ON EQUITY DESPITE RAPID GROWTH

- Despite the fast revenue growth, net working capital is on a modest level
  - Growth has been made mainly organically
  - Fluctuations in net working capital are typical for the industry
  - Net working capital is at around zero in the longer term

EBITA, % 4.0%	RETURN ON EQUITY 18.8%	RETURN ON CAPITAL EMPLOYED 16.3%
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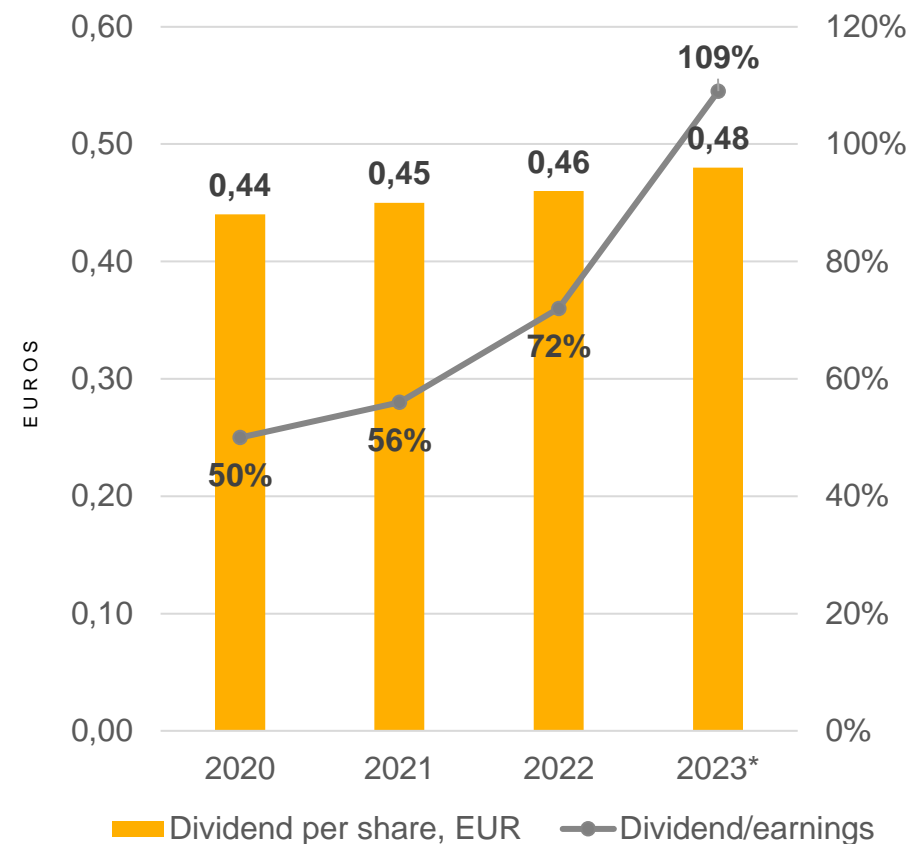
5 YEARS AVERAGE

NET WORKING CAPITAL



## GOOD DIVIDEND YIELD - DIVIDEND INCREASED 4 YEARS IN A ROW

- 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.
- 2023: The proposed dividend of EUR 0.48 per share corresponds to a dividend yield of 6.6%



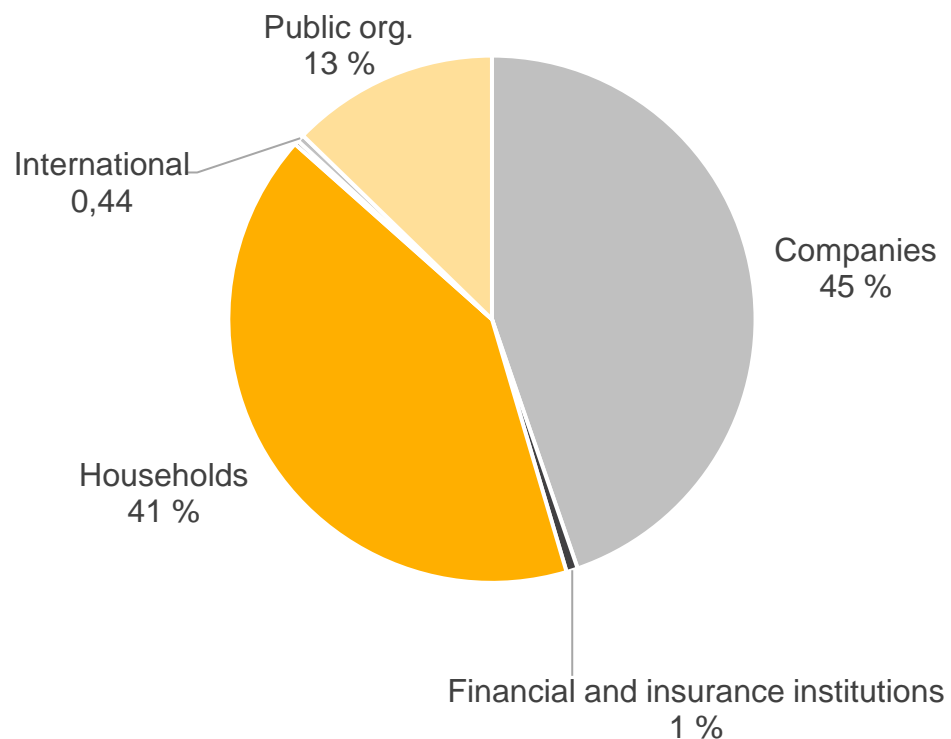
\* Board's proposal for the AGM



# PERSONNEL HOLD SOME 16.5 % OF SHARES

KREATE'S SHAREHOLDERS ON 29 FEBRUARY 2024

## SHAREHOLDERS BY SECTOR



	Shareholder	Shares	% of shares
1	Harjavalta Oy	1 783 689	19,9
2	Tirinom Oy	1 000 000	11,1
3	Ilmarinen Mutual Pension Insurance Company	425 000	4,7
4	Valtonen Seppo Timo Johannes	412 101	4,6
5	Varma Mutual Pension Insurance Company	359 000	4,0
6	Säästöpankki Small Cap Mutual Fund	350 000	3,9
7	Rantala Sami Kalle Antero	273 534	3,0
8	Inkala Tero Antero	208 396	2,3
9	Elo Mutual Pension Insurance Company	180 000	2,0
10	Veritas Pension Insurance Company Ltd.	175 000	2,0
11	Salminen Juha Petri	160 512	1,8
12	EAI Kreate Holding Oy	128 506	1,4
13	Neva-Aho Ronnie	100 519	1,1
14	Tradeka-Sijoitus Oy	90 261	1,0
15	Kreate Group Plc	90 000	1,0
16	Prirock Oy	69 908	0,8
17	Kulmala Teuvo Kalle Olavi	67 966	0,8
18	Karjalainen Jarmo Juhani	65 580	0,7
19	Hat Invest Oy	64 473	0,7
20	Beachfish Invest Oy	55 796	0,6
TOP 20 TOTAL		6 060 241	67,45
ALL SHARES TOTAL		8 984 772	100,0

# WELCOME TO KREATE CMD

SAVE THE DATE  
CMD on 6 May 2024  
(in Finnish only)

<https://kreate.fi/en/investor>





**THE FUTURE IS  
BUILT TODAY**