

KREATE

The initial public offering of Kreate Group Plc has been oversubscribed and the listing will be completed as planned

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The initial public offering of Kreate Group Plc has been oversubscribed and the listing will be completed as planned

The Board of Directors of Kreate Group Plc ("**Kreate**") has today on 18 February 2021 decided together with Intera Fund II Ky ("**Intera**") on the completion of the Offering (as defined below). The subscription price for the Offer Shares (as defined below) was EUR 8.20 per share in the Institutional Offering and the Public Offering (as defined below), and EUR 7.38 per share in the Personnel Offering (as defined below), which in total corresponds to a market capitalisation of Kreate of approximately EUR 72.9 million immediately following the Offering. Demand in the Offering was strong from both Finnish and international investors and the Offering was multiple times oversubscribed. In the Public Offering, subscriptions were received from over 18,600 investors. Trading of the shares in Kreate (the "**Shares**") is expected to commence on the pre-list of Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") on or about 19 February 2021.

As part of the Offering, Kreate will issue 1,529,877 new shares in Kreate (the "**New Shares**") (the "**Share Issue**"), corresponding to approximately 17.2 percent of the total number of outstanding Shares after the Offering. In addition, Intera and certain other existing shareholders in Kreate (together with Intera, the "**Sellers**") will sell 2,690,160 existing Shares in Kreate (the "**Sale Shares**") (the "**Share Sale**", and together with the Share Issue, the "**Offering**"). Unless the context indicates otherwise, the New Shares, the Sale Shares and the Additional Shares (as defined below) are together referred to herein as the "**Offer Shares**".

3,513,709 Offer Shares will be allocated to institutional investors in Finland and, in compliance with applicable legislation, internationally outside of the United States (the "**Institutional Offering**"), assuming that the Over-allotment Option (as defined below) will be exercised in full, and 651,455 Offer Shares will be allocated to private individuals and entities in Finland (the "**Public Offering**"). In addition, 54,873 Offer Shares will be allocated to the employees of Kreate or its wholly-owned subsidiaries, as well as to members of the Board of Directors and Management Team of Kreate in Finland (the "**Personnel Offering**"). Due to oversubscription, the Board of Directors of Kreate has decided to increase the number of the New Shares to be offered in the Personnel Offering from the preliminary maximum of 17,000 New Shares to the above-mentioned 54,873 New Shares. Further, due to the Public Offering being oversubscribed multiple times, the Board of Directors of Kreate and Intera have decided to reallocate 251,455 Offer Shares from the Institutional Offering to the Public Offering. The commitments given in the Public Offering will be accepted in full for up to 35 Offer Shares. The commitments given in the Personnel Offering will be accepted in full.

Kreate will receive gross proceeds of approximately EUR 12.5 million from the Offering and the Sellers will receive gross proceeds of approximately EUR 27.2 million assuming that the Over-allotment Option will be exercised in full. The total number of outstanding Shares in Kreate will increase to 8,894,772 Shares and the total number of Shares in Kreate (including Shares held in treasury) will increase to 8,984,772 after the New Shares offered in the Share Issue are registered in the Trade Register upheld by the Patent and Registration Office (the "**Finnish Trade Register**") on or about 18 February 2021 and after the New Shares offered in the Personnel Offering are registered in the Finnish Trade Register on 24 February 2021. The number of shareholders after the Offering will increase to more than 18,600 shareholders.

The Offer Shares subscribed for in the Public Offering will be recorded in the book-entry accounts of investors who have made approved commitments on or about the first banking day after the completion decision on or about 19 February 2021. The Offer Shares subscribed for in the Public Offering are expected to be recorded in investors' book-entry accounts on or about 24 February 2021. The shares subscribed for in the Institutional Offering are expected to be ready to be delivered against payment through Euroclear Finland Ltd on or about 23 February 2021.

Confirmations regarding the approval of the commitments and the allocation of Offer Shares will be sent to the investors who have submitted their commitments in the Public Offering on or about 19 February 2021 at the latest. Investors who have made their commitments via Nordnet will see their commitments as well as allocation of Offer Shares on the transaction page of Nordnet's online service. Any excess payments made in connection with the commitments will be

refunded to the investors' bank accounts approximately on or about the fifth banking day after the completion decision, *i.e.* on or about 25 February 2021. If an investor's bank account is in a different bank than the place of subscription, the refund will be paid to a Finnish bank account in accordance with the payment schedule of the financial institutions, approximately no later than two banking days thereafter. To Nordnet's customers who gave their commitments via Nordnet's subscription place, the amount to be refunded will be paid to Nordnet cash accounts.

Trading of the Shares on the pre-list of Nasdaq Helsinki is expected to commence on or about 19 February 2021 and on the official list of Nasdaq Helsinki on or about 23 February 2021. The ISIN code of the Shares is FI4000476866 and the share trading code is KREATE. Trading in the New Shares allocated in the Personnel Offering is expected to commence on the official list of Nasdaq Helsinki on or about 24 February 2021.

Intera has granted Danske Bank, Finland branch ("**Danske Bank**") as stabilising manager (the "**Stabilising Manager**") an over-allotment option which entitles the Stabilising Manager to purchase a maximum of 632,437 additional Shares (the "**Additional Shares**") solely to cover over-allotments in connection with the Offering (the "**Over-allotment Option**"). The Over-allotment Option is exercisable within 30 days from the commencement of trading of the Shares on the pre-list of Nasdaq Helsinki (*i.e.* on or about the period between 19 February 2021 and 20 March 2021) (the "**Stabilisation Period**"). The Additional Shares represent approximately 8.5 per cent of the Shares and approximately 8.6 per cent of the votes vested by the Shares prior to the Offering and approximately 7.0 and 7.1 per cent after the Offering.

The Stabilising Manager, may, but is not obligated to, engage in measures during the Stabilisation Period that stabilise, maintain or otherwise affect the price of the Shares. Any stabilisation measures will be conducted in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (the "**Market Abuse Regulation**") and the Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy back programs and stabilisation measures.

In connection with the Offering, Kreate and Intera have committed to lock-up arrangements of 180 days. The members of management team and the Board of Directors of Kreate, other Sellers than Intera as well as the existing shareholders in Kreate participating in the Personnel Offering have committed to lock-up arrangements of 360 days.

Danske Bank acts as the sole global coordinator (the "**Sole Global Coordinator**") for the Offering and OP Corporate Bank plc acts as joint bookrunner ("**Joint Bookrunner**" and together with Sole Global Coordinator, the "**Managers**") for the Offering. Nordnet Bank AB ("**Nordnet**") acts as the subscription place of the Public Offering. Krogerus Attorneys Ltd is acting as legal adviser to Kreate. Roschier, Attorneys Ltd. is acting as legal adviser to the Managers. Hill+Knowlton Strategies is acting as communications adviser to Kreate.

Timo Vikström, Kreate's CEO, comments:

"It was delightful to see how interested both the investors and our committed personnel were in the initial public offering of Kreate. The successful initial public offering will further the execution of our growth strategy and strengthen our competitiveness as a builder of demanding infrastructure projects. I wish to thank our shareholders for their confidence in Kreate and its operations and welcome new shareholders to build the future of infrastructure with us."

Petri Rignell, Chairman of the Board of Directors of Kreate comments:

"We are very satisfied with the investors' strong interest towards Kreate. Through the successful initial public offering we have stronger capabilities to execute our strategy in upcoming projects, which require more versatile and specialised know-how in infrastructure construction. I wish to thank our shareholders for their trust and welcome them to participate in Kreate's growth and development."

Further enquiries

Timo Vikström, CEO, Kreate Group Plc, tel. +358 400 740057

Antti Heinola, CFO, Kreate Group Plc, tel. +358 40 352 1033

Information about Kreate

Kreate Group is one of the leading infrastructure construction companies in Finland. The company offers solutions for bridges, roads and railways, environmental and ground engineering, circular economy and geotechnical needs. As a specialist in demanding projects, Kreate focuses on comprehensive quality and cost-effectiveness. The group's revenue was approximately EUR 220 million in 2019 and the company has over 400 employees.

IMPORTANT INFORMATION

Neither this release nor the information contained herein is for publication, distribution or release, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or Singapore or any other jurisdiction in which publication or distribution would be unlawful. The information contained herein does not constitute an offer of securities for sale in the United States, nor may the securities be offered or sold in the United

States. Kreate Group Oy (the "**Company**") does not intend to register any portion of the offering in the United States under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or to offer securities to the public in the United States.

The issue, exercise and/or sale of securities are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company or the Managers assume no responsibility in the event there is a violation by any person of such restrictions.

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The Company has not authorised any offer to the public of securities in the United Kingdom or in any Member State of the European Economic Area other than Finland. With respect to the United Kingdom and each Member State of the European Economic Area other than Finland and which applies the Prospectus Regulation (each, a "**Relevant Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Relevant Member State. As a result, the securities may only be offered in Relevant Member States (a) to any legal entity, which fulfils the requirements of a qualified investor as defined in the Prospectus Regulation; or (b) in any other circumstances falling within Article 1(4) of the Prospectus Regulation. For the purposes of this paragraph, the expression an "offer of securities to the public" means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities. The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament and of the Council, as amended.

This communication is directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "**Relevant Persons**"). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

Full terms, conditions and instructions for the initial public offering are included in the prospectus that has been prepared by the Company in connection with the initial public offering and published on the website of the Company at www.kreate.fi/en/IPO.

Investors are advised to read the prospectus before making an investment decision to fully understand the risks and rewards associated with the investment. The approval by the Finnish Financial Supervisory Authority of the prospectus shall not be considered as an endorsement of the securities offered.

The Managers are acting exclusively for the Company and no one else in connection with the initial public offering. The Managers will not regard any other person as their respective client in relation to the initial public offering. The Managers will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the initial public offering or any transaction or arrangement referred to herein.

FORWARD-LOOKING STATEMENTS

Certain statements in this release are "forward-looking statements." Forward-looking statements include statements concerning plans, assumptions, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, the Company's competitive strengths and weaknesses, plans or goals relating to financial position, future operations and development, its business strategy and the anticipated trends in the industry and the political and legal environment in which it operates and other information that is not historical information. In some instances, they can be identified by the use of forward-looking terminology, including the terms "believes," "intends," "may," "will" or "should" or, in each case, their negative or variations on comparable terminology.

Forward-looking statements in this release are based on assumptions. Forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, and the risk exists that the predictions, forecasts, projections, plans and other forward-looking statements will not be achieved. Given these risks, uncertainties and assumptions, you are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statements contained herein speak only as at the date of this release. Save as required by law, the Company does not intend to, and does not assume any obligation to, update or correct any forward-looking statement contained in this release.

Attachments

- [Download announcement as PDF.pdf](#)