

KREATE

Kreate Group's subsidiary acquires the Swedish Bror Bergentreprenad AB - the acquisition supports the strategic expansion in Sweden

2.9.2022 14:45:00 EEST | Kreate Group Oyj | Inside information

Kreate Group Oyj

Inside information

2.9.2022 at 02:45 p.m. EEST

Kreate Group's subsidiary acquires the Swedish Bror Bergentreprenad AB - the acquisition supports the strategic expansion in Sweden

Kreate Group Plc's Swedish subsidiary Kreate Infrastructure Sverige AB purchases all the shares in the Swedish Bror Bergentreprenad AB ("BBEAB"), which specialises in demanding underground infrastructure construction, including BBEAB's subsidiaries. On 2 September 2022, Kreate Infra Sverige AB and Maria Håller Bror AB have signed a contract on the acquisition and the transaction has been executed concurrently.

- Our strategic expansion in Sweden strengthens the Kreate Group and supplements our current offering in the Nordic countries. The Swedish infrastructure market is twice as large as the Finnish market, and it provides an excellent foundation for our future growth. The completion of this acquisition will strengthen our Swedish cornerstone and provide us with opportunities for building profitable business operations, says Kreate Group's President & CEO **Timo Vikström**.

BBEAB specialises in versatile, demanding underground infrastructure construction in the Swedish market, which requires special expertise. BBEAB's estimated external revenue, including its subsidiaries, for the financial period ending on 31 August 2022 will be approximately EUR 12 million, with an EBITDA of more than 10% of turnover. BBEAB and its subsidiaries employ approx. 50 people at the time of the acquisition. Compared with the financial period two years ago, the company's revenue has grown by more than 20% annually, and the business has maintained a good level of profitability throughout the COVID-19 pandemic.

- BBEAB's strong experience in the Swedish market and their competence focused on demanding rock and concrete construction as well as the high professional skill of its personnel support Kreate's strategic growth plans and fit very well with our corporate culture. Our shared values and the desire to offer the best solutions in the market lay an excellent foundation for growing our business in Sweden, Mr Vikström says.

- Being part of a company that specialises in demanding infrastructure construction and strong competence gives us an opportunity to deepen our know-how and deliver even more specialised services to our customers. Furthermore, joining forces with Kreate provides our professionals with interesting career and development opportunities, says BBEAB's CEO **Veli Taatila**, who will serve Kreate Infra Sverige AB as the head of the rock engineering business.

The sale price for all shares in BBEAB is SEK 70 million and 25% of the shares in Kreate Infra Sverige AB, which are transferred to the seller. The sale price was paid in connection with completing the transaction. The final sale price will be verified after the usual adjustments of working capital and liabilities by 30 September 2022.

On 6 July 2022, Kreate Group Plc signed a new credit agreement ([stock exchange release on 6 July 2022](#)), and the acquisition was financed within this agreement. The acquisition has no effect on the result guidance for 2022.

Kreate Group Plc
Board of Directors

Distribution: Nasdaq Helsinki, key media, kreate.fi/en

Contacts

- Petri Rignell, Chair of the Board, Kreate Group Oyj, +358 40 505 2404
- Timo Vikström, President & CEO, Kreate Group Oyj, +358 400 740 057, timo.vikstrom@kreate.fi

About Kreate Group Oyj

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 238 million in 2021 and the company has over 400 employees. Kreate Group is listed on Nasdaq Helsinki.

Attachments

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