

# KREATE

## Kreate Group Plc lowers its EBITA guidance for the 2022 financial year and adjusts its guidance concerning the revenue

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## Kreate Group Plc lowers its EBITA guidance for the 2022 financial year and adjusts its guidance concerning the revenue

Kreate Group Plc lowers its financial guidance concerning the 2022 financial year for the EBITA forecast and adjusts its guidance for revenue.

### New result guidance for 2022

Kreate estimates that the company revenue (2021: EUR 237.6 million) will grow compared to 2021 to approximately EUR 250–260 million. EBITA (2021: EUR 10.5 million) will decrease to a level of EUR 8.5–9.5 million.

### Justifications

Kreate's strong order backlog and specialisation in demanding construction as well as the stable infrastructure construction market have supported the company's revenue and order backlog as expected. The 120 million euros project "Highway 180 Kirjalansalmi and Hessundinsalmi bridge renovation", which will launch in Q4, is already increasing the revenue for 2022 and is an excellent example of Kreate's strong expertise and competitiveness.

The changes in the operating environment due to cost inflation, which are particularly reflected in increased fuel costs and energy prices, as well as the earlier long-term projects that are not bound to an index will impact the development of EBITA and relative profitability more than estimated during the 2022 financial year. Long-term projects or general cost inflation are not expected to impact the profitability in year 2023. In the contracts signed in 2022, attempts have been made to take the changes in the cost level into account better than before through contractual means.

Furthermore, the company's accelerated strategic expansion to the electric railway and safety device business, which was announced in September, will result in one-time costs in 2022. However, the investments made at this time will enable the more effective implementation of growth plans in railway construction in the coming years.

### Previous result guidance for 2022 (published on 26 January 2022)

Kreate estimates that its revenue (2021: EUR 237.6 million) and EBITA (2021: EUR 10.5 million) will grow compared to 2021.

### Justifications:

Kreate's strong order backlog and specialisation in demanding construction as well as the stable infrastructure construction market support the company's strategic growth forecast.

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### 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**

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