

KREATE

Kreate Group Plc's Board of Directors decided on a new performance period for the performance share plan and a new share bonus plan

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Kreate Group Plc's Board of Directors decided on a new performance period for the performance share plan and a new share bonus plan

Kreate Group Plc's board of directors has decided on a new performance period for the performance share plan for 2021–2024 and a new share bonus plan 2023–2025 which is a continuation of the company's earlier share bonus plan for 2022–2024. Kreate Group Plc issued a stock market release on establishing the plans on 23 June 2021. The aim of the plans is to align the goals of the company, shareholders and key persons in order to grow the company value in the long term, commit the key persons to the company and offer them competitive incentive plans that are based on earning and accumulating shares in the company and on share value growth. The incentive plans are targeted towards key personnel within the group and the group's joint venture.

A member of the company's Management Team must hold at least 50 per cent of the net shares paid to the member based on the plans until the member's total holding of shares in the company is equivalent to the member's gross yearly salary. This amount of shares must be held for as long as the person is a member of the Management Team.

Performance share plan's new performance period 2023–2024

The board of directors decided on starting a new performance period for the performance share plan for 2021–2024 and on its details. The performance period covers the calendar years 2023–2024 and is followed by a two-year restriction period.

A possible bonus within the plan is paid after the restriction period partly in shares in the company and partly in cash. The purpose of the cash portion is to cover the taxes and tax-like charges incurred due to the bonus by the participant. As a rule, a bonus is not paid if a participant's employment or service contract terminates before the payment of the bonus.

For the 2023–2024 performance period, the bonus is based on the Group's cumulative operating profit (EBITA), Kreate's total shareholder return (TSR) and the meeting of the company's strategic goals.

At most, the bonuses paid for the 2023–2024 performance period shall be, in total, equivalent to the value of approximately 140,000 shares in Kreate Group Plc, including the portion paid in cash. The target group of the performance share plan comprises the members of the company's Management Team.

Share bonus plan for 2023–2025

The share bonus plan offers the key persons in the target group an opportunity to earn shares in the company by converting into shares a portion, which is to be decided by the Board of Directors, of the performance bonus earned for 2023 within the performance bonus plan. A performance bonus converted into shares is multiplied by a bonus multiplier decided by the Board of Directors before the payment of the bonus.

A possible bonus within the share bonus plan is paid after a two-year restriction period in 2026 partly in shares in the Company and partly in cash. The purpose of the cash portion is to cover the taxes and tax-like charges incurred due to the bonus by the key person. In connection with the payment, the key person is credited for the dividends paid and possible funds distributed during the restriction period.

The share bonus plan target group includes approximately 65 key persons, including the members of the company's Management Team. In the share bonus plan, the persons included in the target group may convert into shares a maximum of approximately EUR 1.6 million in total of the performance bonuses they have earned. A matching bonus is paid for the shares with a bonus multiplier of 0.5. As a rule, the matching bonus is not paid if the key person's employment or service contract terminates during the restriction period. The final number of shares paid out of the plan depends on the number of persons participating in the plan, the realised performance bonus and the share price at the time of conversion.

KREATE GROUP PLC
Board of Directors

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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 274 million in 2022 and the company has over 450 employees. Kreate Group is listed on Nasdaq Helsinki.

Attachments

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