

# KREATE

## Kreate's half-year report: order backlog 40% and Q2 revenue 8% higher than in the comparison period

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This release is a summary of Kreate Group's Half-year report January-June 2025. The complete Half-year report is attached, and also available on the company's website at <https://kreategroup.fi/en/reports/>

## Kreate's half-year report: order backlog 40% and Q2 revenue 8% higher than in the comparison period

### April - June in brief

- Order backlog amounted to EUR 281.0 (200.1) million, an increase of 40.4%
- Revenue grew compared to the reference period, amounting to EUR 73.5 (68.0) million
- The year-on-year change in revenue was 8.1% (-20.7%)
- EBITDA was EUR 4.0 (4.0) million, amounting to 5.4 (5.9) per cent of revenue
- EBITA was EUR 2.2 (2.6) million, amounting to 3.0 (3.8) per cent of revenue
- Earnings per share were EUR 0.14 (0.16)
- Free cash flow from operating activities was EUR 9.3 (-6.5) million
- Interest-bearing net debt was EUR 19.0 (31.7) million
- Personnel at the end of the period amounted to 605 (512)
- The combined accident frequency was 8.8

### January - June in brief

- Revenue grew compared to the reference period, amounting to EUR 125.9 (122.4) million
- The year-on-year change in revenue was 2.9% (-19.3%)
- EBITDA was EUR 5.7 (5.7) million, amounting to 4.5 (4.6) per cent of revenue
- EBITA was EUR 2.3 (2.9) million, amounting to 1.8 (2.4) per cent of revenue
- Earnings per share were EUR 0.14 (0.09)
- Free cash flow from operating activities was EUR 15.3 (-9.6) million

### The operating environment of infrastructure construction in brief

- A moderate recovery is forecast for the construction sector in Finland in 2025-2026.
- Infrastructure construction volumes in Finland are expected to grow by 3 percent in 2025 and by 2 percent in 2026.
- Cost development in the early part of the year has been stable, and the lower interest rate level supports demand.
- The Finnish government's investment program focused on transport infrastructure, investments required by the geopolitical situation, and the clean transition supports business development.
- Competition remains tight, especially in less demanding and smaller infrastructure projects, due to the still low number of housing starts. Competition has been intensified particularly by the more active presence of large construction companies in the infrastructure market.

- In Finland, the market situation is stronger than usual and the outlook is strengthening in the market suitable for Kreate.
- In Sweden, the market situation is very strong and the outlook continues to strengthen in the market suitable for Kreate.

## President & CEO Timo Vikström:

"The second quarter went according to plan. Revenue slightly exceeded the level of the comparison period last year. Our order backlog grew substantially during the second quarter and is now 40% higher than a year ago. We expect that of the 281 million euro order backlog at the end of June, 169 million euros will materialise during this financial year.

The profitability of our projects was at the level of the comparison period in the first half of the year. EBITA profitability is behind last year due to investments aimed at future growth. We have been systematically increasing the number of our project personnel in Finland and Sweden to secure the critical expertise needed for new projects and growth. In Sweden, we have grown rapidly and, compared to a year ago, expanded both geographically and in terms of construction types and the equipment they require. In Finland, infrastructure volume was still rather modest in the early part of the year, but in our estimate it will pick up clearly towards the end of the year, and soon there will already be an acute shortage of demanding infrastructure experts in the industry. In such a situation, we have considered it most sensible and in line with our values to invest, among other things, in resourcing tender calculation and training our personnel. We have also continued recruiting top experts for the needs of new projects rather than temporarily limiting costs.

Despite the brisk growth of our order backlog, we have still been very selective in our tendering, perhaps even more selective than before. The projects we have won are demanding undertakings characteristic of Kreate, and our tendering was very successful in selecting and winning projects during the second quarter. Tendering activity will remain high also in the second half of the year. The list of projects from the state and municipalities is long, and many projects will come up for tendering during the remainder of the year. The private sector is very active both in green transition and industrial projects. Kreate is involved in delivering numerous data centres, as the market is currently particularly hot.

It is typical of large private-sector projects that a significant number of contacts are made already in the early stages of the project before actual investment decisions are made, and the planning phase takes a long time. If the client ultimately decides to implement the project, work starts quickly and on a tight schedule. Technically, the construction of such a project is not always particularly challenging, but the overall complexity of the project is tied to the scope of the work, the management of schedule and costs, and contractual expertise. Kreate is one of the few infrastructure builders in Finland with the capability and experience to negotiate complex contractual packages and their terms with international players.

Tendering is also active in Sweden, where at the end of the second quarter we won the largest contract in the history of Kreate Sverige. The recently won Lovön tunnel interior works contract is a continuation of an earlier agreement under which we recently moved from subcontractor to main contractor role. Business in Sweden continues to grow rapidly, and the organisation is constantly being strengthened by recruiting key personnel.

In Finland, the second quarter highlights included the Tampere passenger railway yard, where we successfully completed all planned works during the total traffic interruptions in spring. A particular source of pride was also the debut of Kreate's new track crane on a rail site. This is not just any crane, but a rail-mounted crane modernised by Kreate itself, with an exceptionally large lifting capacity. The track crane is one of a kind and its potential uses are extensive, from installing large track elements to clearing rail infrastructure in disturbance and crisis situations.

The Lovön project, data centres, the Tampere railway yard and our new track crane are further proof of how Kreate implements its strategy in practice. They are also evidence that over the years we have made the right decisions, which are now starting to bear fruit. I can proudly say that our long-term and forward-looking way of working has been the right approach. We will continue on that same path, whether it concerns business development or our personnel.

Summer is the best time for construction. This means that even now many of our experts and dozens of our trainees are working on our sites. I wish a good summer both to those working on sites and those on holiday. Let's enjoy this time both at work and at leisure and recharge our batteries. There is plenty to do in the latter part of the year."

## Key figures

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
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Order backlog			281.0	200.1	176.6
Revenue	73.5	68.0	125.9	122.4	275.5
Year-on-year change in revenue, %	8.1	-20.7	2.9	-19.3	-13.9
EBITDA	4.0	4.0	5.7	5.7	15.3
EBITDA, %	5.4	5.9	4.5	4.6	5.5
EBITA	2.2	2.6	2.3	2.9	8.8
EBITA, %	3.0	3.8	1.8	2.4	3.2
Operating profit	2.2	2.6	2.2	2.8	8.7
Operating profit, %	3.0	3.8	1.7	2.3	3.2
Result for the period	1.0	1.6	1.2	1.1	4.6
Capital employed			61.6	73.4	73.4
Return on capital employed, %			12.0	10.8	13.1
Return on equity, %			11.1	9.8	10.7
Net investments in operating activities	-2.0	-1.7	-2.4	-2.7	-1.5
Free cash flow from operating activities	9.3	-6.5	15.3	-9.6	0.3
Net working capital			-10.7	1.0	2.7
Net debt			19.0	31.7	29.9
Net debt/EBITDA, rolling 12 months			1.2	2.2	2.0
Equity ratio, %			31.0	31.9	33.2
Earnings per share, diluted, €	0.14	0.16	0.14	0.09	0.49
Earnings per share, undiluted, €	0.14	0.16	0.15	0.09	0.50
Personnel at the end of the period			605	512	511
Personnel on average	579	496	548	501	507

## Result guidance for 2025 unchanged (published 5 February 2025)

Kreate estimates that its revenue in 2025 will grow and be in the range of EUR 290–310 million (2024: EUR 275.5 million) and EBITA will increase and be in the range of EUR 9–11 million (2024: EUR 8.8 million).

Justifications: The company's guidance is based on the order backlog expected to be realised in 2025 at the turn of the year and the company's estimate of the likely transfer of projects under development to the order backlog starting from spring 2025. The company will continue to offer projects selectively and grow in the Swedish market, which is expected to improve profitability.

## Kreate Group's financial reporting

**Kreate Group Plc will publish its financial reports in 2025 as follows:**

■ **22 October 2025: Interim Report for January–September 2025**

## Webcast event

A live webcast open to all will be held today, 15 Jul 2025, at 11:00 a.m. The event will be held in Finnish. President & CEO Timo Vikström and CFO Mikko Laine will be presenting at the event. The webcast can be followed live in Finnish at <https://kreate.events.inderes.com/q2-2025>. A recording of the webcast will be made available later at <https://kreategroup.fi/raportit/> and a summary in English will become available at <https://kreategroup.fi/en/reports/>.

Kreate Group Plc  
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Distribution: Nasdaq Helsinki, key media and <https://kreategroup.fi/en/>

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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 EUR 275 million in 2024 and the company has over 500 employees. Kreate Group is listed on Nasdaq Helsinki.

## Attachments

- [Download announcement as PDF.pdf](#)
- [Kreate interim report Q2 2025.pdf](#)