

# KREATE

## Kreate's Capital Markets Day 2024: Focus on improving profitability

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Kreate Group Plc is today organising a Capital Markets Day to focus on the company's updated strategy and financial targets. During the strategy period lasting until 2027, Kreate will focus especially on improving profitability. In addition, the company intends to continue growing while keeping gearing under control. In terms of growth, the focus is on growing the railway business and the Swedish business.

Kreate operates in the concrete and rock engineering infrastructure market in Sweden, and its revenue in 2023 was SEK 258 million. The order backlog in Sweden at the end of March 2024 was record high, approximately SEK 340 million. The revenue target for the Swedish business is over SEK 320 million for 2024 and over SEK 650 million at the end of the strategy period in 2027. The aim is to increase revenue by expanding both geographically and into new types of construction. Kreate entered the Swedish market in 2022 through an acquisition, and with this growth, the Swedish business is expected to grow into a second geographical pillar for the Group.

Kreate entered the railway business in 2017 through an acquisition. Since then, the company has persistently and purposefully developed its operations by, for example, expanding into electric railway and signalling equipment operations in 2022, investing in rolling stock and increasing its pool of experts. In 2019–2023, the company has invested more than EUR 5 million in rolling stock and almost quadrupled the number of its track experts. Kreate is now well positioned to rise to a new level in the railway business. The state and municipalities are at different stages of several large railway and tramway projects, and overall the outlook for rail construction is strong.

Kreate estimates that the operating environment for infrastructure construction is changing. The project size will increase in the industry as the client model changes, which means that there will be fewer medium-sized projects of approximately EUR 3–30 million. The increase in project size also means that the number of different alliance and co-operation projects is increasing, which also requires new kinds of expertise from the companies. Large projects also increase fluctuations in the order backlog.

The Capital Markets Day will also present in more detail the updated financial targets published by the company on 26 April 2024. In line with the targets, Kreate targets an EBITA margin of over 5 per cent, annual revenue growth of 5–10 per cent and maintaining the net debt/EBITDA ratio below 2.5 level.

The Capital Markets Day will be attended by Timo Vikström, CEO of the Group, Timo Leppänen, Head of Railway Business, Veli Taatila, CEO of the Swedish business, and Mikko Laine, CFO of the Group. The presentations can be followed in Finnish via live webcast today from 9 am to 11 am at <https://kreate.videosync.fi/cmd-2024>. All presentations are in Finnish only. The presentation materials and recording of the day will be available afterwards on the company's investor pages in Finnish.

Kreate Group Plc

Distribution: Nasdaq Helsinki, key media and [kreate.fi/en](https://kreate.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 320 million in 2023 and the company has over 450 employees. Kreate Group is listed on Nasdaq Helsinki.

### Attachments

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