

GRK

GRK

Revenue increased significantly and profitability was good

Interim Report Q1/2025

GRK Infra Plc

9 May 2025



Presenters and agenda of the day

Agenda

- GRK in brief
- Summary of the quarter
- Project and market review
- Economic review
- Outlook and guidance
- Strategy and long-term goals
- Summary
- Q&A



**Juha
Toimela**
CEO



**Markku
Puolanne**
CFO

GRK is one of the leading operators in the stable infrastructure construction market

Broad selection of infrastructure construction services



Civil engineering and road construction



Rail construction

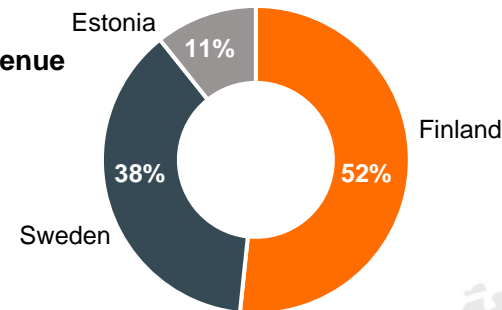


Environmental technology



Established position in three countries

Geographical distribution of revenue 2024



Listing and ownership



GRK is listed on Nasdaq Helsinki. Trading in the company's shares under the trading code "GRK" began on the Nasdaq Helsinki stock exchange list on 4 April 2025.

GRK

Summary Q1/2025



Profitable growth 1-3/2025

- Significant increase in revenue
- Profitability was at a good level

- The infrastructure construction market is more stable than residential construction, but it involves significant seasonal fluctuations
- Good financial performance was driven by large projects in Finland and Sweden that are at a favourable stage, as well as favourable conditions

Revenue, MEUR)

174.5 (108.2)

Adjusted operating profit (MEUR)

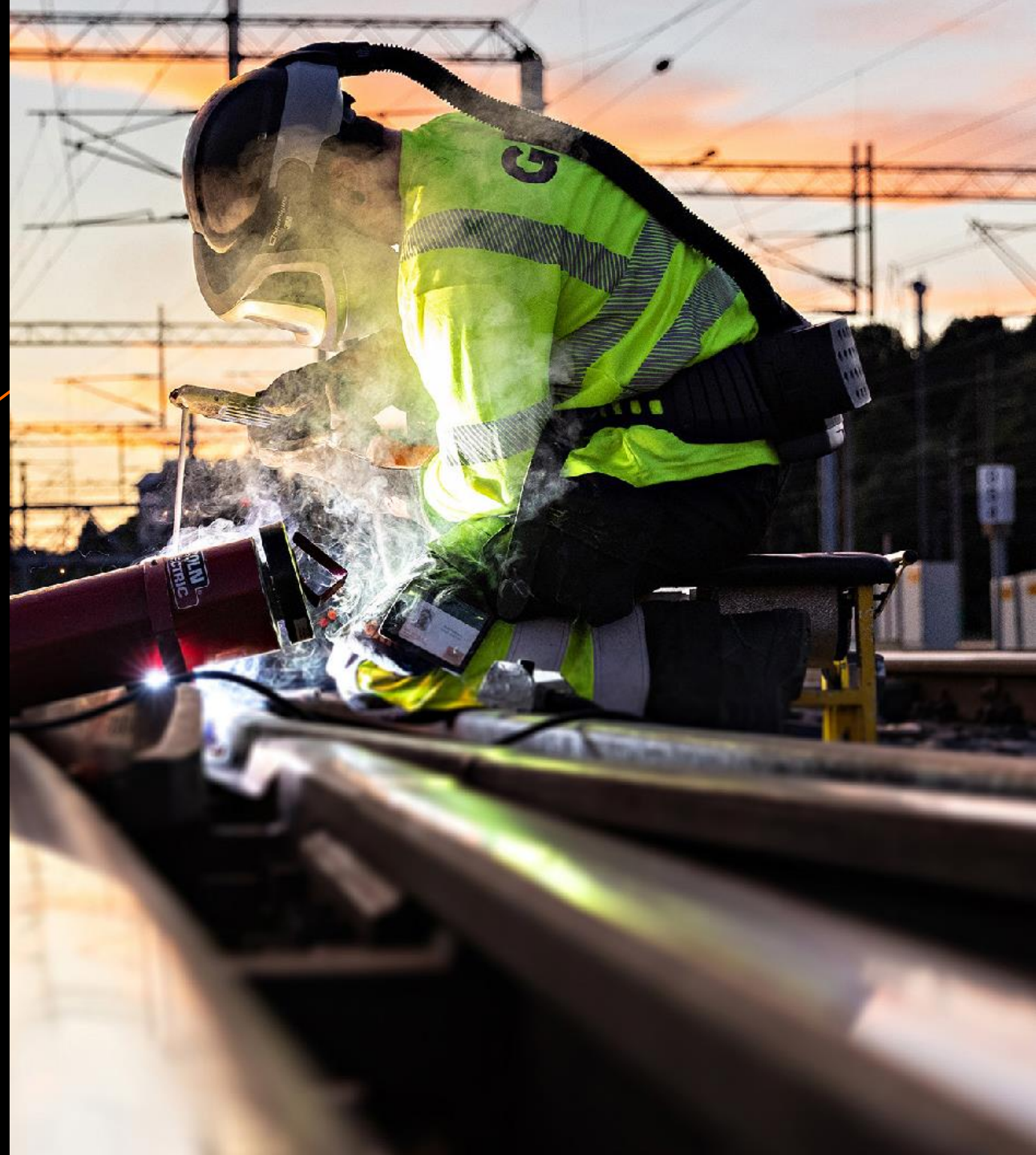
8.7 (0.7)

Order backlog, MEUR

872.9 (727.5)

GRK

Project and market review



Projects that significantly affected revenue during Q1/2025

Stegra hydrogen and steel plant foundation and groundworks



Total value

~400
Million EUR

Espoo City Rail Link



Total value

~ 100
Million EUR

Railway maintenance



Three extensive maintenance areas in Finland. The management's estimate of the revenue impact of maintenance contracts with recurring invoicing during 2024.

~ 50
Million EUR

Electrification of Estonian railways , ATT*



Total value

~ 79
Million EUR

Hailuoto fixed road connection



Total value

~ 100
Million EUR

Finnish national road 9 (VT 9)



Total value

~ 32
Million EUR

Examples of projects won in Q1/2025

Metro track circuit replacement project



Total value

~7.7
Million EUR

- GRK won the track circuit replacement project, which is part of a project aimed at improving the capacity and reliability of the Helsinki Metro.
- The planning phase of the project is already under way and construction is expected to start in June 2025. The construction phase will take approximately 11 months, and the entire project is scheduled to be completed in October 2026.

Bridge projects, Sweden



Total value

~7.9
Million EUR

- GRK Sverige AB will start the renovation of two bridges in northern Sweden in May.
- A third bridge project is also being planned, and it will soon enter the construction phase.
- GRK will build new bridges over the Långsleå, Vojmå and Vindelälvi rivers, the last of which will be implemented as an alliance contract. The projects will be implemented between 2025 and 2027

"Most of GRK's projects are fairly small, at approximately EUR 0—5 million. In addition to these, the company's project portfolio consists of significant individual projects. There are approximately 300 projects are under way each year."

- Renovation of the Tornio bridge (EUR 6.6 million)
- Marjoniemi and Siikalahti multi-level arrangements (EUR 3.4 million)
- Kouvola—Luumäki northern track paving construction contract (EUR 7.1 million)
- Repair of shoreline track tunnels and rock cuts (EUR 6.1 million)

Projects in the development or planning phase

Vantaa tram, eastern part



Total value, eastern part

~ 217
Million EUR

- In September of 2024, the Vantaa City board on urban premises (kaupunkitilalautakunta) decided that a group formed by GRK and Kreate will be selected to build the eastern part of the Vantaa tram between Tikkurila and Länsimäki.
- GRK and Kreate have a 50/50 share in the construction of the eastern part.
- Tramway development phase agreement 10/2024
- Start of construction is conditional on the implementation phase agreement

Turku tramway



Total value

~ 344
Million EUR

- On March 2024, Turun Raitiotie Oy has chosen a consortium formed by GRK Suomi Oy, NRC Group Finland Oy, Ramboll Finland Oy and Sweco Finland Oy as the service provider for the Turku tramway project.
- The planning phase of the Turku tramway is now under way before possible construction.
- The construction of the tramway will begin if the Turku City Council decides to invest in the tramway in December 2025.

"Projects will be transferred to GRK's order backlog only at the start of the implementation phase, meaning the construction."



- Rail Baltic Estonia OÜ announced that it has selected GRK and its alliance partners to design and build Rail Baltica's main railway in Estonia.
- This is a project with a preliminary value of approximately EUR 158—216 million for GRK.
- The development phase agreement has not yet been signed.

GRK

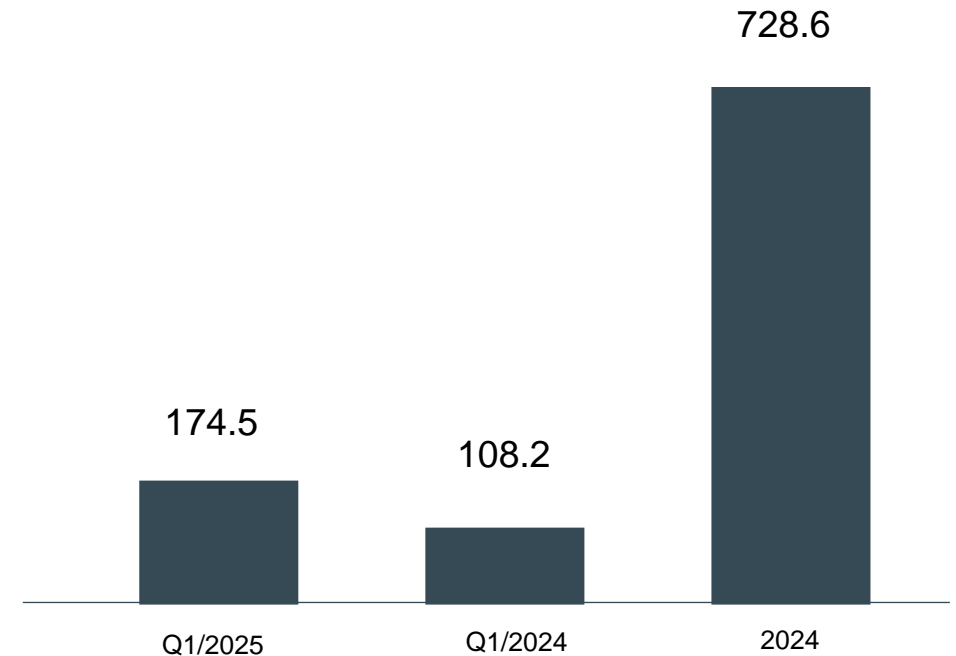
Financial review Q1/2025



Significant increase in revenue

- Revenue increased by 61 per cent to EUR 174.5 (108.2) million during the review period.
- Revenue developed positively in all local companies and especially in industrial projects and projects related to railway construction and maintenance.
- Revenue was positively affected by increased business volumes. Other significant factors include projects in an opportune phase and favourable weather conditions. Due to the mild winter, many of our major construction projects have been able to continue faster than expected during the early part of the year.

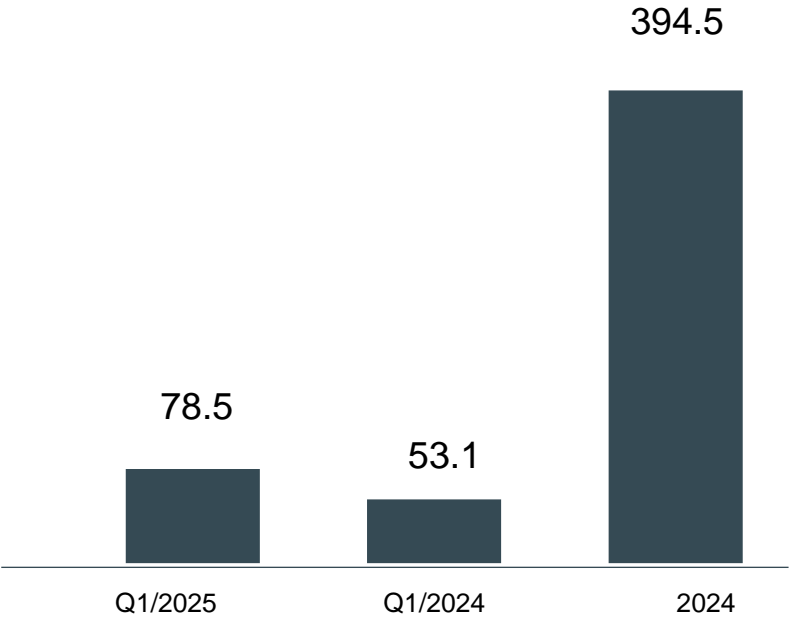
Revenue (MEUR)



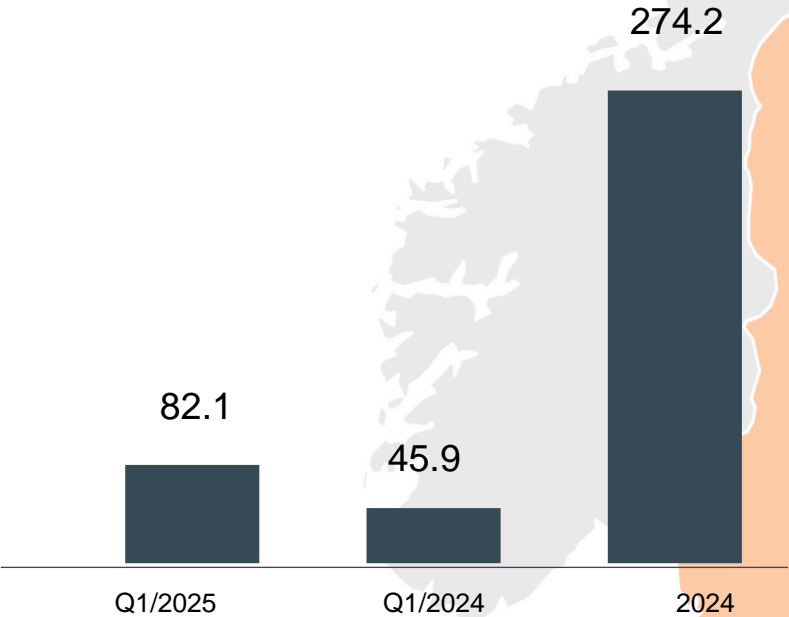
Revenue development in GRK's local companies

GRK SUOMI OY

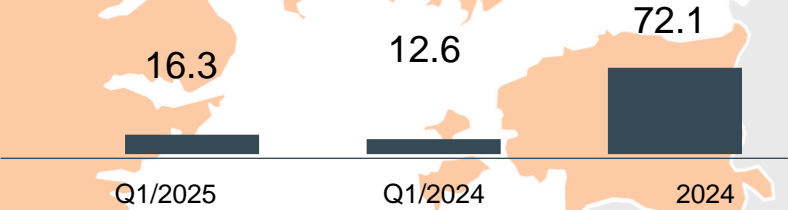
Revenue (MEUR)



GRK SVERIGE AB



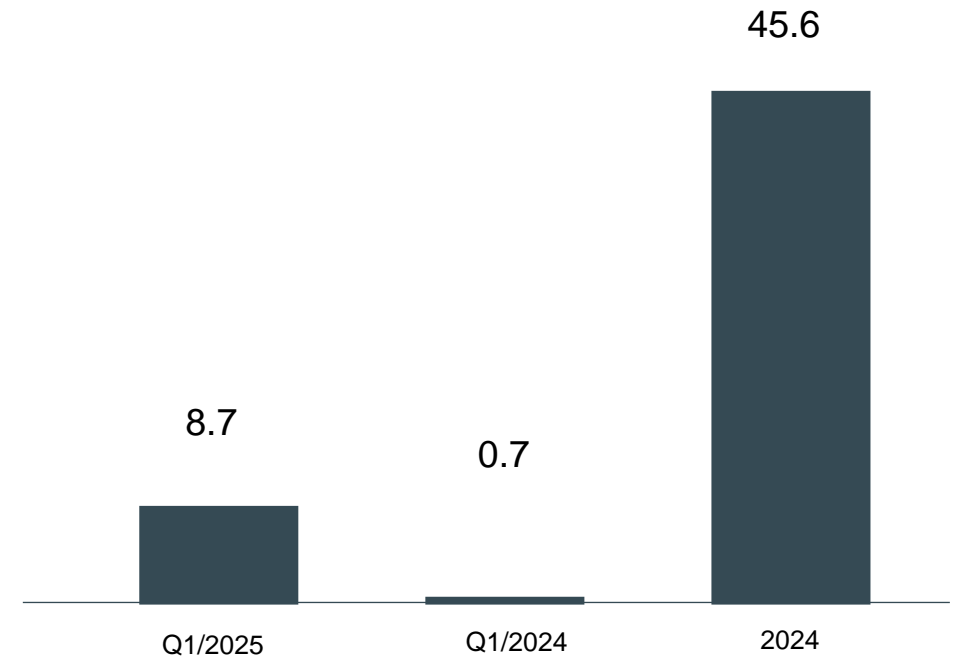
GRK EESTI AS



Profitability improved significantly in Q1/2025

- GRK's adjusted operating profit increased to EUR 8.7 (0.7) million and operating profit increased to EUR 8.1 (0.7) million.
- Profitability was affected by increased revenue and the exceptionally good weather conditions in the early part of the year.
- Other factors that affected the improvement in profitability included the relative growth in the Swedish company's revenue as well as successful project selection and management along with successful tender calculation and planning.

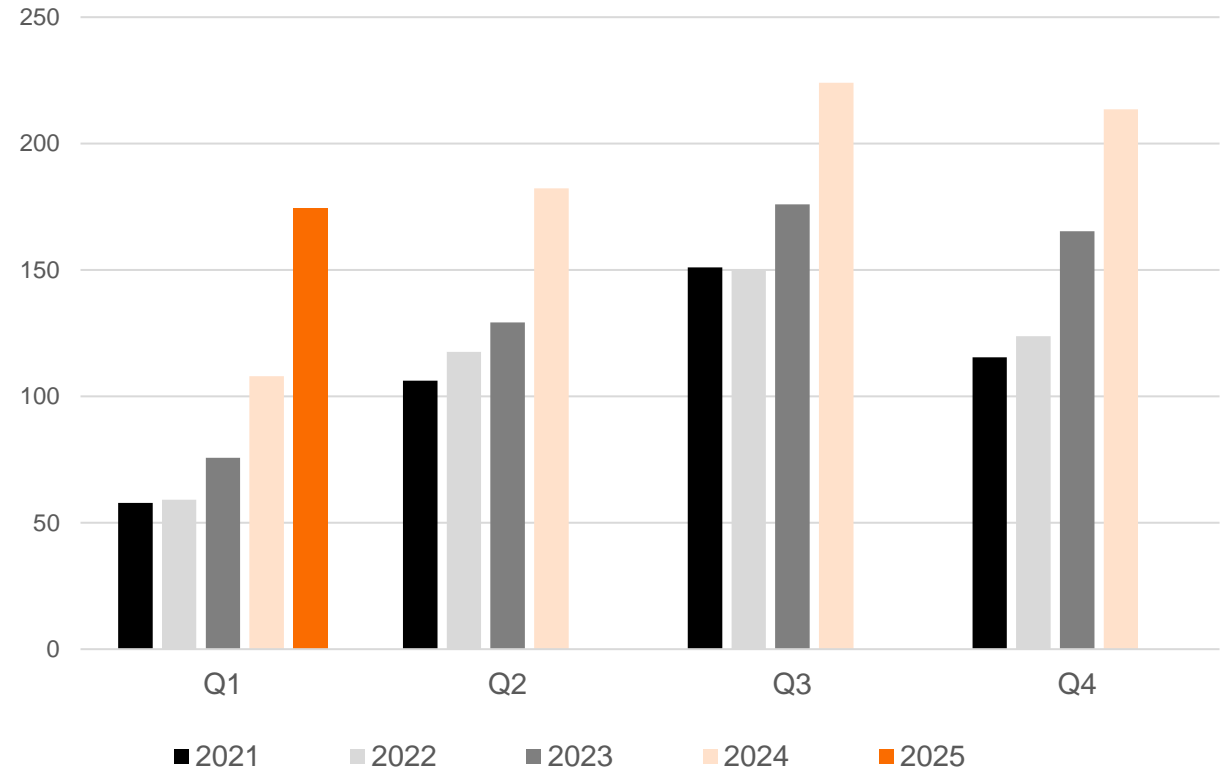
Adjusted operating profit (MEUR)



Both GRK's operations and the industry overall are characterised by obvious seasonality

REVENUE Q1/2025: 174.5 (108.2) MEUR

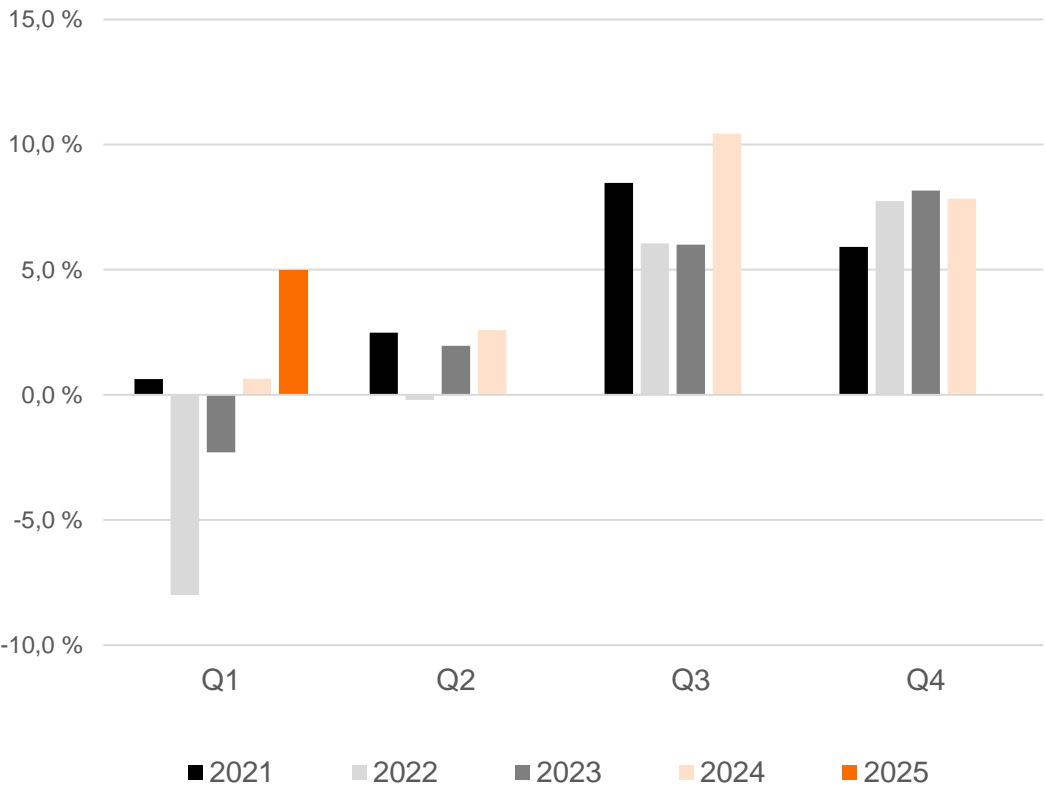
Revenue by quarter, EUR million



ADJUSTED OPERATING PROFIT

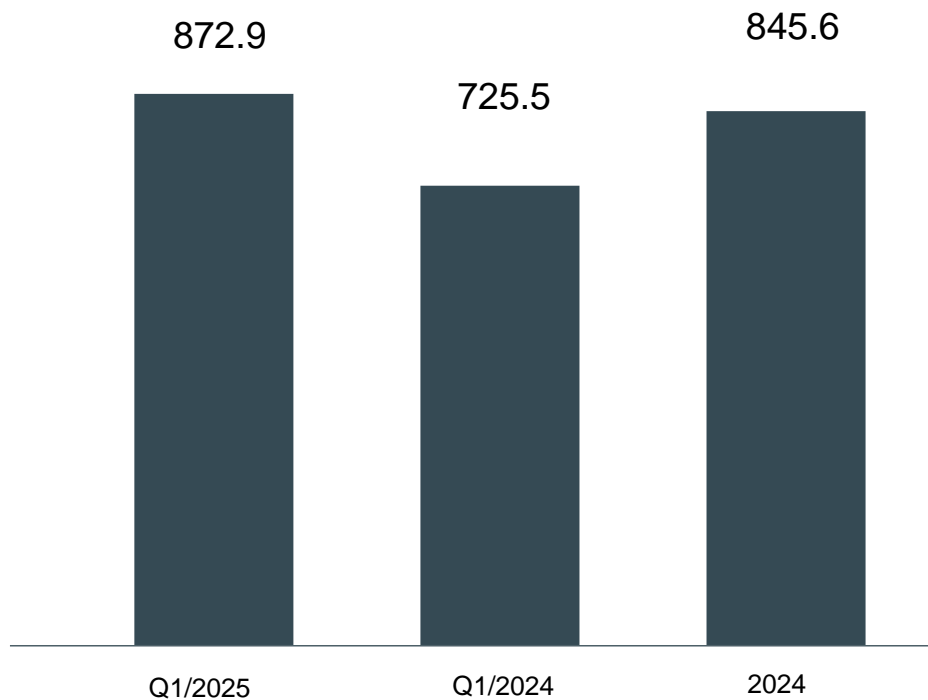
Q1/2025: 8.7 (0.7) MEUR

Adjusted operating profit % by quarter

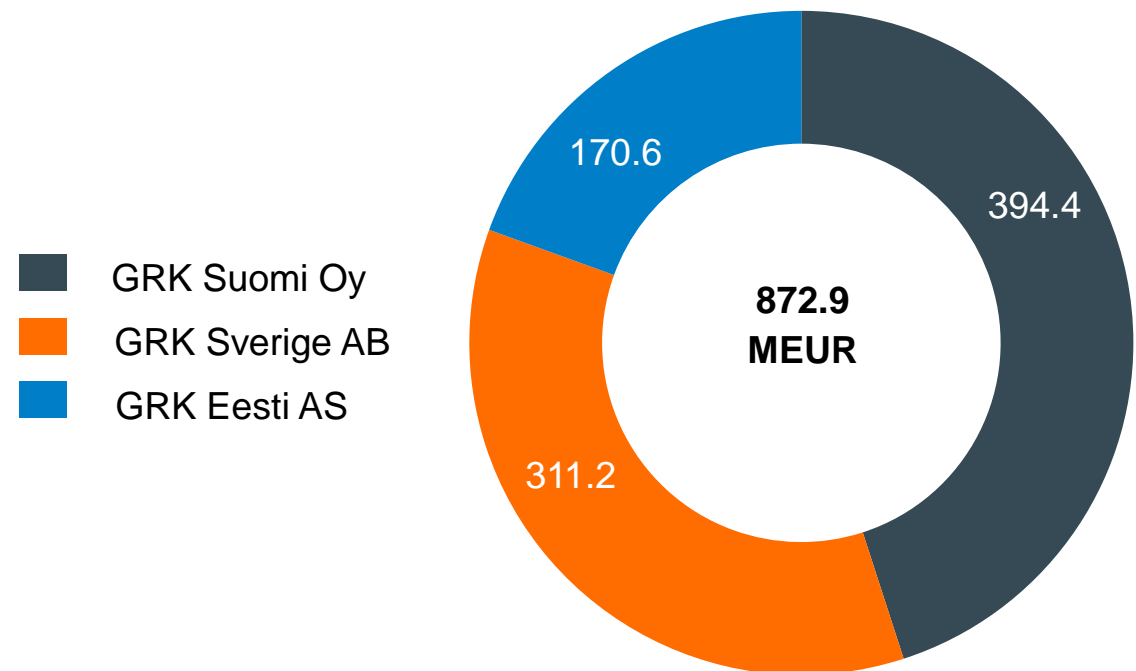


Order backlog at a strong level

Unrecognised order backlog at the end of the period (MEUR)

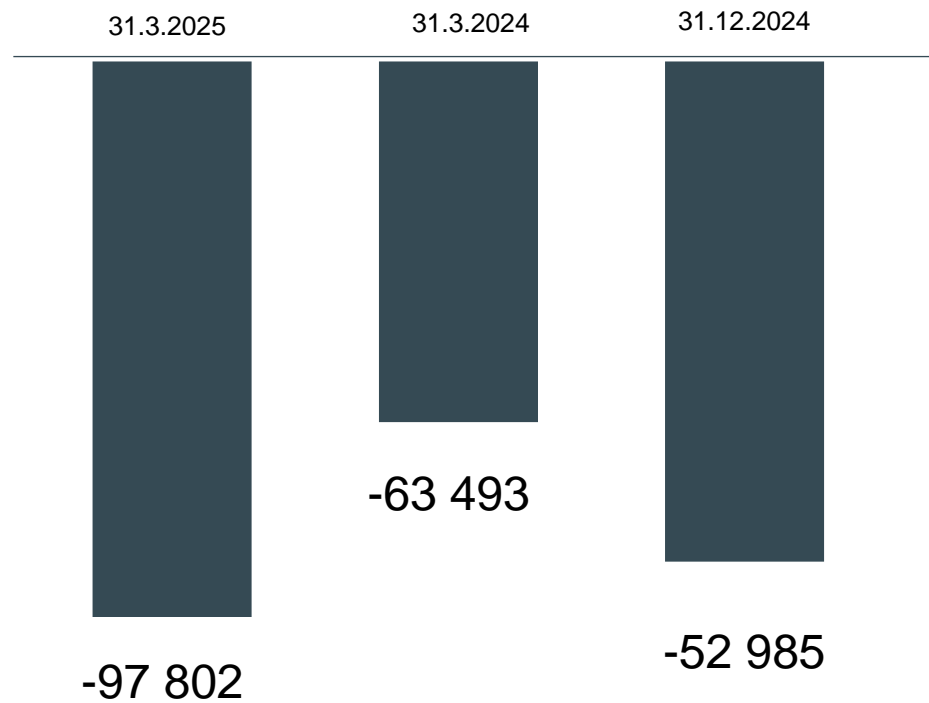


Distribution of unrecognised order backlog among local companies at the end of the period (MEUR)

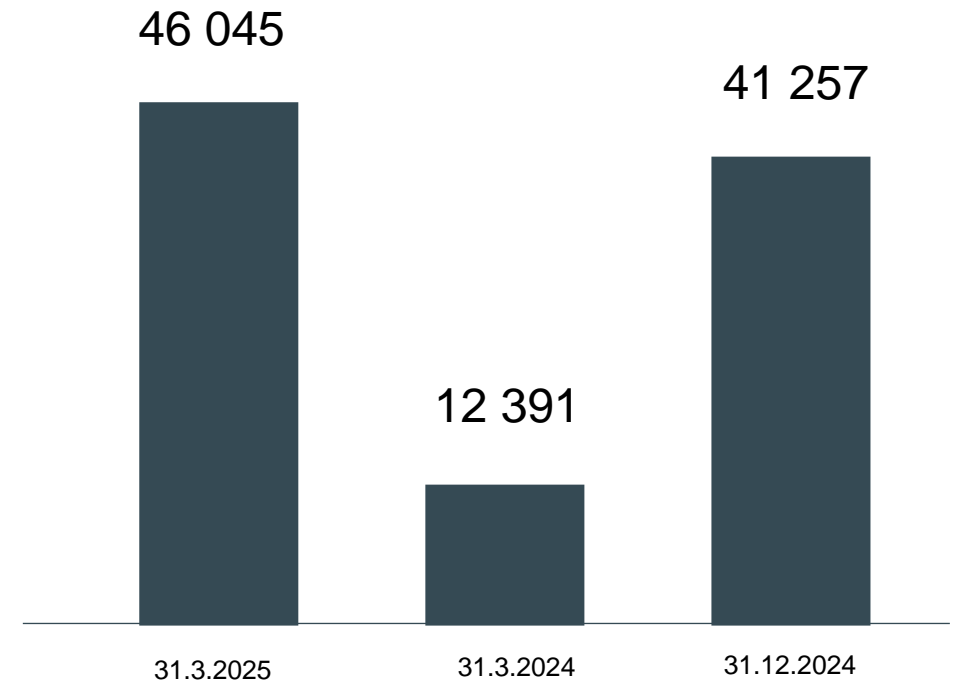


Strong financial position

Net Working Capital

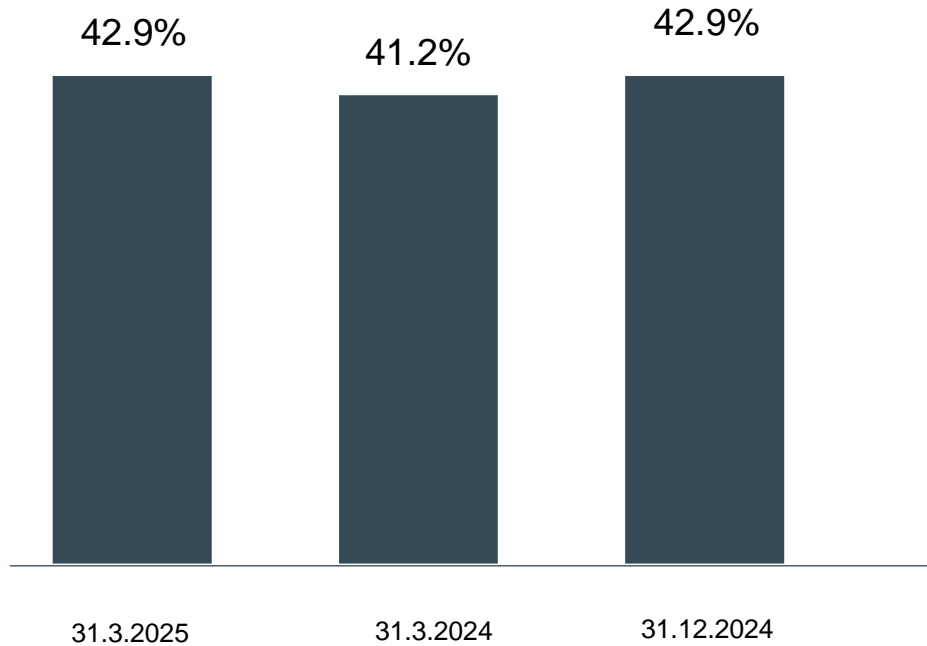


Operating free cash flow

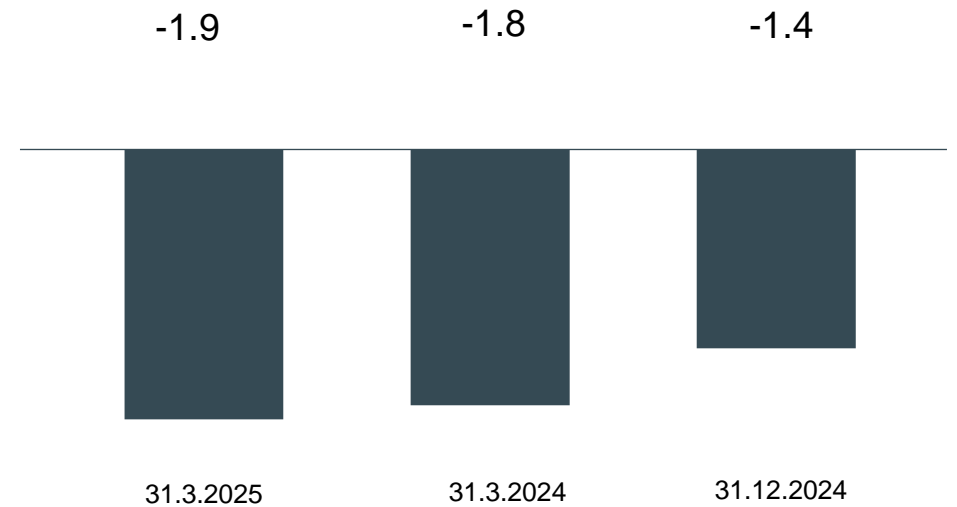


Strong financial position

Equity ratio

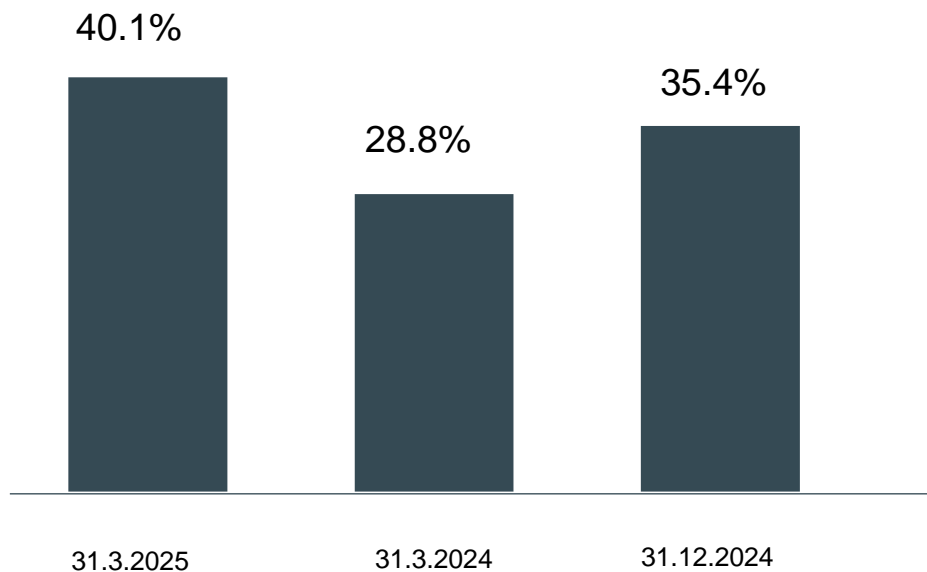


Net debt / adjusted EBITDA

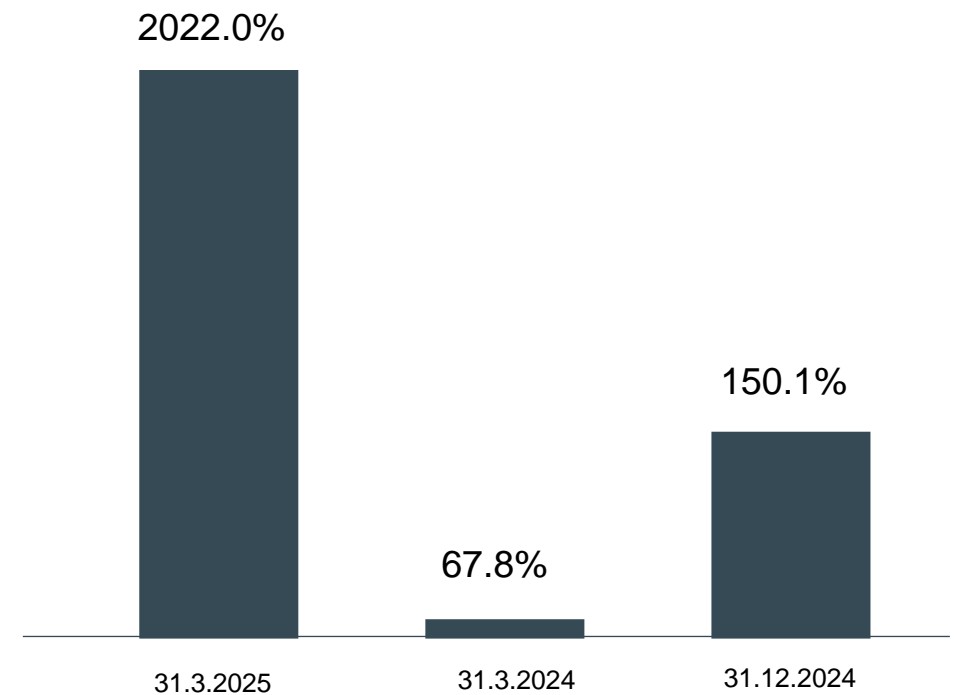


Return on capital

Return on equity (ROE)

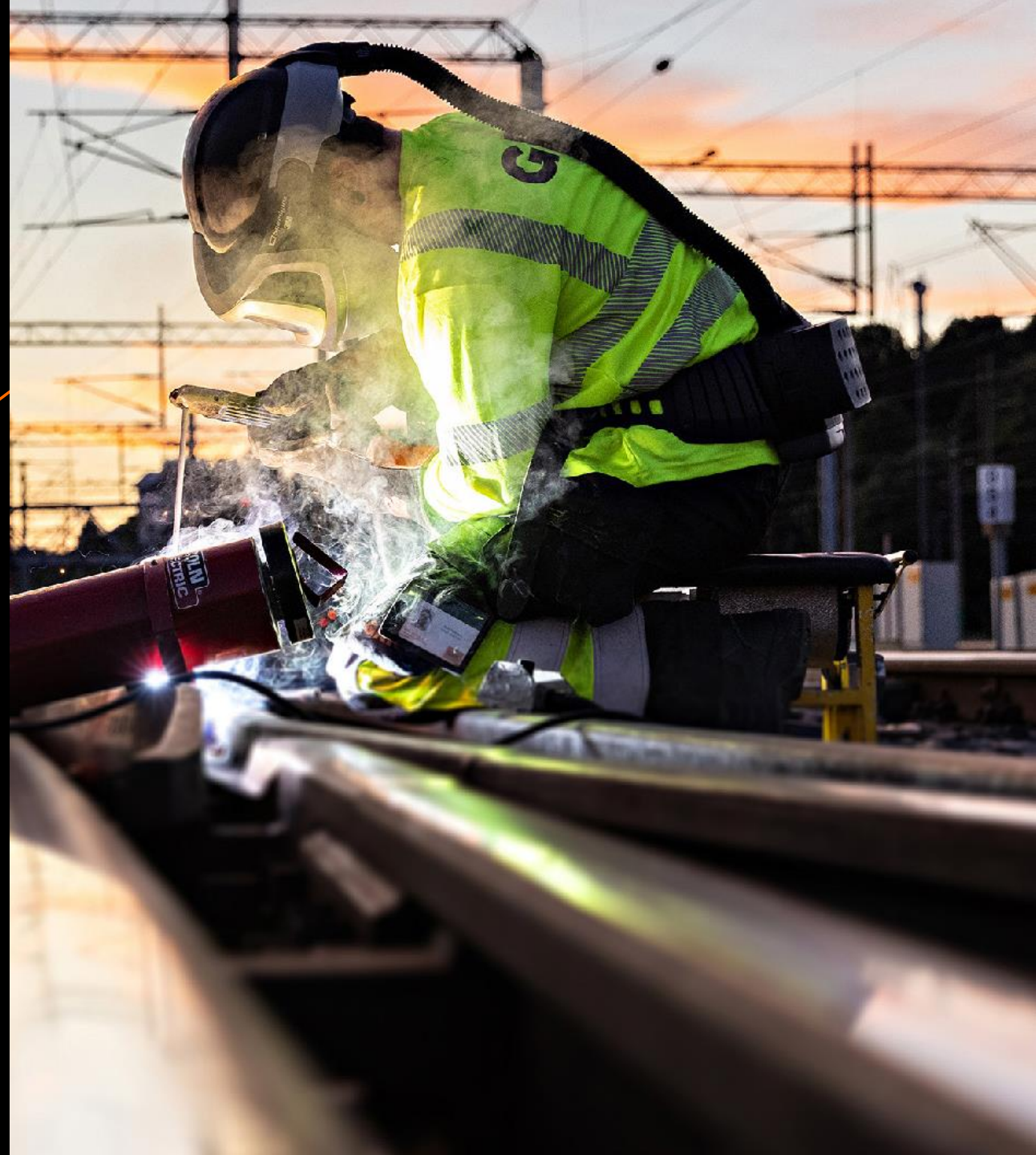


Return on capital employed (ROCE)



GRK

Infrastructure construction
continues to be stable



Infrastructure construction continues to be stable



- In recent weeks, there has been a trade war and the threat of various import duties, that have increased uncertainty in the market.
- GRK does not make purchases from the United States, nor does it sell anything there.
- Overall, the trade war and import duties can delay our customers' projects and, on the other hand, they can affect GRK's operations through changes in raw material prices.

Financial guidance for 2025

Outlook for 2025

The economy is starting to recover from the recession. Inflation and interest rates will continue to decrease slowly. The market situation will nevertheless remain uncertain.

Public infrastructure construction is growing slightly in Finland, Sweden and Estonia.

- In Finland, growth is boosted by the Finnish Government's EUR 3 billion support package.
- In Finland and Sweden, business opportunities and growth potential are seen in the projects of large cities, the private sector, the green transition, defence administration and border security.
- In Estonia, investments are heavily focused on Rail Baltica and the electrification of the Estonian railway network.

Financial guidance for 2025

GRK estimates that its **revenue in 2025 will be EUR 650—730 million** (EUR 728.6 million in 2024) and **adjusted operating profit will be EUR 36—45 million in 2025** (EUR 45.6 million in 2024).

Background for the financial guidance

The financial guidance is based on an estimate of the recognition of revenue from the existing order backlog in 2025, in accordance with the margin on the order backlog. In addition, the outlook is based on an estimate of new project acquisition and the progress of projects in the development phase, as well as the recognition of revenue from those projects, in 2025.

The outlook and financial guidance are forward-looking statements and are not guarantees of future financial success. The company's actual business results may differ significantly from those expressed in forward-looking statements.

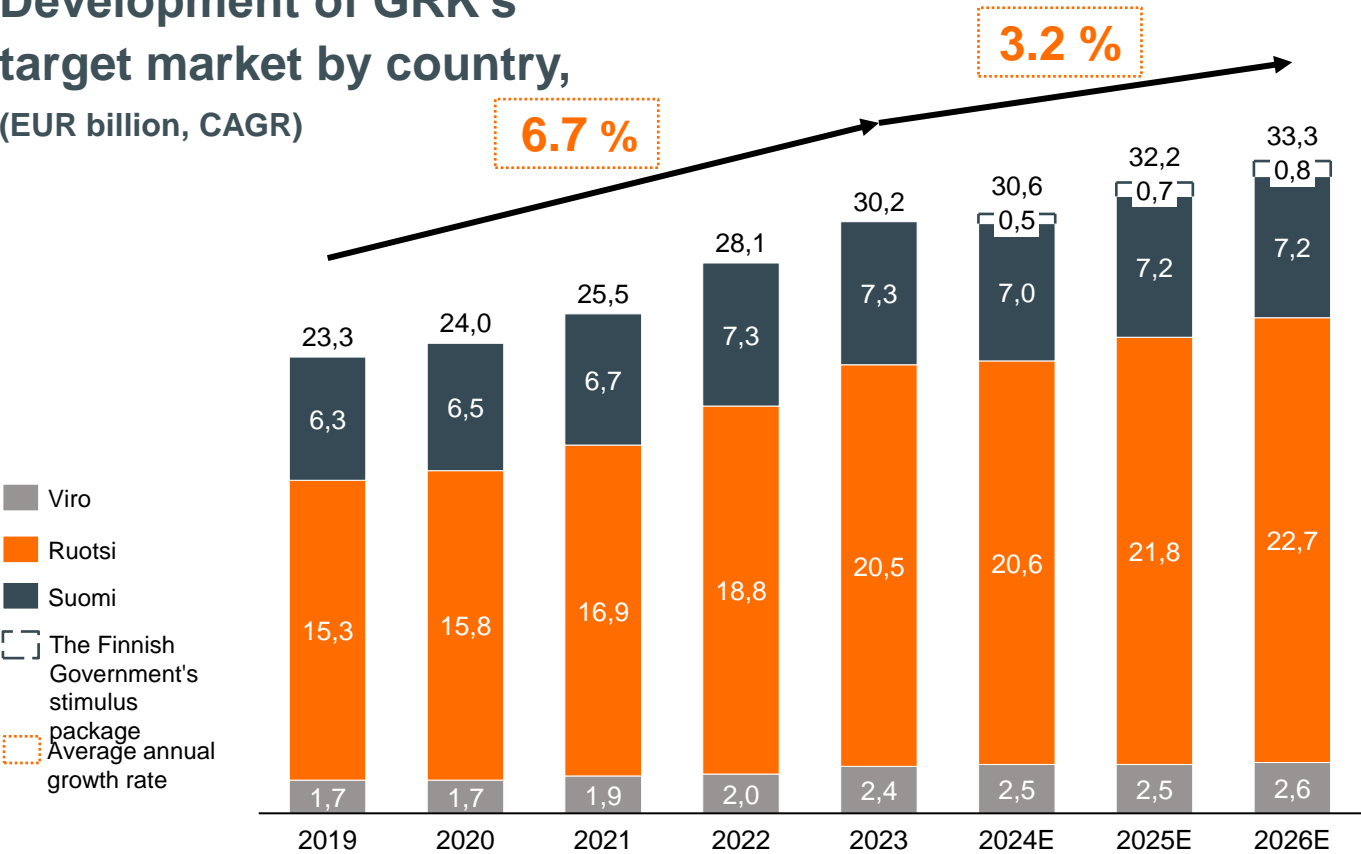
GRK

Strategy and long-term goals



Growth opportunities in the market

Development of GRK’s target market by country, (EUR billion, CAGR)



Drivers of market growth



Green transition



Urbanisation



Investments in defence and critical infrastructure



Repair debt and publicly funded investments

GRK's strategic intent

Strategic intent 2028

GRK

Strategic growth areas

We expand into new areas of infrastructure construction as well as new geographical areas, especially in Sweden

We succeed in critical infrastructure and defence administration projects

We strengthen our share of projects related to the green transition



The most competitive team



Profitable growth



A pioneer in sustainable construction

Procedures and means

We operate with an entrepreneurial spirit and we have a shared culture

We attract, foster and retain the best talents

We ensure healthy profitability consistently

Financial targets by 2028

The company's strategy focuses on profitable growth and the Board of Directors has decided the company's financial targets and dividend policy accordingly

Growth of
revenue, million
EUR

> 750

Revenue over
EUR 750 million
by 2028

Profitability

> 6%

Adjusted operating profit
margin,
more than 6% over
time

Capital structure

< 1.5x

Healthy capital structure,
where net debt/adjusted
EBITDA (last
12 months) level
< 1.5 times over time

Capital
efficiency

> 20%

Return on capital employed
over 20 per cent
over time

Dividend
policy

> 40%

GRK's aim is to distribute
growing dividends that
represent at least **40% of
the annual net profit** over
time

Financial targets are forward-looking statements and are not guarantees of future financial success. The financial targets presented in this presentations are only targets and not forecasts or estimates of GRK's future financial success and should not be considered as such.

Listing



- GRK carried out an initial public offering and listing during the review period and was listed on the Nasdaq Helsinki stock exchange. This topic is covered in more detail in GRK's interim report.
- Trading in the shares began under the trading code "GRK" on the Nasdaq Helsinki pre-list on 2 April 2025 and on the stock exchange list on 4 April 2025.
- The listing will enable and accelerate the implementation of GRK's strategy, including the continuation of profitable growth, expansion to new areas of infrastructure construction and geographically, especially in Sweden, as well as the systematic implementation of the company's strategic action programmes.

GRK

Summary



Summary - Strong development in the first half of the year

1.

Our profitable growth continued in line with the strategic goal

2.

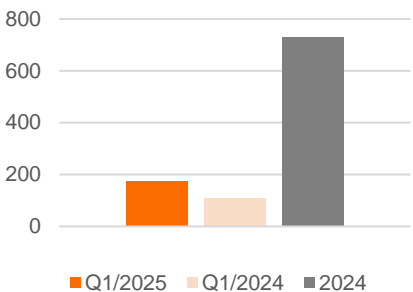
Our first quarter was exceptionally strong because of our own actions as well as weather conditions

3.

The order backlog is at a good level, meaning that there is plenty to build for this and the coming year

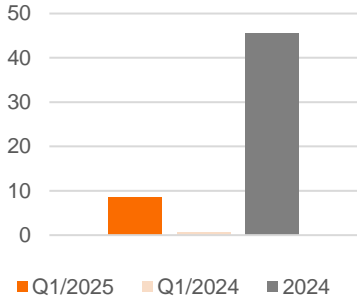
Revenue, MEUR)

174.5



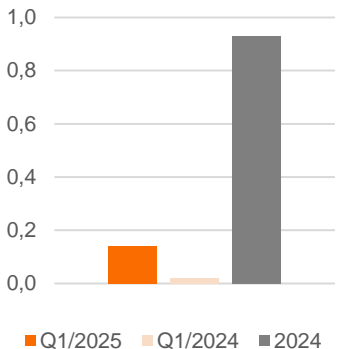
Adjusted operating profit, EBIT, MEUR

8.7



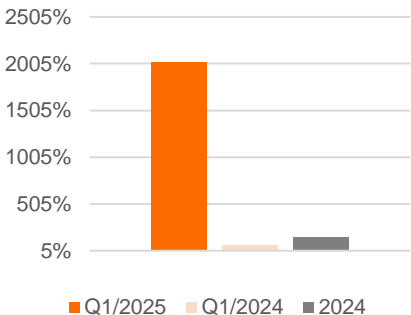
Earnings per share

0.14



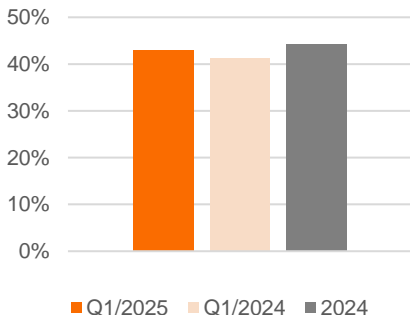
Return on capital employed (ROCE %)

2 022.0



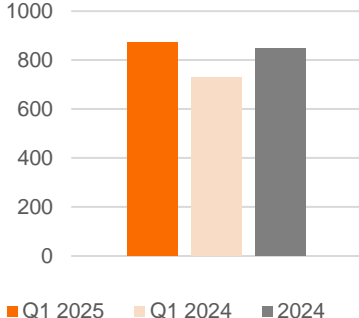
Equity ratio %

42.9



Order backlog, MEUR

872.9



GRK Infra as an investment

1.

Operates in markets that balance each other with strong drivers of growth

2.

Market position as one of the leading operators, specialisation in infrastructure construction and a wide range of services

3.

Experienced, motivated and dedicated employees

4.

Entrepreneurial culture

5.

Motivating performance bonus scheme

6.

Ability to achieve strong growth, high profitability and steady operations

GRK

Q & A



GRK

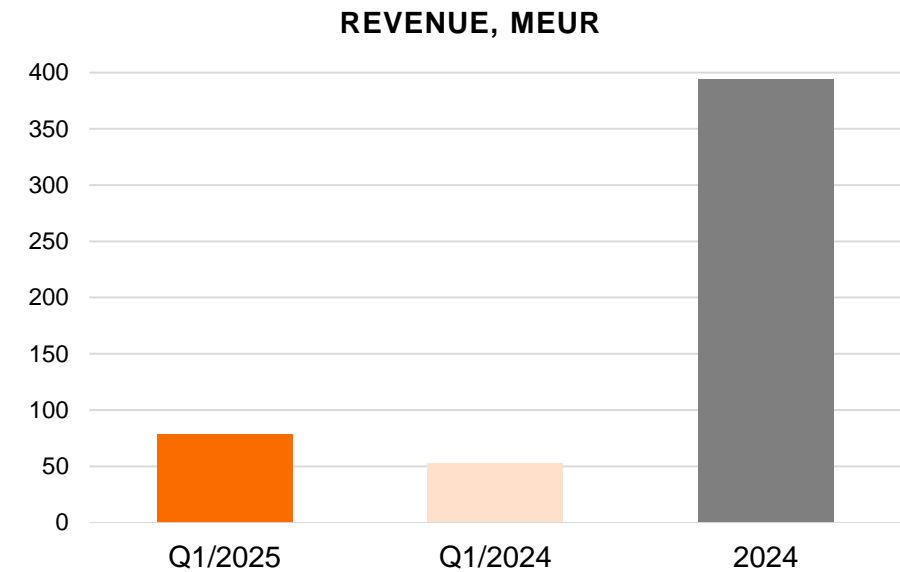
Further information



Development of business by country subsidiaries - Finland

The development of GRK Suomi Oy in brief

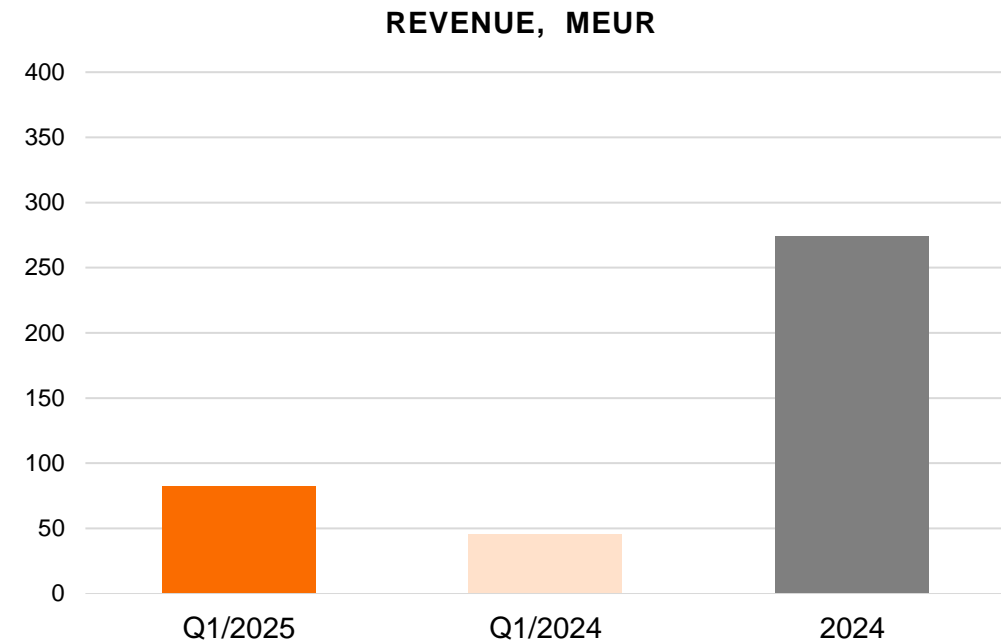
- GRK Suomi Oy's revenue for January–March 2025 increased 2025 due to increased project volume and particularly favourable weather conditions.
- Despite the slight decline, the country company's order backlog has remained at a good level, and it also includes long-term order backlog.
- The company has two significant tramway projects under way that are not yet visible in the order backlog book.



Development of business by country subsidiaries - Sweden

GRK Sverige AB's development in brief

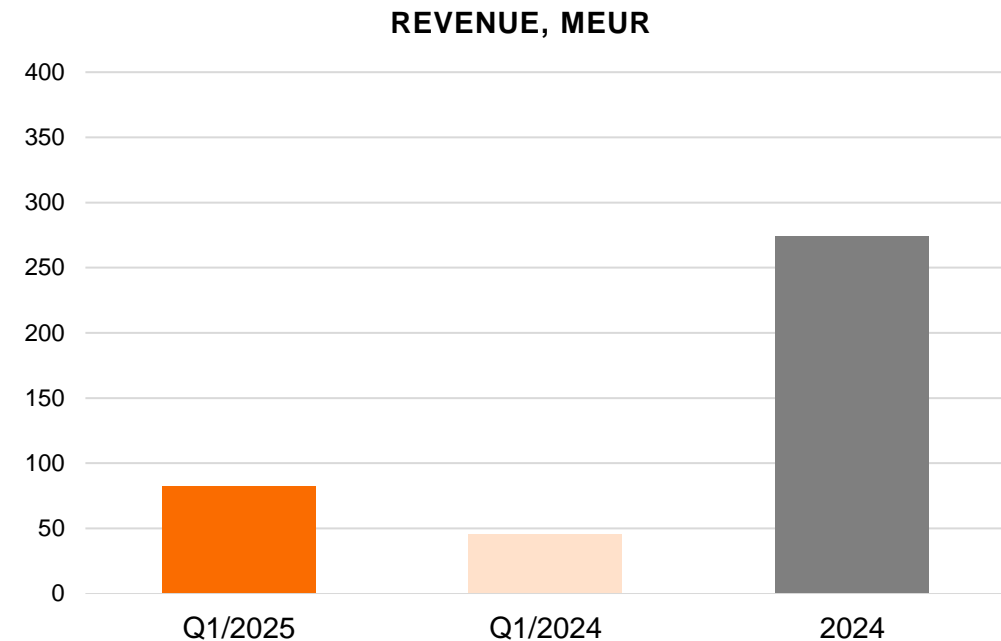
- The Swedish country company's revenue increased significantly in January–March 2025, particularly due to a large green transition industrial project (Stegra).
- For the first time, the country company's revenue exceeded the other country companies' revenues.
- The order backlog of the country company in Sweden has continued to grow, focusing on private customers.



Development of business by country subsidiaries - Estonia

GRK Eesti AS' development in brief

- The Estonian country company's revenue continued to grow in January–March 2025. The growth was driven by many significant railway projects.
- The order backlog continued to strengthen. The order backlog particularly reflects the electrification of the railways in Estonia.
- During the review period, GRK was informed that it had won a significant Rail Baltica project. The development phase agreement has not yet been signed.



Achievement of strategic targets

Means and choices:	Measures during the review period
We ensure healthy profitability throughout the line	<ul style="list-style-type: none">• GRK carried out an IPO and sale during the review period. One of its goals is to continue GRK's profitable growth.• GRK succeeded in growing its business profitably: revenue grew in line with targets during the review period, with an operating profit margin of 4.6%.
We strengthen our share of projects related to the green transition	<ul style="list-style-type: none">• During the review period, GRK participated in two projects related to the electrification of railways in Estonia.• The green transition industry project (Stegra) accounted for a significant share of the Swedish country company's revenue.• During the review period, GRK was involved in the construction of Fortum's emission-free electricity-based district heating plant in Espoo.
We are expanding to new infrastructure construction areas and geographically especially in Sweden	<ul style="list-style-type: none">• The aim of the IPO and sale was to facilitate expansion into new areas of infrastructure construction and geographically, especially in Sweden. In accordance with its growth strategy, GRK plans to use the funds collected from the share issue also for inorganic growth.• GRK recruited expertise in electricity network construction and established a GRK Suomi Oy business area focusing on electricity networks, mainly focusing on the construction of electricity transmission networks and substations. The change is also related to the green transition.

Achievement of strategic targets

Means and choices:	Measures during the review period
We succeed in critical infrastructure and defence administration projects	<ul style="list-style-type: none">• GRK is involved in projects that generated revenue in January–March 2025.
We attract and retain the best talents	<ul style="list-style-type: none">• During the IPO and sale, an employee offering was also organised, resulting in new employee shareholders for GRK.• In addition, the company's current shareholders will remain significant shareholders even after the IPO.• With the listing, shares can be used more efficiently in rewarding employees. This increases attraction and retention as well as attractiveness as an employer.• The IPO is expected to increase GRK's visibility, which in turn promotes GRK's awareness both in general and among employees – which is expected to improve the company's competitiveness.• GRK's goal is to grow the best multi-skilled employees. During the review period, the company had a major search for interns in progress, which resulted in hiring more than 100 employees for summer jobs. GRK sought both hands-on trainees, i.e. 1st or 2nd year university students and vocational students in the infrastructure sector, and supervisory and construction engineering trainees who already had some professional experience. The aim is that as many of the best trainees as possible will continue working for GRK after graduation.