



SITOWISE

**Finishing the year with
strong cashflow, actions
to improve profitability
will continue**

**SITOWISE GROUP PLC
Q4 AND FY 2024 RESULT PRESENTATION
12 FEBRUARY 2025**

Agenda

1. Q4 and FY summary key events
2. Q4 performance
3. Market outlook for 2025
4. Strategy implementation
5. Q&A



CEO
Heikki Haasmaa



CFO
Hanna Masala

Q4 2024: Finishing the year with a strong cashflow, actions to improve profitability will continue

- **Number of FTEs** -7.0% to 1,772 (1,906).
- **Net sales** down by 7.6%* to EUR 48.8 (52.6) million, organic growth -9%.
- **Adjusted EBITA** EUR 1.2 (2.4) million. Adjusted EBITA margin 2.4% (4.6%).
- **Operating profit** EUR -0.4 (0.3) million
- **Cashflow from operating activities** before financial items and taxes EUR 10.9 (11.3) million.
- **Leverage** (net debt / adjusted EBITDA) was 5.0x (3.0x).
- **Order book** EUR 151 (164) million.

FY 2024: Infra and Digital Solutions outperformed their markets, Buildings and Sweden burdened by weak demand environment

- **Net sales** down by 8.5%* to EUR 192.9 (210.9) million, organic growth -10%.
- **Adjusted EBITA** EUR 9.6 (17.0) million. Adjusted EBITA margin 5.0% (8.1%).
- **Operating profit** EUR 2.5 (11.7) million
- **EPS** -0.08 (0.16) euros. The Board proposes that no dividend be paid for 2024.
- **Cashflow from operating activities** before financial items and taxes EUR 21.5 (23.9) million.
- **Three selected acquisitions in growth areas:**
Ahlman Group's expert business, KM Project Oy and LandPro Oy

Q4 highlights

- **Infra and Digi performance**
- **Double digit product business growth**
- **Clear benefits from earlier actions under “Building for the future”**
- **Helsinki light rail program alliance and other important project wins**
- **Tendering activity and hit rates increasing**
- **New sales AI tool launched**

Q4 win: The Buildings business area won a project related to the Tampere rail yard (TaHera project), which includes both structural engineering and building technology services.



Headwinds in structural engineering market in Finland and Sweden

- **Turnaround materialized in part in Sweden**
 - Lower headcount and personnel costs supported operative performance improvement - lack of work in structural engineering and issues in old projects burdening performance
 - Decision to diversify business into growing areas in infra, project management and sustainability services
- **Continued operational adjustments in Buildings**
 - Temporary layoffs and optimizing organization
 - Issues in old projects burdening performance
 - Continued focus on proactive sales and project management

Building for the future – actions in Sweden

Sweden priorities

- 1) Renewing business organization
- 2) Increasing sales and profitability of projects
- 3) Operating efficiently

We are planning to change to a business-driven organization to enable further growth focusing on business segments instead of regions ✓

We keep focusing on sales and project profitability introducing a key account organization ✓

We make sure that every krona spend adds value to the business ✓

We work together to contribute to a positive development – Each and everyone counts! ✓

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Building for the future – actions in Buildings

Buildings priorities

- 1) Renewing and developing as experts
- 2) Growing sustainably
- 3) Operating efficiently

Focused actions in August and onwards

We develop our organization and people's career opportunities ✓

We foster close client relationships, help our clients with their needs, and sell proactively ✓

We streamline our organizational structures ✓

We continue temporary layoffs, where needed ✓

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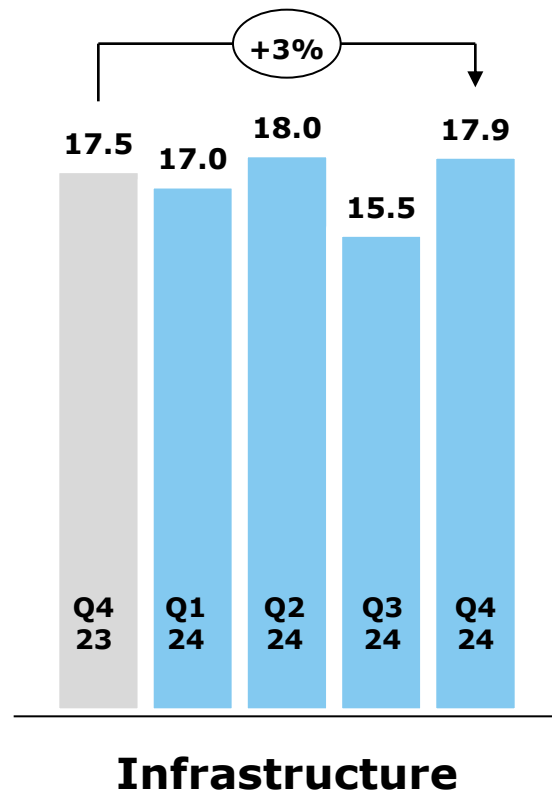
Infra

Q4 win: Sitowise was selected a part of an alliance as one of the designers in Helsinki's light rail projects. The alliance program covers the West Tram, the Viikki-Malmi light rail and West Harbour light rail projects. Picture credits: Voima Graphics.



Another strong quarter in Infra

NET SALES PER QUARTER, figures in EUR million



FACTORS IMPACTING Q4

- **Strong demand** for energy, environmental and security-related projects.
- **Reasonably good demand** for municipal infra design.
- **Historically low government investments**, intense price competition in public sector tendering.
- **Utilization under pressure** due to time spent on sales.

OUTLOOK

- **Market environment expected to remain stable yet mixed** with stronger and weaker segments.
- **Post-cyclical industry**, public sector investment budgets for 2025 expected to be very modest.
- **Order book at good level.**

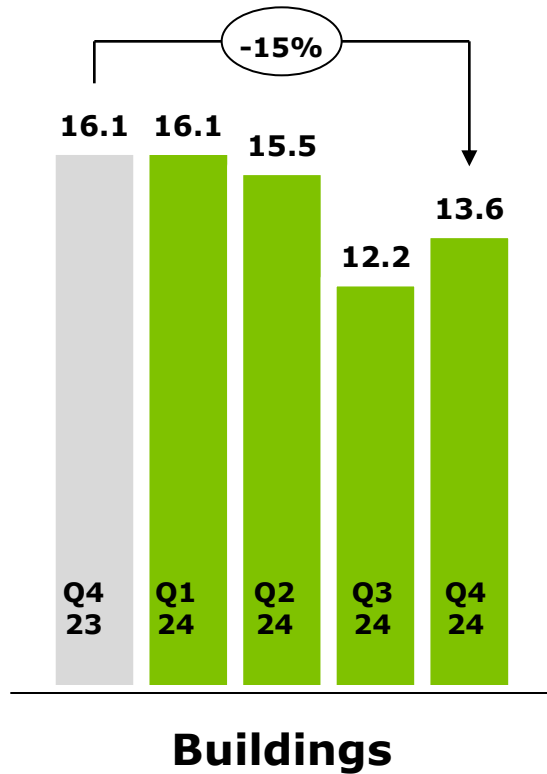
Buildings

Q4 win: Sitowise's HVAC and traffic planning were involved in the winning proposal for the design competition of the new Malmi hospital in Helsinki. Picture credits: Voima Graphics.



Buildings continues to adapt to weak market

NET SALES PER QUARTER, figures in EUR million




FACTORS IMPACTING Q4

- **The market continues to be mostly very weak**, especially in the residential newbuilds impacting structural engineering. Some improvement in construction management and renovation services demand.
- **Issues in old projects** burdening performance.
- **Operational adjustments ongoing**: FTEs down by 17% y-o-y in Q4, temporary layoffs ongoing, continued optimizing of organization and processes.
- **Order book at low level.**

OUTLOOK

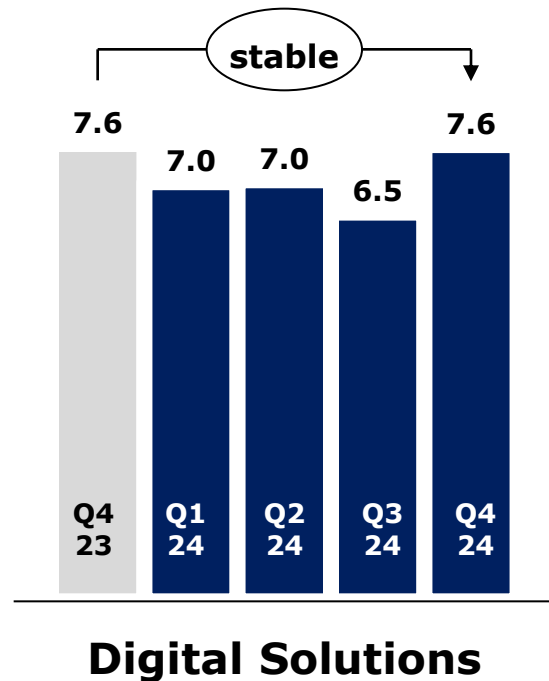
- **Timing of market recovery highly uncertain**: expected to start more in the second half of 2025, but the likelihood of postponement to 2026 has increased significantly.
- **Challenges continue in H1 2025**
Low volumes, continued temporary layoffs, lower order book with significant number of projects put on hold.
- **Positive medium- and long-term outlook**, focus on sales to defined growth segments.

Digital Solutions

route. infracontrol online. iouhi.
planect. smartlas. foresta. 

Maintaining high profitability in a mixed market, SaaS business reached approx. 30% of Digi's net sales

NET SALES PER QUARTER, figures in EUR million



FACTORS IMPACTING Q4

- **Challenging market environment in project and consulting business** with budget pressures in public sector and low private sector demand
- **Demand for SaaS solutions at a good level** in municipalities, energy and forestry sectors
- **Positive impact** from improved utilization, pricing and product sales.
- **Strong SaaS product performance and order growth.**

OUTLOOK

- **Mixed demand dynamics continue** with public sector pressure and private sector growth opportunities demand in energy, industry, and forestry remain strong.
- **Market outlook for 2025 stable.**
- **Strong focus on SaaS:** new geographic market discovery and developing and packaging new value modules for clients.
- **Order book at good level.**

We aim to double Digital Solutions business by 2030

Our mid- and long-term growth roadmap

Global
→ 2030

Scaling product business internationally in long-term

Europe
2026 →

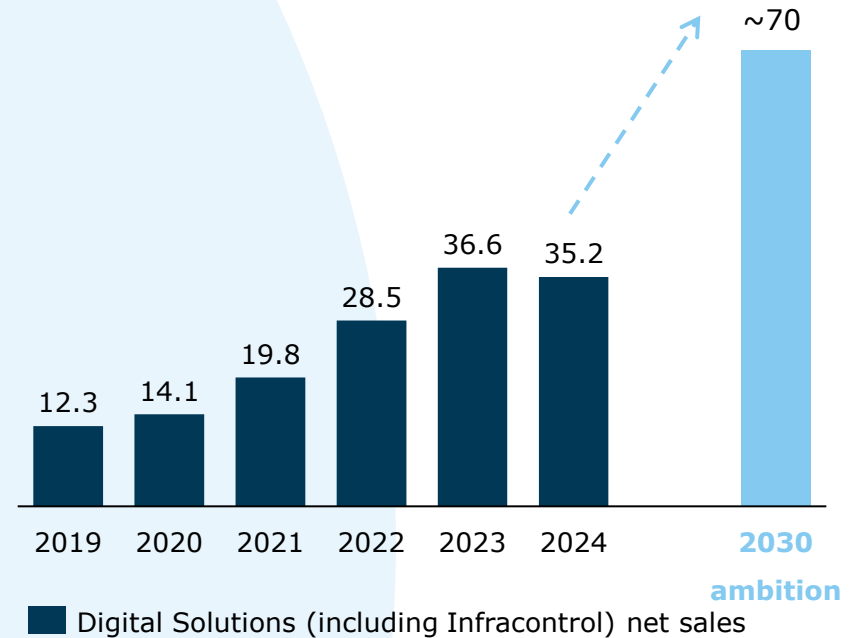
Market studies and screening with selected new market entries in short to mid-term

Nordics
2025 →

Home market focus in short-term

Finland & Sweden
2025

We target significant growth through products and growth in line with markets in project business and consulting



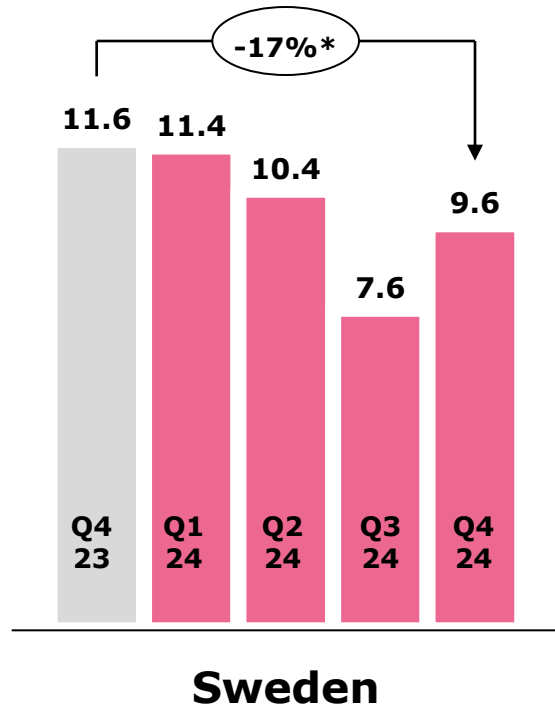
Sweden

In Q4 several smaller wins especially in the life science sector.



Expected turnaround materialized only in part in Sweden

NET SALES PER QUARTER, figures in EUR million



* Both reported and in constant currency year-on-year.

FACTORS IMPACTING Q4

- **Clear benefits from earlier rightsizing and streamlining actions.**
- **Mixed market:** weak demand for structural engineering burdening utilization whereas demand for building services and infra improving.
- **Issues in old projects** burdening performance.
- **Order intake clearly improving** towards the year-end, but order book still at low level.

OUTLOOK

- **High sales focus, optimizing organization continues.** Continued focus on reviewing older projects and diligent project management.
- **Stable market outlook:** challenging market environment expected to continue in structural engineering, demand for building services and infrastructure showing signs of a gradual pickup.
- **Actions to diversify business** into infra, project management and sustainability services.



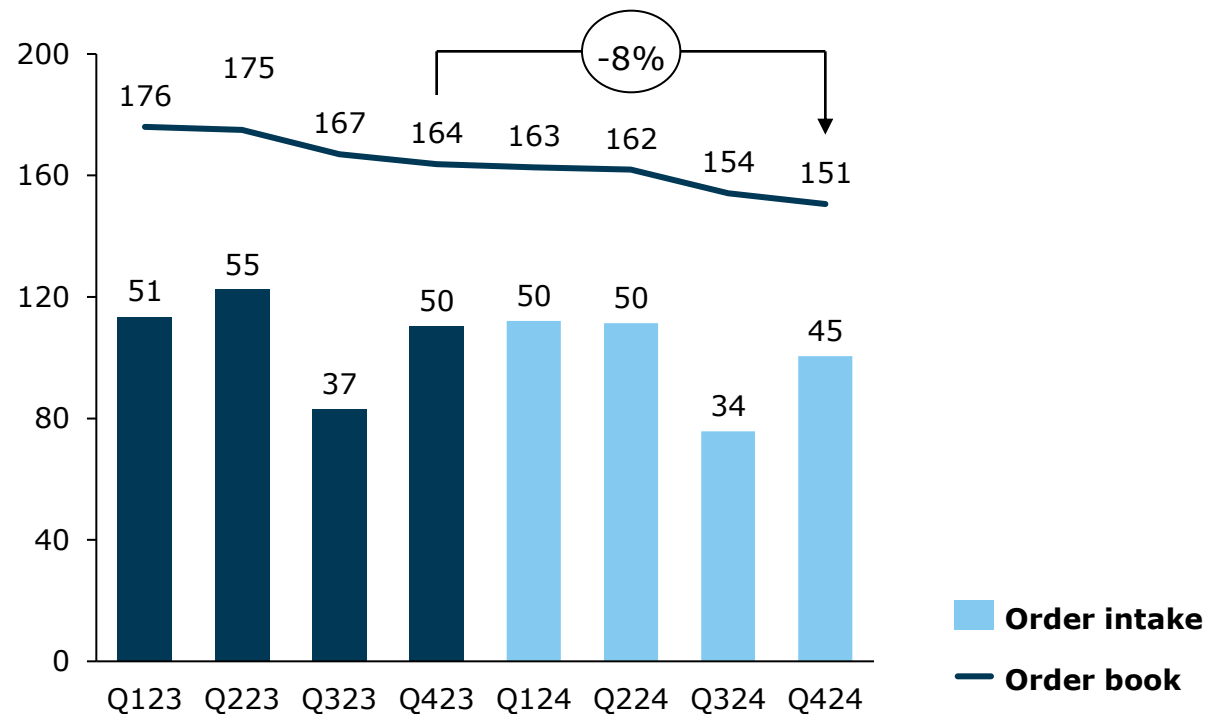
Group performance

Infra and Digital Solutions order books on good level

Building and Sweden order books clearly down in 2024

Order book and order intake

EUR million

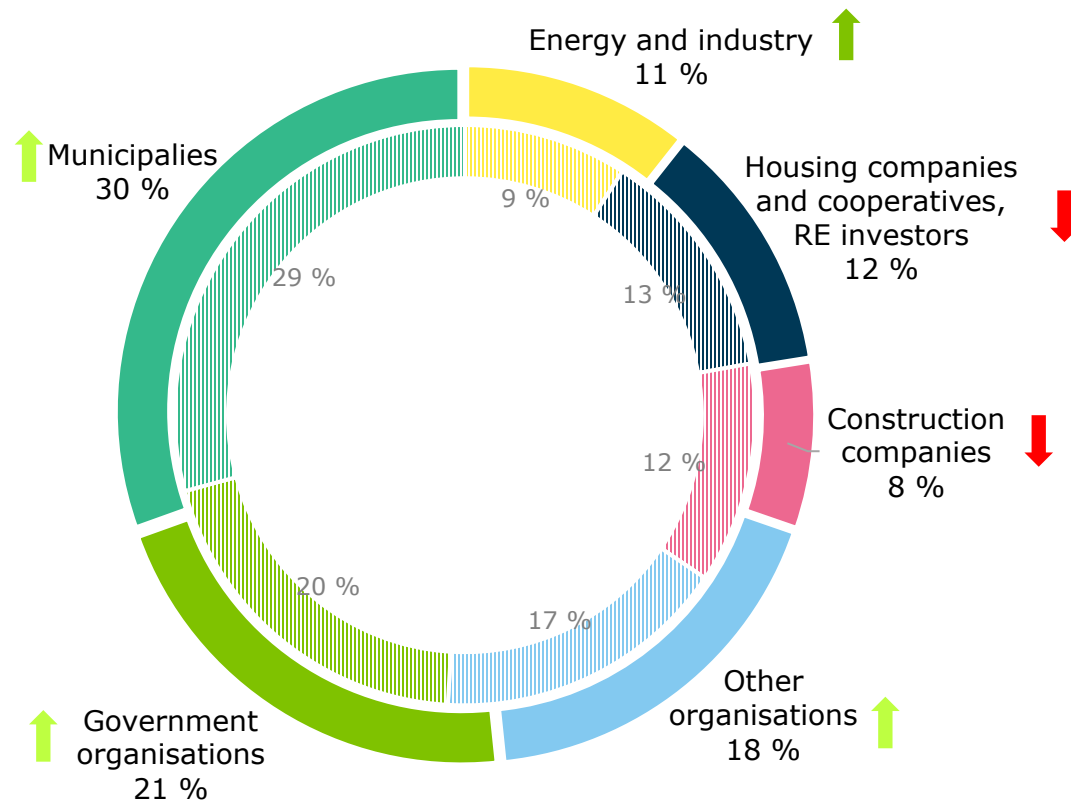


Q4 win: Sitowise is involved in 13 out of 14 areas of the framework agreement with the Technical Department of City of Espoo for the years 2025–2028, including, among others, street and municipal planning in Espoo.



Sales focus directed at defined growth segments

Net sales by client segment
in 2024 (Finland*)



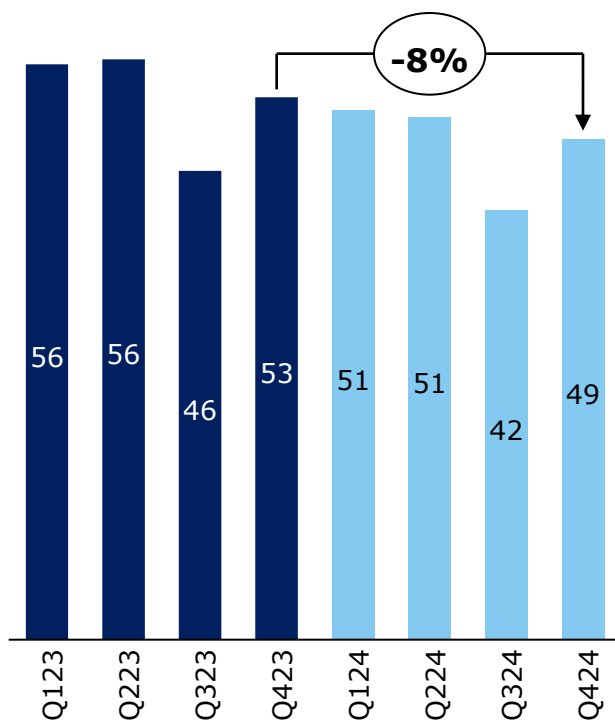
One fourth of the group's net sales from high growth areas

- **Net sales in targeted growth areas grew at double-digit rate in 2024 and represented approx. one fourth of Group net sales.**
 - Sustainability (across client segments)
 - Energy
 - Industry
 - Security (mainly Government organizations)
 - Product business (across client segments)
- **~16% of 2024 net sales from very weak markets (structural engineering).**
- **Majority of the business directed at stable, no growth or low growth segments.**

Group level performance driven by strong Infra and Digital Solutions and weaker Sweden and Buildings

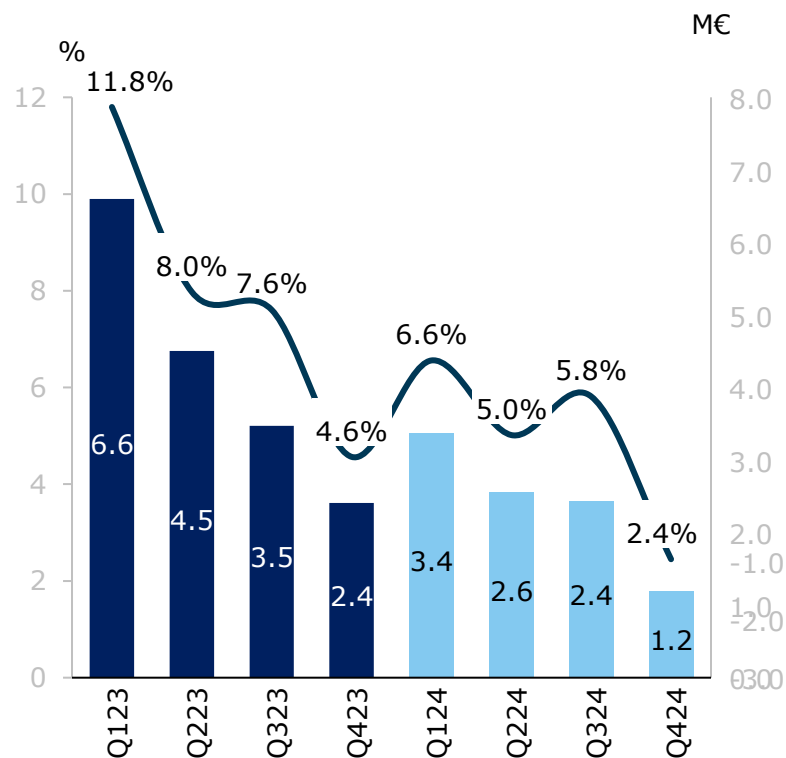
Net sales

EUR million



■ Net sales, EUR million

Profitability



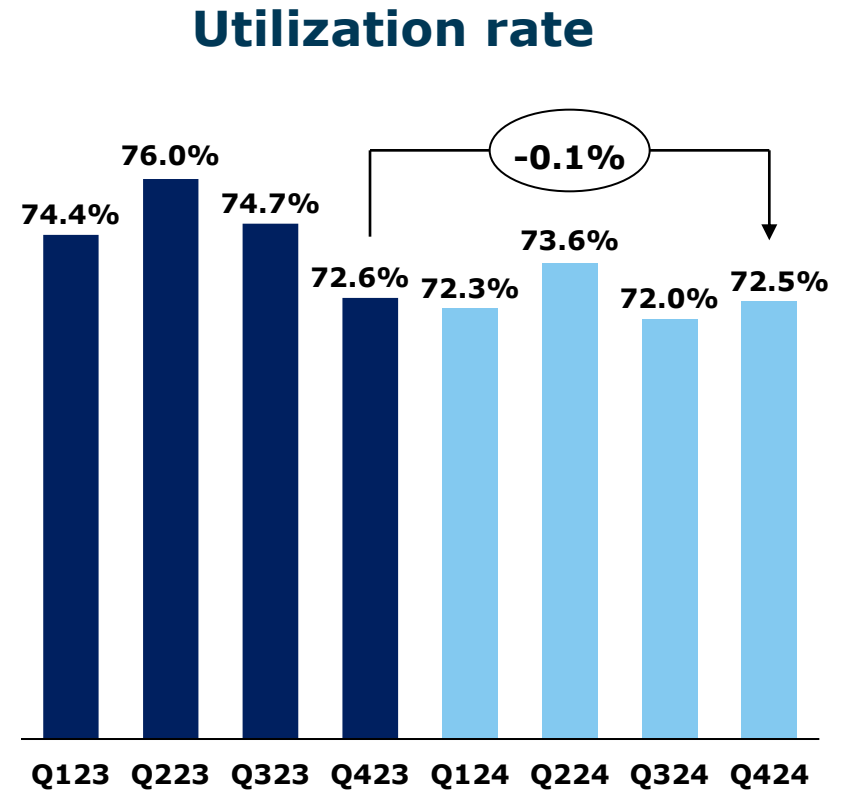
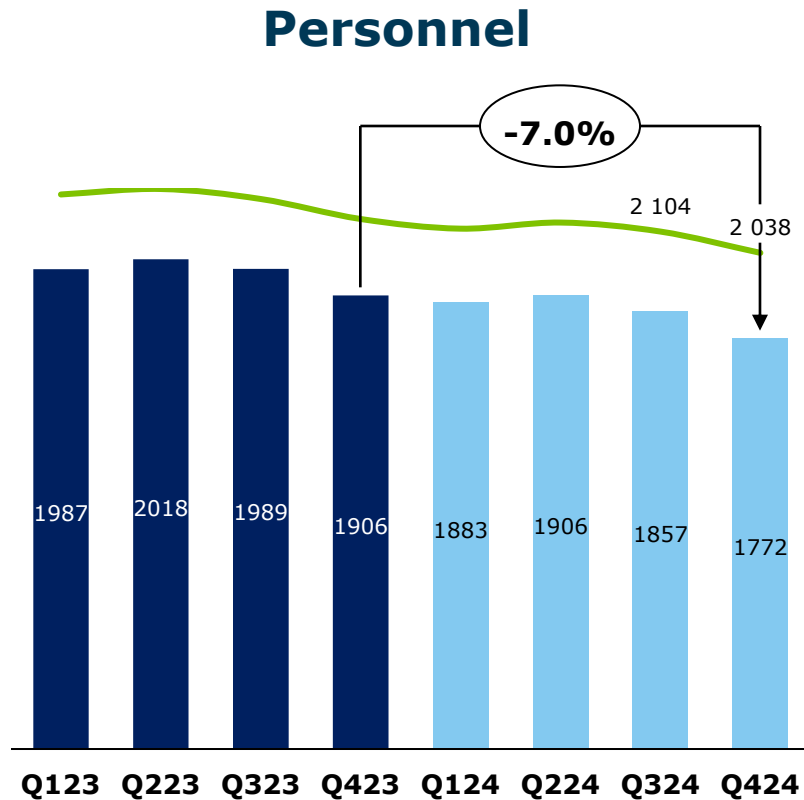
■ EBITA, adjusted, m€

— EBITA, adjusted %

Factors impacting Q4

- + Infra and Digital Solutions performance.
- + Contribution from own pricing and operational cost efficiency actions.
- (-) Negative impact from timing of Xmas holidays.
- Adverse impact from prolonged weak market environment (demand, pricing, utilization rate and order book).
- Issues from old projects.
- Overall tight competition and pricing environment.

More personnel adjustments in Q4 than earlier, utilization pressed especially by overcapacity in structural engineering

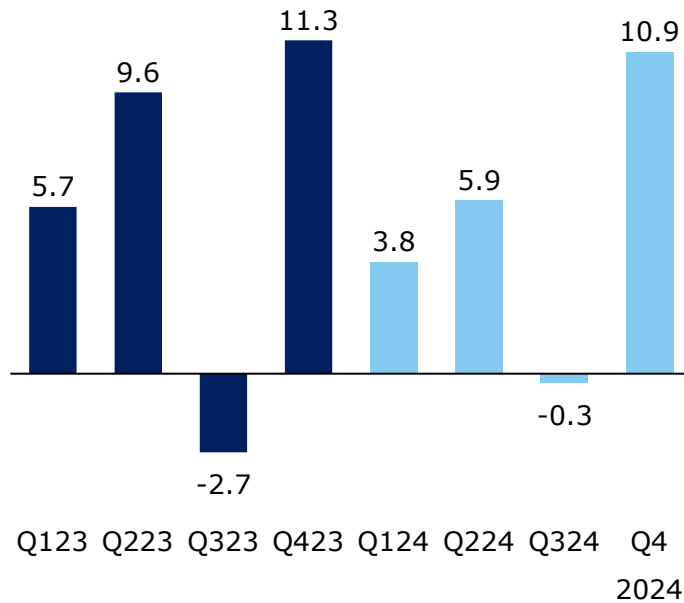


Cash flow at healthy level, net debt slightly down

Financial position stable despite increased leverage ratio

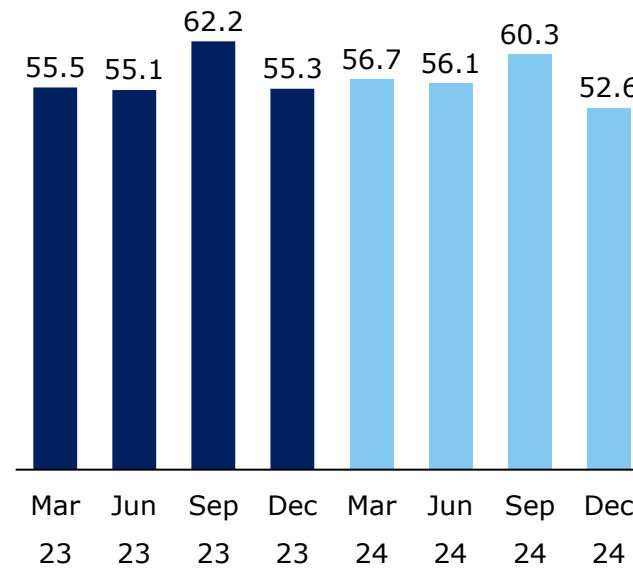
Cash flow from operating activities

Before financial items and taxes, EUR million



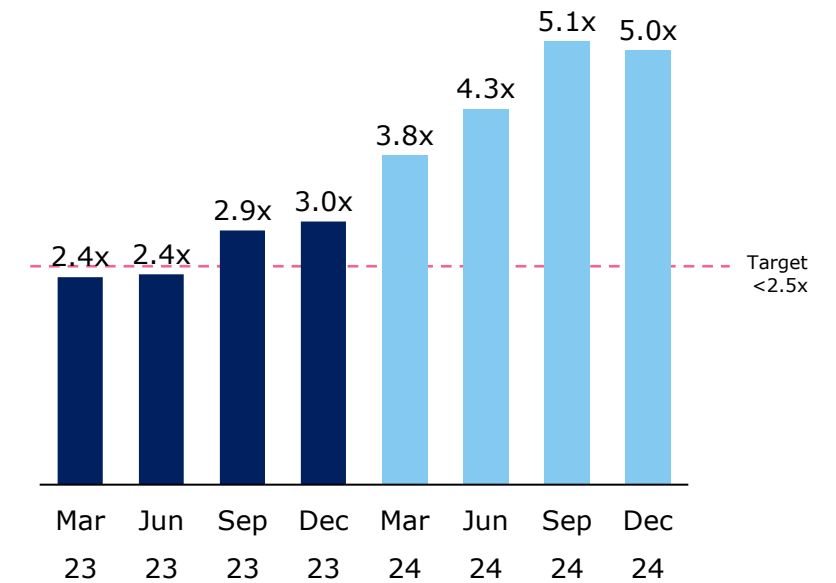
Net debt

EUR million



Leverage

Net debt / Adjusted EBITDA (LTM) multiple



- Sitowise has a 100 M€ financing agreement signed with its financiers in 2021 and further extended in February 2023. The agreement is valid until March 2026.
- At the end of December EUR 70.0 million of the financing agreement was in use (53% were fixed-rate loans and 47% variable-rate loans)
- Sitowise has agreed on temporary amendment to its loan covenant.

Q4 and FY 2024 Profit and Loss Statement

EUR million	Q4 2024	Q4 2023	Change	1-12 2024	1-12 2023	Change
Net sales	48,8	52,8	-7,6 %	192,9	210,9	-8,5 %
EBITA, adjusted	1,2	2,4	-50,4 %	9,6	17,0	-43,8 %
% of net sales	2,4 %	4,6 %		5,0 %	8,1 %	
EBITA	0,9	1,3	-25,9 %	7,4	15,1	-50,9 %
Operating profit	-0,4	0,3	-205,9 %	2,5	11,7	-78,9 %
Result for the period	-1,6	-0,9	-89,9 %	-2,7	5,5	-148,8 %
Cash flow from operating activities before financial items and taxes	10,9	11,3	-3,5 %	21,5	23,9	-10,1 %
Net debt	52,6	55,3		52,6	55,3	
Net debt / EBITDA, adjusted	5,0x	3,0x		5,0x	3,0x	
Equity ratio, %	43,2 %	42,9 %		43,2 %	42,9 %	
Earnings per share (EPS), EUR	-0,05	0,16	-103,2 %	-0,08	0,16	-148,0 %
Dividend per share (DPS), eur						
Number of personnel, average	2 066	2 211	-4,7 %	2 097	2 211	-5,2 %

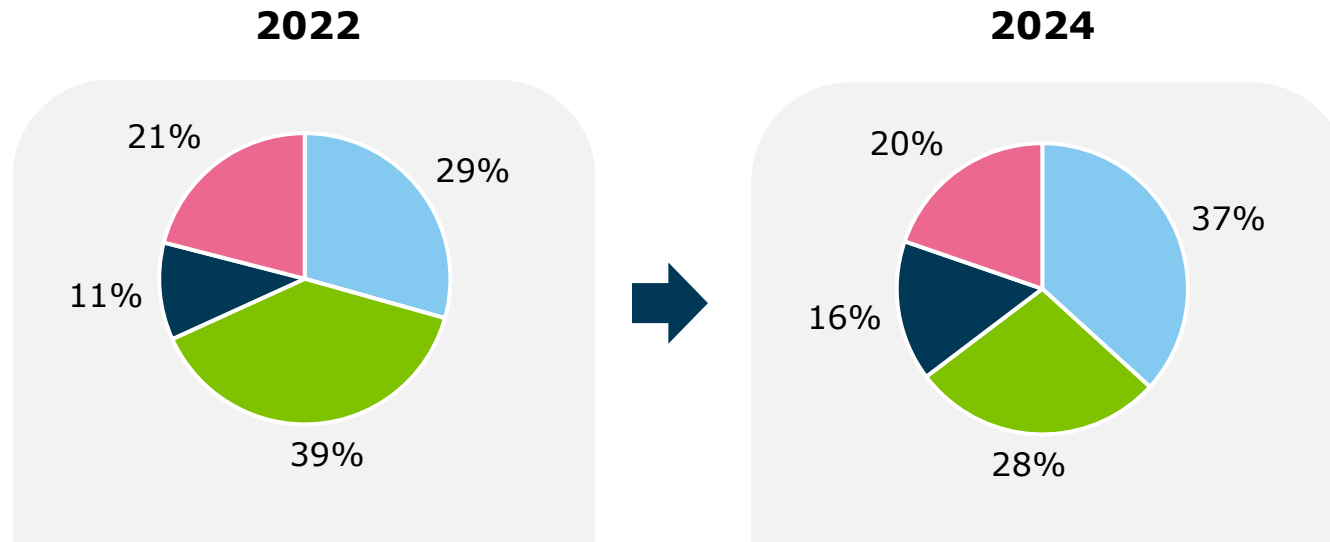
Q4 2024 FTEs
-7.0%
 YoY

Q4 2024 NET SALES
-7.6%
 YoY

Q4 2024 ADJUSTED EBITA MARGIN
2.4%

Market changes and our own growth focus behind the business mix changes

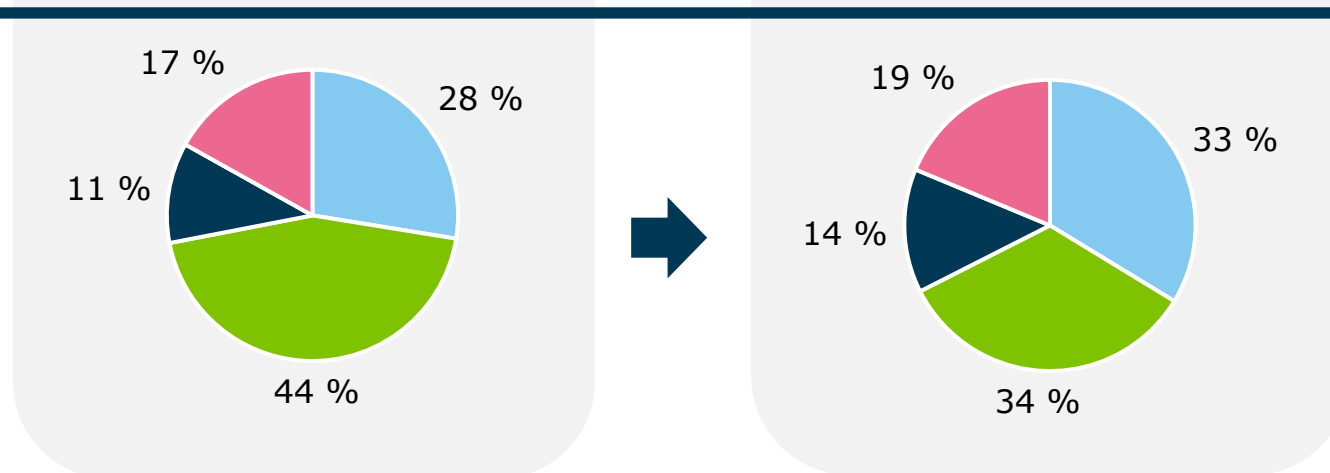
Share of net sales



- Infra and Buildings have switched places as the largest and second largest business areas
- Good growth in Digital Solutions
- Sweden quite stable

Share of FTEs*

- Infra
- Buildings
- Digital Solutions
- Sweden



- Changes in FTEs reflecting market dynamics and acquisitions made

* Full-time employees, excl. Group functions.

Well diversified portfolio helps driving profitable growth in changing market



	Share of net sales	Market outlook	Current profitability
Infra	37%	Stable	Above target
Buildings	28%	Weak	Negative
Digital Solutions	16%	Stable	Above target
Sweden	20%	Weak	Negative

Timeframe:

Q4 2024

Next 12 months

Q4 2024

Definitions:

Percentage of consolidated net sales

Strong / Stable / Weak

Adj. EBITA-% / Above: >12%;
In line: 10-12%; Below: 5-10%;
Clearly below: 0-5%; Negative <0%

Outlook for 2025

- Long-term growth in Sitowise's services is supported by megatrends.
- Market environment expected to remain mixed in 2025, with growing demand for green transition, security, and digitalization boosting Infra and Digital Solutions.
- Buildings sector expected to be weak in H1, with uncertain recovery timing, likely in H2. In Sweden, construction market recovery postponed to H2, but outlook for buildings services and infra market is better. The likelihood of new construction recovery being delayed to 2026 has risen significantly.
- Other 2025 factors: fewer working days in Finland, cost inflation, EUR/SEK exchange rate, and higher interest expenses

No guidance issued

Due to the unpredictable timing of construction market recoveries both in Finland and Sweden there is significant uncertainty related to Sitowise's net sales development in 2025.

Therefore, Sitowise has decided not to give net sales and profitability guidance for 2025 at this stage.

Our focus areas in 2025 for growth and profitability

Capturing growth

- Sustainability, energy, industry, security
- Product business

Buildings and Sweden turnarounds

Industry leading efficiency supported by AI

Mastering the core processes

- Sales
- Project management

Improving profitability

Maintaining strong cashflow

Increasing resilience through strategic diversification



**Strategic
initiatives
progressing
well**



SITOWISE

Sitowise strategy 2025

**We understand
our clients**



**We work as
one team**



**We trust
each other**



**We are
open**



**We are
brave**



OUR PURPOSE ›
Empowering
passionate experts
to solve complex
challenges.

OUR VISION ›
Redefining
smartness
in cities



**The most
innovative**



**The most
sustainable**



**The most
efficient**

WE WILL FOCUS ON ›

- Creating new smart services
- Accelerating growth in Sweden
- Expanding our digital solutions business
- Becoming a thought leader in sustainability
- Being the most well-known and desired employer
- Finding the smartest ways to work

Highlights from 2024



The most Innovative

- ✓ Roughly 1m revenue from new product innovations with high growth potential
- ✓ 16 AI Proof of Concepts and 2 new AI tools; active AI users reached 20% across group
- ✓ Untapped potential in new business models which will become even more important when utilization of AI develops



The most Sustainable

- ✓ Sustainability business grew by over 50% boosted by M&A and external campaigns to raise the awareness and our expertise
- ✓ Decision to getting organized and grow Sustainability consulting also in Sweden
- ✓ Commitment to frameworks (SBTi, Ecovadis, Global Compact) and preparing reporting based on new (ESRS) standards



The most Efficient

- ✓ Significant organic growth in the strategic sales focus areas
- ✓ Increasing usage of automated/AI solutions
- ✓ Continuous work in developing and implementing the best practices throughout the organization (Smartest Ways to Work)



Thank you! Q&A

Sitowise Q1 2025 Result
13 May 2025 @8.30 am EET
ir@sitowise.com