

SITOWISE GROUP PLC

# On organic growth path

**Interim Report**  
**1 January – 31 March 2022**



**SITOWISE**



Elina, Director, Municipality and Traffic, on the cover Hima, Engineer

## CONTENTS

<b>2</b>	PERIOD IN BRIEF AND KEY FIGURES
<b>3</b>	CEO HEIKKI HAASMAA
<b>4</b>	OUTLOOK, GUIDANCE AND FINANCIAL TARGETS
<b>4</b>	FINANCIAL DEVELOPMENT
<b>8</b>	BUSINESS REVIEW
<b>12</b>	SUSTAINABILITY
<b>13</b>	PERSONNEL, MANAGEMENT AND CORPORATE GOVERNANCE
<b>14</b>	SHARES AND SHAREHOLDERS
<b>15</b>	RISKS AND UNCERTAINTIES
<b>15</b>	SEASONALITY
<b>16</b>	QUARTERLY NET SALES AND EBITA OF THE GROUP
<b>17</b>	MAIN EVENTS AFTER PERIOD-END
<b>18</b>	MAIN FINANCIAL STATEMENTS
<b>22</b>	NOTES

The figures in the interim report are unaudited. Comparative figures for the corresponding period of the previous year are in brackets. This report has been published in Finnish and English. If there are any differences between the English translation and the original Finnish version, the Finnish report shall prevail.

## JANUARY–MARCH IN BRIEF

- Net sales increased by 15% to EUR 49.2 (42.8) million
- Organic net sales grew by 7 (0) %
- Adjusted EBITA was EUR 5.2 (4.7) million, or 10.6% (11.0%) of net sales
- The order book increased by 29% to EUR 172 (133) million
- Leverage (net debt / adjusted EBITDA) remained at the same level and was 1.5x (1.4x)
- In the client survey conducted at the beginning of the year, the willingness to recommend remained at a good level, in addition to which 94% of respondents would re-select Sitowise as their supplier.
- Sitowise acquired the Swedish infrastructure design agency Mavacon AB and completed the acquisition of VRT Finland Oy's business regarding 3D construction inspection.

## KEY FIGURES

EUR million	1-3/2022	1-3/2021	1-12/2021
Net sales	49.2	42.8	179.3
EBITA, adjusted	5.2	4.7	21.1
% of net sales	10.6%	11.0%	11.8%
EBITA	3.5	4.1	18.5
Result for the period	1.1	-0.8	7.9
Cash flow from operating activities before financial items and taxes	7.0	5.2	22.8
Net debt	33.4	30.5	30.9
Net debt / EBITDA, adjusted	1.5x	1.4x	1.4x
Equity ratio, %	47.2%	46.0%	46.0%
Earnings per share (EPS), EUR	0.03	-0.02	0.22
Number of personnel, average	2,044	1,910	1,969

## CEO HEIKKI HAASMAA:

In the first quarter, Sitowise's net sales developed favorably in both Finland and Sweden, with the company seeing a growth in net sales of 15 percent compared to the previous year. We continued on an organic growth path, with an organic growth of 7 percent in the first quarter. Our profitability remained at a good level. The adjusted EBITA was EUR 5.2 million, which represents an increase of 11 percent or EUR 0.5 million from the comparison period. The relative profitability decreased due to higher sick leave impacted mainly by the corona virus and the influenza season.

*“ In the first quarter, Sitowise's net sales developed favorably in both Finland and Sweden, with the company seeing a growth in net sales of 15 percent compared to the previous year.*

The continued recovery in the market since last year was reflected by increased tenders in January–March, and due to active sales efforts, our order book remained at a historically high level across all business areas. Among the most significant orders were the planning of the Liminka-Oulu double-track railway in northern Finland and the design of the Västerås hospital in Sweden. In addition to larger railway and hospital projects, we again received a significant number of small and medium-sized orders. Demand is now growing for projects related to, for example, securing the energy network and for wind power initiatives. In building design, the proportion of renovation projects is growing and many high-rise projects have also progressed.

The consequences of the war in Ukraine may increase the risks of a slowdown in market growth in the construction sector as well, but we see the direct effects of the crisis on Sitowise as limited. During the first quarter of the year, demand across all our business areas remained strong. In the coming months, we will see the extent to which increased material costs in construction, challenges in energy availability, as well as accelerated inflation and general market uncertainty will affect the schedules of ongoing projects and projects in the planning phase. In early March, Sitowise outlined its principles regarding the impact of the Ukraine war on the company's projects and subcontracting; these impacts are primarily associated with the Infrastructure business area. Sitowise will not begin new projects with Russian-owned entities and has gone through its ongoing projects in order to suspend any with such ties.

Various countries are currently reviewing and revising their national budgets accordingly. Regarding some projects, these realignments may lead to delays, but at the same time significant new opportunities will arise for Sitowise in all business areas. The crisis has made it clear to everyone that the crucial green transition needs to be accelerated, which has sped up the planning of related projects. This represents a significant



opportunity for us, as Sitowise wants to be the industry's most responsible partner in developing a prosperous living environment and investing in the development of sustainable services.

During the first quarter of the year, we announced one new acquisition in Sweden, where we expanded our infrastructure business with the acquisition of Mavacon Mark & VA Consult AB. In April, we also launched our unified Sitowise brand in Sweden, and now we have a strong foothold in all of our business areas there, creating a good foundation for future growth. In addition, the acquisition of VRT Finland Oy's service business area related to underwater surveys and structural inspections, announced at the end of the year, was successfully completed in January.

Our client survey conducted at the beginning of the year confirmed that Sitowise's expertise is appreciated. We have steadily strengthened our image as an industry leader and developer of new and innovative solutions. Our clients also trust us: 94% say they would re-select Sitowise as their supplier. As the new CEO, I am proud to continue building that trust together with our whole personnel.

## OUTLOOK, GUIDANCE AND FINANCIAL TARGETS

### MARKET OUTLOOK

The stable growth in the demand of design and consulting services to create sustainable societies is supported by megatrends such as urbanization, renovation backlog, sustainability, and digitalization.

During the first quarter of the year, demand across all our business areas remained strong. However, the uncertainty in the market brought by the war in Ukraine, material availability issues, energy availability challenges, and inflationary pressures could potentially affect the short-term decision-making of Sitowise's clients.

### GUIDANCE (UNCHANGED)

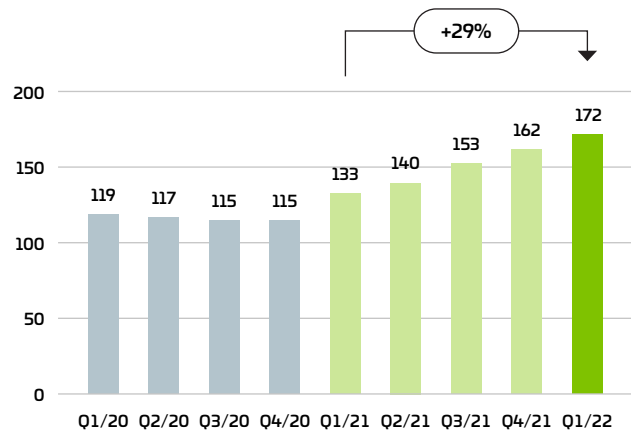
Sitowise Group estimates that both net sales and adjusted EBITA in euros will increase compared to 2021.

### LONG-TERM FINANCIAL TARGETS (UNCHANGED)

The Board of Directors of Sitowise Group has set the following long-term financial targets:

- **Growth:** Annual growth in net sales of more than 10 percent, including acquisitions;
- **Profitability:** Adjusted EBITA margin of at least 12 percent;
- **Leverage:** Net debt / adjusted EBITDA should not exceed 2.5x, except temporarily in conjunction with acquisitions; and
- **Dividend policy:** Sitowise targets paying a dividend corresponding to 30–50 percent of net profit.

## THE GROUP'S ORDER BOOK



THE GROUP'S ORDER BOOK, EUR MILLION

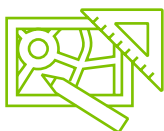
The order book increased by 6 percent since the end of 2021. Compared to the corresponding period last year, the order book increased by 29 percent to EUR 172 million. The growth of order book was driven by small and medium-sized projects.



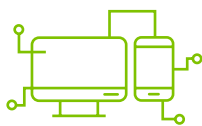
## SITOWISE'S BUSINESS AREAS



The **Buildings** business area offers building design, specialist and consulting services for e.g. residential and commercial properties, as well as for the needs of the healthcare sector and industry. The business area offers significant design expertise in e.g. high-rise construction, acoustics design, and fire safety planning. Sitowise acts as a partner in both new construction and repair planning.



The services of the **Infrastructure** business area cover a wide range of urban development needs in diverse areas: infrastructure, transport and mobility, urban development, environment and water, and the construction of infrastructure. Urbanization supports the investment needs of municipalities and cities in particular, and the business area's most significant client segment is the public sector, which accounts for almost 70 percent of net sales.



The **Digital Solutions** business area focuses on digital solutions for mobility and the built environment as well as consultancy services that support these fields. These services cover client-driven information system development, ready-made product solutions, analytics, information management and visualization, and expert and consulting services. This business also includes digital solutions for traffic and infrastructure in Sweden.



Sitowise's operations in **Sweden** are organized as their own business area, aside from digital solutions. In Sweden, Sitowise provides design and consulting services for the following fields: structural engineering, building services engineering, consulting for buildings and real estate, infrastructure and related building services engineering, and geotechnical design.

## THE GROUP'S NET SALES AND PROFITABILITY

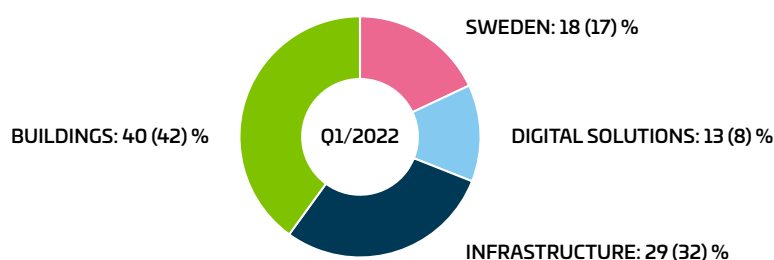
### NET SALES

EUR million	1-3/2022	1-3/2021	1-12/2021
Buildings	19.8	18.0	72.1
Infrastructure <sup>2)</sup>	14.2	13.8	56.4
Digital Solutions <sup>1), 2)</sup>	6.3	3.6	19.8
Sweden	8.9	7.4	31.0
<b>Total</b>	<b>49.2</b>	<b>42.8</b>	<b>179.3</b>

<sup>1)</sup> Includes the Group's Swedish subsidiary, Infracontrol AB.

<sup>2)</sup> Figures for the comparison year has been adjusted to reflect the current organizational structure.

Share of the Group's net sales



### NET SALES JANUARY–MARCH

The Group's net sales increased by 15 percent in the first quarter of the financial year 2022 in relation to the comparison period and was particularly driven by the 7 percent organic growth. There was organic growth in all business areas, and it was particularly strong in the Buildings, Digital Solutions and Sweden business areas. In addition, the acquisitions made at the end of the last year and during the ongoing year impacted the net sales positively.

In the first quarter of this year, there was one working day more than in the comparison period. But taking into account the increased sick leaves due to, among other factors, the corona virus and the influenza season, the combined effect of these on net sales was slightly negative.

EUR million	1-3/2022	1-3/2021	1-12/2021
EBITA, adjusted	5.2	4.7	21.1
% of net sales	10.6%	11.0%	11.8%
EBITA	3.5	4.1	18.5
Operating profit	2.9	3.7	16.4
Result before taxes	1.5	-1.1	10.3
Result for the period	1.1	-0.8	7.9
Earnings per share (EPS), EUR	0.03	-0.02	0.22

### PROFITABILITY JANUARY–MARCH

**Adjusted EBITA** increased 11 percent due to higher net sales, but was weakened by increased sick leave. Some of the other operating expenses also increased as the Group gradually transitioned to the post-coronavirus period which resulted in increased activities. Items related to comparability were EUR -1.7 (-0.6) million, mainly due to acquisitions, one of which did not materialize, and write-downs of projects of Russian-owned clients.

The **operating profit** decreased by 20 percent compared to the comparison period, mainly due to higher expenses related to comparability.

Both the **result before taxes** for the comparison period and the result for the comparison period were particularly burdened by the financing costs related to the listing.

## FINANCIAL POSITION AND CASH FLOW

Equity attributable to owners of the parent company was EUR 117.0 (104.1) million.

EUR million	31 Mar 2022	31 Mar 2021	31 Dec 2021
Cash and cash equivalents	16.9	9.1	19.4
Interest bearing debt, total	50.3	39.6	50.2
<i>Interest bearing debt, current</i>	1.0	0.0	1.0
<i>Interest bearing debt, non-current</i>	49.2	39.6	49.2
Equity ratio, %	47.2%	46.0%	46.0%
Net debt	33.4	30.5	30.9
Net debt / EBITDA, adjusted	1.5x	1.4x	1.4x
Gearing, %	28.5%	29.3%	26.9%

The company's liquidity remained good in the first quarter. Leverage increased as a result of acquisitions, but remained approximately at the same level as at the turn of the year.

Cash flow from operating activities before financial items and taxes was EUR 7.0 (5.2) million during the first quarter. The increase compared to the comparison period was mainly due to positive changes in working capital.

Cash flow from investing activities decreased to EUR -6.3 (-9.3) million in January–March, mainly driven by larger acquisitions during the comparison period.

During the first quarter, cash flow from financing was EUR -0.9 (0.6) million, consisting primarily of payments from lease liabilities and payments from share issues. In the comparison period, the cash flow from financing activities was mainly affected by the financing arrangements related to the listing.

The consolidated balance sheet total at the end of March was EUR 248.0 (226.7) million. Goodwill in the balance sheet was EUR 139.7 (126.0) million. No indications of impairment exist.



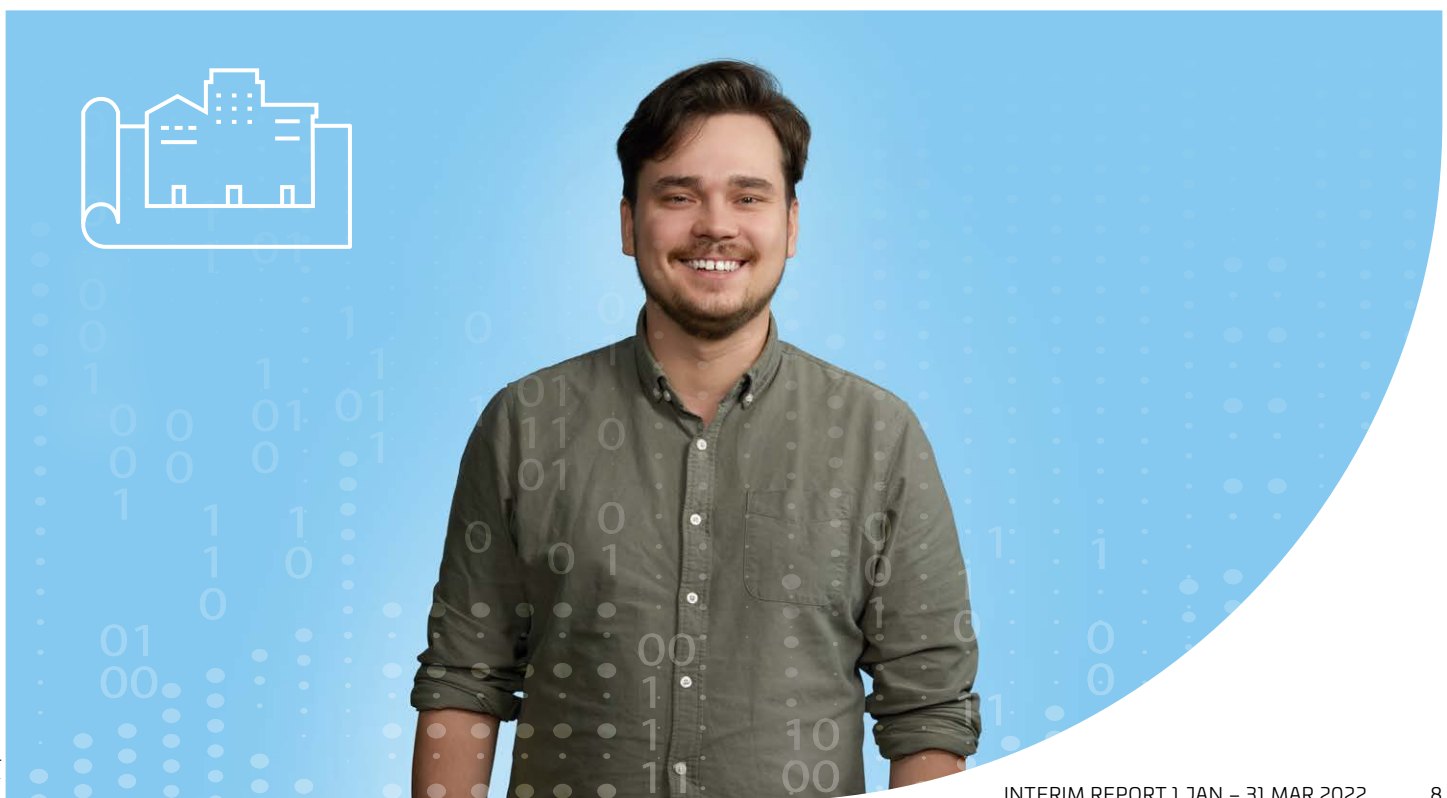
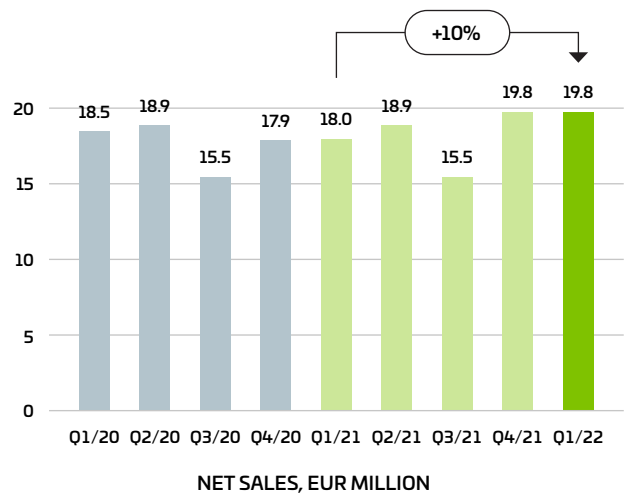
## BUSINESS REVIEW: BUILDINGS

The **Buildings** business area's net sales increased by 10 percent in the first quarter compared to last year and amounted to EUR 19.8 (18.0) million. The business area accounted for approximately 40 (42) percent of the Group's net sales.

The continued organic growth of the business area was driven by the increase in the number of employees and the improvement of operational efficiency. The order book grew, supported by strong demand.

The business area received additional orders in larger existing projects, especially for hospitals, such as the Päijät-Häme Central Hospital in Finland (HVAC and electrical design for the construction phase RV8), and for high-rise construction projects. In addition, renovation projects continued to pick up. The organization of the business area was streamlined. The integration of the operations acquired last year and the expansion of these businesses continued successfully.

*The continued organic growth of the business area was driven by the increase in the number of employees and the improvement of operational efficiency.*





## BUSINESS REVIEW: INFRASTRUCTURE

The **Infrastructure** business area's net sales increased by 3 percent in the first quarter compared to last year and amounted to EUR 14.2 (13.8) million. The business area accounted for approximately 29 (32) percent of the Group's net sales.

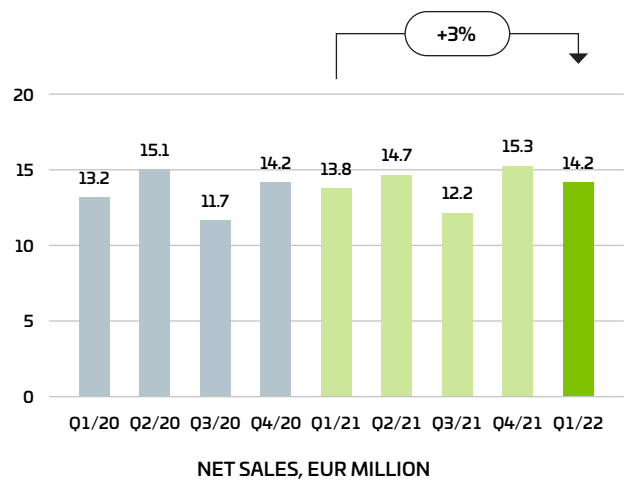
The Infrastructure business area's net sales grew faster than the market, and the order book remained strong.

The business area received significant medium-sized assignments. A significant order was received for rail projects related to the design of the Liminka-Oulu double track. In connection with the green transition, planning for several wind power projects was initiated. Additionally, the business area's received orders related to the resilience of energy networks and the design of transmission networks. As part of the wider Kruunusillat bridge development project, which started in 2021, construction began in February on the new Hakaniemensilta bridge in central Helsinki, of which Sitowise is responsible for the design.

In the beginning of January, Sitowise completed the acquisition of VRT Finland Oy's 3D construction inspection business.

In early March, Sitowise outlined its principles regarding the impact of the war in Ukraine on the company's projects and subcontractors. The effects are felt primarily in the Infrastructure business area. Sitowise will not be initiating new projects with Russian-owned entities and has monitored ongoing projects in order to suspend any with such ties.

*The Infrastructure business area's net sales grew faster than the market, and the order book remained strong.*



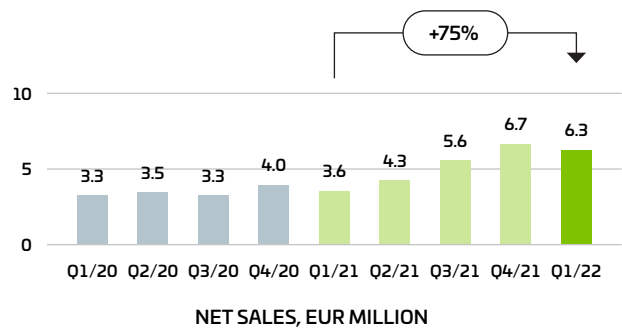
## BUSINESS REVIEW: DIGITAL SOLUTIONS

The net sales of the **Digital Solutions** business area increased by 75 percent in the first quarter compared to last year and amounted to EUR 6.3 (3.6) million. The business area accounted for approximately 13 (8) percent of the Group’s net sales.

The growth in net sales was boosted by the acquisition of Infracontrol, Sweetlakes and MSDI in 2021, but organic growth in net sales was also very strong and clearly faster than the overall development in the IT market. The business area’s sales activity and order book remained good during the first quarter. To meet the growing need for resources, the business area began working with an external recruitment partner.

In the public sector, an agreement was signed to provide expert services for map production to the National Police Board of Finland. The Digital Solutions business area also began to provide data management services for the One-hour Turku Rail Link project together in collaboration with the Infrastructure business.

*Organic growth in net sales was also very strong and clearly faster than the overall development in the IT market.*



Lauri, sEngineer

## BUSINESS REVIEW: SWEDEN

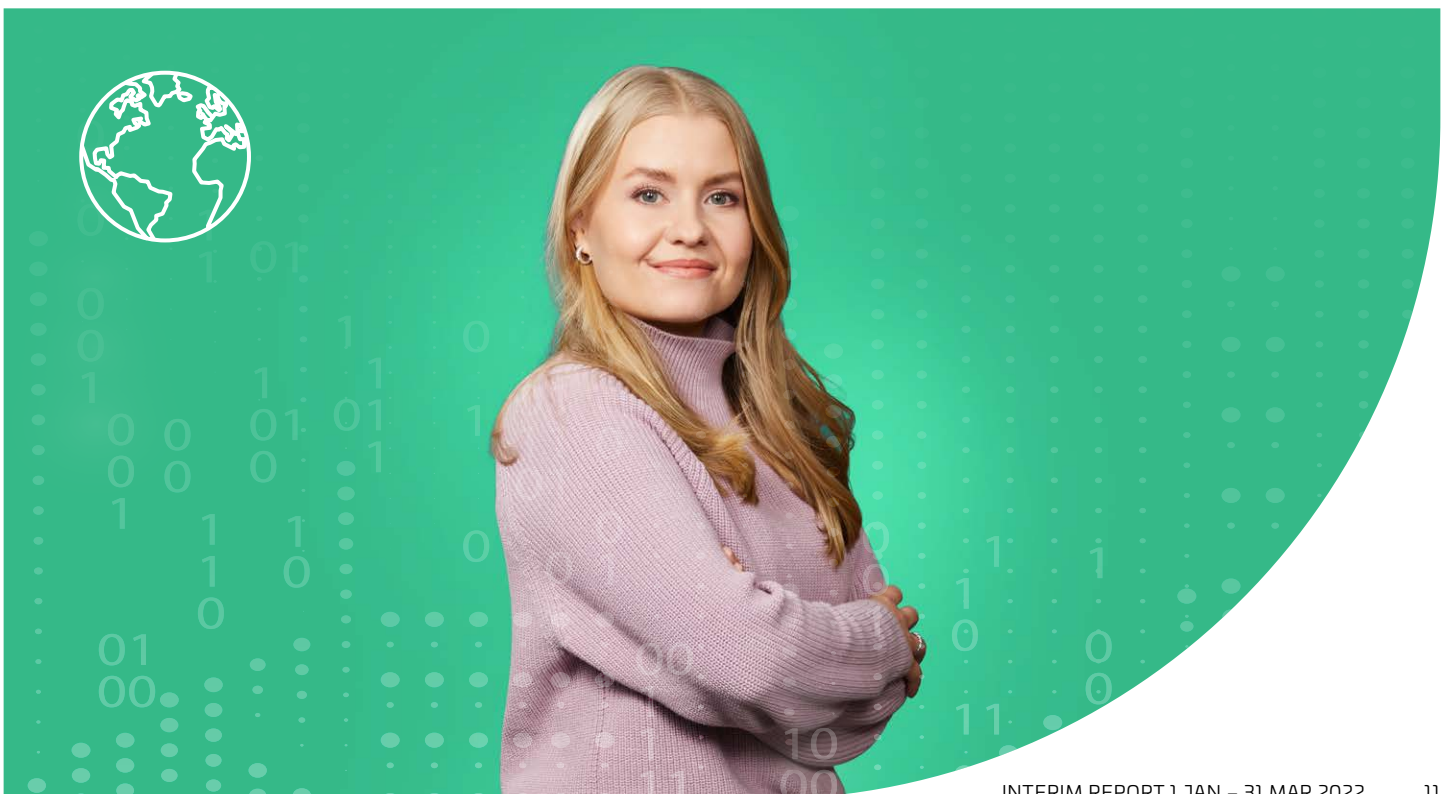
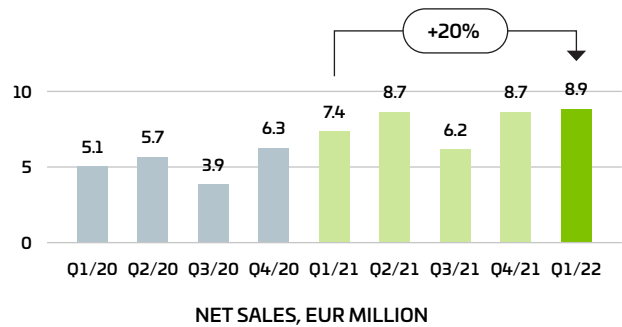
The net sales of business operations in **Sweden** increased by 20 percent in the first quarter compared to last year and amounted to EUR 8.9 (7.4) million. The majority of the net sales growth in the Swedish operations was organic. Net sales in Sweden accounted for approximately 18 (17) percent of the Group's total net sales.

The recovery in the Swedish market continued in the first quarter and the order book grew strongly.

The Sitowise brand was launched in Sweden in April after the review period at hand, and the integration of companies acquired last year continued as planned. The growth of business was supported by significant orders related to the new emergency hospital in Västerås as well as several new projects related to modular prefabricated construction.

In January, Sitowise announced the acquisition of Mavaco's Mark & VA Consult AB, which will expand Sitowise's service portfolio in Sweden, especially in the fields of infrastructure consulting, technical studies, and engineering services for road, land, water, sewer, and stormwater projects.

*The recovery in the Swedish market continued in the first quarter and the order book grew strongly.*



## SUSTAINABILITY

At the end of the first quarter of 2022, the sustainability tool developed by Sitowise was used in 65 percent of all new projects started in Finland. This was a significant increase compared to 2021, when the tool was used by 34 percent of projects which begun that year. The tool is part of the digital collaboration platform Voima. Sitowise’s aim is for all projects starting in the Group’s business areas to utilize the sustainability tool, thereby integrating corporate responsibility and sustainable development aspects into every client project. The tool is currently only used in Finland.

In March, as part of its annual report, Sitowise published the 2021 Sustainability Report. As part of the annual report, all aspects and impacts of environmental, social, and governance (ESG) criteria were reported. For 2021, the Group’s carbon footprint was calculated for the first time following the Greenhouse Gas Protocol 1, the world’s best-known and most widely used standards and guidance framework for calculating and reporting annual greenhouse gas emissions by companies and organizations. Furthermore, Sitowise will report for 2021, in accordance with the new EU taxonomy legislation, the share of net sales from its services related to taxonomy-eligible economic activities.

The implementation of the sustainability program approved by Sitowise’s Board of Directors in December 2021 began at the beginning of 2022 in both Finland and Sweden. The goals of the Sustainability Program 2025 are:

-  **Sitowise is carbon neutral by 2025**
-  **Sitowise is the most equal workplace with best employee wellbeing in the industry**
-  **Sitowise aims for sustainable economic growth**
-  **Sitowise actively contributes to make the industry more sustainable**



## PERSONNEL AND MANAGEMENT

### PERSONNEL

	1-3/2022	1-3/2021	1-12/2021
Number of personnel, average	2,044	1,910	1,969
Number of personnel, at the end of the period	2,054	1,928	2,034

Personnel growth during the quarter was both due to acquisitions and organic growth.

### GROUP MANAGEMENT TEAM

In January, Sitowise's Board of Directors appointed Heikki Haasmaa as the Group's new CEO. Haasmaa started in his position on 1 May 2022. On 10 February 2022, Sitowise announced that Anne-May Asplund will resign as Sitowise's Chief Human Resources Officer and Group Management Team member during February 2022.

Members of the Group Management Team on 31 March 2022:

- Pekka Eloholma (Chief Executive Officer until April 30, 2022)
- Heidi Karlsson (Chief Financial Officer)
- Jonas Larsson (Head of Swedish Operations)
- Jannis Mikkola (Deputy CEO and Business Director, Infrastructure)
- Timo Palonkoski (Deputy CEO and Business Director, Buildings)
- Turo Tinkanen (Chief Information Officer)
- Minttu Vilander (Chief Communications and Sustainability Officer)
- Teemu Virtanen (Business Director, Digital Solutions)

### BOARD OF DIRECTORS

There have been no changes in the Sitowise Group's Board of Directors since the listing at the end of March 2021. The members of the Board of Directors on 31 March 2022:

- Eero Heliövaara (Chairman)
- Leif Gustafsson
- Taina Kyllönen
- Mirel Leino-Haltia
- Elina Piispanen
- Petri Rignell
- Tomi Terho

All members of the Board of Directors are independent of the company and the company's major shareholders, excluding Tomi Terho, who represents the company's largest shareholder, Intera Partners.

## CORPORATE GOVERNANCE

### BOARD AUTHORIZATIONS

After the initial public offering and the issuance of options, the company gained the following authorizations granted by a unanimous resolution of the shareholders on 3 March 2021:

The Board of Directors has been authorized to decide on a share issue as well as the issuance of option rights or other special rights entitling to shares within the meaning of Chapter 10, Section 1 of the Finnish Companies Act in one or several lots. The authorization includes both the issuance of new shares as well as the transfer of treasury shares. The total number of shares to be issued shall not exceed 3,500,000 shares, and the issuance of shares and of special rights entitling to shares could also be carried out in deviation from shareholders' preemptive rights (directed issue).

The Board of Directors has been authorized to decide on the acquisition of the company's own shares. Based on the authorization, the total number of shares to be acquired may not exceed 3,500,000 shares. However, the company together with its subsidiaries cannot at any moment own more than 10 percent of all the shares of the company. The Board of Directors has been authorized to decide on the acquisition of the company's own shares; and derivative instruments, among others, may be used in the acquisition. Based on the authorization, the company could acquire its own shares at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market. Furthermore, the acquisition of shares could also be carried out in deviation from the shareholders' pre-emptive rights (directed acquisition). Only the unrestricted equity of the company could be used to acquire its own shares on the basis of the authorization.

The authorizations will be effective until the end of the next Annual General Meeting, however no longer than until 30 June 2022.

In June and December 2021, the Board of Directors decided to issue 250,000 new shares in each issue, a total of 500,000 shares, in a directed free issue, based on the above-mentioned share issue authorization. The Board of Directors decided to issue 218,323 treasury shares in directed issues in June, July, November and December 2021 in connection with acquisitions. During the review period 1 January 2022 – 31 March 2022, the Board of Directors issued 95,532 shares in connection with the acquisition, and at the end of the review period, 2,686,145 shares remained from the Board's authorization.

## SHARES AND SHAREHOLDERS

### SHARES OUTSTANDING AND SHARE CAPITAL

At the end of the review period 2021, Sitowise Group Plc's share capital was EUR 80,000. Based on the authorization given by the shareholders on 15 March 2021, the Board of Directors decided on 15 December 2021 to issue 250,000 new Sitowise shares to the company itself in a directed free issue. The shares were registered in the Trade Register on 3 January 2022 and were admitted to trading on the stock exchange list of Nasdaq Helsinki Oy on 4 January 2022. The total number of shares issued by the company after the registration of the new shares is 35,665,927, of which the company held 201,415 shares.

	31 Mar 2022	31 Mar 2021
Registered share capital, EUR thousand	80	80
Registered total number of shares	35,665,927	34,493,874
Shares owned by the company	201,415	0

Own shares held by the company according to the shareholder register on 31 March 2022. The company has one class of shares. Each share entitles the holder to one vote and an equal dividend.

The Board of Directors of Sitowise Group Plc has decided to start repurchasing Sitowise's own shares through a share repurchase program, which was confirmed by a unanimous resolution of the shareholders on 3 March 2021. The shares will be acquired for use in possible acquisitions and as part of Sitowise's remuneration plans. The maximum number of shares to be repurchased is 500,000 and a maximum of EUR 4.35 million will be used to repurchase the shares.

### TRADING OF SHARES

SITOWS Nasdaq Helsinki	1-3/2022	1-3/2021
Number of shares traded, million	0.5	13.1
Value of the trading, EUR million	3.5	107.3
Closing price on final day of trading, EUR	6.45	8.48
Volume-weighted average price, EUR	6.95	8.22
Highest price, EUR	8.22	8.56
Lowest price, EUR	5.55	8.20
Market capitalization (at the end of the period), EUR million	230.0	292.5

Trading in Sitowise Group's shares began on Nasdaq Helsinki Ltd's prelist on 25 March 2021 and on the stock exchange list on 29 March 2021.

### SHAREHOLDERS

At the end of the review period, 31 March 2022, the number of registered shareholders was 6,001 (7,522). Nominee-registered shareholders accounted for 33.3 (34.9) percent of the company's shares. The ten largest shareholders entered in the book-entry register maintained by Euroclear Finland Oy owned a total of 32.0 (30.9) percent. A list of these major shareholders is available on the company's website at [www.sitowise.com](http://www.sitowise.com).

In the table below, a list of the ten largest shareholders on 31 March 2022 is presented based on information from the Monitor service provided by the Swedish company Modular Finance AB: \*)

Shareholder	# of shares	% of shares
1 Intera Fund III Ky	5,121,573	14.3%
2 Lannebo Fonder AB	2,082,031	5.9%
3 Capital Group Companies, Inc.	1,745,252	4.9%
4 Didner & Gerge Småbolag	1,463,414	4.1%
5 Evli Finnish Small Cap	1,302,891	3.6%
6 Paradigm Capital Value Fund	1,219,512	3.5%
7 Avanza Pension	1,110,089	3.1%
8 Ilmarinen Mutual Pension Insurance Company	1,071,500	3.0%
9 SEB Finland Small Cap	860,244	2.4%
10 Skedevi Holding AB	850,000	2.4%
<b>10 largest in total</b>	<b>16,826,506</b>	<b>47.2%</b>
Outstanding shares on 31 Mar 2022	35,665,927	

\*) Data may be incomplete for both the number of shares and shareholders. It is not possible for the company to verify the accuracy or timeliness of the information. The company is not responsible for the information provided by the service provider, which is provided only as additional information. The company's shareholder register is available from Euroclear, and the company additionally publishes any flagging notifications it receives as stock exchange releases.

### FLAGGING NOTIFICATIONS

On 7 March 2022, Sitowise Group Plc received a notification from The Capital Group Companies, Inc. in accordance with Chapter 9, Section 10 of the Finnish Securities Markets Act, according to which The Capital Group Companies, Inc.'s indirect holding in the Company's shares and votes decreased below the threshold of 5 percent on 4 March 2022.

## RISKS AND UNCERTAINTIES

Significant risks and uncertainties related to the Sitowise Group's business include operational risks and damage risk, and strategic and financial risks, to which the Group's financial performance is vulnerable. During the 2021 financial year, an annual risk survey, was conducted and forms the basis for the Group's risk assessment — the results of which have been discussed by the Group's Board of Directors, the Management Team, and the business areas. The Sitowise Group's risk management process and responsibilities are described on the Group's website ([www.sitowise.com](http://www.sitowise.com)).

As for the operational risks in the Sitowise Group, the personnel risks include the employee re-tention, the well-being of the personnel as well as the availability of new specialists. Sitowise's business is reliant on skilled personnel, and talented professionals are an important factor in securing profitable growth and business. The COVID-19 pandemic and long-lasting remote working have posed a risk to employee retention and commitment to the Sitowise Group. Although the national remote work recommendation ended on 28 February 2022, remote working is widespread in some locations. The Sitowise Group's operational risks also include risks related to project work. Risks also include of damage risks such as IT system and cyber security risks.

A strategic risk for the Sitowise Group is that the planned growth based on acquisitions will not materialize if suitable acquisition targets are not available, arrangements cannot be made at a financially reasonable valuation level or acquisitions involve liabilities that cannot be considered in the purchase price. Both the strategic and financial risks of the Sitowise Group include financial market uncertainty or rising interest rates which lead to higher financing costs and reduced availability (adequacy,

timeliness and favorable terms), which is a noteworthy concern as Sitowise finances its operations and investments with cash flow and debt financing, and relies on external financing to implement its growth strategy.

Since March 2020, Sitowise Group has taken special care to evaluate potential financial risks due to the COVID-19 pandemic. The listing and the refinancing in connection with it strengthened the Group's liquidity, which has also been strengthened by monitoring trade receivables and cash flow more intensively. Uncertainties caused by general economic developments and changes in market conditions also represent business risks for the Sitowise Group.

The COVID-19 pandemic and new virus variants may continue to contribute to the uncertainty in the global economy and global financial markets. Further, the current exceptional situation in Europe due to Russian war activities against Ukraine may contribute to uncertainty in European financial markets. Both may lead to a decline in economic activity; for example, by leading to a reduction or postponement of investments and projects. The company has no offices in Russia, Belarus or Ukraine, nor does it export to those countries. The new sanctions imposed as a result of Russia's hostilities, the altered operational environment outside the scope of the sanctions — in addition to counter-sanctions — may create uncertainties which cannot be fully assessed at the time of publication of this interim report.

Many of the risks associated with Sitowise Group and its business are characteristic of the business and typical in the industry. The risks are described very comprehensively in the listing prospectus published on 12 March 2021 (available on our website [www.sitowise.com](http://www.sitowise.com)), and they still form a set of current risks.

## SEASONALITY

The seasonal variation of Sitowise's business is affected by the monthly allocation of the annual working days, which in turn is affected by the timing of public holidays (e.g. Easter and Christmas) and employee vacation periods. The Group's net sales and profitability are generally at their lowest in the third quarter due to the summer holidays. In addition to the normal seasonal fluctuations, the business year 2021 was affected by remote working periods due to COVID-19 restrictions, as well as by the shift in the timing of internal events, activities and holidays, and lower-than-normal sick leave.

### CALENDAR EFFECTS, NUMBER OF WORKING HOURS BASED ON SALES WEIGHTED BUSINESS MIX

	2022	2021	Difference
Q1	476	470	6
Q2	460	459	1
Q3	500	500	0
Q4	477	481	-4
<b>Full year</b>	<b>1,914</b>	<b>1,911</b>	<b>3</b>

## QUARTERLY NET SALES AND EBITA OF THE GROUP

EUR million	Q1/2021	Q2/2021	Q3/2021	Q4/2021	Q1/2022
<b>Net sales</b>	<b>42.8</b>	<b>46.5</b>	<b>39.6</b>	<b>50.5</b>	<b>49.2</b>
Other operating income	0.2	0.4	0.2	0.1	0.1
Materials and services	-2.4	-3.1	-3.8	-5.2	-4.1
Personnel expenses	-29.1	-30.7	-24.3	-31.1	-32.2
Other operating expenses	-4.9	-5.3	-4.9	-6.8	-5.9
Depreciations	-1.8	-1.9	-1.9	-1.9	-1.9
<b>EBITA, adjusted</b>	<b>4.7</b>	<b>5.9</b>	<b>4.9</b>	<b>5.6</b>	<b>5.2</b>
EBITA, adjusted %	11.0%	12.7%	12.4%	11.1%	10.6%
Items affecting comparability	-0.6	-1.3	-0.3	-0.4	-1.7
<b>EBITA</b>	<b>4.1</b>	<b>4.7</b>	<b>4.6</b>	<b>5.2</b>	<b>3.5</b>
EBITA %	9.5%	10.0%	11.6%	10.3%	7.2%





## MAIN EVENTS AFTER PERIOD-END

The Annual General Meeting was held on 20 April 2022. The Annual General Meeting adopted the financial statements for the accounting period 1 January – 31 December 2021, and discharged the persons who have acted as members of the Board of Directors and as CEO during the financial year from liability. The Annual General Meeting decided on a dividend of EUR 0.10 per share as proposed by the Board of Directors, which was paid out on 29 April 2022 to shareholders who were entered in the company's shareholder register maintained by Euroclear Finland Oy on the record date of the dividend payment, 22 April 2022. The Annual General Meeting approved the remuneration policy of the Company's governing bodies, decided that the composition and remuneration of the Board of Directors would remain the same, and re-elected the auditor. The Board's authorization to repurchase the company's own shares, to issue shares, and to grant special rights entitling to shares was renewed.

At the inaugural meeting following the Annual General Meeting, the Board elected Eero Heliövaara as its Chair and Tomi Terho as its Deputy Chair. In addition, the Board elected members to its committees. Eero Heliövaara was elected Chair of the Nomination Committee and Petri Rignell and Tomi Terho were elected members. Mirel Leino-Haltia was elected Chair of the Audit Committee and Taina Kyllönen and Tomi Terho were elected members. Eero Heliövaara was elected Chair of the Personnel Committee and Leif Gustafsson and Elina Piispanen were elected members. Tomi Terho was elected Chair of the Acquisition Committee and Eero Heliövaara, Leif Gustafsson and Petri Rignell were elected members.

Heikki Haasmaa started as the Group's new CEO on 1 May 2022.

Espoo, 17 May 2022  
Sitowise Group Plc  
Board of Directors

## ADDITIONAL INFORMATION

Heikki Haasmaa, CEO,  
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Heidi Karlsson, CFO,  
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Minttu Vilander, Chief Communications and  
Corporate Responsibility Officer,  
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### FINANCIAL CALENDAR

Planned publication dates for the Sitowise Group's financial reports in 2022 are as follows:

- Half-year Report, January–June 2022, on 17 August 2022
- Interim Report, January–September 2022, on 2 November 2022

### WEBCAST FOR ANALYSTS, MEDIA AND INVESTORS

18 May 2022 at 1.00 p.m. (EEST)

### DISTRIBUTION:

Nasdaq Helsinki Ltd  
Key media  
www.sitowise.com

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### SITOWISE IN BRIEF:

Sitowise is a Nordic expert in the built environment and digital solutions. We provide design and consulting services to enable more responsible and smarter urban development as well as smooth transportation. We operate in three business areas in Finland and Sweden: real estate and buildings, infrastructure, and digital solutions.

We want to raise the bar for intelligence and sustainability, and that is why our vision is to be the most responsible partner in developing thriving and sustainable living environments. Sitowise has grown rapidly and profitably in recent years. The Group's net sales in 2021 was approximately EUR 179 million and the company employs more than 2,000 experts. Sitowise Group Plc is listed on Nasdaq Helsinki under the trading symbol SITOWS.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

EUR thousand	1-3/2022	1-3/2021	1-12/2021
<b>Net sales</b>	<b>49,183</b>	<b>42,797</b>	<b>179,334</b>
Other operating income	68	311	976
Materials and services	-4,135	-2,448	-14,589
Personnel expenses	-32,413	-29,282	-115,696
Other operating expenses	-7,296	-5,470	-24,064
Depreciation and amortization	-2,472	-2,252	-9,586
<b>Operating result</b>	<b>2,935</b>	<b>3,655</b>	<b>16,376</b>
Financial income	29	0	184
Financial expenses	-1,427	-4,717	-6,270
<b>Result before taxes</b>	<b>1,537</b>	<b>-1,062</b>	<b>10,290</b>
Income taxes	-407	259	-2,388
<b>Result for the period</b>	<b>1,130</b>	<b>-804</b>	<b>7,903</b>
<b>Attributable to:</b>			
Owners of the parent	1,140	-790	7,827
Non-controlling interest	-10	-14	76
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified as profit or loss</b>			
Recognition of change in the fair value of other investments through comprehensive income	0	55	55
<b>Items that may be reclassified to profit or loss</b>			
Change in translation difference	510	-132	-204
<b>Total comprehensive income</b>	<b>1,640</b>	<b>-880</b>	<b>7,754</b>
<b>Comprehensive income attributable to:</b>			
Owners of the parent	1,650	-866	7,678
Non-controlling interest	-10	-14	76
<b>Earnings per share:</b>			
Earnings per share (EUR)	0.03	-0.02	0.22
Diluted earnings per share (EUR)	0.03	-0.02	0.22

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

EUR thousand	31 Mar 2022	31 Mar 2021	31 Dec 2021
<b>Assets</b>			
Goodwill	139,717	126,019	135,193
Other intangible assets	7,136	6,282	7,543
Tangible assets	30,887	33,273	31,421
Other shares, similar rights of ownership, and receivables	1,869	1,750	1,865
Deferred tax assets	1,291	1,529	1,077
<b>Total non-current assets</b>	<b>180,901</b>	<b>168,853</b>	<b>177,098</b>
Trade and other receivables	49,502	48,066	52,099
Deferred tax assets	750	690	1,204
Cash and cash equivalents	16,876	9,137	19,353
<b>Total current assets</b>	<b>67,128</b>	<b>57,892</b>	<b>72,656</b>
<b>Total assets</b>	<b>248,028</b>	<b>226,746</b>	<b>249,754</b>
<b>EUR thousand</b>	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>	<b>31 Dec 2021</b>
<b>Shareholders' equity and liabilities</b>			
Share capital	80	80	80
Fund for invested unrestricted equity	95,945	93,449	95,310
Fair value reserve	285	285	285
Translation difference	867	228	157
Retained earnings	20,035	10,063	18,840
<b>Equity attributable to owners of the parent</b>	<b>117,007</b>	<b>104,104</b>	<b>114,672</b>
Non-controlling interest	176	96	186
<b>Total shareholders' equity</b>	<b>117,183</b>	<b>104,201</b>	<b>114,858</b>
Deferred tax liabilities	1,324	1,955	1,565
Financial liabilities	69,845	62,913	70,983
Other liabilities	0	12	12
<b>Total non-current liabilities</b>	<b>71,168</b>	<b>64,879</b>	<b>72,560</b>
Income tax liabilities	947	767	2,273
Financial liabilities	7,678	6,046	7,624
Provisions	1,379	1,765	1,428
Trade payable and other liabilities	49,673	49,087	51,010
<b>Total current liabilities</b>	<b>59,677</b>	<b>57,665</b>	<b>62,336</b>
<b>Total shareholders' equity and liabilities</b>	<b>248,028</b>	<b>226,746</b>	<b>249,754</b>

**CONSOLIDATED CASH FLOW STATEMENT**

EUR thousand	1-3/2022	1-3/2021	1-12/2021
<b>Cash flow from operating activities:</b>			
Result for the period	1,130	-804	7,903
Adjustments			
Income taxes	407	-259	2,388
Depreciation and amortization	2,472	2,252	9,586
Financial income and expenses	1,398	4,717	6,086
Other adjustments	49	-65	154
Change in working capital			
Trade and other receivables, increase (-) / decrease (+)	2,924	3,203	-4,177
Trade and other payables, increase (+) / decrease (-)	-1,426	-3,807	878
Interest paid and other financial expenses	-507	-1,010	-2,430
Interest received and other financial income	29	0	186
Income taxes paid	-1,712	-1,792	-3,425
<b>Net cash flows from operating activities</b>	<b>4,763</b>	<b>2,436</b>	<b>17,149</b>
<b>Cash flow from investing activities:</b>			
Investments in tangible and intangible assets	-732	-1,227	-2,209
Acquisitions of subsidiaries, net cash acquired	-5,607	-8,110	-19,900
<b>Net cash flows from investing activities</b>	<b>-6,339</b>	<b>-9,338</b>	<b>-22,109</b>
<b>Cash flow from financing activities:</b>			
Payments from share issue	757	71,948	78,762
Paid IPO costs	0	-2,370	-5,078
Share repurchase	-107	-21	-22
Dividend distribution and capital repayment	0	-21,171	-22,286
Withdrawal of loans	0	39,619	50,119
Repayments of loans	-23	-72,725	-72,753
Repayments of subordinated loans	0	-14,145	-14,145
Lease liabilities, increase (+) / decrease (-)	-1,495	-580	-5,766
<b>Net cash flow from financing activities</b>	<b>-867</b>	<b>554</b>	<b>8,831</b>
Cash and cash equivalents at the start of the period	19,353	15,463	15,463
Change in cash and cash equivalents, increase (+) / decrease (-)	-2,443	-6,348	3,871
Translation differences	-34	21	19
<b>Cash and cash equivalents at the end of the period</b>	<b>16,876</b>	<b>9,137</b>	<b>19,353</b>

## STATEMENT OF CHANGES IN CONSOLIDATED INCOME

EUR thousand	Equity attributable to owners of parent								Total	Non-controlling interest	Total shareholders' equity
	Share capital	Fund for invested unrestricted equity	Fair value reserve	Subordinated loans	Translation differences	Retained earnings					
<b>Shareholders' equity 1 Jan 2022</b>	<b>80</b>	<b>95,310</b>	<b>285</b>	<b>0</b>	<b>156</b>	<b>18,840</b>	<b>114,672</b>	<b>186</b>	<b>114,858</b>		
Result for the period						1,140	1,140	-10	1,130		
Other comprehensive income			0	0	510		510		510		
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>510</b>	<b>1,140</b>	<b>1,650</b>	<b>-10</b>	<b>1,640</b>		
Share issues		757					757		757		
Share repurchase		-121					-121		-121		
Share-based incentive schemes						49	49		49		
<b>Transactions with owners</b>	<b>0</b>	<b>636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49</b>	<b>685</b>	<b>0</b>	<b>685</b>		
<b>Shareholders' equity 31 Mar 2022</b>	<b>80</b>	<b>95,946</b>	<b>285</b>	<b>0</b>	<b>666</b>	<b>20,030</b>	<b>117,007</b>	<b>176</b>	<b>117,183</b>		
<b>Shareholders' equity 1 Jan 2021</b>	<b>3</b>	<b>40,663</b>	<b>230</b>	<b>14,145</b>	<b>360</b>	<b>11,370</b>	<b>66,770</b>	<b>110</b>	<b>66,880</b>		
Result for the period						-790	-790	-14	-804		
Other comprehensive income			55		-132	0	-76		-76		
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>55</b>	<b>0</b>	<b>-132</b>	<b>-790</b>	<b>-866</b>	<b>-14</b>	<b>-880</b>		
Fund increase	78	-78					0		0		
Share issues		76,908					76,908		76,908		
Costs related to IPO		-2,057					-2,057		-2,057		
Share repurchase						-21	-21		-21		
Dividend distribution and capital repayment		-21,988				-298	-22,286		-22,286		
Repayment of subordinated loans				-14,145			-14,145		-14,145		
Interest of subordinated loans						-198	-198		-198		
<b>Transactions with owners</b>	<b>78</b>	<b>52,786</b>	<b>0</b>	<b>-14,145</b>	<b>0</b>	<b>-517</b>	<b>38,201</b>	<b>0</b>	<b>38,201</b>		
<b>Shareholders' equity 31 Mar 2021</b>	<b>80</b>	<b>93,449</b>	<b>285</b>	<b>0</b>	<b>229</b>	<b>10,063</b>	<b>104,104</b>	<b>96</b>	<b>104,201</b>		

## NOTES TO THE INTERIM REPORT

Sitowise Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim information does not include all the notes presented in the consolidated financial statements for 2021, therefore it should be read in conjunction with the consolidated financial statements for 2021 prepared in accordance with IFRS. The same accounting principles have been applied in the interim financial information as in the consolidated financial statements. The interim report has not been audited.

The explanatory part of the interim report describes the effects of the COVID-19 pandemic and the war in Ukraine on the Sitowise Group in more detail. Otherwise, the key uncertainties related to decisions made by the management requiring discretion, the management's estimates, as well as key topics requiring discretion are the same as those in the 2021 financial statements.

### 1. NET SALES

#### Net sales by business area

EUR thousand	1-3/2022	1-3/2021	1-12/2021
Buildings	19,835	17,960	72,121
Infrastructure <sup>2)</sup>	14,172	13,824	56,436
Digital Solutions <sup>1), 2)</sup>	6,269	3,578	19,759
Sweden	8,884	7,419	31,025
Other	22	16	-8
<b>Total</b>	<b>49,183</b>	<b>42,797</b>	<b>179,334</b>

<sup>1)</sup> Includes the Group's Swedish subsidiary Infracontrol AB.

<sup>2)</sup> Figures for the comparison year changed to reflect the current organizational structure.

#### Net sales by geographical area

EUR thousand	1-3/2022	1-3/2021	1-12/2021
Finland	38,550	35,188	144,456
Sweden	10,403	7,372	33,967
Other countries	230	237	912
<b>Total</b>	<b>49,183</b>	<b>42,797</b>	<b>179,334</b>

Net sales of the geographical areas are reported by the client's location.

Revenue from client contracts expected to be recognized and related to the remaining performance obligations as of 31 March 2022 is approximately EUR 172 million.

### 2. BUSINESS COMBINATIONS

During the first quarter, the Sitowise Group acquired the entire share capital of the Swedish Mavacon Mark & VA Consult AB, and in Finland the acquisition of VRT Finland Oy's Survey Service business related to underwater surveys and inspections of structures. Mavacon Mark & VA Consult AB specializes in design and consulting services for road, land, water, sewer and urban runoff projects. The effect of the acquisitions on the consolidated income statement began on 02/2021 for Mavacon AB and on 01/2022 for VRT Survey.

Company	Time	Transaction method	Location	Personnel
Mavacon Mark & VA Consult AB	1/2022	Share purchase (100%)	Falun	13
VRT Survey (part of VRT Finland Oy)	1/2022	Acquisition	Jyväskylä	9

The assets and liabilities of the acquired companies mainly include working capital items as well as separately identified assets related to client relationships and technologies, and the possible effects of exchange rate fluctuations. The estimated useful lives of separately identified assets are five years. The recognized goodwill is not tax deductible.

EUR thousand	1-3/2022
Purchase price	5,555
Assets	1,358
Liabilities	294
<b>Net assets</b>	<b>880</b>
Goodwill	4,676

### 3. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES

Fair value hierarchy levels:

- **Level 1:** Quoted fair values for identical assets and liabilities in active markets
- **Level 2:** Fair values are measured using inputs other than quoted prices included within Level 1, and they are observable for the asset or liability, either directly or indirectly
- **Level 3:** Fair values are measured using asset or liability data not based on observable market inputs

**Financial assets**

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
<b>Non-current financial assets</b>						
Other shares and holdings		731		731	731	Level 3
Loan receivables	923			923	923	Level 2
Other financial assets	216			216	216	Level 2
<b>Current financial assets</b>						
Trade receivables	28,751			28,751	28,751	Level 2
Cash and cash equivalents	16,876			16,876	16,876	Level 1
<b>Financial assets 31 Mar 2022</b>	<b>46,765</b>	<b>731</b>	<b>0</b>	<b>47,495</b>	<b>47,495</b>	

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
<b>Non-current financial assets</b>						
Other shares and holdings		731		731	731	Level 3
Loan receivables	917			917	917	Level 2
Other financial assets	103			103	103	Level 2
<b>Current financial assets</b>						
Trade receivables	26,732			26,732	26,732	Level 2
Cash and cash equivalents	9,137			9,137	9,137	Level 1
<b>Financial assets 31 Mar 2021</b>	<b>36,889</b>	<b>731</b>	<b>0</b>	<b>37,620</b>	<b>37,620</b>	

**Financial liabilities**

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
<b>Non-current financial liabilities</b>						
Loans from financial institutions	49,225			49,225	49,225	Level 2
Lease liabilities	20,620			20,620		Level 2
<b>Current financial liabilities</b>						
Loans from financial institutions	1,026			1,026	1,026	Level 2
Trade payables	6,329			6,329	6,329	Level 2
Additional purchase price liabilities			196	196	196	Level 3
Lease liabilities	6,652			6,652	6,652	Level 2
<b>Financial liabilities 31 Mar 2022</b>	<b>83,853</b>	<b>0</b>	<b>196</b>	<b>84,049</b>	<b>63,428</b>	

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
<b>Non-current financial liabilities</b>						
Loans from financial institutions	39,634			39,634	39,634	Level 2
Lease liabilities	23,279			23,279	23,279	Level 2
<b>Current financial liabilities</b>						
Trade payables	6,393			6,393	6,393	Level 2
Additional purchase price			2,036	2,036	2,036	Level 3
Lease liabilities	6,027			6,027	6,027	Level 2
<b>Financial liabilities 31 Mar 2021</b>	<b>75,333</b>	<b>0</b>	<b>2,036</b>	<b>77,369</b>	<b>77,369</b>	

Loans from financial institutions consist of a floating rate bank loan. A term loan of approximately EUR 50 million has been drawn down from the financing agreement, but no other facilities are in use. The Group met all covenant conditions during the review period.

#### 4. GUARANTEES AND CONTINGENT LIABILITIES

There were no significant changes during the first quarter and the company had bank guarantees of approximately EUR 2.6 million at the end of the review period.

#### 5. SHARES

##### Number of shares used in calculating earnings per share

Exceptionally, due to the listing, the average number of shares for the first quarter has been calculated with the number of shares outstanding on 31 March 2021 in relation to the comparison periods. The diluted number of shares takes into account the shares of the personnel issue and other issues that had not been registered at the end of the review period.

	1-3/2022	1-3/2021	1-12/2021
Number of shares	35,665,927	34,493,874	35,415,927
Number of shares, average	35,660,371	34,493,874	35,290,804
Diluted number of shares	35,665,927	35,165,927	35,665,927
Diluted number of shares, average	35,665,927	35,165,927	35,333,200

#### 6. RELATED PARTY TRANSACTIONS

At the end of March 2021, a long-term incentive plan was established in connection with the listing, i.e. an option program, the introduction of which has resulted in a total cost effect of EUR 49 thousand during the review period.

The company did not have any other and unordinary significant related party transactions during the period under review.



## 7. FINANCIAL AND ALTERNATIVE KEY FIGURES

Since the publication of the IFRS financial statements for 2019, Sitowise has reported some alternative key figures that do not comply with IFRS standards. The calculation of alternative key figures does not take into account items affecting comparability, which are different from ordinary business operations, in order to show the financial result of the underlying actual business. The alternative key figures are intended to improve comparability and are not a substitute for other IFRS-based key figures.

The alternative key ratios to be reported are adjusted EBITDA, EBITA, adjusted EBITA and Net debt / EBITDA (adjusted).

Adjusted EBITDA and adjusted EBITA exclude material items that are not part of ordinary activities, but which affect comparability.

Details of items affecting comparability and reconciliations of alternative key figures are provided in Note 9.

### Key figures describing financial development

EUR thousand	1-3/2022	1-3/2021	1-12/2021
Net sales	49,183	42,797	179,334
Growth in net sales, %	14.9%	6.9%	12.0%
Adjusted organic growth in net sales, %	7%	0%	0%
EBITDA, adjusted	5,230	4,722	21,146
% of net sales	10.6%	11.0%	11.8%
EBITA	3,529	4,081	18,523
Operating profit (EBIT)	2,935	3,655	16,376
% of net sales	6.0%	8.5%	9.1%
Net result for the period	1,130	-1,062	7,903
Balance sheet total	248,028	226,746	249,754
Cash and cash equivalents	16,876	9,137	19,353
Net debt	33,375	30,497	30,859
Cash flow from operating activities before financial items and taxes	6,953	6,353	22,818
Earnings per share (EUR)	0.03	-0.02	0.22
Diluted earnings per share (EUR)	0.03	-0.02	0.22
Return on equity (ROE), %	1.0%	11.4%	8.7%
Return on capital employed (ROCE), %	1.5%	10.5%	8.9%
Equity ratio, %	47.2%	46.0%	46.0%
Net debt / EBITDA, adjusted	1.5x	1.4x	1.4x
Gearing, %	28.5%	29.3%	26.9%
Number of personnel, average	2,044	1,910	1,969
Full-time equivalent (FTE), average	1,773	1,650	1,697
Utilization rate	75.7%	74.8%	76.6%

**8. FORMULAS OF FINANCIAL AND ALTERNATIVE KEY FIGURES**

Adjusted organic growth in net sales	=	Growth in net sales excluding acquisitions and divestments adjusted by the number of working days and exchange rate impact
EBITA	=	Operating profit + amortization of intangible assets
EBITA, adjusted	=	EBITA + items affecting comparability
EBITDA, adjusted	=	EBITDA + items affecting comparability, in addition lease liabilities are treated as operating leases, so lease expenses on the whole affect EBITDA
Items affecting comparability	=	Items affecting comparability are primarily costs associated with M&A and integration, restructuring as well as IPO readiness
Net debt	=	Loan from financial institutions – cash and cash equivalents (Net debt does not include lease liabilities)
Return on equity (ROE), %	=	$\frac{\text{Profit for the period, prev. 12 months}}{\text{Total shareholders' equity, average}}$
Return on capital employed (ROCE), %	=	$\frac{(\text{Profit before taxes + financial expenses}), \text{prev. 12 months}}{(\text{Balance sheet total} - \text{non-interest-bearing debt}), \text{average}}$
Equity ratio, %	=	$\frac{\text{Total shareholders' equity}}{\text{Balance sheet total}}$
Net debt / EBITDA, adjusted	=	$\frac{\text{Net debt}}{\text{EBITDA, adjusted}}$
Gearing, %	=	$\frac{\text{Net debt}}{\text{Total shareholders' equity}}$
Earnings per share	=	$\frac{(\text{Result for the period} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average number of shares}}$
Diluted earnings per share	=	$\frac{(\text{Result for the period} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average diluted number of shares}}$
Earnings per share (continuing operations)	=	$\frac{(\text{Result for the period for continuing operations} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average number of shares}}$
Diluted earnings per share (continuing operations)	=	$\frac{\text{Result for the period for continuing operations} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration}}{\text{Average diluted number of shares}}$
Full-time equivalent (FTE), average	=	Group personnel, full-time equivalent average during the period
Utilization rate	=	Number of project hours worked relative to the number of hours worked

## 9. RECONCILIATION OF ALTERNATIVE KEY FIGURES

EUR thousand	1-3/2022	1-3/2021	1-12/2021
Net sales	49,183	42,797	179,334
<b>Adjusted organic growth in net sales, %</b>			
Growth in net sales	15%	7%	12%
Impact of acquisitions	-7%	-8%	-11%
Impact of number of working days	-1%	2%	0%
Impact of exchange rates	1%	-1%	-1%
<b>Adjusted organic growth in net sales, %</b>	<b>7%</b>	<b>0%</b>	<b>0%</b>
<b>EBITA</b>			
Operating profit (EBIT)	2,935	3,655	16,376
Amortizations of intangible assets	-594	-426	-2,147
<b>EBITA</b>	<b>3,529</b>	<b>4,081</b>	<b>18,523</b>
<b>EBITA %</b>	<b>7.2%</b>	<b>9.5%</b>	<b>10.3%</b>
<b>Items affecting comparability</b>			
Restructuring costs	250	181	181
M&A and integration costs	877	220	1,683
Costs related to IPO readiness	0	196	196
Other	574	43	555
<b>Items affecting comparability, EBITDA</b>	<b>1,701</b>	<b>640</b>	<b>2,615</b>
Items affecting comparability, depreciations	0	0	8
<b>Items affecting comparability, EBITA</b>	<b>1,701</b>	<b>640</b>	<b>2,623</b>
<b>EBITA, adjusted</b>			
EBITA	3,529	4,081	18,523
Items affecting comparability, EBITA	1,701	640	2,623
<b>EBITA, adjusted</b>	<b>5,230</b>	<b>4,722</b>	<b>21,146</b>
<b>EBITA, adjusted %</b>	<b>10.6%</b>	<b>11.0%</b>	<b>11.8%</b>
<b>EBITDA</b>			
Operating profit (EBIT)	2,935	3,655	16,376
Depreciation and amortisation	-2,472	-2,252	-9,586
<b>EBITDA</b>	<b>5,406</b>	<b>5,907</b>	<b>25,962</b>
<b>EBITDA %</b>	<b>11.0%</b>	<b>13.8%</b>	<b>14.5%</b>
<b>Net debt</b>			
Loans from financial institutions	50,251	39,634	50,212
Cash and cash equivalents	16,876	9,137	19,353
<b>Net debt</b>	<b>33,375</b>	<b>30,497</b>	<b>30,859</b>
<b>EBITDA, adjusted (prev. 12 months)</b>			
EBITDA (prev. 12 months)	25,462	25,716	25,962
Items affecting comparability, EBITDA (prev. 12 months)	3,675	1,466	2,615
Operational lease liabilities (IFRS16) (prev. 12 months)	6,152	6,114	6,148
<b>EBITDA, adjusted (prev. 12 months)</b>	<b>22,985</b>	<b>21,068</b>	<b>22,429</b>
<b>Net debt / EBITDA, adjusted</b>			
Net debt	33,375	30,497	30,859
EBITDA, adjusted (prev. 12 months)	22,985	21,068	22,429
<b>Net debt / EBITDA, adjusted</b>	<b>1.5x</b>	<b>1.4x</b>	<b>1.4x</b>
<b>Gearing, %</b>			
Total shareholders' equity	117,183	104,201	114,858
Net debt	33,375	30,497	30,859
<b>Gearing, %</b>	<b>28.5%</b>	<b>29.3%</b>	<b>26.9%</b>

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