

SITOWISE

Growth continues, order book at a record level

SITOWISE GROUP PLC
Q1 INTERIM REPORT
19 MAY 2021



Agenda

1. Vision and long-term targets
2. Q1 Key takeaways
3. Q1 Key figures
4. Business highlights
5. Outlook & strategy
6. Q&A



CEO
Pekka Eloholma



CFO
Heidi Karlsson



OUR VISION

The most
responsible
partner in
developing a
prosperous living
environment

SITOWISE

Long-term financial targets

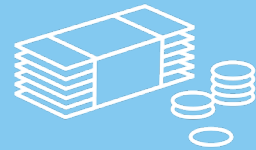
Sitowise Group has not published a guidance for 2021.

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



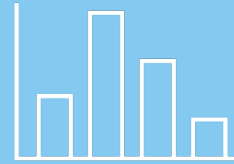
GROWTH

Annual net sales growth of over 10%, incl. acquisitions



PROFITABILITY

Adjusted EBITA margin of at least 12%



LEVERAGE

Net debt / Adj. EBITDA should not exceed 2.5x, except temporarily in conjunction with acquisitions



DIVIDEND

30–50% of net profit

Key takeaways | Q1 2021

- **Order book increased by 12 percent** due to successful tender work and supported by market recovery that continued in Q1.
- **Net sales increased by 7 percent**, driven by acquisitions made after the comparison period.
- Adjusted EBITA was 11.0 (12.9) percent of net sales.
- Net debt / adjusted EBITDA declined to 1.4 (2.8).
- Listing on Nasdaq Helsinki main list in March.
- Acquisitions strengthened Sitowise position in Sweden, digital solutions and sustainability services.
- 94% of Sitowise's clients feel that the COVID-19 pandemic has not impacted the quality of the services.

Listing was a significant step on our growth journey



Supporting our growth and strengthening our balance sheet



Expanding our shareholder base



More than half of our staff are also our shareholders.

Tradition of ownership has long roots in Sitowise, and this trust provides a solid foundation for entering into our next development phase.

Key figures | Q1 2021

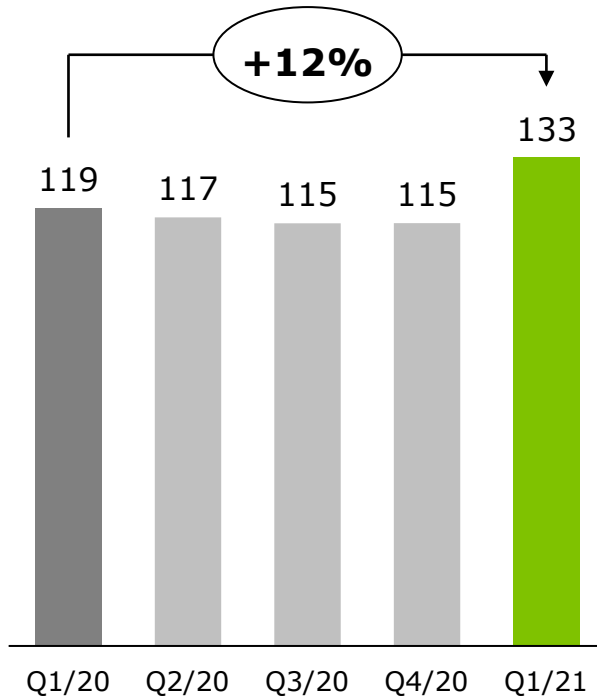
EUR million	1-3/2021	1-3/2020	Change	1-12/2020
Net sales	42.8	40.0	6.9%	160.1
EBITA, adjusted	4.7	5.2	-8.4%	20.6
% of net sales	11.0%	12.9%		12.9%
EBITA	4.1	4.9	-16.4%	19.5
Operating profit	3.7	4.6	-20.5%	18.3
Cash flow from operating activities before financial items and taxes	6.4	8.5	-25.7%	31.5
Net debt	30.5	49.8	-38.7%	56.6
Net debt/EBITDA, adjusted	1.4x	2.8x		2.6x
Equity ratio, %	46.0%	31.0%		30.2%
Earnings per share (EPS), EUR *)	-0.02	1.71		9.69
Number of personnel, average	1,910	1,780	7.3%	1,823

*) Not comparable due to the changes in number of shares (due to initial public offering)

Order book at record level, growth continued

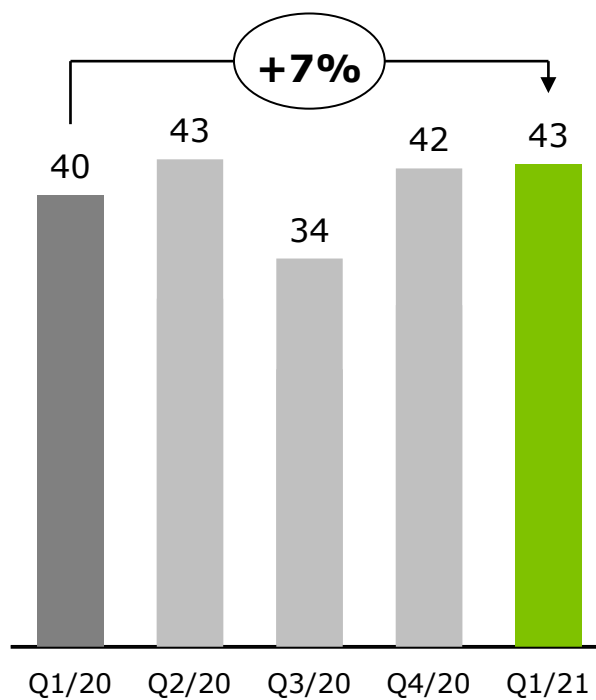
Order book

EUR million



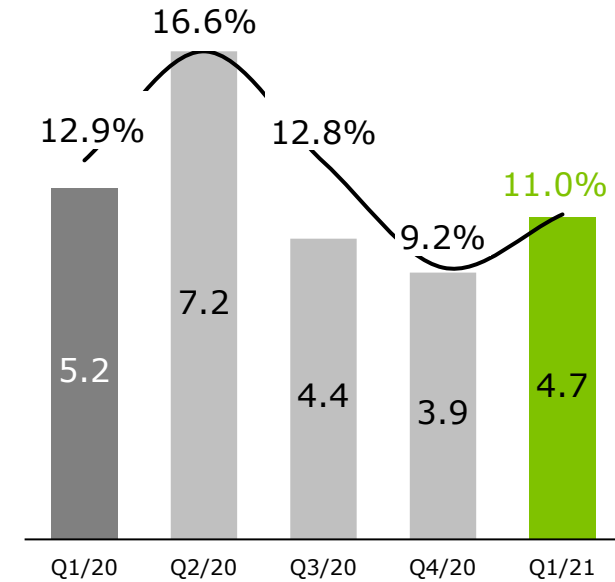
Net sales

EUR million



Profitability

EUR million

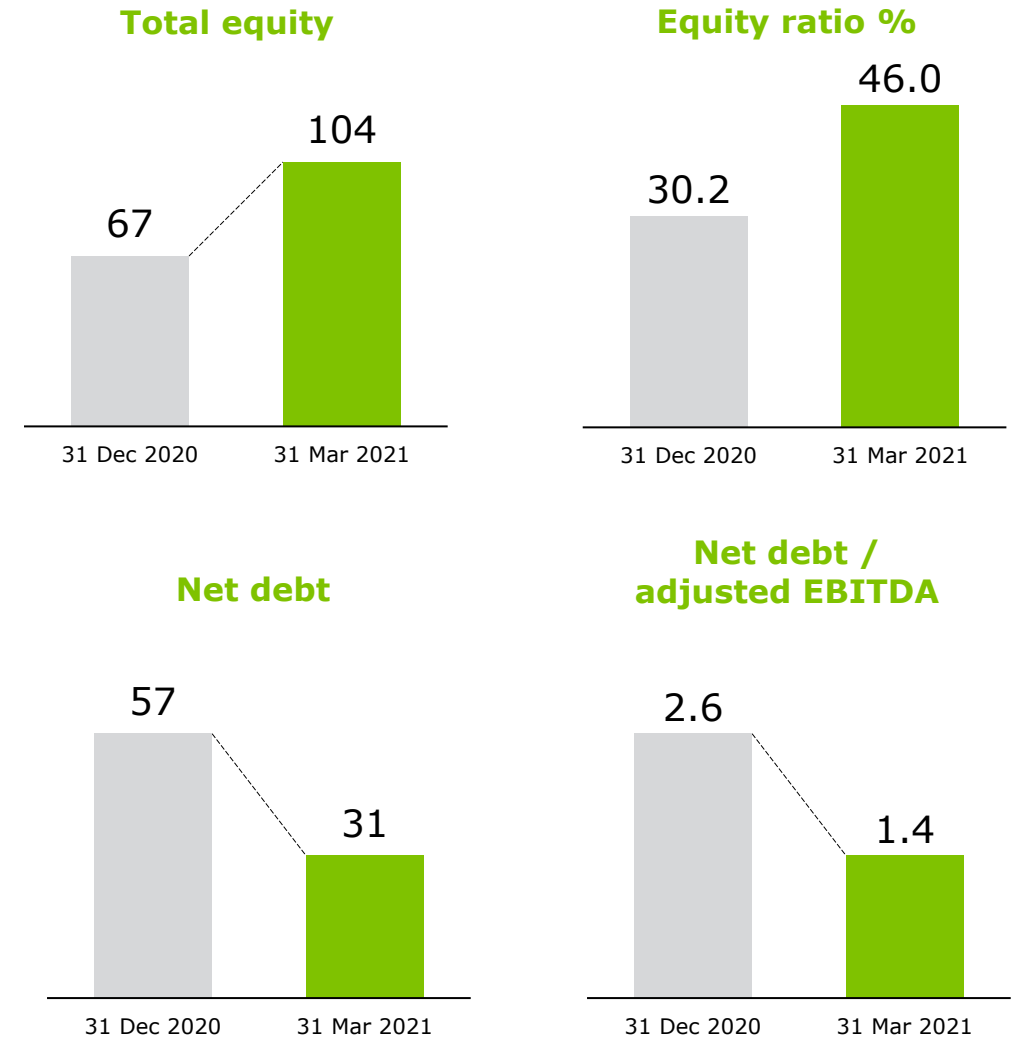


■ EBITA, adjusted











— EBITA, adjusted %

Objective to strengthen balance sheet was achieved

- **Equity strengthened** by EUR 37 million resulting to equity ratio increase by 16 p.p. to 46%
- **Net debt declined** by EUR 26 million and leverage decreased to 1.4x
- **Stronger balance sheet** enables the implementation of Sitowise's growth strategy.



Objective to expand our shareholder base was achieved

Owner	# of shares	% of shares	Country
1. Intera Fund III Ky	4,533,380	13.1 %	
2. Capital Group Companies, Inc.	2,042,482	5.9 %	
3. Lannebo Fonder AB	1,829,268	5.3 %	
4. Ilmarinen Mutual Pension Insurance Company	1,707,317	4.9 %	
5. Didner & Gerge Småbolag	1,463,414	4.2 %	
6. Paradigm Capital Value	1,219,512	3.5 %	
7. Evli Finnish Small Cap	1,216,167	3.5 %	
8. Mandatum Life Insurance Company Limited	847,497	2.5 %	
9. Skedevi Holding AB	841,640	2.4 %	
10. Varma Mutual Pension Insurance Company	635,000	1.8 %	
10 largest in total	1,335,677	47.4 %	
Outstanding shares (March 31, 2021)	34,493,874		

The list of the ten largest shareholders on 31 March 2021 is presented based on information from the Monitor service provided by the Swedish company Modular Finance AB:

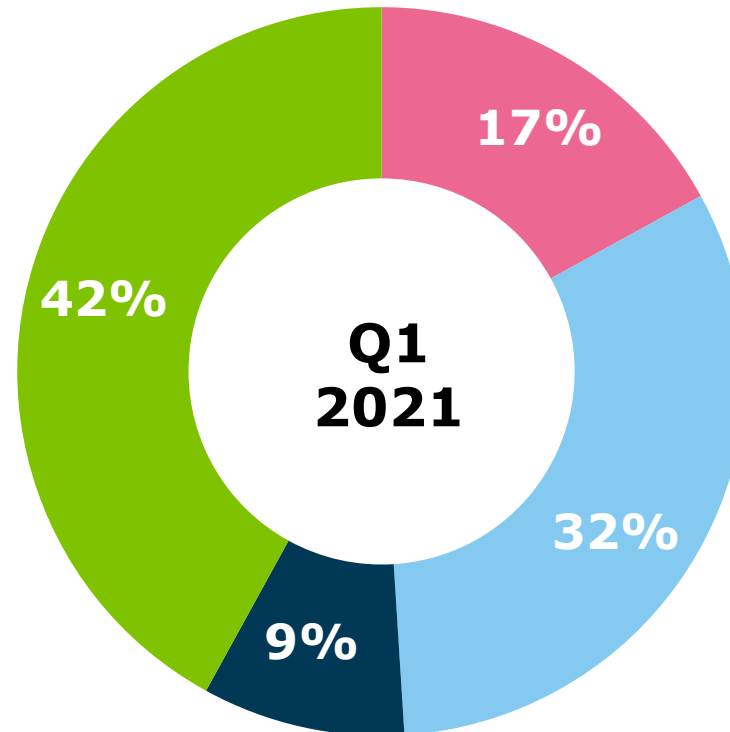
Sitowise's four strong business areas

Buildings

The services cover the entire life cycle of buildings, from the early planning stage of a new construction to maintenance and renovation.

Digital solutions

Services include digital solutions for built environment and mobility and expert services to support them.



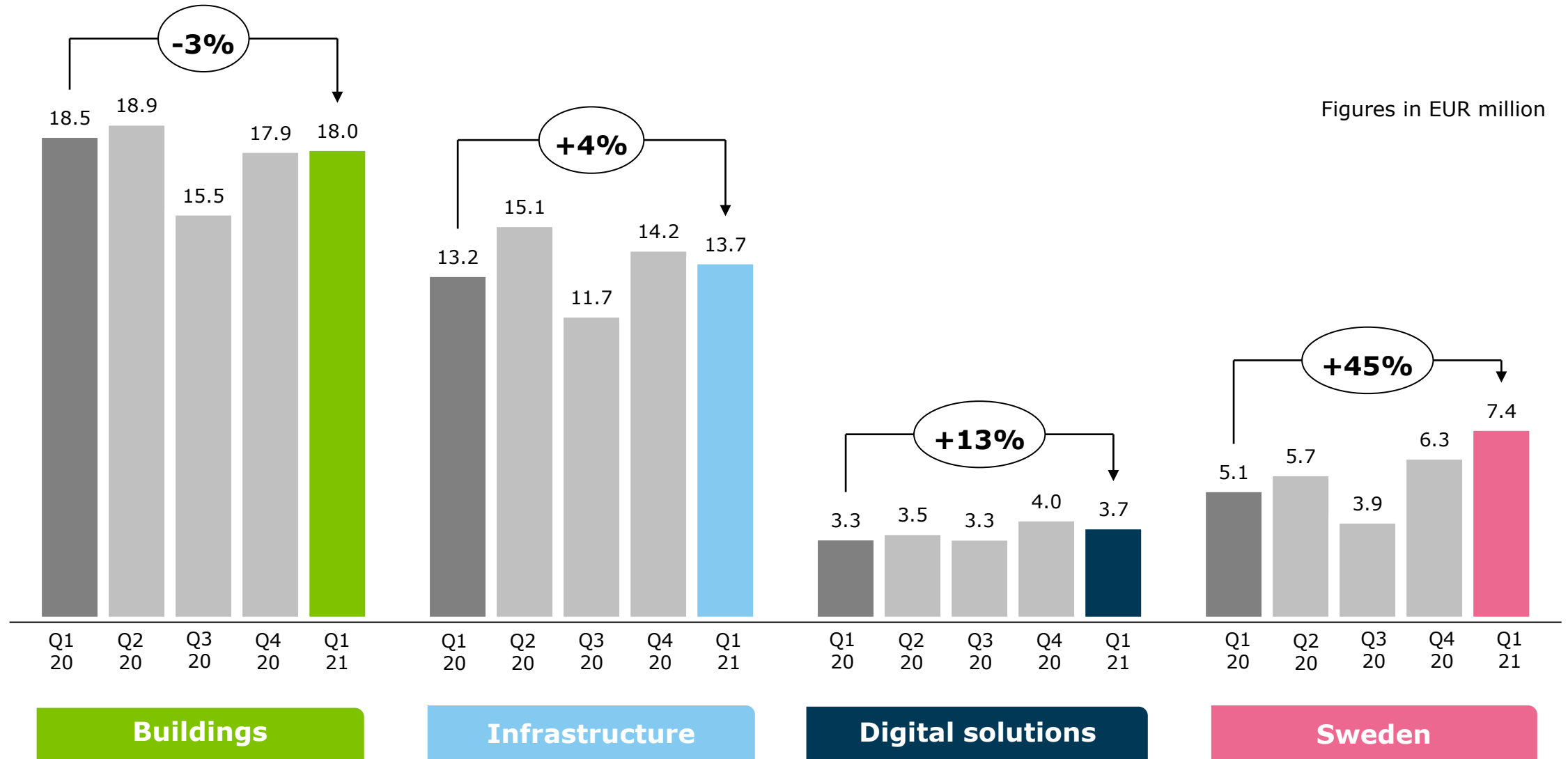
Sweden

Building design services (including structural engineering) for building and infrastructure sectors.

Infrastructure

Diverse design and consulting services in all areas of infrastructure except the energy sector.

Solid performance across all business areas

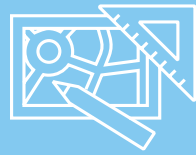


Business area highlights | Q1 2021



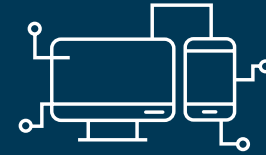
Buildings

- **Order book on the highest level** in history at the end of March.
- A strong order book together with growing need for resources and recruitment shows that the **market is picking up**.
- Integration process started with Paloässä Oy – a company acquired end of 2020.



Infrastructure

- **Order book increased significantly** throughout Q1
- **Steady market demand**
- In the municipal sector, the pressure is to spread investments over a longer period of time.
- Acquisition: sustainable development expert Benviroc Oy



Digital solutions

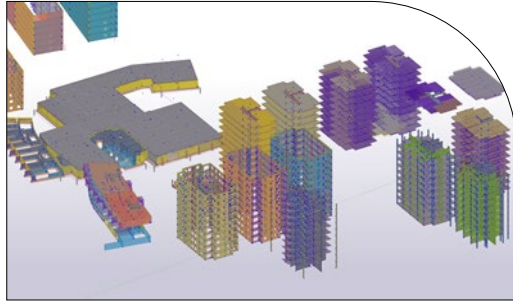
- **Order book at all time high**
- Demand for digital solutions in the built environment is **growing as predicted** - slightly faster than in the rest of the IT sector.
- Two acquisitions: IT company Sweetlakes Oy from Jyväskylä and MSDI Oy, which offers digital solutions for monitoring and comparing sustainability.



Sweden

- **The order book increased** at the end of the quarter.
- Market uncertainty at the beginning of the year, due to the COVID-19 pandemic, was more pronounced than in Finland.
- One acquisition: Stockholms VVS-Kompetens AB, a building services specialist operating in Stockholm and Södertälje.

Projects | Q1 2021



Client Skanska Talonrakennus Oy

Project Kutomotie, residential building

Duration 2021-2023

Project description Optimizing the carbon footprint and construction costs. Based on the results of the study, the carbon footprint of the worst design solution was 93% larger compared to the best solution. The design process was based on the utilization of building information models for structural design, cost accounting and carbon footprint.

Finnish Transport Infrastructure Agency

Espoo–Salo direct rail line (part of One Hour Train)

2021-2023

Preparation of the track plan for the Espoo-Salo high-speed railway. Sitowise is responsible for planning the Lohja-Suomusjärvi section (length 31 kilometres).

Finnish Transport Infrastructure Agency

Railway information system development

2021-2025

Development of the railway information systems. The development of railway information systems is linked to several key mobility and traffic processes, such as digitalization, climate-conscious mobility, the timeliness of maintenance, and traffic safety. The value of agreement for Sitowise is estimated at approximately EUR 3.8 million.

Hemsö

Nya Novum

2021

9 floor building with a wooden structure. Sitowise is planning the demolition of existing structures as well as new construction of foundation, garage and wooden structure.

Continuous focus on customers and sustainability

94 %

of customers feel that the **covid19-pandemic has not affected** the success of Sitowise's services.

+10%

improvement in our **client satisfaction** (NPS) compared to the previous year.



Own Sustainability tool for projects published on Voima-platform.

Acquisitions supporting our strategy

SWEETLAKES



Specializing in cloud and mobile development as well as security information system solutions

V-Kompetens



HPAC design and engineering

Benviroc



Finland's market leader in emission calculations and CO2 reporting services for municipalities

MayorsIndicators

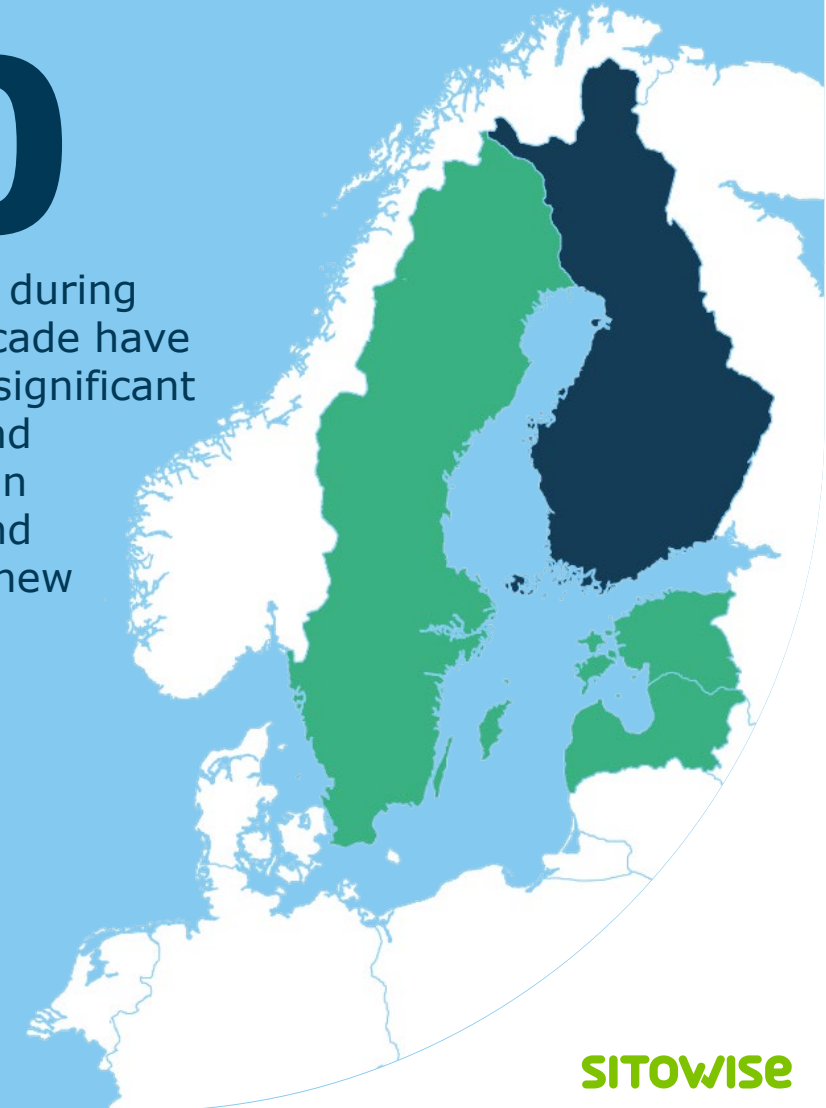


A developer of a digital tool for managing sustainable development and decision-making in municipalities.

Over

50

acquisitions during the past decade have brought us significant expertise and experience in acquiring and integrating new companies.



Strategy going forward

1

Focus on organic growth, internal efficiency and strong profitability

2

Continuous strengthening of expertise and growth in selected customer segments in Buildings and Infrastructure business areas

3

Strengthening competence in Digital solutions and utilizing digital capabilities

4

Expanding in Sweden and possibly other Nordic countries

5

Continuing of selected acquisitions

Market outlook



Urbanization



Renovation backlog



Digitalization



Sustainability

- **Stable long-term demand growth** on design and consulting services to create sustainable societies. The growing demand is driven by megatrends.
- **In the short-term, there is some uncertainty** related to market development as well as the initiation and progress of projects. However, clients have been active in the beginning of the year and the order book is growing.

Q&A



Q2 interim report will be published on 25 August 2021

(please note date changed, previously 18 August 2021)

SITOWISE.COM – THE SMART CITY COMPANY