

SITOWISE

Double-digit growth in net sales continued

SITOWISE GROUP PLC
HALF-YEAR REPORT 2022
17 AUGUST 2022



Agenda

1. Key takeaways & financial review
2. Business area highlights & developments
3. M&A activities in 2022
4. The personnel survey
5. Market outlook & guidance for 2022
6. Q&A



CEO
Heikki Haasmaa



CFO
Heidi Karlsson

Q2: Double digit growth continued

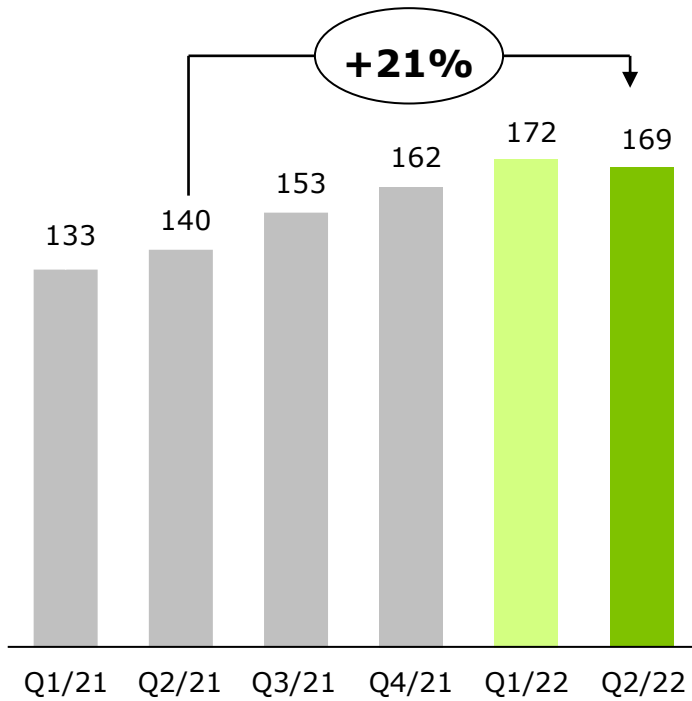
- **Net sales** increased by 11%, organic growth was 4%.
- **Profitability** burdened by sick leaves and increased internal activities; profitability is expected to improve in H2/2022.
- **Order book** remained at a high-level, demand was good in all our business areas. Uncertainties in the market persist, but technical consultancy has proven to be resilient.
- **M&A:** Three successful acquisitions, with 135 new employees and annual net sales of EUR 12 million (2021).
- **Employees:** eNPS continued to improve, increased to 30 (28).



Strong financial fundamentals

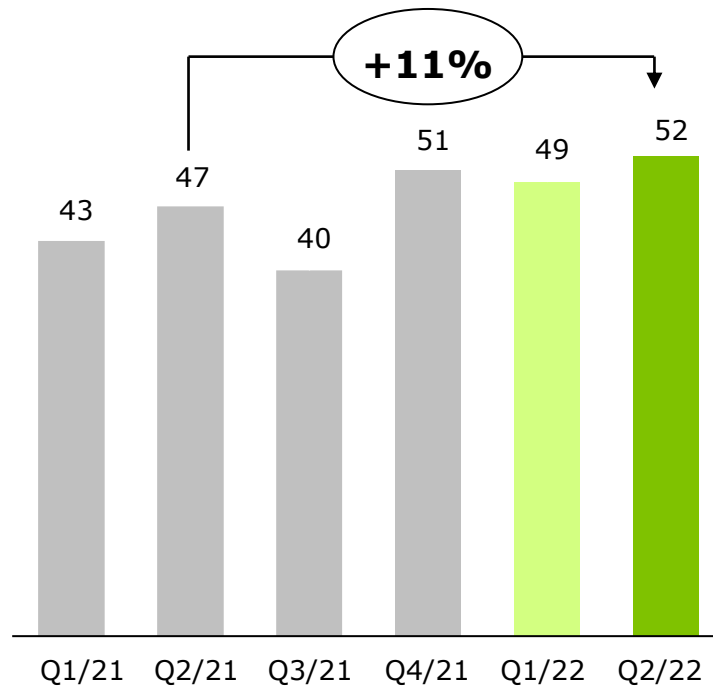
Order book

EUR million



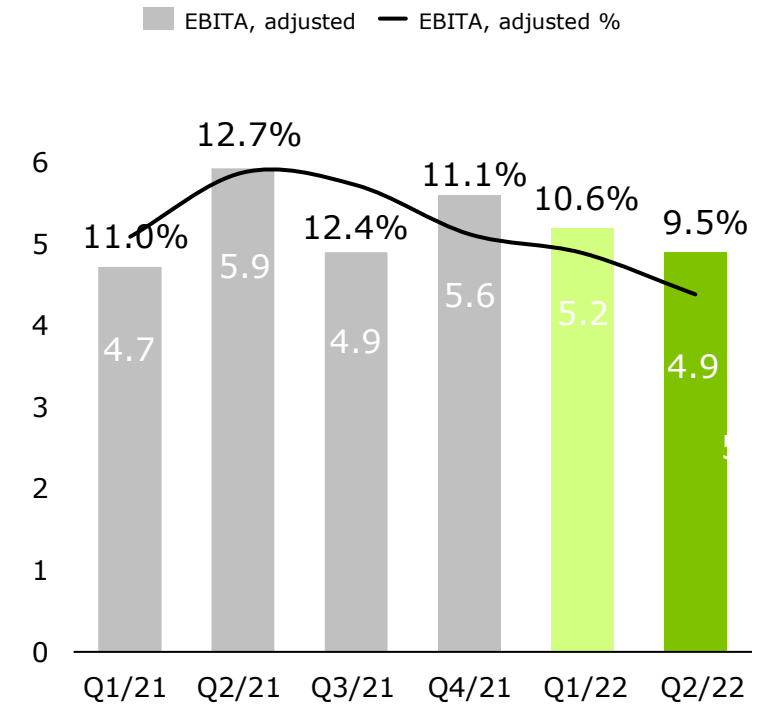
Net sales

EUR million



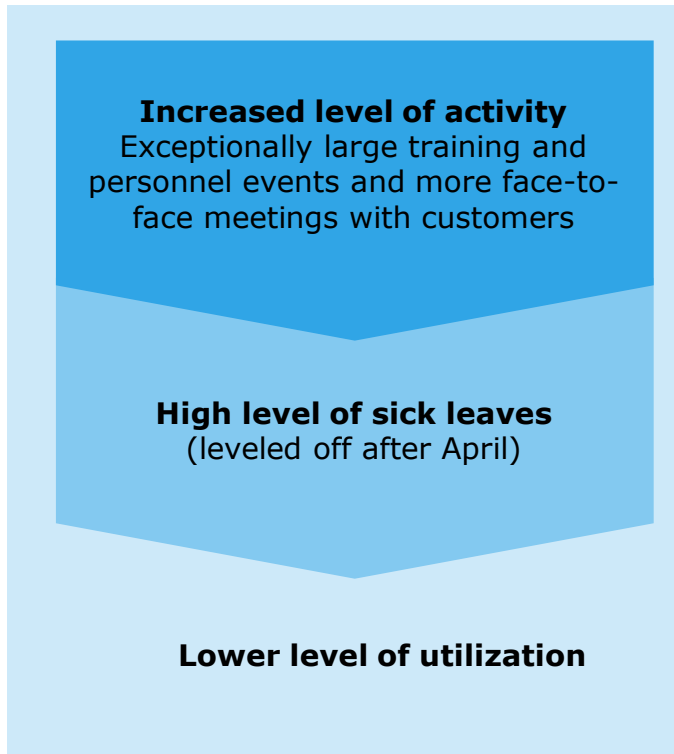
Profitability

EUR million

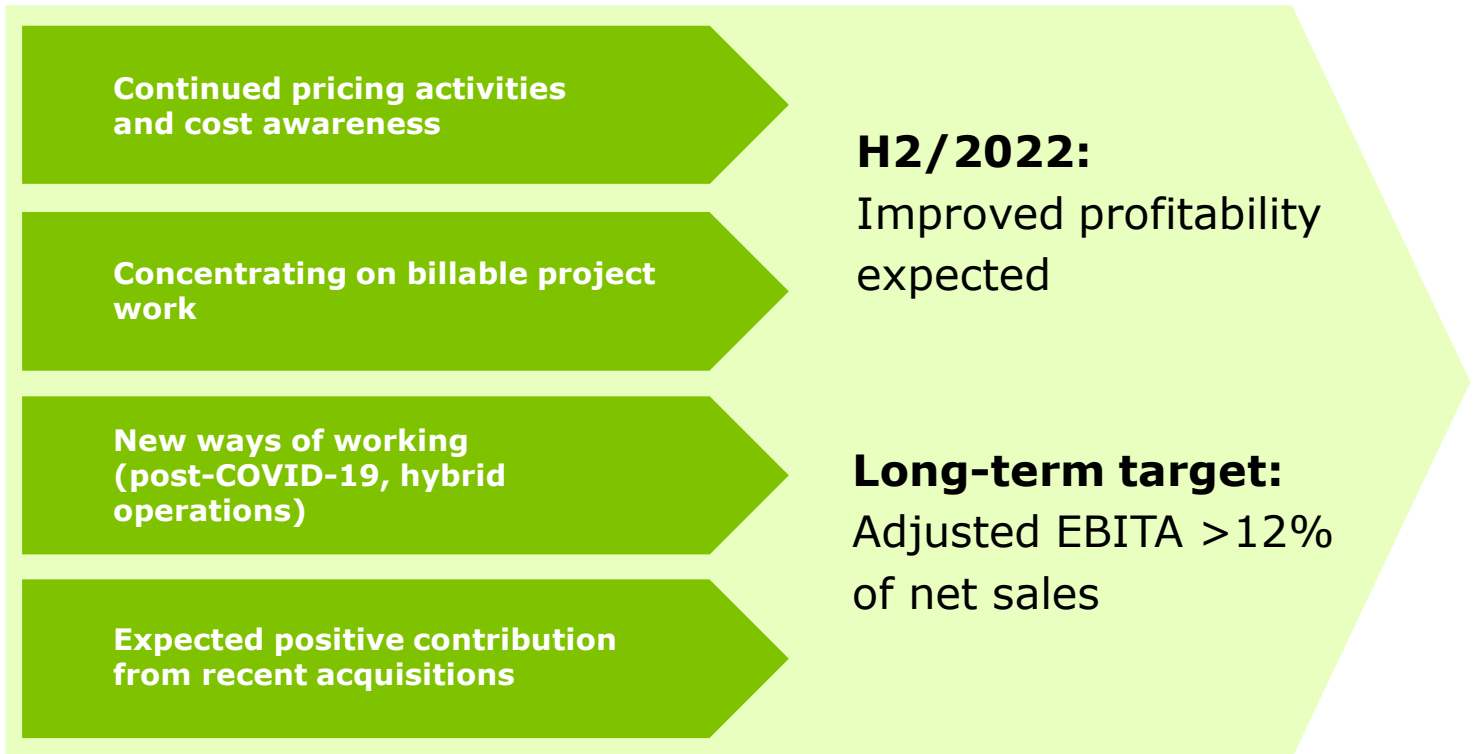


Targeting increased profitability

Lower Q2/22 profitability



Continued focus on industry-leading profitability



Key figures

| EUR million | Q2/2022 | Q2/2021 | H1/2022 | H1/2021 | FY/2021 |
|---|---------|---------|-------------|---------|---------|
| Net sales | 51.7 | 46.5 | 100.9 | 89.3 | 179.3 |
| Adjusted EBITA | 4.9 | 5.9 | 10.1 | 10.6 | 21.1 |
| % of net sales | 9.5 % | 12.7 % | 10.1 % | 11.9 % | 11.8 % |
| EBITA | 3.3 | 4.7 | 6.8 | 8.7 | 18.5 |
| Net result | 1.6 | 3.4 | 2.7 | 2.6 | 7.9 |
| Cash flow from operating activities before financial items and taxes | 2.1 | 3.1 | 9.0 | 8.4 | 22.8 |
| Net debt | | | 58.2 | 29.9 | 30.9 |
| Net debt/EBITDA, adjusted | | | 2.7x | 1.5x | 1.4x |
| Equity ratio, % | | | 42.9 % | 47.8 % | 46.0 % |
| Earnings per share (EPS), eur | 0.04 | 0.10 | 0.07 | 0.07 | 0.22 |
| Number of personnel, average | 2,115 | 1,960 | 2,080 | 1,935 | 1,969 |

Q2 NET SALES

11%

YoY growth

Q2 ORGANIC GROWTH

4%

H1 NET SALES

13%

YoY growth

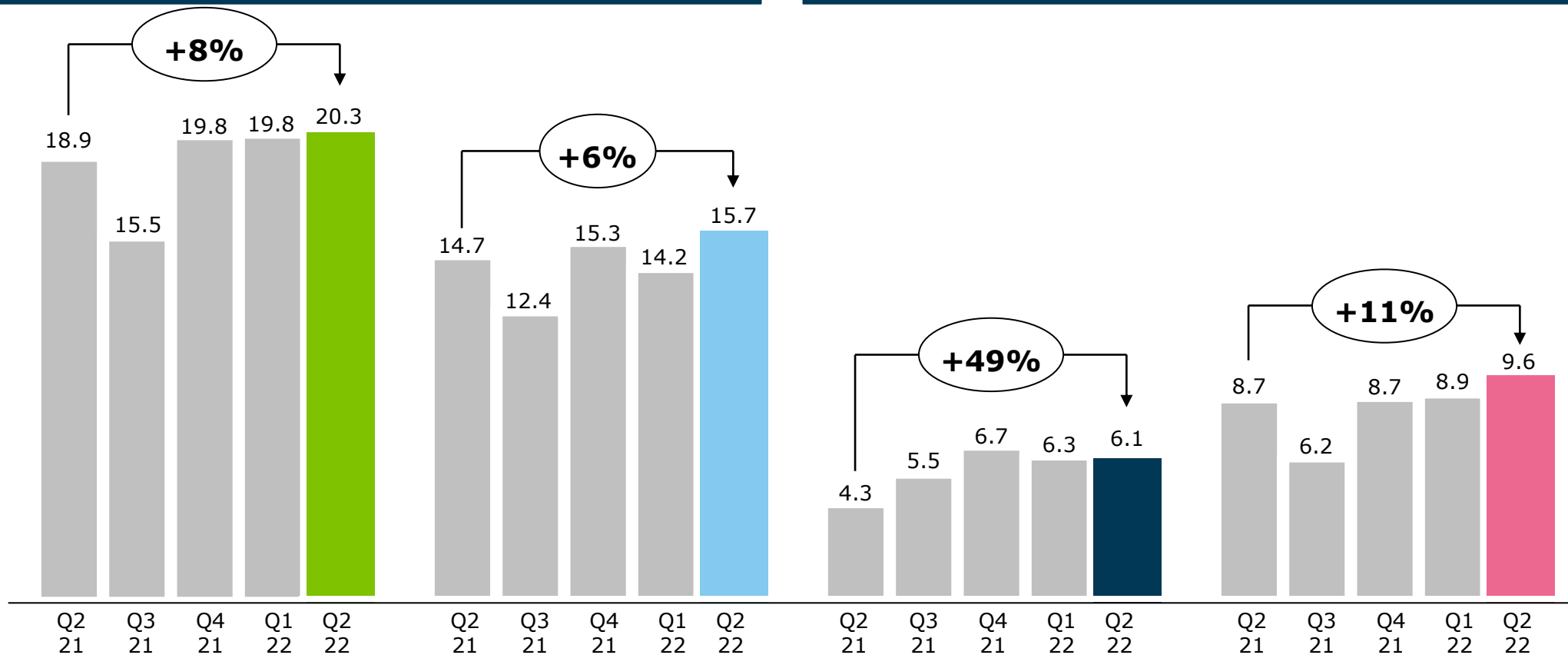
H1 ORGANIC GROWTH

5%

Strong growth in all business areas

Existing strongholds continue to grow

Share of strategic growth businesses increasing



Buildings

Infrastructure

Digital Solutions

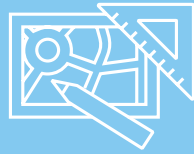
Sweden

Business area highlights



Buildings

- Growth driven by the higher number of employees and strengthening of the growth of acquired companies.
- Renovation increasing in importance.
- Orders: A project related to the Kottarainen quarter for Kojamo, and planning of 15- and 22-storey apartment buildings started with YIT.



Infrastructure

- Growth driven by higher average fees and a higher number of employees.
- Several new large, medium and small-sized orders.
- Orders: Design of the first phase of the Tampere one-hour train, as well as a four-year framework agreement for environmental services with the City of Helsinki.



Digital Solutions

- Growth driven by Infracontrol (acquired in 7/2021), organic growth also very strong.
- Sales activity high, cooperation with the external recruitment partner increased new hires.
- Orders: Implementation of the metsään.fi service for the Finnish Forest Centre. A new 4-year framework agreement with the Ministry of Agriculture and Forestry.



Sweden

- Growth continued, overall demand remained stable.
- Significant new large and smaller projects
- Orders: HVAC design for a new BREEAM-classified life science facility (Uppsala), new modular element construction projects (Örebro and Gothenburg).

Active M&A continued to boost profitable growth

Q2/2022



Forms Finland's largest expert organization in renovation construction

- Net sales EUR 5 million (2021), 45 experts in Finland
- Renovation construction know-how will be increasingly important in the future due to rapidly changing legislation focused on climate change and sustainable development.

Strengthens electrical design expertise in Sweden

- Net sales EUR 1.1 million (2021), 10 experts in Sweden
- Sitowise has grown rapidly in Sweden over the past two years, and the latest acquisition complements the organization with strong expertise, a committed customer base and diverse projects.

More than doubles SaaS business in Digital Solutions

- Net sales EUR 5.6 million (2021), 80 experts in Finland
- Sitowise more than doubled its SaaS business. Goal is to continue to grow as a geospatial information and asset management pioneer in the Nordic countries.

Q1/2022

VRT Finland Oy's underwater data business



Expands services with underwater surveys

- 9 experts in Finland
- Renovation construction know-how will be increasingly important in the future due to rapidly changing legislation focused on climate change and sustainable development.

Strengthens infrastructure business in Sweden

- Net sales EUR 2.3 million (2021), 13 experts in Sweden
- The acquisition further diversified and strengthened Sitowise's offering in Sweden

YTD acquisitions in total:



EUR 14 million in total net sales (2021) excl. VRT business



157 new experts

SITOWISE

A strong track-record in M&A and integration of the new companies

Acquisition criteria

- ✓ **Strong financial performance**
- ✓ **Complementing offering and capabilities**
- ✓ **New services and customer segments**
- ✓ **Wider geographical reach**
- ✓ **Committed management and employees**
- ✓ **Good fit in terms of company culture**

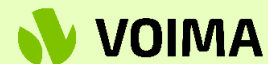
Key enablers in integration

People management

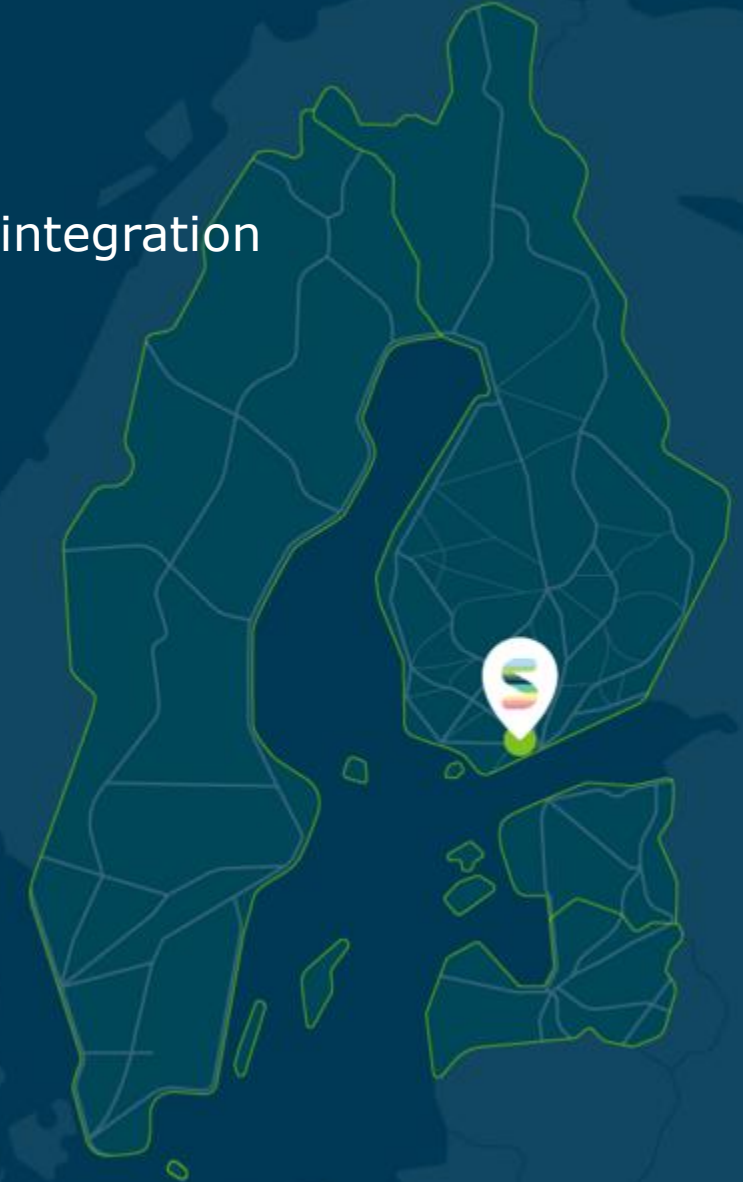


Industry-leading eNPS scores on team leaders

Efficient processes

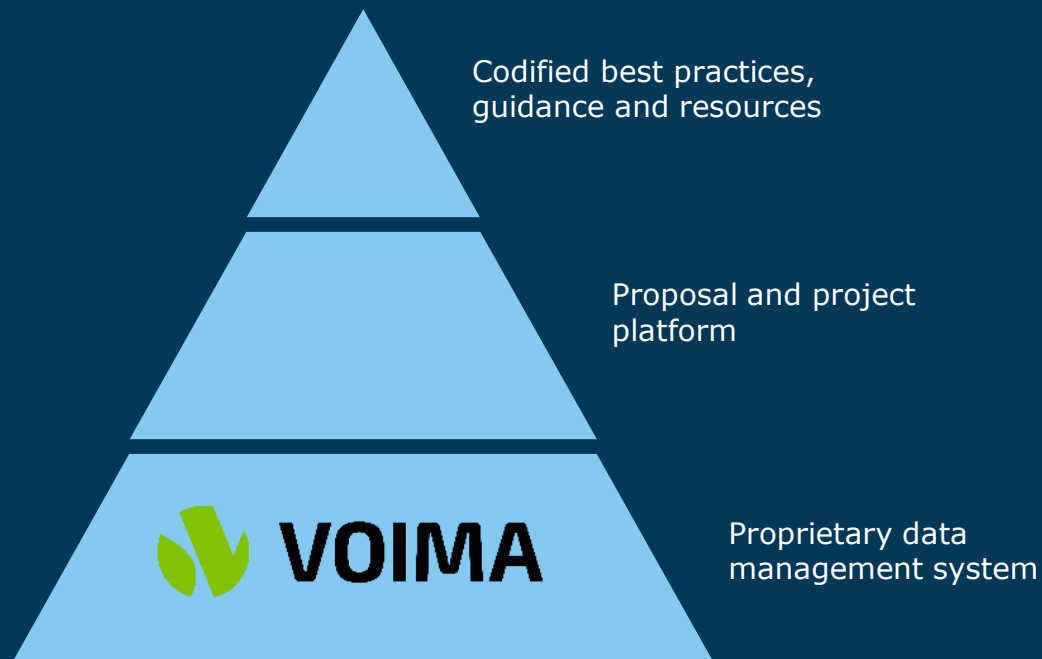


Unique proprietary platform drives operational efficiency



Voima platform drives efficiency and profitability

A unified way of working

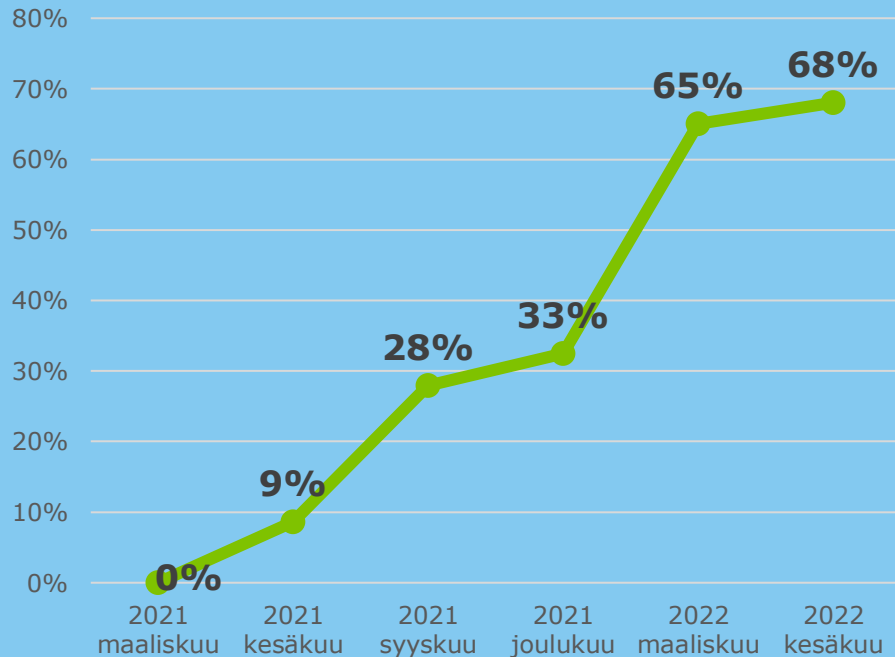


Key benefits

- 1 Increase in billable hours**
- 2 Consistent high-quality work**
- 3 Reduction of risks and budget overruns with real-time data**
- 4 Better practices benefit also clients**
- 5 Enhancing post-merger integration**
- 6 Ensuring sustainability in all our projects**

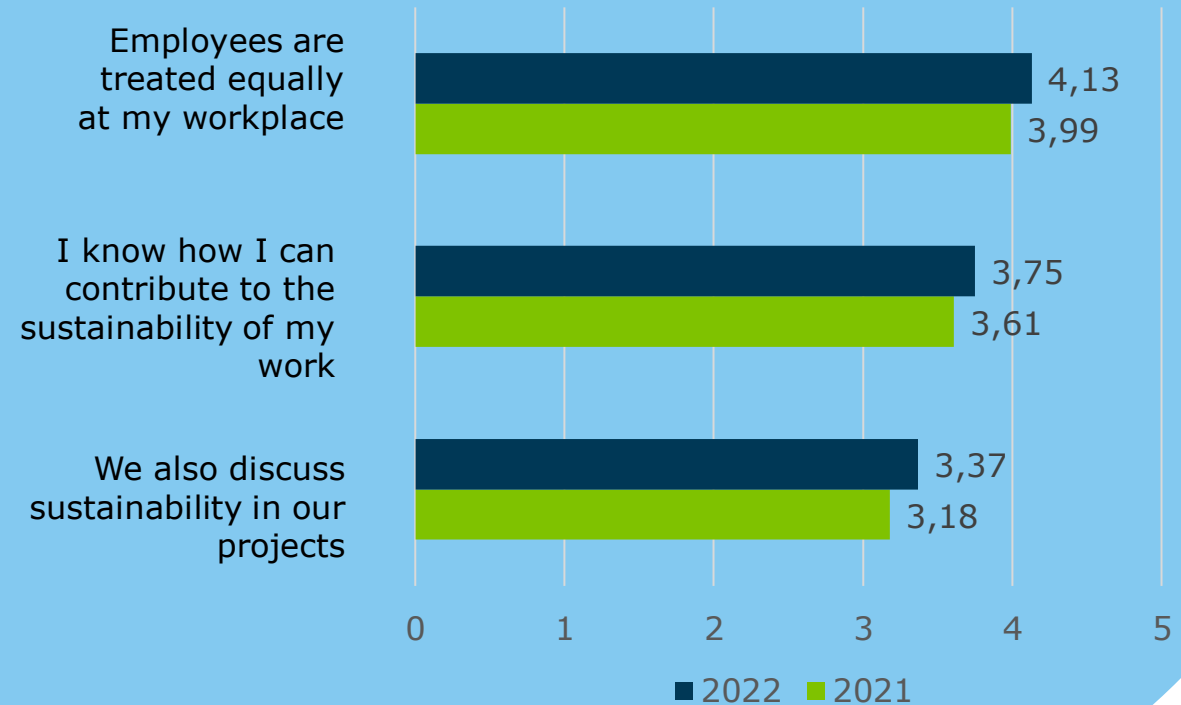
Voima is enabling sustainability focus in all projects and practices

New projects using sustainability tool since introduction in 3/2021

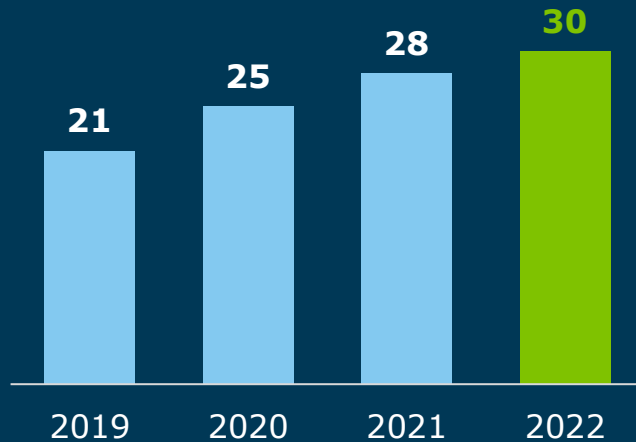


* Implemented only in Finland

Most improved results in the employee survey 2022



Annual personnel survey shows high-quality team leader work



eNPS scale -100 - 100

Employee recommendation score
(Employee net promoter score, eNPS) has increased yearly



Question: My supervisor is **fair and just**
(scale 1-5)



Question: We know **what our clients expect**
from us
(scale 1-5)

Source: Sitowise annual personnel survey
Respond rate 85 % (82 %), 1652 employee respondents in total

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 second quarter of the year, demand across all our business areas remained good. 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 for 2022 (unchanged)

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

Q&A



Thank you!

- Q3 report will be released on 2 November

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