

SITOWISE GROUP PLC

A strong Q4 driven by organic growth

Financial Statements Release
1 January – 31 December 2021



SITOWISE



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The figures in this report are audited. Comparative figures for the corresponding period of the previous year are in brackets. This report has been published in Finnish and English. In the event of any differences between the English translation and the Finnish original, the Finnish report will prevail.

OCTOBER–DECEMBER IN BRIEF

- Net sales increased by 19% to EUR 50.5 (42.4) million
- Organic growth of net sales was 6%
- Adjusted EBITA was EUR 5.6 (3.9) million, or 11.1 (9.2) % of net sales
- Order book increased by 41% and amounted to EUR 162 (115) million
- Sitowise acquired Livair Oy and Insinööritoimisto Jorma Jääskeläinen Oy
- Sitowise set four goals in its sustainability program relating to carbon neutrality, workplace wellbeing, sustainable economic growth, and making the industry more sustainable
- Sitowise's number of personnel surpassed 2,000

JANUARY–DECEMBER IN BRIEF

- Net sales increased by 12% to EUR 179.3 (160.1) million
- Organic growth of net sales was 0%
- Adjusted EBITA was EUR 21.1 (20.6) million, or 11.8 (12.9) % of net sales
- Net debt / adjusted EBITDA declined to 1.4 (2.6) x
- Listing on Nasdaq Helsinki Ltd's main list in March
- Eight acquisitions strengthened Sitowise's position in technical consultancy, digital solutions and in sustainability services both in Finland and Sweden
- Earnings per share EUR 0.22
- The Board of Directors proposes a dividend of EUR 0.10 per share, which is approximately 30% of net result adjusted with IPO costs recognized in the income statement

KEY FIGURES

EUR million	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	50.5	42.4	179.3	160.1
EBITA, adjusted	5.6	3.9	21.1	20.6
% of net sales	11.1%	9.2%	11.8%	12.9%
EBITA	5.2	3.0	18.5	19.5
Operating profit	4.6	2.6	16.4	18.3
Cash flow from operating activities before financial items and taxes	14.0	12.2	22.8	31.5
Net debt			30.9	56.6
Net debt / EBITDA, adjusted			1.4x	2.6x
Equity ratio, %			46.0%	30.2%
Earnings per share (EPS), EUR *)	0.08	1.56	0.22	9.69
Number of personnel, average	2,015	1,843	1,969	1,823

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

CEO PEKKA ELOHOLMA

In the last quarter of the year, we reached growth both organically and through acquisitions. We had strong organic growth in net sales and our utilization rate remained on a good level. Additionally, we succeeded in our sales work as our order book reached yet another record high at the end of the financial year. Our cash flow was also strong during the fourth quarter.

“ In the last quarter of the year, we reached growth both organically and through acquisitions.

We had three strategically significant acquisitions towards the end of the year. Sitowise acquired HVAC engineering specialist Livair Oy and structural engineering and consultancy specialist Insinööritoimisto Jorma Jääskeläinen Oy. In early 2022, we finalized the acquisition of VRT Finland Oy’s business, which covers condition studies of structures below and above the surface of the water.

The market for built environment continued to pick up during the rest of the year. The market situation was favourable for every business area of Sitowise – for designing buildings and infrastructure as well as for the digital solutions related to them.

Especially rail infrastructure was in key role during the past year. Sitowise is part of designing significant rail projects, such as the Crown Bridges, Vantaa light rail and One-hour Turku Rail Link.

The travel time from Helsinki to Tampere should also take an hour, as Sitowise is designing the fast railway line as part of Suominrata.

The last quarter of the year was significant for Sitowise also regarding personnel growth. We reached the milestone of over 2,000 employees, which is a result of successful acquisitions as well as our good employer brand. Meaningful work and satisfaction with supervisor work and leadership invite to both join and stay at Sitowise.

Our management team was strengthened in November as Jonas Larsson began his duties as the head of Sitowise’s operations in Sweden. Together with the personnel in Sweden, Jonas will focus on driving acquisitions as well as the integration of the acquired companies, developing the business, expanding the clientele, and prepares to launch the Sitowise brand in Sweden during 2022.

In January 2022, Sitowise’s Board of Directors appointed Heikki Haasmaa as the new CEO. He takes office in early May 2022. Heikki brings a versatile experience from a global listed company. He brings knowhow of international business development in one of the most successful publicly listed companies in Finland, and a broad understanding of the new possibilities in digital solutions.

I am proud of Sitowise, and that I got the opportunity to lead this company forward on its exciting growth journey. As a publicly listed company, Sitowise is now facing a new Nordic growth path, for which we have laid a strong foundation together during recent years.

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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.

The market began and has continued to pick up since 2021, and Sitowise expects the market to grow in all of the Group's business areas. However, the exceptional situation in Europe due to Russia's military action against Ukraine could contribute to uncertainty in European financial markets and lead to decreased economic activity.

GUIDANCE

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

LONG-TERM FINANCIAL TARGETS

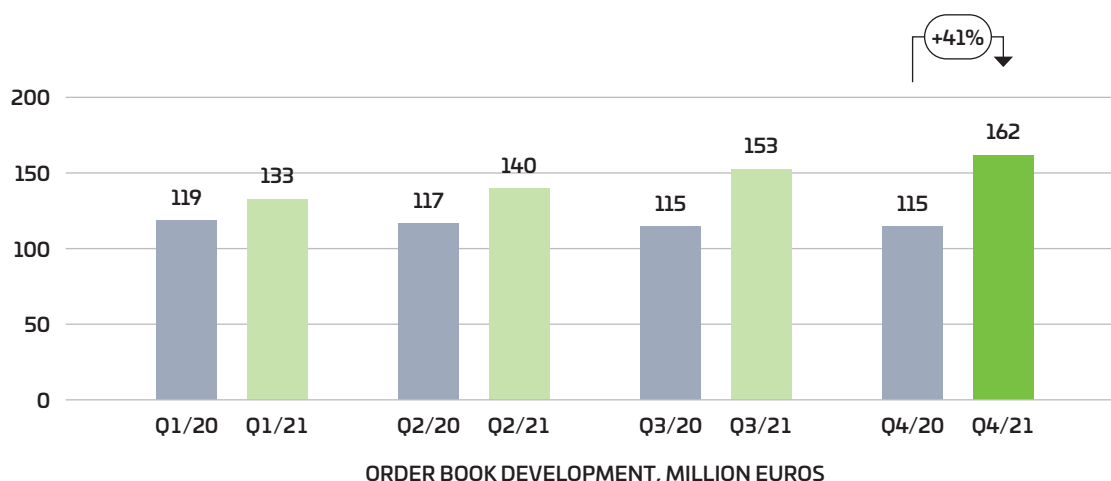
The Board of Directors of Sitowise Group has set the following long-term financial targets:

- **Growth:** Annual net sales growth of over 10 percent, including acquisitions;
- **Profitability:** Adjusted EBITA margin of at least 12%;
- **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% of net profit.

THE GROUP'S FINANCIAL DEVELOPMENT

EUR million	2021	2020	2019	2018
The Group's net sales	179.3	160.1	143.0	125.7
The Group's adjusted EBITA	21.1	20.6	15.5	14.5
% of net sales	11.8%	12.9%	10.8%	11.5%

THE GROUP'S ORDER BOOK

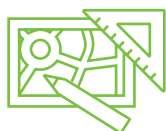


The market began to pick up by the turn of the year and continued to do so throughout the year. The record-high order book was positively affected also by Sitowise's active sales work and the completed acquisitions. The Group's order book increased by 6% compared to the third quarter of 2021. From the end of last year, the order book increased by 41% to EUR 162 million.

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% of revenue.



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. The business area also includes digital solutions for traffic and infrastructure in Sweden.



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

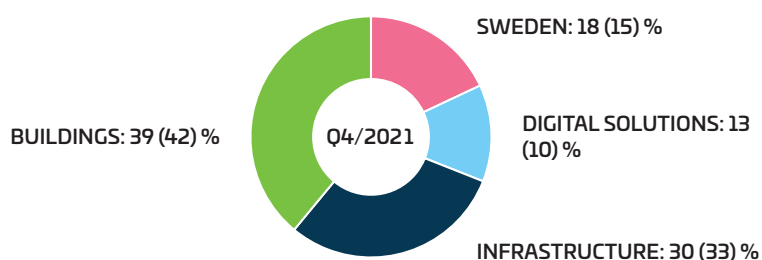
THE GROUP'S NET SALES AND PROFITABILITY

NET SALES

EUR million	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Buildings	19.8	17.9	72.1	70.8
Infrastructure	15.3	14.2	55.9	54.2
Digital Solutions *	6.7	4.0	20.3	14.1
Sweden	8.7	6.3	31.0	21.1
Total	50.5	42.4	179.3	160.1

*) Includes the Group's Swedish subsidiary Infracontrol AB.

Share of the Group's net sales



NET SALES IN OCTOBER–DECEMBER

The Group's net sales increased during the last quarter of the financial year 2021 by 19% from the comparison period. The increase was primarily a result of the acquisitions made at the end of the comparison year and during this year, but about a third of the increase was a result of the strong organic growth from Infrastructure, Buildings and Digital Solutions business areas.

NET SALES IN JANUARY–DECEMBER

The Group's net sales increased in January–December by 12%. The increase was primarily a result of acquisitions made at the end of last year and the beginning of this year. Regardless of the increase in the number of personnel, organic adjusted net sales remained at the comparison period's level. This was due to the timing of holidays and especially due to the unusually high utilization rate during the comparison period's second quarter, as majority of the time was spent on customer projects after shifting to remote work. Sitowise's listing process also temporarily reduced the utilization rate during the first quarter this year.

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
EBITA, adjusted	5.6	3.9	21.1	20.6
% of net sales	11.1%	9.2%	11.8%	12.9%
EBITA	5.2	3.0	18.5	19.5
Operating profit	4.6	2.6	16.4	18.3
Result before taxes	3.7	3.1	10.3	15.9
Result from continuing operations	2.7	2.5	7.9	12.7
Earnings per share (EPS), EUR *)	0.08	1.56	0.22	9.69

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

PROFITABILITY IN OCTOBER–DECEMBER

The **adjusted EBITA** increased with the net sales growth by 43%, despite of the comparison period's unusually low costs, which were caused by i.e. temporary work pension discounts. Expenses affecting comparability amounted to EUR 0.4 (0.9) million. The expenses related primarily to acquisitions.

The **operating profit** increased by 76% due to the net sales growth and lower non-recurring expenses.

The **result before taxes** was mainly affected by financial expenses, which amounted to EUR -0.8 (0.5) million. Financial expenses also included unrealized foreign exchange losses as a result of the revaluation of SEK-denominated internal loans.

The **earnings per share (EPS)** have been calculated with a non-comparable number of shares due to the listing during the first quarter.

PROFITABILITY IN JANUARY–DECEMBER

Due to the strong last quarter, the financial year's **adjusted EBITA** increased 2% from the comparison year. During the last quarter of the year, especially net sales growth from acquisitions and organic growth strengthened EBITA – despite of the comparison period's temporary work pension discounts and the lower utilization rate of the first half of 2021. Therefore, the relative profitability for the full year was lower than in the comparison period. EBITA adjustments amounted to EUR 2.6 (1.1) million. The adjustments related primarily to acquisitions.

The **operating profit** decreased by 10% mainly due to acquisition expenses affecting comparability.

The **result before taxes** was affected by financial expenses, which amounted to EUR -6.1 (-2.4) million and included – in addition to normal interest expenses that decreased from the comparison period – both listing expenses and unrealized foreign exchange losses as a result of the revaluation of SEK-denominated internal loans.

The **earnings per share (EPS)** have been calculated with a non-comparable number of shares due to the listing during the first quarter.

FINANCIAL POSITION AND CASH FLOW

Equity attributable to owners of the parent company was EUR 114.7 (111.5 on 30 September 2021) million.

EUR million	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020
Cash and cash equivalents	19.4	9.3	9.7	9.1	15.5
Interest bearing debt, total	50.2	50.2	39.7	39.6	72.0
<i>Interest bearing debt, current</i>	1.0	0.5	0.5	0.0	3.3
<i>Interest bearing debt, non-current</i>	49.2	49.7	39.2	39.6	68.7
Equity ratio, %	46.0%	47.8%	47.8%	46.0%	30.2%
Net debt	30.9	40.9	29.9	30.5	56.6
Net debt / EBITDA, adjusted	1.4x	2.0x	1.5x	1.4x	2.6x
Gearing, %	26.9%	36.6%	27.7%	29.3%	84.6%

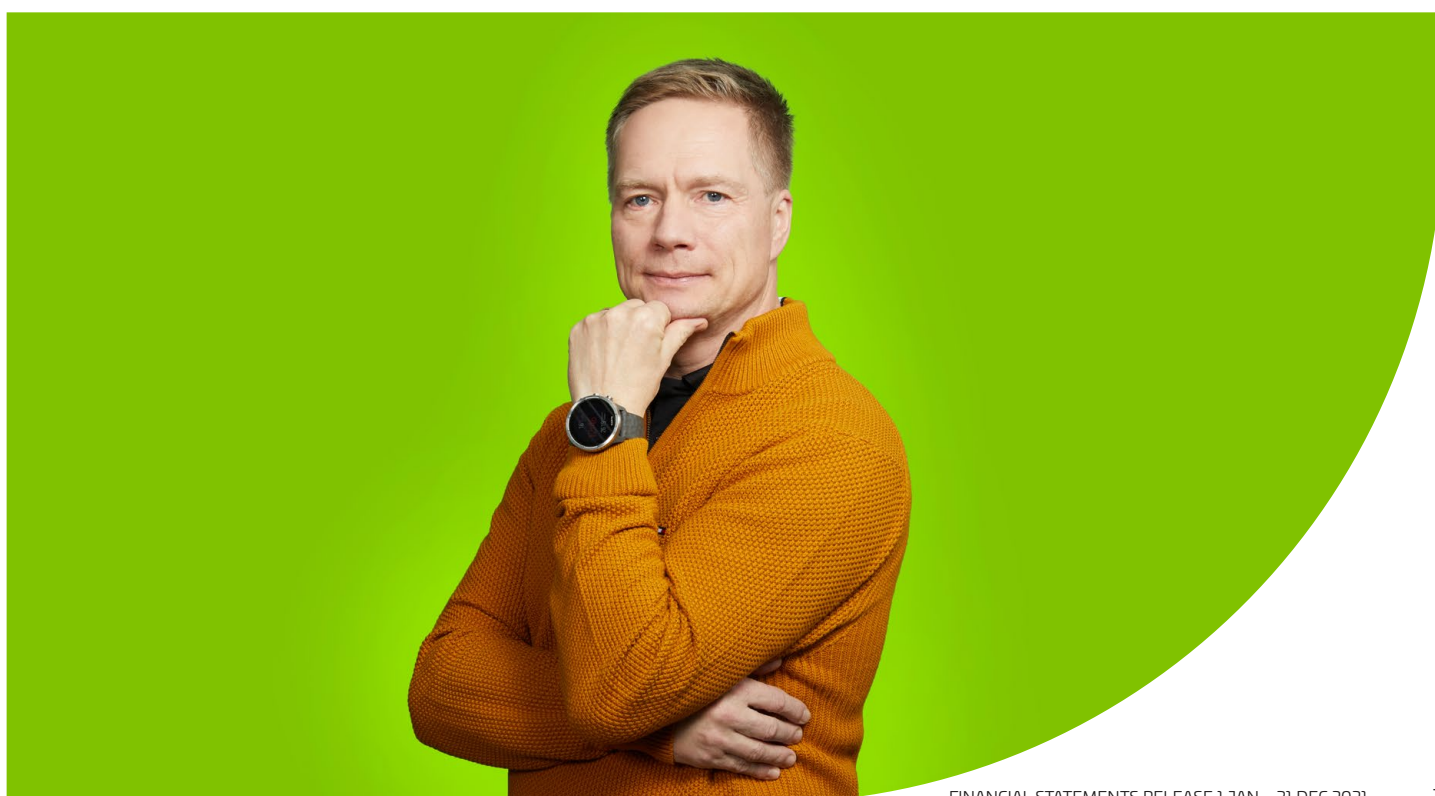
The listing and the related refinancing strengthened the Group's equity ratio and reduced gearing at the end of the first half-year period. In the fourth quarter, the company's liquidity improved and gearing decreased, especially due to strong operative cash flow.

Cash flow from operating activities before financial items and taxes was EUR 14.0 (12.2) million during the fourth quarter. The increase from the comparison period was mainly due to the improved profitability of the business, while changes in working capital remained at the level of the comparison period.

Cash flow from investing activities in October–December decreased to EUR -2.2 (-16.3) million, mainly due to higher acquisitions during the comparison period.

Cash flow from financing was EUR -1.0 (5.4) million in the fourth quarter, mainly consisting of lease liability payments. In the comparison period, Cash flow from financing was mainly affected by loan withdrawals and reinvestments to the company related to acquisitions as well as dividend payments.

The consolidated balance sheet total at the end of December was EUR 249.8 (233.6 on 30 September 2021) million. At the end of the financial year, goodwill in the balance sheet amounted to EUR 135.2 (133.9 on 30 September 2021) million. No indications of impairment exist.



BUSINESS REVIEW: BUILDINGS

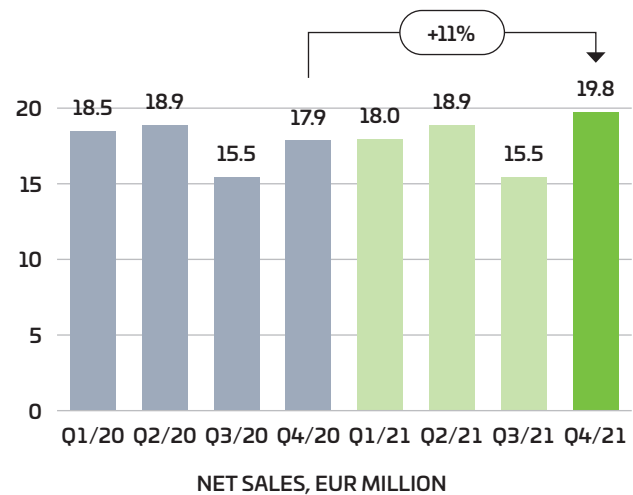


The **Buildings business area**'s net sales increased during the last quarter by 11% to EUR 19.8 (17.9) million in comparison to last year. The business area's share of the Group's net sales was approximately 39 (42) %.

The business area returned to the path of organic growth during the end of the year. Additionally the order book grew due to won tenders. The business won significant small and medium scale projects. Simultaneously the government sector's share of the order book increased and rose to a major role.

The business area's number of personnel developed favourably during the latter part of the year. An additional boost came from strategic acquisitions. Sitowise strengthened its position in Tampere (Finland) as Insinööritoimisto Jorma Jääskeläinen Oy was acquired. The business area's HVAC expertise was complemented through Livair Oy. In addition, two earlier acquisitions were successfully merged into Sitowise during the fourth quarter.

The Buildings business area returned to the path of organic growth during the end of the year.



BUSINESS REVIEW: INFRASTRUCTURE

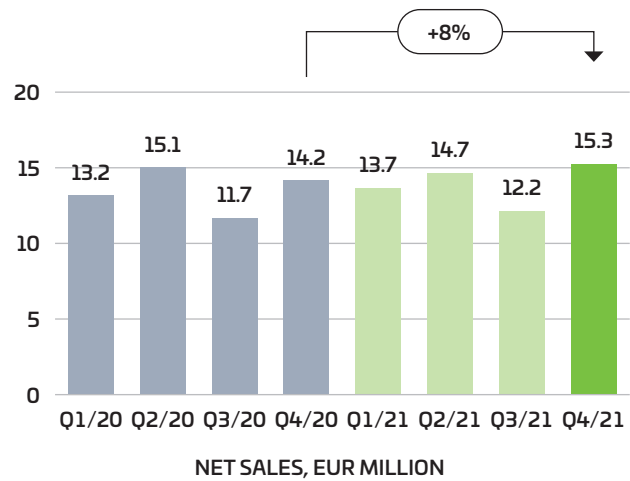


The **Infrastructure business area**'s net sales increased in the fourth quarter by 8% to EUR 15.3 (14.2) million in comparison to last year. The business area's share of the Group's net sales was approximately 30 (33) %.

Infra's net sales growth was mostly organic. Respectively the business area's order book continued to grow during the fourth quarter. Majority of the projects in the order book – such as Crown Bridges and Vantaa light rail – are multiannual projects, which means that the order book isn't expected to grow with the same pace during the next quarters.

At the turn of the year, the business area gained special expertise by acquiring part of VRT Finland Oy's business, which covers 3D construction inspections and the processing and utilisation of 3D data for condition studies of structures below and above the surface of the water.

Majority of the projects in the order book – such as Crown Bridges and Vantaa light rail – are multiannual projects.



BUSINESS REVIEW: DIGITAL SOLUTIONS

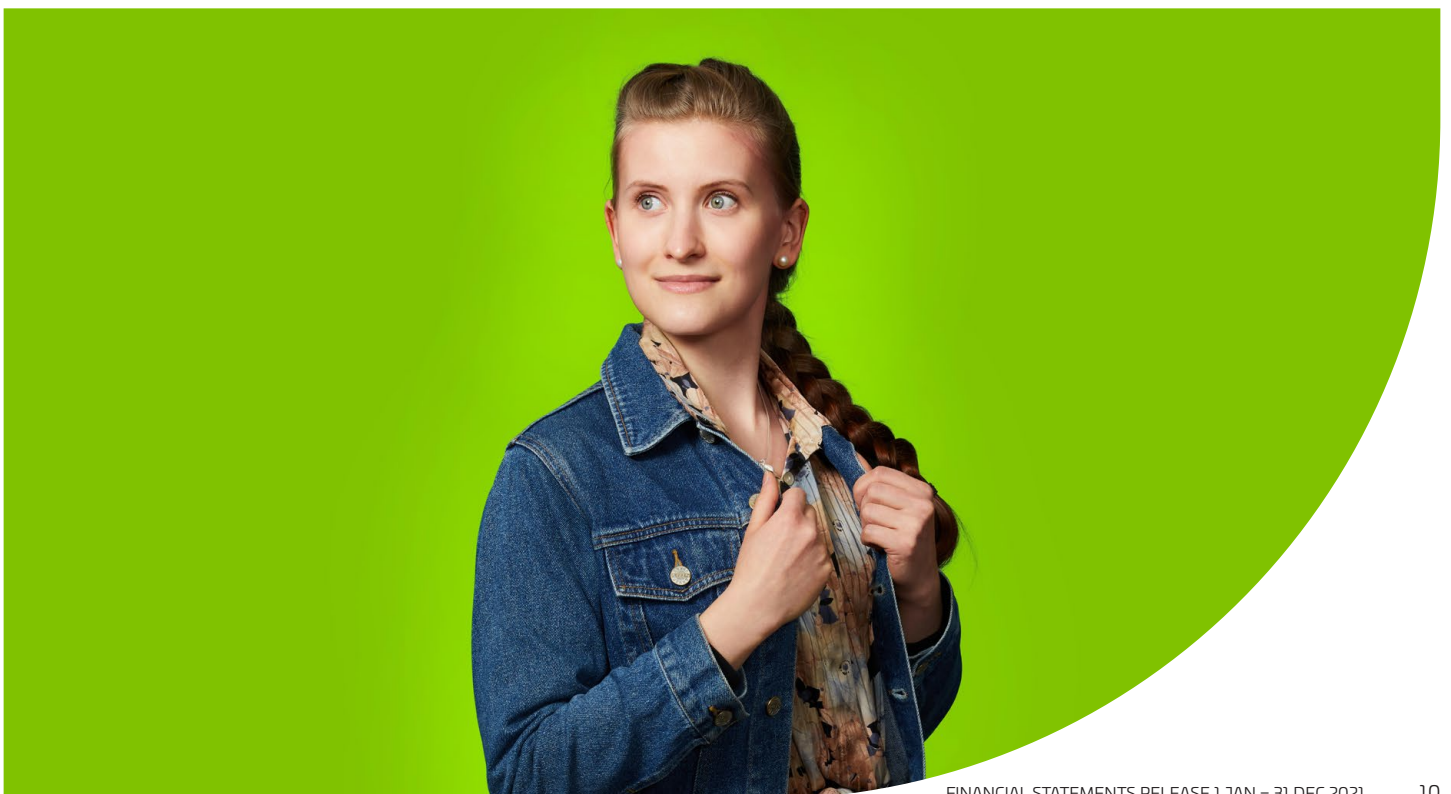
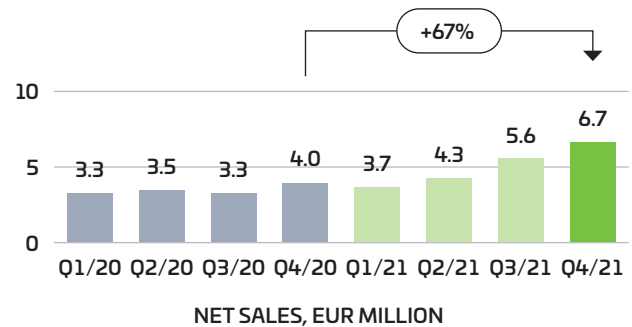


The **Digital Solutions business area**'s net sales increased in the fourth quarter by 67% to EUR 6.7 (4.0) million in comparison to last year. The business area's share of the Group's net sales was approximately 13 (10) percent.

The net sales growth was accelerated by the 2021 acquisitions of Infracontrol, Sweetlakes and MSDI. The favourable net sales development was a significant achievement, as Digital Solutions has grown faster than the general IT market.

The business area's sales activity and order book remained on a good level during the fourth quarter. Throughout the year Digital Solutions gained new private sector clients e.g. from wind power and forestry companies. As for the public sector clients, the framework agreement with the City of Helsinki continued to positively impact the order book during the fourth quarter. In addition, Digital Solutions consulted municipalities and The Finnish Infrastructure Agency about building 5G connections. Another noteworthy project was the sustainability index developed for MuniFin, which the business area completed by the end of the year.

Digital Solutions has grown faster than the general IT market.



BUSINESS REVIEW: SWEDEN

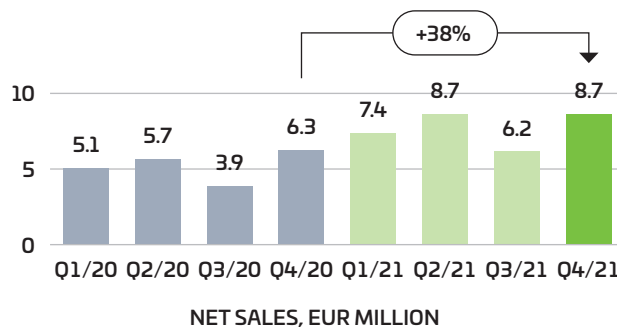


The operations in **Sweden** increased the net sales in the last quarter by 38% to EUR 8.7 (6.3) million in comparison to last year. The business area’s share of the Group’s net sales was approximately 18 (15) %.

Comparing to the rest of the market, Sitowise’s operations in Sweden were stable and continued to pick up during the fourth quarter. The head of Swedish operations Jonas Larsson took up his post in November and is driving the integration process of all Sitowise’s companies in Sweden under the same brand, with aligned reporting, ERP systems, and shared support functionalities. The roadmap for Sitowise in Sweden also includes increasing the company’s visibility as a local contender as well as a prominent client and employer brand during 2022.

Significant projects during the fourth quarter included Forskaren, the new life science centre in Stockholm, where Sitowise is responsible for the building’s structural engineering. Also worth mentioning is Keyplant AT550 – comprising of two modular buildings with packaging lines, new laboratory, and office space – designed for the end client MSD (Merck) in Austria. This is just one of several Sitowise’s projects with Key Plants, who deliver turnkey production and laboratory modules for the life sciences industry.

The roadmap for Sitowise in Sweden also includes increasing the company’s brand visibility during 2022.



SUSTAINABILITY

In December 2021, Sitowise’s Board of Directors approved the Group’s new sustainability program covering the period up to 2025. Sitowise’s vision of being the industry’s most responsible partner set the frames for the program, which was built around four goals that can be measured. The most important thing in the program was to set clear sustainability goals and indicators for them. The sustainability program applies to all Sitowise employees and requires developing operations on every level of the organization.

The goals of the sustainability program 2025 are:

- Sitowise is carbon neutral in 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**

This new sustainability program focuses especially on setting clear sustainability goals and indicators that we can use as guidance in our work. The program examines sustainability by analysing all the aspects of the ESG agenda: environmental responsibility, social responsibility, and good governance.

The program is based on a materiality assessment, for which Sitowise conducted a comprehensive preparatory study encompassing the current state of the company’s sustainability work, the suitability of widely used sustainability frameworks to Sitowise’s operations, and the views of the stakeholders’ – especially the personnel and clients. In addition, the sustainability program aims to anticipate the impact of the upcoming national and EU level legislative change.

The material assessment, the goals, and the indicators are available on Sitowise’s website at www.sitowise.com/sustainability-sitowise/sustainability-goals.

The sustainability tool – introduced in spring 2021 and developed by Sitowise – reached 34% in all new projects in Finland that began during fourth quarter. The goal is to have all the Group’s projects to utilize the tool.

During the review period, Sitowise also conducted a taxonomy assessment of its business, which will be reported for the first time as part of the 2021 annual report.



PERSONNEL AND MANAGEMENT

PERSONNEL

	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Number of personnel, average	2,015	1,843	1,969	1,823
Number of personnel, at the end of the period	2,034	1,902	2,034	1,902

The increase in the number of personnel during the fourth quarter and the financial year 2021 was both from acquisitions as well as organic.

GROUP MANAGEMENT TEAM

Head of Sitowise's Swedish operations Jonas Larsson joined the Group Management Team during the fourth quarter. Members of the Group Management Team on 31 December 2021:

- Pekka Eloholma (Chief Executive Officer until May 2022)
- Anne-May Asplund (Chief Human Resources Officer until February 2022)
- Heidi Karlsson (Chief Financial Officer)
- 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 Corporate Responsibility Officer)
- Teemu Virtanen (Business Director, Digital Solutions)

BOARD OF DIRECTORS

There were no changes in the composition of the Board of Directors of Sitowise Group since the IPO end of March. Members of the Group's Board of Directors on 31 December 2021:

- 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 from the company and its 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 has 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' pre-emptive 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

decides on the manner of acquiring own shares, and derivative instruments, among others, may be used in the acquisition. Based on the authorization, own shares could be acquired 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 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 under the current authorization to issue 250,000 new company shares per each directed issue to the company itself, a total of 500,00 shares. The Board of Directors decided to issue 218,323 own shares in directed issues related to acquisitions during June, July, November, and December. At the end of the financial year, 2,781,677 shares remained of the Board of Directors' authorization.

SHARES AND SHAREHOLDERS

SHARES OUTSTANDING AND SHARE CAPITAL

The company listed on Nasdaq Helsinki Ltd's main list in March. The new shares (672,053) subscribed for in the personnel issue were registered in the Trade Register on 14 April 2021, and the number of the company's shares increased to 35,165,927 shares. The company's Board of Directors decided on 29 June 2021, by virtue of the authorization granted by the unanimous resolution of the shareholders on 3 March 2021, to issue in a directed issue 250,000 new Sitowise shares to the company itself. The shares were registered in the Trade Register on 9 July 2021 and admitted for trading on the official list of Nasdaq Helsinki Ltd on 12 July 2021.

	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021
Registered share capital, EUR thousand	80	80	80	80
Registered total number of shares	35,415,927	35,415,927	35,165,927	34,493,874
Shares owned by the company	31,677	92,608	0	0

At the end of the financial year, Sitowise Group's share capital was EUR 80,000 and the total number of shares outstanding was 35,415,927, of which 31,677 were treasury shares. The company's Board of Directors decided on 15 December 2021, by virtue of the authorization granted by the unanimous resolution of the shareholders on 3 March 2021, to issue in a directed issue 250,000 new Sitowise shares to the company itself. The shares were registered in the Trade Register on 3 January 2022 and admitted for trading on the official list of Nasdaq Helsinki Ltd on 4 January 2022. After the registration of the new shares, the number of shares in Sitowise increased to 35,665,927, of which 281,677 shares were then treasury shares.

The company has one class of shares. Each share entitles its holder to one vote and an equal dividend. At the end of the previous financial year, 31 December 2020, Sitowise Group had four classes of shares entitling their holders to different numbers of votes and distribution of funds.

SITOWS Nasdaq Helsinki	10-12/2021	1-12/2021
Number of shares traded, million	1.2	19.0
Value of the trading, EUR million	9.7	157.1
Closing price on final day of trading, EUR	8.05	8.05
Volume-weighted average price, EUR	8.18	8.28
Highest price, EUR	8.70	10.05
Lowest price, EUR	7.33	7.33
Market capitalization (at the end of the period), EUR million	285.1	285.1

TRADING OF SHARES

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 financial year, 31 December 2021, the number of registered shareholders was 6,169 (6,581 on 30 September 2021). Nominee-registered shareholders accounted for 33.2 percent (31.4 percent on 30 December 2021) of the company's shares. The ten largest shareholders entered in the book-entry register maintained by Euroclear Finland Oy owned a total of 32.1 percent (32.6 percent on 30 December 2021). A list of these major shareholders is available on the company's website at www.sitowise.com.

In the table below, a list of the ten largest shareholders on 31 December 2021 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	14.4%
2	Capital Group Companies, Inc.	2,042,482	5.8%
3	Avanza Pension	1,960,089	5.5%
4	Lannebo Fonder AB	1,871,655	5.3%
5	Didner & Gerge Småbolag	1,463,414	4.1%
6	Evli Finnish Small Cap	1,350,000	3.8%
7	Paradigm Capital Value Fund	1,219,512	3.5%
8	Ilmarinen Mutual Pension Insurance Company	1,071,500	3.0%
9	Skedevi Holding AB	841,640	2.4%
10	Mandatum Life Insurance Company Limited	841,112	2.4%
	10 largest in total	17,782,977	50.2%
	Total shares 31 December 2021	35,415,927	

*) 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 in addition the company publishes the flagging notifications it receives as stock exchange releases.

FLAGGING NOTIFICATIONS

During the fourth quarter, Sitowise did not receive announcements in accordance with Chapter 9 Section 5 of the Finnish Securities Market Act.

BOARD OF DIRECTORS' DIVIDEND PROPOSAL

The Board of Directors of Sitowise Group Plc proposes to the Annual General Meeting to be held on 20 April 2022 that a dividend of EUR 0.10 per share be paid based on the balance sheet to be adopted for the financial year ending 31 December 2021, and that the remaining portion of the distributable funds be retained in non-restricted shareholders' equity.

The dividend will be paid to a shareholder who is registered in the company's shareholders' register held by Euroclear Finland Oy on the dividend record date 22 April 2022. The Board of Directors proposes that the dividend will be paid on 29 April 2022.

On the date of the dividend proposal 2 March 2022, the registered number of the company's shares is 35,665,927. The aforementioned number of shares includes 186,145 treasury shares which are not entitled to dividend. As a result, the proposed dividend would total EUR 3,547,978.20.

On 31 December 2021, the distributable funds of the parent company Sitowise Group Plc were EUR 109,854,282 including EUR 9,657,719 profit for the period. No material change have taken place in the Group's financial position after the balance sheet date. In the opinion of the Board of Directors, the proposed distribution of profits does not risk the solvency of the company.

RISKS AND UNCERTAINTIES

The significant risks and uncertainties related to Sitowise Group's business include operational and damage risks, and strategic and financial risks, to which the Group's financial performance is vulnerable. The Group's risk assessment is based on an annual survey that was conducted during the financial year 2021, and its results have been discussed in the Group's Board of Directors, management team as well as business areas. Sitowise Group's risk management process and responsibilities are described on the Group's website at www.sitowise.com.

As for the operational risks, in the Sitowise Group's personnel risks the employee retention of the current specialists, how the specialists cope with, and the availability of new specialists are emphasized. Sitowise's business is based on skilled personnel, and talented professionals are a key factor in securing profitable growth and business. The long-lasting remote work caused by the COVID-19 pandemic is a risk for employee retention and engagement to the Sitowise Group. Sitowise Group's operational risks also include risks related to project work. Risks also include damage risks such as IT system and cyber security risks.

Sitowise Group's strategic risk is that the planned growth based on corporate acquisitions will not materialize. That could happen if suitable acquisition targets are not available, acquisitions cannot be made at financially reasonable valuation level or acquisitions involve liabilities that cannot be considered in the purchase price. Sitowise Group's strategic and financial risk is that financial market uncertainty or rising interest rates will lead to higher financing costs and reduced availability (adequacy, timeliness, and favourable terms). That is a risk because Sitowise finances its

business and investments with cash flow and debt financing, and needs external financing to implement its growth strategy.

Since March 2020, Sitowise Group has been particularly careful in assessing its 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 are business risks of 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 circumstances in Europe due to Russian war activities towards Ukraine may contribute to the uncertainty in the European financial markets. Both may lead to a decline in economic activity for example resulting in reduced or delayed investments and projects. The company does not have offices in Russia, Belarus, or Ukraine, nor export to these countries. The set new sanctions and the changed operating environment outside the scope of sanctions because of the Russian military actions – as well as counter sanctions – may create uncertainties that cannot be assessed thoroughly at the time of publication of this financial statements release.

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 of 12 March 2021 (available on our website 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. In addition to this, due to seasonal fluctuations in business, the second half of the year has historically been stronger than the first half. However, 2020 was also exceptional in this respect, with the second quarter producing a very strong result as employees shifted to remote working, the amount of sales work decreased, holidays were postponed due to COVID-19 measures, and sick leave days were reduced. These factors served to increase the number of billable hours, which was reflected in both net sales and profitability. The Group's net sales and profitability are generally the lowest in the third quarter due to the summer holidays.

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

	2021	2020	Difference
Q1	470	478	-8
Q2	459	454	6
Q3	500	501	0
Q4	481	484	-3
Full year	1,911	1,916	-5

QUARTERLY NET SALES AND EBITA OF THE GROUP

EUR million	Q1/2020	Q2/2020	Q3/2020	Q4/2020	Q1/2021	Q2/2021	Q3/2021	Q4/2021
Net sales	40.0	43.2	34.4	42.4	42.8	46.5	39.6	50.5
Other operating income	0.1	0.2	0.0	0.2	0.2	0.4	0.2	0.1
Material and services	-3.1	-3.5	-2.9	-3.8	-2.4	-3.1	-3.8	-5.2
Personnel expenses	-25.9	-26.9	-21.3	-27.8	-29.1	-30.7	-24.3	-31.1
Other operating expenses	-4.5	-4.2	-4.2	-5.4	-4.9	-5.3	-4.9	-6.8
Depreciations	-1.6	-1.7	-1.7	-1.8	-1.8	-1.9	-1.9	-1.9
EBITA, adjusted	5.2	7.2	4.4	3.9	4.7	5.9	4.9	5.6
EBITA, adjusted %	12.9%	16.6%	12.8%	9.2%	11.0%	12.7%	12.4%	11.1%
Items affecting comparability	-0.3	-0.2	0.3	-0.9	-0.6	-1.3	-0.3	-0.4
EBITA	4.9	6.9	4.7	3.0	4.1	4.7	4.6	5.2
EBITA %	12.2%	16.0%	13.7%	7.1%	9.5%	10.0%	11.6%	10.3%

MAIN EVENTS AFTER THE FINANCIAL YEAR

Sitowise announced on 4 January 2022 the appointment of a new CEO Heikki Haasmaa who begins in office on 4 May 2022.

Sitowise announced on 10 February 2022 that Anne May Asplund, Chief Human Resources Officer and member of the Group Management Team, resigns during February 2022.

Espoo, 1 March 2022
Sitowise Group Plc
Board of Directors

ADDITIONAL INFORMATION

Pekka Eloholma, 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:

- Q1 Interim Report, January–March 2022, 18 May 2022
- Q2 Half-Year Report, January–June 2022, 17 August 2022
- Q3 Interim Report, January–September 2022, 2 November 2022

Annual Report and Sustainability Report 2021 will be released at the latest during week 13 which begins on 28 March 2022.

The Annual General meeting is planned to be held on Wednesday 20 April 2022. Notice to the Annual General Meeting will be given later.

WEBCAST FOR ANALYSTS, MEDIA, AND INVESTORS

2 March 2022 at 1.00 p.m. (EET)

DISTRIBUTION:

Nasdaq Helsinki Ltd
Key media
www.sitowise.com

INFORMATION ABOUT SITOWISE:

Sitowise is a Nordic specialist and digital expert in the built environment. We offer design and consulting services for smarter and more sustainable 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 of being smart and sustainable, which is why our vision is to be the most responsible partner in developing a prosperous living environment. Sitowise has grown rapidly and profitably in the past years. The group's net sales were EUR 179 million in 2021 and the company employs over 2,000 experts. Sitowise Group Plc is listed on Nasdaq Helsinki as SITOWS.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	50,455	42,400	179,334	160,082
Other operating income	61	434	976	1,365
Material and services	-5,236	-3,812	-14,589	-13,220
Personnel expenses	-31,079	-27,927	-115,696	-101,935
Other operating expenses	-7,130	-6,304	-24,064	-20,012
Depreciation and amortization	-2,516	-2,200	-9,586	-8,008
Operating result	4,555	2,591	16,376	18,272
Financial income	25	1,088	184	1,163
Financial expenses	-845	-608	-6,270	-3,539
Result before taxes	3,735	3,071	10,290	15,896
Income taxes	-1,021	-621	-2,388	-3,215
Result from continuing operations	2,714	2,450	7,903	12,681
Discontinued operations				
Result from discontinued operations	0	0	0	118
Result for the period	2,714	2,450	7,903	12,798
Attributable to:				
Owners of the parent	2,739	2,380	7,827	12,728
Non-controlling interest	-25	70	76	70
Other comprehensive income:				
Items that will not be reclassified as profit or loss				
Recognition of change in the fair value of other investments through comprehensive income	0	0	55	230
Items that may be reclassified to profit or loss				
Change in translation difference	-120	280	-204	243
Total comprehensive income	2,595	2,729	7,754	13,271
Comprehensive income attributable to:				
Owners of the parent	2,620	2,660	7,678	13,201
Non-controlling interest	-25	70	76	70
Earnings per share: *)				
Earnings per share (EUR)	0.08	1.56	0.22	9.69
Diluted earnings per share (EUR)	0.08	1.53	0.22	9.63
Earnings per share (continuing operations): *)				
Earnings per share (EUR)	0.08	1.56	0.22	9.60
Diluted earnings per share (EUR)	0.08	1.53	0.22	9.54

*) Earnings per share are not comparable due to changes in the number of shares. The numbers of shares used for calculating earnings per share are available in Note 5.

The discontinued operations in 2020 include the divested telecommunications business sold to Rejlers during the financial year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	31 Dec 2021	31 Dec 2020
Assets		
Goodwill	135,193	118,081
Other intangible assets	7,543	5,681
Tangible assets	31,421	34,174
Other shares, similar rights of ownership, and receivables	1,865	1,682
Deferred tax assets	1,077	304
Total non-current assets	177,098	159,922
Trade and other receivables	52,099	45,404
Deferred tax assets	1,204	740
Cash and cash equivalents	19,353	15,463
Total current assets	72,656	61,607
Total assets	249,754	221,528

EUR thousand	31 Dec 2021	31 Dec 2020
Shareholders' equity and liabilities		
Share capital	80	3
Fund for invested unrestricted equity	95,310	40,663
Fair value reserve	285	230
Subordinated loans	0	14,145
Translation difference	157	360
Retained earnings	18,840	11,370
Equity attributable to owners of the parent	114,672	66,770
Non-controlling interest	186	110
Total shareholders' equity	114,858	66,880
Deferred tax liabilities	1,565	1,985
Financial liabilities	70,983	92,554
Other liabilities	12	12
Total non-current liabilities	72,560	94,551
Income tax liabilities	2,273	1,608
Financial liabilities	7,624	9,379
Provisions	1,428	1,793
Trade payable and other liabilities	51,010	47,317
Total current liabilities	62,336	60,098
Total shareholders' equity and liabilities	249,754	221,528

CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Cash flow from operating activities:				
Result for the period	2,714	2,449	7,903	12,798
Adjustments				
Income taxes	1,021	621	2,388	3,215
Depreciation and amortization	2,516	2,200	9,586	8,008
Financial income and expenses	820	-479	6,086	2,376
Other adjustments	45	81	154	694
Change in working capital				
Trade and other receivables, increase (-) / decrease (+)	-5,837	-2,977	-4,177	-700
Trade and other payables, increase (+) / decrease (-)	12,731	10,321	878	5,117
Interest paid and other financial expenses	-493	-4,357	-2,430	-6,495
Interest received and other financial income	22	-2	186	73
Income taxes paid	-358	-241	-3,425	-959
Net cash flows from operating activities	13,181	7,616	17,149	24,128
Cash flow from investing activities:				
Investments in tangible and intangible assets	-883	-1,231	-2,209	-3,133
Acquired and divested businesses	0	2	0	739
Acquisitions of subsidiaries, net cash acquired	-1,301	-15,080	-19,900	-21,717
Purchase and sale of other shares	0	0	0	-24
Net cash flows from investing activities	-2,184	-16,309	-22,109	-24,135
Cash flow from financing activities:				
Payments from share issue	487	2,799	78,762	3,761
Paid IPO costs	0	0	-5,078	0
Share repurchases	0	-203	-22	-1,613
Dividend distribution and capital repayment	0	-1,956	-22,286	-2,618
Withdrawal of loans	0	7,829	50,119	14,559
Repayments of loans	-3	-1,701	-72,753	-4,091
Repayments of subordinated loans	0	0	-14,145	0
Lease liabilities, increase (+) / decrease (-)	-1,446	-1,339	-5,766	-5,011
Net cash flow from financing activities	-961	5,429	8,831	4,987
Cash and cash equivalents at the start of the period	9,271	18,587	15,463	10,346
Change in cash and cash equivalents, increase (+) / decrease (-)	10,036	-3,264	3,871	4,980
Translation differences	47	140	19	137
Cash and cash equivalents at the end of the period	19,353	15,463	19,353	15,463

STATEMENT OF CHANGES IN CONSOLIDATED INCOME

EUR thousand	Equity attributable to owners of parent							Non-controlling interest	Total shareholders' equity
	Share capital	Fund for invested unrestricted equity	Fair value reserve	Subordinated loans	Translation differences	Retained earnings	Total		
Shareholders' equity 1 Jan 2020	3	40,471	0	14,145	117	2,343	57,078	291	57,369
Adjustments for the previous financial year						-87	-87		-87
Adjusted shareholders' equity 1 Jan 2020	3	40,471	0	14,145	117	2,256	56,992	291	57,283
Result for the period						12,869	12,869	-70	12,798
Other comprehensive income			230		243		472		472
Total comprehensive income	0	0	230	0	243	12,869	13,341	-70	13,271
Share issues		3,761					3,761		3,761
Share repurchase		-1,613					-1,613		-1,613
Dividend distribution		-1,956				-784	-2,740		-2,740
Interest of subordinated loans						-3,233	-3,233		-3,233
Transactions with non-controlling interests						262	262	-111	151
Transactions with owners	0	192	0	0	0	-3,755	-3,563	-111	-3,673
Shareholders' equity 31 Dec 2020	3	40,663	230	14,145	360	11,370	66,770	110	66,880
Shareholders' equity 1 Jan 2021	3	40,663	230	14,145	360	11,370	66,770	110	66,880
Result for the period						7,827	7,827	76	7,903
Other comprehensive income			55	0	-204		-149		-149
Total comprehensive income	0	0	55	0	-204	7,827	7,678	76	7,754
Fund increase	78	-78					0		0
Share issues		78,762					78,762		78,762
Costs related to IPO		-2,049					-2,049		-2,049
Share repurchase						-22	-22		-22
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
Share-based incentive programs						161	161		161
Transactions with owners	78	54,648	0	-14,145	0	-356	40,224	0	40,224
Shareholders' equity 31 Dec 2021	80	95,310	285	0	156	18,840	114,672	186	114,858

NOTES TO THE FINANCIAL STATEMENTS RELEASE

This Financial Statement Release has been prepared in accordance with IAS 34 Interim Financial Reporting. This release should be read in conjunction with the 2020 consolidated financial statements prepared in accordance with IFRS. All figures in this Financial Statement Release are group figures. All presented figures have been rounded and consequently the sum of individual figures may deviate from the sum presented. The figures in this Financial Statement Release are based on Sitowise Group's audited 2021 financial statements, which will be published with the Annual report during week 13.

The explanatory part of this release describes the effects of the COVID-19 pandemic on the Sitowise Group in more detail. Otherwise, the key uncertainties related to decisions made by the management requiring discretion, management's estimates as well as key topics requiring discretion are the same as in the 2020 financial statements.

The Group has analyzed the final agenda decision on accounting configuration and customization costs of cloud computing arrangements (IAS Intangible Assets) issued by the IFRS Interpretations Committee in April 2021 and concluded that it doesn't have a material effect on the accounting principles applied to the costs of deploying cloud services.

1. NET SALES

Net sales by business area

EUR thousand	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Buildings	19,781	17,887	72,121	70,789
Infrastructure	15,271	14,171	55,908	54,164
Digital Solutions	6,685	4,012	20,287	14,088
Sweden	8,740	6,335	31,025	21,087
Other	-21	-6	-8	-46
Total	50,455	42,400	179,334	160,082

Net sales by geographical area

EUR thousand	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Finland	39,923	35,890	144,456	138,043
Sweden	10,286	6,296	33,967	20,942
Other countries	246	214	912	1,097
Total	50,455	42,400	179,334	160,082

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

Revenue from client contracts expected to be recognized and relating to remaining performance obligations by 31 December 2021 amount to approximately EUR 162 million.

2. BUSINESS COMBINATIONS

During the fourth quarter, the Sitowise Group acquired Livair Oy and Insinööritoimisto Jorma Jääskeläinen Oy. Livair Oy specializes in HVAC engineering and Insinööritoimisto Jorma Jääskeläinen Oy in structural engineering and consultancy. The impact of the acquisitions on the consolidated income statement began for Livair Oy in 12/2021 and for Insinööritoimisto Jorma Jääskeläinen Oy in 01/2022. During the financial year, the Sitowise Group completed eight acquisitions.

Company	Time	Transaction method	Location	Personnel
Stockholms VVS-Kompetens AB	2/2021	Share purchase (100%)	Stockholm (Sweden)	20
Sweetlakes Oy	2/2021	Share purchase (100%)	Jyväskylä	12
Benviroc Oy	2/2021	Share purchase (100%)	Espoo	2
MSDI Oy	2/2021	Share purchase (100%)	Espoo	1
Enco Oy	6/2021	Share purchase (100%)	Helsinki	10
Infracontrol AB	7/2021	Share purchase (100%)	Möndal (Sweden)	29
Livair Oy	11/2021	Share purchase (100%)	Helsinki	6
Insinööritoimisto Jorma Jääskeläinen Oy	12/2021	Share purchase (100%)	Tampere	13

The assets and liabilities of the acquired company mainly include working capital items as well as separately identified assets related to client relationships and technologies. The estimated useful lives of separately identified assets are five years. Recognized goodwill is not tax deductible.

EUR thousand	1-12/2021
Purchase price	23,443
Assets	9,337
Liabilities	3,717
Net assets	5,620
Goodwill	17,823

3. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS

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	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit and loss	Book value total	Fair value	Level
EUR thousand						
Non-current financial assets						
Other shares and holdings		731		731	731	Level 3
Loan receivables	917			917	917	Level 2
Other financial assets	217			217	217	Level 2
Current financial assets						
Trade receivables	34,499			34,499	34,499	Level 2
Cash and cash equivalents	19,353			19,353	19,353	Level 1
Financial assets 31 Dec 2021	54,986	731	0	55,717	55,717	

Financial assets	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit and loss	Book value total	Fair value	Level
EUR thousand						
Non-current financial assets						
Other shares and holdings		663		663	663	Level 3
Loan receivables	917			917	917	Level 2
Other financial assets	102			102	102	Level 2
Current financial assets						
Trade receivables	30,232			30,232	30,232	Level 2
Cash and cash equivalents	15,463			15,463	15,463	Level 1
Financial assets 31 Dec 2020	46,715	663	0	47,378	47,378	

Financial liabilities	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit and loss	Book value total	Fair value	Level
EUR thousand						
Non-current financial liabilities						
Loans from financial institutions	49,206			49,206	49,206	Level 2
Lease liabilities	21,777			21,777		Level 2
Current financial liabilities						
Loans from financial institutions	1,006			1,006	1,006	Level 2
Trade payables	6,305			6,305	6,305	Level 2
Additional purchase price payables			426	426	426	Level 3
Lease liabilities	6,619			6,619		Level 2
Financial liabilities 31 Dec 2021	84,913	0	426	85,339	56,943	

Financial liabilities	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit and loss	Book value total	Fair value	Level
EUR thousand						
Non-current financial liabilities						
Loans from financial institutions	68,728			68,728	68,728	Level 2
Lease liabilities	23,826			23,826		Level 2
Current financial liabilities						
Loans from financial institutions	3,318			3,318	3,318	Level 2
Trade payables	4,955			4,955	4,955	Level 2
Additional purchase price payables			1,171	1,171	1,171	Level 3
Lease liabilities	6,061			6,061		Level 2
Financial liabilities 31 Dec 2020	106,889		1,171	108,060	78,173	

Loans from financial institutions consist of a floating rate bank loan. A term loan of EUR 50 million has been drawn 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

Guarantees and contingent liabilities didn't change significantly during the fourth quarter and the company had bank guarantees in total of EUR 2.6 million at the end of the financial year.

5. SHARES

Number of shares used in calculating Earnings per share

Due to the IPO, the earnings per share for the first quarter have exceptionally been calculated with the number of shares outstanding on March 31, 2021. The diluted number of shares takes into account the shares of the personnel issue and other share issues, which have been unregistered at the end of the financial year.

	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Number of shares	35,415,927	1,257,532	35,415,927	1,257,532
Number of shares, average	35,415,927	1,264,700	35,290,804	1,265,355
Diluted number of shares	35,665,927	1,265,224	35,665,927	1,265,224
Diluted number of shares, average	35,440,384	1,272,392	35,333,200	1,273,047

6. RELATED PARTY TRANSACTIONS

In connection with the IPO in March a long-term incentive program, i.e. an option program, was established. A cost effect of the incentive program has been recognized in the amount of EUR 161 thousand during the financial year.

The company did not have any other significant and unordinary related party transactions during the financial year.

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 business 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	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	50,455	42,400	179,334	160,082
Growth in net sales, %	19.0%	27.0%	12.0%	11.9%
Adjusted organic growth in net sales, %	6%	0%	0%	3%
EBITA, adjusted	5,591	3,912	21,146	20,633
% of net sales	11.1%	9.2%	11.8%	12.9%
EBITA	5,204	2,996	18,523	19,535
Operating profit (EBIT)	4,555	2,591	16,376	18,272
% of net sales	9.0%	6.1%	9.1%	11.4%
Balance sheet total			249,754	221,528
Cash and cash equivalents			19,353	15,463
Net debt			30,859	56,583
Cash flow from operating activities before financial items and taxes	14,017	12,216	22,818	31,508
Earnings per share (EUR)	0.08	1.56	0.22	9.69
Diluted earnings per share (EUR)	0.08	1.53	0.22	9.63
Earnings per share, continuing operations (EUR)	0.08	1.56	0.22	9.60
Diluted earnings per share, continuing operations (EUR)	0.08	1.53	0.22	9.54
Return on equity (ROE), %			8.7%	20.6%
Return on capital employed (ROCE), %			8.9%	12.1%
Equity ratio, %			46.0%	30.2%
Net debt/EBITDA, adjusted			1.4x	2.6x
Gearing, %			26.9%	84.6%
Number of personnel, average	2,015	1,843	1,969	1,823
Full-time equivalent (FTE), average	1,711	1,576	1,697	1,555
Utilization rate	76.9%	76.5%	76.6%	77.3%

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), %	=	$\frac{\text{Profit for the period, previous 12 months}}{\text{Total shareholders' equity, average}}$
Return on capital employed (ROCE), %	=	$\frac{(\text{Profit before taxes + financial expenses}), \text{ previous 12 months}}{(\text{Balance sheet total} - \text{non-interest-bearing debt}), \text{ average}}$
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	=	$\frac{(\text{Result for the period} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average weighted number of shares}}$
Diluted earnings per share	=	$\frac{(\text{Result for the period} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average diluted weighted number of shares}}$
Earnings per share (continuing operations)	=	$\frac{(\text{Result for the period for continuing operations} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average weighted number of shares}}$
Diluted earnings per share (continuing operations)	=	$\frac{(\text{Result for the period for continuing operations} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average diluted weighted number of shares}}$
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	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	50,455	42,400	179,334	160,082
Adjusted organic growth in net sales, %				
Growth in net sales	19%	7%	12%	12%
Impact of acquisitions	-13%	-4%	-11%	-8%
Impact of number of working days	1%	-2%	0%	0%
Impact of exchange rates	0%	0%	-1%	0%
Adjusted organic growth in net sales, %	6%	3%	0%	3%
EBITA				
Operating profit (EBIT)	4,555	2,591	16,376	18,272
Amortizations of intangible assets	-648	-405	-2,147	-1,263
EBITA	5,204	2,996	18,523	19,535
EBITA %	10.3%	7.1%	10.3%	12.2%
Items affecting comparability				
Restructuring costs	0	173	181	253
M&A and integration costs	242	382	1,683	327
Costs related to IPO readiness	0	269	196	408
Other	137	91	555	111
Items affecting comparability, EBITDA	379	916	2,615	1,098
Items affecting comparability, depreciations	8	0	8	0
Items affecting comparability, EBITA	387	916	2,623	1,098
EBITA, adjusted				
EBITA	5,204	2,996	18,523	19,535
Items affecting comparability, EBITA	387	916	2,623	1,098
EBITA, adjusted	5,591	3,912	21,146	20,633
EBITA, adjusted %	11.1%	9.2%	11.8%	12.9%
EBITDA				
Operating profit (EBIT)	4,555	2,591	16,376	18,272
Depreciation and amortization	-2,516	-2,200	-9,586	-8,008
EBITDA	7,071	4,791	25,962	26,280
EBITDA %	14.0%	11.3%	14.5%	16.4%
Net debt				
Loans from financial institutions			50,212	72,047
Cash and cash equivalents			19,353	15,463
Net debt			30,859	56,583
EBITDA, adjusted (previous 12 months)				
EBITDA (previous 12 months)			25,962	26,280
Items affecting comparability, EBITDA (previous 12 months)			2,615	1,098
Operative lease liabilities (IFRS16) (previous 12 months)			6,148	5,946
EBITDA, adjusted (previous 12 months)			22,429	21,433
Net debt / EBITDA, adjusted				
Net debt			30,859	56,583
EBITDA, adjusted (previous 12 months)			22,429	21,433
Net debt / EBITDA, adjusted			1.4x	2.6x
Gearing, %				
Total shareholders' equity			114,858	66,880
Net debt			30,859	56,583
Gearing, %			26.9%	84.6%

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