

**SITOWISE**

# Redefining smartness in cities

**Investor presentation March 2024**

**HEIKKI HAASMAA, CEO**

**HANNA MASALA, CFO**



# Our talking points today

**01**

**Sitowise is a leading player with competitive advantages and clear strategic direction**

**02**

**ESG in Sitowise**

**03**

**Financial performance**

**04**

**Appendix:  
Digital Solutions offering**

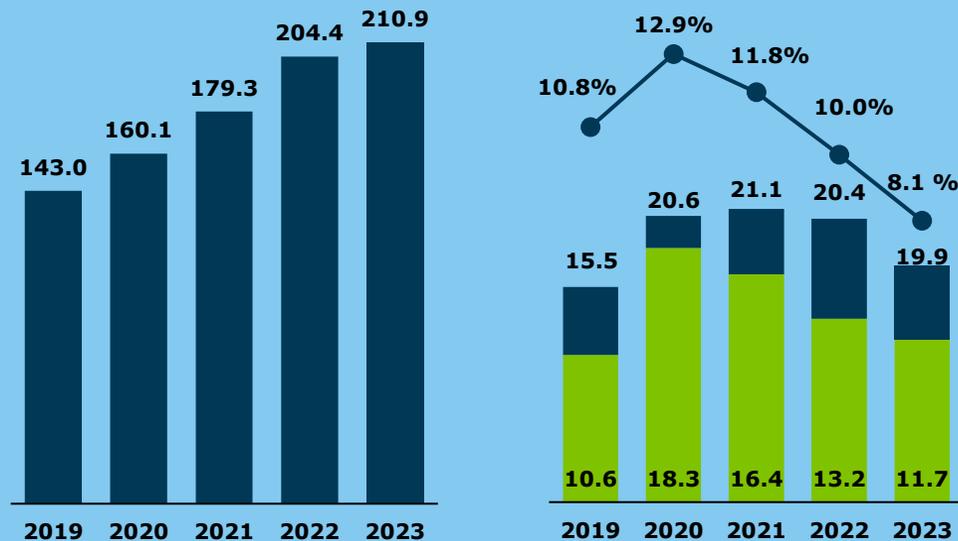
# Summary

- 1** A leading player in a growing technical consulting market with clear strategic targets and implementation plans
- 2** Broad technical consulting service offering with unique opportunities to combine capabilities in different business areas
- 3** Broad customer base that provides a solid platform for growth
- 4** Innovation, Sustainability and Efficiency part of our DNA and source of competitive advantage
- 5** Successful platform with strong historic growth, high margins and strong cash flow that can be leveraged in potential future acquisitions
- 6** An attractive workplace for top experts



# Sitowise is a Nordic expert in the built environment with a strong focus on digitality

Strong track record of net sales growth with industry leading profitability



Net sales

■ Adj. EBITA  
■ Operating profit  
● Adj. EBITA margin

Local client relations in **32** locations

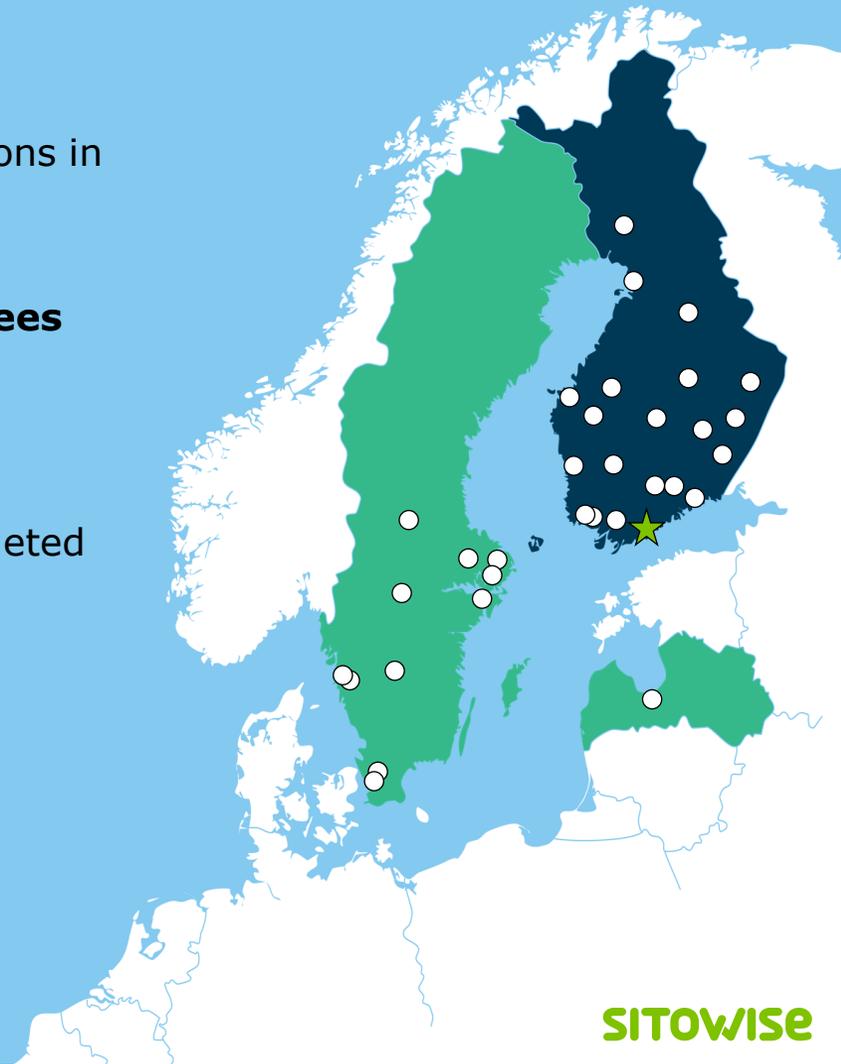
**+2,100** employees

**NPS 32**

**+100,000** completed client projects

**+60** acquisitions

**IPO** in 03/2021



**SITOWISE**

# Four established Business Areas

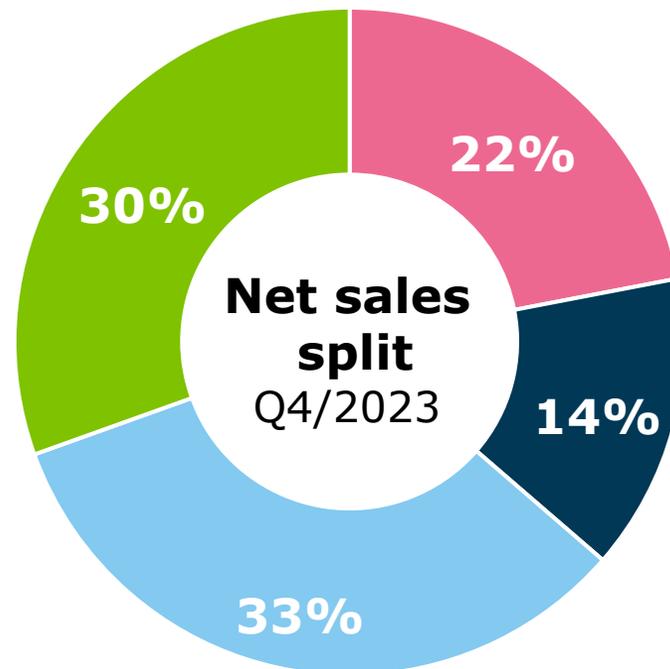
Key drivers for growth are increasing demand for services related to green transition, security, and digitalization of the built environment

## BUILDINGS

**A leading player in Finland** with extensive services for the entire life cycle of buildings: from the early planning stage of a new construction to maintenance and renovation. Specific future growth areas include commercial and logistics buildings, automation, and digital solutions.

## INFRASTRUCTURE

**A leading player in Finland** with steady growth and stable cashflows and the market's widest selection of design and consulting services in its field.



## SWEDEN

**A competent challenger in the Swedish technical consulting market** with several growth opportunities and industry leading expertise in selected segments.

## DIGITAL SOLUTIONS

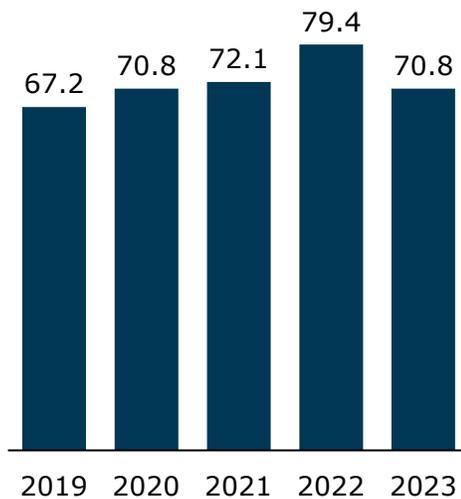
**Nordic excellence in geospatial solutions.** Existing product/SaaS business with double digit growth track and stable profitability. Ability to create new market.

# Buildings: Extensive design and technical consulting for the entire lifecycle

## Strong organic and M&A based growth until 2023

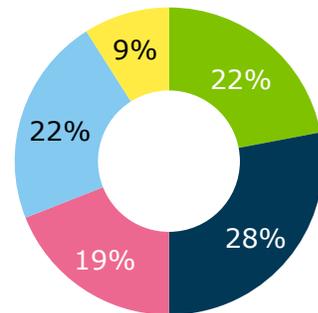
M€

CAGR +1.3%



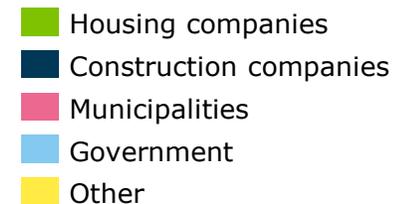
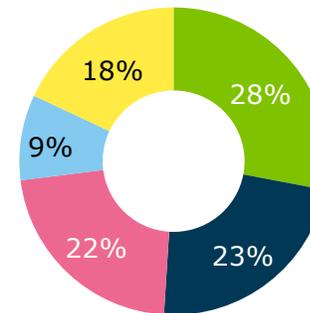
## Net sales evenly split between new builds and renovations

Net sales split (2023)



## Diverse clientele – we serve all but private individuals

Net sales split (2023)



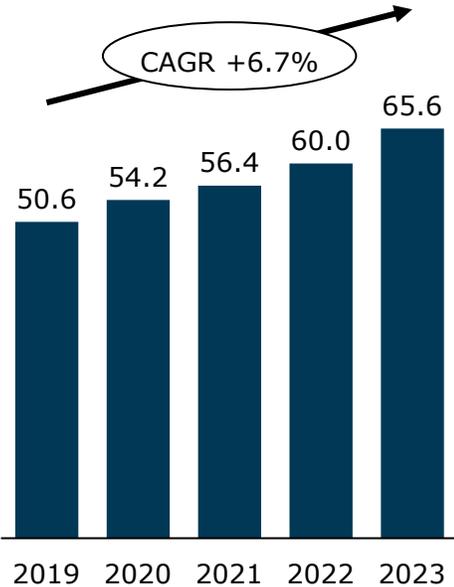
## Key success factors

- Multidisciplinary expertise with over 700 employees
- Sustainability and efficiency at the core of the operations
- Advanced digital abilities
- Comprehensive service portfolio
- Strong special services
- Future focus areas include commercial and logistics buildings, automation, and digital solutions.

# Infra: A leading player in Finland with steady growth and stable cashflows

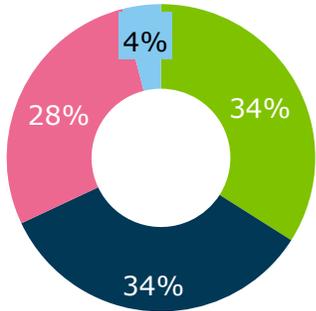
## Net sales growth outperforming the market

M€



## The widest service offering in the industry

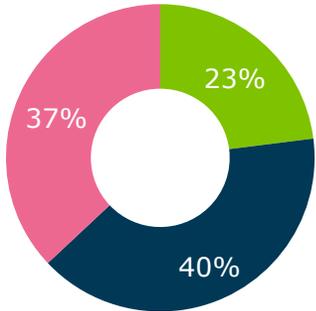
Net sales split (2023 PF)



- Municipalities and traffic
- Environment and urban development
- Geotechnics, tunnels and structures
- Project management

## Loyal client base

Net sales split (2023 PF)



- Government
- Municipalities
- Private sector

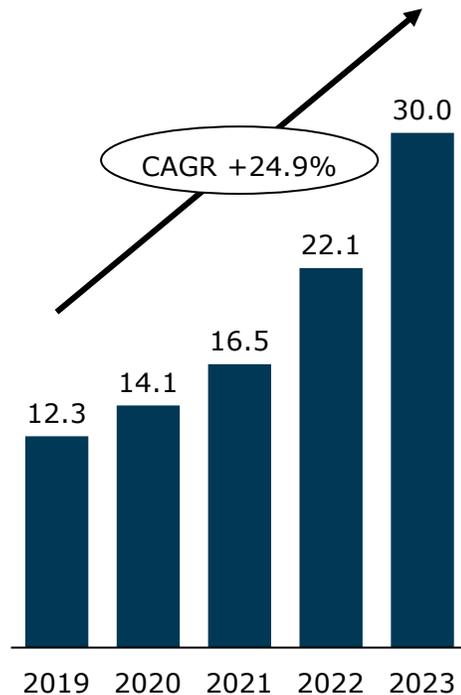
## Key success factors

- A well-known player with more than 600 infra experts
- The market's widest selection of infrastructure planning and expert services
- Sustainability integrated in all operations
- High eNPS and NPS
- Industry leading financial performance

# Digital Solutions: Nordic excellence in geospatial solutions

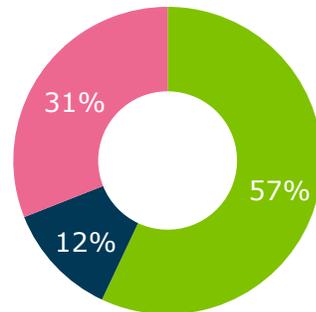
## Organic growth and M&As driving net sales

M€



## Diversified offering with SaaS driving growth

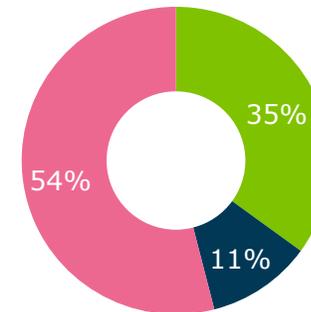
Net sales split (2023)



- Software development
- Consulting
- SaaS and product

## Balanced and loyal client base

Net sales split (2023)



- Government
- Municipalities
- Private sector

Segments

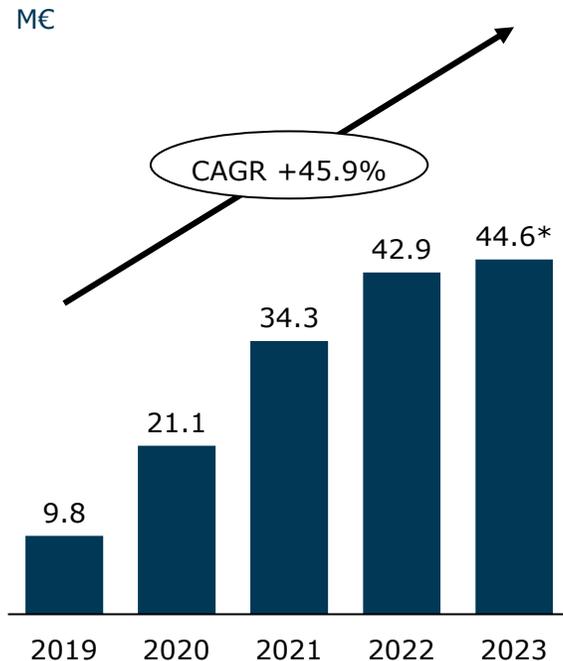
- ✓ Built environment and traffic
- ✓ Forest

## Key success factors

- Over 20 years experience from digital business
- Geospatial excellence and strong industry knowledge
- Long contracts with stable revenue and profitability
- Existing product/SaaS business with double digit growth track
- Ability to create new market
- Strong culture with a "digital flavor"

# Sweden: Industry leading expertise in selected segments

## Net sales growth driven by M&A

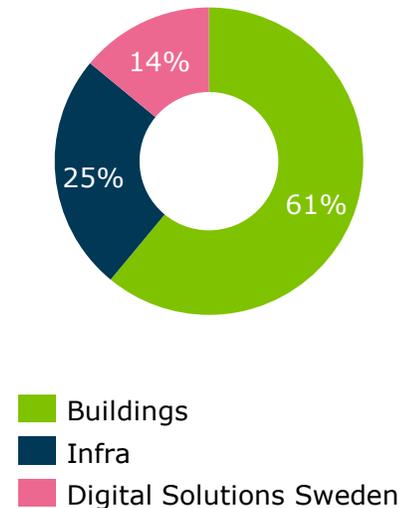


*Above market organic growth*

\*2023 vs 2022 growth is affected by a negative average exchange rate effect SEK/EUR of 8% (+0,85SEK/EUR)

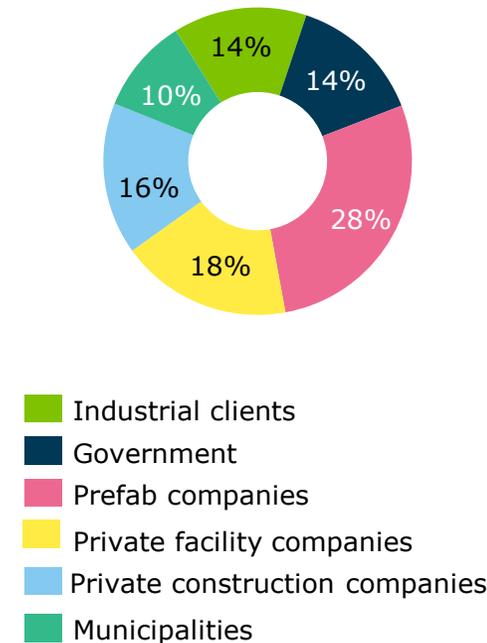
## Services focused in three segments

Net sales split (2023)



## 3/4 of our clients in private sector

Net sales split (2023)



## Key success factors

- Established platform with Sitowise's brand
- Leverage of our strong core in selected segments: Design of complex installations, building construction (including Prefab), bridge design and digital solutions
- Sales efficient project execution
- At the forefront of our current offerings
- Enhanced digital agenda for Sweden

# Megatrends continue to drive demand for technical consulting



## URBANISATION

Urbanisation will increase the demand for new buildings that are suitable for many different purposes. The complexity in design projects increases. The significance of public transport, rail transport in particular, will increase.



## MAINTENANCE BACKLOG

The maintenance backlog of buildings and infrastructure is significant in Finland and Sweden and further driven by the tightening regulation.



## DIGITALISATION

Digitalization grows the demand for advance analytics and puts data at the center of business models. The use of AI, data management, knowledge-based management and data support in decision-making present new opportunities.



## CLIMATE CHANGE

Climate change will force cities to find new solutions for building and transport as well as to exploit digitalisation in the development of new, sustainable solutions.



## SECURITY

Security threats affect the built environment on a large scale, especially on critical infrastructure of society.

# New and tightening regulation impacts us and our clients and brings opportunities

## The new Building Act

- The act incorporates measures to combat climate change comprehensively into the building legislation.
- The act will also smoothen the construction processes, boost a circular economy and digitalization and improve the quality of building.
- The Building Act will enter into force on 1 January 2025.

## + EU green finance regulation

- EU Taxonomy regulation
- EU Sustainable Finance Disclosure Regulation
- EU Corporate Sustainability Reporting Directive
- EU Corporate Due Diligence initiative
- EU Green Bond Standard

# Sitowise strategy 2025

**We understand our clients**



**We work as one team**



**We trust each other**



**We are open**



**We are brave**



## OUR PURPOSE ›

Empowering passionate experts to solve complex challenges.

**OUR VISION ›**  
Redefining smartness in cities



**The most innovative**



**The most sustainable**



**The most efficient**

## WE WILL FOCUS ON ›

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

# Long-term financial targets

## Growth

Annual net sales growth, including acquisitions, over

**10%**

## Profitability

Adjusted EBITA margin of at least

**12%**

## Leverage

Net debt in relation to adjusted EBITDA should not exceed

**2.5x**

except temporarily in conjunction with acquisitions

---

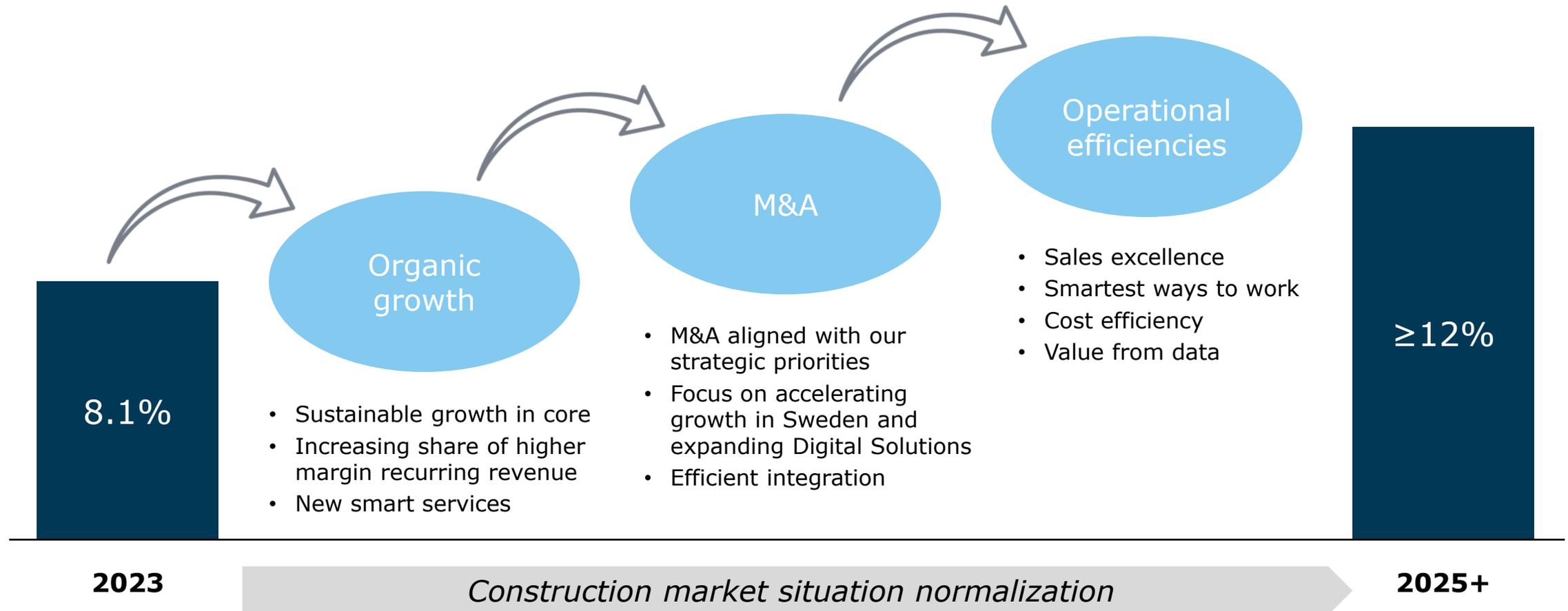
## Dividend policy

Sitowise targets paying a dividend corresponding to 30–50% of net profit

# Additional targets supported by the ongoing strategic initiatives

- **to grow our recurring revenue to be 10% of Sitowise's annual net sales by the end of 2025**
- **to double our sustainability services revenue to exceed 10 million euros by the end 2025**

# Margin increase driven by growth in attractive sub-segments and further operational efficiencies



# Our talking points today

**01**

**Sitowise is a leading player with competitive advantages and clear strategic direction**

**02**

**Sustainability in Sitowise**

**03**

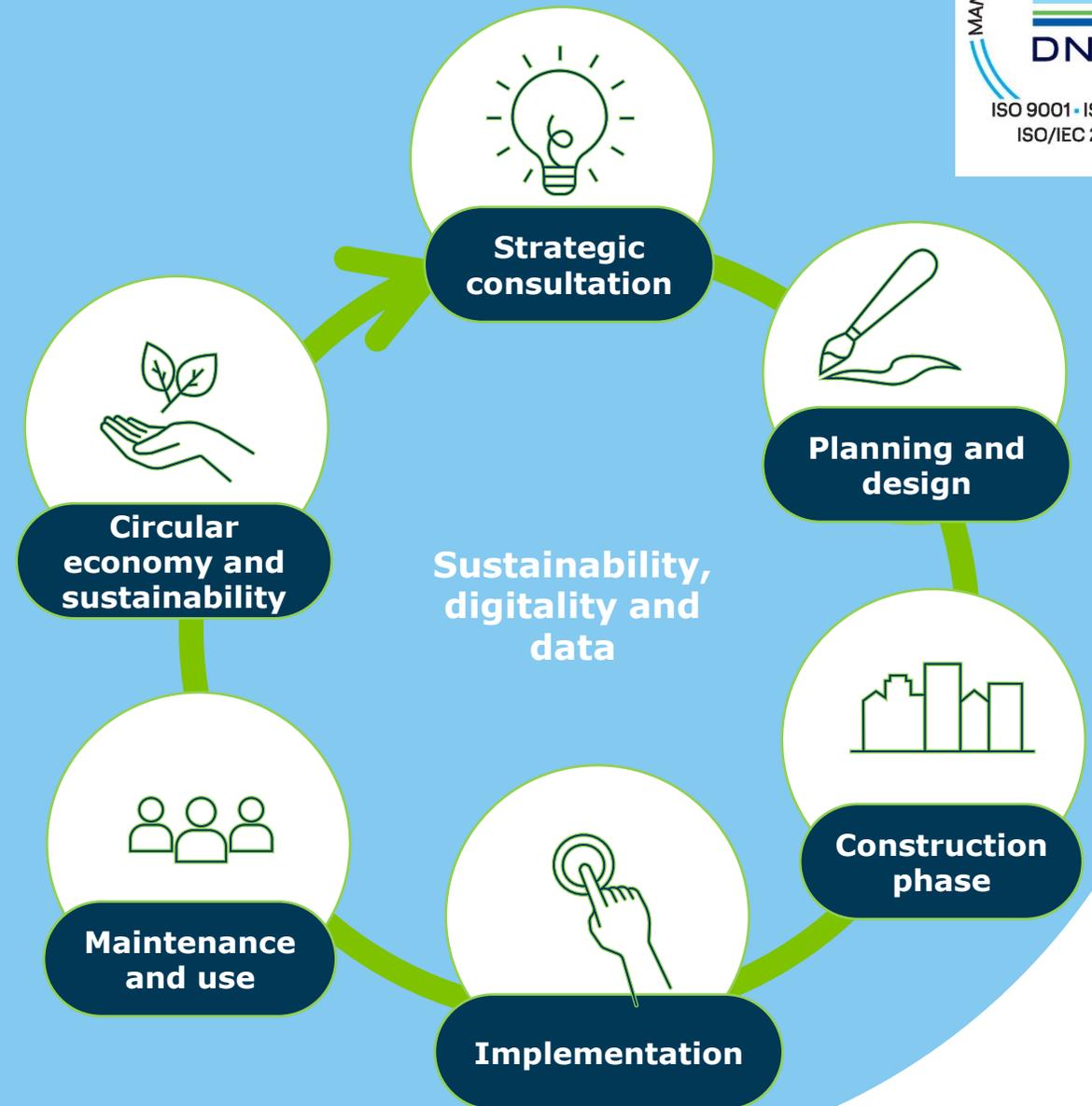
**Financial performance**

**04**

**Appendix:  
Digital Solutions offering**

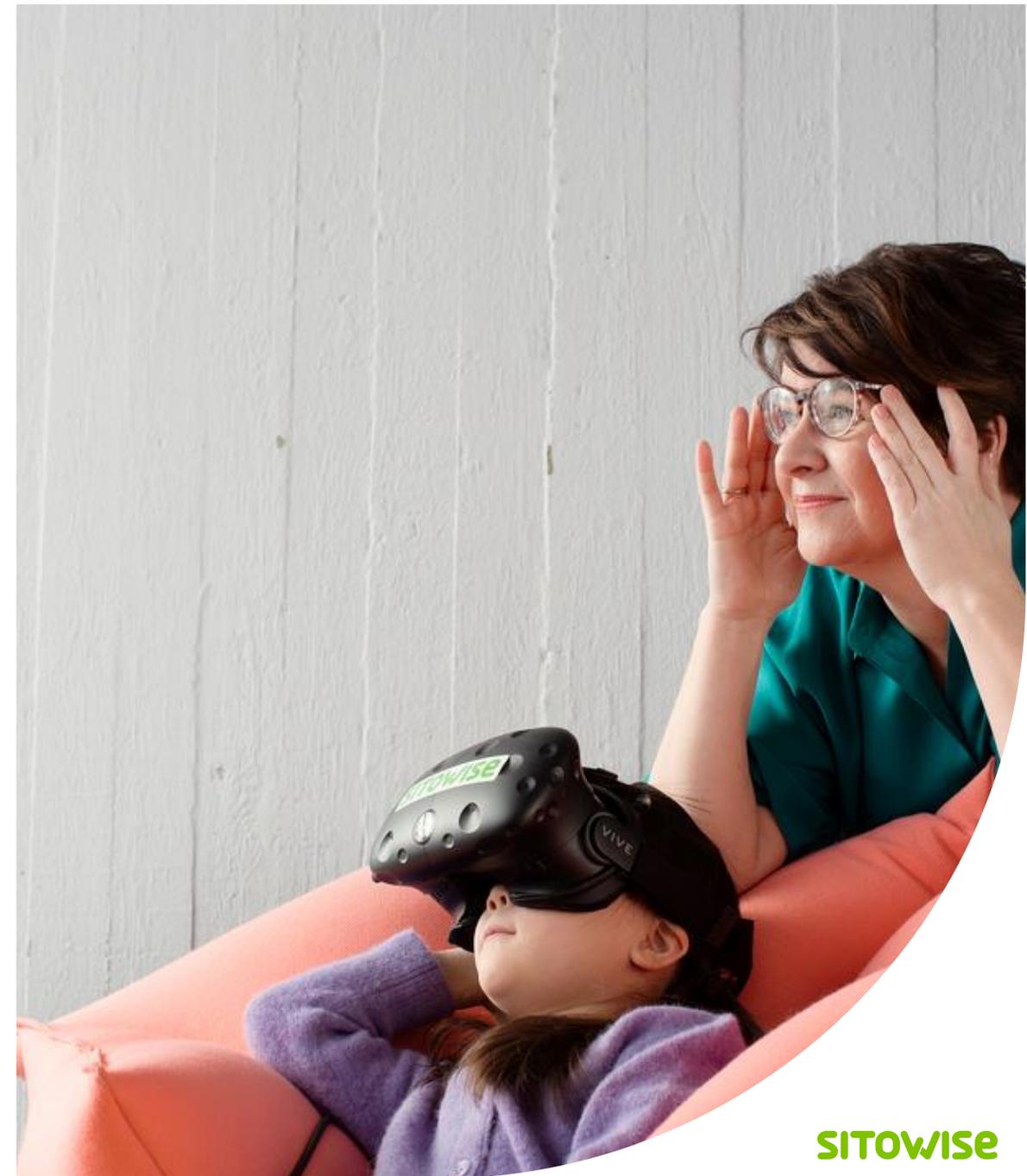
# We use lifecycle thinking to create sustainable built environments

- Expert services and solutions for sustainable living environment, mobility and natural asset management throughout the life-cycle
- Sustainability, knowledge-based management, digitality and data in the core
- Security and quality are a central part of our operations



# Sitowise Sustainability Program 2025 goals:

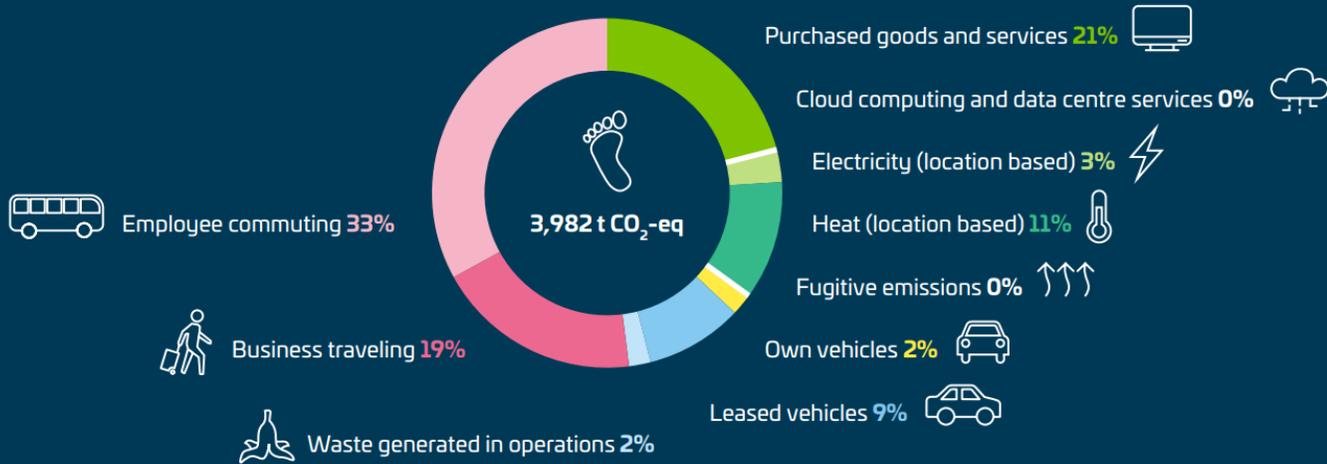
- 1 **We are carbon neutral in 2025**
- 2 **We are the most equitable workplace with best employee wellbeing in the industry**
- 3 **We aim for sustainable economic growth**
- 4 **We actively contribute to making our industry more sustainable**



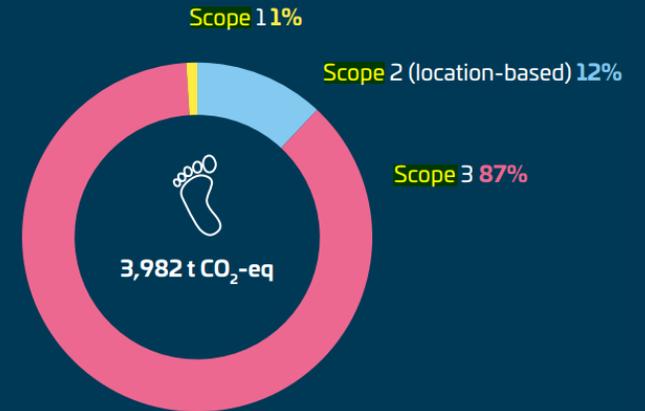
# 1 We are carbon neutral in 2025

We will continuously reduce our own emissions towards carbon neutrality by 2025

## Sitowise's carbon footprint 2023



## Carbon footprint categorized according to the GHG Protocol



2

# We are the most equitable workplace with best employee wellbeing in the industry



+2,200 employees with over 100 different degree titles

## Key KPIs

- 3.8** My employer supports the wellbeing of employees
- 4.1** At my workplace, everyone is treated equally
- 4.1** I feel that I am appreciated in my work community
- 3.7** I have opportunities to develop my skills
- 3.6** I know how to affect sustainability in my work

# 3 We aim for sustainable economic growth

## 01

**Developing**  
existing expertise,  
understanding  
client needs

## 02

**Growing**  
new services

### SET GOALS\*

We want **to double our sustainability services revenue** to exceed 10 million euros by the end 2025

We want **to grow our recurring revenue to be 10%** of Sitowise's annual net sales by the end of 2025

\* Additional targets within Sitowise's long-term growth target of annual net sales growth of over 10%, including acquisitions



# Our sustainability services focus areas

## RENEWABLE ENERGY



**CASE:** Impact assessments of renewable energy. **Client:** Ministry of Employment and the Economy, Energy Agency and Motiva Oy, 2010–

## BIODIVERSITY & ADAPTATION



**CASE:** Survey of harmful substances in urban waters of the Salpakangas area. **Client:** Municipality of Hollala, 2022–2023.

More information on references: [Referenssit](#) | [Sitowise](#)

## CLIMATE CHANGE MITIGATION



**CASE:** Optimizing the carbon footprint of building materials as well as the construction costs. **Client:** SKANSKA, 2021.

## CIRCULAR ECONOMY



**CASE:** Resource-wise Vantaa tram. The circular economy thinking of the project covering the recycling of land masses, the reduction of carbon emissions and the protection of biodiversity. **Client:** City of Vantaa, 2020–2021.

# Future growth opportunities from new sustainable innovations

## OUR INNOVATION PIPELINE (JUNE 2023)

**31**  
customers  
involved

**200+**  
ideas

**37**  
ideas in  
screening

## SOME RESEARCH TOPICS

- Smart cyber security
- Climate risk and adaptation analytics
- IOT-based quality assurance
- Data-driven circularity in landmass management
- ESG DD risk assessment
- Smart renovation debt management
- Biodiversity metrics and accounting
- Real estate location intelligence
- Energy optimization tools for real estate
- Regional Blue Green Infrastructure

# We will expand and diversify our sustainability service offering also with targeted acquisitions

## ACQUISITIONS WITH FOCUS ON SUSTAINABILITY SERVICES IN 2021–2023

In addition to these four, Sitowise has made 13 acquisitions between 2021-2023.



*Municipal emissions calculation and CO2 reporting as well as energy and climate action plans for cities and municipalities.*

**2021**



MayorsIndicators

*A digital service supporting leadership and decision-making in the sustainable development of municipalities.*

**2021**



*Carbon footprint calculators, carbon handprint studies, sustainability programs, climate roadmaps, and software related to sustainability.*

**11/2023**



*Business transaction*

*Nature surveys, especially related to wind parks, Natura evaluations, archaeological surveys and nature and environmental education.*

**1/2024**

4

# We actively contribute to making our industry more sustainable

THE  
SMART  
CITY  
TALKS

Shaking up your thinking about the future of cities.

[Read more](#)



Educating our employees and challenging our clients with our SDG-based **Sitowise Sustainability Tool**



Driving a positive change **in collaboration with others**

# KEY TAKEAWAYS

- **Technical consultants drive positive environmental impact.** Our work can be seen everywhere you look. The world of tomorrow is planned today.
- **Megatrends and new legislation provide us several growth opportunities.** **Additional opportunity** from new smart and sustainable services.
- **ESG related investments and costs are related** to employee wellbeing, new smart services, addressing new regulatory requirements (training and reporting).



# Our talking points today

**01**

**Sitowise is a leading player with competitive advantages and clear strategic direction**

**02**

**ESG in Sitowise**

**03**

**Financial performance**

**04**

**Appendix:  
Digital Solutions offering**

**SITOWISE**

# **Resilience and growth in the challenging market environment in 2023**

**SITOWISE GROUP PLC**

**Q4/FY 2023 RESULT PRESENTATION**

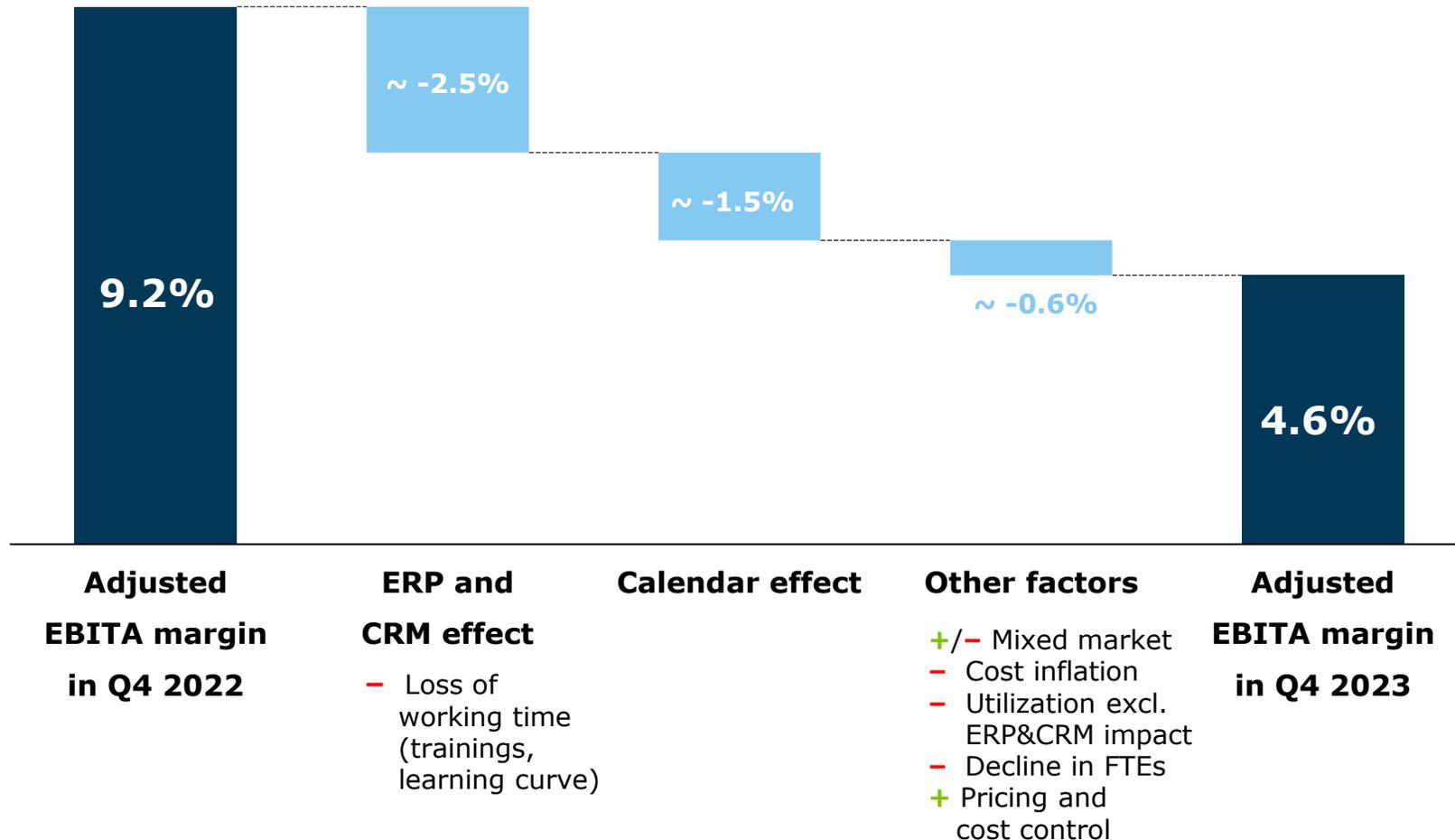
**27 FEBRUARY 2024**



## Q4: Net sales down by -8.3, adjusted EBITA margin 4.6%

- Strong performance in Infra and Digi, steps to right direction in Sweden, Buildings facing challenges.
- **Net sales** down by 8.3%\* to EUR 52.8 (57.6) million, organic growth -6%.
- **Adjusted EBITA** EUR 2.4 (5.3) million. Adjusted EBITA-% 4.6% (9.2%).
- Impact of **new ERP and CRM** roughly -2% in net sales and -2.5%-points in adjusted EBITA-%.
- **Operating profit** EUR 0.3 (3.8) million.
- **Cashflow from operating activities** before financial items and taxes EUR 11.3 (13.1) million.
- **Order book** down by 2% to EUR 164 million during Q4. Insufficient workload in Buildings.

# EBITA margin bridge Q4/22 vs Q4/23



- **Good underlying business performance**
  - The adverse impacts of external factors successfully mitigated with pricing, cost control and adapting operations to existing markets in the Buildings business.
- **The ERP and CRM implementations a key driver for the decline in Q4**
  - More scalable and modern tools better supporting growth when the market picks up

# Q4: we expanded our sustainability services offering with targeted acquisitions

## ✦ Positive Impact 11/2023

*Carbon footprint calculators, carbon handprint studies, sustainability programs, climate roadmaps, and software related to sustainability.*

*2022 net sales 0.4 million, 7 experts joining Sitowise.*



Business transaction **12/2023, closed 1/2024**

*Nature surveys, especially related to wind parks, Natura evaluations, archaeological surveys and nature and environmental education.*

*Estimated 2023 net sales 2.3 million, 20 experts joining Sitowise.*

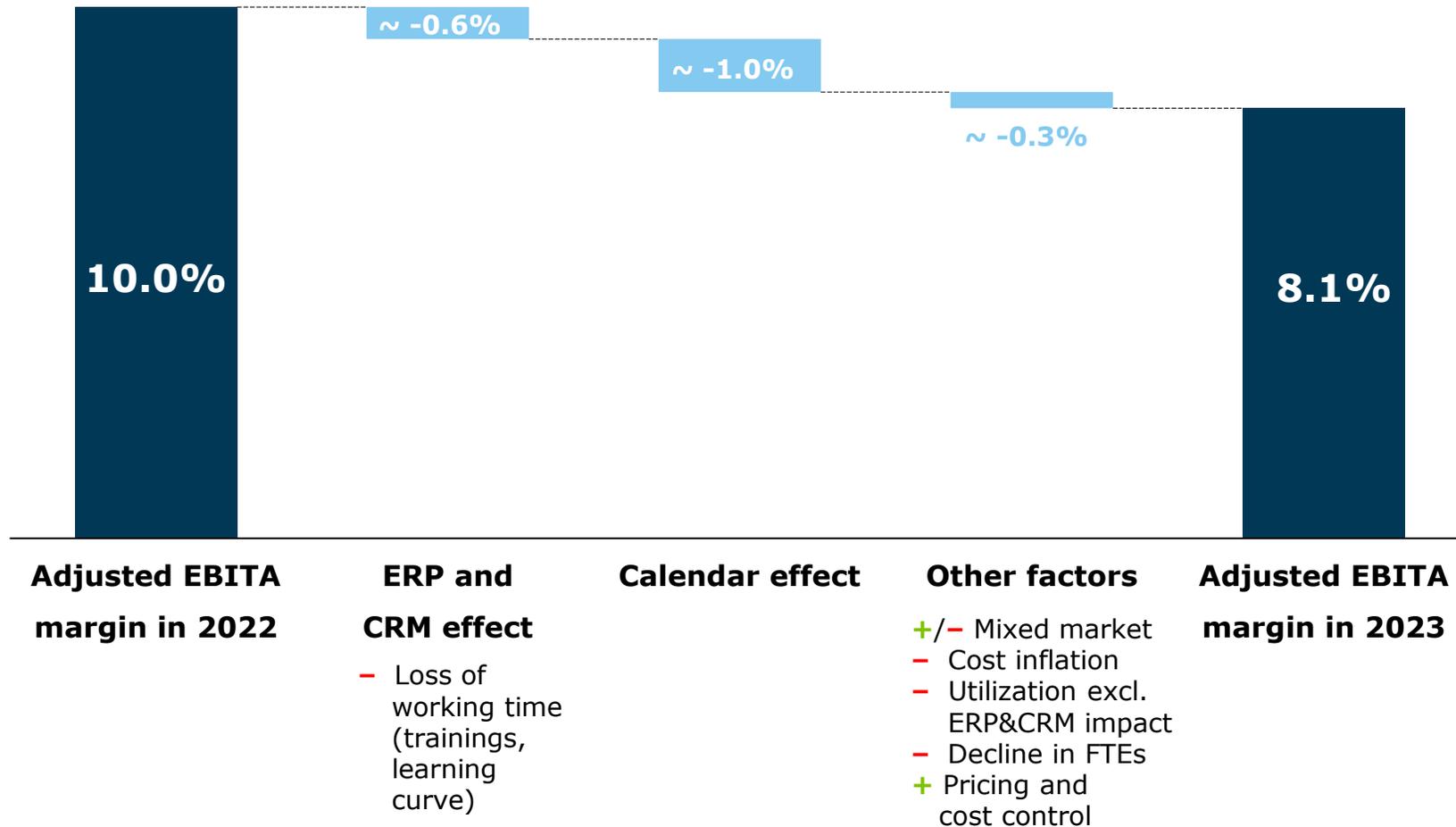


**SITOWISE**

# FY 2023: Net sales up by 3.2%, adjusted EBITA margin 8.1%

- **Market environment** continued to be mixed. Strong year in Infra and Digi.
- **Net sales** up by 3.2%\* to EUR 210.9 (204.4) million, organic growth was 1%.
- **Adjusted EBITA** totaled EUR 17.0 (20.4) million. Adjusted EBITA margin 8.1% (10.0%).
- **Operating profit** EUR 11.7 (13.2) million.
- **Cashflow from operating activities** before financial items and taxes EUR 23.9 (22.7) million.
- **Leverage** (net debt / adjusted EBITDA) was 3.0x (2.9x).
- **3 acquisitions:** Infrasuunnittelu, Positive Impact Finland Oy, Ahlman Group Oy's expert operations.
- **EPS** EUR 0.16 (0.20). The Board of Sitowise proposes that no dividend would be paid.

# EBITA margin bridge 2022 vs 2023



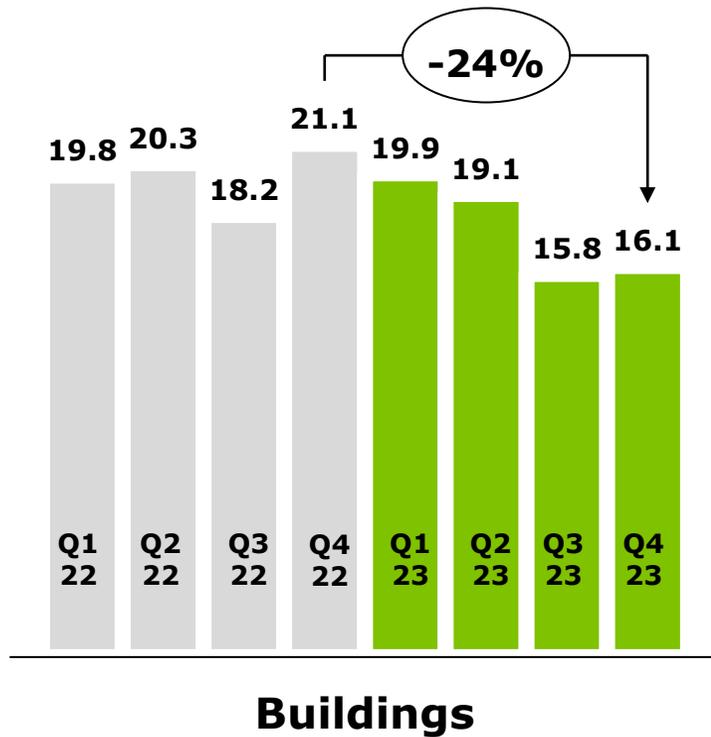
- Also for the full year 2023, the decline in adjusted EBITA margin decline was heavily impacted by the negative calendar effect and the ERP and CRM implementations.

# Buildings



# Continued headwind from markets

**Net sales per quarter,**  
figures in EUR million



## Factors impacting Q4

- The underlying Finnish new construction market continued to deteriorate
- High interest rates slowing down growth in renovation construction
- Negative calendar effect (-1 working day), heavy impact from ERP & CRM implementations
- / + Adaptation to the market situation with change negotiations and consequent personnel reductions
  - + New organization
  - + Future growth areas identified
- Benefits from savings from downsizing lost due to further market deterioration
- Order book down and year 2024 started with insufficient workload

## Outlook for 2024

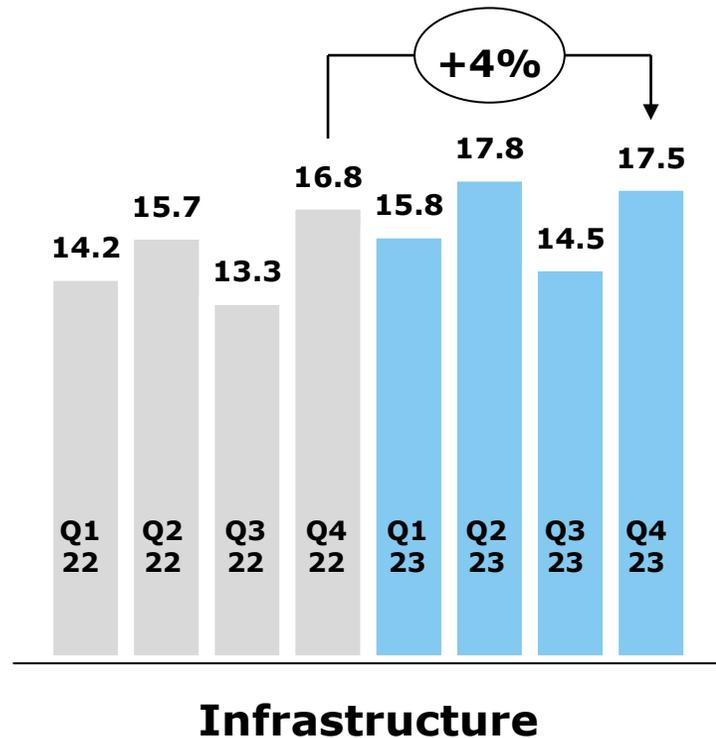
- The first part of 2024 will still be challenging, and the market is expected to show signs of recovery earliest towards the end of 2024.
- Temporary layoffs started in January in structural engineering
- + Positive impacts of the completed change negotiations starting to show from early 2024
  - + New organization
  - + Future growth areas identified
- + Renovation market showing signs of picking up
- + Positive calendar effect in 2024 (-1 day in Q1, +1 day in both Q2 and Q3 and equal number of days in Q4)

**Infra**



# Continued strong performance measured with all KPIs

## Net sales per quarter, figures in EUR million



## Factors impacting Q4

- + / - The division of the market into weaker and stronger segments continued:
  - + Strong demand for energy and environmental projects related to the green transition and security critical services
  - Weak demand related to municipal infrastructure design and groundworks for new buildings
- + Strong organic growth and a small tailwind from Infrasuunnittelu
- Negative calendar effect (-1 working day)
- + Order book increased and is at good level.

## Outlook for 2024

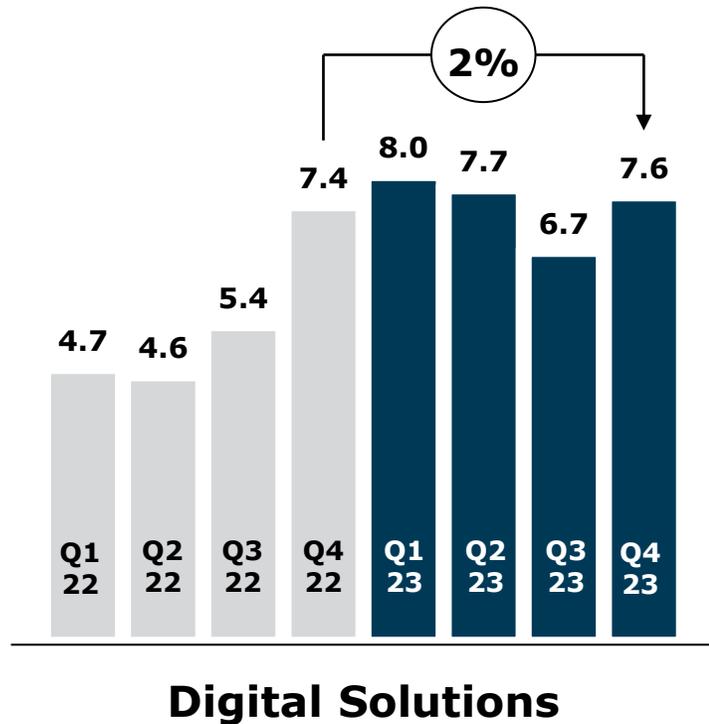
- + As a whole the outlook for Infra remains good.
- + / - Mixed market environment expected to continue
- + / - The materialization of the Government program further delayed with the tendering rounds for the first large projects are expected to start in Q2 2024 at the earliest.
- + Positive calendar effect in 2024 (-1 day in Q1, +1 day in both Q2 and Q3 and equal number of days in Q4)

# Digital Solutions



# Good ending for a great year

**Net sales per quarter,**  
figures in EUR million



## Factors impacting Q4

- + / - Mixed market environment with private sector demand slowing down
  - + Public sector investments still at good level
  - + The rapidly growing renewable energy sector is bringing in new business
  - Investment budgets declining in private sector
- + Good organic growth and progress in product sales
- + Pricing and utilization rate on good level
- Negative calendar effect (-1 working day)
- Increased competition and price pressure
- + Orderbook increased and is at a good level

## Outlook for 2024

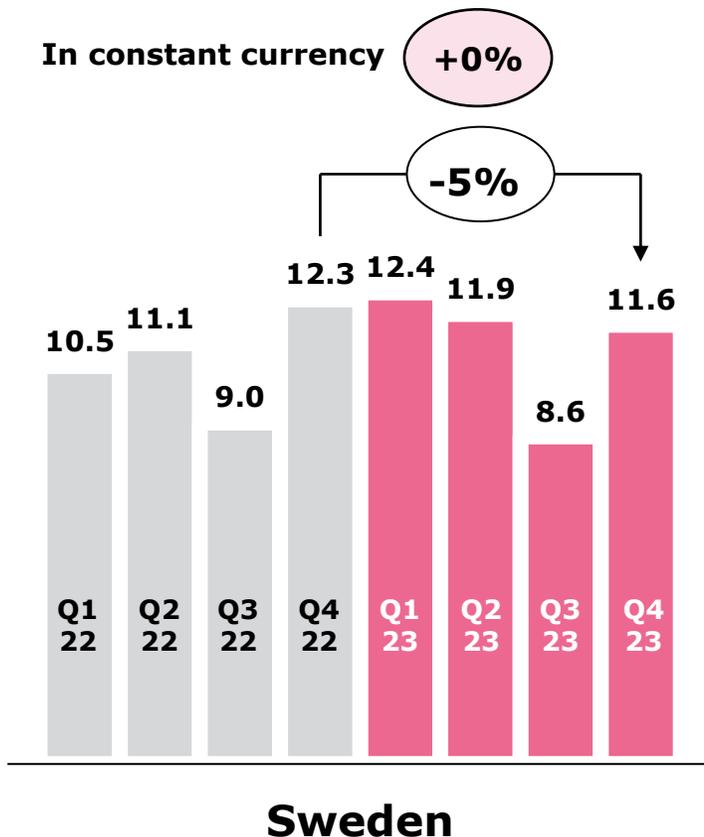
- + As a whole the outlook for Digital Solutions remains good.
- + / - Growth rate is expected to be moderate due to a more challenging market environment and completion of the LeafPoint roll-out in Q3/2023.
- Macro-driven investment budget cuts seen in the private sector
- + Positive calendar effect in 2024 (-1 day in Q1, +1 day in both Q2 and Q3 and equal number of days in Q4)

Sweden



# Steps towards the right direction

Net sales per quarter,  
figures in EUR million



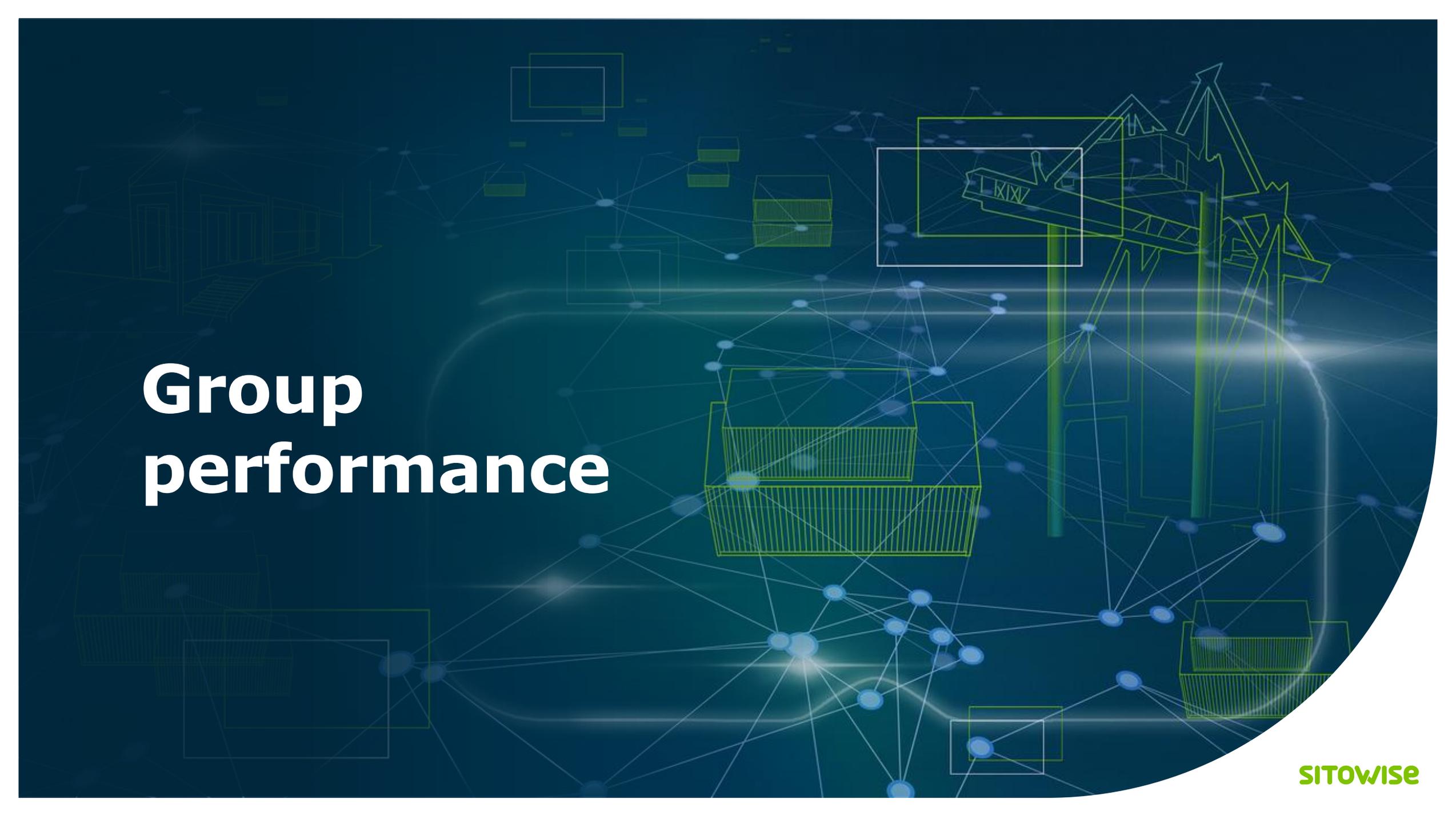
## Factors impacting Q4

- + / - Slightly softer, but overall still reasonably good market
- + Local infra market growing fast
- + Stable demand in commercial, industrial, and institutional building projects
- Local housing market very weak
- Macro-driven market: high inflation and interest rates visible
- Continued strong impact from currency exchange rates (weakening Swedish krona gains euro) on net sales
- + / - Focus shifted to proactive sales, pricing excellence and diligent project management, but impacts yet to be materialized
- + / - Orderbook slightly down but on a good level

## Outlook for 2024

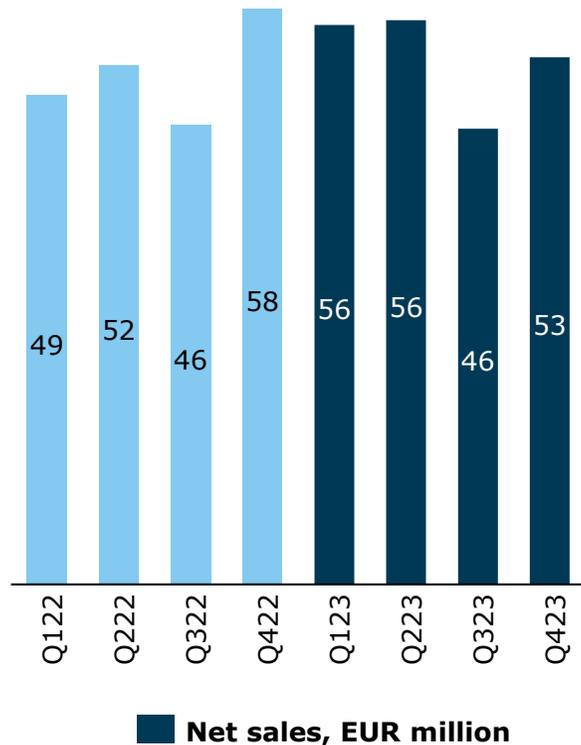
- + / - Mixed market environment expected to continue.
- + / - Increasing focus on proactive sales, pricing excellence and diligent project management, but impacts materializing gradually
- + / - Neutral calendar effect in 2024 (-1.5 day in Q1, +1 both in Q2 and Q3, -0.5 Q4)

# Group performance

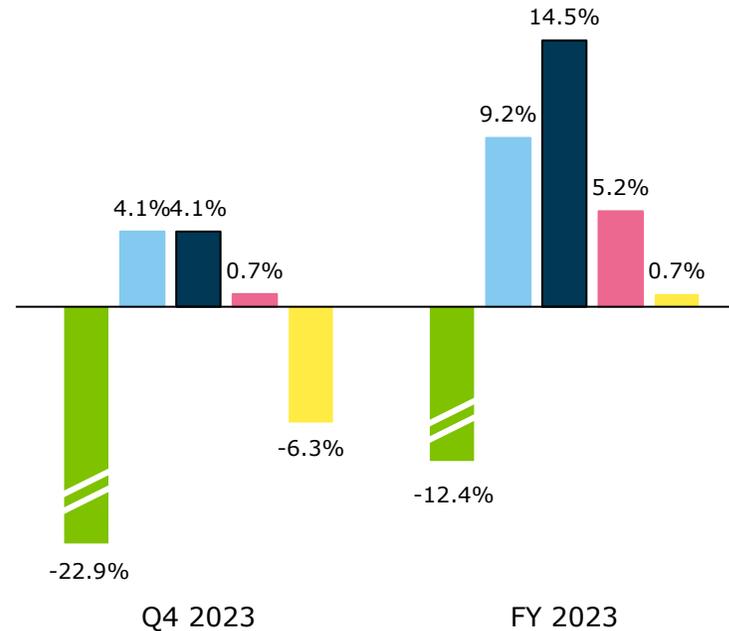
The background features a complex network of blue nodes connected by thin white lines, set against a dark blue gradient. Overlaid on this network are several green wireframe models of buildings and structures. A prominent signpost with the word 'LIXIV' is visible in the upper right quadrant. The overall aesthetic is technical and digital.

# Good sales growth especially in Digi and Infra

**Net sales**  
EUR million



**Adjusted organic growth by business area**



**Factors impacting Q4**

- + Adjusted organic growth clearly ahead of the market in Infra and in Digi
- Continued market deterioration in Buildings
- Impact from ERP and CRM implementations in Finland roughly -2% in net sales growth
- Negative calendar effect (-1 working day) and impact from the weakening of the krona

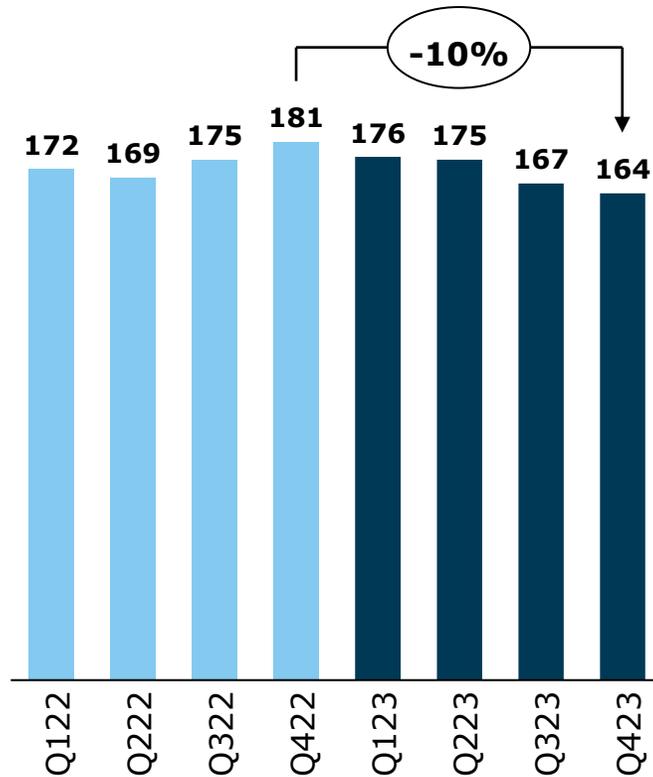
■ Buildings ■ Infra ■ Digital Solutions ■ Sweden ■ Group

\* Adjusted organic growth = Growth in net sales excluding acquisitions and divestments adjusted by the number of working days and exchange rate impact

# Healthy order books in Infra, Digital Solutions and Sweden

## Order book

EUR million



## Examples of recent tenders won



Renovation of prime property owned by Sponda in Helsinki center (BUILDINGS)



Laakso Hospital rock construction design (INFRA)



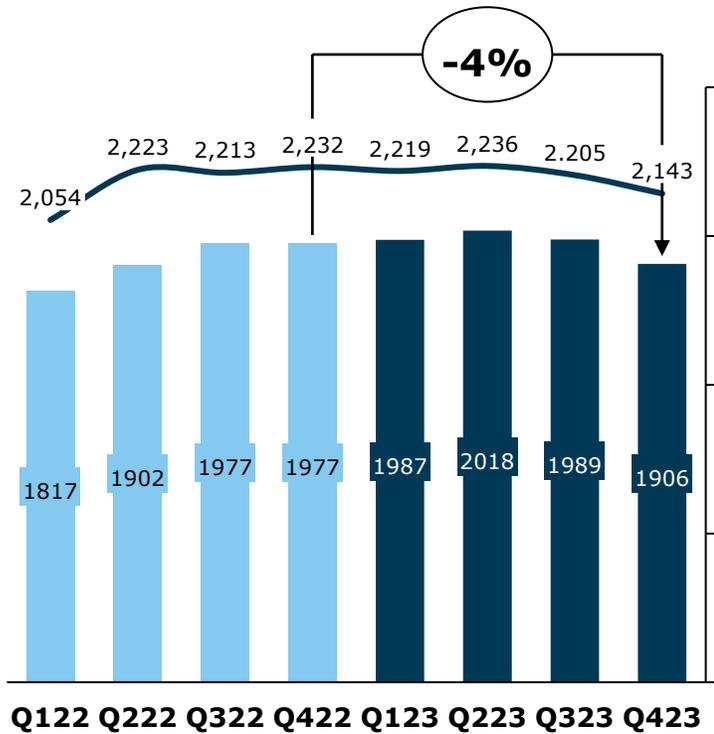
5-year agreement with the Finnish Transport Infrastructure Agency on their spatial information services platform (DIGI)



Design of the second phase of Tvärbanan Kista grenen, Stockholm (SWEDEN)

# Clearly weaker construction market and the ERP&CRM implementations visible in key KPIs

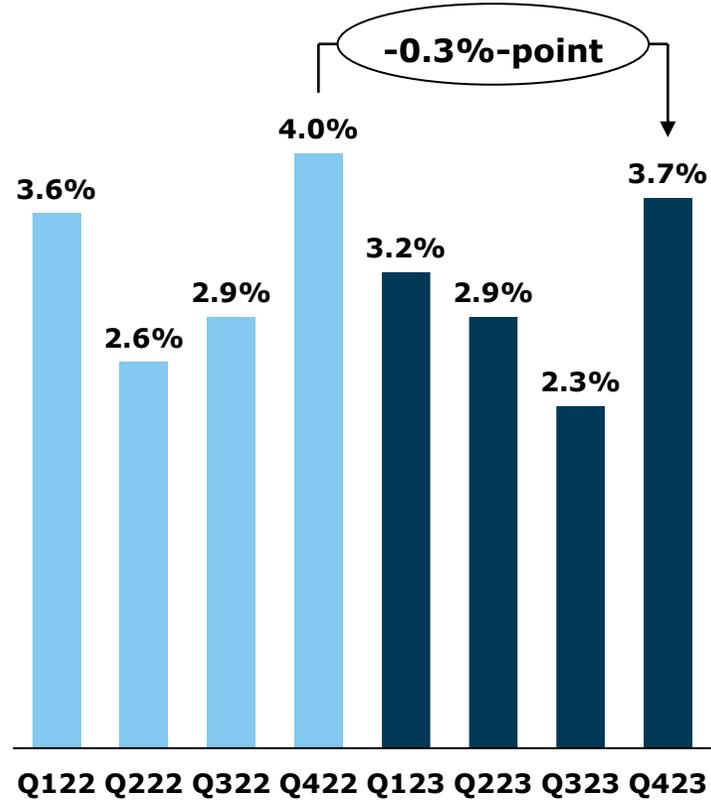
## FTEs



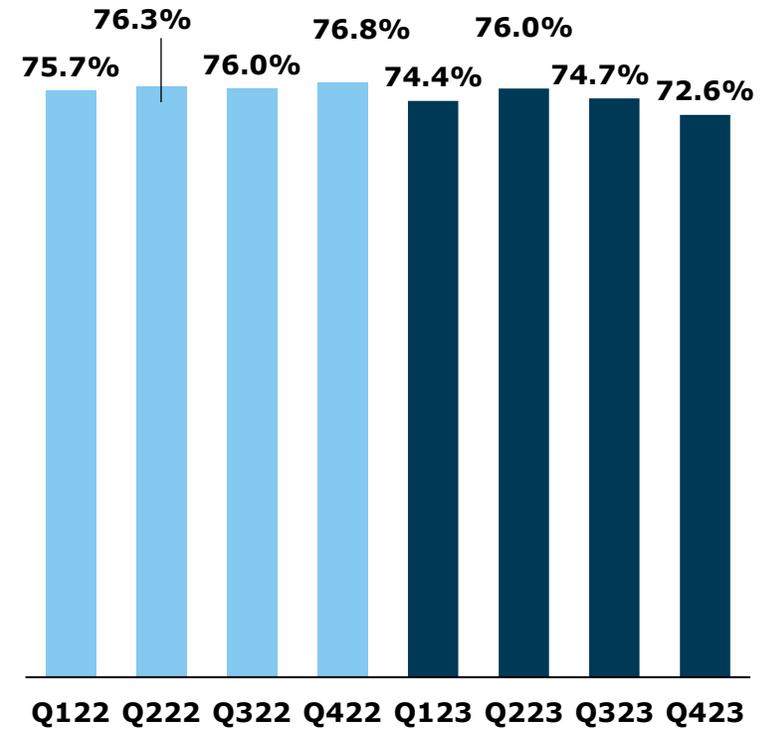
— Headcount

■ FTE

## Sickness absences



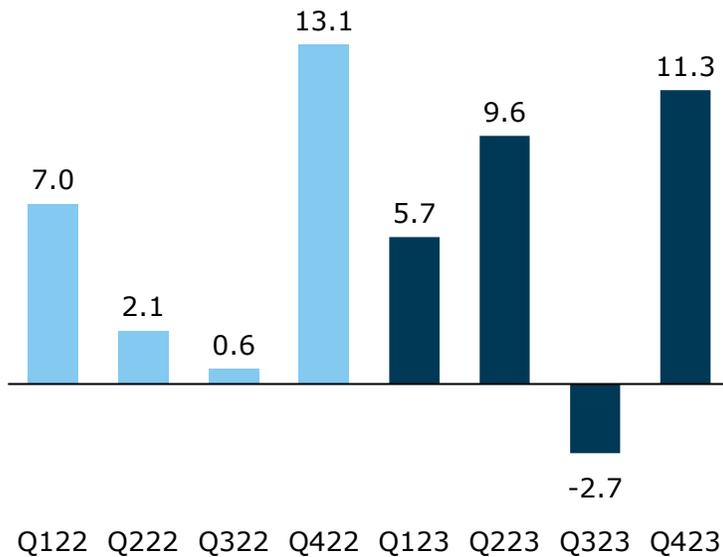
## Utilization rate



# Strong cashflow, leverage remained high

## Cash flow from operating activities

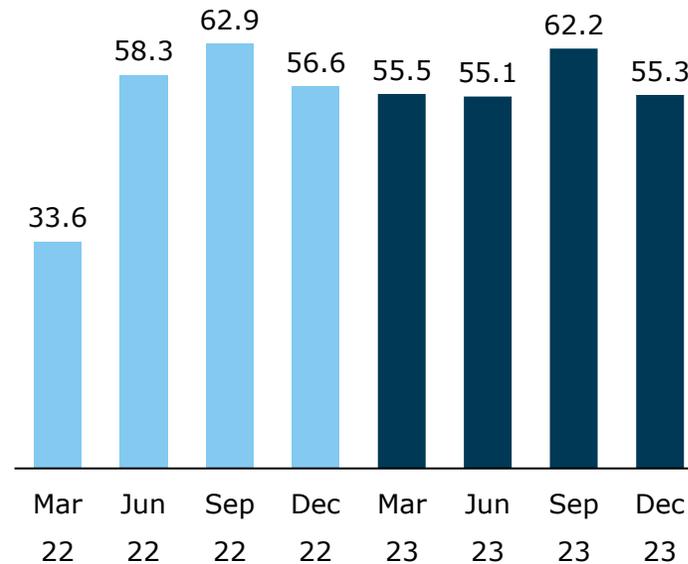
Before financial items and taxes, EUR million



**FY cash flow EUR 23.9 million**  
(EUR 22.7 million in 2022)

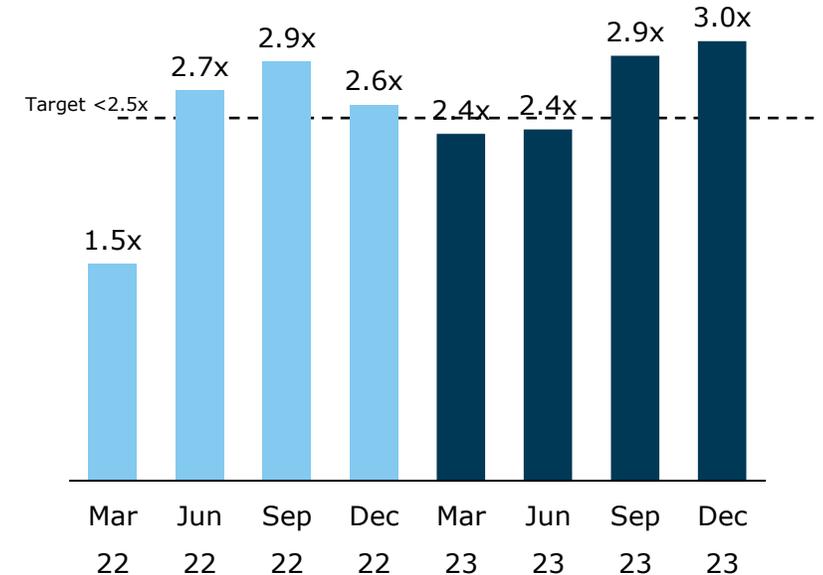
## Net debt

EUR million



## Leverage

Net debt / Adjusted EBITDA multiple



- Financing agreement was extended in February 2023
  - EUR 100 million, same terms as earlier, maturity in March 2026
- At the end of December
  - EUR 71 million of the financing agreement was in use (46% were fixed-rate loans and 54% variable-rate loans)

# FY 2023 performance ahead of comparison year

EUR million	Q4 2023	Q4 2022	Change	2023	2022	Change
<b>Net sales</b>	52.8	57.6	-8.3%	210.9	204.4	3.2%
<b>EBITA, adjusted</b>	2.4	5.3	-54.6%	17.0	20.4	-16.5%
% of net sales	4.6%	9.2%		8.1%	10.0 %	
<b>EBITA</b>	1.3	4.7	-73.5%	15.1	16.1	-5.9%
<b>Operating profit</b>	0.3	3.8	-91.1%	11.7	13.2	-11.1%
<b>Result for the period</b>	-0.9	2.4	-135.7%	5.5	7.9	-29.9%
<b>Cash flow from operating activities before financial items and taxes</b>	11.3	13.1	-13.4%	23.9	22.7	5.4%
<b>Net debt</b>				55.3	56.6	-2.2%
<b>Net debt / EBITDA, adjusted</b>				3.0x	2.6x	16.6%
<b>Equity ratio, %</b>				42.9%	41.6%	
<b>Earnings per share (EPS), EUR</b>	-0.02	0.07	-133.0%	0.16	0.22	-28.4%
<b>Dividend per share (DPS), eur</b>				0.00*	0.10	
<b>Number of personnel, average</b>	2,169	2,237	-3.0%	2,151	2,211	2.8%

**2023 NET SALES**

**+3.2%**

YoY growth

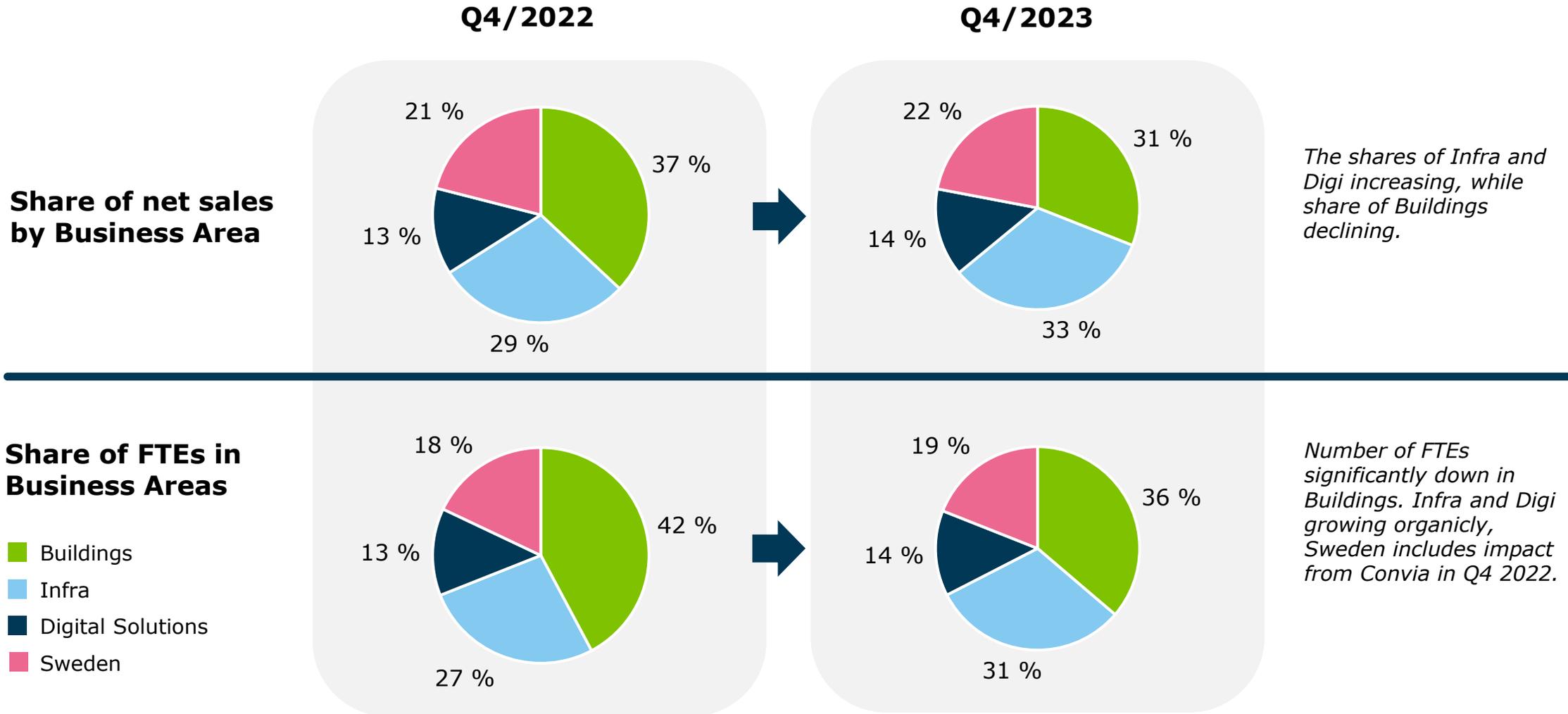
(5% in constant currencies)

**2023 ADJUSTED EBITA MARGIN**

**8.1%**

\* Considering the current market environment, and to preserve capital for future growth initiatives, the Board of Directors proposes that no dividend be paid based on the balance sheet to be adopted for the financial year 2023. The Board will consider using the authorization for share buy-backs during 2024.

# Towards a more balanced business portfolio



# Our priority in 2024 is to improve our profitability

## FACTORS IMPACTING

- **Market environment:** construction industry and macro-driven slowness in some other parts
- Demand for services related to **green transition, security and digitalization of the built environment**
- **Interest rates and inflation**
- **Tail effect** from ERP & CRM implementations
- **Bitcomp merger** in Q1 in Digital Solutions

## OUR ACTIONS

<b>1.</b>	<b>Sales and pricing excellence</b>
<b>2.</b>	<b>Cost awareness</b>
<b>3.</b>	<b>Billable project work</b>
<b>4.</b>	<b>Focus on growth sectors:</b> renewable energy, industrial clients and sustainability services
<b>5.</b>	<b>Smartest ways to work</b>

# Our priority in 2024 is to improve our profitability

## FACTORS IMPACTING

- **Market environment:** construction industry and macro-driven slowness in some other parts
- Demand for services related to **green transition, security and digitalization of the built environment**
- **Interest rates and inflation**
- **Tail effect** from ERP & CRM implementations
- **Bitcomp merger** in Q1 in Digital Solutions

## OUR ACTIONS

<b>1.</b>	<b>Sales and pricing excellence</b>
<b>2.</b>	<b>Cost awareness</b>
<b>3.</b>	<b>Billable project work</b>
<b>4.</b>	<b>Focus on growth sectors:</b> renewable energy, industrial clients and sustainability services
<b>5.</b>	<b>Smartest ways to work</b>

# Wage inflation and higher number of working days y-on-y will impact performance in 2024

## Q1 2024 vs. Q1 2023

- -1 working day in Finland, -1.5 days in Sweden y-on-y
- Annual wage increases of 2.5% in force from February 2024 onwards in Finland
  - The y-o-y increase in February and March corresponds to roughly 6.0% (in 2023 increases from April)

## Q2-Q4 2024 vs. Q2-Q4 2023

- **Q2 and Q3:** +1 working day both in Finland and Sweden in Q2
- **Q4:** Equal amount of working days in Finland and -0.5 days in Sweden
- Wage increases of approx. 3.1%, agreed upon the collective agreements, impacting in Sweden from 1 April onwards

# Outlook for 2024

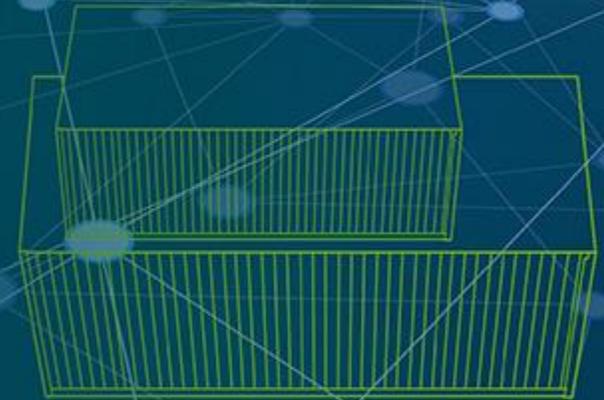
- The stable long-term growth in the demand for Sitowise's services is supported by megatrends.
- The timing, and the possible consequences of, the anticipated central banks' decisions to lower interest rates will affect market environment in 2024.
- Market environment is expected to remain mixed.
- Key drivers for growth will be increasing demand for services related to green transition, security, and digitalization of the built environment. In Buildings, the first part of the year will still be challenging.
- Other factors impacting include cost inflation, a higher number of working days, EUR/SEK exchange rate and higher interest expenses.

# Guidance 2024

**Sitowise Group's net sales is expected to slightly decline in 2024, driven by the Buildings business decline. Adjusted EBITA margin (%) is expected to be at the 2023 level or above in 2024.**

SITOWISE

# Strategy implementation in 2023



# The most **Innovative**



## Some highlights from 2023

- ✓ Innovation Model updated for more focused and customer-centric
- ✓ Each Business Area has new Smart services maturing towards commercialization & first sales
- ✓ We continued to strengthen our data and analytics capabilities

## Direction 2024 →

- ✓ Create **innovative culture** that enables to generate ideas that are selectively accelerated and developed into new solutions with significant commercial potential
- ✓ Continue building **scalable SaaS business** leveraging our broad expertise throughout the lifecycle
- ✓ Enrich **design environments** and processes with new solutions

# The most Sustainable



## Some highlights from 2023

- ✓ We have organized around sustainability services to drive further the development and sales in the recognized areas
- ✓ Two acquisitions to support profitable growth: Positive Impact and Ahlman Group
- ✓ Commitment to frameworks (SBTi, Ecovadis, Global Compact) and preparing reporting based on new (ESRS) standards

## Direction 2024 →

- ✓ Bring sustainability as an integral part of all our projects, developing existing expertise, and **understanding client needs**
- ✓ Grow data-based strategic **sustainability services** for built environment
- ✓ Consider extensively how sustainability affect everyday work and **develop own operations** as responsible as possible

# The most **Efficient**



## Some highlights from 2023

- ✓ New sales organization with specific sales groups for the strategic sales growth areas
- ✓ New ERP (Unit4) and CRM (Salesforce) systems rollout
- ✓ Development and implementation of smartest ways of working

## Direction 2024 →

- ✓ Focus on **sales excellence** and customer-centricity
- ✓ Ensure **competitive advantage** through right processes, tools & data creating less waste, more meaningfulness
- ✓ Position as **the most profitable** company in our industry to be able to grow and develop

# Good progress in our strategic ambitions

- **to grow our recurring revenue to be 10% of Sitowise's annual net sales by the end of 2025**

2022	2023	...	TARGET 2025
4%	6%		10%

- **to double our sustainability services revenue to exceed 10 million euros by the end 2025**

2022	2023	...	TARGET 2025
5 M€	8 M€		>10 M€

# Our talking points today

**01**

**Sitowise is a leading player with competitive advantages and clear strategic direction**

**02**

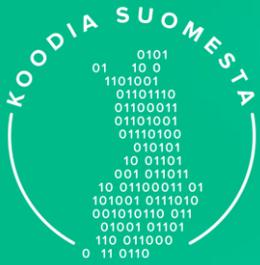
**ESG in Sitowise**

**03**

**Financial performance**

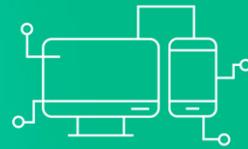
**04**

**Appendix:  
Digital Solutions offering**



NORDIC EXCELLENCE IN GEOSPATIAL SOLUTIONS

# Software, Data and Consulting with a profound customer understanding



**Customer-oriented Software Development**



**Software Products, SaaS and Data Services**



**Specialist Services and Strategic Consulting**

Sami  
Head of Innovation  
Turku

**SITOWISE**

# LOUHI | Comprehensive GIS Platform

**The Louhi GIS platform brings together up-to-date data from different sources and makes the information understandable.**

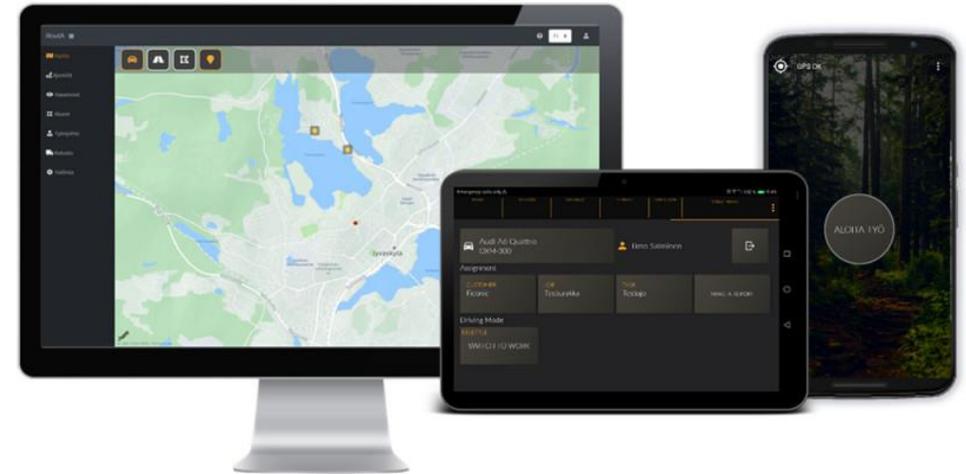
- A comprehensive spatial data platform for asset management, land use planning and permit processes
- Wide range of geospatial data presentation and maintenance capabilities
- Browser-based Louhi consists of modules that can be assembled to best meet the needs of the customer



# ROUTA | Solution for Infrastructure Management

**Routa software can be used to streamline the execution of infrastructure work and automate the documentation of all work phases. The software is specifically designed for mobile work data management.**

- The most versatile infrastructure maintenance management and monitoring system on the market
- Streamlining maintenance from planning to post-construction documentation
- Communication between different activities
- Implementation of statutory maintenance documentation
- Transparency in the maintenance chain

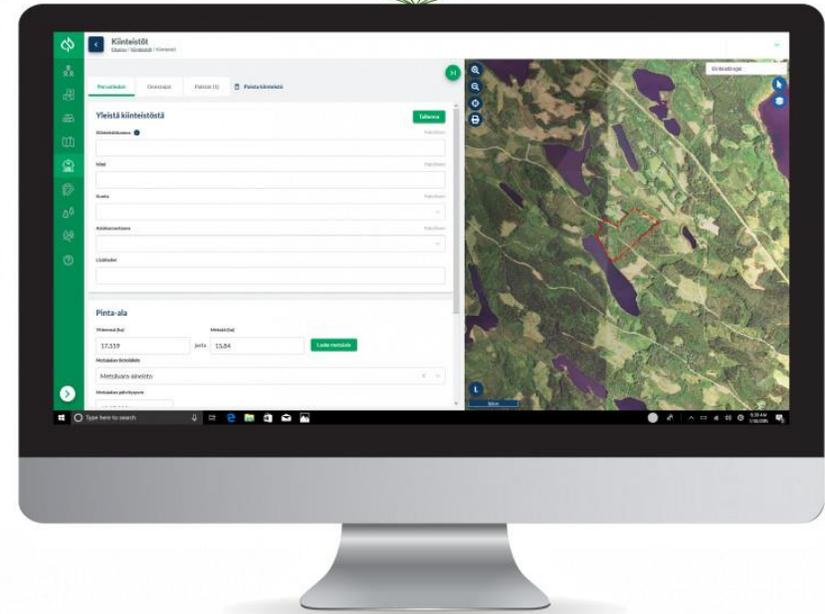
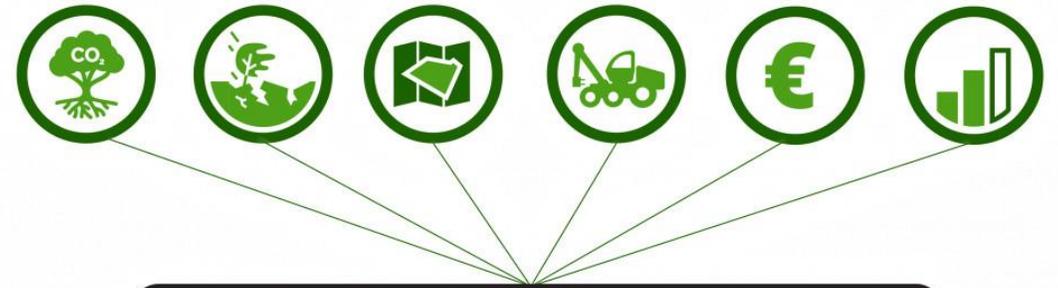


**Infrastructure contractors | Winter road maintenance | Site maintenance | Asset management | Water management | Forestry sector**

# FORESTA | Forestry Solution for Professionals

**Foresta is a solution for forest management and forest resource information management tasks, from forest plan preparation to sustainability reporting. The user is supported by open forest resource information and comprehensive geospatial data.**

- Tools for professional forest management and forest resource management for companies and organisations of all sizes
- Finland's most comprehensive forest system
- Easy-to-use and modern software for forest and cutting plans, forest work management and spatial assessments
- Artificial intelligence analyses of stand growth, changes and wind risks

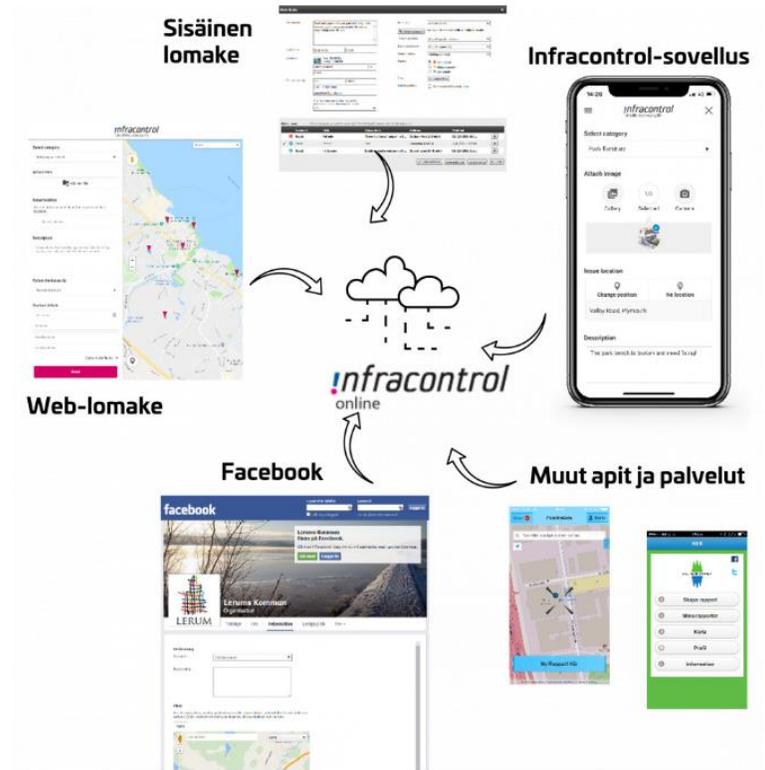


**Forest service entrepreneurs | Cities and municipalities | Community forests and large forest owners | Educational institutions | Financial institutions | Churches**

# INFRACONTROL ONLINE | Smart City Platform

**Infracontrol Online is a smart city platform cloud service for monitoring, control and issue management. Infracontrol Online combines IoT data, citizen feedback and infrastructure management and reporting into a single entity.**

- A smart city platform for maintenance needs of the built environment and guiding daily operations.
- A wide range of functionalities for reporting, processing and managing citizen feedback
- Real-time view of notifications and actions
- Use of IoT sensor data for daily operations
- Easy integration with existing systems and services



**City of Stockholm, City of Malmö and City of Gothenburg are Infracontrol Online Customers.**

In total, more than 160 municipalities of all sizes have already chosen the service to improve the condition of their urban infrastructure.

# AINO | One-stop data service for operators of the built environment

**Aino data solution manages spatial data sets that support our customers' operations. In addition Aino creates spatial data analyses. Aino offers the most comprehensive single-source access to both commercial and open geospatial data sets in Finland.**

- Spatial data sets and analytics for your organisation's digital services - compatible and up-to-date
- Spatial data sets are delivered either as an off-the-shelf data system or as an interface service
- Cost-effective turnkey service
- AI-based analytics services also available



# MayorsIndicators | Sustainable Development Monitoring for Cities and Municipalities

**MayorsIndicators offers city-specific data and ranks cities according to their performance in sustainable development. MayorsIndicators helps local authorities track their sustainability performance, making sustainable development accessible and comparable.**

- Municipality-specific information on sustainable development, scoring municipalities on different aspects of sustainable development
- Access to an up-to-date, comprehensive and comprehensive database of your municipality and tools for monitoring, comparison and reporting
- Methods for monitoring and comparing progress in sustainable development based on reliable data sources and comprehensive indicators

MayorsIndicators

Etusivu Uutiset Oma kaupunkini Indikaattorit ▾ Liity Tietoa

17 kestävä kehityksen tavoitetta  
200 indikaattoria  
1000 kuntaa Suomesta, Ruotsista ja Iso-Britanniasta

Monipuoliset tiedolla johtamisen työkalut kuntien kestävä kehityksen seurantaan, vertailuun ja raportointiin.

INDIKAATTORIHAKU

Näytä kaikki

Etsi indikaattoria

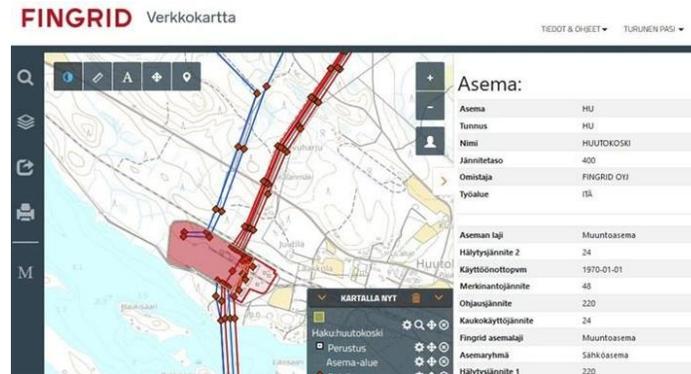
Lapsiköyhyys  
Ei köyhyyttä -

Suhteellinen köyhyys

# Our Work



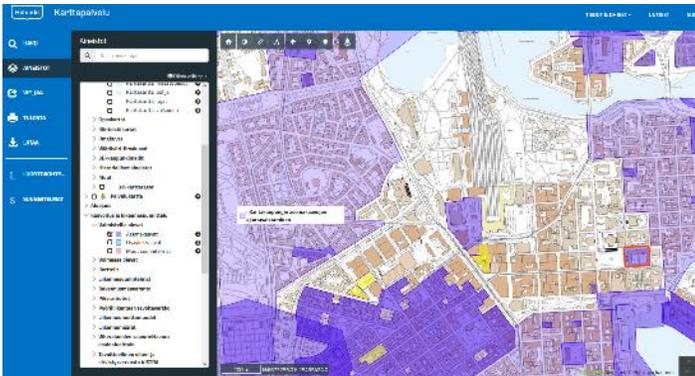
**FINNISH TRANSPORT INFRASTRUCTURE AGENCY: KEY IT PROJECTS**



**GEOSPATIAL SOLUTIONS FOR FINLAND'S TRANSMISSION SYSTEM OPERATOR FINGRID**



**DATA TO WIND POWER PROJECTS**



**GIS PLATFORM LOUHI**



**FINNISH BUILT ENVIRONMENT INFORMATION SYSTEM (RYHTI)**



**SMART CITY ROADMAP FOR THE CITY OF OULU**

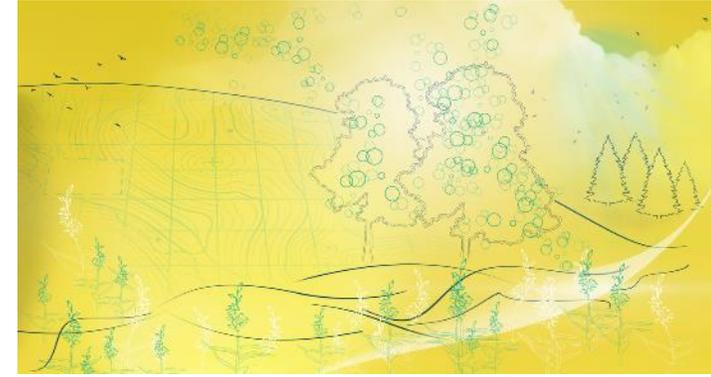
# Our Work



**METSÄÄN.FI**



**LEAFPOINT**



**ROUTA SOLUTION FOR  
METSÄHALLITUS**



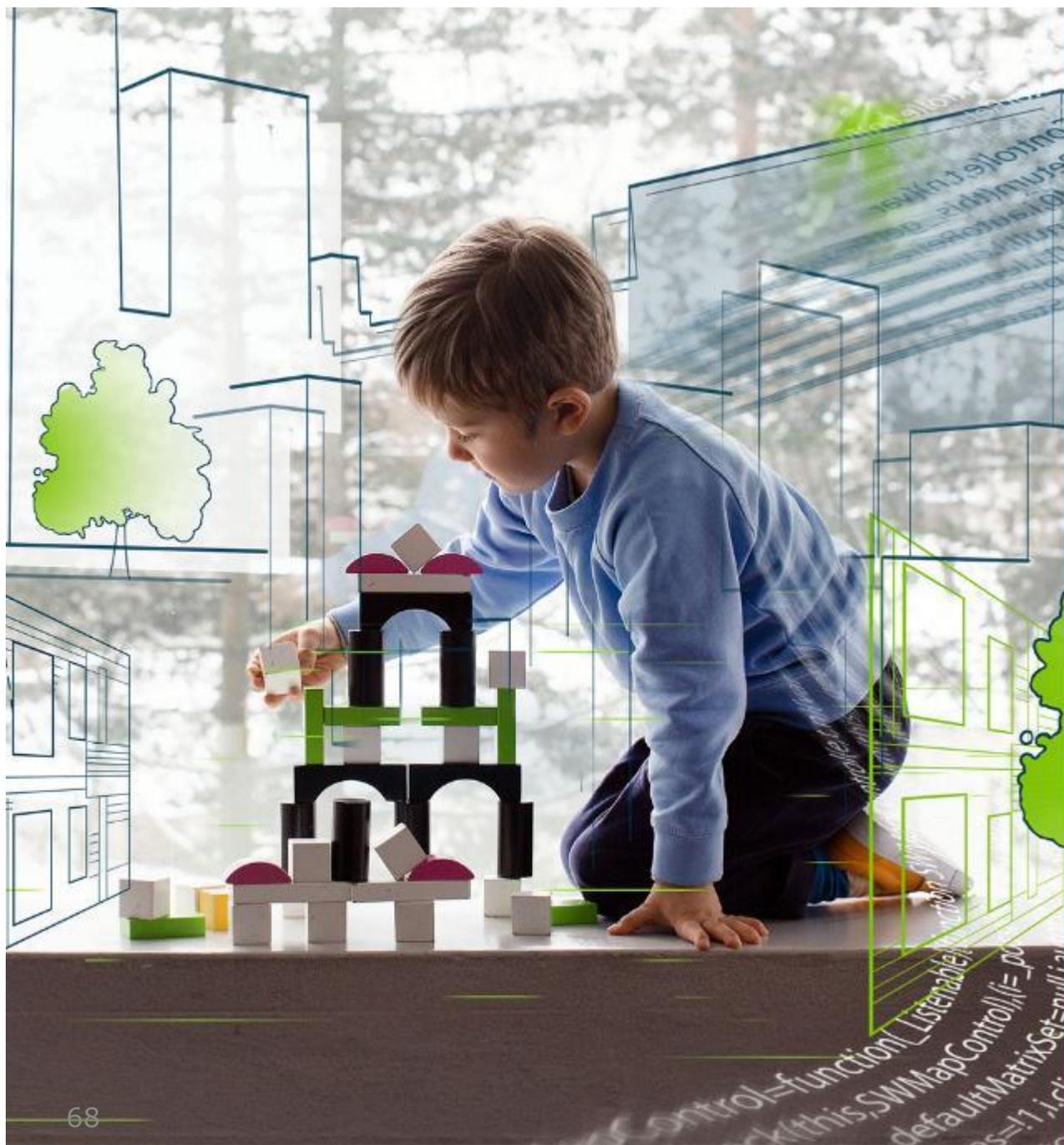
**FINNISH FOREST CENTRE: SOLUTION  
FOR CHANGE INTERPRETATION**



**FORESTA FOR THE CITY OF HELSINKI**



**FOREST ASSET MANAGEMENT FOR  
TORNATOR**



**Thank you!**

**Questions?** Please contact:  
[ir@sitowise.com](mailto:ir@sitowise.com)