

A cityscape at sunset with construction cranes and a boat in the foreground. The sky is a mix of orange, yellow, and grey, reflecting on the water. In the foreground, the dark silhouette of a boat is visible on the right. In the middle ground, two large construction cranes stand on the left, and a modern building with a grid-like facade is in the center. Other buildings and a smaller crane are visible in the background.

**SITOWISE**

# **Redefining smartness in cities**

**Carnegie the Finnish Construction Seminar, 29 May 2024**

**HEIKKI HAASMAA, CEO**

**TIMO RÄIKKÖNEN, EVP BUILDINGS**

# Our topics today

**01**

**Sitowise in  
brief**

**02**

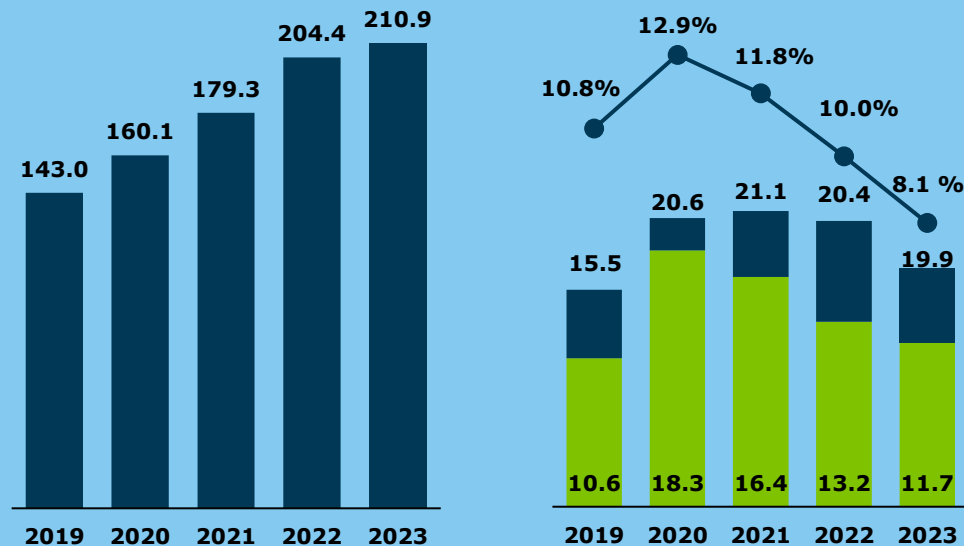
**Building for the  
future**

**03**

**Why invest in  
Sitowise**

# 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

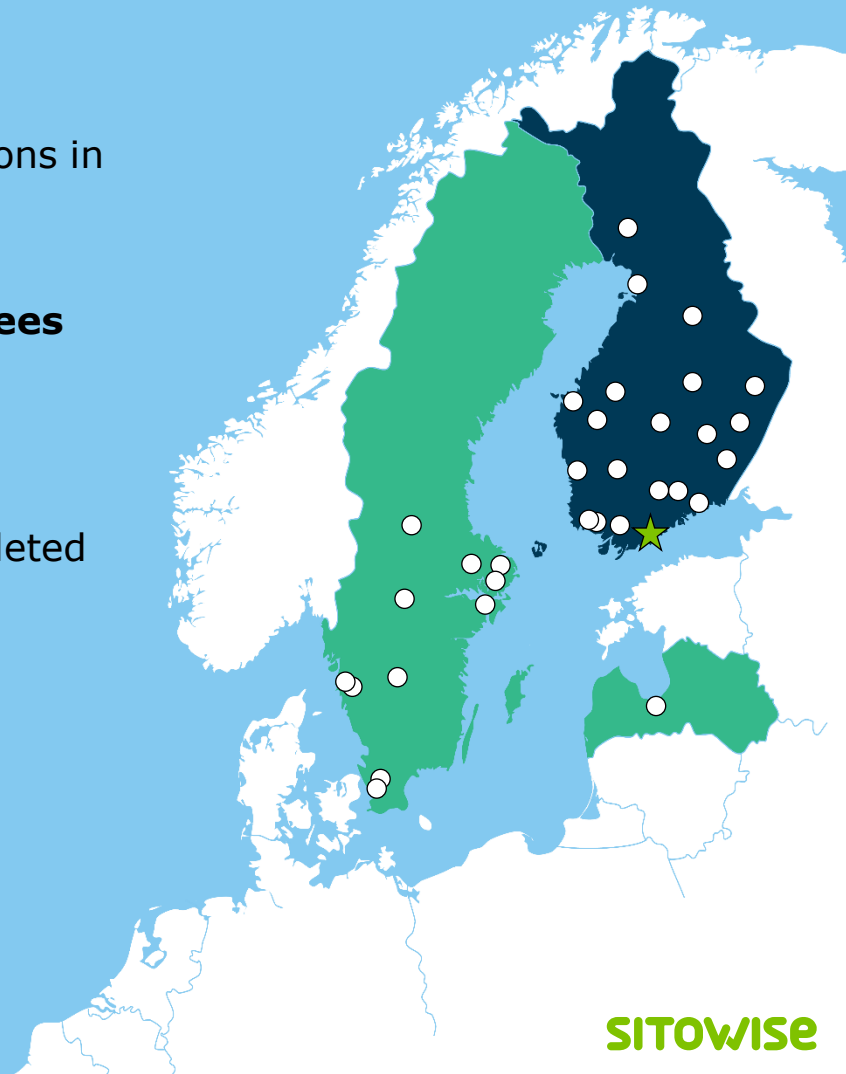
**+2,100** employees

**NPS 32**

**+100,000** completed client projects

**+60** acquisitions

**IPO** in 03/2021



# Four established Business Areas



## Infrastructure

33% of net sales

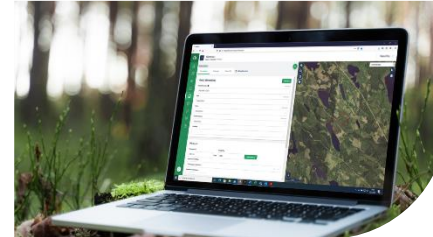
- **A leading player** in Finland with **steady growth and stable cashflows**.
- The market's widest selection of design and consulting services within **infrastructure, transport and mobility, urban development, environment and water, renewable energy and infrastructure project management**.



## Buildings

31% of net sales

- **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.
- **Distinctive design expertise** in areas such as high-rise construction, building services technology (HVAC), acoustics design, and fire safety planning.



## Digital Solutions

14% of net sales

- **Nordic excellence in geospatial solutions**. Solutions for **the built environment, mobility, and forest and natural resources sector**, and consulting services that support these fields.
- **Existing product/SaaS business** with double digit growth track and stable profitability. **Ability to create new market**.
- **+20 years experience** from digital business with strong industry knowledge.



## Sweden

22% of net sales

- A competent **challenger with several growth opportunities**.
- **Industry leading expertise** in selected segments.
- Design and consulting services in the following areas: structural design, engineering planning and consulting for buildings and properties, infrastructure, and geotechnical design.
- Digital solutions for traffic and infrastructure in Sweden.

# Broad and diverse client base

Mixed demand environment with green transition, security, and digitalization of the built environment offering growth opportunities

## Municipalities

Overall stable demand with tightened price competition. Digitalization of the built environment and services related to green transition and security drive growth.

## Government organizations

Declined public investments in road and rail construction expected to recover. Increased demand for security critical services. Tight price competition.



## Other organizations

Mixed but overall stable demand with tightened price competition.

## Energy and Industry

High demand for services related to energy, environment, security and various digital solutions.

## Construction companies

Heavy decline in new build residential, non-residential construction more stable. Tight pricing environment. Technical consulting penetration increasing with more complex builds.

## Housing companies and cooperatives, RE investors

Renovation market quite resilient. Energy efficiency and more complex building bringing opportunities.

# Some examples of construction related projects where Sitowise is or has been in consulting role

## Examples of recent wins:

- Karhula school renewal and new build
- Metsähallitus' EBBA offshore wind power project



## Examples of ongoing projects:

- Keilaniemi parking and high-rise buildings
- Meilahti hospital renovation
- Tampere passenger rail yard renovation
- Vantaa Tram



## Examples of recently completed

- Hakaniemi bridge technical design, part of wider Crown bridges project
- Hvitträsk museum condition survey for renovation construction



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# 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



# Focus directed to growth sectors

- Growing demand for services related to **renewable energy, sustainability and security**.
- Sales focus on further diversification of client base in energy and industrial sectors.
  - For example, Suomen Voima's Energy Storage Project Noste (pumped storage hydropower plant).
- Acquisitions expanding our expertise and offering.



Suomen Voima's Noste-project, Kemijärvi Illustration of the upper reservoir (Infra business area).  
Photo: Suomen Voima.

# Building our competitive edge

- **New Smart Services:** Planect and CO2 Roadmap sales to start, Smartlas selling well.
- **AI:** Sitowise AI Center of Excellence established, international Hackathon win.
- **Ecosystems:** new partnership with Ponsse for AI-driven harvesting optimization.
- **Maintaining strong client relationships:** a design partnership with YIT, several frame agreements signed.

Sitowise is collaborating with Ponsse to explore the potential of artificial intelligence for smarter planning and optimization of loggings (Digital Solutions business area).

# Future growth opportunities from new sustainable innovations

## OUR INNOVATION PIPELINE\*

**50+**  
customers  
involved

**200+**  
ideas

**~40**  
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 Due Diligence risk assessment**
- Smart renovation debt management
- **Intelligent forestry and biodiversity**
- Real estate location intelligence
- Energy optimization tools for real estate
- Regional Blue Green Infrastructure
- **Real estate 3D scanning**
- **Real estate warranty period surveillance**
- Soil Health Audit & Action Plan tool

**NEW tool or service introduced over the past 12 months**

\* Over the past 12 months



All climate effects in one place

Examples of use cases

- Pre-construction (1)
- Carbon stocks of soil and vegetation
- Traffic
- Construction and maintenance of buildings

What?

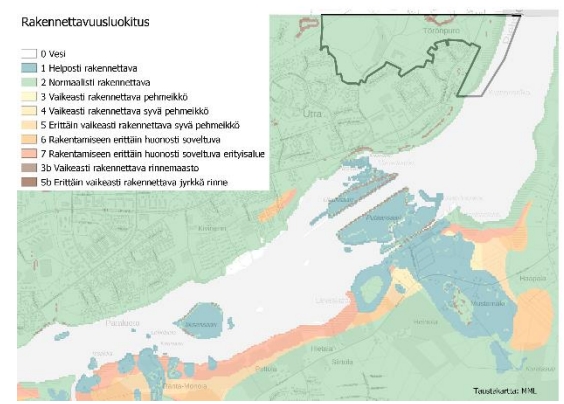
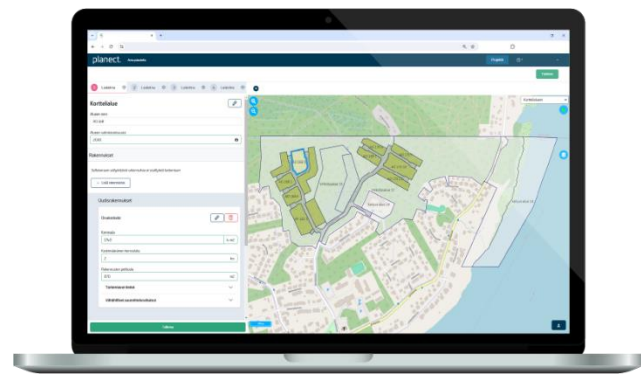
- **A comprehensive urban planning platform** that assesses and mitigates climate impacts by consolidating accurate data from all relevant emission categories into an easily understandable and usable format.

Why?

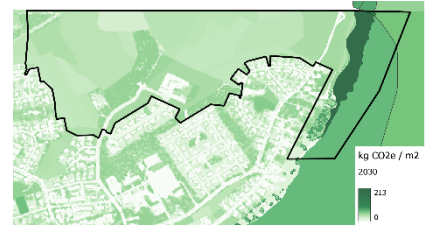
- **Whole insight easily** from "one door"
- **Quick, objective** and **transparent** land use planning, decision making and reporting
- Less costly field visits or manual work, **more efficient** work flows

Clients (B-to-B)

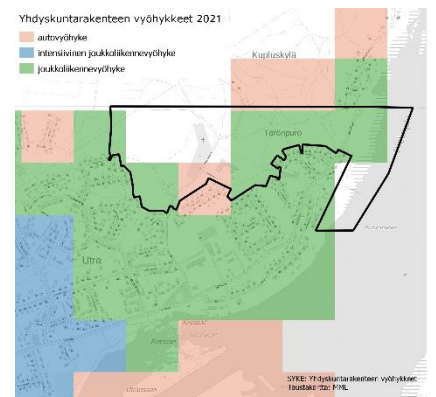
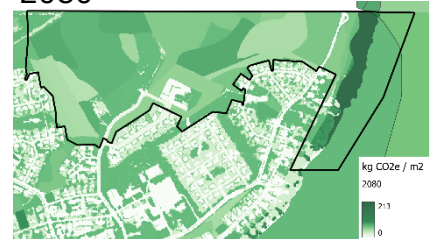
- Municipalities
- Cities
- Construction companies
- **Product launched in May 2024, already 15+ clients in Finland**



2030



2080



# smartlas.

*Smarter data, more sustainable land use*

## What?

- Large collection of **AI-enriched** and **open data**
- **Satellite monitoring, climate risks** and **future scenarios**
- Fully **automatic service** in cloud, results available via data interface as **maps** and **reports**

## Why?

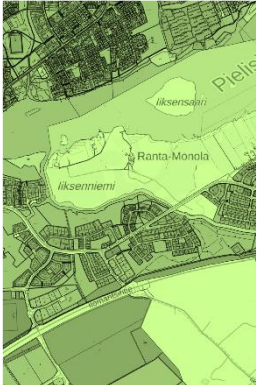
- **Whole insight easily** from "one door"
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## Examples of use cases

- Satellite monitoring of forest cuttings
- Mapping potential for solar/wind power
- Estimating CO2 and biodiversity
- Assessment of environmental impacts of land use projects (YVA)
- Detecting estate damages and risks

## Clients (B-to-B)

- Forestry
- Energy
- Cities
- Insurance
- Financing
- **100+ organizations in Finland**



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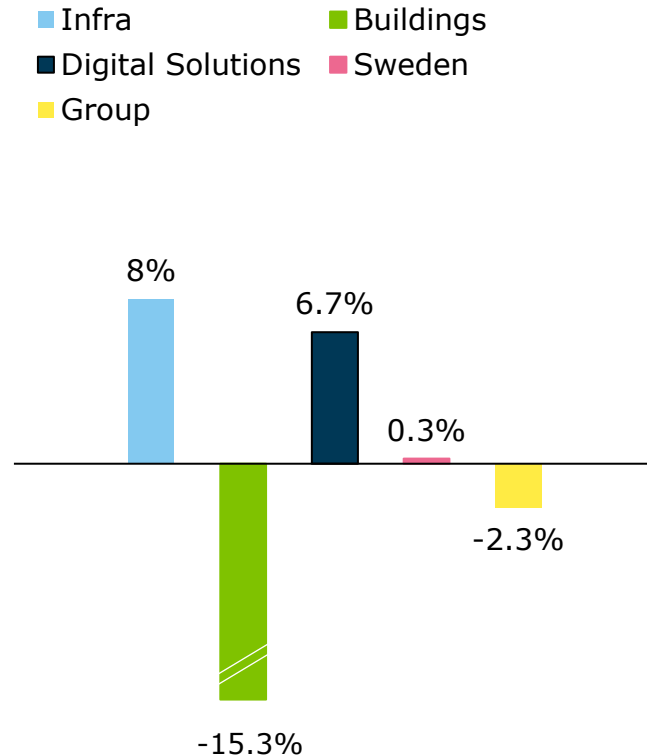
**Why invest  
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# Resilient business model

Despite market headwinds, two out of four business areas showing strong performance and cash flows have remained at good level. Further, order book stable in Q1.

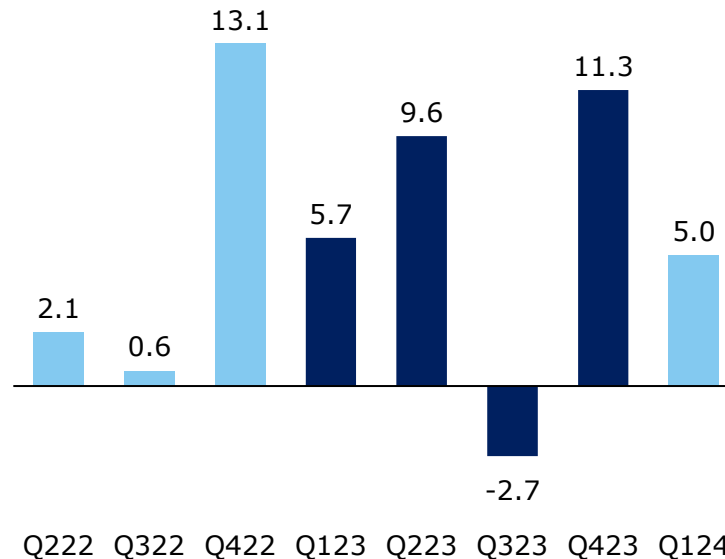
## Adjusted organic growth

Last 12 months (Mar 2024)

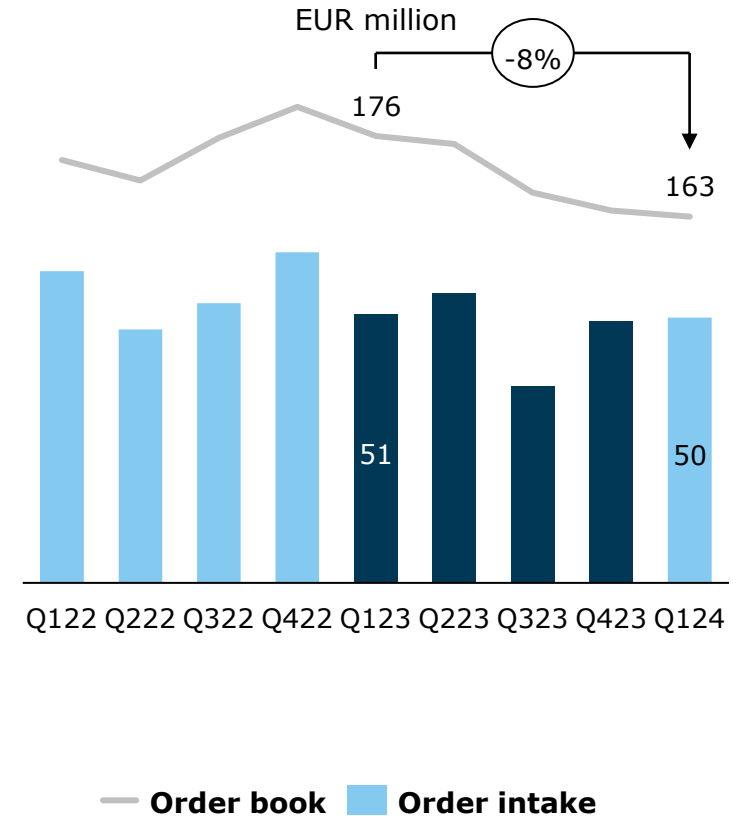


## Cash flow from operating activities

Before financial items and taxes, EUR million



## Order book and order intake



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

# Well diversified portfolio helps driving profitable growth in changing market – short-term outlook



## Infrastructure

Infra continues to take market share and maintain its position as the most profitable

Boost in sustainability services from recent acquisitions and strong demand from energy clients



## Buildings

Mixed performance, but overall result burdened by weak activity in new build residential and the layoffs executed in 2023

Some upturn expected in H2/2024 as consulting market picks up before the construction



## Digital Solutions

Strong profitability maintained, but lower market activity and heavy price competition make top-line growth more demanding

SaaS and other recurring revenue business support both revenue and EBITA



## Sweden

High sales activity and focus on project execution expected to support modest growth and profitability improvement

Market overall relatively good, including early signs of more activity in residential building



# 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





# Thank you!

**Questions?** Please contact:  
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