

SITOWISE GROUP PLC

Improving underlying performance in Finnish operations

Interim Report
1 January – 31 March 2025

SITOWISE



The figures in the interim report are unaudited. Comparative figures for the corresponding period of the previous year are in brackets. The figures disclosed in the interim report are rounded so the sum of individual figures can deviate from the reported sum. This report has been published in Finnish and English. If there are any differences between the English translation and the original Finnish version, the Finnish report shall prevail.

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JANUARY–MARCH IN BRIEF

- Net sales decreased by 6.5% to EUR 48.1 (51.5) million. In constant currency net sales were down by 6.6%.
- Organic net sales growth was negative at -6.3% (-7.7%).
- Adjusted EBITA was EUR 2.4 (3.4) million, or 5.1% (6.6%) of net sales.
- Operating profit decreased to EUR -0.3 (2.0) million, or -0.6% (3.8%) of net sales.
- Cash flow from operating activities before financial items and taxes totaled 0.5 (5.0) million euros.
- The order book increased during the quarter. Year-on-year the order book decreased by 3.4% to 157 (163) million euros.
- Leverage (net debt / adjusted EBITDA) was 6.0x (3.8x).
- In the client survey conducted at the beginning of the year, the willingness to recommend remained at a good level and the NPS (Net Promoter Score) was 35 (31).

KEY FIGURES

EUR million	1–3/2025	1–3/2024	Change, %	1–12/2024
FINANCIAL				
Net sales	48.1	51.5	-6.5%	192.9
Organic growth, %			-6.3%	
EBITA, adjusted	2.4	3.4	-27.7%	9.6
% of net sales	5.1%	6.6%		5.0%
EBITA	0.8	3.1	-75.0%	7.4
Operating profit	-0.3	2.0	-113.7%	2.5
% of net sales	-0.6%	3.8%		1.3%
Result for the period	-1.4	0.5	-360.4%	-2.7
Cash flow from operating activities before financial items and taxes	0.5	5.0	-90.7%	21.5
Net debt	56.6	56.7	-0.2%	52.6
Net debt / EBITDA, adjusted	6.0x	3.8x		5.0x
Equity ratio, %	43.4%	43.6%		43.2%
Earnings per share (EPS), EUR	-0.04	0.02	-341.4%	-0.08
OPERATIONAL				
Number of full-time employees	1,740	1,883	-7.6%	1,854
Utilization rate	71.6%	72.3%		72.6%
Number of working days	62	63		251
Order book at the end of period	157	163	-3.4%	151

CEO HEIKKI HAASMAA:

Order book turned to growth, small signs of market recovery in the Finnish construction market

Our underlying performance in Finnish operations improved during the review period. Infra continued strong growth and maintained profitability above the target level. Also Digital Solutions' revenue grew nicely and its profitability remained at a good level despite the challenging IT market. In the Buildings business area adjusted EBITA turned positive following the improvement measures taken. I am pleased with these achievements and the fact that the group's order book grew during the review period for the first time in two years.

The weak performance of the Sweden business area was still our biggest challenge. Net sales in Sweden declined by 28 percent, with the weak construction market affecting the demand for structural engineering services. Following extensive adjustment measures implemented during the review period and fall 2024, our personnel count was approximately 25 percent lower year-over-year, aligning with the decline in net sales. Our order book in Sweden has remained stable since last summer, and we are continuously working on enhancing profitability in the region.

The group's net sales decreased by 6.5 percent to 48.1 million euros, and the adjusted EBITA margin was 5.1 percent, partly impacted by the negative calendar effect year-on-year. Adjusted EBITA margin was broadly at comparison period's level once the

negative calendar effect is taken into account. The result for the period was burdened by significant one-time costs, mainly related to personnel reductions in the Buildings and Sweden. In March, we renewed our financing agreement, which is now valid until June 2027.

Improving profitability remains our top priority. We focus on enhancing profitability further in Finland and turning Sweden to growth. While I am pleased that sales activity and order intake in Sweden have increased, stronger growth and more agile pricing are essential for the profitability turnaround. We continue active sales in all business areas and seek growth especially in sustainability services, energy, industry, security, and product business. To ensure efficiency we will also continue temporary layoffs in the Buildings business as needed.

Our customer satisfaction improved in the customer survey conducted at the beginning of the year in all business areas, and our digital expertise received significant recognition with the success of the Metsään.fi solution and the Planect product in Finland's most significant digital competition Grand One. These are good examples of the clear steps forward we have taken in developing our business.

// We continue active sales in all business areas and seek growth especially in sustainability services, energy, industry, security, and product business.



OUTLOOK AND GUIDANCE

OUTLOOK FOR THE YEAR 2025

The long-term growth in the demand for design, consulting, and digital services to create sustainable societies is supported by megatrends such as urbanization, renovation backlog, sustainability, digitalization, and security.

We expect the technical consulting market environment to remain mixed in 2025. Growing demand for services related to green transition, security, and digitalization will support business performance especially in the Infra and Digital Solutions business areas. In the Buildings business area, the first half of the year is still expected to be weak, although there have been signs of moderate recovery in the construction market and we believe that the market bottom is now behind us. However, we expect the construction market recovery to be slow and materialize gradually in the second half of 2025. The recovery of new residential construction seems likely to start in 2026. In the Sweden business area, Sitowise has taken decisive improvement measures and expects these to gradually enhance performance. Achieving a profitability turnaround in Sweden primarily requires

increasing net sales. There is uncertainty related to the timing of the Swedish construction market recovery, but it is generally anticipated to take place only in the latter half of 2025 or even only in 2026. However, the outlook for buildings services and infra market is somewhat better.

At the end of March, order books were at a good level in the Infra and Digital Solutions businesses. In the Buildings and Sweden business areas, order books and workloads were at insufficient levels.

In addition to the market development, cost inflation (e.g., relating to salary increases), potential currency fluctuations (EUR/SEK) and Sitowise's high financing expenses are expected to impact the company's financial performance in 2025. In 2025, the number of working days in Finland is one less compared to 2024 (-1 in Q1, -1 in Q2, +/- 0 in Q3 and +1 in Q4). In Sweden, the number of working days remains the same in 2025 as it was in 2024. In total, there will be 251 working days in Finland and 247.5 in Sweden.

MARKET OUTLOOK AND CURRENT PROFITABILITY

	Share of net sales	Market outlook	Current profitability
 Infra	37%	Stable	Above target
 Buildings	30%	Weak	Clearly below target
 Digital Solutions	19%	Stable	Below target
 Sweden	15%	Weak	Negative
Period:	Q1 2025	Next 12 months	Q1 2025
Definitions:	Percentage of consolidated net sales	Strong / Stable / Weak	Adj. EBITA-%: Above: >12%; In line: 10–12%; Below: 5–10%; Clearly below: 0–5%; Negative <0%

NO GUIDANCE ISSUED FOR 2025

Due to the unpredictable timing of construction market recoveries both in Finland and Sweden there is significant uncertainty related to Sitowise's net sales development in 2025. Therefore, Sitowise has decided not to give net sales and profitability guidance for 2025 at this stage.

STRATEGY IMPLEMENTATION

Sitowise's strategy for the years 2023–2025 targets continued sustainable profitable growth and value creation for Sitowise's clients, other stakeholders, and society. The company's vision is *Redefining Smartness in Cities*. Growth is sought in several future-oriented areas, including renewable energy, industry, circular economy, biodiversity, security, smart life-cycle management of buildings and digital services.

Sitowise's strategy focuses on innovation, sustainability, and efficient operations under three strategic pillars. The pillars are:

- **The Most Innovative:** Sitowise aims to build scalable SaaS business, improve utilization of design technologies and artificial intelligence, and promote the company's innovation culture.
- **The Most Sustainable:** Sitowise seeks to grow its business of data-driven strategic sustainability services and enhance sustainability in customer projects as well as its own operations.
- **The Most Efficient:** Sitowise targets a lean operating model that allows its experts to focus on client work.

During the review period, the main focus areas were the development and market introduction of sustainable products launched in 2023 and 2024. As an example, a pilot project for the Smartlas product, which offers intelligent map layers especially for the forestry industry, was launched in France. The pilot is part of a collaboration with the forest machine manufacturer Ponsse Oyj, exploring the potential of artificial intelligence for smarter planning and optimization of loggings. The development of the Smartlas product continued by expanding its use cases and customer base, for example, in the municipal sector. In the Climate-Safe Rovaniemi project, Smartlas's intelligent calculation services were utilized to assess urban climate risks, combining Sitowise's diverse expertise in climate change and the benefits of digital solutions.

During the review period, Sitowise received recognition for its digital and data expertise when the Planect product, which assesses the climate impacts of zoning plans, was awarded an honorable mention in the Best Use of Data category at Finland's largest digital competition, the Grand One gala. Planect was launched in May 2024, and it has been used to conduct dozens of climate impact assessments for zoning plans, which has significantly enhanced municipalities' climate work and calculations. The Grand One competition also awarded the Metsään.fi solution from the Digital Solutions business with the main prize in the Most Accessible Digital Service category.

The development of the soil mass management solution built on the Louhi geospatial platform continued in collaboration with customers. The solution facilitates soil mass management with advanced information management, enables data-driven operations management, and helps reduce emissions from soil mass management. Additionally, a specialist project was initiated

with customers, aiming to standardize information on soil masses nationally and thereby improve information flow to enable more efficient mass management and coordination, as well as to reduce costs and emissions.

In sales, the focus was on leveraging marketing to support sales, strengthening commercial thinking, and increasing sales maturity across the business. Marketing and sales efforts were particularly directed at Sitowise's growth segments: energy, industry, sustainability, safety, and digital products, whose share of the group's sales is growing well. Additionally, comprehensive project management training continued to support project work and profitability.

In the beginning of the year, data and analytics capabilities were further strengthened, particularly in the areas of artificial intelligence and generative AI, to optimize expert work and workflows. During the review period, 72 percent of Sitowise employees have adopted the company's own Saga AI service and the sales AI tool developed by Sitowise, which utilizes large language models and was introduced at the end of 2024. The goal is to further increase the use of AI throughout the organization.

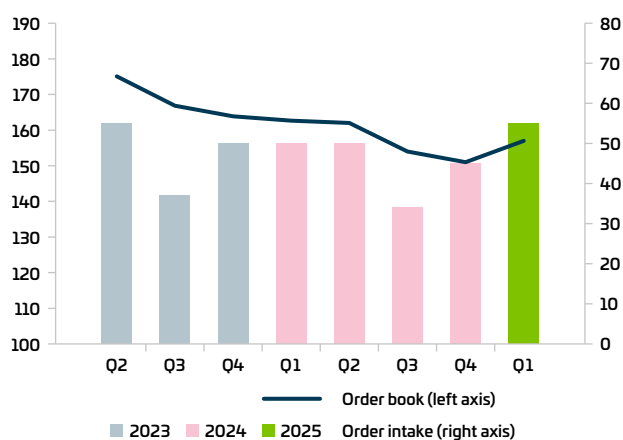
LONG-TERM FINANCIAL TARGETS

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

- **Growth:** Annual growth in net sales of more than 10 percent, including acquisitions
- **Profitability:** Adjusted EBITA margin of at least 12 percent
- **Leverage:** Net debt / adjusted EBITDA should not exceed 2.5x, except temporarily in conjunction with acquisitions

According to its **dividend policy**, Sitowise's objective is to pay annually a dividend corresponding to 30–50 percent of net profit to its shareholders. When distributing a dividend, business acquisitions, the company's financial situation, cash flow and future growth opportunities are considered.

THE GROUP'S ORDER BOOK



THE GROUP'S ORDER BOOK AND ORDER INTAKE,
EUR MILLION

In January–March, the Group's order intake increased by approximately one fifth from the previous quarter and was 8.2 percent higher than in the comparison period. Order intake increased in all business areas, especially in the Infra business.

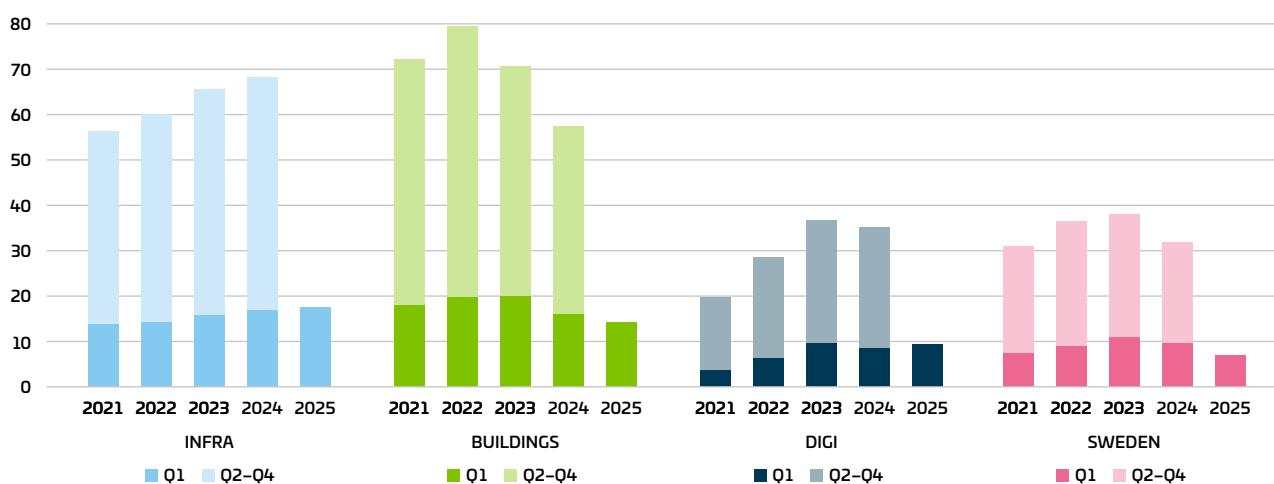
The Group's order book increased by 4.3 percent quarter-on-quarter. Year-on-year, the Group's order book was down by 3.4 percent and totaled EUR 157 (163) million at the end of March. The value of the projects put on hold in the order book totaled EUR 12.4 million, which corresponds to the level at the end of the previous year, and majority of them are related to the Buildings business.

THE GROUP'S NET SALES AND PROFITABILITY

NET SALES

EUR million	1–3/2025	1–3/2024	Change, %	1–12/2024
Infra	17.6	17.0	3.9%	68.3
Buildings	14.2	16.1	-11.9%	57.4
Digi*	9.3	8.7	6.7%	35.3
Sweden*	7.0	9.7	-27.6%	31.9
Total	48.1	51.5	-6.5%	192.9

* Digital Solutions business area includes from 1 January 2025 onward also Infracontrol's operations that include digital solutions for infrastructure maintenance planning, reporting, and support primarily for municipalities in Sweden. Infracontrol was reported under the Sweden business area until 31 December 2024. Comparison year data has been adjusted to match the current reporting structure.



NET SALES BY BUSINESS AREA, EUR MILLION

NET SALES JANUARY–MARCH

The Group's net sales decreased by 6.5 percent (-6.6 percent in constant currency) year-on-year. While the Infra and Digital Solutions business areas' net sales grew during the quarter, the Group's overall top-line development remained negative due to a decrease in net sales in the Buildings and Sweden business areas. Organic growth was negative at -6.3 (-7.7) percent during the quarter.

In Finland, the number of working days was one lower than in the comparison period, implying a slightly negative calendar impact. In Sweden, the number of working days was equal to Q1 2024. The net sales decline was driven by the challenging market conditions, which lead to inadequate workloads especially in the Buildings and Sweden business areas. The generally low utilization rate, tight pricing environment and increased time used for tendering work all had an adverse impact on net sales too. The exchange rate between the Swedish krona and the euro remained quite close to the level in Q1 2024, thus having no significant impact on reported net sales development.

PROFITABILITY

EUR million	1–3/2025	1–3/2024	Change, %	1–12/2024
EBITA, adjusted	2.4	3.4	-27.7%	9.6
% of net sales	5.1%	6.6%		5.0%
EBITA	0.8	3.1	-75.0%	7.4
Operating profit	-0.3	2.0	-113.7%	2.5
Result for the period	-1.4	0.5	-360.4%	-2.7
Earnings per share (EPS), EUR	-0.04	0.02	-341.4%	-0.08

PROFITABILITY JANUARY–MARCH

Adjusted EBITA decreased by 27.7 percent to 2.4 (3.4) million euros and the adjusted EBITA margin was 5.1 percent (6.6 percent). The decline was mainly due to weak performance in the Sweden business area. The tight pricing environment overall and low utilization rate both clearly impacted profitability too. Items affecting comparability amounted to EUR -1.7 (-0.3) million and were mostly related to the restructuring of the Buildings and Swedish businesses and the Group functions. The growth of items affecting comparability was reflected in the decline of **EBITA** to 0.8 (3.1) million euros.

Operating profit declined to -0.3 (2.0) million euros. The **result for the period** decreased due to the low operating profit. Financial expenses were above the comparison period primarily due to the costs related to the extension of the financing agreement.



Antti-Pekka, Senior Specialist

FINANCIAL POSITION AND CASH FLOWS

EUR million	31 Mar 2025	31 Mar 2024	Change, %	31 Dec 2024
Cash and cash equivalents	13.3	14.2	-6.9%	17.5
Interest bearing debt, total	69.8	71.0	-1.6%	70.0
Interest bearing debt, current	1.0	1.0	4.1%	1.0
Interest bearing debt, non-current	68.8	70.0	-1.6%	69.0
Equity ratio, %	43.4%	43.6%	-0.5%	43.2%
Net debt	56.6	56.7	-0.2%	52.6
Net debt / EBITDA, adjusted	6.0x	3.8x		5.0x
Gearing, %	48.5%	47.8%		45.6%

Equity attributable to owners of the parent company was EUR 116.7 (118.5) million at the end of March. Sitowise's liquidity remained good in the first quarter although the level of cash fell slightly from the previous quarter end due to increasing net working capital items.

Net debt was at the same level as in the comparison period, although both the amount of debt was slightly lower, and cash and cash equivalents were slightly lower. Net debt/EBITDA tightened, and it was mainly influenced by the decline in the rolling twelve-month EBITDA from the level of the comparison period. Gearing increased slightly and was 48.5 (47.8) percent at the end of the quarter.

SITOWISE'S BUSINESS AREAS

The services of the **Infrastructure business area** (Infra) cover a wide range of urban development needs in diverse areas: infrastructure, transport and mobility, urban development, environment and water, as well as infrastructure project management. Urbanization supports the investment needs of municipalities and cities, and the business area's most significant client segment is the public sector, which accounts for approximately 70 percent of net sales. In the private sector, key clients include construction companies and industrial and energy sector companies.

The **Buildings business area** offers building design, specialist services, and consulting services for residential and commercial properties, as well as for the needs of the public buildings, healthcare sector, energy, and industry, for example. Sitowise acts as a partner in both new construction and renovation projects as well as in lifecycle maintenance of the buildings. The business area has distinctive design expertise in areas such as structural engineering, building technology services (HVAC and electric), acoustics design, and fire safety planning as well as construction management services.

Sitowise Group Plc signed a 90 million euros secured financing agreement with two of its relationship banks on 7 March 2025. The agreement is valid until 12 June 2027 and replaced the EUR 100 million financing agreement maturing on 12 March 2026. In connection with the extension of the financing agreement, collateral package provided by the company was included to the terms of the agreement. The collateral includes corporate pledges totaling 117.0 million euros, subsidiary shares, and intragroup receivables.

Cash flow from operating activities before financial items and taxes was EUR 0.5 (5.0) million during January–March. The decline was mainly due to a clearly weaker result than in the comparison period but was also affected by the tightening of working capital items.

Cash flow from investing activities totaled EUR -1.1 (-4.5) million. The cash flow from investing activities in the comparison period was impacted by Ahlman Group acquisition and the purchase of minority shares in Routa Systems Oy.

During the quarter, the cash flow from financing was EUR -1.8 (-1.1) million which consisted of reductions in lease liabilities.

The consolidated balance sheet total at the end of March was EUR 269.0 (271.9) million. Goodwill in the balance sheet amounted to EUR 161.1 (158.3) million.

The **Digital Solutions business area** (Digi) focuses on smart geospatial solutions for the built environment, mobility, and forest and natural resources sector, as well as consulting services that support these fields. These services cover client-driven information system development, proprietary product solutions, analytics, information management and visualization, and consulting services. The business area also includes digital solutions for infrastructure maintenance planning, reporting, and support for municipalities in Sweden (Infracontrol).

In **Sweden**, Sitowise provides design and consulting services in the same areas as in Finland namely in Buildings and Infrastructure. The Sweden business area's services include structural engineering and building services focused on commercial and residential buildings, infrastructure design and from the beginning of 2025, also project management and sustainability services. The business area targets growth especially in the last three categories which currently represent a smaller part in the Swedish operations compared to structural engineering and building services.

Q1 2025 BUSINESS REVIEWS

A negative calendar effect slowed growth in all business areas in Finland from January to March. In Sweden, the number of working days was the same as in the comparison period.

Q1 BUSINESS REVIEW | INFRA

EUR million	1-3/2025	1-3/2024	Change, %	1-12/2024
Number of full-time employees	601	590	1.9%	603
Net sales, EUR million	17.6	17.0	3.9%	68.3
Organic growth, %*	4.1%	6.2%		-0.1%

* Adjusted organic growth in net sales is calculated by excluding acquisitions and divestments adjusted by the number of working days and exchange rate impact.

Net sales from the **Infra business area** was up by 3.9 percent year-on-year and amounted to 17.6 (17.0) million euros. The business area accounted for 37 (33) percent of the Group's consolidated net sales. Overall, the first quarter was strong in Infra, and the business area maintained its profitability above the target level.

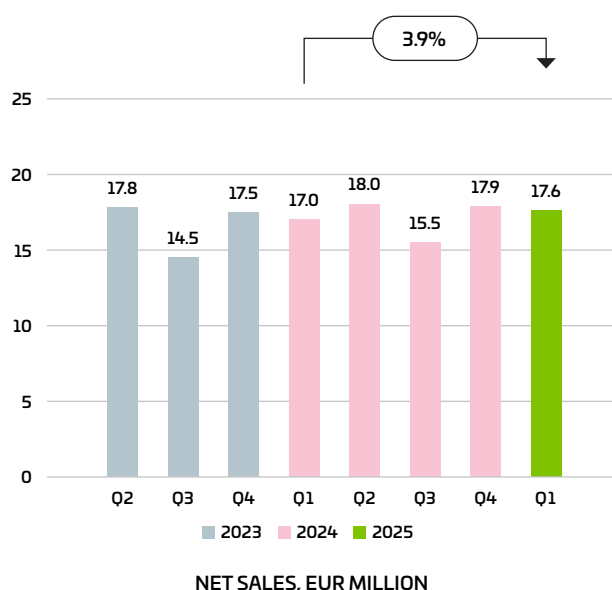
Infra's net sales grew largely organically during the review period, but it was also influenced by acquisitions made after the comparison period. The growth was mainly driven by projects related to green transition and rail transport won in 2024. The number of employees increased from the comparison period, primarily in the Environment and Sustainable Development, and Areas and Routes business lines. At the same time, growth was slowed by intense price competition in public sector projects and a negative calendar effect. Infra's utilization rate improved slightly from the comparison period.

There were no significant changes in the wider infrastructure market during the review period. Sitowise continued to seek growth from industrial and security sectors, as well as from environmental and sustainability services, where it can benefit from high investment activity and increase its market share. Demand in the energy sector slowed from the comparison period as customers awaited new decisions on large electricity-intensive investments in the industry. The level of state investment continued to be low, whereas the demand for municipal infrastructure design was at a reasonably good level, apart from the demand for infrastructure construction for new residential areas. Overall, the public sector budgetary deficit and general economic uncertainty were reflected in the absence of large public infrastructure projects and intense price competition.

Infra's order book grew significantly due to direct procurements within framework agreements and follow-up and additional orders for existing projects. Other new orders were particularly related to green transition projects initiated by the private sector

and security-related investments by the public sector. Infra's order book was at a good level at the end of the period.

Sitowise expects the infrastructure consulting market to remain mixed in the coming months and is cautious about the timing of the market recovery. Traditional infra business is post-cyclical in nature, and due to the prevailing market environment and the public sector deficit, public sector investment budgets for 2025 are expected to be very modest. At the same time, the demand for services related to the green transition, environment, and security is expected to remain at a good level. Infra's growth is supported by Sitowise's strong market position, broad range of expertise in multidisciplinary projects, and the possibility to create new business and products together with Sitowise's Digital Solutions business area and the group's AI experts.



Q1 BUSINESS REVIEW | BUILDINGS

EUR million	1-3/2025	1-3/2024	Change, %	1-12/2024
Number of full-time employees	544	636	-14.5%	605
Net sales, EUR million	14.2	16.1	-11.9%	57.4
Organic growth, %*	-10.4%	-18.0%		-18.9%

* Adjusted organic growth in net sales is calculated by excluding acquisitions and divestments adjusted by the number of working days and exchange rate impact.

Net sales from the **Buildings business area** were down by -11.9 percent from the comparison period to 14.2 (16.1) million euros. This corresponds to approximately 30 (31) percent of the Group's consolidated net sales. The decline in net sales was caused by the difficult market situation, which has led to a decline in the number of employees by 14.5 percent from the comparison period.

The downturn in the construction market continued to show in the Buildings business as overcapacity and intense price competition. Sitowise continued wider temporary layoffs than earlier across almost all business lines of the Buildings business area to adjust its operations to match the existing workload. Additionally, during the review period, Sitowise held change negotiations, based on which it was decided at the beginning of April to make permanent reductions affecting a total of 26 people in Structural Engineering and Building Services Engineering. The savings from the permanent employee reductions will be realized from the second quarter onwards, while the related one-time costs were recorded in the first quarter.

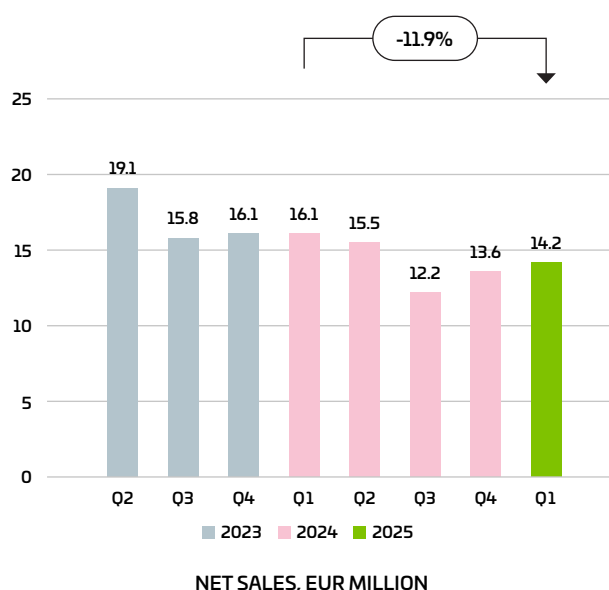
Alongside operational adjustments, the focus was on other measures of the 'Building for the future' program, namely active sales work, improving utilization rate, and developing project management practices. Compared to previous quarters, the number of project overruns decreased, but they still burdened profitability. Utilization rate in Buildings slightly weakened. Overall, the measures taken supported the profitability of the Buildings business compared with both the previous quarter and the comparison period.

As a result of determined sales efforts, the number of tenders related to industry and energy increased significantly from the comparison period. Projects won during the review period included, among others, the next phase of Innovestor's energy storage project, which comprises preliminary studies, implementation planning, and construction and project management tasks for 26 different sites. The Buildings' order book grew during the review period but was still at an inadequate level at the end of March.

According to the economic review published by the Confederation of Finnish Construction Industries (RT) in March 2025, the outlook for construction in Finland has turned towards growth, but recovery is expected to be moderate in 2025–2026. According to RT, the operating environment includes a high level of uncertainties. Sitowise also assesses that the bottom

of the construction market is now passed. During the review period, the market was predominantly driven by small projects, but demand slightly improved across all business lines of the Buildings business area from the preceding quarter. Additionally, for the first time in a long while, there were also individual new residential construction projects on the market. Sitowise still estimates that new residential construction will recover more significantly only in 2026.

Sitowise expects the coming months to be challenging for the Buildings business due to generally low tendering volumes and overcapacity in the industry and will continue temporary layoffs with required scale also in the second quarter of the year. The sales focus remains on segments with long-term demand, such as industry and energy, public buildings, and security-critical services, but growth is being sought in all business lines also from the slowly recovering markets. The medium- and long-term outlook for the Buildings business remains good e.g., due to the increasing amount of renovation debt in Finland and the sustainability and data related requirements arising from EU regulations and Finland's new Construction Act.



Q1 BUSINESS REVIEW | DIGITAL SOLUTIONS

EUR million	1-3/2025	1-3/2024	Change, %	1-12/2024
Number of full-time employees*	288	271	6.3%	275
Net sales, EUR million*	9.3	8.7	6.7%	35.3
Organic growth, %**	5.3%	-5.9%		-2.5%

* Comparison year data has been adjusted to match the current reporting structure.

** Adjusted organic growth in net sales is calculated by excluding acquisitions and divestments adjusted by the number of working days and exchange rate impact.

Net sales in the **Digital Solutions business area** grew by 6.7 percent from the comparison period amounting to 9.3 (8.7) million euros, which corresponded to about 19 (17) percent of the group's net sales. Organic growth was strong, and the good development was particularly influenced by the growth of the product business. Annual Recurring Revenue (ARR) increased by 19 percent from the comparison period and SaaS products represented about one-third of Digi's net sales.

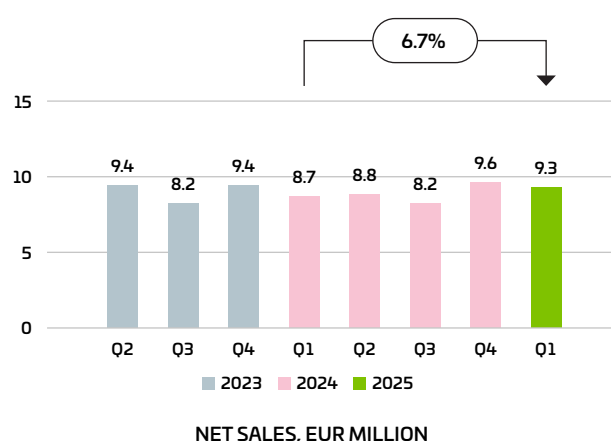
Sitowise's subsidiaries Infracontrol AB (Sweden) and Infracontrol Portugal Lda, which offer digital products and IT consulting, became part of the Digital Solutions provides a valuable gateway for scaling the digital solutions to new markets but has a weakening effect on the business area's profitability level due to Infracontrol's lower profit margin.

Digital solutions' market environment was more challenging than expected during the review period. In the custom software development and consulting business, budget pressures and investment prioritization in the public sector resulted in the postponement of larger investment decisions. Demand in the private sector also remained at a low level, and the focus there was on proactive sales to existing clients and add-on sales to current projects. In product business, the emphasis was on sales to new clients, and demand in municipalities and forestry sector remained stable. In the product business, Sitowise has been able to create new markets, especially with the Louhi, Planect, and Routa products. Sitowise's expertise received recognition during the review period at Finland's largest digital competition, the Grand One gala, where Metsään.fi won the main prize in the Most Accessible Digital Service category, and the Planect product received an honorable mention in the Best Use of Data category.

During the quarter, Infracontrol began piloting and selling Digi's products in Sweden, and one of the successes of the period included the first pilot for Routa, the infrastructure maintenance management and monitoring system, in Sweden. Sitowise was also chosen as the main development partner for projects where the Ministry of Environment in Finland has granted funding to the municipalities of Mäntyharju and Ulvila for the development of the RYHTI built environment information system. In Mäntyharju, the development work is related to building permit solutions, while in Ulvila, it focuses on zoning solutions. Additionally, several Finnish municipalities selected Louhi's new product extensions for Järvinet's map and register solution. The order backlog for

Digital Solutions grew and was at a good level at the end of March.

Sitowise expects the market environment for Digital Solutions to remain twofold in the coming months. In the municipal sector, demand is driven by the renovation debt of old IT systems and the need to digitize and streamline operations. At the same time, public sector budget pressures are expected to be reflected in the 2025 project volumes. In the private sector, demand is expected to remain good in energy and industry and strong in the forestry sector. Otherwise, the recovery of the private sector requires an improvement in the general economic situation in Finland. The product business is less sensitive to weak economic conditions, and there are several opportunities to create markets independently. Sitowise's strengths include a business model that enables flexible use of resources and a profile that clearly differentiates it from competitors as an expert house combining modern IT capabilities, geospatial intelligence, and Sitowise's expertise in built environment and forest sector. The medium and long-term outlook for Digital Solutions is good.



Q1 BUSINESS REVIEW | SWEDEN

EUR million	1-3/2025	1-3/2024	Change, %	1-12/2024
Number of full-time employees*	243	321	-24.2%	306
Net sales, EUR million*	7.0	9.7	-27.7%	31.9
Organic growth, %**	-28.5%	-7.6%		-14.6%

* Comparison year data has been adjusted to match the current reporting structure.

** Adjusted organic growth in net sales is calculated by excluding acquisitions and divestments adjusted by the number of working days and exchange rate impact.

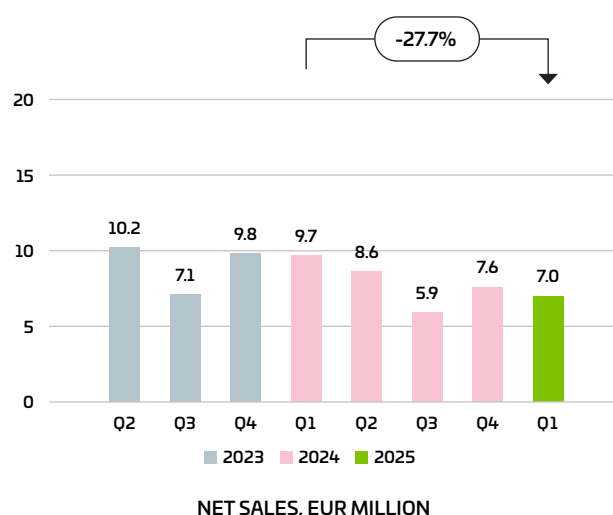
Net sales from the Group's operations in **Sweden** declined by 27.7 percent when reported in euros (-27.9 percent in constant exchange rates), amounting to 7.0 (9.7) million euros. This represents approximately 15 (19) percent of the Group's consolidated net sales. The decline in net sales was primarily driven by weak market conditions, a reduction in the number of full-time employees, and low utilization rates in certain parts of the business.

In the first quarter, the focus was on adjusting capacity and on sales, in line with the "Building for the Future" program. The number of full-time employees was down by 24.2 percent year-on-year, partly due to personnel reductions made during the review period and partly due to reductions made in previous quarters. The local construction market remained very weak, particularly in structural engineering and the prefab market, which meant that despite the personnel reductions made, the utilization rate remained well below the target level. Compared to previous quarters, the number of project overruns decreased, but they still burdened profitability.

In the public sector, price competition remained fierce, and demand in the private sector in areas where Sitowise operates continued to suffer from the downturn in the Swedish construction market. However, Sitowise's bidding activity increased significantly, and the company won, for example, an assignment as the chief designer of a new purpose-built building for the Stockholm University of the Arts. The company received also several smaller, short-term assignments, particularly in the life science sector. Overall, the order backlog remains at an insufficient level.

The anticipated turnaround in the Sweden business area did not fully materialize in the first quarter. The savings from the personnel reductions made during the review period are expected to show in profitability from the second quarter onwards, but significant improvement in profitability will require sales growth in the future. In line with the "Building for the Future" program, the priority is to further enhance client and sales activity, including fostering a strong sales culture, proactive sales, pricing excellence, and precise project management. Growth is sought in particular in the new sectors established at the beginning of 2025, such as infrastructure, project management, and sustainability services, which currently represent a clearly smaller part in Sitowise's Swedish operations compared to structural engineering and building services (MEP).

The market environment is expected to remain challenging in structural engineering, and the recovery of new commercial building production is anticipated to shift to 2026. At the same time, demand for building services and infrastructure is showing signs of a gradual recovery. Short-term growth opportunities are also seen in the life science sector and in security-related and sustainability services. The medium- and long-term prospects in Sweden remain positive, thanks to megatrends driving growth in technical consulting, among other factors.



PERSONNEL

The average number of employees, number of employees employed at the end of the review period and full-time equivalent number of employees (FTE) all declined from the comparison period. The decrease was primarily caused by the personnel adjustment measures implemented in the Buildings and Sweden business areas during the review period and in the preceding quarters. In addition, not all fixed-term contracts were renewed or leavers replaced. In both Infra and Digital Solutions the number of FTEs increased, driven by business growth.

Personnel	1-3/2025	1-3/2024	Change, %	1-12/2024
Number of personnel, average	1,997	2,119	-5.8%	2,097
Number of personnel, at the end of the period	1,979	2,113	-6.3%	2,038

FTE per Business Area	1-3/2025	1-3/2024	Change, %	1-12/2024
Infra	601	590	1.9%	603
Buildings	544	636	-14.5%	605
Digi	288	271	6.3%	275
Sweden	243	321	-24.2%	306
Group Functions	64	65	-2.3%	65
Group total	1,740	1,883	-7.6%	1,854

CHANGES IN GROUP MANAGEMENT

Minttu Vilander resigned from her position as EVP, Sustainability, Brand & Communications and as a member of the Group Management Team on 31 March 2025. She left the position on 30 April 2025. Vilander's responsibilities were distributed among the Group Communications and Marketing team and the Sustainability team. In the Group Executive Team, the reporting of responsibilities is in future under the CFO and the EVP, People & Culture.

CORPORATE GOVERNANCE

AUTHORIZATIONS OF THE BOARD OF DIRECTORS

During the review period, the company had in force authorizations as resolved by the Annual General Meeting on 4 April 2024 to decide on the repurchase of the company's own shares as well as to decide on the issuance of shares and the issuance of options and other special rights entitling to shares. The authorizations were canceled by the Annual General Meeting on 2 April 2025 along with the decision on new authorizations. See the section "Main events after period-end" for more information authorizations in force.



Katri, Designer

SHARES AND SHAREHOLDERS

SHARE CAPITAL AND TREASURY SHARES

At the end of the review period, Sitowise Group Plc's share capital was EUR 80,000.

The company has one share class. Each share entitles the holder to one vote and an equal dividend.

The number of shares issued by Sitowise at the end of the review period was 35,845,665 shares. There were no changes in this number during the review period. The company did not hold any of its own shares during the review period.

	31 Mar 2025	31 Mar 2024	31 Dec 2024
Registered share capital, EUR thousand	80	80	80
Registered total number of shares	35,845,665	35,845,665	35,845,665
Treasury shares	0	0	0

TRADING OF SHARES

SITOWS Nasdaq Helsinki	1-3/2025	1-3/2024	1-12/2024
Number of shares traded, million	0.8	1.6	8.0
Value of trading, EUR million	2.1	4.4	21.0
Closing price on the final day of trading, EUR	2.70	2.84	3.05
Volume-weighted average price, EUR	2.53	2.76	2.62
Highest price, EUR	3.04	3.29	3.29
Lowest price, EUR	2.31	2.49	2.23
Market capitalization (at the end of the period), EUR million	96.8	101.8	109.3

SHAREHOLDERS

At the end of the review period on 31 March 2025, the number of registered shareholders was 5,522 (5,962). The ten largest shareholders entered in the book-entry register maintained by Euroclear Finland Oy owned a total of 29.0 (29.4) percent of the company's shares. Nominee-registered shareholders accounted for 39.6 (37.4) percent of the company's shares.

The table below lists the ten largest shareholders on 31 March 2025 based on the Monitor service* provided by the Swedish company Modular Finance AB:

Shareholder	Number of shares	% of shares
1 Paradigm Capital AG	7,312,555	20.40%
2 Intera Partners Oy	5,121,573	14.29%
3 Protector Forsikring ASA	1,668,034	4.65%
4 Evli Fund Management	1,663,003	4.64%
5 Handelsbanken Fonder	1,537,079	4.29%
6 Ilmarinen Mutual Pension Insurance Company	1,071,500	2.99%
7 SEB Investment Management	652,799	1.82%
8 Varma Mutual Pension Insurance Company	635,000	1.77%
9 Kimmo Anttalainen	397,488	1.11%
10 Sp-Fund Management	374,000	1.04%
10 largest in total	20,433,031	57.00%
Total number of shares	35,845,665	

*) 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 supplied by the service provider, which is given only as additional information. The company's shareholder register is available from Euroclear, and the company additionally publishes any flagging notifications it receives as stock exchange releases.

FLAGGING NOTIFICATIONS

Sitowise received on 27 February 2025 a notification in accordance with the Chapter 9, Section 10 of the Finnish Securities Market Act from Paradigm Capital Value Fund SICAV, according to which Paradigm Capital Value Fund SICAV's direct holding of the shares and votes of the Company increased above 20.00 percent on 26 February 2025. According to the notification, Paradigm Capital Value Fund SICAV holds a total of 7,312,555 shares corresponding to 20.40 percent of the Company's shares and votes.

Sitowise received on 27 February 2025 a notification in accordance with the Chapter 9, Section 10 of the Finnish Securities Market Act from Protector Forsikring ASA, according to which Protector Forsikring ASA's direct holding of the shares and votes of the Company decreased under 5.00 percent on 26 February 2025. According to the notification, Protector Forsikring ASA holds a total of 1,668,034 shares corresponding to 4.65 percent of the Company's shares and votes.

SHORT TERM RISKS AND UNCERTAINTIES

SHARE-BASED INCENTIVE PLANS

On 12 February 2025, the Board of Directors of Sitowise Group Plc resolved to establish new share-based long-term incentive plans covering the years 2025–2027. Within the Performance Share Plan 2025–2027, the participants have the opportunity to earn Sitowise shares and cash as a long-term incentive reward, if the performance targets set by the Board of Directors for the plan are achieved. The Board also resolved on a restricted share plan (Restricted Share Plan 2025–2027), which is intended as a supplementary share-based long-term incentive plan. For further information about the incentive plans see www.sitowise.com/investors/stock-exchange-releases.

At the end of the review period, Sitowise Group Plc also had the following share-based incentive schemes in place:

- Performance Share Plan 2024–2026
- Restricted Share Plan 2024–2026
- Performance Share Plan 2023–2025
- Restricted Share Plan 2023–2025

The company also had in place a long-term option program established in 2021. All incentive plans are further described at www.sitowise.com/investors/governance/remuneration.

Still weak macro-economic outlook slows down growth in both Finland and Sweden and impact the short-term decision-making of Sitowise's clients especially in the private sector and most of all in residential building projects. The general economic environment also has an impact on public sector investments. A continued decline in economic activity, geopolitical uncertainty, or a delay in market recovery may impact Sitowise's clients' business prospects leading to, for example, a decrease or postponement of investments and clients' projects or to clients' payment difficulties.

Significant short-term risks and uncertainties to which the Sitowise Group's business is exposed include operational risks related to damage risks such as information and cyber security risks, project work and retention of current experts, and strategic risks linked to technological development, corporate acquisitions, and uncertainties in the global economy. Furthermore, Sitowise Group's performance is exposed to several financial risks such as interest rate and currency risks as well as financing risks. The terms of the company's financing agreement, including the covenant conditions, may limit its financial flexibility, and challenges in meeting these terms could potentially raise financing costs. Sitowise's sustainability risks include environmental, social responsibility, and governance risks which include among other things the risk of not capitalizing green transition business opportunities to their full potential, risks related to employee commitment and retention, and the risk of non-compliance with requirements and reputational damage and sanctions caused by that.

Sitowise's risks are described in detail in our 2024 Financial Statements that is available on our website at www.sitowise.com. One of the key tools for the Group's risk assessment is an annual survey that will be conducted next time during the autumn 2025. Its results as well as any other specific risks arising from Sitowise's operations are discussed in the Group's Board of Directors, Management Team, and business areas. The Sitowise Group's risk management process and responsibilities are described on the Group's website (www.sitowise.com).

LEGAL PROCEEDINGS AND DISPUTES

Sitowise Oy has a pending legal proceeding with a former client relating to a Finnish residential apartment building project from some years back. A substantial claim has been presented to Sitowise by the counterparty, but according to the company's view, the claim is unfounded. Sitowise has also presented a claim to the counterparty for the unpaid part of the project payment, plus the delay interest. The company estimates that the proceedings will take years. Additionally, the group has ongoing disputes that are considered usual.

SEASONALITY AND SENSITIVITIES

The seasonal variation of Sitowise's business is affected by the monthly allocation of annual working days, which in turn is affected by the timing of public holidays (e.g., Easter and Christmas) and employee vacation periods. The Group's net sales and profitability are generally at their lowest in the third quarter due to the summer vacation season.

CALENDAR EFFECTS: NUMBER OF WORKING DAYS BASED ON SALES WEIGHTED BUSINESS MIX

	2025	2024	Difference (2025 vs 2024)
Q1	62	63	-1
Q2	60	60	-1
Q3	66	66	0
Q4	63	62	1
Full year	250	251	-1

ESTIMATED SENSITIVITIES WITH CURRENT BUSINESS SCOPE ON ANNUAL LEVEL:

	Change	Impact in euros	Impact scope
Number of working days	+/- 1 day	+/- EUR 0.6–0.7 million	Topline and bottom-line impact
Sickness absences	+/- 1%-point	-/+ EUR 2 million	Topline and bottom-line impact
SEK/EUR FX rate	+/- 10%	+/- EUR 4 million	Topline impact

QUARTERLY NET SALES AND EBITA OF THE GROUP

EUR million	Q2/2023	Q3/2023	Q4/2023	Q1/2024	Q2/2024	Q3/2024	Q4/2024	Q1/2025
Net sales	56.5	45.6	52.8	51.5	50.9	41.8	48.8	48.1
Other operating income	0.1	0.1	0.1	0.2	0.2	0.4	0.2	0.2
Materials and services	-5.8	-4.8	-6.0	-4.3	-5.1	-4.7	-6.1	-4.3
Personnel expenses	-37.3	-28.8	-35.4	-35.4	-34.5	-27.0	-32.7	-33.2
Other operating expenses	-6.9	-6.6	-7.2	-6.6	-6.8	-5.9	-6.9	-6.3
Depreciations	-2.0	-2.0	-1.9	-2.0	-2.1	-2.0	-2.1	-2.1
EBITA, adjusted	4.5	3.5	2.4	3.4	2.6	2.4	1.2	2.4
EBITA, adjusted %	8.0%	7.6%	4.6%	6.6%	5.0%	5.8%	2.4%	5.1%
Items affecting comparability	-0.1	-0.2	-1.2	-0.3	-0.4	-1.2	-0.3	-1.7
EBITA	4.4	3.2	1.3	3.0	2.2	1.3	0.9	0.8
EBITA %	7.8%	7.1%	2.4%	5.9%	4.3%	3.1%	1.9%	1.6%

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

DECISIONS OF THE ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of Sitowise Group Plc was held on 2 April 2025 in Espoo, Finland. The AGM approved the company's financial statements and consolidated financial statements for the financial year 2024, discharged the members of the Board of Directors and the CEO of the company from liability, and resolved to approve the remuneration report for governing bodies. The AGM decided that no dividend will be distributed from the Company's distributable funds for the year 2024.

The AGM resolved that the remuneration of the Board members will remain unchanged. Eero Heliövaara, Mirel Leino-Haltia, Elina Piispanen, Niklas Sörensen and Tomi Terho were re-elected to the Board of Directors and Rodolfo Zeidler was elected as a new member to the Board of Directors. KPMG Oy Ab was re-elected as the auditor of the company and as the sustainability reporting assurer of the company, with Kim Järvi, APA and authorized sustainability auditor, acting with the principal responsibility. The AGM further authorized the Board of Directors to decide on the repurchase of the Company's own shares and to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in chapter 10 section 1 of the Companies. The authorizations are described in detail on the stock exchange release published on 2 April 2025, and they are both effective until the beginning of the next Annual General Meeting, however no longer than until 30 June 2026.

DECISIONS OF THE BOARD ORGANIZING MEETING

In the constitutive meeting of the Board of Directors of Sitowise Group Plc held after the AGM, the Board of Directors elected Eero Heliövaara as its Chair and Tomi Terho as its Vice Chair. Mirel Leino-Haltia was elected as the Chair and Elina Piispanen and Rodolfo Zeidler as the members of the Audit Committee. Eero Heliövaara was elected as the Chair and Niklas Sörensen, Tomi Terho and Rodolfo Zeidler as the members of the Personnel Committee. The board also decided to terminate its Acquisitions Committee.

Espoo, 13 May 2025
Sitowise Group Plc
Board of Directors

ADDITIONAL INFORMATION

Heikki Haasmaa, CEO,
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Hanna Masala, CFO,
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Mari Reponen, Head of IR,
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FINANCIAL CALENDAR 2025

The planned publication dates for Sitowise Group Plc's financial reports in 2025 are as follows:

- Half-year report for January–June 2025: 13 August 2025
- Interim Report for January–September 2025: 6 November 2025

WEBCAST FOR ANALYSTS, MEDIA AND INVESTORS

Sitowise's Q1 2025 earnings webcast will be held today, 13 May 2025 at 12 pm EET. The webcast can be accessed either live or as a replay available at <https://rajucast.tv/sitowise/q1-2025-result-webcast/>

DISTRIBUTION:

Nasdaq Helsinki Ltd
Key media
www.sitowise.com

SITOWISE IN BRIEF:

Sitowise is a Nordic expert in the built environment and forestry with strong focus on digitality. We provide design and consulting knowhow to enable more sustainable environment and smarter urban development as well as smooth transportation. Sitowise offers services related to real estate and buildings, infrastructure, and digital solutions both in Finland and in Sweden. Global megatrends drive huge changes that require a re-evaluation of the smartness in the built environment – therefore we have set our vision to be *Redefining Smartness in Cities*. The Group's net sales were EUR 193 million in 2024 and the company employs approximately 2,000 experts. Sitowise Group Plc is listed on Nasdaq Helsinki under the trading symbol SITOWS.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Net sales	48,122	51,483	192,910
Other operating income	157	214	923
Materials and services	-4,553	-4,280	-20,183
Employee benefits	-34,432	-35,581	-131,303
Other operating expenses	-6,461	-6,751	-26,715
Depreciation, amortization, and impairment	-3,101	-3,132	-13,160
Operating profit	-267	1,952	2,473
Financial income	177	103	390
Financial expenses	-1,756	-1,347	-6,239
Profit before taxes	-1,846	708	-3,377
Income taxes	439	-168	666
Profit for the period	-1,407	540	-2,710
Attributable to:			
Owners of the parent	-1,407	583	-2,576
Non-controlling interest	0	-43	-134
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Change in translation difference	2,907	-2,182	-1,842
Cash flow hedging, net of tax	31	120	-351
Total for items in other comprehensive income	2,938	-2,062	-2,193
Total comprehensive income	1,531	-1,521	-4,903
Comprehensive income attributable to:			
Owners of the parent	1,531	-1,479	-4,769
Non-controlling interest	0	-43	-134
Earnings per share:			
Earnings per share (EUR)	-0.04	0.02	-0.08
Diluted earnings per share (EUR)	-0.04	0.02	-0.07

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	31 Mar 2025	31 Mar 2024	31 Dec 2024
Assets			
Goodwill	161,085	158,294	158,630
Intangible assets	11,229	13,167	11,628
Property, plant and equipment	2,325	2,847	2,370
Right-of-use assets	27,978	24,244	22,967
Other shares, similar rights of ownership, and receivables	1,952	1,989	1,944
Deferred tax assets	1,424	923	769
Total non-current assets	205,994	201,466	198,309
Trade and other receivables	49,237	55,184	50,724
Income tax receivables	534	960	588
Cash and cash equivalents	13,265	14,245	17,459
Total current assets	63,035	70,389	68,770
Total assets	269,029	271,855	267,079

EUR thousand	31 Mar 2025	31 Mar 2024	31 Dec 2024
Shareholders' equity and liabilities			
Share capital	80	80	80
Reserve for invested unrestricted equity	97,294	97,352	97,352
Fair value reserve	-26	414	-57
Translation difference	-2,453	-5,700	-5,360
Retained earnings	21,854	26,349	23,256
Equity attributable to owners of the parent	116,749	118,495	115,271
Non-controlling interest	0	93	0
Total shareholders' equity	116,749	118,588	115,271
Deferred tax liabilities	949	1,740	989
Financial liabilities	68,801	69,951	69,037
Lease liabilities	21,616	18,717	17,153
Other financial liabilities	311	0	314
Total non-current liabilities	91,677	90,408	87,493
Income tax liabilities	93	94	64
Financial liabilities	1,041	1,000	1,000
Lease liabilities	7,947	6,839	7,364
Provisions	220	285	345
Trade payable and other liabilities	51,302	54,639	55,541
Total current liabilities	60,602	62,858	64,314
Total shareholders' equity and liabilities	269,029	271,855	267,079

CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Cash flows from investing activities:			
Result for the period	-1,407	540	-2,710
Adjustments			
Income taxes	-439	168	-666
Depreciation, amortization, and impairment	3,101	3,132	13,160
Financial income and expenses	1,579	1,244	5,695
Other adjustments	4	-107	-105
Change in working capital			
Trade and other receivables, increase (-) / decrease (+)	2,039	3,414	7,705
Trade and other payables, increase (+) / decrease (-)	-4,414	-3,401	-1,590
Interest paid and other financial expenses	-1,852	-1,290	-5,972
Interest received and other financial income	73	92	375
Income taxes paid (-) / received (+)	-129	551	644
Net cash flows from operating activities	-1,445	4,345	16,536
Cash flows from investing activities:			
Investments in tangible and intangible assets	-719	-1,044	-2,691
Acquisitions of subsidiaries, net of cash acquired	-391	-3,420	-4,681
Net cash flows from investing activities	-1,111	-4,464	-7,372
Cash flows from financing activities:			
Payments from share issue	0	660	660
Repayment of short term loans	0	0	-1,000
Payments of lease liabilities	-1,803	-1,749	-6,818
Net cash flows from financing activities	-1,803	-1,089	-7,158
Cash and cash equivalents at the start of the period	17,459	15,596	15,596
Change in cash and cash equivalents, increase (+) / decrease (-)	-4,359	-1,208	2,006
Translation differences	165	-143	-143
Cash and cash equivalents at the end of the period	13,264	14,245	17,459

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

EUR thousand	Equity attributable to owners of parent						Non-controlling interest	Total shareholders' equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total		
Shareholders' equity 1 Jan 2025	80	97,352	-57	-5,360	23,256	115,271	0	115,271
Result for the period					-1,407	-1,407		-1,407
Other comprehensive income			31	2,907		2,938		2,938
Total comprehensive income	0	0	31	2,907	-1,407	1,531	0	1,531
Share-based incentive schemes					4	4		4
Other adjustments		-58				-58		-58
Transactions with owners	0	-58	0	0	4	-54		-54
Shareholders' equity 31 Mar 2025	80	97,294	-26	-2,453	21,855	116,749	0	116,749

EUR thousand	Equity attributable to owners of parent						Non-controlling interest	Total shareholders' equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total		
Shareholders' equity 1 Jan 2024	80	96,692	294	-3,519	25,751	119,299	183	119,483
Result for the period					583	583	-43	540
Other comprehensive income			120	-2,182		-2,062		-2,062
Total comprehensive income	0	0	120	-2,182	583	-1,479	-43	-1,521
Share issues		660				660		660
Dividend distribution					-92	-92	-48	-140
Share-based incentive schemes					107	107		107
Transactions with owners	0	660	0	0	15	675	-48	627
Shareholders' equity 31 Mar 2024	80	97,352	414	-5,700	26,349	118,495	93	118,588

NOTES TO THE INTERIM REPORT

Sitowise Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim information does not include all the notes presented in the consolidated financial statements for 2024; therefore it should be read in conjunction with the consolidated financial statements for 2024 prepared in accordance with IFRS. The same accounting principles have been applied in the interim financial information as in the consolidated financial statements. The interim report has not been audited.

The key uncertainties related to decisions made by the management requiring discretion, the management's estimates, as well as key topics requiring discretion are the same as those in the 2024 financial statements.

1. NET SALES

Net sales by business area

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Infra	17,667	16,987	68,345
Buildings	14,175	16,085	57,425
Digi	9,268	8,701	35,269
Sweden	7,038	9,710	31,872
Total	48,122	51,483	192,910

Net sales by geographical area

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Finland	38,710	39,556	153,694
Sweden	9,189	11,521	38,045
Other countries	223	406	1,171
Total	48,122	51,483	192,910

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

Revenue from client contracts expected to be recognized and related to the remaining performance obligations as of 31 March 2025 is approximately EUR 157 million.

2. ACQUISITIONS (Business combinations)

In the first quarter Sitowise Group didn't make any acquisitions.

3. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES

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

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
Non-current financial assets						
Other shares and holdings		730		730	730	Level 3
Loan receivables	917			917	917	
Other financial assets, including derivatives	305			305	305	Level 2
Current financial assets						
Trade receivables	28,392			28,392	28,392	
Cash and cash equivalents	13,265			13,265	13,265	
Financial assets 31 Mar 2025	42,879	730	0	43,609	43,609	

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
Non-current financial assets						
Other shares and holdings		731		731	731	Level 3
Loan receivables	919			919	919	
Other financial assets, including derivatives	210	129		339	339	Level 2
Current financial assets						
Trade receivables	28,408			28,408	28,408	
Cash and cash equivalents	14,245			14,245	14,245	
Financial assets 31 Mar 2024	43,783	860	0	44,643	44,643	

Financial liabilities

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
Non-current financial liabilities						
Loans from financial institutions	68,801			68,801	68,801	
Lease liabilities	21,616			21,616		
Other financial liabilities, including derivatives		311		311	311	Level 1
Current financial liabilities						
Loans from financial institutions	1,041			1,041	1,041	
Trade payables	7,479			7,479	7,479	
Lease liabilities	7,947			7,947		
Financial liabilities 31 Mar 2025	106,883	311	0	107,194	77,631	

EUR thousand	Measured at amortized cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Book value total	Fair value	Level
Non-current financial liabilities						
Loans from financial institutions	69,951			69,951	69,951	
Lease liabilities	18,717			18,717	18,717	
Current financial liabilities						
Loans from financial institutions	1,000			1,000	1,000	
Trade payables	9,462			9,462	9,462	
Additional purchase price liabilities			857	857	857	Level 3
Lease liabilities	6,839			6,839	6,839	
Financial liabilities 31 Mar 2024	105,969	0	857	106,826	106,826	

Loans from financial institutions consist of floating rate bank loans. The total amount of loans drawn down under the financing agreement was EUR 69.0 million. Sitowise renewed the previous interest rate swap agreement and the new agreement entered into force at the end of the first quarter. With the new interest

rate swap agreement, EUR 33.0 million of the loans raised were based on fixed interest rates and EUR 36.0 million were based on floating interest rates. The Group met the covenant conditions of its financing contract at the end of the review period.

4. GUARANTEES AND CONTINGENT LIABILITIES

During the first quarter, bank guarantees increased from the previous quarter. At the end of the review period, the company had valid bank guarantees worth EUR 2.0 million.

The financing has been secured by corporate pledges totaling of EUR 117.0 million. In addition, the shares of subsidiaries and internal receivables are used as collateral.

5. SHARES

Number of shares used in calculating earnings per share

	1-3/2025	1-3/2024	1-12/2024
Number of shares	35,845,665	35,845,665	35,845,665
Average number of shares	35,845,665	35,825,914	35,841,726
Diluted number of shares	37,283,665	36,055,665	36,691,665
Diluted number of shares, average	36,606,609	36,035,914	36,563,915

6. RELATED-PARTY TRANSACTIONS

The related parties of the parent company include subsidiaries, associated companies, key management personnel, family members of the management and companies over which they exercise control. Key management personnel include members of the Board of Directors, the CEO, and members of the Group Management Team.

The Board of Directors of Sitowise resolved in March 2023 to establish a new share-based long-term incentive program. The plans have three-year performance periods, and the Board of Directors decides the commencement and terms of any new plans separately. The purpose of the plans is to align the interests of the management and key personnel with the interests of the shareholders and thereby increase the shareholder value in the long term, and to commit the management and key personnel to achieving Sitowise's strategic goals.

In March 2023, the Board of Directors of Sitowise decided to establish performance-based share incentive program Performance Share Plan 2023–2025 (PSP 2023–2025) which was targeted for the Group Management Team members. The performance targets applied to the plan at the time of the establishment were the relative total shareholder return (TSR) and cumulative reported EBITA 2023–2025. In March 2024, the Board of Directors of Sitowise resolved to amend the profitability target by changing the cumulative reported 2023–2025 EBITA monetary target to adjusted EBITA margin (%) target for the year 2025, and also to include a minimum net sales trigger to the PSP 2023–2025. The relative total shareholder return target remains unchanged, as well as the plan's TSR trigger which defines the minimum TSR level before any rewards can be paid based on the plan.

The incentive plan established in March 2023 also includes a Restricted Share Plan (RSP 2023–2025), under which part of the Group Management Team members were awarded fixed amount share rewards in year 2025. The reward under RSP 2023–2025 is paid, according to the Board of Directors' choice, either in Sitowise's shares, in cash, or in a combination of these and the possible rewards will be paid after the completion of the financial statements in the spring of 2026. As a main rule no reward is paid to an individual participant whose employment or service relationship ends or has ended before the delivery of the reward.

In March 2024, the Board of Directors of Sitowise decided to establish performance-based share incentive program Performance Share Plan 2024–2026 (PSP 2024–2026). The participants of the PSP 2024–2026 have the opportunity to earn Sitowise shares and cash as a long-term incentive reward, if the performance targets set by the Board of Directors for the plan are achieved. The plan has a three-year performance period, and the participants include the CEO and other members of the Sitowise Group Management Team as well as other management and experts. The performance criteria applied to the PSP 2024–2026 are profitability (adjusted EBITA margin, %), profitability compared to peers (adjusted EBITA margin, % compared to selected peers) and sustainability services revenue. In addition, the plan includes a Total Shareholder Return and net sales triggers that need to be exceeded before any rewards can be paid.

In February 2025, the Board of Directors of Sitowise decided to establish performance-based share incentive program Performance Share Plan 2025–2027 (PSP 2025–2027). The participants of the PSP 2025–2027 have the opportunity to earn Sitowise shares and cash as a long-term incentive reward, if the performance targets set by the Board of Directors for the plan are achieved. The plan has a three-year performance period, and the

Plan	First grant date	Number of granted shares	Grant date share price	Number of participants	Performance period	Settlement year
PSP 2023–2025	10 May 2023	210,000	EUR 4.40	7	2023–2025	2026
PSP 2024–2026	18 March 2024	641,000	EUR 2.77	34	2024–2026	2027
PSP 2025–2027	27 March 2025	840,000	EUR 2.40	69	2025–2027	2028
RSP 2023–2025	19 March 2025	10,000	EUR 2.60	2	2023–2025	2026

participants include the CEO and other members of the Sitowise Group Management Team as well as other management and experts. The performance criteria applied to the PSP 2025–2027 are growth and profitability (reported EBITA, EUR), profitability (adjusted EBITA, %) and sustainability services revenue. In addition, the plan includes a Total Shareholder Return level that need to be exceeded before any rewards can be paid.

The payout of shares under PSP 2023–2025, PSP 2024–2026 and PSP 2025–2027 plans will be dependent on meeting the targets set by the Board of Directors and no reward will be paid if the minimum levels set for the targets are not met. If the targets are reached, the potential rewards will be paid in the company's shares, after the deduction of the proportion that is required for taxes and related costs. However, the company may decide to pay the reward fully in cash. As a main rule no reward is paid to an individual participant whose employment or service relationship ends or has ended before the delivery of the reward.

For IFRS 2 purposes, the fair value shall take into account market-based performance conditions. The evaluation takes into account Sitowise's share price at the time of the grant, the relative TSR market condition, the absolute TSR trigger and expected dividends to be missed before the payment of the reward. Further information about the share-based incentive plan and terms applied to the plans have been published in stock exchange releases on 12 February 2025, 13 March 2024 and 28 March 2023.

The total cost effect of the equity-settled performance share programs and the option program, which was established in 2021 during the reporting year was EUR 4 thousand.

The company had purchases from AS DWG, which is considered as a related-party company, totalling to 75 thousand euros during the reporting period. At the end of the reporting period, the company had trade payables of 4 thousand euros and loan receivables of 127 thousand euros from AS DWG.

The company did not have any other significant related-party transactions during the period under review.

7. FINANCIAL AND ALTERNATIVE PERFORMANCE MEASURES

Since the publication of the IFRS financial statements for 2019, Sitowise has reported some alternative performance measures that do not comply with IFRS standards. The calculation of alternative performance measures 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 performance measures are intended to improve comparability and are not a substitute for other IFRS-based key figures.

The alternative performance measures 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 activities, but which affect comparability.

Details of items affecting comparability and reconciliations of alternative performance measures are provided in Note 9.

Key figures describing financial development

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Net sales	48,122	51,483	192,910
Growth in net sales, %	-6.5%	-8.1%	-8.5%
Adjusted organic growth in net sales, %	-6.3%	-7.7%	-10.1%
EBITA, adjusted	2,442	3,377	9,554
% of net sales	5.1%	6.6%	5.0%
EBITA	762	3,052	7,434
Operating profit (EBIT)	-267	1,952	2,473
% of net sales	-0.6%	3.8%	1.3%
Result for the period	-1,407	540	-2,710
Balance sheet total	269,029	271,855	267,079
Cash and cash equivalents	13,265	14,245	17,459
Net debt	56,577	56,706	52,578
Cash flow from operating activities before financial items and taxes	463	4,992	21,488
Earnings per share (EUR)	-0.04	0.02	-0.08
Diluted earnings per share (EUR)	-0.04	0.02	-0.07
Earnings per share, continuing operations (EUR)	-0.04	0.02	-0.08
Diluted earnings per share, continuing operations (EUR)	-0.04	0.02	-0.07
Return on equity (ROE), %	-1.2%	2.2%	-2.3%
Return on capital employed (ROCE), %	0.3%	0.4%	1.3%
Equity ratio, %	43.4%	43.6%	43.2%
Net debt / EBITDA, adjusted	6.0x	3.8x	5.0x
Gearing, %	48.5%	47.8%	45.6%
Number of personnel, average	1,997	2,119	2,097
Full-time equivalent (FTE), average	1,740	1,883	1,854
Utilization rate	71.6%	72.3%	72.6%

8. FORMULAS OF FINANCIAL AND ALTERNATIVE PERFORMANCE MEASURES

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 additions, lease liabilities are treated as operate 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	=	Loans from financial institutions – cash and cash equivalents (net debt does not include lease liabilities)
Return on equity (ROE), %	=	$\frac{\text{Profit for the period, prev. 12 months}}{\text{Total shareholders' equity, average}}$
Return on capital employed (ROCE), %	=	$\frac{(\text{Profit before taxes + financial expenses}), \text{ prev. 12 months}}{(\text{Balance sheet total} - \text{non-interest-bearing debt}), \text{ average}}$
Equity ratio, %	=	$\frac{\text{Total shareholders' equity}}{\text{Balance sheet total}}$
Net debt / EBITDA, adjusted	=	$\frac{\text{Net debt}}{\text{EBITDA, adjusted, prev. 12 months}}$
Gearing, %	=	$\frac{\text{Net debt}}{\text{Total shareholders' equity}}$
Non-diluted earnings per share	=	$\frac{(\text{Result for the period} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average weighted number of shares}}$
Diluted earnings per share	=	$\frac{(\text{Result for the period} - \text{non-controlling interest} - \text{dividend for the financial period to be distributed taking tax impact into consideration})}{\text{Average diluted weighted number of shares}}$
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 PERFORMANCE MEASURES

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Net sales	48,122	51,483	192,910
Adjusted organic growth in net sales, %			
Growth in net sales	-7%	-8%	-9%
Impact of acquisitions	0%	-1%	-1%
Impact of number of working days	1%	1%	0%
Impact of exchange rates	0%	0%	0%
Adjusted organic growth in net sales, %	-6%	-8%	-10%
EBITA			
Operating profit (EBIT)	-267	1,952	2,473
Amortizations of intangible assets	-1,029	-1,100	-4,961
EBITA	762	3,052	7,434
EBITA %	1.6%	5.9%	3.9%
Items affecting comparability			
Restructuring costs	1,481	172	1,744
M&A and integration costs	4	130	330
Other, income (-) / costs (+)	195	22	46
Items affecting comparability, EBITDA	1,680	325	2,120
Items affecting comparability, depreciations	0	0	0
Items affecting comparability, EBITA	1,680	325	2,120
EBITA, adjusted			
EBITA	762	3,052	7,434
Items affecting comparability, EBITA	1,680	325	2,120
EBITA, adjusted	2,442	3,377	9,554
EBITA, adjusted %	5.1%	6.6%	5.0%
EBITDA			
Operating profit (EBIT)	-267	1,952	2,473
Depreciation and amortization	-3,101	-3,132	-13,160
EBITDA	2,834	5,084	15,633
EBITDA %	5.9%	9.9%	8.1%
Net debt			
Loans from financial institutions	69,841	70,951	70,037
Cash and cash equivalents	13,265	14,245	17,459
Net debt	56,577	56,706	52,578
EBITDA, adjusted (prev. 12 months)			
EBITDA (prev. 12 months)	13,382	19,845	15,633
Items affecting comparability, EBITDA (prev. 12 months)	3,475	1,820	2,120
Operational lease liabilities (IFRS 16) (prev. 12 months)	-7,501	-6,768	-7,281
EBITDA, adjusted (prev. 12 months)	9,357	14,898	10,471
Net debt / EBITDA, adjusted			
Net debt	56,577	56,706	52,578
EBITDA, adjusted (prev. 12 months)	9,357	14,898	10,471
Net debt / EBITDA, adjusted	6.0x	3.8x	5.0x
Gearing, %			
Total shareholders' equity	116,749	118,495	115,271
Net debt	56,577	56,706	52,578
Gearing, %	48.5%	47.8%	45.6%

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