

SITOWISE GROUP PLC

Good performance in the Finnish operations continued

**Half-year Report
1 January – 30 June 2025**

A man with a beard, wearing a grey cap and a bright yellow raincoat over a dark shirt, stands in a field of green plants. He is holding a white folder or document. In the background, a large, light-colored building is visible under an overcast sky.

SITOWISE

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The figures in the half-year report are unaudited. Comparative figures for the corresponding period of the previous year are in brackets. The figures disclosed in the 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.

Sitowise's Half-year Financial Report January–June 2025: Good performance in the Finnish operations continued

Sitowise Group Plc Half-year Report, 1 January – 30 June 2025, 13 August 2025 at 8:30 am EEST

April–June in brief

- Net sales decreased by 2.1% to EUR 49.8 (50.9) million.
- Organic net sales growth was negative at -1.2% (-12.8%).
- Adjusted EBITA totaled EUR 2.5 (2.6) million, or 5.1% (5.0%) of net sales.
- Operating profit was EUR 1.0 (1.1) million, or 2.1% (2.1%) of net sales.
- Cash flow from operating activities before financial items and taxes increased to 7.2 (5.9) million euros.
- Utilization rate improved to 74.2% (73.6%).

January–June in brief

- Net sales decreased by 4.3% to EUR 97.9 (102.4) million.
- Organic net sales growth was negative at -3.2% (-10.3%).
- Adjusted EBITA was EUR 5.0 (5.9) million, or 5.1% (5.8%) of net sales.
- Operating profit decreased to EUR 0.8 (3.0) million, or 0.8% (3.0%) of net sales.
- Cash flow from operating activities before financial items and taxes totaled 7.7 (10.9) million euros.
- Utilization rate was flat at 72.9%.
- The order book decreased by 8.8% to 148 (162) million euros.
- Leverage (net debt / adjusted EBITDA) was 5.9x (4.3x).
- 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	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
FINANCIAL							
Net sales	49.8	50.9	-2.1%	97.9	102.4	-4.3%	192.9
Adjusted organic growth, %	-1.2%	-12.8%		-3.2%	-10.3%		
EBITA, adjusted	2.5	2.6	-1.1%	5.0	5.9	-16.2%	9.6
% of net sales	5.1%	5.0%		5.1%	5.8%		5.0%
EBITA	2.1	2.2	-4.7%	2.8	5.2	45.8%	7.4
Operating profit	1.0	1.1	-6.0%	0.8	3.0	-75.0%	2.5
% of net sales	2.1%	2.1%		0.8%	3.0%		1.3%
Result for the period	-0.4	-0.2	-153.3%	-1.8	0.4	-582.0%	-2.7
Cash flow from operating activities before financial items and taxes	7.2	5.9	22.7%	7.7	10.9	-29.3%	21.5
Net debt				53.3	56.1	-4.9%	52.6
Net debt / EBITDA, adjusted				5.9x	4.3x		5.0x
Equity ratio, %				43.1%	43.6%		43.2%
Earnings per share (EPS), EUR	-0.01	0.00	-262.4%	-0.05	0.01	-487.8%	-0.08
OPERATIONAL							
Number of full-time equivalent employees	1,758	1,906	-7.8%	1,749	1,895	-7.7%	1 854
Utilization rate	74.2%	73.6%		72.9%	72.9%		72.6%
Number of working days	60	60		122	123		251
Order book at the end of period	148	162	-8.8%	148	162	-8.8%	151

CEO Heikki Haasmaa: April-June adjusted EBITA margin improved year-on-year, strong growth in both Infra and Digi

The positive underlying performance in Sitowise's business in Finland continued during the second quarter. The Infra and Digital Solutions business areas grew organically by 8 percent year-on-year and maintained good profitability. In the Digital Solutions business, the development was particularly supported by the continued fast growth of the product business and a slight improvement in the market environment. In the Buildings business, the market environment remained challenging, but the adjustment measures we implemented during the review period were reflected in clearly improved performance in structural and building services engineering. The adjusted EBITA of the Buildings business was positive also in the second quarter, which I am pleased with.

In Sweden, it was too early to see visible improvements in the second quarter, but we're working hard to show some results this year. Thanks to active sales efforts and the adjustment measures taken after the comparison period, the profitability of structural engineering in Sweden improved significantly, but weak demand in building services engineering posed challenges. We are strengthening our service offering in infrastructure, project management, and sustainability in Sweden, but these segments are expected to contribute more clearly to growth only in 2026. Overall, net sales in Sweden declined by 17 percent year-on-year, and the Swedish business remained loss-making.

The Group's revenue decreased by 2.1 percent to EUR 49.8 million in April–June. The adjusted EBITA margin improved slightly from the comparison period and was 5.1 percent. Profitability was affected negatively by the calendar effect (one less working day) and positively by an improved utilization rate year-on-year.

Considering the challenges in the market environment, the second quarter was good overall, and I want to thank all Sitowise employees for that. After a period of strong focus on costs, and after seeing some early signs of demand recovery, we'll now put more emphasis on order intake to strengthen the order book and make sure we capture the growth when it comes.

Improving profitability remains our top priority, and we seek growth especially in sustainability services, energy, industry, safety, and the product business. To ensure efficiency, we will also continue temporary layoffs in the Buildings business as needed.

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 throughout 2025. Good 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, there have been signs of moderate recovery in the construction market, and we believe that the market bottom is behind us. However, we expect the construction market recovery to be slow and materialize gradually towards the end of 2025. The recovery of new residential construction seems likely to start only 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, there are signs of improvement in all areas in Sweden.

At the end of June, 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 low levels.

In addition to the market development, cost inflation (e.g., relating to salary increases), potential currency fluctuations (EUR/SEK) and Sitowise's 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	39%	Stable	Above target
Buildings	28%	Weak (improving)	Clearly below target
Digital Solutions	19%	Stable (improving)	Below target
Sweden	14%	Weak (improving)	Negative
Period:	Q2 2025	Next 12 months	Q2 2025
Definitions:	% 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.

Strategy implementation

Sitowise's strategy 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 development and further go-to-market campaigns of sustainable products launched in 2023 and 2024. To support clients' cost savings and reduce CO₂ emissions, services have been developed that cover the entire value chain for earthworks coordination. Customer-funded projects have enabled the creation of a new add-on feature for the Planect product, which estimates cut and fill volumes for city planners. This data is seamlessly integrated with the earthworks coordination module inside Louhi service. A customer-funded development project has also been launched to complement this workflow with a new commercial software module enabling tracking of soil and rock transportation, eventually helping municipalities to optimize operations and fulfill their duty to report related impacts.

Sitowise also launched a new service in May called Energy Map, which provides energy efficiency data for properties across Finland. The service is free of charge for housing companies, property managers, and landlords, with a commercial service available for real estate owners, investors and energy companies.

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.

During the first half 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.

In June, the Science Based Targets initiative (SBTi) approved Sitowise's short-term emission reduction targets. Sitowise's targets are aligned with the Paris Agreement and cover all emission scopes (scope 1, 2, and 3). According to the targets, Sitowise commits to:

- Reducing scope 1 and 2 emissions by 83 percent by 2030 from the 2023 baseline.
- Reducing scope 3 emissions by 42 percent by 2030 from the 2023 baseline.

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

In April–June, the Group's order intake was down by 26.0 percent quarter-on-quarter and 19.4 percent year-on-year. This development was marked by the absence of larger project wins, particularly within the Infra business area. Order intake decreased in all business areas and totaled 40.4 (50.1) million euros in the second quarter.

The Group's order book decreased by 6.1 percent quarter-on-quarter. Year-on-year, the Group's order book was down by 8.8 percent and totaled EUR 148 (162) million at the end of June. The value of the projects put on hold in the order book totaled EUR 12.9 million, which corresponds to the level at the end of the previous quarter. Majority of the projects put on hold relates to the Buildings business.

The Group's net sales and profitability

Net sales

EUR million	4–6/2025	4–6/2024	Change, %	1–6/2025	1–6/2024	Change, %	1–12/2024
Infra	19.2	18.0	6.7%	36.8	35.0	5.3%	68.3
Buildings	14.1	15.5	-9.3%	28.2	31.6	-10.7%	57.4
Digital Solutions*	9.4	8.8	6.9%	18.6	17.5	6.6%	35.3
Sweden*	7.2	8.7	-16.9%	14.2	18.4	-22.8%	31.9
Total	49.8	50.9	-2.2%	97.9	102.4	-4.4%	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. The comparison year's data has been adjusted to match the current reporting structure.

Adjusted organic growth

	4-6/2025	4-6/2024	1-6/2025	1-6/2024
Infra	7.8%	-5.5%	6.1%	0.0%
Buildings	-7.6%	-20.2%	-9.0%	-19.1%
Digi	7.9%	-7.5%	7.8%	-7.7%
Sweden	-17.5%	-14.3%	-21.9%	-10.7%
Total	-1.2%	-12.8%	-3.2%	-10.3%

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 April–June

The Group's net sales decreased by 2.1 percent (-2.8 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 -1.2 (-12.8) percent during the quarter.

In Finland, the number of working days was one lower than in the comparison period, implying a negative calendar impact. In Sweden, the number of working days was equal to Q2 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. Low utilization rates in parts of the business areas, tight pricing environment and time used for tender work all had an adverse impact on net sales too. The exchange rate between the Swedish krona and the euro remained relatively close to the level in Q2 2024 and had a subtle positive impact to net sales.

Net sales January–June

The Group's net sales decreased by 4.3 percent (-4.7 percent in constant currency) year-on-year in January–June. While the Infra and Digital Solutions business areas' net sales grew during the period, 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 -3.2 (-10.3) percent during the first half of the year.

In Finland, the number of working days was two lower than in the comparison period, implying a negative calendar impact. In Sweden, the number of working days was equal to the first half 2024. The net sales decline was driven by the same factors as in the second quarter. The exchange rate between the Swedish krona and the euro remained quite close to the level in the comparison period, thus having only a slight positive impact on reported net sales development.

Profitability

EUR million	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
EBITA, adjusted	2.5	2.6	-1.1%	5.0	5.9	-16.3%	9.6
% of net sales	5.1%	5.0%		5.1%	5.8%		5.0%
EBITA	2.1	2.2	-4.7%	2.8	5.2	-45.8%	7.4
Operating profit	1.0	1.1	-6.0%	0.8	3.0	-75.0%	2.5
Result for the period	-0.4	-0.2	-153.3%	-1.8	0.4	-582.0%	-2.7
Earnings per share (EPS), EUR	-0.01	0.00	-262.4%	-0.05	0.01	-487.8%	-0.08

Profitability April - June

Adjusted EBITA decreased slightly by 1.1 percent to 2.5 (2.6) million euros and the adjusted EBITA margin was 5.1 percent (5.0 percent). The decline was mainly due to weak performance in the Sweden business area. The tight pricing environment overall clearly impacted profitability too. Items affecting comparability amounted to EUR -0.5 (-0.4) million. The growth of items affecting comparability was reflected in the decline of **EBITA** to 2.1 (2.2) million euros.

Operating profit declined to 1.0 (1.1) million euros. **The result for the period** decreased due to the low operating profit. Financial expenses were slightly above the comparison period.

Profitability January - June

Adjusted EBITA decreased by 16.2 percent to 5.0 (5.9) million euros and the adjusted EBITA margin was 5.1 percent (5.8 percent). This development was driven by the same factors that impacted the second quarter. Items affecting comparability amounted to EUR -2.1 (-0.7) million and were mostly related to the restructuring of the Buildings and Swedish businesses and the Group functions and the integration of Infracontrol. The growth of items affecting comparability was reflected in the decline of **EBITA** to 2.8 (5.2) million euros.

Operating profit declined to 0.8 (3.0) 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.

Financial position and cashflows

EUR million	30 Jun 2025	30 Jun 2024	Change, %	31 Dec 2024
Cash and cash equivalents	16.0	14.3	12.0%	17.5
Interest bearing debt, total	69.4	70.4	-1.5%	70.0
Interest bearing debt, current	1.0	1.0	4.1%	1.0
Interest bearing debt, non-current	68.3	69.4	-1.6%	69.0
Equity ratio, %	43.1%	43.6%	-1.3%	43.2%
Net debt	53.3	56.1	-4.9%	52.6
Net debt / EBITDA, adjusted	5.9x	4.3x		5.0x
Gearing, %	46.4%	47.0%		45.6%

Equity attributable to owners of the parent company was EUR 114.9 (119.4) million at the end of June. Sitowise's liquidity remained good in the second quarter and the level of cash increased from the previous quarter's end due to a decrease in net working capital items.

Net debt decreased from the comparison period due to a slight reduction in debt and an increase in cash position. Net debt/EBITDA tightened, and it was influenced by the decline in the rolling twelve-month EBITDA from the level of the comparison period. Gearing remained at the same level and was 46.4 (47.0) percent at the end of June.

In the first quarter, Sitowise Group Plc signed a 90 million euros secured financing agreement with two of its relationship banks. The agreement is valid until June 2027 and replaced the EUR 100 million financing agreement maturing in March 2026. 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 increased to EUR 7.2 (5.9) million during April-June, driven by the release of the working capital. Cash flow from operating activities before financial items and taxes totaled EUR 7.7 (10.9) million during January-June. The year-on-year decline

was mostly attributable to clearly lower result of the period but was also affected by the tightening of working capital items.

Cash flows from investing activities was EUR -0.6 (-1.7) million in April–June. During the review period the cash flows from investment activities did not include any acquisitions of subsidiaries, whereas in the comparison period it included the acquisition of KM Project Oy's business and the payment of earnout payment related to a previous acquisition. Cash flows from investing activities was EUR -1.7 (-6.1) million in January–June. During the comparison period, the cash flow from investing activities was impacted by acquisitions of Ahlman Group's and KM Projects Oy's businesses and the purchase of minority shares in Routa Systems Oy.

During the second quarter, the cash flow from financing was EUR -2.2 (-2.2) million, which consisted of reductions in lease liabilities and a loan repayment. In the first half of the year, cash flow from financing totaled EUR -4.0 (-3.3) million.

The consolidated balance sheet total at the end of June was EUR 266.8 (273.7) million. Goodwill in the balance sheet amounted to EUR 159.9 (159.2) million.

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 services engineering (HVAC and electric), acoustics design, and fire safety planning as well as construction management services.

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.

Q2 2025 business reviews

In the second quarter, a negative calendar effect (-1 working day) slowed growth in all business areas.

Infra

EUR million	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Number of full-time equivalent employees	628	624	0.7%	615	607	1.3%	603
Net Sales, EUR million	19.2	18.0	6.7%	36.8	35.0	5.3%	68.3
<i>Adjusted organic growth, %</i>	7.8%	-5.5%		6.1%	0.0%		-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** were up by 6.7 percent year-on-year and amounted to 19.2 (18.0) million euros. The business area accounted for 39 (35) percent of the Group's consolidated net sales. Overall, the second 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 LandPro acquisition made after the comparison period. The growth was mainly driven by projects related to green transition and rail transport won in 2024. Growth was slowed by intense price competition in public sector projects and a negative calendar effect. Infra's utilization rate improved from Q1 and was at a good level.

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 industrial investments. Generally speaking, 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 intense price competition.

During the review period, Infra secured, among other things, a project management framework agreement with Gasgrid. Other orders received were mainly related to direct procurements within public sector framework agreements, green transition projects initiated by the private sector, and public sector security investments. In the absence of larger project wins in the second quarter Infra's order book declined clearly from the end of the previous quarter but remained at a good level at the end of June.

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. 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 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.

Buildings

EUR million	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Number of full-time equivalent employees	549	621	-11.6%	546	629	-13.1%	605
Net Sales, EUR million	14.1	15.5	-9.3%	28.2	31.6	-10.7%	57.4
<i>Adjusted organic growth, %</i>	-7.6%	-20.2%		-9.0%	-19.1%		-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 9.3 percent from the comparison period to 14.1 (15.5) million euros. This corresponds to approximately 28 (30) percent of the Group's consolidated net sales. The decline in net sales was caused by the ongoing weakness in the Buildings market environment, which has led to a decline in the number of employees from the comparison period, and the negative calendar impact.

The Buildings business continued to experience challenges due to the market downturn, characterized by overcapacity and intense price competition. Sitowise made permanent reductions affecting a total of 26 people in Structural Engineering and Building Services Engineering during the quarter and continued temporary layoffs in many business lines of the Buildings business area to adjust its operations to match the existing workload. 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. Project overruns continued to burden profitability despite the progress in measures to manage them.

As a result of determined sales efforts, the number of tenders related to industry and energy increased from the comparison period. In the absence of larger wins, Buildings' order book decreased and was still at a low level at the end of June.

According to the July Business Tendency Survey of the Confederation of Finnish Industries (EK), the economic outlook for construction companies remained notably weak in early summer, and the actual development fell short of even the cautious expectations. The outlook for the coming months is modest and even weaker than three months ago, and the decline in construction output is expected to continue, with only a slight easing in the coming months. Sitowise assesses that the bottom of the construction market is now passed, but the recovery of the market will be slow. In the renovation construction market, the oversupply in the industry is tightening price competition significantly. 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 half 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.

Digital Solutions

EUR million	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Number of full-time equivalent employees	289	270	6.9%	288	271	6.4%	275
Net Sales, EUR million	9.4	8.8	6.9%	18.6	17.5	6.7%	35.3
<i>Adjusted organic growth, %</i>	7.9%	-7.5%		7.8%	-7.7%		-3.6%

The comparison year's 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 6.9 percent from the comparison period amounting to 9.4 (8.8) million euros, which corresponded to about 19 (17) percent of the group's net sales. Strong organic growth continued, primarily supported by the growth of the product business and a clear improvement in utilization rate year-on-year. Annual Recurring Revenue (ARR) increased by 21% percent from the comparison period and SaaS products represented about one-third of Digi's net sales. The overall profitability of Digital Solutions was impacted by the lower margin of the Swedish subsidiary Infracontrol, which was consolidated into the business area at the beginning of 2025. However, on a like-for-like basis, Digital Solutions profitability improved year-on-year in the second quarter in both Finland and Sweden.

The market environment for Digital Solutions improved in the second quarter, both in custom software development and consulting business. The number of requests for proposals (RFPs) and preceding requests for information (RFIs) increased, particularly in the public sector, although budget pressures and investment prioritization in the public sector still resulted in strong price competition. In the private sector, there are signs of increase in demand and in the forestry sector, where demand was strong, Sitowise's growth clearly outpaced the IT market overall. In the product business, demand was steady, with a strong focus on new customer acquisition. Sitowise managed to increase its market share, especially with the Louhi and Routa products, as well as expand the customer base of Infracontrol Online internationally.

The order book for Digital Solutions was at a good level by the end of June. During the review period, Sitowise was selected as the supplier of the Västmanland's national road and street network information system, Digiroad. The contract lasts for three years and includes a two-year extension option. Additionally, Infracontrol won several long-term assignments, including with Swedavia and the Swedish Transport Administration (Trafikverket) in Sweden. Overall, the integration of Infracontrol as part of Digital Solutions has enabled the cross-selling of Sitowise's digital products and expansion into new markets.

Sitowise expects the market environment for Digital Solutions to gradually improve in the coming months. However, the market is not expected to return to the high levels seen before the current downturn. Public sector project volumes are anticipated to remain below last year's levels due to a weak start to the year and ongoing budget constraints. At the same time, the renovation debt of old IT systems and the need to digitize and streamline operations are driving demand in the municipal sector. In the private sector, demand is expected to remain solid in industry and strong in the forest sector.

A broader recovery in private sector demand is tied to 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.

Sweden

EUR million	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Number of full-time equivalent employees	230	325	-29.1%	237	323	-26.7%	306
Net Sales, EUR million	7.2	8.7	-16.9%	14.2	18.4	-22.6%	31.9
<i>Adjusted organic growth, %</i>	-17.5%	-14.3%		-21.9%	-10.7%		-14.7%

The comparison year's 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 16.9 percent when reported in euros (-20.3 percent in constant exchange rates), amounting to 7.2 (8.7) million euros. This represents approximately 14 (17) percent of the Group's consolidated net sales. The decline in net sales was primarily driven by weak market conditions, which have led to a reduction in the number of full-time employees.

During the second quarter, the focus of the Swedish operations was primarily on sales and securing a sufficient workload for employees. As a result of the personnel reductions implemented in previous quarters, the number of full-time equivalent employees was 29.1 percent lower than in the comparison period. This improved utilization rate significantly especially in structural engineering, where is now a possibility to start growing again. The value of project overruns continued to decline, and their impact on profitability was smaller than in previous quarters. Despite the positive development, the overall utilization rate in the Swedish operations was below the target level, and the business remained unprofitable.

There were no significant changes in the market environment during the quarter. The local construction market remained weak in Sitowise's largest segments, i.e., structural design and building services engineering focused on commercial and residential construction. Price competition was intense, especially in the public sector. The infrastructure consulting market improved slightly, but Sitowise's growth in this market was slowed by the renewal of its infrastructure design team.

Tendering activity increased from the previous quarter. New project wins mainly came from smaller, short-term assignments, but one larger win in Building Services Engineering during the quarter is a very positive sign. The order book remained at the same level as in the previous quarter.

Achieving a turnaround in profitability in Sweden requires a significant sales and order book growth from current levels. In line with the "Building for the Future" program, the priority is to strengthen client engagement and sales performance by establishing a structured account management model and launching a CRM system in Q3. The newly established business areas in project management and sustainability services, founded at the beginning of 2025, are still in the startup phase, and our infrastructure business is undergoing renewal, so growth in these areas is expected to begin gradually in the second half of the year.

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. On the other hand, Sitowise's structural design is now sized to match the market environment, so structural design is expected to improve its performance in the latter part of the year. At the same time, demand for building services engineering and infrastructure is showing signs of a gradual recovery, and the renewal of the infrastructure team will increase the possibilities to capture national growth going forward. 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 and in Group functions 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

	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Number of personnel, average	1,988	2,111	-5.8%	1,991	2,115	-5.9%	2,097
Number of personnel, at the end of the period	1,985	2,132	-6.9%	1,985	2,132	-6.9%	2,038

Full-time equivalent employees (FTEs)

	4-6/2025	4-6/2024	Change, %	1-6/2025	1-6/2024	Change, %	1-12/2024
Infra	628	624	0.7%	615	607	1.3%	603
Buildings	549	621	-11.6%	546	629	-13.1%	605
Digi	289	270	6.9%	288	271	6.4%	275
Sweden	230	325	-29.1%	237	323	-26.7%	306
Group Functions	61	66	-7.1%	63	66	-5.2%	65
Group total	1,758	1,906	-7.8%	1,749	1,895	-7.7%	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 Management Team, the reporting of responsibilities is in future under the CFO and the EVP, People & Culture.

Sitowise's CFO and a member of the Group Management Team Hanna Masala announced on 13 May 2025 that she will leave the company to join another employer at the latest in October 2025. The recruitment of a new CFO is ongoing.

Changes in Group Structure

LandPro Oy was merged into Sitowise Oy on 30 April 2025.

Corporate Governance

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.

Authorizations of the Board of Directors

The AGM held on 2 April 2025 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.

Shares and shareholders

Share capital and treasury shares

At the end of June, 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.

	30 Jun 2025	30 Jun 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	1-6/2025	1-6/2024	1-12/2024
Number of shares traded, million	1.2	2.9	8.0
Value of trading, EUR million	2.9	8.1	21.0
Closing price on the final day of trading, EUR	2.64	2.98	3.05
Volume-weighted average price, EUR	2.51	2.79	2.62
Highest price, EUR	3.04	3.29	3.29
Lowest price, EUR	2.10	2.49	2.23
Market capitalization (at the end of the period), EUR million	94.6	106.8	109.3

Shareholders

At the end of the review period on 30 June 2025, the number of registered shareholders was 5,433 (5,937). The ten largest shareholders entered in the book-entry register maintained by Euroclear Finland Oy owned a total of 29.0 (29.5) percent of the company's shares. Nominee-registered shareholders accounted for 39.7 (37.6) percent of the company's shares.

The table below lists the ten largest shareholders on 30 June 2025 based on the Monitor service* provided by the Swedish company Modular Finance AB:

	Largest shareholders	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	1,543,123	4.30%
6	Ilmarinen Mutual Pension Insurance Company	1,071,500	2.99%
7	SEB Investment Management	654,425	1.83%
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	20,440,701	57.02%
	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.

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.

Short-term risks and uncertainties

Uncertainty created by changes in the global economy and market conditions poses a risk to Sitowise's business. 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	2025 vs. 2024
Q1	62.0	62.8	-0.8
Q2	59.6	60.4	-0.8
Q3	66.0	66.0	0.0
Q4	62.7	61.9	+0.8
Full year	250.3	251.1	-0.8

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	Q2/2025
Net sales	56.5	45.6	52.8	51.5	50.9	41.8	48.8	48.1	49.8
Other operating income	0.1	0.1	0.1	0.2	0.2	0.4	0.2	0.2	0.1
Materials and services	-5.8	-4.8	-6.0	-4.3	-5.1	-4.7	-6.1	-4.3	-5.6
Personnel expenses	-37.3	-28.8	-35.4	-35.4	-34.5	-27.0	-32.7	-33.2	-34.1
Other operating expenses	-6.9	-6.6	-7.2	-6.6	-6.8	-5.9	-6.9	-6.3	-5.6
Depreciations	-2.0	-2.0	-1.9	-2.0	-2.1	-2.0	-2.1	-2.1	-2.0
EBITA, adjusted	4.5	3.5	2.4	3.4	2.6	2.4	1.2	2.4	2.5
EBITA, adjusted %	8.0 %	7.6 %	4.6 %	6.6 %	5.0 %	5.8 %	2.4 %	5.1%	5.1%
Items affecting comparability	-0.1	-0.2	-1.2	-0.3	-0.4	-1.2	-0.3	-1.7	-0.5
EBITA	4.4	3.2	1.3	3.0	2.2	1.3	0.9	0.8	2.1
EBITA, %	7.8%	7.1%	2.4%	5.9%	4.3%	3.1%	1.9%	1.6%	4.1%

Espoo, 13 August 2025

Sitowise Group Plc
Board of Directors

Additional information

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Hanna Masala, CFO, hanna.masala@sitowise.com, tel. +358 40 558 1323
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Financial calendar 2025

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

- Interim Report for January–September 2025: 6 November 2025

Webcast for analysts. media and investors

Sitowise's Q2 2025 earnings webcast will be held today, 13 August 2025 at 12 pm EET. The webcast can be accessed either live or as a replay available at [Sitowise Q2 2025 Result Webcast](#)

Distribution

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Key media
www.sitowise.com

Sitowise in brief

Sitowise is a Nordic expert in the built environment and forestry with a strong focus on digitality. We provide design and consulting know-how 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	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Net sales	49,819	50,879	97,941	102,362	192,910
Other operating income	79	159	236	372	923
Materials and services	-5,749	-5,091	-10,302	-9,371	-20,183
Employee benefits	-34,083	-34,693	-68,514	-70,274	-131,303
Other operating expenses	-5,995	-6,994	-12,455	-13,745	-26,715
Depreciation, amortization, and impairment	-3,043	-3,167	-6,144	-6,299	-13,160
Operating profit	1,028	1,094	761	3,046	2,473
Financial income	20	171	197	274	390
Financial expenses	-1,604	-1,442	-3,360	-2,790	-6,239
Result before taxes	-555	-178	-2,401	531	-3,377
Income taxes	143	15	582	-153	666
Result for the period	-412	-163	-1,819	377	-2,710
Attributable to:					
Owners of the parent	-412	-114	-1,819	469	-2,576
Non-controlling interest	0	-49	0	-92	-134
Other comprehensive income:					
Items that may be reclassified to profit or loss					
Change in translation difference	-1,425	822	1,482	-1,360	-1,842
Cash flow hedging, net of tax	-65	100	-35	221	-351
Other change	48	0	48	0	0
Total for items in other comprehensive income	-1,442	922	1,495	-1,139	-2,193
Total comprehensive income	-1,855	759	-324	-762	-4,903
Comprehensive income attributable to:					
Owners of the parent	-1,855	808	-324	-670	-4,769
Non-controlling interest	0	-49	0	-92	-134
Earnings per share:					
Earnings per share (EUR)	-0.01	0.00	-0.05	0.01	-0.08
Diluted earnings per share (EUR)	-0.01	0.00	-0.05	0.01	-0.07

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30 Jun 2025	30 Jun 2024	31 Dec 2024
Assets			
Goodwill	159,856	159,162	158,630
Intangible assets	10,653	12,667	11,628
Property, plant and equipment	2,101	2,830	2,370
Right-of-use assets	26,678	26,963	22,967
Other shares, similar rights of ownership, and receivables	1,851	2,096	1,944
Deferred tax assets	1,807	1,192	769
Total non-current assets	202,947	204,909	198,309
Trade and other receivables	47,204	53,678	50,724
Income tax receivables	662	809	588
Cash and cash equivalents	16,019	14,334	17,459
Total current assets	63,886	68,820	68,770
Total assets	266,833	273,730	267,079

EUR thousand	30 Jun 2025	30 Jun 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	-147	515	-57
Translation difference	-3,878	-4,879	-5,360
Retained earnings	21,595	26,302	23,256
Equity attributable to owners of the parent	114,944	119,370	115,271
Non-controlling interest	0	44	0
Total shareholders' equity	114,944	119,414	115,271
Deferred tax liabilities	836	1,670	989
Financial liabilities	68,314	69,430	69,037
Lease liabilities	20,432	20,396	17,153
Other financial liabilities	377	0	314
Total non-current liabilities	89,960	91,497	87,493
Income tax liabilities	376	65	64
Financial liabilities	1,041	1,000	1,000
Lease liabilities	7,888	7,940	7,364
Provisions	500	220	345
Trade payable and other liabilities	52,124	53,592	55,541
Total current liabilities	61,928	62,817	64,314
Total shareholders' equity and liabilities	266,833	273,730	267,079

CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Cash flows from operating activities:					
Result for the period	-412	-163	-1,819	377	-2,710
Adjustments					
Income taxes	-143	-14	-582	154	-666
Depreciation, amortization, and impairment	3,043	3,167	6,144	6,299	13,160
Financial income and expenses	1,584	1,271	3,163	2,515	5,695
Other adjustments	108	280	112	173	-105
Change in working capital					
Trade and other receivables, increase (-) / decrease (+)	1,711	1,947	3,750	5,361	7,705
Trade and other payables, increase (+) / decrease (-)	1,335	-597	-3,079	-3,998	-1,590
Interest paid and other financial expenses	-1,571	-1,483	-3,424	-2,772	-5,972
Interest received and other financial income	197	171	270	264	375
Income taxes paid (-) / received (+)	-222	-621	-352	-70	644
Net cash flows from operating activities	5,629	3,958	4,184	8,303	16,536
Cash flows from investing activities:					
Investments in tangible and intangible assets	-591	-720	-1,310	-1,764	-2,691
Acquisitions of subsidiaries, net of cash acquired	0	-954	-391	-4,374	-4,681
Net cash flows from investing activities	-591	-1,674	-1,702	-6,137	-7,372
Cash flows from financing activities:					
Payments from share issue	0	0	0	660	660
Repayment of short term loans	-500	-500	-500	-500	-1,000
Payments of lease liabilities	-1,704	-1,729	-3,508	-3,478	-6,818
Net cash flows from financing activities	-2,204	-2,229	-4,008	-3,318	-7,158
Cash and cash equivalents at the start of the period	13,265	14,245	17,459	15,596	15,596
Change in cash and cash equivalents, increase (+) / decrease (-)	2,834	55	-1,526	-1,152	2,006
Translation differences	-79	34	85	-110	-143
Cash and cash equivalents at the end of the period	16,019	14,334	16,019	14,334	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					-1,819	-1,819		-1,819
Other comprehensive income			-90	1,482	103	1,495		1,495
Total comprehensive income	0	0	-90	1,482	-1,716	-324	0	-324
Share-based incentive schemes					54	54		54
Other adjustments		-58				-58		-58
Transactions with owners	0	-58	0	0	54	-4		-4
Shareholders' equity 30 Jun 2025	80	97,294	-147	-3,878	21,595	114,944	0	114,944

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					469	469	-92	377
Other comprehensive income			221	-1,360		-1,139		-1,139
Total comprehensive income	0	0	221	-1,360	469	-670	-92	-762
Share issues		660				660		660
Change in non-controlling interests						00	-48	-48
Share-based incentive schemes					173	173		173
Transactions with owners	0	660	0	0	82	742	-48	694
Shareholders' equity 30 Jun 2024	80	97,352	515	-4,879	26,302	119,370	44	119,414

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	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Infra	19,208	17,975	36,849	34,963	68,345
Talo	14,056	15,487	28,231	31,572	57,425
Digi	9,367	8,764	18,649	17,465	35,269
Ruotsi	7,188	8,650	14,212	18,360	31,872
Total	49,819	50,879	97,941	102,362	192,910

Net sales by geographical area

EUR thousand	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Finland	40,327	39,808	79,349	79,363	153,694
Sweden	9,328	10,666	18,204	22,187	38,045
Other countries	165	406	388	812	1,171
Total	49,819	50,879	97,941	102,362	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 30 June 2025 is approximately EUR 148 million.

2. ACQUISITIONS (Business combinations)

In the reporting period 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		631		631	631	Level 3
Loan receivables	917			917	917	
Other financial assets, including derivatives	304			304	304	Level 2
Current financial assets						
Trade receivables	27,577			27,577	27,577	
Cash and cash equivalents	16,019			16,019	16,019	
Financial assets 30 Jun 2025	44,817	631	0	45,448	45,448	

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	219	230		449	449	Level 2
Current financial assets						
Trade receivables	29,344			29,344	29,344	
Cash and cash equivalents	14,334			14,334	14,334	
Financial assets 30 Jun 2024	44,814	960	0	45,774	45,774	

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	68,314			68,314	68,314	
Lease liabilities	20,432			20,432		
Other financial liabilities, including derivatives		377		377	377	Level 1
Current financial liabilities						
Loans from financial institutions	1,041			1,041	1,041	
Trade payables	7,512			7,512	7,512	
Lease liabilities	7,888			7,888		
Financial liabilities 30 Jun 2025	105,187	377	0	105,564	77,244	

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	69,430			69,430	69,430	
Lease liabilities	20,396			20,396		
Current financial liabilities						
Loans from financial institutions	1,000			1,000	1,000	
Trade payables	9,027			9,027	9,027	
Additional purchase price liabilities			250	250	250	Level 3
Lease liabilities	7,940			7,940		
Financial liabilities 30 Jun 2024	107,794	0	250	108,044	79,708	

Loans from financial institutions consist of floating rate bank loans. The total amount of loans drawn down under the financing agreement was EUR 69.5 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 36.5 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 second quarter, bank guarantees decreased from the previous quarter. At the end of the review period, the company had valid bank guarantees worth EUR 1.8 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

	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Number of shares	35 845 665	35 845 665	35 845 665	35 845 665	35 845 665
Average number of shares	35 845 665	35 845 665	35 845 665	33 876 235	35 841 726
Diluted number of shares	37 283 665	36 055 665	37 283 665	36 055 665	36 691 665
Diluted number of shares, average	37 283 665	36 055 665	36 948 898	34 086 235	36 563 915

6. RELATED-PARTY TRANSACTIONS

The related parties of the parent company include subsidiaries, associated companies, key management personnel, management's family members 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 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 equity-settled performance share programs and the option program, which was established in 2021 had a total cost effect of EUR 50 thousand during the second quarter and a total of EUR 54 thousand during the half-year period.

The company had purchases from AS DWG, which is considered as a related-party company, totalling to 30 thousand euros during the reporting period and a total of 106 thousand euros during the half year period. At the end of the reporting period, the company had trade payables of 7 thousand euros and loan receivables of 132 thousand euros from AS DWG.

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

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	170 000	EUR 4.40	6	2023-2025	2026
PSP 2024-2026	18 March 2024	557 000	EUR 2.77	33	2024-2026	2027
PSP 2025-2027	27 March 2025	930 000	EUR 2.40	68	2025-2027	2028
RSP 2023-2025	19 March 2025	10 000	EUR 2.60	2	2023-2025	2026

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	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Net sales	49,819	50,879	97,941	102,362	192,910
Growth in net sales, %	-2.1%	-9.9%	-4.3%	-9.0%	-8.5%
Adjusted organic growth in net sales, %	-1.2%	-12.8%	-3.2%	-10.3%	-10.1%
EBITA, adjusted	2,523	2,552	4,965	5,929	9,554
% of net sales	5.1%	5.0%	5.1%	5.8%	5.0%
EBITA	2,075	2,178	2,837	5,230	7,434
Operating profit (EBIT)	1,028	1,094	761	3,046	2,473
% of net sales	2.1%	2.1%	0.8%	3.0%	1.3%
Result for the period	-412	-163	-1,819	377	-2,710
Balance sheet total			266,833	273,730	267,079
Cash and cash equivalents			16,019	14,334	17,459
Net debt			53,336	56,097	52,578
Cash flow from operating activities before financial items and taxes	7,225	5,890	7,689	10,882	21,488
Earnings per share (EUR)	-0.01	0.00	-0.05	0.01	-0.08
Diluted earnings per share (EUR)	-0.01	0.00	-0.05	0.01	-0.07
Earnings per share, continuing operations (EUR)	-0.01	0.00	-0.05	0.01	-0.08
Diluted earnings per share, continuing operations (EUR)	-0.01	0.00	-0.05	0.01	-0.07
Return on equity (ROE), %			-4.3%	0.2%	-2.3%
Return on capital employed (ROCE), %			0.2%	2.7%	1.3%
Equity ratio, %			43.1%	43.6%	43.2%
Net debt / EBITDA, adjusted			5.9x	4.3x	5.0x
Gearing, %			46.4%	47.0%	45.6%
Number of personnel, average	1,988	2,111	1,991	2,115	2,097
Full-time equivalent (FTE), average	1,758	1,906	1,749	1,895	1,854
Utilization rate	74.2%	73.6%	72.9%	72.9%	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 addition, 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 as well as restructuring
Net debt	= Loans from financial institutions - cash and cash equivalents (net debt does not include lease liabilities)
Return on equity (ROE), %	= Result for the period, prev. 12 months / Total shareholders' equity, average
Return on capital employed (ROCE), %	= (Result before taxes + financial expenses), prev. 12 months / (Balance sheet total - non-interest-bearing debt), average
Equity ratio, %	= Total shareholders' equity / Balance sheet total
Net debt / EBITDA, adjusted	= Net debt / EBITDA, adjusted, prev. 12 months
Gearing, %	= Net debt / Total shareholders' equity
Non-diluted earnings per share	= (Result for the period - non-controlling interest - dividend for the financial period to be distributed taking tax impact into consideration) / Average weighted number of shares
Diluted earnings per share	= (Result for the period - non-controlling interest - dividend for the financial period to be distributed taking tax impact into consideration) / 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	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Net sales	49,819	50,879	97,941	102,362	192,910
Adjusted organic growth in net sales, %					
Growth in net sales	-2%	-10%	-4%	-9%	-9%
Impact of acquisitions	0%	-2%	0%	-1%	-1%
Impact of number of working days	1%	-2%	1%	0%	0%
Impact of exchange rates	-1%	0%	0%	0%	0%
Adjusted organic growth in net sales, %	-1%	-13%	-3%	-10%	-10%
EBITA					
Operating profit (EBIT)	1,028	1,094	761	3,046	2,473
Amortizations of intangible assets	-1,047	-1,085	-2,076	-2,184	-4,961
EBITA	2,075	2,178	2,837	5,230	7,434
EBITA %	4.2%	4.3%	2.9%	5.1%	3.9%
Items affecting comparability					
Restructuring costs	185	226	1,666	398	1,744
M&A and integration costs	80	144	85	274	330
Other, income (-) / costs (+)	183	4	378	27	46
Items affecting comparability, EBITDA	448	374	2,128	699	2,120
Items affecting comparability, depreciations	0	0	0	0	0
Items affecting comparability, EBITA	448	374	2,128	699	2,120
EBITA, adjusted					
EBITA	2,075	2,178	2,837	5,230	7,434
Items affecting comparability, EBITA	448	374	2,128	699	2,120
EBITA, adjusted	2,523	2,552	4,965	5,929	9,554
EBITA, adjusted %	5.1%	5.0%	5.1%	5.8%	5.0%
EBITDA					
Operating profit (EBIT)	1,028	1,094	761	3,046	2,473
Depreciation and amortization	-3,043	-3,167	-6,144	-6,299	-13,160
EBITDA	4,072	4,260	6,906	9,345	15,633
EBITDA %	8.2%	8.4%	7.1%	9.1%	8.1%
Net debt					
Loans from financial institutions			69,355	70,430	70,037
Cash and cash equivalents			16,019	14,334	17,459
Net debt			53,336	56,097	52,578
EBITDA, adjusted (prev. 12 months)					
EBITDA (prev. 12 months)			13,193	17,708	15,633
Items affecting comparability, EBITDA (prev. 12 months)			3,549	2,075	2,120
Operational lease liabilities (IFRS 16) (prev. 12 months)			-7,639	-6,872	-7,281
EBITDA, adjusted (prev. 12 months)			9,104	12,911	10,471
Net debt / EBITDA, adjusted					
Net debt			53,336	56,097	52,578
EBITDA, adjusted (prev. 12 months)			9,104	12,911	10,471
Net debt / EBITDA, adjusted			5.9x	4.3x	5.0x
Gearing, %					
Total shareholders' equity			114,944	119,414	115,271
Net debt			53,336	56,097	52,578
Gearing, %			46.4%	47.0%	45.6%