

## Sitowise's Interim report January – March 2021: Growth continues, order book at a record level

**Sitowise Group Plc Interim Report January–March 2021 19 May 2021, at 8:30 a.m.**

*This release is a summary of Sitowise Group's Interim Report January–March 2021. The complete Interim Report is attached, and also available on the company's website at [www.sitowise.com/investors/reports-and-presentations](http://www.sitowise.com/investors/reports-and-presentations)*

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

### Highlights from January–March

- Order book increased by 12 percent and amounted to EUR 133 (119) million
- Net sales increased by 7 percent to EUR 42.8 (40.0) million
- Adjusted EBITA was EUR 4.7 (5.2) million, or 11.0 (12.9) percent of net sales
- Net debt/adjusted EBITDA declined to 1.4 (2.8)
- Listing on Nasdaq Helsinki Ltd's main list in March
- Four acquisitions strengthened Sitowise's position in Sweden, in digital solutions and in sustainability services
- 94% of Sitowise's clients feel that the COVID-19 pandemic has not impacted the quality of the services

### CEO Pekka Eloholma

Sitowise's order book grew by 12 percent during the first quarter compared to last year and represents a record high level. The strengthening of the order book is due to the clear increase in the number of tenders we placed and the market recovery that started at the end of last year and has since continued. Overall, the period from January to March went as we expected. Our adjusted EBITA was EUR 4.7 million and remained almost at last year's level.

Our net sales increased by 7 percent, driven by acquisitions made after the comparison period. The number of experts in our digital solutions business increased due to the acquisition of Sweetlakes Oy, which specialises in cloud and mobile development and solutions for security information systems. In Sweden, we strengthened our expertise in building systems services by acquiring Stockholms VVS-Kompetens AB, which operates in Stockholm and Södertälje. The number of our employees in Sweden increased to almost 250 as a result of the acquisition. Our sustainability expertise was reinforced through two acquisitions, which will enable us to further develop our services in sustainable development. Benviroc Oy is the Finnish market leader in



municipal emissions calculation and CO2 reporting, and MSDI Oy has developed a digital tool for sustainable management and decision-making in municipalities.

Despite of an exceptional year, our client satisfaction has remained very high: 94% of our clients feel that the COVID-19 pandemic has not impacted the success of our services. On the contrary – our client satisfaction (NPS) improved by 10 percent compared to the previous year. Our clients place especially high value on our expertise, reliability, and service-mindedness. For an expert organization that wants to provide its clients with the best client experience, these are definitely the values with which we would like to continue working.

At the end of March, we took a significant step on our growth journey when we were listed on the main list of the Nasdaq Helsinki Stock Exchange. The listing supports our growth, strengthened our balance sheet, and expanded our ownership base. I am particularly proud that through the listing, more than half of our staff are also our shareholders. This tradition of ownership has long roots in Sitowise, and this trust provides a solid foundation for entering into our next development phase. We will continue to implement our growth strategy in Finland as well as in the other Nordic countries, both through acquisitions and organically.

## Key figures

EUR million	1-3/2021	1-3/2020	Change	1-12/2020
Net sales	42.8	40.0	6.9%	160.1
EBITA, adjusted	4.7	5.2	-8.4%	20.6
% of net sales	11.0%	12.9%		12.9%
EBITA	4.1	4.9	-16.4%	19.5
Operating profit	3.7	4.6	-20.5%	18.3
Cash flow from operating activities before financial items and taxes	6.4	8.5	-25.7 %	31.5
Net debt	30.5	49.8	-38.7%	56.6
Net debt/EBITDA, adjusted	1.4x	2.8x		2.6x
Equity ratio, %	46.0%	31.0%		30.2%
Earnings per share (EPS), EUR *)	-0.02	1.71		9.69
Number of personnel, average	1,910	1,780	7.3%	1,823

*\*) Not comparable due to the changes in number of shares mainly related to initial public offering*

## Market outlook

The company continues to see stable long-term demand growth in design and consulting services to create sustainable societies. The growth is driven by megatrends such as urbanization, renovation backlog, sustainability, and digitalization.



In the short-term, there is some uncertainty related to market development as well as the initiation and progress of projects. However, the clients have been active in the beginning of the year and the order book is growing.

## Guidance

Sitowise Group has not published financial targets for 2021.

## Long-term financial targets

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

- Growth: Annual net sales growth of over 10 percent, including acquisitions;
- Profitability: Adjusted EBITA margin of at least 12 percent;
- Leverage: Net debt / adjusted EBITDA should not exceed 2.5x, except temporarily in conjunction with acquisitions; and
- Dividend policy: Sitowise targets paying a dividend corresponding to 30–50 percent of net profit.

## Main events after period ends

The 672,053 new shares subscribed for in the personnel offering as part of the IPO were registered on 14 April 2021 in the Finnish Trade Register, maintained by the Finnish Patent and Registration Office (PRH). As a result of the registration of the new shares, the total number of shares issued by Sitowise is 35,165,927 shares. Trading in the new shares began on the main list of Nasdaq Helsinki Ltd on 15 April 2021. The new shares subscribed to in the personnel offering are subject to a lock-up period in accordance with the terms and conditions of the personnel offering, which will expire 360 days after the IPO, i.e. on 20 March 2022.

## Sitowise Group's financial reporting in 2021

The planned publication dates for Sitowise Group Plc's financial reports in 2021 are as follows:

- Half-year report 25 August 2021 (previously communicated 18 August 2021)
- Interim report 10 November 2021

## Webcast for analysts, media and investors

Sitowise's CEO Pekka Eloholma and CFO Heidi Karlsson will present the company's Q1 2021 results in a conference call and live webcast starting on May 19, 2021 at 11:00 am. The webcast will be held in English.

## Webcast

Q1 result presentation can be followed as a live webcast at <https://sitowise.videosync.fi/2021-q1-results>. Webcast starts at 11am. Finnish time. The recording of the event will be available at [www.sitowise.com](http://www.sitowise.com) after the event. Presentation material is available at [www.sitowise.com/investors/reports-and-presentations](http://www.sitowise.com/investors/reports-and-presentations)

## Conference call

It is possible to participate also in a conference call by calling the number below 5-10 minutes before the start of the event and entering the PIN code attached:



Finland Toll-Free: 0800523163 PIN: 29448986#  
Finland Toll: +358981710310 PIN: 29448986#  
United Kingdom Toll-Free: 08003589473, PIN: 24323024#  
United Kingdom Toll: +44 3333000804, PIN: 24323024#  
US Toll-Free: +1 855 85 70686, PIN: 24323024#  
US Toll: +1 6319131422, PIN: 24323024#  
Sweden Toll-Free: 0200883685, PIN: 24323024#  
Sweden Toll: +46 856642651, PIN: 24323024#

In case you need guidance in conference call please visit: <https://event.share-file.com/share/view/s84220495bb4b47b2abfff950788bcd35>

## **Additional information**

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## **Information about Sitowise**

Sitowise is a Nordic expert in the built environment that offers sustainable design and consulting services. Sitowise operates in various size projects to enable more responsible and smarter urban development as well as smooth transportation. Sitowise offers its services in the following areas: Buildings, Infrastructure and Digital Solutions. Sitowise's operations are primarily in Finland and Sweden, and it also has competence centers in Estonia and Latvia mainly serving Sitowise's projects in Finland and Sweden. The group's net sales was approximately EUR 160 million in 2020 and the company employs over 1,900 experts.

