



Q1/2024: PRE-SILENT NEWSLETTER

IR Newsletter is published four times a year, prior to the beginning of the silent period. The newsletter wraps up the latest quarter including most important releases published during the quarter, frequently asked questions by investors and upcoming IR-events. You can subscribe to the newsletter here:

<https://www.terveystalo.com/en/company/investors/reports-and-presentations/ir-newsletters/>

Terveystalo's silent period starts on 27 March 2024 and the Q1/2024 Interim report will be published on 26 April 2024 at around 09.00 am EEST. Webcast will be held on the same day starting at 10.30 am EEST. The link to the webcast and the conference call information will be published later.

Terveystalo's Annual Report 2023 published



The Annual Report 2023 consists of four parts:

- **Year 2023** presents information on Terveystalo's business operations, market environment, strategy and value creation.
- **Sustainability** describes Terveystalo's sustainability efforts and their results. The Sustainability -section for 2023 is prepared with reference to the GRI Standards.
- **Corporate Governance** includes the Corporate Governance Statement, Remuneration Policy and Remuneration Report.
- **Financials** includes the Board of Directors' Report, the Financial Statements and the Auditor's Report. The Statement of Non-Financial Information is included in the Board of Directors' report.

The Annual Report is available at our [IR website](#).

The most important releases during the quarter

1 March 2024: Terveystalo sells Sivupersoon Oy, which focuses on interpretation services

On 29 February 2024, Terveystalo signed an agreement to sell the entire share capital of Sivupersoon Oy, a company providing interpretation services, to two members of the company's management, Tuomas Rissanen and Heidi Boman. In 2021, Terveystalo acquired Sivupersoon, which provides interpretation services for the hearing-, visually- and speech-impaired, subsidised by the Social Insurance Institution of Finland (KELA). From the beginning of 2023, the interpretation services have been included as an independent business in Terveystalo's Portfolio Businesses segment. The speech therapy services previously included in Sivupersoon's services were transferred to Suomen Terveystalo Oy through an intra-group transaction in 2022 and will remain part of Terveystalo's rehabilitation services. The transaction will not have a material impact on Terveystalo's results.

26 March 2024: Resolutions of Annual General Meeting

The Annual General Meeting of Terveystalo Plc was held on 26 March 2024 in Helsinki, Finland. The Annual General Meeting adopted the financial statements for the financial year 2023 and discharged the members of the Board of Directors and the CEO from liability. The Annual General Meeting approved the remuneration report for governing bodies and decided to support the amended remuneration policy for governing bodies, which was presented to the Annual General Meeting. [Read the full release](#)

26 March 2024: Resolutions of the organising meeting of Terveystalo's Board of Directors

Convening after the Annual General Meeting, Terveystalo's Board of Directors elected Kari Kauniskangas as Chairman of the Board and Matts Rosenberg as Vice Chairman of the Board. In addition, the Board elected the members of the Remuneration Committee and the Audit Committee from among its members:

Kristian Pullola was elected Chairman of the Audit Committee and Sofia Hasselberg and Matts Rosenberg were elected members.

Kari Kauniskangas was elected Chairman of the Remuneration Committee and Carola Lemne, Ari Lehtoranta and Teija Sarajärvi were elected members.

All releases published by Terveystalo can be found in our [Newsroom](#).

Frequently asked questions

How has the demand-supply situation developed?

The market situation of healthcare services has continued inline with our expectations and been similar as during the Q4/2023. The demand is strong and the flu season is normal. In Finland, the weakened consumer confidence and purchasing power impacted the demand for out-of-pocket dental care services and massage services, although a slight pick-up in demand has been seen towards the end of the quarter. Demand from corporate customers has continued to be strong. In Sweden, the increased uncertainty of the economy impacts the demand for preventive services, which are more sensitive to macroeconomic changes. The public-pay private-provision market is yet to see a broader increase in demand and new, smaller tenders have been limited to digital services. The increased Kela reimbursements, which came into effect on 1 January 2024 (<https://www.kela.fi/medical-expenses>) have not had impact on the demand, but the net impact is difficult to estimate together with the macroeconomic impacts. The on-going political strikes in Finland have so far not impacted Terveystalo's operations or the demand for services.

We have continued to recruit new professionals and succeeded in increasing the supply steadily. To strengthen the supply, we are moving even more development efforts into solutions that make the work of professionals easier and more efficient.

How has the profit improvement program initiated in the Swedish business area in the last quarter of 2023 progressed?

The profit improvement program has started according to plans. The program aims for a structural change in profitability by 2025. We will provide more information on the progress of the program in connection with the Q1/2024 result release.

In Sweden, the increased uncertainty of the economy impacts the demand for preventive services, which are more sensitive to macroeconomic changes. The year 2024 is expected to be challenging. The profitability of the Swedish

business has strengthened in recent years, but is not yet at a satisfactory level. A significant increase in the profitability requires, in addition to the profit improvement program, expansion of services through acquisitions into specialized care in specialties suitable for the overall set-up (e.g. mental health) and a transition to care paths.

How does inflation affect Terveystalo's business?

Despite the stabilised inflation, some procurement categories have had continued cost pressure. Terveystalo has actively negotiated with its suppliers to limit the impact of inflation on costs.

A tight labour market, and continued inflation put upward pressure on wages in healthcare services. In the private healthcare sector, a two-year collective agreement is binding for the duration of 1 May 2022 - 30 April 2024, which applies to Terveystalo's largest group of employees, nurses. In 2022, salary increases were 2.0% from 1 October 2022 onwards, and for 2023, the increases were in total 2.95 % and came into effect on 1 November 2023. In addition, the agreed, one-time instalment of 450 euros was paid in June 2023. In other professions, wage inflation is also present. The large majority of the physicians who work in Terveystalo are private practitioners (approximately 96%), who are not in employment with the company. At the beginning of 2024, we introduced a new remuneration model for private practitioners in occupational health, which better takes into account the impacts of the inflation.

Terveystalo has implemented commercial initiatives to mitigate the effect of inflation as a part of the profit improvement program. The successful pricing actions will impact 2024 financials.

How does the rise in interest rates affect Terveystalo's financing costs?

About half of Terveystalo's interest-bearing debts are hedged against interest rate increases, so the increase will not immediately have a full effect. In refinancing, the rise in interest rates will naturally have an effect, but the maturity profile allows the diversification of refinancing needs, which reduces the interest rate risk. The average maturity of Terveystalo's financial loans was 3.0 (2.3) years at the end of the fourth quarter of 2023, and the weighted average interest rate for the quarter was 4.8 (1.2) percent.

Financial reporting in 2024

In 2024, Terveystalo will publish financial information as follows:

Interim Report, 1 January 1 – 31 March 2024	26 April 2024
Half-yearly Report, 1 January – 30 June 2024	17 July 2024
Interim Report, 1 January – 30 September 2024	25 October 2024

The financial reports will be published at approximately 9:00 a.m. EET. Financial reports are published in Finnish and English.

Terveystalo observes a silent period of 30 days prior to the publication of financial information.

Investor activities

Check Terveystalo's **Investor Calendar** for the upcoming [IR events](#).

Consensus

Check the latest [Vara consensus](#).

Terveystalo's IR Team

Terveystalo's IR Team is happy to help you with any questions.

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Terveystalo in brief

Terveystalo is the largest private healthcare service provider in Finland in terms of revenue and network. Terveystalo is also a leading occupational health provider in the Nordic region. We offer a wide variety of primary health care, specialized care, and well-being services for corporate and private customers and the public sector. Terveystalo's digital services are available 24/7, regardless of time and place. Health and well-being services are also provided by over 377 clinics across Finland. In Sweden, we offer occupational health services at 152 clinics. Terveystalo is listed on the Helsinki Stock Exchange.

In 2023, Terveystalo had approximately 1.2 million individual customers in Finland and the number of customer appointments was approximately 7.6 million. Terveystalo employs over 15,500 healthcare and well-being professionals. www.terveystalo.com

