



Q2/2022: 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 will start on Friday, 17 June, 2022 and the January-June 2022 results will be published on Tuesday, 19 July, 2022 at around 09.00 am EEST. Webcast will be held on the same day starting at 10.30 am EEST. You can watch the webcast from this link: <https://terveystalo.videosync.fi/2022-q2-results>

If you have any questions before the silent period, please reach out to: investors@terveystalo.com tai liisa-maija.seppanen@terveystalo.com.

Terveystalo's company pages were renewed

Terveystalo's renewed website were published in the beginning on the year. The Company pages contain basic information about Terveystalo, Careers, Investors, Newsroom, as well as Quality and Responsibility sections. The company pages are available in Finnish and English. Visit the new [Company -pages](#).

The most important releases during Q2 2022

13 June 2022: Changes in Terveystalo's Executive team

Juha Juosila, the Senior Vice President responsible for the digitization of Terveystalo and a member of the Group Executive Team, has announced that he will resign 23 June 2022.

Kati Sulin, M.Sc (Econ), b. 1974, has been appointed Terveystalo's Senior Vice President, Digital Business, and a member of the Group Executive Team as of 1 September 2022. [Read the release](#)

3 June 2022: Terveystalo expands its domestic commercial paper program

Terveystalo expands the EUR 100 million bilateral commercial paper program signed in February 2022 to a EUR 200 million multi-bank program. Under the program, the company may issue commercial papers with a maturity of less than one year. [Read the release](#)

13 May 2022: Terveystalo secures EUR 50 million funding for the development of digital health services

The Nordic Investment Bank (NIB) and Terveystalo Healthcare Holding Oy have agreed on a EUR 50 million loan for financing Terveystalo's investments in its digital healthcare services and applications.

"With digitalisation, we can solve the most significant sustainability challenges in healthcare. More efficient use of health data, better care management and the use of digital appointments can improve productivity, access to care as well as job satisfaction within healthcare. Our goal is to address the chronic shortage of professionals in healthcare by finding ways to scale medical expertise. With NIB's funding, we will further accelerate our digital development work," says Ville Iho, CEO of Terveystalo.

Terveystalo is a pioneer in the digitalisation of healthcare. The seven-year loan will finance Terveystalo's digital development in 2022-2025. With the funding, Terveystalo will further develop applications for example for private individuals, companies, public healthcare, and healthcare professionals. [Read the release](#)

2 June 2022: Terveystalo grows in well-being services - Into Terveys Oy becomes part of Terveystalo

Terveystalo continues to grow its well-being service offering by acquiring Into Terveys Oy with an agreement dated on 31 May 2022.

Into Terveys Oy, founded in 2018, offers physiatry, physiotherapy, masseur, psychologist and lymph therapy services at its premises in Helsinki. Into Terveys Oy employs 8 professionals and the company's revenue in the financial year 2021 was approximately EUR 0.3 million. [Read the release](#)

29 April 2022: Terveystalo's subsidiary Feelgood acquires Jobbhälsan i Norr

Terveystalo's subsidiary Feelgood Svenska AB has today signed an agreement to acquire Jobbhälsan i Norr AB, a strong player in occupational health in Piteå, Sweden. The acquisition is part of Feelgood's growth strategy and strengthens its position in Norrbotten region as a leading health company for today's working life. In 2021, Jobbhälsan i Norr's revenue was SEK 12.2 million. The company has 8 employees. Jobbhälsan has long-term customer relationships with larger and smaller companies and municipalities. [Read the release](#)

28 April 2022: Changes in Terveystalo Executive Team

Ilkka Laurila, Chief Financial Officer of Terveystalo, has decided to leave the company. Laurila, who has served as CFO since 2015, will continue in his position until the end of July 2022. The company will immediately launch a recruitment process for a new CFO. Mikko Tainio, Senior Vice President, Public Partnerships, and a member of the Executive Team, has been appointed Terveystalo's Interim CFO and Ville Salmi has been appointed interim SVP of Public Partnerships and a member of the Executive Team as of 1 August 2022. Petri Keksi, Terveystalo's Senior Vice President, Growth Businesses, and a member of the Executive Team, has announced his resignation from Terveystalo by the end of June 2022. As part of Terveystalo's new operating model, the Growth Businesses will move forward to be integrated into the core business. [Read the release](#)

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

Frequently asked questions during the quarter

How does accelerating inflation affect Terveystalo's business?

In procurement, higher prices have been reflected in the prices of certain supplies (material purchasing accounts for approximately 3% of operating expenditure), but the most significant purchasing agreements for 2022 have already been concluded. The rising price of electricity affects operating expenditure, but its impact at the Group level is relatively minor. Delivery times have become longer in certain categories of products and materials, such as healthcare equipment, due to component shortages.

Rising inflation creates growing pressure to increase wages. Wage increases are determined by collective bargaining in the Finnish healthcare industry with regard to nurses, for example (approximately 43% of employees). Wage inflation is also visible in other professionals' recruitments. Most of the physicians who work for Terveystalo are private practitioners (approximately 96%). The financial risk associated with inflation is mitigated by Terveystalo's strong pricing power.

What is the situation with the collective agreement negotiations for the health and social care professionals in private sector?

The collective agreement in the private health services sector expired on 30 April 2022. Negotiations continue in a good spirit and we believe that a solution will be found. The Finnish Association of Private Care Providers is negotiating on behalf of Terveystalo, which is also concluding a collective agreement. There have been no strike warnings and no industrial action.

How is Terveystalo going to proceed in the Swedish market?

We have completed Feelgood's integration process and are starting to implement business plans. The Swedish market offers Terveystalo more opportunities for growth both organically and through acquisitions. The occupational health market in Sweden is more fragmented than in Finland and there are better opportunities for market consolidation. The "funnel" of bolt-on acquisition targets is currently strong. Terveystalo has already made three bolt-on acquisitions in Swedish occupational health, in addition to Feelgood. In the longer term, the goal is also to grow in Sweden outside occupational health to specialized care.

In addition, Terveystalo has clear plans to expand its digital suite to the Swedish market, and the goal here is to make progress this year.

What are the current valuation levels like in the Swedish M&A market?

Valuation levels vary somewhat depending on the specialty (e.g. imaging vs. mental health), but as a whole they are attractive and at the same levels as in Finland a decade ago.

How will the possible alleviation of the COVID-pandemic and the reduction in Covid testing impact Terveystalo?

Terveystalo performed approximately 230,000 Covid tests in 2020 and approximately 500,000 in 2021. We report on these on our website in the open data at <https://avoinraportointi.terveystalo.com/korona/>

Covid testing has decreased as expected. during the pandemic it has replaced other normal diagnostics, so a reduction in Covid testing will not directly reduce revenue as it is expected to be replaced to large extent by other services. This has partly already happened, but other diagnostics are still below pre-pandemic levels. Currently, the sales mix emphasizes acute medical care (general practitioner) services, which means that there are not yet as many specialist appointments and longer care chains, including more lab and diagnostic services, as before the pandemic.

The demand-supply situation, how has it developed and what has Terveystalo done to minimize the supply bottlenecks?

Demand for health services remains high and supply is the limiting factor. We have put lots of effort to the recruitment of professionals and have been able to expand our offering with our digital services (chat, video receptions) as the booking rates continue at high level.

What plans do you have for developing the digital business, how is it going?

Our goal is to continue to accelerate the growth of our digital business. More efficient use of health data, better care management and digital appointments can improve productivity, access to care and job satisfaction. The number of digital appointments increased fivefold from 2019 to 2021, when one million digital appointments were made at Terveystalo. The self-booking rate has risen by about 50%. This year, we have launched a digital platform for public sector customers. In addition, we have identified the digital services which we plan to scale first to the Swedish market.

Financial reporting 2022

- Half-Year Report for January–June 2022 on Tuesday, 19 July 2022
- Interim Report for January–September 2022 on Thursday, 27 October 2022

The Financial reviews 2022 will be published at approximately 9:00 a.m. EET. Financial reports are published in Finnish and English.

Investor activities 2022

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.

Liisa-Maija Seppänen
Investor Relations Manager
Tel. +358 50 314 4455
liisa-maija.seppanen@terveystalo.com

Kati Kaksonen
Vice President, Corporate Communications, IR & CR
Tel. +358 10 345 2034
kati.kaksonen@terveystalo.com

Terveystalo in brief

Terveystalo is the largest private health care 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 Terveystalo's over 360 clinics across Finland. In Sweden, we offer occupational health services at 120 clinics. Terveystalo is listed on the Helsinki Stock Exchange and has a predominantly Finnish ownership.

In 2021, Terveystalo had approximately 1.3 million individual customers in Finland and the number of customer appointments was approximately 8 million, with more than a quarter of these taking place via remote channels. Terveystalo employs over 15,500 healthcare and well-being professionals. Terveystalo is a Key Flag company and member of Association for Finnish Work. www.terveystalo.com