




Terveystalo Group Q4 & FY 2024 Results

Ville Iho, President & CEO

Juuso Pajunen, CFO

Terveystalo



Agenda



Ville Iho, President & CEO

2024 Financial & operational highlights

Strategic overview and dividend proposal

Q4 highlights



Juuso Pajunen, CFO

Q4 & FY 2024 Financial performance analysis

Outlook & guidance

Q&A

Q4 2024 highlights

Revenue (MEUR)

354

+3.4% y-o-y

EPS (EUR)

0.15

+130% y-o-y

Adj. EBITA (MEUR)

47.1

+19.1% y-o-y

Adj. EBITA margin

13.3%

+1.8%-p. y-o-y

NPS, appointments

88

+1.2% y-o-y

Operating cash flow (MEUR)

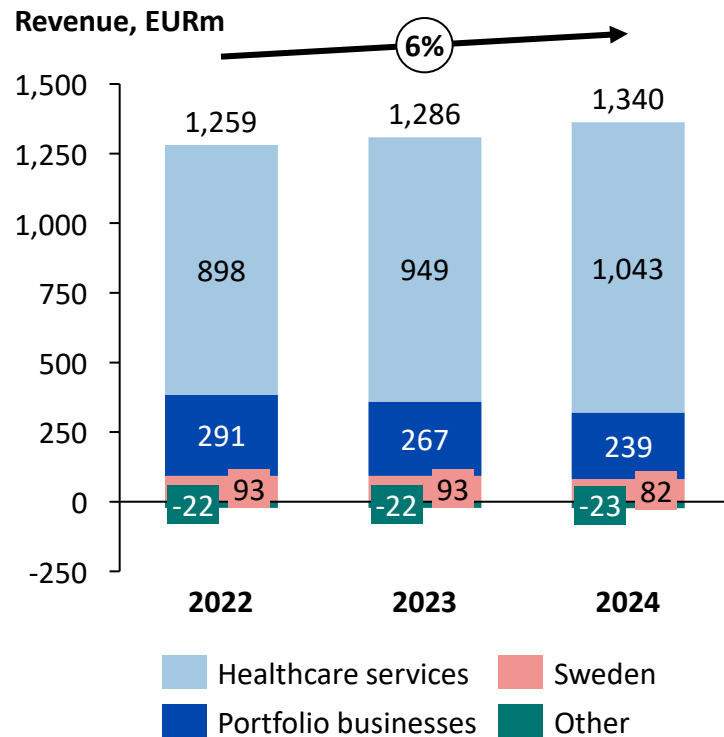
89

+47% y-o-y

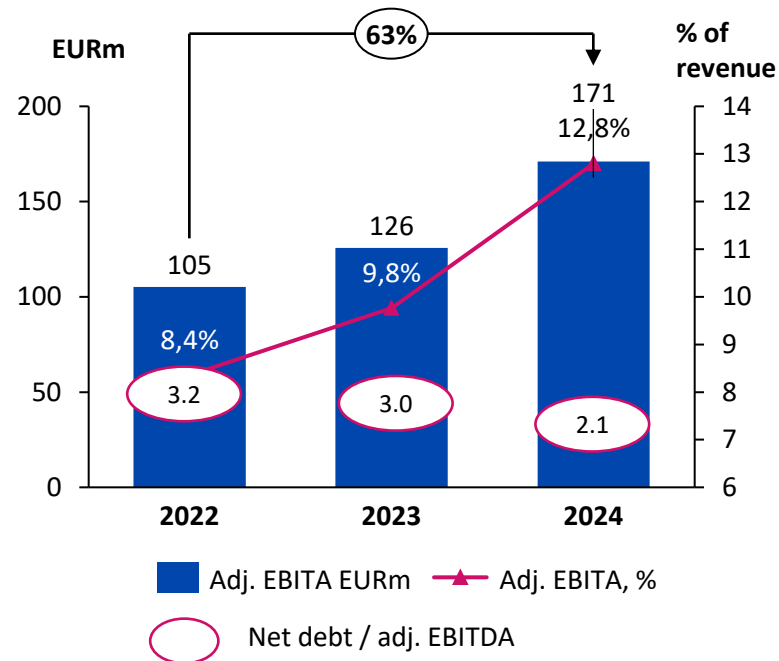


We have delivered strong results in a challenging macro environment

Stable growth, driven by Healthcare services



Group profitability target reached ahead of schedule, strong financial position



Record high customer satisfaction, professional engagement, and medical quality

NPS, appointments

88

Engagement index

4.2

Patient Enablement Index*

69%

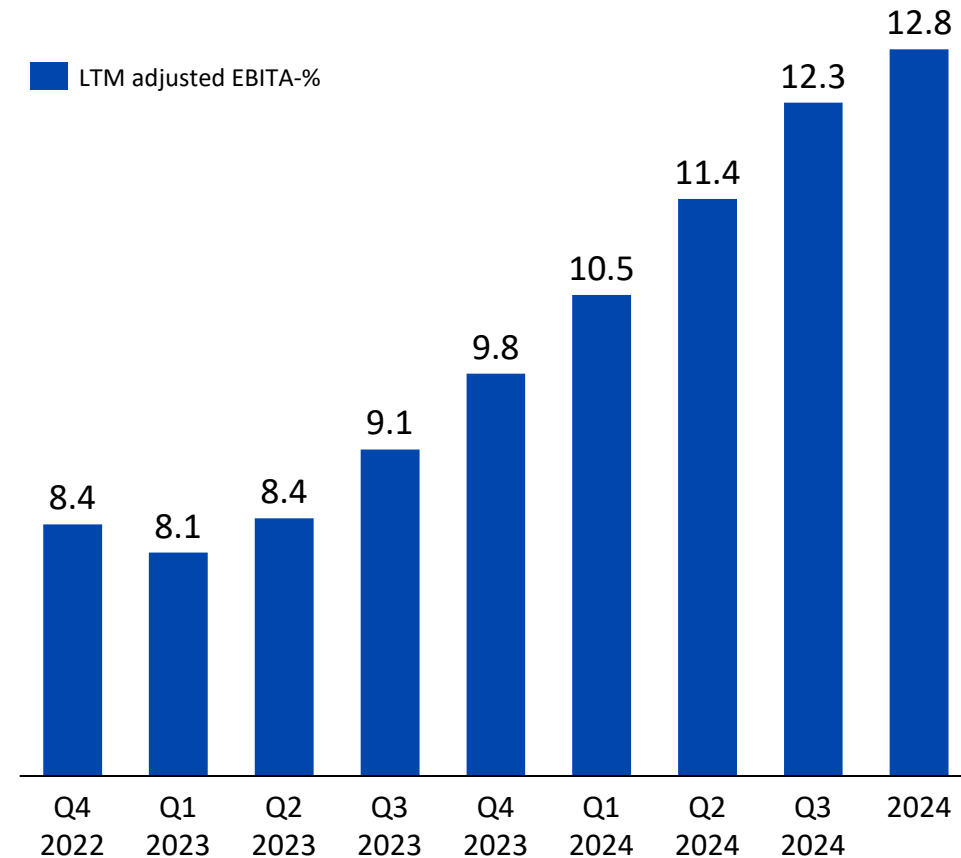
*Share of patients who feel that they cope better or much better with their condition or symptoms after an appointment

We have a structurally stronger foundation with a lower risk profile

WE HAVE SUCCESSFULLY DECREASED OUR RISK PROFILE

- ✓ Appointments are more profitable, decreasing the risk to our margins
- ✓ Less exposure to legacy outsourcing business
- ✓ Stronger financial position due to deleveraging

IMPROVING PERFORMANCE



Each of our three business areas have a clear improvement agenda

Business Area	Healthcare Services	Portfolio Businesses	Sweden
2024 Revenue	EUR 1,043 mill.	EUR 239 mill.	EUR 82 mill.
2024 Adj. EBITA margin	15,5%	4,3%	-2,5%
Share of total revenue*	78%	18%	6%
Mandate in the portfolio	Profitable growth, cash flow	Turnaround and selective, profitable growth Capturing the public market upside	Turnaround
M&A appetite	Selective, EPS enhancing M&A	Selective, EPS enhancing M&A	On hold
Investment appetite	+++	+	+
EBITA margin potential by 2029	>16%	~10%	~10%

The updated financial targets and dividend policy emphasize profitable growth and shareholder value

Mid-term financial targets

Profitable growth



EPS to grow on average by 10% p.a.*

Moderate leverage ratio



Net debt to EBITDA not to exceed 2.5x

Attractive dividends



A dividend payout ratio of at least 80% of the net result

Dividend proposal

EUR 0.48

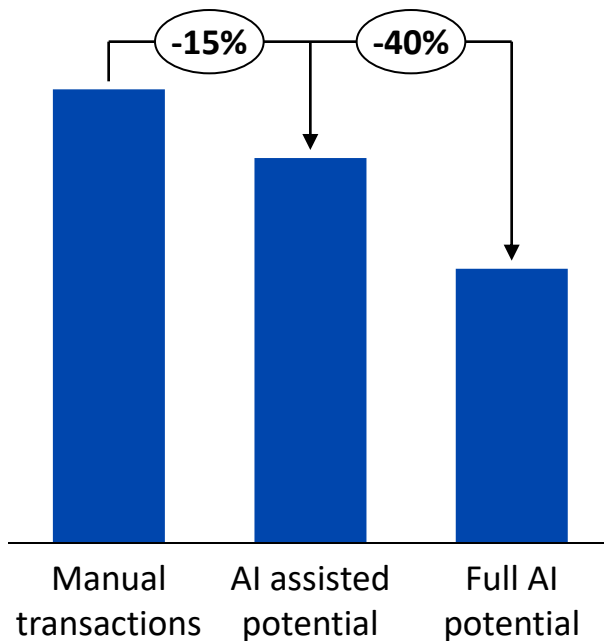
(0.30)

per share

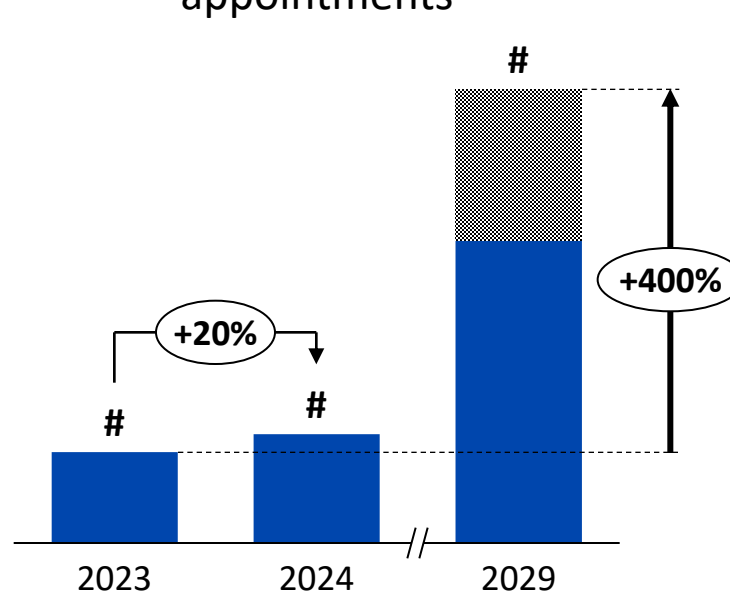
(85% of net result)

Our investments in digital technology enhance productivity, medical quality, and supply of services

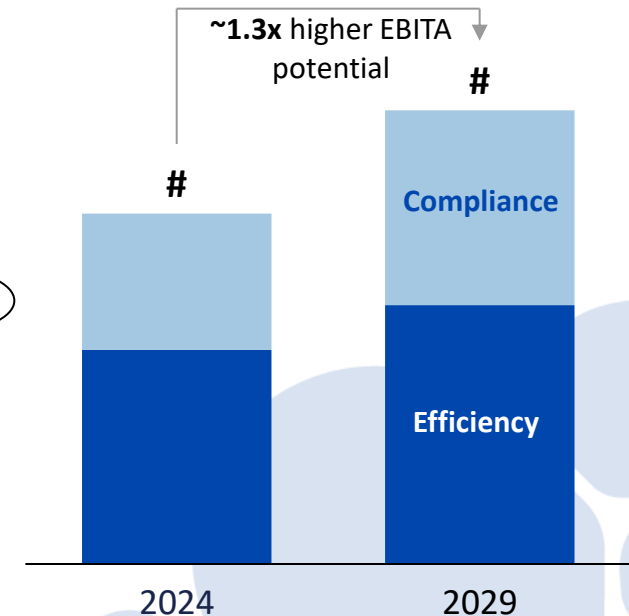
Productivity increase potential in transactional processes



Fivefold productivity potential in chat appointments



Increase in care compliance



Accelerating our strategic agenda: Five key areas for growth



**Engaged
team**



**Superior customer
value through
integrated care**



**Organic
growth**



Efficiency

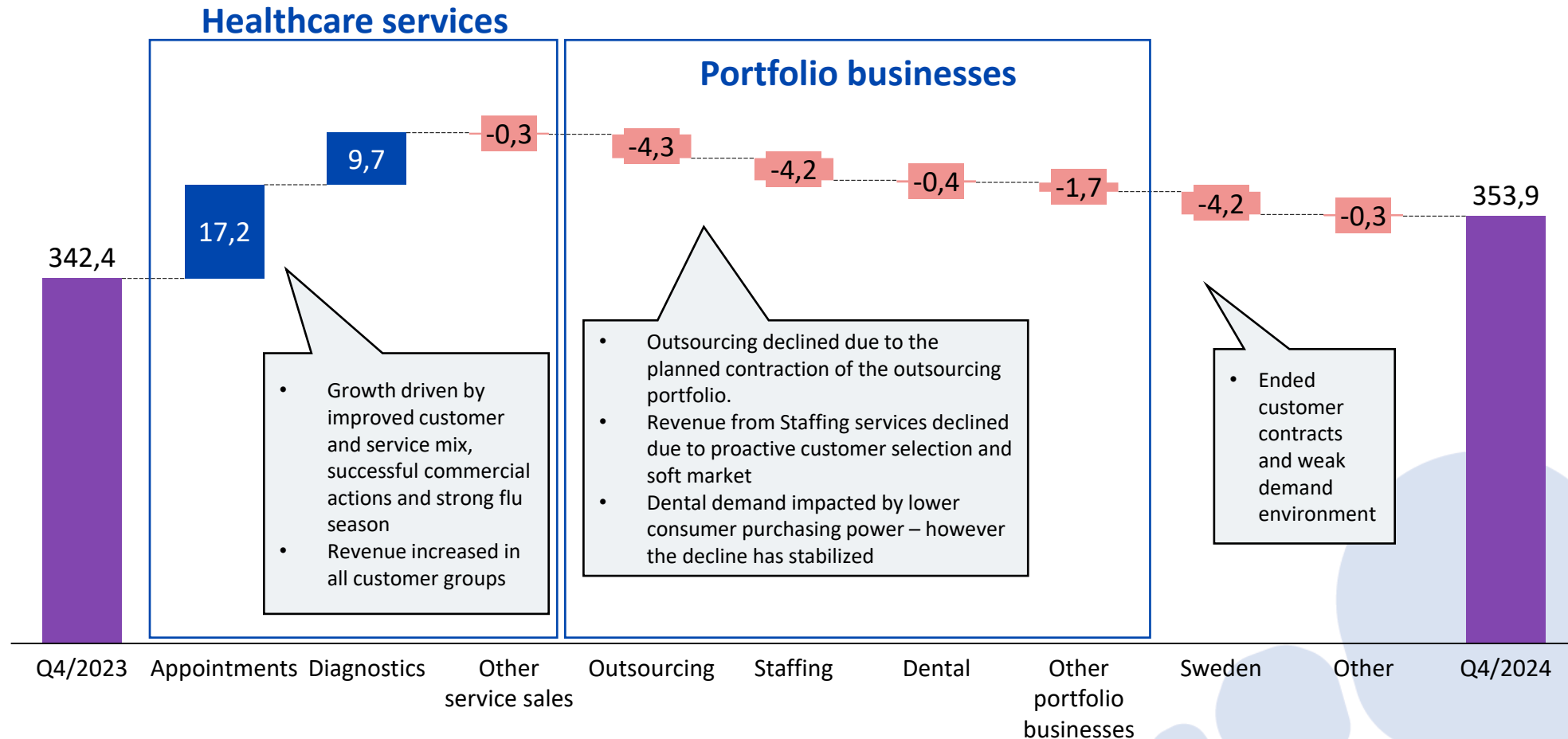


**Optimized
business portfolio**

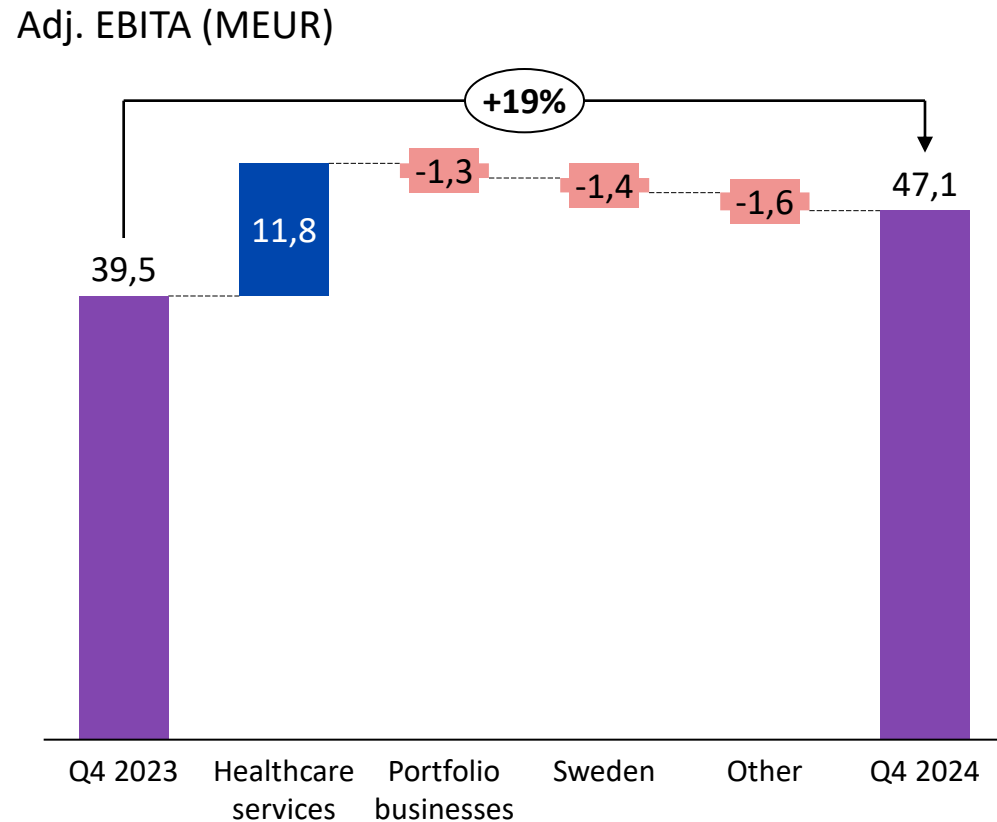
Financial performance

Juuso Pajunen, CFO

Q4: Revenue growth was driven by strong supply, improved sales mix, successful commercial actions, strong flu season



Q4: Strong profit growth continued in Healthcare services



In Healthcare services, EBITA was influenced by several factors:

- Continued operational efficiency
- A robust sales mix coupled with successful commercial initiatives
- Enhanced supply and demand driven by strong flu season that normalized in December
- One-time personnel expenses impacted negatively segment

The portfolio businesses faced difficult market conditions and underlying performance improved operationally:

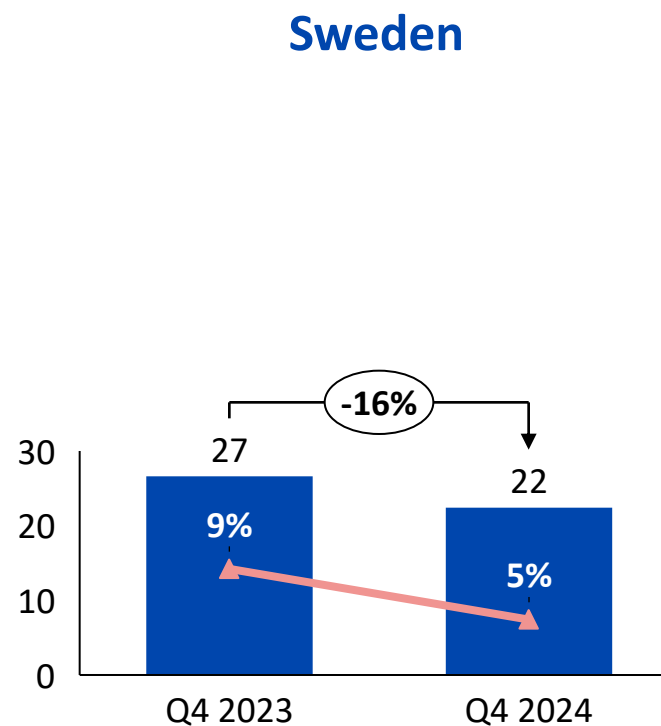
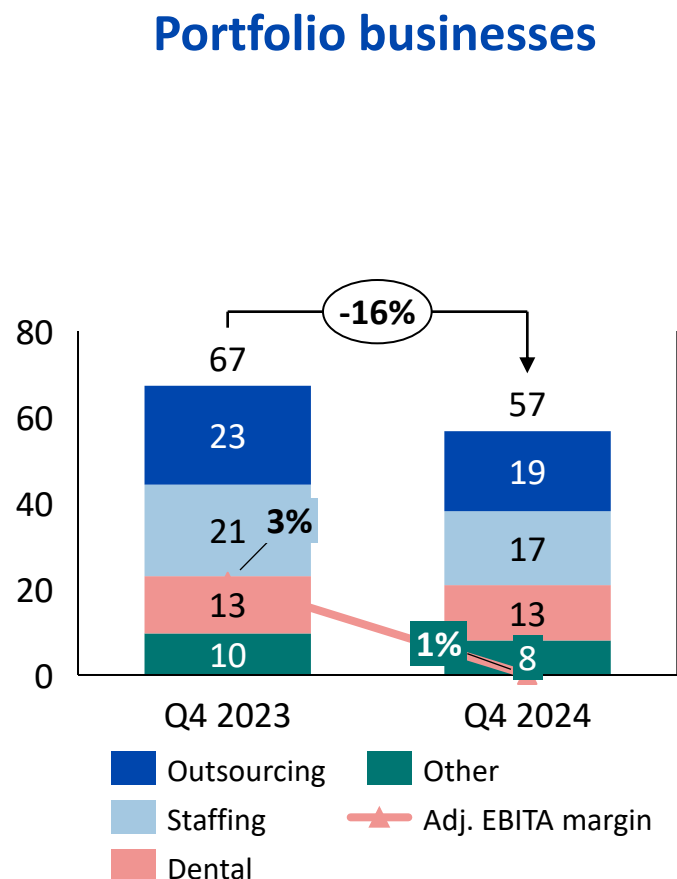
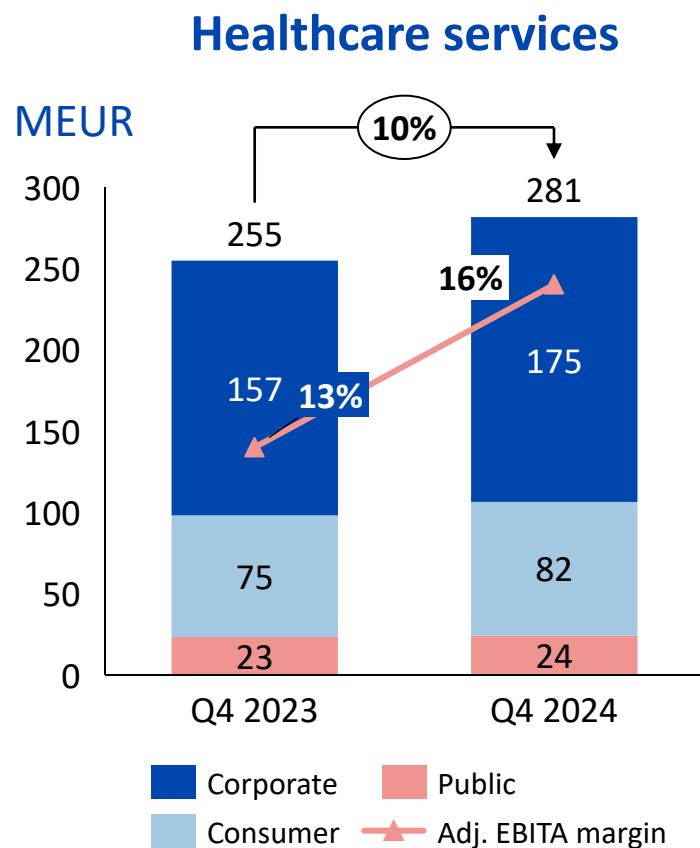
- Improved operational efficiency and adaptation to demand in consumer-centric business areas
- Termination of low-margin contracts
- One-time personnel expenses impacted negatively segment

In Sweden, EBITA declined due to reduced revenue and cost inflation

- The profit improvement program is proceeding according to plan
- Month on month improvement from Q3 and within Q4

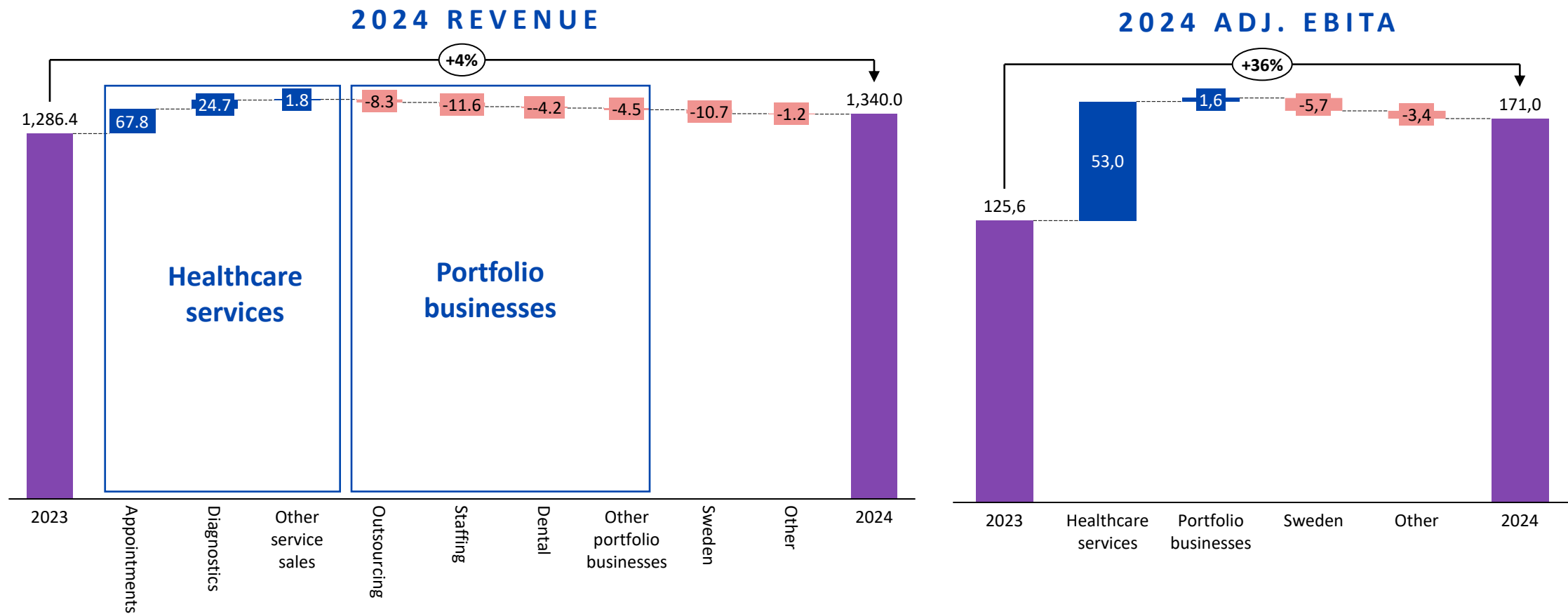
ADJUSTMENTS ARE MATERIAL ITEMS OUTSIDE THE ORDINARY COURSE OF BUSINESS, ASSOCIATED WITH ACQUISITION-RELATED EXPENSES, RESTRUCTURING-RELATED EXPENSES, GAINS AND LOSSES ON THE SALE OF ASSETS, IMPAIRMENT LOSSES, STRATEGIC PROJECTS, AND OTHER ITEMS AFFECTING COMPARABILITY. ADJUSTMENTS RELATED TO THE PROFIT IMPROVEMENT PROGRAMS WERE APPROXIMATELY EUR 7.3 (5.3) MILLION DURING THE FOURTH QUARTER AND EUR 18.6 (21.7) MILLION DURING JANUARY-DECEMBER.

Q4: Finland saw a continued improvement in sales mix, while Sweden faced headwinds



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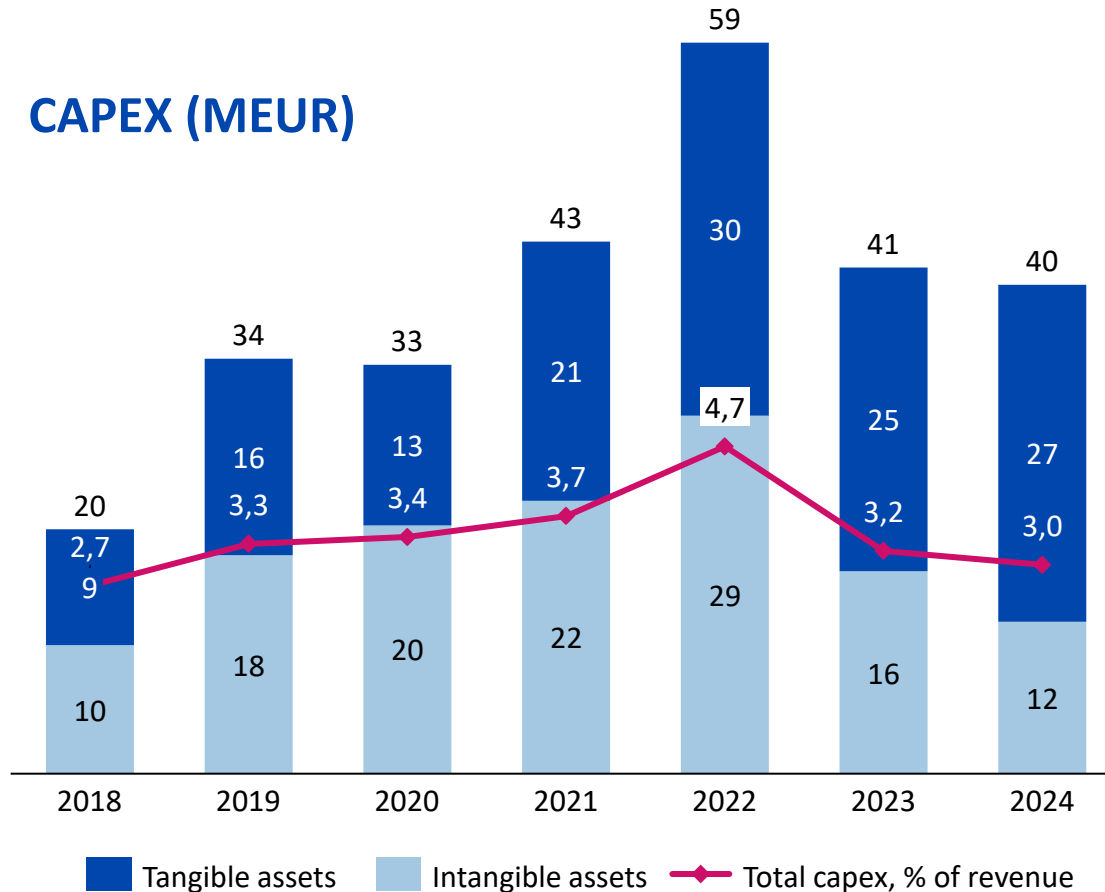
FY 2024: Robust organic revenue growth and substantial profit improvement in Healthcare services



14 ADJUSTMENTS ARE MATERIAL ITEMS OUTSIDE THE ORDINARY COURSE OF BUSINESS, ASSOCIATED WITH ACQUISITION-RELATED EXPENSES, RESTRUCTURING-RELATED EXPENSES, GAINS AND LOSSES ON THE SALE OF ASSETS, IMPAIRMENT LOSSES, STRATEGIC PROJECTS, AND OTHER ITEMS AFFECTING COMPARABILITY. ADJUSTMENTS RELATED TO THE PROFIT IMPROVEMENT PROGRAMS WERE APPROXIMATELY EUR 7.3 (5.3) MILLION DURING THE FOURTH QUARTER AND EUR 18.6 (21.7) MILLION DURING JANUARY-DECEMBER.

We invest in organic and disciplined inorganic growth

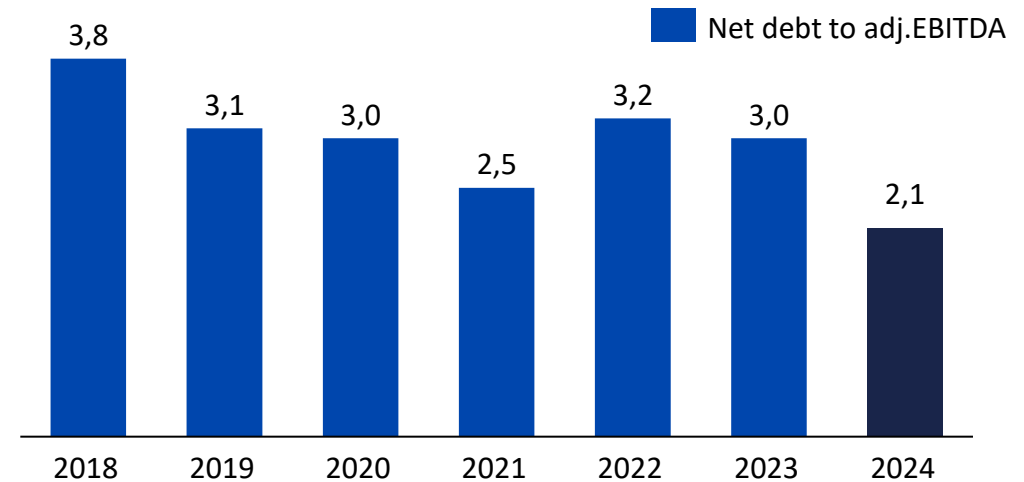
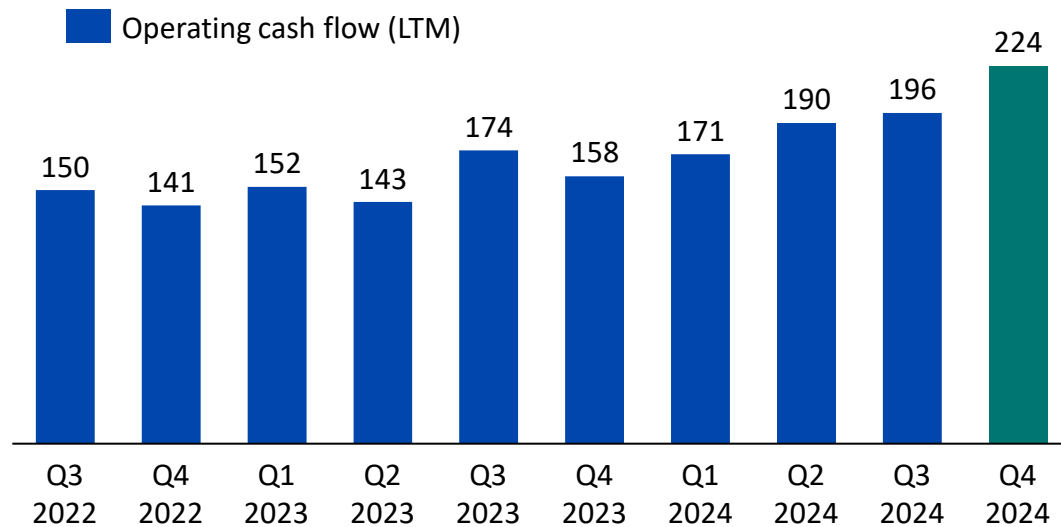
CAPEX (MEUR)



- Our investment strategy prioritises organic growth and disciplined inorganic expansion.
- We will focus on digital investments to improve user experience and productivity for healthcare professionals.
- We selectively invest in physical assets like leasehold improvements and medical equipment.
- Disciplined M&A agenda to complement organic investments

A strong financial position supports our strategy execution

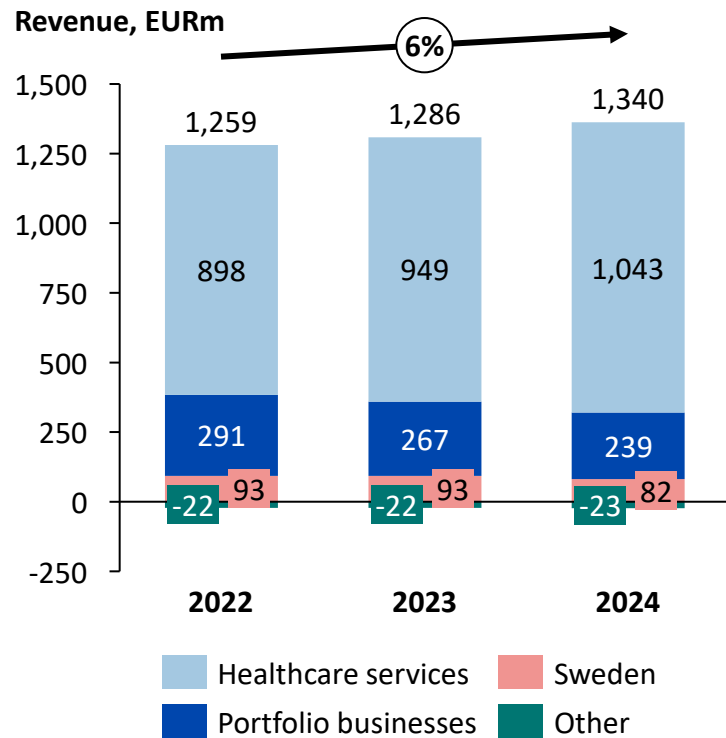
Strong profit growth has led to significant cash flow conversion and deleveraging



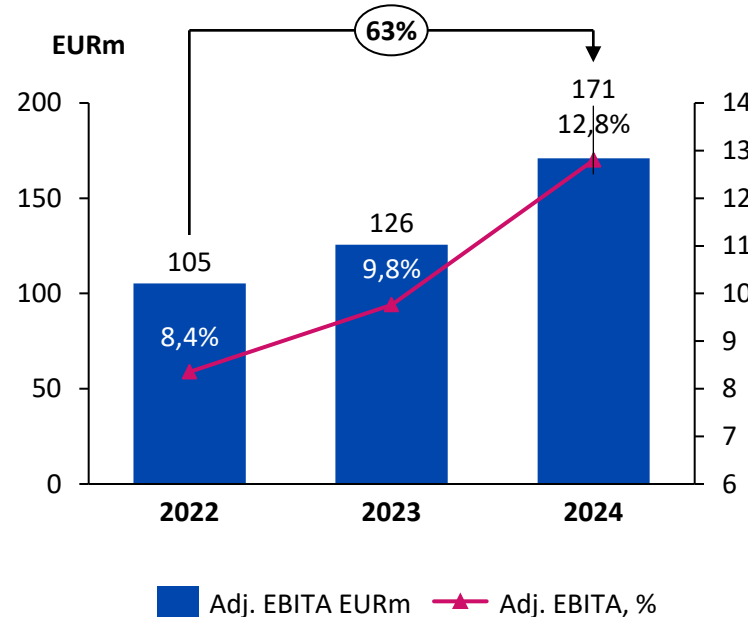
- Net debt amounted to EUR 504.8 (598.1) million
- Net debt, excluding IFRS 16 (lease liabilities) amounted to EUR 313.0 (379.0) million.

We start the year from a stronger position than ever before

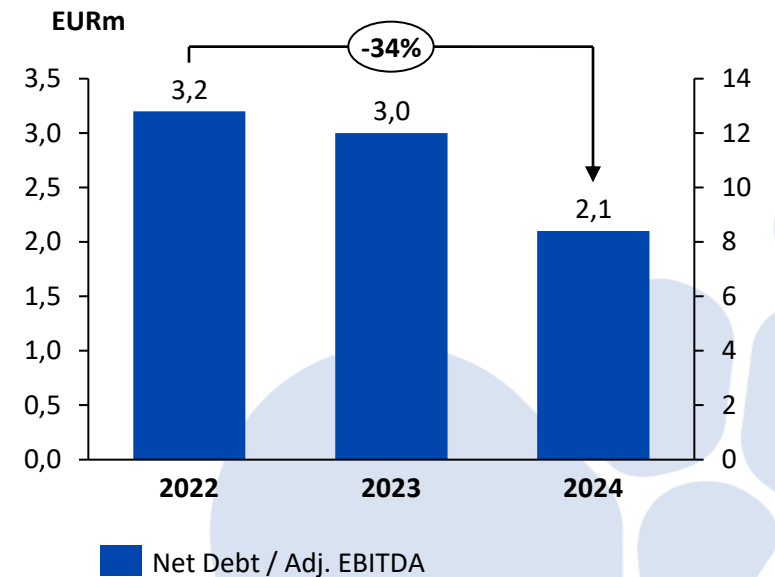
Stable growth, driven by Healthcare services



Group profitability target reached ahead of schedule



Strong financial position

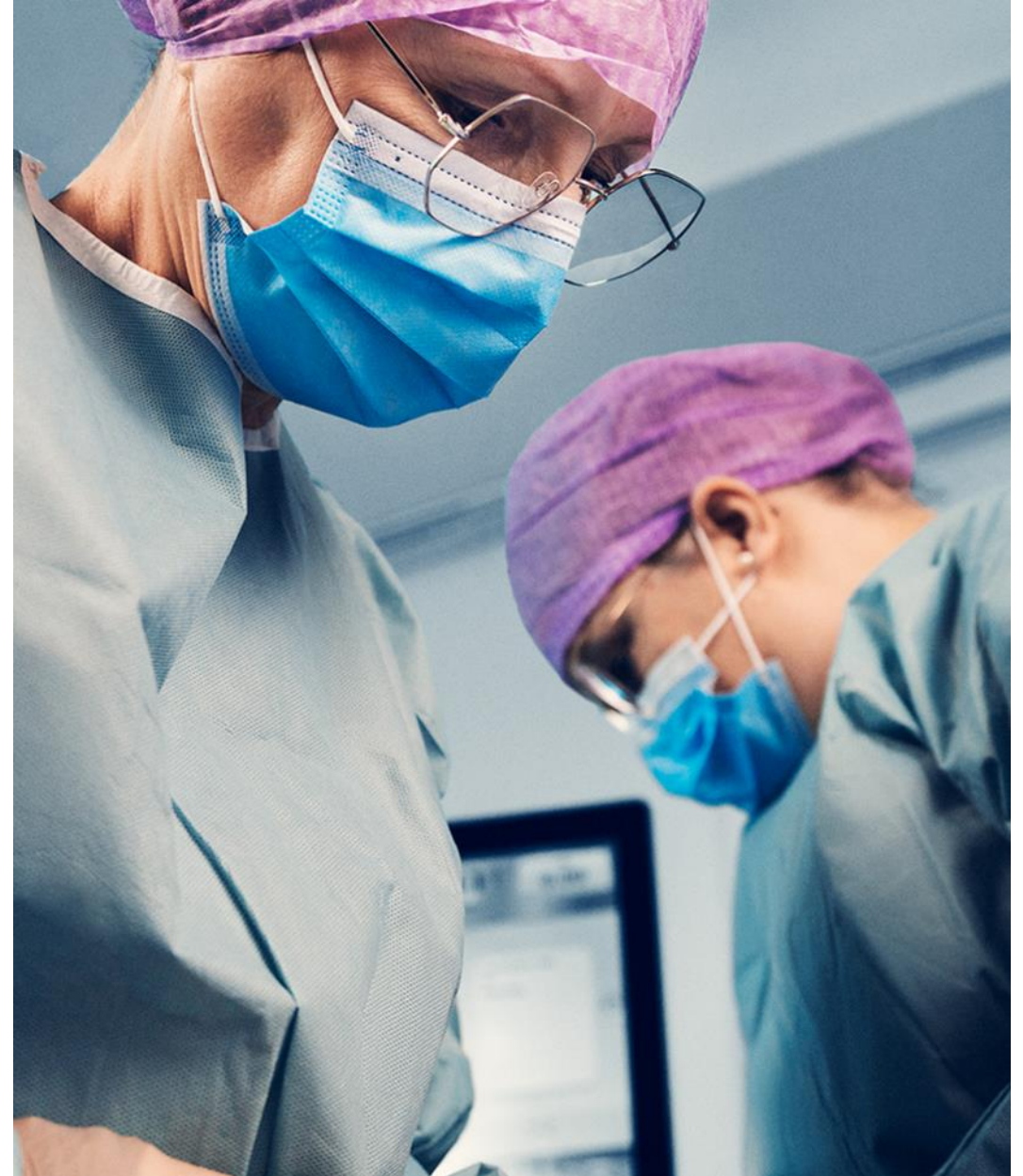


Guidance for 2025

Terveystalo has updated the structure of the guidance and communicates expectations on **revenue and adjusted EBIT** margin (previously revenue and adjusted EBITA margin).

Terveystalo expects its full-year 2025 revenue to grow (2024: EUR 1,340 million) and **adjusted EBIT** to be 10.7–11.8% of revenue (2024: 10.5%)

- The estimates are based on a stable demand environment, employment levels, and typical morbidity rates.
- The estimates account for a decrease of approximately EUR 25 million in revenue within the Portfolio Businesses segment's outsourcing operations due to ending contracts.
- Profitability is expected to strengthen in all business segments.
- The estimates do not account for significant acquisitions or divestments.



Q&A

Terveystalo

MEANINGFUL MATTERS

terveystalo.com

The legacy outsourcing contract portfolio shrinks as old contracts expire or are terminated

CONTRACT VALUE, OUTSOURCING CONTRACTS, M€¹

