



Terveystalo Capital Markets Day

4 December 2024

Terveystalo



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Agenda

10:00	Registration and breakfast
10:30	Opening of Terveystalo's CMD 2024, Kati Kaksonen, VP, IR & Sustainability
10:35	Introduction & Strategic Overview, Ville Iho, President and CEO
10:55	Healthcare services, Sari Heinonen, EVP
11:25	Coffee break
11:40	Digital Ilari Richardt, CDO SVP, Digital Services
11:55	Medical CMO Petteri Lankinen
12:15	Lunch/Break
13:00	Portfolio businesses Henri Mäenalanen, EVP
13:20	Sweden Stefan Kullgren, CEO Feelgood
13:40	Coffee break
13:55	Financial performance & targets Juuso Pajunen, CFO
14:15	Closing words, Ville Iho, President and CEO

Introduction & Strategic Overview | Focus on value creation

Ville Iho, President and CEO



We have delivered strong results and are well-positioned for continued value creation

- 1.** We have fundamental strengths as a business
- 2.** We have delivered on our promises: Record strong financials and customer satisfaction
- 3.** We focus on creating value to our stakeholders through data-driven integrated care
- 4.** Commitment to profitable growth and shareholder value are reflected in our new financial targets

OUR PURPOSE

We fight for a healthier life

by focusing on the meaningful matters

We offer the best value for our customers by providing integrated care.

We:

- **understand** our customers and their needs
- **prevent and manage** health risks
- **guide** patients to the right service and treatment
- **take care** throughout the care path, from booking to recovery
- **cooperate** as teams of experts, and
- **measure and improve** our outcomes

With our integrated care model, we strive to achieve both a **positive social impact** and **high profitability**.

Human being
at the centre

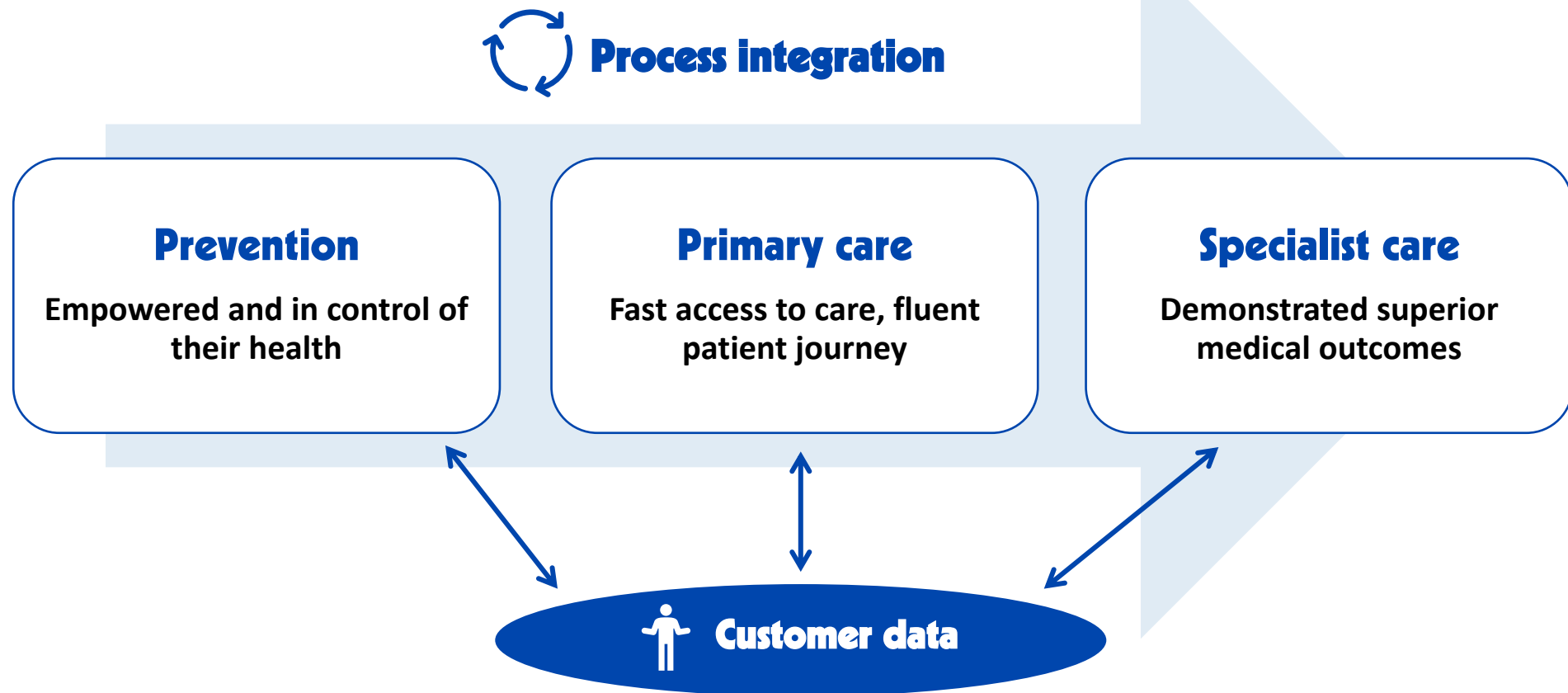
**Integrated
care**

Reformer of
healthcare

Steered by
medical science

Terveystalo
TÄRKEIN ENSIN

We offer comprehensive, integrated care that delivers exceptional value – with improvement potential through technology



Long-term structural trends continue to support the growth of the private healthcare market



Aging population

Finnish population aged 65+ expected to grow by 170K over next 10 years²⁾; spend average 3x on healthcare vs. under 65³⁾



Growing demand for healthcare, especially specialties related to aging; build capacity to capture opportunity



Constrained labor market

Shortage of ~3K doctors⁴⁾ and ~14K nurses⁵⁾ in Finland by '25 – most acute in public healthcare



Winning people strategy to guarantee above-market growth



Challenged public systems

Finland's Sote reform targeted at reducing healthcare costs, counties challenged by tight budgets and labor shortage



Public pay - private provision is expected to increase, opportunity to capture growth



Digitalization & shift to remote care

COVID caused rapid increase in share of remote care; providers still adjusting business and operating models



Opportunities to differentiate and grow with winning digital platform



Privately provided healthcare market expected to grow

¹⁾ Source: National Institute for Health and Welfare, Kela, Statistics Finland, FSA datasets, annual reports, Terveystalo internal data and management estimates.

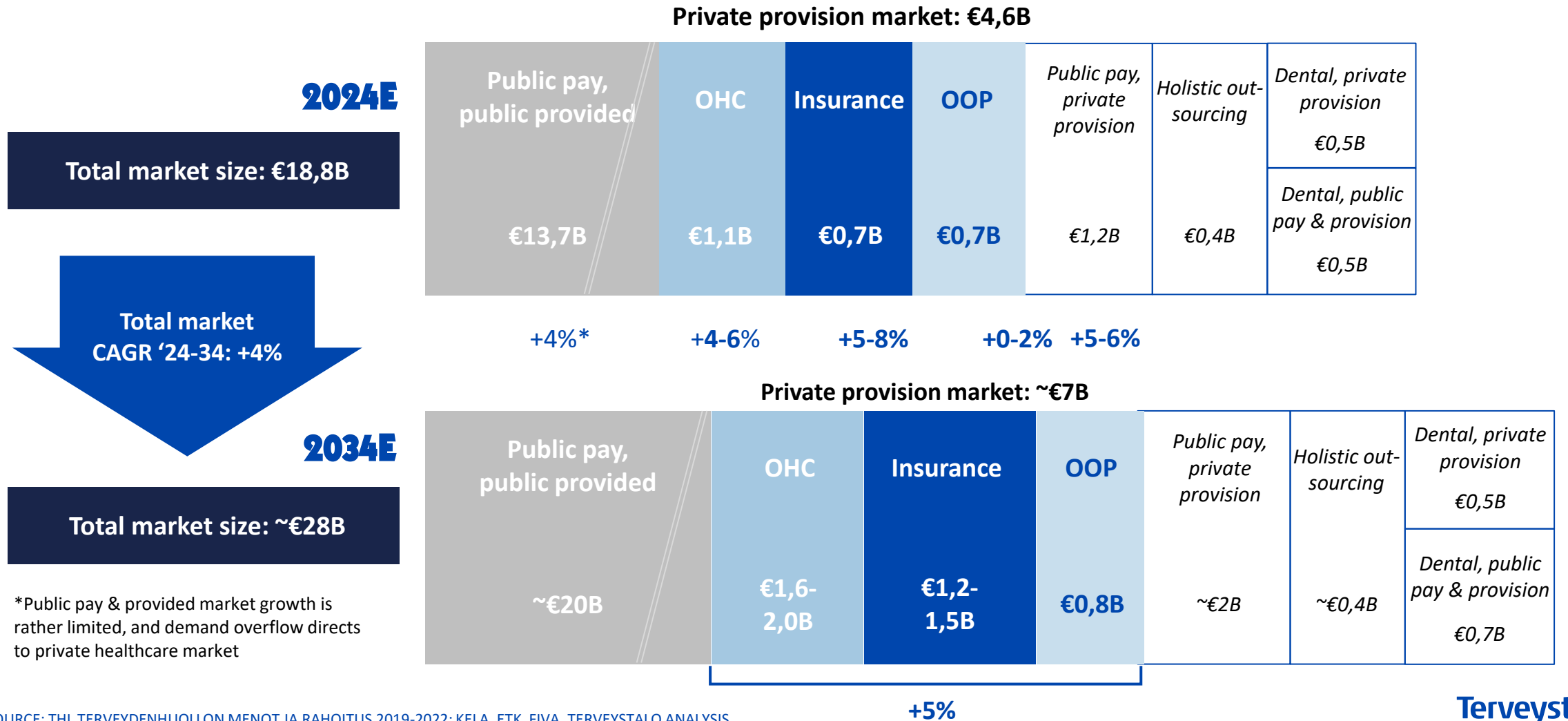
²⁾ Source: Statistics Finland forecast 2023-33.

³⁾ Calculations based on average spend based on age groups. Source: Statista, Kaiser family foundation health cost data, Terveystalo market and sales data.

⁴⁾ Source: KT forecast in ministry of social and healthcare publication "Erikoislääkäri- ja erikoishammaslääkäritilanne ja koulutustarve vuoteen 2035".

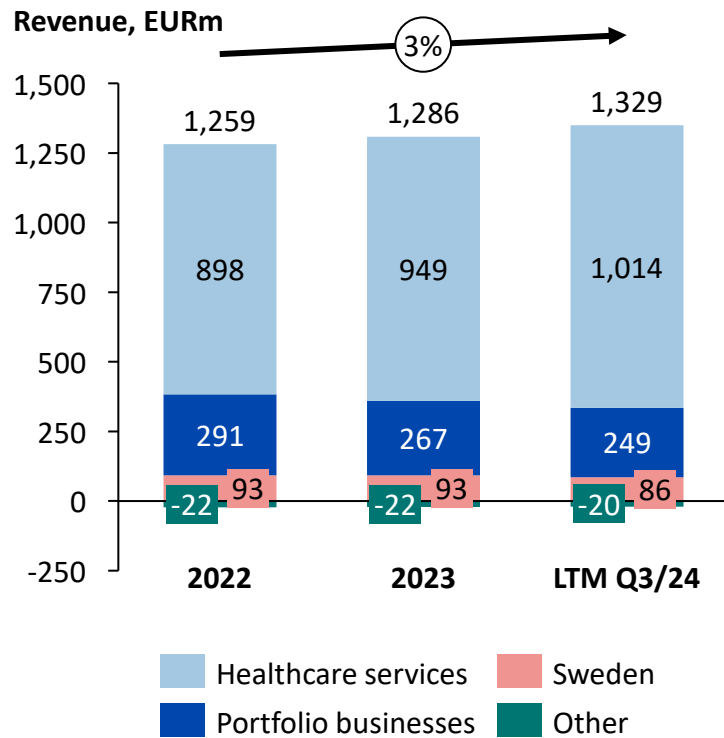
⁵⁾ Shortage for public sector. Source: Keva kuntien työvoimaennuste 2030.

Healthcare spending and the share of private provision are expected to increase in the next decade

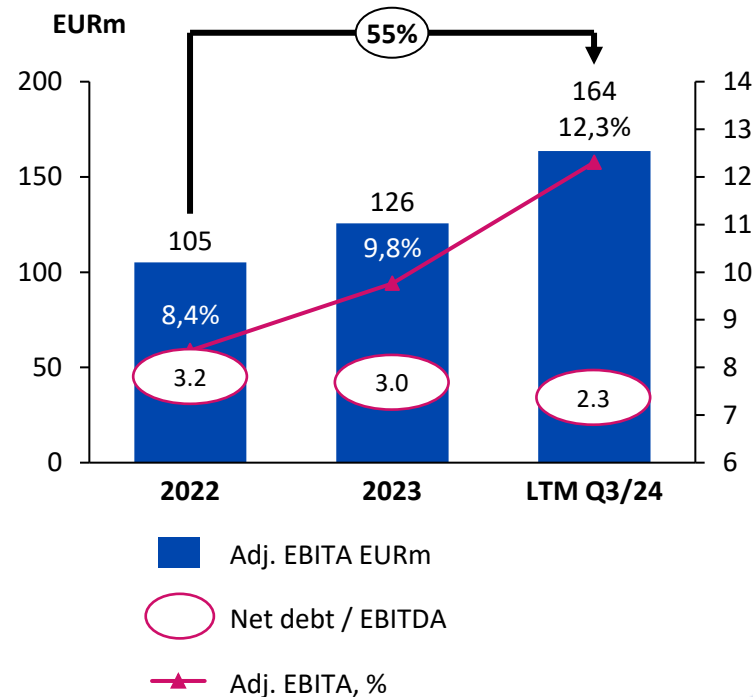


We have delivered record strong results in a challenging macro environment

Stable growth, driven by Healthcare services



Group profitability target reached ahead of schedule, strong financial position



Record high customer satisfaction and medical quality in Healthcare Services

NPS, appointments

87

Patient Enablement Index*

64%

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

We have three business areas, each with a clear improvement agenda

Business Area	Healthcare Services	Portfolio Businesses	Sweden
LTM Revenue	EUR 1,014 mill.	EUR 249 mill.	EUR 86 mill.
LTM Adj. EBITA margin	15%	5%	-1%
Share of total revenue	76%	19%	7%
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%

We have moved decisively from a turnaround to building an even greater company:

Our strategic agenda focuses on five areas accelerating our journey



**Engaged
team**



**Superior customer
value through
integrated care**



**Organic
growth**



**Profit
improvement**



**Optimized
business portfolio**

Our focus on profitable growth and shareholder value is reflected in our updated financial targets and dividend policy

**Profitable
growth**

10%

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

**Moderate
leverage ratio**

<2.5

Net debt to EBITA not to exceed 2.5x

**Attractive
dividends**

80%+

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

We are well-positioned for continued value creation



- 1.** A leader in an inflation-resilient, growing & profitable private healthcare market, supported by structural megatrends
- 2.** A proven scalable business model, leading digital capabilities, high medical quality, and customer satisfaction
- 3.** Profitable growth building on improved performance
- 4.** Robust cash flow, supporting attractive dividends and investment opportunities
- 5.** Preferred place to work in a supply-constrained market and a positive social impact

Enhancing our position as a market leader

Sari Heinonen

EVP, Healthcare Services



Terveystalo

We target above-market revenue growth and incremental profitability improvement during the strategy period



- Strengthen market share and share of wallet with growing demand



- Continued incremental improvement, consistently outperforming key peers



- Industry-leading people experience
- Continued commitment to excellent customer experience and medical quality through integrated care

We deliver exceptional value to our customers by offering comprehensive and integrated care

Fluent, caring and effective

Prevention

Customer value

Empowered and in control of their own health



Primary care

Customer value

Fast access to care, fluent patient journey



Specialist care

Customer value

Demonstrated superior medical outcomes



Strong fundamentals drive the growth of the private healthcare market in the coming years

Demography drives the need for care



Immigration drives population growth

+0.4%

p.a.

Population aging increases healthcare costs

+0.6%

p.a.

Insurance is gaining share



Number of health insurances increase

+1-2%

p.a.

Claims incurred per insured increase

+4-5%

p.a.

Occupational health continues to grow



Number of working-age population increases due to immigration

+0.5%

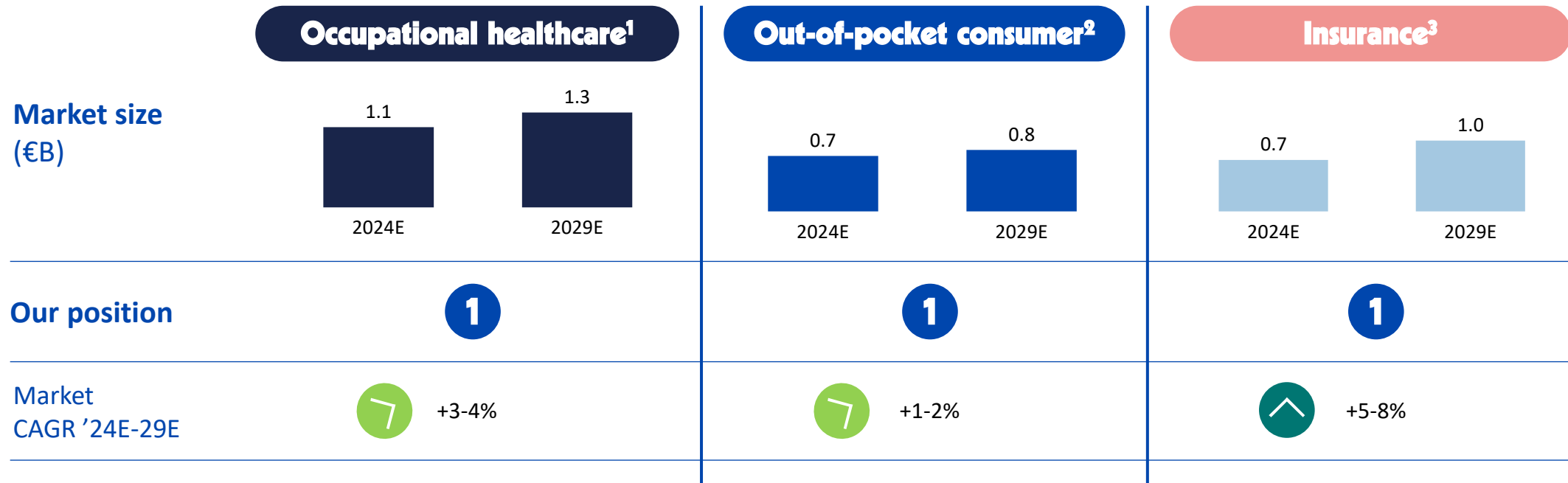
p.a.

Employment rate starts to recover after 2025

+0.4%

p.a.

We lead in all private pay segments of which insurance is the fastest growing

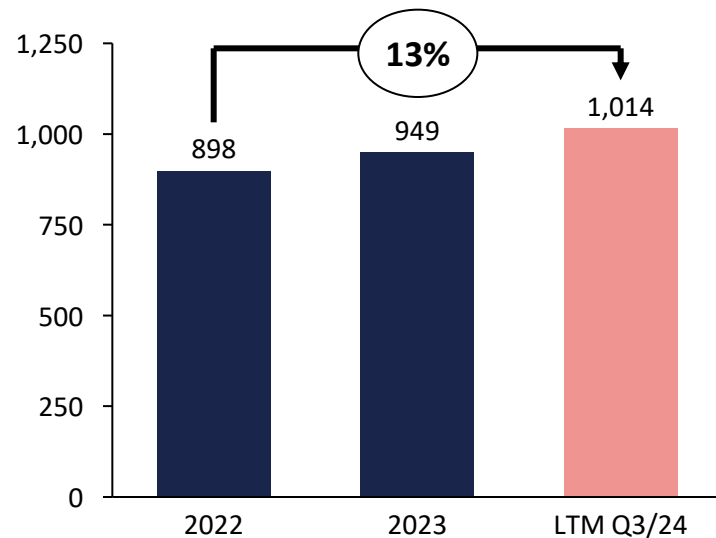


1. Kela reimbursement category 0 (KLO) not included; 2. Kela psychotherapy rehabilitation included;
 3. Total insurance market in 2023 is EUR 834, of which 20% estimated non-addressable; Source: TT market model; THL; FIVA; ETK; KELA

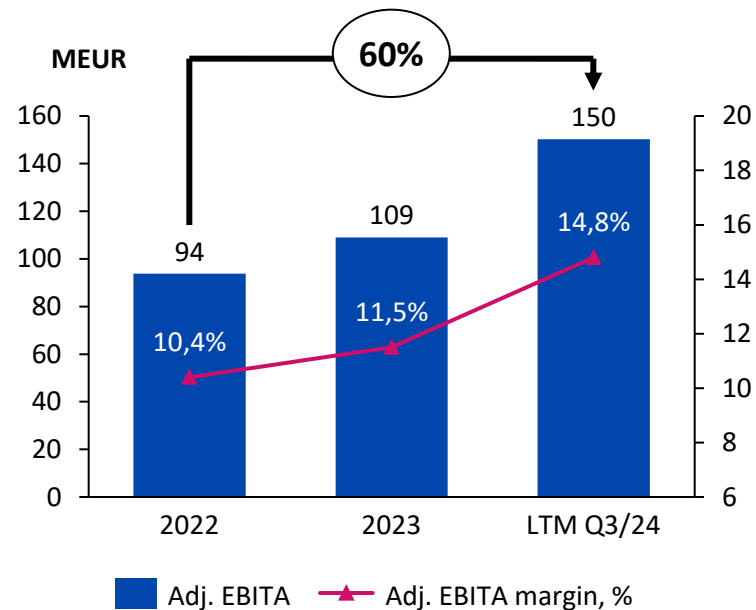
After the successful profit improvement program, we are structurally stronger as a business

Robust revenue growth

Revenue, MEUR



Structurally stronger profitability



Record high customer satisfaction

NPS, appointments

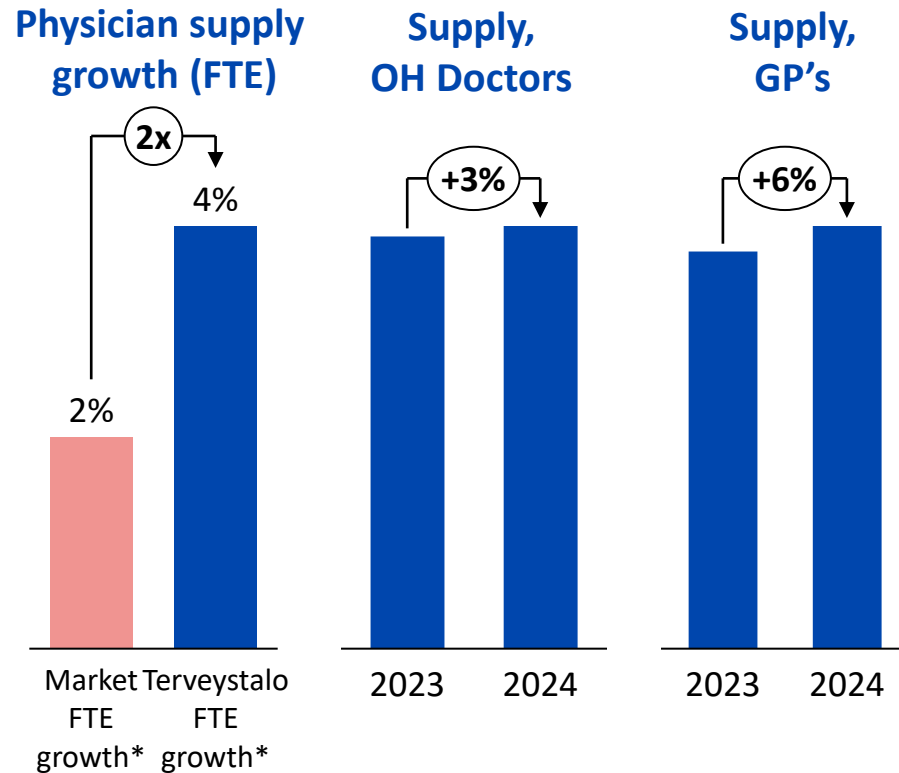
87

NPS, hospitals

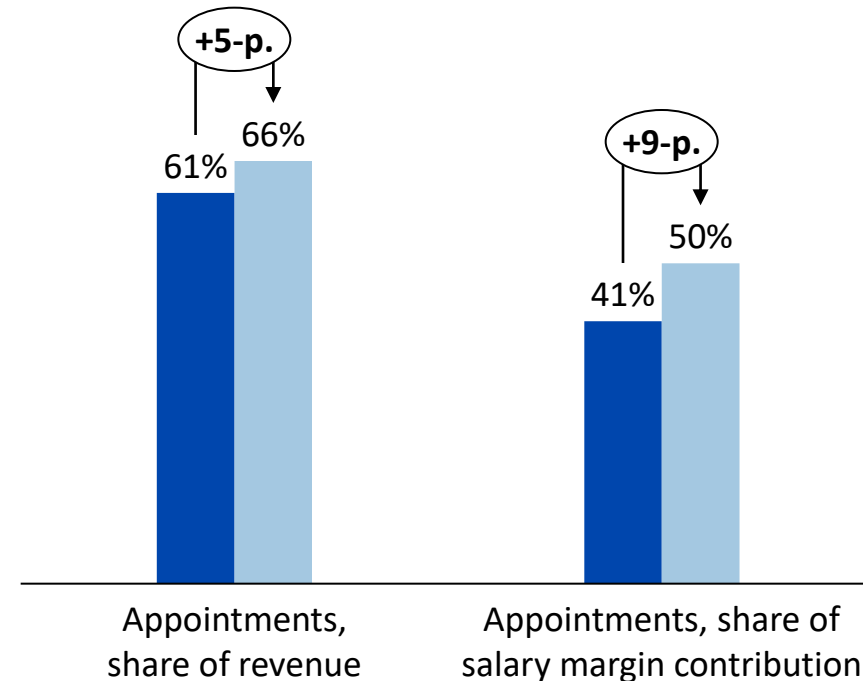
95

We have outpaced market supply growth and balanced our margin contribution

Supply growth in key areas



Appointments are more profitable, which decreases the risk to our margins

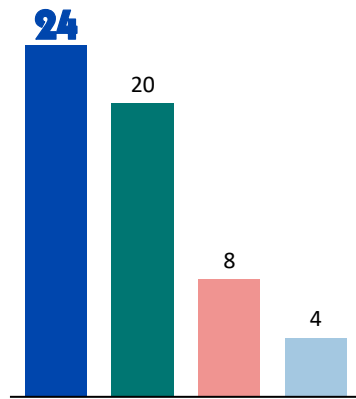


■ LTM Q3/22 ■ LTM Q3/24

Our brand is highly valued by our customers: We are the most respected, considered and preferred brand

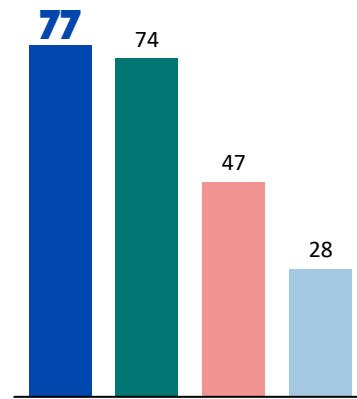


#1 The most respected consumer brand



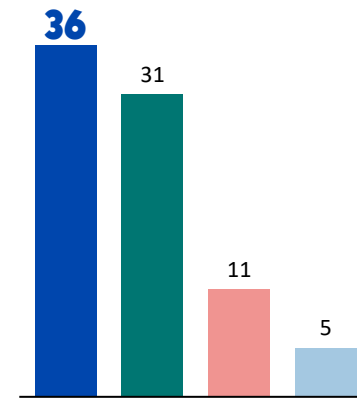
Source: Brand Appreciation' Study, Taloustutkimus 08/2024

#1 The most considered consumer brand



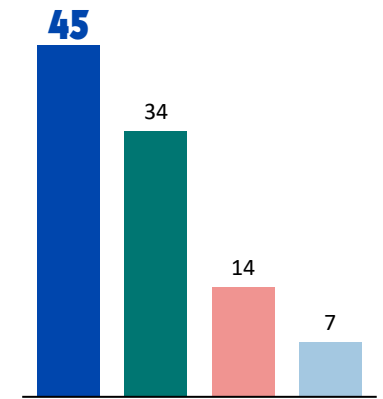
Source: Kantar B2C Brand Tracking. The question: which private healthcare company's services would you consider using?

#1 The most preferred consumer brand



Source: Kantar B2C Brand Tracking. The question: Which private healthcare company's services would you prefer to use?

#1 The most preferred brand among OH-customers



Source: Kantar B2B Brand Research 01/2024. The question: Which private healthcare company's services would you prefer to use?



We see further growth and customer value potential in four areas

Scale prevention and care paths



Effective prevention and care paths

Strengthen insurance partnerships and customer experience



Leading healthcare provider and the preferred partner

Invest in selected geographies, hospitals and specialties



Access to care
Customer experience

Scale centralized digital channels



Cost efficiency
Access to care

Effective prevention has a huge potential impact on work ability and public health



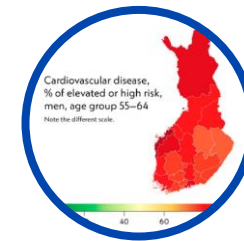
Early detection of health risks

Over 100,000 risk reports on individual customers and population data on 10,000 corporate customers



Effective interventions and care paths

Defined care paths in use for different risk types



Nationwide population data on risk profiles

eg. huge proportion of working age men have an increased or high risk of type 2 diabetes or cardiovascular disease



We have delivered strong organic growth and customer benefits within our chosen specialties



Orthopaedics



- Reduction in disability and sick leave, faster improvement in functional capacity after surgery¹



Sleep



- Insomnia severity index decreased by 28% in 8 weeks with sleep coaching
- Sleeping pills descriptions per visit decreased by 27%²



Mental health



- Mental health-related absences decreased -45% and other absences -19%, despite an annual increase in the number of diagnoses³

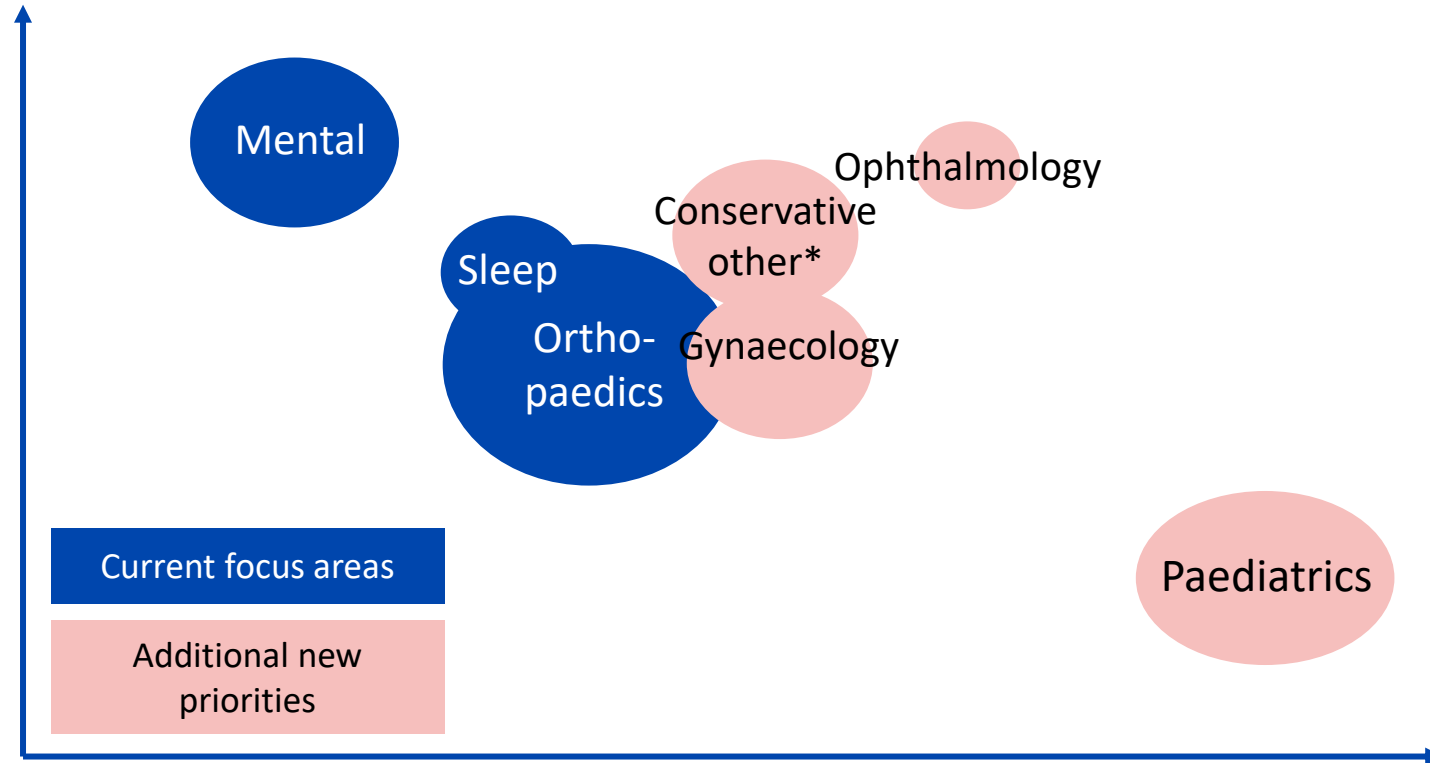
Growth as of 2022-2024

1) based on terveystalo quality data <https://www.Terveystalo.Com/fi/yhtio/laatu-ja-vastuullisuus/laatumittaristo> 2) since 2020 3) 2019-2024

There are further growth opportunities in key specialties

Market growth potential

- Population development
- Public healthcare queues
- Health insurance growth
- Medical and epidemiologic development



Current focus areas

Additional new priorities

*Including dermatology, internal medicine, cardiology, gastroenterology, neurology, obesity care

Market share growth potential

- Service portfolio, medical and CX development
- Targeted supply growth
- Commercial activities (sales, marketing, pricing)

CASE EXAMPLE MENOPAUSE:

Commonly underdiagnosed and undertreated

We have an opportunity to improve the health and working capacity of a large population and thereby support businesses and the economy as a whole



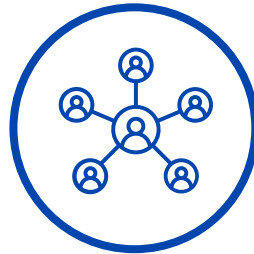
Digitalisation plays a major role in enhancing our productivity and people experience

Automatize and digitalize routine work



Focus on more value-adding tasks

Modern resource planning solutions



Process efficiency and appropriate resources at the right place

Develop best in class digital tools for professionals



Fluent workday experience, Productivity and care compliance

We will further strengthen our position and grow profitably

- 1.** We are targeting an annual revenue growth of 5% and incremental improvement in our profit margins. We aim to expand across all customer segments.
- 2.** Today, our business is structurally stronger, featuring a balanced margin structure, robust supply, high customer satisfaction, and a leading brand.
- 3.** We aim to grow by scaling care paths and preventive services, forming deeper partnerships with insurance companies, targeting selected geographies, hospitals, and specialties, and expanding our digital channels.
- 4.** We will improve profitability through automation and digitalization, enhancing productivity and resource efficiency.
- 5.** We remain dedicated to providing an industry-leading employee experience and maintaining high medical quality, with digitalization playing a significant role.

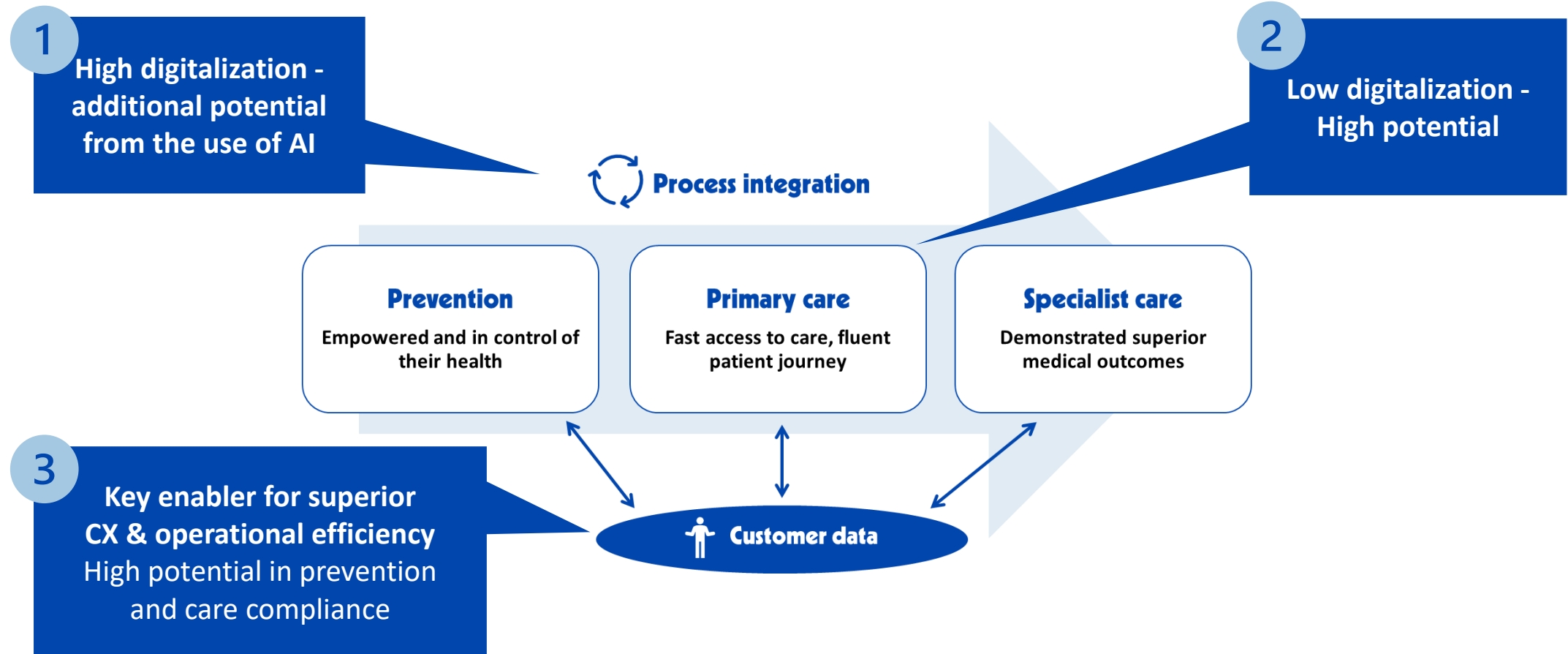


Improving quality and productivity through digital solutions

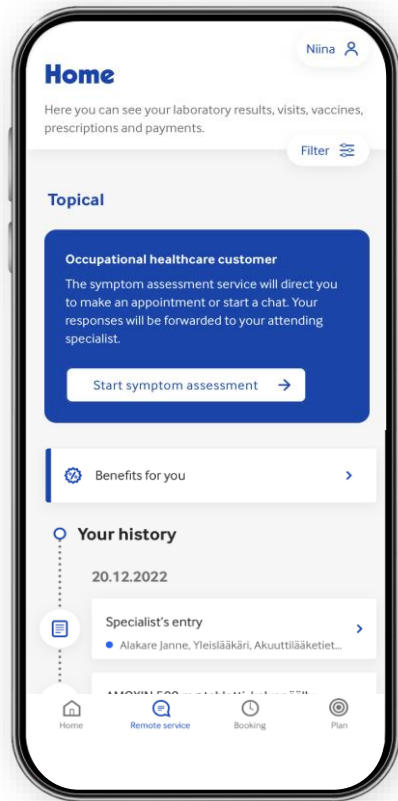
Ilari Richardt

Chief Digital Officer & SVP, Digital Services

Unlocking exceptional quality and productivity through digital solutions



We deliver world-class digital solutions that drive value



★★★★★ 4,5 • 50,9 t.

4.5M
Bookings in centralized channels

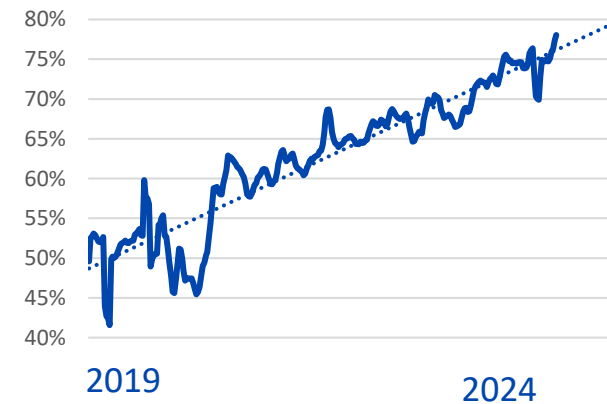
3.3M
Bookings in Digital channels

>1.5M
Monthly sessions

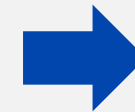
>2.5M
Registered users

~1M
Successful self-triages

Appointment booking self-service rate



Appointment booking costs:
Call centre **€13** vs. Terveystalo App **€1**



>50M€
Annual efficiency gain

Awards

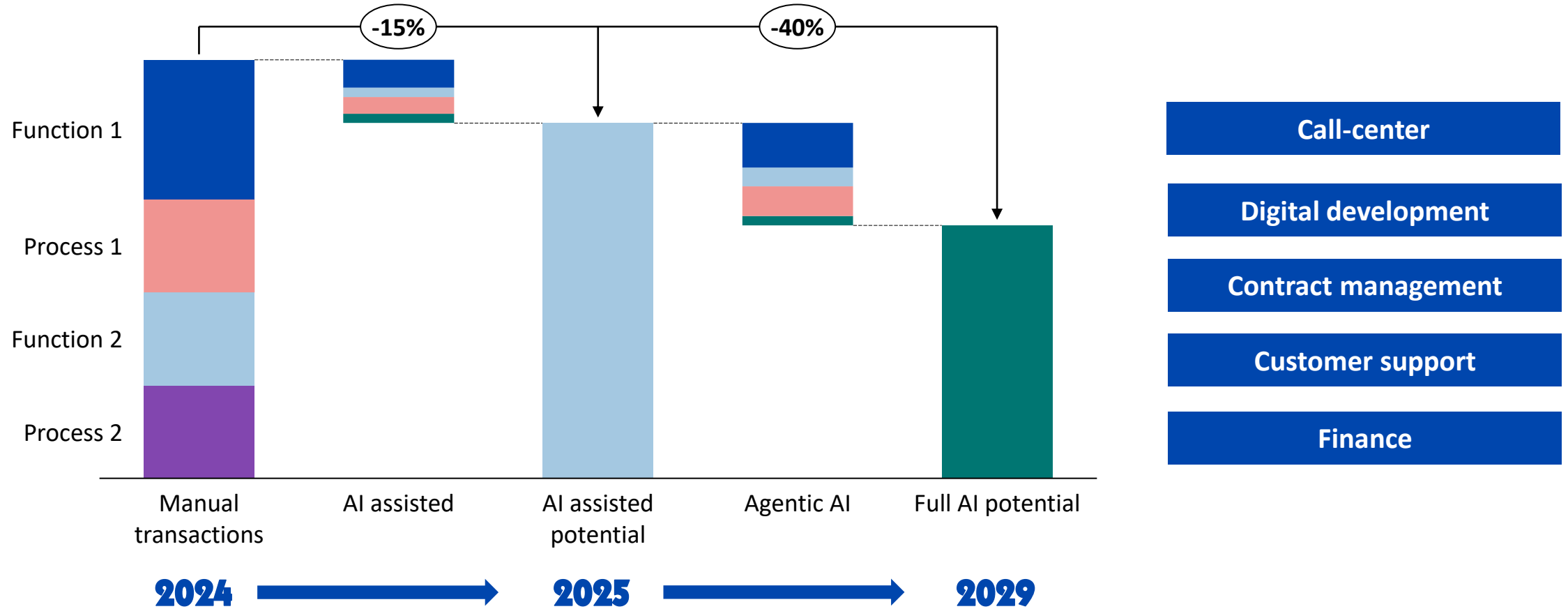
GrandOne

Suomen Digimenestyjät
2024

BearingPoint®

Terveystalo

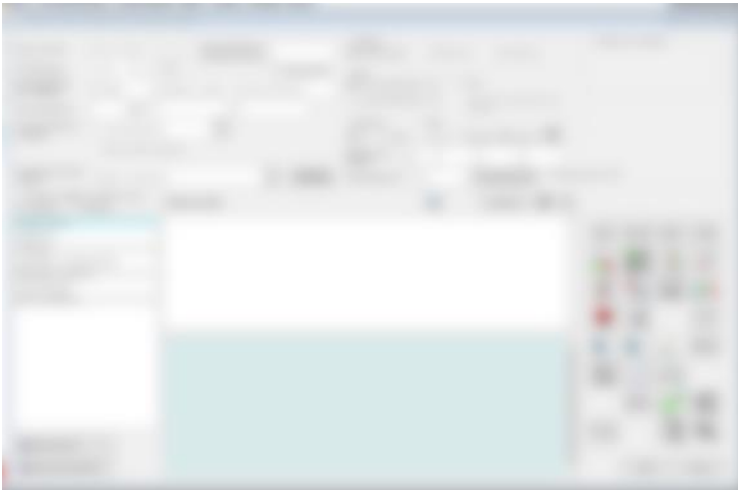
With AI, we can reduce transactional process costs by up to 40% by 2030



Terveystalo Ella – the future EMR for efficient and pleasant appointments

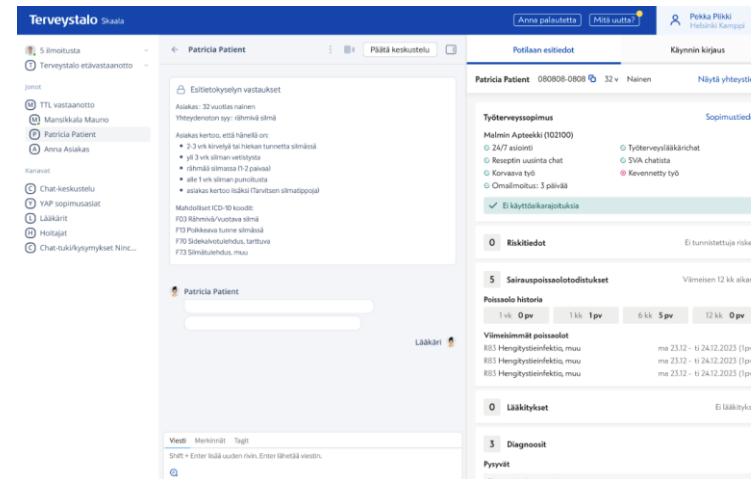
Old gen EMR replaces paper

- Limited real-time automation
- Hard to improve UX significantly
- Lacks process guidance



Ella guides the appointment process

- Automates real-time tasks
- Enables rapid adoption of new tech (e.g., AI)



- 5 ilmoitusta
- Terveystalo Testi
- JONOT
- Ajanvaraukseton PUHW
- TTL vastaanotto
- Skaala Salla
- Testi: Ajanvaraukseton video ...
- Testi: Priva reseptin uusinta
- Testi: TTH lääkäri-chat
- Testi: YLE vastaanotto
- virtsatietulehdusbotti

- KANAVAT
- Testikanava

Skaala Salla Päätä keskustelu

Näytä 2 piilotettua kenttää

Esitietokyselyn vastaukset kopioi kaikki

Asiakas: 34-vuotias nainen

Yhteydenoton syy: kurkkukipu

Asiakas kertoo esitietokyselyssä, että hänellä on:

- kurkkukipua
- ruoan tai juoman nielemisvaikeutta
- vaaleita katteita suussa tai nielussa
- kuumetta (tänään aamulla 38 astetta)
- asiakas kertoo lisäksi tilanteesta tai tarpeesta (Vaikuttaa angiinalta, tuttu vaiva. Lapsilla ollut tautia juuri, mutta jotkin muuta C-streptokokkia)

Asiakas kertoo esitietokyselyssä, että hänellä ei ole:

- perussairauksia
- käytössä säännöllistä lääkitystä
- erittäin voimakasta kurkkukipua
- vaikeuksia avata tai sulkea suuta
- yskää
- nuhaa
- paineen tunnetta kasvoissa
- korvakipua
- päänsärkyä
- hengenahdistusta
- rintakipua
- vointi heikentynyt niin että asiakas harkitsisi päivystykseen lähtemistä
- ruoan jumittumista kurkkuun niellessä
- ollut hoitokeinoja käytössä
- tarvetta sairauslomalle

Esitietokyselyssä asiakas ei tiedä, että onko hänellä:

Mahdolliset ICD-10 -koodit:
R07.0: Kurkkukipu, R13: Nielemisvaikeus (dysfagia), J02: Akuutti nielutulehdus, J02.9: Määrittämätön akuutti nielutulehdus, R50.9: Määrittämätön kuume

Mahdolliset ICPC-2 -koodit:

Viesti Tagit

Shift + Enter lisää uuden rivin. Enter lähettää viestin.

Lähetä

Potilaan esitiedot Käynnin kirjaus

Skaala Salla 010990-952U 34 v Nainen Näytä yhteystiedot

Potilaalla on myös tietosuojattuja merkintöjä

✓ Palvelutapahtuma

Potilas on työllistälasi (Suomen Terveystalo Oy Konsernihallinto) Työterveyden käynti

Työterveyssoppimus [Sopimustiedot](#)

Skaala Yritys 1 (110990)

- Työterveyslääkärichat
- Reseptin uusinta chat
- 24/7 asiointi
- Korvaava työ
- Kevennetty työ
- Erikoislääkärikonsultaatiot

✓ Ei käyttöaikarajoituksia

0 Riskitiedot Ei tunnistettuja riskejä

10 Sairauspoissaolotodistukset

Poissaolohistoria

1 vk 0 pv 1 kk 2 pv 6 kk 10 pv 12 kk 10 pv

Viimeisimmät poissaolot 12 kk ajalta
M14.2*E11.6 Diabeteksen nivelsairaus aikuist... ma 14. – ke 23.10.2024 (10 pv)

1 Lääkitykset

Pysyvät

Ei pysyviä lääkityksiä

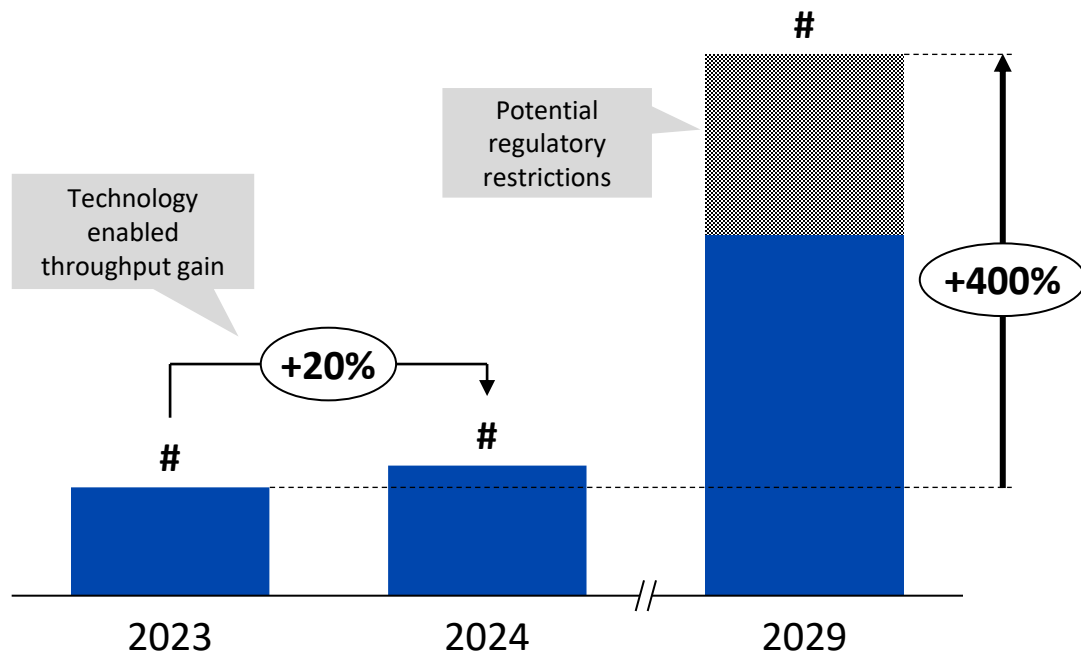
Viimeisimmät (1)

2023

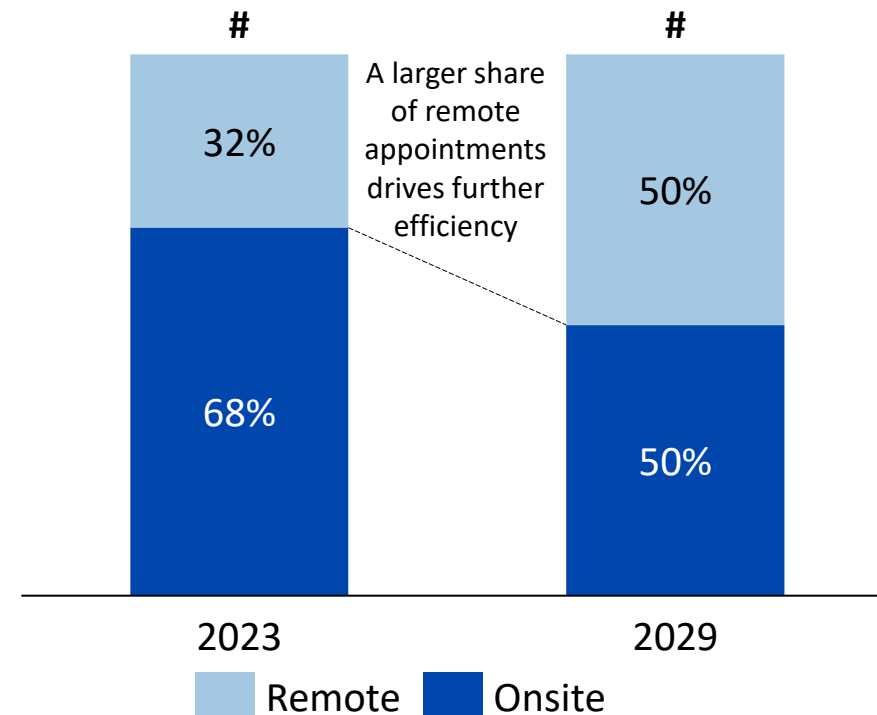
✓ PANADOL FORTE, 1000 mg 15.12.2023

Ella can increase appointment productivity fivefold in chat, and enhance medical quality

Ella can increase productivity in chat by up to 5x



Further opportunity from channel mix optimisation



In physical appointments, Ella enhances professional UX and care compliance

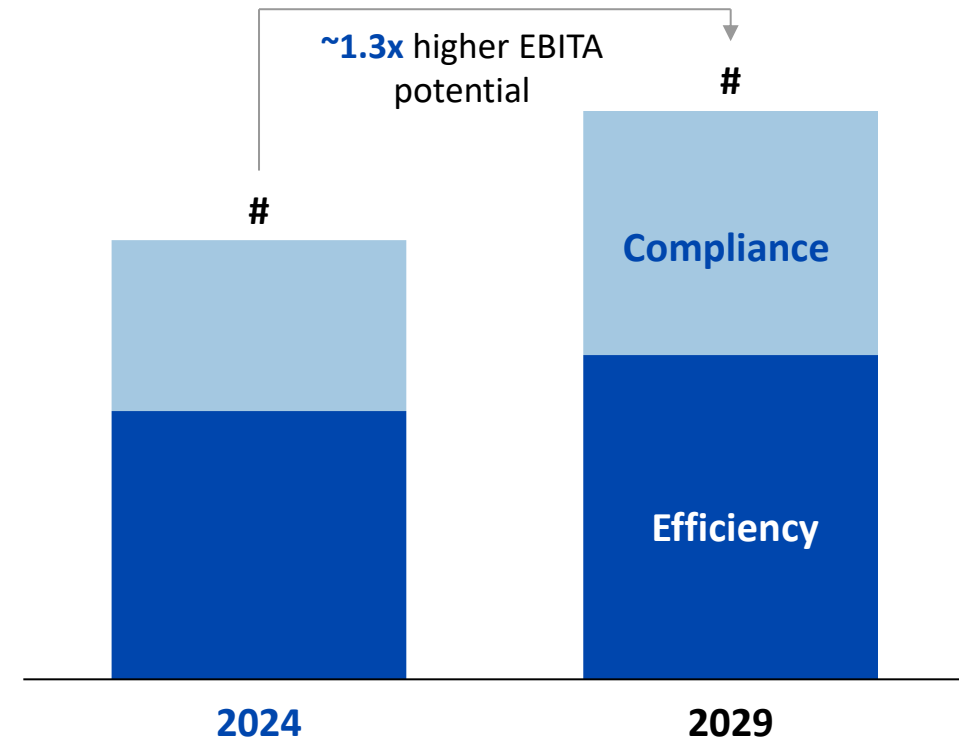
Competitive edge from efficiency, UX and care compliance

Efficiency: increase # appointments per day per professional

Professional UX: Engage professionals through superior UX and data

Care compliance: "Easy to do right" according to national medical guidelines

Higher care compliance improves medical quality and profitability



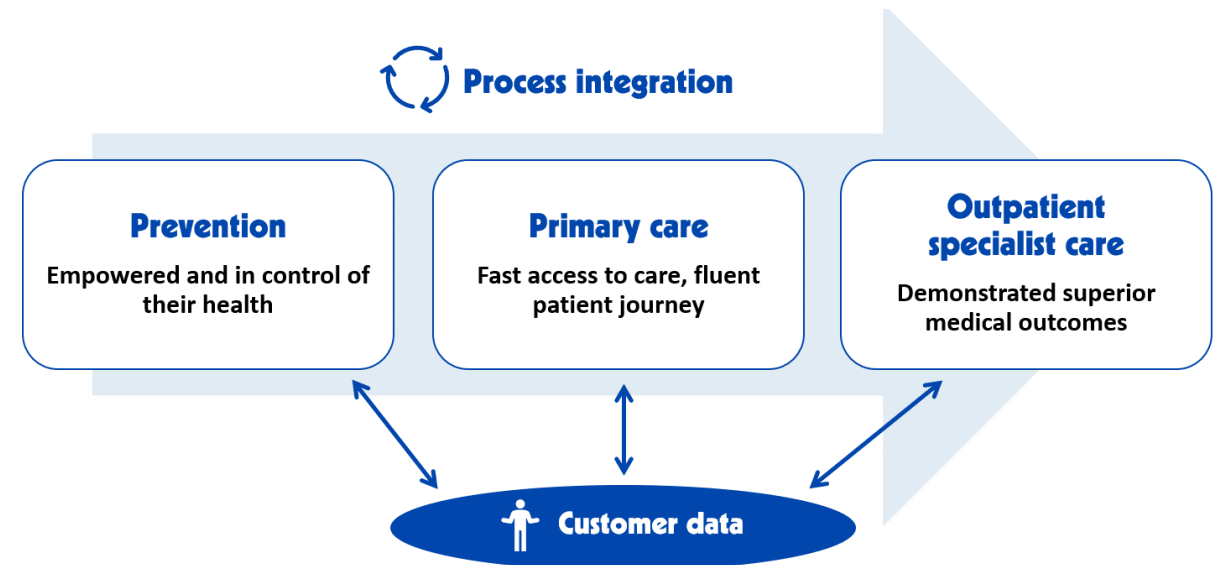
We deliver superior patient, payor, and professional experiences through data integration

Ella personalizes healthcare, creating an innovative, patient-centric experience.

Our data analysis identifies over 500,000 risks annually to ensure proactive care pathways.

Self-triage capabilities generate over 1 million precise data points, enhancing decision-making.

Combining process and customer data demonstrates tangible care efficacy and positive outcomes for payors.



Competitive advantage through digital solutions

- 1.** We have a track record of creating award-winning digital solutions that deliver value – achieving over 50 million euros in annual efficiency gains
- 2.** Digital solutions can enhance productivity significantly, with a fivefold improvement potential in chat appointments and a 40% cost reduction potential in transactional processes
- 3.** In physical appointments, our new generation EMR Ella enhances professional UX and care compliance
- 4.** We deliver superior patient, payor, and professional experiences through data integration
- 5.** Data is the foundation for efficiency and customer experience - With our comprehensive data and process integration, we are well-positioned to lead the development

Superior value with integrated care

Petteri Lankinen, Chief Medical Officer



Terveystalo

Fluent, caring and effective integrated care

We understand our customers and their needs

We prevent and manage health risks

We guide patients to the right service and treatment

We take care throughout the care path from booking to recovery

We cooperate as teams of experts

We measure and improve our outcomes

Prevention

- Health promotion
- Early detection
- Patient selection

Steering

- Customer steering to the right care
- Resource steering to the right services

Care paths

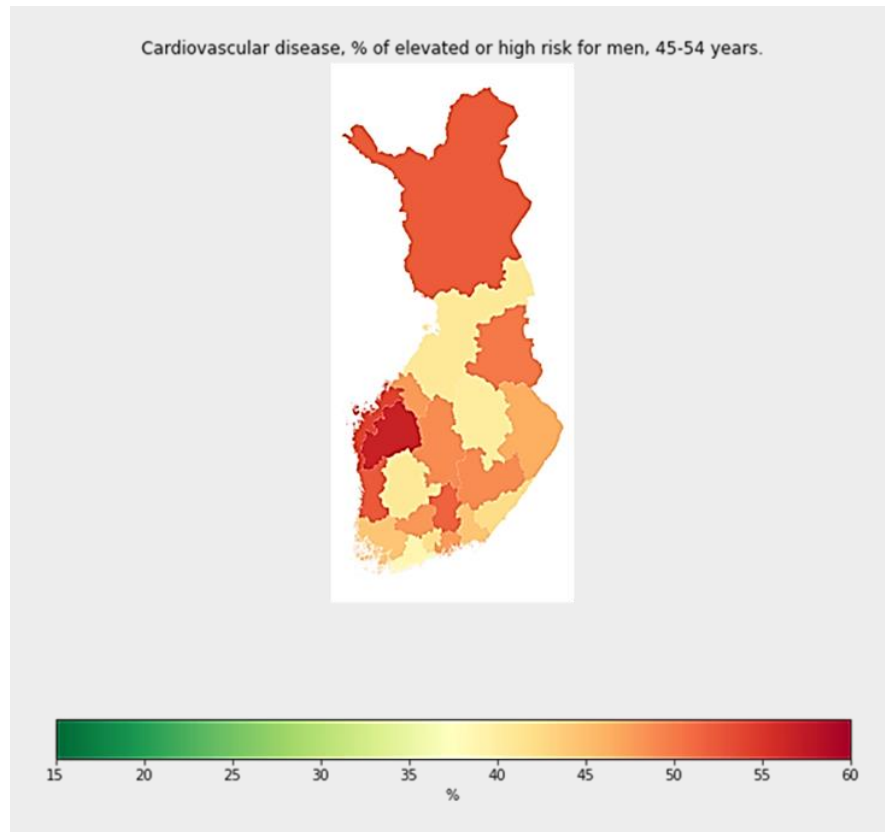
- Care protocols in multidisciplinary teams
- Care paths and continuity of care

Follow-up

- Customer management
- Measuring care outcomes
- Supporting well-being

Value for customers, professionals, society, and our business

Effective prevention has a huge potential impact on work ability and public health



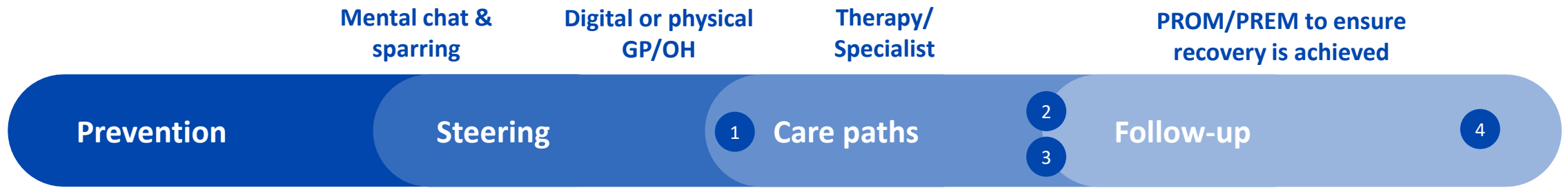
More than one in ten men over 55 will develop type 2 diabetes within ten years.

People with diabetes are 3x more likely to be unable to work and have significantly higher rates of sickness absence.

The risk of disability is already elevated three years before the diagnosis and increases until the year of diagnosis.



Integrated care generates the best outcomes in mental health



1 INNOVATION

Investing in the improvement of care & business models

- Data platform captures real-time results, and professionals adjust care
- Data generated helps optimize face-to-face vs. remote care share

2 VALUE CAPTURE

Patients & payers satisfied with the experience and value

- '21-'23 OH brief psychotherapy sales growth: +149%

3 CUSTOMER EXPERIENCE

Patients more committed and payers more likely to offer the benefit

- Focus unit NPS: 91.3

4 OUTCOMES

Integrated model improves holistic outcomes

- 12 months ROI 6,19
- Workability: -45% mental health sick days

Specialist Care Case Study:

Addressing obesity - From scalable digital solutions to surgical interventions

Obesity among Finns is increasing, reducing work ability –
Terveystalo model is scalable with proven results for patients and payors:

Digital coaching

- ✓ Proven concept with integrated outcome measurement in all services.
- ✓ Focus on scalable digital services, particularly for OH customers as demand rises.
- ✓ Measuring important factors to the patient.

Nutritionist consultation/ Psychological support

Pharmacotherapy

Surgery

- ✓ Demonstrated results for patients and payors.
- ✓ Ensuring and documenting value creation throughout the value chain.
- ✓ International benchmarking, achieving top standards globally.

We deliver superior value with integrated care

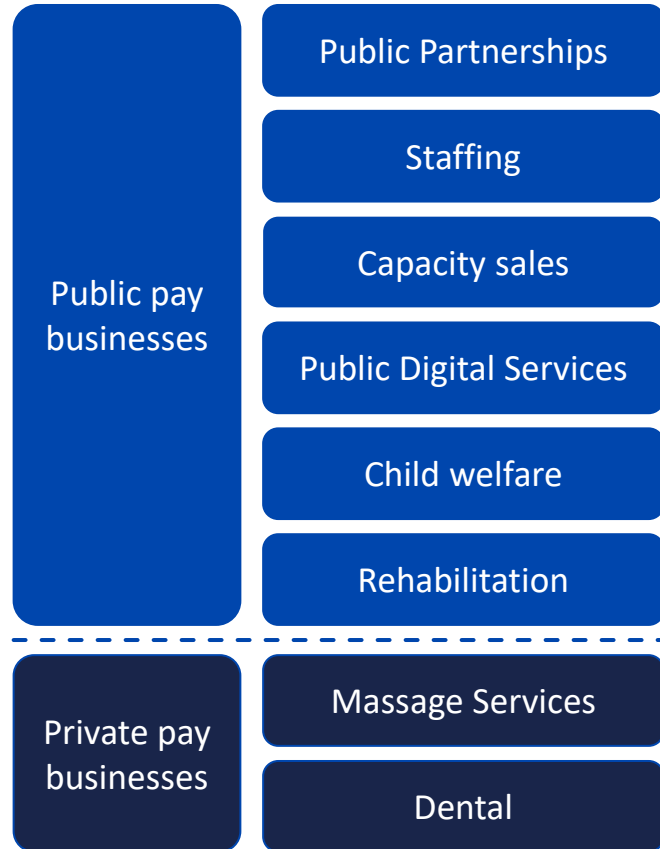
- 1.** We develop world-class health promotion and prevention strategies with proven effectiveness and population-level impact.
- 2.** Integrated care and medical excellence enhance wellbeing and health on an individual and population level, supporting sustainable growth and societal impact.
- 3.** We offer transparent and straightforward patient journeys that enhance patient engagement and improve medical outcomes.
- 4.** Digitalisation plays a major role in developing medical excellence and professional experience.
- 5.** Integrated care, medical excellence and customer value are key components in sustainability and societal impact creating general wellbeing and health for population

Maximising value in Portfolio businesses

Henri Mäenalanen, EVP



We have clear priorities for maximising the value of our portfolio



Focus on network capacity sales, staffing & digital services

Prepare for market ramp-up in new partnership models



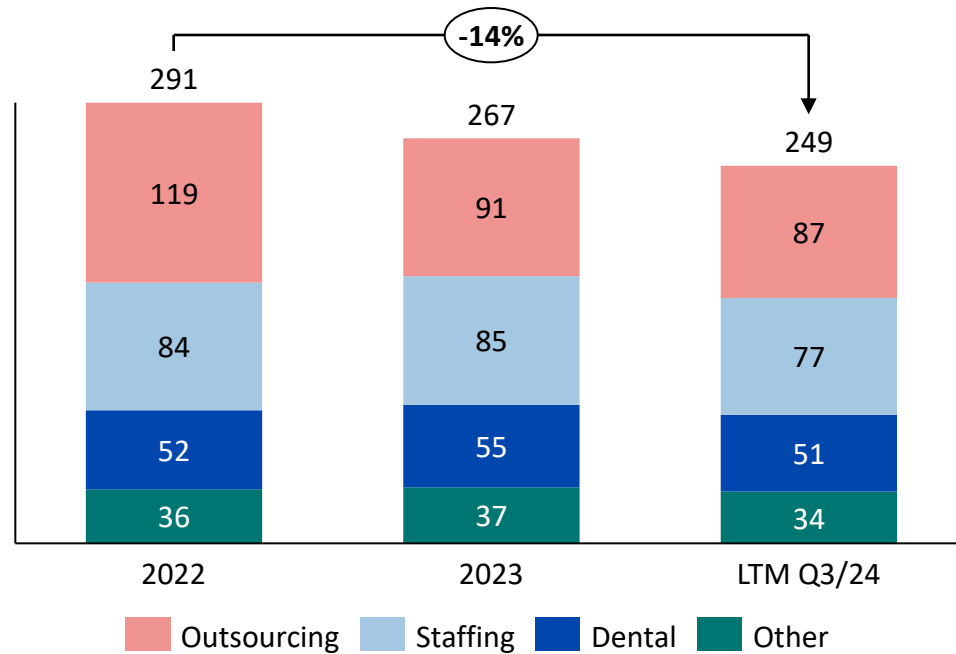
Turnaround and growth in private pay businesses

Our targets

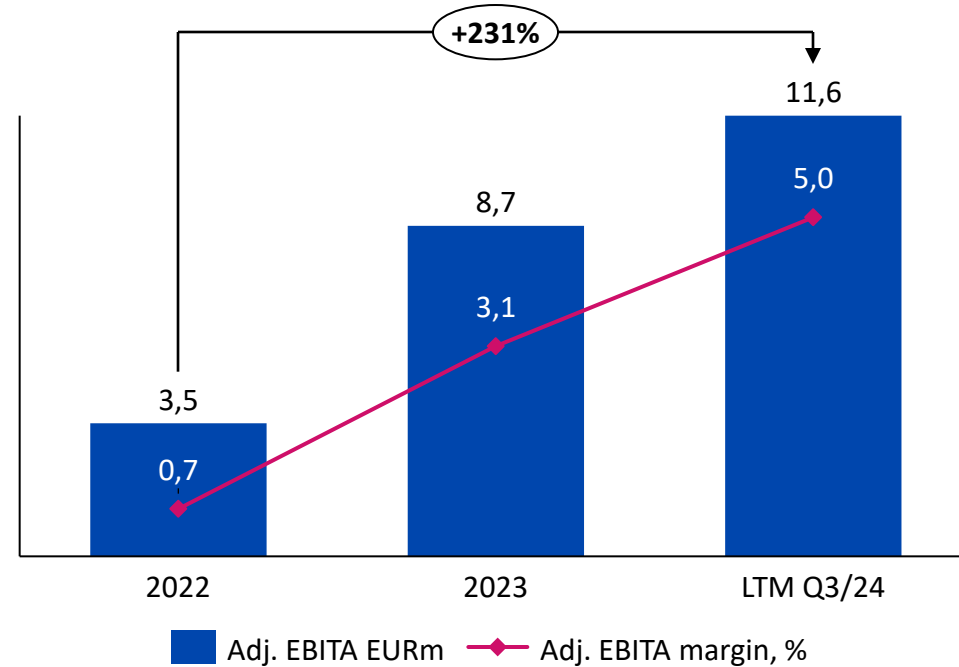


We have already made significant progress

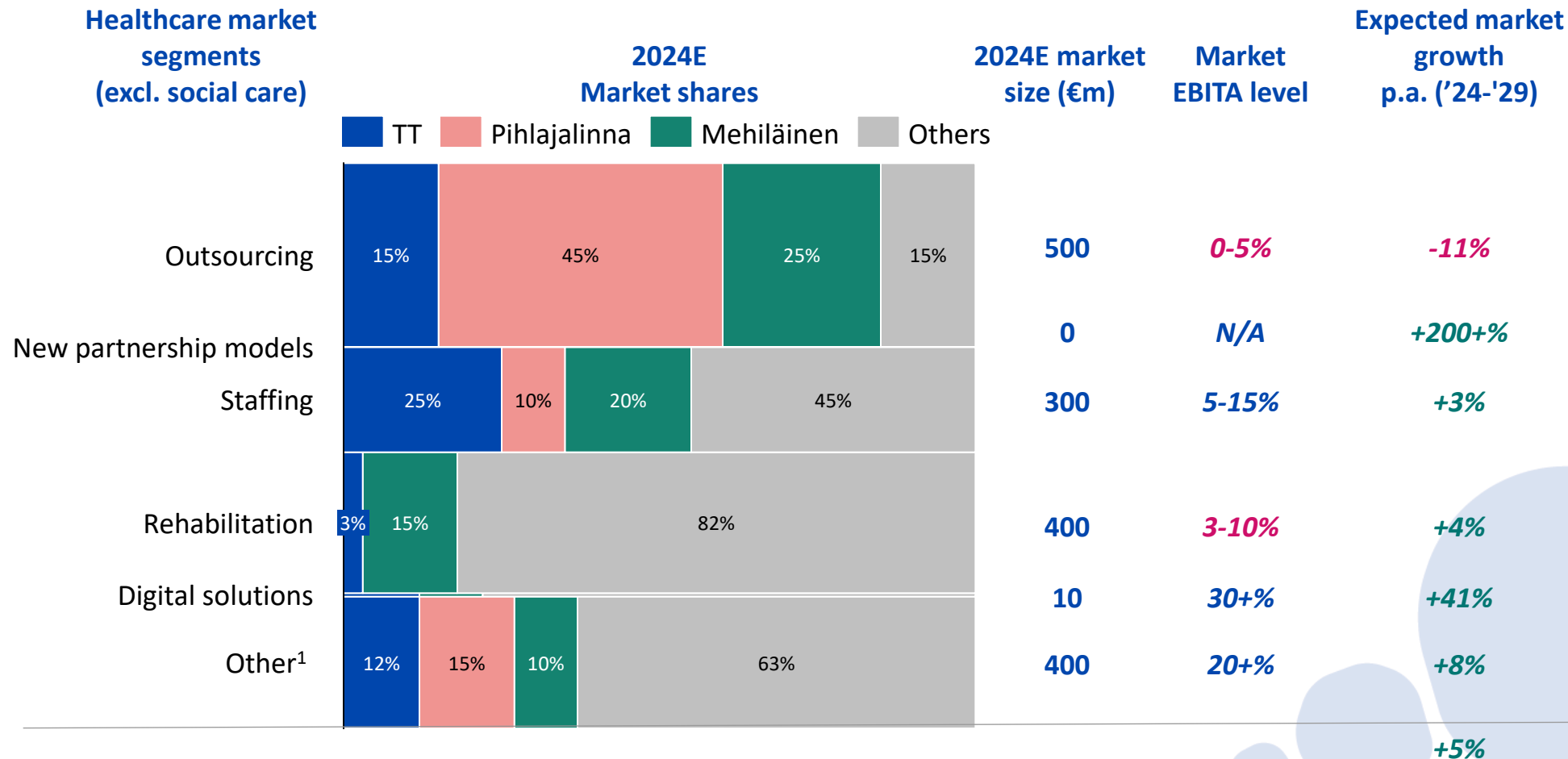
Planned decline in revenue due to ending of legacy outsourcings



While successfully strengthening profitability

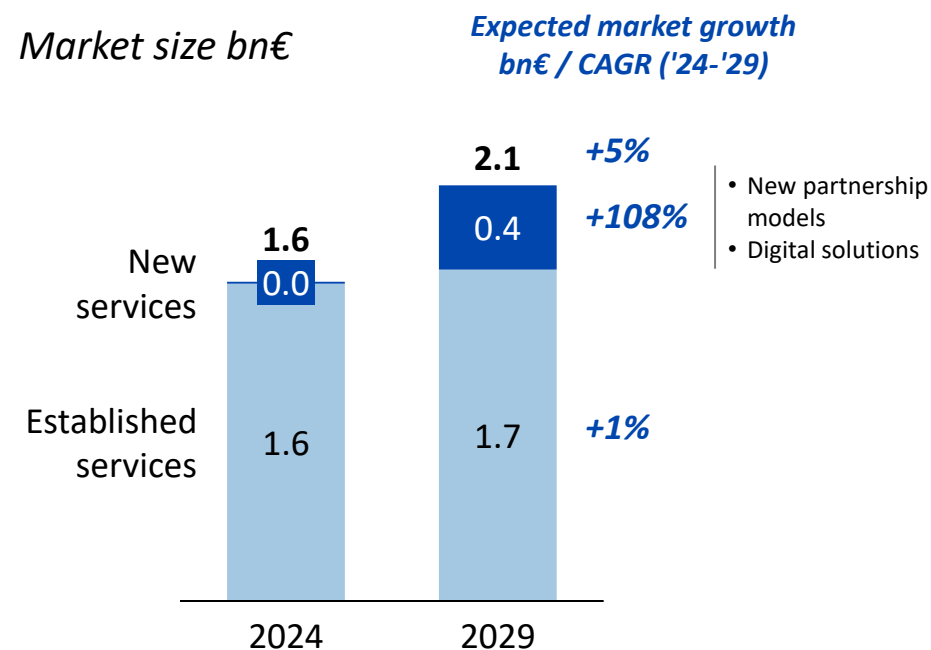


We have a solid position in growing, high-margin public pay segments

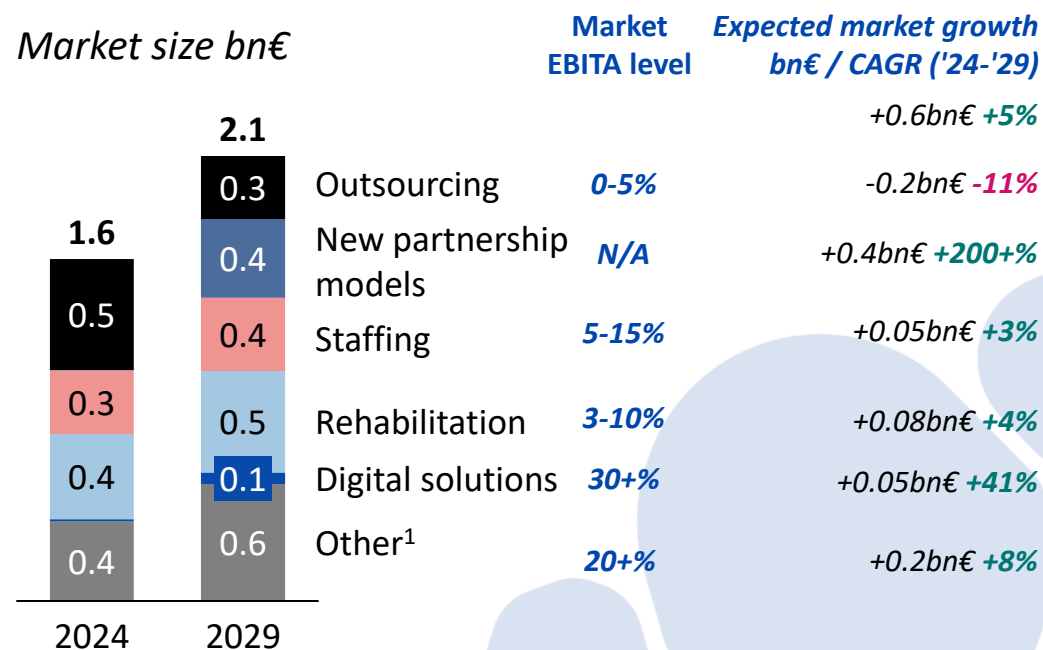


Underlying market will grow but the service mix will change

Overall market grows – largest growth from new services



Outsourcing to decline, converting into new services



We are well positioned to capture upside potential of the key public market trends

Growing aging population

Potential to expand staffing and partnerships

Kela-reimbursement pilot for +65-year-olds

Public healthcare backlog

Capture with current Healthcare services network capacity sales, staffing, and public partnerships

Adoption of new digital services

Digital solution sales to increase productivity

Optional add-on service sales

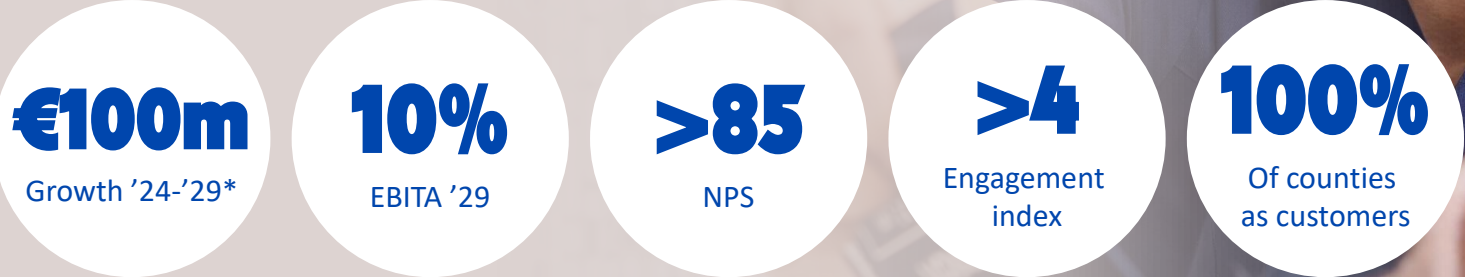
Growing demand for child and youth services

Low threshold mental health services

Staffing services

Our goal is to become the most sought-after partner for Wellbeing Services Counties

Our targets for the renewed partnership model



Terveystalo
TERVEYSKUMPPANI

#1

Strengthen customer relationships

New organisational model and roles to enable deeper cooperation with Wellbeing services counties.

#2

Accelerate growth in focus areas

Growth from new partnership models, staffing services, new digital services, and Healthcare services network capacity sales.

#3

We are ready for market opening

Active development of new solutions.

A strengthened Public Affairs team supports us in understanding the market and our customers.

Dental health is a key part of integrated care



Common gum infection can have serious implications on multiple disciplines of health

Gum infection, also known as periodontitis is visible in 72% of population¹



Can lead to additional diagnosis

Increases the risk of cardiac arrest, stroke, dementia, diabetes and its adjacent diseases



Complicates treatment of existing conditions

E.g., rheumatism and diabetes



Hinders surgery recovery and may be a barrier to larger surgeries

Especially prosthesis, that are prone to infection

1. Aged above 19 years Source: Stødle, I. H., ym. Prevalence of periodontitis based on the 2017 classification in a Norwegian population: The HUNT study. J Clin Periodontol 2021; 48: 1189–1199. doi.org/10.1111/jcpe.13507; Terveystalo dentist expertise

Terveystalo has a national network and a comprehensive range of dental services



650

Healthcare professionals



90%

Private customers



>300

Dentists



55M€

Sales in 2023



31

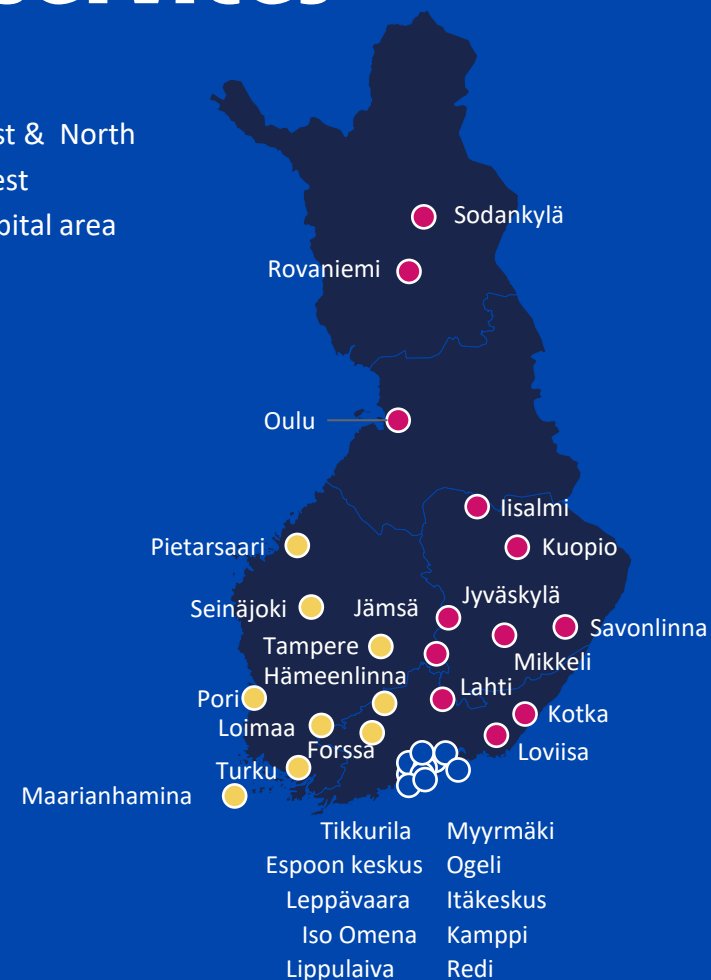
Units



4th

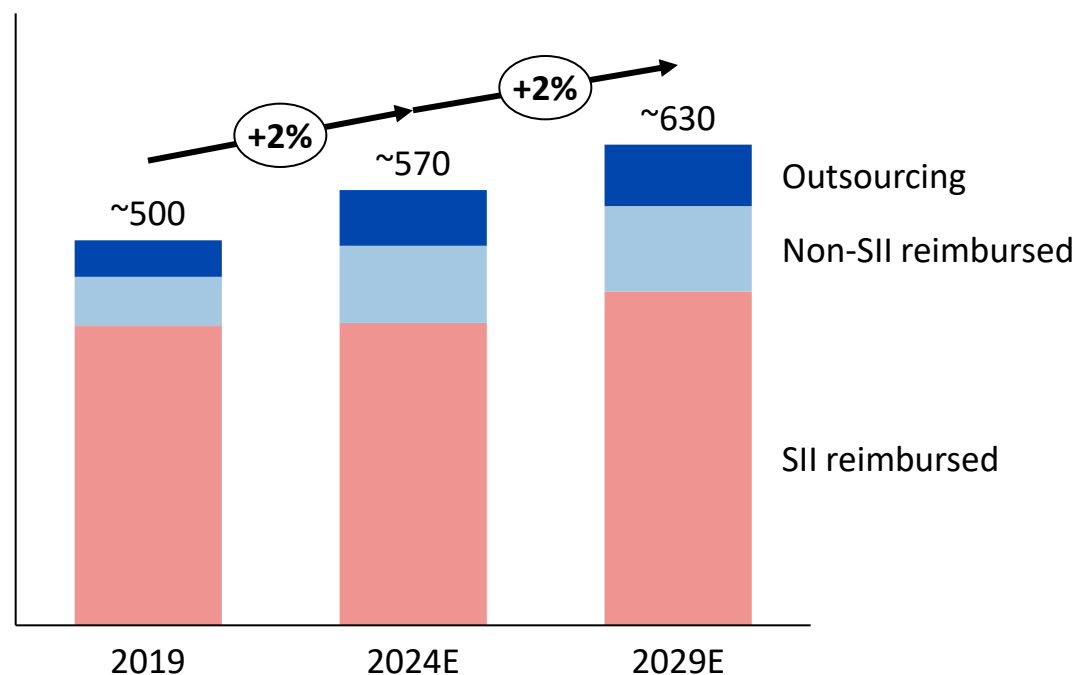
Largest Dental provider in Finland

- East & North
- West
- Capital area



EUR 500+ million dental market to grow at +2% CAGR in 2024-2029

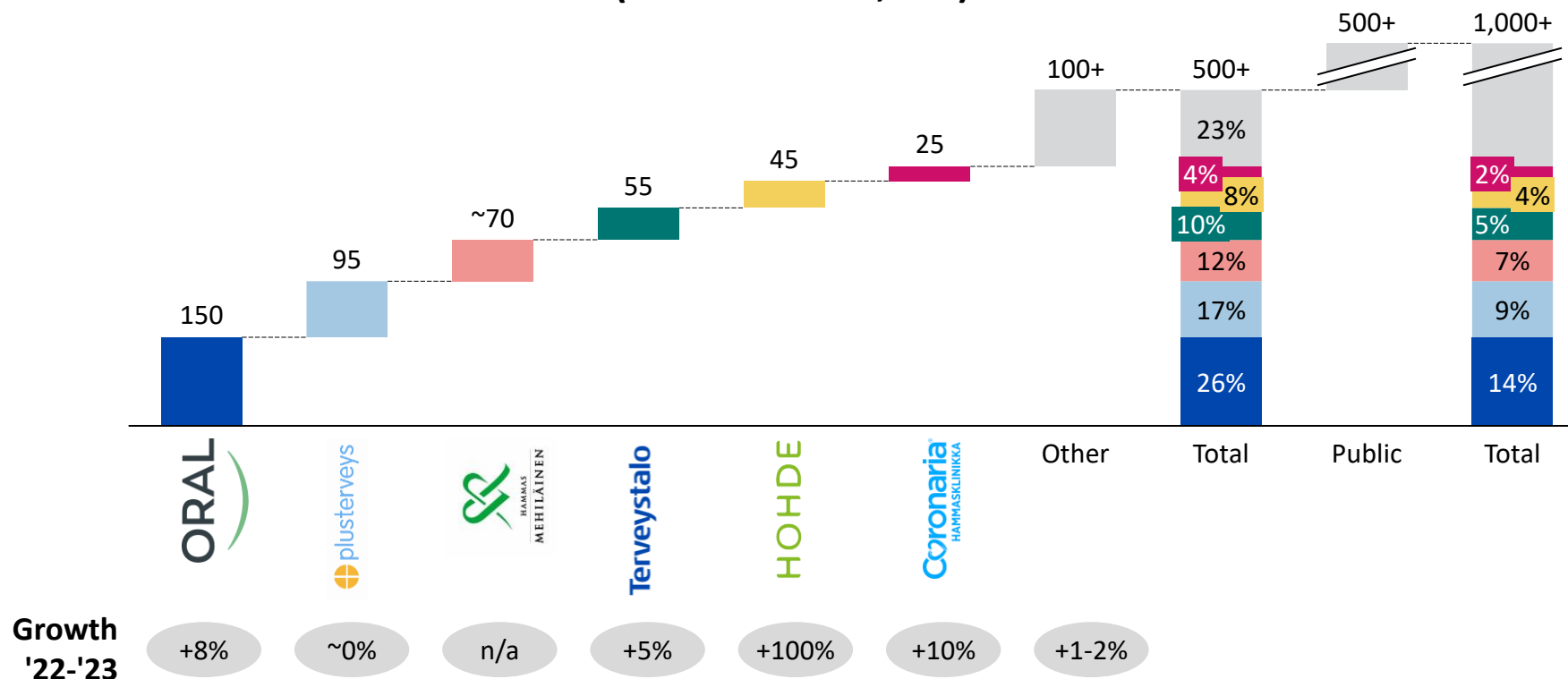
Market size (€m)



- **Public sector dental care resources are limited**, leading to long waiting times and **driving demand to the private sector**
- **The aging population** increases demand for all healthcare services, including Dental
- The customer base for **occupational health and insurance-backed dental services** is consistently **growing**

There is room to grow our dental business

Finnish Dental care market (Revenue 2023, M€)



The Finnish Dental care market has several nationwide and regional companies as well as a large number of local players:

- 6 large dental chains and many small, independent clinics
- Potential for further consolidation

We aim to become one of the largest and most profitable dental care companies in Finland

We see dental health as a key part of overall health and well-being

Value proposition

We deliver a full spectrum of health services under one umbrella, including dental care both for private and occupational healthcare customers

Comprehensive dental care services from regular check-ups to specialist treatments and dental hygiene care



**Double revenue
and reach an
industry-leading
profitability
within the next
5 years**

We have a strong foundation for growth and doubling our margin

- 1.** We are well positioned to capture public market upside potential with limited downside risk
- 2.** Our focus in public pay is on high margin, value add services, and capacity sales to optimise margin
- 3.** In Dental, we focus on building scale and doubling our revenue while delivering a material improvement in profitability
- 4.** We have clear priorities and target 5% revenue growth and doubling our EBITA margin by 2029



From Turnaround to Market Leader

Stefan Kullgren, CEO of Feelgood Sweden

We are 100% focused on delivering the turnaround, after which, we see opportunities for profitable growth

- 1.** We have a strong position in the Swedish Occupational health market, recently hindered by macro headwinds
- 2.** Recent contract losses impacted our margin development short-term
- 3.** Our profit improvement program is showing initial signs of success
- 4.** Going forward, these measures will allow a rapid recovery followed by a gradual strengthening of profitability
- 5.** Feelgood and Terveystalo together form an attractive platform for further expansion in the Swedish market

Feelgood is a leading occupational health provider for modern working life



4x

Specialist areas



86M€

Sales in LTM Q3/2024



+800

Health Specialists



8,000

Customers



+140

Units nationwide
(incl partners)



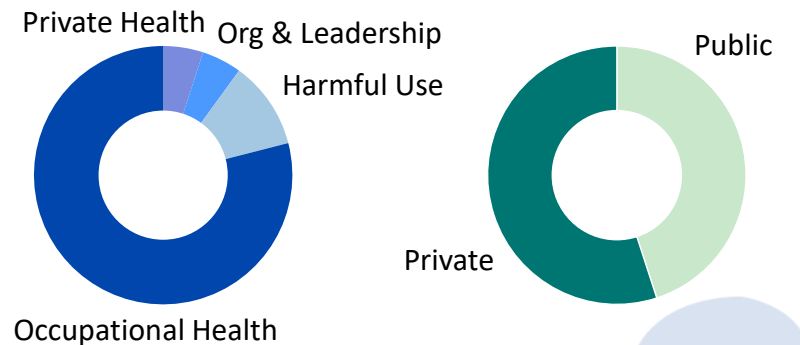
1,000,000

Customer employees

Revenue breakdown ltm q3/2024

By specialist area

By customer type



Feelgood Concept

Vision

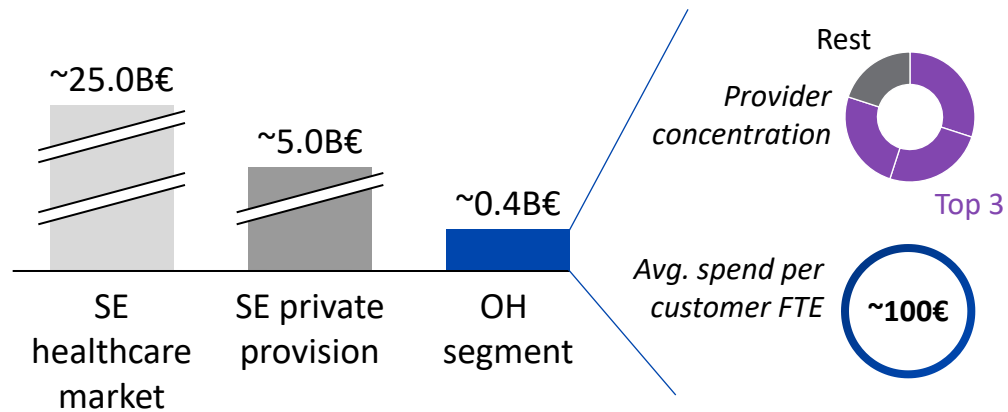
The healthiest
customers in the
Nordics

Mission

Improve people's
well-being and
sustainability

We have a strong position in the Swedish Occupational health market, recently hindered by macro headwinds

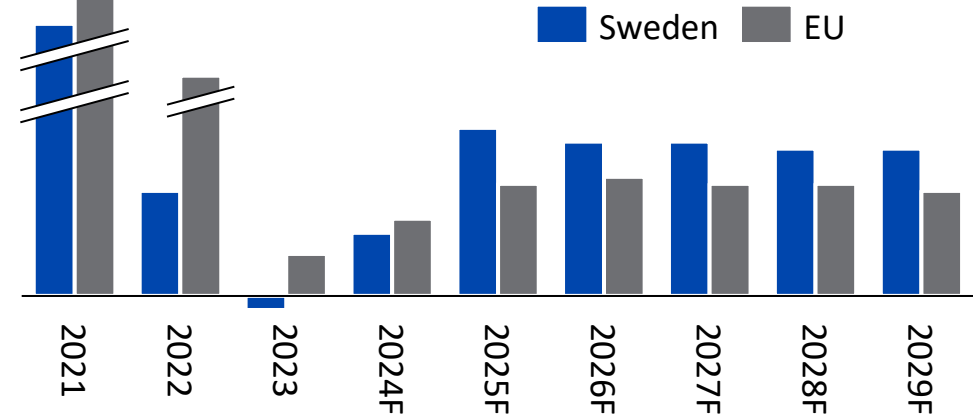
We have a strong position as a top 3 player in a niche market



Occupational health in Sweden is entirely customer-funded, with minimal mandatory services and no government subsidies, making it sensitive to economic cycles...

Market challenged short-term, will recover mid-term propelled e.G., By recent interest rate cuts

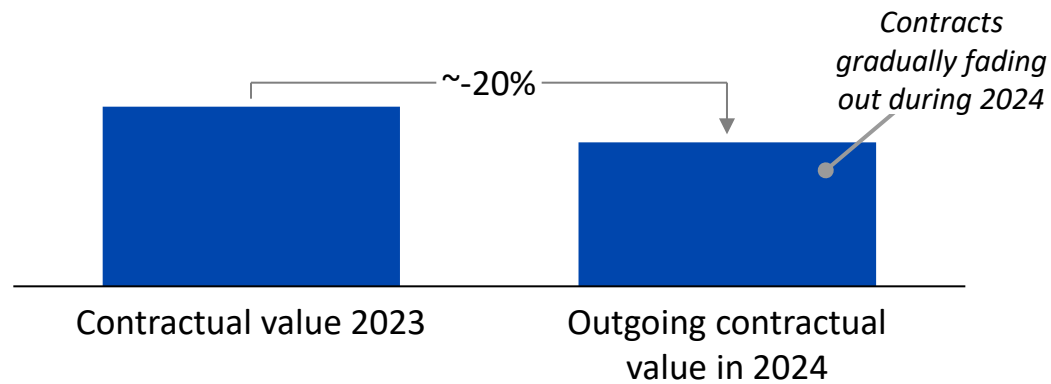
Real GDP annual growth. % 2021-2029F



...where we are coming from a challenging underlying market but now see early signs of turnaround

Recent contract losses impacted our margin development short-term

Contract losses in late 2023 due to intense price competition and reduced demand...



Shift in demand towards mandatory services

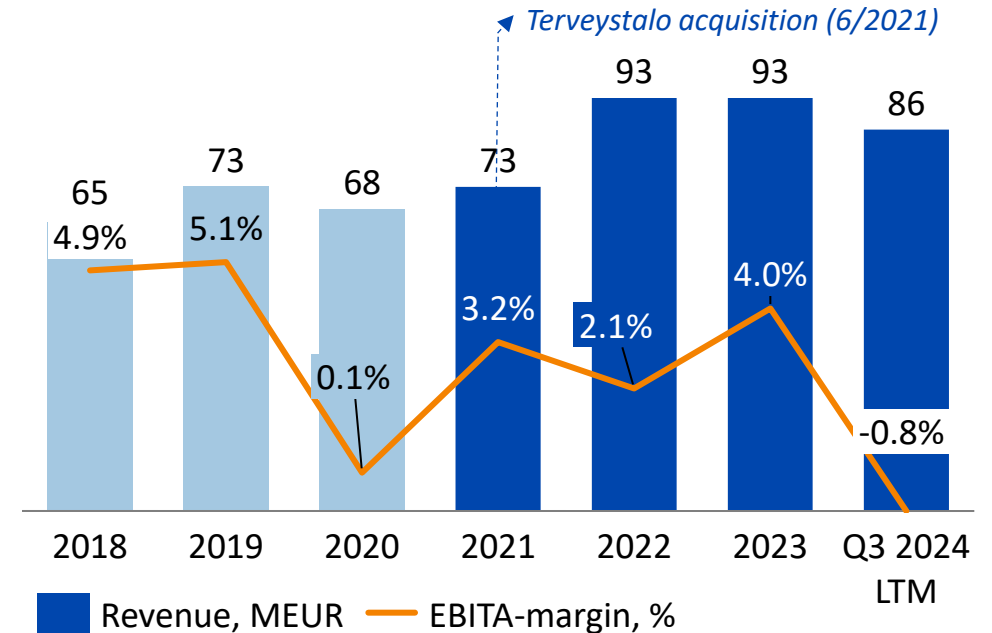


Cancellations of larger health projects



New tenders primarily **focusing on price**

...Leading to temporary offset of margin improvement trend since 2020



A profit improvement program launched to reverse the trend

Our profit improvement program is showing initial signs of success

Objective

At least SEK 120 mill. Annual run-rate EBITA improvement during 2025

Priorities on track

Operations

SG&A

Commercial

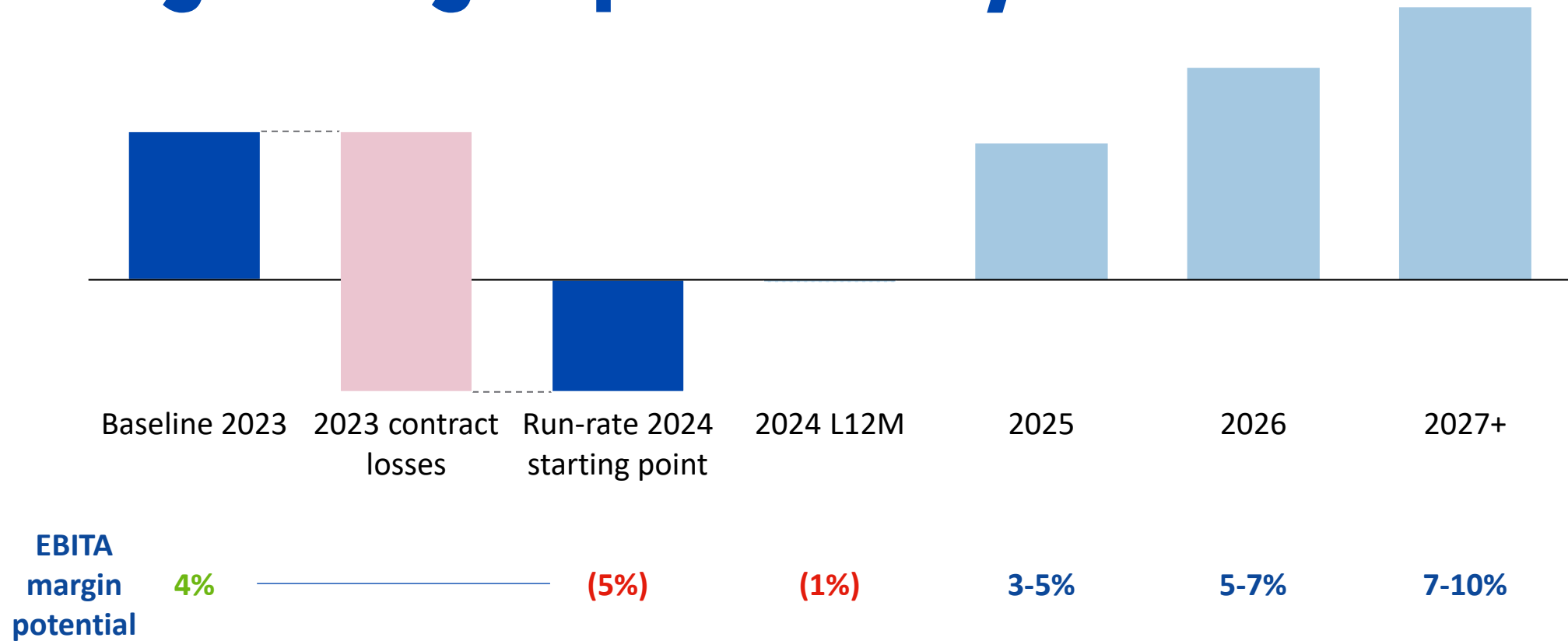
Customer admin

~Already 40 initiatives in execution

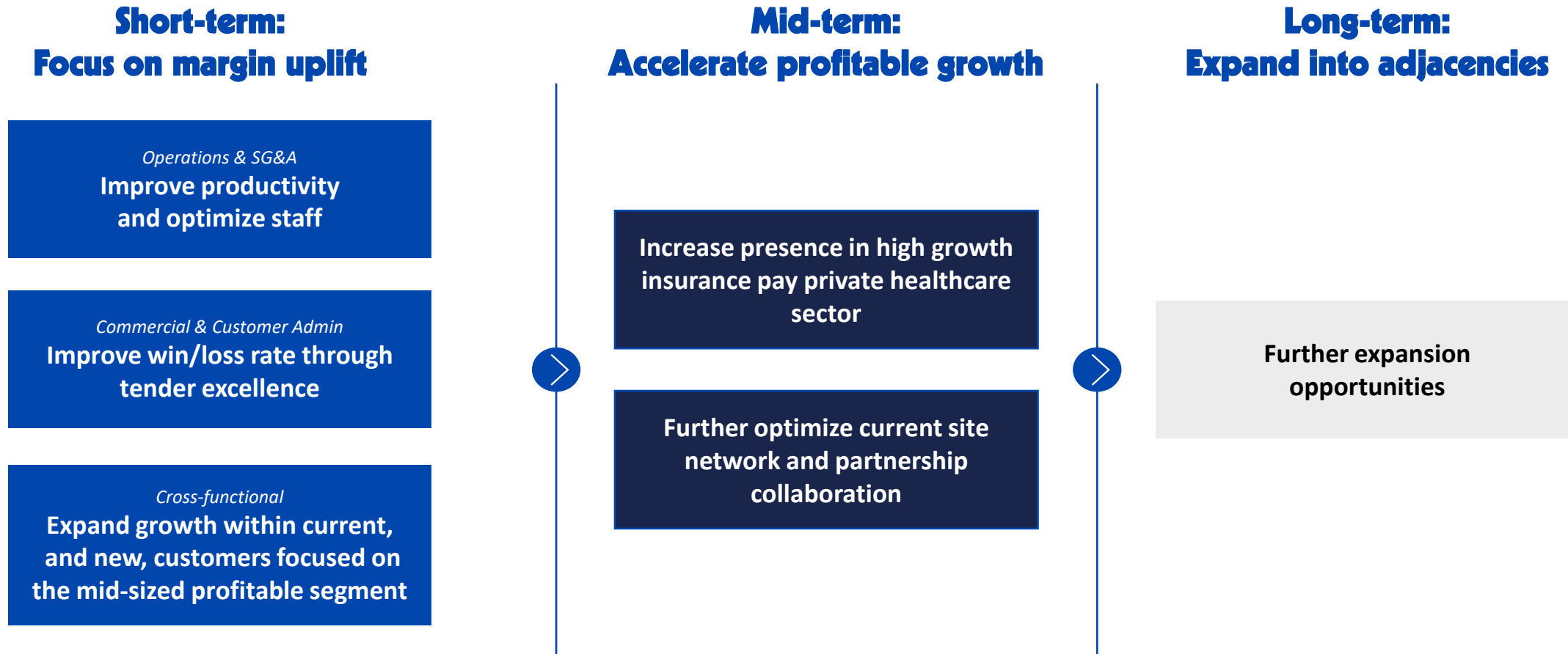
Examples of targets delivered

- 15%** Optimization of operative and administrative staff
- >10%** Productivity uplift
- 5%** Run-rate savings in addressed facility costs
- +++** Improved win/loss rate during last 6 months

Going forward, these measures will allow a rapid recovery followed by a gradual strengthening of profitability



Near-term focus on margin uplift, followed by profitable growth in mid-, to long-term



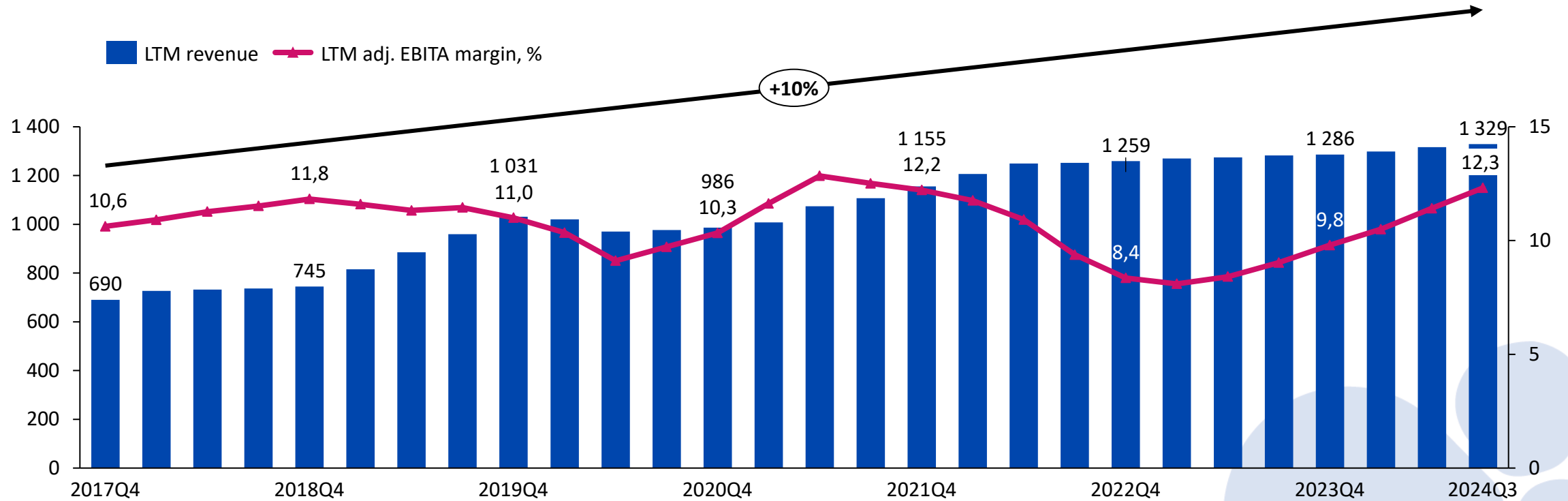
Financial performance, and targets | Focus on continuous improvement

Juuso Pajunen, CFO



Terveystalo

We have momentum entering a new phase as a listed company



Market consolidation – focus on growth and market share

Alpha and back to basics

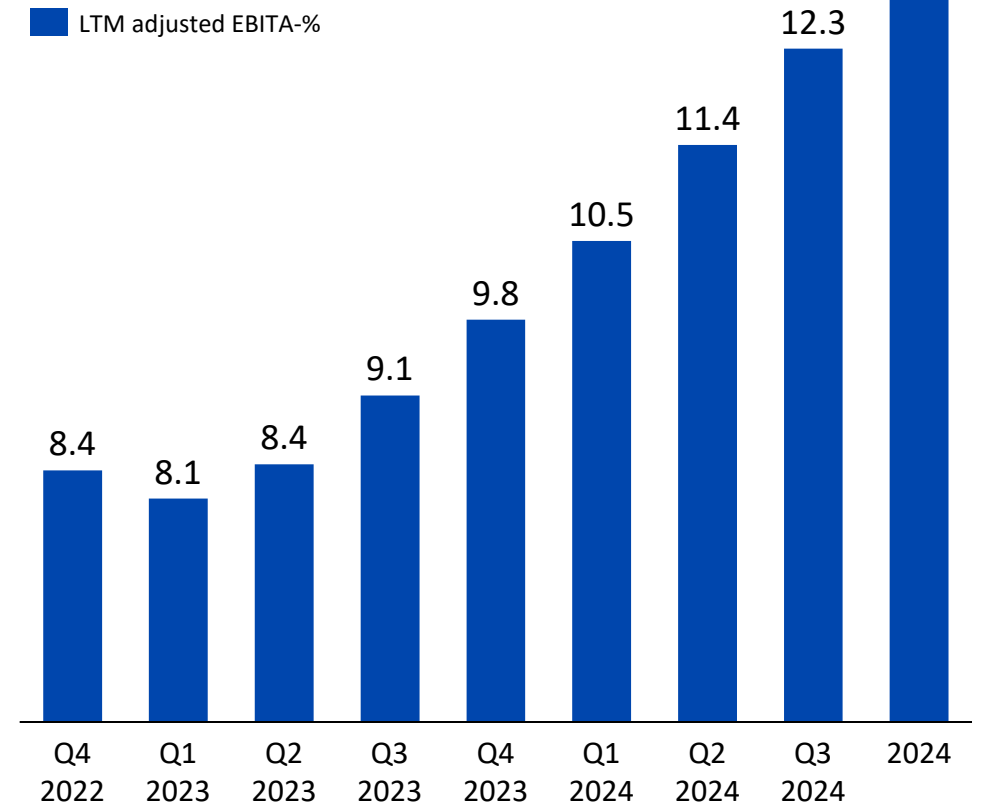
COVID-19 overshadowing everything

We have a structurally stronger foundation with a lower risk profile

WE HAVE SUCCESSFULLY DECREASED OUR RISK PROFILE

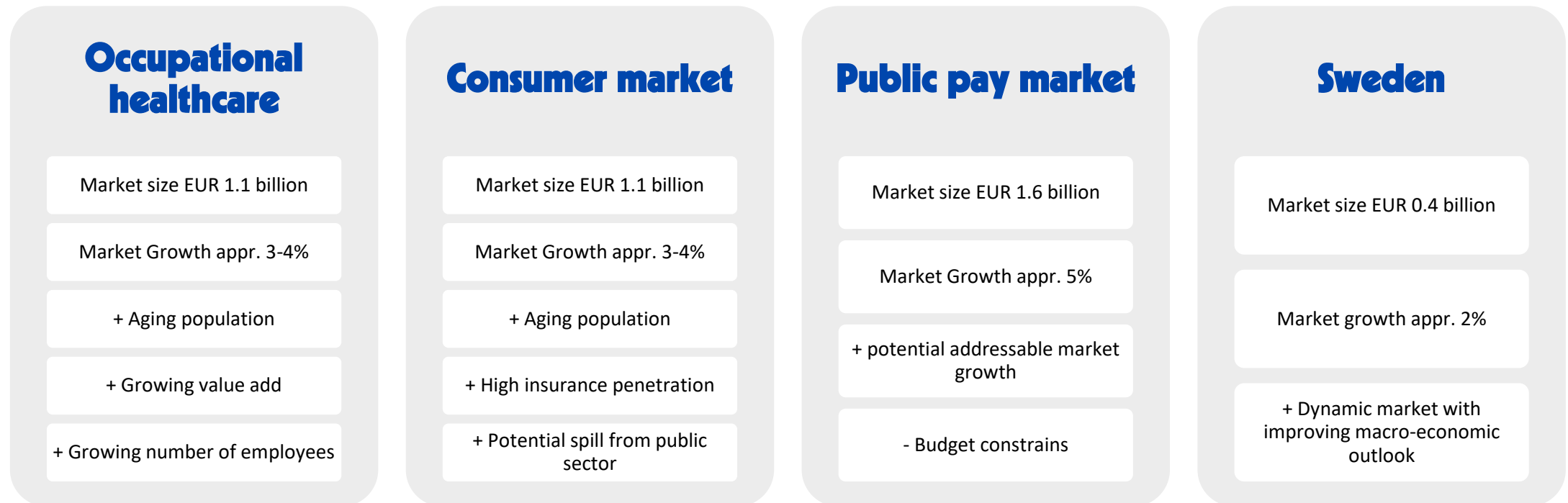
- ✓ Appointments are more profitable, decreasing the risk to our margins
- ✓ Less exposure to legacy outsourcing business
- ✓ Stronger financial position due to deleveraging

UPGRADED 2024 ADJUSTED EBITA GUIDANCE 12.5-13.1%



Market fundamentals continue to support our growth

The healthcare market is growing faster than the overall economy due to its fundamentals



Aging population, advancements in medical treatment, and a growing interest in personal well-being increase demand

We continue to focus on efficiency and productivity

We have four levers to drive efficiency

Operating leverage:

- Strong, de-risked foundation
- Further benefit from volume growth

Digitalisation:

- Automate to decrease costs and increase productivity
- Improve access to care
- Optimise channel mix
- Increase care compliance

Medical quality:

- Focus on meaningful matters – increase of patient facing time and productivity
- Increase value add to customers through efficacy and care compliance

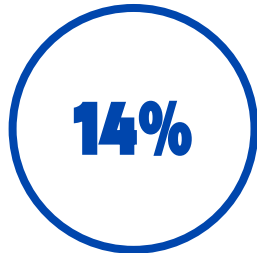
People:

- Continued FTE and supply growth
- Competitive remuneration models
- Strong employer brand

We have made a significant leap in productivity and cost-efficiency



General administration



The decrease of admin FTE has resulted in appr. €10 million savings



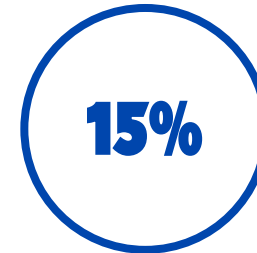
Appointment profitability



New revenue share model, continued transition to digital

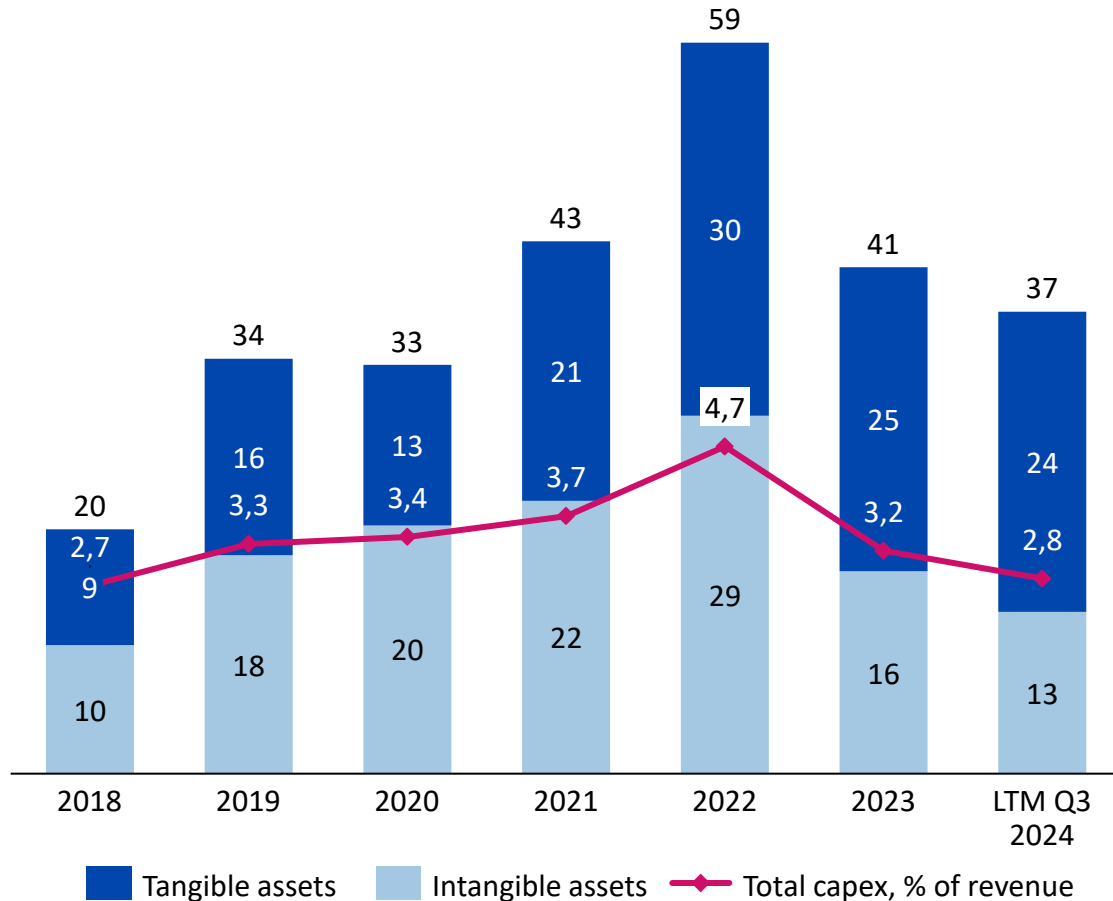


Customer services



The increase of self-service rate in customer service and call centers has decreased FTE by 15%

We invest in organic and disciplined inorganic growth



- Our investment strategy prioritizes 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

Our businesses have different financial profiles and M&A focus

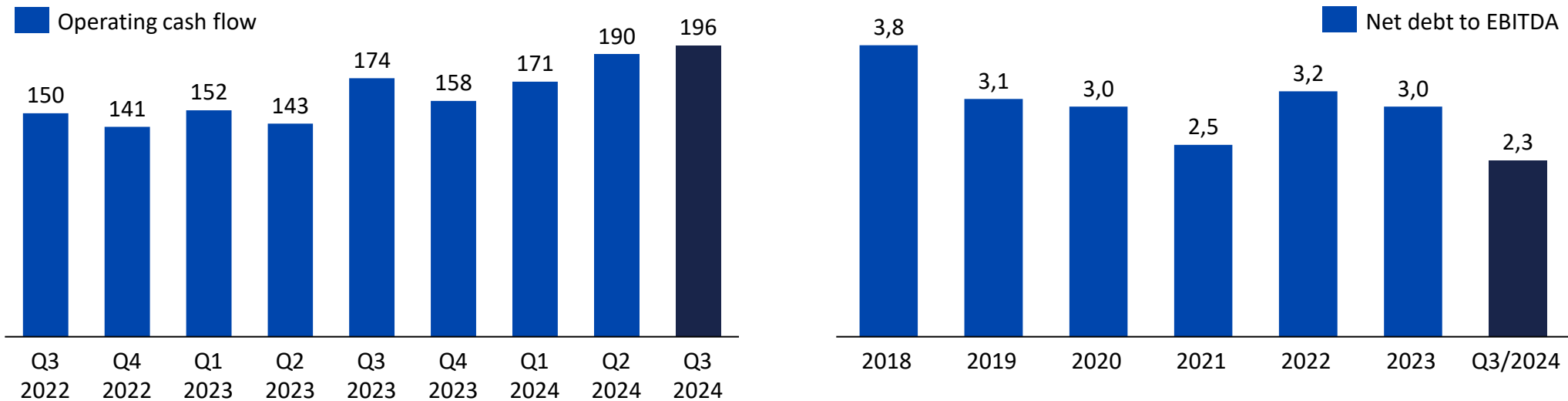
BUSINESS AREA	HEALTHCARE SERVICES	PORTFOLIO BUSINESSES	SWEDEN
LTM Revenue	EUR 1,014 mill.	EUR 249 mill.	EUR 86 mill.
LTM Adj. EBITA margin	15%	5%	-1%
Share of total revenue	76%	19%	7%
Cyclicality	Low	Low-medium	High
Pricing model	Mainly fee-for-service	Various	Mainly fee-for-service
Capital intensity	Medium	Low-medium	Low
EBITA margin potential by 2029	>16%	~10%	~10%

We focus on disciplined, EPS-enhancing acquisitions that align with our value proposition

Logic:	Enhancing our value proposition with esp. technology-driven capabilities	Growth in niches like dental and enhancements to our value proposition	Fixing the base first, then enhancing the value proposition
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A strong financial position supports our strategy execution

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



Focused on growth, dedicated on returns

New financial targets and dividend policy set for medium term

Profitable growth

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

We expect faster earnings per share growth in 2025, as fewer items affecting comparability are expected

Moderate leverage

- **Net debt to EBITDA** not to exceed **2.5x**

Indebtedness may temporarily surpass the target level, particularly in conjunction with acquisitions

Attractive dividends

- **At least 80%** of the net result to be distributed as dividends

The dividend proposal must consider the company's long-term potential and financial status

Driving profit growth and enhancing shareholder value

- 1.** A structurally growing market combined with a solid market position and outstanding medical outcomes enables Terveystalo to grow organically faster than GDP
- 2.** We have transformed to a structurally more profitable and less volatile company
- 3.** We have clear efficiency levers to drive incremental profitability growth
- 4.** Strength of the business allows us to invest in organic growth and disciplined M&A growth
- 5.** Dividends will have increased attention going forward

Closing words

Ville Iho, President and CEO



Terveystalo

As a business, we continue to improve and are well-positioned for continued value creation



- 1.** A leader in an inflation-resilient, growing & profitable private healthcare market, supported by structural megatrends
- 2.** A proven scalable business model and leading digital capabilities
- 3.** Profitable growth building on improved performance
- 4.** Robust cash flow, supporting attractive dividends and investment opportunities
- 5.** Preferred place to work in a supply-constrained market and a positive social impact

Terveystalo

MEANINGFUL MATTERS

terveystalo.com

Appendix