



Interim Report

1 January–30 September 2024



Solid development in organic growth and profitability

This Interim Report is unaudited. The comparison figures in brackets refer to the corresponding period in the previous year.

July–September in brief:

- Revenue amounted to EUR 164.0 (165.6) million – a decrease of -1.0 per cent.
- Comparable organic revenue growth¹⁾ was EUR 13.3 million, or 8.9 per cent.
- In the Private Healthcare Services segment, revenue amounted to EUR 103.7 (93.8) million. Comparable organic revenue growth¹⁾ was 14.0 per cent.
- In the Public Services segment, revenue amounted to EUR 62.9 (75.8) million. Comparable organic revenue¹⁾ remained at previous year's level.
- Adjusted EBITA²⁾ before the amortisation and impairment of intangible assets was EUR 13.5 (9.6) million, an increase of 41.1 per cent.
- Net cash flow from operating activities amounted to EUR 9.0 (6.6) million.
- Earnings per share (EPS) was EUR 0.26 (0.13).
- Profit guidance for 2024 was upgraded on 30 October. The full year adjusted EBITA is expected to increase to EUR 53–56 million (EUR 37.8 million in 2023).

January–September in brief:

- Revenue amounted to EUR 522.0 (537.0) million – a decrease of -2.8 per cent.
- Comparable organic revenue growth¹⁾ was EUR 37.5 million, or 7.7 per cent.
- In the Private Healthcare Services segment, revenue amounted to EUR 330.6 (312.3) million. Comparable organic revenue growth¹⁾ was 10.7 per cent.
- In the Public Services segment, revenue amounted to EUR 201.7 (237.5) million. The termination of cost liability for demanding specialised care, the gradual transfer of the services agreement of Jämsän Terveys Oy and other changes to outsourcing agreements decreased revenue by EUR 47.1 million. Comparable organic revenue growth¹⁾ was 1.5 per cent.
- Adjusted EBITA²⁾ before the amortisation and impairment of intangible assets was EUR 39.8 (27.9) million – an increase of 42.7 per cent.
- Net cash flow from operating activities amounted to EUR 67.7 (52.9) million.
- Earnings per share (EPS) was EUR 0.75 (0.44).
- Sickness-related absence rate decreased to 5.4 (5.8) per cent.
- Customer satisfaction improved. NPS for Private Healthcare Services was 84 (79) and NPS for Public Services was 78 (73).

1) The following items have been excluded from the comparison period revenue: the divestment of dental care services, the transfer of cost liability for demanding specialised care, the gradual transfer of Jämsän Terveys Oy's service agreement, other changes to outsourcing agreements, COVID-19 services and transfers between segments.

2) Alternative performance measure. In addition to the IFRS figures, Pihlajalinna presents additional, alternative performance indicators which the company monitors internally and which provide the company's management, investors, stock market analysts and other stakeholders with important additional information concerning the company's financial performance, financial position and cash flows. These performance indicators should not be reviewed separately from the IFRS figures and they should not be considered as replacing the IFRS figures.

Key figures

EUR million	7–9/2024	7–9/2023	change %	1–9/2024	1–9/2023	change %	2023
INCOME STATEMENT							
Revenue	164.0	165.6	-1.0	522.0	537.0	-2.8	720.0
Adjusted EBITA ¹⁾	13.5	9.6	41.1	39.8	27.9	42.7	37.8
Adjusted EBITA, % ¹⁾	8.2	5.8		7.6	5.2		5.2
Operating profit (EBIT)	11.7	7.1	64.5	33.9	22.5	50.6	20.6
Operating profit (EBIT), %	7.1	4.3		6.5	4.2		2.9
Adjusted operating profit (EBIT) ¹⁾	11.7	7.4		34.2	21.4	59.9	29.1
Adjusted operating profit (EBIT), % ¹⁾	7.1	4.4		6.6	4.0		4.0
Profit before tax (EBT)	9.5	4.4	113.8	26.4	14.3	84.0	8.2
SHARE-RELATED INFORMATION							
Earnings per share (EPS), EUR	0.26	0.13	93.1	0.75	0.44	69.9	0.19
Equity per share, EUR				7.20	6.84	5.3	6.56
OTHER KEY FIGURES							
Return on capital employed (ROCE), %				6.4	4.3	48.7	4.0
Return on equity (ROE), %				9.3	7.2	29.6	3.4
Equity ratio, %				26.0	22.6	15.0	22.0
Interest-bearing net debt				324.4	372.2	-12.9	352.7
Net debt/adjusted EBITDA, 12 months ¹⁾				3.4	5.2	-34.4	4.4
Interest-bearing net debt excluding IFRS 16				124.6	155.3	-19.8	142.0
Net debt/adjusted EBITDA, excluding IFRS 16, 12 months ¹⁾				1.9	3.5	-45.6	2.7
Cash flow from operating activities	9.0	6.6	37.0	67.7	52.9	28.1	79.0
Average number of personnel (FTE)				4,449	4,852	-8.3	4,821
Personnel at the end of the period (NOE)				6,505	7,044	-7.7	6,880
Practitioners at the end of the period ²⁾				2,098	2,098	0.0	2,104
NPS, Private Healthcare Services	86.0	80.0		84.0	79.0	6.3	78.2
NPS, Public Services	76.0	77.0		78.0	73.0	6.8	75.5

¹⁾ Significant transactions that are not part of the normal course of business, are related to business acquisition or divestment costs (IFRS 3), are infrequently occurring events or valuation items that do not affect cash flow are treated as adjustment items affecting comparability between financial years. According to Pihlajalinna's definition, such items include, for example, restructuring measures, impairment of assets and the remeasurement of previous assets held by subsidiaries, the costs of closing businesses and business locations, gains and losses on the sale of businesses, cost arising from operational restructuring and the integration of acquired businesses, costs related to the termination of employment relationships as well as fines and corresponding compensation payments. Pihlajalinna has also presented costs according to the IFRS Interpretations Committee's Agenda Decision concerning cloud computing arrangements, and reversals of amortisation, as adjustment items. Cloud computing arrangements costs and reversals of amortisation according to the IFRS Interpretations Committee's Agenda Decision has not been presented as adjustment items since 1 January 2024.

EBITDA adjustments in the quarter amounted to EUR 0.0 (0.4) million and EUR 0.3 (-1.0) million in the financial year. Adjustments to operating profit during the quarter amounted to EUR 0.0 (0.3) million and EUR 0.3 (-1.1) million in the financial year.

²⁾ Dental care services divestment has been excluded from the comparison period.

Pihlajalinna's outlook for 2024, upgraded 30 October 2024

In 2024, Pihlajalinna will focus on organic growth and improving its profitability and financial position.

- The Group expects consolidated revenue to decrease from the previous year's level (EUR 720.0 million in 2023) due to the cost liability for demanding specialised care being transferred to the well-being services county of South Ostrobothnia on 1 January 2024
- The Group expects the adjusted operating profit before the amortisation and impairment of intangible assets (EBITA) to increase to EUR 53–56 million (EUR 37.8 million in 2023)

The Group expects the demand to remain steady.

Slow economic growth and weakened consumer confidence may affect Pihlajalinna's service demand and financial result.

Tuomas Hyyryläinen, CEO:

We have continued our determined measures towards developing Pihlajalinna, and the work is progressing as planned. Organic growth and profitability were strengthened further during the third quarter. At the same time, employee and customer satisfaction have developed favourably.

During the third quarter, the Group's comparable revenue growth grew organically by 8.9 per cent. Profitability improved in both segments. Adjusted EBITA increased to EUR 13.5 million (9.6) and adjusted EBITA margin to 8.2 (5.8) per cent. The strong quarter was supported by the successful expansion of our offering, enhanced service processes in occupational healthcare services and changes in Public Services.

In Private Healthcare Services, business development has advanced well, and in July–September, the segment's comparable revenue grew organically by 14 per cent. The profitability of occupational healthcare continued to develop positively, and collaboration with insurance companies remained strong. Adjusted EBITA increased to EUR 7.3 (5.7) million. We will continue our uncompromising work towards improving segment's profitability.

In Public Services, contract changes in outsourcing operations and adapting operations to the needs of wellbeing services counties, have continued. We uphold a good service level with as much cost-efficiency as possible. During the third quarter, the segment's adjusted EBITA increased to EUR 6.2 (3.9) million.

While we have consistently developed Pihlajalinna, we have also continued our long-term work to ensure leadership and employee satisfaction. Results are visible, as the Group-level Employer Net Promoter Score (eNPS) improved despite changes in Public Services, reaching a total of 9. Particularly in Private Healthcare Services we witnessed good progress with an eNPS of 20 (4). Customer satisfaction has also improved strongly. In Private Healthcare Services, the NPS was 84 (79) and in Public Services it was 78 (73).

We are advancing with determination towards our long-term profitability goal of 9 per cent adjusted EBITA margin. The goal of our operations is to offer even more impactful healthcare services to our customers in order to provide added value to all our stakeholders. This is possible with committed and well-being personnel who thrive at work and through strong partnerships. A warm thank you to all Pihlajalinna employees for their excellent work and to our partners for their collaboration.

The operating environment

Wages in the private healthcare service sector were subject to a general increase of 2.4 per cent in September, and pay scales were increased by 0.51 per cent. Employees will be paid a one-off compensation of EUR 500 in December 2024. The amount and timing of general increases and pay scale increases in 2025 will be determined by the wage increases in the benchmark sectors. The universally binding collective agreement is valid until 2026.

The Finnish Government's measures to improve the operating environment and cooperation in public and private healthcare are moving forward. The Government has decided to reform and expand Kela reimbursements. Reimbursements will be targeted more strongly than before to those doctor's appointments which are difficult to access in the public sector. Kela reimbursements for fertility treatments will be reintroduced and increased, and reimbursements for ophthalmologist, gynaecologist, physiotherapy, dental care and mental health services will be increased.

Reimbursements will also be utilised in the development of the designated personal doctor model, and a freedom-of-choice trial for people aged 65 or over will be launched. In the trial, the service for the customer will be produced by a private operator, but the price for the customer will be the same as the customer fee in the public sector, which is approximately EUR 28. The reforms are targeted at the over 65 age group, a large portion of whom fall outside the scope of occupational health services and are no longer eligible for health insurance coverage. The reforms will enter into effect over several stages in 2025.

Reform of the Health Care Act was changed after the proposed amendments were circulated for comment, among other things, by that the use of a private service provider for day surgery and short-stay surgery, such as joint replacement surgery, will still be possible in the future when the care guarantee is at risk of not being realised.

According to the Finnish Institute for Health and Welfare, over 166,000 patients were waiting for access to non-urgent specialised care in the wellbeing services counties at the end of August. Some 18 per cent of the people in the queues had waited for access to care for over six months. This is the highest figure on record in the statistics published by the Finnish Institute for Health and Welfare, which date back to 2007. Valvira has ordered 14 wellbeing services counties and the Helsinki and Uusimaa Hospital District (HUS) to bring access to non-urgent specialized healthcare in line with the law by March 31 2025, at the latest.

The private sector produces more than half of all appointments with physicians. Nearly two million Finns are covered by occupational healthcare services, and occupational healthcare expenses account for approximately four per cent of healthcare expenses. Approximately 1.3 million Finns have private medical expenses insurance. The growth rate is highest for insurance taken out by the adult population.

The value added tax rate rose from 24 per cent to 25.5 per cent at the beginning of September. The rise in the VAT rate increases costs in the industry.

Consolidated revenue and result

July–September 2024

Revenue

Pihlajalinna's revenue was EUR 164.0 (165.6) million, a decrease of -1.0 per cent. In Public Services, the termination of cost liability for demanding specialised care, the gradual transfer of the services agreement

of Jämsän Terveys Oy and other changes to outsourcing agreements decreased revenue by EUR 14.8 million. Pihlajalinna's comparable organic revenue¹⁾ growth was EUR 13.3 million, or 8.9 per cent.

Profitability

Adjusted operating profit before amortisation and impairment of intangible assets (EBITA) was EUR 13.5 (9.6) million. Adjusted EBITA margin was 8.2 (5.8) per cent. Adjustments to EBIT amounted to EUR 0.0 (0.3) million. Profitability improved due to efficiency improvement measures in Public Services and in Private Healthcare Services, due to successful increase in supply and enhanced service processes, particularly in occupational healthcare services. Profitability in the quarter was negatively affected by write downs related to business premises, which were recognised based on the management's judgment, and provisions for property renovation and maintenance responsibilities. These had a total negative effect of EUR 2.9 million on profitability.

Pihlajalinna's EBIT was EUR 11.7 (7.1) million.

The Group's net financial expenses amounted to EUR -2.2 (-2.7) million. Profit before taxes was EUR 9.5 (4.4) million.

Profit for the quarter was EUR 7.2 (3.3) million. Earnings per share (EPS) was EUR 0.26 (0.13).

January–September 2024

Revenue

Pihlajalinna's revenue was EUR 522.0 (537.0) million, a decrease of -2.8 per cent. In Private Healthcare Services, the divestment of dental care services decreased revenue by EUR 4.8 million and in Public Services, the termination of cost liability for demanding specialised care, the gradual transfer of the services agreement of Jämsän Terveys Oy and other changes to outsourcing agreements decreased revenue by EUR 47.1 million. Pihlajalinna's comparable organic revenue¹⁾ growth was EUR 37.5 million, or 7.7 per cent.

Profitability

Adjusted operating profit before amortisation and impairment of intangible assets (EBITA) was EUR 39.8 (27.9) million. Adjusted EBITA margin was 7.6 (5.2) per cent. Adjustments to EBIT amounted to EUR 0.3 (-1.1) million. Profitability improved due to efficiency improvement measures in Public Services and in Private Healthcare Services, due to commercial measures, enhanced service processes and cost control. Profitability in the reporting period was negatively affected by write downs related to business premises, which were recognised based on the management's judgment, and provisions for property renovation and maintenance responsibilities. These had a total negative effect of EUR 2.9 million on profitability.

Pihlajalinna's EBIT was EUR 33.9 (22.5) million.

The Group's net financial expenses amounted to EUR -7.5 (-8.2) million. Refinancing measures in June generated a total of EUR 0.6 million in non-recurring financial expenses recognised through profit or loss. Profit before taxes was EUR 26.4 (14.3) million.

Profit for the reporting period was EUR 20.6 (11.0) million. Earnings per share (EPS) was EUR 0.75 (0.44).

¹⁾ The following items have been excluded from the comparison period revenue: the divestment of dental care services, the transfer of cost liability for demanding specialised care, the gradual transfer of Jämsän Terveys Oy's service agreement, other changes to outsourcing agreements, COVID-19 services and transfers between segments.

Consolidated statement of financial position and financing

On 30 Sep 2024, Pihlajalinna Group's total statement of financial position was EUR 617.8 (676.0) million. Consolidated cash and cash equivalents were EUR 9.5 (17.3) million.

Cash flow

Net cash flow from operating activities in January–September 2024 was EUR 67.7 (52.9) million. The change in net working capital was EUR -8.8 (-5.6) million.

In January–September 2024 net cash flow from investing activities was EUR -10.3 (-14.8) million. Investments in tangible and intangible assets were EUR -8.9 (-19.1) million. In the comparison period, the divestment of the Group's dental care services improved net cash flow from investing activities by EUR 5.7 million. The Group's cash flow after investments (free cash flow) was EUR 57.4 (38.0) million.

Net cash flow from financing activities in January–September 2024 was EUR -72.5 (-33.8) million. The change in financial liabilities, including changes in credit limits, was EUR -31.9 (-23.4) million. During the reporting period, Pihlajalinna amortised its long-term loan by a total of EUR 30.0 million. In the comparison period, Pihlajalinna issued a EUR 20 million hybrid bond.

During the reporting period, Pihlajalinna paid hybrid bond interests of EUR 2.4 (0.0) million which have been recorded as a deduction from retained earnings, net of tax. Interest paid and other financial expenses were EUR -10.8 (-4.9) million. During the first quarter of 2023, the Group sold its interest rate swap agreement. The sale had an effect of approximately EUR 3.9 million on the net cash flow of interest paid and other financial expenses in the comparison period. At the end of the reporting period, due to refinancing, Pihlajalinna paid the accrued interest and expenses on its long-term loan as well as non-recurring refinancing costs.

Financing arrangements

In June 2024, Pihlajalinna rearranged its long-term debt financing with a sustainability-linked financing arrangement. The agreement includes a EUR 110 million term loan for refinancing the Group's previous debt, and a revolving credit facility of EUR 60 million for general financing purposes. The financing agreement is for three years and includes two option years.

The financing arrangement includes customary financial covenants equivalent to the previous arrangement, concerning leverage (ratio of net debt to pro forma EBITDA) and gearing covenants. IFRS 16 lease liabilities are not considered in the calculation of the covenants. Additionally, the loan margin of the financing is linked to Pihlajalinna's main sustainability targets: patient satisfaction, access to surgical treatment and employee satisfaction. Sustainability objectives have a minor effect on the loan margin, depending on how many of the agreed-upon sustainability targets are achieved. During the reporting period, the Group met the covenants agreed upon in the financing agreement.

On 27 March 2023, Pihlajalinna issued a hybrid bond of EUR 20 million. The hybrid bond bears a fixed interest rate of 12.00 percent per annum until 27 March 2026 (Reset Date), and from the Reset Date, the interest rate will be floating as defined in the terms and conditions of the hybrid bond.

At the end of the reporting period, Pihlajalinna had EUR 70 million in unused committed credit limits. Unused credit limits consist of EUR 10 million credit limit agreement and a EUR 60 million unused revolving credit facility.

The Group has an interest rate swap agreement with a nominal value of EUR 65 million, which was used to convert the floating interest rate of the financing arrangement to a fixed interest rate. Cash flow hedge accounting is applied to the interest rate swap agreement, which means that the effective portion of the change in fair value is recognised in other comprehensive income. The start date of the interest rate swap was in March 2023, and it is valid until 25 March 2027.

Capital expenditure

In January-June, gross investments, including acquisitions, amounted to EUR 25.4 (61.8) million. The Group's gross investments which consisted of development, additional and replacement investments, amounted to EUR 10.4 (22.9) million. The digital projects implemented during the reporting period did not meet the criteria for intangible asset capitalisation as defined by IFRS standards with regard to the company's own work, as according to the company's management, the projects have moved into operational phase and the economic benefit from the internal work is expected to be realised over a short term. In the comparison period, there were a total of EUR 1.8 million internal work recognised as an intangible asset, as it met the criteria.

Gross investments in right-of-use assets amounted to EUR 11.9 (38.9) million. In the comparison period, extensions to business premises agreements and rent increases increased exceptionally significantly gross investments in right-of-use assets.

Gross investments in M&A transactions amounted to EUR 3.1 (0.7) million. On 1 May 2024, Pihlajalinna acquired full ownership of its former associated company Kuura Digilääkäri Oy. The Group's previous holding in the company was 45 per cent. On 1 July 2024, Pihlajalinna acquired 41.34 per cent of its former associated company Digital Health Solutions Oy. After the transaction, Pihlajalinna holds 82.37 percent of the company's shares.

Investment commitments for the Group's development, additional and replacement investments amounted to approximately EUR 3.5 (2.9) million. The investment commitments are related to business premises changes, additional and replacement investments in clinical equipment and information system projects.

Reporting segments

Pihlajalinna changed its segment reporting effective from 1 January 2024. Pihlajalinna has two reportable segments: Private Healthcare Services and Public Services. The new reporting structure follows Pihlajalinna's business model and organisational structure.

Private Healthcare Services

Operating segment consists of private clinic, diagnostics, hospital, occupational healthcare, remote and fitness center services. These comprehensive care path services are provided by Pihlajalinna to corporate customers, insurance companies, the public sector and private customers through its nationwide network of medical centers and diverse digital channels.

Key figures

EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	2023
Segment revenue	103.7	93.8	9.9	330.6	312.3	18.3	423.1
Adjusted EBITA	7.3	5.7	1.6	24.2	19.5	4.6	27.2
Adjusted EBITA, %	7.0	6.1		7.3	6.3		6.4
Operating profit (EBIT)	5.5	3.5	2.1	18.6	14.3	4.3	19.4
Operating profit (EBIT), %	5.3	3.7		5.6	4.6		4.6

July–September 2024

Revenue

Revenue from Private Healthcare Services was EUR 103.7 (93.8) million, an increase of 10.6 per cent. Revenue increased especially in insurance company customers and occupational healthcare services. Comparable organic revenue growth¹⁾ in Private Healthcare Services segment was EUR 12.8 million, or 14.0 per cent. Appointment volumes of Pihlajalinna's private clinics increased from the comparison period, due to a successful expansion of our offering.

Profitability

Adjusted EBITA was EUR 7.3 (5.7) million, an increase of 27.8 per cent. Adjusted EBITA margin was 7.0 (6.1) per cent of revenue. Profitability improved due to a successful expansion of our offering, commercial measures in occupational healthcare services and clinic operations, improved efficiency of service processes and cost control. Conversion, which is the ratio of diagnostics revenue to revenue from appointments, was on a par with the comparison period. Adjustments totalled EUR 0.0 (0.4) million.

Operating profit (EBIT) was EUR 5.5 (3.5) million.

January–September 2024

Revenue

Revenue from Private Healthcare Services was EUR 330.6 (312.3) million, an increase of 5.8 per cent. Revenue increased especially in insurance company customers and occupational healthcare services. The divestment of dental care services decreased revenue by EUR 4.8 million. Comparable organic revenue growth¹⁾ in the Private Healthcare Services segment was EUR 32.0 million, or 10.7 per cent. The appointment volumes of Pihlajalinna's private clinics were on a par with the comparison period.

Profitability

Adjusted EBITA was EUR 24.2 (19.5) million, an increase of 23.6 per cent. Adjusted EBITA margin was 7.3 (6.3) per cent. Profitability improved particularly in occupational healthcare services and clinic operations due to commercial measures, improved efficiency of service processes and cost control. Conversion, which is the ratio of diagnostics revenue to revenue from appointments, was on a par with the comparison period. Adjustments totalled EUR 0.3 (-0.2) million.

Operating profit (EBIT) was EUR 18.6 (14.3) million. In the comparison period, EBIT was increased by a sales gain of EUR 3.6 million recognised on the divestment of dental care services.

Public Services

The operating segment consists of social and healthcare services produced primarily for the public sector, which include outsourcing and housing services, mainly remotely produced responsible doctor services, as well as a wide range of staffing and recruitment services.

Key figures

EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	2023
Segment revenue	62.9	75.8	-12.9	201.7	237.5	-35.8	314.3
Adjusted EBITA	6.2	3.9	2.3	15.7	8.4	7.3	10.6
Adjusted EBITA, %	9.9	5.1		7.8	3.5		3.4
Operating profit (EBIT)	6.1	3.6	2.5	15.4	8.2	7.1	1.2
Operating profit (EBIT), %	9.8	4.8		7.6	3.5		0.4

July–September 2024

Revenue

Revenue from Public Services was EUR 62.9 (75.8) million, a decrease of 17.0 per cent. The termination of cost liability for demanding specialised care, the gradual transfer of the services agreement of Jämsän Terveys Oy and other changes to outsourcing agreements decreased revenue by EUR 14.8 million. Comparable organic revenue¹⁾ decrease in Public Services was EUR -0.8 million, or -1.3 per cent.

Profitability

Adjusted EBITA was EUR 6.2 (3.9) million, an increase of 60.6 per cent. Adjusted EBITA margin was 9.9 (5.1) per cent. Complete outsourcing fixed-priced invoicing is accompanied by a steady revenue recognition. During the summer holidays, especially in July, personnel costs related to such agreements decreases and profitability improves. Additionally, profitability was improved by efficiency improvement measures and contract changes in complete outsourcing.

Profitability in the quarter was negatively affected by write downs related to business premises, which were recognised based on the management's judgment, and provisions for property renovation and maintenance responsibilities. These had a total negative effect of EUR 2.9 million on profitability. Adjustments totalled EUR 0.0 (0.0) million.

EBIT amounted to EUR 6.1 (3.6) million.

January–September 2024

Revenue

Revenue from Public Services was EUR 201.7 (237.5) million, a decrease of 15.1 per cent. The termination of cost liability for demanding specialised care, the gradual transfer of the services agreement of Jämsän Terveys Oy and other changes to outsourcing agreements decreased revenue by EUR 47.1 million. Comparable organic revenue growth¹⁾ in Public Services was EUR 2.9 million, or 1.5 per cent.

Profitability

Adjusted EBITA was EUR 15.7 (8.4) million, an increase of 87.4 per cent. Adjusted EBITA margin was 7.8 (3.5) per cent. Profitability was improved by efficiency improvement measures and contract changes in complete outsourcing. Profitability in the reporting period was negatively affected by write downs related to business premises, which were recognised based on the management's judgment, and provisions for

property renovation and maintenance responsibilities. These had a total negative effect of EUR 2.9 million on profitability. Adjustments totalled EUR 0.0 (-0.5) million.

EBIT amounted to EUR 15.4 (8.2) million.

¹⁾ The following items have been excluded from the comparison period revenue: the divestment of dental care services, the transfer of cost liability for demanding specialised care, the gradual transfer of Jämsän Terveys Oy's service agreement, other changes to outsourcing agreements, COVID-19 services and transfers between segments.

Personnel

At the end of the reporting period, the number of personnel amounted to 6,505 (7,044), a decrease of -8 per cent. The Group's personnel as full-time equivalents was 4,449 (4,852), a decrease of -8 per cent. As a result of the gradual transfer of the Jämsän Terveys Oy service agreement, the number of the Group's employees decreased by approximately 470 from the end of 2023. Converted to full-time equivalents, the decrease in the number of employees was approximately 237.

At the end of the reporting period, Public Services had 3,490 (4,124) employees and Private Healthcare Services 3,015 (2,920) employees. Converted into full-time equivalents, Public Services had 2,461 (2,800) employees and Private Healthcare Services 1,988 (2,051) employees.

To align its operations to the needs of the wellbeing services county, Kuusiolinna Terveys commenced change negotiations in January 2024. The negotiations were concluded in April. The outcome of the negotiations included operational changes to the network of clinics, the downscaling of operations, terminations of employment contracts and switching some of the personnel to part-time employment.

The Group employee benefit expenses totalled EUR 237.0 (238.3) million, a decrease of EUR -1.3 million.

In the reporting period, sickness-related absences rate amongst the personnel was 5.4 (5.8) per cent.

At the end of the reporting period, the number of practitioners was 2 098 (2 098).

Management Team

The members of Pihlajalinna's Management Team are CEO Tuomas Hyyryläinen, CSOO Heikki Färkkilä, COO Private Healthcare Services Anu Kallio (as of 1 October 2024), interim COO Public Services Seppo Kariniemi, CCSO Tuula Lehto, CIO Lauri Muhonen, CFO Tarja Rantala, CMO Sari Riihijärvi, CLO Marko Savolainen and CPO Mika Videman (as of 1 October 2024).

On 5 September 2024, Pihlajalinna issued a release regarding a change in Pihlajalinna's Management Team. Jaakko Liljeroos was appointed as the new Group's Chief Legal officer and as a member of the Group's Management Team. Liljeroos will join Pihlajalinna from Valmet Automotive where he has been working as Group General Counsel since 2020. He will start in the position on 1 December 2024.

Annual General Meeting 2024

Board of Directors

The Annual General Meeting on 10 April 2024 resolved that the number of the members of the Board of Directors shall be fixed at seven members instead of the previous eight. Kim Ignatius, Heli Iisakka, Hannu Juvonen, Tiina Kurki, Jukka Leinonen, Leena Niemistö and Mikko Wirén were re-elected to serve as members of the Board of Directors until the next Annual General Meeting.

The Annual General Meeting elected Jukka Leinonen as the Chair of the Board and Leena Niemistö as the Vice-Chair of the Board.

Board authorisations

The Annual General Meeting on 10 April 2024 authorised the Board of Directors to decide on the acquisition of a maximum of 2,260,000 shares, which is approximately 10 per cent of the company's current share capital. Own shares may be repurchased based on the authorisation only by using unrestricted equity. Targeted share acquisition is possible. The authorisation is effective until the next Annual General Meeting, or until 30 June 2025 at the latest.

The Annual General Meeting also authorised the Board of Directors to decide on a share issue and other special rights conferring an entitlement to shares under Chapter 10, Section 1 of the Finnish Limited Liability Companies Act. The number of shares issued pursuant to the authorisation may not exceed 2,260,000 shares, which corresponds to approximately 10 per cent of all existing shares in the company. The authorisation concerns both the issuance of new shares and the sale or transfer of the company's own shares. The authorisation permits a targeted share issue. The authorisation is effective until the next Annual General Meeting, or until 30 June 2025 at the latest.

Repurchase and transfer of own shares

In January 2024, Pihlajalinna conveyed a total of 10,000 own shares to CEO Tuomas Hyyryläinen. The remuneration was related to the right agreed upon for the CEO to acquire shares at the beginning of the share-based incentive scheme, when Pihlajalinna conveyed shares in exchange for purchases.

In May 2024, Pihlajalinna conveyed a total of 11,977 own shares to the members of Pihlajalinna's Board of Directors as part of the Board of Directors' annual remuneration.

On 27 March 2024, Pihlajalinna started repurchasing the company's own shares and completed the repurchase on 28 June 2024. The shares were repurchased for use as part of the payment of remuneration under the Group's share-based incentive programme and the annual remuneration of the members of the Board of Directors. During the aforementioned period, Pihlajalinna acquired a total of 109,181 of its own shares for an average price of EUR 8.5795 per share.

Following the repurchase of shares and the transfers of shares mentioned above, on 30 September 2024 Pihlajalinna held 141,184 of its own shares, corresponding to approximately 0.62 per cent of the total number of shares and votes.

Shares and shareholders

Pihlajalinna's share is listed in the Nasdaq Helsinki main market under the trading code PIHLIS. The total number of shares in the Group is 22,620,135. On 30 September 2024, 22,478,951 of the shares were outstanding and 141,184 were held by the company which corresponds to 0.62 per cent of all shares and votes. At the end of the reporting period, the company had 15,012 (15,352) shareholders.

Share-related information, outstanding shares	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
No. of shares outstanding at end of period	22,478,951	22,561,505	22,478,951	22,561,505	22,566,155
Average no. of shares outstanding during period	22,478,951	22,561,505	22,522,783	22,555,964	22,557,957
Highest price, EUR	10.05	9.40	10.05	9.90	9.90
Lowest price, EUR	8.70	7.62	6.88	6.82	6.82
Average price, EUR ¹⁾	9.64	8.28	7.84	8.61	8.20
Closing price, EUR	9.84	8.11	9.84	8.11	7.06
Share turnover, 1,000 shares	360	270	2,651	1,998	2,801
Share turnover, %	1.6	1.2	11.8	8.9	12.4
Market capitalisation at end of period, EUR million	221.2	183.0	221.2	183.0	159.3

¹⁾ average rate weighted by trading level

Risks and uncertainties in business operations

Pihlajalinna's operations are affected by strategic, operational, financial and damage risks. In its risk management, Pihlajalinna's aim is to operate as systematically as possible and incorporate risk management into normal business processes. The Group invests in quality management systems and the management of occupational safety and work ability risks. Pihlajalinna aims to limit the potential adverse impacts of risks. The assessment of sustainability-related risks plays an important role in risk management.

Pihlajalinna operates only in Finland. Uncertainties in world politics, such as Russia's invasion of Ukraine and the situation in the Middle East have indirect impacts on the Group's operations due to the slowing of economic growth, potential supply chain disruptions, inflation, and changing market interest rates. Pihlajalinna will refrain from all business activities with parties subject to economic sanctions.

In all its operations, Pihlajalinna considers data protection, information security and related requirements. Information security and jeopardised data protection can lead to significant reputational damage and claims for compensation, among other consequences. Pihlajalinna has taken steps to prepare for the elevated risk of cyber-attacks related to the war in Ukraine and Finland's NATO membership.

The company has identified uncertainties related to the availability of personnel in the social and healthcare sector and development of wages. The costs of wage harmonisation in the social and healthcare sector in relation to the creation of the wellbeing services counties also remain uncertain to some degree. In addition, high level of sickness-related absences among the personnel may reduce the company's profitability and complicates service provision.

Pihlajalinna has recognised risks associated with projects related to the company's growth, including acquisitions, digital development, and information system projects. Successful implementation of these projects is a precondition for profitable growth in accordance with the company's strategy.

Monitoring and forecasting the covenants of the company's financing agreements are a significant part of the company's risk management.

General cost inflation and wage inflation have a negative impact on the cost level and, consequently, on Pihlajalinna's business operations and profitability. In addition, inflation and high interest rates affect consumers' disposable income and employment trends, which in turn have an impact on the demand for private healthcare services.

The most significant risks and uncertainties in social and healthcare services are linked to the policies and legislation implemented in the Finnish society.

A company belonging to the Pihlajalinna Group is currently the subject of a tax audit pertaining to a remuneration scheme that was in place.

Changes to complete outsourcing agreements

Jämsän Terveys Oy's agreement with the wellbeing services county of Central Finland will expire in August 2025. The cost liability for demanding specialised care specified in the agreement ended on 1 July 2023. It has been agreed with the wellbeing services county of Central Finland that the services will gradually be transferred to the wellbeing services county starting in 2024. These changes in the service agreement will decrease the Group's revenue by approximately EUR 31 million from 2023 levels.

The primary and specialised care services provided by Jokilaakson Terveys Oy will continue at the Jokilaakso Hospital in accordance with the subcontracting agreement until 2025. Jokilaakson Terveys has an exception permit issued by the Ministry of Social Affairs and Health for round-the-clock emergency and on-call services in primary healthcare, as required for its operations. The permit is currently valid until 31 August 2025.

Kuusiolinnat Terveys Oy's agreement with the wellbeing services county of South Ostrobothnia will expire in December 2025. The cost liability for demanding specialised care specified in the agreement ended on 1 January 2024. This change in the service agreement will decrease the Group's revenue by approximately EUR 30 million from 2023 levels.

The regional board of the Wellbeing Services County of Pirkanmaa decided at its meeting on 28 October 2024 to terminate Kolmostien Terveys Oy's complete outsourcing agreement at the end of the year 2025. Also, the regional board required three alternative models to renew the service production of North Pirkanmaa region to be prepared.

Pending legal processes

Pihlajalinna is involved in certain pending legal proceedings concerning employment relationships, but they are not expected to have a significant financial impact on the Group.

The company's subsidiary Jämsän Terveys Oy has taken legal action in the district court against the City of Jämsä, a former client, mainly concerning COVID-19-related costs which the City of Jämsä has not paid in breach of the service agreement. In addition, a difference of opinion has emerged between the company and the city during the 2022 financial year on the impact of the transfer of personnel on the annual fee under the service agreement.

On 22 November 2023, the Vaasa Court of Appeal handed down its ruling on the dispute concerning the service agreement between Jämsän Terveys Oy and the City of Jämsä. The Court of Appeal decided to uphold the decision of the District Court. Pihlajalinna submitted an application for leave to appeal to the

Supreme Court and an appeal concerning part of the judgment of the Vaasa Court of Appeal. The Supreme Court did not grant Pihlajalinna leave to appeal concerning the judgment of the Vaasa Court of Appeal.

Events after the reporting date

On 23 October 2024, Pihlajalinna announced that the Wellbeing Services County of Pirkanmaa has published a proposal for the regional board regarding the termination of the outsourcing agreement of Kolmostien Terveys Oy, a joint company of Pihlajalinna and The Wellbeing Services County of Pirkanmaa, in Parkano and Kihniö. According to the proposal, the service contract would expire at the end of the year 2025. The Wellbeing Services County of Pirkanmaa also proposed to the regional board that the Wellbeing Services County starts preparing a tender for the production of social and healthcare services in North Pirkanmaa.

On 28 October 2024, Pihlajalinna announced that the regional board of the Wellbeing Services County of Pirkanmaa confirmed at its meeting to terminate the service contract of Kolmostien Terveys Oy at the end of the year 2025. Also, the regional board required three alternative models to renew the service production of North Pirkanmaa region to be prepared. The regional board will discuss the alternatives at its December meeting.

On 30 October 2024, Pihlajalinna announced that it will raise its profitability guidance for 2024 and provided preliminary information on revenue and profitability for the third quarter of 2024. The Group expects the adjusted operating profit before the amortisation and impairment of intangible assets (EBITA) to increase to EUR 53–56 million (EUR 37.8 million in 2023). The Group expects demand to remain stable. The revenue outlook remained unchanged.

Pihlajalinna's financial reporting in 2025

Financial statements 2024: Wednesday, 12 February 2025

Financial statements and Board of Directors' report: no later than in week 14

Interim Report January–March: Wednesday, 30 April 2025

Half Year Financial Report January–June: Thursday, 24 July 2025

Interim Report January–September: Friday, 31 October 2025

The Annual General Meeting is planned to be held on Thursday, 24 April 2025.

Helsinki, 6 November 2024

The Board of Directors of Pihlajalinna Plc

Consolidated income statement

EUR million	Note	7–9/2024	7–9/2023	1–9/2024	1–9/2023	1–12/2023
Revenue	2	164.0	165.6	522.0	537.0	720.0
Other operating income		1.1	1.0	3.0	7.9	7.5
Materials and services	3	-45.7	-56.6	-149.2	-189.9	-255.2
Employee benefit expenses	4	-72.4	-72.6	-237.0	-238.3	-322.8
Other operating expenses	5	-20.8	-17.3	-64.1	-55.8	-76.6
Share of profit in associated companies and joint ventures		0.0	0.0	0.0	0.0	-0.5
EBITDA		26.2	20.1	74.5	60.8	72.5
Depreciation, amortisation and impairment	6	-14.5	-13.0	-40.6	-38.3	-51.9
Operating profit (EBIT)		11.7	7.1	33.9	22.5	20.6
Financial income		0.0	0.2	0.6	0.5	0.4
Financial expenses	7	-2.2	-2.8	-8.1	-8.7	-12.7
Profit before taxes		9.5	4.4	26.4	14.3	8.2
Income tax	8	-2.3	-1.1	-5.7	-3.3	-3.6
Profit for the period		7.2	3.3	20.6	11.0	4.6
Attributable to:						
To the owners of the parent company		6.3	3.5	18.3	11.0	5.7
To non-controlling interests		0.9	-0.2	2.3	0.1	-1.1
Earnings per share calculated based on the result for the period attributable to the owners of the parent company (EUR)						
Basic		0.26	0.13	0.75	0.44	0.19
Diluted		0.26	0.13	0.75	0.44	0.19

Consolidated statement of comprehensive income

EUR million	Note	7–9/2024	7–9/2023	1–9/2024	1–9/2023	1–12/2023
Profit for the period		7.2	3.3	20.6	11.0	4.6
Other comprehensive income that will be reclassified subsequently to profit or loss						
Cash flow hedge						
Recorded in equity		-1.4	0.1	-1.1	0.2	-1.0
Transferred to income statement		-0.2	-0.2	-0.7	-0.5	-0.7
Income tax on other comprehensive income		0.3	0.0	0.4	0.1	0.4
Other comprehensive income for the reporting period		-1.4	-0.1	-1.5	-0.3	-1.4
Total comprehensive income for the reporting period		5.8	3.2	19.2	10.7	3.2
Attributable to:						
To the owners of the parent company		4.9	3.4	16.8	10.7	4.3
To non-controlling interests		0.9	-0.2	2.3	0.1	-1.1

Consolidated statement of financial position

EUR million	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
ASSETS				
Non-current assets				
Property, plant and equipment	10	63.8	67.6	65.8
Goodwill	9	254.9	251.8	251.8
Intangible assets	9	17.1	21.7	21.1
Right-of-use assets	11	190.4	210.5	203.9
Interests in associates		0.0	2.1	1.6
Other investments		0.2	0.8	0.2
Other receivables		5.6	7.3	6.1
Deferred tax assets		13.9	16.7	14.6
Total non-current assets		545.8	578.5	565.0
Current assets				
Inventories		4.6	4.5	4.5
Trade and other receivables	16	57.3	75.1	61.5
Current tax assets		0.6	0.6	2.0
Cash and cash equivalents		9.5	17.3	24.5
Total current assets		72.0	97.5	92.5
Total assets		617.8	676.0	657.5

EUR million	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		0.1	0.1	0.1
Fair value reserve		1.2	3.8	2.7
Reserve for invested unrestricted equity		116.5	116.5	116.5
Hybrid bond	14	20.0	20.0	20.0
Retained earnings		5.7	2.9	3.0
Profit for the period		18.3	11.0	5.7
		161.8	154.3	148.0
Non-controlling interests		-1.1	-1.4	-3.4
Total equity		160.7	152.8	144.6
Non-current liabilities				
Deferred tax liabilities		7.8	8.6	8.5
Provisions		2.7	0.0	0.1
Lease liabilities	12	186.9	206.6	199.8
Financial liabilities	15	114.4	149.9	144.5
Other non-current liabilities		0.6	0.7	0.7
Total non-current liabilities		312.3	365.9	353.6
Current liabilities				
Trade and other payables		107.8	122.4	125.3
Current tax liabilities		4.1	1.0	0.1
Provisions		0.1	0.0	0.1
Lease liabilities	12	30.9	30.9	30.8
Financial liabilities	15	1.9	3.0	3.0
Total current liabilities		144.8	157.3	159.3
Total liabilities		457.1	523.2	512.9
Total equity and liabilities		617.8	676.0	657.5

Consolidated statement of changes in equity

EUR million	Equity attributable to owners of the parent company						Equity Total
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Hybrid bond	Retained earnings	Non-controlling interests	
Total equity, 1 Jan 2023	0.1	116.5	4.1		3.3	-1.1	122.9
Profit for the period					11.0	0.1	11.0
Comprehensive income for the period			-0.3				-0.3
Total comprehensive income for the period			-0.3		11.0	0.1	10.7
Share-based benefits					0.1		0.1
Total transactions with owners					0.1		0.1
Changes in NCI without a change in control					-0.2	-0.3	-0.5
Other changes					0.2	-0.1	0.0
Total changes in subsidiary shareholdings					-0.1	-0.4	-0.5
Proceeds from hybrid bond				20.0			20.0
Hybrid bond expenses					-0.4		-0.4
Total equity, 30 Sep 2023	0.1	116.5	3.8	20.0	13.9	-1.4	152.8

EUR million	Equity attributable to owners of the parent company						Equity Total
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Hybrid bond	Retained earnings	Non-controlling interests	
Total equity, 1 Jan 2024	0.1	116.5	2.7	20.0	8.8	-3.4	144.6
Profit for the period					18.3	2.3	20.6
Comprehensive income for the period			-1.5				-1.5
Total comprehensive income for the period			-1.5		18.3	2.3	19.2
Dividends paid					-1.6		-1.6
Acquisition of own shares					-0.9		-0.9
Share-based benefits					1.2		1.2
Investments in group subsidiaries, reported						0.0	0.0
Total transactions with owners					-1.3	0.0	-1.3
Changes in NCI without a change in control					0.0	0.0	-0.1
Other changes					0.2		0.2
Total changes in subsidiary shareholdings					0.2	0.0	0.1
Hybrid bond interest					-1.9		-1.9
Total equity, 30 Sep 2024	0.1	116.5	1.2	20.0	24.0	-1.1	160.7

Consolidated statement of cash flows

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	1–12/2023
Cash flow from operating activities					
Profit for the period	7.2	3.3	20.6	11.0	4.6
Adjustments to cash flow from operating activities:					
Taxes	2.3	1.1	5.7	3.3	3.6
Depreciation, amortisation and impairment	14.5	13.0	40.6	38.3	51.9
Financial income and expenses	2.2	2.6	7.5	8.2	12.4
Other	0.9	0.0	0.8	-2.7	6.4
Net cash generated from operating activities before change in working capital	27.1	20.1	75.3	58.1	78.9
Change in working capital	-17.8	-13.3	-8.8	-5.6	0.0
Interest received	0.1	0.2	0.6	0.4	0.4
Taxes paid	-0.3	-0.4	0.6	0.0	-0.4
Net cash flow from operating activities	9.0	6.6	67.7	52.9	79.0
Cash flow from investing activities					
Investments in tangible and intangible assets	-1.8	-4.0	-8.9	-19.1	-22.9
Proceeds from disposal of property, plant and equipment and intangible assets and prepayments	0.1	0.0	0.8	0.1	0.3
Changes in other receivables and investments	0.0		0.0	0.0	0.0
Sale of subsidiaries with time-of-sale liquid assets deducted				7.7	7.7
Granted loans				-2.1	-2.1
Dividends received	0.0	0.0	0.0	0.0	0.0
Acquisition of subsidiaries less cash and cash equivalents at date of acquisition	0.0		-2.2	-1.5	-1.5
Net cash flow from investing activities	-1.7	-3.9	-10.3	-14.8	-18.5
Cash flow from financing activities					
Changes in non-controlling interests	-0.1	-0.2	-0.1	-0.2	-0.3
Acquisition of own shares	0.0		-0.9		
Proceeds from and repayment of borrowings	-0.6	-0.5	-31.9	-23.4	-29.0
Repayment of lease liabilities	-8.1	-7.9	-24.2	-23.8	-31.8
Interest and other operational financial expenses	-2.2	-2.8	-10.8	-4.9	-6.2
Dividends paid and other profit distribution			-2.2	-1.2	-1.5
Proceeds from hybrid bond				20.0	20.0
Hybrid bond interests and expenses			-2.4	-0.4	-0.4
Net cash flow from financing activities	-10.9	-11.5	-72.5	-33.8	-49.2
Changes in cash and cash equivalents	-3.5	-8.8	-15.1	4.2	11.4
Cash at beginning of period	13.0	26.1	24.5	13.1	13.1
Cash at end of period	9.5	17.3	9.5	17.3	24.5

Notes to the Interim Report

Accounting policies

This Interim Report has been prepared in compliance with the IFRS standards currently in effect, and its preparation has followed the requirements of IAS 34 (Interim Financial Reporting).

The Interim Report applies the accounting policies presented in the consolidated financial statements for 2023 except for the change in segment reporting. Pihlajalinna has changed its segment reporting from 1 January 2024. Pihlajalinna has two reportable segments: Private Healthcare Services and Public Services. The new reporting structure follows Pihlajalinna's business model and organisational structure. Additional information on changed reporting segments is in Note 1.

The amended standards published by IASB and adopted in 2024 do not have a material impact on Pihlajalinna's financial reporting.

The information published in this Interim Report has not been audited. All figures have been rounded, due to which the actual total of individual figures may differ from the total presented. Key figures and figures reflecting changes have been calculated using the exact figures.

The alternative performance measures presented in this Interim Report should not be considered as replacements for the key figures defined in IFRS standards, and they may not be comparable with similarly named items used by other companies.

The preparation of the Interim Report in accordance with IFRS requires the management to make estimates and assumptions that affect the valuation of the reported assets and liabilities, contingent assets and liabilities as well as the amount of income and expenses on the statement of financial position. Although the estimates are based on the management's best knowledge of current events and actions, the actual results may differ from the estimates provided in this interim report. The significant estimates made by management and the key accounting estimates and decisions based on management judgement were mainly the same as those that applied to the consolidated financial statements for the year 2023.

1. Segment information

Pihlajalinna has changed its segment reporting from 1 January 2024. Pihlajalinna has two reportable segments: Private Healthcare Services and Public Services. The new reporting structure follows Pihlajalinna's business model and organisational structure. Comparative data for the 2023 financial year was published with separate release on 24 April 2024. The comparable data is unaudited.

The Private Healthcare Services operating segment consists of private clinic, diagnostics, hospital, occupational healthcare, remote and fitness center services. These comprehensive care path services are provided by Pihlajalinna to corporate customers, insurance companies, the public sector, and private customers through its nationwide network of medical centers and diverse digital channels.

The Public Services operating segment consists of social and healthcare services produced primarily for the public sector, which include outsourcing and housing services, mainly remotely produced responsible doctor services, as well as a wide range of staffing and recruitment services.

Revenue, EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Private Healthcare Services	103.7	93.8	9.9	330.6	312.3	18.3	423.1
of which intersegment	2.6	3.9	-1.3	10.2	12.0	-1.9	16.5
Public Services	62.9	75.8	-12.9	201.7	237.5	-35.8	314.3
of which intersegment	0.0	0.1	-0.1	0.1	0.8	-0.7	0.9
Group total	164.0	165.6	-1.6	522.0	537.0	-15.0	720.0

Depreciation and impairment, EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Private Healthcare Services	-11.6	-10.9	-0.7	-34.0	-32.1	-1.9	-43.0
Public Services	-2.9	-2.1	-0.8	-6.6	-6.2	-0.4	-8.9
Group total	-14.5	-13.0	-1.5	-40.6	-38.3	-2.3	-51.9

Share of profit in associated companies and joint ventures, EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Private Healthcare Services	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Public Services	0.0	0.0	0.0	0.0	0.0	0.0	-0.6
Group total	0.0	0.0	0.0	0.0	0.0	0.0	-0.5

EBITA, EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Private Healthcare Services	7.3	5.3	2.0	23.9	19.7	4.2	26.7
Public Services	6.2	3.8	2.4	15.6	8.9	6.7	2.1
Group total	13.5	9.2	4.3	39.5	28.6	10.9	28.8

EBITA, %	7–9/2024	7–9/2023	change	1–9/2024	1–9/2023	change	1–12/2023
Private Healthcare Services	7.0	5.7	1.3	7.2	6.3	0.9	6.3
Public Services	9.9	5.1	4.8	7.7	3.7	4.0	0.7
Group total	8.2	5.5	2.7	7.6	5.3	2.2	4.0

Adjusting items affecting comparability, EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Private Healthcare Services	0.0	0.4	-0.4	0.3	-0.2	0.4	0.5
Public Services	0.0	0.0	0.0	0.0	-0.5	0.6	8.5
Group total	0.0	0.4	-0.4	0.3	-0.7	1.0	9.0

Adjusted EBITA, EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Private Healthcare Services	7.3	5.7	1.6	24.2	19.5	4.6	27.2
Public Services	6.2	3.9	2.3	15.7	8.4	7.3	10.6
Group total	13.5	9.6	3.9	39.8	27.9	11.9	37.8

Adjusted EBITA, %	7–9/2024	7–9/2023	change	1–9/2024	1–9/2023	change	1–12/2023
Private Healthcare Services	7.0	6.1	0.9	7.3	6.3	1.1	6.4
Public Services	9.9	5.1	4.8	7.8	3.5	4.2	3.4
Group total	8.2	5.8	2.5	7.6	5.2	2.4	5.2

Reconciliation of the segments total adjusted operating profit before amortization and impairment of intangible assets (EBITA) to the consolidated profit before taxes

EUR million	7–9/2024	7–9/2023	change EUR	1–9/2024	1–9/2023	change EUR	1–12/2023
Profit before taxes	9.5	4.4	5.0	26.4	14.3	12.0	8.2
Net financial expenses	2.2	2.7	-0.5	7.5	8.2	-0.6	12.4
Amortisation and impairment of intangible assets	1.8	2.1	-0.2	5.6	6.1	-0.5	8.2
Adjustment items	0.0	0.4	-0.4	0.3	-0.7	1.0	9.0
Adjusted EBITA	13.5	9.6	3.9	39.8	27.9	11.9	37.8

2. Revenue

Revenue by region

Pihlajalinna reports its sales revenue divided into the following geographical regions:

- Southern Finland includes Pihlajalinna's business operations in the regions of Uusimaa, Kymenlaakso, Päijät-Häme and South Karelia.
- Mid-Finland includes Pihlajalinna's business operations in the regions of Pirkanmaa, Satakunta, Kanta-Häme, Central Finland, South Ostrobothnia and Ostrobothnia.
- Western Finland includes Pihlajalinna's business operations in the region of Southwest Finland.
- Eastern Finland includes Pihlajalinna's business operations in the regions of South Savo, North Karelia and North Savo.
- Northern Finland includes Pihlajalinna's business operations in the regions of North Ostrobothnia, Central Ostrobothnia, Kainuu and Lapland.
- Other operations include remote services, moving services and other administrative functions.

EUR million	1–9/2024	1–9/2023	change %	1–12/2023
Southern Finland	113.8	104.0	9.4 %	140.8
Mid-Finland	289.1	335.6	-13.9 %	445.9
Western Finland	29.4	28.0	5.0 %	38.2
East Finland	47.2	41.9	12.4 %	57.0
Northern Finland	39.9	36.0	10.8 %	49.0
Other operations	54.3	47.8	13.5 %	65.2
Intra-Group sales	-51.7	-56.4	-8.3 %	-76.1
Consolidated revenue	522.0	537.0	-2.8 %	720.0

Revenue by customer group

Pihlajalinna's customer groups are corporate customers, private customers and public sector customers.

- The Group's corporate customers consist of Pihlajalinna occupational healthcare customers, insurance company customers and other corporate customers. The number of people within the scope of the Group's occupational healthcare services in the corporate customers group is over 195,000.
- The Group's private customers are private individuals who pay for services themselves and may subsequently seek compensation from their insurance company.
- The Group's public sector customers consist of public sector organisations in Finland, such as municipalities, congregations, wellbeing services counties and the public administration when purchasing either social and healthcare outsourcing services or residential services, occupational healthcare and staffing services. The number of people within the scope of the Group's occupational healthcare services in the public sector customers group is approximately 95,000.

July–September 2024

EUR million	7–9/2024	7–9/2023	change	change %
Corporate customers	67.6	58.7	8.9	15.2 %

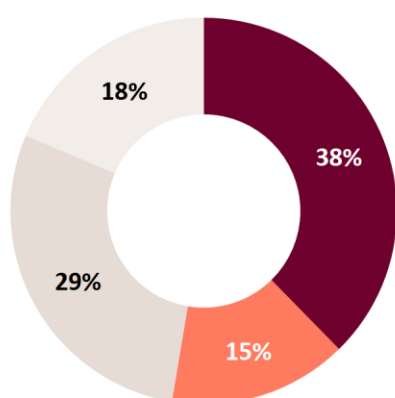
of which insurance company customers	35.4	31.1	4.4	14.0 %
Private customers	26.9	23.3	3.6	15.2 %
Public sector	85.0	101.1	-16.1	-15.9 %
of which complete outsourcing agreements	51.5	68.3	-16.7	-24.5 %
of which staffing	5.8	7.1	-1.3	-18.2 %
of which occupational healthcare and other services	27.6	25.7	1.9	7.4 %
Intra-Group sales	-15.4	-17.5	2.1	-11.8 %
Total consolidated revenue	164.0	165.6	-1.6	-1.0 %

Revenue from **corporate customers** amounted to EUR 67.6 (58.7) million, an increase of EUR 8.9 million, or 15.2 per cent. Sales to insurance company customers increased by EUR 4.4 million, or 14.0 per cent. The appointment volumes of Pihlajalinna's private clinics increased 4.0 per cent.

Revenue from **private customers** amounted to EUR 26.9 (23.3) million, an increase of EUR 3.6 million, or 15.2 per cent. The streamlining of insurance companies' payment authorizations and direct payment practices reduces reported sales to private customer segment. The appointment volumes of Pihlajalinna's private clinics were on a par with the comparison period.

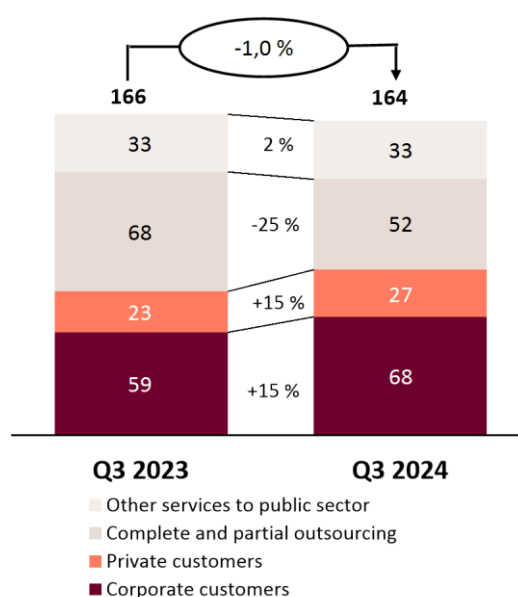
Revenue from the **public sector** amounted to EUR 85.0 (101.1) million, a decrease of EUR -16.1 million, or -15.9 per cent. The termination of cost liability for demanding specialised care in the wellbeing services county of South Ostrobothnia and Central Finland, the Jämsä Terveys Oy's gradual transfer of services to the wellbeing services county and other changes to outsourcing agreements decreased revenue by EUR -14.8 million. The decrease was compensated by the annual price increases to complete outsourcing agreements and increase in occupational healthcare services sales. The appointment volumes of Pihlajalinna's private clinics increased 9.0 per cent.

REVENUE BY CUSTOMER GROUP Q3
2024, %



■ Corporate customers
■ Private customers
■ Complete and partial outsourcing
■ Other services to public sector

REVENUE BY CUSTOMER GROUP,
EUR MILLION



Q3 2023 Q3 2024
■ Other services to public sector
■ Complete and partial outsourcing
■ Private customers
■ Corporate customers

January–September 2024

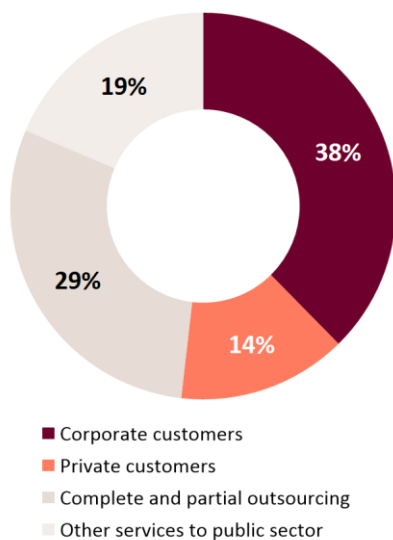
EUR million	1–9/2024	1–9/2023	change	change %
Corporate customers	215.8	195.2	20.6	10.5 %
of which insurance company customers	112.4	100.6	11.7	11.7 %
Private customers	81.5	78.2	3.3	4.2 %
Public sector	276.4	320.0	-43.6	-13.6 %
of which complete and partial outsourcing agreements	169.6	214.9	-45.3	-21.1 %
of which staffing	20.2	21.6	-1.4	-6.7 %
of which occupational healthcare and other services	86.6	83.5	3.1	3.7 %
Intra-Group sales	-51.7	-56.4	4.7	-8.3 %
Total consolidated revenue	522.0	537.0	-15.0	-2.8 %

Revenue from **corporate customers** amounted to EUR 215.8 (195.2) million, an increase of EUR 20.6 million, or 10.5 per cent. Sales to insurance company customers increased by EUR 11.7 million, or 11.7 per cent. Occupational healthcare services sales increased. The appointment volumes of Pihlajalinna's private clinics were on a par with the comparison period.

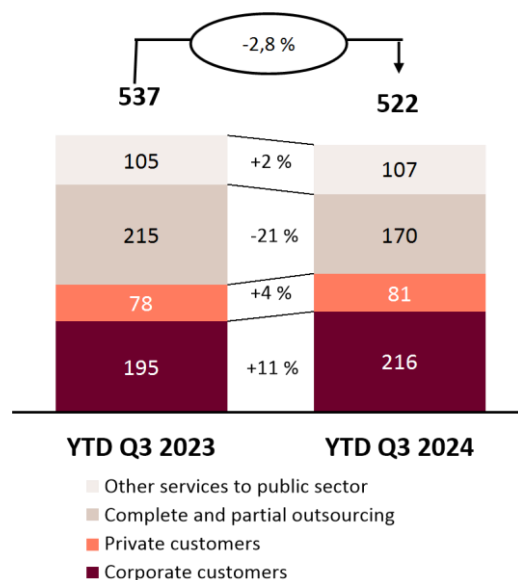
Revenue from **private customers** amounted to EUR 81.5 (78.2) million, an increase of EUR 3.3 million, or 4.2 per cent. The divestment of dental care services at the end of March 2023 decreased revenue from private customers by EUR -4.1 million. The streamlining of insurance companies' payment authorisations and direct payment practices reduces reported sales to private customer segment.

Revenue from the **public sector** amounted to EUR 276.4 (320.0) million, a decrease of EUR -43.6 million, or -13.6 per cent. The termination of cost liability for demanding specialised care in the wellbeing services county of South Ostrobothnia and Central Finland, the Jämsä Terveys Oy's gradual transfer of services to the wellbeing services county and other changes to outsourcing agreements decreased revenue by EUR -47.1 million. The decrease was compensated by the annual price increases to complete outsourcing agreements and increase in occupational healthcare services sales. The appointment volumes of Pihlajalinna's private clinics increased over 6.0 per cent.

REVENUE BY CUSTOMER GROUP
YTD Q3 2024, %



REVENUE BY CUSTOMER GROUP,
EUR MILLION



3. Materials and services

EUR million	7-9/2024	7-9/2023	change, %	1-9/2024	1-9/2023	change, %	1-12/2023
Materials	-6.8	-6.8	-0.4	-21.2	-22.9	-7.2	-31.2
Change in inventories	0.1	-0.1	-272.7	0.2	0.2	-2.3	0.2
External services, practitioners	-31.5	-28.8	9.1	-102.0	-96.1	6.1	-129.8
External services, other	-7.6	-20.9	-19.3	-26.2	-71.2	-21.5	-94.3
Total	-45.7	-56.6	-9.2	-149.2	-189.9	-11.8	-255.2

4. Employee benefit expenses

EUR million	7-9/2024	7-9/2023	change, %	1-9/2024	1-9/2023	change, %	1-12/2023
Wages and salaries	-59.8	-59.9	1.0	-197.2	-196.8	0.8	-267.1
Share-based incentive schemes							
- implemented as shares	-0.7	0.0		-1.2	-0.1		-0.3
Pension costs - defined contribution plans	-10.3	-10.3	-0.4	-33.6	-33.7	-0.3	-45.5
Other social security expenses	-1.6	-2.4	-31.4	-5.1	-7.7	-34.2	-9.9
Total	-72.4	-72.6	-30.8	-237.0	-238.3	-0.5	-322.8

Share-based incentive schemes

At the beginning of 2022, the Board of Directors approved the terms of a share-based incentive program (LTIP 2022) for selected key persons of the company. In its entirety the incentive scheme is to form a six-year program and the share rewards based on the program are not allowed to be disposed of prior to the year 2026. In addition, a key person must invest in Pihlajalinna shares to participate in the program.

The performance and quality-based share programme comprises of four separate performance periods of one year each (the calendar years 2022, 2023, 2024 and 2025). Potential share rewards will be paid out

after the performance periods in 2023, 2024, 2025 and 2026. The Board of Directors annually decides on the participants, performance indicators, targets and earning opportunities. The earnings criteria for the performance and quality-based share programme are Pihlajalinna Group's adjusted EBITA, as well as key operational, quality-related, and sustainability-related indicators. Three earnings periods have been launched under the programme: 2022, 2023 and 2024. For the earnings period of 2024, a total of 37 key persons are entitled to participate in the share-based incentive programme.

The programme is treated in its entirety as equity-settled share-based payments. The maximum aggregate amount of share rewards that may be paid out based on the programme for earning periods 2024 and 2025 is approximately 556,500 shares (gross amount before the deduction of the applicable withholding tax) and the total value of the share rewards payable is approximately EUR 5.5 million. The above number of shares corresponds to approximately 2.5 per cent of the company's total number of shares.

5. Other operating expenses

EUR million	7–9/2024	7–9/2023	change, %	1–9/2024	1–9/2023	change, %	1–12/2023
Facility expenses	-3.2	-3.1	3.0	-10.3	-10.0	2.3	-13.6
Information management expenses	-6.4	-6.4	-0.3	-19.7	-19.9	-0.9	-26.3
Sales and marketing expenses	-1.3	-1.4	-3.8	-3.8	-4.6	-17.1	-6.8
Other expenses*	-9.9	-6.4	54.3	-30.4	-21.3	42.6	-30.3
Total	-20.0	-17.3	15.7	-64.1	-55.8	14.9	-77.0

*Quarter includes item of EUR 1.7 million related to real estate renovation and maintenance responsibilities.

6. Depreciation, amortisation

EUR million	7–9/2024	7–9/2023	change, %	1–9/2024	1–9/2023	change, %	1–12/2023
Intangible assets	-1.8	-2.1	-11.9	-5.6	-6.1	-8.2	-8.2
Property, plant and equipment	-3.4	-3.1	10.5	-10.1	-8.7	15.2	-12.0
Right-of-use assets*	-9.3	-7.9	18.4	-24.9	-23.5	6.2	-31.7
Impairment							-0.6
Total depreciation, amortisation and impairment	-14.5	-13.0	11.7	-40.6	-38.3	6.0	-51.9

*Quarter includes EUR 1.2 million write down related to right-of-use premises.

7. Financial expenses

EUR million	7–9/2024	7–9/2023	change, %	1–9/2024	1–9/2023	change, %	1–12/2023
Interest expenses from financial liabilities carried at amortised cost	-1.2	-1.7	-28.8	-4.3	-5.5	-20.6	-7.2
Interest expenses on lease liabilities	-0.8	-1.0	-16.7	-2.7	-2.7	-0.3	-3.7
Other financial expenses	-0.2	-0.1	7.3	-1.1	-0.5	124.8	-1.9
Total	-2.2	-2.8	-22.9	-8.1	-8.7	-6.4	-12.7

8. Income taxes

EUR million	7–9/2024	7–9/2023	change, %	1–9/2024	1–9/2023	change, %	1–12/2023
Current taxes	-2.1	-1.4	46	-4.8	-4.9	-2.4	-0.5
Deferred taxes	-0.2	0.3	-179	-0.9	1.6	-159.4	-3.0
Total	-2.3	-1.1	102	-5.7	-3.3	72.2	-3.6

9. Changes in intangible assets

EUR million	30 Sep 2024	30 Sep 2023	31 Dec 2023
Acquisition cost at beginning of period	332.9	325.7	325.7
Additions	1.6	5.9	7.4
Business combinations	3.1	0.0	0.0
Transfers between items	0.0	-0.1	0.0
Reclassifications	0.0	0.0	0.0
Disposals	-0.1	-0.2	-0.2
Acquisition cost at end of period	337.5	331.4	332.9
Accumulated depreciation at beginning of period	-60.0	-51.9	-51.9
Depreciation and amortisation for period	-5.6	-6.1	-8.2
Accumulated depreciation on disposals	0.1	0.0	0.0
Accumulated depreciation at end of period	-65.5	-57.9	-60.0
Carrying amount at end of period	271.9	273.5	272.8

10. Changes in property, plant and equipment

EUR million	30 Sep 2024	30 Sep 2023	31 Dec 2023
Acquisition cost at beginning of period	142.6	123.6	123.6
Additions	8.8	17.8	19.0
Transfers between items	0.0	0.1	-1.1
Reclassifications	0.0	0.0	0.0
Disposals	-2.0	-0.2	1.1
Acquisition cost at end of period	149.4	141.3	142.6
Accumulated depreciation at beginning of period	-76.7	-64.8	-64.8
Depreciation and amortisation for period	-10.1	-8.7	-12.0
Transfers between items	0.0	-0.1	1.1
Accumulated depreciation on disposals	1.2	0.0	-1.0
Accumulated depreciation at end of period	-85.6	-73.7	-76.7
Carrying amount at end of period	63.8	67.6	65.8

11. Changes in right-of-use assets

EUR million	30 Sep 2024	30 Sep 2023	31 Dec 2023
Acquisition cost at beginning of period	371.0	320.0	320.0
Additions	11.9	38.9	39.6
Transfers between items	0.0	18.4	18.4
Disposals	-3.0	-6.6	-7.0
Acquisition cost at end of period	380.0	370.6	371.0
Accumulated depreciation at beginning of period	-167.1	-122.2	-122.2
Depreciation and amortisation for period	-24.9	-23.5	-31.1
Transfers between items	0.0	-18.4	-18.4
Accumulated depreciation on disposals	2.4	4.0	4.6
Accumulated depreciation at end of period	-189.6	-160.1	-167.1
Carrying amount at end of period	190.4	210.5	203.9

12. Right-of-use assets and lease liabilities

EUR million	Right-of-use asset items 30 Sep 2024	Lease liabilities 30 Sep 2024
Carrying amount at beginning of period	203.9	230.6
Changes	11.4	11.4
Depreciation and amortisation	-24.9	
Repayments of lease liabilities		-24.2
Carrying amount at end of period	190.4	217.7

On 30 September 2024, EUR 199.8 million of the lease liabilities were the result of the adoption of IFRS 16 and EUR 17.9 million were financial lease liabilities in accordance with previous accounting standards.

EUR million	Right-of-use asset items 30 Sep 2023	Lease liabilities 30 Sep 2023
Carrying amount at beginning of period	197.7	229.6
Changes	36.3	31.7
Depreciation and amortisation	-23.5	
Repayments of lease liabilities		-23.8
Carrying amount at end of period	210.5	237.5

On 30 September 2023, EUR 216.9 million of the lease liabilities were the result of the adoption of IFRS 16 and EUR 20.6 million were financial lease liabilities in accordance with previous accounting standards.

13. Financial assets and liabilities by measurement category

30 Sep 2024	Fair value hierarchy	Fair value through profit or loss	Fair value - a hedging instrument	Amortised cost	Total carrying amounts	Fair values total
Carrying amounts of financial assets						
Non-current financial assets						
Other shares and participations	level 3	0.2			0.2	0.2
Lease deposits	level 2			0.1	0.1	0.1
Other receivables	level 2			0.1	0.1	0.1
Loan receivables	level 3	2.0			2.0	2.0
Current financial assets						
Trade receivables				45.1	45.1	45.1
Other receivables	level 2			0.1	0.1	0.1
Cash and cash equivalents				9.5	9.5	9.5
Total		2.2		54.9	57.1	57.1
Carrying amounts of financial liabilities						
Non-current financial liabilities						
Loans from financial institutions	level 2			113.7	113.7	113.7
Lease liabilities	level 2			186.9	186.9	186.9
Other liabilities	level 2			0.5	0.5	0.5
Contingent considerations	level 3	0.2			0.2	0.2
Current financial liabilities						
Loans from financial institutions	level 2			1.9	1.9	1.9
Contingent considerations	level 3					
Lease liabilities	level 2			30.9	30.9	30.9
Trade and other payables				16.2	16.2	16.2
Interest derivatives	level 2		0.9			
Total		0.2	0.9	350.1	350.3	350.3
31 Dec 2023	Fair value hierarchy	Fair value through profit or loss	Fair value - a hedging instrument	Amortised cost	Total carrying amounts	Fair values total
Carrying amounts of financial assets						
Non-current financial assets						
Other shares and participations	level 3	0.2			0.2	0.2
Lease deposits	level 2			0.2	0.2	0.2
Other receivables	level 2			0.1	0.1	0.1
Loan receivables	level 3	2.1			2.1	2.1
Current financial assets						
Trade receivables				52.5	52.5	52.5
Other receivables	level 2			0.2	0.2	0.2
Interest derivatives	level 2		0.2		0.2	0.2
Cash and cash equivalents				24.5	24.5	24.5
Total		2.3	0.2	77.5	80.0	80.0
Carrying amounts of financial liabilities						
Non-current financial liabilities						
Loans from financial institutions	level 2			143.8	143.8	143.8
Lease liabilities	level 2			199.8	199.8	199.8
Other liabilities	level 2			0.5	0.5	0.5
Contingent considerations	level 3	0.2			0.2	0.2
Current financial liabilities						
Loans from financial institutions	level 2			2.3	2.3	2.3
Contingent considerations	level 3	0.7			0.7	0.7

Lease liabilities	level 2	30.8	30.8	30.8
Trade and other payables		27.1	27.1	27.1
Total	0.9	404.3	405.2	405.2

Fair value hierarchy levels:

Level 1: Fair values are based on quoted prices in active markets for identical assets and liabilities. The Group has no financial assets or liabilities measured according to level 1 of the hierarchy.

Level 2: The fair value is determined using valuation methods. The financial assets and liabilities are not subject to trading in active and liquid markets. The fair values can be determined based on quoted market prices and deduced valuation. The carrying amount of the trade receivables and financial assets essentially corresponds to their fair value, as the effect of discounting is not significant taking the maturity of the receivables into consideration. The fair values of lease liabilities are based on discounted cash flows. The fair values of loans essentially correspond to their carrying amount since they have a floating interest rate and the Group's risk premium has not materially changed. The carrying amount of other financial liabilities essentially corresponds to their fair value, as the effect of discounting is not significant taking the maturity of the receivables into consideration. Derivative financial instruments are initially recognized at fair value on the trade date and are subsequently remeasured at their fair value on the balance sheet date.

Level 3: The fair value is not based on verifiable market information, and information on other circumstances affecting the value of the financial asset or liability is not available of verifiable. The Group's other shares and participations consist solely of shares in unlisted companies.

14. Liquidity risk

The Group monitors the amount of financing required by business operations by analysing cash flow forecasts to ensure that the Group has enough of liquid assets for financing operations and repaying maturing loans. The Group aims to ensure the availability and flexibility of financing with adequate credit limits, a balanced maturity profile and sufficiently long maturities for borrowings, as well as by obtaining financing through several financial instruments. The covenants included in the Group's financing arrangements are subject to continuous forecasting.

In June 2024, Pihlajalinna rearranged its long-term debt financing with a sustainability-linked financing arrangement. The agreement includes a EUR 110 million term loan for refinancing the Group's previous debt, and a revolving credit facility of EUR 60 million for general financing purposes. The financing agreement is for three years and includes two option years.

The financing arrangement includes customary financial covenants equivalent to the previous arrangement, concerning leverage (ratio of net debt to pro forma EBITDA) and gearing covenants. IFRS 16 lease liabilities are not considered in the calculation of the covenants. Additionally, the loan margin of the financing is linked to Pihlajalinna's main sustainability targets: patient satisfaction, access to surgical treatment and employee satisfaction. Sustainability objectives have a minor effect on the loan margin, depending on how many of the agreed-upon sustainability targets are achieved. During the reporting period, the Group met the covenants agreed upon in the financing agreement.

The Group has an interest rate swap agreement with a nominal value of EUR 65 million, which was used to convert the floating interest rate of the financing arrangement to fixed interest rate. Cash flow hedge accounting is applied to the interest rate swap agreement, which means that the effective portion of the change in fair value is recognised in other comprehensive income. The start date of the interest rate swap was in March 2023, and it is valid until 25 March 2027.

On 27 March 2023, Pihlajalinna issued a hybrid bond of EUR 20 million. The hybrid bond bears a fixed interest rate of 12.00 percent per annum until 27 March 2026 (Reset Date), and from the Reset Date, the interest rate will be floating as defined in the terms and conditions of the hybrid bond.

The hybrid bond is an instrument subordinated to the company's other debt obligations. The hybrid bond does not have a specified maturity date. Pihlajalinna is entitled to redeem the hybrid bond on the Reset Date and thereafter on each interest payment date. The hybrid bond will be treated as equity in

Pihlajalinna's IFRS consolidated financial statements. The hybrid bond does not confer to its holders the rights of a shareholder or dilute the holdings of the current shareholders.

At the end of the reporting period, Pihlajalinna had EUR 70 million in unused committed credit limits. Unused credit limits consist of EUR 10 million credit limit agreement and EUR 60 million unused revolving credit facility.

The table below presents the contractual maturity of financial liabilities. The figures are undiscounted, and they include both future interest payments and repayments of principal. Interest payments related to the loan instalments drawn are presented in the table below according to the actual timing of their payment.

15. Financial liabilities repayment schedule

EUR million	Carrying amount on 30 Sep 2024	less than 1 year	1-2 years	2-3 years	3-4 years	over 4 years
Loans from financial institutions	115.6	-7.5	-7.3	-116.6	-1.0	-0.1
Revolving credit facility						
Lease liabilities	217.7	-34.5	-31.5	-27.2	-24.0	-120.2
Other interest-bearing liabilities	0.5	-0.1	-0.1	-0.1	-0.1	-0.6
Contingent considerations	0.2	0.0	-0.2			
Trade payables	16.0	-16.0				
Total	350.1	-58.0	-39.1	-143.9	-25.1	-120.9

EUR million	Carrying amount on 31 Dec 2023	less than 1 year	1-2 years	2-3 years	3-4 years	over 4 years
Loans from financial institutions	136.1	-9.4	-8.6	-132.6	-1.2	-0.4
Revolving credit facility	10.0	-0.5	-0.5	-10.2		
Lease liabilities	230.6	-34.5	-31.4	-26.3	-23.7	-134.5
Other interest-bearing liabilities	0.5	-0.1	-0.1	-0.1	-0.1	-0.6
Contingent considerations	0.9	-0.7	-0.2			
Trade payables	27.1	-27.1				
Total	405.2	-72.2	-40.8	-169.2	-25.0	-135.5

16. Trade and other receivables

Pihlajalinna regularly reviews the credit risk of receivables and the procedures used to assess credit risk. No significant changes were observed in the payment behavior of customers during the reporting period.

The Group recognised impairment losses of EUR 0.7 (0.7) million on trade receivables during the reporting period. The Group recognised impairment losses of EUR 0.0 (0.0) million related to contract assets.

EUR million	30 Sep 2024	31 Dec 2023
Trade receivables	45.1	52.5
Accrued income and other receivables	7.7	5.0
Current subleases	0.4	0.4
Contract assets	4.2	3.6
Total	57.3	61.5

Age distribution of trade receivables

EUR million	30 Sep 2024	of which written down	Net 30 Sep 2024	31 Dec 2022	of which written down	Net 31 Dec 2022
Not yet due	32.3	0.0	32.3	34.3	0.0	34.3
Past due						
Less than 30 days	8.9	0.0	8.9	12.9	0.0	12.9
30–60 days	0.6	0.0	0.5	1.1	0.0	1.0
61–90 days	0.4	-0.1	0.3	0.6	-0.1	0.5
More than 90 days	3.4	-0.3	3.1	4.0	-0.3	3.7
Total	45.6	-0.5	45.1	52.9	-0.5	52.5

17. Acquired business operations

On 1 May 2024, Pihlajalinna acquired full ownership of its former associated company Kuura Digilääkäri Oy. Pihlajalinna's previous holding in the company was 45 per cent. On 1 July 2024, Pihlajalinna acquired 41.34 per cent of the shares of its former associated company Digital Health Solutions Oy. Following the transaction, Pihlajalinna holds 82.37 per cent of the company's shares. Pihlajalinna consolidates the companies as an acquisition achieved in stages. The pre-existing interest in the acquirees was remeasured to fair value and the capital gain, amounting to EUR 78 thousand, was recognised in other operating income. The acquisition calculations are being finalised and will be completed within one year of the date of acquisition. Since the acquisitions are not material individually, the following preliminary acquisition calculations on the acquired business operations have been consolidated:

EUR million	2024
Consideration transferred	
Cash	3.6
Total acquisition cost	3.6

The preliminary values of the assets and liabilities acquired for consideration at the time of acquisitions were as follows:

EUR million	2024
Trade and other receivables	0.2
Cash and cash equivalents	0.5
Total assets	0.7
Other liabilities	0.2
Total liabilities	0.2
Acquired net assets	0.5

Preliminary goodwill generated in the acquisitions:

EUR million	2024
Consideration transferred	2.0
Previous holding measured at fair value	1.6
Share of the acquisition allocated to non-controlling interest	0.0
Net identifiable assets of acquirees	-0.5
Preliminary goodwill	3.1
Transaction price paid in cash in the financial year	2.0
Cash and cash equivalents of acquirees	-0.5
Effect on cash flow in the financial year	1.5

The business combinations generated preliminary goodwill of EUR 3.1 million. The goodwill generated is not tax-deductible. EUR 0.1 million in costs related to the acquisitions has been recognised under other operating expenses (IFRS 3 costs). Revenue recognised as a result of the business combinations and the effect on the result for the review period is not material.

18. Contingent liabilities and commitments

EUR million	30 Sep 2024	30 Sep 2023	2023
Collateral given on own behalf			
Sureties	5.0	4.2	5.3
Lease deposits	0.1	0.6	0.2
Properties' VAT refund liability	0.0	0.0	0.0
Lease commitments for off-balance sheet leases	0.7	1.3	1.6

Investment commitments for the Group's development, additional and replacement investments amounted to approximately EUR 3.5 (2.9) million. The investment commitments are related to business premises investments, additional and replacement investments in clinical equipment and information system projects.

Hybrid bond interests

Pihlajalinna issued EUR 20 million hybrid bond on 27 March 2023. At the end of the reporting period, the unpaid interest was EUR 1.3 (1.3) million.

Quarterly information

EUR million	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22
INCOME STATEMENT								
Revenue	164.0	174.8	183.2	183.0	165.6	183.6	187.8	188.4
EBITDA	26.2	22.7	25.7	11.6	20.1	17.7	23.0	11.5
EBITDA, %	16.0	13.0	14.0	6.4	12.1	9.7	12.3	6.1
Adjusted* EBITDA	26.2	22.7	26.0	20.7	20.5	18.0	21.4	12.0
Adjusted* EBITDA, %	16.0	13.0	14.2	11.3	12.4	9.8	11.4	6.4
Depreciation and amortisation	-14.5	-13.1	-13.0	-13.6	-13.0	-12.8	-12.5	-12.0
Operating profit (EBIT)	11.7	9.5	12.7	-1.9	7.1	4.9	10.5	-0.6
Operating profit, %	7.1	5.5	6.9	-1.1	4.3	2.7	5.6	-0.3
Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA)	13.5	11.4	14.9	9.9	9.6	7.3	11.0	2.2
Adjusted EBITA, %	8.2	6.5	8.1	5.4	5.8	4.0	5.9	1.2
Financial income	0.0	0.4	0.2	-0.1	0.2	0.2	0.1	0.4
Financial expenses	-2.2	-3.2	-2.7	-4.1	-2.8	-2.7	-3.1	-2.7
Profit before taxes (EBT)	9.5	6.7	10.2	-6.1	4.4	2.4	7.5	-2.8
Income tax	-2.3	-1.2	-2.3	-0.3	-1.1	-0.6	-1.6	1.7
Profit for the period	7.2	5.5	7.9	-6.4	3.3	1.8	5.9	-1.1
Share of the result for the period attributable to owners of the parent company	6.3	4.8	7.2	-5.2	3.5	2.0	5.5	-0.7
Share of the result for the period attributable to non-controlling interests	0.9	0.7	0.8	-1.2	-0.2	-0.2	0.4	-0.4
Earnings per share (EPS), EUR	0.26	0.19	0.30	-0.25	0.13	0.07	0.24	-0.03
Average number of personnel (FTE)	4,449	4,505	4,565	4,821	4,852	4,832	4,719	4,851
Change in personnel during the quarter	-56	-60	-256	-31	19	113	-132	58

Calculation of key financial figures and alternative performance measures

Key figures			
Earnings per share (EPS)	Profit for the financial period attributable to owners of the parent company - Hybrid bond interest expenses net of tax		
	Average number of shares during the financial year		
Alternative performance measures			
Equity per share	Equity attributable to owners of the parent company		
	Number of shares at the end of the financial period		
Dividend per share	Dividend distribution for the financial year (or proposal)		
	Number of shares at the end of the financial period		
Dividend/result, %	Dividend per share Earnings per share (EPS)	x 100	
Effective dividend yield, %	Dividend per share Closing price for the financial year	x 100	
P/E ratio	Closing price for the financial year Earnings per share (EPS)		
Share turnover, %	Number of shares traded during the period Average number of shares	x 100	
Return on equity (ROE), %	Profit for the period (rolling 12 months) Equity (average)	x 100	Return on equity indicates how much return on equity has been accumulated during the financial year. It reflects the company's ability to manage the capital invested in the company by the owners.
Return on capital employed, % (ROCE)	Profit before taxes (rolling 12 months) + financial expenses (rolling 12 months) Total statement of financial position - non-interest-bearing liabilities (average)	x 100	Return on capital employed measures the relative profitability of the company, that is the return that has been obtained for the capital invested in the company that requires interest or other returns.
Equity ratio, %	Equity Total statement of financial position - prepayments received	x 100	Equity ratio measures the company's solvency, loss tolerance and the ability to cope with commitments in the long term. It reflects how much of the company's assets have been financed with equity.
Gearing, %	Interest-bearing net debt - cash and cash equivalents Equity	x 100	Gearing describes the indebtedness of the company. It reflects what the ratio of the owners' own capital invested in the company is and the interest-bearing debts borrowed from financiers.
EBITDA	Operating profit + depreciation, amortisation and impairment		EBITDA shows how much of the company's revenue is left over after deducting operating expenses. Assessments of whether EBITDA is sufficiently high should consider the company's financial expenses, depreciation requirements and intended profit distribution.
EBITDA, %	Operating profit + depreciation, amortisation and impairment Revenue	x 100	
Adjusted EBITDA ¹⁾	Operating profit + depreciation, amortisation and impairment + adjustment items		Adjusted EBITDA provides significant additional information on profitability by eliminating items that do not necessarily reflect the profitability of

			the company's operative business. Adjusted EBITDA improves comparability between periods and is frequently used by analysts, investors and other parties. The Group Management Team and operative management monitor and forecast adjusted EBITDA on a monthly basis.
Adjusted EBITDA, % ¹⁾	Operating profit + depreciation, amortisation and impairment + adjustment items	x 100	
	Revenue		
Adjusted EBITDA ¹⁾ , excluding IFRS 16	Operating profit + depreciation, amortisation and impairment + adjustment items – IFRS 16 adjustment		
Net debt/Adjusted EBITDA ¹⁾ , rolling 12 months	Interest-bearing net debt - cash and cash equivalents		The key figure describes how quickly the company would get its financial liabilities paid at the current rate of earnings, if the EBITDA were used in full to pay the financial liabilities, assuming that the company does not, for example, invest or distribute dividends.
	Adjusted EBITDA (rolling 12 months)		
Net debt/Adjusted EBITDA ¹⁾ , excluding IFRS 16, rolling 12 months	Interest-bearing net debt excluding IFRS 16 - cash and cash equivalents		
	Adjusted EBITDA, excluding IFRS 16 (rolling 12 months)		
Cash flow after investments	Net cash flow from operating activities + net cash flow from investing activities		
Adjusted operating profit (EBIT) ¹⁾	Operating profit + adjustment items		Adjusted operating profit provides significant additional information on profitability by eliminating items that do not necessarily reflect the profitability of the company's operative business. Adjusted operating profit improves comparability between periods and is frequently used by analysts, investors and other parties. The Group Management Team and operative management monitor and forecast adjusted operating profit on a monthly basis.
Adjusted operating profit (EBIT), % ¹⁾	Operating profit + adjustment items	x 100	
	Revenue		
Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA) ¹⁾	Operating profit + adjustment items + amortization and impairment of intangible assets		
Adjusted EBITA, % ¹⁾	Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA)	x 100	
	Revenue		
Profit before taxes (EBT)	Profit for the financial year + income tax		
Gross investments	Increase in tangible and intangible assets and in right-of-use assets		
Comparable revenue for the previous period	Revenue from the previous period - the effects of divestments to revenue - COVID-19 services - other items affecting comparability		
Comparable organic revenue growth	Revenue for the period - comparable revenue for the previous period - revenue from M&A transactions		Organic growth of revenue refers to the growth of existing business that has not been achieved through mergers or acquisitions. Organic growth

			can be achieved by expanding service offerings, acquiring new customers, increasing visitation rates from existing customers, implementing price increases, and embracing digitalization. Public tenders won for healthcare outsourcing and self-established business locations are counted as organic growth. Comparable organic growth is calculated excluding the divestments, the transfer of cost liability for demanding specialized care, the gradual transfer of Jämsän Terveys Oy's service agreement, COVID-19 services and transfers between segments.
Comparable organic revenue growth, %	Organic comparable revenue growth	x 100	
	Comparable revenue for the previous period		

¹⁾ Significant transactions that are not part of the normal course of business, are related to business acquisition costs (IFRS 3), are infrequently occurring events or valuation items that do not affect cash flow are treated as adjustment items affecting comparability between financial years. According to Pihlajalinna's definition, such items include, for example, restructuring measures, impairment of assets and the remeasurement of previous assets held by subsidiaries, the costs of closing businesses and business locations, gains and losses on the sale of businesses, costs arising from operational restructuring and the integration of acquired businesses, costs related to the termination of employment relationships as well as fines and corresponding compensation payments. Pihlajalinna has also presented costs according to the IFRS Interpretations Committee's Agenda Decision concerning cloud computing arrangements, and reversals of amortization, as adjustment items. Cloud computing arrangement costs and reversals of amortization according to the IFRS Interpretations Committee's Agenda Decision has not been presented as adjustment items since 1 Jan 2024.

Reconciliations with alternative key figures and ratios

Pihlajalinna publishes a wide range of alternative performance measures, i.e. key figures that are not based on financial reporting standards, because they are considered to be significant for investors, the management and the Board of Directors in assessing the Group's financial position and profitability. The alternative performance measures should not be considered to be replacements for the key figures defined in IFRS standards. The table below presents the reconciliation calculations for the alternative performance measures and the justifications for their presentation.

Reading notes:

- / divide by the following number(s)
- deduct the following number(s)
- + add the following number(s)

Return on equity (ROE), %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Profit for period (rolling 12 months)/			14.2	9.9	4.6
Equity (average) x 100			152.6	137.9	133.7
Return on equity (ROE), %			9.3	7.2	3.4

Return on capital employed (ROCE), %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Profit before taxes (rolling 12 months)			20.2	11.5	8.2
Financial expenses (rolling 12 months)			12.2	11.3	12.7
Profit before taxes + financial expenses (rolling 12 months)			32.4	22.9	20.9
Total statement of financial position - non-interest-bearing liabilities (average of beginning and end of the period)			508.2	532.6	522.3
Return on capital employed (ROCE), %			6.4	4.3	4.0

Equity ratio, %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Equity/			160.7	152.8	144.6
Total statement of financial position -			617.8	676.0	657.5
Advances received x 100			0.0	0.0	0.3
Equity ratio, %			26.0	22.6	22.0

Gearing, %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Interest-bearing financial liabilities –			333.8	389.5	377.2
Cash and cash equivalents/			9.5	17.3	24.5
Equity x 100			160.7	152.8	144.6
Gearing, %			201.9	243.6	243.9

Net debt/adjusted EBITDA, rolling 12 months

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Interest-bearing financial liabilities -			333.8	389.5	377.2
Cash and cash equivalents			9.5	17.3	24.5
Net debt/			324.4	372.2	352.7
Adjusted EBITDA (rolling 12 months)			95.6	71.9	80.6
Net debt/adjusted EBITDA, rolling 12 months			3.4	5.2	4.4

Interest-bearing net debt, excluding IFRS 16, %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Interest-bearing financial liabilities excluding IFRS 16 –			134.0	172.6	166.5
Cash and cash equivalents/			9.5	17.3	24.5
Equity x 100			167.9	158.2	150.5
Interest-bearing net debt, excluding IFRS 16, %			74.2	98.2	94.4

Net debt/adjusted EBITDA, rolling 12 months, excluding IFRS 16

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Interest-bearing financial liabilities excluding IFRS 16 -			134.0	172.6	166.5
Cash and cash equivalents			9.5	17.3	24.5
Net debt/			124.6	155.3	142.0
Adjusted EBITDA excluding IFRS 16 (rolling 12 months)			64.9	44.0	51.9
Net debt/adjusted EBITDA, rolling 12 months, excluding IFRS 16			1.9	3.5	2.7

EBITDA and Adjusted EBITDA

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Profit for period	7.2	3.3	20.6	11.0	4.6
Income tax	-2.3	-1.1	-5.7	-3.3	-3.6
Financial expenses	-2.2	-2.8	-8.1	-8.7	-12.7
Financial income	0.0	0.2	0.6	0.5	0.4
Depreciation, amortisation and impairment	-14.5	-13.0	-40.6	-38.3	-51.9
EBITDA	26.2	20.1	74.5	60.8	72.5
IFRS 3 costs	0.0	0.0	0.0	0.7	0.7
Entries related to the IFRIC Agenda Decision concerning cloud computing arrangements		0.2		0.8	1.0
Other EBITDA adjustments	0.0	0.2	0.3	-2.4	6.4
Total EBITDA adjustments	0.0	0.4	0.3	-1.0	8.1
Adjusted EBITDA	26.2	20.5	74.8	59.9	80.6

EBITDA, %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
EBITDA/	26.2	20.1	74.5	60.8	72.5
Revenue x 100	164.0	165.6	522.0	537.0	720.0
EBITDA, %	16.0	12.1	14.3	11.3	10.1

Adjusted EBITDA, %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Adjusted EBITDA/	26.2	20.5	74.8	59.9	80.6
Revenue x 100	164.0	165.6	522.0	537.0	720.0
Adjusted EBITDA, %	16.0	12.4	14.3	11.2	11.2

Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA)

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Operating profit (EBIT) and Adjusted operating profit (EBIT)					
Profit for the period	7.2	3.3	20.6	11.0	4.6
Income tax	-2.3	-1.1	-5.7	-3.3	-3.6
Financial expenses	-2.2	-2.8	-8.1	-8.7	-12.7
Financial income	0.0	0.2	0.6	0.5	0.4
Operating profit (EBIT)	11.7	7.1	33.9	22.5	20.6
Entries related to the IFRIC Agenda Decision concerning cloud computing arrangements (reversal of amortisation) -		-0.1		-0.4	-0.5
Other adjustments to amortisation and impairment				0.2	0.9

Total EBITDA adjustments	0.0	0.4	0.3	-1.0	8.1
Total operating profit (EBIT) adjustments	0.0	0.3	0.3	-1.1	8.5
Adjusted operating profit (EBIT)	11.7	7.4	34.2	21.4	29.1
PPA amortisation	0.5	0.5	1.6	1.6	2.1
Amortisation and impairment of other intangible assets	1.3	1.7	4.0	4.9	6.6
Entries related to the IFRIC Agenda Decision concerning cloud computing arrangements (reversal of amortisation)		0.1		0.4	0.5
Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA)	13.5	9.6	39.8	27.9	37.8

Operating profit (EBIT), %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Operating profit/	11.7	7.1	33.9	22.5	20.6
Revenue x 100	164.0	165.6	522.0	537.0	720.0
Operating profit (EBIT), %	7.1	4.3	6.5	4.2	2.9

Adjusted operating profit (EBIT), %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Adjusted operating profit/	11.7	7.4	34.2	21.4	29.1
Revenue x 100	164.0	165.6	522.0	537.0	720.0
Adjusted operating profit (EBIT), %	7.1	4.4	6.6	4.0	4.0

Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA), %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA) /	13.5	9.6	39.8	27.9	37.8
Revenue x 100	164.0	165.6	522.0	537.0	720.0
Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA), %	8.2	5.8	7.6	5.2	5.2

Cash flow after investments

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Net cash flow from operating activities	9.0	6.6	67.7	52.9	79.0
Net cash flow from investing activities	-1.7	-3.9	-10.3	-14.8	-18.5
Cash flow after investments	7.4	2.7	57.4	38.0	60.5

Profit before taxes

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Profit for period	7.2	3.3	20.6	11.0	4.6
Income tax	-2.3	-1.1	-5.7	-3.3	-3.6
Profit before taxes	9.5	4.4	26.4	14.3	8.2

Gross investments

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Property, plant and equipment at end of period	63.8	67.6	63.8	67.6	65.8
Right-of-use assets at end of period	190.4	210.5	190.4	210.5	203.9
Other intangible assets at end of period	17.1	21.7	17.1	21.7	21.1
Goodwill at end of period	254.9	251.8	254.9	251.8	251.8
Depreciation, amortisation and impairment for period are added	14.5	13.0	40.6	38.3	51.9
Property, plant and equipment at beginning of period	65.8	68.8	65.8	58.7	58.7
Right-of-use assets at beginning of the period	195.4	195.6	203.9	197.7	197.7
Other intangible assets at beginning of period	18.5	22.3	21.1	22.8	22.8
Goodwill at beginning of period	254.8	252.7	251.8	251.0	251.0
Proceeds from the sale of property, plant and equipment during period	3.7	-0.2	-1.3	-2.2	-2.3
Gross investments	2.5	25.4	25.4	61.8	66.4

Comparable organic revenue growth, %

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Revenue for previous period	165.6	165.2	537.0	502.1	690.5
The impact of divestments on revenue during the period -	0.0	-3.6	-4.8	-8.3	-12.0
Contractual changes in complete outsourcing agreements -	-14.8	-10.3	-47.1	-21.8	-32.1
Covid-19 services and write-down of revenue -	-0.1	-2.2	-0.6	-15.7	-18.0
Comparable revenue for previous period (B)	150.7	149.1	484.5	456.4	628.4
Revenue from M&A transactions during period (C)		2.1		16.2	16.2
Revenue growth due to M&A transactions, %		1.4		3.5	2.6
Revenue for period (A)	164.0	165.6	522.0	537.0	720.0
Comparable organic revenue growth (A-B-C)	13.3	14.4	37.5	64.4	75.4
Organic revenue growth, %	8.9	9.6	7.7	14.1	12.0
Revenue change	-1.6	0.3	-15.0	34.9	29.5
Revenue change, %	-1.0	0.2	-2.8	7.0	4.3

Description of adjustment items applied to adjusted EBITDA and adjusted operating profit

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
EBITDA	26.2	20.1	74.5	60.8	72.5
Adjustments to EBITDA					
Dismissal-related expenses		0.2	0.3	1.2	1.3
Costs arising from integration of acquired businesses		0.0		0.2	0.2
Classification of receivables as contingent assets according to IAS 37					7.8
Impairments on shares of interest in associates					0.5
Gains on the sale of businesses		0.0		-3.6	-3.6
IFRS 3 costs	0.0	0.0	0.0	0.7	0.7
Entries related to the IFRIC Agenda Decision concerning cloud computing arrangements		0.2		0.8	1.0
Other items with cash flow effect			0.1		0.3
Other items with no cash flow effect			-0.1	-0.2	-0.2
Adjustments to EBITDA in total	0.0	0.4	0.3	-1.0	8.1
Adjusted EBITDA	26.2	20.5	74.8	59.9	80.6
Depreciation, amortisation and impairment	-14.5	-13.0	-40.6	-38.3	-51.9
Adjustments to depreciation, amortisation and impairment					
Entries related to the IFRIC Agenda Decision concerning cloud computing arrangements (reversal of amortisation)		-0.1		-0.4	-0.5
Closure of operating locations				0.2	0.2
Impairments on investments					0.6
Adjustments to depreciation, amortisation and impairment in total		-0.1		-0.2	0.3
Adjustments to operating profit in total	0.0	0.3	0.3	-1.1	8.5
Adjusted operating profit (EBIT)	11.7	7.4	34.2	21.4	29.1
PPA amortisation	0.5	0.5	1.6	1.6	2.1
Other amortisation and impairment of intangible assets	1.3	1.5	4.0	4.5	6.1
Entries related to the IFRIC Agenda Decision concerning cloud computing arrangements (reversal of amortisation)		0.1		0.4	0.5
Adjusted operating profit before the amortisation and impairment of intangible assets (EBITA)	13.5	9.6	39.8	27.9	37.8
Operating profit (EBIT)	11.7	7.1	33.9	22.5	20.6

The adjustment items are presented in the income statement items as follows:

EUR million	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Revenue					2.1
Other operating income		0.0	-0.1	-3.8	-2.2
Materials and services				0.1	4.3
Employee benefit expenses		0.2	0.3	1.1	1.2
Other operating expenses	0.0	0.2	0.1	1.6	2.2
Share of profit in associated companies and joint ventures					0.5
EBITDA adjustment items total	0.0	0.4	0.3	-1.0	8.1
Depreciation, amortisation and impairment		-0.1		-0.2	0.3
Operating profit (EBIT) adjustment items total	0.0	0.3	0.3	-1.1	8.5