

A photograph of three people standing against a gradient background that transitions from dark red on the left to a lighter orange on the right. In the center is a woman with blonde hair and black-rimmed glasses, wearing a dark blue V-neck shirt with an orange dot pattern on the right shoulder. To her left (viewer's right) is a woman with long brown hair, wearing a purple patterned button-down shirt. To her right (viewer's left) is a man with short brown hair, wearing a dark blue V-neck shirt with an orange dot pattern on the left shoulder. All three are looking towards the camera.

Pihlajalinna Result presentation 2023

CEO Tuomas Hyyryläinen

14 February 2024

Good economic development in year 2023

- Organic growth 10.6% (10.3%*) and adjusted EBITA MEUR 37.8 (26.7)
- Due to determined measures, the financial position and profitability strengthened as planned
- Both employee and customer satisfaction increased
- The Board of Directors proposes a return to dividend distribution: EUR 0.07 for 2023
- In 2024, we expect both turnover and adjusted EBITA to increase from 2023

** Without COVID-19 services and the District Court decision concerning Jämsän Terveys*

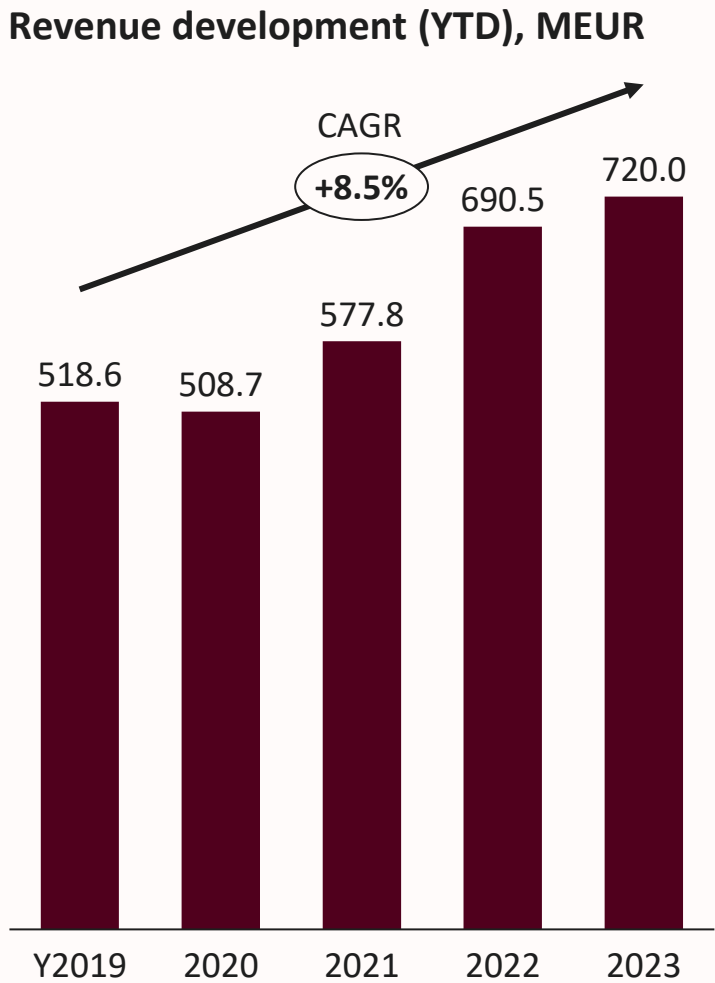
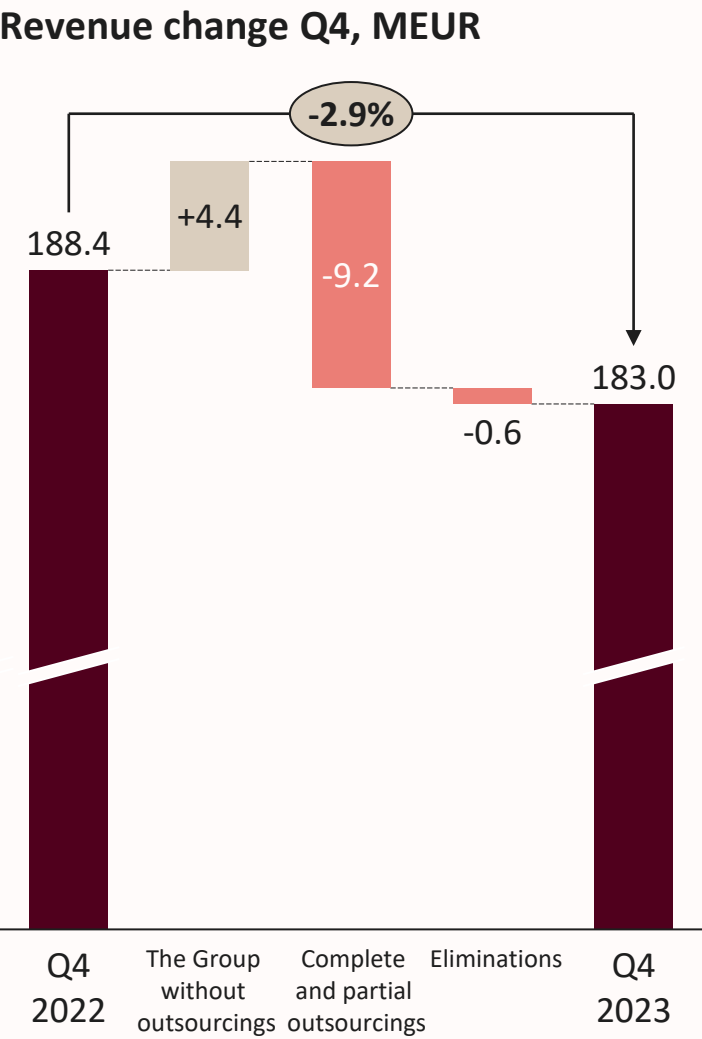


Profitability and financial position strengthened as planned as a result of determined measures

Q4/2023 and 2023 Key figures, MEUR

	Q4 2023	Q4 2022	change %	2023	2022	change %
REVENUE	183.0	188.4	-2.9	720.0	690.5	4.3
Adjusted EBITDA	20.7	12.0	72.2	80.6	64.2	25.5
Adjusted EBITA	9.9	2.2	339.8	37.8	26.7	41.5
Earnings per share (EPS), EUR	-0.25	-0.03		0.19	0.42	-55.5
Cash flow from operating activities	26.1	22.5		79.0	64.9	21.8
Interest-bearing financial liabilities excluding IFRS 16				142.0	178.6	-20.5
Net debt/adjusted EBITDA, rolling 12 months, excluding IFRS 16				2.7	4.4	-38.6
Practitioners at the end of the period				2,208	1,812	21.9

As expected, the removal of cost liability of specialised care decreased the revenue – despite this, the annual revenue grew

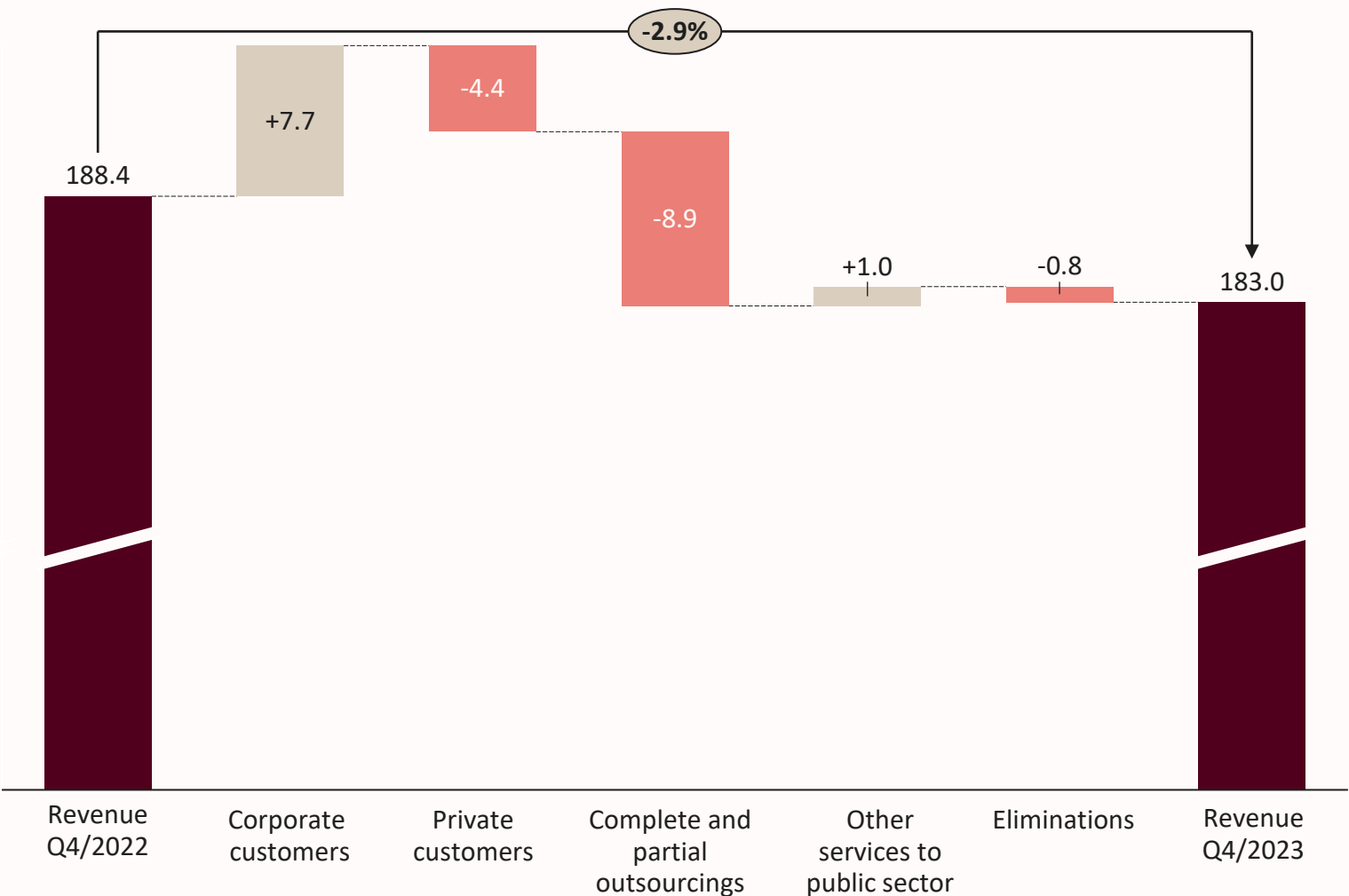


- The divestment of dental care services and reduction in COVID-19 services and in the cost liability of demanding specialised care decreased consolidated revenue by MEUR -17.4 in Q4 and MEUR 59.9 in 2023
- Organic growth* was 6.2% in Q4 and 10.6% in 2023

* Without COVID-19 services and the decrease in the cost liability of demanding specialised care

Q4/2023: Insurance company sales continued to grow, the share of outsourcings decreased

Revenue by customer groups Q4/2023, MEUR



CORPORATE CUSTOMERS, 36% OF TOTAL REVENUE

- Revenue MEUR 72.8 (65.1)
- Sales to insurance company customers increased by MEUR 6,2

PRIVATE CUSTOMERS, 12%

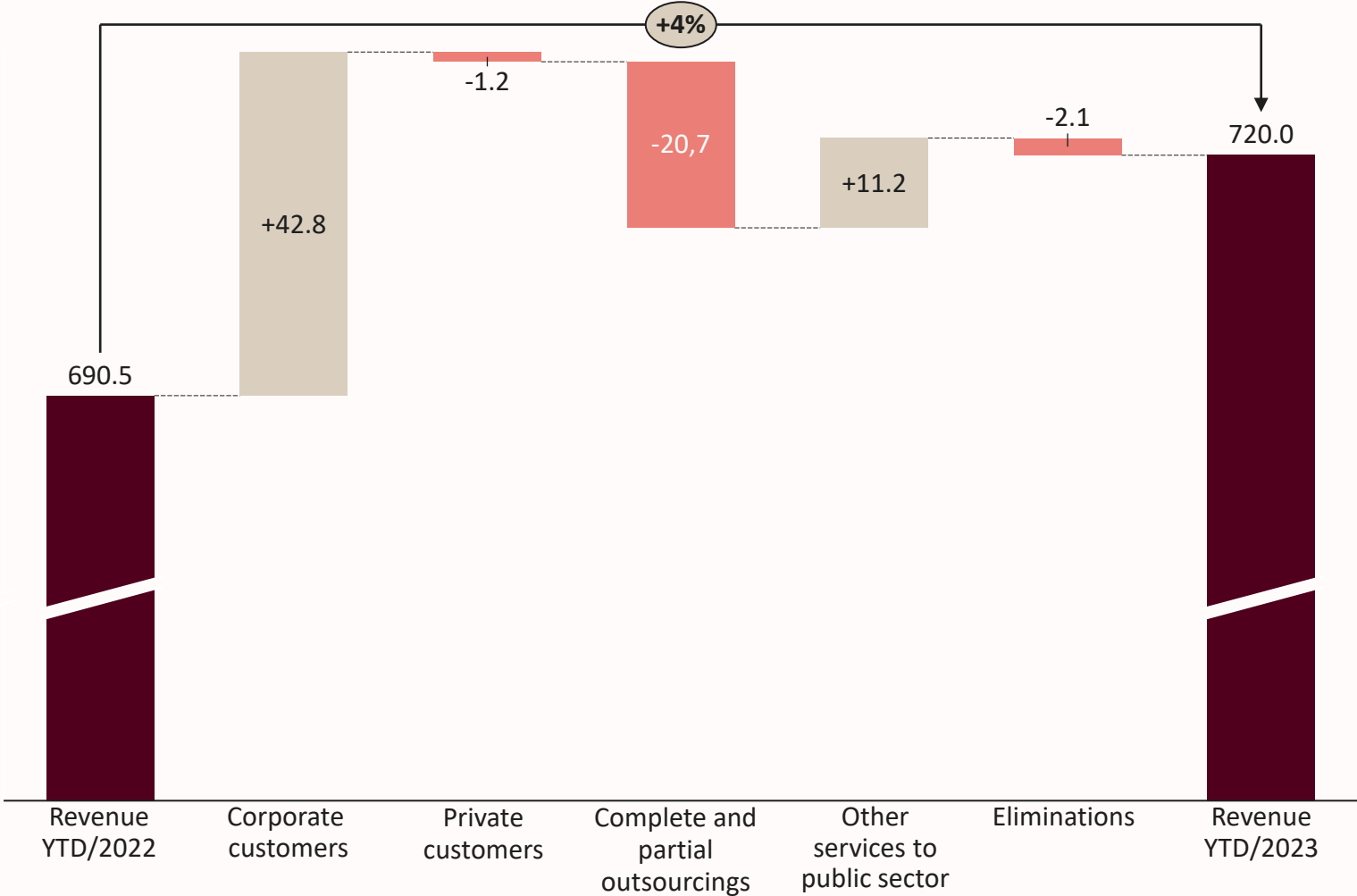
- Revenue MEUR 23.9 (28.3)
- Divestment of dental care services decreased revenue by MEUR -3.9

PUBLIC SECTOR, 52%, OF WHICH COMPLETE AND PARTIAL OUTSOURCINGS, 34%

- Revenue MEUR 106.0 (113.9)
- Share of complete and partial outsourcings MEUR 68.4 (77.3)
- The removal of demanding specialised care in Pirkanmaa and Central Finland reduced revenue by MEUR -10.3, the decrease is compensated by annual price adjustments

2023: Strong organic growth throughout the year, the reduction of the cost liability of specialised care decreased revenue as expected

Revenue by customer groups January-December 2023, MEUR



CORPORATE CUSTOMERS, 34% OF TOTAL REVENUE

- Revenue MEUR 268.1 (225.3)
- Sales to insurance company customers increased by MEUR 37.4
- Organic growth MEUR 35.7

PRIVATE CUSTOMERS, 13%

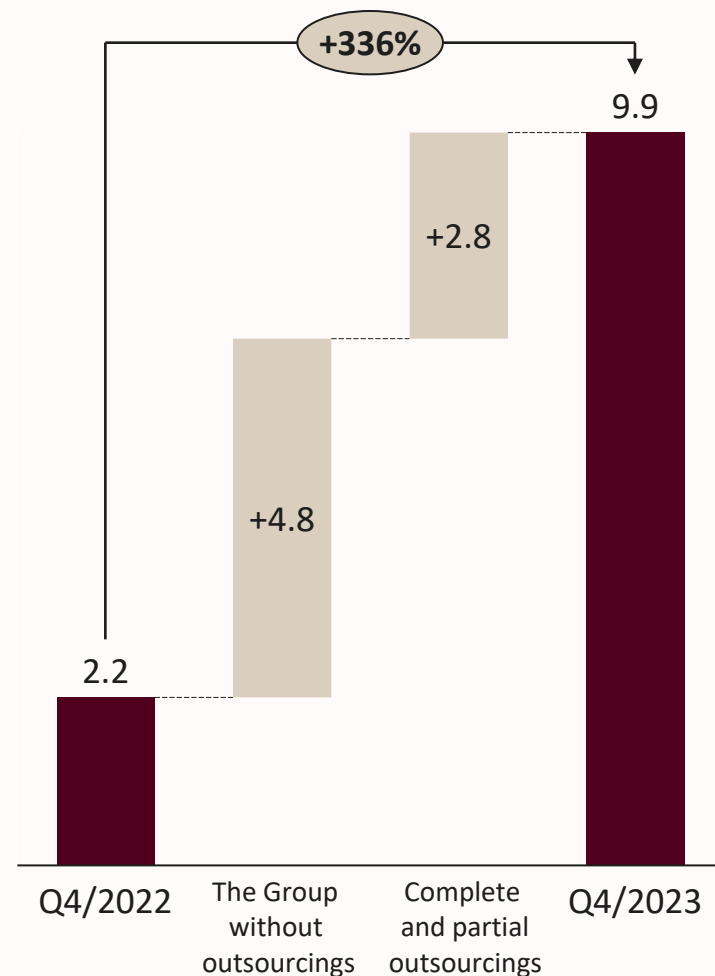
- Revenue MEUR 102.1 (103.2)
- Divestment of dental care services decreased revenue by MEUR -10.5
- Organic growth MEUR 4.8

PUBLIC SECTOR, 53%, COMPLETE AND PARTIAL OUTSOURCINGS, 35%

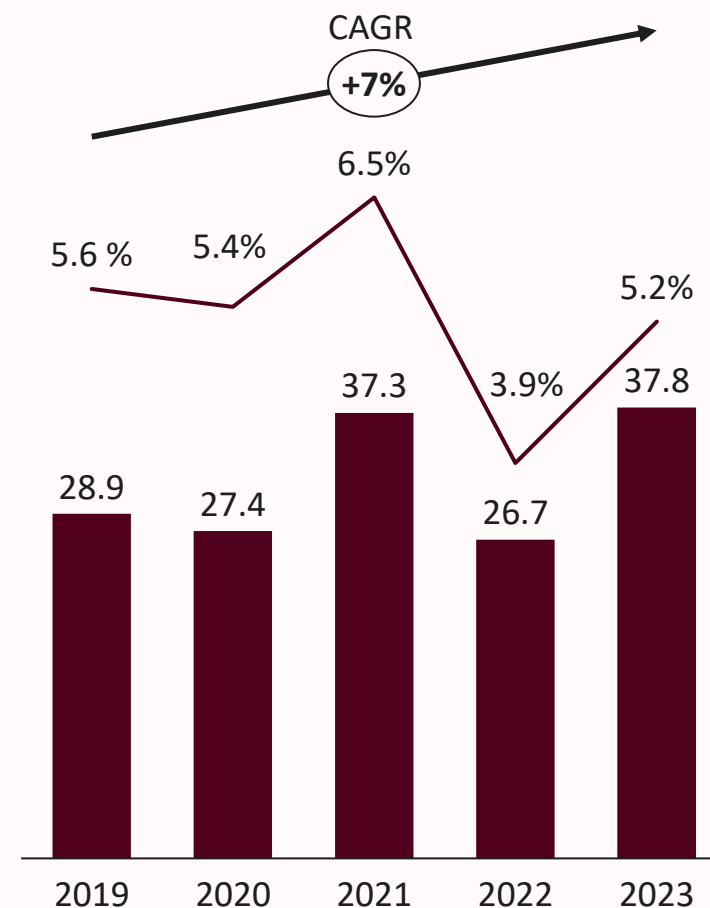
- Revenue MEUR 426.0 (435.5)
- Share of complete and partial outsourcings MEUR 283.2 (303.9)
- The removal of demanding specialised care in Pirkanmaa and Central Finland reduced revenue by MEUR -32.1, the decrease is compensated by annual price adjustments

Profitability strengthened in all areas, adjusted EBITA improved especially in Q4

Adjusted EBITA change Q4, MEUR



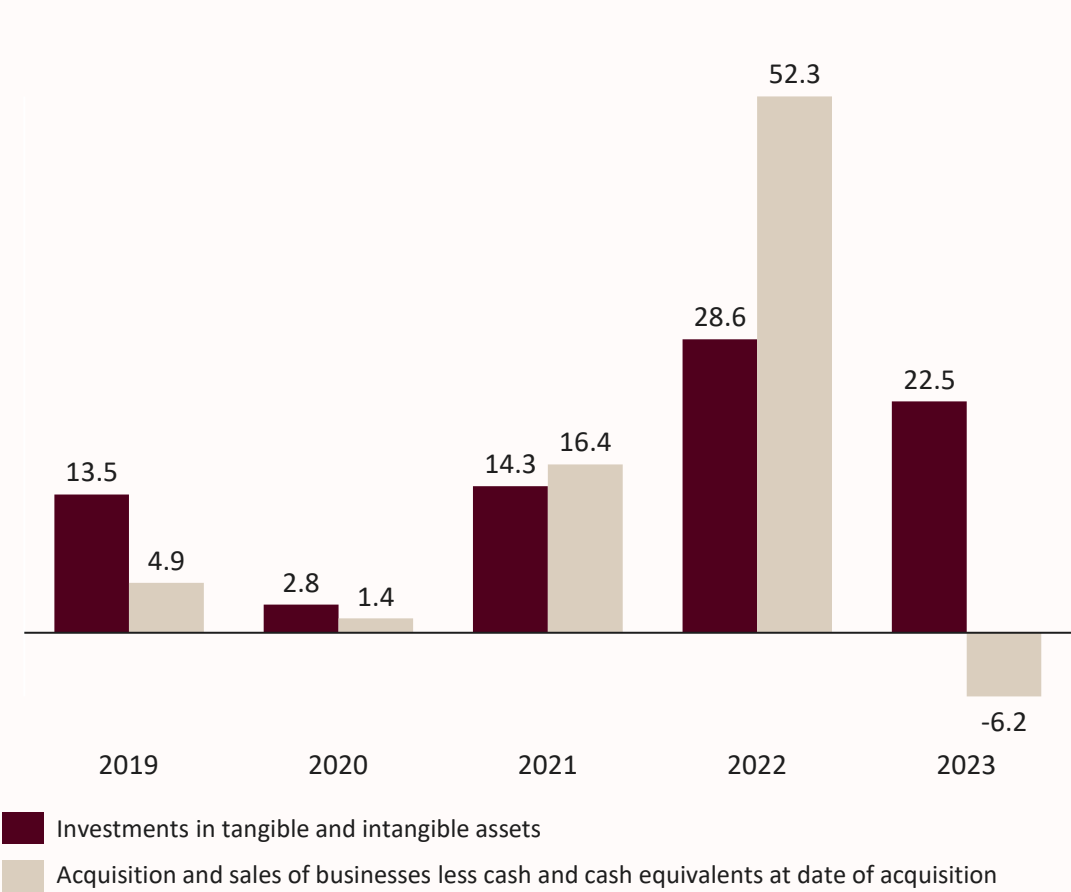
Adjusted EBITA development (YTD), MEUR, %



- The development of profitability continued in Q4, adjusted EBITA margin was 5.4% (1.2%)
- In 2023, adjusted EBITA was MEUR 37.8, adjusted EBITA margin was 5.2% (3.9%)
- The improved profitability was attributable to the successful increasing of supply and achieved economies of scale, price adjustments and efficiency improvement measures especially in complete outsourcings

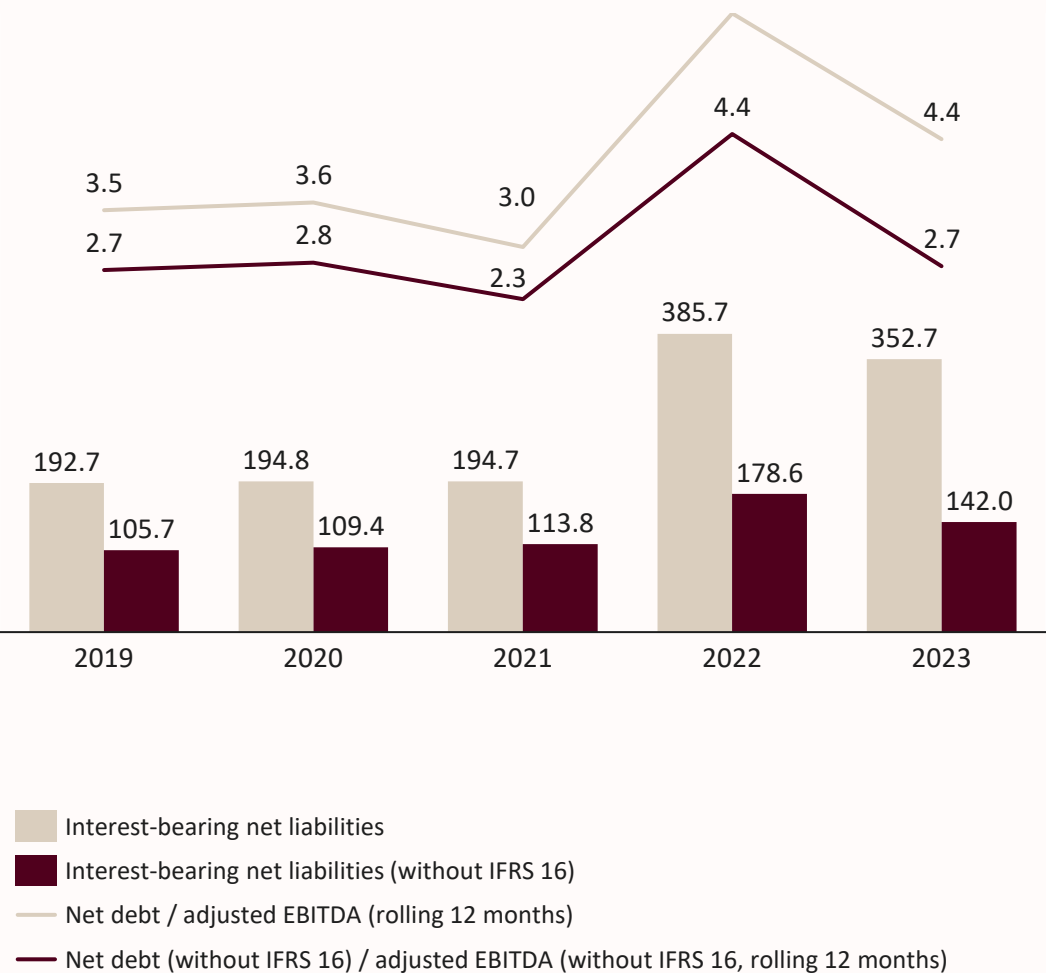
The company's financial position strengthened as planned during the year, determined measures will continue

Net cash flow from investments*
MEUR



*Extraction from certain lines of the group's cash flow statement of investments' net cash flow

Interest-bearing net debt
MEUR



Even more impactful Pihlajalinna

- Investing in occupational well-being reduced sickness related absences to 5.7% (6.7%)
- Customer satisfaction increased in all customer groups: the NPS for appointments was 79 (77) and for outsourcings 75 (72)
- Good progress in the responsibility measures:
 - access to surgical procedures in 5 weekdays increased to 82% (66%)
 - preventive work accounted for 66% (61%) of invoicing for occupational healthcare physicians and 81% (80%) for nurses
- In 2023, the operation was granted an environmental certificate ISO 14001



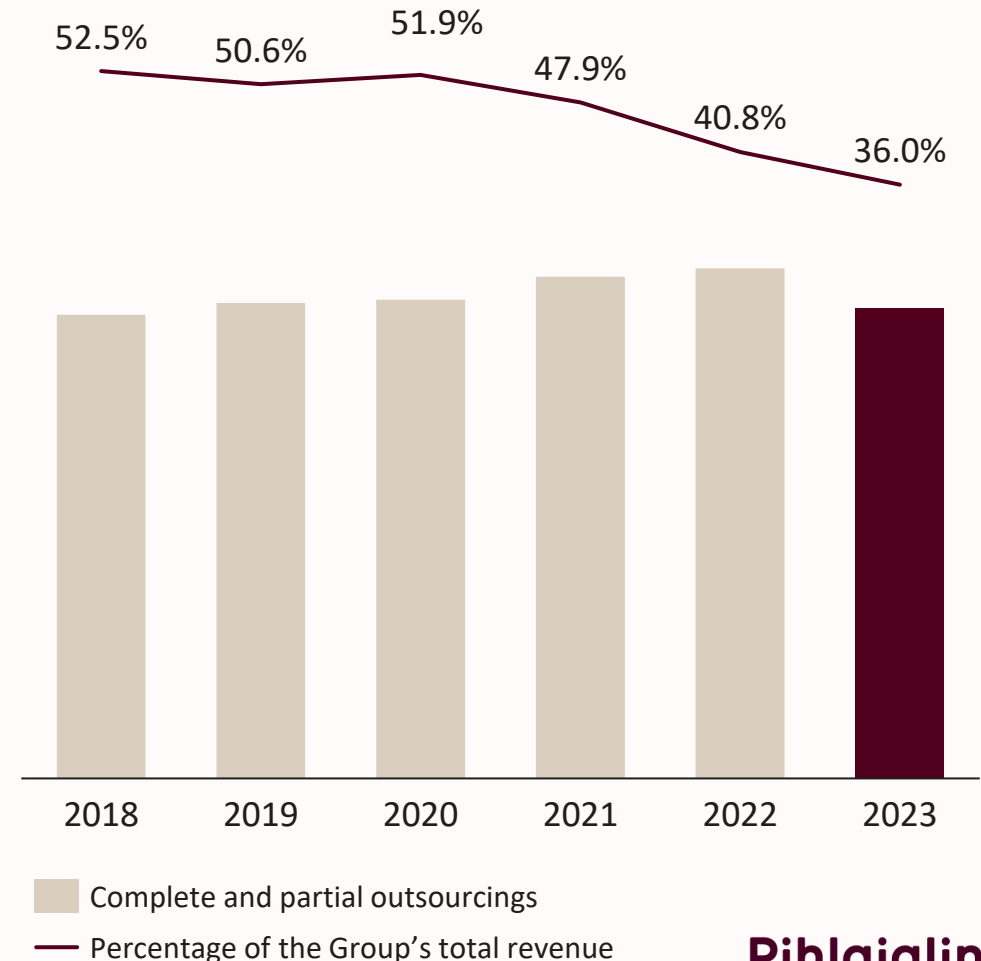


**Pihlajalinna is growing
in health services**

The share of Pihlajalinna's outsourcing activity in revenue is decreasing

- Pihlajalinna has a strong heritage and know-how in public services
- The establishment of the wellbeing service counties and the expiration of complete outsourcing contracts are changing the business
- The complete outsourcing of Central Finland and South Ostrobothnia will terminate by the end of 2025
- The complete outsourcing of Pirkanmaa will continue, but the services in sparsely populated areas will be reduced
- Operations are enhanced, change negotiations are underway in 3/4 units

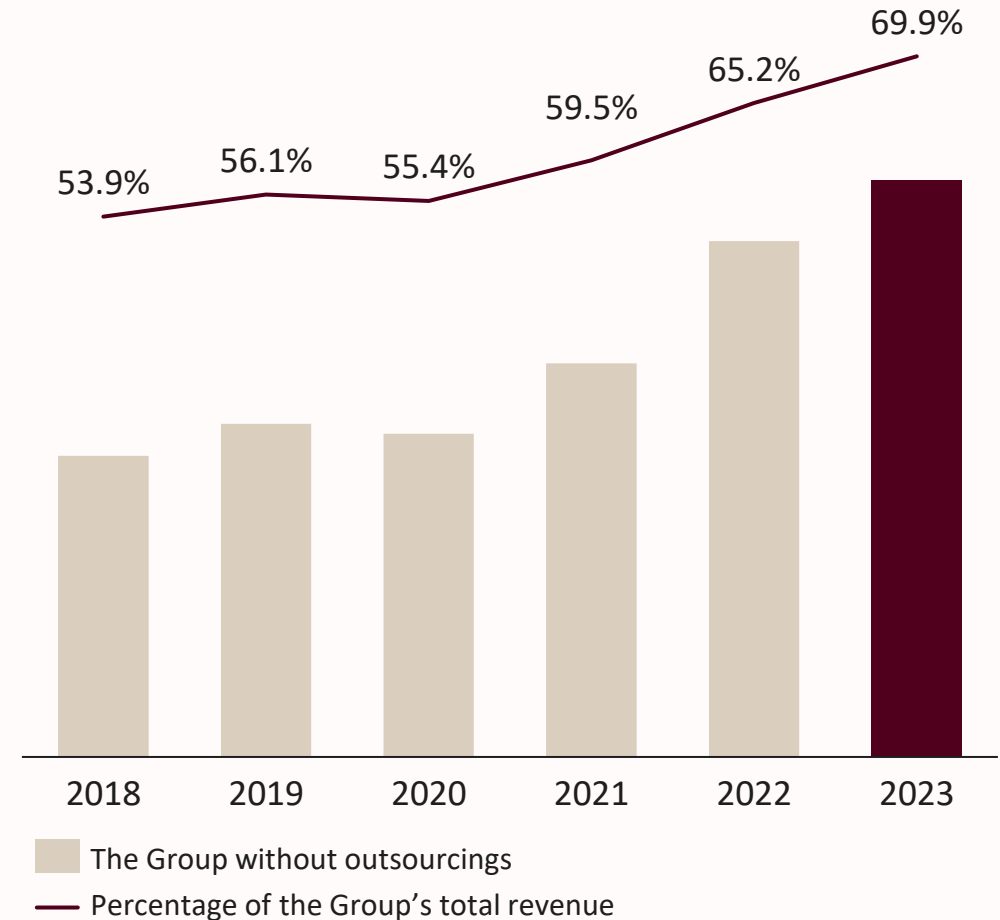
Current complete and partial outsourcings, revenue, 2018-2023



Pihlajalinna is growing especially in corporate customers

- Pihlajalinna has a service network throughout Finland
- The most modern private hospitals in the industry
- Strong cooperation with insurance companies
- More than 280,000 end customers in occupational health care
- Pihlajalinna has a comprehensive service network, know-how and the ability to renew services for the needs of wellbeing service counties
 - The responsible care doctor model developed by Pihlajalinna serves approximately 16,000 end customers in nursing homes and home care in 17 wellbeing service counties
 - Service vouchers and other purchase agreements

The Group without outsourcings, revenue, 2018-2023



Pihlajalinna's outlook for 2024

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

- The Group expects the consolidated revenue to increase from the previous year's level (EUR 720.0 million in 2023).
- The Group expects the adjusted operating profit before the amortization and impairment of intangible assets (EBITA) to improve from the previous year's level (EUR 37.8 million in 2023).
- The Group continues measures to strengthen its financial position. Efficiency measures are expected to improve Pihlajalinna's profitability.

Slowed economic growth, weakened consumer confidence and changes in market interest rates may affect Pihlajalinna's service demand and financial result more than expected. Price increases are expected to compensate the effects of cost inflation.



Summary

- Good economic development: organic revenue 10.6% (10.3%) and adjusted EBITA MEUR 37.8 (26.7)
- Due to determined measures, the financial position strengthened as planned
- An even more impactful Pihlajalinna for both professionals and customers
- The Board of Directors proposes a return to dividend distribution: EUR 0.07 for 2023

** Without COVID-19 services and the District Court decision concerning Jämsän Terveys*



Q&A



Thank you!

Upcoming events:

- Annual General Meeting on 10 April 2024
- Interim Report January-March: Friday, 3 May 2024
- Half-year Interim Report January-June:
Friday, 9 August 2024
- Interim Report January-September:
Thursday, 7 November 2024

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