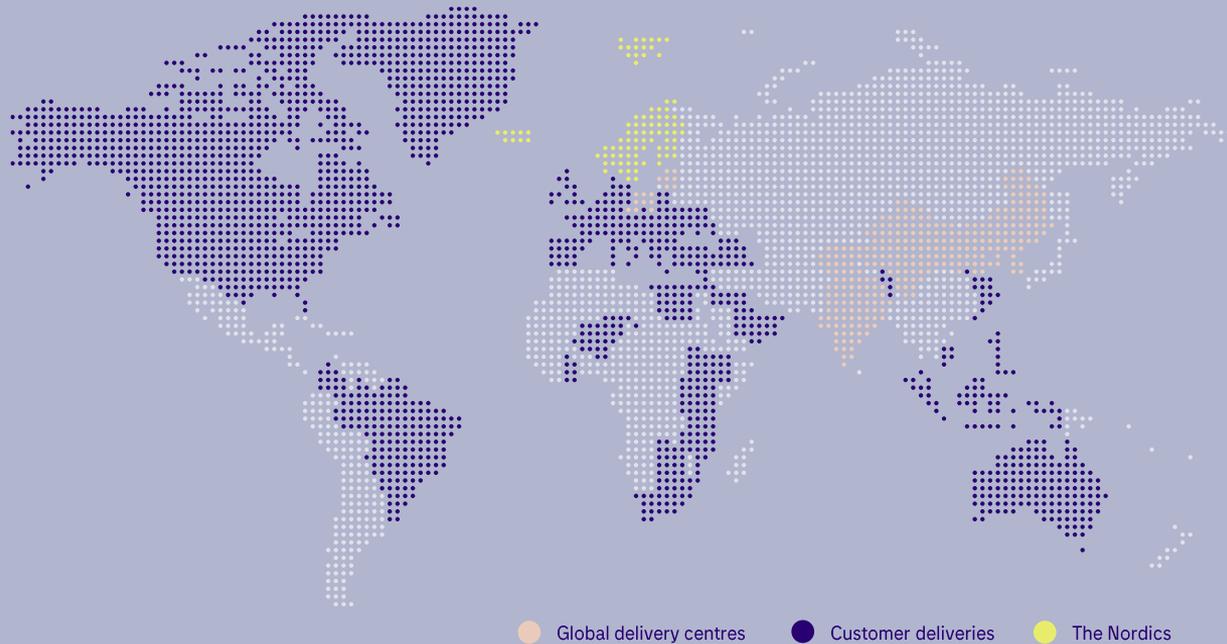


# Exciting software and digital engineering future

Investor presentation  
June 2025



Tietoevry –  
leading  
technology  
company with  
a strong Nordic  
heritage and  
global capabilities



**16 000**  
professionals globally

Thousands of  
customers

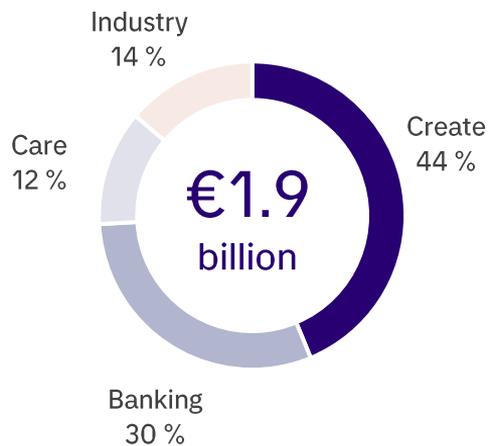
Serving customers  
worldwide

Annual revenue  
~ **EUR 1.9 billion**

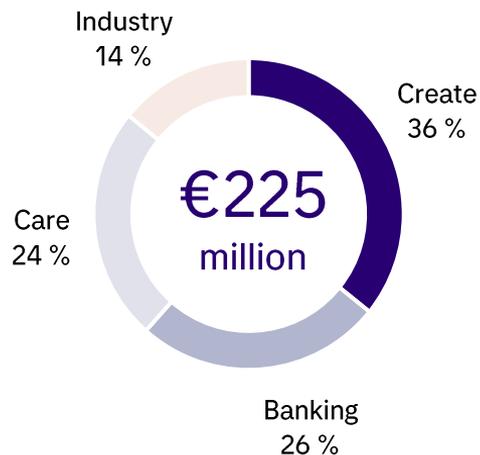
# Tietoevry in figures



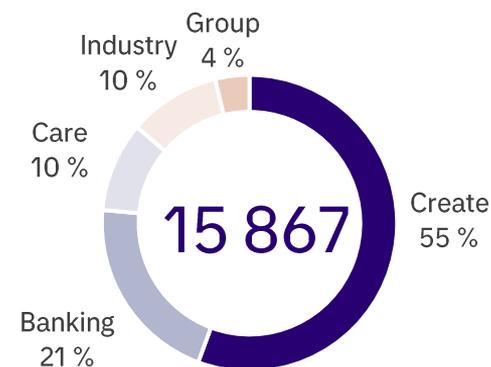
## Revenue



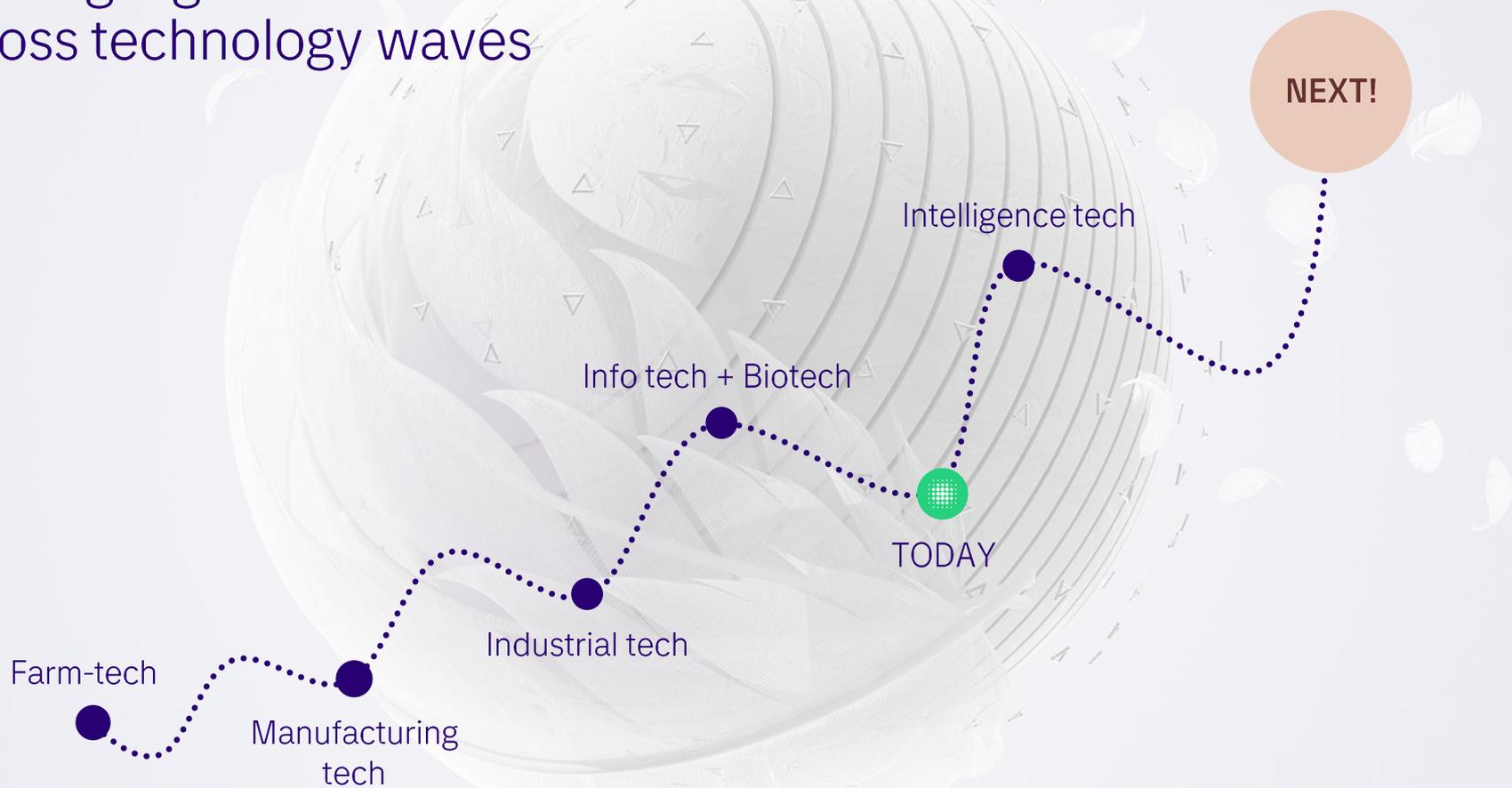
## Adj. EBITA



## Personnel



# Building digital futures across technology waves



# Our industry is consistently progressing to an AI native world



## Customer priorities



Efficiency

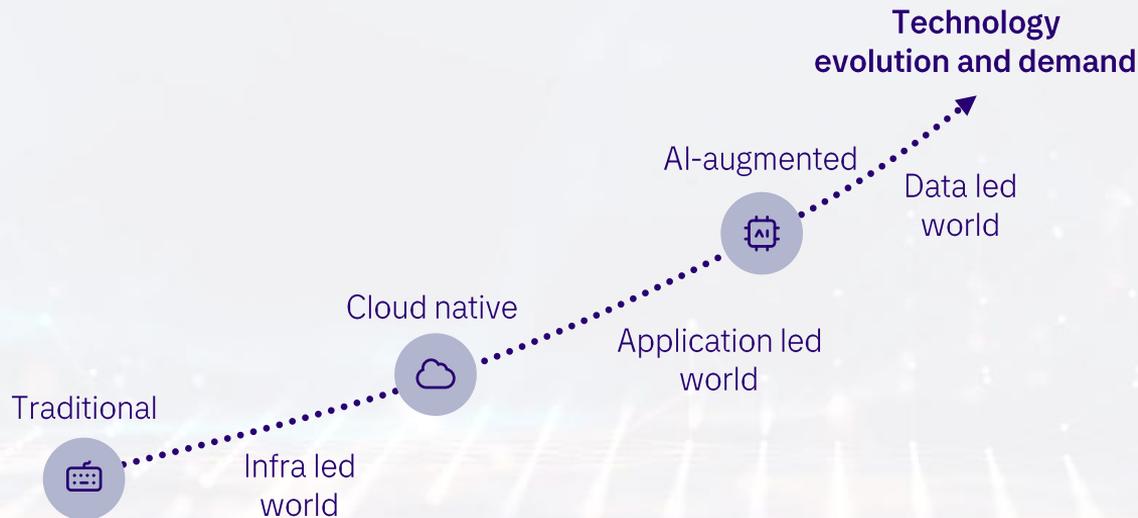


Agility

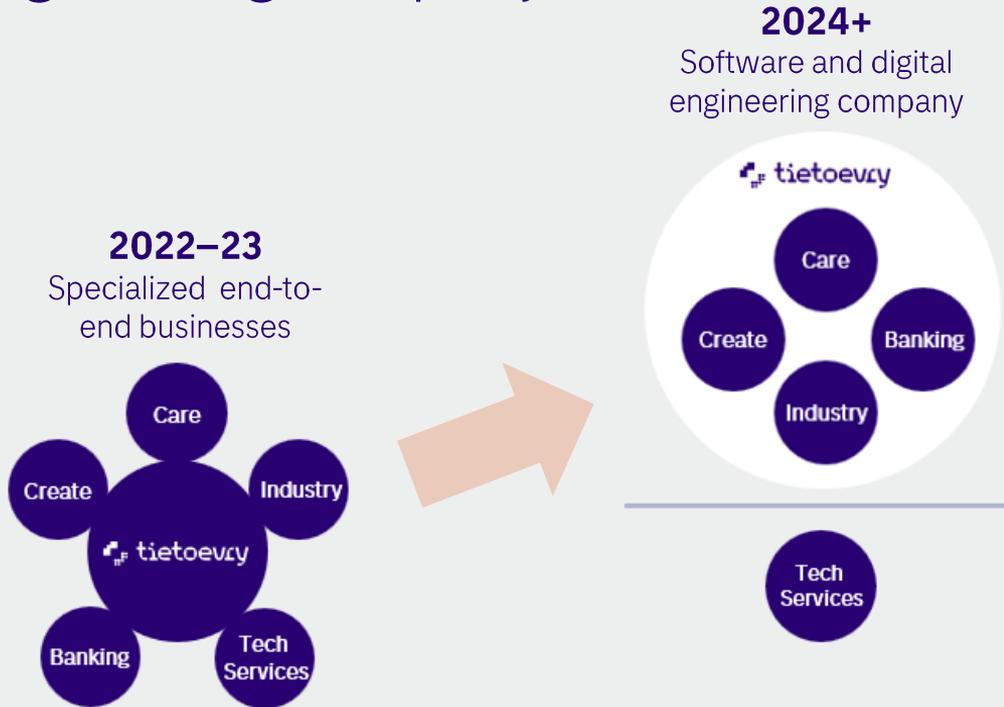


Competitiveness

## Technology and services evolution



# Repositioning Tietoevry as a leading software and digital engineering company



High expansion and value creation potential – aiming for world-class performance in each business



Agreement to sell Tech Services to funds advised by Agilitas Private Equity LLP - EV ~€400m (incl. lease liab.), closing expected during Q3'25

..... MULTI-YEAR STRATEGIC TRANSFORMATION .....

# Each business aims to be among the best in their respective markets

## Tietoevry Create

Build global scale and customer base focusing on design, software engineering, data and AI expertise

## Tietoevry Banking

Drive European expansion with competitive fintech software-based solutions proven in the Nordics

## Tietoevry Care

Bring proven and open modular data-driven care software and platform to other European markets beyond the Nordics

## Tietoevry Industry

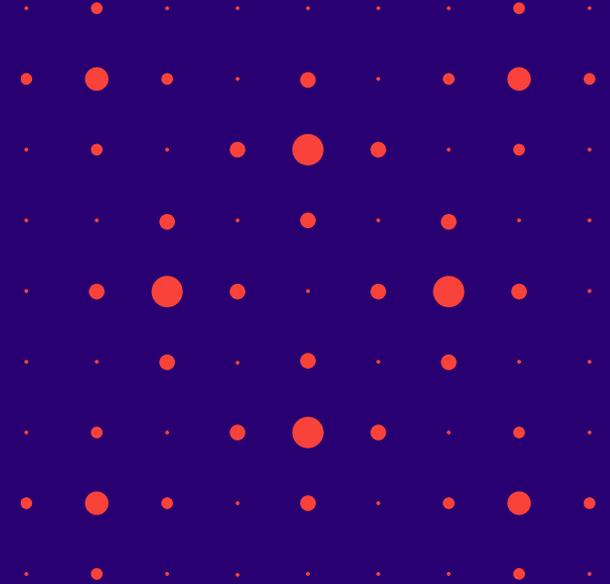
Build further scale of vertical software and data platforms, including international expansion of selected products

### Sample peers (not exhaustive)



Competitive businesses with high growth opportunity, limited asset intensity and strong scalability potential

# Business segments



# Tietoevry Create

## Business description

Digital consulting, analytics and software engineering services

## Organic growth in 2024

-5%

## Geographic footprint

### Nordic

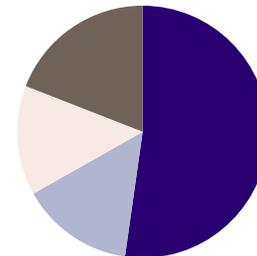
Finland, Sweden, Norway

### International

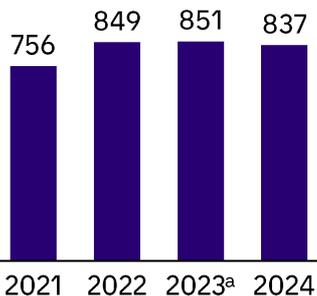
incl. Austria, Germany, Switzerland and USA as the largest markets

## Revenue composition

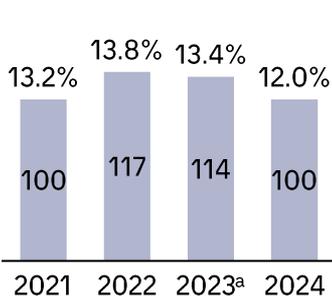
- International
- Finland
- Sweden
- Norway



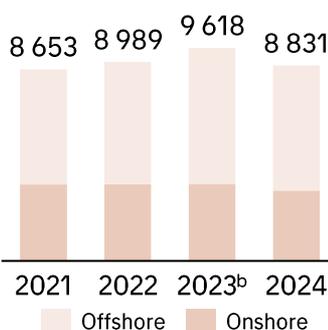
## Revenue, €m



## Adj. EBITA, €m



## Personnel, end of period



<sup>a</sup> 2023 business financials have been recast due to minor changes between segments <sup>b</sup> On 21 July 2023, Tietoevry acquired MentorMate, a digital engineering company, with approximately 1 000 employees

# Tietoevry Banking

## Business description

Software for financial institutions

## Organic growth in 2024

4%

## Geographic footprint

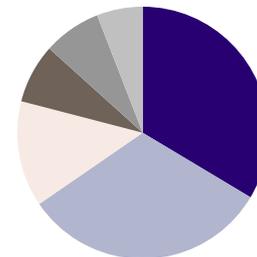
**Nordic 80%**

Finland, Sweden, Norway

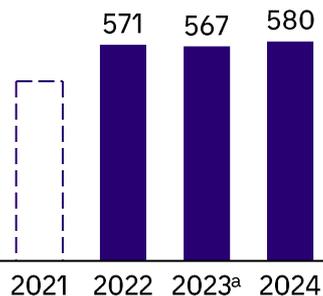
**International 20%**

comprising over 40 countries,  
incl. UK, Netherlands, Denmark  
and Germany

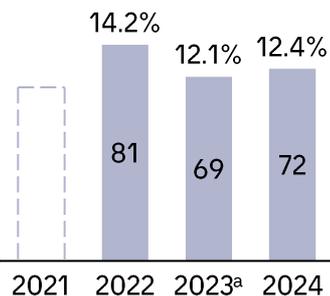
## Revenue composition



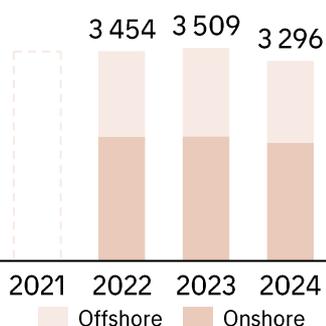
## Revenue, €m



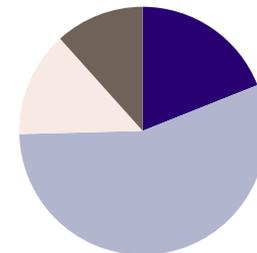
## Adj. EBITA, €m



## Personnel, end of period



## Software business revenue streams



Share of recurring revenue 70%, comprised mainly of maintenance, as-a-Service and application management (part of professional services)

<sup>a</sup> 2023 business financials have been recast due to minor changes between segments. Profitability in Tietoevry Banking impacted by legal separation costs (April '23 onwards) – profit impact ca. 1.1 pp.

# Tietoevry Care

## Business description

Software for health and care providers

## Organic growth in 2024

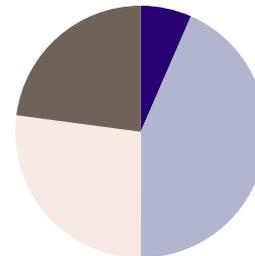
-1%

## Geographic footprint

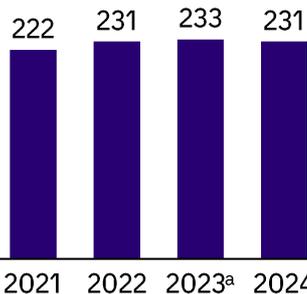
**Nordic**  
Finland, Sweden, Norway

## Revenue composition

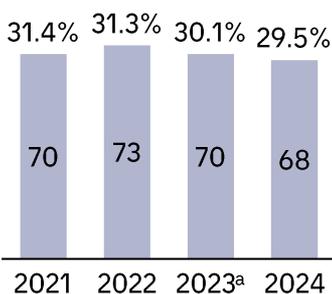
- Data-driven Care
- Health Suite
- Specialized solutions
- Welfare



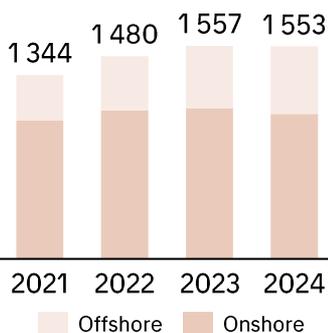
## Revenue, €m



## Adj. EBITA, €m

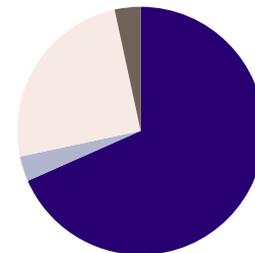


## Personnel, end of period



## Software business revenue streams

- License & maintenance
- as-a-Service
- Professional services
- Other services



Share of recurring revenue 70%, comprised mainly of maintenance, as-a-Service and application management (part of professional services)

<sup>a</sup> 2023 business financials have been recast due to minor changes between segments  
 tietoevry

# Tietoevry Industry

## Business description

Industry-specific software and data platforms

## Organic growth in 2024

1%

## Geographic footprint

**Nordic 90%**

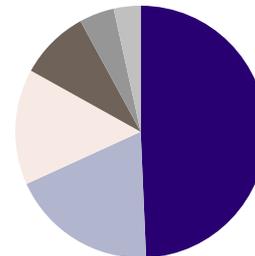
Finland, Sweden, Norway

**International 10%**

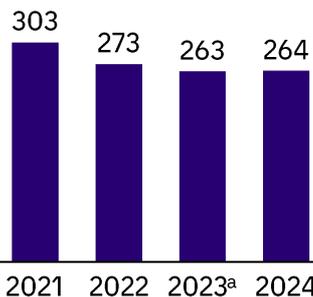
incl. Germany, Denmark, Austria and USA as the largest markets

## Revenue composition

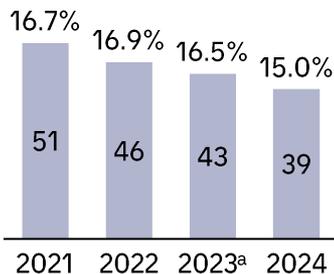
- Data platform services
- Case mgmt.
- Pulp & Paper
- Education
- Energy & Utilities
- Industrial



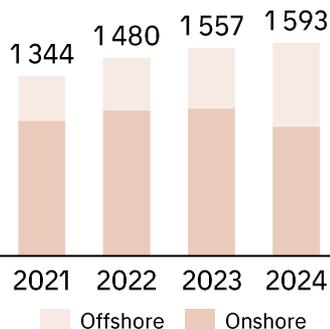
## Revenue, €m



## Adj. EBITA, €m

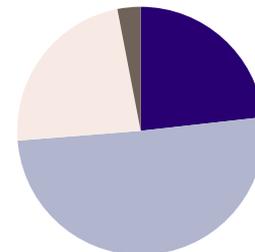


## Personnel, end of period



## Software business revenue streams

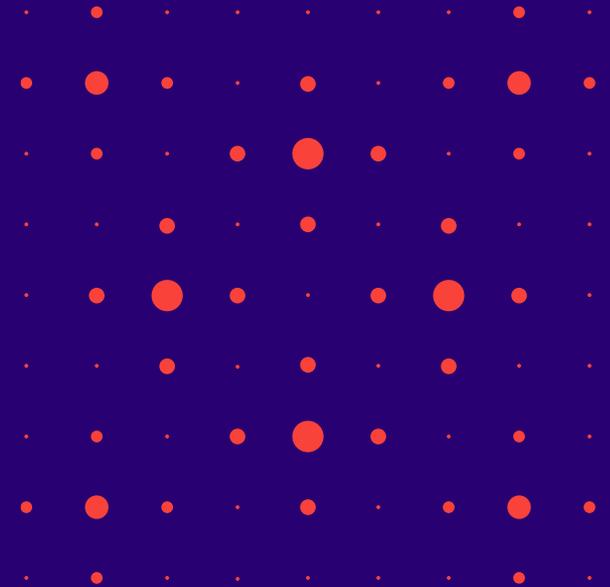
- License & maintenance
- as-a-Service
- Professional services
- Other services



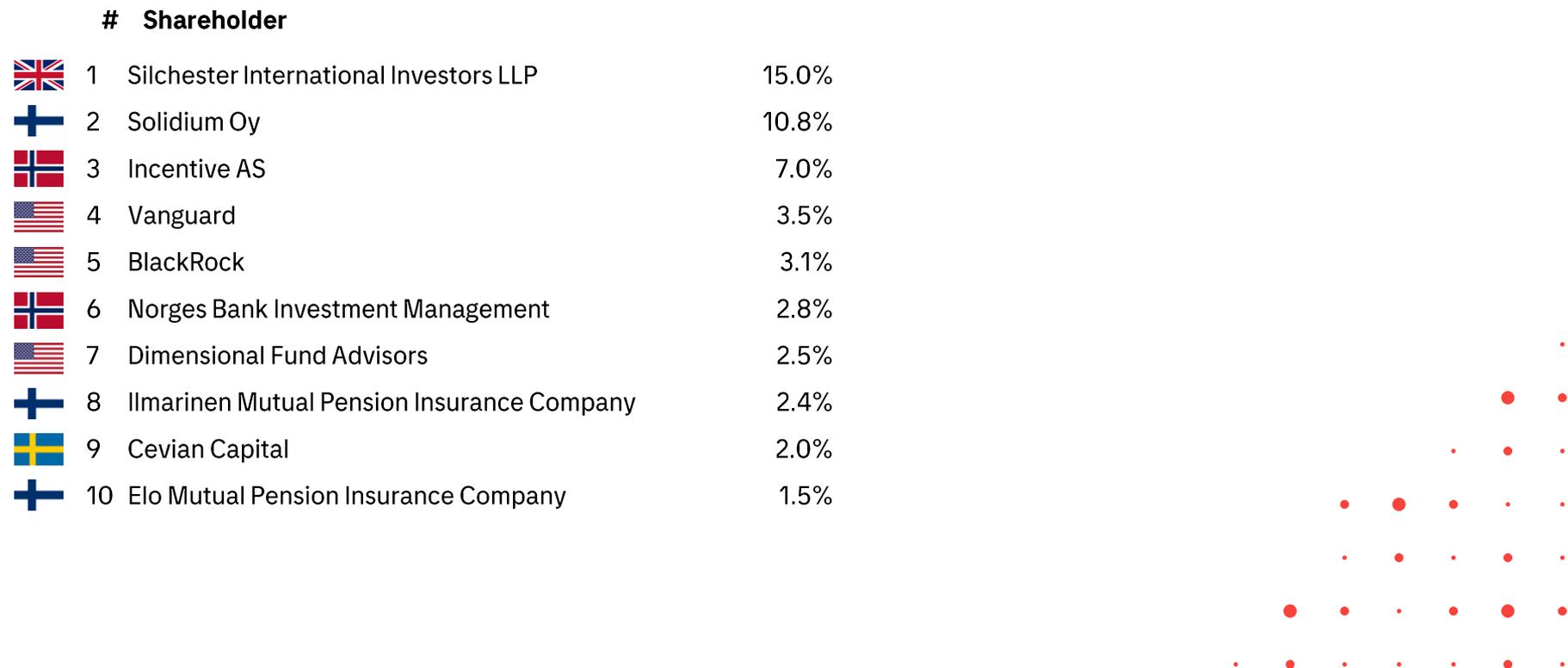
Share of recurring revenue 76%, comprised mainly of maintenance, as-a-Service and application management (part of professional services)

<sup>a</sup> 2023 business financials have been recast due to minor changes between segments  
 tietoevry

# Governance



# Major shareholders



# Group Executive Team



**Cosimo De Carlo**

Tietoevry Create  
Managing Director



**Satu Kiiskinen**

Tietoevry Tech Services  
Managing Director



**Mario Blazevic**

Tietoevry Banking  
Interim Managing Director



**Ari Järvelä**

Tietoevry Care  
Managing Director



**Carsten Henke**

Tietoevry Industry  
Managing Director



**Endre Rangnes**

Interim CEO



**Tomi Hyryläinen**

CFO



**Trond Vinje**

Head of HR



**Jonna Peltola**

Head of Communications  
and Brand



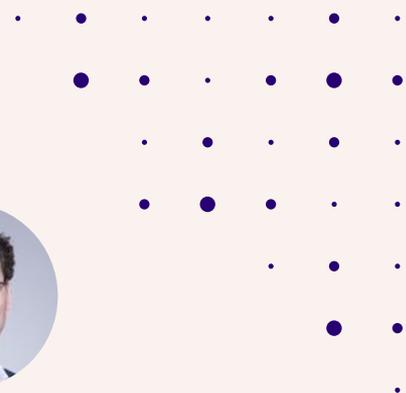
**Oddgeir Hansen**

Executive  
Project Lead

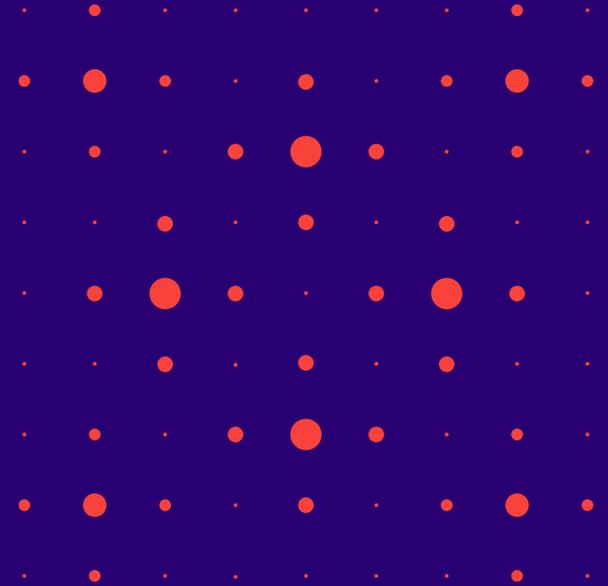


**Jussi Tokola**

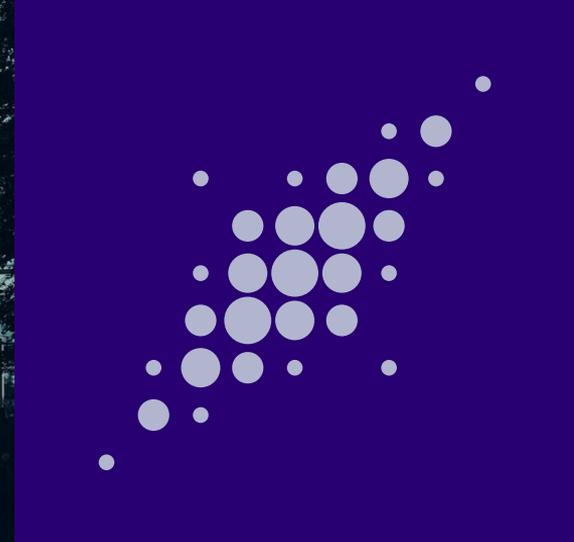
General Counsel,  
Head of Group Legal  
and Compliance



# Q1/25



# Performance as anticipated – major step taken in strategic renewal



Organic growth of -4% impacted by weak demand environment

Adjusted EBITA of 10.6% impacted by IFRS 5-related temporary cost burden of 1.8 pp.

Strong cash flow and strengthened order backlog - important customer contracts in Banking and Care

Tech Services divestment – major step in repositioning TietoEVRY as a leading software and digital engineering company

Full-year outlook updated to reflect continuing operations

# Market continues to be soft with limited visibility



Market demand for software and digital engineering remains weak

Increased macroeconomic uncertainty impacting customers investment decision making

Higher customer focus on efficiency and short-term results

AI market adoption accelerating across all software businesses and services

# Tietoevry Group

## Performance as anticipated – major step taken in strategic renewal



Organic growth<sup>1</sup>

**-4%**

(0%)



Adj. EBITA<sup>2</sup>

**10.6%**

(12.2%)

€50m (60)



Cash flow from operation<sup>3</sup>

**€98m**

(€72m)



Order backlog y-y / q-q

**+18%/+4%**<sup>1</sup>

€2 047m

(Q1'24: 1 725 / Q4'24: 1 926)



1) Adjusted for currency effects, acquisitions and divestments

2) Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

3) Continuing and discontinued operations combined

# Tietoevry Create

## Continued soft market impacting performance



Organic growth

**-6%**

(-5%)

Adj. EBITA

**11.8%**

(13.1%)

€25m (29)

## Highlights

- Low demand environment continues in all markets
- Lower internal revenue impacting growth by ~2 pp.
- Profitability impacted by price pressure and overcapacity vs. short-term demand – efficiency measures accelerated
- Multiple important AI wins, including a large Central European industrial equipment company selecting Create as their primary partner for AI innovation

# Tietoevry Banking

## Stable profitability and significant new core banking contracts in Norway



Organic growth

-4%

(8%)

Adj. EBITA

11.4%

(11.9%)

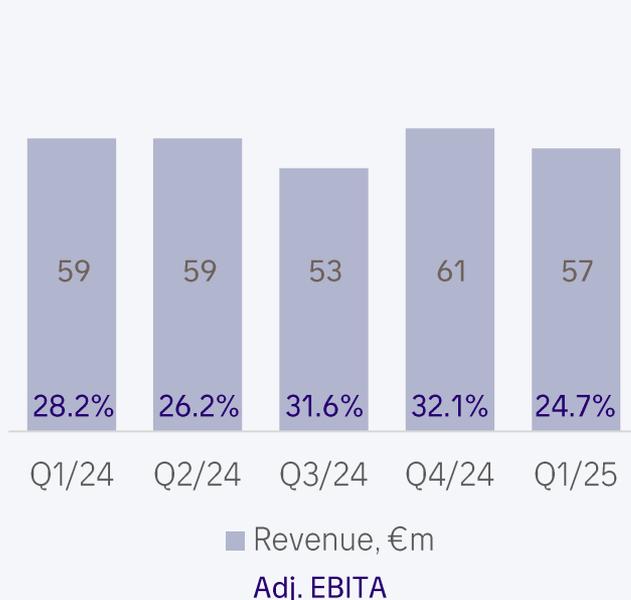
€16m (18)

### Highlights

- Growth impacted by Norwegian bank merger (-4 pp.) and soft market
- Growth continued in Credit, Cards and Financial Crime Prevention
- Stable profitability supported by operational efficiency improvement
- Strong order backlog – multiple new wins
- Regained client confidence in the Norwegian market – new long-term contracts with Sparebanken Norge and Fana Sparebank

# Tietoevry Care

## Healthy underlying performance



Organic growth

**-2%**

(-5%)

Adj. EBITA

**24.7%**

(28.2%)

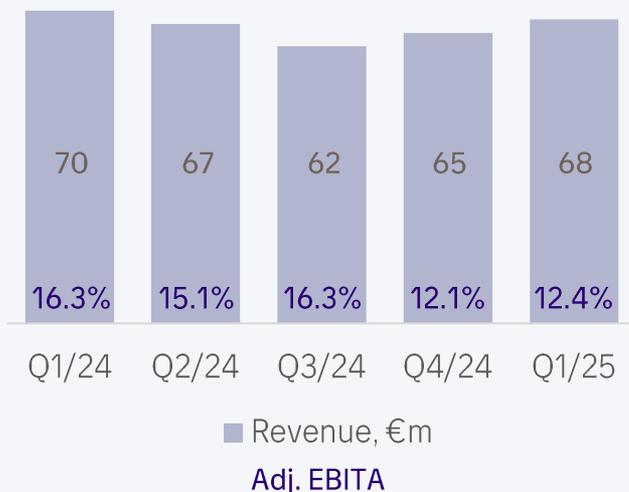
€14m (16)

## Highlights

- Growth impacted by decline of legacy product business (-4 pp.) and lower public sector demand in Finland
- Three won customer contracts waiting for market court decision in Finland
- Profitability impacted by continued investments in go-to-market activities and Lifecare localization for Norway
- Solid development in social care Sweden – Tyresö municipality selected Lifecare as their welfare system

# Tietoevry Industry

## Market headwinds continued



Organic growth

**-2%**

(4%)

Adj. EBITA

**12.4%**

(16.3%)

€8m (11)

## Highlights

- Significant decline in pulp, paper & fibre industry continued – customers postponing investments
- Public 360° growth impacted by delayed customer decision making
- Healthy growth in Data Platforms and Education
- Market activity improving – increased pipeline, except in Pulp, Paper & Fibre
- Profitability continued to be impacted by overcapacity – efficiency measures ongoing

# Continued soft market and macroeconomic uncertainty

## Q1'25 financial update - continuing operations

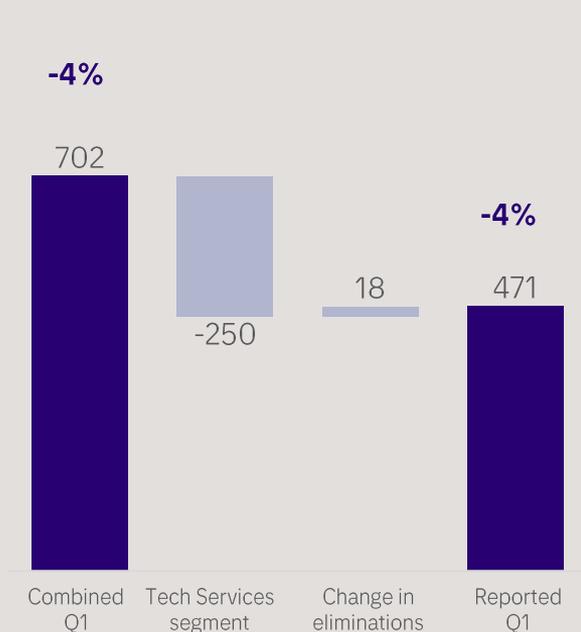
- Tech Services classified as discontinued operations
- Organic growth -4%, impacted by weak demand environment and 0.5 less working days
- Adj. EBITA 10.6%, impacted negatively by IFRS 5 cost burden of approx. €8.5m/~1.8p.p. Negative working day impact on profit appr. -0.4 pp.
- Active cost base management ongoing in all businesses
- Strong operative cash flow of €97m, supported by seasonal working capital improvement
- Discontinued operations Q1'25 performance (IFRS5):
  - Organic growth -5%
  - Net profit/loss of €-92.3m, includes impairment loss of €107m, due to remeasurement (fair value less cost to sell)
  - Fair value less cost to sell of €254m used in the remeasurement, includes initial management estimate of the present value of the future earnout of €30m. Earnout estimate is updated at each reporting date.

Continuing operations	Q1'25	Q1'24
<b>Revenue and growth</b>		
Revenue	471	492
Organic growth, %	-4	0
Acquisitions & divestments, %	0	3
Foreign exchange rates, %	0	-2
Total growth, %	-4	2
Org. growth adj. for working days, %	-3	1
Order backlog	2 047	1 725
<b>Profitability</b>		
Adj. EBITA	50	60
Adj. EBITA margin	10.6%	12.2%
One-time items	15	9
EBIT	26	42
EBIT margin	5.5%	8.6%
CAPEX	21	24
Continuing and discontinued operations combined	Q1'25	Q1'24
<b>Leverage</b>		
Net debt	807	880
Leverage (net debt/EBITDA)	2.2x	2.2x
<b>Cash flow</b>		
Operative cash flow	97	72
Free cash flow	63	34

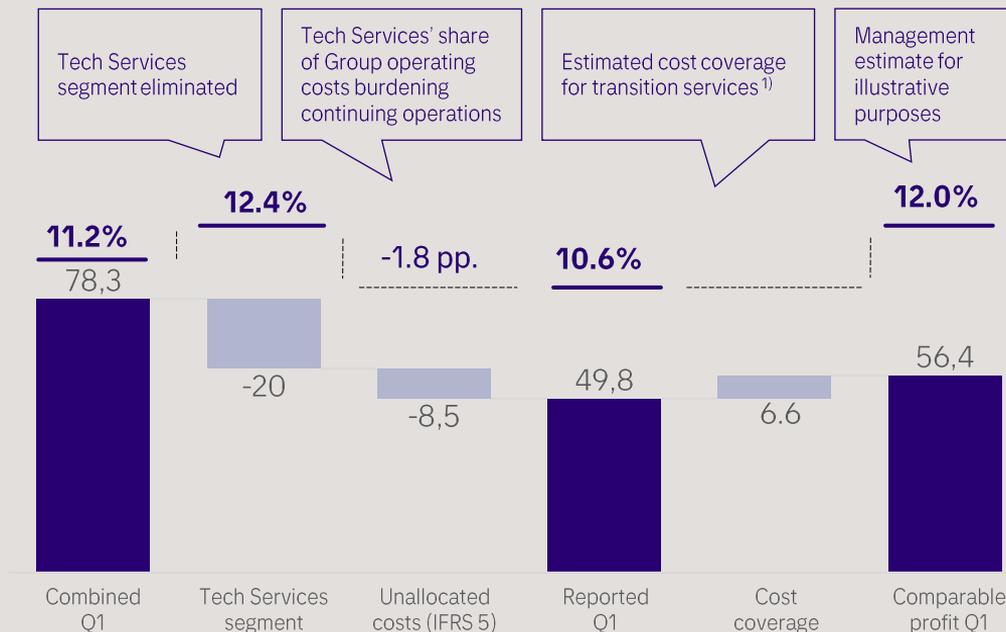
All numbers in €m

# Improved financial profile on comparable basis – reported figures not reflecting underlying profitability

## Revenue and organic growth



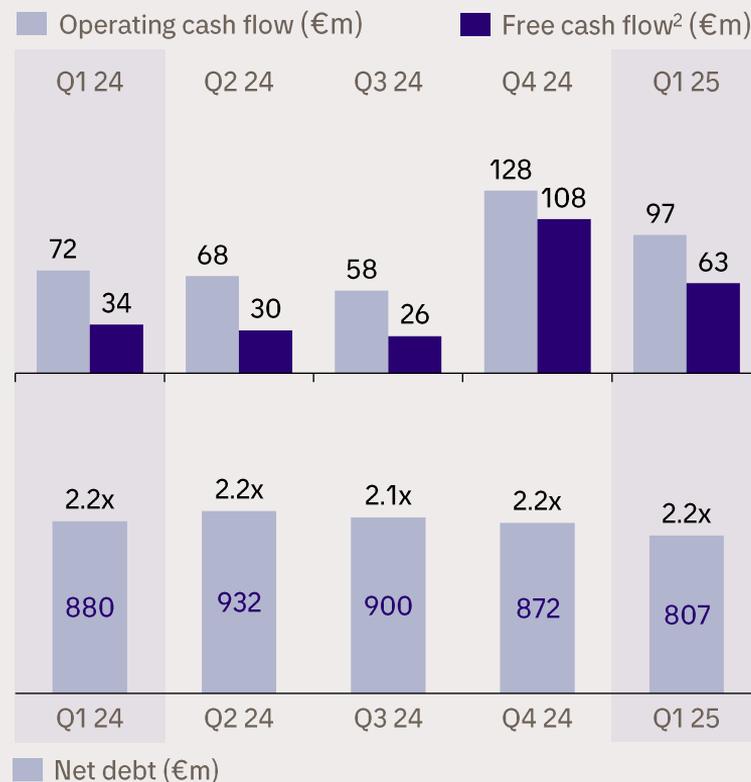
## Adjusted EBITA



# Q1 strong operating cash flow of €97m

- Strong cash flow from operations<sup>1</sup> €97m (72)
  - Net working capital decrease of €31m, supported by seasonal working capital development
- Strong free cash flow<sup>2</sup> of €63m (34)
- Healthy cash generation foundation
  
- Interest bearing net debt €807m
- Net debt/EBITDA 2.2x at end of Q1'25 – leverage target level 1.0x - 2.0x
- Tech Services divestment will reduce Group net debt by the transaction proceeds and approximately €100m reduction of lease liabilities

Cash flow and leverage metrics include both the continuing and the discontinued operations



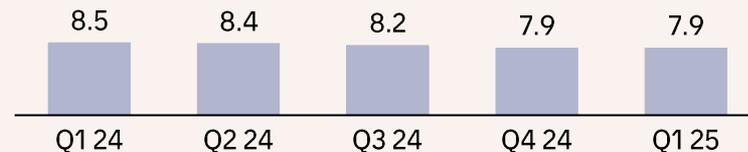
<sup>1</sup> Consolidated cash flows from both the continuing and the discontinuing operations

<sup>2</sup> Operating cash flow less cash flow from investing activities less payments of lease liabilities

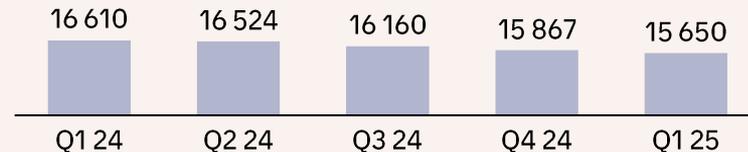
# Capacity optimization ongoing – LTM attrition reflecting soft market environment

- LTM attrition at 7.9%, reflecting soft market environment
- Cost optimization ongoing in all businesses in response to weak market environment
  - Tietoevry Create capacity reduction in Q1 of 200 FTEs. Capacity adjustments, including SG&A reductions will continue in Q2.
  - Minor FTE reductions in Tietoevry Banking and Tietoevry Industry
- Group-level salary inflation approx. 4.5% in 2024 - expected to be 4-5% in 2025

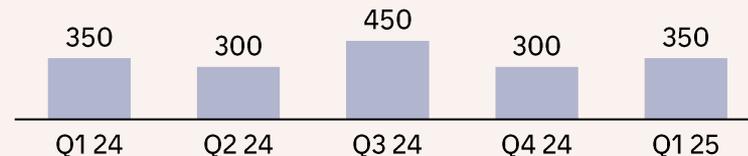
## Attrition % last twelve months (voluntary)



## Personnel End of period



## New hires In quarter



# Performance drivers – Q2'25

## Growth drivers



### Q2 growth expected to be negative while improving from Q1 –market softness continues

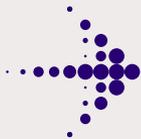
- Tietoevry Create impacted by continued weak demand across all markets and reducing internal revenue with negative ~2 pp. on growth
- Tietoevry Banking impacted by Norwegian bank merger – negative ~2 pp. impact on growth
- Tietoevry Care impacted by declining legacy product business in Norway and Sweden with negative impact of ~4% and lower public sector demand in Finland. Three won customer contracts waiting for market court decision in Finland.
- Tietoevry Industry continues to be impacted by customer investment postponements in pulp, paper and fiber and constrained public sector budgets in Finland
- 0.7 less working days in Q2'25 – negative 0.7 pp. impact on organic growth

## Profit drivers



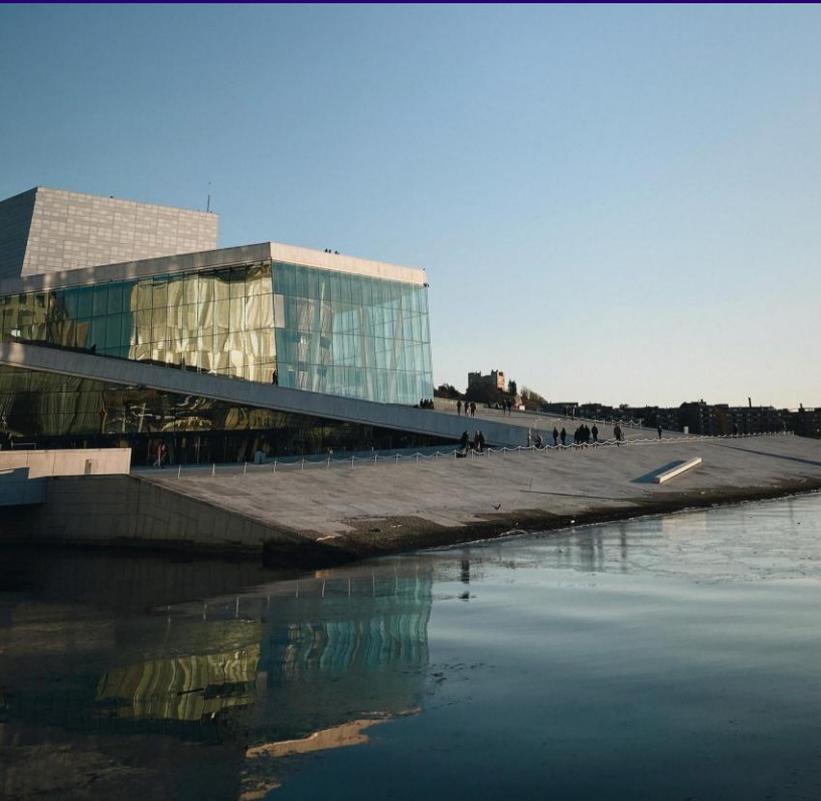
- Soft market conditions increase pressure on margins
- Annual salary increases taking effect from April
- Higher technology costs impacting Banking
- Less working days impact on profitability ~0.5 pp.

## Other drivers



- Positive FX impact on revenue of €6m

# Q2 profitability outlook



Business	Q2'24 adj. EBITA %	Profitability outlook
Tietoevry Create	11.4%	<b>Below</b> Q2'24 level
Tietoevry Banking	9.9%	<b>At or above</b> Q2'24 level
Tietoevry Care	26.2%	<b>Below</b> Q2'24 level
Tietoevry Industry	15.1%	<b>Below</b> Q2'24 level



2025 outlook  
updated to reflect  
continuing  
operations

Organic growth  
**-2 to +1%**

(2024: €1 880m / -1%)

Adjusted EBITA  
**12.0–13.0%**

(2024: €225m / 12.0%)

Market continues to be  
soft with limited visibility  
into H2'25

Guidance range reflects  
macroeconomic  
uncertainty

Negative net impact of  
~1.4 pp. on adj. EBITA from  
IFRS 5 – includes  
estimated cost burden  
and transition services  
income post closing

# Strategic transformation towards software and digital engineering future



Market continues to be  
soft with limited  
visibility

We continue to focus  
on resilience in all  
businesses, while  
investing into future  
growth

We plan to host CMD in  
Q4 – more details to  
follow