

Tietoevry to sell its Tech Services business – restatement of financial information for 2024




Implications of the adoption of IFRS 5

Tietoevry Group restated financial information for 2024

 Revenue
€1.9 billion

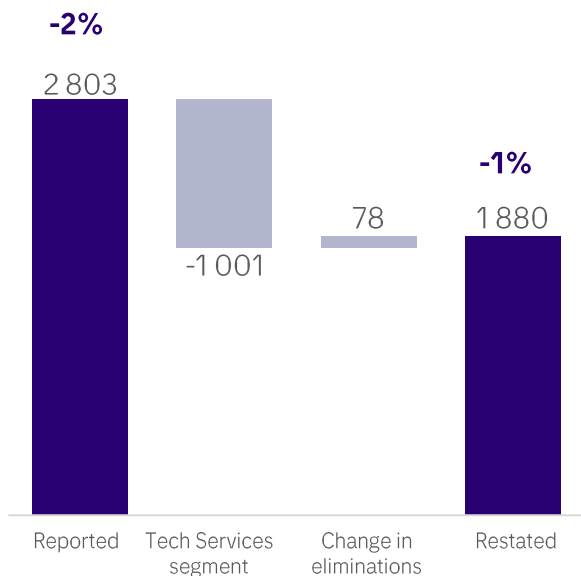
 Adj. EBITA
12.0%

 Personnel
15 900

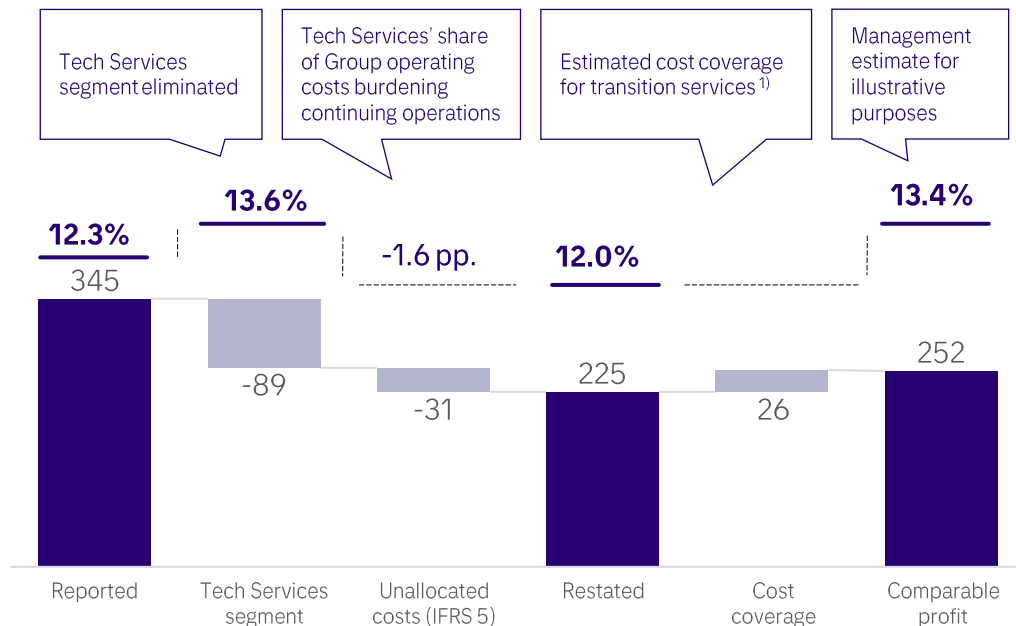
- Tietoevry Tech Services to be sold to funds advised by Agilitas Private Equity LLP
- Transaction expected to be closed during Q3'25
- As of Q1'25, Tech Services classified as held for sale and reported as discontinued operations under IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'
- In segment reporting Tietoevry will report only continuing operations: Tietoevry Create, Banking, Care and Industry
- The statement of financial position and the statement of cash flows are not restated
- Operating profit presented for the continuing operations and discontinued operations does not reflect profitability of either business on a stand-alone basis
 - Continuing operations are burdened by costs that support Tech Services, incl. Group support costs, but according to IFRS 5 cannot be allocated to discontinued operations
 - Estimated negative impact of the costs on Tietoevry's restated adjusted EBITA margin ~1.6 pp. in 2024

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

Revenue and organic growth



Adjusted EBITA



Implications on 2025 dynamics

Prior to transaction closing

After transaction closing

Continuing operations covering Group operating costs, incl. Tech Services' share

Entitled to income for transition services from the buyer, mostly covering the related costs

Adjusted EBITA, %

Tech Services' share of Group operating costs burdening continuing operations, negative impact ~1.6 pp.

Estimated €7 million / ~1.5 pp. positive contribution to operating profit and margin per quarter¹⁾

Cash flow

Group cash flow not impacted – cash flow includes Tech Services' share

Positive impact on cash flow through continuing operations


Signing


Closing



After the transition period, the company aims to optimize its overhead costs to the company size