

elisa

CMD  
2025

# Elisa International Software Services

Faster Profitable Growth

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EVP Elisa Industriq

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## AGENDA

- 1 Performance update

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- 2 Faster profitable growth

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  - Growth acceleration
  - Scale benefits

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- 3 Distributed Energy Storage

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- 4 Management priorities

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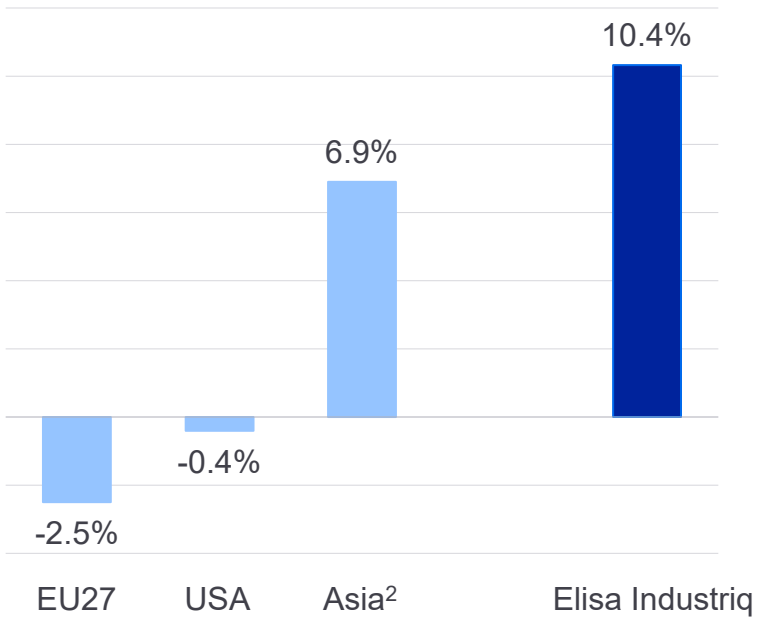
Performance update

# Our growth has accelerated despite economic uncertainties

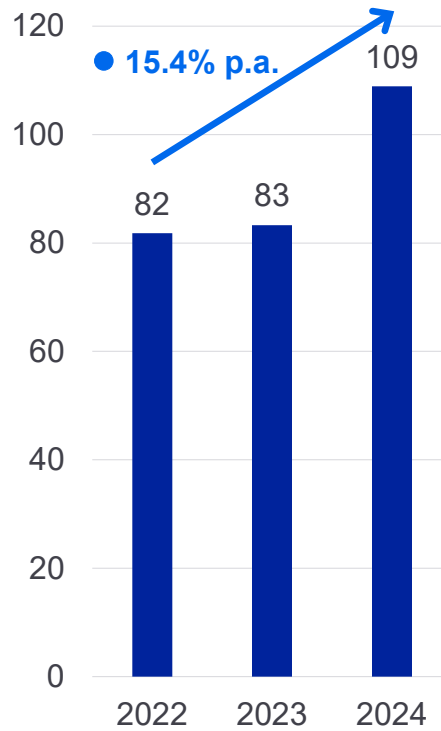


## Growth in a challenging market

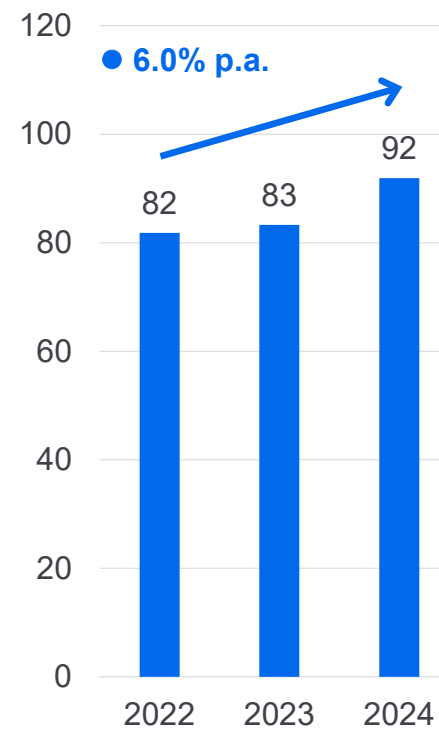
Industrial production<sup>1</sup> vs. Elisa Industriq Organic growth 2023–2024



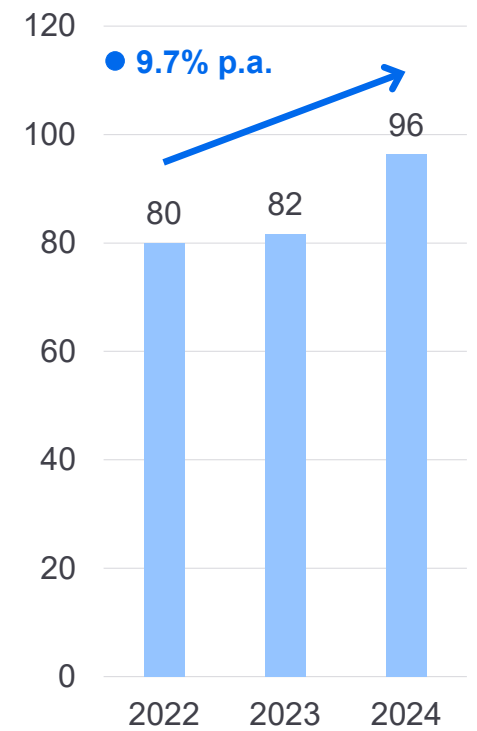
## Reported revenue, EURm



## Organic revenue, EURm



## Order intake, EURm



1) Production volume, OECD Data Explorer; Industriq organic revenue growth  
2) Volume-weighted growth; Asian markets incl. Malaysia, Singapore, Taiwan

Faster profitable growth

# New strategic era, now building momentum for scaling



## ELISA INDUSTRIQ

### Value proposition

- We are at the core of creating a sustainable future through digitalisation.
- We offer software solutions for operational intelligence.
- We promise operational improvements that create value for customers from day one.

### Stakeholders

- We create value for our customers through our industry expertise and AI capabilities.
- We create possibilities for our people to apply their full potential and drive our global growth.
- We create value for Elisa's shareholders through profitable, double-digit growth.

Growth acceleration

# Operational intelligence software is a sizeable, high-growth market



## Operational intelligence software<sup>1</sup>

● Elisa  
Industriq  
EUR 149m<sup>2</sup>



### Selected target customers

- Configure-to-order manufacturers
- High-tech manufacturers
- Telecom operators

### Selected target geographies

- Europe (key countries: Germany, France, Italy, UK, Nordics)
- Asia (key countries: Malaysia, Singapore, Taiwan)
- USA

1) Serviceable addressable market (SAM) for operational intelligence SW

2) Pro forma 2024

Sources: Analysys Mason, company reports, Elisa analysis

Growth acceleration

# Optimising customer operations with software solutions grounded in deep industry expertise & AI proficiency



## Our solutions deliver value from data and analytics, automation and AI capabilities

### Configure-to-order manufacturers

Supply chain planning & real-time manufacturing execution software

### High-tech manufacturers

Advanced statistical process control, recipe, material & durables handling & data analysis software

### Telecom operators

Customer experience assurance & performance management software with automation & AI use cases

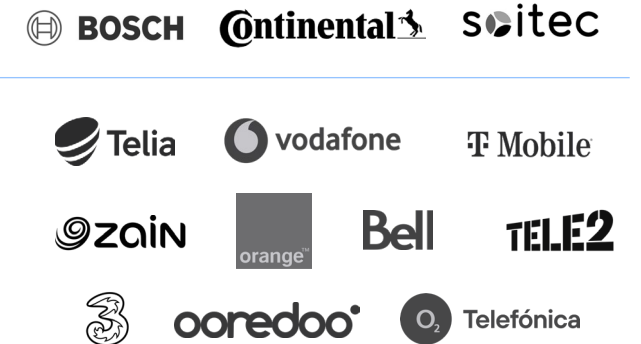
## Solving real customer problems

Manufacturers face supply chain disruptions, unpredictable demand, quality issues, cost pressures and delivery delays.

Manufacturers experience inconsistent production quality, low yield, high waste costs and intense cost pressures.

Operators struggle with managing massive data, affecting network performance, service delivery and customer experience.

## Our customers

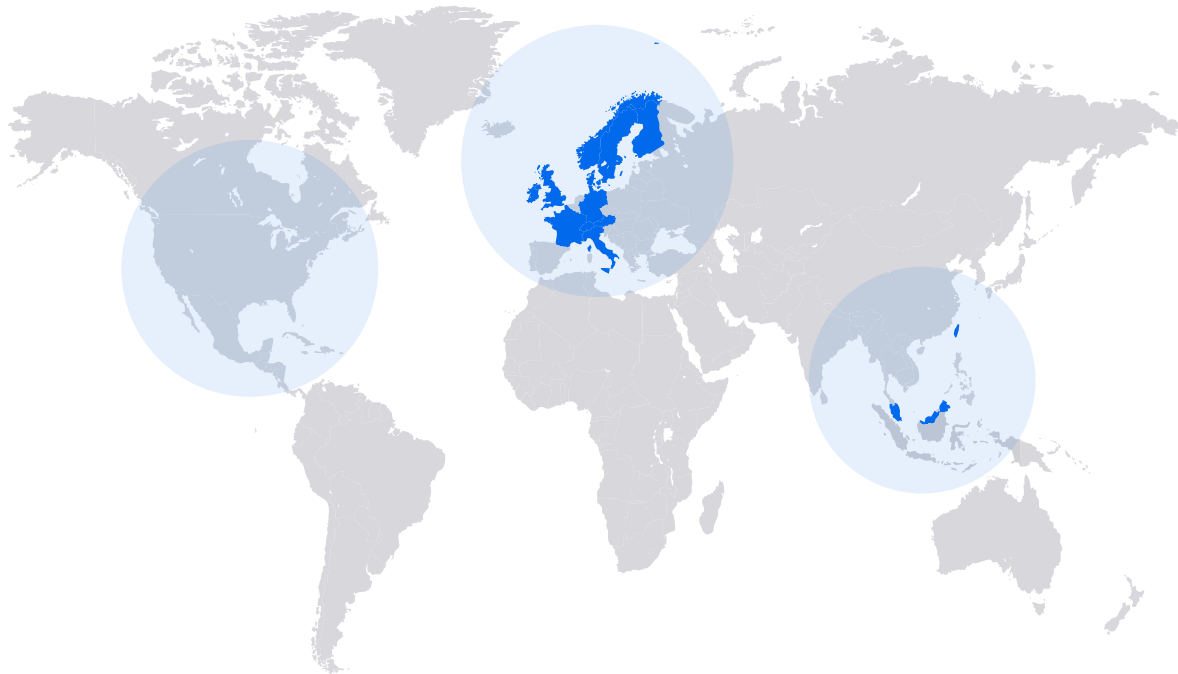
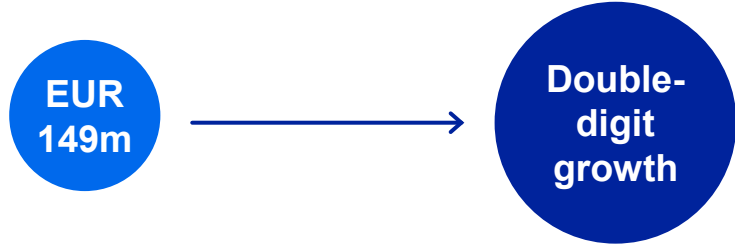


Growth acceleration

# Expanding our geographical presence



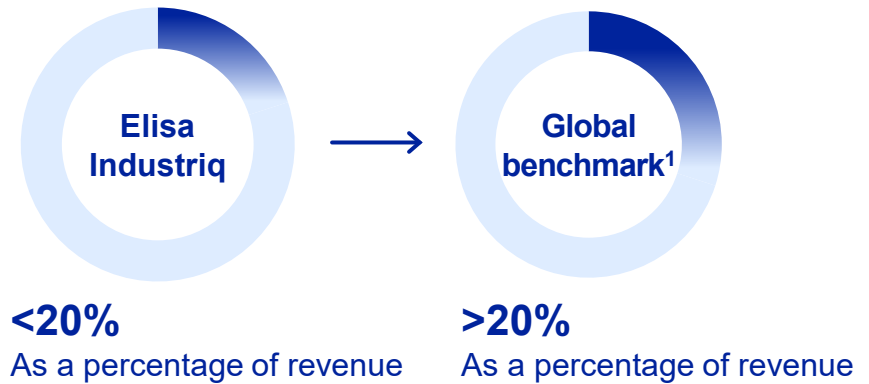
## Clear path to accelerated revenue growth



## Executing successful go-to-market operation

- Proven product–market fit & business model
- Repeatable & evolving go-to-market playbook
- Increasing sales through partners
- Further acceleration through continued bolt-on acquisitions

## Increasing sales & marketing investment



1) Benchmark = relevant businesses of peer group (including Kinaxis, Logility, Applied Materials, Siemens, RADCOM, NETSCOUT, Fluence, Enel, Workday, ServiceNow). Highlighted countries: Italy, Germany, Austria, Switzerland, France, Finland, Sweden, Denmark, Norway, United Kingdom, USA, Malaysia, Singapore, Taiwan

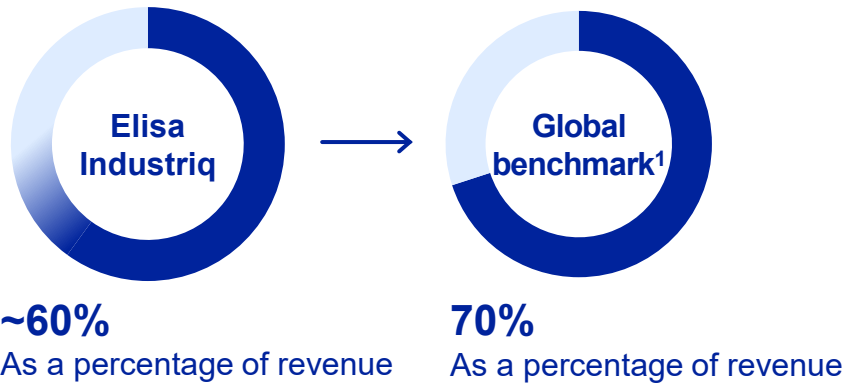


Scale benefits

# Sizable opportunity to add profitability through higher gross margins

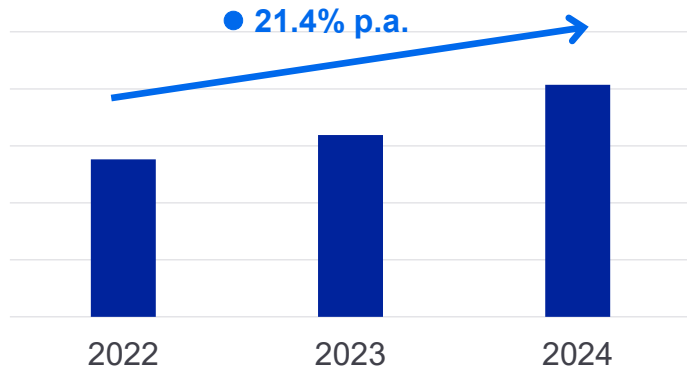


## Raise gross margin



## Raise recurring revenue

Recurring revenue<sup>2</sup>, EURm



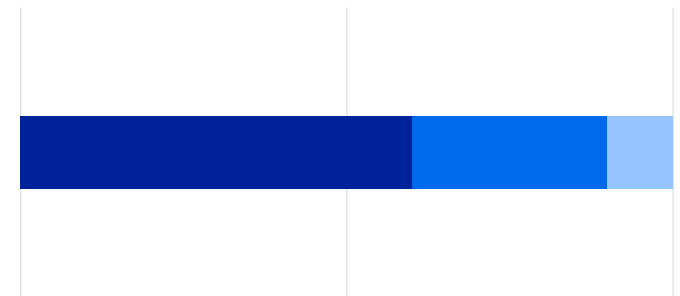
## Increase scalability of our solutions

- Increase software share by growing recurring revenues (SW maintenance & SaaS)
- Increase sales & delivery through partners to grow share of high-margin software licences
- Step up delivery project efficiency through solution standardisation, keep healthy margins for hardware & third-party software

## Grow the share of high-margin software revenues

Revenue distribution<sup>3</sup>

- Software & maintenance
- Delivery
- Hardware & others



8 1) Benchmark = Relevant businesses of peer group (including Kinaxis, Logility, Applied Materials, Siemens, RADCOM, NETSCOUT, Fluence, Enel, Workday, ServiceNow). 2) Excluding sedApta. 3) Pro forma 2024.



Scale benefits

# Simplifying operations to increase scale benefits



## Reduction in G&A costs<sup>1</sup>



**>20%**  
As a percentage of revenue



**10%**  
As a percentage of revenue

## Reduction in R&D costs<sup>1</sup>



**>20%**  
As a percentage of revenue



**15%**  
As a percentage of revenue

## Simplifying operations

- Simplifying our legal & operational structure
- Standardising operations & IT
- Relying on Elisa's efficient practices & assets

## Reusable, sharable software assets

- Modular software architecture
- Shared cloud & AI capabilities
- Right-cost site strategy

1) Pro forma 2024, G&A = general & administration, R&D = research & development

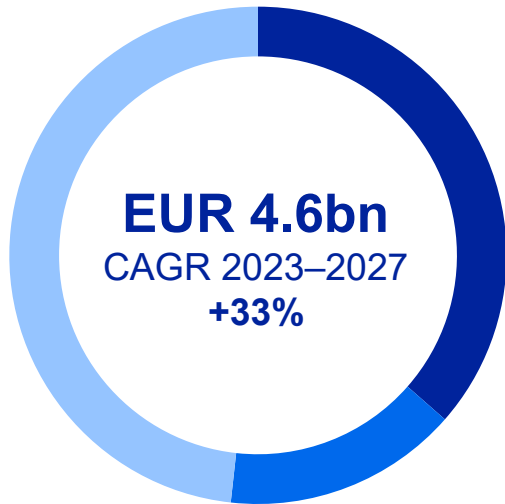
2) Benchmark = Relevant businesses of peer group (including Kinaxis, Logility, Applied Materials, Siemens, RADCOM, NETSCOUT, Fluence, Enel, Workday, ServiceNow)

Distributed energy storage

# Creating growth opportunities in the rapidly expanding electricity flexibility markets



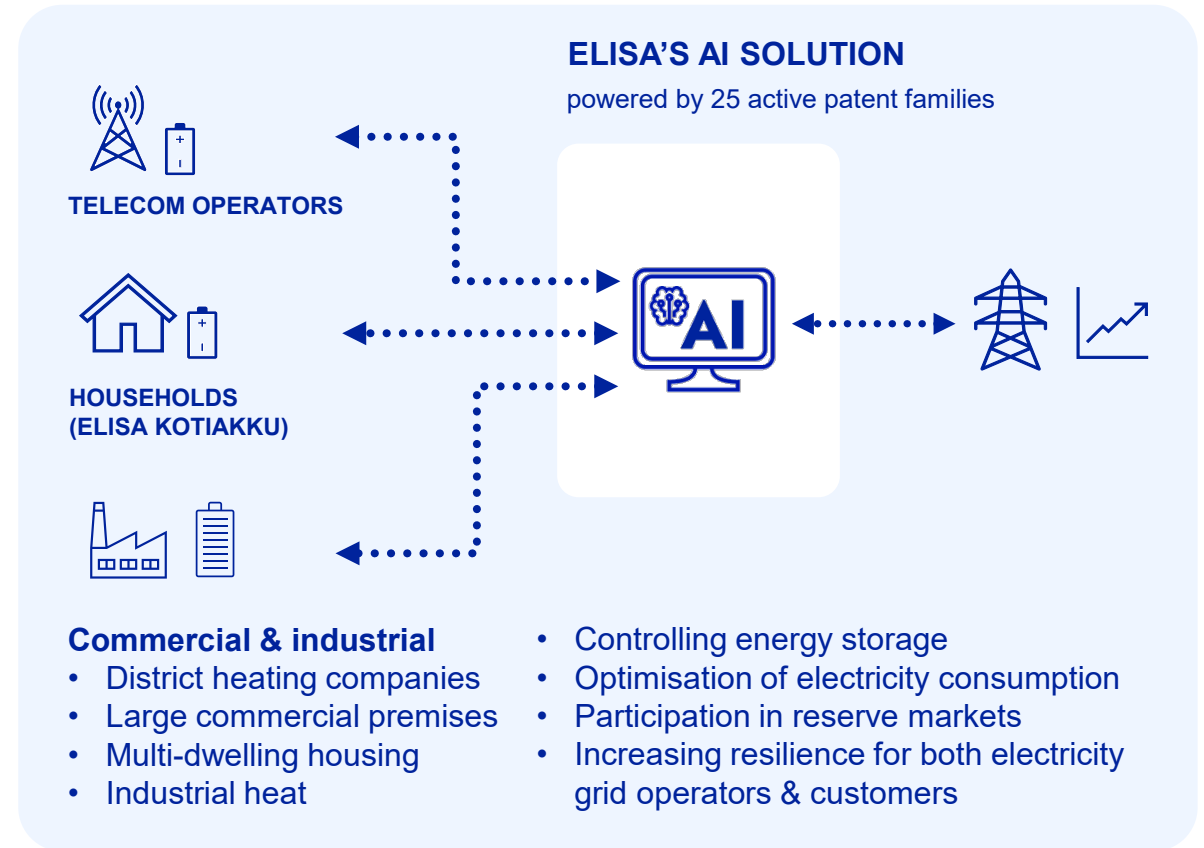
## Electricity flexibility markets<sup>1</sup>



- Residential
- Commercial & industrial
- Grid-scale

- Verified market demand in telecom sector, with proven & promising results
- Expanding in residential, commercial & industrial sectors; first in Finnish market
- Additional value in energy procurement optimisation for our customers & partners

## Aggregating energy storage assets for flexibility markets

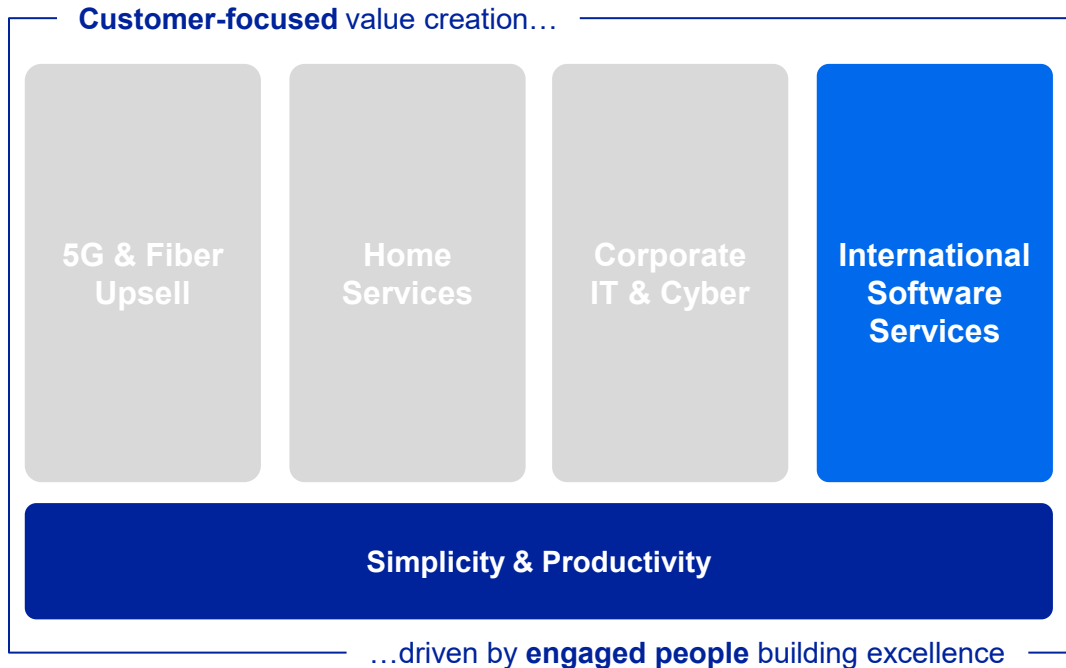


10 1) Value of electricity flexibility services in Europe ("grid-scale" refers to large-scale energy storage)  
Sources: LCP Delta, SolarPower Europe, company reports, Elisa analysis

Management priorities

# Creating momentum for accelerated, profitable double-digit growth

## Faster Profitable Growth



### Accelerate growth

- Repeatable go-to-market model for geographic expansion
- Bolt-on acquisitions to accelerate growth
- Scaling Distributed Energy Storage innovation

### Increase profitability by capturing scale benefits

- Improving gross margin
- Optimising G&A costs
- Optimising R&D costs

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## FORWARD-LOOKING STATEMENTS

Certain information and statements in this presentation, including those related to future performance and other trend projections, contain "forward-looking statements". By their nature, forward-looking statements involve unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. These statements are not guarantees of future performance and undue reliance should not be placed on them.