

elisa | **CMD2021**



International Digital Services

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Executive Vice President



CMD**2021**

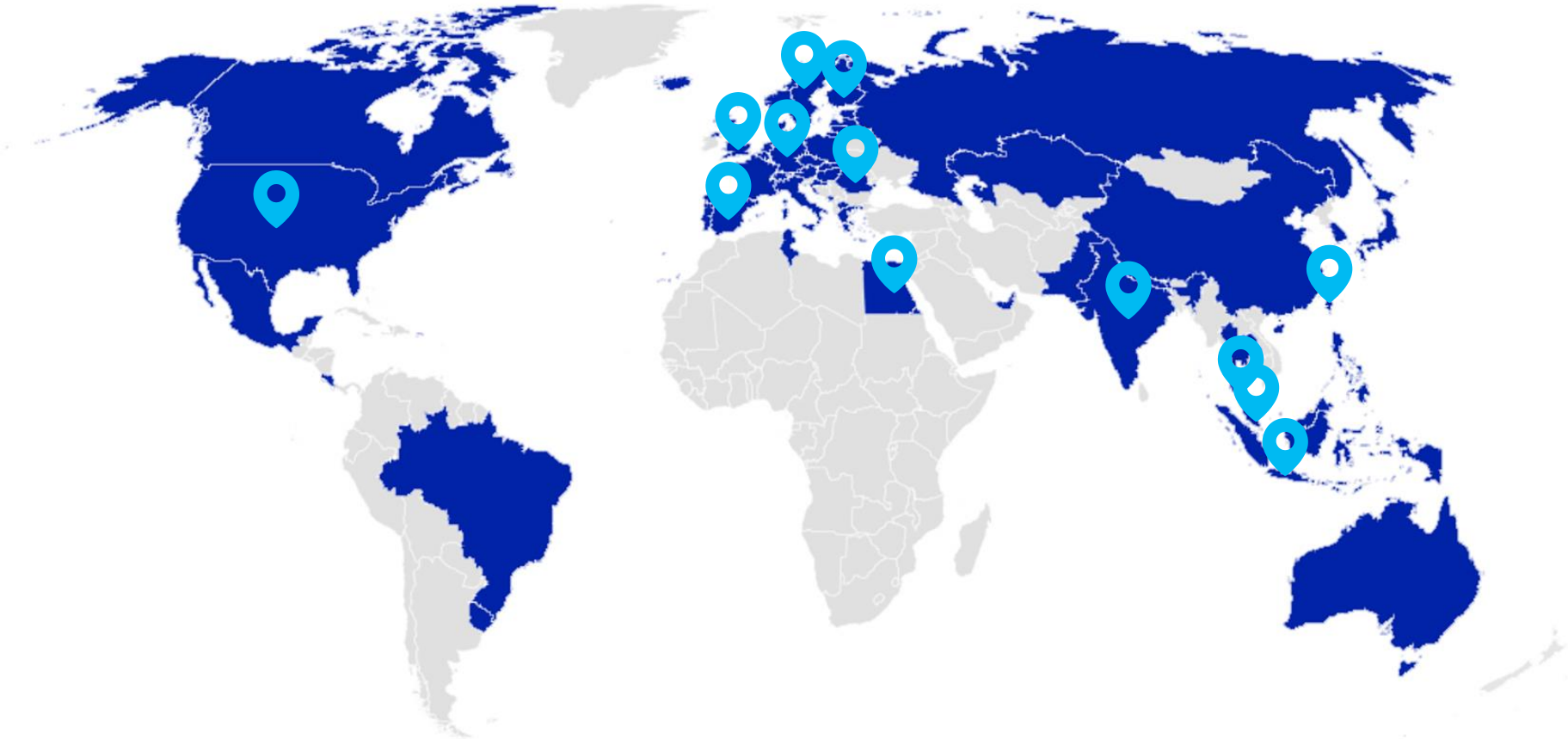
Elisa's unique strategy generates sustainable profit and growth

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- 5 Management priorities

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Performance update & strategy

-  Main Elisa locations
-  Elisa global customers



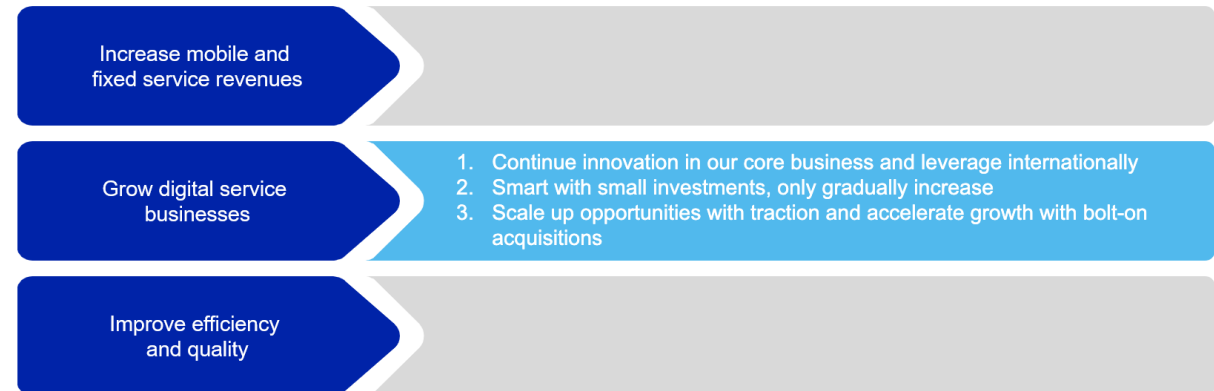
We are executing our step-by-step plan to create new software businesses...

- Small investments yield innovations
 - 10 internal start-ups, a handful of internationally scalable solutions
 - 54 patent applications in 2019–2020
- First acquisitions enable rapid scaling up
 - **Polystar 2019:** now successfully selling Elisa Virtual NOC (from Elisa Automate)
 - **CalcuQuote 2020:** Elisa Purchasing Robot (from Elisa Smart Factory) integrated, now also growing quickly in Europe
 - **camLine 2020:** integrating Elisa 3DVisualizr and AI Analytics (from Elisa Smart Factory) into offering
 - **sedApta 2021** (minority share): integrating Elisa 3DVisualizr and AI Analytics (from Elisa Smart Factory) into offering

Elisa's unique strategy generates profit and growth

Elisa's strategy

Profit and growth generation

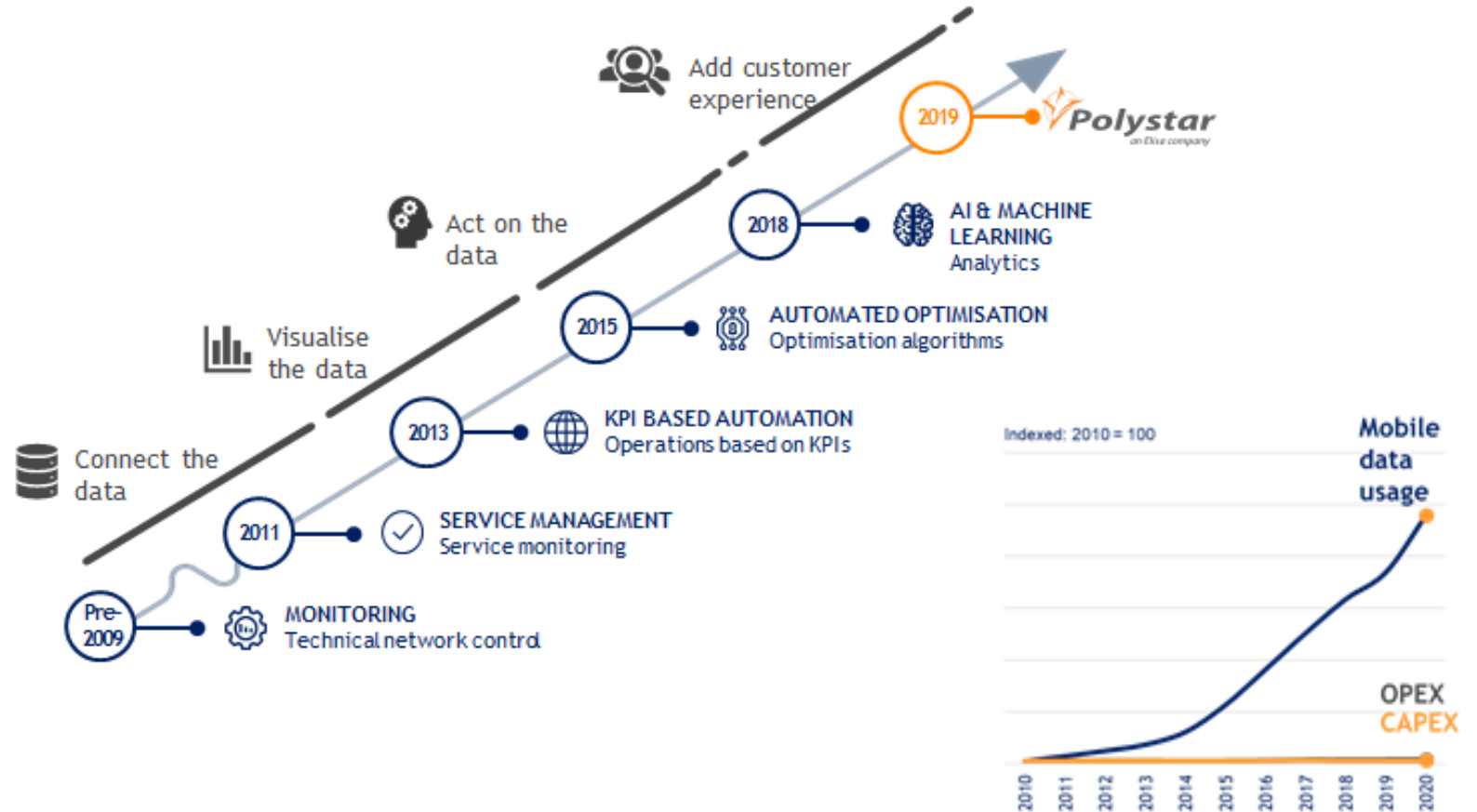


Source: Management priorities in Elisa CMD 2018 presentation

Performance update & strategy

...based on Elisa's unique automation innovations...

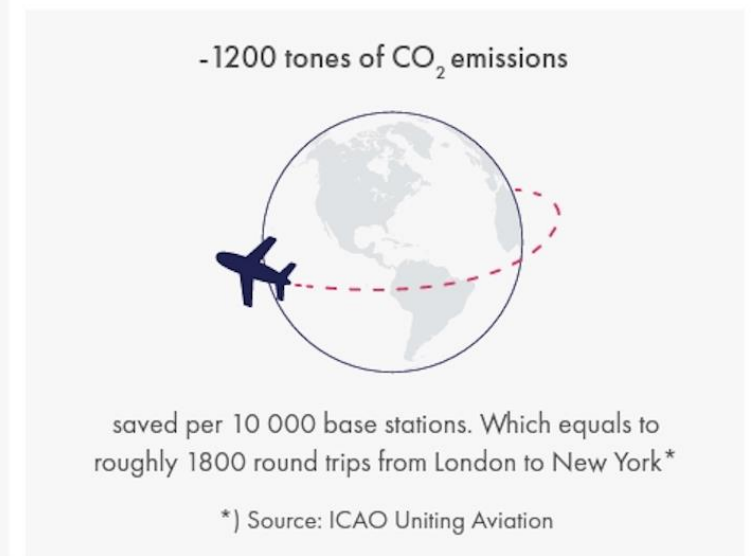
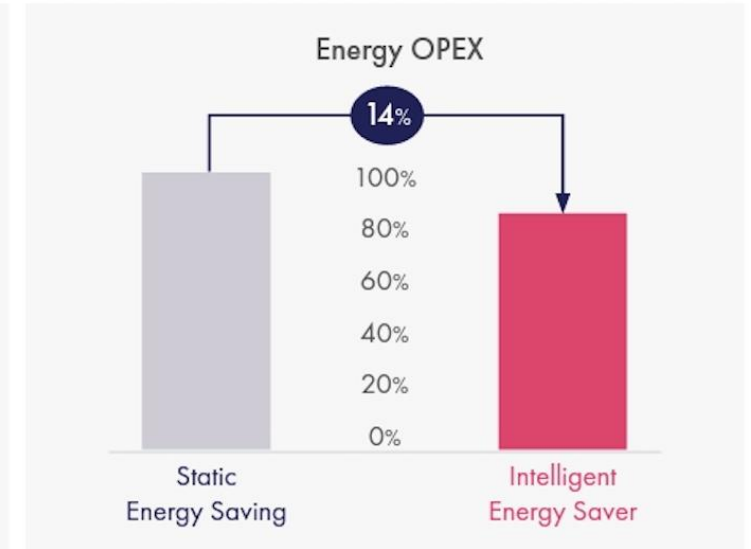
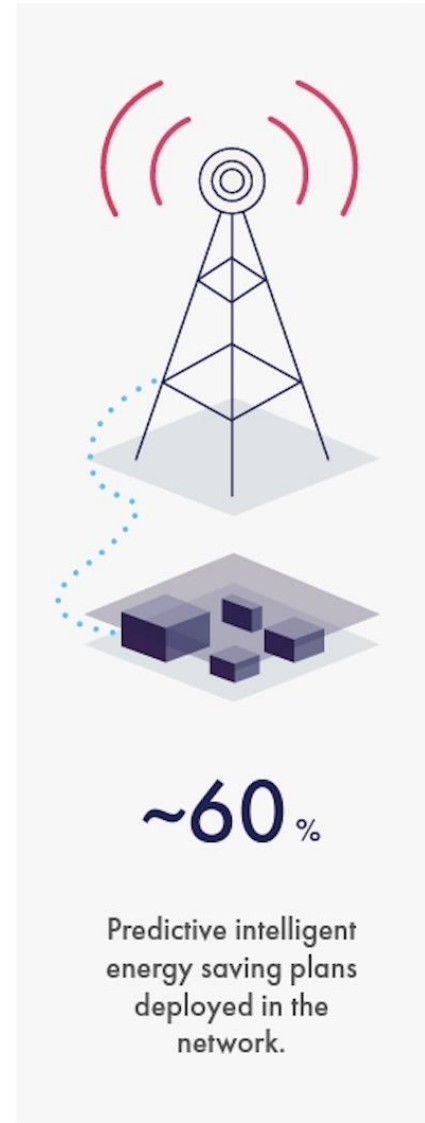
- Over a decade of measurable OPEX and CAPEX benefits
- Thanks to years of experimentation, today Elisa has an industry-leading, AI-driven automation practice
- Proven to be applicable to
 - Other telecom operators (e.g. T-Mobile)
 - Manufacturing processes (e.g. P&G)



Performance update & strategy

...creating a sustainable future through digitalisation...

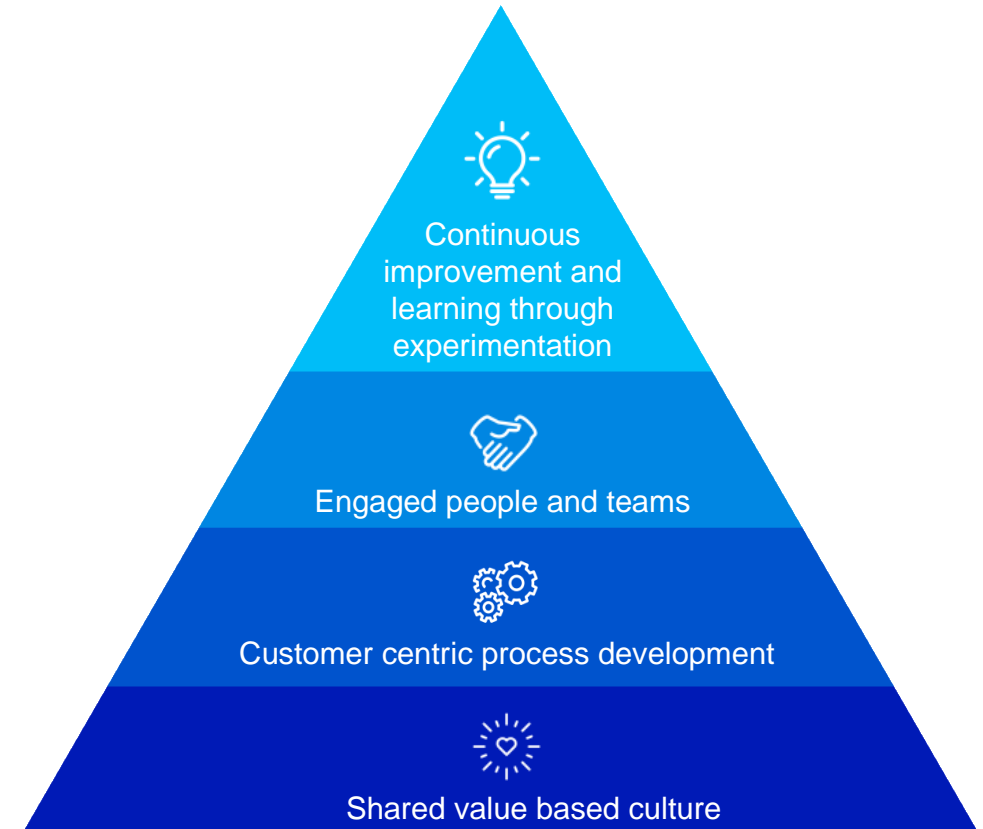
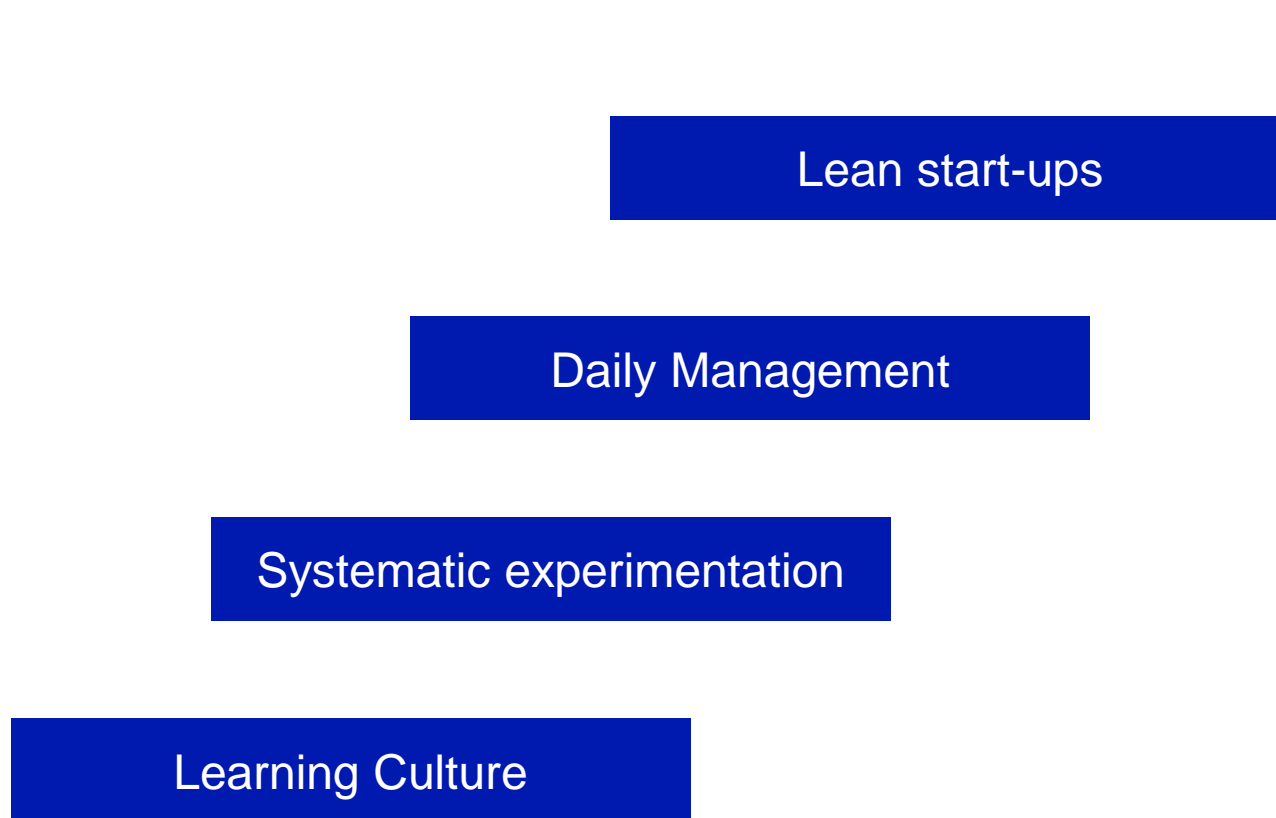
- Dynamic optimisation of overlapping radio cells to save energy without end-user impact
- Material flow optimisation and associated waste reduction in manufacturing



Performance update & strategy

...and developed further by Elisa's unique business system, eElisa

Examples of eElisa practices



Telecom software business

Making self-driving networks happen

MANUAL NOC



FROM LABOUR INTENSIVE...

- Manual monitoring, filtering and correlation
- Manual ticket creation
- Manual ticket prioritization, analysis and resolution



VIRTUAL NOC

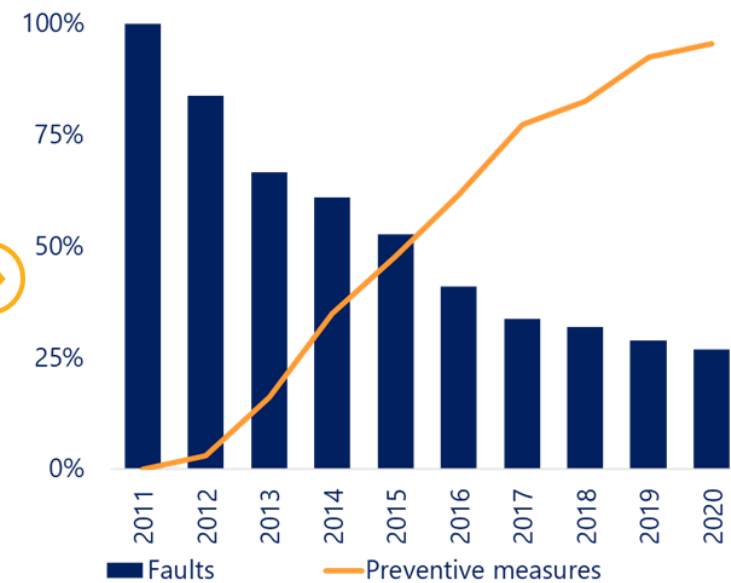


...TO AUTOMATED OPERATION CENTER

- 100 % alarm monitoring automated
- 100 % action ticketing automated
- 90 % of ticket actions automatically resolved



MAKING SELF-DRIVING NETWORKS HAPPEN

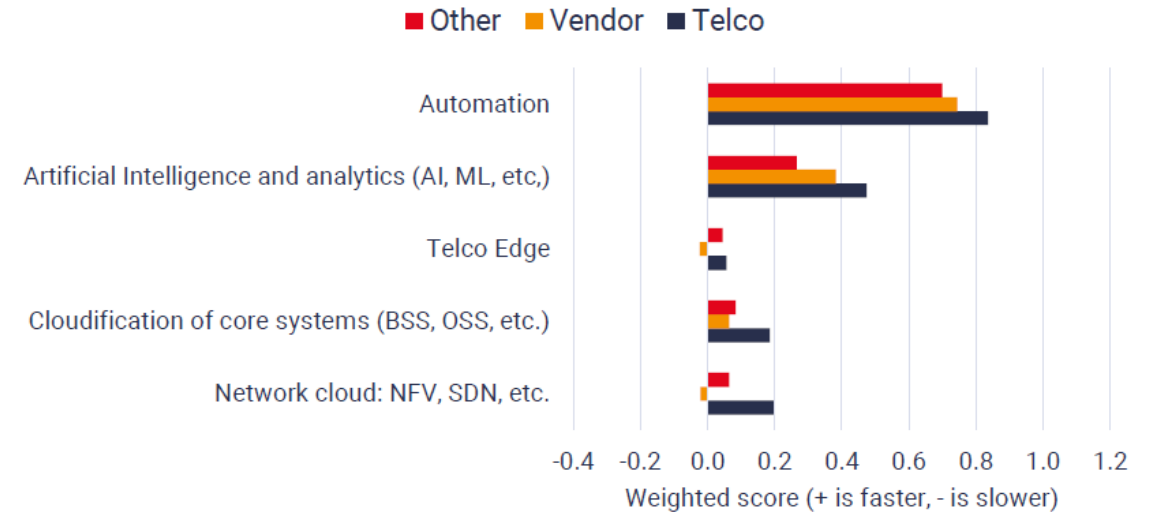


Telecom software business

Analytics, automation and AI form a solid growth market within broader telecom software...

- EUR 2.2bn market with 5–10% growth¹⁾
- Analytics, automation and AI market growth driven by
 - 5G deployments and increased complexity
 - OPEX and CAPEX pressures
 - Unlimited pricing models

Expected technology priority change by organisation type, May 2020*



To get the weighted score, we weighted respondents choosing 'major uplift' = 2, 'minor uplift' = 1, 'minor cut' = -1, 'major cut' = -2.

Source: [STL Partners survey](#), 222 respondents


¹⁾ Source: Analysys Mason Telecoms software and services: consolidated worldwide forecast 2020–2025

Telecom software business

...where we are well positioned with our automation and AI solutions...

Building on Elisa's core capabilities

- Over a decade of software experience in building network automation for Elisa
- Capability to develop and test software and algorithms with live network data from all major vendors
- Practical, proven solutions to real problems



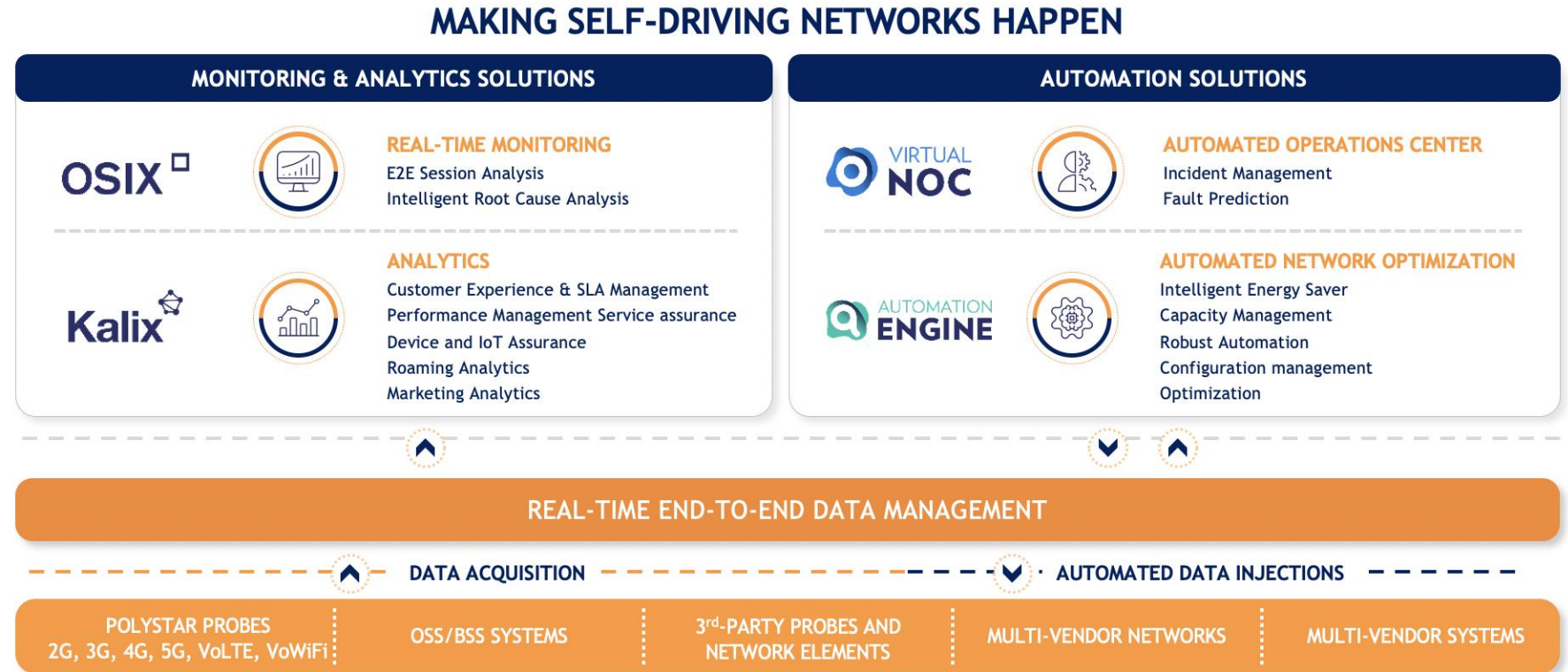
Branimir Maric, CTIO of T-MOBILE Czech Republic and Slovak Telecom

“Our decision was based on a detailed evaluation, and the offer from Elisa Automate, partnering up with OTE, stood out as the most innovative and strongest provider, with outstanding knowledge of networks, automation and the use of artificial intelligence (AI) and machine learning (ML). We look forward to taking the next steps towards fully autonomous networks.”

Telecom software business

...and already with a scale enabling efficient go-to-market

- Over 100 CSP customer relationships
- 250+ employees
- Main locations: Sweden, Finland, Singapore, Spain and Egypt

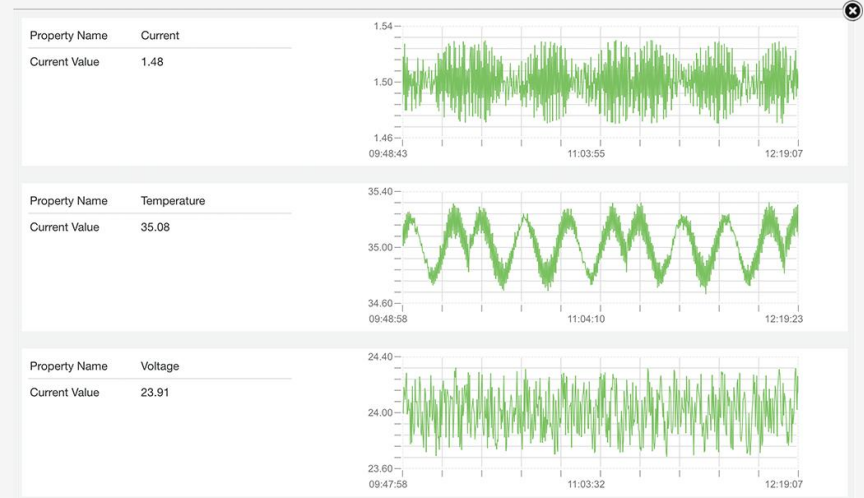
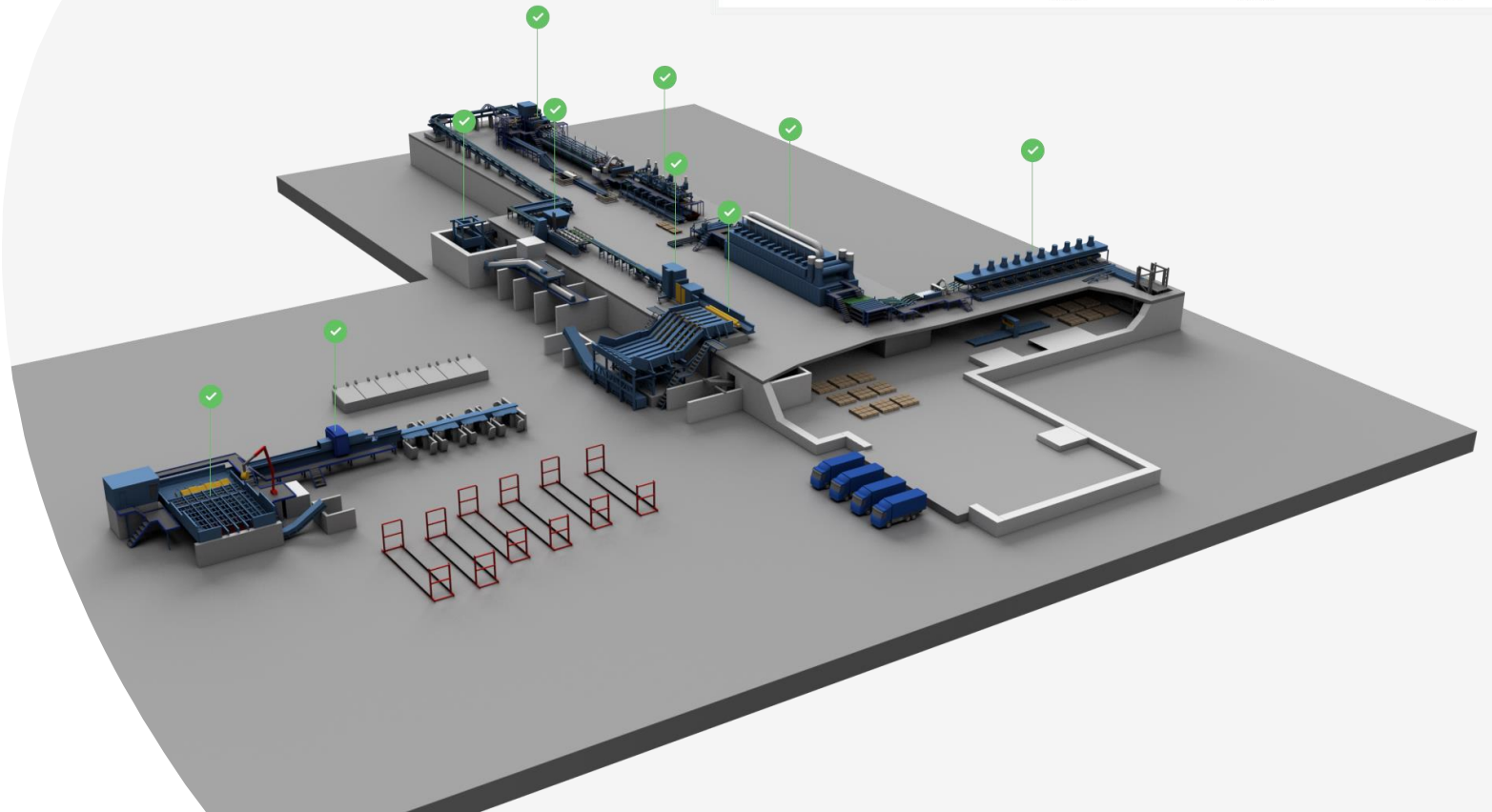


CSP = Communications Service Provider

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Industrial software business

Making smart
manufacturing happen



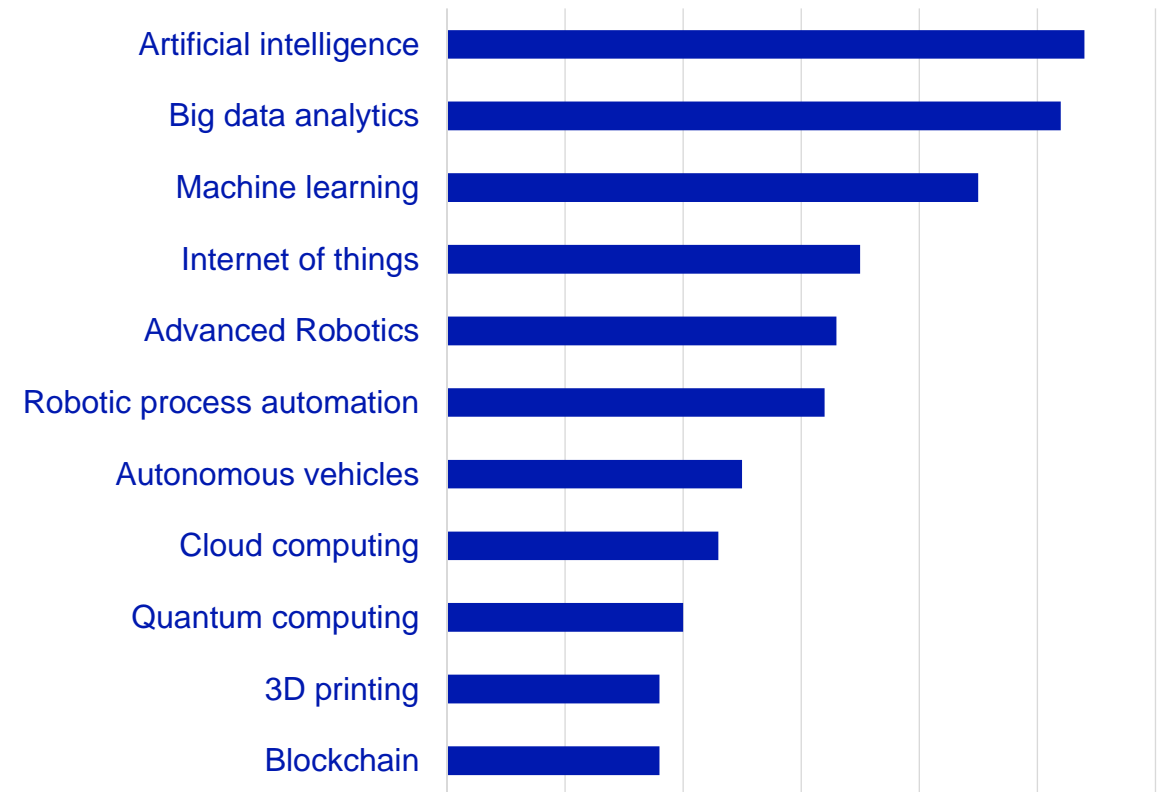
Industrial software business

Analytics and AI are driving growth in the industrial software market...

- EUR 5.0bn market in our selected verticals with 5–10% growth¹⁾
 - Semiconductor and electronics
 - Food, beverages and consumer packaged goods
- Market growth driven by
 - Need for mass production with connected supply data
 - Global competitiveness requiring increased automation and efficiency
 - 5G and digitalisation creating new data opportunities

¹⁾ Source: Elisa market analysis leveraging 360i Research market research

Disruptive Technology in Business



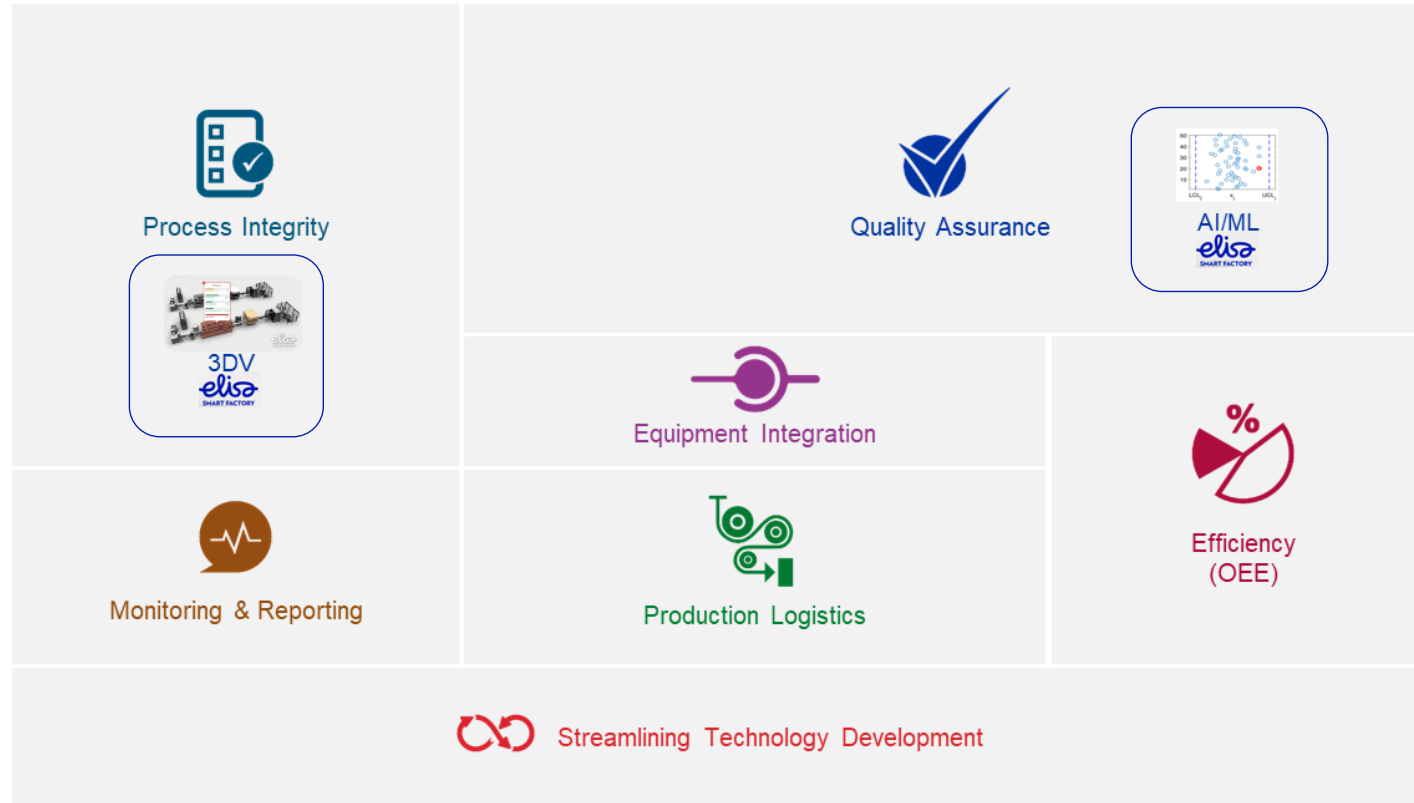
SCM World CSCO November 2019; number of respondents: 1,186; percentage indicating "disruptive and important"

Industrial software business

...where we have successfully applied our unique capabilities developed originally for telecom to industrial processes...



Selected customers



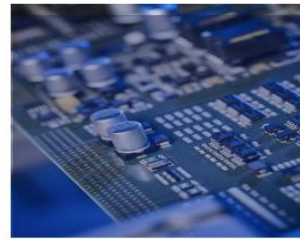
We enrich high-volume manufacturing execution system modules and next-generation quality assurance with Elisa's 3D and machine learning and AI capabilities



Industrial software business

...and are well on the way to building our commercial platform to deliver our innovations to manufacturers globally

- Over 200 customer relationships with more than 450 factories
 - Additionally over 700 customer and over 1,000 factory relationships with SedApta
- 250+ employees
- Main locations Germany, Finland, the US, Singapore, Taiwan, Romania, Indonesia and Malaysia



Electronics



Semiconductors



Automotive OEM



Food & beverage



Pharma



Luxury & fashion



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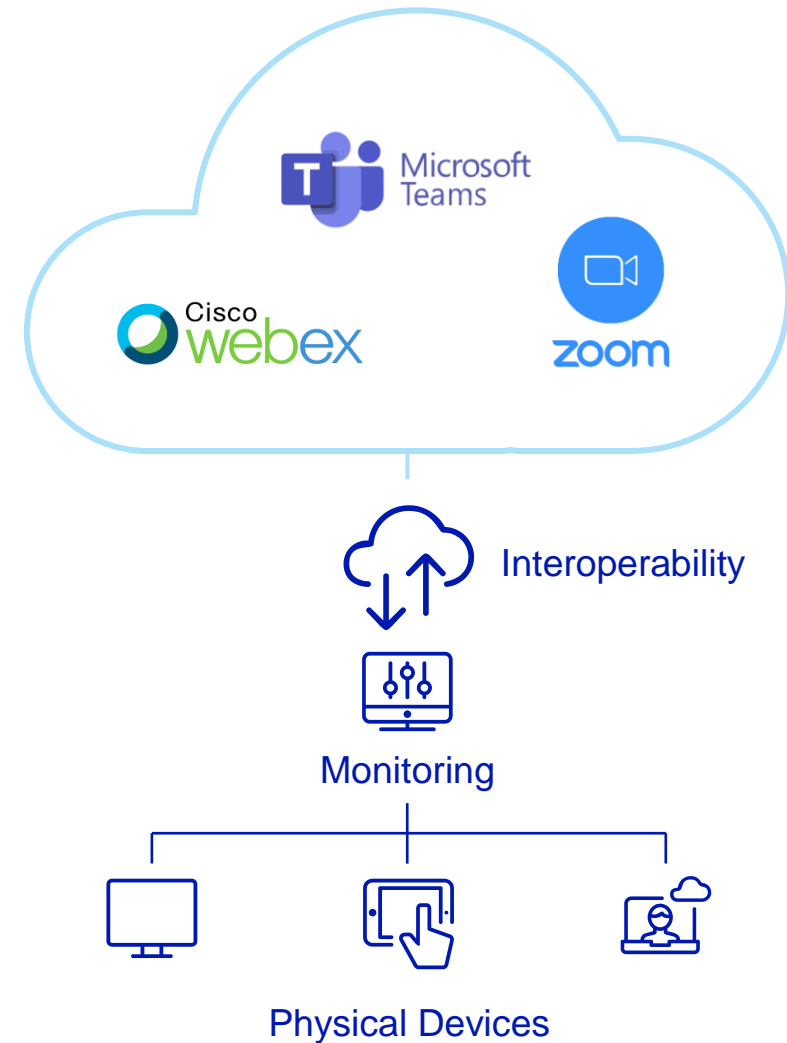
Elisa Videra



Elisa Videra

Enabling interoperable video collaboration

- Elisa Videra business paved the way for serving demanding international B2B customers
- Elisa Videra provides managed interoperability between physical video devices and cloud-based conferencing solutions
- Over 140 global customer relationships
- 100+ employees



Management priorities

Gain scale and accelerate growth with Elisa's unique AI and data capabilities to make a sustainable future through digitalisation happen

Elisa's approach

Increase mobile and fixed service revenues

Grow digital service businesses

Improve efficiency and quality

Profit and growth generation

- Secure and strengthen post-acquisition business growth
- Accelerate growth by injecting Elisa's unique assets into acquired businesses
- Gain scale through acquisitions of healthy, established businesses
- Accelerate growth further by acquiring complementary, fast-growing businesses

elisa

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THANK YOU.

Statements made in this document relating to the future, including future performance and other trend projections, are forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements, due to many factors, many of which are outside of Elisa's control.