



## **Loihde increases its cloud expertise by acquiring cloud service company Onrego Ltd and has decided on a directed share issue against payment**

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### **Loihde increases its cloud expertise by acquiring cloud service company Onrego Ltd and has decided on a directed share issue against payment**

Security solutions and digital development expert Loihde strengthens its expert services in cloud technology, as the company acquires the entire share capital of Onrego Ltd. The planned implementation date of the acquisition is 1 December 2022. In addition, Loihde Plc's Board of Directors has decided on a directed share issue against payment to Onrego's owner.

Onrego is a Finnish company specialised in cloud technology that offers customers cloud consulting and continuous cloud solution services. In 2021, the company's revenue amounted to EUR 7.1 million (EUR 5.9 million in 2020) and the company's EBITDA was EUR 0.5 (0.0) million. Onrego has approximately 30 experts working for them.

"Onrego's expertise and services go very well with Loihde's offering, since cloud expertise is important for both of Loihde's business areas: Digital development projects are nowadays mainly built on cloud platforms, and as companies transition to the cloud, also information security management leans increasingly on cloud expertise. As a new service area, Onrego extends our offering with cloud management delivered as a continuous service, which is more scalable and has better margins than consulting", says Loihde's CEO Samu Konttinen.

The cloud technology market is a significant growth market that is estimated to grow at an annual rate of 10% in Finland in the next few years. Although cloud transformation has been one of the major turning points in IT over the last few years, only a fraction of companies has already transitioned all IT functions to the cloud. For the vast majority, the process is underway and cloud technology is being adopted at an accelerating pace. Through Onrego, Loihde clearly increases its foothold on the cloud market and strengthens its position in the fastest growing area of cyber security, i.e. cloud security.

"For Onrego, Loihde is a superb home as we start our next growth phase. We have been a pioneer in cloudification and cloud platforms, and I am very proud of our employees and customers and also of what Onrego is and represents. With the help of Loihde, we are able to accelerate our growth journey and offer our employees tremendous opportunities. By utilising Loihde's capabilities in, for example information security, data and software development, we are able to create a service offering that benefits our customers even faster than before. Since our values and cultures also are very similar, I see this as an excellent match for both of us", says Onrego's CEO Jarno Mäki.

The debt-free price of the transaction is EUR 4.3 million and it is paid entirely in cash. In addition, the parties have agreed on a reinvestment by Onrego Ltd's owner, which is worth approximately EUR 600,000, or approximately 14% of the entire transaction price. The acquisition does not affect Loihde's outlook for 2022 or financial targets for the strategy period 2021–2024.

### **Directed share issue against payment**

Loihde Plc's Board of Directors has decided on a directed share issue against payment to the owner of Onrego Ltd, Roaring Aspen Hill Ltd, in which a maximum of 50,000 new shares in the company may be issued. From the point of view of the company, there is weighty economic reason to deviate from the shareholders' pre-emptive subscription rights, since the share issue is related to the implementation of an acquisition that is in accordance with the company's strategy.

The share subscription period is 1 December 2022 and the subscription price is EUR 11.99 per share, which corresponds to the volume-weighted average share price of Loihde Plc shares traded on Nasdaq First North Growth Market Finland during the time period 29 July to 28 October 2022. The shares must be paid at the time of subscription. The subscription price will be entered in the company's reserve for invested unrestricted equity.

The new shares will be registered in the Trade Register on or about 14 December 2022 and listed for trading together with the old shares on Nasdaq First North Growth Market Finland, maintained by Nasdaq Helsinki Ltd, on or about 15 December 2022. As a result of the share issue, the total number of shares in Loihde Plc increases to a maximum of 5,728,254 shares.

The decision on the directed share issue against payment is based on the authorisation by the Annual General Meeting held on 5 May 2022.

## **Further information**

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*Loihde enables business continuity. We help our customers to create growth and competitiveness through digitalisation and to protect themselves from physical and cyber threats. Loihde consists of two business areas: security solutions with the brand Loihde Trust, and digital development with the brands Loihde Advisory, Loihde Analytics and Loihde Factor. The Group has approximately 850 employees and its revenue in 2021 amounted to EUR 108.1 million.*

## **Attachments**

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