



# Loihde Plc's Business Report 1 January–31 March 2024: Revenue increased by 6% and EBITDA improved significantly

30.4.2024 08:00:00 EEST | Loihde Oyj | Company Announcement

Loihde Plc Company announcement 30 April 2024 at 8:00 a.m. EEST

## Loihde Plc's Business Report 1 January–31 March 2024: Revenue increased by 6% and EBITDA improved significantly January–March in brief

- Loihde Group's revenue for the first quarter amounted to EUR 33.0 (31.3) million, an increase of 6%.
- EBITDA was EUR 1.4 (-0.4) million.
- Adjusted EBITDA<sup>1</sup> was EUR 1.6 (-0.1) million, or 4.9% (-0.4%) of revenue.

<sup>1</sup>The adjusted EBITDA is calculated by excluding capital gains/losses arising from the disposal of properties, fixed asset shares and businesses, insurance and other compensations, and other adjustments from the respective reported figure.

### Outlook for 2024 (unchanged)

In 2024, Loihde expects the Group's revenue to be on par with the previous year or grow. The Group's adjusted EBITDA is estimated to improve compared to 2023, when it was EUR 7.6 million.

### CEO Samu Konttinen:

In the first quarter, Loihde's revenue increased 6% year-on-year and came to EUR 33 million. Profitability improved clearly in comparison to the weak comparative period, with adjusted EBITDA totalling EUR 1.6 (-0.1) million, or 4.9% of revenue.

In line with the updated strategy, Loihde is organised into the following four business areas since the beginning of the year:

- Security Solutions, which provides security technology and locking services
- Cyber, Cloud & Connect
- Data & AI
- Digital Services

Based on the first months of experience, the business division centring around customer needs seems to function well. We are able to focus our services sharply on the customers' needs, and we gain greater cost-efficiency now that we have centralised all support services.

### Good growth in continuous services

In the first quarter, Security Solutions and Cyber, Cloud & Connect grew noticeably year-on-year. Particularly pleasing was the growth in continuous services in both business areas. In Security Solutions, we won several tenders during the beginning of the year, including wellbeing services counties and other public sector organisations. Of the continuous services in Security Solutions, e.g. video surveillance and access control have continued to grow, with an increasing number of customers opting for full service agreements instead of traditional equipment investments.

Identity and Access Management (IAM) consulting, cloud transformation consulting and the 24/7 Cyber Security Operations Centre CSOC and Network Operations Centre NOC also showed good growth once again.

As far as corporate networks are concerned, we won several network modernisation projects, typically involving software-defined SD-WAN networks and connections, which we deliver operator-independently. Our ability to deliver both corporate networks and cyber surveillance 24/7 as managed services gives our customers the capacity to respond faster and more effectively to incidents.

### Challenging market situation in IT consulting

In Digital Services and Data & AI, billing rates remained low and weakened the company's profitability. In both business areas, revenue clearly decreased year-on-year. In order to bring our cost levels in line with the current market demand, we have continued to implement efficiency measures.

We have also had some important wins in the early part of the year, such as the wellbeing services county of Päijät-Häme selecting Loihde as their key ICT service provider in eight different areas, and Loihde signing a digital service development agreement with an international healthcare company. In the financial sector, which is important to us, we have continued to work closely with our customers and we see good growth opportunities in this segment.

### **Profitability is improving**

Overall, the year has started as planned. EBITDA significantly improved year-on-year, and we experienced good growth in continuous services. The market situation in digital development has continued to be challenging as expected. The market environment is partly uncertain and hence our growth expectations are cautious. However, we are confident about our prospects for improving profitability.

### **Webcast press conference**

Loihde's CEO Samu Konttinen will present the results in a webcast today, 30 April 2024 at 11:00 a.m. EEST. The webcast is held in Finnish and will be live at <https://loihde.videosync.fi/q1-2024/>.

Presentations and a recording of the webcast will later be available in Finnish on the company's website at <https://www.loihde.com/omistajille/raportit-ja-esitykset/>.

### **Financial calendar**

In addition to the half-year report and the financial statements release, Loihde publishes a more concise business report for the first and third quarters of the year.

- The half-year report for January–June will be published on 27 August 2024.
- The business report for July–September will be published on 30 October 2024.

Financial reports are published on the company's website at <https://www.loihde.com/en/for-shareholders-2/reports-and-presentations/>.

30 April 2024  
Loihde Plc  
Board of Directors

*This is not an interim report in accordance with IAS 34. The financial information presented in this business report is unaudited. Unless otherwise stated, the figures in brackets indicate the corresponding period last year.*

### **Further information**

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*Loihde enables business continuity. We help our customers to gain a sustainable competitive edge through data, AI and digitalisation, to harness the potential of the cloud and to protect themselves against both physical and cyber threats. The combining of these skills is what makes Loihde a unique and comprehensive partner. We are approximately 850 skilled professionals, and our revenue in 2023 amounted to EUR 132.7 million.*

### **Attachments**

- [Download announcement as PDF.pdf](#)