



## Loihde Plc's Financial Statements Release 1 January–31 December 2024: Loihde's efficiency is improving as planned: Revenue increased by 5% and adjusted EBITDA improved by 45% in 2024

13.2.2025 08:00:00 EET | Loihde Oyj | Company Announcement

Loihde Plc Company announcement 13 February 2025 at 8:00 a.m. EET (unaudited)

## Loihde Plc's Financial Statements Release 1 January–31 December 2024: Loihde's efficiency is improving as planned: Revenue increased by 5% and adjusted EBITDA improved by 45% in 2024

### October–December 2024 in brief

- Loihde Group's revenue for the fourth quarter amounted to EUR 39.8 (37.3) million, an increase of 7%.
- Adjusted EBITDA was EUR 3.9 (3.8) million, or 9.8% (10.1%) of revenue.
- In December, the company recognised an impairment of EUR 9.9 million on goodwill related to IT consulting.

### January–December 2024 in brief

- Loihde Group's revenue for the entire year was EUR 139.7 (132.7) million, an increase of 5%.
- Revenue by business area in January–December:
  - Security Solutions: EUR 76.8 (67.6) million, an increase of 14%
  - Cyber, Cloud & Connect: EUR 31.3 (29.0) million, an increase of 8%
  - Data & AI: EUR 15.9 (18.5) million, a decrease of 14%
  - Digital Services: EUR 16.0 (18.1) million, a decrease of 12%
- Adjusted EBITDA was EUR 11.0 (7.6) million, or 7.9% (5.7%) of revenue.
- Adjusted operating profit (EBIT) was EUR 3.1 (0.0) million, or 2.2% (0.0%) of revenue.
- The Board of Directors proposes to the Annual General Meeting (AGM) that a dividend of EUR 0.75 per share be paid from distributable funds and that the AGM authorises the Board to decide on an additional dividend of not more than EUR 0.75 per share.

### Outlook for 2025

In 2025, Loihde expects the Group's revenue to grow or to be on par with the previous year.

The Group's adjusted EBITDA is estimated to improve compared to 2024, when it was EUR 11.0 million.

### Financial targets for the strategy period 2024–2027

Loihde Group aims to achieve an average annual revenue growth of approximately 10%, including potential acquisitions. The revenue target for the end of the strategy period, i.e. for 2027, is at least EUR 200 million.

In terms of profitability, the target is to achieve an adjusted EBITDA margin of 15% by the end of the strategy period.

The target return on investment (ROI) is 10% and net debt / EBITDA between 0–2x.

### Key figures (IFRS)

JANUARY-DECEMBER, EUR 1,000	1-12 2024	1-12 2023	Change in %
Revenue, EUR 1,000	139,702	132,690	5%
- Security Solutions	76,766	67,552	14%

- Cyber, Cloud & Connect	31,335	28,978	8%
- Data & AI	15,919	18,462	-14%
- Digital Services	15,964	18,128	-12%
- Other (incl. eliminations)	-282	-430	34%
<b>EBITDA</b>	9,923	6,669	49%
<b>Adjusted EBITDA, EUR 1,000<sup>1</sup></b>	10,986	7,569	45%
<b>Adjusted EBITDA, %</b>	7.9%	5.7%	
<b>EBITA, EUR 1,000</b>	2,999	422	611%
<b>Adjusted EBITA, EUR 1,000<sup>1</sup></b>	4,062	1,322	207%
<b>Adjusted EBITA, %</b>	2.9%	1.0%	
<b>Operating profit (EBIT), EUR 1,000</b>	-7,837	-901	-769%
<b>Adjusted operating profit (EBIT), EUR 1,000<sup>1</sup></b>	3,125	-1	217,408%
<b>Profit/loss for the period, EUR 1,000</b>	-8,083	-620	-1,205%
<b>Adjusted profit/loss for the period, EUR 1,000<sup>1</sup></b>	2,667	121	2,111%
<b>Equity-to-assets ratio, %</b>	66.7%	69.6%	
<b>Earnings per share (EPS), EUR, basic (undiluted)<sup>2</sup></b>	-1.41	-0.11	-1,207%
<b>Earnings per share (EPS), EUR, diluted<sup>2</sup></b>	-1.40	-0.11	-1,213%
<b>Return on investment (ROI), %</b>	-6.9%	0.5%	
<b>Adjusted return on investment (ROI), %<sup>1</sup></b>	3.6%	1.3%	
<b>Net debt / EBITDA</b>	0.09	-0.91	
<b>Net debt / adjusted EBITDA</b>	0.09	-0.80	
<b>Average number of employees</b>	826	863	-4%

<sup>1</sup> The adjusted EBITDA, the adjusted operating profit (EBIT) and the adjusted profit for the period are calculated by excluding capital gains/losses arising from the disposal of properties, fixed asset shares and businesses, insurance and other compensations, impairments and other adjustments from the respective reported figure.

<sup>2</sup> The parent company's treasury shares (25,846 shares on average in January–December 2024 and 4,014 shares on average in January–December 2023) are excluded from the total number of shares.

## CEO Samu Konttinen:

In the last quarter of 2024, Lohde's revenue increased by 7% to EUR 39.8 (37.3) million. Adjusted EBITDA improved by 3% and totalled EUR 3.9 (3.8) million, or 9.8% (10.1%) of revenue.

Overall, the last quarter of the year was really good for us, although the weak market in IT consulting continues to weigh on our revenue and profit. In our other service areas, market conditions are more positive, and we did well especially in continuous services and projects related to security.

### Security Solutions exceeded expectations

Our security and corporate network services continued to grow well. The growth in our Security Solutions business area towards the end of the year exceeded our expectations. Due to the introduction of a more front-loaded project recognition policy in 2024, the expectations for the last quarter of the year were lower than the actual growth. The strong growth shows that Lohde has a very solid market position in the Finnish security technology sector. One of our competitive advantages is our strong information security and network expertise, since also physical security solutions are digital and networked in

today's world. Nurse call systems and related maintenance services for hospitals and assisted living facilities also grew well towards the end of the year.

In cyber security services, identity and access management (IAM) consulting continued to grow significantly during the period. Our Cyber Security Operations Centre (CSOC) and our Network Operations Centre (NOC), which both operate 24/7, have also steadily increased their customer base and revenue.

### **No turnaround in IT consulting yet**

The difficulties in the IT consulting market have continued, resulting in lower year-on-year revenue for these service areas. However, our position as the supplier of our key customers has been strengthened, particularly in finance and manufacturing, and we have gained new customers in sectors such as energy and retail. Customers are particularly interested in improving their own operations through data, automation and artificial intelligence. The oversupply of bespoke software development relative to demand has increased price competition. Overall, we expect the IT consulting market to gradually improve during this year, but the early part of the year is likely to remain challenging.

### **Full-year profitability improved significantly**

Full-year revenue saw a year-on-year increase of 5% and came to EUR 139.7 million. Adjusted EBITDA improved by 45% and totalled EUR 11.0 (7.6) million, or 7.9% (5.7%) of revenue.

Revenue from strategically important continuous services increased by 14% and came to EUR 36.9 (32.6) million, which corresponds to 26.4% (24.5%) of the company's revenue. At the end of the financial year, the annualised contract backlog for continuous services amounted to EUR 38.7 (34.7) million.

As the market situation has been challenging in some respects, we are very pleased with these results, and I would like to thank Loihde's employees for their great work and our customers for their continued trust in our services.

## **Proposal on the use of the profit for the period**

The Board of Directors proposes to the AGM that a dividend of EUR 0.23 per share, in accordance with the dividend policy, and an additional dividend of EUR 0.52 per share, i.e. a total of EUR 0.75 per share, be paid from the parent company's distributable funds (EUR 82,818,276.42), of which the loss for the period is EUR 15,880,926.49. Based on the situation on the date of publication of the financial statements release, the dividend and additional dividend would correspond to EUR 4,290,042.75 in total.

In addition to this, the Board of Directors proposes to the AGM that the AGM authorises the Board to decide on the distribution of a potential additional dividend in one or more instalments in such a way that the total amount of the additional dividend to be distributed does not exceed EUR 0.75 per share. The company will publish such a decision separately and will at the same time confirm the final record and payment dates. The authorisation would be valid until 31 December 2025.

No material changes have taken place in the company's financial position after the end of the financial year.

## **Events after the financial year**

On 15 January 2025, Loihde announced that it would initiate change negotiations to improve the company's business competitiveness and profitability.

## **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 business report for January–March 2025 will be published on Wednesday, 30 April 2025.
- The half-year report for January–June 2025 will be published on Friday, 18 July 2025.
- The business report for January–September 2025 will be published on Wednesday, 29 October 2025.

The Financial Statements, the Report of the Board of Directors, the Auditor's Report and the Corporate Governance Statement for the financial year 2024 will be published in week 13.

The AGM is scheduled to take place on 8 May 2025. The Board of Directors will publish a separate notice of the AGM later.

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

Loihde Plc  
Board of Directors

## **Webcast press conference**

Loihde's CEO Samu Konttinen will present the results in a webcast today, 13 February 2025 at 11:00 a.m. EET. The webcast will be live at <https://loihde.events.inderes.com/q4-2024>.

The presentation and a recording of the webcast will later be available in Finnish on the company's website at <https://www.loihde.com/en/investors/reports-and-presentations>.

## **Further information**

CEO Samu Konttinen

Media contact: Director of Communications Tiina Nieminen, tel. +358 44 411 3480 or [tiina.nieminen@loihde.com](mailto:tiina.nieminen@loihde.com)

Certified Adviser Aktia Alexander Corporate Finance Oy, tel. +358 50 520 4098

*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 820 skilled professionals, and our revenue in 2024 amounted to EUR 139.7 million. [loihde.com](https://loihde.com)*

## **Attachments**

- [Download announcement as PDF.pdf](#)
- [Loihde Plc Financial Statements Release 2024.pdf](#)