



PHM Group Holding Oyj's Interim report January-September 2024: An operationally successful quarter was complemented by the completion of the acquisition of DEAS A/S in Denmark

14.11.2024 10:00:00 EET | PHM Group Holding Oyj | Interim report (Q1 and Q3)

PHM Group Holding Oyj

Stock Exchange Release 14 November 2024 at 10.00 (EET)

This release is a summary of PHM Group Holding Oyj's unaudited Interim report January-September 2024. The full release is attached and available on our website at <https://www.phmgroup.com/investors/>.

Third quarter highlights

- Reported revenue increased by 75% to EUR 256.2 million (146.3).
- Reported EBITDA increased by 83% to EUR 37.2 million (20.3).
- LFL revenue increased by 2% to EUR 264.8 million (260.5).
- LFL adjusted EBITDA increased by 11% to EUR 45.2 million (40.8).
- Profit for the period amounted to EUR -5.1 million (-0.9).
- Operating cash flow before acquisitions increased significantly, amounting to EUR 27.2 million (3.6).
- Leverage was 5.39x (5.01).

January-September highlights

- Reported revenue increased by 54% to EUR 660.7 million (429.0).
- Reported EBITDA increased by 63% to EUR 99.3 million (61.0).
- LFL revenue increased by 5% to EUR 837.9 million (799.9).
- LFL adjusted EBITDA increased by 11% to EUR 134.2 million (121.4).
- Profit for the period amounted to EUR -8.2 million (0.3).
- Operating cash flow before acquisitions increased by 95.3% to EUR 78.5 million (40.2).

Significant events during the quarter

- PHM completed the strategically significant acquisition of DEAS Real Estate Services from DEAS Group. The transaction was signed in June. The acquisition significantly strengthens PHM's position in Denmark. Harmonisation measures were initiated as planned.
- Nine acquisitions were made in the third quarter of 2024. Total acquired revenue amounted to EUR 118.7 million.
- EBITDA continued to improve, driven by revenue growth and higher margins.
- Michael Stucki was appointed as Country Director for Switzerland and Germany.
- The execution of strategic development measures continued as planned.

Group key figures

EUR million, IFRS	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23	LTM
Reported								
Revenue	256.2	146.3	75.1%	660.7	429.0	54.0%	624.9	856.7
EBITDA	37.2	20.3	83.3%	99.3	61.0	62.7%	86.2	124.5
Adjusted EBITDA	43.4	22.0	97.1%	111.0	65.1	70.4%	93.3	139.2
Adjusted EBITDA margin %	16.9%	15.0%	1.9%	16.8%	15.2%	1.6%	14.9 %	16.3%
Adjusted EBITA	30.5	14.8	106.4%	79.5	45.1	76.2%	64.6	99.0

Adjusted EBITA margin %	11.9%	10.1%	1.8%	12.0%	10.5%	1.5%	10.3 %	11.6%
LFL *) financials								
LFL Revenue	264.8	260.5	1.6%	837.9	799.9	4.8%	1,096.0	1,134.0
LFL EBITDA	39.2	37.4	4.9%	125.7	112.5	11.7%	149.3	162.5
Adjusted LFL EBITDA	45.2	40.8	10.9%	134.2	121.4	10.6%	165.1	178.0
Adjusted LFL EBITDA margin %	17.1%	15.7%	1.4%	16.0%	15.2%	0.8%	15.1 %	15.7%
Adjusted LFL EBITA	32.2	28.7	12.1%	96.3	85.9	12.2%	116.9	127.3
Adjusted LFL EBITA margin %	12.2%	11.0%	1.1%	11.5%	10.7%	0.8%	10.7 %	11.2%
Financial position								
Operating cash flow before acquisitions**	27.2	3.6	648.9%	78.5	40.2	95.3%	68.9	
Cash conversion before acquisitions***	73.3%	17.9%	55.3%	79.1%	65.9%	13.2%	79.9 %	
Interest bearing net debt	1,009.6	503.4	100.6%	1,009.6	503.4	100.6%	647.8	
Leverage, x****	5.39	5.01	7.6%	5.39	5.01	7.6%	5.36	

*) LFL = Like-for-like, financials adjusted to reflect full 12 months of all entities owned at the end of the period

***) EBITDA + change in NWC (excluding intra group liability to ultimate parent) - CAPEX (excluding acquisition capex)

****) EBITDA / Operating cash flow before acquisitions

*****) Interest bearing net debt / (LFL LTM adjusted EBITDA + run rate synergies). Run rate synergies per 30.9.2024 amounted to EUR 9.0 million (30.9.2023: 2.9, 31.12.2023: 5.0)

Management review

M&A activity again remained high in the third quarter of 2024. PHM completed the strategic acquisition of DEAS Group Real Estate Services (DEAS A/S) in Denmark. The transaction was signed in the second quarter. With the acquisition, PHM more than doubled the size of its Danish business in terms of like-for-like revenue, and expanded its service offering, making it the most comprehensive service offering in the market. PHM's expansion in Switzerland continued with Privera AG's acquisition of the business operations of VERIT Immobilien. PHM also completed seven other acquisitions.

The quarter under review was also operationally successful, as PHM achieved continued revenue growth and improved profitability. Market conditions remained largely stable, with a slight improvement in the demand for additional services visible in Sweden. Higher contract revenue and price increases supported revenue growth, but lower project revenue hindered the positive development. Profitability was boosted by cost control and the in-housing of service production. As expected, the Group's leverage decreased from the level seen at the end of June. This was due to completed acquisitions and good organic growth in profit.

The execution of strategic development measures continued as planned during the quarter. The first measures of the DEAS A/S integration project were completed. Significant synergies are expected as the project moves forward. PHM Group strengthened its organisation by appointing Michael Stucki as Country Director for Switzerland and Germany, and as a member of the Group Management Team.

PHM will continue to execute its strategy and mission of taking care of people by taking care of their surroundings. At the same time, the company aims to become the market leader across all of its markets.

Events after the review period

After the review period PHM has completed two acquisitions in Finland.

Briefing invitation

PHM Group Holding Oyj's CEO Ville Rantala and CFO Petri Pellonmaa will present the result to investors and analysts on 14 November 2024 at 15.00 CET / 16.00 EET as a Teams meeting. Invitations to investor meetings can be subscribed to on the website.

Publication of the next financial results

PHM Group Holding Oyj will publish Q4 Financial Statements Bulletin on 14 February 2025 at 9.00 CET / 10.00 EET.

For further information, please contact:

Ville Rantala, Group CEO, +358 50 385 1442, ville.rantala@phmgroup.com

Petri Pellonmaa, Group CFO, +358 40 568 3841, petri.pellonmaa@phmgroup.com

PHM Group Holding Oyj in brief

PHM Group is a property services group whose mission is to care about people by taking care of their surroundings. PHM Group consists of the best local companies in the industry with the same values and motivations: entrepreneurship and a fair and responsible way of working.

PHM Group employs over 13,000 property services professionals in Finland, Sweden, Norway, Denmark, Germany and Switzerland. The Group's consolidated revenue amounted to EUR 759 million in 2023. PHM Group is owned by the funds managed by Norvestor and the Intera fund together with the management of the local companies.

Read more: phmgroup.com

Contacts

- Petri Pellonmaa, Konsernin talousjohtaja, +358 40 568 3841, petri.pellonmaa@phmgroup.com
- Ville Rantala, Konsernin toimitusjohtaja, +358 50 385 1442, ville.rantala@phmgroup.com

Attachments

- [Download announcement as PDF.pdf](#)
- [PHM Group Holding Oyj Interim Report January - September 2024.pdf](#)