



Loihde Plc's Business Report 1 January–31 March 2025: Year started as expected, revenue increased by 7%

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Loihde Plc Company announcement 30 April 2025 at 8:00 a.m. EEST

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January–March in brief

- Loihde Group's revenue for the first quarter amounted to EUR 35.2 (33.0) million, an increase of 7%.
- EBITDA was EUR 1.3 (1.4) million.
- Adjusted EBITDA¹ was EUR 1.5 (1.6) million, or 4.3% (4.9%) of revenue.

¹The 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 2025 (unchanged)

In 2025, Loihde expects the Group's revenue to grow or be on a par with the previous year. The Group's adjusted EBITDA is estimated to improve compared to 2024, when it was EUR 11.0 million.

CEO Samu Konttinen:

In the first quarter, Loihde's revenue increased by 7% year-on-year and came to EUR 35.2 million. Adjusted EBITDA was EUR 1.5 (1.6) million, or 4.3% of revenue.

In the early part of the year, profitability is typically lower than towards the end of the year – in this respect the year started as expected. The profitability of the first quarter was affected by the change in the payment schedule of the sales bonus model and fluctuation in product mix. We are, however, confident that the company's profitability will improve for the full year.

Security and network services grew

Our Security Solutions business unit continued to grow well, both as continuous services and project deliveries. We won new customers in sectors such as manufacturing, trade and public sector, examples of which are significant multi-year frame agreements concerning security technology with Finnish Customs, Defence Properties and Senaatti Properties. The relevancy of IT competence is growing in security technology implementations, and this strengthens Loihde's competitive edge as our network and cyber services support physical security solutions. Overall, the demand for security solutions has been solid, but price competition has increased.

The year has started as expected also in cyber security and corporate network services. Especially, 24/7 Cyber Security Operations Centre CSOC and Network Operations Centre NOC have showed good growth. We have signed several new agreements with operators in sectors such as manufacturing and energy.

Decline in IT consulting has levelled off but uncertainty continues

In IT consulting, which makes up about a quarter of Loihde, the revenue nearly reached the year-on-year level. This means that the decline in revenue that continued through the last year levels off. In our view, the market will continue to be quite challenging at least until autumn, and if the common financial uncertainty continues, significant recovery in the market may be postponed to next year. Loihde has a strong position as a partner to its largest customers, especially in sectors such as finance and manufacturing, and these customer relations have continued to strengthen. In addition, we have achieved success e.g. in the energy sector, where we have delivered solutions of, for instance, data management and analytics.

Enhancing competitiveness by reorganization

At the beginning of the year, we conducted change negotiations that affected a large part of the company's personnel and led to 35 redundancies and 10 lay-offs. Part of the deductions are implemented through pension or other arrangements. The most significant reorganization is the merger of the Data & AI and Digital Services business units, which provide IT consulting. The merger was completed at the beginning of April.

Overall, the year has started as expected. We have continued to grow in continuous services in physical and cyber security as well as in corporate network services. Project delivery business in Security Solutions has been going well, and the order book has developed as expected. In IT consulting, the results have improved from last year, but the market outlook is still uncertain. Possible scenarios of trade war can add uncertainty to customers' procurement decisions and impact all business areas of Loihde.

Webcast press conference

Loihde's CEO Samu Konttinen will present the results in a webcast today, 30 April 2025 at 11:00 a.m. EEST. The webcast is held in Finnish and will be live at <https://loihde.events.inderes.com/q1-2025>.

Presentations 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>.

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 18 July 2025.
- The business report for July–September will be published on 29 October 2025.

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

30 April 2025
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 800 skilled professionals, and our revenue in 2024 amounted to EUR 140 million.

Attachments

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