



Loihde Plc Half-Year Report 1 January–30 June 2025: In April–June, revenue and profitability on par with the comparison period as expected, continuous services grew

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Loihde Plc Half-Year Report 1 January–30 June 2025: In April–June, revenue and profitability on par with the comparison period as expected, continuous services grew

April–June 2025 in brief

- Loihde Group's revenue for the second quarter amounted to EUR 35.2 (35.4) million, a change of -1%
- Adjusted EBITDA was EUR 2.6 (2.6) million, or 7.3% (7.2%) of revenue

January–June 2025 in brief

- Loihde Group's revenue for January–June amounted to EUR 70.5 (68.4) million, an increase of 3%
- Revenue by business area in January–June:
 - Security Solutions: EUR 38.6 (36.0) million, an increase of 7%
 - Cyber, Cloud & Connect: EUR 15.7 (15.7) million, a change of 0%
 - Data, Digital & AI: EUR 16.3 (16.6) million, a change of -2%
- Adjusted EBITDA was EUR 4.1 (4.2) million, or 5.8% (6.1%) of revenue
- Adjusted operating profit (EBIT) was EUR 0.2 (0.2) million, or 0.2% (0.4%) of revenue
- Revenue from continuing services was EUR 19.8 (17.9) million, corresponding to 28.0% (26.2%) of total revenue. Growth of 10%. At the end of June, the annualised contract backlog for continuous services amounted to EUR 40.2 (37.4) million, growth of 7%.

The figures in the half-year report are unaudited.

Outlook for 2025 (unchanged)

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–June, EUR 1,000	1–6 2025	1–6 2024	Change in %	1–12 2024
Revenue, EUR 1,000	70,481	68,423	3%	139,702
- Security Solutions	38,552	36,041	7%	76,766

- Cyber, Cloud & Connect	15,669	15,715	0%	31,335
- Data, Digital & AI	16,309	16,623	-2%	31,629
- Other (incl. eliminations) ¹	-48	44	-209%	-28
EBITDA	3,120	3,640	-14%	9,923
Adjusted EBITDA, EUR 1,000¹	4,068	4,161	-2%	10,986
Adjusted EBITDA, %	5.8%	6.1%		7.9%
EBITA, EUR 1,000	-437	273	-260%	2,999
Adjusted EBITA, EUR 1,000¹	511	794	-36%	4,062
Adjusted EBITA, %	0.7%	1.2%		2.9%
Operating profit (EBIT), EUR 1,000	-773	-273	-183%	-7,837
Adjusted operating profit (EBIT), EUR 1,000¹	175	248	-29%	3,125
Profit/loss for the period, EUR 1,000	-1,129	-644	-75%	-8,083
Adjusted profit/loss for the period, EUR 1,000¹	-371	-227	-63%	2,667
Equity-to-assets ratio, %	65.7%	67.8%		66.7%
Earnings per share (EPS), EUR, basic (undiluted)²	-0.20	-0.11	75%	-1.41
Earnings per share (EPS), EUR, diluted²	-0.20	-0.11	76%	-1.40
Return on investment (ROI), %, rolling 12 months	-7.9%	2.9%		-6.9%
Adjusted return on investment (ROI), %¹, rolling 12 months	3.5%	3.8%		3.6%
Net debt/EBITDA, rolling 12 months	0.72	-0.03		0.09
Net debt/adjusted EBITDA, rolling 12 months	0.62	-0.03		0.09
Average number of employees	793	835	-5%	826
Revenue from continuing services (RR), EUR 1,000	19,758	17,912	10%	36,947
Continuous services' (RR) share of total revenue, %	28%	26.2%		26.4%
Annualised contract backlog for continuous services (ARR) at the end of the period, EUR 1,000	40,158	37,425	7%	38,677

The figures in the table are figures for continuing operations.

¹ The adjusted EBITDA, the adjusted operating profit (EBIT), the adjusted profit for the period and the adjusted return on investment are 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.

² The parent company's treasury shares (26,389 shares on average in January-June 2025, 30,606 shares on average in January-June 2024, and 25,846 shares on average in January-December 2024) are excluded from the total number of shares.

CEO Samu Konttinen:

In April-June, Loihde's revenue was on par with the previous year at EUR 35.2 (35.4) million. Adjusted EBITDA was also on par with the corresponding period both in terms of euros at EUR 2.6 (2.6) million and in relative terms at 7.3% (7.2%) of revenue.

Growth in continuous services

In Security Solutions, growth was achieved in continuous services, such as video surveillance, nurse call systems and the alarm transmission service. Continuous services are a differentiating factor for us in the security technology market, and we believe that the market trends support our service business as conventional security technology solutions become digitalised and customer needs become increasingly diverse. This year, we have won several significant public sector tenders for security technology, but the materialisation of the contracts into orders and deliveries has progressed slower than expected, which had a negative impact on the development of revenue in the second quarter. During the first half of the year, we improved our inventory management, and the balance sheet value of inventories has developed favourably.

We also achieved growth in continuous services in the Cyber, Cloud & Connect business, and we are particularly satisfied with the growth of the Cyber Security Operations Centre (CSOC) and the strengthening of the customer base. We have also seen continued positive development in our network management services. One example of this is the five-year agreement we signed with the City of Turku for a value of approximately EUR 9.5 million. At the same time, consulting services and, in particular, the resale of network devices, weakened during the second quarter and had a negative impact on revenue and profitability. As part of refocusing our operations, we are phasing out certain services that are outside our core offering, which means that the invoicing of continuous services for a few such customers will decrease in the second half of the year and in 2026 as the agreements expire. With regard to our strategically most important continuous services, namely the Cyber Security Operations Centre and the Network Operations Centre, we are confident in their growth potential and we develop these services with a long-term approach.

IT consulting is stabilising, but the market situation remains difficult

The situation in IT consulting has improved as the clear decline in revenue seen in 2024 is levelling off, and revenue for the first half of the year was close to the previous year's level. Nevertheless, our view is that the market remains fairly challenging in the short term. Our invoicing rates have been fairly good and, in certain areas of expertise, the demand has exceeded our delivery capacity. We are actively recruiting experts for these needs. During the second quarter, we signed up new clients for data platform projects and artificial intelligence pilots, for example. In addition, we have renewed contracts and also achieved growth with our largest customers in the financial sector. The AI-based AinoAid application we delivered in 2024 won the European Commission's *Security Innovation Award* in June, and the utilisation of AI is a topic in many of our discussions with customers. In terms of profitability, IT consulting has developed in a positive direction, and we expect this trend to continue during the second half of the year.

We are making progress as planned

In the first half of the year, revenue increased by 3% year-on-year to EUR 70.5 (68.4) million. Adjusted EBITDA was EUR 4.1 (4.2) million, or 5.8% (6.1%) of revenue.

During the first half of the year, revenue from continuing services increased by 10% year-on-year to EUR 19.8 (17.9) million, corresponding to 28.0% (26.2%) of total revenue. At the end of June, the annualised contract backlog for continuous services amounted to EUR 40.2 (37.4) million, representing year-on-year growth of 7%.

As a whole, the year has gone according to plan. We have achieved growth in the security business and in continuous services in the area of cyber security and corporate network services, and the decline in revenue from IT consulting is levelling off. Our profit performance is typically weighted towards the end of the year, and we are confident that we will achieve a level of profitability that is stronger than in the first half of the year. In line with this, we are confident that our full-year result will show an improvement in profit performance in accordance with our guidance.

Events after the review period

There have been no significant events after the end of the review period.

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–September 2025 will be published on Wednesday, 29 October 2025.

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

18 July 2025

Loihde Plc
Board of Directors

Webcast press conference

Loihde's CEO Samu Konttinen will present the results in a webcast today, 18 July 2025 at 11:00 a.m. EEST. The webcast will be live at <https://loihde.events.inderes.com/q2-2025>

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

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Loihde enables business continuity. We help our customers gain a sustainable competitive edge through data, AI and digitalisation, harness the potential of the cloud and 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 760 skilled professionals, and our revenue in 2024 amounted to EUR 140 million. loihde.com

Attachments

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