

A strong quarter – the Pyhäntä investment lays the foundation for future growth

(Unofficial translation)

LapWall plc Company release 28 October 2025 at 9.00 am

The figures in brackets refer to the corresponding period in the previous year unless otherwise stated.

January–September in brief and key events

- Net sales were EUR 31,507 (32,807) thousand, a change of -4%.
- The operating profit before the amortisation of goodwill was EUR 2,484 (3,797) thousand, a change of -35%.
- The operating profit was EUR 1,817 (3,130) thousand, a change of -42%.
- The order backlog increased by EUR 7.9 million from the turn of the year to EUR 20.2 million at the end of September.
- The cost-based level of completion of the Pyhäntä investment was around 75% at the end of September. Production on the roofline in the new facilities will begin at the turn of October and November, and the wall line will start up at the turn of the year.
- On 15 August 2025, LapWall announced that it had signed a delivery agreement with YIT for a roof solution for the Kajaani data centre project. This marks a significant entry into a growing market.
- The company launched a roof element solution for demanding data centre projects.

KEY FIGURES

(EUR 1,000 unless otherwise stated)

	7–9/2025	7–9/2024	Change	1–9/2025	1–9/2024	Change
Net sales	12,701	11,682	8.7%	31,507	32,807	-4.0%
EBITDA	1,641	1,982	-17.2%	3,295	4,762	-30.8%
EBITDA %	12.9%	17.0%		10.5%	14.5%	
Operating profit before the amortisation of goodwill (EBITA)	1,368	1,667	-17.9%	2,484	3,797	-34.6%
EBITA %	10.8%	14.3%		7.9%	11.6%	
Operating profit (EBIT)	1,146	1,445	-20.7%	1,817	3,130	-41.9%
EBIT %	9.0%	12.4%		5.8%	9.5%	
Equity ratio, %				42.3%	64.1%	
Order backlog				20,183	15,198	32.8%

CEO Jarmo Pekkarinen:

The third quarter was positive for LapWall. The challenging market situation in the first half of the year has clearly shifted towards a stronger phase of development, which is reflected in business growth, a stronger order backlog, and the progress of strategic investments as planned. The new plant investment in Pyhäntä and our entry into the data centre market are significant milestones on our company's journey.

Financial performance

LapWall's financial performance in the third quarter was strong compared with the first half of the year. Net sales amounted to EUR 12.7 million (11.7), and the operating profit before the amortisation of goodwill (EBITA) totalled EUR 1.4 million (1.7), or 10.8% (14.3%) of net sales. In January–September, net sales were EUR 31.5 million (32.8), and the operating profit before the amortisation of goodwill (EBITA) was EUR 2.5 million (3.8), or 7.9% (11.6%) of net sales. Cumulatively, net sales decreased by 4.0% and EBITA by 34.6% from the corresponding period in the previous year.

Although the market turnaround was delayed relative to expectations, we were able to improve our performance level from the beginning of the year. The stabilisation of interest rates and the consolidation of the competitive environment are creating increasingly favourable conditions for controlled growth and improved profitability.

Investments and production

The largest plant investment in LapWall's history – the new plant in Pyhäntä – is progressing as planned in terms of both budget and schedule. The construction work was completed in the spring, and the installation of the production lines is nearing completion. The roof element assembly line will start up at the beginning of November, ahead of the original schedule, and the entire plant will be commissioned for production at the turn of 2025 and 2026.

The investment will triple the production capacity of the Pyhäntä unit and strengthen our competitiveness in meeting the growing demand in the coming years.

Strategy and product development

Our strategy is based on our strong position as the market leader and on long-term product development. We recently launched a new roof element solution for the data centre market. The solution meets exceptionally strict requirements for load-bearing capacity, fire safety and moisture performance, and is specifically designed for demanding construction projects. The first delivery agreement was signed with YIT for a new data centre project in Kajaani. This is a strategically significant entry into a growing segment.

We are also investing heavily in the product development of wall elements to expand their use in construction. We are focusing on improving product suitability and cost-effectiveness, and are carrying out extensive testing to ensure the high quality and competitiveness of our solutions. Through this, we are significantly increasing the demand for wall elements in construction and strengthening our position as the market leader.

The use of our industrially prefabricated large roof elements significantly lowers the carbon footprint of roof construction compared with alternative building methods, while also accelerating construction site lead times. Megatrends – such as climate targets, stricter quality requirements and the reduced availability of labour for construction sites – are driving the growth of wooden element construction. LapWall is responding proactively to these changes and offering its customers a sustainable competitive advantage.

Our strategy aims to increase the use of our solutions in construction and to grow our market share. We are investing in material efficiency and reliable long-term solutions and in strengthening our customers' competitiveness, thereby increasing demand and creating long-term value.

Personnel and competitiveness

LapWall's success is based on high customer satisfaction and exceptionally committed personnel. We have a highly competent and motivated team that delivers excellent results day after day – an advantage that is difficult for our competitors to replicate. We are focusing on projects that meet the requirements of our highly effective concept and profitability.

Our success is based on our people and operational excellence. We are building a culture where expertise grows, and operating models evolve continuously. This combination ensures productivity, reliable deliveries and competitiveness, even in a changing market.

LapWall's outlook and growth path

The order backlog remained strong and stood at EUR 20.2 million at the end of September (EUR 15.2 million). This covers deliveries for the remainder of the year and partly extends into early 2026. The strong order backlog reflects LapWall's strong competitiveness, even in a demanding market.

We are building a company that not only responds to market changes, but also shapes the market. We are continuing to make determined progress towards our strategic growth and profitability targets. LapWall aims to achieve EUR 100 million in net sales and a 15–20% EBITA margin by the end of 2030. The investments required for this growth will be completed by the end of the current year. Operational and product development continues as a strong and ongoing effort that ensures the company's competitiveness year after year.

Financial guidance

LapWall plc issued its financial guidance for 2025 as a company release on 29 April 2025. The company estimates that its net sales for 2025 will be EUR 40–45 million, and the profit (EBITA) from business operations EUR 3.0–4.0 million.

FURTHER INFORMATION:

Jarmo Pekkarinen, CEO, tel. +358 40 532 5694, jarmo.pekkarinen@lapwall.fi

Tuomo Riihonen, CFO, tel. +358 50 371 4099, tuomo.riihonen@lapwall.fi

Certified Advisor

Sisu Partners Oy, tel. +358 40 555 4727

LapWall plc leads the way in element construction

LapWall, a Finnish growth company in construction, has transferred a significant part of traditional onsite construction work to manufacturing under factory conditions. This reduces the lead time of the construction project, improves construction productivity, and creates a continuous dry chain and durable structures. The roof and wall elements manufactured by LapWall are certified carbon negative. The company's plants are in Pyhäntä, Pälkäne and Veteli, and the company employs around 120 people in the design and manufacture of elements and in sales and administration. LapWall's net sales for 2024 were EUR 43.3 million, and its operating profit before the amortisation of goodwill (EBITA) was EUR 5.1 million.