

IIVARI

MONONEN

ANNUAL REPORT
2025



We are Iivari Mononen

Iivari Mononen Group is a Finnish family-owned company that is now in its fourth generation. Our operations are characterised by sustainability and responsibility. It is our goal to pass on what we have built to the next generation, with an increased emphasis on sustainability.

We produce durable wooden poles, strong infrastructure timber for construction and fence posts from Nordic wood. Our high-quality impregnated timber products provide builders with high-quality and safe materials for yard constructions.

We operate in five countries and employ more than 200 professionals. Our products are exported all over the world.

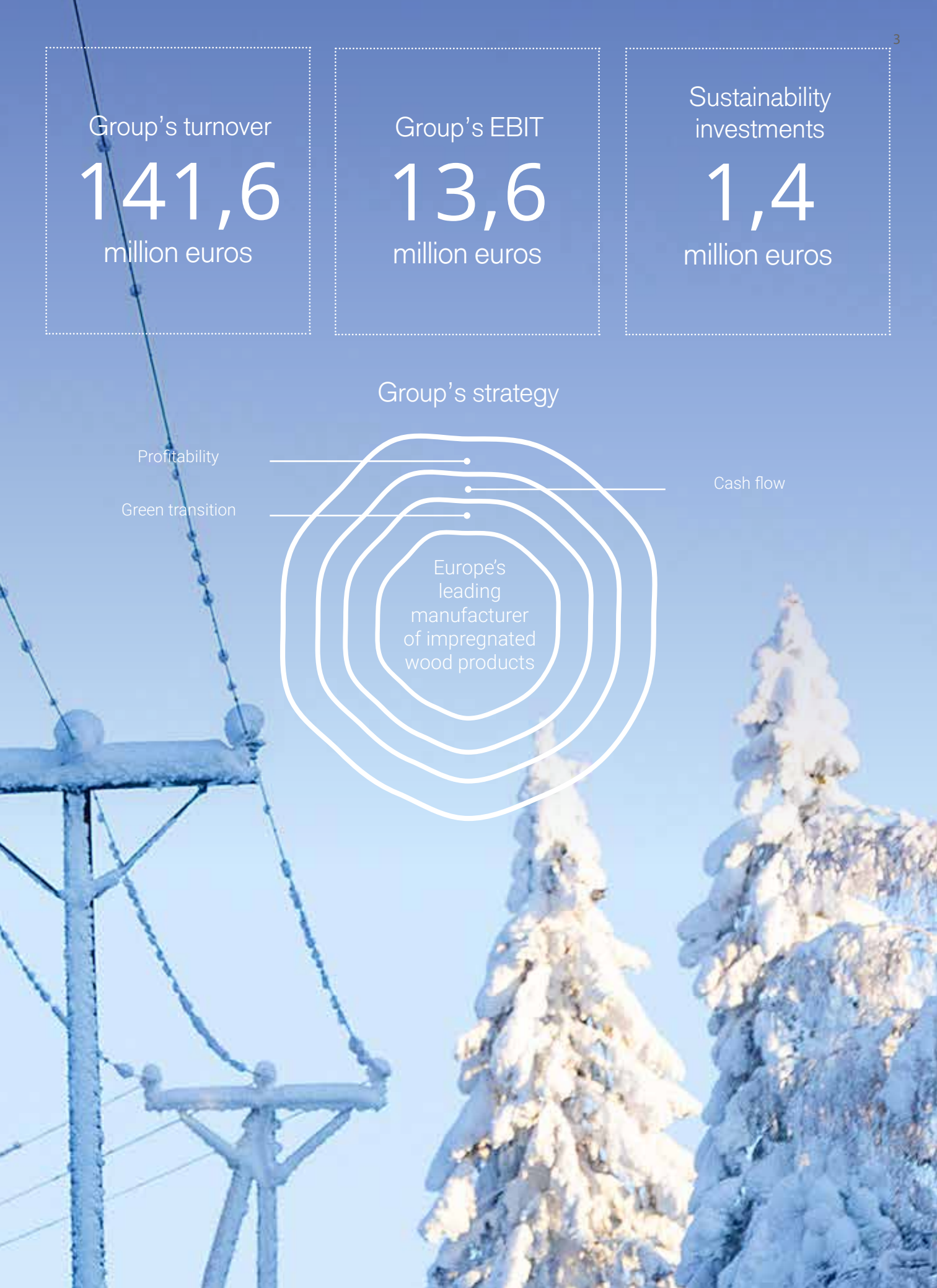
This annual report provides an overview of the highlights of 2025. Take a closer look!

Group's turnover
141,6
million euros

Group's EBIT
13,6
million euros

Sustainability
investments
1,4
million euros

Group's strategy





From the CEO

Looking to the Future

When I look at the global situation of recent years, it feels as though instead of stability and security we have been moving from one crisis straight into the next. These circumstances have inevitably been reflected in our Group's operations, creating additional work and challenges for all of us. Unfortunately, instability also seems likely to characterize 2026. Despite epidemics and wars, we have nevertheless performed exceptionally well in the midst of crises. This success is owed to our professional personnel and committed management. Across all areas of our work, a strong value base and an analytical approach to the challenges we face are clearly evident.

The corporate transactions carried out in 2024 and 2025 have provided the Group with new pillars of support and a solid foundation for growth. Our growth rate has been strong, and we are approaching a turnover of €150 million, which was a key objective of the previous strategy period. Through the acquisition of PrimaTimber Oy, our operations expanded into Sweden, to the city of Säffle. In Finland, we expanded Scanpole Oy's timber procurement area to South Karelia and South Savo. At the same time, over the past two years we have invested more than €20 million in new growth and prepared for regulatory changes in the European Union. We now operate modern treatment

facilities as well as new accelerated drying units at both the Höljäkkä and Iiseng plants.

The end of 2025 was overshadowed by a highly tragic occupational accident at the Iiseng plant. This sad and unfortunate event affected our entire organization. To prevent similar situations in the future, we are reviewing the production processes, maintenance practices, and investment risk assessments at all plants and updating occupational safety guidelines across the board.

“Our goal is to reach a turnover of €200 million by the end of this decade.”

Despite the instability, this year we are turning our focus even more firmly toward the future. Our objective is to reach a turnover of €200 million by the end of this decade. To enable growth, we are seeking closer cooperation and synergies between the Scanpole and

PrimaTimber businesses in our domestic markets. Expanding the product portfolio across all product categories provides strong support for organic growth.

Even more important than growth, however, are profitability and cash flow, which form the foundation for responsible and sustainable long-term business operations. The theme for 2026 is the optimization of all our processes.

Our most significant cost item is timber raw material. As a result of the war in Ukraine, material flows of timber were reshaped across the northern coniferous forest zone, while at the same time capacity increases in the forest industry boosted demand and overheated the timber market. Timber prices rose to record levels, which in turn weakened the competitiveness of pine poles in Central and Southern Europe as well as in markets outside Europe. The market situation has now stabilized, and a downward trend in price levels can be observed, which would improve the competitiveness of pine poles and pine fencing posts in the aforementioned markets.

The key focus area for the pole business in 2026 is improving production efficiency and inventory turnover. We have assembled a working group with repre-

sentatives from all plants. The goal is to identify best practices for each production phase and to design internal material flows and plant layouts in the most cost-efficient manner possible. By reorganizing the division of work between plants, we will concentrate the production of certain products in Höljääkkä and Iiseng, which will reduce costs, improve raw material inventory management, and diversify the use of semi-finished products.

In pressure-treated wood products, the new corporate structure enables us to manufacture products not only in Finland but also in Sweden and Norway. This allows us to source raw materials cost-effectively from sawmills in three different countries. The locations of our production facilities also provide us with a logistical competitive advantage in export markets. Regarding sustainability investments, we have prepared a proactive plan for the years 2026–2030 to develop the environmental management processes at our plants.

Ari Mononen
CEO

Our values

Trust

We keep our promises.

Courage

We believe in our objectives and carry out all operations to the end.

Evolving

We offer the best future solutions to our customers cost-effectively.

Flexibility

We operate dynamically and seek the best solutions for our goals.

Collaboration

We help our colleagues and build long-term partnerships.

Personnel

As our Group continues to grow, the importance of collaboration becomes increasingly pronounced. Going forward, our employees will continue to work closely across national and team boundaries to ensure the smooth flow of everyday operations. During the year, we worked together with our personnel to develop a Group Employee Benefit Policy that consolidates the key principles for harmonizing employee benefits across different units. The process served as a strong example of how joint collaboration can produce clear and effective solutions. Similar open cooperation and shared preparation will remain essential as we continue to develop the Group's structures and HR practices.

Fair and equal career opportunities for all employees are a fundamental part of a responsible and modern workplace. While our Group's operating practices are already strong in many areas, ensuring nationality-independent and equitable career paths is one of the most important development priorities for the coming years. Going forward, we want to ensure even more clearly that every employee has equal opportunities to develop, progress, and find their place within the Group—regardless of the country or unit in which they work.



216 employees in
five countries

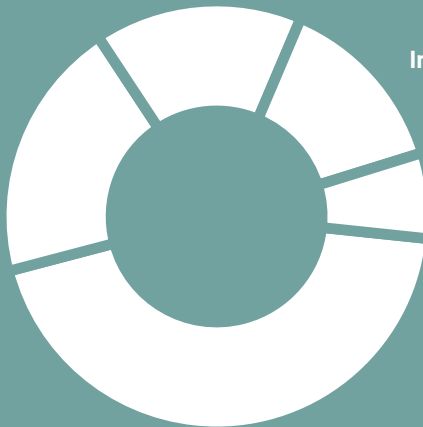
United Kingdom - 33

Ireland - 30

Norway - 43

Sweden - 14

Finland - 96





"Great company and corporate culture"

"I am satisfied with my job"

"I like my role, and it allows for flexible working, which is extremely important at this stage of life as our family is growing"

The above quotes are direct quotations from our 2024 employee survey.

41

employees with careers exceeding 20 years

We value long careers. Within our Group, 41 employees have completed careers of more than 20 years. Of these, 17 have reached the commendable milestone of 30 years of service with us. The average length of employment within the Group is approximately 11 years.

42

new employees

Last year, 42 new employees joined the Group, of whom 15 were hired on permanent contracts.

During the year, we also offered traineeships and summer jobs for young people. In addition to production roles, summer employees were hired for positions in areas such as marketing, finance, and quality management.



43

eNPS score

The eNPS score indicates how likely an employee is to recommend their workplace to a friend. The score is at a very strong level, as it is measured on a scale from -100 to +100. The eNPS score has also improved compared to the 2024 result (2024: 37).

46

Average age

The average age of our employees in 2024 was approximately 46 years. Although our industry has traditionally been male-dominated, an increasing number of new employees are women. Currently, women account for approximately 12% of our workforce.



Procurement



Tommi Mononen
Forest Director



Our wood procurement focuses on the surroundings of our plants in Norway and Finland.

The past few years have brought exceptional challenges to our timber procurement. The pandemic, wars, and global changes in timber flows have driven up raw material prices and made availability more difficult. Increasing forest damage and plant diseases have also contributed to market uncertainty. In addition, growing pressure to protect forests and new EU directives have reduced the predictability of the operating environment.

At the same time, the pole market itself has evolved. Power network operators are requiring increasingly heavier poles, particularly to improve storm resilience. This development has guided our procurement activities to expand into new regions and to strengthen the availability of heavy-grade raw materials.

Finland

In Finland, timber procurement remained active throughout the procurement season. Demand was supported by increased volume requirements and new size specifications. By expanding our procurement area into the regions of Central Finland and South Savo, we will be better positioned going forward to ensure the availability of heavier pole material.

At the same time, we have increased cooperation with delivery-based purchasing partners and built new, more stable supplier relationships. As suitable poles are now found in smaller quantities per harvesting site, we purchase entire harvesting areas only from the very best and most robust forest stands. This requires close collaboration and careful selection by our procurement organization.

Last year, procurement volumes increased by approximately 40% compared to the previous year, which can be considered a success given the challenging timber market conditions. The growth in volumes was driven by a significantly higher procurement target for poles. The success of our procurement efforts is ensured by our experienced procurement personnel and the trust we have earned among forest owners and cooperation partners.

Norway

During the past year, we have also been better able to meet the strong demand for poles in Norway, as the timber procurement areas serving our plants were successfully expanded.

Timber raw material prices in Norway rose by a further 20% early in the year but turned sharply downward after the summer. By year-end, prices for both sawlogs and pulpwood had returned to early-year levels.

Norwegian suppliers anticipate an increase in pine harvesting volumes in the coming years, with improved availability of heavier raw materials as well. We have also succeeded in identifying new suppliers for fencing posts, which strengthens the raw material situation at the Kirkenær plant. In addition, we have initiated the procurement of heavier Strainer fencing posts to ensure self-sufficiency within this product category.

Scanpole

Amid Growth and a Surge in Demand - Towards a More Controlled Next Level

The year 2025 was a period of strong growth and transformation for Scanpole Group. Political, geopolitical and regulatory uncertainties remain part of our operating environment, but despite these – and partly in response to them – we succeeded in maintaining our position in key markets and significantly expanding our business. Demand for electricity and telecommunications network solutions as well as products for the agricultural sector remained strong, while the industry-wide transition towards more sustainable wood protection solutions advanced from planning into practical implementation across several market areas.

During the year, the importance of managing change became even more pronounced. Rapid growth, strain on the supply chain, and the impact of regulatory uncertainty on investment decisions required consistent decision-making and timely execution. The timing of investments, expansion of procurement areas, and development of production capacity were key themes across the Group. All of this has required strong commitment, flexibility, and the ability to operate in changing conditions from our personnel – qualities that once again have proven to be strengths of Scanpole Group.

Inflationary pressures eased compared to previous years, but cost pressures, particularly in raw materials, continued to require active management of pricing and procurement. Timber markets remained challenging; however, demand for our products stayed exceptionally strong compared with many other segments of the forest industry. This has enabled us to continue making determined investments to secure our future competitiveness.

Business Development in 2025

We entered 2025 supported by strong order books across all our main market areas. The business acquisition of Ab Pâras Oy and the share acquisition of Pentti Heinonen Oy executed at the beginning of the year strengthened Scanpole Group's market position and expanded procurement areas to improve raw material availability. These acquisitions complemented the procurement area restructuring carried out in 2024 and enhanced supply chain flexibility in a situation of rapidly increasing demand.

Demand for electricity network poles remained strong throughout the year, while the telecommunications network business showed signs of cooling after several years of high investment activity. In the



Janne Monni
CEO
Scanpole



fencing business, the market situation remained stable and our market position unchanged. A particularly significant development step was taken in copper-oil-treated products, whose role will continue to increase as the use of creosote becomes partially and increasingly restricted. During the year, the launch of Sentre copper-oil-treated products for the Irish fencing post market was prepared and initiated, opening a new growth path for the Group in this market.

The supply chain remained under heavy pressure throughout the year, but investments initiated in 2024 and 2025—particularly at the Nurmes and Norwegian production facilities—will prove their importance as demand continues to remain strong. These investments enabled increased capacity, improved delivery reliability, and a transition towards a more efficient and controlled operating model. The year 2025 marked a new operational level for Scanpole Group in terms of both production volumes and the scope of operations. We achieved record revenue and production volumes, providing an excellent foundation for preparing for the business requirements of the coming years.

Outlook for 2026 and the Future

Overall, the outlook for 2026 is positive. Demand in our key markets remains strong, and the order backlog provides a solid foundation for further development of both business performance and profitability. At the same time, we recognize that managing growth, ensuring supply

chain resilience, and successfully transitioning to more sustainable products require continuous improvements in operational efficiency. At the time of writing, the prolonged conflict in the Persian Gulf region adds significant uncertainty, particularly to inflation trends and, consequently, to our profitability.

Following the serious accident that occurred at the end of 2025, we are firmly committed to further strengthening occupational safety across the entire Group. The incident highlighted the importance of continuous safety improvement, and we will intensify our efforts to ensure an even safer working environment for all employees.

Our objective is to maintain and strengthen our market position across all main market areas and to continue providing a high level of service in close cooperation with our customers. The strategic decisions made in 2025—investments, acquisitions, and product portfolio development—provide a strong foundation for the next phase of Scanpole Group's development.

Acknowledgements

We would like to extend our warm thanks to all our employees for their excellent work, commitment, and cooperation throughout 2025. We also thank our customers and other stakeholders for their trust and their strong collaboration during a period of growth and change.

Production facilities

Newport



Our Newport plant, located in South Wales, has been in operation since 1848. The plant previously operated under the name Burt Boulton & Haywood.

The Newport plant employs a total of 33 people, including 12 salaried employees and 21 production workers.

At the Newport plant, electricity and telecommunications poles as well as fencing posts are creosote-treated for the UK market.

Oldmilltown



Our Irish plant is located in Oldmilltown and has been operating there since 1968.

The plant employs 30 people, including 11 salaried employees and 19 production workers.

The Irish pole market is experiencing strong growth, and the plant treats tens of thousands of poles annually for Irish customers. The fencing post business focuses on copper-oil-treated fencing products marketed under the Sintree brand.



Ilseng



One of our Norwegian plants is located in the village of Ilseng, in the municipality of Stange, approximately 10 kilometres east of the city of Hamar. The surrounding area is forested, and most of the raw material used for pole treatment in

Norway is sourced close to the plant.

The plant was established in 1935. All copper-oil-treated Pole+ products are manufactured at the Ilseng plant.

The plant currently employs 19 people, including 5 salaried employees and 14 production workers.

Savonlinna



Scanpole's newest site is located in Savonlinna, in the South Savo region of Finland. In Savonlinna, raw material sourced from nearby areas is stored and debarked before being delivered to our other plants for further treatment. The Savonlinna site employs 6 people.



Kirkenær



Our plant located in Kirkenær, in southeastern Norway, specializes in the production of copper-treated fencing posts. The plant has been operating in the area for more than 60 years.

The Kirkenær plant is located close to forest resources, and all the raw material used for fencing posts is sourced from areas near the plant.

The plant employs 24 people, including 3 salaried employees and 21 production workers.

Höljäkkä



Scanpole's Finnish treatment plant is located in the village of Höljäkkä, near the town of Nurmes. The facility has been in operation for more than 60 years. The plant was originally established for the production of railway sleepers, but treated poles quickly became its main product.

The plant employs 41 people, including 5 salaried employees and 36 production workers.

Investments

As 2025 drew to a close, the largest investments in the Group's history were nearing completion.

The construction projects in Höljää and Ilseng are progressing according to plan and test runs have already begun. At the same time, we are now better prepared to respond to changes

in market conditions, regulation, and evolving customer needs.

Alongside these major projects, we have also carried out smaller investments at our other plants. In Finland and the United Kingdom, we renewed material handling equipment, while in Norway



Ilseng

At the end of 2025, the use of traditional creosote was phased out at the Ilseng plant, and the facility now treats products exclusively with copper oil.

The Ilseng plant area has been significantly reshaped by the construction of a new accelerated drying unit completed last year. Previously, only air drying had been used at the site, so the new facility represents a substantial improvement in efficiency. In practice, the accelerated

drying unit's capacity is sufficient to dry almost all raw materials requiring treatment. Technically, the pole accelerated drying unit is similar to the one constructed at the Höljää plant.

The accelerated drying unit project has also been a major source of employment. In total, 78 partners or suppliers were involved in the accelerated drying unit investment.

preparations for a new fencing post production line were initiated.

I would also like to thank all our employees and partners for their valuable contributions and strong commitment to the projects. Projects of this magnitude inevitably involve challenges, but fortunately our cooperation has worked excellently in every situation.

Sami Lehtoranta
Technical Director



Höljäkkä

The investment project launched three years ago is now approaching completion, and this year the Höljäkkä site will host the largest and most modern wood treatment plant in Europe.

The new facility will increase capacity by almost 50% and enable treatment using both creosote and copper oil. The new treatment cylinder allows up to 100 cubic metres of poles to be treated in a single cycle.

At the same time, a new pole accelerated drying unit is being completed at the Höljäkkä site, significantly increasing drying capacity and bringing greater flexibility to production. This allows us to respond even more effectively to customer needs.

In addition to our own personnel, the project has employed a large number of subcontractors. Altogether, the Höljäkkä project involved as many as 178 different suppliers.



Record Growth in Pole Sales in Ireland

The year 2025 was exceptional for the Irish pole market. While the overall market has grown steadily since 2020, the most recent growth phase was particularly strong. Over the past five years, our overall growth has been driven by two key sectors: telecommunications and electricity distribution and transmission.

In telecommunications, the large-scale rollout of fibre-to-the-home networks has significantly increased demand. This development has been driven by the post-pandemic rise in remote working and the resulting need for faster broadband connections, as well as increased consumption of streaming services, gaming, and similar applications. As the largest network projects are now nearing completion, the previous year can be considered a peak year for telecommunications network construction.

Growth in electricity distribution and transmission networks in Ireland has also been substantial. This has been driven by the transition to green energy sources—particularly wind and solar power—the exceptionally high need for housing construction caused by population growth, and the connection of data centres to the grid. Data centres, in particular, represent a rapidly growing segment.

“We expect growth in electricity transmission and distribution to continue for at least the next five years. This growth is supported by the increasing number of data centres, population growth and the resulting expansion in housing construction, as well as rising demand for green energy through applications such as electric vehicles and home heating systems,” comments Richard O’Connor, Business Manager for Ireland.

“The most important factors behind our success are the high quality of our products and our customer-oriented operating model. During the past year, we have been able to meet customer needs exceptionally well,” O’Connor continues.

Ireland’s traditionally strong fencing post market is still undergoing change following the discontinuation of creosote products. We have continued to develop our copper-oil-treated Sentree products and believe that the combination of copper oil treatment and locally sourced spruce represents a responsible and long-lasting solution for the Irish domestic market.



The Green Transition in Norway Is Now Complete

At our Ilseng plant, we have entered a new era as the production of creosote-treated products came to an end at the close of the year. The sale of creosote-treated products in Norway had already ended in 2023, after which production continued solely for export markets. In recent years, creosote treatment has been replaced by copper oil treatment, and the new-generation Pole+ products have been very well received by customers.

The end of creosote treatment represents a major change for us, but it has been thoroughly prepared over a long period. Last year, sales of Pole+ products across all our main market areas increased by more

than 20%, demonstrating strong customer confidence in the new products,” comments Niko Varis, Business Manager for Scandinavia.

Of the poles delivered to Norway, 90% were copper-oil-treated, and sales grew by approximately 13% compared to the previous year. More than half of total production was exported last year, with the largest volumes delivered to the UK and Irish markets. Sales in Sweden also picked up significantly, increasing by as much as 35% compared with 2024. Overall, the pole market in Sweden was very active, and the positive trend appears to be continuing.



Record Growth in Fence Post Sales in Norway

Sales of fence posts produced at the Kirkenær plant in Norway increased by nearly 45% compared with the previous year. Approximately one third of the plant’s production capacity is sold domestically in Norway through the retail chains of Felleskjøpet Agri and Bondekompaniet.

Last year, Norwegian farmers invested actively in developing and maintaining their farms, which increased demand for fence posts. The extensive retail networks of both chains, combined with our long-standing coop-

eration, were key contributors to last year’s success, says Ole Petter Valby, Sales and Logistics Manager at the Kirkenær plant.

Strong and continuous cooperation with our contract partners, along with the excellent quality of our products, also supports a positive outlook for the future. Naturally, the decisive role is played by our production employees, who come to work motivated every day and do an outstanding job – without them, we would not have achieved this sales success, Valby adds.



Strong Demand Continues in the United Kingdom

In the United Kingdom, demand for our electricity poles remained strong as all UK electricity distribution network operators continued to implement their investment programmes in line with obligations set by the national regulator, Ofgem. In addition, the number of transmission network projects increased significantly, in line with industry forecasts and published expansion plans.

In the telecommunications pole market, a clear decline in demand was observed during the year as a result of significant corporate restructuring and merger and acquisition activity. However, this decline was more

than fully offset by the consistently strong demand from the traditional telecommunications sector.

The outlook for the electricity pole market remains very positive throughout the remainder of the current ED2 regulatory period, which runs until the first quarter of 2028. Medium-term forecasts, covering the ED3 period through to 2033, also point to strengthening demand, although these plans are still subject to final regulatory approval. Overall, the market outlook is strong, supported by both short- and long-term infrastructure investments.



Pole+ Products Strengthen Their Position in the UK Fencing Market

Our fencing products business in the United Kingdom developed very positively in 2025. Sales to distributors increased by more than 11% compared to the previous year. Demand was strong across all regions and product categories. Although creosote-treated fencing posts continue to hold a strong position, demand for copper-oil-treated Pole+ products continued to grow significantly.

Among our distributors, Pole+ products have established themselves as a reliable, long-service-life alternative. Customer feedback on the new products has also been very positive. The outlook for 2026 is encouraging, with market developments and customer confidence supporting expectations of continued growth.



New Logistics Partner for Pole Transport

Pole shipments from Finland and Norway to the British Isles have increased significantly in recent years, highlighting the importance of delivery reliability. With the war in Ukraine having closed the Saimaa Canal route, logistics arrangements have had to be restructured.

At the beginning of this year, we started cooperation with the Finnish shipping company Nordic Chartering Ltd, which transports our poles from Hamina to Newport (United Kingdom) and Waterford (Ireland).

Thanks to larger vessels, we are now able to transport larger volumes of poles at once and distribute cargo efficiently between the UK and Ireland. Flexibility in transportation has been a key factor in the success of the new arrangements, says Project Manager Simo Mikkonen.

The cooperation has started smoothly, and a shared direction has been clear from the outset. Open and constructive dialogue, combined with Nordic Chartering Ltd's strong expertise in part-cargo concepts, provides an excellent foundation for a long-term



Clear Recovery in the Swedish Pole Market

The Swedish pole market has shown a clear recovery over the past two years, as electricity companies have launched several major line construction projects. This has resulted in strong growth in demand: our sales increased by 23% compared to the previous year and by 69% compared to two years ago.

Sweden's electricity grid capacity is currently insufficient and is expected to double in the coming years. Scanpole AB works closely with grid owners and wholesalers to meet the growing demand. Long-stand-

ing customer relationships, together with a high level of service and product quality, have enabled participation in several new projects.

According to Sales Manager for Sweden, Dzenan Basic, the positive development is expected to continue for at least the next three years, provided that all required pole sizes can be supplied.

PrimaTimber

Growing Amid Uncertainty

Uncertainty and the caution that followed, particularly in purchasing decisions, continued to shape our operating environment also last year. However, long-term commitment and trust have always been among our key strengths and the spearhead of our operations throughout our company's history. In challenging times like these, it is precisely these strengths we must rely on, as they provide the stability needed for everyday decision-making and for building future strategies together with our partners.

In Finland, we were able early in the year to establish a shared understanding with our customers and successfully initiate an important pre-sale. This created a solid foundation for in-season trading. Although overall market demand did not yet reach normal summer-season levels, we nevertheless succeeded in identifying channels

that supported growth.

PrimaTimber Oy's net sales for the financial year amounted to EUR 22 million, approximately EUR 4 million more than in the previous year. We continued to focus on and invest in our core business, pressure-treated wood, which was clearly the single most significant driver of growth. In a demanding market environment, relatively strong revenue growth can easily put pressure on profitability, but we succeeded in maintaining profitability at a good level – the performance can be considered excellent.

At the beginning of May, we took the single largest step in PrimaTimber's history by finalising the corporate transaction with the Swedish company Wood Support Westermark & Säily AB. Through this transaction, we expanded our operations beyond Finland, particularly into Sweden

Joni Nousiainen
CEO
PrimaTimber



and Norway. This was the result of a careful and long-term process, opening up significantly broader opportunities for developing our business in the years ahead. As a result of the Swedish acquisition, PrimaTimber Group's net sales increased to EUR 31 million. At the beginning of 2026, we harmonised our branding and changed the Swedish company's name to PrimaTimber AB.

The Future Enables Growth

Our operating environment remains challenging and, above all, difficult to predict. The unstable global situation challenges us on a daily basis, and in times like these, long-term cooperation with reliable partners becomes invaluable. We must be prepared to react quickly and seek the best possible solutions for all parties to ensure that our business remains healthy and sustainable. In this work, our committed and reliable personnel are our most important asset.

The beginning of the current year has shown that we are still capable of growing organically. In both companies, the right choices have been made, and future

opportunities are largely in our own hands.

We will continue to invest in expanding the foundations of our business, but we will do so carefully and in a controlled manner. Growth is not an end in itself; our goal is to build a healthy and stable business environment that enables profitable operations regardless of the year or market conditions.

Our primary market areas will remain in the Nordic countries, but we are also seeking growth outside the Nordics. At the same time, we are exploring synergy opportunities with the pole business in the Group's other domestic markets.

We will continue to develop and streamline our internal operations so that we are even better prepared when markets turn upward. Above all, we will do everything possible to ensure a safe working environment for all our employees.

A warm thank you to our personnel and partners in particular, with whom we are building a better tomorrow.

Production facilities

Säffle

Our Swedish production facility is located in the municipality of Säffle in Värmland County. The plant previously operated under the name Wood Support Säily & Westermark AB.

Currently, the facility employs a total of 13 people.

The compact-sized site includes both a planing mill and a wood treatment plant. The majority of sales consist of pressure-treated wood, with sales evenly divided between Sweden and Norway.



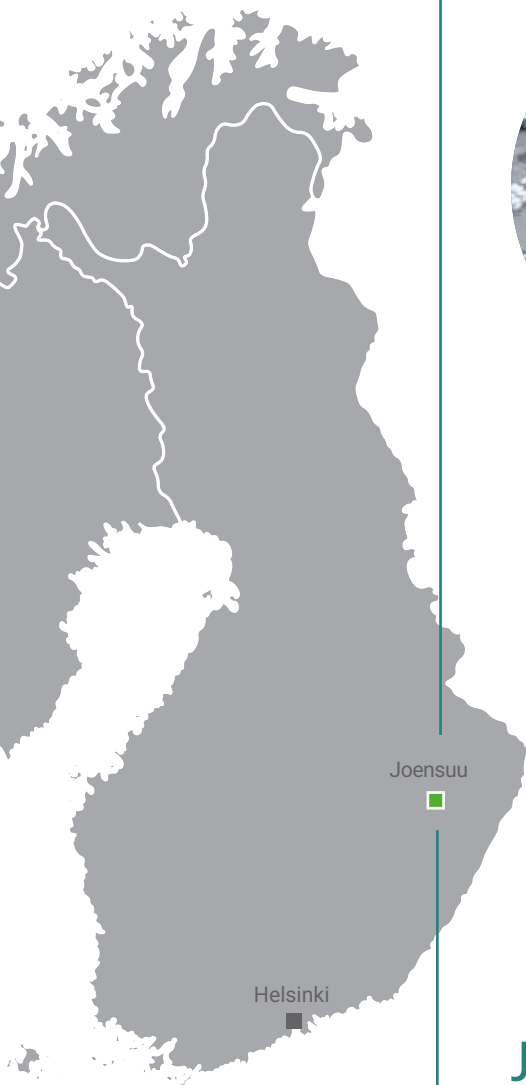
Joensuu, Planing Mill



In Finland, our head office and planing mill are located in Joensuu. In total, the facility employs nine production workers and four salaried employees.

The planing mill previously operated under the name Joensuun Höyläyspalvelu Oy and has been part of PrimaTimber since 2018.

All timber sold by PrimaTimber is planed at the facility and then transferred to the treatment plant, with the exception of strength-graded spruce products.



Joensuu, Treatment Plant



Our treatment plant is located at the Port of Joensuu and employs four production workers and one salaried employee.

The treatment plant has been part of PrimaTimber since the company's inception. In 2003, the Iivari Mononen Group acquired two treatment plants in Joensuu, of which the one located at the port remained in operation.

At the facility, PrimaTimber's pressure-treated wood products are treated and subsequently delivered to retailers.



Welcome Sweden!

At the beginning of May 2025, 13 new PrimaTimber employees joined our group when the Swedish company Wood Support Säily & Westermark AB, based in Säffle, became part of PrimaTimber. At the beginning of 2026, the company was renamed PrimaTimber AB.

Many employees have careers spanning more than ten years, bringing a wealth of valuable experience and strong professional expertise to the Group.

The Säffle plant supplies wood products to the Swedish and Norwegian markets. The products are mainly distributed through small and medium-sized timber

merchants. Unlike in Finland, all of the plant's distributors are located relatively close to the production facility in geographical terms.

In Sweden, the share of untreated wood in total production is clearly higher than in Finland – up to approximately 50% higher.

The former owners have taken excellent care of the production facility, and there is no immediate need for significant new investments in the near future.



Towards New Markets

The year 2025 was strong for us in our domestic market, while at the same time we moved more decisively towards international markets.

As a result of the acquisition in Sweden, our sales team was significantly strengthened. Jarmo Säily and Hans Westermark continued with PrimaTimber AB, and their responsibilities were expanded to include sales development not only in Sweden and Norway, but also in markets outside the Nordic countries.

In Sweden and Norway, we focused on strengthening existing distribution channels and, where necessary, identifying new cooperation opportunities. Sweden also has strong expertise in markets such as North Africa and the Middle East, and initial new openings in these regions have already been achieved.

Naturally, there is also demand for our products in the domestic markets of the pole business, where we aim to achieve synergies with Scanpole in the future.

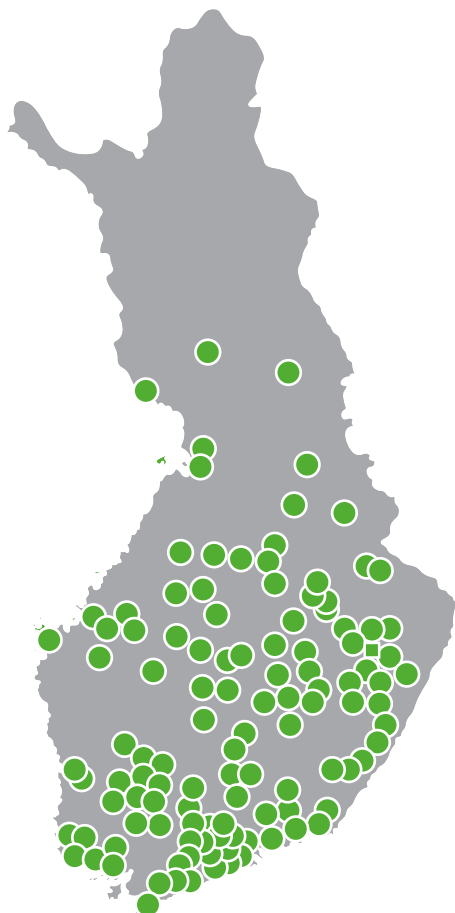


Thank You to Our Customers!

In our annual customer survey, we achieved an excellent Net Promoter Score (NPS) of 71. The NPS measures how likely a respondent is to recommend a company to a friend and ranges from -100 to 100.

An excellent NPS score is a strong indication of long-standing and well-managed customer relationships. Our operations are characterised by customer focus and flexibility, which are reflected in our everyday work. Customers value our way of working, and this is also evident in the excellent NPS result, comments Sales Manager Miika Tolvanen.

Based on the result, our customers' trust in us is strong, and the work we do is clearly reflected in the customer experience. We want to continue providing our customers with the best possible service. Our Group values – trust, courage, flexibility, responsibility and cooperation – guide everything we do, and we want these values to be visible in all our cooperation as well.



128 Retailers Across Finland

In 2025, PrimaTimber's domestically produced pressure-treated wood was sold through a total of 128 sales outlets across Finland.

Our products are literally available throughout the country, from Rovaniemi to Hanko and from Vaasa to Eno. Among the building material chains, leading industry players K-Rauta and Stark were represented as retailers.



CFO's Review

Towards Our Goal – and Beyond

The Group's growth continued strong in the financial year 2025, with net sales reaching EUR 141.6 million, representing an increase of 34% compared to the previous year. Over the past two financial years, total growth has amounted to EUR 58 million (71%) from the 2023 baseline. The development was driven primarily by successful acquisitions, although approximately one quarter of the 2025 growth was generated organically outside the companies acquired through these transactions. Supported by this strong performance, the strategic revenue target was raised from EUR 150 million to EUR 200 million, to be achieved by the end of the decade.

Growth and profitability went hand in hand during the financial year. Operating profit increased by EUR 4.2 million to EUR 13.6 million, improving from 8.9% to 9.6% of net sales. Profit for the financial year amounted to EUR 10.0 million, an increase of 45%, or EUR 3.1 million, compared to the previous year.

On my desk, I keep a copy of the eleven commandments of a CFO, the first of which states: "Do not confuse profit with cash flow. Profit may look good on paper, but cash is the truth." We followed this principle well. In addition to strong earnings, cash flow from operations was positive at EUR 20.9 million during the financial year, covering the Group's investments of just under EUR 19 million. The key drivers of cash flow were healthy EBITDA generation and arrangements related to working capital.

Total assets increased to EUR 105 million as a result of investments made. The equity ratio improved by 1.7 percentage points to 37.9%, while return on equity amounted to 28.1%. The Group's net gearing was 63%.

Alongside the strong financial performance, the Group structure was reshaped through acquisitions and mergers. During the second quarter of the financial year, 100% ownership of Pentti Heinonen Oy and Wood Support Westermark & Säily AB was acquired. In the final quarter of the financial year, the Group structure was simplified by merging Pentti Heinonen Oy into Scanpole Oy and, in Sweden, the property company Arrendara AB into Wood Support Westermark & Säily AB. In December, an internal business restructuring was carried out in the United Kingdom, whereby the shares of Burt Boulton & Haywood previously owned by Scanpole Ltd were transferred directly to Scanpole Oy. At the same time, Scanpole Ltd sold its business and related balance sheet items to Burt Boulton & Haywood Limited, and the financial statements of Scanpole Ltd were prepared in accordance with the winding-up of its operations.

After an intensive period of acquisitions and investments, the key themes for 2026 will focus on optimising completed investments and acquisitions, as well as harmonising and improving the Group's operating models. Growth will primarily be sought organically, while investments will remain moderate, approximately at the level of depreciation. As a result, the majority of cash flow from operations will be directed towards debt repayment. In addition, the Group will continue to develop its financial reporting systems as well as Group-level HR and risk management processes. Through these measures, we are laying new foundations for the next growth stages towards our goal of EUR 200 million in net sales by the end of the decade.

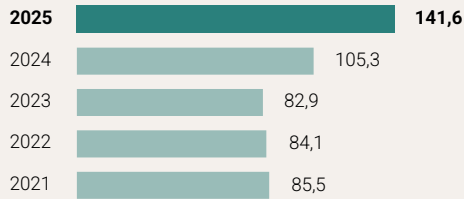
Simo Saastamoinen
CFO



Consolidated financial statements and key figures

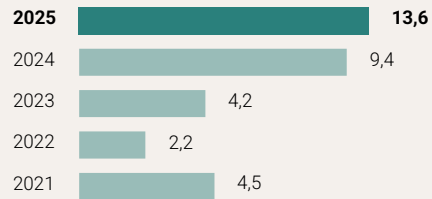
Turnover

EUR million



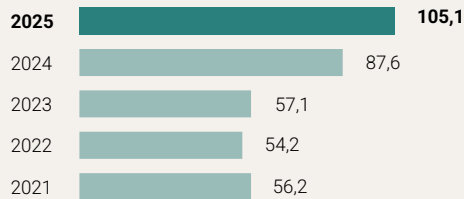
EBIT

EUR million



Assets

EUR million



Equity Ratio

Percent



IIVARI MONONEN GROUP, INCOME STATEMENT		2025	2024
Turnover		141 645 695	105 281 661
Changes in inventory of finished goods and work in progress		6 496 305	4 510 613
Other operating income		210 191	49 909
Materials and services		-91 857 250	-67 150 314
Personnel expenses		-15 679 534	-12 256 070
Depreciation, amortisation and impairment		-2 883 756	479 773
Other operating expenses		-24 325 132	-21 549 814
EBIT		13 606 519	9 365 758
Financial income and expenses		-2 034 425	-1 546 835
Profit/loss before appropriations and taxes		11 572 094	7 818 922
Appropriations		57 925	-16 261
Income taxes		-1 616 679	-895 426
PROFIT FOR THE FINANCIAL PERIOD		10 013 340	6 907 236

BALANCE SHEET, ASSETS		2025	2024
Intangible assets		3 721 159	4 375 928
Tangible assets		32 215 779	19 917 957
Investments		35 722	35 622
Non-current assets		35 972 661	24 329 507
Inventories		43 289 208	39 004 727
Non-current receivables		0	120 000
Current receivables		18 786 246	21 298 208
Cash in hand and at bank		7 017 411	2 835 515
Current assets		69 092 864	63 258 451
ASSETS		105 065 524	87 587 957

BALANCE SHEET, EQUITY AND LIABILITIES		2025	2024
Share capital		70 000	70 000
Retained earnings		29 727 365	24 569 595
Profit/loss for the financial period		10 013 340	6 907 236
Equity		39 810 704	31 546 830
Appropriations		34 653	36 914
Mandatory provisions		3 268 700	2 165 000
Non-current liabilities		16 800 526	4 582 950
Current liabilities		45 150 940	49 256 262
Liabilities		61 951 466	53 839 212
EQUITY AND LIABILITIES		105 065 524	87 587 957

Board of Directors and Management Group 2025

Management Group



Ari Mononen
CEO
Iivari Mononen
Group



Simo Saastamoinen
Group CFO & HR
Iivari Mononen
Group



Sami Lehtoranta
Technical Director
Iivari Mononen
Group



Ilona Rannikko
ICT Director
Iivari Mononen
Group



Janne Monni
CEO Scanpole



Pekka Mononen
Business Director
Scanpole



Tommi Mononen
Forest Director
Scanpole



Joni Nousiainen
CEO
PrimaTimber

Board of Directors

Ari Mononen, Chair of the Board
Aapo Mononen
Aino Mononen
Arvi Mononen
Dana Mononen

Ilkka Mononen
Juha Mononen
Lasse Mononen
Tommi Mononen

Boards of Directors of Scanpole Oy and PrimaTimber Oy

Ari Mononen, Chair of the Board
Vesa Korpimies
Arvi Mononen

Pekka Mononen
Tommi Mononen
Janne Monni

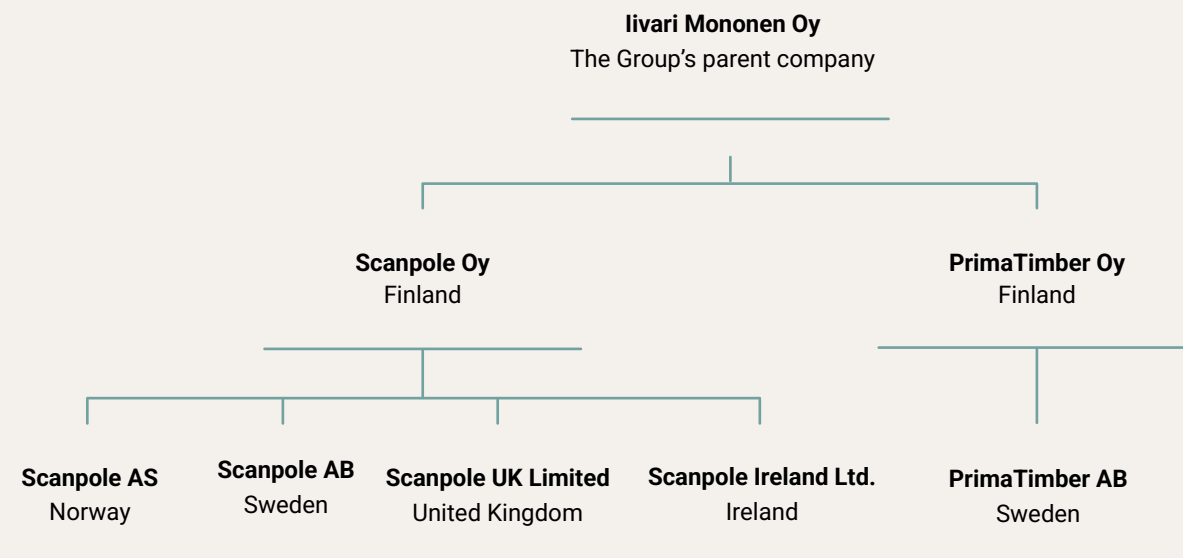
Group Structure

The Group's business operations are divided into two operating companies:

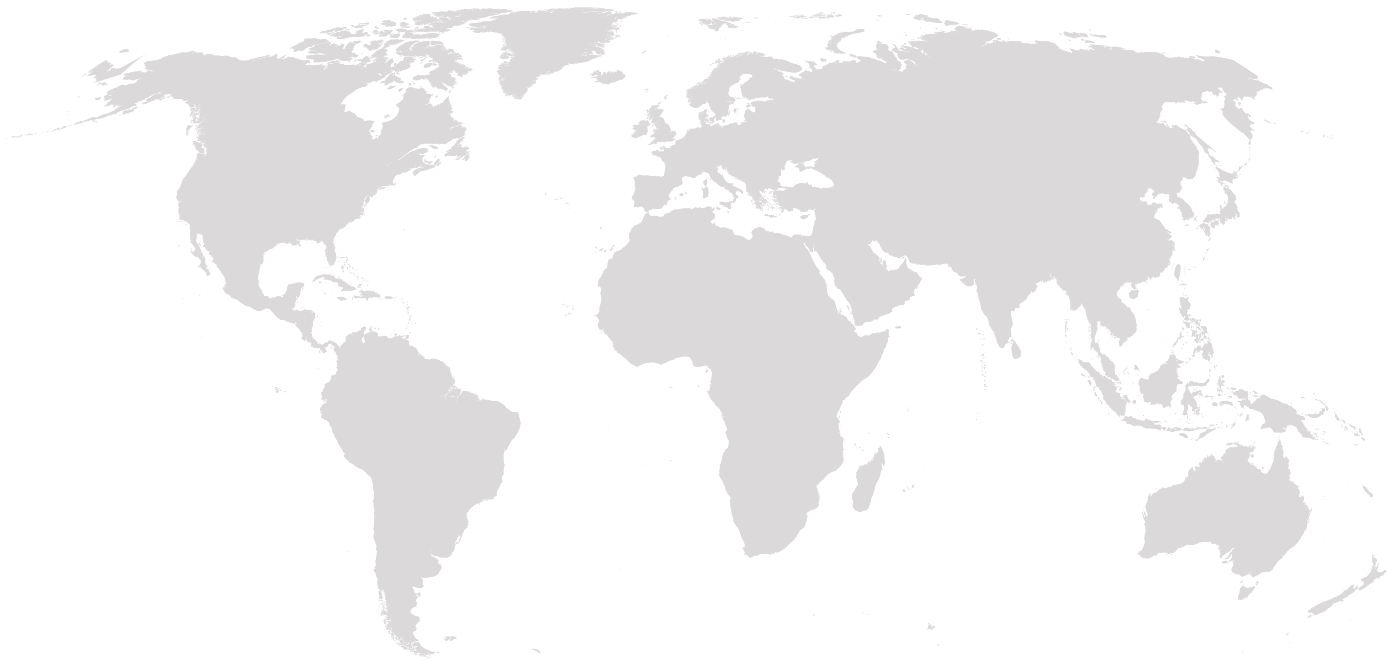
Pole business (**Scanpole**)

Sawn timber business (**PrimaTimber**)

We employ close to 200 professionals at our sites in five different countries. Our sites outside Finland are located in Ireland, Great Britain, Norway and Sweden.



The subsidiaries of **Scanpole Oy** are **Scanpole AB**, **Scanpole AS**, **Scanpole UK Limited** and **Scanpole Ireland Ltd.**
The subsidiary of **PrimaTimber Oy** is **PrimaTimber AB**.



IIVARI MONONEN

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PrimaTimber Oy

www.primatimber.fi

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Treatment Plant
Kuhasalontie 31
80230 Joensuu

Planing Mill
Susiraja 2
80230 Joensuu

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[in](#) /primatimber

PrimaTimber AB

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Scanpole Oy

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