

An aerial photograph of a vast forest landscape. The forest is dense with trees, many of which have yellowed foliage, suggesting an autumn setting. A thick layer of mist or fog hangs over the forest floor, creating a soft, ethereal atmosphere. In the upper left corner, there is a white rectangular box containing the company name. The overall scene is peaceful and scenic.

IIVARI  
MONONEN

ANNUAL REPORT  
**2024**

# We are livari Mononen

livari 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 2024. Take a closer look!





Group's turnover

**105**  
million euros

Group's EBIT

**6,7**  
million euros

Sustainability  
investments

**4,1**  
million euros

### Group's strategy





## 2024 was a year of growth

After a number of challenging years due to the global coronavirus pandemic and the war in Ukraine, we have returned to the growth path. For the first time in the Group's history, turnover exceeded the EUR 100 million mark, amounting to EUR 105.3 million. At the same time, we succeeded in improving our profitability slightly after difficult years. Success was driven by successful acquisitions, focusing on the wood business and improving the profitability of the sawn timber business.

Our industry is facing major changes towards the end of this decade. The creosote oil used in our main product, impregnated poles, will be removed from the market in 2029. Alternative impregnating agents require significant investments at different stages of production. In 2024, we launched an investment programme that will last for the entire decade and during which we will invest more than EUR 20 million in developing our plants.

The first individual major investment was started at the Nurmes plant, where a new copper oil impregnation line will be completed in 2025. At the same time, we modernised the oil impregnation lines at the Ilseng plant to meet future impregnation requirements. In the second half of the year, we will start building a new drying plant at the same plant to ensure the quality of our products also in the future. Once completed, the drying plant's

capacity will be sufficient to dry the entire plant's production. At the same time, we will demolish old plant buildings. At the Kirkenær plant, we are investing in a new lathe line for fencing posts, which will enable more versatile and efficient production. At the same time, we will start planning a new debarking and sorting line. Through the investments, we will be able to use raw materials of different dimensions, which improves our competitiveness in wood procurement.

We are also overhauling the water treatment systems at the plants in Kirkenær, Newport and Kiltel and planning new environmental investments to be made during this decade. Our goal is to have more sustainable plants.

The significant investment programme is financed by long-term loans and income financing. Over the next five years, our strategy will focus on cash flow and profitability. When it comes to sustainability, we want to be a pioneer, because only a profitable company can also be sustainable.

During the year, we invested in the development of information systems, the tidiness of plants, occupational safety and cyber security. Cyber security is becoming increasingly important in business operations, as the risk of cyber attacks targeting companies has increased.

We continuously develop our company's information security, daily routines and operating methods to ensure the performance of our operations and supply chain.

A decision has been made in the European Union to phase out creosote in 2029. The UK will decide on the future of creosote in 2026. The UK's decision will have a significant impact, especially on the local fencing post market. The investments will allow us to respond to future changes in chemical legislation and regulations. At the same time, we pay attention to occupational safety and cleanliness at the plants, which are important matters to us.

The most significant single event of the year was the acquisition of PDM Timber Treatment Ltd in Ireland, which has improved our Group's market position in Ireland. The acquisition naturally brought growth, but also synergies in the Irish market, wood procurement and production in Finland.

At the turn of the year, we acquired Ab Pâras Oy's pole business, which strengthens our position in the Finnish pole market.

The mergers with Ab Pâras Oy and Pentti Heinonen Oy, which will take place in early 2025, strongly support our

strategy. The acquisition of Ab Pâras Oy's pole business strengthens our market position in Finland and Sweden. The acquisition of Pentti Heinonen Oy allows us to expand our wood procurement to South Karelia and South Savo. The structure of the forests in these regions supports our growing needs. These functions provide us with a competitive advantage in the UK and Irish markets.

The goal for 2025 is strong growth. Turnover is expected to increase to EUR 130 million. At the same time, we are seeking to improve our result through improved efficiency, internal synergy benefits within the Group, improved utilisation rate and increased wood procurement in the pole business.

After the difficult years of the coronavirus pandemic and the unjustified uncertainty caused by the war in Ukraine, we have returned to the growth path. During this decade, we can generate growth and profitability through active sales work and internal cooperation within the Group. Let's make this a great story together.

Ari Mononen  
CEO

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## Our values

### Trust

We keep our promises.

### Courage

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

### Sustainability

We leave behind us sustainable operations for future generations.

### Flexibility

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

### Collaboration

We help our colleagues and build long-term partnerships.

# Corporate responsibility is a common cause



## Taxation

We pay our taxes locally where our income is generated.



## Local operations

We employ and offer traineeships to a large number of young people. We help them start their careers and support them in their studies.



## Environment

We minimise energy consumption and use as much renewable energy as possible.



## Product development

We want to be at the forefront of product development and invest in future innovation. We have successfully combined traditional physical work with digitalisation.



## Products

Our goal is that, in the future, the use of wood as a renewable raw material will continue. The chemicals we use meet all regulatory requirements.



## Business

We will pass on our business to future generations on a sustainable and increasingly responsible basis.



## Transport

We use lower-emission rail and ship transport to the maximum extent and we are modernising our transport fleet.





Joensuun Maila



Banham Zoo



Barnas Skileker

## We enable

Supporting sports is part of our sustainability mindset. Therefore, the logos of Iivari Mononen, PrimaTimber or Scanpole can be seen on the high-visibility vests of schoolchildren, on the lists of event sponsors and on the apparel of individual and team athletes.



Newport HSOB



Joensuu Juu



Johanne Hauge Harviken



Lehmon Pallo

# A sustainable corporate culture commits employees

For years, the well-being and comfort of our employees has been of paramount importance to us. In accordance with our values, we act sustainably in all our decisions. We take care not only of the environment and our product development, but also of our personnel. With responsibly managed business, we can continue to be a significant employer in the future.

At the end of the year, there were a total of 197 employees, 24 of whom were women. The employees are spread over five different countries and their average age is 46. A total of 36 new employees joined us during the year, 19 of these in permanent employment. In March, we welcomed

30 new colleagues from Ireland in connection with the acquisition, and they have integrated into our organisation very well.

**Focus on safety**

One of the major personnel-related themes in 2024 was occupational safety. During the year, we invested in the working conditions, instructions and supervision of the plants. The safety observations and safety walks that have proven to be effective at the PrimaTimber plant have also been gradually implemented in the Group's other plants. Even with a small sample, we can say that working conditions and safety have improved.

197  
employees in  
five countries



In 2024, livari Mononen Group employed a total of 197 people across four countries. The distribution of employees by country was as follows:

Finland	87
Norway	43
United Kingdom	35
Ireland	31
Sweden	1

7  
different  
companies



Our Group employs professionals in six companies.

livari Mononen Oy (Finland)	17
Scanpole Oy (Finland)	54
PrimaTimber Oy (Finland)	16
Scanpole AS (Norway)	43
Scanpole Ltd. (United Kingdom)	35
Scanpole Ireland Ltd. (Ireland)	31
Scanpole Ab (Sweden)	1

12.2

12.2% of our employees are women. Our industry has traditionally been male-dominated, but the proportion of women has been growing all the time. Our Group employs women from impregnation operators to executives.

10.75

The average length of a career with us is 10.75 years, so it is fair to say that our employees are happy. We have 35 professionals who have worked with us for more than 20 years. Of these, 15 have achieved a respectable 30-year career with us.





The functionality of internal communications and the quick sharing/retrieval of information have been emphasised in the current flood of information in working life. To improve internal communications, we launched our intranet livari Intra at the end of the year. Going forward, news, employment-related documents and necessary files will all be available in a single place.



We have been working closely with educational institutions in the North Karelia region for years. For example, we have been a sponsor company for Karelia University of Applied Sciences. The purpose of sponsor company activities is to increase the working life networks of international students, facilitate internships in the North Karelia region and promote the internationalisation of employers in the region. In 2024, we offered both school projects and internships to both international and domestic students



## Markus Martiskainen - 20 years and almost ten different jobs

**Markus Martiskainen** is currently our Group Quality Manager, but during his 20-year career with us he has gained experience in nearly ten different jobs. Markus' career began in 2005 as a summer worker at the production plant in Höljäkkä. Over the years, the summer jobs became increasingly demanding and he finally ended up deputising for the production manager.

After graduating as a Bachelor of Engineering in Wood Technology in 2007, Markus joined the Group as a permanent employee and has worked in various positions in wood procurement, production and sales.

In 2013, he was posted to the Iiseng production plant in Norway for a year, but ended up working there for five years. Although the assignment was challenging in terms of language and culture, the experience was very positive.

"Norway was a good country to live and work in, I would like to thank my Norwegian colleagues. The most valuable thing I returned with from Norway was my family and a lot of invaluable capital," Markus says.

Today, his job as Quality Manager includes a wide range of tasks, such as meeting the requirements of the ISO, CE, PEFC and FSC standards, as well as providing technical support as IMS administrator. He also handles orders from SPAB and SPAS to SPOY, including deliveries to customers and deputising for the domestic sales manager. The positive aspects of the job include independence, diversity and great colleagues. The flexibility of the employer has helped the family's everyday life.

"I would advise new employees to join the Group with an open mind and curiosity so that they can learn new things. Always ask if you have any questions. We have a lot of experienced professionals who are always ready to help. The Group has grown at a tremendous pace, but the values and the family company's spirit of caring have remained the same all these years," he points out to new employees.



# SCANPOLE





# In the midst of growth and peak demand

Although political and geographical factors affecting our operations are still present, we succeeded in significantly increasing the volume of our business during 2024, driven by the acquisition in Ireland and the peak in demand in the pole market. The transition of our industry towards more sustainable solutions is progressing step by step, and managing the change in our operations will be a key factor now and in the years to come in order to succeed in maintaining our current operational level. We are partly dependent on regulatory developments in our decision-making and investment projects, so the successful timing of development plans and investments is one of our key objectives. All of this naturally requires a strong commitment, flexibility, patience and readiness for change from our personnel.

The ongoing trend of high inflation in recent years slowed down in 2024, but it still requires adaptation in our industry and has to be taken into account in the pricing of our products. The situation in the wood market in particular has remained quite challenging, and competition for raw materials will continue. Despite all the background noise, we must be satisfied with the current situation, as unlike many other forest industry sectors, interest in our products has remained strong, offering an opportunity to invest heavily in the future at our plants.

## Business development 2024

We started the year with a strong order book in all of our markets, followed by the PDM acquisition in Ireland in March 2024, which was already our third significant leap of expansion outside Finland. The theme of the first part of the year was the incorporation of our new member's operations and supply chains into our group. As a result of our excellent cooperation, the development prospects in Ireland are good and the market will significantly contribute to balancing our operations on the whole in the coming years.

In general, the general view of business in 2024 was very similar to the previous year. Demand for electrical poles continued to be strong, while telecommunications network demand perhaps remained slightly below the expected level. In the fence business, on the other hand, we were able to maintain our position even though the market was full of uncertainty throughout the year. The positive market development challenged and put pressure on our supply chain, but given the circumstances, we managed it very well, too. The growth figures for copper oil products in particular were convincing after the partial ban on the use of creosote. Operationally, we reached a new record-high level in both turnover and production volumes. Scanpole Group's new

turnover record now exceeds EUR 87 million and we took a good step forward in profitability.

## Outlook for 2025 and the future

Similar to the previous year, the outlook for 2025 is very promising in all of our main markets. We are expecting a clear improvement in both business and results compared to 2024. In order to best respond to the current good demand situation and the requirements of the future supply chain, we invested significantly in the production of the Nurmes and Norwegian plants during 2024. In addition, we acquired Ab Pâras Oy's pole business in early 2025, which further expands our procurement area in addition to the new areas established already in 2024. With regard to copper oil products, the most significant launch will take place in Ireland, where we are seeking a foothold in the fencing post market with Sentree-branded copper oil-impregnated products.

Also this year, the strong order backlog will challenge our operations throughout the supply chain, but the decisions we have made in terms of investments and other development measures will allow us to move to a new level across our group. We are still pursuing at least as strong a market position as before and we will do our best to maintain our good service level in cooperation with our customers.

At the time of writing this, we have expanded and strengthened Scanpole Group's procurement area in Finland further by acquiring the share capital of Pentti Heinonen Oy, a Savonlinna-based raw pole producer, in April 2025. We welcome our new employees as they join our growing group!

## Thank you!

Warm thanks to our entire staff! Together, we have succeeded excellently, even though the conditions were challenging at times. Without your input, business growth and excellent customer satisfaction would not be possible. I would also like to thank our customers and other stakeholders for their close cooperation!

**Janne Monni**  
CEO  
Scanpole







# Höljäkkä

Scanpole's plant in Finland is located in the village of Höljäkkä, Eastern Finland, close to the city of Nurmes. It has been operational for more than 60 years. The impregnation plant was established for the production of railway sleepers, but impregnated poles quickly became the main product. The Höljäkkä impregnation plant currently employs 40 professionals.

Most of the poles impregnated in Höljäkkä are sourced from the areas of North Karelia, North Savo and Kainuu. Scanpole's in-house procurement managers take care of the procurement and also stamp the raw poles at the stand marked for harvesting. When the poles are sourced from nearby areas, transport distances are short.





## New impregnation plant meets growing demand

Construction of the new impregnation plant in Höljäkkä began in autumn 2024. By the end of the year, the building was weatherproofed and the construction company was able to start the interior work. Once completed, the impregnation plant will also enable copper oil impregnation in Finland and thus meet the increased demand for Pole+ poles.



## The third generation of Kortelainens is already working at Höljäkkä

Kuomausurakointi V. Kortelainen, a company that just celebrated its 60th anniversary, has been contracting at our Höljäkkä plant since 1967. Currently, the third generation of the family is already working at the impregnation plant, and it is hard to imagine the plant without the Kortelainen family.

"Thanks to the employer and hopefully the cooperation will continue for another 60 years," says entrepreneur **Esa Kortelainen**.



## The day-to-day life of a Production Supervisor is diverse

Pole orders received by our Höljäkkä plant always go through production supervisor **Teemu Piironen**. He is responsible for ensuring that the poles ordered by customers are impregnated at the right time and that the orders are delivered on time. His tasks also include planning work shifts and onboarding new employees.

During his eleven-year career, Teemu has become familiar with all of the impregnation plant's workstations, with the exception of the debarking plant.

"Having worked in almost all of the tasks at the impregnation plant is a huge asset in my current position. It makes it easier for me to see the big picture," Teemu says and adds: "Planning and organising takes up most of my time, which means sitting at the computer at least half the day. The other half is spent outdoors in production."

Although diverse experience makes the work of a production supervisor easier, Teemu is currently supplementing his competence by studying for a specialised vocational qualification as a production supervisor.

"We have a good team spirit in Höljäkkä. New employees are definitely onboarded, and they are sure to get along with us," Teemu says, welcoming new employees to Höljäkkä.





## Newport

Our most traditional production facility is located in Newport, South Wales. The plant began impregnation as early as 1848 under the name Burt Boulton & Haywood.

The Newport plant has a total of 35 employees, and it impregnates both electrical poles and fence posts for the UK and Ireland markets.

Burt Boulton & Haywood, previously a customer of Iivari Mononen, was acquired in 2015 and became part of the Scanpole Group.

Historically, most of the poles manufactured and impregnated in Newport have ended up in electrical and telecommunications use. The plant also produced some gate products for horse farms and agricultural use. Following the acquisition, Scanpole Group's increased impregnation capacity has enabled the growth of gate post products to a point where Scanpole is now the market leader in creosote-impregnated gate posts in the UK agricultural and horse market.







## Demand for poles continues to grow

In 2024, the demand for poles continued to be strong. The UK is currently investing heavily in infrastructure renewal and, for example, the fibre-optic network is being expanded to cover remote areas.

We have earned a reputation among our customers as a reliable high-quality operator. Therefore, we renewed several contracts with our key customers.



## Poles for tigers

Last year's most unusual pole customer was Banham Zoo in Norfolk. The zoo opened a new area for the endangered Amur tigers, which was built with the support of UK Power Networks, Scanpole, and MKM Building Supplies. The project was carried out as part of the zoo's new corporate partnership program "Together for Wildlife" campaign.

Scanpole donated specially manufactured untreated electricity poles for the project, and MKM Building Supplies supplied the workforce, materials and equipment needed for the construction.



## Mark Podmore emphasises occupational safety in his work

**Mark Podmore** works as a pole fabricator. His task is to prepare raw poles for impregnation. This includes several work phases, such as moving the poles, modifying them to the correct dimensions and making various markings.

"In my work, it is important to know how to use tools and maintain them. However, occupational safety and compliance with safety regulations are always top priorities," says Mark about his work.

Mark is a native of Newport and has also worked at the Scanpole factory as a forklift driver. Previously, he worked at a local brewery.

Podmore says he likes his job. My colleagues are nice and even though the weather conditions sometimes vary greatly, working outdoors is nice once you get used to it.



## Ilseng

One of our plants in Norway is located in the village of Ilseng, in the municipality of Stange, about 10 kilometres east of the city of Hamar. The area is forested and a large part of the raw material for our impregnated columns in Norway is sourced close to the plant.

The plant was founded in 1935 as Hedmark Treimpregnering. In 2003, the plant started operating under the name Scanpole AS and was acquired by the livari Mononen Group in 2010.

The Ilseng plant currently impregnates all of our Pole+ products. The plant currently employs 19 people.







## Impregnation capacity of Pole+ products increases

The end of sales of creosote poles to Norway in 2022 completely changed the market. **In 2023, as many as 89% of the poles sold to Norway were Pole+ poles impregnated with copper oil.** At the same time, the export of Pole+ poles to Ireland began, which further increased the demand for copper oil products. Exports got off to a good start, with as much as 10% of production exported to Ireland.

The increased demand also resulted in changes at the Ilseng plant, where the larger cylinder used for creosote impregnation was converted to copper oil impregnation



## Improvements in plant area safety

A significant improvement was made in the safety of the Ilseng plant last year. The public road through the plant area was converted into a private road and gates were added to both entrances. In addition, a fence was built around the plant area, which gives better opportunities for its future development



## You get to challenge yourself as an Order Coordinator

**Benedicte Dahlin** has been working as an order coordinator in Ilseng since mid-October 2024. Before joining Scanpole, she worked in retail as a store manager for 16 years. She found her current job through a personnel service company, and the change of job has been a positive experience so far.

Benedicte's working days are spent placing orders for customers in Norway and Sweden, which involves a lot of paperwork and planning transports for poles. She is in close contact with customers and transport companies. In her work, Benedicte attaches great importance to a service-minded, systematic and accurate approach.

Benedicte mentions the diversity of her work as the best thing about it. She gets to challenge herself and learn new things. According to her, the worst part of her job is when things go wrong without her being able to influence them.

That's why she advises new employees to be themselves and keep a positive attitude. Being a team player is important for success at work.





## Kirkenær

Our plant in Kirkenær in southern Norway specialises in the production of impregnated fence posts. The plant has been operating in Kirkenær under the name Solør AgroTre for more than 60 years and became part of the Iivari Mononen Group in 2019.

The Kirkenær plant is located close to forest reserves, and all of the raw material used for fence posts comes from the surrounding areas.

The plant is a traditional and well-known employer in the region, and many of our employees have long careers behind them. The plant currently employs 24 professionals.





## Investments in occupational safety

Last year, Kirkenær really focused on improving occupational safety. The new safety walks and safety observations system have significantly improved both the occupational safety of the plant and the general tidiness of the plant and workstations.

"It is a pleasure to see how the Kirkenær team has embraced this year's occupational safety theme. If even the slightest need for development has been identified at the workstations during the safety walks, we can be sure that the next time things have been taken into account and corrective measures have been taken," says **Niko Varis**, Business Director Norway.



## Sales of Pole+ fence products increase

The production volumes of copper oil-impregnated Pole+ fence products are constantly increasing. Exports of fencing products to the UK have continued to be strong. The product launch has been successful and Pole+ deliveries have been sent to several new retailers.



## From lumberjack to Sales Manager

Sales and Logistics Manager **Ole-Petter Valby** has worked at Kirkenær since 1992 and is one of the longest-serving employees at the factory. He started his career as a lumberjack and later joined Solor Agrotre's as a fence post production worker. (Scanpole acquired Solor Agrotre AS in 2019). Gradually, he became production coordinator for pole production and later sales manager.

"It's a major advantage to have started working on raw materials in the forest and getting to know the entire production chain in different roles. Over this time, I have also learned to know our customers and their needs very well," says Ole-Petter.

Now, his days are filled with preparing quotes and arranging transports. Internal contact between the Ilseng and Newport plants is close.

"When you have worked for more than 30 years, you can say that you have felt comfortable in your job. We don't have unnecessary micro-management here, instead we are allowed to work freely. The best thing here is the colleagues and the good working atmosphere," he continues.

Ole-Petter spends his free time with his family. His two daughters compete in show jumping, which has taken the family around Norway. His hobbies also include old American cars, and he has two in his garage.





## Kilteel

Scanpole Ireland, formerly known as PDM Timber Treatment Limited, has resided at Oldmilltown, Kill, Co. Kildare since 1968. It is 30km south west of central Dublin, employing 30 people in various roles across the business. The name PDM comes from the original owners of the business Peter and Derek Martin. The Martin family had been involved in timber milling and creosote treatment since the early 1900's, and prior to the opening of the current site, their business was based in central Dublin close to Dublin port. The Martin's transferred the 2 existing autoclaves and a railway sleeper processor at the central Dublin site, to Oldmilltown, and built a timber mill on the site. In the early 1980's the milling business was closed, and 2 larger 2nd hand autoclaves were added to the site operations continuing the investment in pressure treatment capacity.

The Irish pole market is seeing strong growth, and the plant impregnates tens of thousands of poles annually for Irish customers. At the heart of the fence post business are copper oil treated fencing products, which will be launched on the Irish market under the Sentree brand.







# Sentree<sup>TM</sup>

Strong. Durable. Safe.

## Modern fence product for the Irish market

Sentree fence products for the Irish market are made from local Sitka spruce, larch and Douglas fir, which are cut mechanically before impregnation. Like Pole+ products, the products are impregnated with copper oil and the cuts in the wood surface ensure that the copper oil reaches deep enough into the wood.

The use of creosote in fence products is banned in Ireland, so the market is looking for a new sustainable alternative to creosote products. Copper salt-treated fence posts have a poor reputation in Ireland due to poor quality and poor processing standards. Sentree offers a modern and long-lasting alternative to creosote.

Sentree products are green when new, but within a few years the colour turns browner, reminiscent of a fence post impregnated with creosote. The product is also easy to install, as it does not cause burns and the odour of copper oil is mild compared to creosote. So far, there is no evidence from field trials in the UK and Ireland showing that horses had been chewing on a copper oil fence.

Sentree products are manufactured exclusively for the Irish market. The product comes on the market with a 20-year warranty supported by Arxada. The products are sold under the PDM brand because PDM is a well-known and reliable manufacturer.



## Impregnation operator Monica Silva is not afraid of new challenges

Scanpole's production requires diverse expertise, and we employ professionals from different fields with a wide range of backgrounds. **Monica Silva**, who works at our plant in Ireland, is not afraid to learn new things and switched her job as a cleaning supervisor to wood impregnation. Monica started working in the impregnation plant in the autumn.

"The tasks at Scanpole have been very different compared to my previous jobs. I like new challenges and always want to learn new things. My co-workers have received me very well and trained me in the tasks of the impregnation plant. The things I like best about the workplace are the nice colleagues and the working environment," Monica says.

As an impregnation operator, Monica is responsible for the multi-stage impregnation process of poles from start to finish.

"Work requires precision all the time. The operation of the impregnation pumps must be monitored continuously and their maintenance also requires care. Sometimes there are problems, and then it's important to stay calm."

After work, Monica heads either to the gym or home. Weekends are spent with family and friends or travelling.





# Annual review of wood procurement

## Finland

In Finland, Scanpole Oy's wood procurement was running at full speed throughout the year. Demand was boosted by increased needs in terms of volumes and new size categories. In the wood market, prices improved again from the beginning of the year, and the demand for wood in the forest industry remained high. High prices kept the timber trade running, making raw material available. As a result, the volume of our purchases was also at a high level. The reception value of poles was the highest in ten years, partly due to the raw material price having just risen to a new level. Even though there is fierce competition for raw materials, it is great to see that we were able to increase procurement volumes and meet the high demand for poles. I consider good cooperation with forest owners, partners and companies to be our greatest strength. Above all, this is guaranteed by our experienced procurement personnel and earned trust among forest owners. Thanks to your employees, all timber sellers and partners.

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



## Norway

The increase in wood raw material prices in Norway continued to be very strong in 2024. The prices of logs rose by almost 40% and the price of pulpwood increased by 35% per year. Such dramatic changes are challenging both procurement and Scanpole As' profitability. Strong demand for industrial pulpwood was reflected in the reduced volume of fence posts received at the Kirkenær plant. On the other hand, the Ilseng plant received the largest number of poles in ten years.

Underlying the improved pole situation are changes in pricing. In addition, Norwegian forests offer raw poles suitable for Irish customers. We also increased our investments in marketing in wood procurement. The future will show that the competition for high-quality raw materials will not ease, at least in the short term. For this reason, we will continue to develop procurement in both countries with determination.

**Tommi Mononen**  
Forest Director





A photograph of a modern, multi-story house with large glass windows and dark wood framing, situated in a dense forest of tall pine trees. The house is built on a wooden platform with a wide set of wooden stairs in the foreground. The word "PRIMATIMBER" is overlaid in large, white, sans-serif capital letters across the center of the image.

# PRIMATIMBER



# Back on our feet

The past couple of years have challenged us seriously and the changes in the world have affected us. Our shield was dented, but we also gained valuable experience and learned how to operate in difficult situations. After these dark times, the goal for the year was clear: to put PrimaTimber back on its feet.

There were still no guarantees that construction would pick up in our operating environment, and the demand for our construction products was forecast to be quite moderate. Therefore, we decided to focus on the core of our operations, impregnated wood. Impregnated timber has maintained its demand at a general level and even in challenging conditions, and the building of terraces and quays has often continued during recessions of general construction.

In our operations, we focused on the development of daily operations. Streamlining material flows and systematic operations together with improving the efficiency of production processes helped us to achieve our goals. Responsibility and sustainability issues have also challenged us to develop operations from a slightly different perspective. These results are presented in our separate sustainability report.

Turnover for the financial year amounted to EUR 17.9 million, which remained at the same level as the previous year. Focusing on the core business and developing operations helped to return the company's profitability to normal levels. Our committed employees have been a key factor in the changing situations of recent years, so a big thank you to all of our skilled people!

## Entering the future with hope

Our operating environment has not changed significantly since last year, but the initial outlook on the market creates hope for a better tomorrow. We will wait, for example, to see whether the change in the Building Act will have a positive impact on the demand for the products we manufacture in yard buildings. We are unlikely to see a bigger upturn in construction in 2025, so now is a good time to further improve our machinery. This will make us even better prepared for the upturn in the general economy.

## Working together for success

Our customers set requirements for our operations. Our customers are one of the most important factors with PrimaTimber being exactly like it is. Without reliable suppliers and partners, it would be challenging to meet these requirements. I would like to thank everyone involved throughout our chain – let's create a better tomorrow together!

**Joni Nousiainen**  
CEO  
PrimaTimber





## Impregnated timber is suitable for interior design programmes

PrimaTimber has been involved in TV productions for years. Last year, our products were featured in Huvila & Huussi and Grand Designs Finland. In the Huvila & Huussi show, our products were particularly well visible when artist Ville Galle and Pernilla Böckerman's cottage yards were given new terraces and a quay made of impregnated timber.



## The most impressive quay in North Karelia is found in Bomba

Break Sokos Hotel Bomba Nurmes is one of the most popular holiday destinations in North Karelia. Pohjois-Karjalan Osuuskassa, the owner of Bomba, has upgraded it by building a magnificent Karelian spa and a completely new hotel building.

Savorak Laiturit manufactured and Saarinnikari installed a truly impressive quay made of PrimaTimber's Finnish impregnated timber in Bomba this summer. A special feature at the end of the quay is a round lounge area, where even larger groups can admire the landscape opening over lake Pielinen.



## Not a chip is wasted

Our planing mill generates a lot of chips and shavings during the year. For us, however, they are not waste, but a valuable raw material for the production of bioenergy.

All of the chips and shavings generated by us are transported to the nearby Iksenvaara heat plant. When incinerated, it generates heat that heats nearby properties and also returns to us as heat.





## 139 retailers across Finland

In 2024, PrimaTimber's Finnish impregnated timber was sold at a total of 139 outlets around Finland. A total of nine new dealers started last year.

Our products are sold literally all over the country. Our northernmost dealer was J. Ad. Rantakokko in Enontekiö. T-B Ekholm from Hanko once again earned the title of the southernmost retailer. Our westernmost dealer was Stark Vaasa, while our easternmost sales outlet was Rautanet Eno. Hardware retailers included K-Rauta and Stark, the industry's leading players.



## Höljakkä Open brings partners together

Pielis-Golf's open golf competition Höljakkä Open in Nurmes brings together a large number of the Group's partners. The golf event began in 2001 and is now held in the last week of August.



## Erkka's summer job offered flexibility and hands-on experience

Every summer, we have employed local young people at our planing and impregnation plants. **Erkka Oikarinen**, a student of forest sciences at the University of Eastern Finland, worked last summer at our impregnation plant, performing maintenance work and impregnating timber. After his summer job, Erkka has continued working part-time at PrimaTimber.

In addition to his studies, Erkka plays as a goalkeeper for Jippo in the Ykkösliiga league, the second-highest division in Finnish football. He appreciates PrimaTimber's positive attitude towards sport and the flexibility offered by the work, which allowed him to continue to play football even during his summer job.

He initially ended up working for PrimaTimber on a friend's recommendation. When his friend praised the company's atmosphere and working there, Erkka decided to apply himself. As a forestry student, he already had a good understanding of the sector, but the summer job duties provided him with a practical perspective and deepened his skills.

He recommends PrimaTimber as a summer job for anyone interested in the forestry industry: "You should start with a proactive attitude so that you get to do as much as possible. Taking initiative and responsibility is a big plus."



# Plans guide implementation

## **Investments: Strategy into practice – from plans to reality**

During the year, we moved from plans to practical implementation by investing in the preparation and launch of future investments. Our investment programme is progressing as planned and on schedule, strengthening the long-term implementation of our strategy and laying the foundation for sustainable growth. Ongoing projects contribute to sustainable development and help us adapt to changes in the market, new products and changing customer needs.

## **Environment: Environmental responsibility and the green transition as part of process development**

During the year, we continued our green transition in close cooperation with our stakeholders. A key development target was to improve the air purification processes of the production plants in cooperation with the authorities and experts. In the coming year, we will continue our determined work to reduce our environmental impact and develop technology.

## **Safety: Will continue to be strong this year**

A safe working environment is our number one priority. During the past year, we introduced electronic tools for reporting safety observations and safety walks. These new practices have been well received in the production plants and have identified several development areas that have led to concrete improvements in occupational safety. The continuous improvement of occupational safety is also a key goal for us in the coming year.

## **Maintenance: Towards business intelligence**

Maintenance is a central part of our operations, and during the past year we have made significant progress in deploying maintenance software. The reports produced by the software have been an essential tool for monitoring the status of production machines and maintenance costs. The reports allow us to identify deviations in time and proactively plan maintenance actions. We will continue to deploy the software and develop reporting in the coming year.

The implementation of our investment programme is progressing according to plan, and I have strong confidence in the professionalism of our organisation. We have the competence and willingness to execute investments as planned, to face market changes and to take advantage of the related opportunities. I would like to thank all of our employees and partners for their valuable contribution and strong commitment to the success of our Group. The results achieved together lay down a solid foundation for future development.

**Sami Lehtoranta**  
Technical Director







# A year of information security and efficiency

The year 2024 was a particularly busy one for the Group's ICT functions due to the completed acquisitions. Our team worked hard on both the integration of PDM and the disposal of Exsane. We succeeded in achieving our goals on time, for which we would like to thank everyone involved.

Information security is, and will remain, a key focus area for us. We continuously strengthen our information security, ensuring that our systems and data are protected. This work is critical and has allowed us to maintain a high level of information security.

The new wood procurement system, commissioned in autumn 2024, has significantly improved the efficiency and accuracy of our processes. The new system helps us to better manage our supply chain and optimise the use of resources.

Investments have been made in the development of reporting in accordance with our strategy. We have introduced new tools that facilitate more real-time and visual reporting. This development improves decision support and enables better strategic choices.

The development and expansion of the Ponniste system will continue. New features were again introduced at several locations, and we will continue this development in the coming years.

We made significant improvements to the management of terminal devices in 2024. We deployed a new management environment, which has improved the security of our equipment. At the same time, we can better ensure that everyone has access to functional and high-quality equipment.

We will continue to develop a more secure business environment in accordance with best practices, while taking into account customer requirements and EU regulations. Our goal is to allow everyone to work safely and efficiently. In the future, we will certainly face new challenges in the area of information security, but we are prepared to meet them. Technological development brings with it both opportunities and risks, and we need to continuously update and improve our information security practices to stay up to date. Cooperation with customers and stakeholders is key to overcoming these challenges.

I would like to warmly thank the ICT team and the Group's entire personnel for their cooperation. Together we are better, and this year has been a great example of what we can achieve with our joint efforts!

**Ilona Rannikko**  
ICT Director







## CFO's review

# Growth leaps towards our goal

Iivari Mononen Group's goal is to grow to more than EUR 150 million this decade. Our growth strategy is based on both acquisitions and organic growth.

The most significant growth leap in the financial year was achieved in the first quarter by integrating the Irish PDM Timber Treatment Limited into the Group through a share transaction with the Saint-Gobain Group. The acquisition, combined with moderate organic growth, boosted the Group's turnover from EUR 83 million in the previous year to EUR 105 million – covering approximately one-third of our growth journey to reach our goal of EUR 150 million.

The Group's growth did not come at the expense of profitability, on the contrary. The Group's operating profit increased by 61% from EUR 4.2 million to EUR 9.4 million, with the operating margin increasing from 5.0% to 8.9%. It should be noted that relative profitability improved in both businesses despite the construction cycle. Return on equity increased to 23.8% (10.5% in 2023).

The Group's balance sheet increased by EUR 30 million year-on-year to EUR 88 million. The growth is attributable to the divestment of Exsane's light balance sheet services business in November 2023 and its replacement by PDM's manufacturing business, which binds working capital, from March onwards. In addition, significant purchases of raw wood at the very end of the year increased the balance sheet by 9 per cent and temporarily pushed the Group's equity ratio to an exceptionally low level of 36%. Investments for the financial year amounted to more than EUR 13 million, of which approximately one-half was covered by cash flow from operating activities.

During the financial year, the Group employed an average of 191 people. The number of employees decreased slightly because the service business of Exsane sold in the comparison period was more labour-intensive than the manufacturing business acquired. The Group's sickness absence rate decreased slightly to 4.2%.

The well-being of the personnel is a strategic goal of the Group. The Group provides diverse support for the employees' recreational opportunities. The competence of the personnel is developed through case group exercises related to the company's business, organised through the Iivari Mononen Academy, in which participants from different parts of the Group's organisation participate. In addition, we organised a group-level Summer Summit for the second time at the beginning of June, bringing together staff from five different countries to visit Hamar, Norway, to learn about the group's strategy and boost the team spirit.

Our target for the financial year 2025 is a turnover of EUR 120–130 million. The demand situation in the businesses is good and, in some respects, clearly better than in the previous year. In addition, the transactions and restructuring made in M&A lay down the foundations for achieving our goal – quickly. For my part, I would like to thank our employees for their excellent performance in 2024 and wish them every success in the new year of growth leaps in 2025.

**Simo Saastamoinen**  
Group CFO & HR



# Consolidated financial statements and key figures

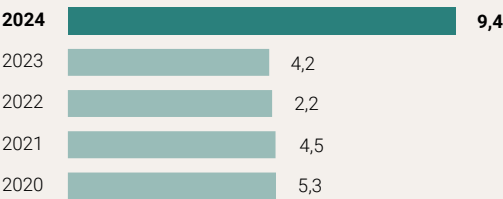
**Turnover**

EUR million



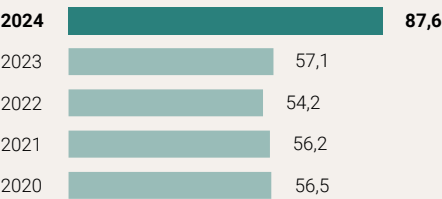
**EBIT**

EUR million



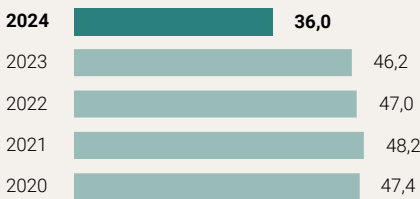
**Assets**

EUR million



**Equity ratio**

Percent





IIVARI MONONEN GROUP, INCOME STATEMENT		2024	2023
<b>Turnover</b>		<b>105 281 661</b>	<b>82 947 541</b>
Changes in inventory of finished goods and work in progress		4 510 613	458 138
Other operating income		49 909	736 772
Materials and services		-67 150 314	-46 818 751
Personnel expenses		-12 256 070	-11 595 481
Depreciation, amortisation and impairment		479 773	-2 253 560
Other operating expenses		-21 549 814	-19 290 167
<b>EBIT</b>		<b>9 365 758</b>	<b>4 184 491</b>
Financial income and expenses		-1 546 835	-1 250 108
<b>Profit/loss before appropriations and taxes</b>		<b>7 818 922</b>	<b>2 934 384</b>
Appropriations		-16 261	-6 707
Income taxes		-895 426	-213 982
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<b>6 907 236</b>	<b>2 713 695</b>

BALANCE SHEET, ASSETS		2024	2023
Intangible assets		4 375 928	5 279 122
Tangible assets		19 917 957	11 281 777
Investments		35 622	35 622
<b>Non-current assets</b>		<b>24 329 507</b>	<b>16 596 522</b>
Inventories		39 004 727	24 191 238
Non-current receivables		120 000	120 000
Current receivables		21 298 208	16 131 376
Cash in hand and at bank		2 835 515	87 008
<b>Current assets</b>		<b>63 258 451</b>	<b>40 529 622</b>
<b>ASSETS</b>		<b>87 587 957</b>	<b>57 126 144</b>

BALANCE SHEET, EQUITY AND LIABILITIES		2024	2023
Share capital		70 000	70 000
Retained earnings		24 569 595	23 605 544
Profit/loss for the financial period		6 907 236	2 713 695
<b>Equity</b>		<b>31 546 830</b>	<b>26 389 239</b>
<b>Appropriations</b>		<b>36 914</b>	<b>21359</b>
<b>Mandatory provisions</b>		<b>2 165 000</b>	<b>0</b>
Non-current liabilities		4 582 950	8 203 996
Current liabilities		49 256 262	22 511 550
<b>Liabilities</b>		<b>53 839 212</b>	<b>30 715 546</b>
<b>EQUITY AND LIABILITIES</b>		<b>87 587 957</b>	<b>57 126 144</b>

# Board of Directors and Management Group 2024

## 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  
Aino Mononen  
Arvi Mononen  
Dana Mononen

Ilkka Mononen  
Juha Mononen  
Lasse Mononen  
Tommi Mononen

## Boards of Directors of Scanpole Oy and PrimaTimber

Ari Mononen, Chair of the Board  
Vesa Korpimies  
Arvi Mononen

Pekka Mononen  
Tommi Mononen  
Janne Monni



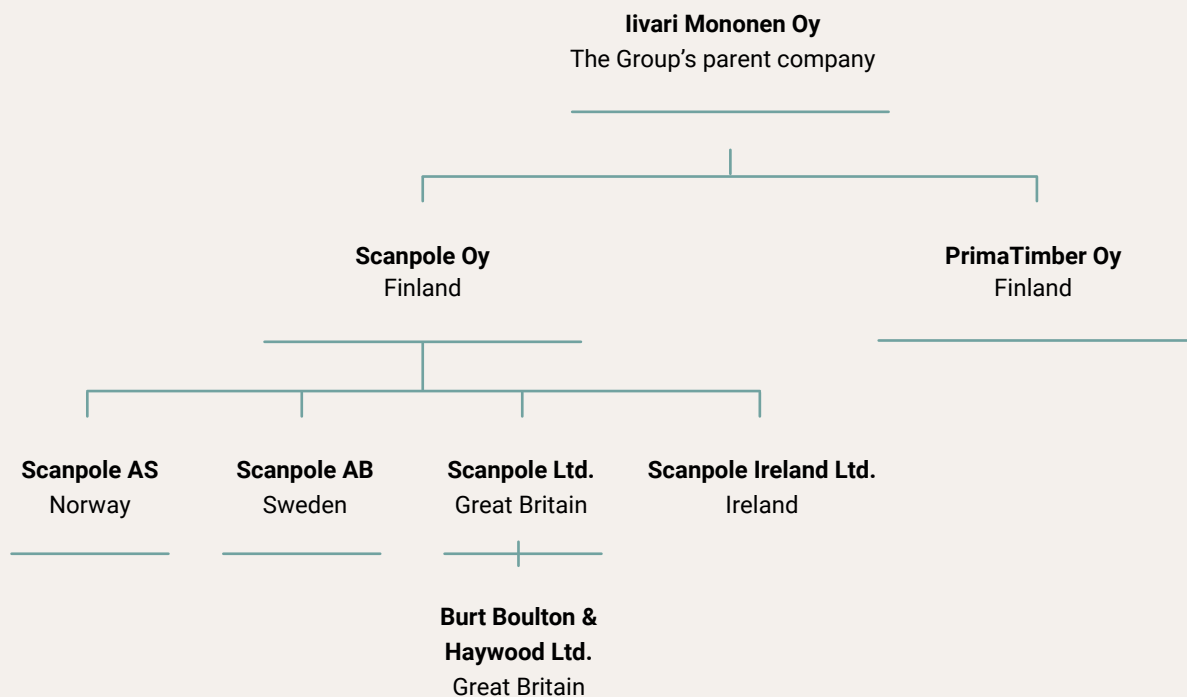
# Group structure

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.



**Scanpole Oy:n tytäryhtiöt ovat:** Scanpole Ab, Scanpole AS, Scanpole Ltd sekä Scanpole Ireland Ltd.

Scanpole-konsernin englantilainen tytäryhtiö Scanpole Ltd. omistaa pylväsvalmistaja Burt Boulton & Haywood Ltd:n.



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[in /company/iivari-mononen-oy](https://www.linkedin.com/company/iivari-mononen-oy)

## Scanpole Oy

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Impregnation plant  
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## Scanpole Ltd

### Burt Boulton &

### Haywood Ltd

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## Scanpole Ab

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[in /company/primatimber](https://www.linkedin.com/company/primatimber)