



VLI TIMBER, AB

Unified registration number 302440414

Interim Financial Statements

For the period 01.01.2025 - 30.06.2025

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General Information

Name of the Parent Group	VLI Timber
Legal status of the Parent Group	Private Limited Liability Company (UAB)
Unified registration number, place and date of registration	302440414, 23 September, 2009 Gražiavietės St. 5, Kurkliai II Village, Kurkliai Subdistrict, Anykščiai District
Registered office	Gražiavietės St. 5, Kurkliai II Village, Kurkliai Subdistrict, Anykščiai District
Shareholders	UAB Lackus Holding (code 307285754, address: Gražiavietės g. 5, LT-29236 Kurklių II k., Kurklių sen., Anykščiai district, Lithuania) holds 100,000 ordinary registered shares of EUR 1 nominal value, representing 72.55% of voting rights. UAB KNV Development LT (code 305648242, address: Turniškių g. 29-1, LT-10104 Vilnius) holds 31,533 ordinary registered shares of EUR 1 nominal value, representing 22.88% of voting rights UAB Plevėsa (code 307142254, address: Didžioji g. 39-41, LT-01128 Vilnius) holds 6,303 ordinary registered shares of EUR 1 nominal value, representing 4.57% of voting rights at the General Meeting of Shareholders.
Subsidiaries	OD Sverige AB, Company code 559403-702960, registered address: Hoverberg 828, 845 62, Svenstavik, Sweden Good Wood Distribution Ltd, Company code 14855108, registered address: 307 Cotton Exchange Building, Old, United Kingdom Santo Cajetan Energy Ltd, Company code 12603173, registered address: 29 Bargates, Box, Corsham, Wiltshire, SN13 8LT, United Kingdom
Financial period	2025.01.01 -2025.06.30



OUR MISSION

To bring warmth and coziness to every home.



INNOVATION

Vli Timber is proud to operate the largest and most efficient firewood factory in the world.

Our team designs and builds unique production equipment, unmatched in the industry.

OUR VISION

To become the biggest and the most innovative firewood producer in Europe.



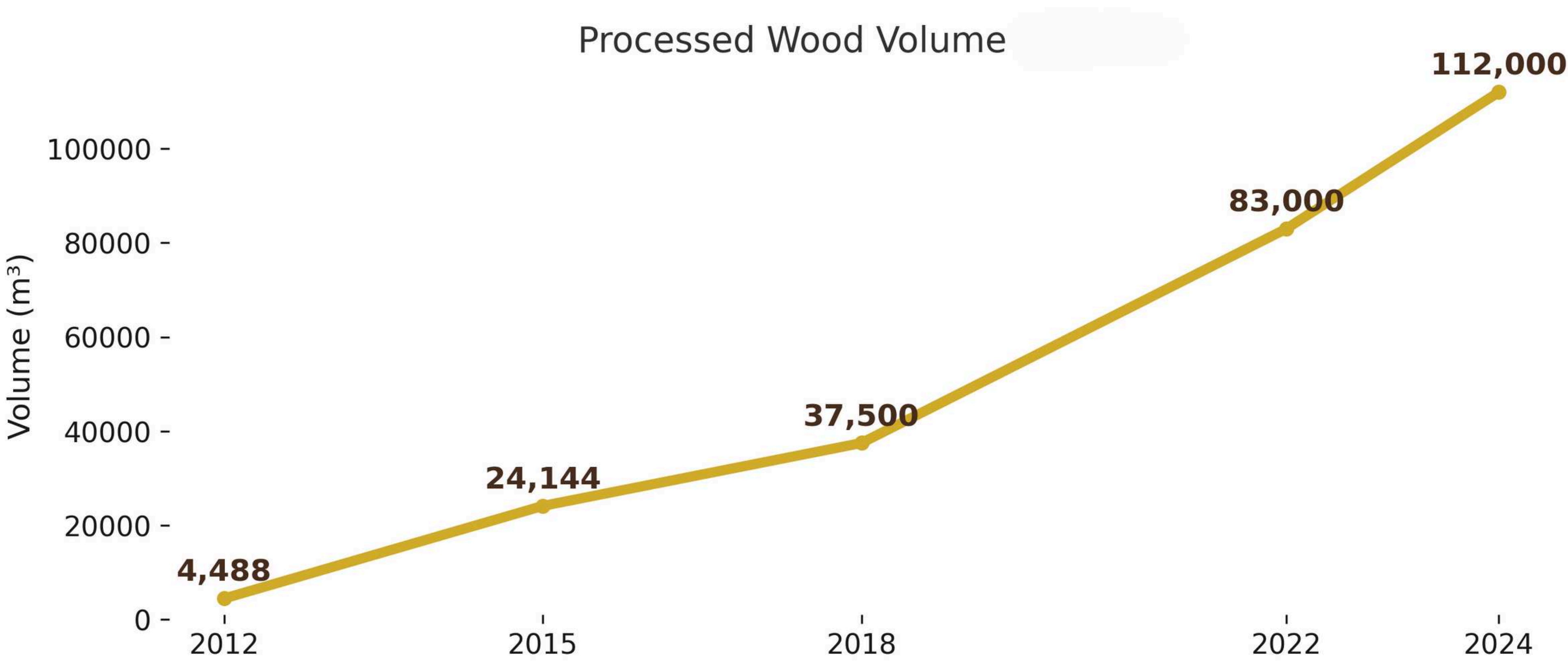
STRATEGIC FOCUS

We have been doing it since 2009, focusing on one industry to be the best in the world by a high margin.



UAB VLI Timber is the **largest producer of kiln-dried firewood in Europe***, operating since 2009. The Company specializes in the **production of kiln-dried firewood** in small packaging formats. Its products are sold across major European retail chains, both directly and through distributors (including LIDL, ALDI, Gamma, Hagebau, TOOM/REWE, B&Q, and others).

The Company's operations are built on a clear strategy: **maximum process efficiency, consistent product quality, and long-term commitment to partners.** With production capacity exceeding **100,000 m³ of processed wood per year**, VLI Timber serves a broad network of clients across Europe and beyond — currently **exporting to more than 10 countries.**



VLI Timber consistently invests in technology, human resources, and export expansion, enabling the company to maintain stable growth and implement production capacity expansion projects. The European firewood market, with an estimated potential size of **€10 to €15 billion**, allows the company to pursue ambitious growth plans without the need to capture a significant market share.

*management estimate

> EUR 21 M

Annual Revenue

>170

Unique Business Clients

>100 000 m³

Processed Wood Volume per Year

Environmental, Safety & Quality Commitments

Vli Timber is committed to high environmental, quality, and safety standards across its operations. It holds the following key certifications:

- **FSC® Chain of Custody Certificate** (Licence Code: FSC – C109548), confirming that the Issuer's wood supply is sourced from sustainably managed forests and that environmental and social responsibility principles are upheld throughout the entire production chain.
- **Woodsure – Ready to Burn Certificate** (Scheme No. WS223), which verifies that the Issuer complies with the UK's quality assurance scheme for woodfuel, ensuring that its products meet moisture and emissions standards and are safe for immediate domestic use.
- **IPPC Certificate**, acknowledging that the Issuer has appropriate processes in place to prevent the spread of pests in wooden packaging material, in compliance with international phytosanitary standards.



General Information about the Company. Business Environment and Strategic Directions

In 2025, Private Limited Liability Company VLI Timber continues its operations with the aim of achieving its strategic objectives. During the first half of the year, the Company carried out and continues to carry out initiatives to increase production capacity and gain a significant competitive advantage over market rivals. Improvements to drying kilns are being implemented, enabling shorter wood-drying cycles. Research, trials, and development efforts are ongoing to identify more efficient methods for automating packaging and splitting processes.

In 2024, the Company secured financing for equipment intended for a new factory in the Jonava district. Currently, the Company is seeking additional support for the construction of the factory itself. To this end, a reorganization was carried out: "KNV Industrial Development LT" (company code 305935445) was merged into VLI Timber. An application for EUR 4 million in financial support has been submitted. Additionally, the Company raised funds through a bond issue. The first issuance consisted of 4,000 bonds with a nominal value of EUR 1,000 each, which were issued and redeemed, thereby raising EUR 4 million.

Information on Subsidiaries, Branches, Affiliates, and Shareholders

The subsidiaries of VLI Timber remain unchanged:

- OD Sverige AB – 150 shares, representing 60% ownership. Company code 559403-702960, registered address: Hoverberg 828, 845 62, Svenstavik, Sweden.
- Good Wood Distribution Ltd – 100 shares, representing 100% ownership. Company code 14855108, registered address: 307 Cotton Exchange Building, Old, United Kingdom.
- Santo Cajetan Energy Ltd – 100 shares, representing 100% ownership. Company code 12603173, registered address: 29 Bargates, Box, Corsham, Wiltshire, SN13 8LT, United Kingdom.

The Company is a VAT payer in Germany and the United Kingdom, and since 1 March 2025, it has been registered as a VAT payer in Ireland as well.

After the interim reporting period, changes occurred in the Company's shareholder structure. As of 17 July 2025, 100 shares with a nominal value of EUR 1,000 each, representing 100% ownership, were transferred to UAB Lackus Holding.

On 23 July 2025, by resolution of the Director, the terms of reorganization were approved, under which UAB KNV Industrial Development LT (company code 305935445, address: Turniškių g. 29-1, LT-10104 Vilnius) was merged into VLI Timber. The share capital of UAB KNV Industrial Development LT amounted to EUR 37,836, divided into 37,836 ordinary shares with a nominal value of EUR 1 each.

As part of the reorganization, the nominal value of VLI Timber shares was changed from EUR 1,000 to EUR 1. After the change, the share capital of VLI Timber was divided into 100,000 registered ordinary shares with a nominal value of EUR 1 each.

On 8 September 2025, the reorganization was completed, new Articles of Association were registered, and the nominal value of shares was amended. The share capital of VLI Timber amounts to EUR 137,836, divided into 137,836 dematerialized ordinary registered shares with a nominal value of EUR 1 each.

Following the reorganization, the shareholders of VLI Timber are as follows:

- UAB Lackus Holding (code 307285754, address: Graživietės g. 5, LT-29236 Kurklių II k., Kurklių sen., Anykščiai district, Lithuania) holds 100,000 ordinary registered shares of EUR 1 nominal value, representing 72.55% of voting rights.
- UAB KNV Development LT (code 305648242, address: Turniškių g. 29-1, LT-10104 Vilnius) holds 31,533 ordinary registered shares of EUR 1 nominal value, representing 22.88% of voting rights.
- UAB Plevėsa (code 307142254, address: Didžioji g. 39-41, LT-01128 Vilnius) holds 6,303 ordinary registered shares of EUR 1 nominal value, representing 4.57% of voting rights at the General Meeting of Shareholders.

The Company has not acquired any of its own shares. The Company does not have a Management Board or Supervisory Council.

Review of Financial Performance

The Company’s principal business activities remained unchanged during the reporting period. In the first half of 2025, revenue increased by EUR 1.2 million compared to the same period of the previous year. Sales revenue amounted to EUR 10,705,226, gross profit reached EUR 1,157,835, while the net result was a net loss of EUR 51,641. However, EBITDA has increased to EUR 1,130 109 compared to 2024 1 H which was EUR 889 155. The small net loss incurred in the first quarter was driven by additional expenses not directly related to core operations, amounting to approximately EUR 100 thousand. These expenses consisted of legal and other advisory services related to the development of the Jonava plant construction project, as well as fees associated with the Company’s first bond issue.

The Company’s performance is significantly affected by seasonality, which impacts both production and sales:

- During winter months, the drying process of firewood in kilns takes longer, resulting in lower production volumes (January, February, March)
- Autumn represents the most active period in the market, when product prices reach their peak, starting from September. While in April, May, June the company is offering low season prices. This seasonality leads to better financial performance in the 2nd half of a year, than the 1st half.

Despite seasonality, the Company ensures full production capacity utilization throughout the year. In spring, sales are supported by more flexible pricing, as well as storage and financing solutions offered to customers. As a result, the first half of the year typically proves to be less profitable, or even loss-making, due to lower prices and slower drying processes.

The Company’s operating results are directly reflected in the key performance indicators:

KPIs	2021	2022	2023	2024	2025 I H
Sales	7828548	16354539	20782737	21382710	10705226
Gross Profit	882991	3527992	4385894	2607534	1157835
EBITDA	616903	2929268	3586405	1989468	1 130 109
Net Profit	169151	2160364	2315775	519338	-51641
Total Assets:	4545892	8371559	13688280	15271290	18813786
Equity	964811	3125175	5413028	5932366	5970725
Equity Ratio	0.21	0.37	0.4	0.39	0.32
Sales	7828548	16354539	20782	21382710	10705226
ICR (EBITDA/expenses from financial and investment activities)	6.58	14.52	13	4.65	4.54

Personnel

The number of employees in the Company has increased. At the end of 2024, the Company employed 113 staff members, while as of 30 June 2025, the number had risen to 132. The average number of employees in 2024 was 103, including an average of 18 administrative staff. From January to June 2025, the average number of employees was 124, with the number of administrative staff remaining unchanged at 18.

General Information about the Company. Business Environment and Strategic Directions

In 2025, Private Limited Liability Company VLI Timber continues its operations with the aim of achieving its strategic objectives. During the first half of the year, the Company carried out and continues to carry out initiatives to increase production capacity and gain a significant competitive advantage over market rivals. Improvements to drying kilns are being implemented, enabling shorter wood-drying cycles. Research, trials, and development efforts are ongoing to identify more efficient methods for automating packaging and splitting processes.

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Implementation of EU-Funded Projects

During the first half of 2025, UAB VLI Timber continued the implementation of projects for which financial support had been granted:

- “Implementation of Energy Efficiency Enhancing Technologies at UAB VLI Timber.”
- The project aims to modernize existing wood-drying kilns in order to increase their efficiency. The total project value is EUR 2,040,000, of which 55% will be financed by support funds.
- “Sustainable Investments in the Expansion of Production Capacity in Jonava District by UAB VLI Timber.”
- The project is intended to establish a new factory in Jonava district, with part of the equipment purchases financed by support funds. The total project value is EUR 11,693,757, of which 69.25% is expected to be financed from EU funds.

In the reporting year, the Company also began implementing the project “Implementation of Renewable Energy Generation Capacity at UAB VLI Timber”, in accordance with a contract signed in 2023.

In 2024, the following financial support was received and utilized:

	2025 m. I pusm.	2024 m.
Opening balance	1 091 920	1 640 063
Grants receivable at the beginning of the period		(1 020 801)
Grants received during the period	426 900	714 358
Amortisation of grants (subsidies)	(414 913)	(241 701)
Grants receivable at the end of the period	-	-
Opening balance	1 375 907	1 091 920

As of 30 June 2025, the balance of grants received from the European Union Structural Fund amounted to EUR 1,375 thousand, detailed as follows:

Name of the project	Balance of grants received at the end of the period, EUR
Modernisation of the biofuel boiler house of UAB VLI TIMBER	145 779
UAB VLI TIMBER "Implementation of digitalisation technologies in the Company's production processes"	92 654
Implementation of Competitive Cultural Products by UAB VLI TIMBER"	5 175
Implementation of Environmentally Friendly Technologies at VLI TIMBER	308 297
Implementation of New Technological Solutions for the Digitalisation and Automation of Production Processes at UAB VLI TIMBER	384 402
Development of Renewable Energy Production Capacity at UAB VLI TIMBER	41 126
Total	398 474
Modernisation of the biofuel boiler house of UAB VLI TIMBER	1 375 907

The primary objective of all ongoing projects is the expansion of the Company through the optimization and modernization of production processes, which will help maintain long-term competitiveness. By investing both its own funds and support from EU Structural Funds, the Company addresses the key gaps between market demand and its operational capabilities.

Operational Risks and Hedging

The Company utilizes all existing risk management tools and measures currently in place to mitigate operational risks. Further details can be found in the 2024 Annual Management Report.

Subsequent Events

Apart from the above-mentioned reorganization, changes in shareholders, and bond issuance, no other subsequent events occurred after the reporting period and before the preparation of these financial statements that would affect them or require additional disclosure.

Business Plans and Forecasts

The intentions and plans for 2025 remain unchanged. The Company continues to implement ongoing projects and pursue its set objectives. Currently, the Company has additionally applied for EUR 4 million in funding for the construction of a new production facility in Jonava district.

Director Darius Lackus

Financial Statements

Statement of Comprehensive Income



	Notes No.	2025 II Q	2024 Y
Net turnover		10705226	21382710
Cost of sales		(9547391)	(18775176)
Fair value adjustments of the biological assets			
GROSS PROFIT (LOSS)		1157835	2607534
Selling expenses		(69543)	(249032)
General and administrative expenses		(897615)	(1815845)
Other operating results		6661	1596
Income from investments in the shares of parent, subsidiaries and associated entities			
Income from other long-term investments and loans			
Other interest and similar income		8384	16766
The impairment of the financial assets and short-term investments			
Interest and other similar expenses		(257505)	(427602)
PROFIT (LOSS) BEFORE TAXATION		(51783)	133417
Tax on profit		126	385921
NET PROFIT (LOSS)		(51657)	519338
Depreciation		(932755)	(1444215)
EBITDA		1130109	1989468

Statement of Financial Position



ASSETS

	Notes No.	2025 II Q	2024 Y
ASSETS			
FIXED ASSETS		10704893	10289982
INTANGIBLE ASSETS		105600	130388
Assets arising from development			
Goodwill			
Software		105600	130388
Concessions, patents, licences, trade marks and similar rights			
Other intangible assets			
Advance payments			
TANGIBLE ASSETS		9869232	9465462
Land		28877	28877
Buildings and structures		5058426	4488235
Machinery and plant		3182527	3484625
Vehicles		304011	345615
Other equipment, fittings and tools		302983	377966
Investment property		-	-
Land			
Buildings			
Advance payments and tangible assets under construction (production)		992408	740144

Statement of Financial Position



ASSETS

FINANCIAL ASSETS	329429	293626
Shares in entities of the entities group	38329	38329
Loans to entities of the entities group	44500	44500
Amounts receivable from entities of the entities group		
Shares in associated entities		
Loans to associated entities		
Amounts receivable from the associated entities		
Long-term investments		
Amounts receivable after one year	207664	196633
Other financial assets	38936	14164
OTHER FIXED ASSETS	400632	400506
Assets of the deferred tax on profit	400632	400506
Biological assets		
Other assets		
CURRENT ASSETS	8040807	4873433
STOCKS	1953725	1958361
Raw materials, materials ir consumables	1283060	1185701
Production and work in progress	177064	141561
Finished goods	216161	256893
Goods for resale	1082	1083
Biological assets		
Fixed tangible assets held for sale		
Advance payments	276358	373123
AMOUNTS RECEIVABLE WITHIN ONE YEAR	4138728	2836105
Trade debtors	3096876	2152199
Amounts owed by entities of the entities group	459274	429824
Amounts owed by associates entities		
Other debtors	582578	254082
SHORT-TERM INVESTMENTS	-	-
Shares in entities of the entities group		
Other investments		
CASH AND CASH EQUIVALENTS	1948354	78967
PREPAYMENTS AND ACCRUED INCOME	68086	107875
TOTAL ASSETS	18813786	15271290

EQUITY AND LIABILITIES

Article	Notes No.	2025 II Q	2024 Y
EQUITY		5880725	5932366
CAPITAL		100000	100000
Authorised (subscribed) or primary capital		100000	100000
Subscribed capital unpaid (–)			
Own shares (–)			
SHARE PREMIUM ACCOUNT			
REVALUATION RESERVE			
RESERVES		10000	290
Compulsory reserve or emergency (reserve) capital		10000	290
Reserve for acquiring own shares			
Other reserves			
RETAINED PROFIT (LOSS)		5770725	5832076
Profit (loss) for the reporting year		(51641)	519338
Profit (loss) brought forward		5822366	5312738
GRANTS, SUBSIDIES		1375907	1091920
PROVISIONS		-	-
Provisions for pensions and similar obligations			
Provisions for taxation			
Other provisions			
AMOUNTS PAYABLE AND OTHER LIABILITIES		11529879	8170407

EQUITY AND LIABILITIES

Article	Notes No.	2025 II Q	2024 Y
AMOUNTS PAYABLE AFTER ONE YEAR AND OTHER LONG-TERM LIABILITIES		5111431	1631580
Debenture loans		235043	292262
Amounts owed to credit institutions		876388	1339318
Payments received on account			
Trade creditors			
Amounts payable under the bills and checks			
Amounts payable to the entities of the entities group			
Amounts payable to the associated entities			
Other amounts payable and long-term liabilities		4000000	
AMOUNTS PAYABLE WITHIN ONE YEAR AND OTHER SHORT-TERM LIABILITIES		6418448	6538827
Debenture loans		116120	105131
Amounts owed to credit institutions		3472544	2598779
Payments received on account		23814	149776
Trade creditors		2324661	3283493
Amounts payable under the bills and checks			
Amounts payable to the entities of the entities group			
Amounts payable to the associated entities			
Liabilities of tax on profit			
Liabilities related to employment relations		471182	383587
Other amounts payable and short-term liabilities		10127	18061
ACCRUALS AND DEFERRED INCOME		27275	76597
TOTAL EQUITY AND LIABILITIES		18813786	15271290

Changes in Equity
(Reporting period 2025.01.01 - 2025.06.30)

	Paid up authorised or primary capital	Share premium account	Own shares (-)	Revaluation reserve		Legal reserve		Other reserves	Retained profit (loss)	Total
				Fixed tangible assets	Financial assets	Compulsory reserve or emergency (reserve) capital	Reserve for acquiring own shares			
Balance at the end of the reporting (yearly) period before previous	2896					290			5409842	5413028
Result of changes in accounting policies										-
Result of correcting material errors										-
Recalculated balance at the end of the reporting (yearly) period before previous	2896	-	-	-	-	290	-	-	5409842	5413028
Increase (decrease) in the value of fixed tangible assets										-
Increase (decrease) in the value of effective hedging instruments										-
Acquisition (sale) of own shares										-
Profit (loss) not recognised in the profit (loss) account										-
Net profit (loss) of the reporting period									519338	519338
Dividends										-
Other payments										-
Formed reserves										-
Used reserves										-
Increase (decrease) of authorised capital or shareholders' contributions ('shares repayment)	97104								(97104)	-
Increase (decrease) of other authorised or primary capital										-
Contributions to cover losses										-

Changes in Equity
(Reporting period 2025.01.01 - 2025.06.30)

	Paid up authorised or primary capital	Share premium account	Own shares (-)	Revaluation reserve		Legal reserve		Other reserves	Retained profit (loss)	Total
				Fixed tangible assets	Financial assets	Compulsory reserve or emergency (reserve) capital	Reserve for acquiring own shares			
Balance at the end of the previous reporting (yearly) period	100000	-	-	-	-	290	-	-	5832076	5932366
Increase (decrease) in the value of fixed tangible assets										-
Increase (decrease) in the value of effective hedging instruments										-
Acquisition (sale) of own shares										-
Profit (loss) not recognised in the profit (loss) account										-
Net profit (loss) of the reporting period									(51641)	(51641)
Dividends										-
Other payments										-
Formed reserves						9710				-
Used reserves										-
Increase (decrease) of authorised capital or shareholders' contributions ('shares repayment')										-
Increase (decrease) of other authorised or primary capital										-
Contributions to cover losses										-
Balance at the end of the reporting period	100000	-	-	-	-	10000	-	-		5880725

Cash Flows

Article	Notes No.	2025 II Q	2024 II Q
Cash flows from operating activities			
Net profit (loss)		(51641)	13836
Depreciation and amortisation expenses		1080629	825763
Elimination of results of disposals of fixed tangible and intangible assets			
Elimination of results of financing and investing activities		249121	153906
Elimination of results of other non-cash transactions			
Decrease (increase) in amounts receivable from entities of the entities group and the associated entities			
Decrease (increase) in other amounts receivable after one year		(1031)	(4223)
Decrease (increase) in assets of the deferred tax on profit		(126)	
Decrease (increase) in stocks, except advance payments		(92129)	(252211)
Decrease (increase) in advance payments		96765	101859
Decrease (increase) in trade debtors		(944677)	(1819669)
Decrease (increase) in amounts owed by entities of the entities group and associated entities		(29450)	(12287)
Decrease (increase) in other debtors		(328796)	534531
Decrease (increase) in short-term investments			
Decrease (increase) in prepayments and accrued income		39789	29624
Increase (decrease) in provisions			
Increase (decrease) in trade of long-term creditors and prepayments received on account			
Increase (decrease) in amounts payable under the bills and checks after one year			
Increase (decrease) in long-term amounts payable for entities of the entities group and associated entities			
Increase (decrease) in trade with short-term creditors and prepayments received on account		(1084794)	7972
Increase (decrease) in amounts payable under the bills and checks within one year			

Cash Flows

Article	Notes No.	2025 II Q	2024 II Q
Increase (decrease) in short-term amounts payable for entities of the entities group and associated entities			
Increase (decrease) in liabilities of tax on profit			
Increase (decrease) in liabilities related to employment relations		87595	9336
Increase (decrease) in other amounts payable and liabilities		(7934)	(18672)
Increase (decrease) in accruals and deferred income		(49322)	(69060)
Net cash flows from operating activities		(1036001)	(499295)
Cash flows from investing activities			
Acquisition of fixed assets (excluding investments)		(1471313)	(1628356)
Disposal of fixed assets (excluding investments)		11702	49742
Acquisition of long-term investments		(24772)	
Disposal of long-term investments			
Loans granted		(10000)	(8600)
Loans recovered		300	1469
Dividends and interest received		6223	6368
Other increases in cash flows from investing activities		283987	
Other decreases in cash flows from investing activities			(104350)
Net cash flows from investing activities		(1203873)	(1683727)

Cash Flows

Article	Notes No.	2025 II Q	2024 II Q
Cash flows from financing activities			
Cash flows related to entity's owners		-	-
Issue of shares			
Owner's contributions to cover losses			
Purchase of own shares			
Dividends paid			
Cash flows related to other financing sources		4109261	2076371
Increase in financial debts		6500000	2000000
Loans received		2500000	2000000
Issue of bonds		4000000	
Decrease in financial debts		(1461845)	(607840)
Loans returned		(1161334)	(393950)
Redemption of bonds			
Interest paid		(254281)	(160301)
Finance leases payments		(46230)	(53589)
Increase in other liabilities of the entity			684184
Decrease in other liabilities of the entity		(927831)	
Other increases in cash flows from financing activities		1596	2569
Other decreases in cash flows from financing activities		(2659)	(2542)
Net cash flows from financing activities		4109261	2076371
Adjustments due to changes in exchange rates on the balance of cash and cash equivalents			
Increase (decrease) of net's cash flows		1869387	(106651)
Cash and cash equivalents at the beginning of the period		78967	198829
Cash and cash equivalents at the end of the period		1948354	92178



Notes to the Financial Statements

1. Sales revenue

Sales revenue for the financial year consisted to:

	2025 II Q	2024 II Q
Sales in Lithuania	-11 420	461 442
Exports to third countries	4 784 205	3 681 876
Dispatches to the European Union	5 932 441	5 353 859
Total	10 705 226	9 497 177

Sales revenue for the first half of 2025 increased by EUR 1,208 thousand compared to the first half of 2024, mainly due to higher production capacity.

2. General and administrative cost

Name	2025 II Q	2024 II Q
General and administrative costs	897 615	925 198
Wages and social security	479 525	510 708
Consulting, training, and professional development expenses	65 611	62 618
Land and premises rental and operating expenses	95 144	92 347
Passenger car rental, repair, and operating expenses	23 535	9 157
Insurance costs	48 966	30 032
Depreciation and amortisation of non-current assets	67 929	38 922
Costs on operating tax	7 258	35 542
Accrued holiday provisions and related social security costs	109 647	145 872

3. Financial and investment activities

Indicators	2025 II Q	2024 II Q
a) INCOME FROM FINANCING AND INVESTING ACTIVITIES:	7 819	9 536
Breakdown of amounts:		
loan interest	6 223	6 384
positive effect of exchange rate changes	218	
finances, default interest	1 378	3 152
b) COSTS OF FINANCING AND INVESTING ACTIVITIES	256 940	163 442
Breakdown of amounts:		
interest paid to leasing companies	10 205	11 215
factoring interest and acceptance fees	37 816	27 890
loan and credit interest	126 190	123 032
investment revaluation costs	80 070	
negative effect of exchange rate changes		1 305
finances, default interest	2 659	
c) RESULT OF THE FINANCIAL AND INVESTMENT ACTIVITY (a - b)	(249 121)	(153 906)

4. Loans and borrowings

The table below reflects transactions with related companies during the first half of 2025:

Related party	Procurements	Sales	Receivables	Payables	Loans granted	Interest on loan granted
Santo Cajetan Energy Ltd	-	-	9 528	-	-	-
OD Sverige AB	-	176 558	152 071	-	-	-
*Good Wood Distribution Ltd	17 119	231 310	297 675	-	44 500	1 335
Total	17 119	407 868	459 274	-	44 500	1 335

**The loan repayment deadline was extended until 31 December, 2026. The loan agreement stipulates an annual interest rate of 6.05%.*

The table below reflects transactions with related companies during the first half of 2024:

Related party	Procurements	Sales	Receivables	Payables	Loans granted	Interest on loan granted
Santo Cajetan Energy Ltd	-	225	38 848	-	-	-
OD Sverige AB	-	272 046	139 598	-	-	-
Good Wood Distribution Ltd	11 353	162 887	184 023	-	44 500	1 342
Total	11 353	435 158	362 469	-	44 500	1 342



Borrowings and debt to credit institutions

As of 30 June 2025, the Company's financial liabilities amounted to:

	2025 II Q	2024 Y
Financial liabilities to credit institutions by maturity:		
Within the first year	3 472 544	2 598 779
Within the second to fifth years	876 388	1 339 318
After five years		
Total financial liabilities	4 348 932	3 938 097
Lease (finance lease) liabilities by maturity:		
Within the first year	116 120	105 131
Within the second to fifth years	235 043	292 262
After five years		
Total lease (financial lease) liabilities	351 163	397 393

As of 30 June 2025, the Company granted a loan to the Company's Director. The loan carries a fixed interest rate. The interest accrued during the first half of 2025 amounted to EUR 4,316 (first half of 2024 – EUR 4,223). The loan is repayable by 31 December 2026.

UAB VLI Timber issued bonds to finance its expansion. The first issue comprised 4,000 bonds with a nominal value of EUR 1,000 each, amounting to EUR 4 million. Interest is calculated and paid quarterly. The redemption date of the bonds is 30 March 2028.

Post-reporting events

On 18 March 2025, a credit line agreement was signed with a credit limit of EUR 2 500 000. The credit line has a maturity date of 17 March 2026.

Apart from the above, no other post-accounting events have occurred after the end of the financial year and up to the date of approval of these financial statements that would have an impact on these financial statements or require additional disclosure.

Signed on behalf of Vli Timber, AB on 29
September 2025 by:

Darius Lackus
CEO

Sigita Mikutienė
Responsible Accountant

This document has been signed with a secure electronic signature and has a time-stamp

