



VLI TIMBER, UAB  
Unified registration number 302440414

# Quarterly Financial Statements

For the period 2025.01.01 - 2025.09.30

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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	<p>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.</p> <p>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</p> <p>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.</p>
Subsidiaries	<p>OD Sverige AB, Company code 559403-702960, registered address: Hoverberg 828, 845 62, Svenstavik, Sweden</p> <p>Good Wood Distribution Ltd, Company code 14855108, registered address: 307 Cotton Exchange Building, Old, United Kingdom</p> <p>Santo Cajetan Energy Ltd, Company code 12603173, registered address: 29 Bargates, Box, Corsham, Wiltshire, SN13 8LT, United Kingdom</p>
Financial period	2025.01.01 - 2025.09.30



## OUR VISION

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



## OUR MISSION

To bring warmth and coziness to every home.



## STRATEGIC FOCUS

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



## INNOVATION

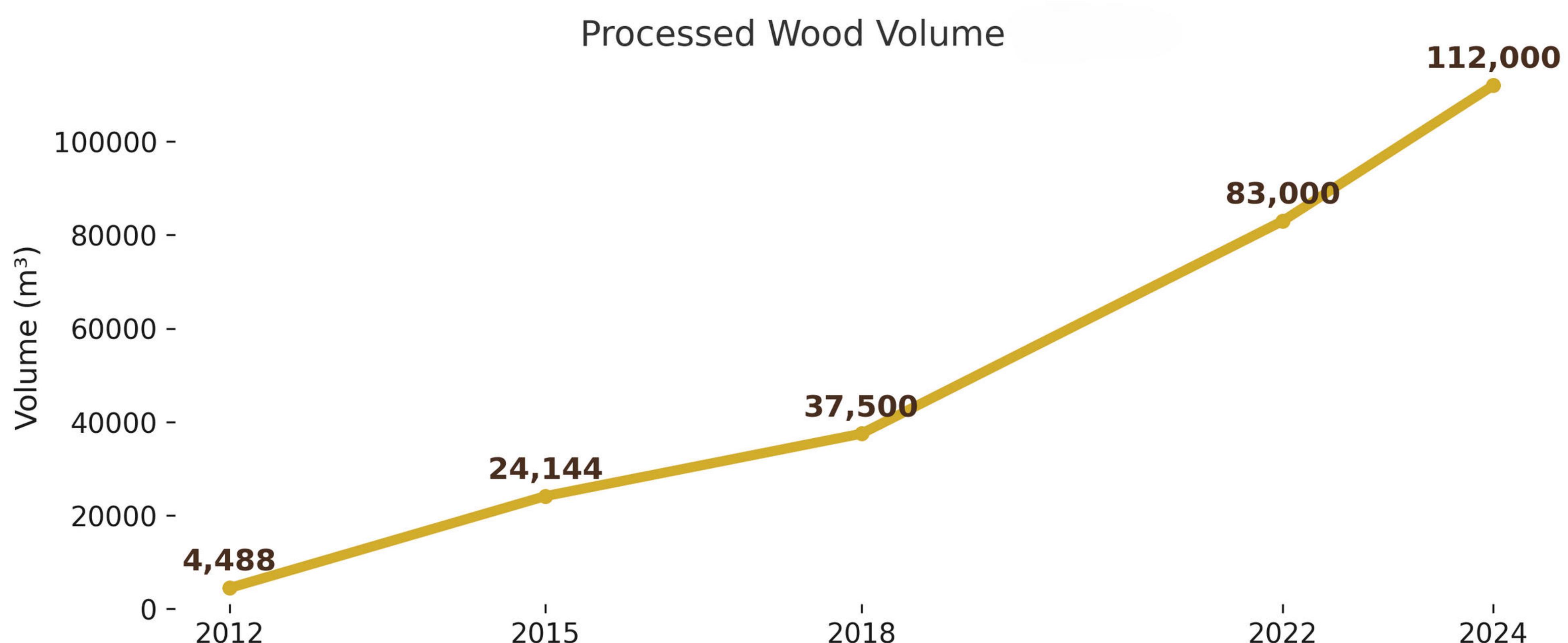
Vli Timber is proud to operate the largest and most efficient firewood factory in the world.

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



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 m<sup>3</sup> 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 m<sup>3</sup>**  
Processed Wood Volume per Year

# Processed Low-grade Timber Volumes (m<sup>3</sup>)

Vli Timber

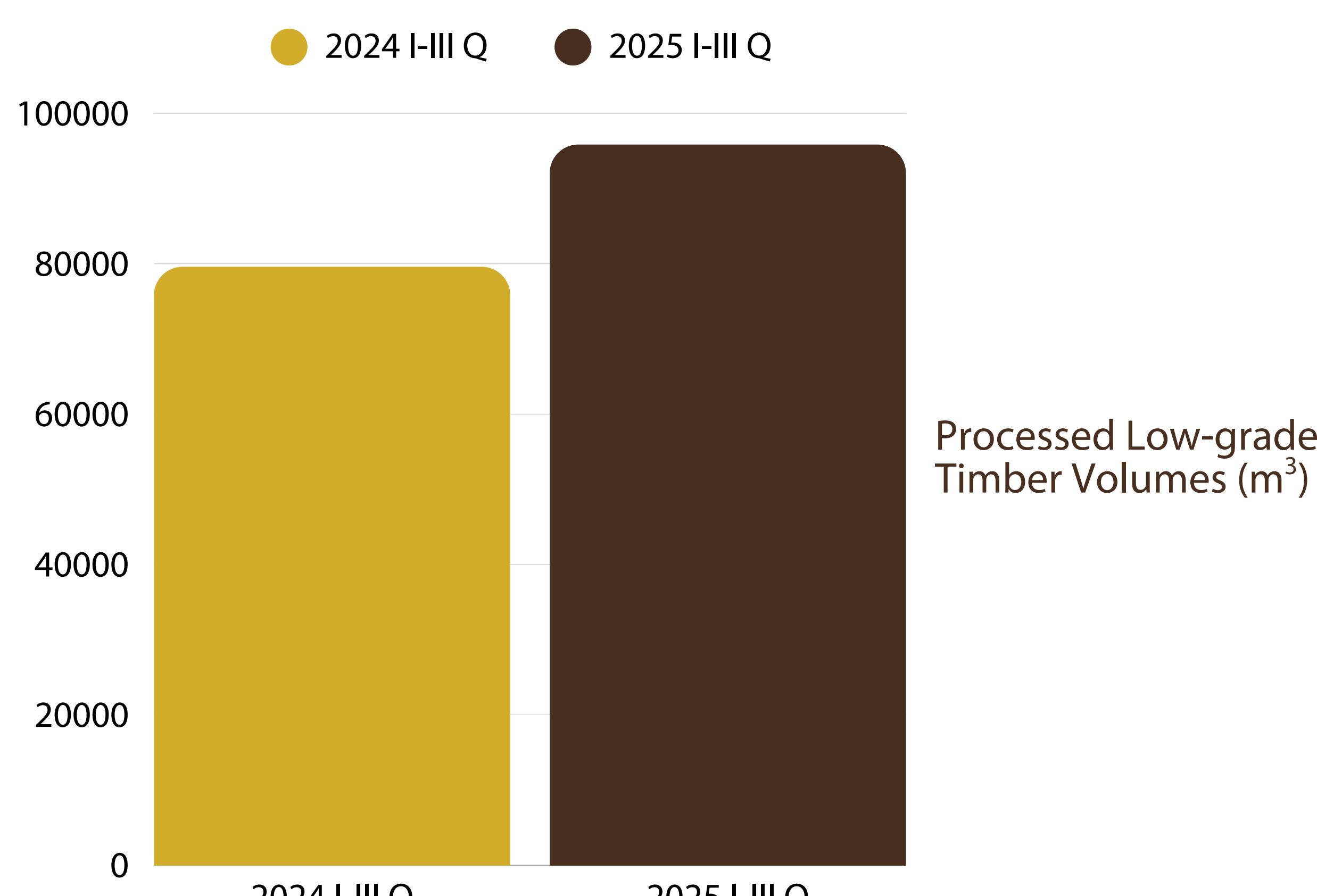
	<u>2025 I-III Q</u>	<u>Percentage</u>	<u>2024 I-III Q</u>	<u>Percentage</u>
Birch	53378	55.68%	53088	66.69%
Alder	28107	29.32%	9204	11.56%
Ash	8890	9.27%	9323	11.71%
Oak	4553	4.75%	6667	8.38%
Hornbeam	933	0.97%	1319	1.66%
<b>Total</b>	<b>95861</b>		<b>79601</b>	

“ During Q1-Q3 of 2025, we increased the volume of **low-grade timber** we process by approximately **20.4%** compared to 2024. A large share of this growth came from expanding our input mix — particularly through a higher share of alder — as we move into the German supermarket segment. While this raw material category is more cost-efficient, it plays a strategic role in broadening our market presence ahead of the new Venecija firewood factory launch in Jonava district.

Throughout 2024, we invested heavily in our production capacity. These investments enabled us to achieve higher output, and today our main bottleneck is purely operational - **we sell everything we are able to produce**. We operate year-round, supported by our in-house engineered small-block splitting line, a system we continuously refine. It already runs efficiently and with a high level of automation, and the same technology will be applied in our upcoming Venecija facility.

During the summer of 2024, we also completed a major **kiln modernization project**. This upgrade allows us to **dry considerably larger volumes** during winter by optimizing electricity consumption and shortening the drying cycles that are normally much longer during the cold season. As a result, **we expect to continue increasing winter production volumes going forward.** ”

– Darius Lackus, CEO



# 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.





# Quarterly Financial Statements

# Statement of Comprehensive Income

	Notes No.	2025 III Q	2024 III Q
Net turnover		16850291	15276950
Cost of sales		(15006731)	(13531293)
Fair value adjustments of the biological assets			
<b>GROSS PROFIT (LOSS)</b>		<b>1843560</b>	<b>1745657</b>
Selling expenses		(123290)	(185360)
General and administrative expenses		(1363267)	(1226438)
Other operating results		45554	571
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		10865	13291
The impairment of the financial assets and short- term investments			
Interest and other similar expenses		(403796)	(296650)
<b>PROFIT (LOSS) BEFORE TAXATION</b>		<b>9626</b>	<b>51071</b>
Tax on profit		126	
<b>NET PROFIT (LOSS)</b>		<b>9752</b>	<b>51071</b>
Depreciation		(1418850)	(1108848)
<b>EBITDA</b>		<b>1821407</b>	<b>1443278</b>

# Statement of Financial Position

## ASSETS

	Notes No.	2025 III Q	2024 Y
<b>ASSETS</b>			
<b>FIXED ASSETS</b>	<b>10786012</b>	<b>10289982</b>	
INTANGIBLE ASSETS	93207	130388	
Assets arising from development			
Goodwill			
Software	93207	130388	
Concessions, patents, licences, trade marks and similar rights			
Other intangible assets			
Advance payments			
<b>TANGIBLE ASSETS</b>	<b>9921897</b>	<b>9465462</b>	
Land	28877	28877	
Buildings and structures	5227872	4488235	
Machinery and plant	2931300	3484625	
Vehicles	283209	345615	
Other equipment, fittings and tools	263065	377966	
Investment property	-	-	
Land			
Buildings			
Advance payments and tangible assets under construction (production)	1187574	740144	

# Statement of Financial Position

## ASSETS

<b>FINANCIAL ASSETS</b>	<b>370276</b>	<b>293626</b>
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	210675	196633
Other financial assets	76772	14164
<b>OTHER FIXED ASSETS</b>	<b>400632</b>	<b>400506</b>
Assets of the deferred tax on profit	400632	400506
Biological assets		
Other assets		
<b>CURRENT ASSETS</b>	<b>7181783</b>	<b>4873433</b>
STOCKS	1930616	1958361
Raw materials, materials ir consumables	1283373	1185701
Production and work in progress	194877	141561
Finished goods	217618	256893
Goods for resale	1041	1083
Biological assets		
Fixed tangible assets held for sale		
Advance payments	233707	373123
<b>AMOUNTS RECEIVABLE WITHIN ONE YEAR</b>	<b>4999375</b>	<b>2836105</b>
Trade debtors	3965448	2152199
Amounts owed by entities of the entities group	662723	429824
Amounts owed by associates entities		
Other debtors	371204	254082
<b>SHORT-TERM INVESTMENTS</b>	<b>-</b>	<b>-</b>
Shares in entities of the entities group		
Other investments		
<b>CASH AND CASH EQUIVALENTS</b>	<b>251792</b>	<b>78967</b>
<b>PREPAYMENTS AND ACCRUED INCOME</b>	<b>29779</b>	<b>107875</b>
<b>TOTAL ASSETS</b>	<b>17997574</b>	<b>15271290</b>

# Statement of Financial Position

## EQUITY AND LIABILITIES

Article	Notes No.	2025 III Q	2024 Y
<b>EQUITY</b>		<b>5979954</b>	<b>5932366</b>
<b>CAPITAL</b>		<b>137836</b>	<b>100000</b>
Authorised (subscribed) or primary capital		137836	100000
Subscribed capital unpaid (-)			
Own shares (-)			
<b>SHARE PREMIUM ACCOUNT</b>			
<b>REVALUATION RESERVE</b>			
RESERVES		10000	290
Compulsory reserve or emergency (reserve) capital		10000	290
Reserve for acquiring own shares			
Other reserves			
<b>RETAINED PROFIT (LOSS)</b>		<b>5832118</b>	<b>5832076</b>
Profit (loss) for the reporting year		9752	519338
Profit (loss) brought forward		5822366	5312738
<b>GRANTS, SUBSIDIES</b>		<b>1320032</b>	<b>1091920</b>
<b>PROVISIONS</b>		-	-
Provisions for pensions and similar obligations			
Provisions for taxation			
Other provisions			

# Statement of Financial Position

## EQUITY AND LIABILITIES

Article	Notes No.	2025 III Q	2024 Y
<b>AMOUNTS PAYABLE AND OTHER LIABILITIES</b>		<b>10616227</b>	<b>8170407</b>
AMOUNTS PAYABLE AFTER ONE YEAR AND OTHER LONG-TERM LIABILITIES		5561555	1631580
Debenture loans		222237	292262
Amounts owed to credit institutions		1339318	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		5054672	6538827
Debenture loans		112129	105131
Amounts owed to credit institutions		1647667	2598779
Payments received on account		43006	149776
Trade creditors		2774407	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		464089	383587
Other amounts payable and short-term liabilities		13374	18061
ACCRAULS AND DEFERRED INCOME		<b>81361</b>	<b>76597</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17997574</b>	<b>15271290</b>

Signed on behalf of Vli Timber, UAB on 28  
November 2025 by:

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Darius Lackus  
CEO

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Sigita Mikutienė  
Responsible Accountant

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

