

Kesla Sells the Product Rights of Its Previously Discontinued Wood Chipper Product Group to Lithuanian UAB Ukmergès Staklès

Kesla announced in June 2025 that it had decided to discontinue its wood chipper product group as part of the company's strategic review. At the same time, the company initiated a sales process for the product rights related to wood chipper products. On 17 December 2025, Kesla signed an agreement to sell all product rights related to wood chipper products to the Lithuanian mechanical engineering company UAB Ukmergès Staklès.

The transaction includes all intellectual property rights related to wood chippers, technical support, the existing spare parts inventory, as well as customer and supplier information associated with the chippers. The contents of the transaction will be transferred to the buyer over the next 90 days, after which the buyer will assume full responsibility for spare parts services, technical support, and aftermarket services for Kesla chippers on the market, in accordance with original customer commitments.

The financial impact of the product rights sale is minor, and the transaction does not affect Kesla's financial guidance for 2025.

“As we have emphasized before, the foundation of our operations is that Kesla continues to offer a competitive product and service portfolio that meets the needs of demanding customers. We continue our structural review process and will focus, according to our strategy, on those product groups in which Kesla has the clearest competitive advantages. As a result of the chipper-related product line decision, new cooperation opportunities have opened for Kesla, since international chipper manufacturers are important potential OEM partners for us. When chipper manufacturers no longer see Kesla as a competitor, we can focus even more strongly on developing new OEM customer relationships and offering our crane selection suitable for chipper use to a broader customer base,” comments Kesla's CEO **Pasi Nieminen**.

“Manufacturing our own wood chippers is part of our company's vision. The agreement now signed with Kesla is the best way to speed up our market entry,” comments UAB Ukmergès Staklès CEO **Darius Brasiūnas**.

The sale of the wood chipper product group's product rights is part of the implementation of the company's strategy and the structural assessment and restructuring process to improve Kesla's business and financial situation, announced on 1 December 2025. The structural assessment process and improvement measures continue, and decisions based on them will be communicated separately.

Information about the buyer

Founded in 2000, UAB Ukmergès Staklès is one of Lithuania's largest manufacturers of high-quality mechanical multi-purpose components. The company specializes in the production of shafts, gear and pulley components, couplings, gear racks, chains, and other demanding parts. The company also has extensive experience in providing repair and restoration services of industrial shredders and wood chippers.

Kesla Oyj

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Pasi Nieminen (Kesla Oyj, CEO) and Darius Brasiūnas (UAB Ukmergės Staklės, CEO)

Kesla – Your Responsible Partner

Kesla is a responsible partner that develops machinery, technology and services for the sustainable success of its customers, both in and outside the forest. Kesla's four product groups are: tractor equipment, logging equipment, stationary and industrial cranes, and KESLA Defence. In 2024, the Group's turnover was €44,3 million, of which 53% was attributable to export operations. Established in 1960, Kesla has production facilities in Joensuu, Kesälahti and Ilomantsi as well as a sales office in Appenweier, Germany. Kesla currently employs around 232 people. Kesla's A series shares are listed on the Nasdaq Helsinki Ltd. www.kesla.com