

## Latvian Forest Company sells Vidzeme portfolio in Latvia and proposes a dividend of SEK 2 per share

**Latvian Forest Company has entered into an agreement to sell Vidzeme portfolio, comprising ca. 2,200 hectares of land, of which approximately 90% is forest land, with a standing timber volume of approximately 300,000 m<sup>3</sup>. The purchase price amounts to EUR 11,925,000.**

The purchase price is in line with the company's own valuation of the portfolio based on a discounted cash flow (DCF) model using a discount rate of 7.25%. The sale is part of the previously communicated assessment of the market interest in the company's forest assets. The company has decided to proceed with the sale because it realises the portfolio's assessed fair value, strengthens the company's financial position and enables a return of capital to shareholders. The sale is carried out through a newly formed Latvian subsidiary. The transaction is conditional upon the Latvian Register of Enterprises registering the transfer of the shares in the Latvian subsidiary. The transaction is expected to be completed at the end of October 2026. The transaction is executed through an escrow account, and the purchase price will be released only once the shares have been registered with the Latvian Register of Enterprises. The buyer is one of Europe's leading asset managers focusing on investments in forest and agricultural properties and is not a related party of Latvian Forest Company.

The proceeds are intended to be used to repay approximately EUR 3.2 million of the company's long-term loans, whereby the group's loan-to-value ratio (LTV) is estimated to decrease from 15.8% to 11.6%. The Board of Directors has further resolved to propose a dividend of SEK 2.00 per share, totalling approximately SEK 80 million. The proposal will be submitted to an extraordinary general meeting, which is expected to be convened once the purchase price has been received and held during the fourth quarter of 2026.

The assets being sold represent 26.5% of the company's total property holdings and 33.2% of its property holdings in Latvia. Following the sale, the company's property holdings comprise 6,145 hectares, of which 4,451 hectares are in Latvia and 1,693 hectares in Lithuania, with a total standing timber volume of ca. 775,000 m<sup>3</sup>.

### For further information, please contact:

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*This information is information that Latvian Forest Company AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 16 October 2026 at 19:30 CEST.*

**About the company:**

Latvian Forest Company AB (publ) is a Swedish listed company that acquires, sells and manages favourably valued forest in Latvia and Lithuania. Beyond forest being a sought-after real asset that grows by itself, the three main foundations of the business are:

- an expected increase in price levels for Latvian forest and agricultural properties
- creating value growth through active forest management
- creating value growth by building up a larger property portfolio