

THE FOREST COMPANY LIMITED

(incorporated in Guernsey under the Companies (Guernsey Laws 1994 to 1996, as amended, with registered number 47338 and organised under the Companies (Guernsey) Law, 2008)

Dear Shareholders,

A formal sale process under the UK Takeover Code of the shares or assets of The Forest Company Ltd. ("TFC") commenced on 22 November 2021 as per the letter circulated on the same day (the "Sale Process"). TFC Board of Directors would like to provide you with a brief update on the Sale Process.

We have received 3 indicative offers based on the marketing materials made available under the Sale Process, and phase II of the Sale Process has started. In this phase, selected bidders have gained access to additional information on TFC and its operations to complete a confirmatory due diligence.

Site visits and breakout sessions with the management team have been offered to all selected bidders and we expect to receive confirmatory offers by the end of December. Assuming acceptable offers are received, bidders will be encouraged to place formal offers under the UK Takeover Code.

We will keep you informed on the progress of the Sale Process.

Yours faithfully,

The Forest Company