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**The Forest Company Limited**

**("TFC" or "the Company")**

### **Application of the UK Takeover Code to the Company and ending of offer period**

The Forest Company Limited is a private, closed-ended investment company, incorporated and registered in Guernsey in 2007, to take advantage of investment opportunities in trees, timberland and timber related assets. The Company focuses on forest plantations in areas with high biological growth rates, such as Brazil and Colombia.

On 22 November 2021, the Company announced that it had entered an offer period and a formal sale process ("**FSP**") under the UK Takeover Code (the "**Code**"). This announcement is intended to clarify the application of the Code to the Company. From June 2014 until 23 October 2019, the ordinary shares of the company were admitted to listing on The International Stock Exchange ("**TISE**"). As the Company's registered office was located in Guernsey and its shares were admitted to trading on a stock exchange in the Channel Islands, the Company was subject to the Code pursuant to paragraph 3(a)(i) of the Introduction to the Code.

Following the delisting of the Company's shares from TISE on 23 October 2019, the continued application of the Code, and the jurisdiction of the UK Takeover Panel (the "**Panel**"), to the Company is governed by paragraph 3(a)(ii) of the Introduction to the Code. One of the qualifying conditions for the continued application of the Code under paragraph 3(a)(ii) is that the Panel must consider that the Company has its place of central management and control in the United Kingdom, Channel Islands or the Isle of Man.

In considering whether a company should be considered to have its place of central management and control in the United Kingdom, Channel Islands or the Isle of Man, the published guidance from the Panel is that it "will look at the structure of the board, the functions of the directors and where they are resident."

Following consultation between the Company and the Panel, the Company and the Panel have agreed that the Company's place of central management and control was not located in the United Kingdom, Channel Islands or Isle of Man as at the date of the announcement of the Company's FSP. This position remains unchanged as at the date of this announcement, and consequently the Company is not subject to the application of the Code under paragraph 3(a)(ii) of the Introduction to the Code.

As a consequence, with effect from the date of this announcement, the Company is no longer in an offer period for the purposes of the Code and the formal sale process initiated by the Company is not a process subject to the provisions of the Code. Rule 8 of the Code will therefore also no longer apply.

The Board is committed to ensuring that any such transaction is undertaken in accordance with the following principles:

- All holders of the securities of an offeree company of the same class must be afforded equivalent treatment; moreover, if a person acquires control of a company, the other holders of securities must be protected;
- The board of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the bid;
- False markets must not be created in the securities of the offeree company, of the offeror company or of any other company concerned by the bid in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted; and
- An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a bid for its securities.

#### Contact details for interested parties

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