

Dear Shareholders,

We are now very close to a decisive milestone in the development of Tree Partner Solutions. The year 2026 marks the start of the next phase of our operations – from seedling to plank. During the year, we will begin harvesting the forest that was once planted, a step that is both symbolically and commercially highly significant.

Reaching this stage strengthens confidence in our long-term business model and demonstrates that we are delivering according to plan, something we have all been waiting for!

The first harvest will take place where everything began 20 years ago – in Kiambere, Kenya, approximately 150 km from Nairobi. In Kenya, we also manage two additional forest areas: Nyangoro and 7 Forks.

The largest volumes of our forest assets are located in Uganda, where we work with around 20,000 partner farmers in the Dokolo region. Here, we plant using an agroforestry model with approximately six metres between the trees, with crops grown in the alleys between them.

Volumes and figures are shown in the graph below.

Processing – the next step in the value chain

Our long-term ambition, together with Better Globe Forestry (BGF), is to create the conditions for local processing of our raw materials in Kenya and Uganda. In 2026, we will initiate planning for this phase, including selecting the sawmill type, machinery and equipment, investment costs, and financing solutions.

A complete plan is expected to be presented in 2029–2030. Through local processing, there is an opportunity to further increase value through finished products such as parquet flooring, laminated timber panels, and interior components.

Harvesting and replanting – sustainable growth

We are now initiating harvesting on a smaller scale and selling standing timber. For every tree harvested, three new seedlings are planted.

This means that we:

- Grow organically with three times as much forest
- Create three times as many jobs
- Bind three times as much carbon dioxide
- Build a future raw material base three times as large

It is difficult to put a monetary value on all the positive effects our operations generate in East Africa. In addition to climate benefits, the trees increase crop yields through shade, stable income, and improved living conditions for our partner farmers.

An average partner farmer owning approximately 80 trees can, at harvest, generate value equivalent to several years' wages – something that in practice changes living conditions in a decisive way.

The value ladder – from raw material to processing

Step 1: Sale of standing timber, approximately SEK 2,000 per m³

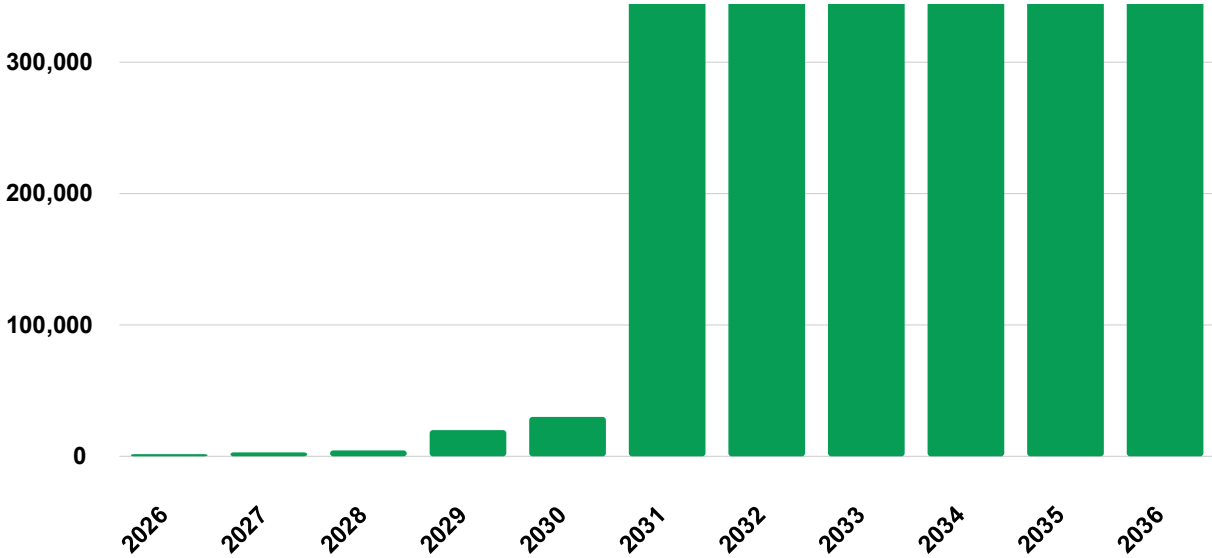
Step 2: Rough-sawn and dried timber, approximately SEK 3,100 per m³ after costs of roughly 40%

Step 3: Processed end products

For example, laminated timber panels, parquet flooring, and interior components (significantly higher price levels)

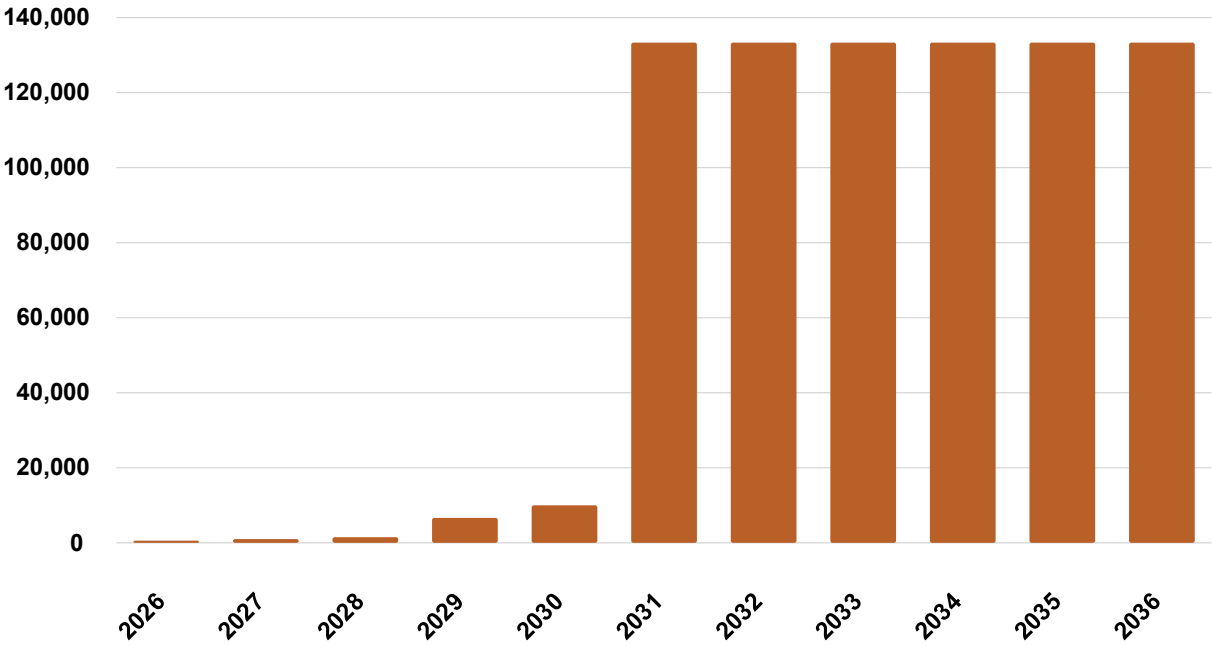


Estimated number of felled trees



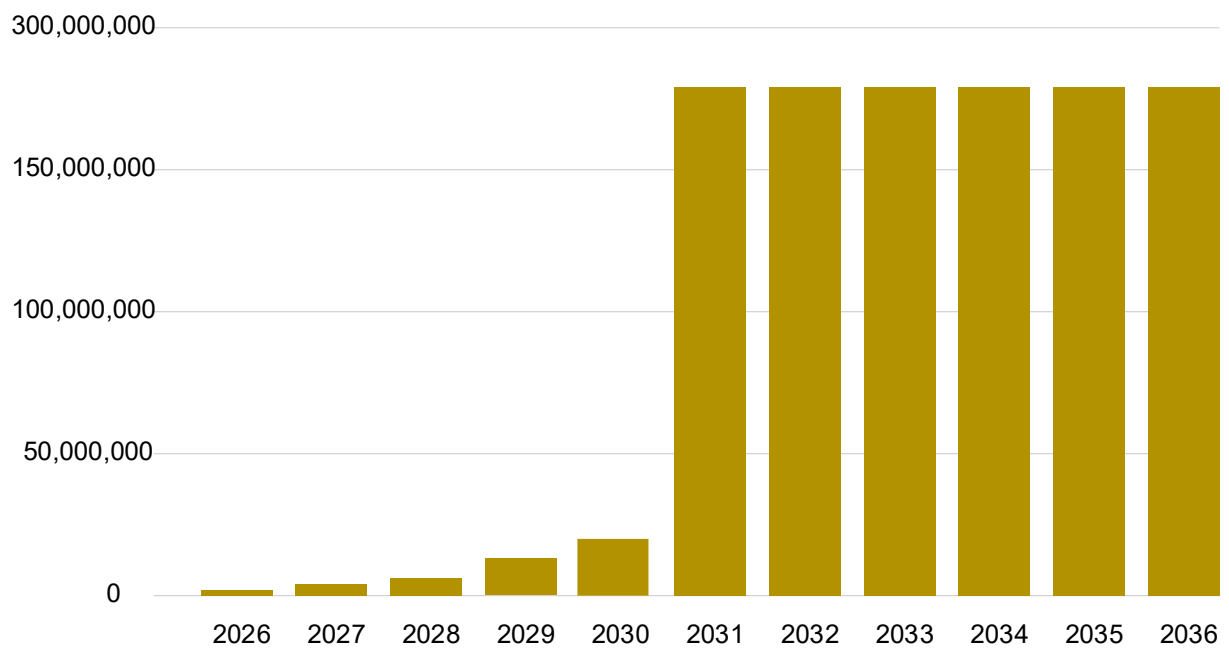


Estimated volume in cubic meters



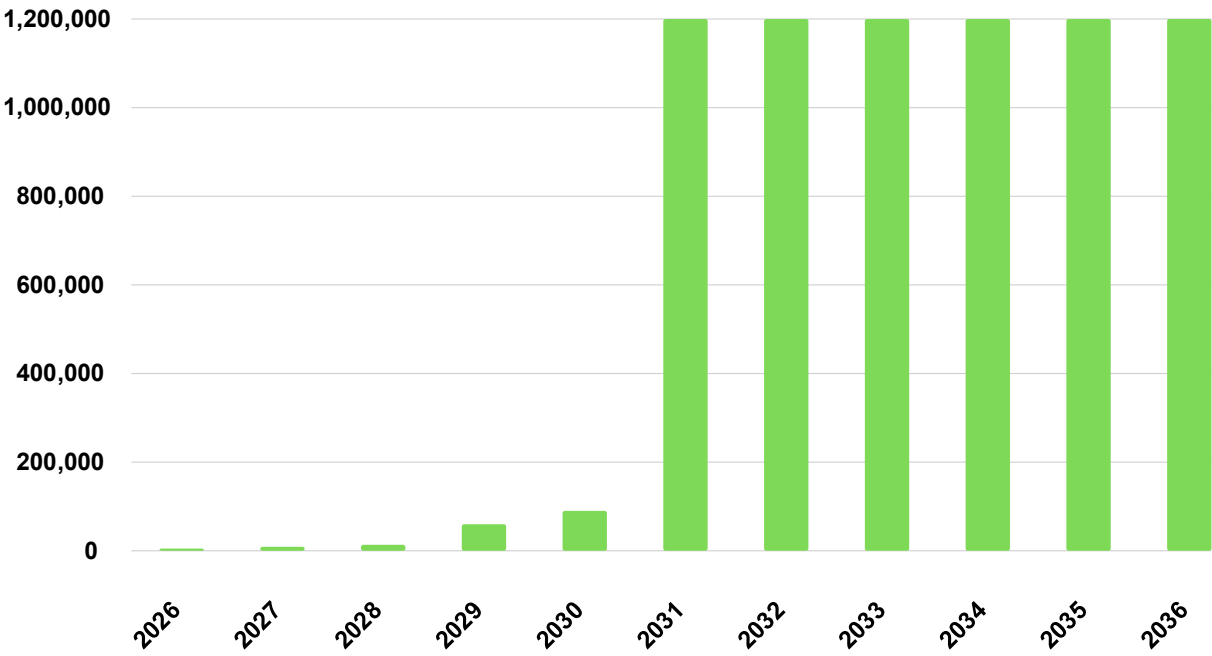


Estimated selling price of standing timber (SEK)





Estimated number of replanted trees



Rights issue 2026 – investment in future value

We view the rights issue as an investment in continued growth and value creation.

At full subscription, we will acquire 66,000 new trees. The management of these trees is included together with the maintenance of our existing forest. This involves measures such as pruning and thinning, which contribute to a more valuable and productive forest.

To avoid losing competence within BGF, we need to ensure continued operations. Within a few years, the volume of both new planting and harvesting will increase significantly, making this step necessary.

Terms of the rights issue

- Subscription period: 15 March – 29 April 2026
- Subscription price: SEK 3 per share
- Number of new shares: 6,666,666
- Oversubscription: up to 1,666,666 shares

Capital contribution:

- SEK 20 million at full subscription
- Up to SEK 25 million, including oversubscription

The 66,000 new trees are estimated to generate approximately 22,000 m³, with a standing timber value of approximately SEK 44 million, and significantly higher potential through processing.

The dilution effect amounts to approximately 18%.

A shareholder holding 10,000 shares needs to subscribe for 1,800 new shares (SEK 5,400) to maintain their ownership share.

In the event of oversubscription and allocation, there is an opportunity to acquire a larger share at an advantageous price. Oversubscription can only be allocated if not all shareholders subscribe to their respective entitlements.

Use of proceeds

The capital will primarily be used for:

- New planting
- Maintenance of existing forest
- Securing competence and operational capacity within BGF

We currently manage forest assets valued at approximately SEK 2 billion. If the issue cost of SEK 20 million is considered a management cost, this corresponds to approximately 1% of today's total value – an investment expected to generate approximately SEK 44 million within 12–20 years (sale of standing timber only).

We currently manage approximately 7,000 hectares of forest, roughly the size of 10,000 football fields.

Valuation, subscription level and communication

The current valuation of the TPS P-share is SEK 52 per share, after costs for sawing, replanting, and drying (approximately 40%).

At the time of writing, the issue has been subscribed to SEK 9,500,000 by major shareholders and by our CEO.

New premises

At the turn of the year, TPS moved into new premises in Gothenburg. The purpose is to strengthen communication with our approximately 7,400 shareholders in around 40 countries, as well as to actively work with financing and planning for the continued development of TPS.

Please visit our updated website. Under FAQ, you will find new questions and answers regarding emissions and shares:

www.treepartnersolutions.com

An exciting year has begun!

With best regards,

Tree Partner Solutions AB (publ)