

Statement by RusForest regarding Dimesilia's public offer

The independent committee of RusForest AB (publ) ("RusForest" or the "Company") unanimously recommends the shareholders to accept Dimesilia's unsolicited public offer to the shareholders of RusForest.

Background

This statement is made by the independent committee of RusForest pursuant to section II.19 of the rules concerning takeover rules for certain trading platforms (MTF's) as adopted by the Swedish Corporate Governance Board and Nasdaq First North (the "Takeover Rules").

On 24 October 2016, Dimesilia Holdings Ltd ("Dimesilia" or the "Offeror") announced an unsolicited public offer to the shareholders in RusForest to transfer all of their shares in RusForest to Dimesilia at a price of SEK 2.12 in cash per share (the "Offer"). Dimesilia declared that it had acquired shares in RusForest during the six months prior to the announcement of the Offer, at a price not higher than SEK 2.05 per share, and held approximately 15.6 per cent of the shares and the votes in the Company. Dimesilia stated that the Offer is governed by the Takeover Rules and the Swedish Securities Council's rulings regarding interpretation and application of the Takeover Rules.

The total value of the Offer amounts to approximately SEK 233,747,636, based on the current number of outstanding shares in RusForest not directly or indirectly held by Dimesilia. In accordance with the indicative timetable included in the press release through which the Offer was announced, the offer document was made public on 24 October 2016, the acceptance period commenced on 25 October 2016 and is expected to end on 21 November 2016 and settlement is expected to commence around 23 November 2016. For further information about the Offer, please refer to Dimesilia's offer press release and offer document.

Independent committee

The board has within itself appointed an independent committee consisting of the board members Peter Nilsson, Camilla Öberg and Per Brilioth (the "Committee"), to represent the Company in connection with the Offer and make a statement regarding the Offer.

The chairman of the board of directors Alexander Rudik is not a member of the Committee due to a conflict of interest. Alexander Rudik, who is the beneficiary of the shareholder Lasnerio Commercial Ltd. (Nova Capital), has privately and on behalf of Lasnerio Commercial committed irrevocably to accept the Offer, conditional upon the Offer being published no later than 25 October 2016. Thus, Alexander Rudik has, on the grounds that he entered into such a commitment, a conflict of interest and has not participated in the handling by RusForest of the Offer or of any questions related to the Offer.

The Offer is unsolicited and hence there has not been any due diligence carried out or other contacts between the Company and the Offeror in connection with the preparations of the Offer.

As part of the Committee's assessment of the Offer, the Committee has engaged Pareto Securities AB ("Pareto Securities") as financial advisor and Vinge as legal advisor. Pareto Securities has furthermore been requested by the Committee to provide a Fairness Opinion regarding the price of the Offer.

The Offer's impact on employees etc.

Under the Takeover Rules, the Committee must, on the basis of Dimesilia's statements in its press release regarding the Offer, present its opinion regarding the impact that the implementation of the Offer may have on RusForest, particularly in terms of employment, and its opinion regarding Dimesilia's strategic plans for RusForest and the effects it is anticipated that such plans will have on employment and on the communities in which the company conducts its business.

The Committee notes that in the press release, Dimesilia states that it does not intend to implement any changes regarding RusForest's management and/or employees, including their terms of employment.

The Committee assumes that this description is correct and has in relevant respects no reason to take a different view.

The Committee's recommendation

The Committee's statement is based on an overall assessment of a number of factors that the Committee has considered relevant for the evaluation of the Offer. These factors include, but are not limited to, the Company's present position, the expected future development of the Company and possibilities and risks related thereto.

The Committee notes that the price per share offered by Dimesilia corresponds to a premium of approximately 8 per cent compared to the volume weighted average share price for the Company's share on Nasdaq First North during the last 90 days up to and including 21 October 2016, i.e., the last trading day prior to the announcement of the Offer. Compared to the closing price of SEK 2.03 per share for the Company's share on Nasdaq First North on 21 October 2016, the Offer corresponds to a premium of approximately 4 per cent.

The assessment is also based on Pareto Securities' fairness opinion as to the fairness from a financial perspective of the Offer for the shareholders in RusForest. According to the fairness opinion, attached to this press release, Pareto Securities' opinion is that the valuation in the Offer, subject to the conditions and assumptions stated in the opinion, reflects the current underlying value in the Company and is therefor a fair valuation of RusForest.

The Committee considers the price per share offered by Dimesilia to be low and has, although the Offer being unsolicited and the limited amount of time at hand, tried to work for an increased offer. Even though it is low, the price is within the range of what can be classified as fair, as supported by Pareto Securities' fairness opinion. The Committee's opinion is that RusForest has further potential in the long term, especially with the current management team and in case of a merger with similar assets with industrial logic. The reason that the Committee has chosen to, despite the long-term potential of the Company, recommend the Offer is associated with the many uncertainties that arise in respect of the change of majority shareholder, which is already a given regardless of the level of acceptance of the Offer. Such uncertainties relate to corporate governance, industrial strategy, the ability to retain and attract relevant and competent personnel, which jointly result in an increased risk profile for RusForest. In light of the increased risks, the Committee considers the price per share offered to be acceptable and unanimously recommends the shareholders of RusForest to accept the Offer.

This statement shall in all respects be governed by and construed in accordance with Swedish law. Any dispute arising out of or in connection with this statement shall be settled exclusively by Swedish courts.

Stockholm, 7 November 2016
RusForest AB (publ)
The independent committee

For further information, please contact

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This information is information that RusForest AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Takeover Rules. The information was submitted for publication, through the agency of the contact person set out above, on 7 November 2016, 08:00 CET.

About RusForest AB (publ)

RusForest is a Swedish forestry company operating in Eastern Siberia. The Company controls long-term timber leases and utilizes these resources to produce a wide range of sawnwood products and wood pellets. RusForest is listed on Nasdaq First North (ticker "RUSF").

RusForest AB's Certified Adviser on First North is Pareto Securities AB.