



LATVIAN FOREST
DEVELOPMENT FUND

Invest in Forest Assets



LFDF in Numbers

Portfolio value as of 31.03.2026.

Portfolio value

37+ M EUR

Forest land acquired

6704 ha

2025 Net Turnover

10+ M EUR

Forest properties
owned

689

Total equity

3+ M

Currently financed
through notes and bonds

Raising **EUR 50M** for
refinancing and new limit
for growth

LFDF Forest properties in Latvia 2025



LFDF Business model

- **Property documentation, merging, preparing as a product for large investment funds**
- **Instant Cashflow generating operations:**
 - Clear cutting, Commercial Thinning, Sanitary cutting, Harvesting energy wood
 - Sale of felling rights
 - Sales of roundwood
 - Agricultural land lease
 - Subdivision of land followed by the sale of residential units and agricultural parcels
 - Sale of individual forest properties
 - Sale of carbon Credits (future potential)
- **Planting new plantations for increasing future value and fulfilling sustainability goals**
- **Through these forest management activities, LFDF enhances the forest land value by approximately 25% before strategically selling the forest property portfolios to investment funds across Scandinavia and the Baltics**

Untapped growth potential in local forest market

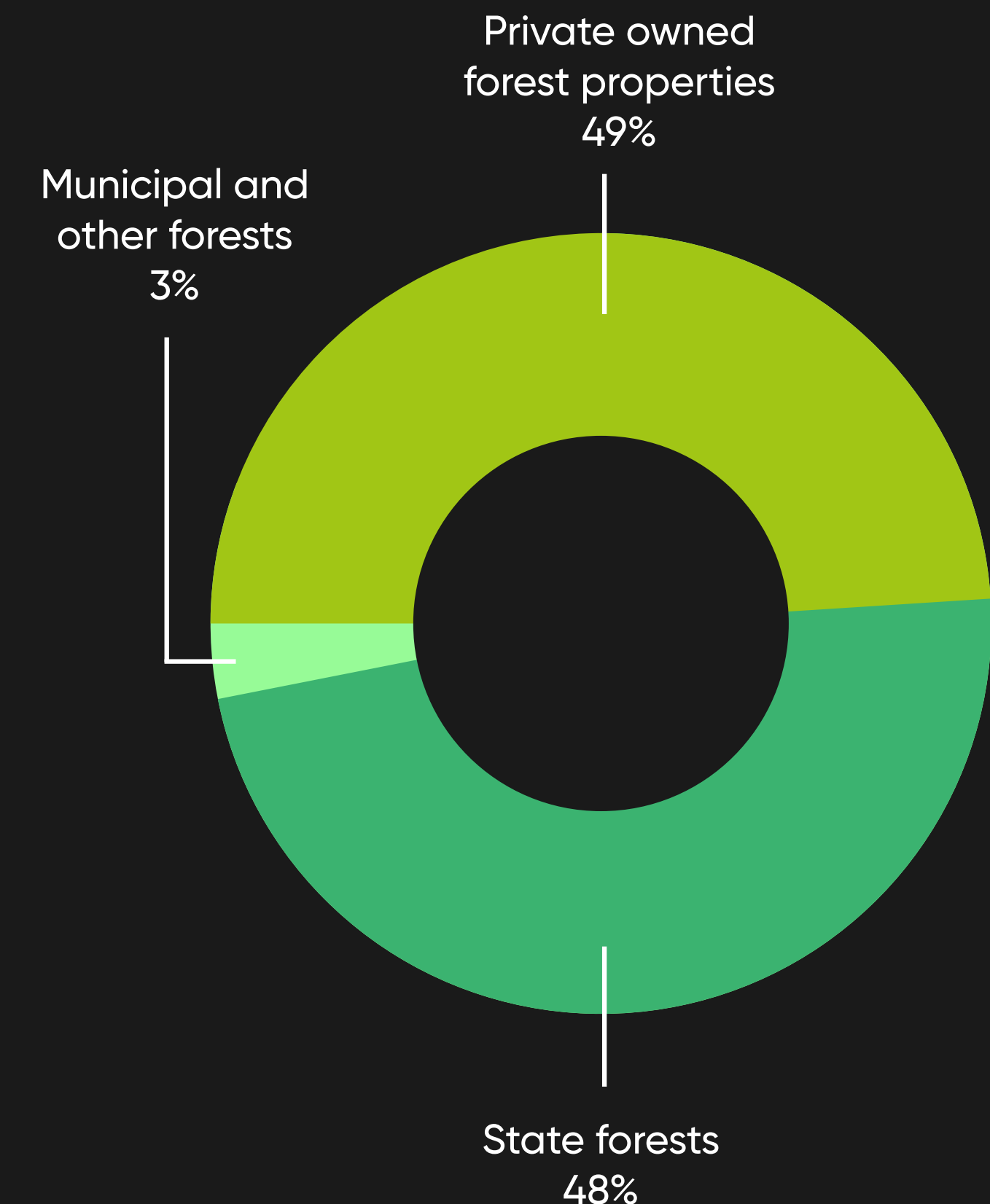
Total forestland in Latvia, ha: **3,4 M ha**

State owned forests : **1,6 M ha**

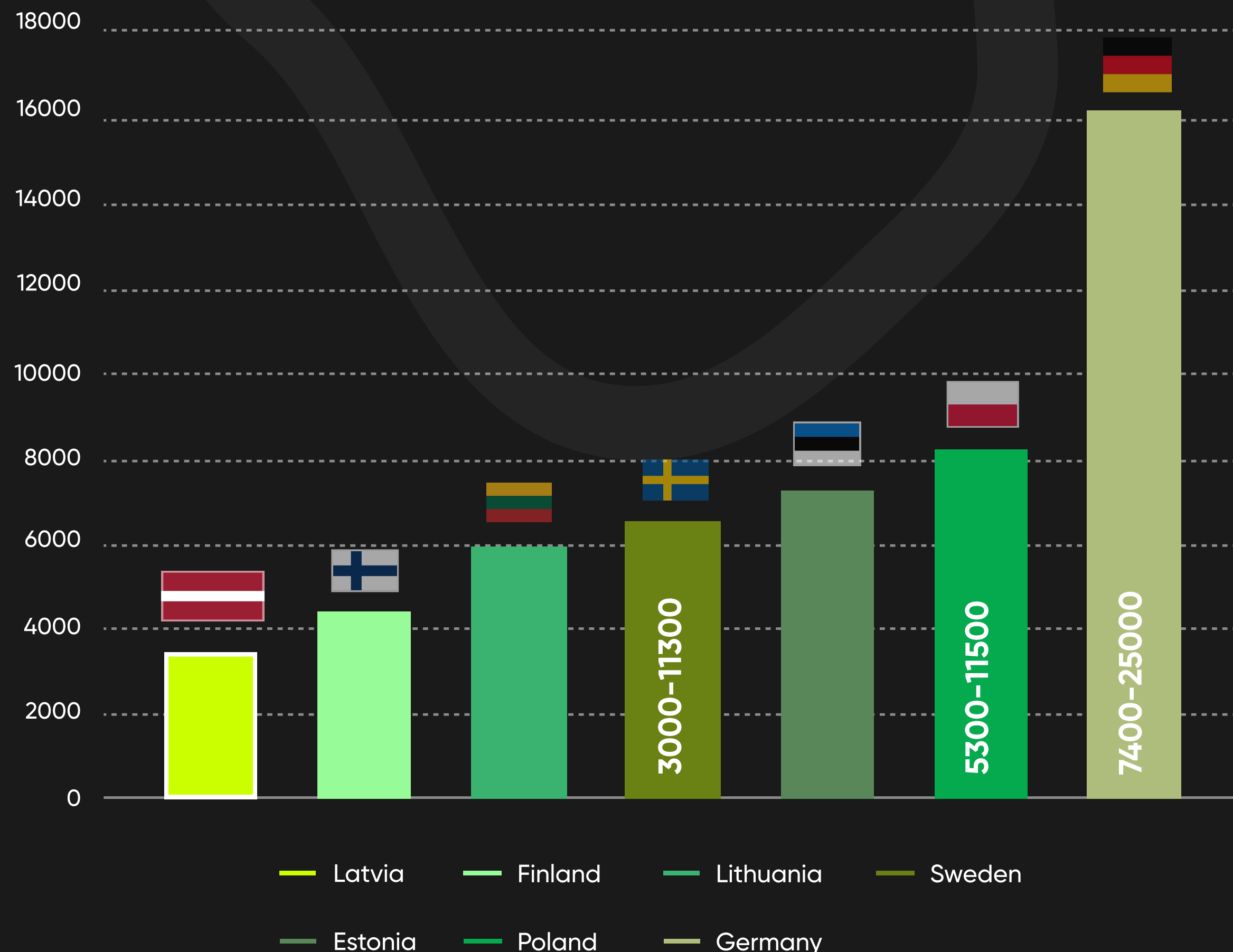
Private owned forests : **1,7 M ha**

Municipal owned forests : **103 K ha**

In 2025, a total of 6192 forest land transactions were completed in Latvia, reflecting a highly active and liquid market environment. Approximately 10% of these transactions involved LFDF, underscoring its strong market presence.



Latvian Forest Land Prices in EU Context



Structural pricing gap

- 50–70% lower entry price vs Nordics
- Lower capital entry. The same Nordic-level return
- Strong timber growth (among highest in Europe)
- EU regulatory & legal framework

Major Institutional investor trust in Latvian forests

These transactions reflect growing long-term institutional conviction in Baltic timberland as a strategic, inflation-resilient asset class.

€720M

Södra → Ingka Investments (IKEA Group)

~153,000 ha forest portfolio acquisition

Largest forest transaction in Baltic history (2025)

€67M

(Planned Investment)

Lars Larsen Group (JYSK owner)

Plans to invest ~€67M into Baltic forestland

Capital deployment over the coming years

~24,000 ha

Portfolio Sale

(Expected H1 2026)

CapMan Natural Capital → Inter IKEA Group

Further institutional consolidation of Baltic timber assets

Debunking Myths About Latvian Forestry sector

Expanding forest resources, sustainable harvest surplus, and EU-backed demand dynamics create a structurally resilient asset base.

Myth 1

"Wildfires are a major risk"

- ~3.4 million ha forest area
 - <0.1% affected by wildfire annually
 - Northern European climate
- Structural wildfire exposure is materially lower than Southern Europe

Myth 2

"Peripheral / weak location"

- EU and NATO member state with strong property rights
 - 53% of territory covered by forest
 - Baltic Sea export access
 - Institutional investors active (Ingka, Inter IKEA, CapMan, SCA, JYSK)
- Strategically positioned within EU timber flows

Myth 3

"Oversupply / weak demand"

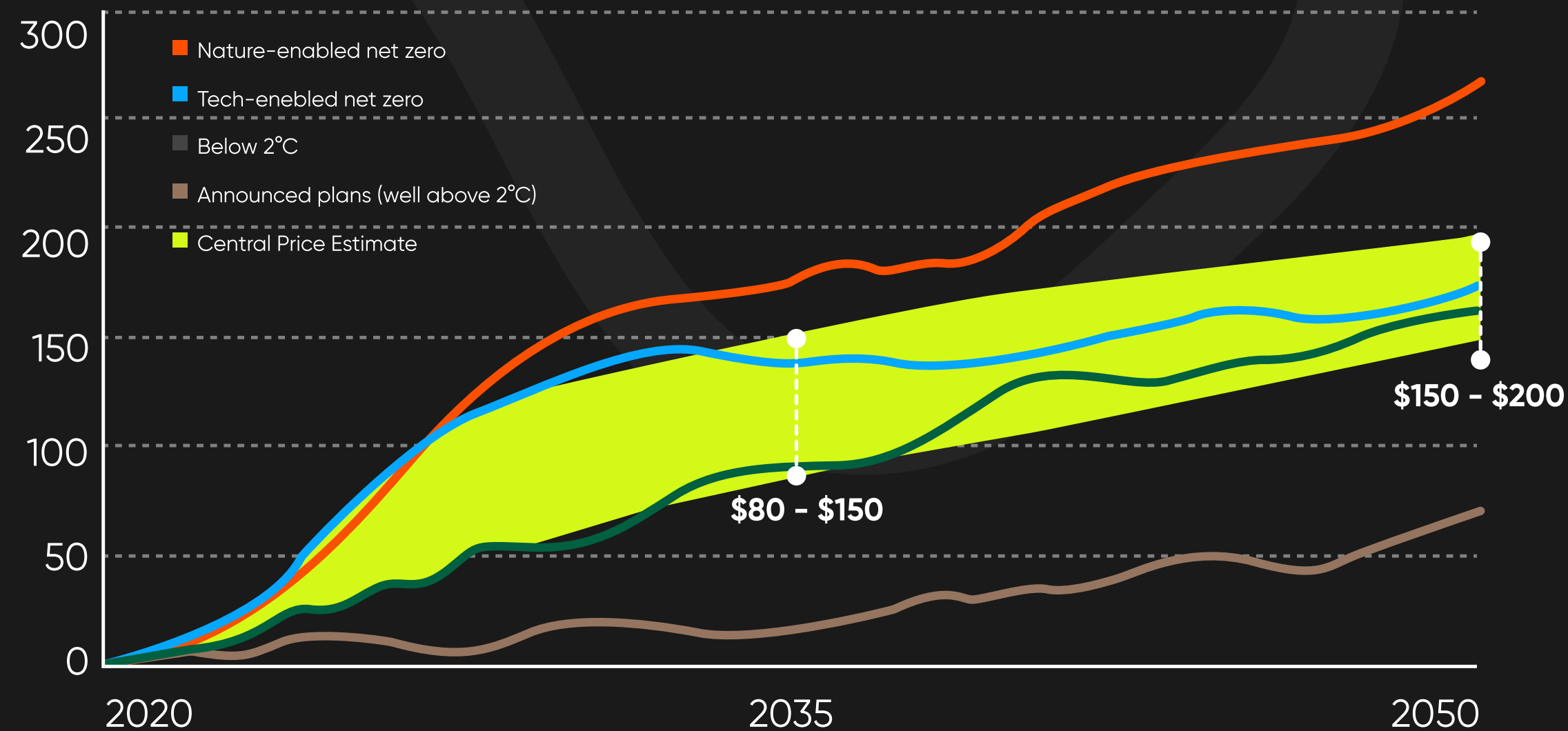
- Forest area has doubled over the past 100 years
 - Annual growth exceeds harvest levels
 - Timber demand supported by EU climate & construction policy
- Supply is expanding, and demand is structurally supported

Entering Carbon credit market

Carbon credits transform biological growth into a structured, tradable financial asset – enhancing return potential while strengthening risk resilience.

Carbon Credit Price Overview

\$ per tonne of CO₂e



Expanding CO₂ Potential through Afforestation

The global carbon credit market is expanding rapidly, with high-quality nature-based offsets trading at \$50–70 per tonne of CO₂, with long-term projections reaching significantly higher levels under net-zero pathways.

By converting agricultural land into forests and agroforestry systems, LFDF increases the fund's available carbon volume for trading – creating an additional monetization layer on top of timber returns.

To ensure highest-quality verification and market access, LFDF has entered into a cooperation agreement with ecobase.earth, a leading European carbon project developer specializing in certified afforestation and nature-based carbon credits.

10% of the Fund's Portfolio Allocated to Agricultural Land

This land is expected to generate significant carbon absorption potential, translating into:

- €500,000 – €1,500,000 potential annual carbon revenue
- Approximately €1,000 per hectare incremental upside
- Additional income stream independent from timber cycles

Choosing the right partner

Debitum Investments has obtained exclusive rights to finance LFDF (Formerly Juno Estate).

Why LFDF?

Industry Experience:

- **Experienced team:** 10+ years of experience in forest management, acquisition, and sales in Latvia.
- **In-depth Experience:** Real estate valuation, property division, cutting permits, wood stock calculations & cashflow planning.
- **Current portfolio:** More than doubled portfolio in 2025, aiming to expand up to EUR 50m in 2026
- **Funding experience:** LFDF (previously: "Juno Estate") has been financed by "Mundus Bridge Finance," a private debt fund of INVL, the leading investment management and life insurance group in the Baltics.
- **Strategic Partnerships:** Collaborating with industry leaders to expand our capabilities.

Innovative tools and technologies to enhance operational efficiency:

- **Advanced Sourcing and Valuation:** Utilizing custom-made calculation tools and sophisticated methods to identify high-potential assets and use them in the most efficient and profitable way.
- **Efficient Asset Management:** Implementing best practices to optimize forest growth, timber quality, and value enhancement.
- **Tech-advantages:** Machine learning tools for increased efficiency in port operations.
- **Effective sales:** Dedicated in-house call-center for property acquisition with Machine learning call analysis system.

Our Team



Edgars Birks

CEO & CHAIR OF THE BOARD

Edgars Birks has 15+ years of experience in forestry and asset management and has successfully led large-scale land consolidation projects for Scandinavian investors, managing portfolios exceeding 10,000 ha. A significant part of his professional experience comes from working at SCA (Europe's largest private forest owner) as a Purchasing and Forestry Manager, where he evaluated more than 200,000 ha and built a 50,000 ha portfolio within five years, establishing Latvia's third-largest private forest portfolio at the time, by driving property and company acquisitions, developing sustainability-focused management programs, optimizing forestry operations, strengthening budget and cash flow planning, and building a high-performing asset management team.



Gatis Melderis

FORESTRY EXPERT & BOARD MEMBER

Gatis Melderis brings over a decade of experience in forestry, business development, and project management. He has extensive expertise in forest property evaluation, strategic planning, and regulatory compliance, managing teams of specialists and fostering partnerships with industry service providers.