

## HS Timber Group acquires Vika Wood SIA from Bergs Timber AB

- Acquisition of a leading sawmill in Latvia
- Strengthening HS Timber Group's sustainable operations portfolio
- Renowned brand Vika remains

**The Austrian HS Timber Group has signed an agreement to acquire 100% of the shares in the Latvian wood processing company Vika Wood SIA from the Swedish owner Bergs Timber AB. The transaction is still subject to approval by the competition authority, with closing expected within the first quarter of 2025.**

The sawmill, whose high-quality products are recognized internationally under the established Vika brand, is located near Talsi in Western Latvia. Both parties have agreed to treat the terms of the transaction confidentially. Brand, Management, and business activities of Vika Wood will remain unchanged. Haralds Kronberg (CEO) together with his experienced management team at site will continuously develop Vika Wood into the future. Upon signing HS Timber Group announced that investment projects and development plans will be further developed.

With an annual production capacity of up to 300,000 m<sup>3</sup> of kiln dried sawn timber and a workforce of around 140 employees, Vika Wood is one of the most efficient sawmills in the Baltic region and an important employer in the region. Founded in 1995, the mill processes locally sourced softwood logs from sustainably managed forests, making it a valuable addition to HS Timber Group's portfolio of products and markets.

“This acquisition aligns seamlessly with our strategy to strengthen our operations and grow sustainably. Having access to high-quality raw materials, entering the attractive Baltic market and we can serve our customers even better”, says Juergen Bergner, CEO of the HS Timber Group.

“The divestment of Vika Wood follows Bergs Timber's strategy to concentrate on more consumer-oriented products. Vika Wood has a good reputation, and we thank CEO Haralds Kronbergs and his team for the successful years in Bergs Timber. HS Timber Group is a good new owner with a clear vision to continue investments and to develop the Vika Wood organisation and brand”, says Peter Nilsson, CEO of Bergs Timber.

Vika Wood specializes in high-quality coniferous sawn timber, which is sold to more than 30 different countries. The sawmill also plays a crucial role in the regional value chain, supplying byproducts to pellet producers and pulp industry.

HS Timber Group, which is one of the largest European wood processing companies headquartered in Austria, is fully committed to the employees in Vika and the long-term success of Vika Wood.



**Photo (from left to right):** Jürgen Bergner, Haralds Kronbergs and Peter Nilsson

About HS Timber Group:

HS Timber Group is one of the world's leading wood processing companies. We work passionately with more than 2,700 employees to serve our commercial and industrial customers in 80 countries worldwide. Founded in Austria and managed from Vienna, we develop sophisticated solutions and customised products made from wood, the material of the future, at seven production sites worldwide. We are committed to our responsibility for communities and a sustainable timber industry.