



ArborGen Expands Footprint in Brazil with Nursery Acquisition

10 October 2024 - ArborGen Holdings Limited (NZX: ARB) (ArborGen or the Company) is pleased to announce that it has signed a memorandum of understanding to acquire the Eco Empreendimentos nursery in Piauí, Brazil, for approximately USD\$2.5m, which will utilize seller financing and cash already in Brazil to fund the transaction. Settlement is expected on 1 November 2024, subject to conditions being met.

The acquisition strengthens ArborGen's presence in Brazil's Northeastern region, which is becoming one of the most strategic areas for forestry in Brazil. ArborGen also benefits from its established experimental research network in the region, positioning the company to lead the growth of forestry in the Northeast.

The Eco Empreendimentos nursery has an annual production capacity of approximately 15 million eucalyptus seedlings, with the potential to expand to 18 million seedlings with minimal investment. This will increase ArborGen's internal production capacity in Brazil to approximately 94 million seedlings per annum, comprising 77 million eucalyptus and 17 million pine seedlings.

Chief Executive Officer of ArborGen, Justin Birch, said: "This acquisition aligns with ArborGen's strategy to expand our presence in Brazil, and marks an important milestone as we celebrate 10 years of commercial operations in the country. We have a long-term commitment to the region and to developing high-performance forests, which are critical to the future of the forestry industry."

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ArborGen

ArborGen is the leading supplier of advanced seedling genetics to the global commercial forestry industry. Employing state-of-the-art technology, ArborGen is developing high-value products that significantly improve the productivity of a given acre of land by enabling our customers to grow trees that yield more wood per acre with greater consistency and quality in a shorter period of time. For more information, please visit ArborGen's website at www.arborgen.com