



Press Release

Non-regulated information

SIPEF ACQUIRES 1 770 HECTARES OF ADDITIONAL LAND RIGHTS IN THE PROVINCE OF BENGKULU IN INDONESIA.

Recently, the *SIPEF* group, by its 85.74% subsidiary PT Muko Muko Agro Sejahtera (MMAS), signed a Conditional Sale Purchase Agreement with the Indonesian family owners of PT Asri Rimba Wirabhakti (Asri Rimba), for the transfer of the permanent land title (HGU) on 1 770 hectares of oil palm land in the regency of Muko Muko, Province of Bengkulu, Indonesia.

The land title comprises 370 planted hectares of oil palm and a potential of 1 400 hectares of new oil palm plantings for smallholders, after assessment in line with the Principles and Criteria of RSPO and our Responsible Plantations Policy.

The total consideration, including transfer costs and taxes, of IDR 36.6 billion, equal to KUSD 2 511, will be paid in instalments following the acquisition and transfer process of the HGU in the name of MMAS, which is expected to be completed by April 2019. However, the *SIPEF* group has taken control over the assets upon signing of the CSPA.

The purchase of the land title of Asri Rimba is the first acquisition in the Muko Muko region after obtaining the control over PT Agro Muko (Agro Muko) last year. The newly acquired 1 770 hectares will contribute to optimise the processing capacity of the two existing Agro Muko mills.

The *SIPEF* group, through its subsidiaries Agro Muko and MMAS, already operates 18 706 hectares of own palm estates, 1 221 hectares of smallholders (plasma) and 1 689 hectares of own rubber estates. This acquisition will therefore increase the potential area for development with 8.2% in the Muko Muko regency.

Translation: this press release is available in Dutch, French and English. The Dutch version is the original; the other language versions are free translations. We have made every reasonable effort to avoid any discrepancies between the different language versions. However, should such discrepancies exist, the Dutch version will take precedence.

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SIPEF is a Belgian agro-industry group listed on Euronext Brussels and specialised in the – as sustainable certified - production of tropical agricultural commodities, primarily crude palm oil and palm products. These labour-intensive activities are consolidated in Indonesia, Papua New Guinea and Ivory Coast and are characterised by broad stakeholder involvement, which sustainably supports the long-term investments.