



PRESS RELEASE

Bracell Raised US\$1.8 billion for World's Largest and Greenest Pulp Mill

- *Strong support from Brazilian and international banks to finance the largest and greenest pulp mill in the world.*
- *The mill produces renewable fibres from sustainable eucalyptus plantations, is fossil fuel free, self-sufficient in energy and provides bioenergy to the community.*
- *The largest private investment in São Paulo in the last 20 years, it strengthened the competitiveness of the pulp industry in Brazil and created 6,650 permanent jobs for the local community.*
- *The mill was completed on time and on budget despite the pandemic and started operations in November 2021.*

São Paulo, Brazil & Singapore, 8 March 2022 – Bracell, a global leader in the production of dissolving pulp and a member of the RGE group of companies headquartered in Singapore, received strong support from Brazilian and international banks, raising US\$1.8 billion through a syndicated loan facility. The funding financed the establishment of the world's largest and greenest pulp mill located in Lençóis Paulista, São Paulo. The construction of the mill has been completed on time and on budget and began operations in November 2021.

Bracell is vertically integrated through its supply chain, from renewable fibre plantations to the production of kraft pulp, dissolving pulp and specialty cellulose which are sold domestically and to international markets. Dissolving pulp and specialty cellulose are amongst the main ingredients used to create a wide range of products, from textiles, baby wipes and eyeglass frames to packaging for sausages and pharmaceuticals as well as industrial products such as high-performance tire cables.

Mr. Tey Wei Lin, President, RGE, said: "The funding, representing the largest private investment in São Paulo in the last two decades, demonstrates our continued investments in Brazil. We are proud of the team that has delivered on solid project execution and have the mill up and running despite challenges posed by the pandemic. The largest and greenest pulp mill in the world, this underscores our commitment to sustainable development, conservation and community development, a mandate which underpins our operations globally. With dissolving pulp being both renewable and biodegradable, it caters to the growing trend and customers' preference towards the use of sustainable products."

A new generation, sustainable pulp mill, it features the best and latest technology for the sector, without the use of fossil fuels. It is designed with key innovations including a bio-refinery that controls material inputs to maximise recycling, minimise waste, and greatly reduce the environmental footprint, resulting in low water consumption and low emissions. With two production lines, it can produce 1.5 million tons of dissolving pulp per year or between 2.6 million to 2.8 million tons of kraft pulp per year. In addition, it is self-sufficient in energy, and excess clean, high-quality energy will be supplied to the National Interconnected System. The mill employed more than 11,000 employees during the peak of the construction and created 6,650 permanent jobs for the local community.

The seven-year syndicated loan banks are co-led by Banco Bradesco and Bank of China, with participation from Banco Itaú, China Minsheng Bank, Banco do Brasil, Bladex and Safra.

Mr. Pedro Wilson Stefanini, Senior Vice President, Bracell São Paulo, said: “This loan facility and our continued investment in our operations shows the growth potential of pulp in Brazil and in international markets. Our ambition is not only to be one of the largest pulp operations in the world, but also one of the most socially and environmentally responsible companies. We are proud to have constructed a mill that sets the highest standards for sustainable use of renewable resources, and simultaneously creates thousands of jobs and career opportunities for people in Brazil.”

Mr. Bruno Boetger, Executive Director, Banco Bradesco, said: “At Banco Bradesco, we are proud to lead and syndicate the domestic tranche of the financing which supports this project. This is a landmark investment by Bracell and serves to further drive the competitiveness of the Brazilian and global pulp and paper industry. Banco Bradesco has enjoyed a long-term relationship with Bracell, and with the support of other major domestic lenders, our partnership reflects the strong track record of conducting business with a member of the RGE group of companies.”

Mr. Li Fang, Executive Vice President, Global Advanced Corporate Finance Centre, Bank of China, said: “It is a great pleasure for Bank of China to lead such a landmark Brazilian deal to a close, particularly since our country’s 14th five-year plan continues to support Macau to strengthen its status as a platform connecting China and Portuguese-speaking countries. The project signifies a closer economic tie between Brazil and China since its pulp will primarily supply the China market, where it has the highest and most rapidly increasing demand for dissolving pulp in the world.”

-Ends-



Photo caption: The world’s largest and greenest pulp mill emits steam, not smoke.

About Bracell

Bracell is a global leader in the production of dissolving pulp and specialty cellulose with two main operations in Brazil in Camaçari, Bahia and in Lençóis Paulista, São Paulo. In addition to its operations in Brazil, Bracell has a management office in Singapore and sales offices in Asia, Europe and the United States.

www.bracell.com

About RGE

Headquartered in Singapore, RGE is a group of resource-based manufacturing companies with global operations. We produce sustainable natural fibres, edible oils, green packaging and clean natural gas used to create products that feed, clothe and energise the world. We help improve billions of peoples' lives through sustainable products they use every day. With more than US\$25 billion in assets and 60,000 staff, we are creating a more recyclable, biodegradable and lower carbon future.

Committed to sustainable development, conservation and community development, we strive towards what is good for the community, good for the country, good for the climate, good for the customer, and good for the company. With current operations spanning across Indonesia, China, Brazil, Spain and Canada, we continue to expand and engage new markets.

www.rgei.com

Media contact:

Lim Siow Joo

RGE Pte Ltd

E: siowjoo_lim@rgei.com

M: +65 98470817