



Press Release

Bracell's Invests R\$2.5 Billion in Latin America's Largest Eco-Friendly Tissue Paper Mill

SAO PAULO, BRAZIL, April 24, 2023 - Bracell, a global leader in the production of soluble pulp, has announced the start of civil construction on the largest *tissue* paper mill in Latin America. Demonstrating its commitment to economic growth and sustainability, Bracell is investing a total of R\$5 billion in the city. Half of this investment will be directed towards the construction of the new tissue paper mill, which is slated to commence operations in 2024. The remaining funds will be used to establish a plant dedicated to the production of key ingredients used in the pulp production process.

"Our new Tissue mill will be the most productive unit in Brazil. This project solidifies our commitment to investing in the country, contributing to productivity and sustainability across the business. It is a milestone that makes us very optimistic about the development prospects, as we want to add value and further expand the downstream tissue operations," said Praveen Singhavi, President of Bracell.

According to Eduardo M. Aron, Tissue Business Unit Director, Bracell, the vision is to integrate Bracell's sustainability efforts into its business strategies. "Through our sustainable operations, we will reduce the impacts resulting from our industrial activity, while lowering the operating costs", he said.

The new mill will have four tissue production machines, focusing on two products: toilet paper and paper towels. With a production capacity of 240,000 tons per year, the mill will be one of the most modern and sustainable in the world, 100% automated and the only one in Brazil to operate completely free of fossil fuels.

During the construction phase, the project is expected to generate more than 2,000 jobs, while an additional 550 permanent jobs will be created upon its completion. Bracell aims to support local development in the São Paulo region, focusing on fostering economic growth and community well-being.

In January this year, Bracell signed an agreement for the acquisition of OL Papéis Ltda. to reinforce its entry into the tissue market and expand its operations in Brazil. The presence of OL's brands is concentrated in the Northeastern region, with mills in Bahia, Feira de Santana, São Gonçalo dos Campos, and Pernambuco, in the municipality of Pombos. The acquisition has already been approved by CADE.

The company also owns a pulp operation which, in the last four years, represented an investment of more than R\$ 15 billion in the country. Considered the largest and most sustainable in the world, the mill has two flexible lines that produce both kraft pulp and dissolving pulp. Furthermore, it does not use fossil fuels, is self-sufficient in clean energy.

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About Bracell:

Bracell is a global leader in the production of dissolving pulp and specialty cellulose with two main mill operations in Brazil in Bahia and São Paulo. In addition to its operations in Brazil, Bracell has a management office in Singapore and sales offices in Asia, Europe and the U.S. 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\$30 billion in assets and 60,000 employees, 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/