

MEDIA RELEASE

APRIL Group Expands Research & Development Capability with Opening of New Tissue Culture Lab

- State-of-the-art lab represents US\$5m investment in APRIL Group's R&D operations in Riau, Sumatra
- Facility to support production of 36 million *eucalyptus* seedlings per annum

Kerinci, Indonesia, 30 September 2019 - APRIL Group has announced the opening of a new tissue culture lab at its operations in Pangkalan Kerinci, Sumatra, Indonesia, as part of the continued expansion of its research and development capability.

The new Kerinci Tissue Culture (KTC) lab, built at a cost of US\$5 million, and which has 16 growth chambers that will produce about 36 million *eucalyptus* seedlings per annum, supports APRIL's' commitment to improving the productivity of its plantations within its existing resource capacity. APRIL's plantation estates in Sumatra produce *eucalyptus* or *acacia* tree species.

Supported by APRIL's 120-strong R&D team, researchers at the KTC lab will carry out analysis and tests to develop high quality seedlings and will select the best clones with fast-growing, pest and disease resistant characteristics, in line with the company's industrial plantation needs.

"Our new KTC lab is the latest example of our efforts to advance a sustainable approach to forestry management, where science-based innovation is key to unlocking productivity, without increasing our environmental footprint," said Sihol Aritonang, President Director, PT. Riau Andalan Pulp and Paper (PT. RAPP), the operating arm of APRIL Group.

"Once the best clones are created, the KTC lab will multiply them, making our planting and harvesting process more efficient," said Mr. Aritonang. "Every room in the tissue lab has to be maintained in a completely sterile condition to ensure the quality of the eucalyptus seedlings produced using the tissue culture method,"

During the genetic multiplication stage, lab technicians multiply *eucalyptus* sprouts. The process is followed by the elongation stage that lasts until the stems grow in length. In the final stage, the plants are induced to form roots. Next, the plants are kept in a room where the temperature, humidity, and lighting are well-controlled so the plants can adjust to outdoor environments.

The KTC lab was formally inaugurated last month by the Indonesian Minister of Research, Technology and Higher Education, Mohamad Nasir. The Minister praised APRIL's decision to apply tissue culture technology to increase production efficiency. With this technology, the production of eucalyptus plantlets for large-scale planting can be more effective and efficient as large number of plantlets can be produced in a short time, he said.



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About APRIL Group:

APRIL Group is a leading producer of fibre, pulp and paper with plantations and manufacturing operations in Riau Province, Indonesia. We are committed to sustainability in our business and in the broader landscapes where we operate. Under our production-protection model, we adopted a unique 1-for-1 goal where we aim to conserve one hectare of forest for every hectare of plantation, and currently conserve and restore about 370,000 hectares of forests, including the largest peatland restoration project in Indonesia. For more information, visit <u>www.aprilasia.com</u> and follow Twitter @aprilpulp