

## ASX ANNOUNCEMENT

9 November 2020

### STATEMENT ON ANNOUNCEMENT FROM MACQUARIE INFRASTRUCTURE AND REAL ASSETS

Costa Group Holdings Limited (ASX: CGC), Australia's leading grower, packer and marketer of fresh fruit and vegetables notes the announcement made by Macquarie Infrastructure and Real Assets ("MIRA"), under which an agricultural fund managed by MIRA intends to seek the support of Perpetual as Responsible Entity of Vitalharvest Freehold Trust (ASX: VTH) ("Vitalharvest") for MIRA's offer to either acquire 100% of the issued units in Vitalharvest by way of a trust scheme, or all the assets of Vitalharvest if the trust scheme is not approved. Costa supports any outcome that provides ongoing certainty in relation to the farms Costa leases from Vitalharvest and would be comfortable in the event that MIRA's bid was successful.

There are seven farms currently leased by Costa from Vitalharvest, which include three citrus farms in South Australia and four berry farms (two in NSW and two in Tasmania). The two large citrus packing sheds which pack Costa and third-party grower fruit are owned and operated by Costa.

Costa regards these Vitalharvest leases as legacy arrangements. As previously advised to the ASX (27<sup>th</sup> June 2018), all subsequent expansion by Costa beyond those sites in the berry and citrus categories has not involved and will not involve Vitalharvest under any variable lease arrangement.

Costa has an existing productive relationship with MIRA through our leasing of several avocado farms from MIRA, which are all based on fixed rental arrangements operating under 20 year leases.

In the event that MIRA was successful in its offer and given the terms of our current leases with MIRA, Costa would be confident that the existing Vitalharvest leases could be restructured, with the aim that they convert to a fixed rental arrangement that reflects terms consistent with market conditions and that would be value accretive over the medium to longer term.

Authorised by David Thomas, Company Secretary

#### **About Costa (ASX:CGC)**

*Costa is Australia's leading grower, packer and marketer of fresh fruit & vegetables and operates principally in five core categories: berries, mushrooms, glasshouse tomatoes, citrus and avocados. Operations include approximately 4,700 planted hectares of farmland, 30 hectares of glasshouse facilities and three mushroom growing facilities across Australia. Costa also has strategic foreign interests, with majority owned joint ventures covering six blueberry farms in Morocco and four berry farms in China.*

#### **For further information contact:**

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