

Clarification Announcement

Foresta Group Holdings Limited (ASX: FGH) ("Foresta" or the "Company") wishes to provide clarification in relation to its announcement 'Additional Information – Disposal of Chemical Equipment' released to the market on 29 August 2024 (**Announcement**).

Within the Announcement, the Company noted that:

"In accordance with the Australian Accounting Standards and on the advice of the Company's auditors, the Company has recognised a full impairment of \$4.6 million, which is equal to the costs associated with acquiring, dismantling, and storing the equipment."

The Company wishes to clarify that the decision to scrap the outdated chemical extraction equipment was made by the board of directors of the Company following a thorough review, and not the Company's auditors, nor was it on the advice of the Company's auditors. Upon receiving notification of the Company's decision to scrap the equipment, the Company's auditors confirmed they were comfortable with the Company impairing the assets based on the board's decision.

For further information, please contact:

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AUTHORISATION STATEMENT

This release has been authorised to be given to the ASX by the Board of Foresta Group Holdings Limited.

ABOUT FORESTA GROUP HOLDINGS

Foresta is a leading natural and renewable pine chemical and biomass pellet manufacturing company. Foresta is positioning itself to become a leading global supplier of natural and renewable pine chemicals and biomass pellets. It has developed a proprietary process to naturally extract pine chemicals by employing the tree's own solvent chemicals to extract rosin and terpenes. These products are commonly used in industrial manufacturing and are a key input to everyday end products. These products include adhesives, gum, inks, paint, car tyres and perfume.