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TRILOGY  
INTERNATIONAL  
LIMITED  
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trilogy

ECOYA

**goodness**

CS&Co.

 **Lanocorp**

### ***Trilogy International updates on scheme of arrangement and announces variations to Forestal Casino arrangements***

31 January 2017 – Trilogy International Limited (NZX:TIL, ASX:TIL) (“TIL”) advises that it will unwind the investment TIL made into Sociedad Agricola y Forestal Casino SpA (“Forestal Casino”) in May 2016 and make amendments to strengthen its long-term supply agreement with Forestal Casino. TIL also provides an update to the proposed acquisition by CITIC Capital China Partners III, L.P (“CITIC Capital”).

#### **Update to the proposed scheme process**

TIL has been progressing the proposed acquisition by CITIC Capital via a scheme of arrangement which was announced on 15 December 2017.

TIL expects to mail shareholders the Notice of Meeting and Scheme booklet in late February and hold the shareholders meeting to vote on the proposed Scheme in the middle of March.

In accordance with the terms of Trilogy’s share option scheme, the board intends to accelerate the vesting date for 530,000 of the 720,000 unlisted options currently on issue, to enable them to be exercised before the Scheme Record Date. 52,500 unlisted options have lapsed since publication of Trilogy’s most recent annual report.

Trilogy has been advised that CITIC’s Australian Foreign Investment Review Board (FIRB) condition has been satisfied. CITIC has also applied for consent to the Trilogy business acquisition under the New Zealand Overseas Investment Act.

#### **Variations to Forestal Casino arrangements to strengthen the long-term supply agreement**

Under the Scheme, TIL has agreed with CITIC to acquire and cancel the 2,615,181 TIL shares held by the 75% majority shareholder in Forestal Casino prior to the Scheme being implemented, and for TIL to sell its 25% shareholding in Forestal Casino. TIL has now agreed with the owners of Forestal Casino to make these changes on or before 30 March 2018.

TIL and Forestal Casino have also agreed several amendments to strengthen the long-term rosehip oil supply agreement, and improve the day to day operational workings on the relationship. These amendments are intended to provide TIL ongoing and reliable access to Forestal Casino rosehip oil.

Angela Buglass, CEO of TIL, said: "TIL's relationship with Forestal Casino has strengthened since our original investment and supply agreement. Both businesses have benefited from the relationship, with Forestal Casino providing a large amount of high quality rosehip oil for the Trilogy range, and TIL providing greater visibility of demand for Forestal Casino's products. We look forward to continuing our relationship with Forestal Casino."

TIL and Forestal Casino expect to complete these changes after the scheme shareholder approval vote, but prior to the implementation of the proposed Scheme. Therefore in the meantime the majority shareholder in Forestal Casino has appointed TIL as its proxy to vote its 2,615,181 shares in favour of the Scheme. In the event that the Scheme is not implemented, the Forestal Casino changes would still proceed.

The changes will have a non-cash impact to TIL's net profit after tax for the FY18 period, but will not adversely affect the underlying trading financial performance.

### **About Trilogy International Ltd**

Trilogy International Limited (NZX:TIL, ASX:TIL) is a cultivator of essential natural products and home fragrance brands: Trilogy Natural Products, ECOYA, Goodness Natural Beauty Lab, By Nature, Lanocreme, Tiaki, and Rata &Co, in New Zealand and around the world. It's subsidiary CS Company Limited (CS&Co) distributes international cosmetics, fragrances, skincare and haircare brands in New Zealand.

Visit <http://investors.tilbrands.com> to learn more.

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