

Total Produce plc

Stock Exchange Announcement

Total Produce and Blackrock form JV to acquire Dublin lands

Total Produce plc is pleased to announce that it has formed a new 50:50 joint venture company with Blackrock International Land plc which has agreed to acquire 135 acres of land in Dublin for a total outlay, including costs, of €25 million.

The lands are located at The Ward in north Co. Dublin, close to the new N2 motorway which links the M50 interchange at Finglas to Ashbourne.

Just over 36 acres of the lands are zoned for agri-business use, 20 acres of which have been targeted for the initial development of new facilities for Total Produce and replacement premises for its existing operations in central Dublin. Under the joint venture agreement, Total Produce has an option to acquire these 20 acres at cost, such option to be exercised during a maximum period of ten years from completion of the transaction.

The remaining 99 acres are well placed to take advantage of the significant development expected to take place in this area of north Dublin over the next few years.

Total Produce's share of the acquisition cost is €12.5 million. Three representatives from each company have been appointed to the board of the joint venture company, including Rory Byrne, chief executive of Total Produce and Robert Knox, managing director of Blackrock.

The vendors of the lands are subsidiaries of Balkan Investment Company, a company controlled by Neil McCann, which owns 10.6% of the share capital of Total Produce and 6.38% of the share capital of Blackrock. The joint venture agreement and the agreements for the purchase of the lands have been negotiated at arm's length. The joint venture company and the vendors engaged their own separate property advisors. Each of the parties also engaged their own separate legal advisors.

Commenting on the transaction, Total Produce's chief executive, Rory Byrne, said:

“This strategic landholding is ideally located, close to all the main distribution routes that serve both Dublin and the rest of Ireland. The purchase gives Total Produce access to the necessary land to relocate our existing operations in central Dublin, to provide essential additional capacity for our customers and, ultimately, to consolidate all of our Dublin-based operations in a single location. It also gives the company the opportunity to participate in and benefit from the significant future development anticipated in the north Dublin area. We are delighted to be forming this joint venture

with Blackrock, which has extensive experience in property development and in building facilities specific to the fresh produce business.”

Total Produce plc
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