

MEDIA RELEASE

New Forests makes first foray into Vietnam with the Tropical Asia Forest Fund 2 investing in Tavico Group

SINGAPORE: 4 June 2025 – New Forests, a global investment manager of nature-based real assets and natural capital strategies, is today announcing its Tropical Asia Forest Fund 2 (TAFF2) has made its first investment in timber processing infrastructure in Vietnam by investing in the Tavico Group (Tavico), one of the country's leading suppliers of solid wood lumber and logs.

Tavico was founded in 2005 as a log trader and sawn timber mill with annual production capacity of 12,000m³ of lumber per annum, which is equivalent to approximately 800 medium sized houses.¹

Since then, Tavico has increased its annual production capacity to approximately 250,000m³, equivalent to supplying wood for 16,500 medium sized houses. Tavico has also expanded its operations to include a distribution centre, home furniture wholesale market, warehousing and modular wooden home construction.

TAFF2's investment in Tavico will seek to establish a platform for an integrated timber processing and plantation business across Laos, Cambodia and Vietnam, using Vietnam as a focal point. Tavico will look to expand into higher-value segments including finger-joint panels, flooring, furniture, glue laminated timber, and FSC-certified wood pellets.

Tavico has established a 3,200-hectare FSC certified community forestry program with small holder farmers which provides employment and revenue sharing opportunities for local communities. The investment from TAFF2 will look to expand this program for smallholder farmers in Vietnam. Tavico's ambitions for supporting and growing the availability and supply of high-quality, certified wood resources from community-based farms at scale aligns with New Forests' and TAFF2's vision to deliver sustainable, long-term livelihood impact through scaled, commercial activities.

Geoffrey Seeto, Senior Managing Director, Emerging Markets, New Forests said, "We are excited to be announcing our first investment in Vietnam, partnering with Tavico, a company with significant scale and network for timber processing across the country. This collaboration reflects a shared vision for creating long-term value through innovation, sustainability, and positive impact on local communities.

"Vietnam remains a key player in the global wood industry, recording close to USD 4 billion in wood product exports in the first quarter of 2025 with key exports including wooden furniture, pellets, woodchips, plywood, and engineered wood products."

Vo Quang Ha, CEO, Tavico Group said, "This partnership with New Forests marks an exciting new chapter in Tavico's journey. With their support and global expertise in sustainable forestry, we're well-positioned to expand our impact, strengthen our value-added capabilities, and continue leading the way in responsible wood sourcing in Vietnam. Together, we aim to help elevate the entire Vietnamese wood industry by promoting higher sustainability standards, encouraging the use of certified wood, and supporting the development of a traceable, high-value supply chain that benefits both local communities and the environment."

The investment marks the fourth acquisition for New Forests' TAFF2 strategy, which is continuing to deploy capital after announcing in April that it has acquired a majority stake in Burapha Agro-Forestry, a Laos-based timber plantation forestry company.

The [Restoration Seed Capital Facility \(RSCF\)](#) provided support to TAFF2 for the due diligence of the project, helping to drive significant environmental and social benefits that go beyond industry norms.

¹ Forest and Wood Products Australia

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About New Forests

New Forests is a global investment manager of nature-based real assets and natural capital strategies, with USD 8 billion in assets under management across more than 4.2 million hectares of investments (as at 31 December 2024). We manage a diversified portfolio of sustainable timber plantations and conservation areas, carbon and conservation finance projects, agriculture, timber processing and infrastructure. We aim to generate shared prosperity for our clients and the communities in which we operate and accelerate the transition to a sustainable future.

Headquartered in Sydney, New Forests is a Certified B Corp and operates in Australia, New Zealand, Southeast Asia, Africa and the United States. www.newforests.com