



Press Release

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AOG transfers ownership of pioneering bioethanol and green electricity operation in Sierra Leone

St Julians, Malta: AOG announces that it has transferred 75.1% ownership of Addax Bioenergy (SL) Limited ('Addax Bioenergy'), its sugarcane bioethanol and renewable electricity operation in Makeni, Sierra Leone, to a group of investors led by Sunbird Bioenergy Africa Limited ('Sunbird Bioenergy group'). AOG is keeping a minority interest of 24.9% as a mark of its confidence in the future of the business, while Sunbird Bioenergy group will provide the additional financing to take the project to full commercial operation. This handover is made by way of a capital injection by Sunbird Bioenergy group into Addax Bioenergy.

"We are pleased to have found a new majority owner who is passionate about bioenergy and who has a focus on sustainable energy solutions that integrate local communities," commented AOG founder and Chairman, Jean Claude Gandur.

Sunbird Bioenergy Africa Limited ('Sunbird Bioenergy'), which will manage and run the operation in Makeni, Sierra Leone, is an energy company with a portfolio of sustainable biofuel projects in Sub-Saharan Africa. It takes a comprehensive approach to biofuel projects, which includes fair agricultural land leases, sustainable farming and feedstock production, world class biorefineries, as well as inclusive community development and improved livelihoods.

"We look forward to building on the achievements of Addax Bioenergy in Sierra Leone, and restarting commercial operations as soon as possible. This opportunity is a perfect fit with our philosophy and development strategy," said Sunbird Bioenergy's Director, Richard Bennett. "The operation functions on the principles of sustainable biofuels, sustainable local community development and a reduction in carbon dioxide emissions, thereby contributing towards regional climate change goals. At Sunbird Bioenergy, we operate and champion these same principles."

The President of Sierra Leone, His Excellency Dr Ernest Bai Koroma also expressed his support for the transfer: "AOG is part of our family in Sierra Leone. They have successfully established this bioethanol operation in our country, which will also feed much-needed electricity into our national grid. We thank them for their approach, which ensures that local communities benefit from the business, and for their commitment to the country, even in challenging times. We look forward to Sunbird Bioenergy carrying on their work and taking the project forward to commercial success."

As part of its commitment to Sierra Leone, AOG has been working with the government for some time to help enhance the country's energy strategy. AOG is pleased to say that good progress has been made towards the development of an ethanol blending policy by the government. This is part of the government's commitment to the global effort to mitigate greenhouse gas emissions, while also reducing fuel imports to save foreign exchange and improving energy security.

For this transaction, African Capital Investments (ACI) and Simbi Capital acted as AOG's joint advisors.



Background

The Greenfield project, started in 2008, began production in May 2014 and made first sales in early 2015. It had to overcome a number of unforeseeable events, which had a significant impact on the timeframe, costs and revenues initially planned. These included the Ebola outbreak in May 2014, which took a terrible human toll on the country and led to substantial delays as the company's contractors declared "force majeure" and left the site.

AOG, as main shareholder, and Addax Bioenergy S.A. decided to downscale the operation in June 2015 and to conduct a review of all options for the future.

AOG repaid debt financing from eight Development Finance Institutions (DFI) in December 2015 and bought back minority shareholders in Addax Bioenergy. This aimed to facilitate any future solution for the company, in particular a transfer to new ownership.

About AOG:

AOG is a privately-owned investment group, founded in 1987 by Swiss entrepreneur Jean Claude Gandur. It developed into a group of energy companies active in Africa and the Middle East, before diversifying into international real estate and other capital investments. Over the years, AOG has earned a reputation as an entrepreneurial investor, with an instinctive ability to recognise new business opportunities and to take bold, but carefully calculated, risks, without comprising its principles of fairness and integrity. AOG employs over 1,200 people in Europe, Africa and the Middle East.

About Sunbird Bioenergy Africa Limited:

Sunbird Bioenergy Africa is a renewable energy company that is building a portfolio of sustainable biofuel projects in Sub-Saharan Africa that produce bioethanol and power. It is developing comprehensive, vertically integrated bioenergy projects that include agricultural land assets, sustainable farming and feedstock production, biorefineries and biofuel distribution. All projects include a significant out-grower program and commitment to sustainable rural development.

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