



Press Release
23 October 2009

SEKAB sells subsidiaries in Tanzania and Moçambique to EcoDevelopment in Europe AB

SEKAB International AB ("SEKAB") and EcoDevelopment in Europe AB ("EcoDevelopment") entered into an agreement on 21 October whereby EcoDevelopment takes over 100% of shares in SEKAB's two subsidiaries SEKAB Bioenergy Tanzania Ltd and Ecoenergia Moçambique. The transfer of ownership is practically at no cost (SEK 400).

SEKAB had the choice of completing the shut down of the two companies with remaining closing costs of approximately SEK 16 million or transferring ownership at no cost to EcoDevelopment, which offered to take over the companies. The two companies have net assets of approximately SEK 14 million, which SEKAB relinquishes claims to, but on the other hand the company avoids costs associated with the shutting down of the companies.

In case EcoDevelopment is able to find financial backers for the African ethanol projects and is able to implement its plans, the contract includes an pledge for an off-take contract and a repayment clause, with which SEKAB can regain the entire amount it invested in Africa between 2005 and 2008, approximately SEK 170 million.

Three individuals connected to EcoDevelopment are on the SEKAB group's board. These individuals have not taken part in the board's decision on this issue. With this agreement SEKAB has extracted itself from its African projects except for the four potential off-take contracts, one for its Ghana efforts and three for EcoDevelopment in Tanzania and Moçambique, respectively.

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SEKAB is one of Europe's leading ethanol companies. The company produces and distributes bioethanol as fuel and green chemical products. It also develops the next generation in ethanol processes based on cellulose. The company's mission is to create the conditions for and actively promote future sustainable transport solutions with the help of long-term sustainable biofuels.