



# PRESS RELEASE



**For Immediate Release  
May 10th 2007**

## **Sime Plantations and BioX Carbon sign agreement to jointly develop CDM Projects**

Sime Plantations, a subsidiary of Sime Darby Berhad, and BioX Carbon, part of the BioX Group, have signed a Business Collaboration Agreement to jointly develop Clean Development Mechanism (CDM) projects at the palm oil mills of Sime Darby in Malaysia. These CDM projects are based on the concept of reducing greenhouse gas emissions, in this particular instance, methane gas, by capturing the biogas (emitted from palm oil mill effluent (POME) anaerobic ponds) for combustion in a gas engine or boiler. Through this process, carbon dioxide neutrality of the production process at the mills will be greatly enhanced.

CDM is one of the mechanisms introduced in the Kyoto Protocol, to assist countries in achieving their emission reduction targets. Apart from the environmental benefits of reducing the emission of greenhouse gases, CDM projects are potentially profitable and can reduce fuel costs by using, in this case, captured methane as a replacement.

The BioX Group is currently the largest and fastest growing supplier of liquid biomass to the energy sector in Europe. It strives to be a fully integrated renewable and sustainable energy producer and as such has included the development of CDM projects as part of its business model. These projects shall be undertaken under the purview of the Kyoto Protocol (United Nations) and will generate Certified Emission Reduction certificates (CERs).

En Azhar Abdul Hamid, Managing Director of Sime Plantations, said, "The CDM projects are expected to generate an annual income of RM 7.5 million (Euro 1,500,000). Greenhouse gases are reduced and this is in compliance with the Kyoto Protocol and the Principles and Criteria of the Roundtable on Sustainable Palm Oil".

"There is potential savings in energy costs at the mills using this concept, as fossil fuel can be replaced with the renewable biogas. Apart from the additional income from the sale of CERs, the concept also enhances the sustainability and environmental management of our palm oil mills. The trapping of the methane reduces the foul odour from the POME ponds to the surrounding community", he added.

Edgare Kerkwijk, BioX Group's CFO and Head Asia, said, "Implementing CDM takes Sime Plantations' corporate social responsibility to a higher level since CDM is one of the few environmental initiatives recognized by national and international bodies".

"The implementation of CDM projects can be a specialised and lengthy process and we are therefore proud that Sime Plantations has chosen our company to be their partner in the development of these projects. Adopting CDM enables Sime Plantations to deliver value in environmental consciousness even while it strives to deliver value in its operations", he added.

Stakeholder consultations for the bundled CDM projects have been completed successfully, which means that individuals, groups and communities likely to be affected by the projects have been given the opportunity to express their views and express their concerns, if any.

The project received the Letter of Approval by the Ministry of Natural Resources and Environment on April 12th, after which the project will be delivered to the CDM Executive Board in Bonn, Germany, for registration.

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**About the BioX Group**

The BioX Group is an internationally recognised expert in the field of sustainable energy and is one of Europe's largest and fastest growing suppliers of liquid biomass to the energy sector for renewable energy production, with offices in the Netherlands, London, Milan, Brussels, Singapore and Kuala Lumpur. The company is a leader in the supply of liquid biomass ("biofuels") to the renewable energy sector in Europe and is developing its own liquid biomass power plants in the European Union and biomass plantations in Southeast Asia. In addition, BioX develops CDM projects together with its suppliers in Southeast Asia.

Company website: [www.biox.nl](http://www.biox.nl)

**About Sime Plantations**

Sime Plantations is a division of Sime Darby Berhad. The Plantations Division's main activities include the management of approximately 80,000 hectares of palm oil plantation in Peninsular Malaysia, Sabah and Kalimantan in Indonesia. The Plantations Division activities are structured under 8 Business Units comprising estate and mill operations.

Company website: [www.simeplantations.com](http://www.simeplantations.com)