



PRESS RELEASE
15 APRIL 2014

Roxol bioethanol production now in full swing despite challenges

ROXOL Bioenergy Corporation, the affiliate of listed sugar group Roxas Holdings, Inc. (**PSEi: ROX**), announced that its ethanol production is now in full swing.

Roxol reported that it was able to produce 15.07 million liters of bioethanol from October 2013 to March 2014 — this, despite several technical setbacks suffered over the past three years from plant contractor KBK Chemical Engineering Pvt Ltd., a subsidiary of India's Shree Renuka Sugars Limited. With this development, Roxol is now a major profit contributor to the Group, after its operations started to improve in June last year, following a series of plant repairs that spanned three years.

“The extended period of repairs is over and we hope that Roxol’s performance will continue to improve and that we can deliver more bioethanol fuel to serve the requirements of oil companies,” RHI President and CEO Renato C. Valencia said.

The plant’s six-month bioethanol production of 15.07 million liters for fiscal year 2014 is 558% higher than the 2.29 million liters produced the same period last year, catapulting the Company as one of the Philippines’ top bioethanol producers. With this, the Company has become profitable, reversing the losses suffered the previous years.

“Roxol’s gains are promising. We expect the plant to continue producing at least 100,000 liters of bioethanol fuel every day. With the marked improvement in Roxol bioethanol plant’s performance, the Company will contribute significantly to the Group’s net income,” Roxol President and Chief Operating Officer Luis O. Villa-Abrille said.

KBK Chem was contracted to build Roxol’s ethanol plant on a turnkey basis, and was supposed to complete and deliver the plant to Roxol in December 2009. However, the completion went beyond 2009 and KBK Chem spent the past three years trying to repair and commission the plant. Concerned with the delay, Roxol tapped the services of third-party foreign consultants, Robert Doon Pty. Ltd. and Anand Mokashi, to inspect and audit the plant. Both auditors reported that the plant was not built efficiently and that there were boiler components that needed reconfiguration. They also listed several other possibilities that could lead to the failure of the superheater tubes at Roxol.

Ultimately, Roxol performed the repairs and adjustments on its own and this made the plant fully operational in February 2014.

ROXAS HOLDINGS, INC. (RHI)(PSEi: ROX), a bio-sugar and bio-energy company, is the largest integrated sugar business in the Philippines. It manages 100% of Central Azucarera Don Pedro, Inc. in Nasugbu, Batangas, and Central Azucarera de la Carlota, Inc. and Roxol Bioenergy Corporation in La Carlota, Negros Occidental. It also holds 45%-stake in affiliate Hawaiian-Philippine Company. For inquiries, contact Roulee Jane F. Calayag at (02) 810 8901.