NEWS RELEASE

Subscription to raise £1 million

2024-11-19

RNS Number : 7036M
Woodbois Limited
19 November 2024

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (REGULATION (EU) NO 596/2014), AS IT FORMS PART OF DOMESTIC LAW IN THE UNITED KINGDOM BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AND THE EUROPEAN UNION (WITHDRAWAL AGREEMENT) ACT 2020. UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

19 November 2024

Woodbois Limited
("Woodbois" or the "Company")

Subscription to raise £1.0 million and Board Update

Woodbois Limited (AIM: WBI), a leading company in the international timber industry, is pleased to announce that it has raised £1 million by way of subscription for new ordinary shares.

Details of the Fundraising

Gross proceeds of £1 million (approximately $1.3 million) have been raised by way of a subscription (the "Subscription") of

476,190,476 new ordinary shares of 0.01p each in the Company ("New Ordinary Shares") at a price of 0.21 pence per New Ordinary Share (the "Subscription Price"). Axis Capital Markets Limited ('Axis') has subscribed for the shares on behalf of its clients.

The New Ordinary Shares represent 10.08 per cent of the total existing issued ordinary share capital of the Company prior to the Subscription. Proceeds of the Subscription will be used for general working capital purposes.

The New Ordinary Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with each other and with the existing ordinary shares in the capital of the Company, including, without limitation, the right to receive all dividends and other distributions declared, made, or paid after the date of issue.

Subscription Agreements

The Company has entered into two subscription agreements (the "Subscription Agreements") with Axis. The Subscription Agreements contain customary terms and conditions, and Axis is entitled to terminate the Subscription Agreements at any time prior to the relevant First Admission or Second Admission (both defined below) in certain circumstances.

Use of Proceeds

The net proceeds will be utilised to support Woodbois Limited's continued growth and operational enhancements. The allocation of net proceeds is as follows

1. **Operational Efficiency and Profitability**:
   Investment will be made in refining operational processes and technologies to enhance cost efficiency and profitability. This includes targeted upgrades to machinery and workflows to improve product yields and margins.

2. **Operational Expansion in Gabon**:
   A significant portion of the funds will be invested in enhancing production capacity within our operations in Gabon. This includes increasing veneer production to meet growing demand and optimize asset utilization, as highlighted in our earlier updates.

3. **Debt Management and Financial Strengthening**:
   In line with our focus on improving the Company's balance sheet, part of the proceeds will be directed toward reducing outstanding debt. This step builds upon our previous debt reduction milestones, as referenced in the Company's announcement dated 28 June 2023, ensuring greater financial flexibility and resilience.

4. **Working Capital Requirements**:
   A portion of the funds will be allocated to meet the Company's working capital needs, ensuring seamless day-to-day operations and enabling us to address market opportunities effectively.

This carefully planned allocation of proceeds reinforces the Company's commitment to sustainable growth and value creation, ensuring we remain well-positioned to capitalize on opportunities within our sector.

Board Update

As previously announced, the Company is actively pursuing the appointment of a third Non-Executive Director to facilitate the separation of the roles of the Chief Executive Officer and Chair, currently held by Guido Theuns. This initiative aims to strengthen our governance framework and support the Company's strategic objectives.

Further subscription for existing qualified holders

The directors recognise the support of the Company's significant shareholders through recent months. Subject to demand, a further subscription will be available to existing significant shareholders through their registered brokers for new ordinary shares amounting to approximately £200,000 in aggregate on the same terms as the Subscription. This will be subject to the prevailing AIM Rules for Companies (the "AIM Rules") including the assessment of any potential related party transaction for the purposes of Rule 13 of the AIM Rules. These ordinary shares are not being made available to the public and none of the ordinary shares are being offered or sold in any jurisdiction where it would be unlawful to do so. The Company will make a further announcement through a Regulatory Information Service in relation to this as and when appropriate.

Total voting rights

Application will be made to London Stock Exchange plc for the admission of the New Ordinary Shares to trading on AIM. It is expected that admission for 170,940,476 New Ordinary Shares will become effective at 8.00 a.m. on or around 25 November 2024 ("First Admission"). It is expected that admission for 305,250,000 New Ordinary Shares will become effective at 8.00 a.m. on or around 3 December 2024 ("Second Admission").

Following the First Admission, the Company's total issued share capital will be 4,893,929,349 ordinary shares, which will consist of 4,289,791,202 voting ordinary shares, 19,138,147 treasury shares, and 585,000,000 non-voting ordinary shares.

Following Second Admission, the Company's total issued share capital will be 5,199,179,349 ordinary shares, which will consist of 4,595,041,202 voting ordinary shares, 19,138,147 treasury shares, and 585,000,000 non-voting ordinary shares.

The aforementioned figures of voting ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to, their interest in the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Guido Theuns CEO & Executive Chair said:
"This fundraising was unanimously approved by the Company's Board, reflecting a shared commitment to strengthening the Company's financial position and supporting its strategic objectives. Woodbois Limited is in a position of strength with the funds from this subscription and the board plan to capitalise on the sector wide opportunities that will ensure growth within the Company."

Enquiries:

Woodbois Limited	
Guido Theuns, Executive Chair & CEO	+ 44 (0)20 7099 1940
Johannes Bloemen, CFO	
	+44 (0)20 3328 5656
	info@allenbycapital.com
Allenby Capital Limited Nominated Adviser	
John Depasquale, Piers Shimwell	
Novum Securities (Joint Broker)	+44 (0) 20 7399 9427
Colin Rowbury, Jon Bellis	
Axis Capital Markets Limited (Joint Broker)	+44 (0) 203 026 0449
Ben Tadd, Lewis Jones	

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact **rns@lseg.com** or visit **www.rns.com**.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our **Privacy Policy**.

END

IOEEADFPFADLFAA