NEWS RELEASE

# Woodbois Limited - Board Changes & Trading Update

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**WOODBOIS LIMITED**

("Woodbois", the "Group", the "Company")

**Board Changes**
**Gabon Operations**
**Mozambique Operations Divested**

Woodbois Ltd (AIM:WBI), a leading Company in the international timber industry, announces the following:

## Board Changes

As part of the Group reorganisation which commenced in January 2024, Carnel Geddes (CFO) and Graeme Thomson (INED) have decided that after 7- and 5-years' service respectively and for personal reasons, they do not wish to offer themselves for re-election at the 2024 AGM and will accordingly step-down as Directors by then. Woodbois is fortunate that they have agreed to remain involved and available for a short period to

help with handover matters.

Subject to final completion of the usual regulatory checks a new Independent Non-Executive Director is expected to be announced shortly. Woodbois is also recruiting a further independent NED and will appoint a new CFO; it intends to announce these as soon as possible. The Group has a current non-Board Interim Head of Finance, who has been with the Group since January 2024.

The Group intends to consolidate its Group finance, trading and other central functions as it reduces its disparate offices outside of Gabon and eliminating superfluous subsidiaries in Hong Kong and Liberia, as well as those in Mozambique as noted below.

**Gabon Operations**

The Group has restructured its Gabon Operation in a positive way, with management changes bringing in a new Director General, a Director General Adjoint for the Mouila operations and a new Human Resource Manager for the Group.

Further, the Company has:

- withdrawn from uneconomic and burdensome business activities;
- materially reduced its local headcount (particularly of non-nationals) and hence costs;
- ceased sub-standard operational practices, with a focus on health and safety, transparency and on controls;
- focused on carrying-out repairs/upgrades of machinery and hiring specific skills to permit double shifts and maximise output;
- re-modelled its integrated activities from the forest to final customer, ahead of planned increases in its own-production in the latter part of the year;
- devoted much senior management time to ensuring we have good relations at all levels of governmental authorities.

So far in 2024 whilst implementing new management, procedures, procurement, replacing equipment and maintenance the Group was still able to maintain daily production around H1 2023 levels, with the sawmill averaging 37 m3/working day and in the veneer factory averaging 18 m3/working day. The operations are being readied for a planned major and sustainable increase to record levels in the second half of 2024.

The Company is completing final legal documentation for a new $5m trade finance facility on better terms than envisaged when provisionally announced in February 2024. Further announcements will be made in due course when the Company executes the trade finance facility. The Company is also exploring further working capital financing options to enable it to upgrade machinery, introduce a second shift, secure certification and for general purposes.

**Sale of Mozambique Operations**

Further to the statement dated 13 March 2024 and as part of its reorganization and focus on profitability, the Group has completed a Sale Agreement ("SA") for all the legal entities associated with its Mozambique operations to a local purchaser. These operations accounted for less than 1 per cent. of Group turnover and net assets for the year ended 31 December 2022. The consideration of $1.0m is payable in installments, through to mid-2030. There is also a sliding scale share of any follow-on sales proceeds of up to 80% of the uplift in value if on-sold by the buyer within two years of the SA date.

**Guido Theuns, Executive Chair & CEO, said**

"I am very sorry to say goodbye to Carnel and Graeme, who have been excellent, supportive and professional colleagues, both to me and past management: we shall miss them both. However, with their and other departures we need to continue to look forward as we implement the fresh vision, strategy and business model started at the start of 2024 and move towards a streamlined and expanding Group. We are primed ready for growth and a refreshed Board. Recruitment towards centralising cost-effective finance, trading and support activities is well underway.

In Gabon, whilst there has been much change, I am pleased with the new focus towards a future of best-in-class and rewarding activity. There has, of course, been some resistance to new ways and it is always uncomfortable losing colleagues in the Group, but it is clear that change was inevitable and necessary.

Our detailed work on re-shaping Woodbois is proceeding at pace and we are also selectively assessing expansion opportunities. I am confident that the necessary and appropriate financial resources will be available to achieve this.

We will have a full update with the 2023 results later in the month but I reassure shareholders that every effort is being made to ensure that the Group's inherent value is revealed and will be realised."

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").*

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**Woodbois Limited**
Guido Theuns, Executive Chair & CEO
Carnel Geddes, CFO
+ 44 (0)20 7099 1940

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|---|---|
| **Canaccord Genuity** (Nominated Advisor and Broker)<br>Bobbie Hilliam, Harry Pardoe | + 44 (0)20 7523 8000 |
| **Novum Securities** (Joint Broker)<br>Colin Rowbury, Jon Bellis | +44 (0) 20 7399 9427 |
| **Axis Capital Markets Limited** (Joint Broker)<br>Ben Tadd, Lewis Jones | +44 (0) 203 026 0449 |

**About Woodbois:**

Woodbois is a Guernsey-based company at the forefront of the timber industry, committed to delivering quality products and sustainable solutions. With a legacy of innovation and a vision for the future, it strives to set industry standards and exceed expectations. Please follow the Company on X: @WoodboisLtd

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