



Media release

Capital increase - Extraordinary General Meeting

Zug, November 8, 2024 – After implementing the announced restructuring measures in response to the challenging market environment, a complete conversion of the holding company's loans into new preferred shares should reorganize the balance sheet of Precious Woods Holding Ltd. and create the basis for stable economic development. This capital increase is to be approved at the Extraordinary General Meeting on December 2, 2024.

Precious Woods is operating in a difficult market environment due to a global crisis in the construction sector. The restructuring measures initiated last year were largely implemented this year with great effort. In order to increase the company's financial flexibility, the Board of Directors was able to find a solution with the debtholders, who are also the largest shareholders. All loans of CHF 43.5 million are to be converted into new equity through offsetting. New preferred shares with a nominal value of CHF 10.00 are to be created, which will be issued at a conversion price of CHF 50.00. As a result, the voting rights of the existing ordinary shareholders will remain unchanged. The voting rights of the existing ordinary shares with a nominal value of CHF 1.00 will remain ten times greater. As compensation, the preferred shares will receive preferential treatment in the event of liquidation and for dividend payments up to a certain threshold.

The Board of Directors called an Extraordinary General Meeting, to be held on December 2, 2024 at 10.00 a.m. in Zug, so that the above-mentioned capital measures can be implemented accordingly. Precious Woods would like to thank its lenders and shareholders for allowing it to take this step to further develop the Group.

Additional information on the current course of business will be provided at the Annual General Meeting and subsequently announced with the result of the meeting.

Information:

Precious Woods Holding Ltd., Markus Brüttsch (Chairman of the BoD)
Fabian Leu (co-CEO) / Markus Pfannkuch (co-CEO) / Richard Meister (CFO)
Tel. +41 41 726 13 13, investor@preciouswoods.com

Precious Woods is an international company active in the sustainable management and use of tropical forests. The company's core activities include sustainable management of tropical forests, timber processing and the trading of FSC-certified timber products. The generation of emission rights and electricity from wood waste represent further integral elements of the company's business. Additional information about Precious Woods can be found at www.preciouswoods.com

This document includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections about the Company's future results of operations, financial condition, liquidity, performance, prospects, strategies, opportunities and the industry in which it operates. Forward-looking statements involve all matters that are not historical fact. Such statements are made on the basis of assumptions and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous.