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Media Release

Cost increases affect financial performance

Zug, 20 August 2026 – In the first half of 2026, Precious Woods Group generated consolidated net revenue of EUR 21.1 million (previous year: EUR 21.6 million). EBITDA amounted to EUR -0.8 million (previous year: EUR 0.8 million), while EBIT totaled EUR -2.7 million (previous year: EUR -1.3 million). Net income amounted to EUR -4.3 million (previous year: EUR -2.6 million).

in EUR million	30.06.2026	30.06.2025	Index	Change
Net Sales Precious Woods Group	**21.1**	**21.6**	**97.8%**	**–0.5**
Net Sales Precious Woods Gabon	13.8	13.5	102.2%	0.3
Sawmills	9.8	10.4	94.2%	–0.6
Net Sales Precious Woods Amazon	5.6	5.6	100.7%	0.0
Sawmills	5.3	5.3	100.8%	0.0
Net Sales Energy Biomass power plant	0.1	0.1	117.7%	0.0
Net Sales Precious Woods Trading	1.6	2.5	65.4%	–0.9

The exchange rate effect on sales was 0.9 % compared to the same period last year.

The changes in the economic and regulatory environment in Gabon since the end of 2025 had a significant adverse impact on the Group's business performance during the reporting period. Higher export taxes together with increased diesel, transportation and other production costs led to a substantial deterioration in the profitability of the Group's largest business segment. CPL, the veneer manufacturing joint venture, was also affected by these conditions and again reported a negative net result.

The Group's other business segments performed broadly in line with expectations but could not offset the decline in earnings in the Gabon segment. In addition, unrealized foreign exchange losses relating to the Brazilian Real adversely affected the financial result.

In response to these developments, the Group initiated measures towards the end of the previous financial year aimed at improving profitability and mitigating cost increases. These measures included negotiations with key customers regarding price adjustments to partially pass on higher costs. As these measures require time to take full effect, the additional cost burden could not yet be fully offset during the first half of the year.

Stable turnover despite a challenging environment

Consolidated net revenue of EUR 21.1 million was 2.3% below the prior-year figure of EUR 21.6 million. Overall, order intake and revenue development proved resilient despite the challenging market environment. While the Group's other business segments developed steadily, higher export duties and logistics costs in Gabon negatively affected net revenue in that segment.

Higher costs significantly impact operating profit

EBITDA declined to EUR -0.8 million (previous year: EUR 0.8 million). The decrease in operating earnings was primarily attributable to higher export taxes as well as increased energy and transportation costs in Gabon. In addition, CPL, the veneer manufacturing joint venture operated together with the Group's French partners, again made a negative contribution to earnings.

Financial result affected by foreign exchange losses

The financial result amounted to EUR -1.5 million (previous year: EUR -1.0 million). It was primarily affected by unrealized foreign exchange losses of EUR 0.8 million (previous year: EUR 0.4 million) resulting from the depreciation of the Brazilian Real against the Euro. Net income amounted to EUR -4.3 million (previous year: EUR -2.6 million).

Cash flow and investments

Cash flow from operating activities amounted to EUR -0.1 million during the first half of 2026. Investments in property, plant and equipment amounted to EUR 1.2 million and primarily comprised replacement investments. Cash flow from financing activities amounted to EUR 1.4 million.

Outlook

The Group expects higher production and sales volumes in the second half of the year compared with the first half. This development will be supported by the strengthening of the sales organization and the expansion of the Group's sales structures. However, the economic and regulatory environment, particularly in the Gabon segment, is expected to remain challenging. Accordingly, the additional cost burden is not expected to be fully offset during the 2026 financial year. The Group remains committed to its strategic direction but expects that the targeted turnaround will become visible beyond the 2026 financial year.

The complete Half Year Report 2026 is now available for download at www.preciouswoods.com as well as an online version.

Information:

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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.

Precious Woods

in thousand EUR

Income statement

	30.06.2026		30.06.2025	
Net sales	**21’083**	**100.0%**	**21’569**	**100.0%**
Production cost	-11’825	-56.1%	-11’002	-51.0%
Operational contribution	**9’258**	**43.9%**	**10’567**	**49.0%**
Labour cost	-8’133	-38.6%	-8’464	-39.2%
Other operating cost	-1’931	-9.2%	-1’282	-5.9%
EBITDA	**-806**	**-3.8%**	**822**	**3.8%**
Depreciation and amortization	-1’920	-9.1%	-2’153	-10.0%
EBIT	**-2’726**	**-12.9%**	**-1’331**	**-6.2%**
Financial result	-1’451	-6.9%	-1’044	-4.8%
EBT	**-4’177**	**-19.8%**	**-2’375**	**-11.0%**
Income taxes	-121	-0.6%	-261	-1.2%
Net result	**-4’298**	**-20.4%**	**-2’636**	**-12.2%**

in thousand EUR

Balance

	30.06.2026		31.12.2025	
Current assets	28’229	22.9%	27’105	23.1%
Non-current assets	95’195	77.1%	90’158	76.9%
TOTAL ASSETS	**123’424**	**100.0%**	**117’263**	**100.0%**
Current liabilities	34’622	28.1%	30’874	26.3%
Non-current liabilities	19’731	16.0%	17’884	15.3%
Equity	69’071	56.0%	68’505	58.4%
TOTAL LIABILITIES	**123’424**	**100.0%**	**117’263**	**100.0%**