

# Know Your Preseen (KYP)

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Nov 2015 – Strategic Case Study

**Wodd**





# Wood and Forestry Management





# Wodd – Company History



## Timeline

1983



- Founded by a group of wealthy individuals.
- A large area of forest was sold to these individuals.
- Wodd was formed when they established a company to undertake the purchase.

Over time, the company grew and the original founders sold their shares

2002

**Wodd was quoted since 2002**



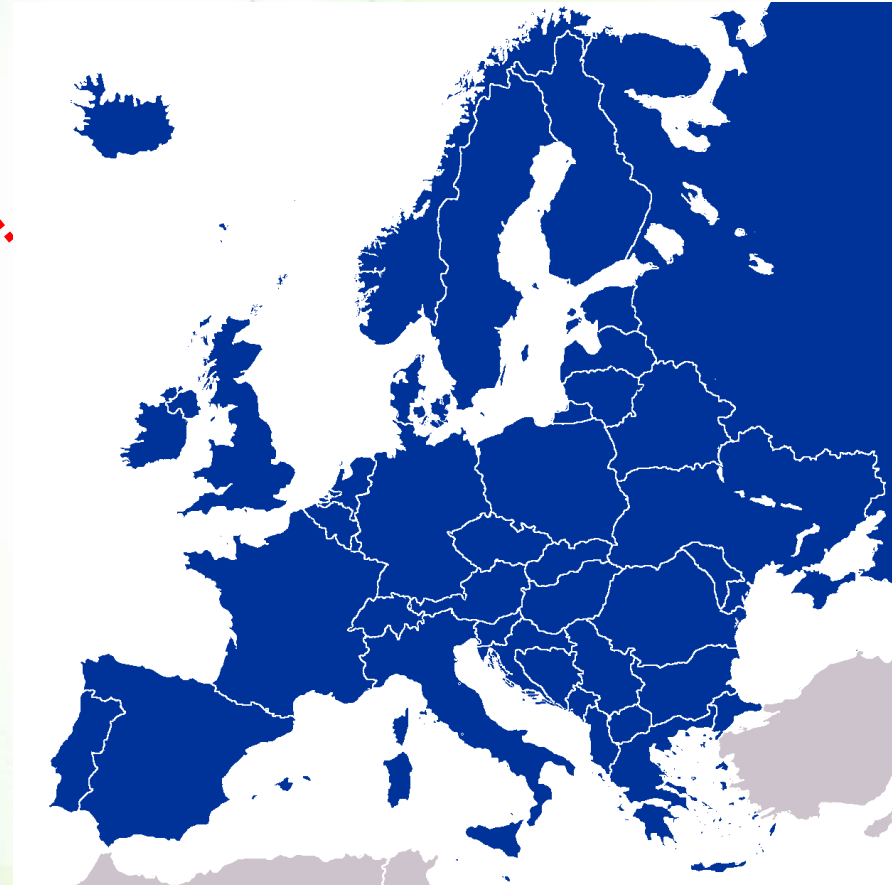
2015

# Marland



**Wodd is based in  
Marland**

**A European  
Country**



**M\$**

**The currency of Marland is M\$**

# Operations of Wodd



**Forestry  
Management**

**Own forests and  
of clients'**

**accredited by  
FSCM**

**Harvesting &  
Replanting trees**

**Provides Advise  
on Taxation &  
Grant  
Applications**



**Forestry Company**

**Project Work**

**on behalf of the  
Forestry  
Authority of  
Marland**

**Creating amenity  
woodlands &  
forests**

**making picnic  
areas, footpaths  
& cycle paths in  
existing forests  
for public leisure**

**Harvesting  
Timber**

**In own forests  
and clients'**

**Adds value  
through  
participation in  
Associated  
Industries**

**such as the  
Manufacture of  
Paper**



# Company Situation in Last Year (2014)

**The company situation in the last year (2014): Extracted from the Chairman's Statement**

## Results

- Focused on stabilising its results
- As faced number of difficult years during recession

## Long term growth

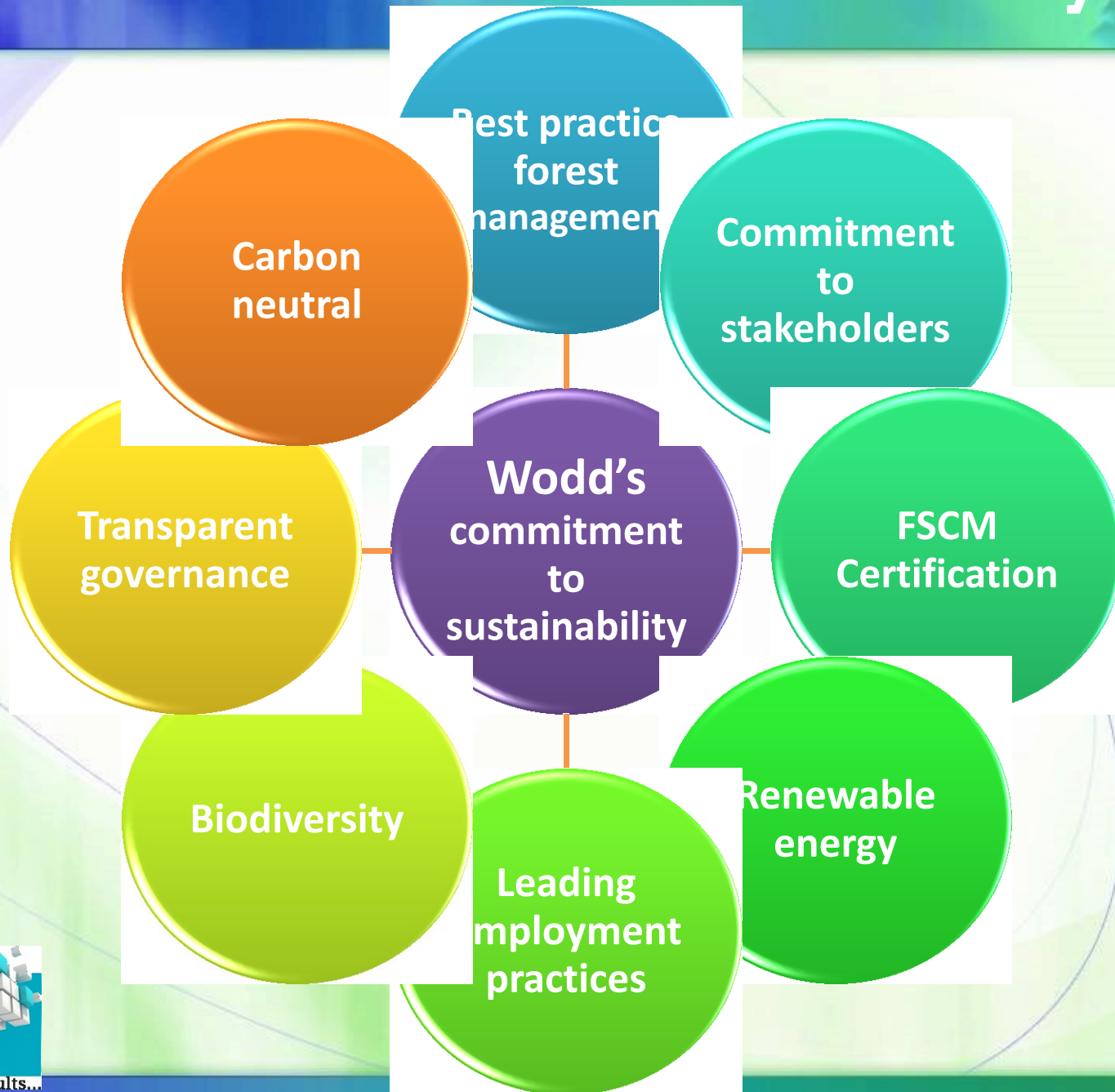
- Focuses on achieving long-term stable returns from activities
- Steadily improving key areas to build a strong future.

## Markets

- Continued to strengthen its position in the markets and regions where it operates



# Wodd's commitment to Sustainability







## Sustainability

- is a key factor in all investment decisions.

## We aim to:

- manage our forests to the Highest standards

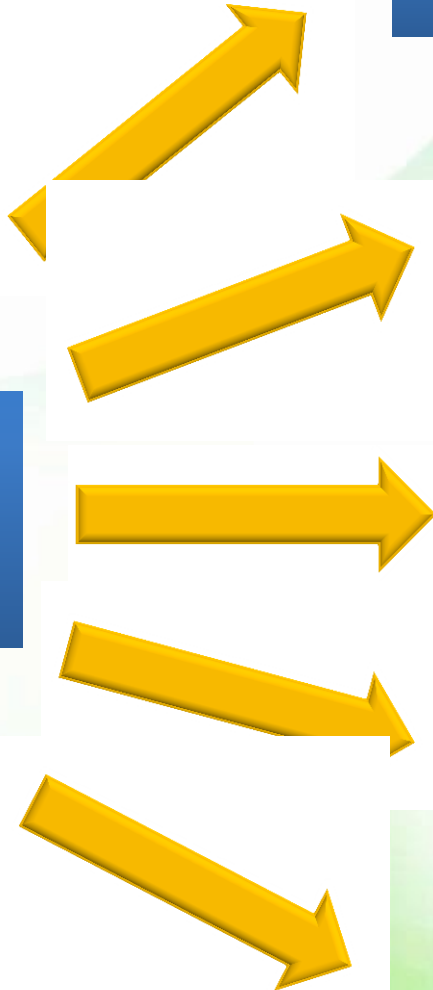
## Our expectation is that:

- Wodd will be a net planter of trees, with the number of living trees increasing over time in all of our forests

# Strategy & Objectives



## Long-term Strategy



1. Provide stable, long-term returns to our investors

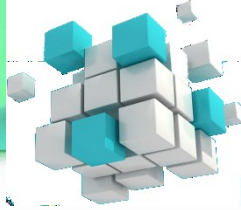
2. Be the preferred supplier of raw wood-based materials to a broad customer base

3. Be the leading player in the forest industry regarding environmental and social conduct

4. Expand existing and develop new large-scale projects

5. Seek new ways of working to improve the sustainability of forests in the future

# Code of Conduct



## Stakeholders

- We work with all of our stakeholders, ensuring woodlands and forests meet the needs of present and future society.

## Respect

- We value our colleagues and our stakeholders, valuing diversity and treating everyone with consideration.

## Professional behaviour

- We act with integrity and objectivity to achieve high standards of health and safety, quality and sustainability in everything we do.



# Foreign Exchange Risks



## Foreign Exchange Risks

### How?

- Fluctuation in foreign exchange rates
- Wodd is exposed to foreign exchange risk

### Why?

- Pulpwood is priced in USD which can be volatile against the M\$

### Actions to mitigate

- Can utilise financial instruments to hedge against adverse currency movements

### Weakness

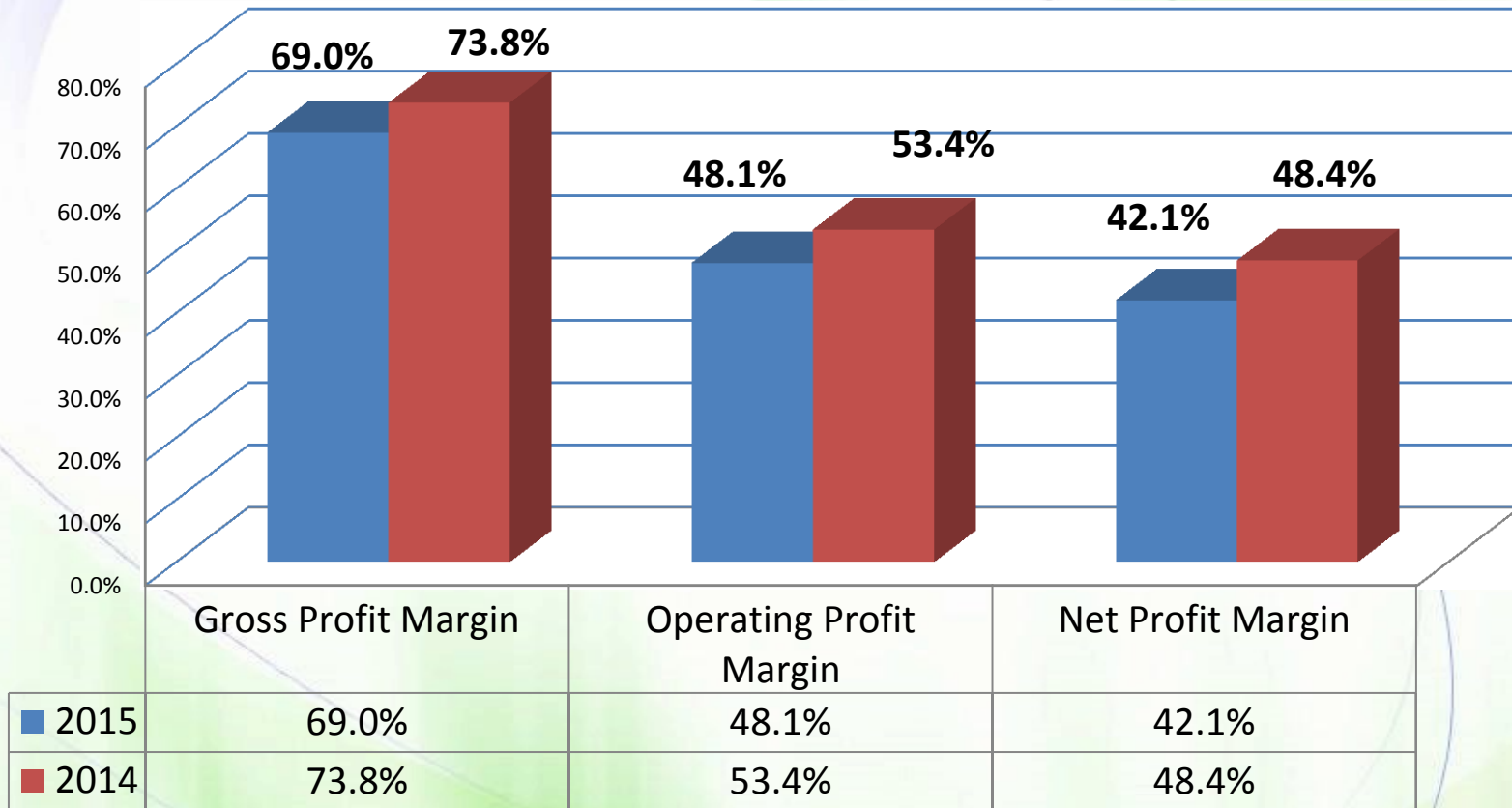
- No guarantee that it will be possible to hedge against a particular change at an acceptable price, or that any attempt to hedge would be successful.



# WODD - Profitability Ratios “e”



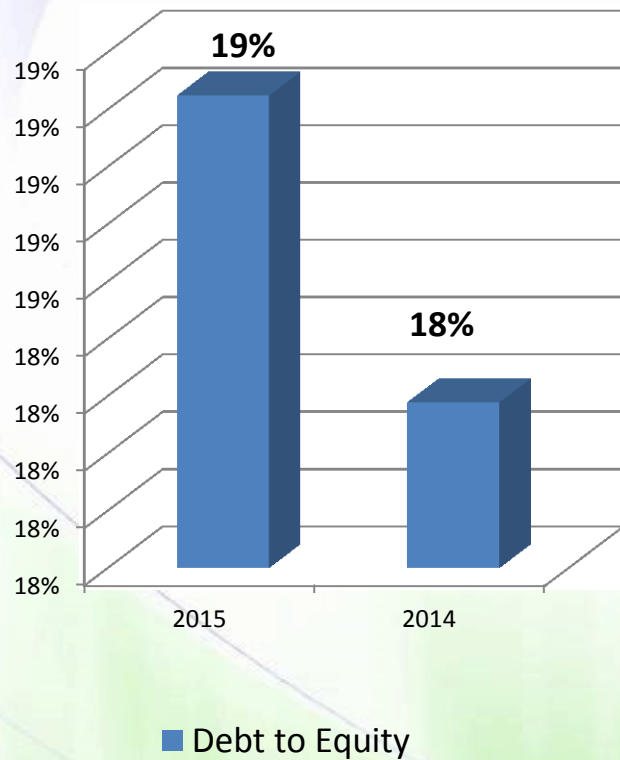
## Profitability Ratios



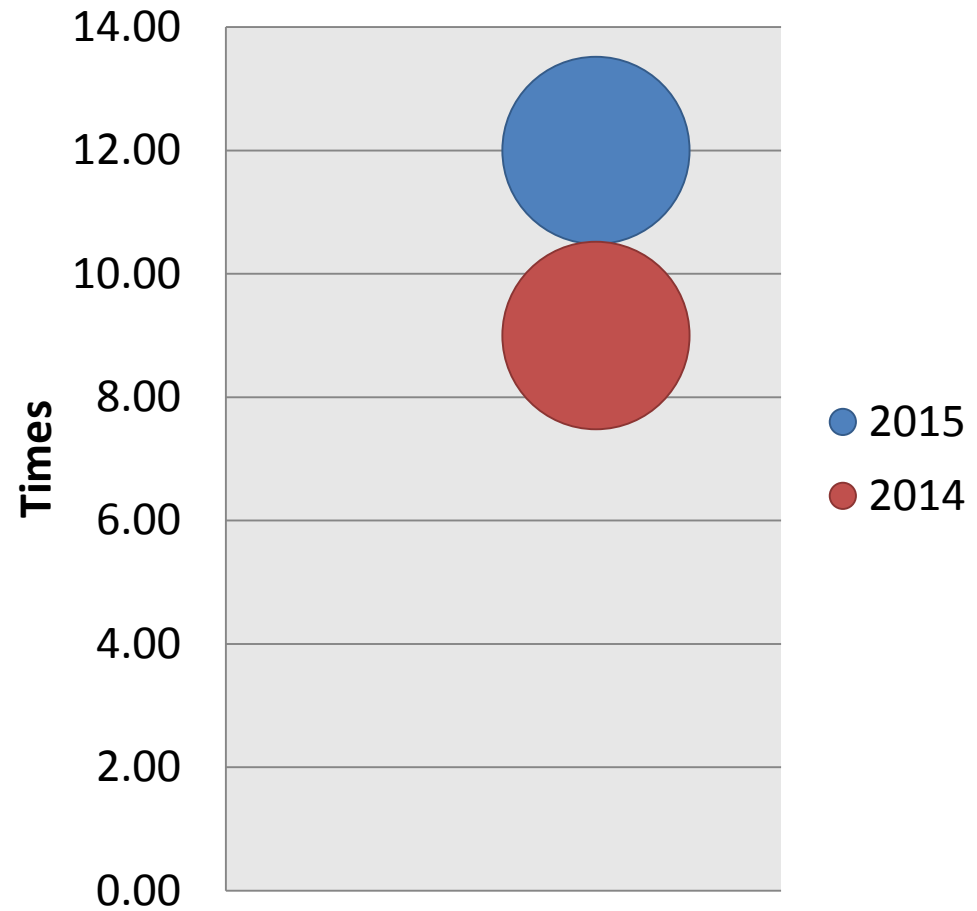
# WODD - Gearing Ratios “e”



## Gearing Ratios



## Interest Cover







**The end.**