

2022

ANNUAL REPORT



CONTENTS

1	INTRODUCTION
4	THIS IS MIRO FORESTRY & TIMBER PRODUCTS
12	INDUSTRIALIZATION IS NOW AT THE CORE OF MIRO
16	HIGHLIGHTS IN 2022
18	THE OPPORTUNITY
20	FINANCIAL PERFORMANCE
22	MISSION, VISION & VALUES
24	A FOCUS ON PLYWOOD
26	PRODUCT STRATEGY
28	MARKET TRENDS
30	MARKET STRATEGY
32	LOOKING FORWARD
34	SUSTAINABILITY & IMPACT
36	OUR IMPACT
38	GENDER & NEW EMPLOYMENT
39	COMMITMENT TO SUSTAINABLE FOREST MANAGEMENT
40	CERTIFICATION
42	OTHER HIGHLIGHTS
44	GOVERNANCE
46	2022 GROUP CONSOLIDATED AUDITED FINANCIAL STATEMENTS
62	RISK MANAGEMENT



MIRO IS A LEADING MANUFACTURER OF HARDWOOD PLYWOOD PRODUCED FROM THE COMPANY'S OWN SUSTAINABLY MANAGED FOREST PLANTATIONS IN WEST AFRICA.

Miro owns and operates over 20,000 hectares of sustainably managed plantations and large-scale timber product industries in Ghana and Sierra Leone. Miro produces plywood, finger joined edge glue panels, CCA treated poles and posts, pallets and biomass which are exported worldwide and sold locally. Miro's forests and timber products are Forest Stewardship Council™ (FSC™) certified.



Global demand for sustainable products continues to rise, driven largely by ever increasing climate change concerns. In addition, geopolitical events and tensions are disrupting traditional supply chains. In 2022 Russia was sanctioned and now cannot supply wood products into Europe and are subject to tariff barriers in the US.

In addition, Asia where the majority of the world's plywood originates, has suffered severe supply disruptions due to Covid responses and political tensions, for which the outlook remains bleak particularly around the South China Sea. As a result, buyers of plywood and other timber products are increasingly looking towards alternative suppliers such as Miro to spread and mitigate supply risk.

Miro is therefore in a very strong position, as demonstrated by our sales ramp-up and new customers onboarded. We continue to attract new customers to meet our production and sales targets assisted greatly by the quality of our products, supply reliability, FSC certification and sustainability credentials.

This is further helped by our strong financial standing supported by our large shareholders and our ability to supply product directly into the East-Atlantic and therefore with rapid, cost effective and reliable supply channels to the European, UK, North American and MENA markets.

Miro is one of the largest producers and sellers of carbon credits on the African continent, with the market for credits continuing to strengthen. Miro has planted more new land to forestry than any other group on the continent over the last few years, all to globally low-cost and FSC standards. We are therefore ideally placed as a producer and seller of reforestation carbon credits in a strengthening market.

The platform that we have now built and the macro tailwinds behind us puts Miro in an extremely strong position for a bright future.

We do hope you enjoy reading our 2022 annual report and following our journey as we continue to forge our still very much pioneering path.

INTRODUCTION



2022 WAS THE FIRST FULL YEAR OF MIRO'S LARGE-SCALE INDUSTRIALISATION PHASE, AS THE GHANA PLYWOOD FACTORY WAS RAMPING UP PRODUCTION.



Today, Miro Forestry & Timber Products is a vertically integrated plymill company with a unique position in Africa. We are proud to announce that in the upcoming years, we will be achieving global significance in scale and we will increase our plywood production capacity to 120,000 m³ annually. The growth potential is vast, and we aim to tap into this potential with our management team.

In 2023, we will be focusing on bolstering our management team to achieve operational excellence as the company continues to grow. We know that a strong team is key to our success, and we believe that we have the right group of individuals to take us into our next phase of growth.

Markets are soft currently due to ongoing inflation and the resultant reduction in confidence in the property and construction sectors. Despite this, we are winning market share through demonstrating the high quality of our products and service delivery, together with a proactive marketing and sales strategy.

In addition to our growth and market success, we have also made good developments in our Board work and governance. We strongly believe in transparency and good governance, and will continue to prioritize these principles as we move forward.

Lastly, I would like to thank our shareholders for their continued support and strength. It is their unwavering support that motivates us to strive for excellence in all that we do. I would also like to extend my heartfelt thanks to each and every one of our employees. Your hard work and dedication have helped make our company what it is today.

We look forward to the exciting opportunities that lie ahead and remain committed to delivering real value and success.

Sampsa Auvinen
Executive Chairman

THIS IS MIRO FORESTRY & TIMBER PRODUCTS



MIRO IS A LEADING PRODUCER OF HARDWOOD PLYWOOD AND A FORERUNNER IN SUSTAINABILITY.



FOCUS ON PLYWOOD

Miro is a vertically integrated plywood manufacturing company. We focus on growing high quality hardwood forest plantations and converting this timber into plywood for use in a variety of industries. The hardwood species we use in manufacturing our plywood has excellent strength and fiber properties, which coupled with our manufacturing process, means that our plywood can be used reliably in some of the most demanding conditions. Our plywood is used in applications such as shuttering concrete, internal and external building applications, trailer flooring, flooring underlays and more.

Because we own and operate our own plantations and to optimize our recovery from them, we also produce other timber products in moderate volume such as treated wooden poles and posts, finger joined edge glue panels, biomass and more.

EXCELLENT MARKET POSITIONING

We are UK headquartered with our plantations and factories in West Africa. The past year has seen continued global supply chain disruption. Russia has invaded Ukraine causing Russian timber products to be sanctioned by the EU and subject to tariff barriers in the US. Covid for many months continued to lock down China and much of Asia from where most of the world's plywood is consumed. Tensions around the South China Sea and Taiwan continue. Climate change and sustainable products are rising up the agenda.

Miro offers an alternative source of plywood made from sustainably managed timber, supplied directly into the Atlantic, with fast shipping routes and complete with all standards certifications expected by European customers. The attractiveness of this proposition continues to increase as geopolitical factors around the world continue to raise concerns over many traditional supply chains.

SUSTAINABILITY AT OUR CORE

Miro has planted more new land to forest on the African continent than any other group over the last few years, all to FSC standards and globally competitive costs. We were also among the largest producers and sellers of carbon credits on the African continent in 2022; such credits created by our trees sequestering atmospheric carbon. We are set to continue to be among the largest providers of forestation carbon credits over the next few years, which we have and will continue to sell to major corporates, such as those typically found on major international indices such as the S&P 500. This provides a low risk and diversified revenue and profit stream to

Miro. In addition, sustainability and doing good business to help the planet is a part of the Miro culture and something we are unanimously passionate about.

STRONG TEAM

Miro has been in operation since 2010. Over this time the team has proven itself capable of building a world-class business in challenging and remote rural settings. We have proven our ability to sustainably monetize the forests we have built and deliver high quality products.

People are the most important asset in any business. Miro has a capable and determined team and a positive culture, driving success.



THIS IS MIRO FORESTRY & TIMBER PRODUCTS

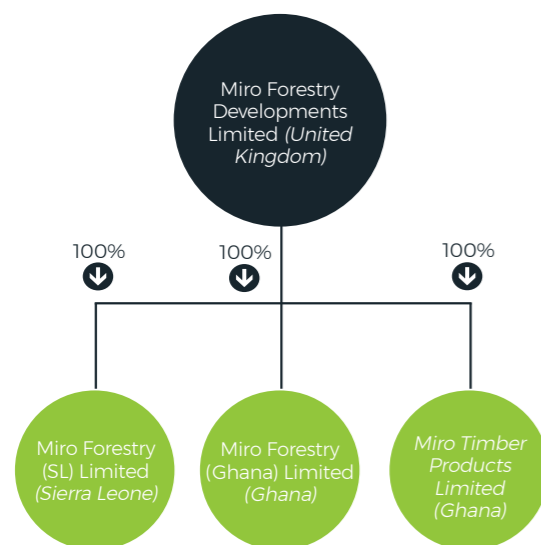


MIRO HAS A STRONG INTERNATIONAL SHAREHOLDER BASE, HAVING RAISED OVER US\$143 MILLION SINCE INCEPTION. MIRO IS FULLY FUNDED BY ORDINARY EQUITY AND REDEEMABLE PREFERENCE EQUITY AND AS A RESULT IS DEBT FREE WITH A CONSERVATIVE CAPITAL STRUCTURE.

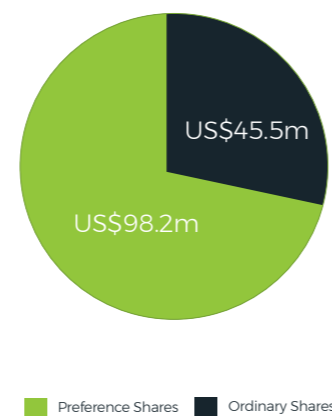
Key Data⁽¹⁾

Year-End	2020(A)	2021(A)	2022(A)	2023(F)	2025 (F)	2030 (F)
Hectares of Planted Standing Timber	17,278	19,220	20,862	21,184	21,184	21,184
Biological Asset Value (BAV) (US\$m)	\$58.2m	\$65.1m	\$69.7m	\$79.8m	\$127.8m	\$216.8m
Cumulative Investment ² (US\$m)	\$89m	\$115m	\$143m	\$154m	\$154m	\$154m
Revenue (US\$m)	\$0.6m	\$2.3m	\$8.5m	\$27.4m	\$100.3m	\$181.4m
EBITDA (US\$m)	-\$16.2m	-\$10.9m	-\$6.6m	\$6.8m	\$43.2	\$87.4m

1) Current estimate figures. Acronym (A) eg 2020 (A) denotes numbers are actuals realised. Acronym (F) denotes forecast.
2) Includes all Group investment (into plantations and industrial operations).



Total Invested Group Equity at Year End 2022



THIS IS MIRO FORESTRY & TIMBER PRODUCTS

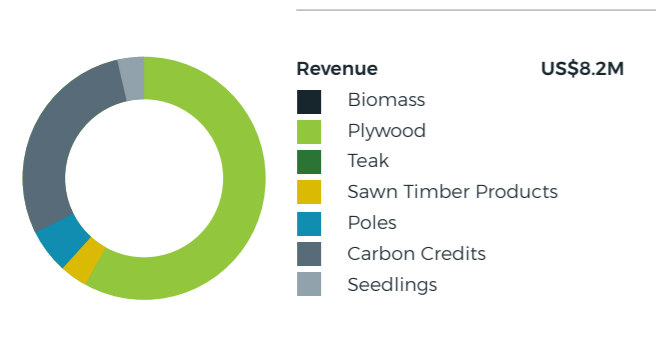


THE FOLLOWING OUTLINES MIRO'S CURRENT AND PROJECTED REVENUE AND HEADCOUNT.

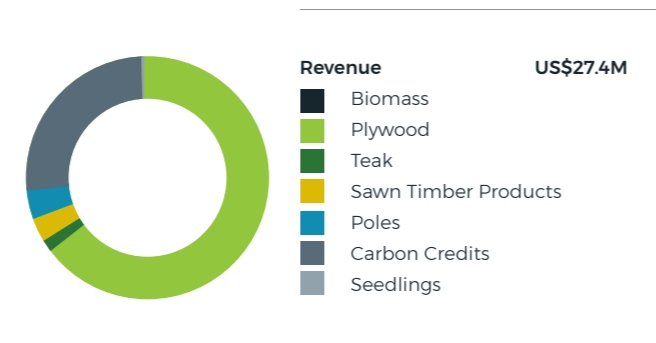


REVENUE

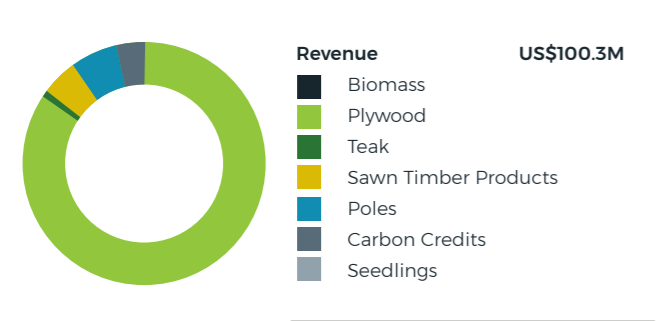
2022(A)



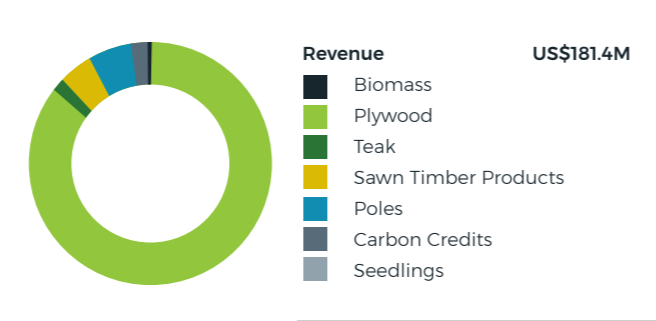
2023(F)



2025(F)

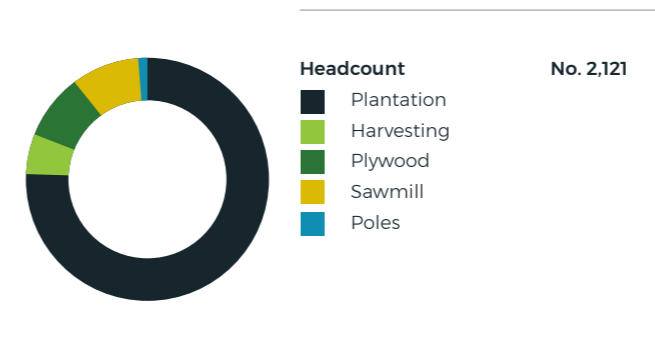


2030(F)

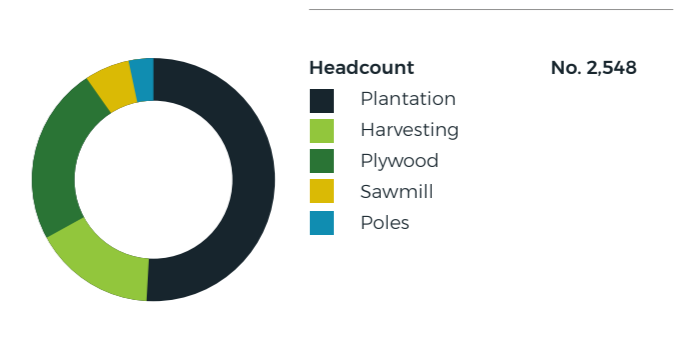


HEADCOUNT

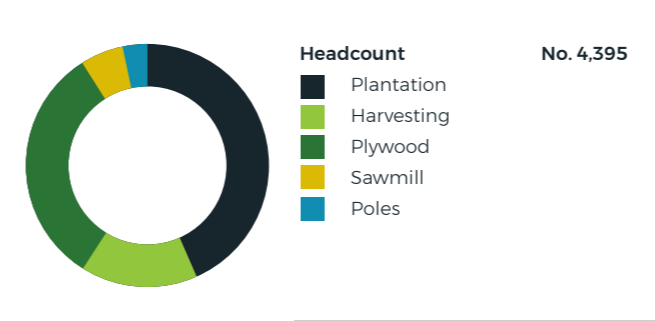
2022(A)



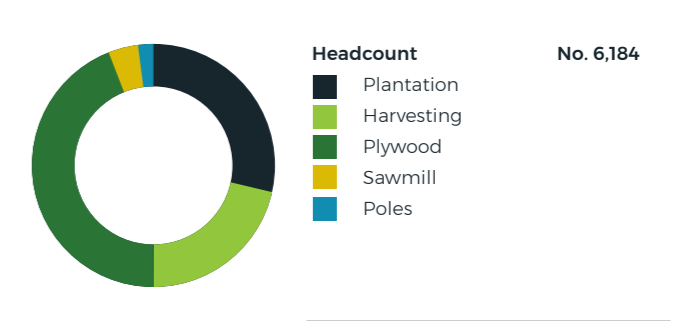
2023(F)



2025(F)



2030(F)



Note: Direct employees only. Employees, contractors and casual workers on average in 2022 totalled c. 3,000.

THIS IS MIRO FORESTRY & TIMBER PRODUCTS

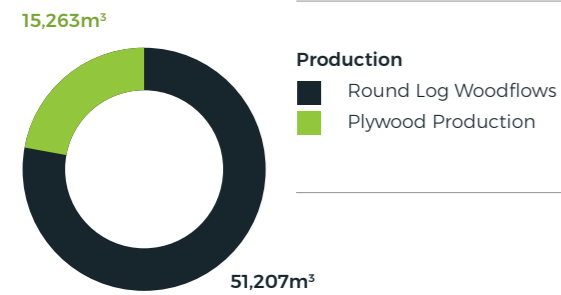


THE FOLLOWING OUTLINES MIRO'S PLYWOOD PRODUCTION AND SALES.

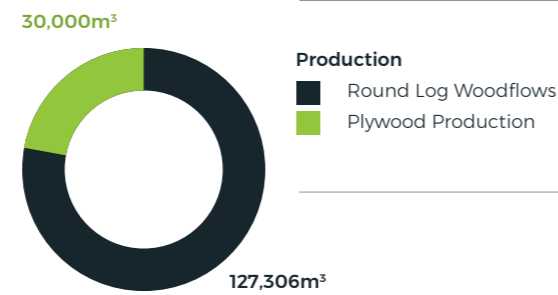


PLYWOOD PRODUCTION & SCALE

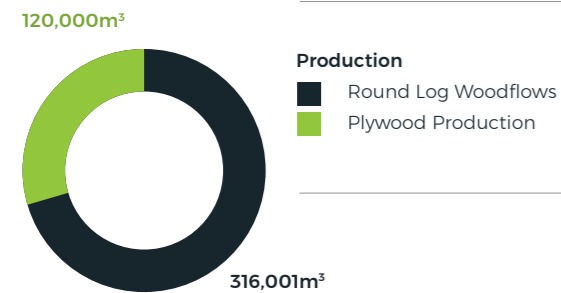
2022(A)



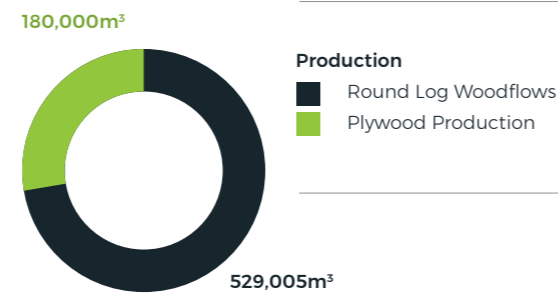
2023(F)



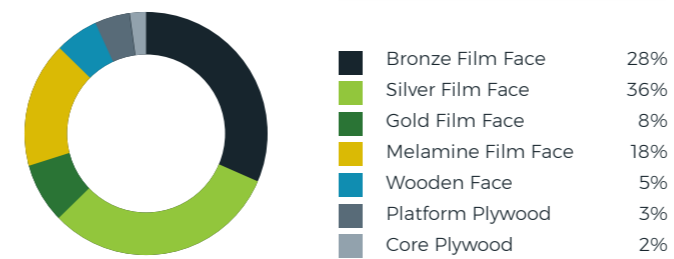
2025(F)



2030(F)

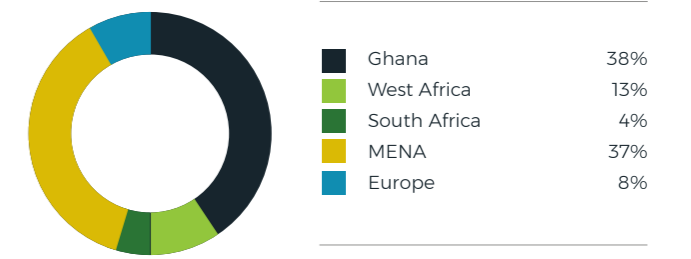


SALES BY PLYWOOD TYPE



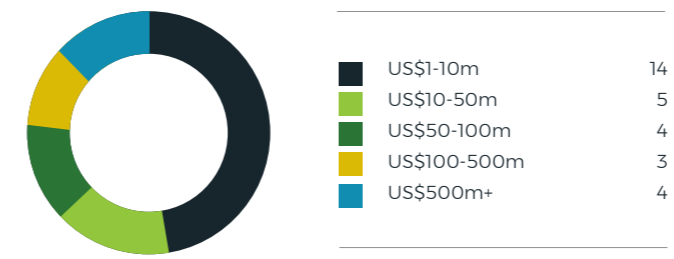
*As at Q1 2023

SALES BY REGION



*As at Q1 2023

CUSTOMERS BY ESTIMATED TURNOVER



*As at Q1 2023

Note: Remainder of woodflow not used in plywood production, utilised for other timber and forestry products.

INDUSTRIALIZATION IS NOW AT THE CORE OF MIRO



WITH MATURE PLANTATIONS BEING SUSTAINABLY HARVESTED AND REPLANTED, THE FOCUS IS NOW ON INCREASING PLYWOOD MANUFACTURING CAPACITY TO PROCESS THE INCREASING WOODFLOWS.



CASH GENERATION

We are now at a very exciting and transformational stage in the life of Miro. We are transitioning from a business that is cash absorbent to a business that is forecast to be EBITDA positive in 2024/2025 and therefore generating the cash required from the sale of our timber products to continue our rapid investment into growth as well as cover Group operational expenses. This is a major milestone to achieve before we can start repaying the banks and shareholders, to whom we are immensely grateful, who have provided us with the cash to grow Miro into the platform it is today.

To economize and stretch funds to our forecast breakeven, we will in 2023 be reducing planting to 500ha in the year in each country (down from 1,000ha) as well as pushing back the expansion of the Ghana plymill, to 60,000m³ output capacity, to H2 2023, amongst other things. This will allow us to deploy cash into the areas of the business that can most readily drive our group cash generation, whilst allowing us to consolidate the quality of our forests and existing industrial operations.

MARKET DYNAMICS

Globally the world's productive timber areas continue to be depleted, whilst demand for plywood and wood products continues to increase driven by global wealth and population growth as well as increasing demand for sustainable building materials.

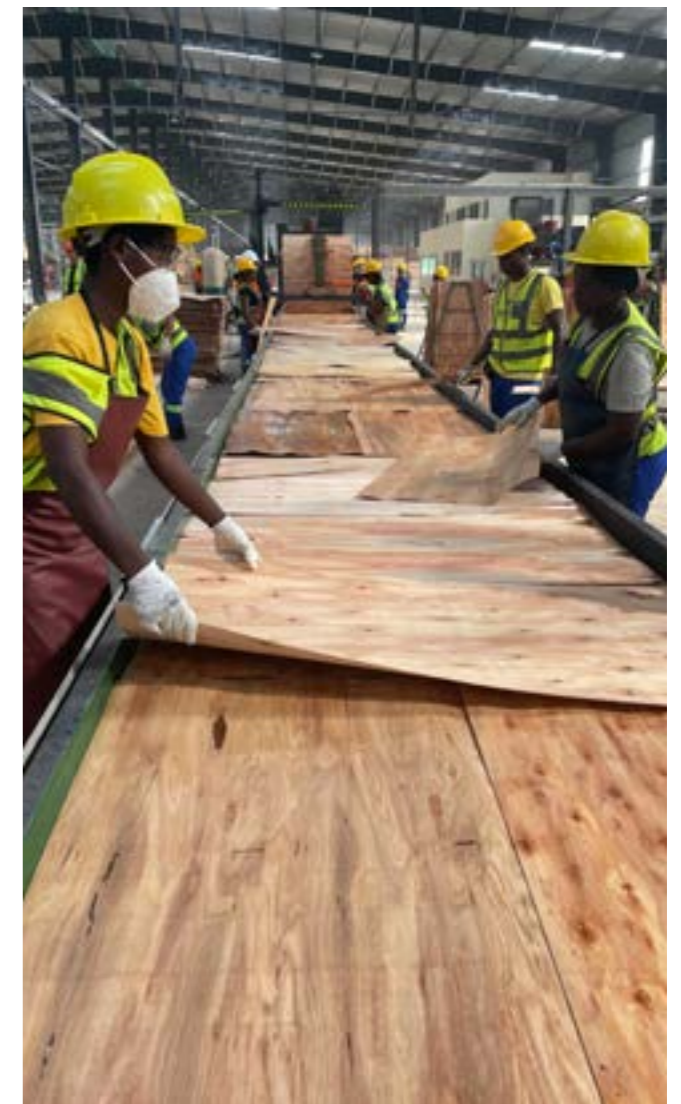
In Asia, currently there continues to be a significant log shortage as there are not enough forest resources to generate the timber needed to meet demand. In Europe there is also a log shortage, exacerbated by Russian sanctions, with the large manufacturers such as UPM, Metsä, Stora Enso and others having to look outside of Europe for expansion opportunities (possibly one day into West Africa).

Despite this megatrend of increasing demand against a backdrop of tight supply, we have nevertheless experienced some of the highest volatility in wood markets in living memory, a sign of the geopolitical uncertainty we have been living through.

During Covid, wood markets boomed due to significant demand increase (due to monetary stimulation and a boost in the DIY market caused by stay-at-home working) and tightening supply due to Covid restrictions. Sadly, this supernormal profit period we missed out on because during Covid we were in the middle of building our first plymill, which was successfully completed and commissioned in November 2021. More recently Russia

has invaded Ukraine causing a shock to global energy markets and inflation resulting in increased borrowing costs and a major downturn in the construction sector.

Whilst wood markets are currently very difficult (as they are for most industrial manufacturers globally) it is a time when we can demonstrate our competitive advantages and resilience. Critically our hardwood plywood is high quality, fully sustainable and FSC certified, and we can supply competitively, directly into the Atlantic thus offering an attractive alternative to Asian supply. Most importantly we are vertically integrated, owning and controlling our log supply and therefore providing certainty over our production volumes and feedstock quality. These competitive advantages are driving our sales development and attracting high-quality, loyal customers.



INDUSTRIALIZATION IS NOW AT THE CORE OF MIRO



CLEAR STRATEGY

Since inception we have had a clear strategy to be a vertically integrated industrial wood products group with a focus on plywood. It is for this reason that we have been growing the tree species we have, aiming to maximise utilisable log volumes at lowest cost, generating strong fibre ideally suited to plywood manufacture. Looking forward our strategy has not changed but we continue to innovate to exploit our potential in this sector.

After commissioning the Ghana plymill in late 2021 we produced only 8ft x 4ft (2.44m x 1.22m) plywood, standard in the UK, parts of Europe, the Middle-East and North America. To increase our market reach we adjusted our setup to also produce European standard plywood of 2.5m x 1.25m. This now gives us global coverage of standard plywood sheets. During this first year of production, we have produced our standard products being film-face shuttering plywood, wood overlay ply, melamine plywood, and platform/core plywood. Whilst these continue to sell in the current difficult market conditions, we do continue aiming to climb the value curve to maximise the margin we can make on our forest resource. As a result, we have produced our first commercial production of anti-slip plywood, and medium density overlay or 'MDO', two products that offer good margins and are in demand due to being technically more challenging to manufacture.

To maximise the value from the forests we own and operate we continue to produce transmission poles, and we are starting to sell fence posts into the European market - both products offering excellent margins. We also, in Sierra Leone, produce finger joined edge glue panels (EGP) from our Acacia magnum timbers, a business that is able to utilise larger Acacia logs that are fluted and therefore more challenging to peel in the plywood mill.

We have now proven the Miro business model and have demonstrated that our plywood mills are profitable whilst paying our target log price to the plantation business units. We have also proven we can operate our industrial activities at scale. Now we need to deliver a continued rollout of plymill factory construction and expansion to be able to process the increasing wood-volumes from our forests, and with these larger revenue engines achieve break-even and profitability. This expansion will be challenging and will generate further growing pains, but we have a proven plymill template to now replicate together with all the forestry and harvesting operations, systems and controls that are needed to increase scale. It is because of this continued expansion that we will be making some senior hires this year in the areas of sales, operations and commercial management.

Andrew Collins
CEO



HIGHLIGHTS IN 2022



OVER THE LAST 12 MONTHS A LOT HAS BEEN ACHIEVED ACROSS THE GROUP. THE MAJOR ACHIEVEMENTS ARE:



THE GHANA PLYMILL HAS COME INTO OPERATION

- The cost of the plymill was significantly less than comparable mills built elsewhere in Africa
- The plymill came into operation one month behind schedule and 11% overbudget due to unforeseen construction additions.
- The quality of plywood output is far above expectations and as a result we can sell into Europe/Internationally.
- The cost of the plywood is globally competitive with good room to improve efficiency, particularly with scale.
- The factory has run for months on a triple shift pattern, 6 days per week (24-6).
- The factory has delivered output to designed capacity consistently (100CBM output per day).
- Our plywood prices have been higher than forecast, in large part due to quality.



CLONAL DEVELOPMENT RESULTS

Clonal development results are increasingly starting to show through, with excellent performance from select clones in trials which are now being commercially replicated.

- Our R&D program will deliver significant long-term value for the business through improved growth rates, stem form and timber quality.

BUDGETING

Miro again delivered existing business operations to annual budget with <5% variance (as has been achieved consistently over the life of the company; though recognizing that there has been significant variances in the past vs. revenue budgets).

RECRUITMENT

The teams in both Ghana and Sierra Leone have been significantly strengthened with the recruitment and promotion of over 20 individuals to management positions (notably across business operations and administration as well as in the plymill industry and forestry).



HARVESTING

Harvesting has now scaled to meet plywood factory capacity until 2024 and is operating globally competitively at c.\$17/m³ delivered.

FINANCE

Financing was completed for a US\$50m cash commitment to the Group. With this we have started the construction of the Sierra Leone plymill (for which we are currently on schedule and budget) and are finalizing expansion of the Ghana mill to take place in H2 2023.



POLES

Our pole treatment plant in Sierra Leone is producing quality poles to international standards (if not higher due to the timber species) and now has proven capability to operate above 100,000 poles per annum output.

THE OPPORTUNITY



WE NOW HAVE A PLATFORM IN MIRO THAT GIVES US AN INCREDIBLE OPPORTUNITY



PLYWOOD

We are a vertically integrated plywood business (>85% of our eventual revenue is forecast from plywood).

- Global plywood consumption has grown at c. 4% CAGR over the past decade and is forecast by the FAO to double again by 2050.
- >70% of plywood comes from Asia, and customers are concerned about future lockdowns, China stability, Taiwan tension and other supply chain disruptions. We uniquely offer plywood directly into the East Atlantic with short shipping lanes to Europe.
- Asia is very short on log supply (for which there is long visibility) with some mills already shutting down as a result.
- We are fully FSC certified with ISO and all other major certifications of industry relevance, with a UK headquarter and major blue-chip shareholders. We are therefore extremely attractive as a new supplier offering quality, stability and supply chain advantages.



COMPETITIVE COSTS

We have chosen robust, fit-for-environment plymill equipment sourced in Asia - this ensures that capital costs are competitive. We are taking a highly proactive approach on cost, ensuring that we place management focus on costs where we are at a natural disadvantage to our competition - power and imported consumables.

We aim to reduce our cost of power through installation of captive, competitively-financed biomass and solar solutions, and to reduce delivered cost of consumables through the establishment of a free zone company in Ghana. This will ensure that our natural advantages (low delivered log cost, feedstock security) result in plywood that is competitively priced while still delivering good margin.

INVESTMENT INTEREST

There is increasingly more money looking for a home in the plantation and carbon forestry sector in Africa, and very few companies who can offer any track record at all, let alone that of Miro's. Given this investment supply - demand dynamic that is growing stronger, and with net profitability in 2024/2025 from the production of a globally traded quality product (plywood), and recognizing our own secure wood-flow, we do expect significant investment interest will result and hence well valued liquidity.

LOGS

Miro's existing plantations will by c.2035 reach a sustainable output of c.600,000m³ of logs per annum (more with expected R&D gains).



PLANTING

Miro has planted more new land to forestry on the African continent than any other group over the past 5 years, all to globally competitive cost and FSC standards. This makes Miro hugely attractive for carbon afforestation where a further profit stream is available.



MILLS

By 2024, we will have a plywood mill with 60,000m³ output capacity in each of Ghana and Sierra Leone. When operating at full capacity in 2025 and onwards, these should generate at full capacity >\$60m per annum of revenue (c.\$15-20m of gross profit). Miro requires c.45,000m³ output to break even in each country.

FINANCIAL PERFORMANCE



MIRO HAS CONTINUED TO STRENGTHEN ITS FINANCIAL PERFORMANCE OVER THE LAST 12 MONTHS BY BUILDING STABLE REVENUE STREAMS, GROWING EBITDA AND WORKING TOWARDS CASH SUSTAINABILITY, BUILT ON OUR PLATFORM AS A GLOBALLY COST-COMPETITIVE TIMBER PRODUCER. OUR FINANCIAL PERFORMANCE IN 2022 IS DRIVEN BY THE FOLLOWING KEY FINANCIAL ASPECTS.

PLYWOOD GROSS MARGIN

As we continue to increase production beyond our break-even point, our focus is on ensuring our product quality and customer base is improved, whilst reducing costs. Throughout 2022, our quality has impressed and driven our average price per m³ to \$444, over 30% higher than initially forecast, increasing our exports to markets requiring higher quality, earning hard currency.

COSTS ON IMPORTED RAW MATERIALS

With increased quality, costs on imported raw materials such as glue and film have increased. Unfortunately, we have not benefitted from government initiatives such as One-District-One-Factory (IDIF) in Ghana, however with a higher proportion now being exported, we have the opportunity to register as a Free Zone Enterprise to drive down import costs. This registration along with our low log-costs and competitive power costs in Ghana, will allow us to be globally cost competitive driving margin to the Group. Using these legislated incentives in Ghana, we have secured similar tax incentives in Sierra Leone to ensure we're equally competitive across the region.

COMPETITIVE GLOBAL COSTS

We continue to pride ourselves on being a globally cost competitive timber producer. We achieve this through monitoring each of our business segments as profit

centres. Our focus on earning a margin across each profit centre, forestry and plywood, allows us to be efficient individually as well as a consolidated Group. Whilst we remain cost competitive, we pride ourselves on having built a high-quality forestry asset, which in 2022 not only yielded the timber required for processing, but also generated additional returns through carbon credits. These additional carbon credit returns will continue until full maturity of the plantations.

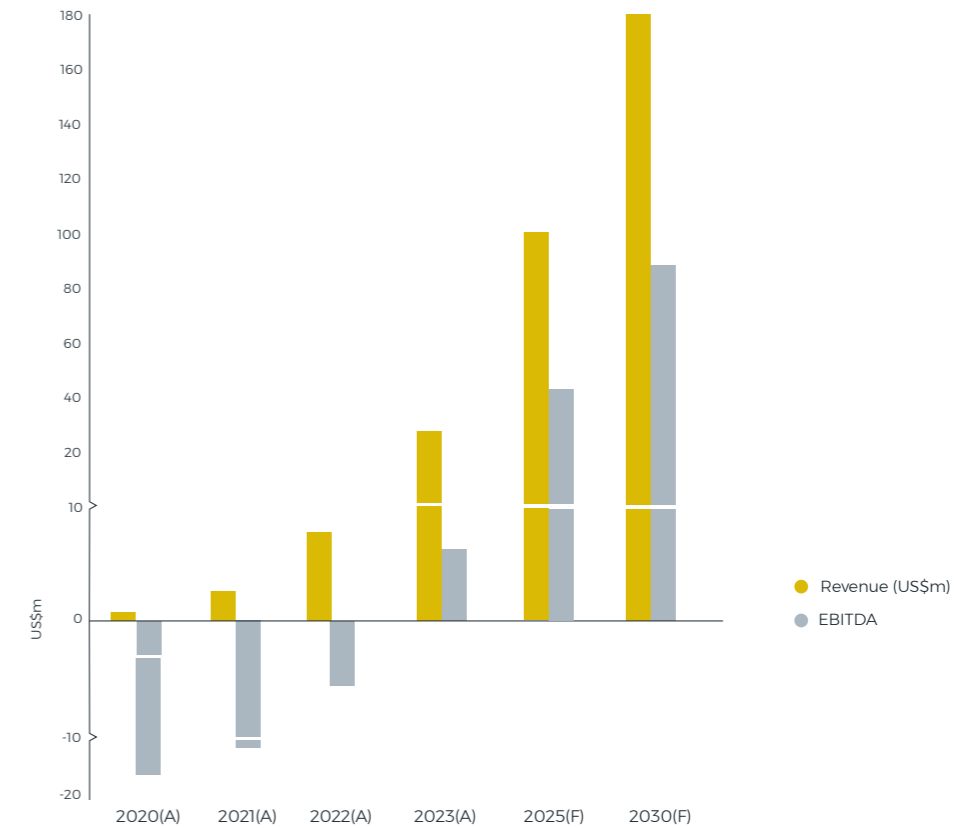
ECONOMIES OF SCALE

As we grow our operations, economies of scale will continue to dilute our fixed overhead costs which, due to the region in which we operate, are higher than international benchmarks. This will continue to improve as we expand industrial operations further.

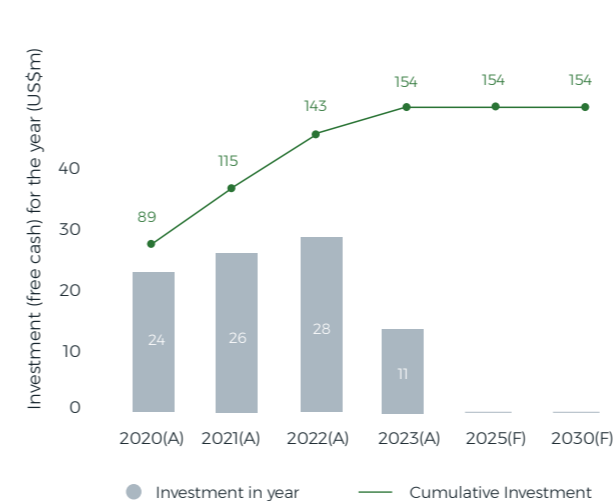
SUSTAINABILITY

Going forward, we continue to work towards cash sustainability which is forecast to be achieved once each county is producing approximately 45,000m³ of plywood. Going into 2023, we forecast 30,000m³ of production in Ghana and are adding output capacity to achieve 45,000m³ in 2024. We will then reach our cash inflection point and begin to build cash reserves beyond the strong book value appreciation achieved to date.

REVENUE AND EBITDA (US\$M)



INVESTMENTS (US\$M)



BIOLOGICAL ASSET VALUE (BAV)



CONTINUED GROWTH

In the medium term, once our core revenue stream has been built, we will look to compliment our revenue stream by optimising the use and margin per m³ of timber produced from our forests. We have many opportunities across carbon, power generation and other timber products to maximise shareholder value, which we look forward to capitalising on.

With our equity-based capital structure, and continued support of our investors, we remain strongly positioned to expand rapidly going forward, specifically on the industrial side of our business, and ultimately return exceptional triple bottom line performance.

Anthony Gaydon
CFO

MISSION, VISION & VALUES



OUR MISSION

To develop and operate globally high-quality and cost competitive commercial forestry plantations producing plywood, sawn timber panels, poles and wood biomass profitably and sustainably to Forest Stewardship Council™ (FSC™) standards whilst providing environmental, social and economic benefit to local communities.

OUR VISION

Be Africa's leading forestry company based on shareholder value-add, sustainability standards, environmental and social development benefits; with a passionate and determined team and supportive stakeholders.



OUR VALUES

BE THE BEST: We are determined to be the best vertically integrated forestry and timber products business in Africa.

POSITIVE IMPACT: We aim to make a positive impact through our operations, relationships and voluntary contributions. We aim to have a happy and engaging work environment where individuals take leadership and initiative to personally grow and develop and deliver the positive impacts of the Company.

CONTINUOUS IMPROVEMENT: We are committed to continuously improving the way we operate from a commercial, health and safety, environmental and social development perspective. We are determined to be the best in our field, by everyone taking ownership of business needs and striving to efficiently achieve long-term business objectives.

INTEGRITY: We are committed to conducting our operations with integrity and with respect for the many people, organisations and environments our business touches.

A FOCUS ON PLYWOOD



PLYWOOD IS MIRO'S PRINCIPLE COMMERCIAL TIMBER PRODUCT, RESPONSIBLE FOR OVER 85% OF FORECAST REVENUE AND THE PRODUCT AROUND WHICH OUR FORESTRY AND RESEARCH OPERATIONS ARE ORGANISED.

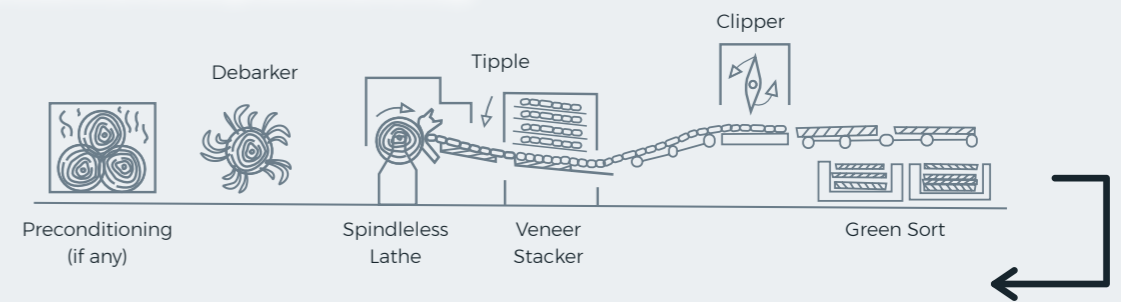
Traditionally, only the best and largest logs were suitable for plywood production. The development of spindleless lathe technology completely changed the plywood industry, allowing logs as small as 10-15cm in diameter to be successfully peeled and used to produce plywood.



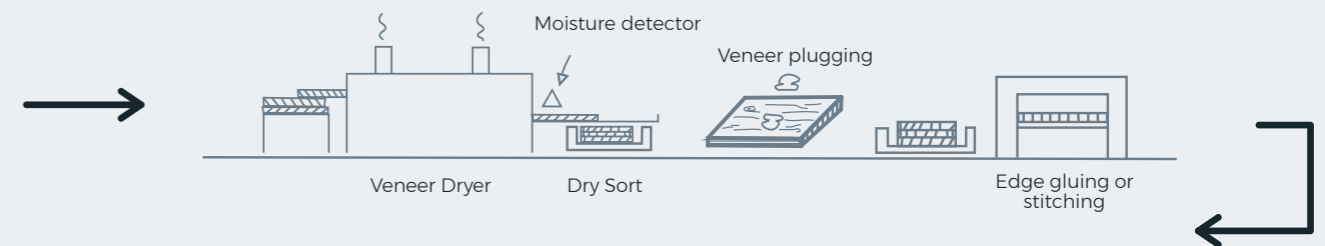
OVERVIEW OF THE PLYWOOD PRODUCTION PROCESS

1. Spindleless lathes allow the efficient peeling of small plantation logs.
2. Logs are peeled into thin veneers, dried and then graded.
3. Veneer sheets are then composed on lay-up tables (in our case, continuous moving lines), then pressed into semi-finished panels known as "core plywood".
4. Onto these cores can be pressed a variety of face/back overlays, some technical for performance, others aesthetic for appearance.
5. This production method allows significant flexibility, since one can produce core plywood in advance, and overlay face/back in accordance with orders, and even sell core plywood as a product in itself.

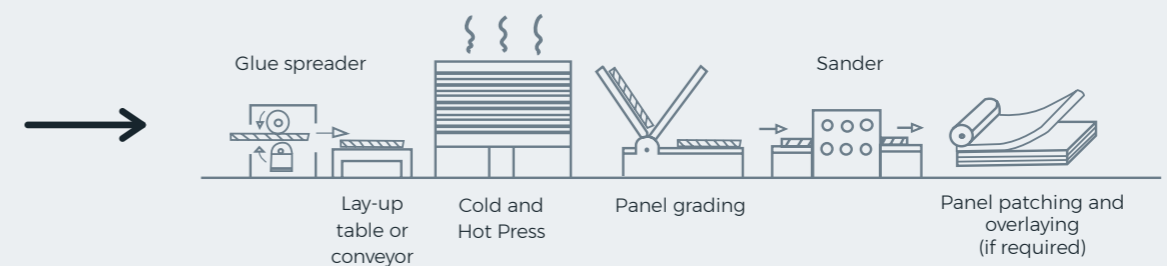
VENEER MANUFACTURE (PEELING LINE)



VENEER DRYING AND UPGRADING



PANEL LAY-UP AND FINISHING



PRODUCT STRATEGY



ONE OF MIRO'S KEY ADVANTAGES IS THAT WE'RE IN DIRECT CONTROL OF OUR TIMBER FEEDSTOCK DUE TO OWNING OUR OWN PLANTATIONS.

This allows us to ensure that input logs are pruned and thinned, and that forestry methods are employed to produce ideal plywood logs. It also allows us to focus on species selection and tree breeding for timber qualities specific to plywood. Rather than using weaker, lower density eucalyptus species such as *E. grandis*, which is commonly the feedstock eucalyptus species for most eucalyptus plywood, our feedstock timbers are high-density tropical *Eucalyptus* (*E. pellita*, *E. urophylla*, high density *Corymbia* species) and *Gmelina arborea*, a lesser-known hardwood species that is ideal for plywood manufacture. The combination allows us to produce core plywood that has strength and durability characteristics that can approach those achieved by birch plywood manufacturers (seen as the best quality plywood in the market today). Onto this plywood core, we then apply a range of overlays with technical and/or aesthetically appealing qualities.

TO DATE, WE'VE FOCUSED HEAVILY ON THE PRODUCTION OF PHENOLIC FILM-FACED PLYWOOD FOR CONCRETE SHUTTERING.

We currently make three grades:

Bronze grade.

Suited to the West African domestic market which is very heavily focused on low price panels.

Silver grade.

Suited to the Middle East market which is prepared to pay a premium for a higher-grade panels.

Gold grade.

Suited to the European market where end-users are prepared to pay more for a highly weather-proof panel that has maximum re-use potential.

Over time, we intend to increase the proportion of technical products within our product mix. This plays to our strengths - high quality products with a transparent, simple supply chain (with full FSC certification). These products typically offer higher margins, and bring customers who value consistency of product and quality of service, and are prepared to reward these with long-term offtake arrangements that can be relied upon.

One example would be in the composite flooring sector. Many high-quality parquet flooring manufacturers use






plywood as the base for their high-value hardwood overlays. End-users value strength, tight tolerances, moisture content and consistency of product and service.

Naturally, these sales relationships take time to develop. Buyers want to gain comfort over the product and our ability to deliver before placing repeat orders at significant volumes. However, they are willing to pay a significant premium for this, and are looking to become long-term, reliable customers. We have delivered trial containers to several parquet manufacturers and are beginning to gain their trust, this will develop further during 2023 and represents a major opportunity for Miro based on us delivering a consistently high-quality product, particularly as much flooring plywood in the market has historically been birch plywood.

Other opportunities we are exploring are anti-slip plywood, MDO (a high-quality variant of film-faced plywood used for concrete shuttering in the UK, US and Netherlands markets, that is becoming more popular) and marine plywood - all of which will undergo production trials in H1 2023, and all of which offer good margins.



PRODUCTS

PRODUCTS	End Use	Target Markets	Forecast % of 2023 sales volume
 <ul style="list-style-type: none"> > BASIC PHENOLIC FILM-FACED "Miroplex Bronze" > HIGHER/EXPORT QUALITY "Miroplex Silver", "Miroplex Gold" > MEDIUM DENSITY OVERLAY ("MDO") 	<ul style="list-style-type: none"> > Concrete formwork and shuttering 	<ul style="list-style-type: none"> West Africa Middle East Europe US Middle East 	<ul style="list-style-type: none"> Bronze - c.25% Silver - c. 30% Gold - c. 25% MDO - new product, production trials underway
 <ul style="list-style-type: none"> > MELAMINE-FACED PLYWOOD 	<ul style="list-style-type: none"> > Cabinetry > Internal construction 	<ul style="list-style-type: none"> West Africa Middle East 	<ul style="list-style-type: none"> 5-10%
 <ul style="list-style-type: none"> > "Core" or "Platform" plywood > No face 	<ul style="list-style-type: none"> > Composite flooring > Plywood manufacture 	<ul style="list-style-type: none"> European flooring manufacturers 	<ul style="list-style-type: none"> 5-10%
 <ul style="list-style-type: none"> > High grade wooden-faced plywood > High quality FSC-certified face veneer overlay (Okume, Sapele, Ceiba) 	<ul style="list-style-type: none"> > General construction > Furniture > Cabinetry 	<ul style="list-style-type: none"> Global & Europe, Middle East and US command higher margins 	<ul style="list-style-type: none"> Production trials underway in Q1 2023
 <ul style="list-style-type: none"> > Anti-slip plywood 	<ul style="list-style-type: none"> > Construction sites > Specialised flooring 	<ul style="list-style-type: none"> Global, but particularly Europe, US, Middle East 	<ul style="list-style-type: none"> Production trials underway in Q1 2023

MARKET TRENDS

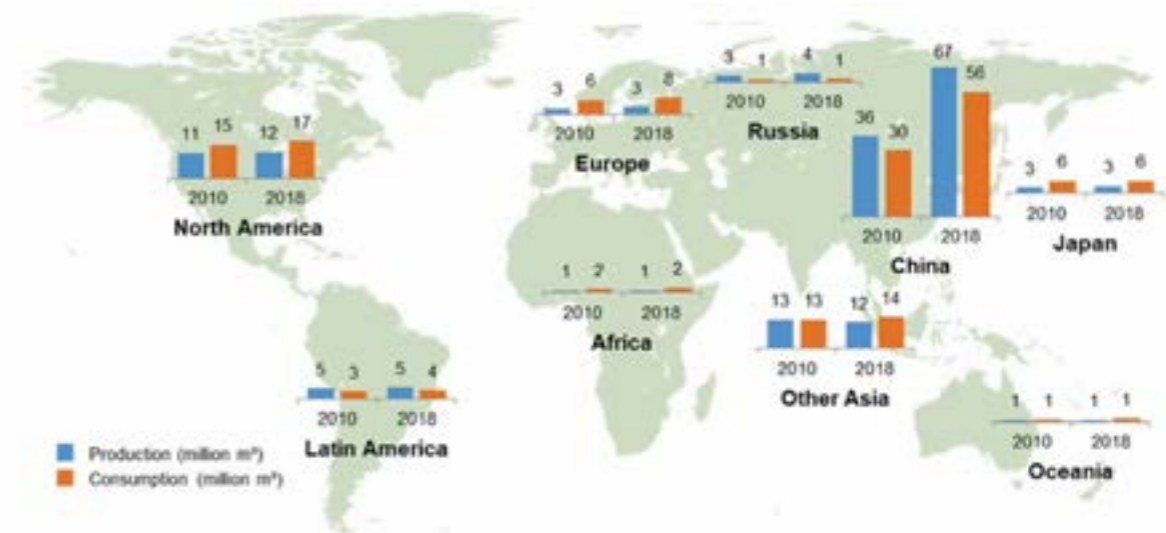


THE GLOBAL PLYWOOD MARKET IS LARGE AND GROWING RAPIDLY. GLOBAL CONSUMPTION IS C. 110 MILLION M³/ANNUM, AND OVER THE LAST DECADE HAS GROWN AT A COMPOUNDED ANNUAL GROWTH RATE OF C. 4%.

The market is expected to continue to grow, driven by population growth and economic development – the FAO is predicting a 102% increase in plywood demand by 2050. Plywood is a product sector with very significant trade flows - many markets are highly dependent on imports (Europe, North America, Africa, MENA).



EXPORTS AND IMPORTS OF PLYWOOD BY REGION



In the short term, global recession fears have impacted demand in these markets in the second half of 2022.

The Russia-Ukraine war has resulted in major shifts in the market. Europe placed sanctions on Russian ply, with it becoming illegal to import plywood of Russian origin. Birch plywood, the majority of which was produced in Russia, is considered the best quality plywood globally. Buyers reacted to upcoming sanctions by placing high orders and filling warehouses before they were cut-off. This was coupled with very high-volume orders placed as European buyers expected the Covid-driven DIY boom to continue, followed by the market downturn, resulting in high stock levels across Europe.

Asian suppliers are aggressively cutting prices in order to win market share in Europe, and much of the Russian birch is being dumped into MENA markets at knock-down prices. Freight rates have dropped back to pre-pandemic rates, and this has resulted in Asian producers being further able to reduce delivered prices. Miro has had to reduce pricing accordingly in order to compete and begin to win market share as a new entrant.

However, the lack of Russian birch has left a major hole in supply, with many European buyers now beginning to search for alternatives as it becomes clear that Russian ply is unlikely to return in the medium term. This presents a major opportunity and is opening the door for Miro's higher quality panels. Buyers are timid, starting slowly, with trial orders and laboratory tests to ensure quality, but we are starting to see demand rising for our best panels and see this trend continuing throughout 2023, as we continue to achieve our sales targets.

MARKET STRATEGY



MIRO'S MARKET STRATEGY IS TO TARGET MARKETS WHERE WE HAVE A COMPETITIVE ADVANTAGE.

WEST AFRICA

There is little domestic plywood production, and Asian importers have dominated the market for film-face and construction plywood for some time. We can therefore benefit from import parity pricing, offering much shorter lead-in times than competitors and are developing a reputation for consistency of product and reliability of service.

EUROPE

Low-cost sea freight and beneficial import tariff arrangements means we can compete on price, and our FSC certification and transparent supply chain is a major advantage for European customers.

MIDDLE-EAST/NORTH AFRICA

These are volume markets where prices tend to be lower than Europe due to severe competition from Asian suppliers and a general, though not total, preference for low price over quality. We can compete on specific products (film-face, melamine face, other technical panels), and see these markets continuing to be highly important for moving product at meaningful volumes. We also have the benefit of a fluent Arabic-speaking Sales Manager (Ali Osseili) and this is of significant benefit in relationship-based markets.



Initially, we had expected to sell most of our product locally into the Ghanaian market during 2022, with a smaller proportion of high-quality products being exported. In Q2, the very significant and rapid devaluation of the Ghana cedi caused the Ghana market to collapse, forcing us to refocus on the export market and accelerate our plans to reach out to European and Middle Eastern buyers.

We were very pleased that the average quality of our plywood was significantly higher than expected for a new operation and has allowed us to continue to focus on the export market even as the Ghanaian market came back online towards the end of the year. We will continue to prioritise export, whilst recognizing that West African markets often offer decent margins and are growing rapidly, they are likely to remain volatile and strategically we want to ensure we are not overly reliant on them as a result.

In the export market, our strategy has been to focus initially on building sales volume, targeting the more

commoditized plywood product sectors through sales relationships with large-volume buyers – typically importers and wholesaler/distributors who are capable of buying hundreds or thousands of cubic metres at a time. These buyers offer volume sales, and are themselves selling on to other distributors, retailers and end-users. These buyers will remain strategically extremely important to Miro's strategy as we significantly increase volume production across 2024 with the Sierra Leone plywood mill coming on-line.

To augment this, there are better margins to be made by moving further down the supply chain and selling to wholesaler buyers or end-users, and over time we will focus on developing more direct relationships with end-users who are of a sufficient size to require regular high-volume orders. This will be a key goal for the new Sales Director, Seppo Virtanen, who will join the team in Q3 2023.

Charles Bosworth
Group Strategy Director

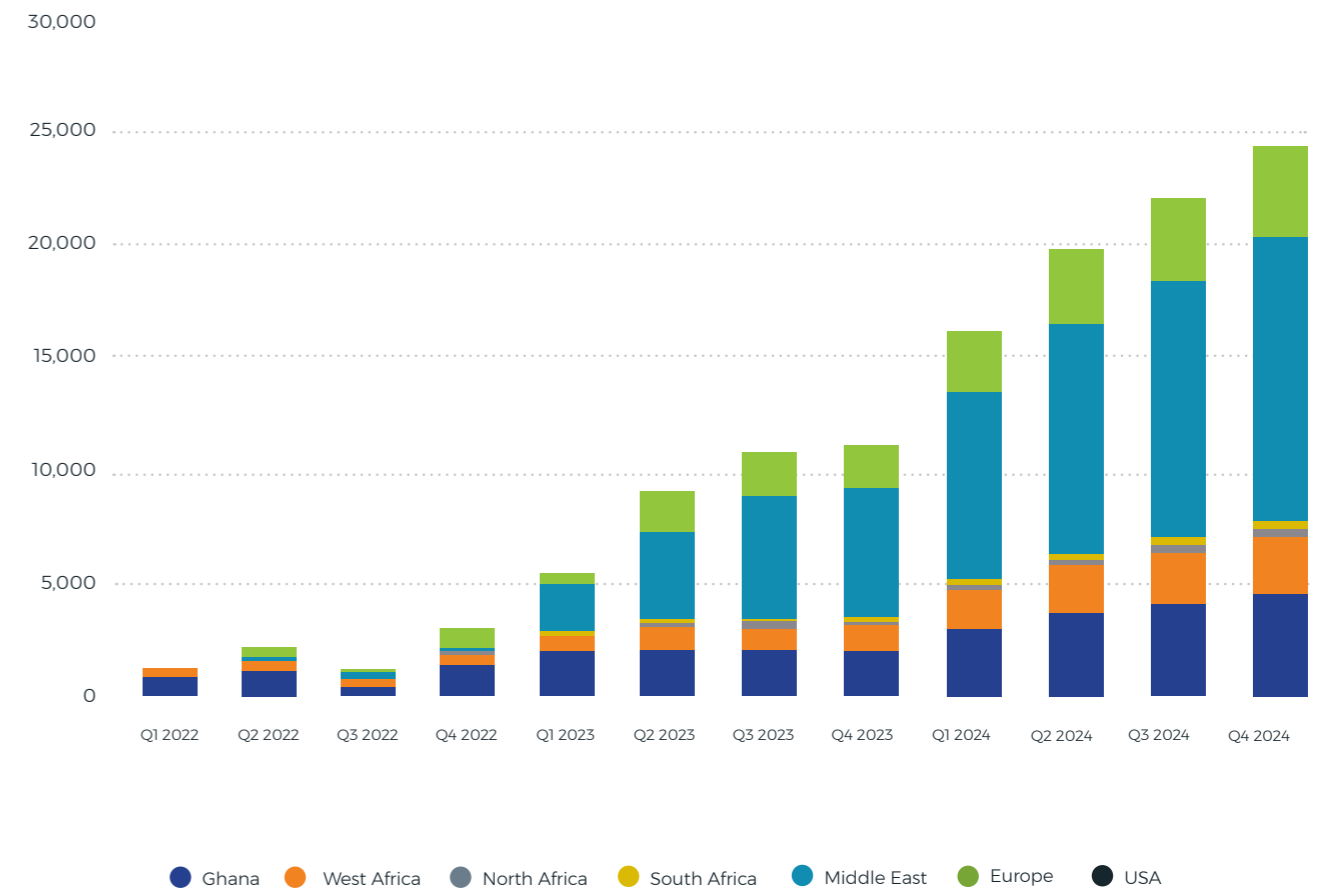
LOOKING FORWARD



MIRO'S PLYWOOD PRODUCTION WILL INCREASE SIGNIFICANTLY OVER THE NEXT 24 MONTHS, GROWING BY AT LEAST 400% FROM CURRENT OUTPUT BY THE END OF 2024.



VOLUME BY REGION



This will require a continuing, major sales drive and the expansion of market outlets. We are exploring opportunities to enter the US market, a highly competitive, price-driven market which imports very significant volumes, particularly from Asia. We will aim to break into this market in H2 2023 in preparation for the Sierra Leone mill coming online.

Our sales team will grow in Q3 2023, with a senior European sales executive and a West African sales executive joining the team. New systems are being designed and implemented to ensure efficient customer relationship management and better control

how orders, production and logistics are coordinated and managed. Our packaging has been improved, with a marketing strategy being implemented to support the sales team by improving sales resources, branding, and targeted advertising.

SUSTAINABILITY & IMPACT



OUR PEOPLE AND COMMUNITIES

Our people and communities remain our invaluable assets as we strive to be the largest sustainable forest industry company in sub-Saharan Africa. Our training, safety and environmental awareness outreaches not only target our workforce, but also the entire communities around our operational areas.



OPPOSITE PAGE: Road Safety campaign in Sierra Leone. TOP OF PAGE: Outreach to schools during Road Safety campaign in Sierra Leone. MIDDLE OF PAGE: Formation of environmental clubs and tree-planting in schools. BOTTOM OF PAGE: Commemoration of World Environment Day with schools in Ghana

OUR IMPACT



MIRO IS NATURALLY A BUSINESS THAT GENERATES A TRIPLE BOTTOM LINE RETURN: WE DELIVER COMMERCIAL RETURNS TO OUR INVESTORS, WE DELIVER SOCIAL BENEFIT PRINCIPALLY THROUGH THE RURAL EMPLOYMENT CREATED AS WELL AS THROUGH OUR CSR AND TRAINING PROGRAMS, AND WE DELIVER ENVIRONMENTAL RETURNS BY PLANTING TREES ON DEGRADED LANDS TO DELIVER SUSTAINABLE TIMBER PRODUCTS, WHILST PRESERVING AND ENRICHING CONSERVATION AREAS.



 **20%**

of the workforce is female. There has been a steady rise in women being promoted and recruited at more senior levels



Where requisite skills and experience exist Miro always recruits locally in preference to nationally or from overseas.

Only **1.8%** of permanent employees are expatriate.



Access to medical cover, partnerships with medical service providers, maternity and compassionate leave for all employees.

Annual Health and Safety campaigns reaching

c.13,000 people

Aiming to build an independent safety culture, based on international Health and Safety standards.

100%

of employees and contractors supplied with PPE
NO PPE=NO WORK



In the course of 2022

2,450



people employed (FTE)

88%

of direct employees come from within 30km of site

On average each Miro employee supports eight people with their salary. Meaning over

19,600

benefit from reliable and well-paid jobs created by Miro.

Promoting open and transparent channels of communication with all stakeholders. Robust Grievance mechanism in place with ongoing awareness activities.



GENDER & NEW EMPLOYMENT



AS PART OF ROLLING OUT INITIATIVES TO SCALE UP MIRO'S COMMITMENT TO MEETING THE 2X CHALLENGE (WWW.2XCHALLENGE.ORG).

Miro has trained coaches to help onboard new recruits (especially females) and assist them to settle-in on the job. c.20% of the Miro workforce is female and the implementation of new gender action plans is expected to increase the female workforce.



COMMITMENT TO SUSTAINABLE FOREST MANAGEMENT



MIRO PARTICIPATED IN THE FSC™ AFRICA REGIONAL MEETING HELD IN ACCRA, GHANA IN AUGUST 2022.

In order to facilitate FSC™ gaining a better understanding of restoration work in Africa, Miro had the privilege of hosting four FSC™ board members to Miro's Ghana operation.



CERTIFICATION



CERTIFICATION PROVIDES ASSURANCE TO PROJECT STAKEHOLDERS INCLUDING SHAREHOLDERS, REGULATORY AGENCIES AND CUSTOMERS.

For Miro, certifications help in ensuring continuous improvement in our operations and systems. Over the period under review, all existing certifications have been maintained, as well as new ones achieved including FSC, ISO 9001:2015, CE and CARB P2. Adhering to the building blocks of these standards, as well as other investor requirements, ensures Miro's commitment to the principles of sustainability and quality.



OTHER HIGHLIGHTS



PRESIDENTIAL VISIT IN SIERRA LEONE



OTHER HIGHLIGHTS



COMMISSIONING OF 236 KWP SOLAR PV PLANT BY THE ENERGY MINISTER OF SIERRA LEONE



Ernestina Osei-Peprah
Group Compliance Manager

GOVERNANCE



MIRO'S CAPITAL STRUCTURE IS 100% EQUITY, WITHOUT DEBT, SPLIT BETWEEN PREFERENCE SHARES AND ORDINARY SHARES, EACH HAVING ONE VOTING RIGHT PER SHARE.

The following charts show Miro's split of capital between Preference and Ordinary Shares as well as the split of voting rights between institutions, private investors and management.

SPLIT OF CAPITAL



Preference Shares	58%
Ordinary Shares	42%

SPLIT OF VOTING RIGHTS



Institutions	74%
Private Investors	22%
Management	4%



FINANCIAL STATEMENTS



MIRO FORESTRY DEVELOPMENTS LIMITED
AUDITED CONSOLIDATED FINANCIAL STATEMENTS (2022)

MIRO FORESTRY DEVELOPMENTS LIMITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	GROUP	
	Year ended 31 December 2022 US \$	Year ended 31 December 2021 US \$
Revenue	8,520,787	2,276,278
Cost of sales	(9,888,923)	(3,125,597)
Gross loss	(1,368,136)	(849,319)
Fair value movement	(382,567)	(1,054,987)
General, administrative and selling expenses	(7,479,197)	(5,932,200)
Operating loss	(9,229,900)	(7,836,506)
Other income	65,826	113,234
Finance costs	(6,151,444)	(4,795,388)
Loss before tax	(15,315,518)	(12,518,660)
Taxation	(851,964)	124,068
Loss for the year	(16,167,482)	(12,394,592)
Other comprehensive income	-	-
Total comprehensive income	(16,167,482)	(12,394,592)
Loss for the year attributable to:		
Owners of the parent	(16,167,482)	(12,394,592)
Total comprehensive income attributable to:		
Owners of the parent	(16,167,482)	(12,394,592)

MIRO FORESTRY DEVELOPMENTS LIMITED
CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	GROUP	
	2022 US\$	2021 US\$
Non-current assets		
Right of use assets	2,325,852	2,231,158
Property, plant & equipment	18,687,592	14,149,718
Biological assets	69,685,728	65,096,501
	<u>90,699,172</u>	<u>81,477,377</u>
Current assets		
Trade and other receivables	5,035,546	3,837,990
Inventory	6,579,195	3,188,749
Cash and cash equivalents	11,959,628	2,188,491
	<u>23,574,369</u>	<u>9,215,230</u>
Total assets	<u>114,273,541</u>	<u>90,692,607</u>
Equity		
Share capital	5,846,837	5,846,837
Share premium	36,541,145	36,541,145
Share warrants	3,003,044	3,003,044
Retained losses	(51,788,195)	(35,620,713)
Total equity	<u>(6,397,169)</u>	<u>9,770,313</u>
Current liabilities		
Lease liabilities	449,376	388,401
Trade and other payables	1,924,860	2,428,854
	<u>2,374,236</u>	<u>2,817,255</u>
Non-Current liabilities		
Lease liabilities	1,953,044	1,829,355
Preference share dividend liability	11,813,542	5,997,941
Redeemable Preference shares	104,529,888	70,277,743
	<u>120,670,710</u>	<u>80,922,294</u>
Total liabilities	<u>120,670,710</u>	<u>80,922,294</u>
Total shareholders' fund and liabilities	<u>114,273,541</u>	<u>90,692,607</u>

MIRO FORESTRY DEVELOPMENTS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

GROUP	Share Capital US\$	Share Premium US\$	Share Warrants US\$	Retained Earnings US\$	Total US\$
Balance at 1 January 2021	5,838,087	36,434,112	3,003,044	(23,226,121)	22,049,122
Loss for the year	-	-	-	(12,394,592)	(12,394,592)
Other comprehensive income	-	-	-	-	-
Total comprehensive Income for the year	-	-	-	(12,394,592)	(12,394,592)
Issue of shares	8,750	107,033	-	-	115,783
Total transactions with owners, recognised directly in equity	8,750	107,033	-	-	115,783
Balance at 31 December 2021 and 1 January 2022	5,846,837	36,541,145	3,003,044	(35,620,713)	9,770,313
Loss for the year	-	-	-	(16,167,482)	(16,167,482)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(16,167,482)	(16,167,482)
Issue of shares	-	-	-	-	-
Total transactions with owners, recognised directly in equity	-	-	-	-	-
Balance at 31 December 2022	<u>5,846,837</u>	<u>36,541,145</u>	<u>3,003,044</u>	<u>(51,788,195)</u>	<u>(6,397,169)</u>

MIRO FORESTRY DEVELOPMENTS LIMITED

CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 US\$	2021 US\$
Operating activities		
Operating loss	(9,229,900)	(7,836,505)
Adjustments for:		
Depreciation and impairment of property, plant and equipment	2,601,860	1,738,037
Fair value gains	382,567	1,054,987
Other income received	65,826	113,234
Tax received	-	124,068
Fellings	2,601,168	-
(Gain) / Loss on disposal of property, plant and equipment	(20,080)	(10,290)
Operating cash flow before movement in working capital	(3,598,559)	(4,816,469)
Changes in working capital		
Increase in receivables	(2,049,521)	(650,475)
Increase in inventory	(3,390,446)	(1,631,867)
Increase in payables	(503,994)	1,245,241
Net cash outflow from operating activities	(9,542,520)	(5,853,570)
Investing activities		
Purchase of property, plant and equipment	(7,138,700)	(8,879,035)
Biological assets acquired	(7,572,968)	(7,901,492)
Investments in subsidiaries	-	-
Net cash outflow from investing activities	(14,711,668)	(16,780,527)
Financing activities		
Proceeds from issue of share capital	34,252,143	24,017,905
Proceeds of sale of property, plant and equipment	27,568	103,983
Repayment of lease liabilities	(254,386)	(239,761)
Net inflow from financing activities	34,025,325	23,882,127
Increase / (Decrease) in cash and cash equivalents	9,771,137	1,248,030
Analysis of changes in cash and cash equivalents during the period		
Balance at 1 January	2,188,491	940,461
Increase / (Decrease) in cash and cash equivalents	9,771,137	1,248,030
Balance at 31 December	11,959,628	2,188,491
Analysis of cash and cash equivalents		
Cash and bank balances	11,959,628	2,188,491

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 US\$	2021 US\$
1. Revenue		
Plywood	4,744,531	1,446,290
Carbon Credits	2,496,946	-
Poles	545,000	621,295
Seedlings	332,436	6,035
Sawn timber products	325,656	100,257
Other	76,218	102,401
	8,520,787	2,276,278

Plywood revenue is attributable to a full year of production in 2022 (2021: 3 months of production). In total we sold over 9,000m³ of plywood. Going into 2023, we are forecasting to increase this to 30,000m³.

Carbon credit revenue was generated through the sale of 299,843 credits, making us one of the largest sellers of afforestation credits in Africa for 2022. In 2023 we will expand on this and generate over 400,000 credits. Alongside these carbon credits from commercial species, we seek to expand into carbon projects further by partnering with institutions for the afforestation of indigenous species to produce high quality afforestation carbon credits.

	2022 US\$	2021 US\$
2. Cost of sales		
Plywood	6,835,134	2,197,001
Carbon Credits	699,145	-
Poles	496,241	329,231
Seedlings	48,386	-
Sawn timber products	1,154,062	500,058
Harvesting costs	655,955	99,307
	9,888,923	3,125,597

A large proportion of the plywood costs of sales are fixed. Therefore as production and sales increase beyond break even volumes, gross margin will be produced, converse to the current gross loss for 2022. Carbon credit cost of sales represents only the directly related verification costs. However, these credits would not be available without our significant investment in our forestry asset.

Sawn timber, predominantly edge glued panels, remain in a development phase and thus until at full commercial production, continues to produce a gross loss as we investment in the production systems.

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 US\$	2021 US\$
3. Other income		
Interest received	1,574	2,598
Grant income	64,252	110,636
	<u>65,826</u>	<u>113,234</u>

	2022 US\$	2021 US\$
4. General, administrative & selling expenses		
Land Preparation	579,820	1,017,229
Biological Asset Establishment	896,727	850,716
Biological Asset Maintenance	1,644,422	1,887,150
Fire & Disease, Conservation and Roads	1,828,913	1,602,029
Silviculture costs	2,623,086	2,544,368
Costs attributed to Biological assets	(7,572,968)	(7,901,492)
Field expenses	138,628	119,704
Administration	3,690,040	2,297,705
Depot and delivery costs	7,271	12,260
Depreciation and impairment of tangible assets	2,593,345	1,711,766
Capitalisation of depreciation to cost of growing timber	(964,207)	(948,879)
Depreciation included under costs of sales	(1,131,571)	(388,192)
Gain on Disposal of Fixed Assets	(20,079)	(10,289)
Staff costs (note 5)	5,048,732	4,799,351
Capitalisation of staff costs to cost of growing timber	(942,485)	(1,040,867)
Staff costs included under costs of sales	(782,972)	(412,162)
Foreign exchange gains	(157,505)	(208,197)
	<u>7,479,197</u>	<u>5,932,200</u>

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 US\$	2021 US\$
5. Staff costs		
Salaries and wages	3,744,240	3,541,677
Social security costs	306,252	218,946
Pension costs	26,491	28,548
Other employee costs	126,343	132,501
Performance bonus	568,498	645,038
Subsistence	276,909	232,641
Total staff costs	<u>5,048,733</u>	<u>4,799,351</u>

The average numbers of employees during the period were:

	2022 US\$	2021 US\$
Corporate management	7	7
Plantation	920	928
Industrial	385	110
Finance and administration	32	28

In addition to permanent employees, the Group also uses casual labour to cover seasonal work requirements. Inclusion of casual labour would take total employee numbers to 2,826 (2021: 2,536) at the year end.

	2022 US\$	2021 US\$
6. Taxation		
Tax recognised in profit or loss		
Current tax expense / (income)	851,964	(124,068)
Deferred Tax	-	-
Net tax charge	<u>851,964</u>	<u>(124,068)</u>
Tax rate reconciliation		
Profit before tax at the applicable tax rate - 25% (2021: 25%)	(3,828,879)	(3,129,665)
Timing differences - Fair value gains	95,642	263,747
Expenses not deductible	1,453,900	1,117,686
Adjustments to tax charge in respect of prior periods	851,964	(124,068)
Tax losses not recognised	2,279,337	1,748,232
Current tax expense / (income)	<u>851,964</u>	<u>(124,068)</u>

The tax rate used is a combination of the rates used in the locations in which the Group operates. The current tax expense relates to the reversal of R&D tax credits recognised in prior years. The Group has tax losses of \$53,989,914 (2021: \$44,872,564) available to carry forward against future taxable profits. No deferred tax asset has been recognised due to uncertainty as to when sufficient profits will be generated against which to relieve said asset.

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Right of use Assets	At 1 Jan 2021	Acquisitions	At 31 Dec 2021
Cost/valuation	US\$	US\$	US\$
Leased Land	<u>2,363,480</u>	<u>119,825</u>	<u>2,483,305</u>
	At 1 Jan 2021	Charge for the period	At 31 Dec 2021
	US\$	US\$	US\$
Accumulated depreciation			
Leased Land	<u>132,322</u>	<u>25,131</u>	<u>157,453</u>
Net book value			
At 31 December 2022			<u>2,325,852</u>
At 31 December 2021			<u>2,231,158</u>

Miro lease 53,222 hectares of land in Ghana and Sierra Leone, mainly associated with our forestry asset.

Some of the property leases in which the Group are lessees contain variable lease payment terms that are linked to profitability generated from the plantation timber. Variable payment terms are used to reduce upfront fixed costs and align leaseholder value to Group profitability.

In determining the value of the Right of use asset, the Group have used a 15% nominal discount rate as this is considered to be the weighted average cost of capital of the Group.

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Property, plant and equipment	At 1 Jan	Acquisitions	Disposals	At 31 Dec
Cost/valuation	US\$	US\$	US\$	US\$
Buildings	1,684,653	2,731,862	-	4,416,515
Furniture & fittings	33,246	-	-	33,246
Other Equipment	408,180	84,011	-	492,191
Forestry, nursery and silviculture equipment	2,195,926	488,353	-	2,684,279
Industrial equipment	10,178,405	1,617,142	-	11,795,547
Motor vehicles	6,917,794	2,217,332	(63,212)	9,071,914
	<u>21,418,204</u>	<u>7,138,700</u>	<u>(63,212)</u>	<u>28,493,692</u>
	At 1 Jan	Acquisitions	Disposals	At 31 Dec
Depreciation	US\$	US\$	US\$	US\$
Buildings	527,351	169,525	-	696,876
Furniture & fittings	24,590	4,454	-	29,044
Other Equipment	317,170	49,164	-	366,334
Forestry, nursery and silviculture equipment	1,716,186	271,588	-	1,987,774
Industrial equipment	643,513	1,017,774	-	1,661,287
Motor vehicles	4,039,676	1,080,833	(55,724)	5,064,785
	<u>7,268,486</u>	<u>2,593,338</u>	<u>(55,724)</u>	<u>9,806,100</u>
Net book value				
At 31 December 2022				<u>18,687,592</u>
At 31 December 2021				<u>14,149,718</u>

Industrial equipment includes the ply mill, saw mill and pole treatment facility.

Property, plant and equipment are reflected at their cost price. Depreciation is provided for on a straight-line basis, taking into account the residual value and estimated useful lives of the assets as follows:

Forestry, nursery and silviculture equipment	3-5 years
Other equipment	3-5 years
Motor vehicles	3-5 years
Furniture and fittings	3 years
Industrial equipment	5-25 years
Buildings	5-25 years

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Biological assets

	2022 Hectares	2021 Hectares	2022 US \$	2021 US \$
Eucalyptus	9,202	9,335		
Acacia	3,418	3,307		
Teak	2,670	2,275		
Gmelina	4,993	3,986		
Other	579	317		
	20,862	19,220		
	2022 Hectares	2021 Hectares	2022 US \$	2021 US \$
Balance at 1 January	19,220	17,278	65,096,501	58,249,996
Planted during the year	1,912	2,254	7,572,968	7,901,492
Clearfell charged to Cost of Sales	(899)	-	(2,601,174)	-
Other movements for the year:				
Inherited / withdrawn from the Forestry Commission	710	(368)	-	-
Recovered fire areas	-	-	-	-
Losses due to:				
Fire	(11)	(17)	(52,941)	(32,207)
Drought	-	(44)	-	(20,739)
Cattle damage	(28)	(32)	(218,007)	(131,015)
Industrial expansion	-	(1)	-	(3,118)
Waterlogging	-	(22)	-	(24,793)
Clearfell	-	(150)	-	(483,069)
Pest and disease	-	(1)	-	(7,237)
Other adjustments	(42)	323	(153,838)	1,173,994
	(270)	(312)	(424,786)	471,816
Maturity of biological asset	-	-	42,219	(1,526,803)
Total fair value loss	(270)	(312)	(382,567)	(1,054,987)
Balance at 31 December	20,862	19,220	69,685,729	65,096,501

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Miro Forestry manages the establishment, maintenance and harvesting of its plantations on a compartmentalised basis. Plantations are stated at fair value less estimated cost to sell at the harvesting stage. The methodology takes into account expected wood flows, forecast using growth models developed by the Group based on enumerated volumes to date and typical species models developed internationally.

The methods and assumptions used in determining the fair value of these assets has been based on discounted cash flow models which require a number of significant judgments in respect of sales price, production levels, operational cash and discount rates.

The key assumptions used in determining the fair value were as follows:

	2022	2021
Real discount rate	13%	13%
Veneer round log price	\$45 - \$65	\$45 - \$65

These key assumptions directly impact the consideration of the fair value of biological assets and therefore the carrying value of biological assets in the financial statements is sensitive to any change in the key assumptions.

The following table reflects the impact of a 5% change in each of the assumptions:

	5% increase	5% decrease
Real discount rate	(1,400,601)	1,400,601
Veneer round log price	3,630,271	(3,630,271)

The change in the maturity of the biological asset is due to lower than expected performance of Eucalyptus plantations due to drought conditions.

10. Trade and other receivables

	2022 US \$	2021 US \$
Trade receivables	604,965	459,258
Prepayments	3,420,812	1,295,962
VAT / GST receivables	739,858	862,757
Grant receivable	31,530	3,025
Current tax receivable	-	809,971
Other	238,381	407,017
	5,035,546	3,837,990

Included within prepayments are capital expenditure prepayments totalling \$2.3million, mainly related to the development of the Sierra Leone ply mill.

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Inventory

	2022 US \$	2021 US \$
Raw materials	3,443,710	2,573,912
Finished Goods	3,135,485	614,837
	<u>6,579,195</u>	<u>3,188,749</u>

Raw materials have increased due to the increase in plywood production, and hence the associated inputs such as glue and film overlay. Finished goods includes plywood worth \$2.2million (c. 6,000m³).

12. Cash and cash equivalents

	2022 US \$	2021 US \$
Cash and cash equivalents consist of cash on hand and balances with banks.		
Bank balances	11,954,633	2,179,912
Cash on hand	4,995	8,579
	<u>11,959,628</u>	<u>2,188,491</u>

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Share capital

	Number of shares		Proceeds	
	2022	2021	2022 US \$	2021 US \$
Allotted, called up and fully paid				
Ordinary shares with a nominal value of \$1	5,846,837	5,846,837	42,387,982	42,387,982
Growth shares with a nominal value of \$0.01	<u>109,000</u>	<u>109,000</u>	<u>1,000</u>	<u>1,000</u>

	Share Capital		Share Premium US \$	Total US \$
	Shares	Nominal US \$		
As at 1 January 2022	5,846,837	5,846,837	36,541,145	42,387,982
Shares issued	-	-	-	-
As at 31 December 2022	<u>5,846,837</u>	<u>5,846,837</u>	<u>36,541,145</u>	<u>42,387,982</u>

Growth shares relate to management's long term incentive plan. These shares attract increasing value for management on exit for our shareholders, above a hurdle rate of 6.5%.

14. Lease liabilities

	2022 US \$	2021 US \$
Beginning of the year	2,217,756	1,568,550
Additions	119,825	564,325
Finance costs	335,842	324,642
Lease payments	(271,003)	(239,761)
End of the year	2,402,420	2,217,756
Less current portion	(449,376)	(388,401)
Non-current portion	<u>1,953,044</u>	<u>1,829,355</u>
Maturity analysis		
Not later than 1 year	449,376	388,401
Later than 1 year and not later than 5 years	1,273,174	1,190,785
Later than 5 years	643,870	638,570
	<u>2,402,420</u>	<u>2,217,756</u>

MIRO FORESTRY DEVELOPMENTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

15. Trade and other payables

	2022 US \$	2021 US \$
Accruals	652,850	826,892
Deferred Revenue	-	254,088
Payroll Liabilities	849,949	553,168
Other Creditors	422,060	794,706
	<u>1,924,859</u>	<u>2,428,854</u>

16. Redeemable Preference Shares

	2022 US \$	2021 US \$
Redeemable Preference Shares	104,529,888	70,277,743
Preference Shares dividend accrual	11,813,542	5,997,941

On 26 May 2020, the Company signed agreements for US\$48 million of new investment consisting of US\$12 million each from British International Investment Plc (formerly CDC Plc), and Aqua Ventures FZE together with US\$8 million each from the Finnish Fund for Industrial Cooperation Ltd, FMO and the Land Degradation Neutrality Fund SLP.

On the 14th January 2021, the Company signed an amendment to the Preference Shares subscription agreement for a further US\$16 million of new investment consisting of US\$12 million from FinDev Canada and a further US\$4 million from the Land Degradation Neutrality Fund SLP, increasing the previous US\$48 million commitment to US\$64 million whilst decreasing the existing commitments from British International Investment Plc and Aqua Ventures FZE to US\$8 million each.

On 4 October 2022, the Company signed agreements for a further US\$36 million of new investment consisting of US\$6 million each from British International Investment Plc, Finnish Fund for Industrial Cooperation Limited, Aqua Ventures II Limited, FMO, the Land Degradation Neutrality Fund SLP and FinDev Canada.

This financing subscribes for redeemable preference shares with a fixed dividend rate of 6.5%, with equity warrant upside through warrants granted.

The redeemable preference shares have voting rights equivalent to ordinary shares and a par value of \$13.23.

The preference shares have been disclosed as a liability as they have a fixed dividend rate and provide for a constructive obligation to be redeemed by 31st December 2031, and as a result are considered a debt instrument rather than an equity instrument.



RISK MANAGEMENT



MIRO PROACTIVELY MANAGES THE RISKS ASSOCIATED WITH OUR BUSINESS. THE FOLLOWING SUMMARY DESCRIBES MANY OF THE RISKS THAT COULD AFFECT MIRO. HOWEVER, THE RISKS AND UNCERTAINTIES OUR COMPANY FACES ARE NOT LIMITED TO THOSE DESCRIBED BELOW.



RISKS RELATED TO OUR INDUSTRY

WE OPERATE IN A CYCLICAL INDUSTRY, WHICH HAS IN THE PAST RESULTED IN SUBSTANTIAL FLUCTUATIONS IN RESULTS.

The markets for our timber products are commodity markets and are affected by changes in industry capacity and output levels as well as by cyclical changes in the world economy. As a result of periodic supply and demand imbalances in the timber products industry, historically these markets have been highly cyclical, with volatile prices.

In recent years, turmoil in the capital and credit markets, coupled with uncertainty created by economic and geopolitical developments such as those resulting from, for example, the Covid-19 pandemic and the Russia-Ukraine conflict, have had a continued effect on the world economy. These developments have consequently affected, and may continue to affect, the markets for our products insofar as they cause fluctuations in demand and supply of our products and/or increase / decrease our achievable selling prices. The timing and magnitude of demand and price fluctuations in the plywood market have generally varied by region and by type of plywood. Prolonged or significant imbalances between supply of and demand for our core products may require us to implement capacity reduction measures.

A significant increase in the prices for plywood would benefit our operations. Increases in input costs including (but not limited to) those for glue and film may affect our operations if we are unable to raise selling prices sufficiently.

As a vertically integrated group, Miro has the benefit of being protected from cyclical changes, with the ability to reduce production capacity whilst maintaining shareholder value through allowing additional log volume growth on the stump.

THE MARKETS FOR PLYWOOD ARE HIGHLY COMPETITIVE AND SOME OF OUR COMPETITORS HAVE ADVANTAGES THAT MAY ADVERSELY AFFECT OUR ABILITY TO COMPETE WITH THEM.

We compete against many plywood producers located around the world. Some of these companies benefit from greater financial resources or operate mills that produce plywood products at a lower cost than our mills, or benefit from government subsidies. Some of our competitors also have advantages over us, including lower raw material, energy and overhead costs and fewer environmental and other governmental regulations with which to comply.

As a result, we cannot assure you that each of our mills will remain competitive. Increased competition, including as a result of a decrease in import duties, could cause us to lose market share, increase expenditures or reduce pricing, any of which could have a material adverse effect on the results of our operations. In addition, competition may result from our inability to increase the selling prices of our products sufficiently or in time to offset the effects of increased costs, which could lead to a loss in market share. In addition, aggressive pricing by competitors may force us to decrease prices in an attempt to maintain market share.

GLOBAL ECONOMIC CONDITIONS COULD ADVERSELY AFFECT OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

In the past, demand for plywood declined and prices decreased during times of global economic recession. Economic recession, sovereign debt crises and other macro-economic events have in the past led, and may in future lead, to slower economic activity, inflation and deflation concerns, reduced corporate profits, reduced or cancelled capital spending, adverse business conditions and liquidity concerns resulting in significant recessionary pressures, increased unemployment and lower business and consumer confidence.

The outlook for the world economy is currently subject to significant uncertainty, which may lead to prolonged periods of economic uncertainty, downturn, recession or depression in many of the countries in which we and our customers operate. A significant risk remains that

measures taken by governments and central banks may not prevent the global economy from further decline. Any such downturn, recession or depression could have a material adverse effect on our business, results of operations and financial condition. We cannot predict the timing, duration or effect of any other downturn in the economy that may occur in the future. These economic risks and others that we may not anticipate could adversely affect the group's business, results of operations, financial condition or prospects.

THE COST OF COMPLYING WITH OR ADDRESSING LIABILITIES UNDER ENVIRONMENTAL, HEALTH AND SAFETY LAWS MAY BE SIGNIFICANT.

Our operations are subject to a wide range of requirements, including conditions contained in our permits, arising from environmental, health and safety laws and regulations in the various jurisdictions in which we operate. Such laws and regulations govern, among other things, water supply and consumption; the use of renewable and other fuels; the control and reduction of air emissions and water discharges; the management, reduction and disposal of hazardous and solid wastes; the purchase and use of safety equipment; workplace safety training; and the monitoring of workplace hazards.

Although we strive to ensure that our facilities comply with all applicable environmental requirements, including any permits required for our operations, we may in the future be, subject to governmental enforcement actions or other claims or sanctions for failure to comply with environmental requirements. Expenditures to comply with future environmental, health and safety requirements and the costs related to addressing any alleged or actual environmental, health and safety liabilities, sanctions and claims could have a material adverse effect on our business and financial condition.

We expect to continue to incur significant expenditures to maintain compliance with applicable environmental laws, and to meet any new regulatory requirements.

In addition, we may not have identified or addressed all sources of environmental, health and safety risks, and there can be no assurances that we will not incur losses related to any such environmental, health and safety risks, that the capital and operating costs of compliance with existing and future environmental, health and safety laws and regulations will not continue to increase or that any such losses or costs incurred will not have a material adverse impact on our results of operations, financial condition or prospects.

THE AVAILABILITY AND COST OF INSURANCE COVER CAN VARY CONSIDERABLY FROM YEAR TO YEAR AS A RESULT OF EVENTS BEYOND OUR CONTROL, AND THIS CAN RESULT IN US PAYING HIGHER PREMIUMS AND PERIODICALLY BEING UNABLE TO MAINTAIN APPROPRIATE LEVELS OR TYPES OF INSURANCE.

The insurance market remains cyclical and catastrophic events can change the state of this market, leading to sudden and unexpected increases in premiums and deductibles and inadequacy or unavailability of coverage due to reasons unconnected with our business. In addition, volatility in the global financial markets can adversely affect the insurance market and could result in some of our insurers failing and being unable to pay their share of claims.

We have renewed our calendar 2023 asset and business interruption insurance cover. For property damage and business interruption insurance, cost effective cover is not generally available to full replacement value. If we were to experience property damage or business interruption losses in excess of any such policy limits, this could have a material adverse effect on our group's business, results of operations, financial condition or prospects.

We do not insure our plantations as the cost is prohibitive. Fires may have a significant adverse effect in the future, which are not covered by insurance.

RISK MANAGEMENT



MIRO PROACTIVELY MANAGES THE RISKS ASSOCIATED WITH OUR BUSINESS. THE FOLLOWING SUMMARY DESCRIBES MANY OF THE RISKS THAT COULD AFFECT MIRO. HOWEVER, THE RISKS AND UNCERTAINTIES OUR COMPANY FACES ARE NOT LIMITED TO THOSE DESCRIBED BELOW.

RISKS RELATED TO OUR BUSINESS

WE REQUIRE A SIGNIFICANT AMOUNT OF FINANCING TO FUND OUR BUSINESS AND OUR ABILITY TO GENERATE SUFFICIENT CASH DEPENDS ON MANY FACTORS, SOME OF WHICH ARE BEYOND OUR CONTROL.

Our ability to fund our working capital, capital expenditure and plantation expenditure depends upon our future operating performance. Our principal sources of liquidity are cash generated from operations and availability under our preference share subscription agreements. Our ability to generate cash depends, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control. Our cash flow from operations may be adversely impacted by a downturn in worldwide economic conditions, which could result in a decline in global demand for our products.

Our business may not generate sufficient cash flow from operations and debt and additional equity financing may not be available to us in a sufficient amount to enable us to meet our liquidity needs. If our future cash flows from operations and other capital resources are insufficient to fund our liquidity needs, we may be required to obtain additional debt or equity financing or reduce or delay our capital expenditures and plantation and industrial development. We may not be able to secure such alternative funding resources on a timely basis or on satisfactory terms. The failure to do so could have a material adverse effect on our business, results of operations and financial condition.

WE MAY NOT BE SUCCESSFUL IN IMPLEMENTING, OR MAY NOT REALISE ALL THE EXPECTED BENEFITS FROM, OUR STRATEGIC INITIATIVES.

As part of our overall business strategy, we are implementing strategic initiatives to improve profitability, including construction of plywood production capacity. Any future growth, cost savings or productivity enhancements that we realise from such efforts may differ materially from our estimates, or we may not be able to implement successfully part or all our initiatives. The benefit of cost savings or productivity enhancements that we realise may be offset, in whole or in part, by reductions in pricing or volume, or through increases in other expenses, including raw material, energy or personnel, or the demand for our

products may decline. There can be no assurance that any initiatives will be completed as anticipated or that the benefits we expect from any strategic initiative will be achieved on a timely basis or at all.

IN EXECUTING OUR STRATEGY, WE CARRY OUT SEVERAL CAPITAL EXPENDITURE PROJECTS, WHICH, IF DELIVERED LATE, OVER BUDGET OR WITHOUT ACHIEVING THE PROJECTED CAPACITY, COULD MATERIALLY ADVERSELY AFFECT OUR RESULTS OF OPERATIONS, COMPETITIVENESS AND FINANCIAL POSITION.

During fiscal 2022, capital expenditure amounted to US\$72 million. There is a risk that capital expenditure projects may not be completed on time; may not deliver the expected capacity; or may exceed the allocated capital budget. Such effects may result from factors such as supplier performance and skill levels, ineffective project management and controls or delays in achieving customer acceptance. Any such delays, cost overruns or failures to deliver expected performance could impact our projects' financial return metrics, hamper our normal operations, delay our products' path to market, cause us to lose market share or may adversely affect our results of operations, competitiveness and financial position.

THERE ARE RISKS RELATING TO THE COUNTRIES IN WHICH WE OPERATE THAT COULD ADVERSELY AFFECT OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

We own manufacturing operations and plantations in West Africa. We also sell our products to customers in various countries worldwide. As a result, our operations are subject to various economic, fiscal, monetary, regulatory, operational and political conditions. Our presence in these countries exposes us to risks such as material changes in laws and regulations, political, financial and social changes and instabilities, exchange controls, risks related to relationships with local partners and potential inconsistencies between commercial practices, regulations and business models in different countries. The occurrence of such events could adversely affect our business, results of operations and financial condition.

BECAUSE OF THE NATURE OF OUR BUSINESS AND WORKFORCE, WE MAY FACE CHALLENGES IN THE RETENTION OF STAFF AND THE EMPLOYMENT OF SKILLED PEOPLE THAT COULD ADVERSELY AFFECT OUR BUSINESS.

Due to the immature nature of our industry in West Africa and the rural and often remote location of our mills, it is often difficult to source skilled employees. As a result, we may be unable to attract and retain sufficient qualified replacements when and where necessary to avoid an adverse impact on our business.

ABNORMAL OR SEVERE EVENTS AFFECTING OUR PLANTATIONS, SUCH AS FIRES AND DROUGHTS, MAY ADVERSELY IMPACT OUR ABILITY TO SUPPLY OUR MILLS WITH TIMBER.

The West African landscape is prone to, and ecologically adapted to, frequent fires. The risk of uncontrolled fires entering and burning significant areas of plantation is high. Abnormal weather conditions might be more frequent in the future as the result of climate change. In addition, because of land ownership and adjacent communities, we have less ability to directly manage fire risk, as well as risks of other abnormal or severe events, such as pathogen and pest infestations. Consequently, the risk of plantation fires or other abnormal or severe events remains high and may be increasing.

The availability of harvested timber may also be limited by other abnormal weather conditions, such as droughts. Continued or increased losses of our wood sources from drought conditions or fire could jeopardise our ability to supply our mills with timber.

OUR MANUFACTURING AND FORESTRY OPERATIONS ARE INHERENTLY DANGEROUS, AND WE MAY BE SUBJECT TO RISKS RELATED TO THE HEALTH AND SAFETY OF OUR EMPLOYEES.

We operate a number of manufacturing facilities and conduct various forestry operations, each of which is inherently dangerous. Although we employ safety procedures in the design and operation of our manufacturing facilities and forestry operations, accidents resulting in injury or death have occurred at our facilities in the past and could occur in the future. Any such accidents or incidents could also result in environmental impacts, equipment damage and/or production delays, which could harm our business and our results of operations. The potential liability resulting from any such incident to the extent not covered by insurance, and any negative publicity associated therewith could harm our business, reputation, financial condition or results of operations. Whether or not a claim against us succeeds, its defence may be costly, and the existence of any claim may adversely impact our reputation, financial condition or results of operations.

UNFORESEEN SHUTDOWNS, DISRUPTIONS OR MALFUNCTIONS AT OUR PRODUCTION FACILITIES OR AFFECTING OUR INFORMATION TECHNOLOGY SYSTEMS OR SUPPLY CHAIN MAY ADVERSELY IMPACT OUR BUSINESS.

Our mills and our production facilities are central to our business and are subject to operational risks. These risks include, but are not limited to, fire or explosions, accidents, severe weather and natural disasters, mechanical, operational or structural failures, unplanned production or power disruptions, political turmoil, pandemics and related governmental responses or social unrest. Shutdowns, outages or deficiencies resulting from such events could have a material adverse effect on our business and financial condition if such shutdowns, outages or deficiencies were to continue for an extended period of time or if we were unable to restart or remedy production in a timely manner.

We also use information technologies to securely manage our operations and various business functions. We rely on various technologies to process, store and report on our business and interact with customers, vendors and employees. Despite our security design and controls, and those of our third-party providers, we or our third-party providers have in the past been, and in the future could become, subject to cyberattacks, which could result in operational disruptions or the misappropriation of sensitive data. There can be no assurance that such disruptions or misappropriations and the resulting repercussions will not adversely impact our reputation, financial condition or results of operations.

We depend on a reliable and efficient supply chain to procure raw materials from suppliers and deliver products to customers, within a timeframe that meets their expectations. A number of factors, many of which are beyond our control, could disrupt the operation of our supply chain, including inclement weather, natural disasters, transportation interruptions or inefficiencies, port or traffic congestion, labour shortages or disruptions, oil price increases, unrest, and pandemics. These factors could impair our ability to supply our customers or maintain an appropriate logistics chain and levels of production and inventory, all of which could adversely affect our reputation, business, results of operations and financial condition. Supply chain disruptions could have a material adverse effect on our business, financial condition or results of operations, particularly if the disruptions continued for an extended period of time.



GLOBAL SALES

sales@miroforestry.com

UK HEADQUARTERS

5 Merchant Square
London, W2 1AY
info@miroforestry.com

GHANA

The Miro Street,
Drobonso - Sekyere Afram Plains
Ashanti Region, Ghana
ghana@miroforestry.com

SIERRA LEONE

Number 7 Abraham Drive
Juba, Freetown
Sierra Leone
sierraleone@miroforestry.com

