

## Regulatory Announcement

**Company** Accsys Technologies PLC  
**TIDM** AXS  
**Headline** Accoya® Licence Agreement  
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### **ACCSYS TECHNOLOGIES PLC** (“Accsys” or “the Company”)

#### **Accoya® Licence Agreement with Solvay-Rhodia**

Accsys is pleased to announce it has entered into a licence agreement with, Rhodia Acetow GmbH, a wholly owned subsidiary of Solvay-Rhodia (“Solvay”) for the production and sale of Accoya® wood using Accsys’ proprietary acetylation technology (the “Technology”).

Accsys previously announced comprehensive heads of terms following an earlier option agreement with a major multinational corporation. This resulting Accoya licence agreement reflects a significant amount of work from Accsys and Solvay and represents a commitment to the next stage in the successful commercialisation of Accoya and its acceptance as the globally recognised leading high technology, high performance, modified wood.

#### **Scope of agreement**

The licence provides for the conditional grant to Solvay of exclusive rights for a 15 year period to produce and sell Accoya within the Council of Europe save for Belgium, Ireland, Luxemburg, the Netherlands and the United Kingdom. This initial exclusive period is subject to certain growth and market development obligations being satisfied. In consideration of the grant of rights, Solvay shall pay to Accsys licence and royalty fees.

The agreement allows for the construction of multiple Accoya production plants, with the first plant having an initial capacity of approximately 63,000 m<sup>3</sup> of finished Accoya output.

Both parties have been working together extensively in many areas. The engineering design of the plant has already commenced and the completion of the basic engineering plan is required and is yet to be completed. In addition Solvay has commissioned a detailed market promotion program in countries within its territory.

The agreement is conditional on certain limited provisions being satisfied, including the formal approval of both Accsys and Solvay’s board of directors. Whilst there can

be no certainty that such conditions will be satisfied, both parties currently expect that the agreement will become unconditional and fully effective in the second half of 2013. In the meantime Accsys has been commissioned to produce a comprehensive Process Design Package.

It is expected that many of Accsys' existing distributors and customers in the region will be introduced to Solvay and that the resulting relationship will drive greater market penetration of Accoya by guaranteeing larger scale production and the resulting availability and competitiveness.

Paul Clegg, Accsys CEO, said: "It is a pleasure to be able to disclose the identity of our prospective licensee, Solvay, with whom we have been working closely for some time. Solvay is a leader in the production and sale of a wide range of performance materials sold into key market sectors of relevance to Accoya, including for use in buildings and the urban environment, around the globe. As one of the world's leading producers of cellulose acetate, a material which shares certain processing components with our Accoya technology, they also have a set of technical capabilities which should further contribute to the success of this licence."

Gérard Collette, President of Rhodia Acetow, commented: "We are delighted with this licence agreement that will allow us to build on our acetylation know-how in the field of cellulose acetate. While we will continue to develop our core businesses, cellulose acetate RHODIA<sup>®</sup> Filter Tow and RHODIA<sup>®</sup> Acetol flakes, the Accoya<sup>®</sup> technology fits perfectly with our strategy of product portfolio diversification. Moreover, combining a highly attractive ecological profile and excellent performance, Accoya<sup>®</sup> is in line with our ambition to become a leader in innovative and sustainable materials and to deliver long-run returns to the Solvay group."

## Ends

### For further information, please contact:

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### Notes to Editors:

**Accsys Technologies PLC** ([www.accsysplc.com](http://www.accsysplc.com)) is an environmental science and technology company whose primary focus is on the production of Accoya<sup>®</sup> wood and technology licensing via its subsidiary, Titan Wood Limited, which has manufacturing operations in Arnhem, the Netherlands (through its subsidiary Titan Wood B.V.), a European office in Windsor, United Kingdom, and an American office in Dallas, Texas (via its subsidiary Titan Wood, Inc). All group subsidiaries are ultimately 100% owned by Accsys and trade as Accsys Technologies. Any references in this announcement to agreements with Accsys shall mean agreements with either Accsys or its

subsidiary entities unless otherwise specified. Accsys Technologies PLC is listed on the London Stock Exchange AIM market and on Euronext Amsterdam by NYSE Euronext, under the symbols 'AXS'. Accsys' operations comprise three principal business units: (i) Accoya® wood production; (ii) technology development, focused on a programme of continuous development of and improvements to the process engineering and operating protocols for the acetylation of solid wood and the development of technology for the acetylation of wood elements; and (iii) the licensing of technology for the production of Accoya® wood and Tricoya® wood elements across the globe.

**Accoya® wood** ([www.accoya.com](http://www.accoya.com)) is produced using Accsys' proprietary patented acetylation technology, that effectively converts sustainably grown softwoods and non-durable hardwoods into what is best described as a "high technology wood". Distinguished by its durability, dimensional stability and, perhaps most importantly of all, its reliability (in terms of consistency of both supply and quality), Accoya® wood is particularly suited to exterior applications where performance and appearance are valued. Unlike most tropical and European hardwoods, its colour does not degrade when exposed to ultraviolet light. Moreover, the Accoya® wood production process does not compromise the wood's strength or machinability. The combination of UV resistance, dimensional stability, durability and retained strength means that Accoya® wood offers a wealth of new opportunities to architects, designers and specifiers. For marine uses where weight is also important, Accoya® wood for the first time provides boat builders with a wood that is strong, lightweight, durable and retains its natural beauty for far longer. For a full archive of Accoya® news, visit [www.accoya.com/news.asp](http://www.accoya.com/news.asp).

**Wood Acetylation** is a process which increases the amount of 'acetyl' molecules in wood, thereby changing its physical properties. The process protects wood from rot by making it "inedible" to most micro-organisms and fungi, without - unlike conventional treatments - making it toxic. It also greatly reduces the wood's tendency to swell and shrink, making it less prone to cracking and ensuring that, when painted, it requires dramatically reduced maintenance.

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