

**Company** Accsys Technologies PLC  
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**29 March 2017**

**ACCSYS TECHNOLOGIES PLC**  
("Accsys" or "the Company")

**Trading update**  
**Continued momentum in sales supports the need for capacity expansion**

Accsys, the chemical technology group, focused on the acetylation of wood, today announced a trading update for the ten months ended 31 January 2017.

**Financial Highlights**

- Accoya® sales volumes\* have grown by 20% to 31,599 m<sup>3</sup> in the ten months to 31 January 2017; in part as a result of supply chain debottlenecking
- Total revenue\* for the Company up 10% to €45.3m for the ten months to 31 January 2017
- Up to €14 million (before expenses) Firm Placing and Open Offer of new ordinary shares in Accsys at a price of €0.69 per share announced to provide additional working capital and strengthen balance sheet in the context of two significant capital projects

**Operational Highlights**

- The Company continues to see strong demand for its Accoya® and Tricoya® products
- Arnhem plant now running at close to full capacity, manufacturing approximately 40,000m<sup>3</sup> of Accoya® per annum
- Expansion of Arnhem Accoya® plant continues to progress with completion of the fully funded first stage of expansion to 60,000m<sup>3</sup> of annual capacity expected by the end of 2017
- Project to build world's first Tricoya® wood chip acetylation plant in Hull is now fully funded, with agreements entered into for approximately €68m of equity and debt from Medite, BP, Business Growth Fund, Henderson Volantis and project specific financing from The Royal Bank of Scotland
- Development of Tricoya® plant site now underway, with leading engineering, procurement and construction house Engie Fabricom contracted to complete construction by early 2019

The Company has today also announced further details and a Prospectus concerning the above including (A) the entering into of agreements for the construction, operation and financing of the Hull Plant with its Tricoya® Consortium partners, (B) progress with the expansion of its Accoya® plant in the Netherlands and (C) its proposal to raise €14 million (before expenses) pursuant to a Firm Placing and Open Offer. See [www.accsysplc.com](http://www.accsysplc.com) for details.

Paul Clegg, CEO commented: "The key to our future success is the continued demand for the added value of our technology to produce both Accoya and Tricoya. Sales trends continue to be encouraging and the funding arrangements to significantly increase our manufacturing capacity are now in place. This is a very exciting transformational time for the Company."

\*All figures are unaudited.

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## Notes to editors:

**Accsys Technologies PLC** ([www.accsysplc.com](http://www.accsysplc.com)) is a chemical technology group whose primary focus is on the production of Accoya® 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 London, United Kingdom, an American office in Dallas, Texas (via its subsidiary Titan Wood, Inc) and technology licencing associated with the acetylation of wood elements via its subsidiary Tricoya Technologies Limited. 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, 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 licencing 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. These benefits result in lower maintenance and total cost of ownership while using a higher sustainable and environmental responsible building material. For a full archive of Accoya® news, visit [www.accoya.com/news.asp](http://www.accoya.com/news.asp).

**Tricoya® Wood Elements** ([www.tricoya.com](http://www.tricoya.com)) are produced using Accsys' proprietary technology for the acetylation of wood chips, and particles for use in the fabrication of panel products such as medium density fibreboard and particle-board. These products demonstrate enhanced durability and dimensional stability which allow them to be used in a variety of applications that were once limited to solid wood or man-made products. Exploitation of Accsys' proprietary technology relating to Tricoya® Wood Elements is carried out through Tricoya Technologies Limited. Tricoya® Wood Elements are lauded as the first major innovation in the wood composites industry in more than 30 years.

**Wood Acetylation** is a process which increases the amount of 'acetyl' molecules in wood, thereby changing its physical properties. When carried out to a sufficient level throughout the wood, this 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.

Accsys Technologies is the trading name of Titan Wood Limited. ACCOYA®, TRICOYA® and the Trimarque Device are registered trademarks owned by Titan Wood Limited ("TWL"), a wholly owned subsidiary of Accsys Technologies PLC, and may not be used or reproduced without written permission from TWL, or in the case of the Tricoya® registered trademark, from Tricoya Technologies Limited, a subsidiary of TWL with exclusive rights to exploit the Tricoya® brand.