

Company Accsys Technologies PLC
TIDM AXS
Headline Joint Venture with Eastman Chemical Company
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Accsys Technologies PLC
("Accsys", the "Group" or the "Company")

Accsys forms Accoya USA in joint venture with Eastman Chemical Company

Accsys, the fast-growing and eco-friendly company that combines chemistry and technology to create high performance, sustainable wood building products, and Eastman Chemical Company (NYSE: EMN), world leader in the production of acetyls, have formed a joint venture company, Accoya USA LLC. The joint venture intends to construct and operate an Accoya® wood production plant to serve the North American market.

The new company has been formed and a technology licence entered into so that front-end engineering and design for the proposed plant in the USA can be completed. Accsys' share of the initial engineering and design costs is expected to be approximately €1.5million, in-line with the use of proceeds from the Company's fundraise in December last year. The plant is being designed to initially produce approximately 40,000 cubic metres (~17 million board feet) of Accoya® per annum and to allow for cost-effective expansion.

A decision to proceed to the next stage with plant construction, and as to funding, is expected to be made following the initial engineering and design work which is expected to be completed in the first quarter of the 2021 calendar year. A further update will be made at the time by Accsys as to the next steps of the project.

Rob Harris, CEO of Accsys, commented:

"Accsys' purpose is 'changing wood to change the world', and together with our work in Arnhem and Hull, this joint venture with Eastman represents a further step forward for our growth strategy. While evaluation works are at an early stage we are excited about the prospect of increasing our total production capacity and global presence, increasing the positive impact we can have on the world."

Paul Mitchell, Director of Strategy and Business Development of Eastman, commented:

"Sustainability is at the heart of Eastman's values and strategy, and as the global leader in acetic anhydride production Accoya® represents a great opportunity: using one of our specialty products to create a material that offers architects, builders, specifiers and homeowners a choice to build more sustainably."

ENDS

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Notes to editors:

Accsys (Accsys Technologies PLC) is a fast-growing business with a purpose: changing wood to change the world. The company combines chemistry, technology and ingenuity to make high performance wood products that are extremely durable and stable, opening new opportunities for the built environment and giving the world a choice to build sustainably.

Accsys transforms fast-growing, certified sustainable wood into building materials with characteristics that match or better those of man-made, intensely resource-depleting and heavily carbon-polluting alternatives.

The company’s primary focus is on the production of Accoya® wood and Tricoya® wood elements, as well as technology licensing via its subsidiaries Titan Wood Limited and Tricoya Technologies Limited. Accsys has its head office in London, UK, production operations in Arnhem, the Netherlands, an American office in Dallas, Texas, and is constructing the world’s first Tricoya® plant in Hull, UK.

Accsys is committed to a more sustainable world, and uses abundantly available wood sources that are certified as sustainable. With our business model already aligned with several UN Sustainable Development Goals, Accsys is currently working on identifying further strategic ESG priorities to have an even greater positive impact on the world.

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'.

More information about Accsys can be found at www.accsysplc.com

Accoya® wood is a sustainable, durable and stable solid wood product with exceptional performance, finish and sustainability. Accsys’ proprietary acetylation process makes the wood more dimensionally stable and, because it is no longer easily digestible, extremely durable. Produced from certified (e.g. FSC®) sustainable sources, Accoya® wood has many environmental credentials and ecolabels, and is one of very few building materials to be Cradle to Cradle Certified™ at the Gold level, with a Platinum rating for Material Health, confirming that no harmful or toxic additives or chemicals are present to leach out into the environment.

With an up to 50 year warranty and 70+ year service life, the combination of sustainability, dimensional stability, durability and retained strength means that Accoya® wood offers a wealth of new opportunities to architects, designers, specifiers, manufacturers and homeowners. These benefits result in lower maintenance and total cost of ownership while also offering significant sustainability benefits. For more information about Accoya® wood, visit www.accoya.com.

Tricoya® wood elements (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 (MDF) and particle-board.

Panel products made with Tricoya® wood elements are truly durable and stable enough for use outdoors and in wet environments. Combining the sustainability, durability and stability from our acetylation process with the ease of use and quality finish of wood panel products, the enhanced durability and dimensional stability opens new opportunities for the use of these products, making them suitable in applications and environments that previously required solid wood, synthetic or unsustainable materials.

Tricoya® wood elements have been lauded as the first major innovation in the wood composites industry in more than 30 years. For more information about Tricoya® wood elements, visit www.tricoya.com.

In March 2017, Accsys announced the formation of the Tricoya® Consortium to fund, build, own and operate the Tricoya® plant in Hull, UK, through its subsidiary Tricoya Ventures UK Limited. Members of the consortium include BP and the leading manufacturer of sustainable wood-based panels, MEDITE Europe DAC. More information is available at: <https://www.accsysplc.com/about-us/accsys-corporate-structure/>

Wood acetylation is a process which increases the naturally occurring acetyl content of wood, thereby changing its physical properties. When carried out to a sufficient degree throughout the wood, as with Accsys' proprietary process, it significantly reduces the ability of the wood to absorb water without adding any toxic or harmful compounds, elements or substances that were not already present in the wood. This makes it much more dimensionally stable and, because it is no longer easily digestible to most organisms, extremely durable.

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