

Company Accsys Technologies PLC
TIDM AXS
Headline Purchase of assets for Accoya® Color production
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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Accsys Technologies PLC
("Accsys", the "Group" or the "Company")

Purchase of assets for Accoya® Color production

Accsys, the fast-growing and eco-friendly company that combines chemistry and technology to create high performance, sustainable wood building products, announces that it has entered into a sale and purchase agreement with Lignia Wood Company Limited ("Lignia") and its administrators, to acquire certain assets, equipment and technology at its 50,000 sq ft (4,650 sq m) manufacturing plant in Barry, Wales for a consideration of €1.2m, including approximately €0.5m for raw wood inventory.

Accsys will repurpose the equipment to convert Accoya® wood into its new Accoya® Color product. Accoya® Color combines the benefits of Accoya® wood with colour all the way through the wood from surface to core, achieved through a patented process developed over the last ten years. With limited initial production and supply possible, it has so far only been launched into two European markets.

The purchased assets will enable Accsys to grow production and availability of Accoya® Color more rapidly, accelerating the launch of the product into more geographic markets and for more product applications. Lignia, a modified wood company, had produced its modified wood products through a resin impregnation method; Accsys does not intend to continue production of Lignia products.

Accsys will operate the colouring process on the existing site in Wales under a new lease entered into with the landlord for the land and buildings, and with added expertise of former Lignia staff. Once repurposed and integrated, the site will be expected to be able to produce up to 12,500 m³ of Accoya® Color per annum with expansion in future being possible.

The acquired raw wood will be used for production of Accoya® at our plant in the Netherlands.

The purchase will be funded from Accsys' existing cash resources and will enhance the product mix offered to customers, with an expectation of higher average selling price across the mix from the added value of Accoya® Color in particular from FY23. The integration of the assets with the existing Accoya® business will be led by a dedicated integration team working separately from Accsys' other strategic projects.

Rob Harris, Accsys CEO, said:

"We are pleased to announce the purchase of these assets, which will enable us to meet the strong demand for our fast-growing Accoya® Color product. Since launching Accoya® Color in the DACH region in Europe last year, we have seen very strong demand from our customers and are looking forward to increasing its availability as a high value, highly desirable product."

Onsite due diligence confirmed that these assets can be converted to provide cost-effective near-term expansion for Accoya® Color production. This is expected to allow us to accelerate our plans to grow Accoya® Color both in its current markets and into more markets as part of our ongoing global growth strategy."

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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 Accoya® wood and Tricoya® wood elements: 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 an up to 50-year warranty, locking carbon stored in the wood into useful products for decades, with performance characteristics that match or better those of non-renewable, resource-depleting and polluting alternatives. Accsys is listed on the London Stock Exchange AIM market and on Euronext Amsterdam, under the symbols 'AXS'. Visit www.accsysplc.com

Accoya® solid wood is sustainable, durable, and stable 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. It 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. Primary applications for Accoya® wood include windows, doors, cladding and decking, where the combination of performance and sustainability benefits compete favorably against hardwoods, plastics, metals and concrete. Visit www.accoya.com

Tricoya® acetylated wood elements are produced for use in the fabrication of panel products such as medium density fibreboard (MDF). Panel products made with Tricoya® wood elements are truly durable and stable enough for use outdoors and in wet environments, unlocking new possibilities for design and construction. They have been lauded as the first major innovation in the wood composites industry in more than 30 years and bring the flexibility of traditional panel products and sustainability benefits of wood to a whole new range of applications. Visit www.tricoya.com

Any references in this announcement to agreements with Accsys shall mean agreements with either Accsys or its subsidiary entities unless otherwise specified. 'Accsys' and 'Accsys Technologies' are trading names of Titan Wood Limited ("TWL"), a wholly-owned subsidiary of Accsys Technologies PLC. Accoya®, Tricoya® and the Trimarque Device are registered trademarks owned by TWL, 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.

Market Abuse Regulation

This Announcement contains inside information for the purposes of EU Market Abuse Regulation and UK Market Abuse Regulation. Upon publication of this Announcement, the inside information is now considered to be in the public domain. The person responsible for arranging for the release of this Announcement on behalf of Accsys is Angus Dodwell, Legal Counsel & Company Secretary.