

Company Accsys Technologies PLC
TIDM AXS
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Accsys Technologies PLC (AIM: AXS, Euronext Amsterdam: AXS)

("Accsys" or the "Company")

Trading update

Accsys, the fast-growing and eco-friendly company that combines chemistry and technology to create high performance, sustainable wood building products, today provides an update on end-of-year guidance (for the year ended 31 March 2023 (FY 2023)) and progress on key strategic projects. All numbers in this announcement are unaudited.

FY 2023 guidance update

- Growth in Acccoya® sales volumes of 6% on prior year at 63,344m³
- H2 sales volumes of 39,387m³ (H1: 23,957m³), representing growth of 64% on H1, and in excess of our targeted 50% increase
- The Company now expects it will deliver EBITDA moderately ahead of its previous guidance of doubling underlying EBITDA year on year
- Net debt of €44m at 31 March 2023 represents a reduction of €8m compared to 31 December 2022, driven by growing EBITDA and a focus on working capital management, including a reduction in inventory levels

Update on strategic growth projects:

- **Tricoya® (Hull) plant** – the Board of Accsys continues to conduct its review of the Tricoya® plant in Hull, assessing its economics and capabilities. All funding options remain under evaluation, as outlined in previous Company announcements, which include discussions with potential third-party partners. The Board continues to believe that the market potential of Tricoya® is significant and will consider all relevant commercial factors in deciding whether or not to proceed with the Hull plant and if so, on what basis. A further update will be provided in due course. The maintenance costs at the plant remain within the Board's expectations and are funded by internally generated cash flow.
- **Acccoya® USA JV** – we continue to make good progress with the construction of the 43,000m³ Acccoya® plant in Kingsport, Tennessee with our JV partner, Eastman. However, mechanical completion has experienced some delay and cost inflation and as a result, commercial operations are now expected to commence in mid-2024. Progress to date includes the completion of ground works, ongoing steelwork and main warehouse construction, installation of the reactors on site, placement of multiple large sub-contracts and procurement of more than 80% of major equipment. Both joint venture partners continue to be fully engaged in delivering this strategically important project.
- **Acccoya® (Arnhem) plant** – growth in sales volumes reflects increased capacity from Reactors 1-3 after returning to full production following the completion of Reactor 4 (R4) in September, new production from R4 and some unwinding of higher inventory levels. Fourth quarter production was the highest ever delivered at the plant.

The Company will announce its Preliminary results for FY 2023 on 27 June 2023.

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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 Acccoya® 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

Acccoya® 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 Acccoya® 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.acccoya.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

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