

## Regulatory Announcement

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**Company** Accsys Technologies PLC  
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### **Accsys expands capacity volume and new exclusive territorial rights in UAE with Al Rajhi**

Accsys Technologies PLC ("Accsys" or "the Company") announces that its 100% owned subsidiary, Titan Wood Ltd. ("Titan Wood"), has expanded its license option agreement with Al Rajhi Holdings W.L.L. ("Al Rajhi"), in respect of the rights to manufacture Accoya<sup>®</sup> in all six GCC<sup>1</sup> (Gulf Cooperation Council) countries to a nameplate Accoya<sup>®</sup> production capacity of 150,000 cubic metres.

The terms of the modified license option agreement include increasing the Option rights to 150,000 cubic metres of production capacity and adding the United Arab Emirates to the regional exclusivity agreed with Titan Wood.

Terms also include a premium payment of €150,000 and four months exclusivity for all six GCC countries: Kuwait, Bahrain, Qatar, Oman, the Kingdom of Saudi Arabia and the United Arab Emirates. As announced previously, this exclusive period will be extended on the exercise of the option. The terms of the license include license fee payments of €200 per cubic metre of nameplate capacity (€30,000,000 in total) and €22 per cubic metre of production royalties for twenty years.

Willy Paterson-Brown, Executive Chairman of Accsys commented, "With Al Rajhi's strength in the region and their belief in the potential for Accoya<sup>®</sup> throughout the Gulf countries, the expansion of our agreement is the natural next step in our relationship."

Yaser Alsharifi, Head of Corporate Finance at Al Rajhi Holdings W.L.L., added, "Our sights are set on additional regions and higher capacity volumes. We anticipate exercising this option within the next 120 days and moving forward with a full license agreement. We believe that Accoya<sup>®</sup> wood will be well received throughout the Middle East and beyond".

Al Rajhi Holdings W.L.L. currently owns approximately 5.8% of the Company's issued ordinary share capital.

<sup>1</sup> *Gulf Cooperation Council countries: Kuwait, Bahrain, Qatar, Oman, Kingdom of Saudi Arabia and the United Arab Emirates.*

## **ENDS**

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### **Notes to Editors:**

#### **Al Rajhi Group**

Al Rajhi Holdings W.L.L. and Al Rajhi Partners (together 'Al Rajhi') represent the business interests of Sheikh Abdulrahman Saleh Al Rajhi and his immediate family in Saudi Arabia.

Al Rajhi has substantial interests, comprising investments in financial services, infrastructure, telecoms, utilities, real estate; oil and gas. Key investments include Bank Al Bilad, DanaGas, Saudi Telecom, and Saudi Cement. Khalid al Rajhi, CEO of Al Rajhi, is a director of each of these companies.

**Titan Wood Limited** ([www.titanwood.com](http://www.titanwood.com)) is a wholly owned subsidiary of the Accsys Technologies PLC ([www.accsysplc.com](http://www.accsysplc.com)) group of companies. Accsys Technologies PLC is listed on the London Stock Exchange AIM market and on Euronext Amsterdam by NYSE Euronext, under the symbols 'AXS'.

**Accoya**<sup>®</sup> wood ([www.accoya.info](http://www.accoya.info)) is produced using a patented process that effectively converts sustainably grown softwoods and non-durable hardwoods into what is best described as a 'new wood species' via acetylation. Distinguished by its durability, dimensional stability and, perhaps most importantly of all, its reliability (in terms of consistency of both supply and quality), Accoya<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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 which retains its natural beauty for far longer.

**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 insects, 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.

**ACCOYA is a registered trademark owned by Titan Wood Limited**

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