

Regulatory Announcement

Company Accsys Technologies PLC
TIDM AXS
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ACCSYS TECHNOLOGIES PLC ("Accsys" or "the Company")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

Accsys, the chemical technology group, focused on the acetylation of wood, today announces interim results for the consolidated group for the six months ended 30 September 2017.

	6 months ended 30 Sept 2017		6 months ended 30 Sept 2016	
	Underlying*	Statutory	Underlying*	Statutory
Total Revenue	€28.3m	€28.3m	€25.1m	€25.1m
EBITDA	€(2.8m)	€(4.9m)	€(1.6m)	€(1.3m)
Loss before taxation	€(5.2m)	€(6.8m)	€(3.2m)	€(2.9m)
Period end cash balance		€46.9m		€7.9m
Net Debt		€23.1m		€5.7m

*Excludes exceptional costs and other adjustments. See note 4 for details and note 2 for reconciliation

Financial highlights

- Accoya revenue growth of 16% reflects continued growth in demand worldwide;
- Sales volumes up 13% with Accoya plant running at full capacity;
- Lower underlying EBITDA reflects one-off matters, during significant expansion of manufacturing capacity;
- Net cash balance of €23.1m at 30 September 2017 reflects funds raised from shareholders and industry partners to fund expansion of manufacturing of both Accoya and Tricoya.

Operational highlights

- Expansion of Arnhem Accoya plant progressing; 50% (20,000 cubic metres) of additional capacity operational from early in next financial year as expected;
- With Arnhem plant currently operating at full capacity, we are working with customers to manage demand in the short term;
- Accoya customer price increase in second half of the year reflecting demand and higher raw material costs;
- Construction successfully underway of new Tricoya plant in Hull;
- Sales of Tricoya panels by Medite up by 24% compared to same period last year.

Paul Clegg, Chief Executive commented: "We continue to see good global demand for both Accoya and Tricoya in an important year for Accsys. We are making transformational changes to our manufacturing capacity to meet this demand, having secured significant support from shareholders and our industrial and financial partners."

There will be a presentation relating to these results at 10:00 GMT on 22 November 2017. The presentation will take the form of a web-based conference call, details of which are below:

Webcast link:

[Click here](#) or copy and paste ALL of the following text into your browser:

<https://edge.media-server.com/m6/p/iynq8amw>

Conference call details for participants:

Confirmation Code: 3742411

Local - London, United Kingdom: +44 (0)20 3427 1907
National free phone - United Kingdom: 0800 279 4977
Local - Amsterdam, Netherlands: +31 (0)20 716 8295
National free phone - Netherlands: 0800 020 2576

Participants will have to quote the above code when dialling into the conference.

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Introduction

I am pleased to report a solid first half of the financial year in which we have made significant progress in our ambition to take advantage of a potential global market in excess of 2.6 million cubic metres of Accoya and Tricoya annually. We have secured significant support from shareholders, our industry and financial partners to make transformational changes to our manufacturing capacity for both Accoya and Tricoya. We have two crucial capital projects underway in Arnhem and Hull, which will provide additional capacity to more than double revenue from today's level.

Our results for the period are underpinned by continued revenue growth around the world with Accoya sales volumes increasing by 13%. We are now operating at full capacity at our Accoya plant, as such further sales growth will be constrained until early in our next financial year once the additional capacity comes on stream. We have therefore had to put our customers on allocation until then and remain grateful for their patience, loyalty and commitment.

Summary of results and operations

Total revenue grew by 13% to €28.3m (2016: €25.1m) driven by the 13% increase in Accoya sales volumes to 19,826 cubic metres in the six months ended 30 September 2017 compared to the same period last year. Demand remains strong in all regions. We are working with our customers to manage demand until the Accoya manufacturing capacity expansion is completed later this financial year. As a result further growth will be constrained in the second half of the financial year.

Group underlying EBITDA loss of €2.8m compares to €1.6m loss last year due to lower licence income as expected and with the benefit of additional sales offset by a lower margin. The gross manufacturing margin decreased from 25% to 20%, more comparable to the second half of last year (21%). The reduction was due to a 5% increase in the proportion of lower priced sales to Medite and Rhodia reflecting our long term commitment to these strategic partners, an increase in raw material costs and an additional maintenance stop. We also took the opportunity in the period to significantly reduce our inventory of B grade raw material, which cost us €0.5m but will assist with the move into our new warehousing operation.

We have announced a price increase to be implemented in the second half of the financial year, which will pass on the increase in raw material prices. We expect a gross manufacturing margin of approximately 30% when we fully benefit from the current construction projects through increased capacity and meeting Tricoya demand from the Hull plant.

We have invested a total of €7.4m in the period in the Arnhem and Hull plants. We commenced construction work in respect of the new 30,000 metric tonne Tricoya plant in Hull and during the period ground clearance has been completed, extensive ground works and detailed engineering work are progressing and initial key equipment orders have been placed.

The first phase of the expansion of the Accoya plant in Arnhem to approximately 60,000 cubic metres annual capacity continues to progress well although the construction of the plant will be completed approximately three months later than previously expected due to the impact of delays in receiving some items of equipment. However, following a period of commissioning we continue to expect the benefit from the additional capacity to be available early in the next financial year.

Our cash balance increased to €46.9m at 30 September 2017 from €41.2m as at 31 March 2017, with net cash of €23.1m (March 2017: €18.0m). In addition to capital expenditure of €7.2m in the period, a €4.1m cash out-flow was attributable to the operating loss before changes in working capital. A further €5.0m cash out-flow was attributable to changes in working capital, primarily due to an increase in inventory which is in a large part expected to reverse in the second half of the year. We issued new shares to raise €23.8m with €12.3m net proceeds from the Firm Placing and Open Offer completed in April 2017 and €11.5m from BP Chemicals and Medite.

Accsys Technologies PLC

Chairman's statement

Outlook

The continued demand for our products means that we are very well positioned to take advantage of the new Accoya production capacity when it becomes available in the next financial year. I believe the overall increase in the Group's production capacity for Accoya and Tricoya from approximately 40,000 cubic metres now to the equivalent of approximately 100,000 cubic metres by the first half of 2019 represents a substantial and exciting opportunity for us.

I am confident that the increase in Accoya volumes coupled with price increases will result in an increase in our overall profitability when the capacity becomes available in the next financial year. Sales growth will be constrained until then and we will continue to work closely with our customers to manage this demand. Since the period end we have continued to make good progress with the expansion our Accoya plant, however we anticipate some limited additional costs associated with the ramp up of operations ahead of the additional capacity becoming available and the transition to our new warehouse facilities.

Overall we are in strong position for future growth and we look forward to taking advantage of our unique offering over the next few years.

Patrick Shanley
Chairman
21 November 2017

Accsys Technologies PLC

Chief Executive's statement

Introduction

We have made strong progress in creating significant additional manufacturing capacity, the need for which continues to be supported by the growth in demand for our products. The remainder of the financial year will be challenging as we work with our Accoya customers on an allocation basis ahead of the third reactor becoming fully available, which is expected from early in the new financial year.

Accoya – Global performance

	Six months ended 30 September 2017	Six months ended 30 September 2016	Year ended 31 March 2017
Accoya sales volume – cubic metres	19,826	17,506	39,790
Accoya production volume – cubic metres	18,034	18,054	38,084
Accoya sales	€26.2m	€22.5m	€50.7m
Licence income	€nil	€0.5m	€1.6m
Manufacturing margin – %	20%	25%	23%
Underlying EBITDA	€1.2m	€2.7m	€6.0m

Revenue from the sale of Accoya[®] increased by 16% to €26.2m in the first half of the year compared to the previous year. The increase was attributable to a 13% increase in Accoya volumes sold together with the impact of a small price increase implemented for some customers in the period.

The increase in sales volumes was limited by production at the Arnhem manufacturing plant which is now running at full capacity as well as an additional maintenance stop in the period resulting in extra costs as well as loss of production. Demand remains strong and as a result in the second half of the financial year we are now working with our customers in respect of allocated volumes in order to manage demand until we are able to benefit from the additional capacity from the new reactor in the next financial year.

Sales growth was recorded in almost all regions, reflecting a global demand trend. In September we were delighted to host 49 out of our 61 global distributors at our Accoya conference in Arnhem which, focussed on future growth. A number of Accoya product developments programmes were highlighted including the production of colour impregnated boards and round fence posts which present further opportunities for developing new sales as we add additional manufacturing capacity.

The gross manufacturing margin of 20% represents a reduction compared to the same period last year (25%), but is comparable to the second half of the previous financial year (21%). The reduction in gross manufacturing margin was attributable to a number of largely one-off factors:

In May 2017 we carried out an extra maintenance stop, which was in addition to our annual maintenance stop completed in September 2017. The May stoppage related to the expansion however lasted longer than expected and resulted in €0.2m of additional costs. It also resulted in production volumes for the period being less than we had anticipated, although comparable to last year.

The proportion of sales to Medite and Rhodia increased to represent 42% of total sales volumes (2016: 40%). Lower priced and lower margin Accoya is sold to Medite reflecting our investment in the Tricoya market seeding ahead of the dedicated Tricoya plant becoming operational in 2019, and which is partly reflected by increased equity interest in the Tricoya consortium. Rhodia receives discounted prices reflecting their on-going commitment under their committed off-take agreement.

Raw material prices increased compared to last year. The cost of acetyls increased in the first quarter although has subsequently reduced. The cost of raw wood also increased compared to the same period last year. As a result, we are in the process of implementing a price increase for all of our customers in the second half of the financial year, which will take this cost increase into account.

We also reported a one-off cost attributable to a quantity of lower grade wood sold in the period which reduced gross margin by 1.5% (€0.5m), but which will assist in the relocation of inventory to our new warehousing facilities later in the year. Inventory levels had built up following some challenges in

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Chief Executive's statement

securing the right mix of raw wood from our suppliers in New Zealand. During the period we were able to sell much of this material, either as unprocessed wood to traders or as lower grade wood to our existing customers. However the value of the unprocessed wood was lower than its cost resulting in the one-off charge. Going forward, we have improved the balance of material being supplied from New Zealand and factored in the remaining related cost into the new customer prices being implemented in the second half of the financial year.

No licence income was reported in the period (2016: €0.5m) however this was expected and reflects the contractual milestones in place with our licensee Rhodia Acetow.

The expansion of the Arnhem plant has continued to progress well during the period and since. The vast majority of equipment is now on site and detailed construction work associated with the chemical plant is advancing broadly as planned however some equipment delays now mean we expect construction to be completed in the final quarter of the financial year. Following commissioning we continue to expect to be able to benefit from the 50% increase in capacity early in the next financial year.

In addition to the expansion of the chemical plant, Bruil, to whom we sold our land to last year, has completed the construction of our new warehouse and office facility under a sale and leaseback arrangement. We expect to start benefiting from this and the logistical efficiencies that it will bring in this calendar year.

Inventory levels increased in the period to €14.7m (31 March 2017: €11.8m), driven by an increase in raw materials, in part to provide us with the maximum flexibility in order to help manage demand while we are capacity constrained. In addition, inventory levels increased due to the lower than expected production due to the additional May maintenance stop and the lower than expected resulting sales. Inventory levels are expected to significantly decrease in the second half of the financial year.

Tricoya

	Six months ended 30 September 2017	Six months ended 30 September 2016	Year ended 31 March 2017
Sales of Medite Tricoya panels, by Medite – cubic metres	3,751	3,032	5,806

Following the completion of the Tricoya consortium on 29 March 2017, I am pleased with the progress being made on multiple fronts.

Our site on the Saltend Chemicals Park in Hull, adjacent to BP's acetyls plant, has been remediated and cleared. Following taking possession of the site in June we have made significant progress with extensive ground works including piling being undertaken. Engie Fabricom, the EPC (Engineering, Procurement and Construction) contractor has also continued to develop the detailed engineering which in turn has allowed the initial key equipment orders to have been placed including for wood handling, the acetylation reactor and key system control equipment.

While still relatively early in the overall construction process, we continue to expect the plant to become operational during the first half of 2019 calendar year.

Medite has continued to develop the market and sales of Medite Tricoya panels by Medite have increased by 24% compared to the same period last year. Demand for Tricoya product continues to increase and growth is being limited as a result of the production capacity in Arnhem restricting the amount of Accoya that can be sold to Medite. As a result, we expect sales to increase further when the additional Accoya manufacturing capacity becomes available in the next financial year and further again when the dedicated Tricoya plant becomes operational in 2019.

As a consortium partner and committed off-take partner, Medite has been responsible for the majority of sales, however during the period we have commenced sales and marketing activities in regions outside of Medite's licensed region in order to further increase ultimate demand for the Hull plant and in order to seed new markets in respect of potential additional Tricoya licensees.

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Chief Executive's statement

During the period a non-binding heads of terms has been signed with a large wood panel manufacturer in respect of a Tricoya user licence. This is the first stage of what we expect to be many long term and larger volume agreements concerning the sale of Tricoya wood chips from the Hull plant.

Costs incurred in Tricoya have largely related to the construction project, with €3.0m being capitalised in the period. Operating costs have remained consistent with the previous period however are expected to increase over time as activity levels also increase ahead of the completion of the Tricoya plant.

We agreed an acceleration of the remaining equity funding due from BP Chemicals and Medite into Tricoya Ventures UK. This enables us to better manage the foreign exchange risks associated with the project given much of the construction cost is denominated in pounds sterling. However as a result of holding pounds sterling, we have recorded some foreign exchange losses in the period.

Intellectual property

Accsys has increased its number of patent applications in the recent period by expanding its patent families to 24, including those relating to Tricoya[®]. Applications filed now number 280, in 43 countries. To date, 74 patents have been granted in various countries throughout the world. Significant attention has been given to the protection of new innovation associated with the Arnhem plant expansion and the Tricoya[®] plant, as well as on complementary technologies for use with Accoya[®] and Tricoya[®] wood products. Our principal trademark portfolio covers our brands Accoya[®], Tricoya[®], the Trimarque device and Accsys[®], protected by registration in 56 countries, with recent trademark activity focussed on the creation of distinctive brands to support new product development.

The Company continues to invest in the generation and protection of valuable know-how relating to its products and processes.

Outlook

I expect production volumes to increase in the second half of the financial year compared to the first half. Together with the price increase this is expected to result in a higher gross margin in the second half of the year, however we also expect to incur some additional costs associated with the transition to the new warehouse facilities and ahead of the new capacity becoming available.

We continue to expect to benefit from the additional capacity from early in the next financial year. Profitability will then increase further as sales volumes are expected to increase more significantly.

I am confident that the demand from our existing and potential new customers, including for Tricoya, remains strong and sales will significantly increase next year.

Paul Clegg
Chief Executive
21 November 2017

Statement of comprehensive income

Group revenue increased by 13% to €28.3m for the six months ended 30 September 2017 (2016: €25.1m). Accoya segment revenue increased by 13% to €28.3m with revenue from Accoya[®] wood increasing by 16% to €26.2m largely as a result of higher sales volumes and price increases early in the period. Included in this is sales revenue for wood products supplied to Medite for the manufacture of Tricoya[®], which increased by 16% to €3.2m (2016: €2.7m) driven by of Medite's own sales of Medite Tricoya panels growth of 24% compared to the same period last year.

Licensing and business development revenue of €0.1m, included in other revenue (2016: €0.7m, including €0.5m licence revenue), was attributable to our Accoya licensee, Rhodia Acetow, in respect marketing services. The prior year included €0.5m in respect of licence fees from Rhodia Acetow as a result of the commencement of the Arnhem expansion, which was not repeated in the current period as expected given the milestone nature of the agreement. €2.1m of other revenue predominantly relates to the sale of acetic acid and remained consistent with prior year (€2.0m) given similar production levels.

Gross margin decreased from 27% to 20% compared to the same period in the previous year due to lower licencing income and lower manufacturing margin. Gross Accoya manufacturing margin decreased from 25% to 20% (year ended 31 March 2017: 23%). The decrease in margin was due to a one off €0.5m loss on low grade wood, increased material costs for raw wood and acetyls, together with an additional maintenance stop in the period due to tie ins for the plant expansion in Arnhem. This was offset by with an increase in pricing as noted above. The Group has implemented a further price increase following the period end.

Other operating costs, increased from €10.2m to €12.0m. This increase is largely due to exceptional items and other adjustments of €2.1m (2016: €0.3m), with underlying operating costs remaining constant at €9.9m (2016: €9.9m).

Underlying operating cost adjustments include:

- €1.4m annual bonus paid in the current year which was attributable to the year ended 31 March 2017. The accrual for the current year bonus is included in underlying operating costs. This double charge in the period results from a re-alignment of the timing of recognition of bonuses reflecting the more structured annual bonus scheme now in place compared to previous years. In addition the bonus paid in the current period relating to the year ended 31 March 2017 included one-off targets relating to the formation of the Tricoya consortium.
- €0.2m of exceptional restructuring charge has been recorded following from staff changes necessary following the formation of the Tricoya consortium.
- €0.5m foreign exchange loss arose from holding cash in pounds sterling which was held primarily as a cash flow hedging instrument to hedge future Sterling project expenditure on the new plant in Hull. This has been impacted by the volatility of the exchange rate post Brexit (see note 4).

Underlying operating costs remained constant at €9.9m (2016: €9.9m). Staff costs increased by €0.1m to €4.9m due to inflationary salary increases and an increase in headcount. This increase was mitigated as our UK cost base benefited from the strengthening of the Euro against Sterling during the period, with a €0.1m decrease relating to the changes in foreign exchange. Other costs benefitted from an additional €0.1m foreign exchange decrease, offset by small increases in facility and sales and marketing costs as the business prepares for the larger production capacity.

Research and development costs increased from €0.6m to €0.7m as a result of exceptional items (See note 4).

Finance expenses increased to €0.4m (2016: €0.1m) due to interest payable on loan notes with BGF and Volantis entered into at the end of the prior period together with finance charges attributable to our lease arrangements including those relating to the expansion project in Arnhem. This charge is after allowing for a gain of €0.6m relating to foreign exchange due to holding these loan notes in pounds sterling which has been reported as an other adjustment.

The increase in the loss before tax by €3.9m to €6.8m (2017: €2.9m) includes €1.9m attributable to changes in exceptional items and other adjustments. This is largely attributable to the decrease in gross margin as noted above.

Accsys Technologies PLC

Financial Review

The tax charge of €0.1m (2016: €0.4m) is based on our expected tax rate for the year and is attributable to the profits arising from manufacturing operations, offset by expected research and development tax credits. The decrease reflects the lower manufacturing profits arising in the period compared to the previous year.

Group average headcount increased to 135 in the period to 30 September 2017, from 125 in the period to 30 September 2016, with the increase predominantly attributable to temporary staff supporting the two major projects, in addition to management and administrative functions as the group continues to grow.

Full details of TTL's results have been included in note 6.

Cash flow

At 30 September 2017, the Group held cash balances of €46.9m, representing a €5.7m increase in the 6 months from 31 March 2017. The increase in cash in the 6 month period is largely attributable to the net proceeds from the issue of share capital in Accsys of €12.3m and issue of share capital in Tricoya Ventures UK Limited of €11.5m, offset by investment in tangible and intangible fixed assets of €7.2m, an increase in working capital of €5.0m, out-flows from operating activities of €4.1m and a foreign exchange loss on revaluation of €0.7m.

Cash out-flow from operating activities before changes in working capital of €4.1m represented an increase compared to €1.6m cash out-flow in the equivalent period in the previous year, reflecting the underlying decline in profits of the Group and exceptional items. The change in working capital in the six months to September 2017 of €5.0m (2016: €1.1m) included an increase relating to inventories of €2.9m in the period due to an expected increase in raw wood inventory to satisfy customer demands and increases arising from lower than expected production in the period. There was also a decrease in trade and other payables of €0.7m largely due to increased capital expenditure payments and an increase in trade and other receivables of €1.4m due to inventory prepayments. In the second half of the year the inventory balance is expected to decrease significantly resulting in a decrease in working capital.

Financial position

Tangible fixed assets additions of €7.4m (2016: €1.4m) in the last 6 months consisted predominantly of equipment and services in respect of the Accoya plant expansion and the Tricoya plant build in Hull. €0.3m of internal development costs were capitalised in respect of Tricoya Technologies Limited (2016: €0.2m).

Trade and other receivables increased to €9.0m (2016: €6.4m) largely as a result of a €1.0m increase in inventory prepayment, with the inventory received shortly after the period end in order to satisfy the expected continued higher sales in the second half of the year. Additionally trade receivables increased by €1.6m, noting only a €0.7m increase from March 2017, due to increased sales in the period. Inventory increased to €14.7m (2016: €10.2m) due to the expected high volume of raw wood receipts in the first half of the year in preparation for the expected increased sales and as a result of the lower than previously expected production and resulting sales. The inventory level is expected to unwind in the second half of the year.

The increase in trade and other payables to €11.5m (2016: €9.5m) includes the expenses associated with various projects currently being undertaken by the Group such as the Arnhem plant expansion and the Hull Plant construction.

Amounts payable under loan agreements increased to €20.5m (2016: €nil), noting this has increased from €20.1m since March 2017. This balance represents the loan agreements entered into in the prior period, with accrued interest to date. €7.5m of the Rhodia loan facility remains available (31 March 2017: €7.5m) and this is expected to be utilised in the second half of the financial year as the Arnhem expansion is completed. €15.0m of the Royal Bank of Scotland loan facility remains available (31 March 2017: €15.0m), with the BGF and Volantis loans being fully drawn down in the prior period.

Risks and uncertainties

The business, financial condition or results of operations of the Group could be adversely affected by any of the risks set out below. The Group's systems of control and protection are designed to help manage and control risks to an appropriate level rather than to eliminate them.

The Directors consider that the principal risks to achieving the Group's objectives are those set out below.

(a) Economic and market conditions

The Group's operations comprise the manufacture of Accoya® wood and Tricoya® wood elements, technology and product development and licensing the technology to manufacture and sell Accoya® and Tricoya® wood elements to third parties. The cost and availability of key inputs affects the profitability of the Group's own manufacturing whilst also impacting the potential profitability of third parties interested in licensing the Group's technology. The price of key inputs and security of supply are managed by the Group, partly through the development of long term contractual supply agreements.

An element of the Group's strategy for growth envisages the Group selling new or existing products and services into other countries or into new markets. However, there can be no assurance that the Group will successfully execute this strategy for growth. The development of a mass market for a new product or process is affected by many factors, many of which are beyond the control of the Group, including the emergence of newer and more competitive products or processes and the future price of raw materials. If a mass market fails to develop or develops more slowly than anticipated, the Group may fail to achieve sustainable profitability.

(b) Regulatory, legislative and reputational risks

The Group's operations are subject to extensive regulatory requirements, particularly in relation to its manufacturing operations and employment policies. Changes in laws and regulations and their enforcement may adversely impact the Group's operations in terms of costs, changes to business practices and restrictions on activities which could damage the Group's reputation and brand.

(c) Employees

The Group's success depends on its ability to continue to attract, motivate and retain highly qualified employees. The highly qualified employees required by the Group in various capacities are sometimes in short supply in the labour market. There are risks associated with operating a chemical plant and accordingly the health and safety of our staff is made a priority. We continuously seek improvements to exceed industry expectations by challenging our methods, improving our reporting and continuing to learn

(d) Intellectual property

The Group's strategy of exploiting its technology via manufacturing, partnerships and licensing depends upon maintaining effective protection of its intellectual properties worldwide. Protection is afforded by a combination of trademarks, patents, confidentiality agreements and the structuring of legal contracts relating to key licensing, engineering and supply arrangements. Unauthorised use of the Group's intellectual property may adversely impact its ability to exploit the technology and lead to additional expenditure to enforce legal rights. The wide geographical spread of our products increases this risk due to the increasingly varied and complex laws and regulations in which we seek to protect the Group's intellectual property.

Further details of how risks and uncertainties relate to our strategy and performance in the year are set out in the Group's 2017 Annual Report. In addition, as described above, there is increased foreign exchange exposure relating to our pounds sterling expenditure for the new Hull plant. The Group has implemented its cash flow hedging strategy of using sterling cash holdings to hedge against foreign exchange rate changes in the expected sterling project expenditure.

Going concern

These condensed consolidated financial statements are prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future, which is deemed to be at least 12 months from the date these interim results were approved. As part of the Group's going concern review, the Directors have reviewed the Group's trading forecasts and working capital requirements for the foreseeable future. These forecasts indicate that, in order to continue as a going concern, the Group is dependent on achieving certain operating performance measures relating to the production and sales of Accoya® wood from the plant in Arnhem and the collection of on-going working capital items in line with internally agreed budgets.

The Directors have considered the internally agreed budgets and performance measures and believe that appropriate controls and procedures are in place or will be in place to make sure that these are met. The Directors believe, while some uncertainty inherently remains in achieving the budget, in particular in relation to market conditions outside of the Group's control, that there are a sufficient number of alternative actions and measures that can be taken in order to achieve the Group's medium and long term objectives.

Therefore, the Directors believe that the going concern basis is the most appropriate basis on which to prepare the financial statements.

William Rudge
Finance Director
21 November 2017

Accsys Technologies PLC

Directors responsibility statement

The Directors confirm to the best of their knowledge:

- That these condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:
 - an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
 - material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.
- The interim results include a fair review of the information required by DTR 4.2.7R being an indication of important events that have occurred during the first six months of the financial year and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- The interim Management Report (Narrative) include a fair review of the information required by DTR 4.28R being disclosure of related party transactions and changes therein since the last annual report.

By order of the Board

Angus Dodwell
Company Secretary
21 November 2017

Consolidated interim statement of comprehensive income for the six months ended 30 September 2017

	Note	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 €'000	Audited Year ended 31 March 2017 €'000	Audited Year ended 31 March 2017 €'000
		Before exceptional items & other adjustments*	Exceptional items & other adjustments*	Total	Before exceptional items & other adjustments*	Exceptional items & other adjustments*	Total	Before exceptional items & other adjustments*	Exceptional items & other adjustments*	Total
Accoya® wood revenue		26,184	-	26,184	22,534	-	22,534	50,655	-	50,655
Licence revenue		-	-	-	500	-	500	1,576	-	1,576
Other revenue		2,122	-	2,122	2,025	-	2,025	4,298	-	4,298
Total revenue	2	28,306	-	28,306	25,059	-	25,059	56,529	-	56,529
Total cost of sales		(22,667)	-	(22,667)	(18,236)	-	(18,236)	(42,175)	-	(42,175)
Gross profit		5,639	-	5,639	6,823	-	6,823	14,354	-	14,354
Other operating costs	3	(9,900)	(2,141)	(12,041)	(9,873)	(303)	(10,176)	(18,551)	(343)	(18,894)
Other gains	4	-	-	-	-	601	601	-	635	635
Loss from operations		(4,261)	(2,141)	(6,402)	(3,050)	298	(2,752)	(4,197)	292	(3,905)
Finance income		-	-	-	1	-	1	2	-	2
Finance expense		(981)	564	(417)	(104)	-	(104)	(302)	(258)	(560)
Loss before taxation		(5,242)	(1,577)	(6,819)	(3,153)	298	(2,855)	(4,497)	34	(4,463)
Tax charge		(81)	20	(61)	(373)	-	(373)	(666)	-	(666)
Loss for the period		(5,323)	(1,557)	(6,880)	(3,526)	298	(3,228)	(5,163)	34	(5,129)
Loss arising on translation of foreign operations		(52)	-	(52)	-	-	-	(108)	-	(108)
Gain arising on foreign currency hedging		-	97	97	-	-	-	-	104	104
Total other comprehensive income		(52)	97	45	-	-	-	(108)	104	(4)
Total comprehensive loss for the period		(5,375)	(1,460)	(6,835)	(3,526)	298	(3,228)	(5,271)	138	(5,133)
Total comprehensive loss for the year is attributable to:										
Owners of Accsys Technologies PLC		(4,878)	(1,393)	(6,271)	(3,484)	298	(3,186)	(5,058)	68	(4,990)
Non-controlling interests		(497)	(67)	(564)	(42)	-	(42)	(213)	70	(143)
Total comprehensive loss for the period		(5,375)	(1,460)	(6,835)	(3,526)	298	(3,228)	(5,271)	138	(5,133)
Basic and diluted loss per ordinary share	5	€(0.04)		€(0.06)	€(0.04)		€(0.04)	€(0.05)		€(0.06)

Prior year has been restated to reflect the adoption of IFRS 9 and to represent exceptional and other adjustments on a consistent basis (see note 4)

The notes set out on pages 17 to 28 form an integral part of these condensed financial statements.

* See note 4 for details of exceptional items and other adjustments

Accsys Technologies PLC

Consolidated interim statement of financial position at 30 September 2017

	Note	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 (restated) €'000
Non-current assets				
Intangible assets	7	10,762	10,945	10,839
Property, plant and equipment	8	27,953	16,914	21,681
		38,715	27,859	32,520
Current assets				
Inventories		14,699	10,184	11,796
Trade and other receivables		9,019	6,441	7,612
Cash and cash equivalents		46,878	7,866	41,173
Corporation tax receivable		579	545	687
		71,175	25,036	61,268
Current liabilities				
Trade and other payables		(11,450)	(9,455)	(12,524)
Obligation under finance lease		(443)	(347)	(455)
Corporation tax payable		(1,092)	(1,929)	(1,620)
		(12,985)	(11,731)	(14,599)
Net current assets		58,190	13,305	46,669
Non-current liabilities				
Obligation under finance lease		(2,793)	(1,868)	(2,621)
Other long term borrowing		(20,528)	-	(20,097)
		(23,321)	(1,868)	(22,718)
Total net assets		73,584	39,296	56,471
Equity and reserves				
Share capital	9	5,568	4,531	4,531
Share premium account		140,028	128,792	128,792
Other reserves	10	110,241	107,421	113,460
Accumulated loss		(209,101)	(201,586)	(202,944)
Own shares		(15)	(34)	(33)
Foreign currency translation reserve		(7)	153	45
		46,714	39,277	43,851
Capital value attributable to owners of Accsys Technologies PLC				
Non-controlling interest in subsidiary		26,870	19	12,620
Total equity		73,584	39,296	56,471

The notes set out on pages 17 to 28 form an integral part of these condensed financial statements.

Accsys Technologies PLC

Consolidated interim statement of changes in equity for the 6 months ended 30 September 2017

	Share capital Ordinary €'000	Share premium €'000	Other reserves €'000	Own Shares €'000	Foreign currency trans- lation reserve €'000	Accumulated loss €'000	Total equity attributable to equity shareholders of the company €'000	Non-Controlling interests €'000	Total Equity €'000
Balance at 30 Sept 2016 (unaudited)	4,531	128,792	107,421	(34)	153	(201,586)	39,277	19	39,296
Total comprehensive (expense) for the period	-	-	104	-	(108)	(1,800)	(1,804)	(101)	(1,905)
Share based payments	-	-	-	-	-	442	442	-	442
Shares issued	-	-	-	1	-	-	1	-	1
Issue of subsidiary shares to non-controlling interests	-	-	6,511	-	-	-	6,511	12,702	19,213
Issue of subsidiary shares to Group companies	-	-	(576)	-	-	-	(576)	-	(576)
Balance at 31 March 2017	4,531	128,792	113,460	(33)	45	(202,944)	43,851	12,620	56,471
Total comprehensive expense for the period	-	-	97	-	(52)	(6,316)	(6,271)	(564)	(6,835)
Share based payments	-	-	-	-	-	159	159	-	159
Shares issued	1,037	-	-	18	-	-	1,055	-	1,055
Premium on shares issued	-	13,007	-	-	-	-	13,007	-	13,007
Share issue costs	-	(1,771)	-	-	-	-	(1,771)	-	(1,771)
Issue of subsidiary shares to non-controlling interests	-	-	(3,316)	-	-	-	(3,316)	14,814	11,498
Balance at 30 Sept 2017 (unaudited)	5,568	140,028	110,241	(15)	(7)	(209,101)	46,714	26,870	73,584

See note 10 for details concerning other reserves.

Non-controlling interests relates to the investment of various parties into Tricoya Technologies Limited and Tricoya Ventures UK Limited (note 6)

The notes set out on pages 17 to 28 form an integral part of these condensed financial statements.

Accsys Technologies PLC

Consolidated interim statement of cash flow for the six months ended 30 September 2017

	Unaudited 6 months 30 Sept 2017 €'000	Unaudited 6 months 30 Sept 2016 (restated) €'000	Audited Year End 31 March 2017 (restated) €'000
Loss before taxation before exceptional items and other adjustments	(5,242)	(3,153)	(4,497)
<i>Adjustments for:</i>			
Amortisation of intangible assets	289	276	556
Depreciation of property, plant and equipment	1,167	1,090	2,157
Net (gain)/loss on disposal of property, plant and equipment	-	-	55
Net Finance expense	981	103	302
Equity-settled share-based payment expenses	159	442	884
Currency translation (gains)/losses	180	(66)	(129)
Cash outflows from operating activities before changes in working capital and before exceptional items and other adjustments	<u>(2,466)</u>	<u>(1,308)</u>	<u>(672)</u>
Exceptional Items in operating activities (see note 4)	(1,604)	(303)	(517)
Cash outflows from operating activities before changes in working capital	<u>(4,070)</u>	<u>(1,611)</u>	<u>(1,189)</u>
(Increase) in trade and other receivables	(1,392)	(765)	(2,936)
(Decrease) in deferred income	-	(23)	-
(Increase) in inventories	(2,904)	(1,712)	(3,322)
(Decrease)/Increase in trade and other payables	(733)	1,394	5,737
Net cash used in operating activities before tax	<u>(9,099)</u>	<u>(2,717)</u>	<u>(1,710)</u>
Tax (paid)	<u>(482)</u>	<u>(2)</u>	<u>(745)</u>
Net cash absorbed by operating activities	<u>(9,581)</u>	<u>(2,719)</u>	<u>(2,455)</u>
Cash flows from investing activities			
Interest (paid)/ received	-	1	2
Disposal of property, plant and equipment	-	4,223	4,223
Expenditure on property, plant and equipment	(6,957)	(1,507)	(6,416)
Expenditure on intangible assets	(212)	(244)	(415)
Net cash used in investing activities	<u>(7,169)</u>	<u>2,473</u>	<u>(2,606)</u>
Cashflows from financing activities			
Proceeds from loans	-	-	20,736
Other finance costs	(325)	-	(954)
Interest Paid	(223)	(104)	(250)
Repayment of finance lease	(83)	(86)	(173)
Proceeds from issue of share capital	14,063	50	50
Proceeds from issue of subsidiary shares to non-controlling interests	11,498	-	19,122
Share issue costs	(1,771)	-	(805)
Net cash from financing activities	<u>23,159</u>	<u>(140)</u>	<u>37,726</u>
Net increase/(decrease) in cash and cash equivalents	6,409	(386)	32,665
Effect of exchange loss on cash and cash equivalents	(704)	66	322
Opening cash and cash equivalents	41,173	8,186	8,186
Closing cash and cash equivalents	<u>46,878</u>	<u>7,866</u>	<u>41,173</u>

The notes set out on pages 17 to 28 form an integral part of these interim financial statements.

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

1. Accounting policies

General Information

The principal activity of the Group is the production and sale of Accoya® solid wood and exploitation of technology for the production and sale of Accoya® wood and Tricoya® wood elements via the Company's 100% owned subsidiaries, Titan Wood Limited, Titan Wood B.V., Titan Wood Technology B.V., Titan Wood Inc. 75% owned subsidiary, Tricoya Technologies Limited (collectively the 'Group'), and the 46% owned subsidiary, Tricoya Ventures UK Limited. Manufactured through the Group's proprietary acetylation processes, these products exhibit superior dimensional stability and durability compared with alternative natural, treated and modified woods as well as more resource intensive man-made materials.

The Company is a public limited company, which is listed on AIM in the United Kingdom and Euronext in the Netherlands, and is domiciled in the United Kingdom. The registered office is Brettenham House, 19 Lancaster Place, London, WC2E 7EN.

The condensed consolidated interim financial statements were approved on 21 November 2017.

These condensed consolidated interim financial statements have been reviewed, not audited.

Basis of accounting

The Group's condensed financial statements in these interim results have been prepared in accordance with IFRS issued by the International Accounting Standards Board as endorsed by the European Union, in particular International Accounting Standard (IAS) 34 "interim financial reporting" and the disclosure and transparency rules of the Financial Conduct Authority. The financial information for the six months ended 30 September 2017 and the six months ended 30 September 2016 is unaudited. The comparative financial information for the full year ended 31 March 2017 does not constitute the group's statutory financial statements for that period although it has been derived from the statutory financial statements for the year then ended. A copy of those statutory financial statements has been delivered to the Registrar of Companies and which were approved by the Board of Directors on the 19 June 2017. The auditors' report on those accounts was unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2017.

The accounting policies adopted are consistent with those of the previous financial year except for taxes on income in the interim periods which are accrued using the tax rate that would be applicable to the expected total annual profit or loss, and to reflect the adoption of IFRS9 and hedge accounting.

Changes in accounting policies

No new accounting standards, amendments or interpretations have been adopted in the period which have any impact on these condensed financial statements, or are expected to affect the Group's 2018 Annual Report other than as noted below.

The accounting policies and methods of computation are consistent with those applied in the 31 March 2017 annual financial statements, other than during the period IFRS9, Financial Instruments has been adopted together with hedge accounting in respect of the future currency exposures in respect of the Tricoya plant construction. The previous year's figures have been restated and represented accordingly. An assessment was carried out to identify all areas impacted under the adoption of IFRS 9 and currently there are no other impacts expected for the period year ending 30 September 2017.

Going concern

These condensed consolidated financial statements are prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future, which is deemed to be at least 12 months from the date these interim results were approved. As part of the Group's going concern review, the Directors have reviewed the Group's trading forecasts and working capital requirements for the foreseeable future. These forecasts indicate that, in order to continue as a going concern, the Group is dependent on achieving certain operating performance measures relating to the production and sales of Accoya® wood from the plant in Arnhem and the collection of on-going working capital items in line with internally agreed budgets.

The Directors have considered the internally agreed budgets and performance measures and believe that appropriate controls and procedures are in place or will be in place to make sure that these are met. The Directors believe, while some uncertainty inherently remains in achieving the budget, in particular in relation to market conditions outside of the Group's control, that there are a sufficient number of alternative actions and measures that can be taken in order to achieve the Group's medium and long term objectives. Therefore, the Directors believe that the going concern basis is the most appropriate on which to prepare the financial statements.

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

2. Segmental reporting

The Group's business is the manufacturing of and development, commercialisation and licensing of the associated proprietary technology for the manufacture of Accoya® wood, Tricoya® wood elements and related acetylation technologies. Segmental reporting is divided between corporate activities, activities directly attributable to Accoya, to Tricoya or research and development activities. This note has been represented and restated following the formation of the Tricoya Consortium to more appropriately reflect costs associated with Accoya and Tricoya.

Accoya

	Accoya Segment								
	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2016	6 months ending 30 September 2016	6 months ending 30 September 2016	12 months ending 31 March 2017	12 months ending 31 March 2017	12 months ending 31 March 2017
	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Accoya® wood revenue	26,184	-	26,184	22,534	-	22,534	50,655	-	50,655
Licence revenue	-	-	-	500	-	500	1,576	-	1,576
Other revenue	2,122	-	2,122	2,002	-	2,002	4,268	-	4,268
Total Revenue	28,306	-	28,306	25,036	-	25,036	56,499	-	56,499
Cost of sales	(22,667)	-	(22,667)	(18,236)	-	(18,236)	(42,175)	-	(42,175)
Gross profit	5,639	-	5,639	6,800	-	6,800	14,324	-	14,324
Other operating costs	(5,643)	(348)	(5,991)	(5,314)	-	(5,314)	(10,648)	-	(10,648)
Other Gain	-	-	-	-	601	601	-	635	635
Profit/(Loss) from operations	(4)	(348)	(352)	1,486	601	2,087	3,676	635	4,311
Profit/(Loss) from operations	(4)	(348)	(352)	1,486	601	2,087	3,676	635	4,311
Depreciation and amortisation	1,248	-	1,248	1,250	-	1,250	2,357	-	2,357
EBITDA	1,244	(348)	896	2,736	601	3,337	6,033	635	6,668

Revenue includes the sale of Accoya®, licence income and other revenue, principally relating to the sale of acetic acid and other licensing related income.

All costs of sales are allocated against manufacturing activities in Arnhem unless they can be directly attributable to a licensee. Other operating costs include depreciation of the Arnhem property, plant and equipment together with all other costs associated with the operation of the Arnhem manufacturing site, including directly attributable administration, sales and marketing costs.

See note 4 for explanation of Exceptional Items and other adjustments.

Headcount = 102 (2016: 94)

The below table shows details of reconciling items to show both Accoya EBITDA and Accoya Manufacturing gross profit, both including and excluding licence and licensing related income, which has been presented given the inclusion of items which can be more variable or one-off.

	6 months ending 30 September 2017 €'000	6 months ending 30 September 2016 €'000	Year Ended 31 March 2017 €'000
Accoya segmental underlying EBITDA	1,244	2,736	6,033
Accoya Licence Income	-	(500)	(1,576)
Other income, predominantly for marketing services	(133)	(177)	(338)
Accoya segmental underlying EBITDA (excluding licence income)	1,111	2,059	4,118
Accoya segmental gross profit	5,639	6,800	14,324
Accoya Licence Income	-	(500)	(1,576)
Other income, predominantly for marketing services	(133)	(177)	(338)
Accoya Manufacturing gross profit	5,506	6,123	12,410
Gross Accoya Manufacturing Margin	20%	25%	23%

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

Tricoya

	Tricoya Segment								
	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2016	6 months ending 30 September 2016	6 months ending 30 September 2016	12 months ending 31 March 2017	12 months ending 31 March 2017	12 months ending 31 March 2017
	Before exceptional items & other adjustments €'000	Exceptional items & Other Adjustments €'000	TOTAL €'000	Before exceptional items & other adjustments €'000	Exceptional items & Other Adjustments €'000	TOTAL €'000	Before exceptional items & other adjustments €'000	Exceptional items & Other Adjustments €'000	TOTAL €'000
Tricoya [®] wood revenue	-	-	-	-	-	-	-	-	-
Licence revenue	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	23	-	23	30	-	30
Total Revenue	-	-	-	23	-	23	30	-	30
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	23	-	23	30	-	30
Other operating costs	(1,238)	(729)	(1,967)	(1,231)	-	(1,231)	(1,795)	173	(1,622)
Profit/(Loss) from operations	(1,238)	(729)	(1,967)	(1,208)	-	(1,208)	(1,765)	173	(1,592)
Profit/(Loss) from operations	(1,238)	(729)	(1,967)	(1,208)	-	(1,208)	(1,765)	173	(1,592)
Depreciation and amortisation	96	-	96	84	-	84	171	-	171
EBITDA	(1,142)	(729)	(1,871)	(1,124)	-	(1,124)	(1,594)	173	(1,421)

Revenue and costs are those attributable to the business development of the Tricoya[®] process and establishment of Tricoya Hull Plant.

See note 4 for explanation of Exceptional Items and other adjustments.

Headcount = 4 (2016: 4), noting a substantial proportion of the costs to date have been incurred via recharges from other parts of the Group or have resulted from contractors.

Corporate

	Corporate Segment								
	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2016	6 months ending 30 September 2016	6 months ending 30 September 2016	12 months ending 31 March 2017	12 months ending 31 March 2017	12 months ending 31 March 2017
	Before exceptional items & other adjustments €'000	Exceptional items & Other Adjustments €'000	TOTAL €'000	Before exceptional items & other adjustments €'000	Exceptional items & Other Adjustments €'000	TOTAL €'000	Before exceptional items & other adjustments €'000	Exceptional items & Other Adjustments €'000	TOTAL €'000
Total Revenue	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-	-
Other operating costs	(2,332)	(906)	(3,238)	(2,604)	(303)	(2,907)	(4,343)	(517)	(4,860)
Profit/(Loss) from operations	(2,332)	(906)	(3,238)	(2,604)	(303)	(2,907)	(4,343)	(517)	(4,860)
Profit/(Loss) from operations	(2,332)	(906)	(3,238)	(2,604)	(303)	(2,907)	(4,343)	(517)	(4,860)
Depreciation and amortisation	85	-	85	65	-	65	133	-	133
EBITDA	(2,247)	(906)	(3,153)	(2,539)	(303)	(2,842)	(4,210)	(517)	(4,727)

Corporate costs are those costs not directly attributable to Accoya, Tricoya or Research and Development activities. This includes management and the Group's corporate and general administration costs including the head office in London.

Adjustments to other operating costs all relate to bonus payments made in the current year that were of an exceptional nature following the completion of the Tricoya consortium and Accsys fund raising. Underlying loss includes an accrual for bonuses relating to the current financial year, which were previously expensed upon payment in the following financial year.

Headcount = 19 (2016: 15)

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

Research and Development

	Research & Development Segment								
	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2016	6 months ending 30 September 2016	6 months ending 30 September 2016	12 months ending 31 March 2017	12 months ending 31 March 2017	12 months ending 31 March 2017
	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Total Revenue	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-	-
Other operating costs	(685)	(159)	(844)	(724)	-	(724)	(1,763)	-	(1,763)
Profit/(Loss) from operations	(685)	(159)	(844)	(724)	-	(724)	(1,763)	-	(1,763)
Profit/(Loss) from operations	(685)	(159)	(844)	(724)	-	(724)	(1,763)	-	(1,763)
Depreciation and amortisation	27	-	27	26	-	26	52	-	52
EBITDA	(658)	(159)	(817)	(698)	-	(698)	(1,711)	-	(1,711)

Research and Development costs are those associated with the Accoya® and Tricoya® processes. Costs exclude those which have been capitalised in accordance with IFRS. (see note 7).

Adjustments to other operating costs all relate to bonus payments made in the current year that were of an exceptional nature following the completion of the Tricoya consortium and Accsys fund raising. Underlying loss includes an accrual for bonuses relating to the current financial year, which were previously expensed upon payment in the following financial year.

Headcount = 10 (2016: 12)

Total

	TOTAL								
	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2017	6 months ending 30 September 2016	6 months ending 30 September 2016	6 months ending 30 September 2016	12 months ending 31 March 2017	12 months ending 31 March 2017	12 months ending 31 March 2017
	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL	Before exceptional items & other adjustments	Exceptional items & Other Adjustments	TOTAL
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Accoya® wood revenue	26,184	-	26,184	22,534	-	22,534	50,655	-	50,655
Licence revenue	-	-	-	500	-	500	1,576	-	1,576
Other revenue	2,122	-	2,122	2,025	-	2,025	4,298	-	4,298
Total Revenue	28,306	-	28,306	25,059	-	25,059	56,529	-	56,529
Cost of sales	(22,667)	-	(22,667)	(18,236)	-	(18,236)	(42,175)	-	(42,175)
Gross profit	5,639	-	5,639	6,823	-	6,823	14,354	-	14,354
Other operating costs	(9,900)	(2,141)	(12,041)	(9,873)	(303)	(10,176)	(18,551)	(343)	(18,894)
Other Gain	-	-	-	-	601	601	-	635	635
Profit/(Loss) from operations	(4,261)	(2,141)	(6,402)	(3,050)	298	(2,752)	(4,197)	292	(3,905)
Finance income	-	-	-	1	-	1	2	-	2
Finance expense	(981)	564	(417)	(104)	-	(104)	(302)	(258)	(560)
Loss before taxation	(5,242)	(1,577)	(6,819)	(3,153)	298	(2,855)	(4,497)	34	(4,463)
Profit/(Loss) from operations	(4,261)	(2,141)	(6,402)	(3,050)	298	(2,752)	(4,197)	292	(3,905)
Depreciation and amortisation	1,455	-	1,455	1,423	-	1,423	2,712	-	2,712
EBITDA	(2,806)	(2,141)	(4,947)	(1,627)	298	(1,329)	(1,485)	292	(1,193)

Adjustments to finance expense relate to the revaluation of the Accsys Technologies loan notes with Business Growth Fund ('BGF') and 1798 Volantis Catalyst Fund II ('Volantis'), which are denominated in pounds sterling. These relate to the pounds sterling held within the Tricoya segment, of which the corresponding foreign currency translation differences are shown as adjustments to other operating costs.

Assets and liabilities cannot be readily allocated to the four segments and therefore no additional segmental information has been disclosed.

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

Analysis of revenue by geographical destination:

	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 €'000
UK and Ireland	11,387	10,577	25,307
Rest of Europe	7,113	5,924	12,984
Benelux	3,455	3,762	7,992
Americas	3,814	2,849	5,810
Asia-Pacific	2,333	1,814	4,009
Rest of World	204	133	427
	<u>28,306</u>	<u>25,059</u>	<u>56,529</u>

The segmental assets in the current and previous periods were predominantly held in Europe. Additions to property, plant, equipment and intangible assets in the current and previous periods were predominantly incurred in Europe. Sales to UK and Ireland included the sales to Medite.

3. Other operating costs

Other operating costs consist of the operating costs, other than the cost of sales, associated with the operation of the plant in Arnhem and the offices in Dallas and London.

	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 €'000
Sales and marketing	2,083	2,006	3,773
Research and development	685	571	1,711
Depreciation and amortisation	1,455	1,423	2,713
Other operating costs	2,072	2,259	3,243
Administration costs	3,605	3,614	7,111
Exceptional Items and other adjustments	2,141	303	343
	<u>12,041</u>	<u>10,176</u>	<u>18,894</u>

Administrative costs include costs associated with Business Development and Legal departments, Intellectual Property as well as Human Resources, IT, Finance, Management and General Office and include the costs of the Group's head office costs in London and the US office in Dallas.

The total cost of €12,041k in the current period includes €1,967k in respect of Tricoya segment, compared to €1,231k in the previous period.

Group average headcount decreased from 125 in the period to 30 September 2016, to 124 in the period to 31 March 2017 and then increased to 135 in the period to 30 September 2017.

During the period €212k of costs were capitalised and are included within intangible fixed assets (2016: €241k). In addition €260k of development costs have been capitalised and are included within tangible fixed assets (2016: €286k) in relation to the expansion of the manufacturing facility in Arnhem.

4. Exceptional Items and Other Adjustments

	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 €'000
Bonuses paid relating to year ending 31 March 2017	(1,373)	-	-
Restructuring costs	(231)	-	-
Gain from disposal of land	-	601	635
Business Development advisory fees	-	(303)	(517)
Total exceptional items	<u>(1,604)</u>	<u>298</u>	<u>118</u>
Foreign exchange differences arising on Tricoya cash held - Operating costs	(537)	-	174
Foreign exchange differences arising on Loan Notes - incl. in Finance expense	564	-	(258)
Foreign exchange differences on Tricoya cash held - Other comprehensive income	97	-	104
Total other adjustments	<u>124</u>	<u>-</u>	<u>20</u>
Tax on exceptional items and other adjustments	20	-	-
Total exceptional items and other adjustments	<u><u>(1,460)</u></u>	<u><u>298</u></u>	<u><u>138</u></u>

Prior year has been restated to reflect the adoption of IFRS 9 and to represent exceptional and other adjustments on a consistent basis.

Exceptional Items

€1,373k annual bonus paid in the current year which was attributable to the year ended 31 March 2017 with the accrual for the current year bonus included in underlying operating costs. This double charge in the period results from a re-alignment of the timing of recognition of bonuses reflecting the more structured annual bonus scheme now in place compared to previous years. In addition the bonus paid in the current period relating to the year ended 31 March 2017 included one-off targets relating to the formation of the Tricoya consortium. This is split between all segments, including €293k in Accoya, €124k in Tricoya, €889k Corporate and €67k in R&D.

Other restructuring costs relate to changes required following the completion of the Tricoya consortium in March 2017. This is split between all segments, including €54k in Accoya, €67k Tricoya, €18k Corporate and €92k R&D.

Agreements were reached in August 2016 for the sale and leaseback for the land in Arnhem resulting in proceeds of €4.2m received in the prior period. A resulting gain of €635k was recognised in the previous year as a result of the book value of the land being lower than the sale price. The full amount relates to the Accoya segment.

Business Development advisory fees were incurred during the prior year as the Group pursued a one-off long-term opportunity. The full amount relates to the corporate segment.

Other Adjustments

Foreign exchange differences in the Tricoya segment have occurred due to pounds sterling held within the consortium in preparation for the Hull Plant build. The Group has mitigated this currency exchange risk by adopting hedge accounting in respect of the Tricoya plant construction under IFRS 9, Financial Instruments. The prior year has also been represented and restated to highlight the comparative impact in the prior year.

Foreign exchange differences also arise on the pounds sterling denominated loan notes, entered into in the prior period. These exchange rate differences are included as finance expenses. The prior year has also been represented to reflect the comparative impact in the prior year.

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

5. Loss per share	Unaudited 6 months ended 30 Sept 2017	Unaudited 6 months ended 30 Sept 2017	Unaudited 6 months ended 30 Sept 2016 (restated)	Unaudited 6 months ended 30 Sept 2016 (restated)	Audited Year ended 31 March 2017 (restated)	Audited Year ended 31 March 2017 (restated)
	Before Exceptional Items	Total	Before Exceptional Items	Total	Before Exceptional Items	Total
Basic and diluted loss per share						
Weighted average number of Ordinary shares in issue ('000)	111,083	111,083	90,248	90,248	90,442	90,442
Loss for the period (€'000)	(4,827)	(6,316)	(3,483)	(3,186)	(4,950)	(4,986)
Basic and diluted loss per share	€ (0.04)	€ (0.06)	€ (0.04)	€ (0.04)	€ (0.05)	€ (0.06)

Basic and diluted losses per share are based upon the same figures. Share options are considered anti-dilutive as these would decrease the loss per share.

6. Tricoya Technologies Limited

Tricoya Technologies Limited ("TTL") was incorporated in order to develop and exploit the Group's Tricoya® technology for use within the worldwide panel products market, which is estimated to be worth more than €60 billion annually.

On 29 March 2017 the Group announced the entry into and successful completion of its agreements for the financing, construction and operation of the world's first Tricoya wood elements acetylation plant in Hull with its TTL consortium investors, being BP, Medite, BGF and Volantis.

The Hull plant will have an initial production capacity of 30,000 tonnes per annum (sufficient to manufacture 40,000 cubic meters of panels) and scope to expand.

Structurally, Accsys, BP Ventures, Medite, BGF and Volantis have invested into TTL. TTL has then invested, alongside BP Chemicals and Medite, in Tricoya Ventures UK Limited ("TVUK"), a special purpose subsidiary of TTL that will construct, own and operate the Hull Plant.

BP will invest €20.3 million in the Tricoya Project, including €13.7 million as equity in TVUK by BP Chemicals and €6.6 million as equity in TTL by BP Ventures. All funding was received by 30 September 2017, except for €2.3 million received from BP Chemicals in October 2017.

Medite will invest €11 million in the Tricoya Project, including €7 million as equity in TTL and €4 million as equity in TVUK. All funding was received by 30 September 2017, except for €0.6 million received in October 2017.

The Group is expected to increase its total equity interest in TTL to 75.9% over the next two years as a result of its continued supply of lower priced Accoya® to Medite to enable continued market development ahead of the completion of the Hull Plant. During the period the Group increased its shareholding from 74.6% to 74.8% from the issue of 284,716 shares related to this market seeding activity.

BGF and Volantis have invested an aggregate of £19 million as financial investors into both the Group and TTL. BGF and Volantis invested on similar terms but are investing separately, with BGF accounting for 65% of the £19 million total.

In addition, TVUK has entered a six-year €17.2 million (€15 million net) finance facility agreement with The Royal Bank of Scotland Plc in respect of the construction and operation of the Hull Plant. As at 30 September 2017 the Group have utilised €161k of the facility in relation to fees incurred.

The Group has consolidated the results of TTL and TVUK as subsidiaries, as it exercises the power to govern the entities in accordance with IFRS 10 guidance. The non-controlling interests in both entities have been recognised in these Group financial statements.

The "TTL Group" income statement and balance sheet, consisting of TTL and its subsidiary TVUK, are set out on the following page:

Accsys Technologies PLC

Notes to the financial statements for the 6 months ended 30 September 2017

TTL Group income statement:

	Consolidated Unaudited 6 months ended 30 Sept 2017 €'000	Consolidated Unaudited 6 months ended 30 Sept 2016 €'000	Consolidated Audited Year ended 31 March 2017 €'000
Licence revenue	-	-	-
Other income	-	23	-
Total revenue	-	23	-
Costs:			
Staff costs	(946)	(814)	(1,145)
Research & development (excluding staff costs)	(103)	(108)	(200)
Intellectual Property	(105)	(338)	(606)
Other	(294)	(26)	(289)
Exceptional Items	(440)	-	277
Depreciation and Amortisation	(96)	(84)	(171)
EBIT	(1,984)	(1,347)	(2,134)
EBIT attributable to Accsys shareholders	(1,420)	(1,305)	(1,991)

Exceptional items include foreign exchange differences relating to pounds sterling balances held by the Group (see note 4).

TTL Group balance sheet at 30 September 2017:

	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 €'000
Non-current assets			
Intangible assets	3,334	3,192	3,246
Property, Plant and Equipment	4,418	-	1,440
	7,752	3,192	4,686
Current assets			
Trade and other receivables	865	160	612
Cash and cash equivalents	42,492	298	36,386
	43,357	458	36,998
Current liabilities			
Trade and other payables	(2,817)	(1,794)	(3,306)
Intercompany balance non TTL/TVUK	(833)	(610)	(594)
	(3,650)	(2,404)	(3,900)
Non-current liabilities			
Long term borrowing	(161)	-	-
	(161)	-	-
Net current assets	39,707	(1,946)	33,098
Net assets	47,298	1,246	37,784
Value attributable to Accsys Technologies	20,428	1,209	25,164

7. Intangible assets

	Internal Development costs €'000	Intellectual property rights €'000	Goodwill €'000	Total €'000
Cost				
At 31 March 2016	5,528	73,292	4,231	83,051
Additions	241	-	-	241
At 30 September 2016	5,769	73,292	4,231	83,292
Additions	173	-	-	173
At 31 March 2017	<u>5,942</u>	<u>73,292</u>	<u>4,231</u>	<u>83,465</u>
Additions	212	-	-	212
At 30 September 2017	<u>6,154</u>	<u>73,292</u>	<u>4,231</u>	<u>83,677</u>
Accumulated amortisation				
At 31 March 2016	607	71,464	-	72,071
Amortisation	138	138	-	276
At 30 September 2016	745	71,602	-	72,347
Amortisation	142	137	-	279
At 31 March 2017	<u>887</u>	<u>71,739</u>	<u>-</u>	<u>72,626</u>
Amortisation	151	138	-	289
At 30 September 2017	<u>1,038</u>	<u>71,877</u>	<u>-</u>	<u>72,915</u>
Net book value				
At 30 September 2017	<u>5,116</u>	<u>1,415</u>	<u>4,231</u>	<u>10,762</u>
At 31 March 2017	<u>5,055</u>	<u>1,553</u>	<u>4,231</u>	<u>10,839</u>
At 30 September 2016	<u>5,024</u>	<u>1,690</u>	<u>4,231</u>	<u>10,945</u>

8. Property, plant and equipment

	Land and buildings €'000	Plant and machinery €'000	Office equipment €'000	Total €'000
<i>Cost or valuation</i>				
At 31 March 2016	5,251	30,725	1,238	37,214
Additions	-	1,343	53	1,396
Disposals	(3,606)	(64)	-	(3,670)
Foreign currency translation gain	-	-	2	2
At 30 September 2016	1,645	32,004	1,293	34,942
Additions	-	5,759	79	5,838
Disposals	-	(7)	-	(7)
Foreign currency translation gain	-	-	7	7
At 31 March 2017	<u>1,645</u>	<u>37,756</u>	<u>1,379</u>	<u>40,780</u>
Additions	-	7,360	71	7,431
Foreign currency translation (loss)	-	-	(5)	(5)
At 30 September 2017	<u>1,645</u>	<u>45,116</u>	<u>1,445</u>	<u>48,206</u>
<i>Depreciation</i>				
At 31 March 2016	541	15,568	833	16,942
Charge for the period	59	947	84	1,090
Disposals	-	(6)	-	(6)
Foreign currency translation gain	-	-	2	2
At 30 September 2016	600	16,509	919	18,028
Charge for the period	58	922	86	1,066
Disposals	-	(3)	-	(3)
Foreign currency translation gain	-	-	8	8
At 31 March 2017	<u>658</u>	<u>17,428</u>	<u>1,013</u>	<u>19,099</u>
Charge for the period	59	1,005	103	1,167
Disposals	-	-	-	-
Foreign currency translation (loss)	-	-	(13)	(13)
At 30 September 2017	<u>717</u>	<u>18,433</u>	<u>1,103</u>	<u>20,253</u>
<i>Net book value</i>				
At 30 September 2016	<u>1,045</u>	<u>15,495</u>	<u>374</u>	<u>16,914</u>
At 31 March 2017	<u>987</u>	<u>20,328</u>	<u>366</u>	<u>21,681</u>
At 30 September 2017	<u>928</u>	<u>26,683</u>	<u>342</u>	<u>27,953</u>

Included within property, plant and equipment are assets with an initial cost of €7,787,000 and a net book value at 30 September 2017 of €4,477,000 which has been accounted for as a finance lease. Assets with a net book value of €22.4m are subject to security agreements associated with the Rhodia Acetow loan facility.

Included within property, plant and equipment are also assets under construction of €14,649,000 which are not being depreciated (2016: €2,266,000)

9. Share capital

In the period ended 30 September 2016:

Own shares represents 673,355 Ordinary Shares issued to the Employee Benefit Trust ('EBT') at nominal value on 4 July 2016.

In addition, of the Ordinary Shares which had been issued to the EBT in the previous year, 938,449 Ordinary Shares vested on 15 July 2016. Of these beneficiaries elected to sell 498,318 Ordinary Shares in the market.

On 15 August 2016, a total of 63,909 Ordinary Shares were issued and released to various employees under the terms of the Employee Share Participation Plan.

In the period ended 31 March 2017:

On 9 February 2017, a total of 16,302 Ordinary Shares were issued and released to various employees under the terms of the Employee Share Participation Plan.

In the period ended 30 September 2017:

On 24 April 2017, following the publication of a prospectus for the Firm Placing and Open Offer, the Company issued a total of 20,323,986 Ordinary Shares for €0.69 each to a combination of new and existing shareholders. Proceeds of €14,024,000 were received net of expenses of €1,757,000.

Own shares represents 97,720 Ordinary Shares issued to the EBT at nominal value on 23 June 2017 and 198,154 Ordinary Shares issued to the EBT at nominal value on 27 September 2017..

In addition, of the Ordinary Shares which had been issued to the EBT in the previous year, 679,435 Ordinary Shares vested on 11 July 2017. Of these beneficiaries elected to sell 405,169 Ordinary Shares in the market.

On 27 September 2017, the Company issued a total of 106,189 Ordinary Shares were issued and released to an employee following the exercise of options granted in a prior year.

10. Other Reserves

	Capital redemption reserve	Merger reserve	Hedging Effectiveness reserve	Other reserve	Total Other reserves
	€000	€000	€000	€000	€000
Balance at 30 September 2016	(171)	106,707	-	885	107,421
Issue of subsidiary shares to non-controlling interests	319	-	-	6,192	6,511
Issue of subsidiary shares to Group companies	-	-	-	(576)	(576)
Other Comprehensive Income	-	-	104	-	104
Balance at 31 March 2017	148	106,707	104	6,501	113,460
Issue of subsidiary shares to non-controlling interests	-	-	-	(3,316)	(3,316)
Other Comprehensive Income	-	-	97	-	97
Balance at 30 September 2017	148	106,707	201	3,185	110,241

The closing balance of the capital redemption reserve represents the amounts transferred from share capital on redemption of deferred shares in a previous period. The movement in the Year ending 31st March 2017 reflects an obligation which ceased following investment by BP Ventures into Tricoya Technologies Limited upon the finalisation of the full consortium.

The merger reserve arose prior to transition to IFRS when merger accounting was adopted.

The hedging effectiveness reserve reflects the total accounted for under IFRS 9 in relation to the Tricoya segment (note 1).

The other reserve represents the amounts received for subsidiary share capital from non-controlling interests (note 11).

11. Transactions with non-controlling interests

In the period ended 31 March 2017:

On 29 March 2017 and earlier in the prior financial year, TTL issued Series A Preference shares and transferred Ordinary shares to non-controlling interests for consideration of €15.79 million, resulting in the following non-controlling shareholdings:

BP Ventures (9.0%), Medite (12.1%), BGF, (2.8%), Volantis (1.5%)

On 29 March 2016, Tricoya Ventures UK Limited ('TVUK') issued Ordinary shares to non-controlling interests for consideration of €3.26 million, resulting in the following shareholdings:

BP Chemicals (30%), Medite (8.2%)

The total carrying amount of the non-controlling interests in TTL and TVUK at 31 March 2017 was €12.62 million.

In the period ended 30 September 2017:

On 5 September 2017, TTL issued 284,716 shares to Titan Wood Limited. As a result the non-controlling interests shareholdings were amended to:

BP Ventures (8.9%), Medite (12.0%), BGF, (2.8%), Volantis (1.5%)

On 20 September 2017, Tricoya Ventures UK Limited ('TVUK') issued Ordinary shares to non-controlling interests for consideration of €11.50 million, resulting in no change to shareholdings.

The total carrying amount of the non-controlling interests in TTL and TVUK at 30 September 2017 was €22.57 million.

The Group recognised an increase in other reserves as summarised below.

Transactions with non-controlling interests

	Unaudited 6 months ended 30 Sept 2017 €'000	Unaudited 6 months ended 30 Sept 2016 €'000	Audited Year ended 31 March 2017 €'000
Opening balance	7,077	-	885
Carrying amount of non-controlling interests issued	(14,814)	885	(12,702)
Consideration paid by non-controlling interests	11,498	-	19,123
Share issue costs relating to non-controlling interests	-	-	(229)
Excess of consideration paid recognised in Group's equity	<u>3,761</u>	<u>885</u>	<u>7,077</u>

12. Events occurring after the reporting period

On 6 October 2017, TVUK issued further shares for the consideration of €7.6m. €4.7m was contributed by TTL with €2.3m contributed by BP Chemicals and €0.6m contributed by Medite (see note 6).

Accsys Technologies PLC

Independent review report to Accsys Technologies PLC

Report on the consolidated interim financial statements

Our conclusion

We have reviewed Accsys Technologies PLC's consolidated interim financial statements (the "interim financial statements") in the interim results for the six months ended 30 September 2017 of Accsys Technologies Plc for the 6 month period ended 30 September 2017. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the AIM Rules for Companies.

What we have reviewed

The interim financial statements comprise:

- the consolidated interim statement of financial position as at 30 September 2017;
- the consolidated interim statement of comprehensive income for the period then ended;
- the consolidated interim statement of cash flows for the period then ended;
- the consolidated interim statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim results for the six months ended 30 September 2017 have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the AIM Rules for Companies.

As disclosed in note 1 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The interim results for the six months ended 30 September 2017, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim results for the six months ended 30 September 2017 in accordance with the AIM Rules for Companies which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the Company's annual financial statements.

Our responsibility is to express a conclusion on the interim financial statements in the interim results for the six months ended 30 September 2017 based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the AIM Rules for Companies and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim results for the six months ended 30 September 2017 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
London

21 November 2017

Accsys Technologies PLC

Independent review report to Accsys Technologies PLC (continued)

- a) The maintenance and integrity of the Accsys Technologies PLC website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim financial statements since they were initially presented on the website.
- b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.