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## **ACCSYS TECHNOLOGIES PLC**

### **TRICOYA<sup>®</sup> LICENCE AGREEMENT COMPLETED WITH FINSA**

Accsys today announces it has signed a Tricoya<sup>®</sup> user licence agreement with one of Europe's longest established MDF and chipboard manufacturers, Financiera Maderera S.A. (FINSA). FINSA ([www.finsa.com](http://www.finsa.com)) has been a pioneer in the field of sustainable and renewable wood-based solutions since its foundation in 1931.

Under the agreement, FINSA is granted exclusive rights for manufacturing high-performance wood-based panels from Tricoya<sup>®</sup> wood elements in Spain and Portugal, with non-exclusive distribution rights in other territories. FINSA will sell the panels under the Tricoya<sup>®</sup> brand and pay a combination of royalty and licence fees to Accsys' subsidiary Tricoya Technologies Ltd (TTL), with the first instalment of the licence fee payable immediately.

The supply of acetylated material for the production of Tricoya<sup>®</sup> panels by FINSA will initially be met from Accsys' Accoya<sup>®</sup> plant in Arnhem, NL, and then in the form of Tricoya<sup>®</sup> chips from the world's first Tricoya<sup>®</sup> plant in Hull, UK which is under construction and expected to be operational in 2019.

This is a significant development for Accsys, as the anticipated future demand for Tricoya<sup>®</sup> chips indicated by FINSA together with the existing offtake agreement with Medite Europe DAC, is expected to result in the Hull plant being significantly loaded and as a consequence cash generative at an earlier point.

Commenting, Paul Clegg, CEO of Accsys, said:

*"I am delighted to announce this agreement with FINSA. A partnership with FINSA, a well-established company with a reputation for innovation, is a great endorsement of our proprietary technologies and the Tricoya<sup>®</sup> business proposition. Incremental panel production should ensure that the Tricoya<sup>®</sup> plant is significantly loaded and able to generate positive EBITDA at an earlier point. We see this agreement as an important step towards establishing Tricoya<sup>®</sup> as the world's leading high-performance sustainable wood-based panel, stimulating demand for further growth."*

Gonzalo Frey Pazos, Business Director, FINSA and Javier Portela López, R&D and Quality Director, FINSA said:

*"FINSA is pleased to announce its cooperation agreement with Accsys. As a pioneer in the manufacture of all types of wood-based solutions, we at FINSA are sure that this agreement will herald new exterior applications which will bring value to both our customers and to*

stakeholders. The aim of the agreement is to generate real value thanks to the combination of FINSA's manufacturing experience and Accsys' expertise in the acetylation of wood. We shall now get to work on offering these solutions to the marketplace."

## ACCSYS TECHNOLOGIES PLC

### TRICOYA<sup>®</sup>-LICENTIEOVEREENKOMST MET FINSA AANGEGAAN

Accsys kondigt vandaag aan dat het een Tricoya<sup>®</sup>-gebruikerslicentieovereenkomst is aangegaan met een van de eerste MDF- en spaanplaatfabrikanten uit Europa, Financiera Maderera S.A. (FINSA). Sinds de oprichting in 1931 is FINSA ([www.finsa.com](http://www.finsa.com)) een pionier geweest op het gebied van duurzame en hernieuwbare op hout gebaseerde producten.

Met deze overeenkomst krijgt FINSA het exclusieve recht om in Spanje en Portugal hoogwaardige houten panelen te produceren met Tricoya<sup>®</sup>-houtelementen (spaanders, vezels en houtsnippers), alsmede niet-exclusieve distributierechten in andere regio's. FINSA gaat de panelen verkopen onder het merk Tricoya<sup>®</sup>, en zal royalty's en licentievergoedingen betalen aan de dochteronderneming van Accsys, Tricoya Technologies Ltd (TTL). De eerste afbetalingstermijn van licentiekosten is onmiddellijk verschuldigd.

Tricoya<sup>®</sup>-snippers worden door FINSA initieel afgenomen in de vorm van versnipperd Accoya<sup>®</sup>-hout afkomstig uit de Accoya<sup>®</sup>-fabriek van Accsys in Arnhem, Nederland. Na verloop van tijd zullen de Tricoya<sup>®</sup>-snippers afkomstig zijn uit 's werelds eerste Tricoya<sup>®</sup>-fabriek in Hull (UK). Deze fabriek is momenteel in aanbouw is en zal naar verwachting in 2019 operationeel zijn.

Dit is een belangrijke stap voorwaarts voor Accsys omdat de door FINSA geïndiceerde verwachte vraag naar Tricoya<sup>®</sup>-snippers, in combinatie met de bestaande afnameovereenkomst met Medite Europe DAC, omdat naar verwachting nu op een eerder tijdstip de capaciteit van de Tricoya<sup>®</sup>-fabriek significant benut zal worden en dus cash flow zal genereren.

Paul Clegg, CEO van Accsys, zei:

*"Ik ben zeer tevreden om deze overeenkomst met FINSA aan te kunnen kondigen. Een samenwerking met zo een lang bestaand en innovatief bedrijf als FINSA, is een erkenning van onze unieke technologieën en de mogelijkheden van Tricoya<sup>®</sup>. Door de additionele productie van panelen zal de benuttingsgraad van de capaciteit van de Tricoya<sup>®</sup>-fabriek significant zijn en zal daardoor, eerder dan verwacht, een positieve EBITDA genereren. We zien deze overeenkomst als een belangrijke stap naar het positioneren van Tricoya<sup>®</sup> als 's werelds meest toonaangevende, high-performance en duurzaam houten paneel. Dit zal verdere groei van de vraag stimuleren."*

Gonzalo Frey Pazos, Business Director van FINSA en Javier Portela López, Directeur R&D en Kwaliteit, van FINSA zeiden:

*"FINSA is verheugd om de samenwerking met Accsys aan te kunnen kondigen. Als pionier op het gebied van productie van vele soorten op hout gebaseerde producten zijn wij er van overtuigd dat deze overeenkomst aan de wieg zal staan van nieuwe buitentoepassingen die van grote waarde zullen zijn voor onze klanten en andere belanghebbenden. Het doel van deze overeenkomst is om middels de combinatie van FINSA's productie-ervaring en Accsys'*

*expertise op het gebied het acetyleren van hout significante waarde te creëren. We gaan nu aan de slag op deze oplossingen op de markt te introduceren.”*

## Ends

**For further information, please contact:**

|   |   |                                    |
|---|---|------------------------------------|
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### Notes to editors:

**Tricoya<sup>®</sup> Consortium** In March 2017, Accsys announced the formation of the Tricoya<sup>®</sup> Consortium to fund, build and operate the Tricoya<sup>®</sup> plant in Hull, UK. Members of the consortium include BP and the leading manufacturer of sustainable wood-based panels, Medite Europe DAC. Tricoya Ventures UK Ltd (TVUK), a subsidiary of Accsys, owns and will operate the Tricoya<sup>®</sup> plant. TTL exploits all Tricoya<sup>®</sup> related intellectual property and benefits from any Tricoya<sup>®</sup> related revenues other than those generated by the Tricoya<sup>®</sup> plant. The Tricoya<sup>®</sup> plant is expected to have an initial capacity of 30,000 metric tonnes of Tricoya<sup>®</sup> chips per annum, enough to produce approximately 40,000m<sup>3</sup> of Tricoya<sup>®</sup> panel products per annum. The Tricoya<sup>®</sup> plant is expected to reach EBITDA breakeven at approximately 40% design capacity and to take approximately four years to reach full capacity following completion. The location of the Tricoya<sup>®</sup> plant at Saltend Chemicals Park in Hull allows for expansion when market conditions dictate.

**Accsys Technologies PLC** ([www.accsysplc.com](http://www.accsysplc.com)) is a chemical technology group whose primary focus is on the production of Acccoya<sup>®</sup> wood and Tricoya<sup>®</sup> wood elements, technology licensing via its subsidiary, Titan Wood Limited, which has manufacturing operations in Arnhem, the Netherlands (through its subsidiary Titan Wood B.V.), a European office in London, United Kingdom, an American office in Dallas, Texas (via its subsidiary Titan Wood, Inc.) and technology licensing associated with the acetylation of wood elements via its subsidiary Tricoya Technologies Limited. Any references in this announcement to agreements with Accsys shall mean agreements with either Accsys or its subsidiary entities unless otherwise specified. Accsys Technologies PLC is listed on the London Stock Exchange AIM market and on Euronext Amsterdam, under the symbols 'AXS'. Accsys' operations comprise four principal business units: (i) Acccoya<sup>®</sup> wood production; (ii) building and operating of Tricoya<sup>®</sup> wood chip acetylation plant in Hull; (iii) technology development, focused on a programme of continuous development of and improvements to the process engineering and operating protocols for the acetylation of solid wood and the development of technology for the acetylation of wood elements; and (iv) the licensing of technology for the production of Acccoya<sup>®</sup> wood and Tricoya<sup>®</sup> wood elements across the globe.

**Acccoya<sup>®</sup> Wood** ([www.acccoya.com](http://www.acccoya.com)) is produced using Accsys' proprietary patented acetylation technology that effectively converts sustainably grown softwoods and non-durable hardwoods into what is best described as a "high technology wood". Distinguished by its durability, dimensional stability and, perhaps most importantly of all, its reliability (in terms of consistency of both supply and quality), Acccoya<sup>®</sup> wood is particularly suited to exterior applications where performance and appearance are valued. Moreover, the Acccoya<sup>®</sup> wood production process does not compromise the wood's strength or machinability. The combination of dimensional stability, durability and retained strength means that Acccoya<sup>®</sup> wood offers a wealth of new opportunities to architects, designers and specifiers. These benefits result in lower maintenance and total cost of ownership while using a higher sustainable and environmental responsible building material. For a full archive of Acccoya<sup>®</sup> news, visit [www.acccoya.com/news](http://www.acccoya.com/news).

**Tricoya® Wood Elements** ([www.tricoya.com](http://www.tricoya.com)) are produced using Accsys' proprietary technology for the acetylation of wood chips and particles for use in the fabrication of panel products such as medium density fibreboard and particle-board. These products demonstrate enhanced durability and dimensional stability which allow them to be used in a variety of applications that were once limited to solid wood or man-made products. Exploitation of Accsys' proprietary technology relating to Tricoya® Wood Elements is carried out through Tricoya Technologies Limited. Tricoya® Wood Elements are lauded as the first major innovation in the wood composites industry in more than 30 years.

**Wood Acetylation** is a process which increases the amount of 'acetyl' molecules in wood, thereby changing its physical properties. When carried out to a sufficient level throughout the wood, this process protects wood from rot by making it "inedible" to most micro-organisms and fungi, 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.

Accsys Technologies is the trading name of Titan Wood Limited. ACCOYA®, TRICOYA® and the Trimarque Device are registered trademarks owned by Titan Wood Limited ("TWL"), a wholly owned subsidiary of Accsys Technologies PLC, and may not be used or reproduced without written permission from TWL, or in the case of the Tricoya® registered trademark, from Tricoya Technologies Limited, a subsidiary of TWL with exclusive rights to exploit the Tricoya® brand.