

<b>Company</b>	Accsys Technologies PLC
<b>TIDM</b>	AXS
<b>Headline</b>	Tricoya <sup>®</sup> Project, funding and equity raise
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**ACCSYS TECHNOLOGIES PLC**  
**("Accsys" or the "Company")**

**Accsys secures transformational capacity expansion**  
**€68m of Tricoya<sup>®</sup> funding agreed**  
**and**  
**a Firm Placing and Open Offer to raise up to €14m**

Accsys is pleased to announce that it has entered into agreements to build, operate and finance the world's first Tricoya<sup>®</sup> wood chip manufacturing plant (the "**Tricoya<sup>®</sup> Project**"), progress with the expansion of our Accoya<sup>®</sup> plant in the Netherlands and a Firm Placing and Open Offer to raise up to €14 million (before expenses) at the Offer Price of €0.69 per New Ordinary Share.

**Highlights**

- The Tricoya<sup>®</sup> Project agreements follow Accsys' strategy which includes increasing its manufacturing capacity and commercialising its proprietary intellectual property in order to generate significantly higher revenue and maximise returns for shareholders
- The significant increase in manufacturing capacity will allow Accsys to meet demand from the substantial and growing markets for Accoya and Tricoya globally
- Comprehensive financing arrangements fully fund the building of a new Tricoya<sup>®</sup> chip plant in Hull, including a combination of debt and equity from BP, Medite, BGF and Volantis and debt from RBS
- Partnerships with BP, Medite and Solvay Acetow, together with funding, endorse Accsys' patented Accoya<sup>®</sup> and Tricoya<sup>®</sup> technology and prospects for the future
- Expansion of Arnhem Accoya<sup>®</sup> plant continues to progress with completion of the fully funded first stage of expansion to 60,000m<sup>3</sup> of annual capacity expected by the end of 2017
- Future success of the projects is reinforced by minimum offtake agreements with Medite and Solvay Acetow
- Loan interest payments delayed until the new plants are expected to be in operation
- Firm Placing and Open Offer of new Accsys shares to raise up to €12.2 million (net of expenses), strengthening the Company's balance sheet in the context of the two significant capital projects, including funding working capital and maintaining optimal inventory levels

Accsys has today also announced an update on trading, with sales volumes of Accoya® reaching 31,599m<sup>3</sup> in the ten months from 31 March 2016 to 31 January 2017, an increase of approximately 20% compared with the same period in the previous year.

**Paul Clegg, Chief Executive, commented:**

“We are delighted to update our shareholders on these two transformational projects to secure new manufacturing capacity for Tricoya® wood elements and additional capacity for Accoya® solid wood. These developments will allow us to take advantage of the growing market opportunity for both Tricoya and Accoya which we believe to be substantial with demand continuing to grow for both products.

“Our ongoing relationship with industry leaders, BP, Medite and Solvay Acetow, and new financial backing from BGF, Volantis and RBS, are a strong endorsement of Accsys’ unique expertise and technologies. As a result, we are extremely well placed to capitalise on the significant growth potential for the benefit of our shareholders.

“These strategic initiatives are underpinned by strong revenue and demand growth, announced in this morning’s trading update and we are excited about the transformational developments reflected in today’s announcements.”

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION EU 596/2014 ("MAR"). IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN MAR) WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION AS PERMITTED BY MAR. THAT INSIDE INFORMATION IS SET OUT IN THIS ANNOUNCEMENT AND HAS BEEN DISCLOSED AS SOON AS POSSIBLE IN ACCORDANCE WITH PARAGRAPH 7 OF ARTICLE 17 OF MAR. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THE INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION IN RELATION TO THE COMPANY AND ITS SECURITIES.**

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**Information on the Tricoya® Project, the ongoing expansion of the Arnhem Plant and the Firm Placing and Open Offer is set out below.**

**The terms and conditions of the Firm Placing are contained in Appendix 1 to this Announcement. Capitalised terms in this Announcement are defined in Appendix 2 to this Announcement. The Prospectus will also be available on the Company's website: [www.accsysplc.com](http://www.accsysplc.com).**

**Information on the Tricoya® Project, the ongoing expansion of the Arnhem Plant and the Firm Placing and Open Offer**

## **1. INTRODUCTION**

The Company today announces (A) an update on trading, with sales volumes of Accoya® reaching 31,599m<sup>3</sup> in the ten months from 31 March 2016 to 31 January 2017, (B) the entry into and successful completion of its agreements for the financing, construction and operation of the Hull Plant with its Tricoya® Consortium partners and (C) its proposal to raise €12,006,000 (before expenses) through the issue of 17,400,000 New Ordinary Shares pursuant to a Firm Placing and up to €2,017,550 (before expenses) through the issue of up to 2,923,986 New Ordinary Shares pursuant to an Open Offer.

The expansion of the Arnhem Plant and the entry into the Tricoya® Project agreements represent transformational developments for the Group and an endorsement of the Company’s technologies and prospects. Set out below is information in respect of the Arnhem Plant expansion, the first stage of which will increase Accoya® manufacturing capacity by 50%, and in respect of the Tricoya® Project, which will be comprehensively funded by the Tricoya® Consortium in a manner to the benefit of the Group.

The Firm Placing and Open Offer will be at an offer price of €0.69 per New Ordinary Share (the “**Offer Price**”). The Offer Price was set having regard to the prevailing market conditions and the size of the Firm Placing and Open Offer, and is equal to the Closing Price of €0.69 per Ordinary Share on the Last Practicable Date.

The net proceeds of the Firm Placing will be used to fund working capital and to strengthen the Company’s balance sheet in the context of the two significant capital projects that it is undertaking, being the expansion of the Arnhem Plant and the construction by Tricoya Ventures UK Limited of the Hull Plant. Any further proceeds raised on subscription under the Open Offer will supplement the working capital resources of the Group.

The Firm Placing and Open Offer requires the approval of Shareholders to proceed. The shareholder approvals necessary for the Firm Placing and Open Offer will be sought at the General Meeting to be held at 11:00 a.m. on 21 April 2017, the full details of which are set out in the Notice of General Meeting at the end of the Prospectus.

Details of the Firm Placing and Open Offer can be found in section 4 below. Details of the Arnhem Plant expansion can be found in section 5 below and details of the Tricoya<sup>®</sup> Project can be found in section 6 below.

## **2. INFORMATION ON THE COMPANY**

The Company is incorporated in England and Wales and has its shares admitted to trading on AIM and Euronext. The Company is a chemical technology group focused on the development and commercialisation of a range of innovative technologies based upon the acetylation of solid wood and wood elements (wood chips, fibres and particles) for use as class leading and high performance environmentally sustainable construction materials.

The Group’s principal products are:

- Accoya<sup>®</sup>, a unique, leading high technology long life solid wood. Accoya<sup>®</sup> is typically used for windows, external doors, cladding, siding, decking and structural and civil engineering projects on account of its world class dimensional stability and Class 1 durability; and
- Tricoya<sup>®</sup> wood elements, which are produced using the Company’s proprietary technology for the acetylation of wood chips, fibres and particles, primarily for use in the fabrication of panel products. Typical usages include façade cladding/siding and other secondary exterior applications, window components, door components, door skins and wet interiors, including wall linings.

The Group operates the Arnhem Plant, an Accoya<sup>®</sup> production facility in Arnhem in the Netherlands, which currently has production capacity of approximately 40,000m<sup>3</sup> of Accoya<sup>®</sup> per annum. Accoya<sup>®</sup> produced in Arnhem is now being sold across Europe, North America, Chile, Australia, New Zealand, China, India, Israel, Mexico, Morocco and South East Asia under 61 Accoya<sup>®</sup> distributor, supply or agency agreements.

Limited volumes of the Accoya<sup>®</sup> produced are also being sold to Medite, the Group’s historic Tricoya<sup>®</sup> joint development partner and a member of the Tricoya<sup>®</sup> Consortium, for chipping into Tricoya<sup>®</sup> and the subsequent production and sale by Medite of Tricoya<sup>®</sup> Extreme Durable MDF panels (“**Medite Tricoya<sup>®</sup>**”). Production and sale of Medite Tricoya<sup>®</sup> from 2012 to date has been limited to market development, following successful market testing carried out prior to 2012, but exceeds 17,200m<sup>3</sup> / 1,585,000m<sup>2</sup> to date.

Further details of the Group’s current products and operations are contained in Part VII (Information on the Accsys Group) of the Prospectus.

### 3. CURRENT TRADING AND PROSPECTS

In the 12 months to 30 September 2016, demand for Accoya® was strong despite unexpected supply chain bottleneck issues, with sales from Arnhem reaching 34,532m<sup>3</sup>, increasing from 33,464m<sup>3</sup> in the 12 months to 30 September 2015 and from 30,129m<sup>3</sup> in the 12 months to 30 September 2014, notwithstanding price increases implemented to manage demand, which also increased margins.

In the ten months from 31 March 2016 to 31 January 2017, sales volume of Accoya® was 31,599m<sup>3</sup>, an increase of approximately 20% compared with the same period in the previous year (31 March 2015 to 31 January 2016: 26,262m<sup>3</sup>). In the ten months from 31 March 2016 to 31 January 2017, total revenue for the Company increased 10% to €45.3 million compared with the same period in the previous year (source: internal management accounting records). The strong sales of Accoya® during this period were in part helped by the resolution of the unexpected supply chain bottleneck. This continued recent increase in sales volumes means that the Arnhem Plant now operates at or near to maximum production capacity of approximately 40,000m<sup>3</sup>.

EBITDA for the six months ended 30 September 2016 was €(1.3 million) (2015: €1.3 million). A number of factors contributed to a lower EBITDA, including lower licence related income, a change in timing of the annual plant maintenance stop (which fell in the first half of the year whereas it fell in the second half of the previous year), a new pricing regime with Solvay Acetow and higher costs associated with the formation of the Tricoya® Consortium.

Sales of Medite Tricoya® have increased as follows in recent years:

<b>Year (to 31 December)</b>	<b>Sales volume (m<sup>3</sup>)</b>
2012	949
2013	2,199
2014	3,853
2015	4,150
2016	5,245

Medite Tricoya® production volume and sales have, however, to date been constrained by the limited volume of Accoya® available to produce Tricoya®, and the significantly higher cost of producing Tricoya® from chipping Accoya®, as compared to continuous acetylated chip production in a dedicated plant.

Demand for both Accoya® and Tricoya® has therefore been growing over a number of years but is now approaching the point where further growth is constrained by production capacity. The Directors believe that sales and revenue will continue to grow when supply increases to meet demand. To capture this growth opportunity, increased production of Accoya® at Arnhem and a dedicated Tricoya® production plant are now required.

### 4. REASONS FOR THE FIRM PLACING AND OPEN OFFER AND USE OF PROCEEDS

The Company proposes to raise €12 million (before expenses) by way of the Firm Placing and up to €2 million (before expenses) by way of the Open Offer.

The Group intends that the net proceeds of the Firm Placing will be applied to fund working capital in respect of the Group's operations, including to maintain optimal inventory levels to support expected sales growth, and to strengthen the Company's balance sheet in the context of the two significant capital projects that it is undertaking, being the expansion of the Arnhem Plant and the construction by TVUK of the Hull Plant.

Any further proceeds raised on subscription under the Open Offer will supplement the working capital resources of the Group.

Comprehensive financing arrangements fully fund the construction of the Hull Plant and the first stage of the Arnhem Plant expansion. The below table summarises the estimated capital expenditure and other costs associated with these two significant capital projects, together with the related funding sources:

	<u>Debt</u>	<u>Equity</u>	<u>Other</u>	<u>Total</u>
<b><u>Significant capital projects - estimated funding uses</u></b>				
<b>(EUR million)</b>				
Arnhem Plant expansion (first stage) capital expenditure				22.0
Tricoya <sup>®</sup> Project funding requirement				68.2
Working capital and strengthening the balance sheet				10.2
<b><u>TOTAL</u></b>				<b><u>100.4</u></b>
<b><u>Related funding sources</u></b>				
<b>(EUR million)</b>				
Tricoya <sup>®</sup> Consortium	33.4	34.4	0.4	68.2
Solvay Acetow Loan Agreement and licence fees and sale and leaseback of land at Arnhem	9.5	-	9.2	18.7
Group cash and facilities	-	-	3.3	3.3
Net proceeds from the Firm Placing	-	10.2	-	10.2
<b><u>TOTAL</u></b>	<b><u>42.9</u></b>	<b><u>44.6</u></b>	<b><u>12.9</u></b>	<b><u>100.4</u></b>

## 5. ARNHEM PLANT EXPANSION

The Group has begun operations to expand the production capacity of the Arnhem Plant from current levels of 40,000m<sup>3</sup> per annum to 80,000m<sup>3</sup> per annum in a two-stage expansion programme. Increased manufacturing capacity resulting from the expansion of the Arnhem Plant will enable the supply of the growing Accoya<sup>®</sup> market. In the short term, prior to the Hull Plant becoming commercially operational and whilst the expanded Arnhem Plant ramps up its production and sales, the expansion of the Arnhem Plant will enable the Group to continue to supply greater volumes of Accoya<sup>®</sup> for use in developing the market for Medite Tricoya<sup>®</sup>.

The Group has planned to invest approximately €22 million towards the capital costs of the first stage of the Arnhem Plant expansion, which will increase production capacity to 60,000m<sup>3</sup> per annum. The Group intends to fund this €22 million investment from the following sources: (i) borrowings of approximately €9.5 million and licence fees of approximately €5 million, in each case from the Group's European Accoya<sup>®</sup> licensee, Solvay Acetow, and (ii) the proceeds from the sale and leaseback of the Group's land at Arnhem in August 2016, being approximately €4.2 million. The balance, and the Company's working capital requirements, are to be met by the Company's cash resources.

In November 2015 the Company entered into a number of new agreements with Solvay Acetow which will facilitate the expansion of the Arnhem Plant. Under the €9.5 million Solvay Acetow Loan Agreement, there is a two year interest payment holiday during which time any accrued interest is to be capitalised into principal debt. In addition to the Solvay Acetow Loan Agreement, the new agreements that the Company entered into with Solvay Acetow include an off-take agreement, pursuant to which Solvay Acetow has agreed to purchase a minimum of 76,000m<sup>3</sup> of Accoya<sup>®</sup> from the Arnhem Plant in aggregate during the years 2016 to 2020 (inclusive), with annual minimum volumes increasing each year in this period.

The agreements with Solvay Acetow follow a number of years of sustained and significant growth in Accoya<sup>®</sup> sales. The Arnhem Plant now operates at or near to maximum production capacity of approximately 40,000m<sup>3</sup> per annum. In the ten months from 31 March 2016 to 31 January 2017, sales volume of Accoya<sup>®</sup> was 31,599m<sup>3</sup>, an increase of approximately 20% compared with the same period in the previous year (31 March 2015 to 31 January 2016: 26,262m<sup>3</sup>), notwithstanding price increases implemented to manage demand, which also increased margins. The Directors believe that the long-term market opportunity remains substantial, with annual

demand in excess of 1 million m<sup>3</sup> of Accoya<sup>®</sup> per annum being achievable in the long term and average gross margins of around 30% being achievable in the medium term in view of the reduced costs per unit which could result from increased production.

Work has commenced in respect of the first of the two stages of the Arnhem Plant expansion. This first stage includes both installing a third reactor that will increase capacity to a total of approximately 60,000m<sup>3</sup> per annum and installing the back-bone infrastructure necessary for further expansion. This first stage of expansion comprises two key phases: the first of these, which has involved reconfiguring chemical infrastructure stations, has now been completed, and allows space for the installation of the third reactor. The second phase, which will involve the construction and installation of the third reactor, is expected to complete towards the end of calendar year 2017.

As the second stage of the Arnhem Plant expansion, a fourth reactor may be added at a later date, as demand requires. As the fourth reactor would use the back-bone infrastructure built at the first stage, it could be added at relatively low cost and the Group would expect to be able to fund construction from its own resources.

Additional capacity at the Arnhem Plant is required to enable the Group to meet increasing market demand for Accoya<sup>®</sup> and to continue the momentum of growth. The increased manufacturing capacity will allow for an increase in the volume and mixture of Accoya<sup>®</sup> inventory, enabling the Group to increase sales and to better service customer needs both before and after the expansion. The increased capacity will also provide the Company with greater flexibility for targeting new markets, as well as producing material in the short term for production of Medite Tricoya<sup>®</sup>. The expansion will facilitate lower costs per unit and should further increase the overall efficiency of the Arnhem Plant, to the benefit of the performance of the Group's manufacturing segment.

Further details of the arrangements with Solvay Acetow are contained in paragraph 11 (Material Contracts) of Part XII (Additional Information) of the Prospectus, and additional details of the Arnhem Plant are contained in paragraph 2 of Part VII (Information on the Accsys Group) of the Prospectus.

## **6. TRICOYA<sup>®</sup> PROJECT**

### ***Hull Plant***

The Company has today announced the entry into and successful completion of a number of agreements pertaining to the financing, construction and operation of the Hull Plant, the world's first dedicated Tricoya<sup>®</sup> wood chip manufacturing plant and sales facility, in Saltend Chemical Park in Hull, UK. Whilst the production of Tricoya<sup>®</sup> wood elements has to date been on a small scale (for market development feedstock derived from Accoya<sup>®</sup> wood), sales have significantly increased year on year since supplies of market development Tricoya<sup>®</sup> panel commenced in 2012. Despite this success, the manufacturing costs of producing Tricoya<sup>®</sup> wood elements from chipped Accoya<sup>®</sup> wood are approximately 50% higher than the expected cost of producing Tricoya<sup>®</sup> wood elements in a dedicated, continuous process flow plant and the lack of dedicated Tricoya<sup>®</sup> facility has constrained sales.

The Company has therefore established the Tricoya<sup>®</sup> Consortium to fund, build and operate the Hull Plant. The total funding requirements for the Tricoya<sup>®</sup> Project are expected to be approximately €68 million. Pre-construction engineering and design work for the Hull Plant was finished in 2016 and its construction is expected to be completed by early 2019.

The Hull Plant is expected to have an initial capacity of 30,000 metric tonnes of acetylated Tricoya<sup>®</sup> chips per annum, enough to produce approximately 40,000m<sup>3</sup> of Tricoya<sup>®</sup> panel products per annum. The Hull Plant is expected to reach EBITDA breakeven at approximately 40% design capacity. It is expected to take approximately four years to reach full capacity following completion after which there will be scope for

expansion. The modular design of the Hull Plant is expected to allow for an efficient expansion when market conditions dictate.

### ***Funding of the Tricoya<sup>®</sup> Project***

The following table sets out management's expectation of the uses and sources of funding in respect of the Tricoya<sup>®</sup> Project:

<b><u>USES</u></b>	<b><u>Total</u></b>	<b><u>Comments</u></b>
<b><u>(EUR million)</u></b>		
TTL operating expenses (in relation to global exploitation of Tricoya <sup>®</sup> )	7.5	Excludes licence fee from TVUK
TVUK – Hull Plant capex	58.9	
TVUK – working capital/operating losses to breakeven	1.8	
	<b><u>68.20</u></b>	

<b><u>SOURCES</u></b>	<b><u>Debt</u></b>	<b><u>Equity</u></b>	<b><u>Income/Other</u></b>	<b><u>Total</u></b>	<b><u>Comments</u></b>
<b><u>(EUR million)</u></b>					
BGF (net of fees)	11.85	2.01		13.86	Debt comprises loan notes issued by Accsys; equity comprises investment into TTL
Volantis (net of fees)	6.53	1.11		7.64	Debt comprises loan notes issued by Accsys; equity comprises investment into TTL
BP Ventures		6.60		6.60	Investment into TTL; €2.2 million received to date
BP Chemicals		13.70		13.70	Investment into TVUK
Medite		11.00		11.00	Investment into TTL and TVUK
Life+ subsidy			0.40	0.40	EU subsidy awarded to the Tricoya <sup>®</sup> Project
RBS	15.00			15.00	€17.2 million total TVUK facility allows for rolled up interest and fees
				<b><u>68.20</u></b>	

The equity investments made by the members of the Tricoya<sup>®</sup> Consortium are split between Tricoya Ventures UK Limited (“**TVUK**”) and Tricoya Technologies Limited (“**TTL**”). TVUK will own and operate the Hull Plant. TTL will continue to exploit all Tricoya<sup>®</sup> related intellectual property and will benefit from any future Tricoya<sup>®</sup> related revenues other than those generated by the Hull Plant.

The equity funding commitments and post-funding equity interests of the Tricoya<sup>®</sup> Consortium in TTL and TVUK are as follows:

<b>Into TTL: Investor</b>	<b>Equity funding commitments (€m)</b>	<b>Post-funding equity interests (%)<sup>1</sup></b>
Accsys	18.4	74.6
Medite	7.0	12.1
BP Ventures	6.6	9.0
BGF	2.1	2.8
Volantis	1.1	1.5

<b>Into TVUK: Investor</b>	<b>Equity funding commitments (€m)</b>	<b>Post-funding equity interests (%)</b>
TTL	28.5	61.8
BP Chemicals	13.7	30.0
Medite	4.0	8.2

Further details on the members of the Tricoya<sup>®</sup> Consortium and the funding committed by them is set out below:

**a) BP**

BP Chemicals has been a key partner of the Company since agreeing a collaborative strategic relationship in 2012, supplying acetic anhydride for the Arnhem Plant. Under the Tricoya<sup>®</sup> Project agreements, BP Chemicals will be the sole supplier of acetic anhydride to the Hull Plant from its anhydride production facility located adjacent to the Hull Plant under a minimum six year supply agreement.

BP will invest a total of €20.3 million in the Tricoya<sup>®</sup> Project. BP Chemicals will contribute up to a total of €13.7 million as equity into TVUK, aligning its interest with the plant it is supplying. BP Ventures, BP's venture capital arm, will invest €6.6 million as equity into TTL to benefit from the long term opportunity that the Tricoya<sup>®</sup> Consortium believes exists in respect of exploiting Tricoya<sup>®</sup> globally. €2.2 million of this has already been invested by BP Ventures in TTL and €0.3 million has already been invested into TVUK by BP Chemicals.

**b) Medite**

Medite, part of the Coillte group, has been the Company's long term development partner for Tricoya<sup>®</sup> since 2009 and has been successfully selling Medite Tricoya<sup>®</sup> panels since 2012. Sales have increased each year, and total Medite Tricoya<sup>®</sup> sales to date exceed 17,200 m<sup>3</sup> / 1,585,000 m<sup>2</sup>, representing a sales value of approximately €26 million.

Under the Tricoya<sup>®</sup> Project arrangements, Medite has agreed an off-take agreement under which, in the first year of production at the Hull Plant, a minimum of 6,000 tonnes of Tricoya<sup>®</sup> per annum, representing 20% of the Hull Plant design capacity (30,000 tonnes per annum), is to be sold or paid for by Medite. As production at the Hull Plant increases, this off-take agreement provides for the ramp up in Medite's commitment, reaching a minimum of 12,000 tonnes, representing 40% of the total Hull Plant design capacity, by year six.

Medite will invest €7 million as equity into TTL and up to €4 million as equity into TVUK, thereby aligning its interest in both the manufacturing and the longer term global success of Tricoya<sup>®</sup>.

**c) Company**

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<sup>1</sup> Note that, for the purposes of this illustrative column, the TTL Series A preference shares and the TTL ordinary shares have been aggregated on the basis of direct equivalence in order to calculate percentages, notwithstanding the different rights enjoyed by holders of the two classes.



In October 2012, the Company contributed all of its Tricoya<sup>®</sup> intellectual property into TTL by way of exclusive licence, with rights for TTL to exploit the same on a global basis.

In February 2016, BP Ventures invested into TTL at a price which implied a pre-funding TTL valuation of €35 million. The Company has agreed a cash investment of €18.4 million by way of equity subscription in TTL. This equity subscription, together with the pre-funding value attributed by the Tricoya<sup>®</sup> Consortium to TTL and the value associated with the Group's historical supply of lower priced Accoya<sup>®</sup> for market development, result in the Group maintaining a total equity interest of 74.6%. The equity subscription is funded by the Company's issue of the Loan Notes to BGF and Volantis, details of which are set out below.

In addition, the Company can generate up to approximately 6.1% additional equity in TTL over the next two years as a result of the continued supply by the Company of lower priced Accoya<sup>®</sup> to Medite to enable continued market development ahead of the completion of the Hull Plant.

*d) BGF and Volantis*

BGF is an investment company that provides long-term equity funding to growing UK companies to enable them to execute their strategic plans. Volantis is managed by AlphaGen Capital Limited, which is a global asset management firm specialising in alternative investment strategies and is wholly owned by Henderson Global Investors.

BGF and Volantis will invest an aggregate of £19 million as financial investors following an extensive review of financing options by the Company in conjunction with its financial advisors, Opus Corporate Finance. BGF and Volantis have agreed to invest on similar terms but are investing separately, with BGF accounting for 65% of the £19 million total.

Specifically:

- (i) BGF has been issued £10,476,974 in principal of unsecured fixed rate loan notes due 2021 by the Company (the “**BGF Loan Notes**”); and
- (ii) BGF has subscribed for 1,028,355 Series A preference shares in TTL for an aggregate subscription price of €2,056,710 (satisfied by payment of £1,773,026.32),

((i) and (ii) together, the “**BGF Financing**”).

Likewise:

- (i) Volantis has been issued £5,773,026 in principal of unsecured fixed rate loan notes due 2021 by the Company (the “**Volantis Loan Notes**”); and
- (ii) Volantis has subscribed for 566,645 Series A preference shares in TTL for an aggregate subscription price of €1,133,290 (satisfied by payment of £976,973.68),

((i) and (ii) together, the “**Volantis Financing**”).

In addition, the Company has granted BGF an option to subscribe for up to 5,838,954 Ordinary Shares, exercisable at a price of £0.62 per Ordinary Share at any time until 31 December 2026, subject to customary anti-dilution protections and reductions to the exercise price in certain circumstances (the “**BGF Option**”). The Ordinary Shares underlying the BGF Option represent 6.4% of the current issued share capital of the Company,

and will represent 5.3% of the issued share capital of the Company after the completion of the Firm Placing and Open Offer (assuming full take up under the Open Offer).

Likewise, the Company has granted Volantis an option to subscribe for up to 3,217,383 Ordinary Shares exercisable at a price of £0.62 per Ordinary Share at any time until 31 December 2026, subject to customary anti-dilution protections and reductions to the exercise price in certain circumstances (the “**Volantis Option**”). The Ordinary Shares underlying the Volantis Option represent 3.5% of the current issued share capital of the Company, and will represent 2.9% of the issued share capital of the Company after the completion of the Firm Placing and Open Offer (assuming full take up under the Open Offer).

The Company has agreed to use its reasonable endeavours to obtain shareholder authorities at the General Meeting to grant to BGF a further option in respect of 2,610,218 Ordinary Shares (the “**BGF Additional Option**”) and to grant to Volantis a further option in respect of 1,438,284 Ordinary Shares (the “**Volantis Additional Option**”). If Resolutions 2 and 5 are not passed at the General Meeting in respect of the BGF Additional Option and the Volantis Additional Option, the Company has agreed to use its reasonable endeavours to obtain the necessary shareholder authorities at the next annual general meeting of the Company (the “**Second Meeting**”) and, if the Company is unable to obtain the shareholder authorities at the Second Meeting, at the next annual general meeting of the Company thereafter (the “**Third Meeting**”).

In the case of BGF, if the Company is unable to obtain shareholder approval to grant the BGF Additional Option at the Third Meeting, or has not obtained shareholder approval at any time prior to that meeting when the BGF Loan Notes are to be redeemed in full, and to the extent that the market value of an Ordinary Share exceeds £0.62 (subject to adjustment), BGF will become entitled to a cash settlement that will be payable by the Company in accordance with the process set out in paragraph 11 (Material Contracts) of Part XII (Additional Information) of the Prospectus. Volantis will likewise be entitled to receipt of a cash settlement in equivalent circumstances.

Further details of the Tricoya<sup>®</sup> Consortium contractual arrangements are set out in paragraph 11 (Material Contracts) of Part XII (Additional Information) of the Prospectus.

In addition, TVUK has entered a six-year €17.2 million (€15 million net) finance facility agreement with The Royal Bank of Scotland Plc (“**RBS**”) in respect of the construction and operation of the Hull Plant (the “**RBS Facility Agreement**”). Interest payable under the RBS Facility Agreement is rolled up until the Hull Plant is expected to be cash-flow generative. Further details of the RBS Facility Agreement are provided in paragraph 11 (Material Contracts) of Part XII (Additional Information) of the Prospectus.

### ***Global exploitation of Tricoya<sup>®</sup>***

Since 2012, TTL has benefited from an exclusive licence granted by the Company for the exploitation of the Tricoya<sup>®</sup> technology on a global basis.

TTL has now granted TVUK a sub-licence to manufacture Tricoya<sup>®</sup> at the Hull Plant and sell the same on an exclusive basis in the UK and on a non-exclusive basis in certain other countries (the “**Production Licence**”), in each case where customers have first entered into a licence agreement with TTL, providing for the use of Tricoya<sup>®</sup> in the production of panels and the marketing of the same (the “**User Licence**”).

TTL will therefore receive a combination of (i) up-front licence fees and on-going production royalties from TVUK under the Production Licence and (ii) royalties under the User Licences from third party customers buying Tricoya<sup>®</sup> from TVUK.

Additional licence or consortium agreements are expected to be agreed in the future by TTL in respect of the manufacture and sale of Tricoya<sup>®</sup> elsewhere in the world to exploit a market which the Directors believe to be currently in excess of 1.6 million m<sup>3</sup> per annum. In this respect Tricoya<sup>®</sup> panels have now been sold in more than 25 countries worldwide to date, exceeding 17,200m<sup>3</sup> / 1,585,000m<sup>2</sup> in volume, representing a sales value to Medite of c. €26 million.

The construction and operation of the Hull Plant is expected not only to address existing supply constraints but also to promote the increased supply of Tricoya<sup>®</sup>, which in turn is expected to lead to demand for additional Tricoya<sup>®</sup> production plants worldwide.

## **7. PRINCIPAL TERMS AND CONDITIONS OF THE FIRM PLACING AND OPEN OFFER**

The Firm Placing and Open Offer is conditional upon:

- the passing of the First and Fourth Resolutions at the General Meeting;
- Admission becoming effective by no later than 8:00 a.m. (BST) on 24 April 2017 (or such later time and/or date as the Company and the Underwriter may determine); and
- the Underwriting Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

The shareholder approvals necessary for the Firm Placing and Open Offer will be sought at the General Meeting to be held at 11:00 a.m. on 21 April 2017, the full details of which are set out in the Notice of General Meeting at the end of the Prospectus.

17,400,000 New Ordinary Shares (the “**Firm Placing Shares**”) will be placed with the Firm Placees at the Offer Price of €0.69 per Ordinary Share subject to, and in accordance with, the Underwriting Agreement. The Firm Placing is expected to raise gross proceeds of approximately €12 million. The Firm Placing Shares are not subject to clawback and are not part of the Open Offer.

The Firm Placing is underwritten by Numis subject to the conditions set out in the Underwriting Agreement. The Open Offer is not being underwritten. A summary of the principal terms of the Underwriting Agreement is set out in paragraph 11 of Part XII (Additional Information) of the Prospectus.

### ***Open Offer Entitlements***

The Directors propose to offer Open Offer Shares by way of the Open Offer to all Qualifying Shareholders (other than, subject to certain exceptions, Restricted Shareholders and persons in the United States) on the following basis:

#### **1 Open Offer Share at €0.69 each for every 31 Existing Ordinary Shares**

held and registered in that Shareholder’s name as at the Record Time, and so in proportion to any other number of Ordinary Shares that each Qualifying Shareholder then holds and otherwise on the terms and conditions as set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Application Form.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders’ entitlement and will be aggregated and made available under the Excess Application Facility.

### ***Excess Application Facility***

Qualifying Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at the Offer Price through the Excess Application Facility. Qualifying Shareholders may apply for Excess Open Offer Shares up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares registered in their name at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all.

### *Miscellaneous*

Open Offer Entitlements set out in an Application Form may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result or a renunciation of those rights or otherwise). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST and an Application Form used instead.

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* with the Existing Ordinary Shares including the right to receive dividends or distributions made, paid or declared after the date of their issue. Application will be made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and on AIM at 8:00 a.m. (BST) on 24 April 2017.

Details of the further terms and conditions of the Open Offer, including the procedure for acceptance and payment and the procedure in respect of entitlements not taken up, are set out in Part X (Terms and Conditions of the Open Offer) of the Prospectus and, where relevant, will also be set out in the Application Form.

Application will be made for the Open Offer Entitlements and Excess Open Offer Entitlements to be admitted to CREST (in respect of Qualifying CREST Shareholders) and Euroclear Nederland (in respect of Qualifying Euroclear Shareholders). It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be credited to stock accounts of Qualifying CREST Shareholders and to the stock accounts of Intermediaries on 30 March 2017. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

**Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders and Qualifying Euroclear Shareholders should note that, although the Open Offer Entitlements and the Excess Open Offer Entitlements will be admitted to CREST and Euroclear Nederland respectively, and be enabled for settlement, neither the Open Offer Entitlements nor the Excess Open Offer Entitlements will be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear UK's Claims Processing Unit. New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. Any Open Offer Shares which are not applied for under the Open Offer may be allocated to other Qualifying Shareholders under the Excess Application Facility.**

## **8. OVERSEAS SHAREHOLDERS**

Qualifying Shareholders who have registered addresses outside of the United Kingdom or the Netherlands or who are citizens or residents of countries other than the United Kingdom or the Netherlands, or who are holding Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward the Prospectus or, when issued, an Application Form to such persons, should read Part XI (Overseas Shareholders) of the Prospectus.

In particular, Overseas Shareholders should consult their professional advisers as to whether they require any governmental or other consent, or need to observe any other formalities, to enable them to take up their entitlements under the Open Offer.

The Prospectus has been sent to all Shareholders on the register of members of the Company at the Record Time. However, the Prospectus does not constitute an offer to sell or the solicitation of any offer to purchase securities in any jurisdiction in which it may be unlawful to do so, and, in these circumstances, the Prospectus and/or any Application Form must be treated as sent for information only and should not be copied or redistributed.

## **9. TAXATION**

The taxation consequences for Qualifying Shareholders of the Firm Placing and Open Offer will depend upon the jurisdiction in which the relevant Qualifying Shareholder is resident for tax purposes. Certain information about UK and Dutch taxation is set out in paragraph 16 of Part XII (Additional Information) of the Prospectus. If you are in any doubt as to your tax position, or you are subject to tax in a jurisdiction other than the United Kingdom or the Netherlands, you should consult your own independent tax adviser without delay.

## **10. GENERAL MEETING**

The Firm Placing and Open Offer is subject to a number of conditions, including Shareholders' approval of the First and Fourth Resolutions to be proposed at the General Meeting.

At the General Meeting the approval of the Shareholders will also be sought in connection with the grant of the BGF Additional Option and the Volantis Additional Option (the Second and Fifth Resolutions).

In addition, the grant of the BGF Option and the Volantis Option has utilised the Directors' existing authority from the Company's 2016 annual general meeting to allot Ordinary Shares and has expended in full the Directors' existing authority from the Company's 2016 annual general meeting to allot equity securities for cash as if the statutory pre-emption rights did not apply. Therefore, the Third Resolution seeks a new general authority for the Directors to allot Ordinary Shares and the Sixth Resolution seeks a new general authority for the Directors to disapply statutory pre-emption rights on the allotment of a limited number of equity securities for cash, each to apply until the Company's annual general meeting to be held in 2017.

For the avoidance of doubt, the Firm Placing and Open Offer are not conditional upon Shareholder authority being given for any Resolutions besides the First and Fourth Resolutions.

Notice convening the General Meeting to be held at 11.00 a.m. on 21 April 2017 at Brettenham House, 19 Lancaster Place, London WC2E 7EN is set out at the end of the Prospectus.

***First Resolution – Authority to allot Ordinary Shares in respect of the Firm Placing and Open Offer***

The first resolution is an ordinary resolution authorising the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €1,016,199.30 in connection with the Firm Placing and Open Offer. This authority will expire on the date that is six months after the date of the General Meeting.

***Second Resolution – Authority to allot Ordinary Shares in respect of the grant of the BGF Additional Option and the Volantis Additional Option***

The second resolution is an ordinary resolution authorising the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €130,510.90 in connection with the grant and exercise of the BGF Additional Option and up to a nominal amount of €71,914.20 in connection with the grant and exercise of the Volantis Additional Option. This authority will expire on the date that is six months after the date of the General Meeting. Full details of the BGF Additional Option and the Volantis Additional Option, and the consequences for the Company if the Resolutions approving the grant and exercise of the BGF Additional Option and the Volantis Additional Option are not passed at the General Meeting, are provided in paragraph 11 (Material Contracts) of Part XII (Additional Information) of the Prospectus.

***Third Resolution – Authority to allot Ordinary Shares***

The third resolution is an ordinary resolution that, in addition to all existing authorities, the Directors be generally and unconditionally authorised to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €1,497,268.50. This authority will expire on the date of the annual general meeting of the Company to be held in 2017 or, if earlier, the date that is 15 months after 21 September 2016, being the date of the annual general meeting of the Company held in 2016. Together with the existing authority granted at the Company's 2016 annual general meeting (to the extent it remains unused after the grant of the BGF Option and the Volantis Option), this general authority will give the Directors the power to allot Ordinary Shares up to an aggregate nominal amount equivalent to approximately one third of the Company's enlarged share capital following the Firm Placing and Open Offer, assuming full take up under the Open Offer.

The Directors have no present intention to allot shares under the authorities requested pursuant to these Resolutions other than in connection with the Firm Placing and Open Offer, the BGF Option and BGF Additional Option and the Volantis Option and Volantis Additional Option.

***Fourth Resolution – Disapplication of pre-emption rights in respect of the Firm Placing and Open Offer***

The fourth resolution is a special resolution that, subject to the first resolution being passed, authorises the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares pursuant to the authority given by the first resolution, as if section 561 of the Companies Act 2006 did not apply to such allotment. This authority will be limited to the allotment of New Ordinary Shares in connection with the Firm Placing and Open Offer (on the terms and conditions set out in the Prospectus). This authority will expire on the date that is six months after the date of the General Meeting.

***Fifth Resolution – Disapplication of pre-emption rights in respect of the grant of the BGF Additional Option and the Volantis Additional Option***

The fifth resolution is a special resolution that, subject to the second resolution being passed, authorises the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares

pursuant to the authority given by the second resolution, as if section 561 of the Companies Act 2006 did not apply to such allotment. This authority will be limited to the grant of the BGF Additional Option and the Volantis Additional Option and the allotment and issue of Ordinary Shares pursuant thereto. This authority will expire on the date that is six months after the date of the General Meeting if the BGF Additional Option and the Volantis Additional Option have not been granted by such time.

#### ***Sixth Resolution – Disapplication of pre-emption rights***

The sixth resolution is a special resolution that, subject to the third resolution being passed, authorises the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares pursuant to the authority given by the third resolution, as if section 561 of the Companies Act 2006 did not apply to such allotment. This authority will expire on the date of the annual general meeting of the Company to be held in 2017 or, if earlier, the date that is 15 months after 21 September 2016, being the date of the annual general meeting of the Company held in 2016. This authority will give the Directors the power to allot equity securities for cash, as if section 561 of the Companies Act 2006 did not apply to such allotment, up to an aggregate nominal amount equivalent to approximately 10% of the Company's enlarged share capital following the Firm Placing and Open Offer (assuming full take up under the Open Offer).

The Directors have no present intention to exercise these authorities other than in connection with the Firm Placing and Open Offer, the BGF Option and BGF Additional Option and the Volantis Option and Volantis Additional Option.

## **11. ACTION TO BE TAKEN**

### ***In respect of the General Meeting***

You will find enclosed with the Prospectus a Form of Proxy. Whether you intend to be present at the General Meeting or not, you are asked to complete the Form of Proxy in accordance with the instructions printed thereon and to return it, along with any power of attorney or other authority under which it is signed, to SLC Registrars, 42-50 Hersham Road, Walton on Thames, Surrey, KT12 1RZ, United Kingdom, using the accompanying pre-paid envelope (for use in the UK only), or by sending a completed, signed and dated scanned version of the Form of Proxy by email to accsysproxy@davidvenus.com as soon as possible and, in any event, so as to be received by no later than 11:00 a.m. (BST) on 19 April 2017. **The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so.**

### ***In respect of the Open Offer***

Qualifying Non-CREST Shareholders (other than a Qualifying Non-CREST Shareholder who is a Restricted Shareholder or a person in the United States) will receive an Application Form with the Prospectus giving details of their Open Offer Entitlements and Excess Open Offer Entitlements and containing instructions on how to take up their entitlements under the Open Offer. If a Qualifying Non-CREST Shareholder wishes to apply for Open Offer Shares and Excess Open Offer Shares under the Open Offer (whether in respect of all or part of their Open Offer Entitlement and Excess Open Offer Entitlement), they should complete the Application Form in accordance with the procedure for application set out in Part X (Terms and Conditions of the Open Offer) of the Prospectus and on the Application Form itself. Completed Application Forms should be returned together with a cheque or banker's draft in Euro or sterling made payable to SLC Registrars re Accsys Technologies and crossed "A/C payee only", for the full amount payable on acceptance, by post or by hand (during normal business hours only) to SLC Registrars, 42-50 Hersham Road, Walton on Thames, Surrey, KT12 1RZ, United Kingdom, so it is received by no later than 11:00 a.m. (BST) on 20 April 2017.

Third party cheques may not be accepted. Such payments will be held by the Receiving Agent to the order of the Company. Cheques or banker's drafts must be drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies. Such cheques and banker's drafts must bear the appropriate sorting code in the top right-hand corner. Neither post-dated cheques nor payments via CHAPS, BACS or electronic transfer will be accepted.

If payment is made by a building society cheque (not being drawn on account of the applicant) or a bankers' draft, the building society or bank should insert details of the name of the account holder and have either added the building society or bank branch stamp, or have provided a supporting letter confirming the source of funds. The name of such account holder should be the same as the name of the Shareholder shown on page 1 or page 4 of the Application Form.

If you are a Qualifying CREST Shareholder, you will not be sent an Application Form. It is expected that SLC Registrars will instruct Euroclear UK to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than such Qualifying CREST Shareholders who are Restricted Shareholders or persons in the United States) with such Shareholders' Open Offer Entitlements and Excess Open Offer Entitlements on 30 March 2017. CREST members who wish to apply to acquire some or all of their pro-rata entitlements to Open Offer Shares and Excess Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions to take up the entitlements to Open Offer Shares and Excess Open Offer Shares of CREST sponsored members. The latest time for settlement of the relevant CREST instruction is 11:00 a.m. (BST) on 20 April 2017.

If you are a Qualifying Euroclear Shareholder, no Application Form will be sent to you and you will receive a credit to your appropriate stock account held with your Intermediary in respect of the Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements. You should refer to the procedure for application set out in paragraph 6 of Part X (Terms and Conditions of the Open Offer) of the Prospectus. The relevant application and payment in full in Euro for Open Offer Shares and Excess Open Offer Shares must have been received by the Subscription Agent by no later than 5.40 p.m. (CEST) on 19 April 2017. Your Intermediary may set an earlier deadline for application in order to enable it to communicate your application to the Subscription Agent in a timely manner.

If you have sold or do sell or have otherwise transferred or do transfer all of your Existing Ordinary Shares held in certificated form before the Ex-Entitlements Date, which is 8:00 a.m. on 30 March 2017, please forward the Prospectus together with the Form of Proxy and any Application Form, if and when received, at once to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale or transfer was/is effected for onward transmission to the purchaser or transferee except that such document when issued, should not, however, be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to any of the Restricted Jurisdictions or the United States. If you have sold or do sell or have otherwise transferred or do transfer only part of your holding of Existing Ordinary Shares (other than ex-entitlements) held in certificated form, please contact immediately the stockbroker, bank or other agent through whom the transfer was/is effected and refer to the instructions regarding stock split applications set out in the Application Form.

If you have sold or do sell or have otherwise transferred or do transfer all or some of your Existing Ordinary Shares held in uncertificated form before the Ex-Entitlements Date, a claim transaction will automatically be generated by Euroclear UK which, on settlement, will transfer the appropriate number of Open Offer Entitlements and Excess Open Offer Entitlements to the purchaser or transferee.



If you sell or otherwise transfer all or some of your existing Ordinary Shares after the Ex-Entitlements Date, then they will be sold or transferred without the entitlement to participate in the Open Offer, that is, the Open Offer Entitlements and Excess Open Offer Entitlements will not transfer with the Ordinary Shares sold or transferred. Accordingly, you will continue to be entitled to take up your Open Offer Entitlements and Excess Open Offer Entitlements in accordance with the procedure set out in Part X (Terms and Conditions of the Open Offer) of the Prospectus.

The latest time for acceptance under the Open Offer is expected to be 11:00 a.m. on 20 April 2017. The procedure for acceptance and payment is set out in Part X (Terms and Conditions of the Open Offer) of the Prospectus. Further details also appear in the Application Form that will be sent to all Qualifying Non-CREST Shareholders (other than Qualifying Non-CREST Shareholders who are Restricted Shareholders or persons in the United States).

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised pursuant to FSMA if you are resident in the UK or, if not, from another appropriate authorised independent financial adviser.

## **12. DIRECTORS' INTENTIONS**

The Directors beneficially own, in aggregate, 1,283,861 Ordinary Shares representing approximately 1.42% of the issued Ordinary Share capital of the Company as at 28 March 2017 (being the Last Practicable Date). Patrick Shanley, Paul Clegg, Nick Meyer and Sean Christie intend to take up their entitlements in full to subscribe for Open Offer Shares under the Open Offer.

## **13. DIRECTORS' RECOMMENDATION**

The Directors consider the Firm Placing and Open Offer and the Resolutions to be in the best interests of Shareholders taken as a whole.

The Company has secured attractive equity and debt financing from external parties to fund the Arnhem Plant expansion capital expenditure and the construction of the Hull Plant. In the context of these two significant capital projects that the Group is undertaking, the Board believes that the net proceeds of the Firm Placing and Open Offer are necessary to fund working capital in the Group and to strengthen the Company's balance sheet. If the Group does not proceed with the Firm Placing and Open Offer, the Group may need to delay or curtail its intended growth plans in order to operate with an appropriate level of headroom within its existing resources and facilities. In order for the Firm Placing and Open Offer to proceed, Resolutions 1 and 4 to be proposed at the General Meeting must be passed. The Directors believe that it is important that Shareholders vote in favour of all the Resolutions at the General Meeting. The Directors consider the Firm Placing and Open Offer and the Resolutions to be in the best interests of Shareholders taken as a whole.

**Accordingly the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be put to the General Meeting, as they intend to do, or procure, in respect of any of their own beneficial holdings, amounting to approximately 1,283,861 Ordinary Shares in aggregate, representing approximately 1.42% of the Existing Ordinary Shares as at the Last Practicable Date.**

#### 14. EXPECTED TIMETABLE OF THE FIRM PLACING AND OPEN OFFER

All times in the table below refer to BST unless otherwise stated. All times and dates in the table below are indicative only and may be subject to change.

Record Time for entitlement under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders	6:00 p.m. on 24 March 2017
Announcement of the Firm Placing and Open Offer	29 March 2017
Publication and posting of the Prospectus (including the Notice of General Meeting) and Forms of Proxy, and despatch of Application Forms to Qualifying Non-CREST Shareholders	29 March 2017
Record Time for entitlement under the Open Offer for Qualifying Euroclear Shareholders	6:00 p.m. (CEST) on 29 March 2017
Existing Ordinary Shares marked “ex” by Euronext Amsterdam and AIM	8:00 a.m. on 30 March 2017
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST and Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements credited to appropriate stock accounts with Intermediaries for Qualifying Euroclear Shareholders	30 March 2017
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4:30 p.m. on 12 April 2017
Latest time for depositing Open Offer Entitlements into CREST	3:00 p.m. on 13 April 2017
Latest time for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00 p.m. on 18 April 2017
Latest time for receipt of Forms of Proxy by registered Shareholders for the General Meeting	11:00 a.m. on 19 April 2017
Latest time and date for payment in full by applying Qualifying Euroclear Shareholders via their Intermediaries	5:40 p.m. (CEST) on 19 April 2017
Latest time for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11:00 a.m. on 20 April 2017
General Meeting	11.00 a.m. on 21 April 2017
Announcement of the result of the Firm Placing and Open Offer through a Regulatory Information Service	21 April 2017
Date of Admission and dealings in New Ordinary Shares commences on AIM	8:00 a.m. on 24 April 2017
Commencement of dealings in New Ordinary Shares on Euronext Amsterdam	8:00 a.m. on 24 April 2017
New Ordinary Shares credited to CREST stock accounts (Qualifying CREST Shareholders only) and to stock accounts held with Intermediaries (Qualifying Euroclear Shareholders only)	8:00 a.m. on 24 April 2017
Despatch of definitive share certificates for the New Ordinary Shares	Not later than 9 May 2017

in certificated form

## **15. KEY STATISTICS OF THE FIRM PLACING AND OPEN OFFER**

Offer Price	€0.69
Number of Firm Placing Shares	17,400,000
Number of Open Offer Shares	2,923,986
Number of Existing Ordinary Shares in issue as at the date of the Prospectus	90,643,585
Enlarged share capital following Admission	110,967,571*
Percentage of the enlarged share capital represented by the New Ordinary Shares	18.3%*
Gross proceeds of the Firm Placing	€12,006,000
Gross proceeds of the Open Offer	€2,017,550*
Estimated net proceeds of the Firm Placing and the Open Offer	Approximately €12,223,550*
Entitlement under the Open Offer	3.23%
Ordinary Shares ISIN	GB00BQQFX454
Open Offer Entitlements ISIN	GB00BD8DHZ59
Excess Open Offer Entitlements ISIN	GB00BD8DJ155

*\* assuming full take-up under the Open Offer*

**The person responsible for arranging for the release of this Announcement on behalf of Accsys is Angus Dodwell, Legal Counsel & Company Secretary.**

**For further information, please contact:**

<b>Accsys Technologies PLC</b>	Paul Clegg, CEO William Rudge, FD Johannes Pauli, Executive Director, Corporate Development	via MHP Communications
<b>Numis Securities Limited</b>	Nominated Adviser: Oliver Cardigan Corporate Broking: Christopher Wilkinson Ben Stoop	+44 (0) 20 7260 1000
<b>MHP Communications</b>	Tim Rowntree Kelsey Traynor	+44 (0) 20 3128 8100
<b>Off the Grid (The Netherlands)</b>	Frank Neervoort Giedo Van Der Zwan	+31 681 734 236 +31 624 212 238

## Notes to editors:

**Accsys Technologies PLC** ([www.accsysplc.com](http://www.accsysplc.com)) is a chemical technology group whose primary focus is on the production of Accoya® wood and 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 three principal business units: (i) Accoya® wood production; (ii) 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 (iii) the licensing of technology for the production of Accoya® wood and Tricoya® wood elements across the globe.

**Accoya® wood** ([www.accoya.com](http://www.accoya.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), Accoya® wood is particularly suited to exterior applications where performance and appearance are valued. Unlike most tropical and European hardwoods, its colour does not degrade when exposed to ultraviolet light. Moreover, the Accoya® wood production process does not compromise the wood's strength or machinability. The combination of UV resistance, dimensional stability, durability and retained strength means that Accoya® 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 Accoya® news, visit [www.accoya.com](http://www.accoya.com).

**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.

## APPENDIX 1

### TERMS AND CONDITIONS OF THE FIRM PLACING

IMPORTANT INFORMATION FOR FIRM PLACEEES ONLY REGARDING THE FIRM PLACING.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX (TOGETHER, THE “**ANNOUNCEMENT**”) AND THE INFORMATION IN IT, IS RESTRICTED, AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA, SWITZERLAND OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

IMPORTANT INFORMATION ON THE FIRM PLACING FOR INVITED FIRM PLACEEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE FIRM PLACING. THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE QUALIFIED INVESTORS AS DEFINED IN SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED, (“**QUALIFIED INVESTORS**”) BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE EU PROSPECTUS DIRECTIVE (WHICH MEANS DIRECTIVE 2003/71/EC, AS AMENDED AND INCLUDES ANY RELEVANT IMPLEMENTING DIRECTIVE MEASURE IN ANY MEMBER STATE) (THE “**PROSPECTUS DIRECTIVE**”); (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “**ORDER**”); (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC”) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS, UNLESS SPECIFICALLY AGREED WITH NUMIS, AVAILABLE ONLY TO RELEVANT PERSONS AND, UNLESS SPECIFICALLY AGREED WITH NUMIS, WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS FOR INFORMATION PURPOSES ONLY AND DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. THIS ANNOUNCEMENT HAS BEEN ISSUED BY AND IS THE SOLE RESPONSIBILITY OF THE COMPANY.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS NOT AN OFFER FOR SALE OR SUBSCRIPTION IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY JURISDICTION. THE ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS NOT AN OFFER OF OR SOLICITATION TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES HAS APPROVED OR DISAPPROVED OF AN INVESTMENT IN THE SECURITIES OR PASSED UPON OR ENDORSED THE MERITS OF THE FIRM PLACING OR THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THIS ANNOUNCEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE

IN THE UNITED STATES. NO PUBLIC OFFERING OF SECURITIES IS BEING MADE IN THE UNITED STATES.

EACH FIRM PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN FIRM PLACING SHARES. THE PRICE OF SHARES AND THE INCOME FROM THEM (IF ANY) MAY GO DOWN AS WELL AS UP AND INVESTORS MAY NOT GET BACK THE FULL AMOUNT INVESTED ON DISPOSAL OF SHARES.

These terms and conditions apply to persons making an offer to acquire Firm Placing Shares. Each person to whom these conditions apply, as described above, who confirms his agreement, either orally or in writing, to Numis and the Company to acquire Firm Placing Shares (each a “**Firm Placee**”) hereby agrees with Numis and the Company to be bound by these terms and conditions as being the terms and conditions upon which Firm Placing Shares will be issued. A Firm Placee shall, without limitation, become so bound if Numis confirms to such Firm Placee its allocation of Firm Placing Shares.

Upon being notified of its allocation of Firm Placing Shares, a Firm Placee shall be contractually committed to acquire the number of Firm Placing Shares allocated to it at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate or otherwise withdraw from such commitment.

This Announcement does not constitute an offer, and may not be used in connection with an offer, to sell or issue or the solicitation of an offer to buy or subscribe for Firm Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. This Announcement and the information contained herein is not for publication or distribution, directly or indirectly, to persons in the United States, Australia, Canada, Japan, the Republic of South Africa or Switzerland or in any other jurisdiction in which such publication or distribution is unlawful. Persons into whose possession this Announcement may come are required by the Company to inform themselves about and to observe any restrictions of transfer of this Announcement. No public offer of securities of the Company is being made under the Firm Placing in the United Kingdom, the United States or elsewhere.

In particular, the Firm Placing Shares referred to in this Announcement have not been and will not be registered under the Securities Act or any laws of, or with any securities regulatory authority of, any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States. The Firm Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act (“**Regulation S**”).

The Firm Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Firm Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

The Firm Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan, the Republic of South Africa, Switzerland or any other jurisdiction in which such offer, sale, resale or delivery would be unlawful.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this appendix or the announcement of which it forms part should seek appropriate advice before taking any action.

#### **Details of the Firm Placing**

The Firm Placing is conditional upon:

- the passing of the First and Fourth Resolutions at the General Meeting;

- Admission becoming effective by no later than 8:00 a.m. (BST) on 24 April 2017 (or such later time and/or date as the Company and the Underwriter may determine); and
- the Underwriting Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

The shareholder approvals necessary for the Firm Placing will be sought at the General Meeting to be held at 11:00 a.m. on 21 April 2017 (or any adjournment thereof), the full details of which are set out in the Notice of General Meeting in the Prospectus.

The Company and Numis have entered into an underwriting agreement (the “**Underwriting Agreement**”), pursuant to which Numis has agreed to use its reasonable endeavours to procure subscribers at the Offer Price for the Firm Placing Shares. Numis has agreed to subscribe or procure subscribers at the Offer Price for any Firm Placing Shares in respect of which Firm Placees are not found or payment is not received from Firm Placees.

The Firm Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares in the capital of the Company, including the right to receive all dividends and other distributions (if any) declared, made or paid on or in respect of the Ordinary Shares after the date of issue of the Firm Placing Shares.

#### **Application for admission to trading**

Application will be made for the Firm Placing Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the Firm Placing Shares will commence on Euronext Amsterdam and on AIM at 8:00 a.m. (BST) on 24 April 2017 (whereupon an announcement will be made by the Company to a Regulatory Information Service and sent to Euronext Amsterdam).

#### **Participation in, and principal terms of, the Firm Placing**

Participation in the Firm Placing will only be available to persons who may lawfully be, and are, invited to participate by Numis. Numis and/or its affiliates may participate in the Firm Placing as principal.

The Offer Price will be €0.69 per Firm Placing Share (the “**Offer Price**”).

Each Firm Placee’s allocation will be confirmed to Firm Placees orally by Numis, and a trade confirmation or contract note will be dispatched as soon as possible after that. The oral confirmation to such Firm Placee will constitute an irrevocable legally binding commitment upon such person in favour of Numis and the Company, under which it agrees to acquire the number of Firm Placing Shares allocated to it at the Offer Price on the terms and conditions set out in this Appendix and in accordance with the Company’s Articles of Association.

Irrespective of the time at which a Firm Placee’s allocation pursuant to the Firm Placing is confirmed, settlement for all Firm Placing Shares to be acquired pursuant to the Firm Placing will be required to be made at the same time, on the basis explained below under “Registration and Settlement”.

All obligations under the Firm Placing will be subject to fulfilment or (where applicable) waiver of, amongst other things, the conditions referred to below under “Conditions of the Firm Placing” and to the Firm Placing not being terminated on the basis referred to below under “Right to terminate under the Underwriting Agreement”.

By participating in the Firm Placing, each Firm Placee will agree that its rights and obligations in respect of the Firm Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Firm Placee.

To the fullest extent permissible by law, none of the Company, Numis or any of their respective affiliates shall have any liability to Firm Placees (or to any other person whether acting on behalf of a Firm Placee or



otherwise). In particular, none of the Company, Numis or any of their respective affiliates shall have any liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of Numis's conduct of the Firm Placing. Each Firm Placee acknowledges and agrees that the Company is responsible for the allotment of the Firm Placing Shares to the Firm Placees and Numis shall have no liability to the Firm Placees for the failure of the Company to fulfil those obligations.

### **Conditions of the Firm Placing**

The obligations of Numis under the Underwriting Agreement are conditional upon, amongst other things:

- Numis not having terminated the Underwriting Agreement in accordance with its terms prior to Admission; and
- Admission becoming effective not later than 8:00 a.m. (BST) on 24 April 2017 (or such later time and/or date, being not later than 8 May 2017, as the Company and Numis may agree).

If (i) any of the conditions contained in the Underwriting Agreement in relation to the Firm Placing Shares is not fulfilled or waived by Numis by the respective time or date where specified (or such later time or date as Numis may in its absolute discretion determine (in any event no later than 8 May 2017 (the “**Long Stop Date**”))), or (ii) the Underwriting Agreement is terminated as described below, the Firm Placing in relation to the Firm Placing Shares will lapse and the Firm Placee's rights and obligations hereunder in relation to the Firm Placing Shares shall cease and terminate at such time and each Firm Placee agrees that no claim can be made by the Firm Placee in respect thereof.

Numis may, at its absolute discretion and upon such terms as it thinks fit, waive the requirement for the Company to satisfy, or extend the period (up to the Long Stop Date) for satisfaction of, the conditions in the Underwriting Agreement, save that the conditions relating to the posting of the Prospectus, the Application Forms and the Forms of Proxy and to Admission taking place may not be waived. Any such extension or waiver will not affect Firm Placees' commitments as set out in this Announcement.

Neither Numis nor the Company shall have any liability to any Firm Placee (or to any other person whether acting on behalf of a Firm Placee or otherwise) in respect of any decision it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Underwriting Agreement nor for any decision it may make as to the satisfaction of any condition or in respect of the Firm Placing generally and by participating in the Firm Placing each Firm Placee agrees that any such decision is within the absolute discretion of Numis.

### **Right to terminate under the Underwriting Agreement**

Numis may terminate the Underwriting Agreement at any time prior to Admission if, amongst other things:

- the representations and warranties given by the Company were untrue, inaccurate or misleading when given or have ceased to be true or accurate or have become misleading, in each case to an extent which Numis considers in its sole judgement (acting in good faith) is material in the context of the Group (taken as a whole) or the Firm Placing and Open Offer;
- the Company fails to comply with any of its obligations under the Underwriting Agreement to an extent which Numis considers in its sole judgement (acting in good faith) is material in the context of the Group (taken as a whole) or the Firm Placing and Open Offer;
- in Numis' opinion (acting in good faith) a material adverse change occurs, or a development occurs that is reasonably likely to cause a material adverse change, affecting the Company; or
- in Numis' opinion (acting in good faith) (a) there has been a material adverse change in the financial markets, any outbreaks or escalation of hostilities, any act of terrorism or war or other calamity or crisis or any change or development involving a prospective change in the national or international political, financial or economic conditions, exchange rates or exchange controls, (b) trading in any securities of the Company, or trading in securities generally, is suspended or limited on the London Stock Exchange

or Euronext Amsterdam or maximum or minimum prices for trading are fixed, (c) a material disruption occurs in commercial banking or securities settlement or clearance services in the United Kingdom or the EEA, or (d) a banking moratorium is declared by the United Kingdom or an EEA State, the effect of which (singly or together) is such as to make it impracticable, inappropriate or inadvisable to proceed with the Firm Placing and Open Offer, or the underwriting of the New Ordinary Shares.

After Admission, the Underwriting Agreement will not be subject to any condition or right of termination or rescission.

The rights and obligations of the Firm Placees shall terminate only in the circumstances described in these terms and conditions and the Underwriting Agreement and will not be subject to termination by the Firm Placee or any prospective Firm Placee at any time or in any circumstances. By participating in the Firm Placing, Firm Placees agree that the exercise by Numis of any right of termination or other discretion under the Underwriting Agreement shall be within the absolute discretion of Numis, and that it need not make any reference to Firm Placees and that it shall have no liability to Firm Placees whatsoever in connection with any such exercise or decision not to exercise. No term of the Underwriting Agreement will be enforceable by the Firm Placees under The Contracts (Rights of Third Parties) Act 1999.

### **Registration and Settlement**

Settlement of transactions in the Firm Placing Shares (ISIN: GB00BQQFX454) following Admission will take place within CREST provided that, subject to certain exceptions, Numis reserves the right to require settlement for, and delivery of, the Firm Placing Shares (or a portion thereof) to Firm Placees by such other means that it deems necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in any Firm Placee's jurisdiction.

Each Firm Placee allocated Firm Placing Shares in the Firm Placing will be sent a trade confirmation or contract note stating the number of Firm Placing Shares allocated to it at the Offer Price, the aggregate amount owed by such Firm Placee to Numis (as agent for the Company) and settlement instructions. Each Firm Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the CREST or certificated settlement instructions that it has in place with Numis.

Each Firm Placee is deemed to agree that, if it does not comply with these obligations, Numis may sell any or all of the Firm Placing Shares allocated to that Firm Placee on such Firm Placee's behalf and retain from the proceeds, for Numis's account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Firm Placee. The relevant Firm Placee will, however, remain liable and shall indemnify Numis on demand for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Firm Placing Shares on such Firm Placee's behalf. By communicating a bid for Firm Placing Shares, each Firm Placee confers on Numis all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Numis lawfully takes in pursuance of such sale.

If Firm Placing Shares are to be delivered to a custodian or settlement agent, Firm Placees should ensure that the trade confirmation or contract note is copied and delivered immediately to the relevant person within that organisation.

### **Representations, Warranties and Further Terms**

By participating in the Firm Placing each Firm Placee (and any person acting on such Firm Placee's behalf) represents, warrants, acknowledges, agrees and undertakes to the Company and Numis that:

1. it (and any person acting on its behalf) will make payment for the Firm Placing Shares allocated to it in accordance with these terms and conditions on the due time and date set out herein, failing which the relevant Firm Placing Shares may be placed with other subscribers or sold as Numis may in its absolute discretion determine and without liability to such Firm Placee and it will remain liable and will indemnify Numis on demand for any shortfall below the net proceeds of such sale and the placing

proceeds of such Firm Placing Shares and may be required to bear the liability for any stamp duty or stamp duty reserve tax or security transfer tax (together with any interest or penalties due pursuant to or referred to in these terms and conditions) which may arise upon the placing or sale of such Firm Placee's Firm Placing Shares on its behalf;

2. it has read and understood the placing proof of the Prospectus dated 21 March 2017 (the "**Placing Proof**") and the Announcement, including this Appendix, in their entirety and its subscription of Firm Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained therein and in the articles of association of the Company;
3. these terms and conditions represent the whole and only agreement between it, Numis and the Company in relation to its participation in the Firm Placing and supersedes any previous agreement between any of such parties in relation to such participation. Accordingly, all other terms, conditions, representations, warranties and other statements which would otherwise be implied (by law or otherwise) shall not form part of this terms and conditions. Each Firm Placee agrees that neither the Company, Numis nor any of their respective officers or directors will have any liability for any such other information or representation and irrevocably and unconditionally waive any rights it may have in respect of any such other information or representation;
4. it and any person acting on its behalf is entitled to acquire the Firm Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities and taken any other necessary actions to enable it to commit to this participation in the Firm Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations;
5. where it is acquiring Firm Placing Shares for one or more managed accounts, it is authorised in writing by each managed account: (a) to acquire the Firm Placing Shares for each managed account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this appendix and the announcement of which it forms part; and (c) to receive on its behalf any investment letter relating to the Firm Placing in the form provided to it by Numis;
6. the person whom it specifies for registration as holder of the Firm Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither Numis nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Firm Placee and any person acting on behalf of such Firm Placee agrees to participate in the Firm Placing and it agrees to indemnify the Company and Numis in respect of the same on the basis that the Firm Placing Shares will be allotted to the CREST stock account of Numis who will hold them as nominee on behalf of such Firm Placee until settlement in accordance with its standing settlement instructions;
7. neither Numis nor any person affiliated with Numis or acting on its behalf is responsible for or shall have any liability for any information, representation or statement contained in this Announcement (including these terms and conditions), the Placing Proof, the Prospectus or any information previously published by or on behalf of the Company or any member of the Group and will not be liable for any decision by a Firm Placee to participate in the Firm Placing;
8. neither Numis, nor any person affiliated with Numis, nor any person acting on its behalf is making any recommendations to any Firm Placee or advising it regarding the suitability or merits of any transaction a Firm Placee may enter into in connection with the Firm Placing, and that participation in the Firm Placing is on the basis that the relevant Firm Placee is not and will not be a client of Numis for the purposes of the Firm Placing and each Firm Placee acknowledges that neither Numis, nor any person affiliated with Numis, nor any person acting on its behalf has any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Firm Placing

or in respect of any representations, warranties, undertakings or indemnities contained in the Underwriting Agreement or for the exercise or performance of any of Numis's rights and obligations thereunder, including any right to waive or vary any condition or exercise any termination right contained therein;

9. it has not relied on Numis or any person affiliated with Numis in connection with any investigation of the accuracy of any information contained in this Announcement or its investment decision and it has relied on its own investigation with respect to the Firm Placing Shares and the Company in connection with its investment decision;
10. in agreeing to subscribe for Firm Placing Shares, it is relying on these terms and conditions and the Placing Proof and not on any other information or representation concerning the Group, the Firm Placing or the Firm Placing Shares;
11. save in the event of fraud on its part (and to the extent permitted by the rules of the FCA), no member of the Numis Group nor any of their respective directors or employees shall be liable to any Firm Placee for any matter arising out of the role of Numis as the Company's nominated adviser and broker or otherwise, and that where any such liability nevertheless arises as a matter of law each Firm Placee will immediately waive any claim against each member of the Numis Group and any of their respective directors and employees which a Firm Placee may have in respect thereof;
12. Numis does not owe any fiduciary or other duties to any Firm Placee in respect of any representations, warranties, undertakings or indemnities in the Underwriting Agreement
13. it has observed, and will observe, the laws of all relevant jurisdictions, obtained any requisite consents, complied with all relevant formalities and paid any issue, transfer or other taxes due in connection with its subscription for Firm Placing Shares in any territory and it has not taken, and will not take, any action which will or may result in Numis or the Company being in breach of the legal or regulatory requirements of any jurisdiction;
14. its application for Firm Placing Shares is irrevocable and if for any reason it becomes necessary to adjust the expected timetable as set out in this Announcement, the Placing Proof or the Prospectus, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates;
15. its acceptance of the Firm Placing is not by way of acceptance of the public offer to be made in the Prospectus and Application Form but is by way of a collateral contract and, as such, section 87Q of FSMA does not entitle it to withdraw in the event that the Company publishes a supplementary prospectus in connection with the Firm Placing and Open Offer. If, however, it is entitled to withdraw, by participating in the Firm Placing, it agrees to confirm its acceptance of the offer on the terms contained in the Announcement, including this Appendix, on the same terms immediately after such right of withdrawal arises;
16. it will comply with the disclaimers contained in this Announcement and the selling restrictions set out in these terms and conditions, the Placing Proof and the Prospectus;
17. the Firm Placing Shares have not been and will not be registered under the Securities Act, or under the securities legislation of, or with any securities regulatory authority of, any state or other jurisdiction of the United States and that, subject to certain exceptions, the Firm Placing Shares may not be offered, sold, pledged, resold, transferred, delivered or distributed into or within the United States;
18. it is: (i) located outside the United States and are not a US person as defined in Regulation S and are subscribing for the Firm Placing Shares only in "offshore transactions" as defined in and pursuant to Regulation S, and (ii) it is not subscribing for Firm Placing Shares as a result of any "directed selling

efforts” as defined in Regulation S or by means of any form of “general solicitation” or “general advertising” as such terms are defined in Regulation D under the Securities Act;

19. it is not and was not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to subscribe for Firm Placing Shares was given and it is not acquiring Firm Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any Firm Placing Shares into the United States and it will not reoffer, resell, pledge or otherwise transfer the Firm Placing Shares except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and otherwise in accordance with any applicable securities laws of any state or jurisdiction of the United States;
20. unless otherwise specifically agreed in writing with Numis, it is not located in or a citizen or resident of or a corporation, partnership or other entity created or organised in or under any laws of Australia, Canada, Japan, the Republic of South Africa or Switzerland (each a “**Restricted Jurisdiction**”) and acknowledges that the Firm Placing Shares have not been and will not be registered nor will a prospectus be prepared in respect of the Firm Placing Shares under the securities legislation of any Restricted Jurisdiction and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, in or into those jurisdictions;
21. it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Firm Placing Shares and it is not acting on a non-discretionary basis for any such person;
22. it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Announcement, the Placing Proof, the Prospectus or any other offering materials concerning the Firm Placing and Open Offer to any persons within the United States or any Restricted Jurisdiction, nor will it do any of the foregoing;
23. if the Firm Placing does not proceed or the conditions to the Underwriting Agreement are not satisfied then none of Numis or the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to you or any other person;
24. if it confirms to Numis on behalf of a Firm Placee an agreement to subscribe for Firm Placing Shares and/or authorises Numis to notify such Firm Placee’s name to the Registrars, it represents and warrants that it has authority to do so on behalf of that Firm Placee;
25. (i) it has complied with its obligations under the Criminal Justice Act 1993, Part VIII of FSMA and the EU Market Abuse Regulation (EU/596/2014), (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering Regulations 2007 and (iii) it is not a person: (a) with whom transactions are prohibited under the Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations (together, the “**Regulations**”); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to Numis such evidence, if any, as to the identity or location or legal status of any person

which Numis may request from it in connection with the Firm Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by Numis on the basis that any failure by it to do so may result in the number of Firm Placing Shares that are to be purchased by it or at its direction pursuant to the Firm Placing being reduced to such number, or to nil, as Numis may decide in its absolute discretion;

26. it is not, and it is not applying as nominee or agent for, a person to whom the issue would give rise to a liability under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Firm Placing Shares allocated to it are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Firm Placing Shares into a clearing system;
27. if it is a resident in the European Economic Area, it is, unless otherwise specifically agreed with Numis in writing, a “qualified investor” within the meaning of the law in the Relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”);
28. if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, it represents and warrants that the Firm Placing Shares purchased by it in the Firm Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the prior consent of Numis has been given to the offer or resale;
29. if in the United Kingdom, it (i) falls within article 19(5) of the Order; (ii) falls within article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc”) of the Order; or (iii) is a person to whom this Announcement may otherwise be lawfully communicated and in the case of (i) and (ii) undertakes that it will acquire, hold, manage or dispose of any Firm Placing Shares that are allocated to it for the purposes of its business;
30. unless specifically agreed with Numis, it is a “professional client” within the meaning of Chapter 3.5 of the Financial Conduct Authority’s Conduct of Business Sourcebook (“**COBS**”) or an “eligible counterparty” within the meaning of Chapter 3.6 of the COBS;
31. Numis does not have any duties or responsibilities to it, or its clients, similar or comparable to the duties of “best execution” and “suitability” imposed by COBS and that Numis is not acting for it or its clients and that Numis will not be responsible for providing protections to it or its clients;
32. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Firm Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;
33. it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Firm Placing Shares in, from or otherwise involving, the United Kingdom;
34. the exercise by Numis of any rights or discretions under the Underwriting Agreement shall be within Numis’ absolute discretion and Numis need not have any reference to it and shall have no liability to it whatsoever in connection with any decision to exercise or not to exercise any such right and it agrees that it shall have no rights against Numis or its directors or employees under the Underwriting Agreement;

35. any money held in an account with Numis on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the rules and regulations of the Financial Conduct Authority (“FCA”). Each Firm Placee further acknowledges that the money will not be subject to the protections conferred by the FCA’s client money rules. As a consequence, this money will not be segregated from Numis’ money in accordance with such client money rules and will be used by Numis in the course of its own business and each Firm Placee will rank only as a general creditor of Numis;
36. the allocation of Firm Placing Shares shall be determined by Numis in its absolute discretion but in consultation with the Company and that Numis may scale down any commitments for this purpose on such basis as it may determine;
37. time shall be of the essence as regards its obligations to settle payment for the Firm Placing Shares allocated to it and to comply with its other obligations under the Firm Placing;
38. these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreement shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter (including non-contractual matters) arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Firm Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Numis in any jurisdiction in which the relevant Firm Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
39. agrees to indemnify on an after-tax basis and hold the Company, Numis and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this appendix and further agrees that the provisions of this appendix shall survive after completion of the Firm Placing;
40. no action has been or will be taken by any of the Company, Numis or any person acting on behalf of the Company or Numis that would, or is intended to, permit a public offer of the Firm Placing Shares in any country or jurisdiction where any such action for that purpose is required;
41. it is aware that it may be required to bear, and it, and any accounts for which it may be acting, are able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Firm Placing;
42. it has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Firm Placing, including the merits and risks involved;
43. its commitment to subscribe for Firm Placing Shares on the terms set out herein and in the trade confirmation or contract note will continue notwithstanding any amendment that may in future be made to the terms of the Firm Placing and that Firm Placees will have no right to be consulted or require that their consent be obtained with respect to the Company’s conduct of the Firm Placing;
44. Numis or any of its affiliates acting as an investor for their own account may take up shares in the Company and in that capacity may retain, purchase or sell for its own account such shares and may offer or sell such shares other than in connection with the Firm Placing; and
45. agrees that the Company, Numis and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to Numis on its own behalf and on behalf of the Company and are irrevocable and are

irrevocably authorised to produce this Announcement or a copy thereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

The representations, warranties, acknowledgments and undertakings contained in this Appendix are given to Numis and the Company and are irrevocable and shall not be capable of termination in any circumstances. The Company and Numis will rely upon the truth and accuracy of the foregoing representations, acknowledgements, agreements and undertakings.

The agreement to settle a Firm Placee's subscription (and/or the subscription of a person for whom such Firm Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Firm Placing Shares in question. Such agreement assumes that the Firm Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Firm Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Firm Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Numis will be responsible, and the Firm Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Firm Placing as an agent or nominee) the allocation, allotment, issue or delivery of Firm Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Numis in the event that any of the Company and/or Numis has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Firm Placee should seek its own advice and notify Numis accordingly.

In addition, Firm Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Firm Placing Shares or the agreement by them to subscribe for any Firm Placing Shares.

Each Firm Placee and any person acting on behalf of the Firm Placee acknowledges and agrees that Numis or any of its affiliates may, at their absolute discretion, agree to become a Firm Placee in respect of some or all of the Firm Placing Shares.

All times and dates in this Announcement may be subject to amendment. Numis shall notify the Firm Placees and any person acting on behalf of the Firm Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.



## APPENDIX 2

### DEFINITIONS

The following definitions apply throughout this Announcement (unless the context otherwise requires):

“Admission”	the admission of the New Ordinary Shares to listing and trading on Euronext Amsterdam and to trading on AIM;
“Admitted Institution”	an admitted institution ( <i>aangesloten instelling</i> ) of Euroclear Nederland within the meaning of the Dutch Securities Giro Act ( <i>Wet giraal effectenverkeer</i> ), which holds a collective depot ( <i>verzameldepot</i> ) in relation to Euroclear Shares;
“AIM”	the Alternative Investment Market, a market operated by the London Stock Exchange;
“Application Form”	the personalised application form on which Qualifying Non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer;
“Arnhem Plant”	the Group’s Accoya® production facility in Arnhem, the Netherlands;
“Articles of Association”	the articles of association of Accsys, as amended from time to time;
“BGF”	BGF Investments LP, a limited partnership with number LP14928 whose registered office is at 13-15 York Buildings, London WC2N 6JU;
“BGF Additional Option”	the further share option to be granted by the Company to BGF in respect of 2,610,218 Ordinary Shares, subject to Shareholder approval;
“BGF Financing”	the issue to BGF of, together, (i) the BGF Loan Notes and (ii) 1,028,355 Series A preference shares in TTL for an aggregate subscription price of €2,056,710 (satisfied by payment of £1,773,026.32);
“BGF Loan Notes”	£10,476,974 in principal of unsecured fixed rate loan notes due 2021 issued by the Company to BGF, as constituted by the Loan Note Instrument;
“BGF Option”	the share option granted by the Company to BGF in respect of 5,838,954 Ordinary Shares, pursuant to the BGF Option Agreement;
“BGF Option Agreement”	the option agreement dated 29 March 2017 and made between the Company and BGF;

<b>“Board” or “Directors”</b>	the directors of the Company at the date of this Announcement;
<b>“BP Chemicals”</b>	BP Chemicals Limited, a company incorporated in England and Wales with company number 00194971, whose registered office is at Chertsey Road, Sunbury On Thames, Middlesex, TW16 7BP;
<b>“BP Ventures”</b>	BP Technology Ventures Limited, a company incorporated in England and Wales with company number 09534543, whose registered office is at Chertsey Road, Sunbury On Thames, Middlesex, TW16 7BP;
<b>“Closing Price”</b>	the closing middle market quotation of an Ordinary Share as derived from the Daily Official List of the London Stock Exchange;
<b>“Company” or “Accsys”</b>	Accsys Technologies PLC;
<b>“CREST”</b>	the United Kingdom paperless share settlement system and system for the holding of shares in uncertificated form in respect of which Euroclear UK is the operator;
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996, as amended);
<b>“CREST Rules”</b>	the rules and regulations and practices of Euroclear UK;
<b>“EEA States”</b>	a state which is a contracting party to the agreement on the European Economic Area signed at Oporto on 2 May 1992, as it has effect for the time being;
<b>“EU”</b>	the European Union;
<b>“Euroclear Nederland”</b>	the Dutch Central Institute for Giro Securities Transactions (Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.), trading as Euroclear Nederland;
<b>“Euroclear Open Offer Entitlement”</b>	an entitlement of a Qualifying Euroclear Shareholder to apply to acquire an interest in Open Offer Shares pursuant to, and subject to the terms of, the Open Offer;
<b>“Euroclear Shares”</b>	interests in and corresponding to the Existing Ordinary Shares which at the Record Time are registered in the

	name of Euroclear Nederland and which are traded on Euronext Amsterdam;
<b>“Euroclear UK”</b>	Euroclear UK & Ireland Limited, the operator of CREST;
<b>“Euronext Amsterdam”</b>	the regulated market operated by Euronext Amsterdam N.V.;
<b>“Ex-Entitlements Date”</b>	the date on which the Ordinary Shares are marked “ex-entitlement”, being 8:00 a.m. on 30 March 2017;
<b>“Excess Application Facility”</b>	the arrangement pursuant to which Qualifying Shareholders may apply for New Ordinary Shares in excess of their Open Offer Entitlements;
<b>“Excess Euroclear Open Offer Entitlements”</b>	in respect of each Qualifying Euroclear Shareholder, the conditional entitlement to apply for Excess Open Offer Shares under the Excess Application Facility, which are subject to allocation in accordance with the Prospectus;
<b>“Excess Open Offer Entitlements”</b>	in respect of each Qualifying Shareholder, the conditional entitlement to apply for Excess Open Offer Shares under the Excess Application Facility, which are subject to allocation in accordance with the Prospectus;
<b>“Excess Open Offer Shares”</b>	the New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Excess Application Facility;
<b>“Existing Ordinary Shares”</b>	the existing Ordinary Shares in issue at the date of this Announcement;
<b>“Financial Conduct Authority”</b> or <b>“FCA”</b>	the Financial Conduct Authority of the UK;
<b>“Firm Placing Shares”</b>	the 17,400,000 New Ordinary Shares which are the subject of the Firm Placing;
<b>“Firm Placees”</b>	those persons with whom Firm Placing Shares are to be placed;
<b>“Firm Placing”</b>	the placing of 17,400,000 New Ordinary Shares with the Firm Placees;
<b>“Form of Proxy”</b>	the form of proxy for use at the General Meeting;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended);
<b>“General Meeting”</b>	the general meeting of the Company to be convened

	pursuant to the Notice;
<b>“Group” or “Accsys Group”</b>	Accsys and its existing subsidiary undertakings (and, where the context permits, each of them);
<b>“Hull Plant”</b>	a 30,000 metric tonne wood chip acetylation plant to be built at the Saltend Chemical Park in Hull;
<b>“Intermediary”</b>	an Admitted Institution or an investment firm or bank within the meaning of the Dutch Financial Supervision Act (Wet op het financieel toezicht), which holds a collective depot (verzameldepot) in relation to Euroclear Shares;
<b>“Last Practicable Date”</b>	28 March 2017, being the latest practicable date prior to the publication of this Announcement;
<b>“Loan Notes”</b>	the BGF Loan Notes and the Volantis Loan Notes together;
<b>“Loan Note Instrument”</b>	the loan note instrument dated 29 March 2017 constituting the Loan Notes;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Medité”</b>	Medité Europe DAC (formerly Medite Europe Limited);
<b>“Medité Tricova<sup>®</sup>”</b>	Extreme Durable Medium Density Fibreboard panels produced by Medite using Tricoya <sup>®</sup> under licence from TTL;
<b>“Money Laundering Regulations”</b>	the Money Laundering Regulations 2007 (SI 2007 No. 2157);
<b>“New Ordinary Shares”</b>	the Firm Placing Shares and/or the Open Offer Shares and/or the Excess Open Offer Shares, as the context requires;
<b>“Notice”</b>	the notice convening the General Meeting, set out at the end of the Prospectus;
<b>“Numis”</b>	Numis Securities Limited;
<b>“Offer Price”</b>	€0.69 per New Ordinary Share;
<b>“Open Offer”</b>	the conditional invitation to Qualifying Shareholders (other than, subject to certain exceptions, Restricted Shareholders and persons in the United States) to apply to acquire the Open Offer Shares and Excess Open Offer Shares pursuant to and subject to the terms of the Open Offer set out in the Prospectus, and, in the case of Qualifying Non-CREST Shareholders, the Application

	Form;
<b>“Open Offer Entitlement”</b>	the entitlement of a Qualifying Shareholder to apply to acquire Open Offer Shares pursuant to, and subject to the terms of, the Open Offer or (in the case of Qualifying Euroclear Shareholders) a right to acquire an interest in Open Offer Shares;
<b>“Open Offer Shares”</b>	the 2,923,986 New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Open Offer, or (in the case of Qualifying Euroclear Shareholders) an interest in such shares;
<b>“Ordinary Shares”</b>	the ordinary shares of €0.05 each in the capital of Accsys;
<b>“Overseas Shareholders”</b>	Shareholders who have registered addresses outside the UK or the Netherlands or who are citizens or residents of, incorporated in, or otherwise registered in countries outside the UK or the Netherlands;
<b>“Prospectus”</b>	the prospectus expected to be published by the Company today in relation to the Firm Placing and Open Offer;
<b>“Prospectus Directive”</b>	means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), including any relevant implementing measure in any relevant member state;
<b>“Qualifying CREST Shareholders”</b>	Qualifying Shareholders (other than Qualifying Euroclear Shareholders) holding Ordinary Shares in uncertificated form in CREST;
<b>“Qualifying Euroclear Shareholders”</b>	holders of a stock account with an Intermediary which at the Record Time includes Euroclear Shares, resulting in the holders having an interest in the relevant Intermediary’s collective depot ( <i>verzameldepot</i> ) of Euroclear Shares;
<b>“Qualifying Non-CREST Shareholders”</b>	Qualifying Shareholders (other than Qualifying Euroclear Shareholders) holding Ordinary Shares in certificated form;
<b>“Qualifying Shareholders”</b>	holders of Ordinary Shares on the register of members of the Company at the Record Time but including, where the context permits, Qualifying Euroclear Shareholders;
<b>“RBS”</b>	The Royal Bank of Scotland Plc;
<b>“RBS Facility Agreement”</b>	facility agreement between (1) TVUK as borrower, (2) RBS as mandated lead arranger, (3) RBS as original lender, (4) RBS as agent of the other finance parties and

	(5) RBS as security trustee for the secured parties;
<b>“Receiving Agent” or “Registrar”</b>	SLC Registrars of 42-50 Hersham Road, Walton on Thames, Surrey, KT12 1RZ, United Kingdom in its capacities as registrar and receiving agent in respect of the Firm Placing and Open Offer;
<b>“Record Time”</b>	means (i) in respect of Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders, 6:00 p.m. on 24 March 2017 and (ii) in respect of Qualifying Euroclear Shareholders, 6:00 p.m. (CEST) on 29 March 2017;
<b>“Regulation S”</b>	Regulation S promulgated under the Securities Act;
<b>“Regulatory Information Service”</b>	means one of the regulatory information services approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list maintained on the London Stock Exchange website <a href="http://www.londonstockexchange.com">www.londonstockexchange.com</a> ;
<b>“Relevant Member States”</b>	EEA States which have implemented the Prospectus Directive (except for the UK and the Netherlands);
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, as set out in the Notice;
<b>“Restricted Jurisdictions”</b>	Australia, Canada, Japan, the Republic of South Africa and Switzerland, and “Restricted Jurisdiction” shall be construed accordingly;
<b>“Restricted Shareholders”</b>	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of any Restricted Jurisdiction;
<b>“Shareholder”</b>	a holder of Ordinary Shares;
<b>“Solvay Acetow”</b>	Solvay Acetow GmbH;
<b>“Solvay Acetow Loan Agreement”</b>	the term loan facility agreement between Titan Wood BV, Solvay Acetow, Titan Wood Limited and Solvay UK Holding Company Limited dated 25 November 2015, as amended on 20 December 2016;
<b>“Subscription Agent”</b>	ABN AMRO Bank N.V.;
<b>“Tricoya<sup>®</sup> Consortium”</b>	the consortium of equity investors subscribing for shares in TTL pursuant to the TTL SSA, being TWL, BP Ventures, Medite, BGF and Volantis;
<b>“Tricoya<sup>®</sup> Project”</b>	the Tricoya <sup>®</sup> Consortium’s project to, among other things, finance, construct and operate the Hull Plant and to

	exploit all Tricoya <sup>®</sup> related intellectual property;
<b>“TTL”</b>	Tricoya Technologies Limited;
<b>“TTL SSA”</b>	shareholder and subscription agreement relating to TTL, made between TWL, BP Ventures and TTL and dated 2 February 2016, as amended on 20 October 2016, 20 December 2016 and 8 March 2017, and as amended and restated on 29 March 2017;
<b>“TVUK”</b>	Tricoya Ventures UK Limited;
<b>TWL</b>	Titan Wood Limited, a wholly-owned subsidiary of the Company incorporated in England and Wales;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“Underwriter”</b>	Numis Securities Limited;
<b>“Underwriting Agreement”</b>	the agreement dated 29 March 2017 between the Company and the Underwriter relating to the Firm Placing and Open Offer, a summary of which is set out in paragraph 11 of Part XII (Additional Information) of the Prospectus;
<b>“US” or “United States”</b>	the United States of America, its possessions and territories, all areas subject to its jurisdiction or any subdivision thereof, any State of the United States and the District of Columbia;
<b>“US Securities Act” or “Securities Act”</b>	the United States Securities Act of 1933, as amended;
<b>“Volantis”</b>	the Alphagen Volantis Catalyst Fund II Limited;
<b>“Volantis Additional Option”</b>	the further share option to be granted by the Company to Volantis in respect of 1,438,284 Ordinary Shares, subject to Shareholder approval;
<b>“Volantis Financing”</b>	the issue to Volantis of, together, (i) the Volantis Loan Notes and (ii) 566,645 Series A preference shares in TTL for an aggregate subscription price of €1,133,290 (satisfied by payment of £976,973.68);
<b>“Volantis Loan Notes”</b>	£5,773,026 in principal of unsecured fixed rate loan notes due 2021 issued by the Company to Volantis, as constituted by the Loan Note Instrument;
<b>“Volantis Option”</b>	the share option granted by the Company to Volantis in respect of 3,217,383 Ordinary Shares pursuant to the Volantis Option Agreement; and

**“Volantis Option Agreement”**

the option agreement dated 29 March 2017 and made between the Company and Volantis.



## IMPORTANT NOTICE

This Announcement has been issued by and is the sole responsibility of Accsys. The information contained in this Announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this Announcement or on its accuracy or completeness. The information in this Announcement is subject to change.

This Announcement is not a prospectus but an advertisement. Any decision to purchase, subscribe for, otherwise acquire, sell or otherwise dispose of any New Ordinary Shares referred to in this Announcement must be made only on the basis of the information contained in and incorporated by reference into the Prospectus to be published by Accsys in connection with the Firm Placing and Open Offer. Copies of the Prospectus will, following publication, be available from the registered office of the Company and on its website at [www.accsysplc.com](http://www.accsysplc.com).

This Announcement is for information purposes only and is not intended to and does not constitute or form part of any offer or invitation to purchase or subscribe for, or any solicitation to purchase or subscribe for, any securities in any jurisdiction. The information contained in this Announcement is not for release, publication or distribution to persons in the United States or any Restricted Jurisdiction, and should not be distributed, forwarded to or transmitted in or into any jurisdiction, where to do so might constitute a violation of local securities laws or regulations.

Recipients of this Announcement and/or the Prospectus should conduct their own investigation, evaluation and analysis of the business, data and property described in this Announcement and/or the Prospectus. This Announcement does not constitute a recommendation concerning any investor's options with respect to the Firm Placing and Open Offer. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

This Announcement is directed only at persons whose ordinary activities involve them in acquiring, holding, managing and disposing of investments (as principal or agent) for the purposes of their business and who have professional experience in matters relating to investments and: (i) if in a member state of the European Economic Area, are, unless otherwise agreed with Numis, qualified investors within the meaning of article 2(1)(e) of the Prospectus Directive (“**Qualified Investors**”); and (ii) if in the United Kingdom, fall within: (a) article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); (b) article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order; or (c) any other person to whom it may lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Announcement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. This Announcement does not itself constitute an offer for sale or subscription of any securities in Accsys.

### Notice to all investors

Numis Securities Limited (“**Numis**”) is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Numis is acting for Accsys and is acting for no one else in connection with the Firm Placing and Open Offer and will not regard any other person as a client in relation to the Firm Placing and Open Offer and will not be responsible to anyone other than Accsys for providing the protections afforded to its clients, nor for providing advice in connection with the Firm Placing and Open Offer or any other matter, transaction or arrangement referred to herein.

Numis’ responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person.

Apart from the responsibilities and liabilities, if any, which may be imposed upon Numis by the Financial Services and Markets Act 2000, neither Numis nor any of its subsidiary undertakings, affiliates or any of its directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever and makes no representation or warranty, express or implied, for the contents of this Announcement, including its accuracy, fairness, sufficiency, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with Accsys or the New Ordinary Shares or the Firm Placing and Open Offer and nothing in this Announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Each of Numis and its subsidiary undertakings, affiliates or any of its directors, officers, employees, advisers and agents accordingly disclaims to the fullest extent permitted by law all and any

responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Announcement or any such statement.

In connection with the Firm Placing and Open Offer, Numis and any of its affiliates, acting as investors for their own accounts, may subscribe for or purchase Ordinary Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Firm Placing and Open Offer or otherwise. Accordingly, references to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt in should be read as including any offer to, or subscription, acquisition, placing or dealing by Numis and any of its affiliates acting as investors for their own accounts. In addition, Numis or its affiliates may enter into financing arrangements and swaps in connection with which it or its affiliates may from time to time acquire, hold or dispose of Ordinary Shares. Numis has no intention to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

No person has been authorised to give any information or to make any representations other than those contained in this Announcement and the Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by Accsys or Numis.

Investors' attention is drawn to paragraph 15 of Part VII of the Prospectus, and in particular to regulatory obligations of shareholders in Accsys as set out in that paragraph under sub-headings 'Dutch Rules on the disclosure of substantial holdings' and 'UK Disclosure Guidance and Transparency Rules'.

#### **Cautionary statement regarding forward-looking statements**

This Announcement may contain certain forward-looking statements, beliefs or opinions, with respect to the financial condition, results of operations and business of Accsys and the Group.

This Announcement includes statements that are, or may be deemed to be, "forward-looking statements". The words "believe," "estimate," "target," "anticipate," "expect," "could," "would," "intend," "aim," "plan," "predict," "continue," "assume," "positioned," "may," "will," "should," "shall," "risk", their negatives and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. An investor should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the control of the Company or the Group. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions investors that forward-looking statements are not guarantees of future performance and that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Announcement and/or information incorporated by reference into this Announcement. In addition, even if the Company's or the Group's results of operation, financial position and growth, and the development of the markets and the industry in which the Group operates, are consistent with the forward-looking statements contained in this Announcement, these results or developments may not be indicative of results or developments in subsequent periods. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, or persons acting on its behalf, may issue.

Past performance of the Company cannot be relied on as a guide to future performance. A variety of factors may cause the Company's or the Group's actual results to differ materially from the forward-looking statements contained in this Announcement. The Group and Numis and any of their respective directors, officers, employees, agents, affiliates and advisers expressly disclaim any obligation to supplement, amend, update or revise any of the forward-looking statements made herein, except where required to do so under applicable law.

No statement in this Announcement is intended as a profit forecast or a profit estimate and no statement in this Announcement should be interpreted to mean that earnings per share of Accsys for the current or future financial years would necessarily match or exceed the historical published earnings per share of Accsys.