INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2017

Transformation and expansion

DISCLAIMER

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of the Accsys Group. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, these statements are not guarantees of future performance and are subject to a number of risks and uncertainties and actual results, performance and events could differ materially from those currently being anticipated, expressed or implied in such forward-looking statements.

Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to, those identified under “Principal Risks and Uncertainties” on page 44 of the Group’s Annual Report.

The forward-looking statements contained in this presentation speak only as of the date of preparation of this presentation and the Group therefore cautions against placing undue reliance on any forward-looking statements.

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HIGHLIGHTS

Financial

- Accoya® revenue growth of 16%.
- Sales volumes up 13%.
- Lower underlying EBITDA reflects one-off matters; during significant expansion of manufacturing capacity.
- Net cash balance of €23.1m reflects funds raised to fund expansion.

HIGHLIGHTS

Operational

- Accoya plant now at full capacity.
- Accoya plant – 50% additional capacity from next financial year.
- Working with customers to manage demand.
- Accoya price increase in second half of the year.
- Construction well underway of new Tricoya® plant.
- Sales of Medite Tricoya panels up by 24%.

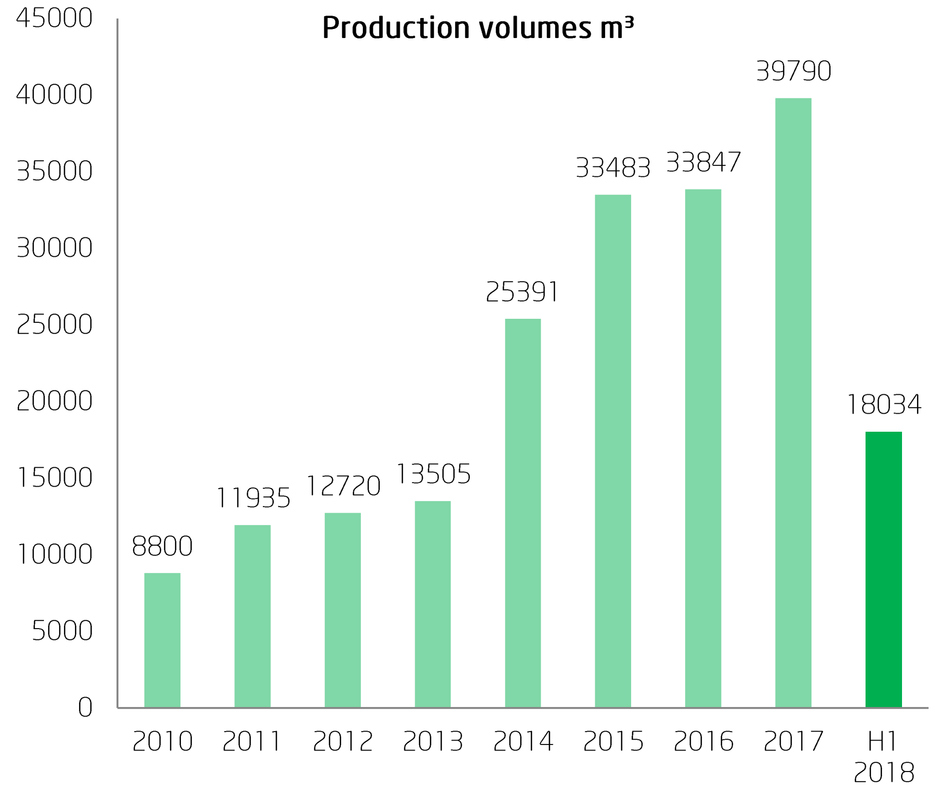
H1 FINANCIAL OVERVIEW

	6 months ended September 2017 €m		6 months ended September 2016 €m	
	Underlying	Statutory	Underlying	Statutory
Total revenue	28.3	28.3	25.1	25.1
EBITDA	(2.8)	(4.9)	(1.6)	(1.3)
Loss before tax	(5.2)	(6.8)	(3.2)	(2.9)
Period end cash		47.1		7.9
Net debt		23.1		5.7

- 16% increase in Accoya revenue.
- Lower EBITDA due to licensing income and lower manufacturing margin.
- Gross manufacturing margin decreased from 25% to 20% (H2 FY 17 – 21%).
- Other operating costs consistent at €9.9m.
- Exceptional costs and other adjustments include:
  - Bonus – change in accounting to reflect accrual (previously cash based) and one-off target relating to Tricoya consortium formation.
  - FX arising on Tricoya cash balances reflecting hedging strategy.

ACCOYA PROFITABILITY

- 18,034m³ produced.
- 20% manufacturing margin reflects largely one-off factors:
  - Additional maintenance stop effecting capacity utilisation.
  - Increase in sales to Medite and Rhodia Acetow.
  - Raw material prices higher, especially in Q1.
  - Inventory alignment - one-off sale of lower grade wood.
- Plant now running at full capacity.



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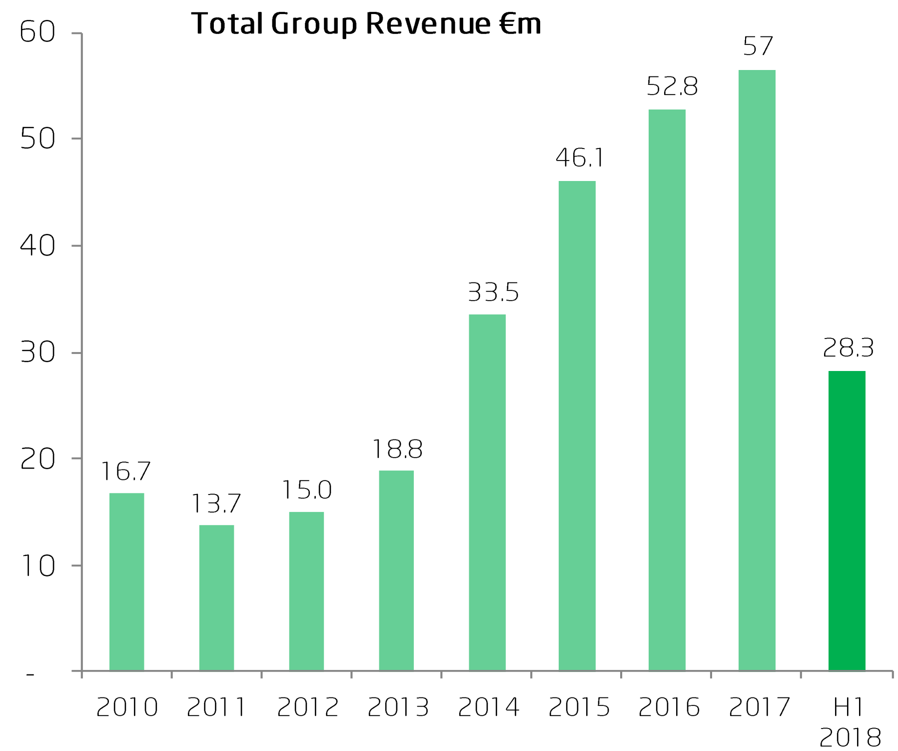
REVENUE

- Total revenue up 13% to €28.3m (Sep 2016: €25.1m).
- Accoya revenue growth 16% to €26.2m (Sep 2016: €22.5m).
- Sales volumes up 13% to 19,826 m³. Restricted by production capacity.
- Growth in almost all regions globally.
- Nil licence income, as expected.



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GROUP CASH FLOW

€m	H1 2018	H1 2017
Underlying loss before tax	(5.2)	(3.2)
Underlying cash out flow before changes in working capital	(2.5)	(1.3)
Exceptional items in operating activities	(1.6)	(0.3)
Cash flow from operating activities before changes in working capital	(4.1)	(1.6)
Net cash used by operating activities before tax	(9.1)	(2.7)
Tax paid	(0.5)	-
Net cash absorbed by operating activities	(9.6)	(2.7)
Net cash used in investing activities	(7.0)	2.4
Net cash from financing activities	23.2	(0.1)
Cash at beginning of period	41.2	8.2
Cash at end of period	46.9	7.9

- €5m out flow due to changes in working capital mainly due to inventory which is largely expected to reverse in H2.
- Investing activities includes €4.0m relating to Accoya expansion and €3.0m relating to the Tricoya plant.
- Financing activities:
  - €12.3m net proceeds from Firm Placing and Open Offer completed in April.
  - €11.5m issue of shares by Tricoya Ventures UK.

CAPACITY - ACCOYA

New Accoya plant, distribution centre and office, Arnhem

- Accoya plant now at full capacity.
- 20,000 m³ additional capacity from early next financial year – 50% increase.

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CAPACITY - TRICOYA

Tricoya plant location, Saltend Chemicals Park, Hull

- Plant construction well underway.
- 30,000 tonnes capacity in early 2019 (40,000 m³ of panels).
- Commissioning in 2019 releases additional capacity of Accoya.

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TRICOYA PROGRESS

- Medite Tricoya panel sales volumes up 24% to 3,751 m^3.
- Demand continues to grow - sales limited by current Arnhem capacity.
- Heads of terms signed with large panel manufacturer for Tricoya license.

OUTLOOK – SHORT TERM

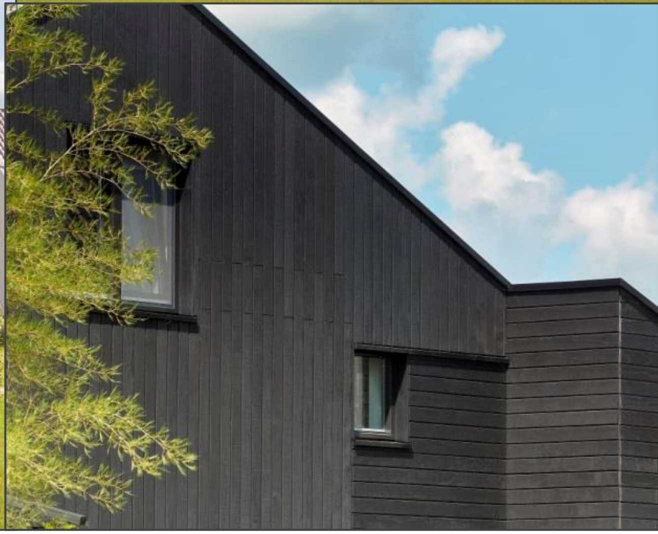
Second half of financial year:

- Demand remains strong.
- Working with customers on an allocation basis.
- Higher production volumes.
- Accoya price increase.
- Higher gross margin.
- Transition to new plant, distribution centre and office facilities - some additional costs.
- New Accoya capacity available from early next financial year.

OUTLOOK – LONG TERM

- Continued growth in demand from repeat and new business.
- Further new product developments.
- Increasing number of patent applications to protect IP.
- Increased sales volumes following Arnhem expansion.
- Increased profitability in next financial year.
- New Tricoya plant available in first half of 2019 calendar year.
- 30% gross margin expected when current Accoya and Tricoya capacity increase complete.

ACCOYA PROJECT – HATTEM, NL



TRICOYA PROJECT – BOSTON, USA

Large restoration project, Tricoya used in three storey replacement bay window and entrance

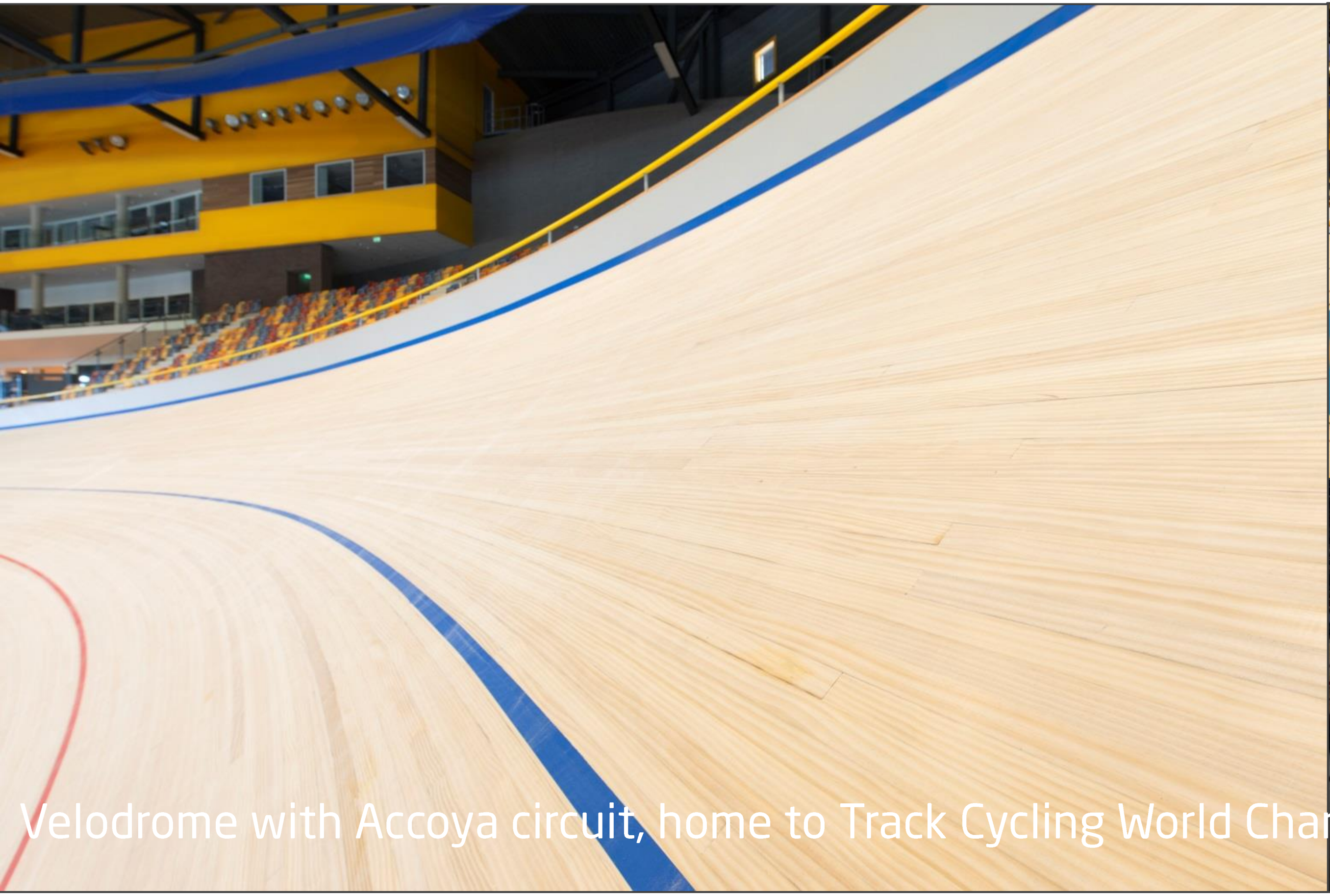
ACCOYA PROJECT – LONDON, UK

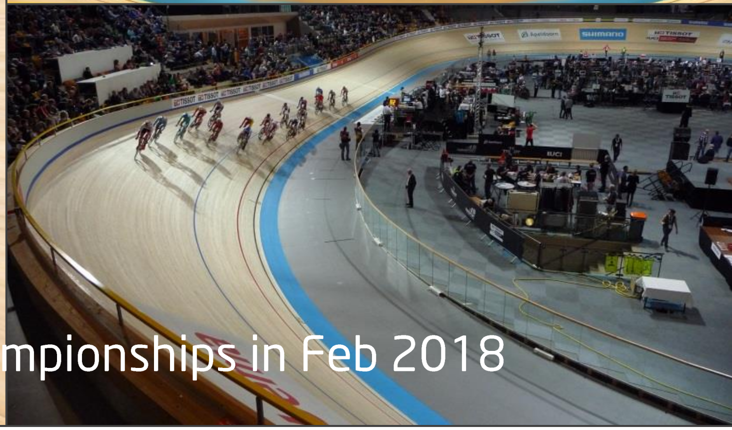
200 sliding sash and casement windows in matt black Accoya

TRICOYA PROJECT – BAGSHOT, UK

Architect designed home, clad in coated Medite Tricoya panels

ACCOYA PROJECT – APELDOORN, NL





Velodrome with Accoya circuit, home to Track Cycling World Championships in Feb 2018

ACCOYA PROJECT – UPSTATE NY, USA

Architect designed home, Accoya siding in ‘Shou Sugi Ban’ Japanese charred finish

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