

16 June 2026

Accsys Technologies PLC
("Accsys", the "Group" or the "Company")
The manufacturer of high performance and sustainable Accoya wood

Preliminary results for the year ended 31 March 2026

Strong strategic execution, revenue growth and improved profitability
On track to deliver FY27 strategic targets

	FY26 audited	FY25 audited	Change	Like-for-like change¹
Revenue				
Group	€153m	€137m	+12%	+20%
Aggregated (Group plus Joint Venture) ²	€183m	€147m	+24% ³	
Gross profit margin	30.9%	30.3%	+60bps	+130bps
Underlying EBITDA⁴	€21.1m	€16.8m	+26%	
Share of JV EBITDA	€0.1m	(€6.0m)	+€6.1m	
Adjusted EBITDA⁵	€21.2m	€10.8m	+96%	
Statutory loss before taxation	(€0.6m)	(€20.8m)	+€20.2m	
Underlying basic earnings/(loss) per share (Euro cents)⁶	2.1	(5.0)	+7.1cents	
Net debt	(€41.4m)	(€42.6m)	€1.2m	
Sales volumes (m³)				
Group	60,384	57,104	+6%	+13%
Joint Venture (JV)	16,853	6,760	+149%	+60%
Total (Group plus JV) ⁷	77,237	63,864	+21%	

Notes

¹The comparative period, FY25, included 3,802m³ of Group sales to North America. Since the start-up of Accoya USA in September 2024 all North American sales are served by the JV. The like-for-like change in sales volumes and revenues excludes the effect of these sales from the FY25 Group comparators whilst including them within the FY25 JV sales volumes comparator.

²Accsys has a 60% shareholding in Accoya USA LLC, a joint venture (JV) with Eastman Chemical Company which commenced operations during H1 FY25. Whilst the JV is equity accounted for financial reporting purposes, the aggregated revenue figure includes 60% of the JV revenue.

³At constant exchange rates, aggregated revenue growth would be +26%

⁴Underlying EBITDA being EBITDA excluding exceptional items & excludes Accsys' share of results relating to Accoya USA JV

⁵Adjusted EBITDA being earnings before interest, tax, depreciation, amortisation and exceptional items of Accsys plus 60% of the JV's EBITDA

⁶Underlying basic earnings/(loss) per share being basic earnings/(loss) per share before exceptional items

⁷Total sales volumes include all Group sales and 100% of sales from the JV. All sales volumes figures are unaudited

Dr Jelena Arsic van Os, CEO Accsys Technologies PLC said:

"This strong set of results reflects disciplined execution of our FOCUS strategy in a challenging macroeconomic environment. Accsys has transformed into a leaner and more effective organisation, driving record global Accoya sales volumes, significant revenue and profitability growth, and market share gains.

Our Accoya USA joint venture had a standout performance, delivering EBITDA profitability in its first full financial year of trading, reinforcing the strength of our strategic positioning in North America. We saw significant sales volumes growth of 60% for the region, supported by solid operational execution.

We are delivering on the commitments set out in Phase One of our FOCUS strategy, while remaining focused on innovation, increasing capacity utilisation and driving further sustainable improvements in profitability.”

Financial overview

- 21% growth in total Accoya sales volumes delivered against challenging macroeconomic conditions:
 - Robust growth in all markets: +60% North America, +12% UK&I, +21% Rest of Europe and +9% Rest of World
 - Accoya for Tricoya volumes +8%
- Group revenues increased by 20% to €153m on a like-for-like basis, driven by solid trading performance across all regions, continued pricing discipline, and a favourable sales mix with a higher year-on-year proportion of Accoya Color sales reflecting robust demand
- Significant improvement in profitability:
 - Adjusted EBITDA increased by 96% to €21.2m (FY25: €10.8m) driven by higher revenues, increased gross profit margin, positive JV EBITDA and Hull costs being recognised in the prior year
 - Adjusted EBITDA margin increased by 430bps to 11.6%, close to Phase I FY27 target of 12%
 - Statutory loss before taxation improved from €20.8m to €0.6m
 - Underlying basic earnings per share of 2.1 cents (FY25: loss per share of 5.0 cents)
- Stand out performance from Accoya USA JV:
 - 178% increase in revenue (60% JV) to €30.3m (FY25: €10.9m)
 - JV achieved an EBITDA profit of €0.1m, representing a €6.1m swing in EBITDA profitability year-on-year
 - Management has successfully mitigated the impact of tariffs on imported lumber into the USA, introduced in October 2025
- Continued focus on capital allocation and deleveraging:
 - Net debt of €41.4m (FY25: €42.6m) with operating cash flow conversion of 75% (Phase I FY27 target: >75%).
 - Increase in working capital, reflecting higher inventory levels to ensure product availability needed to support strong demand and high customer service levels as well as investment in the JV to support its ramp-up
 - Free cash flow of €10.2m after expansionary growth and maintenance capital expenditure of €5.6m
 - Reduction in leverage ratio to 1.96x. Excluding convertible loan notes leverage ratio is 0.74x

Strategic highlights

Disciplined execution supports on track delivery of Phase I of the [FOCUS strategy](#):

FOCUS Metric	FY27 Phase I FOCUS Target	FY26	FY25
Sales volume run rate*	100,000m ³	97,248m ³	82,288m ³
Adjusted EBITDA margin**	12.0%	11.6%	7.3%
Operating cash flow conversion	>75%	75%	64%
Leverage ratio	Reduction vs FY24 (4.35x)	1.96x	2.52x

* Run rate reflects the annualised level of total sales based on Q4 volumes
 ** Adjusted EBITDA margin is adjusted EBITDA as a percentage of aggregated revenue

Sustainable profitable growth:

- Expanding market share and product offering:
 - FY26 sales volume run rate of 97,248m³ (FY25: 82,288m³) close to Phase I target of 100,000m³ for the end of FY27
 - Substantial growth for our premium Accoya Color product, with global sales volumes up 51%, supported by capacity expansion and operational improvements
 - Addition of 10 new distributors, with three in North America and Mexico
 - Launch of the Decking Collection, the Group's first range of finished Accoya products, broadening access to end customers
- Outstanding North America sales growth of 60% reinforces the strength of our strategic positioning in the USA

Lean and efficient:

- Improvement in like-for-like gross profit margin of 130bps to 30.9%
- Continued cost control discipline with savings retained from the FY24 business transformation programme
- Strong progress on optimisation of existing assets: €2.6m acetyls storage expansion project successfully completed in Arnhem to increase production efficiency; production capacity increased at Accoya Color Barry site

Reduce debt:

- Reduction in leverage ratio from 2.52x to 1.96x. Excluding CLNs, leverage ratio is 0.74x
- Refinancing completed in October 2025 with new debt facilities of €55m providing additional liquidity and strengthening the Group's financial position on improved terms

Flagship projects

Accoya continues to be chosen for high profile projects including: 'Platform 37' Google HQ, London; the Edelman Fossil museum, USA and the Queen Elizabeth II Memorial Garden, London.

Outlook

The Group remains focused on innovation, market share gains, increasing capacity utilisation and driving further sustainable improvements in profitability.

While macroeconomic conditions remain uncertain with some inflationary pressures arising from the conflict in the Middle East, we are well positioned to manage the potential impact through product differentiation, geographical diversification, and pricing discipline. The Board will continue to monitor developments closely and respond as appropriate.

Whilst mindful of the dynamic macroeconomic backdrop, trading is in line with the Board's expectations for FY27, and the Group is on track to deliver against its Phase I FOCUS targets.

Video overview

A video overview of the results is available on the Accsys website: [Accsys Annual Reports & Financial Results - Company Information](#)

Results presentation

There will be a full year results presentation at 9.00am BST on 16 June 2026. The presentation will take the form of a webcast and conference call, details of which are below:

Webcast link (for audio and visual presentation): Click on the link below or copy and paste ALL of the following text into your browser:

<https://edge.media-server.com/mmc/p/qnx3s4qe>

Phone participants: for those participants who would like to ask a question live over the phone lines, please register on the following link. You will then be sent a confirmation email with a link to dial-in numbers.

<https://register-conf.media-server.com/register/Blbc57362160614dc887333e53613a5c37>

Ends

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Accsys Technologies PLC

CEO Review

Overview

FY26 was an excellent year for Accsys. We delivered strong strategic execution and a material improvement in financial performance, achieving record total Accoya sales volumes and significant growth in profits. North America delivered a standout performance with Accoya sales volumes growing 60%, underscoring the success of our US strategy and the value of local manufacturing. This performance resulted in the JV making an EBITDA profit for the Group in its first full financial year of trading. These results were achieved against continued challenging market conditions, highlighting our resilient and differentiated offering.

With continued disciplined execution of our FOCUS strategy, we are delivering on the commitments set out in Phase I 'Transform and Improve', and we are on track to hit our Phase I strategic targets by the end of FY27.

Accsys has transformed into a leaner and more effective organisation, supported by strong fundamentals and a clear pathway to sustained profitability.

Financial performance

Significantly increased profitability and margin progress

FY26 was a year of significant top-line momentum, with Group revenues rising 12% to €153m (FY25: €137m) and increasing by 20% on a like-for-like basis*. This performance demonstrates strong underlying global Accoya demand, the resilience of our premium pricing and disciplined commercial execution. When including our 60% share of JV revenue, Accsys' aggregated revenues reached €183m, up 24% year-on-year.

The Group gross profit margin increased to 30.9% (FY25: 30.3%), remaining above our 30.0% target.

EBITDA improved significantly with underlying EBITDA of €21.1m (FY25: €16.8m). This was driven by strong Group Accoya sales volumes and resilient pricing, improved gross profit margin, increased royalties received from the JV and Hull costs being recognised in the prior year. When including the share of profit from the JV, adjusted EBITDA increased year-on-year by 96% to €21.2m.

We reported a total statutory profit after tax of €6.5m in FY26, compared with a total statutory loss after tax of €22.9m in FY25, supported by a €7.0m tax credit in the year; excluding this, the Group's underlying loss before tax narrowed significantly to €1.9m (FY25: €9.9m) reflecting a substantial year-on-year improvement in the Group's underlying financial performance, the recognition of the closure costs of the Hull site in FY25, and significant improvements in the financial performance of the JV as it continues to ramp-up.

The adjusted EBITDA margin improved to 11.6% (FY25: 7.3%), which is only marginally below the FY27 Phase I target of 12.0%.

The JV performance improved substantially with total revenues climbing to €50.5m (FY25: €18.1m) and passing the EBITDA breakeven point, achieving an EBITDA profit of €0.2m (FY25: loss of €10.1m).

*Sales transferred to the Accoya USA JV, represented 7% of Group volumes in FY25

Accsys Technologies PLC

CEO Review (continued)

Cash generation, leverage and capital allocation

Net cash flows from operating activities increased by €5.1m to €15.8m (FY25: €10.7m), supported by higher underlying EBITDA and improved operating cash flow conversion of 75%, an increase of 11% vs FY25 and close to our FY27 target of >75%.

Balance sheet strength remains a priority and this has continued to improve, with the leverage ratio moving from 2.52x at 31 March 2025 to 1.96x at 31 March 2026, reflecting the material decrease in leverage over the last two years. Our capital allocation priority remains focused on debt reduction to further strengthen the Group's financial position.

Net debt reduced to €41.4m at 31 March 2026 (31 March 2025: €42.6m), reflecting improved cash flow from operations partially offset by capital expenditure on plant optimisation, including an acetyls expansion project in Arnhem, as well as higher inventory levels needed for sustained growth and planned investment in Accoya USA to support its ramp-up.

In October 2025, we successfully refinanced our debt facilities, strengthening our capital structure, enhancing financial flexibility and further de-risking the Group to support the next phase of execution. We were also pleased to partner, alongside ABN AMRO, with HSBC for the first time, a tier one bank of significant strength and reputation. The revised terms are expected to improve annual cash flow by €2m.

Executing our FOCUS strategy

Transform and Improve

Phase I of our FOCUS strategy, FY24-FY27 is delivering tangible results, with clear capital allocation priorities, improved operational discipline and stronger financial control across the business. This Phase is focused on strengthening returns from our existing asset base, improving margins and cash generation, and reinforcing the foundations for sustainable profitability.

Our ambition is to build a consistently strong, operationally efficient business that delivers for all stakeholders.

Optimising our assets

In Arnhem, as part of our Solid Roots operational efficiency programme, we completed a €2.6m project 'Elm Tree II', enhancing our acetyls storage capabilities. This investment will further reduce downtime by increasing on-site storage capacity, allowing parallel anhydride feeding of the reactors and lowering dependence on timings of third-party deliveries. We have also invested in improved ventilation, lighting and noise reduction in the Arnhem stacker hall to enhance the working environment for colleagues.

At our Barry site we doubled production capacity by adding a second shift to meet the growing demand for our premium Accoya Color product and support the launch of the 'Accoya Decking Collection'. This strategic decision supported a 51% growth in Accoya Color sales globally.

At our joint venture, Accoya USA, accelerating sales and increasing capacity utilisation of our asset were key operational priorities during the year. Local manufacturing has reinforced longstanding customer confidence in Accoya availability and supported excellent sales growth. To further expand market coverage, we onboarded two new distributors covering key high-growth regions, including Florida, Texas and California, and appointed our first direct distributor in Mexico, broadening our reach in North America.

Accsys Technologies PLC

CEO Review (continued)

Commercial momentum

Total sales volumes increased by 21% to 77,237m³, significantly outperforming the wider building materials market, reflecting strong customer demand and an expanded commercial footprint. We closed FY26 with a run rate of 97,248m³, reflecting the annualised level of total sales based on Q4 volumes, placing us firmly on track to achieve our 100,000m³ run rate target for the end of FY27.

Globally, Accoya's core demand continues to be driven by joinery, cladding and decking applications, while landscaping applications, including public spaces and gardens, represent a growing opportunity driven by low lifetime costs, positive in-use experience and proven long-term performance.

Total Sales volumes

Sales volume by end market	FY26 m ³	FY25 m ³	Change %
UK & Ireland	16,810	14,980	12%
Rest of Europe	18,642	15,359	21%
North America	16,853	10,562	60%
Rest of World	6,152	5,619	9%
Accoya for Tricoya	18,780	17,344	8%
Total	77,237	63,864	21%

In North America, growth was primarily driven by longstanding customers gaining confidence in improved local supply. During the year we were pleased to deepen relationships with three large US window and door manufacturers, who are now adopting Accoya on a broader basis following extensive testing and small-scale projects. As these programmes scale, we expect their full benefit to be realised in FY27. Alongside this, our focus for FY27 is to fully embed the new distribution partners added during the year, helping them maximise sell-through and capture the opportunity from expanded coverage.

In mainland Europe, volumes increased by 21%, with particularly strong demand for decking in Central Europe. The UK and Ireland delivered continued double-digit growth, reflecting Accoya's strong reputation in joinery, while Australia and New Zealand performed well within Rest of World.

Our premium pricing power remains resilient, demonstrating the strength of the Accoya brand. In the US, the team effectively protected margins, managing the impact of tariffs on all imported lumber introduced in October 2025.

Globally our teams continued to promote awareness of Accoya amongst architects and end users via dedicated training, media outreach, social media and other marketing activities, including trade show presence.

During FY26, Accoya was featured in prominent international projects, including world-class museums, private residences, and notable landscaping initiatives. This includes Accoya being specified for the Queen Elizabeth II Memorial Park in London's Regent's Park, the façade of the soon-to-open Google landscaper in Kings Cross, London and for the façade of the Edelman Fossil Museum in New Jersey, USA.

Accsys Technologies PLC

CEO Review (continued)

Accoya for Tricoya continues to experience increased market growth, with demand expanding across mainland Europe and sales rising by 8% year over year.

Accoya has earned ongoing recognition from industry awards and was awarded Best Use of Treated Wood in Landscape at the Wood Protection Association awards 2025 for The National Autistic Garden, Carmine, Scotland.

Innovation to broaden customer adoption

Protecting our IP into the future remains a priority and this year we had 13 granted patents adding further protection to our core acetylation process and improvements on future Accoya and Tricoya technologies. Protection was also obtained for cleaning up our post-acetylation acid stream.

R&D investment of €1.2m focused on working with external partners to develop fire protection solutions, researching new wood species and enhancing our Accoya Color range. Building on last year's success with Accoya, an Accoya Color wall panel achieved compliance for use in Wildland Urban Interface (WUI) zones in the US, supporting adoption in the growing number of WUI-designated areas.

We are also working with coating partners on extended warranties – there are now several coatings companies offering warranties of 15 years for translucent and opaque finishes on Accoya, which is unique for the wood sector.

Health & Safety (HSE)

Health & Safety remains a top priority for the Group. LTIR (Lost-Time Incident Rate) reduced from 3.30 to 0.51, marking progress on our 'Zero Harm' ambition. FY26 saw the launch of a new health and safety video, continued roll out of our Life Saving Rules programme and bolstering of our teams at Arnhem and Barry with two new HSE leads, ensuring that we maintain the safety and wellbeing of our colleagues.

Sustainable growth

Responsible, sustainable growth is central to our vision and strategy. In November, we introduced "Accsys Cares," our first sustainability plan, setting commitments and targets based on our Double Materiality Assessment to support long-term value creation whilst reducing our impact.

We are proud to see our efforts recognised by the S&P Corporate Sustainability Assessment, in which we achieved a six point increase in our score to 62/100, maintaining our leadership position within the top 20% of companies in our industry sector.

Our products continued to make an impact. During FY26 our products captured 63,875 tonnes of carbon, equivalent to 6,882 homes' energy use in a year (US EPA). We continued our commitment to responsible sourcing, with 100% of wood sourced from certified sustainable sources (FSC® (CO12330), PEFC/16-37-2311, or equivalent).

Developing and engaging our teams

Our committed colleagues drive our success. Based on feedback from the FY25 Employee Engagement Survey, we continue to listen and enhance engagement and the employee experience, including supporting employee-led awards.

Our Learning Management System enabled consistent training delivery across the Group, with employees completing an average of 36.6 hours of training during FY26, supporting long-term capability, safety and compliance.

Accsys Technologies PLC

CEO Review (continued)

We close this record year with deep gratitude to our teams and leadership, whose commitment, resilience and belief in our direction have been the true drivers of our success. I am taking this opportunity to thank all our colleagues for their unwavering dedication, which remains a meaningful and enduring source of strength for the Group.

Outlook

The Group remains focused on innovation, market share gains, increasing capacity utilisation and driving further sustainable improvements in profitability.

While macroeconomic conditions remain uncertain with some inflationary pressures arising from the conflict in the Middle East, we are well positioned to manage the potential impact through product differentiation, geographical diversification, and pricing discipline. The Board will continue to monitor developments closely and respond as appropriate.

Whilst mindful of the dynamic macroeconomic backdrop, trading is in line with the Board's expectations for FY27, and the Group is on track to deliver against its Phase I FOCUS targets.

Dr Jelena Arsic van Os

Chief Executive Officer

15 June 2026

Accsys Technologies PLC

CFO Review

Statement of comprehensive income

Total Accoya sales volumes increased by 21% to 77,237m³ (FY25: 63,864m³). Group sales volumes increased by 6% to 60,384m³ (FY25: 57,104m³), which reflects strong growth in demand for Accoya products. On a like-for-like basis, excluding the 3,802m³ of Group sales to North America in H1 FY25, prior to the commercial start-up of the JV, Group sales volumes increased by 13%. The sales volume run rate including the JV was 97,248m³ at the year-end (FY25: 82,288m³), which is just below the 100,000m³ target we set for the end of Phase 1 of our FOCUS strategy at 31 March 2027.

Group revenue for the year increased 12% to €153m (FY25: €137m) with like-for-like revenue growth of 20%. Accoya sales of €139m were up 12% reflecting the higher sales volumes and increased average selling price. Licence revenue increased significantly to €4.0m (FY25: €1.4m) resulting from the impressive sales growth of the JV with the Group earning a royalty on sales made by the JV. Tricoya panel revenue decreased slightly by €0.3m during the year to €3.4m (FY25: €3.7m), representing the Group purchasing Tricoya panels, produced by our Accoya for Tricoya customers, and selling them on to external Accoya customers.

Other revenue, which predominantly relates to the sale of the acetic acid by-product into the acetyls market, decreased by 8% to €6.9m (2025: €7.5m) due to lower acetic acid sales prices and lower sales volumes as the Group benefited from improved anhydride usage efficiencies. The acetic acid sales act as a partial hedge against acetic anhydride costs which also decreased during the year.

Cost of sales increased from €95.2m to €106m, an increase of 11% remaining generally in line with increased sales volumes. Net acetyls costs (proportional combination of acetic anhydride cost and acetic acid sales price) were slightly lower than the prior year due to usage efficiencies offset against greater production volumes, changes in supplier mix, and the Group benefited from a foreign exchange gain on US Dollar denominated anhydride purchases given the weakness of the US Dollar against the Euro. Raw wood purchase prices remain in line with the prior year with higher appearance grade raw wood cost being offset by lower wood chip grade cost. Gross profit of €47.4m was 14% higher than the prior year (FY25: €41.4m) with the gross profit margin 60bps higher at 30.9%, which is above our FOCUS strategy target of maintaining the gross profit margin at above 30%. The like-for-like gross profit margin percentage increased by 130 bps to 30.9%.

Underlying other operating costs (excluding depreciation and amortisation and prior year Hull costs) increased by €3.7m from €24.6m to €26.3m as the Group invested in revenue generating headcount in our commercial organisation and operational headcount in Arnhem and Barry to support growth.

The depreciation and amortisation expense for the year was €8.8m compared to €9.2m in the prior year.

Underlying net finance expenses increased by €0.8m to €6.4m due mainly to the increase in the accounting value of the embedded derivative within the convertible loan notes that were taken out as part of the November 2023 equity raise.

Following the Board's decision in September 2024 to discontinue the Hull plant, and the subsequent placement of Tricoya UK Limited into voluntary liquidation on 17 December 2024, an exceptional credit of €1.3m has been recognised in FY26 (FY25: exceptional charge of €10.9m). This relates to the derecognition of €1.3m provision in relation to the repayment of the EU Life Grant. Following completion of the grant it was concluded that no further amounts were repayable to the EU.

The Group's share of the US JV's (Accoya USA, LLC) net loss after tax, which is accounted for using the equity method, decreased by €4.2m to €7.7m (FY25: net loss €11.9m) as the JV benefited from strong North American sales growth of 60% and a full year of sales after commencing commercial operations. The Group's share of the JV's EBITDA was a profit of €0.1m compared to a loss of €6.0m in the prior year.

Accsys Technologies PLC

CFO Review (continued)

Underlying EBITDA, excluding the share of the JV and exceptional costs, increased by 26% from €16.8m to €21.1m, with a margin of 13.8% (FY25: 12.3%) showing the continued strong underlying profitability of the Group. Corporate costs were €0.1m lower than the prior year at €3.6m. Adjusted EBITDA increased significantly by 96% to €21.2m compared to €10.8m in the prior year due to higher underlying profitability, improved profitability of the JV and Hull costs being recognised in the prior year. Accordingly, the adjusted EBITDA margin increased by 430bps from 7.3% to 11.6%, which is close to the FY27 Phase 1 target of 12.0%.

The Group achieved an underlying loss before tax of €1.9m (FY25: loss of €9.9m). After exceptional items, the statutory loss before tax amounted to €0.6m (FY25: €20.8m).

A net tax credit of €7.0m was recognised during the year (FY25: tax charge of €2.0m) as previously recognised tax provisions in the Netherlands were released following the finalisation of a bilateral advance pricing agreement with the UK and Dutch Tax Authorities which covered the years FY17 to FY25. Accordingly, the Group made a profit after tax and exceptionals of €6.5m compared to a loss of €22.9m the prior year, the highest profit after tax in the Group's history.

The Group delivered underlying earnings per share of 2.1 cents per share (FY25: loss of 5.0 cents per share), and a statutory earnings per share of 2.7 cents per share (FY25: loss of 9.5 cents per share).

Cash flow

Net cash flows from operating activities increased by €5.1m to €15.8m (FY25: €10.7m), resulting from the higher underlying EBITDA during the year, representing an operating cash flow conversion rate of 75% (FY25: 64%), almost achieving the FY27 Phase 1 target of >75%. The net working capital cash outflow amounted to €8.8m compared to a cash out flow of €7.0m in FY25. Inventory levels increased by €5.0m to ensure product availability needed to support strong demand and high levels of customer service, and there was a net outflow of €5.0m relating to amounts owed by the JV as it continued to ramp up. Working capital continues to be a key area of focus for the Group.

Plant and machinery additions of €4.8m in the year (FY25: €1.8m) consisted of expansionary growth capital expenditure in the Arnhem plant to provide further acetyls storage (€2.6m), thereby increasing future production efficiency, HSE improvements in the stacker hall (€0.6m), and maintenance CapEx.

Free cash flow (net cash flow from operating activities less CapEx) increased to €10.2m compared to €8.8m in FY25. The Group made a planned investment into the JV of €3.0m to support its growth and ramp up. Net cash outflows from financing activities amounted to €7.3m (FY25: €4.0m), primarily arising from the net repayment of loans (€2.9m), interest paid (€2.2m) and payment of lease liabilities (€1.4m).

Financial position

At 31 March 2026, the Group held cash of €17.4m, in line with the prior year. Net debt decreased by €1.2m in the year to €41.4m (FY25: €42.6m) primarily due to the increased operating cash flow generated during the year offset by CapEx, investment in JV and financing cash flows. The free cash flow margin improved to 6.7% (FY25:6.5%).

Gross borrowings increased by €0.3m to €56.0m during the year (2025: €55.7m), with net loan repayments of €2.9m being offset by the accrued interest on the convertible loan notes of €2.3m and the increase in the accounting value of the embedded derivative within the convertible loan notes of €0.6m.

The leverage ratio (net debt to underlying EBITDA) improved to 1.96x compared to 2.52x in the prior year, and is significantly lower than the 4.35x at 31 March 2024. The continued deleveraging of the balance sheet is in line with our FOCUS strategy. Excluding the convertible loan notes, the leverage ratio was 0.74x (FY25: 1.1x).

Accsys Technologies PLC

CFO Review (continued)

On 27 October 2025, the Group successfully completed new debt facilities of €55m, provided on an equal basis by ABN AMRO N.V. and HSBC UK Bank Plc. The facilities comprise of a €20m term loan and a €35m revolving credit facility and are committed on a three-year term, maturing in October 2028. The facilities include an option, at the Banks' discretion, to extend the term for a further year to October 2029. The successful refinancing shows continued strong support from ABN AMRO and we are delighted to partner with HSBC, a tier one bank of significant strength and reputation. We are pleased to have secured improved financing facilities, providing additional liquidity for the Group, and strengthening our financial position on improved terms.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future, and at least for the 12 months from the date these financial statements are approved (the 'going concern period'). As part of the Group's going concern review, the Directors have assessed the Group's trading forecasts, working capital and liquidity requirements, and bank facility covenant compliance for the going concern period under a base case scenario and a reverse stress test scenario.

The cash flow forecasts used for the going concern assessment represent the Directors' best estimate of trading performance and costs based on current agreements, market experience and consumer demand expectations. These forecasts indicate that, in order to continue as a going concern, the Group is dependent on achieving a certain level of performance relating to the production and sale of Accoya, and the management of its working capital.

The Directors have also considered the possible quantum and timing of any funding required to ramp up Accoya USA's operations. Accsys has a contractual obligation to fund its 60% share of Accoya USA, LLC on a pro-rata basis with its JV partner (Eastman Chemical Company). This funding has been considered in both scenarios.

The Group is also dependent on the Group's financial resources including its existing cash position and banking facilities (see note 26 for details).

The Directors considered a reverse stress test scenario against the base case to determine the decrease in Group sales volumes required to breach bank covenants only, as there is far greater liquidity headroom within the Group. The Directors do not expect the assumptions in the reverse stress test scenario to materialise, but should they unfold, the Group has several mitigating actions it can implement to manage its going concern risk, such as deferring discretionary capital expenditure and implementing further cost reductions to ensure there are no covenant breaches during the going concern period. In the reverse stress test, a decrease of more than approximately 13.4% on Group sales volumes compared to the prior year or a decrease of more than approximately 28.5% compared to the equivalent base scenario period was required to breach the first bank covenant.

The Directors believe that while some uncertainty always inherently remains in achieving the budget, in particular in relation to market conditions outside of the Group's control, after carefully considering all the factors explained in this statement, there is sufficient liquidity and covenant headroom such that there is no material uncertainty with respect to going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Sameet Vohra

Chief Financial Officer

15 June 2026

Accsys Technologies PLC

Consolidated statement of comprehensive income for the year ended 31 March 2026

		2026 €'000	2026 €'000	2026 €'000	2025 €'000	2025 €'000	2025 €'000
	Note	Underlying	Exceptional items*	Total	Underlying	Exceptional items*	Total
Accoya wood revenue		138,947	-	138,947	124,047	-	124,047
Tricoya panel revenue		3,447	-	3,447	3,698	-	3,698
Royalties and licence revenue**		3,981	-	3,981	1,372	-	1,372
Other revenue		6,901	-	6,901	7,515	-	7,515
Total revenue	3	153,276	-	153,276	136,632	-	136,632
Cost of sales		(105,909)	-	(105,909)	(95,205)	-	(95,205)
Gross profit		47,367	-	47,367	41,427	-	41,427
Other operating costs	4	(35,077)	1,300	(33,777)	(33,778)	(12,030)	(45,808)
Operating profit/(loss)	8	12,290	1,300	13,590	7,649	(12,030)	(4,381)
Finance income	9	69	-	69	304	-	304
Finance expense	10	(6,509)	-	(6,509)	(5,960)	1,102	(4,858)
Share of net loss from joint venture	25	(7,720)	-	(7,720)	(11,871)	-	(11,871)
Loss before taxation		(1,870)	1,300	(570)	(9,878)	(10,928)	(20,806)
Tax credit/(expense)	11	7,046	-	7,046	(2,044)	-	(2,044)
Profit/(loss) from continuing operations		5,176	1,300	6,476	(11,922)	(10,928)	(22,850)
Items that may be reclassified to profit or loss							
Gain/(loss) arising on translation of foreign operations		(21)	-	(21)	(62)	-	(62)
Gain arising on foreign currency cash flow hedges		386	-	386	-	-	-
Total other comprehensive gain/(loss)		365	-	365	(62)	-	(62)
Total comprehensive profit/(loss) for the year		5,541	1,300	6,841	(11,984)	(10,928)	(22,912)
Total comprehensive profit/(loss) for the year is attributable to:							
Owners of Accsys Technologies PLC		5,541	1,300	6,841	(11,984)	(10,928)	(22,912)
Total comprehensive profit/(loss) for the year		5,541	1,300	6,841	(11,984)	(10,928)	(22,912)
Basic earnings/(loss) per ordinary share (cents)	12	2.14	-	2.67	(4.97)	-	(9.52)
Diluted earnings per ordinary share (cents)	12	2.04	-	2.55	-	-	-

The notes form an integral part of these financial statements.

* See note 5 for details of exceptional items.

** See note 3 for details of re-presentation.

Accsys Technologies PLC

Consolidated statement of financial position as at 31 March 2026

Registered Company 05534340

	Note	2026 €'000	2025 €'000
Non-current assets			
Intangible assets	14	6,435	6,158
Investment in joint venture	25	28,332	33,854
Property, plant and equipment	15	70,849	73,593
Right of use assets	16	2,629	3,561
Deferred tax asset	11	1,896	-
Financial asset at fair value through profit or loss	17	-	-
		<u>110,141</u>	<u>117,166</u>
Current assets			
Inventories	20	36,078	30,763
Trade and other receivables	21	30,422	15,601
Cash and cash equivalents	26	17,402	17,423
		<u>83,902</u>	<u>63,787</u>
Current liabilities			
Trade and other payables	22	(26,963)	(16,590)
Obligations under lease liabilities	16	(831)	(961)
Short term borrowings	26	(6,936)	(5,625)
Corporation tax payable		(2,608)	(7,058)
		<u>(37,338)</u>	<u>(30,234)</u>
Net current assets		46,564	33,553
Non-current liabilities			
Obligations under lease liabilities	16	(2,506)	(3,322)
Other long term borrowings	26	(49,052)	(50,075)
Financial guarantee	28	-	-
		<u>(51,558)</u>	<u>(53,397)</u>
Net assets		<u>105,147</u>	<u>97,322</u>
Equity			
Share capital	23	12,169	12,022
Share premium account		264,782	262,938
Other reserves	24	114,792	114,406
Accumulated loss		(286,636)	(292,105)
Own shares		(8)	(8)
Foreign currency translation reserve		48	69
		<u>105,147</u>	<u>97,322</u>
Equity attributable to owners of Accsys Technologies PLC		<u>105,147</u>	<u>97,322</u>
Total equity		<u>105,147</u>	<u>97,322</u>

The financial statements were approved by the Board of Directors on 15 June 2026 and signed on its behalf by

Sameet Vohra
Chief Financial Officer

The notes form an integral part of these financial statements.

Accsys Technologies PLC

Consolidated statement of changes in equity for the year ended 31 March 2026

	Share capital Ordinary €000	Share premium account €000	Other reserves €000	Own Shares €000	Foreign currency trans- lation reserve €000	Accumulated Loss €000	Total equity attributable to equity shareholders of the Company €000
Balance at 1 April 2024	11,976	262,394	114,743	(8)	131	(270,421)	118,815
Loss for the year	-	-	-	-	-	(22,850)	(22,850)
Other comprehensive loss for the year	-	-	-	-	(62)	-	(62)
Share based payments	-	-	-	-	-	1,747	1,747
Shares issued	46	-	-	-	-	(46)	-
Premium on shares issued	-	535	-	-	-	(535)	-
Share issue costs	-	9	-	-	-	-	9
Foreign exchange hedge movement	-	-	(337)	-	-	-	(337)
Balance at 31 March 2025	12,022	262,938	114,406	(8)	69	(292,105)	97,322
Profit for the year	-	-	-	-	-	6,476	6,476
Other comprehensive gain/(loss) for the year	-	-	386	-	(21)	-	365
Share based payments	-	-	-	-	-	687	687
Shares issued	147	-	-	-	-	(112)	35
Premium on shares issued	-	1,844	-	-	-	(1,582)	262
Share issue costs	-	-	-	-	-	-	-
Balance at 31 March 2026	12,169	264,782	114,792	(8)	48	(286,636)	105,147

Share capital is the amount subscribed for shares at nominal value (note 23).

Share premium account represents the excess of the amount subscribed for share capital over the nominal value of these shares, net of share issue expenses. Share issue expenses comprise the costs in respect of the issue by the Company of new shares.

See note 24 for details concerning Other reserves.

Foreign currency translation reserve arises on the re-translation of the Group's USA subsidiary's net assets which are denominated in a different functional currency, being US dollars.

Accumulated losses represent the cumulative loss of the Group attributable to the owners of the parent.

The notes form an integral part of these financial statements.

Accsys Technologies PLC

Consolidated statement of cash flows for the year ended 31 March 2026

	Note	2026 €'000	2025 €'000
Loss before taxation		(570)	(20,806)
<i>Adjustments for:</i>			
Amortisation of intangible assets	8	695	1,048
Depreciation of property, plant and equipment, and right of use assets	8	8,131	8,171
Loss from liquidation of Tricoya UK Ltd	5	-	12,030
Net finance expense	9/10	6,440	4,554
Equity-settled share-based payment expenses	13	720	1,747
Accsys portion of Licence fee received from joint venture	25	834	450
Share of net loss of joint venture	25	7,720	11,871
Currency translation (gain)/loss		(48)	129
Cash inflows from operating activities before changes in working capital		<u>23,922</u>	<u>19,194</u>
(Increase) in trade and other receivables	21	(14,449)	(903)
(Increase) in inventories	20	(5,049)	(5,020)
Increase / (decrease) in trade and other payables	22	10,678	(1,108)
Net cash generated from operating activities before tax		<u>15,102</u>	<u>12,163</u>
Tax received/(paid)	11	703	(1,443)
Net cash generated from operating activities		<u>15,805</u>	<u>10,720</u>
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		76	14
Investment in property, plant and equipment	15	(4,711)	(1,755)
Cash disposed of from liquidation of Tricoya UK Ltd		-	(268)
Investment in intangible assets	14	(868)	(134)
Investment in joint venture	25	(3,032)	(14,490)
Net cash used in investing activities		<u>(8,535)</u>	<u>(16,633)</u>
Cash flows from financing activities			
Proceeds from loans		1,125	-
Other finance costs		(1,014)	(964)
Interest paid		(2,205)	(1,976)
Interest received		69	304
Repayment of lease liabilities	16	(1,382)	(864)
Repayment of loans/rolled up interest		(4,025)	-
Proceeds from issue of share capital and share schemes		177	-
Share issue costs		-	(467)
Net cash used in financing activities		<u>(7,255)</u>	<u>(3,967)</u>
Net increase/(decrease) in cash and cash equivalents		15	(9,880)
Effect of exchange rate changes on cash and cash equivalents		(36)	(124)
Opening cash and cash equivalents		17,423	27,427
Closing cash and cash equivalents		<u>17,402</u>	<u>17,423</u>

The notes form an integral part of these financial statements.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026

1. Accounting Policies

General Information

The financial information set out in these preliminary results does not constitute the Company's statutory financial statements for the years ended 31 March 2026 or 31 March 2025. Statutory financial statements for the year ended 31 March 2025 have been filed with the Registrar of Companies and those for the year ended 31 March 2026 will be delivered to the Registrar in due course; both have been reported on by the auditors. The auditors' report on the Annual Report and Financial Statements for the year ended 31 March 2024 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006. The auditors' report on the Annual Report and Financial Statements for the year ended 31 March 2026 is unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Basis of accounting

The Group's financial statements have been prepared under the historical cost convention (except for certain financial instruments and equity investments which are measured at fair value), in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. In addition, the financial statements are also prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and the Dutch Financial Markets Supervision Act.

Going Concern

The consolidated financial statements are prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future, and at least for the 12 months from the date these financial statements are approved (the 'going concern period'). As part of the Group's going concern review, the Directors have assessed the Group's trading forecasts, working capital and liquidity requirements, and bank facility covenant compliance for the going concern period under a base case scenario and a reverse stress test scenario.

The cash flow forecasts used for the going concern assessment represent the Directors' best estimate of trading performance and cost implications in the market based on current agreements, market experience and consumer demand expectations. These forecasts indicate that, in order to continue as a going concern, the Group is dependent on achieving a certain level of performance relating to the production and sale of Accoya, and the management of its working capital.

The Directors' have also considered the possible quantum and timing of funding required to fund the ramp up of Accoya USA's operations. Accsys has a contractual obligation to fund its 60% share of Accoya USA, LLC on a pro rata basis with its joint venture partner (Eastman Chemical Company). This funding has been considered in both scenarios.

The Group is also dependent on the Group's financial resources including its existing cash position, banking and finance facilities (see note 26 for details).

The Directors considered a reverse stress test scenario against the base case to determine the decrease in Group sales volumes required to breach bank covenants only, as there is far greater liquidity headroom within the Group. The Directors do not expect the assumptions in the reverse stress test scenario to materialise, but should they unfold, the Group has several mitigating actions it can implement to manage its going concern risk, such as deferring discretionary capital expenditure and implementing further cost reductions to ensure there are no covenant breaches during the going concern period. In the reverse stress test, a decrease of more than approximately 13.4% on Group sales volumes compared to an equivalent prior year period or a decrease of more than approximately 28.5% compared to the equivalent base scenario period was required to breach the first bank covenant.

The Directors believe that while some uncertainty always inherently remains in achieving the forecasts, in particular in relation to market conditions outside of the Group's control, after carefully considering all the factors explained in this statement, there is sufficient liquidity and covenant headroom such that there is no material uncertainty with respect to going concern and have prepared the financial statements on this basis.

Exceptional Items

Exceptional items are events or transactions that fall outside the ordinary activities of the Group and which by virtue of their size or incidence, have been separately disclosed in order to improve a users' understanding of the financial statements. These include impairment losses (or the reversal of previously recorded exceptional impairments), restructuring costs, significant gains or losses following the disposal of an asset and other significant one-off events or transactions. See note 5 for details of exceptional items.

Business combinations

A subsidiary is an entity over which the Group has control. Control is evident where the Group is exposed to, or has rights to, variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity. The consolidated financial statements present the results of the Group including the results of Accsys Technologies plc and its subsidiaries and joint venture. All Intra-group transactions and balances are eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the consolidated statement of financial position, the acquirer's identifiable assets, liabilities, and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of operations acquired or disposed are included in the consolidated statement of comprehensive income from the effective date of acquiring control or up to the effective date of disposal.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

As allowed under IFRS 1, some business combinations effected prior to transition to IFRS, were accounted for using the merger method of accounting. Under this method, assets and liabilities are included in the consolidation at their book values, not fair values, and any differences between the cost of investment and net assets acquired were taken to the merger reserve. The majority of the merger reserve arose from a corporate restructuring in the year ended 31 March 2006 which introduced Accsys Technologies PLC as the new holding Company.

Non-controlling interests are measured, at initial recognition, as the non-controlling proportion of the fair values of the assets and liabilities recognised at acquisition.

After initial recognition, non-controlling interests are measured as the aggregate of the value at initial recognition and their subsequent proportionate share of profits and losses less any distributions made. Changes in the Group's interests in subsidiaries that do not result in a change in control are accounted for as equity transactions. Any resulting difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration payable or receivable is recognised directly in equity and attributed to the shareholders.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss.

Revenue from contracts with customers

Revenue is measured at the fair value of the consideration receivable. Revenue is recognised to the extent that it is highly probable that a significant reversal will not occur based on the consideration in the contract. The following specific recognition criteria must also be met before revenue is recognised.

Manufacturing revenue

Revenue is recognised from the sale of goods at a point in time and is measured at the amount of the transaction price received in exchange for transferring goods. The transaction price is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in the future. Revenue is recognised when the Group's performance obligations under the relevant customer contract have been satisfied when the customer collects the goods or when delivered to the customer. Manufacturing revenue includes the sale of Accoya wood and Tricoya panels.

Licensing fees

Licence fees are recognised over the period of the relevant agreements according to the specific terms of each agreement or the quantities and/or values of the licensed product sold. The accounting policy for the recognition of licence fees is based upon satisfaction of the performance obligations set out in the contract such as an assessment of the work required before the licence is signed and subsequently during the design, construction and commissioning of the licensees' plant, with an appropriate proportion of the fee recognised upon signing and the balance recognised as the project progresses to completion. The amount of any cash received but not recognised as income is included in the financial statements as deferred income and shown as a liability.

Other revenue

Included within other revenue are raw wood and acetic acid sales. Revenue is recognised from the sale of goods at a point in time and is measured at the amount of the transaction price received in exchange for transferring goods. Revenue is recognised when the Group's performance obligations have been satisfied either when the customer collects the goods or when delivered to the customer.

Finance income

Interest accrues using the effective interest method, i.e. the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Finance expenses and borrowing costs

Finance expenses include the fees, interest and other finance charges associated with the Group's loan notes, credit facilities and leases, which are expensed over the period that the Group has access to the loans, facilities and leases.

Foreign exchange gains or losses on the loan notes and borrowings are included within finance expenses.

Interest on borrowings directly relating to the construction or production of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale. Where funds have been borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred.

Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the construction period. The capitalisation of borrowing costs is suspended during extended periods in which it suspends active development of a qualifying asset.

Share based payments

The Company awards nil cost options to acquire ordinary shares in the capital of the Company to certain Directors and employees. The Company has also previously awarded bonuses to certain employees in the form of the award of deferred shares of the Company.

In addition, the Company has established an Employee Share Participation Plan under which employees subscribe for new shares which are held by a trust for the benefit of the subscribing employees. The shares are released to employees after one year, together with an additional, matching share on a one for one basis.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

The fair value of options and deferred shares granted are recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and is charged to the consolidated statement of comprehensive income over the vesting period during which the employees become unconditionally entitled to the options or shares.

The fair value of share options granted is measured using a modified Black Scholes model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest only where vesting is dependent upon the satisfaction of service and non-market vesting conditions.

Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options which eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Pensions

The Group contributes to certain defined contribution pension and employee benefit schemes on behalf of its employees. These costs are charged to the consolidated statement of comprehensive income on an accruals basis.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date together with any adjustment to tax payable in respect of previous years. Current tax includes the expected impact of claims submitted by the Group to tax authorities in respect of enhanced tax relief for expenditure on research and development.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Recognition of deferred tax assets is restricted to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (the functional currency). For the purposes of the consolidated financial statements, the results and financial position of each Group company are expressed in Euro, which is the functional currency of the parent Company, and the presentation currency of the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currencies are recognised at the rates of exchange prevailing on the date of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average monthly exchange rates prevailing in the month in which the transaction took place. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. Such translation differences are reclassified to profit and loss only on disposal or partial disposal of the overseas operation.

Foreign exchange hedging

The Group has adopted IFRS 9 hedge accounting in respect of the cash flow hedging instruments that it uses to manage the risk of foreign exchange movements impacting on future cash flows and profitability.

The Group has prospectively assessed the effectiveness of its cash flow hedging using the 'hedge ratio' of quantities of cash held in the same currency as future foreign exchange cash flow quantities related to the underlying transaction. The Group has undertaken a qualitative analysis to confirm that an 'economic relationship' exists between the hedging instrument and the hedged item. It is also satisfied that credit risk will not dominate the value changes that result from that economic relationship.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

The Group applies hedge accounting in respect of foreign currency forward contracts. At each period end the Group calculates the fair value of all foreign currency forward contracts and the fair value gain or loss is recognised within other comprehensive income.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the attached conditions. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, they are credited to a deferred income account and released to the statement of comprehensive income over the expected useful life of the relevant asset on a straight line basis.

Goodwill

Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the identifiable assets and liabilities acquired. It is capitalised, and is subject to annual impairment reviews by the Directors. Any impairment arising is charged to the consolidated statement of comprehensive income. Where the fair value of the identifiable assets and liabilities acquired is greater than the fair value of consideration paid, the resulting amount is treated as a gain on a bargain purchase and is recognised in the consolidated statement of comprehensive income.

Joint venture

The Group has entered into a joint venture agreement with Eastman Chemical Company, forming Accoya USA, LLC. The Group applies IFRS 11 for this joint arrangement, and following assessment of the nature of this joint arrangement, has determined it to be a joint venture. Interest in the joint venture is accounted for using the equity method, after initially being recognised at cost.

Further details concerning the Accoya USA, LLC joint venture with Eastman Chemical Company are included in note 25.

Other intangible assets

Intellectual property rights, including patents, which cover a portfolio of novel processes and products, are shown in the financial statements at cost less accumulated amortisation and any amounts by which the carrying value is assessed during an annual review to have been impaired. The useful economic life of the intellectual property is considered to be 20 years. The amortisation charge in the year is within other operating costs in the statement of comprehensive income.

Internal development costs are incurred as part of the Group's activities including new processes, process improvements, identifying new species and improving the Group's existing products. Research costs are expensed as incurred. Development costs are capitalised when all of the criteria set out in IAS 38 'Intangible Assets' (including criteria concerning technical feasibility, ability and intention to use or sell, ability to generate future economic benefits, ability to complete the development and ability to reliably measure the expenditure) have been met. These internal development costs are amortised on a straight line basis over their useful economic life, between eight and 20 years.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment charged. Cost includes the original purchase price of the asset as well as costs of bringing the asset to the working condition and location of its intended use. The capitalisation of costs is suspended during extended periods in which it suspends active development of a qualifying asset. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset, except freehold land, over its expected useful life on a straight line basis, as follows:

Plant and machinery	These assets comprise plant production facilities and machinery, and are depreciated from the date they become available for use over their useful lives of between five and 20 years
Office equipment	Useful life of between three and five years
Leased land and buildings	Land held under a finance lease is depreciated over the life of the lease

Impairment of non-financial assets

The carrying amount of non-current non-financial assets of the Group is compared to the recoverable amount of the assets whenever events or changes in circumstances indicate that the net book value may not be recoverable, or in the case of goodwill, annually. The recoverable amount is the higher of value in use and the fair value less cost to sell. In assessing the value in use, the expected future cash flows from the assets are determined by applying a discount rate to the anticipated pre-tax future cash flows. An impairment charge is recognised in the consolidated statement of comprehensive income to the extent that the carrying amount exceeds the assets' recoverable amount. The revised carrying amounts are amortised or depreciated in line with Group accounting policies. A previously recognised impairment loss, other than on goodwill, is reversed if the recoverable amount increases as a result of a reversal of the conditions that originally resulted in the impairment. This reversal is recognised in the consolidated statement of comprehensive income and is limited to the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. Assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units) for purposes of assessing impairment.

Leases

To the extent that a right-of-control exists over an asset subject to a lease, a right-of-use asset, representing the Group's right to use the underlying leased asset, and a lease liability, representing the Group's obligation to make lease payments, are recognised in the consolidated statement of financial position at the commencement of the lease.

The right-of-use asset is measured initially at cost and includes the amount of initial measurement of the lease liability, any initial direct costs incurred, including advance lease payments, and an estimate of the dismantling, removal and restoration costs required in terms of the lease. Depreciation is charged to the consolidated income statement so as to depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease term shall include the period of an extension option where it is reasonably certain that the option will be exercised. Where the lease contains a purchase option the asset is written off over the useful life of the asset when it is reasonably certain that the purchase option will be exercised.

The lease liability is measured at the present value of the future lease payments, including variable lease payments that depend on an index and the exercise price of purchase options where it is reasonably certain that the option will be exercised, discounted using the interest rate implicit in the lease, if readily determinable. If the implicit interest rate cannot be readily determined, the lessee's incremental borrowing rate is used. Finance charges are recognised in the consolidated statement of comprehensive income over the period of the lease.

Lease expenses for leases with a duration of one year or less and low-value assets are not recognised in the consolidated statement of financial position, and are charged to the consolidated income statement when incurred. Low-value assets are determined based on quantitative criteria.

The Group has used the following practical expedients permitted by the standard:

- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- Reliance on previous assessments on whether leases are onerous
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Inventories

Raw materials, which consist of unprocessed timber and chemicals used in manufacturing operations, are valued at the lower of cost and net realisable value. The basis on which cost is derived is a first-in, first-out basis.

Inventory in the process of being produced is disclosed as work in progress and the costs associated to where it is in the process are capitalised to its value.

Finished goods, comprising processed timber, are stated at the lower of weighted average cost of production or net realisable value. Costs include direct materials, direct labour costs and production overheads (excluding the depreciation of relevant property and plant and equipment) absorbed at an appropriate level of capacity utilisation. Net realisable value represents the estimated selling price less all expected costs to completion and costs to be incurred in selling and distribution.

Fair value measurement

Assets and liabilities that are measured at fair value, or where the fair value of financial instruments has been disclosed in notes to the financial statements, are based on the following fair value measurement hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Specific valuation methodologies used to value financial instruments include other techniques, including discounted cash flow analysis, are used to determine the fair values of other financial instruments.

Financial assets

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value and in the case of investments not at fair value through profit or loss, fair value plus directly attributable transaction costs.

Except where a reliable fair value cannot be obtained, unlisted shares held by the Group are classified as fair value through other comprehensive income and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income, with dividends recognised in profit or loss. Where it is not possible to obtain a reliable fair value, these investments are held at cost less provision for impairment.

Loans and receivables, which comprise non-derivative financial assets with fixed and determinable payments that are not quoted on an active market, are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Trade and other receivables

Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method, less allowance for impairments. The Group has elected to apply the IFRS 9 practical expedient option to measure the value of its trade receivables at transaction price, as they do not contain a significant financing element. The Group applies IFRS 9's 'simplified' approach that requires companies to recognise the lifetime expected losses on its trade receivables. At the date of initial recognition, the credit losses expected to arise over the lifetime of a trade receivable are recognised as an impairment and are adjusted, over the lifetime of the receivable, to reflect objective evidence reflecting whether the Group will not be able to collect its debts.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits, including liquidity funds, with an original maturity of three months or less. For the purpose of the statement of consolidated cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Financial liabilities

Other financial liabilities

Trade payables and other financial liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Loans and other borrowings are initially recognised at the fair value of amounts received net of transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Derivatives are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued.

The liability is initially measured at fair value, which is determined based on the present value of the difference in cash flows between the contractual payments required under the FHB borrowing (provided to the Company's joint venture – Accoya USA) and the payments that are estimated to be required without the guarantee being provided by Accsys to FHB. To calculate the fair value of the guarantee, the present value calculation is then weighted by the probability of the guarantee being called by FHB.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's shares are classified as equity instruments.

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Accsys Technologies PLC, the chief operating decision makers (CODM) of the Group. The Board are responsible for allocating resources and assessing performance of the operating segments and has been identified as steering the committee that makes strategic decisions.

Alternative Performance Measures

The Group presents certain measures of financial performance, position or cash flows in the Annual Report and Financial Statements that are not defined or specified according to IFRS (International Financial Reporting Standards). These measures, referred to as Alternative Performance Measures (APMs), are prepared on a consistent basis for all periods presented in this report.

The significant APMs are:

Net debt

A measure comprising short term and long-term borrowings (including lease obligations) less cash and cash equivalents. Net debt ignores movements in embedded derivatives to provide a measure of the Group's true net indebtedness or overall leverage.

Underlying EBITDA

Operating profit/(loss) before Exceptional items, depreciation and amortisation. Underlying EBITDA provides a measure of the cash-generating ability of the business that is comparable from year to year.

Underlying EBIT

Operating profit/(loss) before Exceptional items. Underlying EBIT provides a measure of the operating performance that is comparable from year to year.

Adjusted EBITDA

Underlying EBITDA plus the Group's attributable share of the Accoya USA joint venture's underlying EBITDA. Adjusted EBITDA provides a measure of the cash-generating ability of the business that is comparable from year to year.

Adjusted EBIT

Underlying EBIT plus the Group's attributable share of the Accoya USA joint venture's underlying EBIT. Adjusted EBIT provides a measure of the operating performance that is comparable from year to year.

Free cash flow

Net cash from operating activities less investment in property, plant and equipment and intangible assets. See note 26.

Leverage ratio

Leverage ratio is the ratio of net debt to underlying EBITDA.

2. Accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates

Goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated above. The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of judgements in relation to discount rates and future forecasts (See note 14 and 15). The recoverability of these balances is dependent upon the level of future licence fees and manufacturing revenues. While the scope and timing of the production facilities to be built under the Group's existing and future agreements remains uncertain, the Directors remain confident that revenue from own manufacturing, existing licensees, new licence agreements will be generated, demonstrating the recoverability of these balances.

Intellectual property rights (IPR) and property, plant and equipment

The Group tests the carrying amount of the intellectual property rights and property, plant and equipment whenever events or changes in circumstances indicate that the net book value may not be recoverable. These calculations require the use of estimates in respect of future cash flows from the assets by applying a discount rate to the anticipated pre-tax future cash flows. Within this process, the Group makes a number of key assumptions including operating margins, production volumes, discount rates, terminal growth rates and forecast cash flows. Additional information is disclosed in note 14 and 15, which highlights the estimates applied in the value-in-use calculations for those CGUs that are considered most susceptible to changes in key assumptions and the sensitivity of these estimates. The Group also reviews the estimated useful lives at the end of each annual reporting period (See note 14 and 15). The price of raw materials and other inputs vary according to market conditions outside of the Group's control. Should the price of the raw materials increase greater than the sales price or in a way which no longer makes Accoya competitive, then the carrying value of the property, plant and equipment or IPR may be in doubt and become impaired. The Directors consider that the current market and best estimates of future prices mean that this risk is limited.

Fair value of financial derivative

The Group has convertible loan notes with an embedded conversion option. The Group values the financial derivative based upon assumptions around the likelihood of conversion and the volatility of the share price to determine the fair value of the derivative. Any movements in the fair value of the derivative are recognised through the profit and loss. See note 26 for further details.

Recovery of investment in the joint venture

The Group, together with Eastman Chemical Company LLC formed Accoya USA, LLC, 60% owned by the Group and 40% owned by Eastman. The two parties are assessed to jointly control the entity, due to the operating agreement requiring both joint venture partners to approve key business decisions. The Group performs an impairment assessment on its investment in Accoya USA, LLC whenever events or changes in circumstances indicate that the carrying value may not be recoverable. This requires the Group to make an estimate and assumptions of the expected cash flows, sales volumes and choose a suitable discount rate in order to calculate the present value of those cash flows. See note 25 for further details.

Accounting judgements

In preparing the Consolidated Financial Statements, management has to make judgments on how to apply the Group's accounting policies and make estimates about the future. The critical judgements that have been made in arriving at the amounts recognised in the Consolidated Financial Statements and the key sources of uncertainty that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year are discussed below:

Financial asset at fair value through profit or loss

The Group has an investment in listed equity shares carried at nil fair value as a reliable fair value cannot be obtained since there is no active market for the shares and there is currently uncertainty around the future funding of the business. The Group makes appropriate enquiries and considers all of the information available to it in order to determine the fair value (See note 17).

New standards and interpretations in issue at the date of authorisation of these financial statements:

New standards, amendments and interpretations

The following amendments to Standards and a new Interpretation have been adopted for the financial year beginning on 1 April 2025:

- Amendments to IAS 21;
- Amendments to IFRS 19; and
- Amendments to IFRS 7 and IFRS 9.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards, amendments and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2026 reporting periods and have not been early adopted by the Group.

In April 2024, the IASB issued IFRS 18 'Presentation and Disclosure in Financial Statements'. The new presentation requirements introduced in IFRS 18 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosure requirements for 'management-defined performance measures' will enhance transparency. IFRS 18 is effect from 1 January 2027 and has not yet been adopted by the Group.

Accsys Technologies plc is in the process of determining the impact on the Group of applying IFRS 18. The Group is preparing a transition plan to report our first IFRS 18-compliant interim financial statements for the period ending September 2027 and annual financial statements for the year ended March 2028. The standard is anticipated to not have a significant impact on the presentation of the Consolidated Income Statement.

Other new accounting standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

3. Segmental reporting

The Group's business is the manufacturing of and development, commercialisation and licensing of the associated proprietary technology for the manufacture of Accoya wood, Tricoya wood elements and related acetylation technologies. Segmental reporting is divided between corporate activities and activities directly attributable to Accoya.

Accoya

	Accoya Segment					
	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2025
	Underlying €'000	Exceptional items €'000	TOTAL €'000	Underlying €'000	Exceptional items €'000	TOTAL €'000
Accoya wood revenue	138,947	-	138,947	124,047	-	124,047
Tricoya panel revenue	3,447	-	3,447	3,698	-	3,698
Royalties and licence revenue*	3,981	-	3,981	1,372	-	1,372
Other revenue	6,901	-	6,901	7,515	-	7,515
Total Revenue	153,276	-	153,276	136,632	-	136,632
Cost of sales	(105,909)	-	(105,909)	(95,205)	-	(95,205)
Gross profit	47,367	-	47,367	41,427	-	41,427
Other operating costs	(31,481)	1,300	(30,181)	(30,084)	(12,030)	(42,114)
Operating profit/(loss)	15,886	1,300	17,186	11,343	(12,030)	(687)
Operating profit/(loss)	15,886	1,300	17,186	11,343	(12,030)	(687)
Depreciation and amortisation	8,826	-	8,826	9,219	-	9,219
Profit on disposal of assets	-	-	-	-	(12)	(12)
Impairment	-	-	-	-	18,320	18,320
Gain on disposal of investment	-	-	-	-	(10,382)	(10,382)
EBITDA	24,712	1,300	26,012	20,562	(4,104)	16,458

Reconciliation of Accoya Adjusted EBIT and EBITDA

	Year ended 31 March 2026 €'000	Year ended 31 March 2025 €'000
Operating profit	15,886	11,343
Share of Accoya USA EBIT	(4,953)	(9,621)
Adjusted EBIT	<u>10,933</u>	<u>1,722</u>

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

	Year ended 31 March 2026 €'000	Year ended 31 March 2025 €'000
Underlying EBITDA	24,712	20,562
Share of Accoya USA EBITDA	90	(6,045)
Adjusted EBITDA	24,802	14,517

Revenue includes the sale of Accoya, licence and royalty income and other revenue, principally relating to the sale of acetic acid. Revenue also includes sales of lower visual grade Accoya to Tricoya customers for the purposes of producing Tricoya panels.

All costs of sales are allocated against manufacturing activities in Arnhem and Barry (Wales) unless they can be directly attributable to a licensee. Other operating costs include all costs associated with the operation of the Arnhem and Barry manufacturing sites, including directly attributable administration, sales and marketing costs.

See note 5 for explanation of Exceptional items.

* To better reflect revenue earned from Group intellectual property, royalties previously presented within the 'other revenue' line item in the prior year have been reclassified and are now presented within the 'royalties and licence revenue' line item.

Corporate

	Corporate Segment					
	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2025
	Underlying €'000	Exceptional items €'000	TOTAL €'000	Underlying €'000	Exceptional items €'000	TOTAL €'000
Accoya wood revenue	-	-	-	-	-	-
Tricoya panel revenue	-	-	-	-	-	-
Royalties and licence revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-
Gross result	-	-	-	-	-	-
Other operating costs	(3,597)	-	(3,597)	(3,694)	-	(3,694)
Operating profit/(loss)	(3,597)	-	(3,597)	(3,694)	-	(3,694)
Operating profit/(loss)	(3,597)	-	(3,597)	(3,694)	-	(3,694)
Depreciation and amortisation	-	-	-	-	-	-
EBITDA	(3,597)	-	(3,597)	(3,694)	-	(3,694)

Corporate costs are those costs not directly attributable to Accoya activities. This includes management and the Group's corporate and general administration costs, including the head office in London. See note 5 for explanation of Exceptional items.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

Total

	Total					
	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2025
	Underlying €'000	Exceptional items €'000	TOTAL €'000	Underlying €'000	Exceptional items €'000	TOTAL €'000
Accoya wood revenue	138,947	-	138,947	124,047	-	124,047
Tricoya panel revenue	3,447	-	3,447	3,698	-	3,698
Royalties and licence revenue	3,981	-	3,981	1,372	-	1,371
Other revenue	6,901	-	6,901	7,515	-	7,515
Total Revenue	153,276	-	153,276	136,632	-	136,632
Cost of sales	(105,909)	-	(105,909)	(95,205)	-	(95,205)
Gross profit	47,367	-	47,367	41,427	-	41,427
Other operating costs	(35,077)	1,300	(33,777)	(33,778)	(12,030)	(45,808)
Operating profit/(loss)	12,290	1,300	13,590	7,649	(12,030)	(4,381)
Finance income	69	-	69	304	-	304
Finance expense	(6,509)	-	(6,509)	(5,960)	1,102	(4,858)
Share of net loss from joint venture	(7,720)	-	(7,720)	(11,871)	-	(11,871)
Loss before taxation	(1,870)	1,300	(570)	(9,878)	(10,928)	(20,806)

See note 5 for details of Exceptional items.

Reconciliation of Underlying EBIT and EBITDA

	Year ended 31 March 2026	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2025
	Underlying €'000	Exceptional items €'000	TOTAL €'000	Underlying €'000	Exceptional items €'000
Operating profit/(loss)	12,290	1,300	13,590	7,649	(12,030)
Depreciation and amortisation	8,826	-	8,826	9,219	-
Profit on disposal of assets	-	-	-	-	(12)
Impairment	-	-	-	-	18,320
Gain on disposal of investment	-	-	-	-	(10,382)
EBITDA	21,116	1,300	22,416	16,868	(4,104)

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Reconciliation of Adjusted EBIT and EBITDA

	Year ended 31 March 2026 €'000	Year ended 31 March 2025 €'000
Operating profit	12,290	7,649
Share of Accoya USA EBIT	(4,953)	(9,621)
Adjusted EBIT	<u>7,337</u>	<u>(1,972)</u>

	Year ended 31 March 2026 €'000	Year ended 31 March 2025 €'000
Underlying EBITDA	21,116	16,868
Share of Accoya USA EBITDA	90	(6,045)
Adjusted EBITDA	<u>21,206</u>	<u>10,823</u>

Analysis of Revenue by geographical area of customers:

	2026 €'000	2025 €'000
UK and Ireland	58,085	54,103
Rest of Europe	63,030	51,276
Americas	16,802	15,921
Rest of World	15,359	15,332
	<u>153,276</u>	<u>136,632</u>

Revenue generated from one customer exceeded 10% of Group revenue of 2026. This customer represented 17% of Group revenue. Revenue generated from two customers exceeded 10% of Group revenue for 2025. This included 13% and 15% of Group revenue.

Assets and liabilities on a segmental basis:

	Accoya 2026 €'000	Corporate 2026 €'000	TOTAL 2026 €'000	Accoya 2025 €'000	Corporate 2025 €'000	TOTAL 2025 €'000
Non-current assets	<u>108,375</u>	<u>1,766</u>	110,141	<u>115,505</u>	<u>1,661</u>	117,166
Current assets	77,329	6,573	83,902	52,142	11,645	63,787
Current liabilities	<u>(8,023)</u>	<u>(29,315)</u>	(37,338)	<u>(20,455)</u>	<u>(9,779)</u>	(30,234)
Net current assets	69,306	(22,742)	46,564	31,687	1,866	33,553
Non-current liabilities	(2,066)	(49,492)	(51,558)	(2,663)	(50,734)	(53,397)
Net assets/(liabilities)	<u>175,615</u>	<u>(70,468)</u>	105,147	<u>144,529</u>	<u>(47,207)</u>	97,322

The Investment accounted for using the equity method (Investment into Accoya USA) is included in the Accoya segment. See note 25.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Analysis of non-current assets (other than financial assets and deferred tax):

	2026	2025
	€'000	€'000
UK	4,002	4,169
USA	28,358	33,854
Mainland Europe	73,550	74,912
Un-allocated - Goodwill	4,231	4,231
	<u>110,141</u>	<u>117,166</u>

The segmental assets in the current year were predominantly held in the UK, USA and mainland Europe. Additions to property, plant, equipment and intangible assets in the current year were predominantly incurred in the UK and mainland Europe. The increase in Investment accounted for using the equity method (investment into Accoya USA) incurred in the USA. There are no significant intersegment revenues.

4. Other operating costs

Other operating costs consist of the operating costs/(credits), other than the cost of sales, associated with the operation of the plant in Arnhem, Barry and the office in London.

	2026	2025
	€'000	€'000
Sales and marketing	5,640	4,805
Research and development	1,227	1,190
Other operating costs	3,217	4,392
Administration costs	16,167	14,172
Exceptional items*	(1,300)	4,092
	<u>24,951</u>	<u>28,651</u>
Other operating costs excluding depreciation, amortisation, impairment and gains on disposals	<u>24,951</u>	<u>28,651</u>
Depreciation and amortisation	8,826	9,219
Impairment loss - exceptional items*	-	18,320
Gain on disposal of investment*	-	(10,382)
	<u>33,777</u>	<u>45,808</u>
Total other operating costs	<u>33,777</u>	<u>45,808</u>

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

Other operating costs are those costs directly attributable to Accoya. This includes staff costs for the Arnhem and Barry sites and support functions not captured in Corporate, Sales and Marketing or general administrative costs for the Arnhem and Barry sites.

During the period, €431,000 (2025: €134,000) of internal development and patent-related costs were capitalised and included in intangible fixed assets.

*Refer to note 5 for description of exceptional costs.

5. Exceptional items

	2026	2025
	€'000	€'000
Impairment of the Tricoya segment assets	-	(18,320)
Hull closure costs	1,300	(4,092)
Gain on disposal of investment	-	10,382
Total exceptional operating costs	<u>1,300</u>	<u>(12,030)</u>
Revaluation/recognition of Valuation Recovery Instrument 'VRI' liability	-	1,102
Total exceptional financing costs	<u>-</u>	<u>1,102</u>
Total exceptional items	<u>1,300</u>	<u>(10,928)</u>

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Exceptional Items

In the year:

- A restructuring gain of €1.3m has been recognised in relation to restructuring costs relating to the discontinuing and winding-up the Hull plant which did not materialise.

In the prior year:

- An impairment loss (non-cash item) of €18.3m has been recognised in the year reflecting the full remaining impairment of the Tricoya segment assets related to the Hull plant (2024: €7.0m).
- A restructuring cost of €4.1m has been recognised for the costs related to discontinuing and winding-up the Hull plant.
- An exceptional gain of €10.4m (non-cash item) has been recognised in the year reflecting the deconsolidation of Tricoya UK Ltd following the loss of control from the Group. The majority of this gain relates to the removal of the non-recourse NatWest facility of €7.1m and the lease liability on the land of €1.2m. See note 26 for further details.
- The financial liability previously raised to account for the Value Recovery Instrument ('VRI') of €1.1m has been released.

6. Employees

	2026 €'000	2025 €'000
Staff costs (including Directors) consist of:		
Wages and salaries	18,691	15,402
Social security costs	2,753	2,407
Other pension costs	1,378	1,101
Share based payments	720	1,734
	23,542	20,644

Pension costs relate to defined contribution plan contributions.

The average monthly number of employees, including Executive Directors, during the year was as follows:

	2026	2025
Sales and marketing, administration, research and engineering	133	120
Operating	102	95
	235	215

7. Directors' remuneration

	2026 €'000	2025 €'000
Directors' remuneration consists of:		
Directors' emoluments	1,750	1,867
Company contributions to money purchase pension schemes	61	57
	1,811	1,924

Compensation of key management personnel included the following amounts:

	2026 Salary, bonus and short term benefits €'000	2026 Pension €'000	2026 Share based payments charge €'000	2026 Total €'000	2025 Salary, bonus and short term benefits €'000	2025 Pension €'000	2025 Share based payments charge €'000	2025 Total €'000
Jelena Arsic van Os	866	36	180	1,082	916	37	129	1,082
Steven Salo	-	-	-	-	196	3	22	221
Sameet Vohra	554	25	71	650	309	13	44	366
Hans Pauli	-	-	-	-	130	4	4	138
	1,420	61	251	1,732	1,551	57	199	1,807

The Group made contributions to two (2025: two) Director's personal pension plans, with both Directors receiving cash in lieu of pension.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

The figures in the above table are impacted by foreign exchange noting that the remuneration for Jelena Arsic van Os and Sameet Vohra, are denominated in Pounds Sterling.

In the prior year, the compensation in the above table for Sameet Vohra, Steven Salo and Hans Pauli represents the period in which they were appointed as a Director and not a full year.

Key management personnel includes the Executive Directors. For further details on all Director's remunerations, see the Remuneration Report on page 74.

8. Operating profit/(loss)

	2026	2025
	€'000	€'000
This has been arrived at after charging/(crediting):		
Staff costs (note 6)	23,542	20,644
Depreciation of property, plant and equipment, and right of use assets	8,131	8,171
Impairment	-	18,320
Amortisation of intangible assets	695	1,048
Short term lease rentals	155	91
Foreign exchange (gain)/losses	(48)	129
Research & development (excluding staff costs)	458	452
Fees payable to the Company's auditors for the audit of the Group's annual financial statements	272	295
Fees payable to the Company's auditors for other services:		
- audit of the Company's subsidiaries pursuant to legislation	85	104
- other assurance services	109	53
Fees payable to Component auditors for audit of subsidiaries	209	201
Fees payable to Component auditors for audit of joint venture	111	134
Total audit and audit related services:	786	787

9. Finance income

	2026	2025
	€'000	€'000
Interest receivable on bank and other deposits	69	304

10. Finance expense

	2026	2025
	€'000	€'000
Interest on loans	5,180	4,667
Interest on lease liabilities	173	356
Other finance expenses	618	937
Total finance expenses	5,971	5,960
Fair value loss on revaluation of embedded derivative	538	-
Total underlying finance expenses	6,509	5,960
Exceptional items		
Revaluation/recognition of Valuation Recovery Instrument 'VRI'	-	(1,102)
Total Finance expense	6,509	4,858

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

11. Tax expense

	2026 €'000	2025 €'000
(a) Tax recognised in the statement of comprehensive income comprises:		
Current tax charge		
UK Corporation tax on profit for the year	(6,612)	653
	<u>(6,612)</u>	<u>653</u>
Overseas tax at rate of 15%	6	8
Overseas tax at rate of 25.8%	1,456	1,383
Deferred Tax		
Original and reversal of temporary differences	(1,896)	-
	<u>(1,896)</u>	<u>-</u>
Total tax (credit)/charge reported in the statement of comprehensive income	<u>(7,046)</u>	<u>2,044</u>

	2026 €'000	2025 €'000
(b) The standard rate of corporation tax applied to the UK reported profit is 25%. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The tax charge for the period is higher than the standard rate of corporation tax in the UK (2026: 25%, 2025: 25%) due to:		
Loss before tax	(570)	(20,806)
	<u>(570)</u>	<u>(20,806)</u>
Expected tax credit at 25% (2025: 25%)	(142)	(5,201)
Expenses not deductible in determining taxable profit	467	699
ECL impairment (not deductible for tax purposes)	-	7,295
Irrecoverable losses due to deconsolidation	-	1,035
Tricoya segment assets impairment	-	878
Income not taxable from gain on investment disposal	-	(2,595)
Tax (income)/losses for which no deferred income tax asset was (utilised)/recognised	(9,445)	(1,197)
Corporate interest restriction	-	481
Adjustments in relation to prior periods	2,068	641
Effects of overseas taxation	6	8
	<u>(9,445)</u>	<u>(1,197)</u>
Total tax (credit)/charge reported in the statement of comprehensive income	<u>(7,046)</u>	<u>2,044</u>

During the year, following finalisation of the Group's Advance Pricing Agreement relating to the periods FY17 – FY25, it was agreed with the UK and Dutch Tax Authorities that €33.2m of UK tax trading losses, with a tax impact of €8.5m, would be transferred from the UK subsidiary, Titan Wood Limited to the Netherlands subsidiary, Titan Wood B.V. As a result of this transfer, Titan Wood B.V. was able to offset €6.4m of its historically recorded tax liability from trading profits and recognise the remainder a deferred tax asset of €1.9m to be offset against future tax payable on taxable trading profits. This is expected to be utilised within the next 12 months.

-	Deferred tax assets		Deferred tax liabilities	
	2026	2025	2026	2025
€ '000				
At 1 April	411	509	(411)	(509)
Credited/ (charged) to the consolidated income statement	1,815	(98)	81	98
At 31 March	2,226	411	(330)	(411)

Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements. See note 18.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

12. Basic and diluted earnings per Ordinary share

The calculation of earnings/(loss) per Ordinary share is based on loss after tax and the weighted average number of Ordinary shares in issue during the year.

	2026	2026	2025	2025
	Underlying	Total	Underlying	Total
-				
-				
<u>Basic earnings per share</u>				
Weighted average number of Ordinary shares in issue ('000)	242,304	242,304	240,086	240,086
Profit/(loss) for the year attributable to owners of Accsys Technologies PLC (€'000)	5,176	6,476	(11,922)	(22,850)
Basic earnings/(loss) per share (cents)	2.14	2.67	(4.97)	(9.52)
<u>Diluted earnings per share</u>				
Weighted average number of Ordinary shares in issue ('000)	242,304	242,304	-	-
Number of equity options attributable to BGF (see note 27)	8,449	8,449	-	-*
Number of LTIP options expected to vest (see note 13)	2,727	2,727	-	-*
Number of equity options attributable to convertible loan note issued (see note 26)	-	-	-	-
Weighted average number of Ordinary shares in issue and potential Ordinary shares ('000)	253,480	253,480	-	-
Profit for the year attributable to owners of Accsys Technologies PLC (€'000)	5,176	6,476	-	-
Diluted earnings/(loss) per share (cents)	2.04	2.55	-	-*

* Diluted loss per share is not disclosed for Total diluted loss per share. IAS 33 'Earning per share' defines Dilutive share options as share options which would decrease profit per share or increase loss per share. Equity options to BGF are disclosed in note 27 and convertible loan notes in note 26, which if exercised, would decrease Total loss per share. As a result, these are anti-dilutive and therefore shown as nil.

13. Share based payments

The Group operates a number of share schemes which give rise to a share-based payment charge. The Group operates a Long-Term Incentive Plan ('LTIP') in order to reward certain members of staff including the Senior Leadership team and the Executive Directors.

Options – total

The following figures take into account options awarded under the LTIP, together with share options awarded in previous years under the 2008 Share Option schemes.

Outstanding options granted are as follows:

Date of grant	Number of outstanding options at 31 March		Weighted average remaining contractual life, in years	
	2026	2025	2026	2025
24 June 2016 (LTIP)	93,188	93,188	0.3	1.3
20 June 2017 (LTIP)	72,999	72,999	1.3	2.3
18 June 2018 (LTIP)	45,154	45,154	2.3	3.3
23 June 2021 (LTIP)	42,914	42,914	5.3	6.3
12 July 2022 (LTIP) ¹	56,868	180,530	6.3	7.2
28 July 2023 (LTIP)	701,827	776,192	7.3	8.3
18 July 2024 (LTIP)	1,265,716	1,265,716	8.3	9.3
27 November 2024 (LTIP)	401,516	401,516	8.3	9.3
27 June 2025 (LTIP)	3,055,073	-	9.3	-
Total	5,735,255	2,878,209	8.4	8.3

1 – 701,827 nil cost options are outstanding in the 2023 LTIP award at 31 March 2026 and 70,183 options are estimated to vest on the vesting date in the 2026 calendar year.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

Movements in the weighted average values are as follows:

	Weighted average exercise price	Number
Outstanding at 01 April 2023	€ 0.00	2,574,403
Granted during the year	€ 0.00	1,438,216
Forfeited during the year	€ 0.00	(1,134,898)
Exercised during the year	€ 0.00	(568,109)
Expired during the year	€ 0.00	-
Outstanding at 31 March 2024	€ 0.00	2,309,612
Granted during the year	€ 0.00	1,963,768
Forfeited during the year	€ 0.00	(1,257,161)
Exercised during the year	€ 0.00	(80,816)
Expired during the year	€ 0.00	-
Outstanding at 31 March 2025	€ 0.00	2,935,403
Granted during the year	€ 0.00	3,055,073
Forfeited during the year	€ 0.00	(123,664)
Exercised during the year	€ 0.00	(131,557)
Expired during the year	€ 0.00	-
Outstanding at 31 March 2026	€ 0.00	5,735,255

The exercise price of options outstanding at the end of the year was €nil (for LTIP options) (2025: €nil) and their weighted average contractual life was 8.3 years (2025: 8.3 years).

Of the total number of options outstanding at the end of the year 311,122 (2025: 254,255) had vested and were exercisable at the end of the year.

The Group recognised a total share-based payment charge of €720,000 in the year (2025: €1,747,000).

Long Term Incentive Plan ('LTIP')

In 2013, the Group established a Long-Term Incentive Plan, the participants of which are key members of the Senior Management Team, including Executive Directors. The establishment of the LTIP was approved by the shareholders at the AGM in September 2013.

2016 LTIP Award performance conditions and 2019 outcome

The LTIP in 2016 awarded 1,070,255 nil cost options and 494,433 vested in the financial year ended 31 March 2020. 93,188 nil cost options remain as at 31 March 2026 after allowing for forfeitures and options exercised in the year.

2017 LTIP Award performance conditions and 2020 outcome

The LTIP in 2017 awarded 1,087,842 nil cost options and 326,999 vested in the financial year ended 31 March 2021. 72,999 nil cost options remain as at 31 March 2026 after allowing for forfeitures and options exercised in the year.

2018 LTIP Award performance conditions and 2021 outcome

The LTIP in 2018 awarded 1,170,160 nil cost options and 185,840 vested in the financial year ended 31 March 2022. 45,154 nil cost options remain as at 31 March 2026 after allowing for forfeitures and options exercised in the year.

2021 LTIP Award performance conditions and 2024 outcome

The LTIP in 2021 awarded 918,659 nil cost options and 42,914 vested in the financial year ended 31 March 2024. 42,914 nil cost options remain as at 31 March 2026 after allowing for forfeitures and options exercised in the year.

Awards made in July 2022 and LTIP Award performance conditions

During 2024, a total of 620,698 LTIP awards were granted to members of the Senior Leadership team including the Executive Directors:

The performance targets for these awards are as follows:

Metric	Weighting (% of award)	Threshold	Maximum
<i>Vesting (% of maximum)</i>		25%	100%
Cumulative Sales Volume (FY23 to FY25) (m ³)	25%	206,000	232,000
Average Gross contribution (%)	25%	49.60%	55%
Share performance compared to AIM Index	40%	Median	Upper quartile
ESG – improvement in reporting ratings	10%	15% improvement in S&P ESG score over the three-year period	20% improvement in S&P ESG score over the three-year period

- Vesting is on a straight-line basis between points in the schedule.
- Appropriate adjustments may be made to ensure fair and consistent performance measurement over the performance period in line with the business plan and intended stretch of the targets at the point of award.
- Gross contribution defined as Revenue from sale of Accoya/Tricoya less Net acetyls and raw wood cost.
- Sales Volume is defined as combined sales volume (in cubic metres, or equivalent) of Accoya and Tricoya.
- Share performance is compared to AIM Index performance excluding Financial services and natural resource stocks

Element	Element A (Sales volume growth)	Element B (Gross Contribution %)	Element C (Share price growth)	Element D (ESG Reporting Metrics)
Grant date	12 Jul 22	12 Jul 22	12 Jul 22	12 Jul 22
Share price at grant date (€)	1.21	1.21	1.21	1.21
Exercise price (€)	0.00	0.00	0.00	0.00
Expected life (years)	3	3	3	3
Contractual life (years)	10	10	10	10
Vesting conditions (Details set out above)	Sales volume	Gross Contribution %	Share price	ESG reporting metrics
Risk free rate	0.45%	0.45%	0.45%	0.45%
Expected volatility	20%	20%	20%	20%
Expected dividend yield	0%	0%	0%	0%
Fair value of option	€ 1.21	€ 1.21	€ 0.90	€ 1.21

All of the above awards, made in summer 2022, are subject to a three-year performance period (i.e. year end 31 March 2026) and a further two-year holding period. In addition, awards are also subject to malus/clawback provisions.

The volatility used for the share option grants above derive from historic volatility experienced by the Group during the period from listing.

Awards made in July 2023 and LTIP Award performance conditions

During the prior year, a total of 1,438,216 LTIP awards were made to members of the Senior Leadership team including the Executive Directors:

The performance targets for 1,306,659 of these awards are as follows:

Metric	Weighting (% of award)	Threshold	Maximum
<i>Vesting (% of maximum)</i>		25%	100%
Cumulative Sales Revenue (FY24 to FY26) (€)	45%	€500m	€600m
Underlying EBITDA per share (€)	45%	0.18	0.20
ESG – improvement in reporting ratings	10%	6% improvement in S&P ESG score over the three-year period	9% improvement in S&P ESG score over the three-year period

- Vesting is on a straight-line basis between points in the schedule.
- Appropriate adjustments may be made to ensure fair and consistent performance measurement over the performance period in line with the business plan and intended stretch of the targets at the point of award.
- Sales Revenue excludes revenue from Accoya USA, LLC.

The remaining 131,557 of these awards related to a buy-out award granted to Jelena Arsic van Os, the Group’s CEO, in respect of remuneration forfeited at her former employer as a result of joining Accsys. The awards vested on 27 June 2024. The fair value of these options were €1.22 on their Grant date.

Element	Element A (Cumulative sales revenue)	Element B (Underlying EBITDA per share)	Element C (ESG Reporting Metrics)
Grant date	28 Jul 23	28 Jul 23	28 Jul 23
Share price at grant date (€)	1.24	1.24	1.24
Exercise price (€)	0.00	0.00	0.00
Expected life (years)	3	3	3
Contractual life (years)	10	10	10
Vesting conditions (Details set out above)	Sales revenue	EBITDA per share	ESG reporting metrics
Risk free rate	2.755%	2.755%	2.755%
Expected volatility	20%	20%	20%
Expected dividend yield	0%	0%	0%
Fair value of option	€ 1.24	€ 1.24	€ 1.24

All of the above awards, made in summer 2023, are subject to a three-year performance period (i.e. year end 31 March 2027) and a further two-year holding period. In addition, awards are also subject to malus/ clawback provisions.

The volatility used for the share option grants above derive from historic volatility experienced by the Group during the period from listing.

Awards made in July 2024 and November 2024 and LTIP Award performance conditions

During the financial year ended 31 March 2025, a total of 1,963,768 LTIP awards were made primarily to members of the Senior Leadership team including the Executive Directors:

The performance targets for these awards are as follows:

Metric	Weighting (% of award)	Threshold	Maximum
Vesting (% of maximum)		25%	100%
Share performance compared to AIM Index	30%	Median	Top quartile
EBITDA per share in FY27	40%	€0.07	€0.13
Cumulative Cash generation	30%	€0m cash inflow	€10m cash inflow

- Vesting is on a straight-line basis between points in the schedule.
- Appropriate adjustments may be made to ensure fair and consistent performance measurement over the performance period in line with the business plan and intended stretch of the targets at the point of award.
- EBITDA per share targets exclude exceptional items and Tricoya UK but include the Company's proportion of Accoya USA results.
- Share performance is compared to AIM Index performance excluding Financial services and natural resource stocks
- Cumulative cash generation is based on total cash generation excluding Loan and interest payments

Element	Element A (Share price growth)	Element B (Adjusted EBITDA per share)	Element C (Cumulative Cash generation)
Grant date	18 Jul 24	18 Jul 24	18 Jul 24
Share price at grant date (€)	0.65	0.65	0.65
Exercise price (€)	0.00	0.00	0.00
Expected life (years)	3	3	3
Contractual life (years)	10	10	10
Vesting conditions (Details set out above)	Share price	EBITDA	Cash
Risk free rate	2.53%	2.53%	2.53%
Expected volatility	20%	20%	20%
Expected dividend yield	0%	0%	0%
Fair value of option	€ 0.65	€ 0.65	€ 0.65

On 27 November 2024, a total of 401,516 LTIP awards (included in the 1,963,768 LTIP awards above) were made with the same performance targets as illustrated above. The fair value of these awards were €0.58 per option.

All of the above awards, made in July and November 2024 are subject to a three-year performance period and the awards made to the two Executive Directors include a further two-year holding period. In addition, awards are also subject to malus/clawback provisions.

The volatility used for the share option grants above derive from historic volatility experienced by the Group during the period from listing.

Awards made in June 2025 and LTIP Award performance conditions

During the financial year ended 31 March 2026, a total of 3,055,3073 LTIP awards were made primarily to members of the Senior Leadership team including the Executive Directors:

The performance targets for these awards are as follows:

Metric	Weighting (% of award)	Threshold	Maximum
Vesting (% of maximum)		25%	100%
Adjusted EPS	30%	2.7 cents	3.6 cents
FY28 Adjusted EBITDA	30%	€34.0m	€54.4m
Cumulative Free Cash Flow Generation	40%	€41.3m	€55.1m

- Vesting is on a straight-line basis between points in the schedule.
- Appropriate adjustments may be made to ensure fair and consistent performance measurement over the performance period in line with the business plan and intended stretch of the targets at the point of award.
- Adjusted EPS and adjusted EBITDA targets exclude exceptional items but include the Company's proportion of Accoya USA results.
- Cumulative free cash flow generation is based on cash flow generation from operations less CapEx.

Element	Element A (Share price growth)	Element B (Adjusted EBITDA per share)	Element C (Cumulative Cash generation)
Grant date	27 Jun 25	27 Jun 25	27 Jun 25
Share price at grant date (€)	0.75	0.75	0.75
Exercise price (€)	0.00	0.00	0.00
Expected life (years)	3	3	3
Contractual life (years)	10	10	10
Vesting conditions (Details set out above)	EPS	EBITDA	Cash
Risk free rate	3.76%	3.76%	3.76%
Expected volatility	30%	30%	30%
Expected dividend yield	0%	0%	0%
Fair value of option	€ 0.75	€ 0.75	€ 0.75

All of the above awards, made in June 2025 are subject to a three-year performance period and the awards made to the two Executive Directors include a further two-year holding period. In addition, awards are also subject to malus/clawback provisions.

The volatility used for the share option grants above derive from historic volatility experienced by the Group during the period from listing.

Employee Benefit Trust – Share bonus award

177,582 Ordinary shares are held by an Employee Benefit Trust (2025: 428,689). The shares relate to part of the annual bonus, in connection with the employee remuneration and incentivisation arrangements for the period from 1 April 2023 to 31 March 2024, the beneficiaries of which are primarily senior employees. Of the total amount of shares held as at 31 March 2025, 351,003 new Ordinary shares vested on 1 July 2025 and were exercised. As at 31 March 2026, the Employment Benefit Trust was consolidated by the Company and the 177,582 shares are recorded as Own Shares within equity.

Employee Share Participation Plan

The Employee Share Participation Plan (the 'Plan') is intended to promote the long-term growth and profitability of Accsys by providing employees with an opportunity to acquire an ownership interest in new Ordinary shares ('Shares') in the Company as an additional benefit of employment. Under the terms of the Plan, the Company issues these Shares to a trust for the benefit of the subscribing employees. The Shares are released to employees after one year, together with an additional Share on a one for one matched basis provided the employee has remained in the employment of Accsys at that point in time (subject to good leaver provisions). The Plan is in line with industry approved employee share plans and the maximum amount available for subscription by any employee is €5,000 per annum. In January 2026 various employees subscribed for a total of 246,204 shares at an acquisition price of €0.72 per share.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

14. Intangible assets

	Internal development costs €'000	Intellectual property rights €'000	Software €'000	Goodwill €'000	Total €'000
Cost					
At 1 April 2024	7,749	75,707	-	4,231	87,687
Additions	-	134	-	-	134
At 31 March 2025	7,749	75,841	-	4,231	87,821
Reclassification	-	-	421	-	421
Additions	206	225	437	-	868
At 31 March 2026	7,955	76,066	858	4,231	89,110
Accumulated amortisation and impairment					
At 1 April 2024	3,678	73,961	-	-	77,639
Amortisation	375	673	-	-	1,048
Impairment loss	2,438	538	-	-	2,976
At 31 March 2025	6,491	75,172	-	-	81,663
Reclassification	-	-	317	-	317
Amortisation	177	436	82	-	695
At 31 March 2026	6,668	75,608	399	-	82,675
Net book value					
At 31 March 2026	1,287	458	459	4,231	6,435
At 31 March 2025	1,258	669	-	4,231	6,158
At 31 March 2024	4,071	1,746	-	4,231	10,048

Following the Group upgrading their computer software in FY26, all software has been reclassified from office equipment.

Refer to note 15 for the recoverability assessment of these intangible assets.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

15. Property, plant and equipment

	Leased land and buildings €'000	Plant and machinery €'000	Office equipment €'000	Total €'000
Cost or valuation				
At 1 April 2024	17,976	206,931	4,579	229,486
Additions	-	1,325	430	1,755
Disposals	-	(109,254)	(340)	(109,594)
At 31 March 2025	17,976	99,002	4,669	121,647
Reclassification	-	-	(421)	(421)
Additions	-	4,143	641	4,784
Disposals	-	(339)	-	(339)
At 31 March 2026	17,976	102,806	4,889	125,671
Accumulated depreciation and impairment				
At 1 April 2024	2,069	131,070	2,873	136,012
Charge for the year	379	6,203	351	6,933
Depreciation on disposals	-	(109,184)	(340)	(109,524)
Foreign exchange hedge movement	-	337	-	337
Foreign currency translation loss	-	-	3	3
Impairment loss	-	14,246	47	14,293
At 31 March 2025	2,448	42,672	2,934	48,054
Reclassification	-	-	(317)	(317)
Charge for the year	372	6,405	316	7,093
Foreign currency translation loss	-	-	(8)	(8)
At 31 March 2026	2,820	49,077	2,925	54,822
Net book value				
At 31 March 2026	15,156	53,729	1,964	70,849
At 31 March 2025	15,528	56,330	1,735	73,593
At 31 March 2024	15,907	75,861	1,706	93,474

Following the Group upgrading their computer software in FY26, all software has been reclassified from office equipment.

Impairment review

The carrying value of the property, plant and equipment, internal development costs, goodwill and intellectual property rights are all within one cash generating unit (CGU), Accoya. The recoverable amount is determined based on a value in use calculation which uses cash flow projections based on Board approved financial forecasts. Cash flows have been projected for a period of five years plus a terminal value discounted at a pre-tax discount rate of 14.1% per annum (2025: 16.5%) and a growth rate of 2% to determine their present value (2025: 2%).

The key assumptions used in the value in use calculations are:

- Revenues and operating margins;
- the long-term growth rate; and
- the discount rate.

No reasonably possible change in assumptions or discount rate would lead to an impairment.

16. Leases

(i) Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	Right-of-use assets	
	2026	2025
	€'000	€'000
Right-of-use assets		
Properties	1,848	2,424
Plant equipment	781	1,137
	2,629	3,561

Additions to the right-of-use assets during the financial year were €76,000 (2025: €2,036,000).

	Present value of minimum lease payments	
	2026	2025
	€'000	€'000
Amounts payable under lease liabilities:		
Within one year	1,014	1,126
In the second to fifth years inclusive	1,976	2,892
After five years	1,579	1,580
	(1,232)	(1,315)
	3,337	4,283

	Minimum lease payments	
	2026	2025
	€'000	€'000
Amounts payable under lease liabilities:		
Within one year	831	961
In the second to fifth years inclusive	1,101	1,799
After five years	1,405	1,523
	3,337	4,283

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Notes to the financial statements for the year ended 31 March 2026 (continued)

(ii) Amounts recognised in the statement of profit and loss

The statement of comprehensive income shows the following amounts relating to leases:

	2026	2025
	€'000	€'000
Depreciation charge of right-of-use assets		
Properties	507	628
Plant equipment	531	610
	<u>1,038</u>	<u>1,238</u>
Interest expense (included in finance cost)	173	356
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	26	44
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	129	47

The total cash outflow for leases in 2026 was €1,382,000 (2025: €864,000).

The Group's leasing activities and how these are accounted for:

The Group leases various offices, land and plant equipment. Rental contracts are typically made for fixed periods of one to ten years, although, if appropriate, a longer term may be entered into. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Lease extension options and lease termination options are only included in the calculation of the lease liability if there is reasonable certainty that they will be exercised. Some of the Group's leases have extension and termination options attached to them.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar economic environment within similar terms and conditions.

Right of use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Payments associated with short-term leases and leases of low value are recognised on a straight-line basis as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of small items of office furniture and equipment.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

17. Financial asset at fair value through profit or loss

	2026 €'000	2025 €'000
Shares held in Cleantech Building Materials PLC	-	-

Accsys Technologies PLC had previously purchased a total of 21,666,734 unlisted Ordinary shares in Diamond Wood China Limited. On 23 December 2016, Cleantech Building Materials PLC acquired Diamond Wood China. On 19 April 2017 Cleantech Building Materials acquired the 21,666,734 shares previously owned by the Company and in return the Company has been issued with 520,001 shares in Cleantech Building Materials PLC.

There continues to be no active market for these shares as at 31 March 2026. As such a reliable fair value cannot be calculated and the investment is carried at a nil fair value (2025: nil).

A total of 498,522 shares were held at 31 March 2026 (2025: 498,522).

18. Deferred taxation

The Group has a recognised deferred tax asset of €2,226,000 (2025: €411,000) offsetting a recognised deferred tax liability of €330,000 (2025: €411,000). Within the €2,226,000, €1,896,000 relates to a deferred tax asset in relation to trading losses. See note 11.

The Group also has an unrecognised deferred tax asset of €26,749,000 (2025: €37,071,000) which is largely in respect of trading losses of the UK subsidiaries and has been calculated using the tax rate which is expected to be applicable when the tax losses are expected to be utilised. The Group has gross tax losses of €106,995,000 (2025: €148,284,000). The deferred tax asset has been recognised only to the extent of the deferred tax liability, due to the uncertainty of the timing of future expected profits of the related legal entities which is dependent on the profits attributable to licensing and future manufacturing income.

19. Subsidiaries

A list of subsidiary investments, including the name, country of incorporation and proportion of ownership interest is given in note 4 to the Company's separate financial statements.

20. Inventories

	2026 €'000	2025 €'000
Raw materials and work in progress	18,876	18,822
Finished goods	17,202	11,941
	<u>36,078</u>	<u>30,763</u>

The amount of inventories recognised as an expense during the year was €97,452,000 (2025: €78,616,000).

21. Trade and other receivables

	2026 €'000	2025 €'000
Trade receivables	11,791	12,881
Amounts owed from joint venture	13,410	-
Other receivables	666	509
VAT receivable	1,526	1,106
Prepayments and accrued income	2,643	1,105
Financial instruments	386	-
	<u>30,422</u>	<u>15,601</u>

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value. Trade and other receivables in the above table are stated net of provision for doubtful debts. The majority of trade and other receivables is denominated in Euros, with €5,017,000 of the trade and other receivables denominated in US Dollars (2025: €401,000).

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Notes to the financial statements for the year ended 31 March 2026 (continued)

The age of receivables, excluding the joint venture, past due but not impaired is as follows:

	2026	2025
	€'000	€'000
Up to 30 days overdue	1,226	974
Over 30 days and up to 60 days overdue	369	25
Over 60 days and up to 90 days overdue	(3)	13
Over 90 days overdue	833	7
	<u>2,425</u>	<u>1,019</u>

Based on the current debtor profile the Group does not expect any bad debts to occur. As a result of this, no material expected credit losses are expected and therefore no ECL provision has been provided for within these financial statements.

22. Trade and other payables

	2026	2025
	€'000	€'000
Trade payables	12,320	8,436
Amounts owed to joint venture	6,944	-
Other taxes and social security payable	621	614
Accruals and deferred income	7,078	7,540
	<u>26,963</u>	<u>16,590</u>

23. Share capital

	2026	2025
	€'000	€'000
Allotted - Equity share capital		
243,383,081 Ordinary shares of €0.05 each (2025: 240,445,567 Ordinary shares of €0.05 each)	12,169	12,022
	<u>12,169</u>	<u>12,022</u>

All Ordinary shares are called up, allotted and fully paid.

In the year ended 31 March 2025:

In May 2024, 80,816 Ordinary shares were issued following the exercise of nil cost options, granted under the Company's 2023 LTIP.

In September 2024, 809,892 Ordinary shares were issued to an Employee Benefit Trust at nominal value, as part of the annual bonus, in connection with the employee remuneration and incentivisation arrangements for the period from 1 April 2023 to 31 March 2024.

In September 2024, 36,487 Ordinary shares were issued following the vesting of nil cost options granted under the Company's Deferred bonus plan.

In the year ended 31 March 2026:

In July 2025, 2,248,645 Ordinary shares were issued following the vesting of nil cost options granted under the Company's Deferred bonus plan.

In January 2026, following the subscription by employees in the prior year for shares under the Employee Share Participation Plan (the 'Plan'), 50% of the 442,665 Ordinary shares were issued at €0.54 per share and the remaining 50% were matched at nominal value as part of the plan.

In January 2026, following the subscription by employees for shares under the Employee Share Participation Plan (the 'Plan'), 246,204 Ordinary shares were issued at €0.72 per share as part of the plan.

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Notes to the financial statements for the year ended 31 March 2026 (continued)

24. Other reserves

	Capital redemption reserve €'000	Merger reserve €'000	Hedging Effectiveness reserve €'000	Other reserve €'000	Total Other reserves €'000
Balance at 1 April 2024	148	106,707	337	7,551	114,743
Foreign exchange hedge movement	-	-	(337)	-	(337)
Balance at 31 March 2025	148	106,707	-	7,551	114,406
Foreign exchange hedge movement	-	-	386	-	386
Balance at 31 March 2026	148	106,707	386	7,551	114,792

The closing balance of the capital redemption reserve represents the amounts transferred from share capital on redemption of deferred shares in a previous year.

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

The hedging effectiveness reserve reflects the total accounted unrealised gains/losses on foreign exchange forwards accounted for under IFRS 9 (see note 29).

The other reserve represents the amounts received for subsidiary share capital from non-controlling interests net with the carrying amount of non-controlling interests issued.

25. Investment in Joint Venture

In August 2020, Accsys together with Eastman Chemical Company formed a new Company, Accoya USA, LLC, 60% owned by Accsys and 40% owned by Eastman. Accoya USA, LLC owns and operates an Accoya plant in Kingsport, Tennessee, USA to serve the North American market. The plant has a current capacity to initially produce approximately 43,000 cubic metres of Accoya per annum and to allow for cost-effective expansion.

Under IFRS 11 – Joint arrangements, the two parties are assessed to jointly control the entity, due to the operating agreement requiring both joint venture partners to approve key business decisions. Accoya USA is accounted for as a joint venture and equity accounted for within the financial statements.

An eight-year term loan of \$70 million has been provided by First Horizon Bank ('FHB') of Tennessee, USA. FHB are also providing a further \$15 million revolving line of credit for plant commissioning and working capital purposes. The FHB term loan is secured on the assets of Accoya USA and is supported by Accoya USA's shareholders, including \$50 million through a limited guarantee provided on a pro-rata basis, with Accsys' 60% share representing \$30 million (see note 28). The interest rate varies between 1.3% to 2.1% over USD SOFR. Principal repayments commenced in January 2026 and are calculated on a ten-year amortisation period.

The carrying amount of the equity-accounted investment is as follows:

	2026 €'000	2025 €'000
Opening balance	33,854	31,685
Investment in Accoya USA	3,032	14,490
Less: Accsys proportion (60%) of Licence fee received	(834)	(450)
Share of loss for the year	(7,720)	(11,871)
Closing balance	28,332	33,854

The Group has equity accounted for the joint venture in these consolidated financial statements.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Reconciliation of investment in Accoya USA:

	2026	2025
	€'000	€'000
Net assets of Accoya USA (USD)	56,971	65,003
60% of net assets of Accoya USA (Eur)	29,769	36,024
Less: Accsys proportion (60%) of Licence fee received to date	(2,500)	(1,950)
Less: Provision for unrealised profit	(445)	-
Foreign exchange movements	1,508	(220)
Closing balance	<u>28,332</u>	<u>33,854</u>

Impairment review

The carrying value of the investment in joint venture is considered its own cash generating unit. The recoverable amount of the investment is determined on a value in use calculation which uses cash flow projections based on Joint Venture Board-approved financial forecasts. Cash flows have been projected for a period of five years plus a terminal value discounted at a pre-tax discount rate of 14.1% per annum and a growth rate of 2% to determine their present value. As a result of the value in use calculation, no impairment charge was required. No impairment triggers were identified in 2025.

The key assumptions used in the value in use calculations are:

- Sales volumes and operating margins;
- the long-term growth rate; and
- the discount rate.

Sensitivity analysis has been undertaken on the impairment review. If the sales volume CAGR for the five-year period reduced from 19% per annum to 10% per annum, or the discount rate increased from 14.1% to 21.6%, then the carrying value of the joint venture would equal its value in use.

The income statement, balance sheet and cash flows for Accoya USA, LLC are set out below:

Accoya USA statement of comprehensive income:	2026	2025
	€'000	€'000
Total revenue	50,541	18,089
Cost of sales	<u>(40,923)</u>	<u>(17,939)</u>
Gross profit	9,618	150
Operating costs	(17,872)	(16,185)
Operating loss	(8,254)	(16,035)
Interest payable	(4,610)	(3,750)
Loss before taxation	(12,864)	(19,785)
Tax expense	-	-
Total comprehensive loss for the financial year	(12,864)	(19,785)
Accsys share (60%) of US JV EBITDA	90	(6,045)
Accsys share (60%) of US JV EBIT	<u>(4,953)</u>	<u>(9,621)</u>
Accsys share (60%) of US JV total loss before tax	<u>(7,720)</u>	<u>(11,871)</u>

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Statement of financial position:

	2026	2025
	€'000	€'000
Non-current assets		
Property, plant and equipment	109,587	123,158
Intangible assets	4,197	3,384
Right of use assets	5,656	6,328
	<u>119,440</u>	<u>132,870</u>
Current assets		
Inventories	14,239	9,021
Trade and other receivables	8,704	1,162
Cash and cash equivalents	2,324	1,675
	<u>25,267</u>	<u>11,858</u>
Current liabilities		
Trade and other payables	(18,748)	(2,879)
Obligation under lease liabilities	(491)	(651)
	<u>(19,239)</u>	<u>(3,530)</u>
Net current assets	6,028	8,328
Non-current liabilities		
Obligation under lease liabilities	(5,548)	(5,909)
Other long term borrowing	(70,305)	(75,249)
	<u>(75,853)</u>	<u>(81,158)</u>
Net assets	<u>49,615</u>	<u>60,040</u>
Value attributable to Accsys Technologies	<u>29,769</u>	<u>36,024</u>

To better reflect the nature of the Joint venture's non-current assets, some of the assets from property plant and equipment have been reclassified into intangibles.

	2026	2025
	€'000	€'000
Cash flows from operating activities	(2,165)	(26,441)
Cash flows from investing activities	(2,363)	(7,978)
Cash flows from financing activities	5,177	30,004
Net increase/(decrease) in cash and cash equivalents	<u>649</u>	<u>(4,415)</u>

The following transactions have occurred between the Group and the joint venture during the year:

	2026	2025
	€'000	€'000
Sales made to the joint venture	16,517	9,084
Purchases from the joint venture	7,042	1,472
Amounts owed from the joint venture as at 31 March	13,410	-
Amounts owed to the joint venture as at 31 March	<u>6,944</u>	<u>-</u>

The above balances are non-interest bearing and are repayable on demand.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

26. Commitments under loan agreements

	2026 €'000	2025 €'000
Loan obligations		
Within one year	6,936	5,625
In the second to fifth years inclusive	49,052	50,075
Present value of loan obligations	55,988	55,700

Amounts payable under loan agreements - undiscounted cash flows:

Within one year	9,302	7,285
In the second to fifth years inclusive	58,363	64,505
Less future finance charges	(11,677)	(16,090)
Present value of loan obligations	55,988	55,700

Reconciliation of loan agreements:

	2026			2025	
	Debt facilities	Convertible loan note with embedded derivative	Total	Debt facilities	Convertible loan note with embedded derivative
	€'000	€'000	€'000	€'000	€'000
Loan balance	29,656	25,181	54,837	32,479	22,608
Fair value of embedded derivative	-	1,151	1,151	-	613
Loan balance as at 31 March	29,656	26,332	55,988	32,479	23,221

Debt Facilities

In October 2025, Accsys, ABN AMRO and HSBC agreed to replace the existing ABN agreement with a new €55m facility equally split between ABN and HSBC which would be the Group's main borrowing facilities. The facilities have a maturity in October 2028 and have an option, at the Banks' discretion for a further one year extension to October 2029. The facilities agreement comprise a:

- €20m remaining Term Loan Facility.
- €35m Revolving Credit Facility ('RCF').
- The Term Loan has capital repayments commencing on 31 March 2026 of €0.65m and then quarterly payments of €0.65m thereafter.
- Term Loan and RCF interest varies between 2.90% and 3.50% above EURIBOR, based on a ratcheted leverage grid.

Approximately €17.5m of the RCF has been utilised to provide a \$20m letter of credit guarantee to FHB in support of the Accoya USA JV funding arrangements, a further €1.0m to cover other operational performance guarantees and €6.1m was undrawn at 31 March 2026.

The facilities are secured against the assets of the Group which are 100% owned by the Company and include net leverage and interest cover covenants which is based upon the results and assets which are 100% owned by the Company. There have been no breaches to covenants during the year.

The renegotiation was assessed under IFRS 9 where we conducted the required quantitative and qualitative tests in order to conclude on whether the renegotiated instrument constituted as a substantive modification or not. We concluded that the loan was not substantially modified and there remeasured the loan in line with the requirements of IFRS 9. Changes arising from the remeasurement and transaction costs of €1.1 million directly attributable to the new facilities were deducted from the carrying amount of the new borrowing and expensed as incurred in the current year profit and loss.

Convertible Loan notes

In the November 2023 capital raise, new unsecured, non-transferable convertible loan notes were issued totalling €21 million (including the refinancing and discharge of the existing €10 million 2022 Convertible Loan).

The convertible loans have a six year term and carry a fixed rate coupon of 9.5%. For the first 2.5 years the coupon is rolled up and deferred and following the 2.5 year period, the deferred interest can either be converted into Ordinary shares of the Company or paid in cash over the

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

remaining 3.5 years at the option of the holders of the convertible loan notes. Following that 2.5 year period, interest shall be payable in cash or equity.

The convertible loan note holders have the right to convert the convertible loan notes they hold into Ordinary Shares of the Company at a price of 83.22 Euro cents per share, giving rise to an embedded derivative in the current year. A Monte-Carlo valuation method has been used to calculate the fair value of the embedded derivative. The following assumptions were used when calculating the fair value of the embedded derivative:

Metric	Value used 2026	Value used 2025	Input level
Share price	€0.71	€0.52	Level 1
Volatility rate	30.56%	30.25%	Level 2
Interest rate	9.5% per annum	9.5% per annum	Level 2
Risk free rate	2.2% per annum	2.4% per annum	Level 2
Discount rate	14.1%	16.5%	Level 3

Level 1 inputs:

Share price – the share price on each reporting date has been taken and used in the valuation model.

Level 2 inputs:

Volatility – the rate of volatility is based upon the historical movement in the share price.

Interest rate – the convertible loan notes have a 9.5% interest rate attached to them and this rate has been applied in the valuation.

Risk free rate – the Euribor forward rate at the valuation date has been applied within the model.

Level 3 inputs:

Discount rate – the Group uses its WACC of 14.1% (2025: 16.5%) as the discount rate.

Accoya USA facility:

In March 2022 the Company's joint venture, Accoya USA agreed an eight-year \$70 million loan from First Horizon Bank ('FHB') of Tennessee, USA in respect of the construction and operation of the Accoya USA plant. FHB are also providing a further \$15 million revolving line of credit for plant commissioning and working capital purposes. The FHB term loan is secured on the assets of Accoya USA and is supported by Accoya USA's shareholders, including \$50 million through a limited guarantee provided on a pro-rata basis, with Accsys' 60% share representing \$30 million (see note 25 and 28). The interest rate varies between 1.3% to 2.1% over USD SOFR. Principal repayments commenced in January 2026 are calculated on a ten-year amortisation period. Accoya USA is equity accounted for in these financial statements, therefore this Borrowing is not included in the Group's borrowings (See note 25).

To support Accsys' limited guarantee, Accsys provided a \$20 million Letter of Credit ('LC') to FHB. The LC is issued by HSBC and ABN AMRO, utilising part of the revolving credit facility.

Reconciliation to net debt:

	2026 €'000	2025 €'000
Cash and cash equivalents	17,402	17,423
Less:		
Amounts payable under loan agreements	(55,988)	(55,700)
Amounts payable under lease liabilities (note 16)	(3,337)	(4,283)
Add:		
Fair value movement on embedded derivative	538	-
Net debt	<u>(41,385)</u>	<u>(42,560)</u>

Reconciliation of free cash flow:

	2026 €'000	2025 €'000
Net cash from operating activities	15,805	10,720
Investment in property, plant and equipment and intangible assets	(5,579)	(1,889)
Free cash flow	<u>10,226</u>	<u>8,831</u>

	Liabilities from financing activities			Other assets	Total €'000
	Borrowings €'000	Leases €'000	Sub-total €'000	Cash €'000	
Net debt as at 1 April 2024	(60,204)	(4,338)	(64,542)	27,427	(37,115)
Cash flows	1,728	864	2,592	(9,880)	(7,288)
New leases	-	(1,532)	(1,532)	-	(1,532)
Foreign exchange adjustments	-	(139)	(139)	(124)	(263)
Disposal of loans	7,055	-	7,055	-	7,055
Disposal of leases	-	1,218	1,218	-	1,218
Other changes	(4,279)	(356)	(4,635)	-	(4,635)
Net debt as at 31 March 2025	(55,700)	(4,283)	(59,983)	17,423	(42,560)
Cash flows	5,087	1,382	6,469	15	6,484
New leases	-	(77)	(77)	-	(77)
Foreign exchange adjustments	-	(135)	(135)	(36)	(171)
Disposal of loans	-	-	-	-	-
Disposal of leases	-	-	-	-	-
Other changes	(5,375)	(224)	(5,599)	-	(5,599)
Subtotal	(55,988)	(3,337)	(59,325)	17,402	(41,923)
Fair value movement on embedded derivative	538	-	538	-	538
Net debt as at 31 March 2026	(55,450)	(3,337)	(58,787)	17,402	(41,385)

Other changes relate to accrued interest and other financing costs.

27. Equity options

On the 29 March 2017, the Company announced the formation of the Tricoya Consortium and as part of this, funding was agreed with BGF Business Growth Fund. In addition to the issue of the Loan Notes, which have since been repaid as part of the Group re-financing in October 2021, the Company issued 8,449,172 options over Ordinary shares of the Company to BGF, exercisable at a price of £0.5971 per Ordinary share at any time until 31 December 2026 (the 'Options').

At 31 March 2026 a total 8,449,172 (2025: 8,449,172) options exist attributable to BGF. This represents 3.5% (2025: 3.5%) of the issued share capital of the Company as at 31 March 2026.

See note 26 for details on the convertible loan notes issued during the November 2023 capital raise.

28. Financial guarantee

In March 2022 the Company's joint venture, Accoya USA agreed an eight-year \$70 million loan from First Horizon Bank ('FHB') of Tennessee, USA in respect of the construction and operation of the Accoya USA plant and a further \$15 million revolving line of credit for plant commissioning and working capital purposes (see note 25 and 26). The FHB term loan is supported by Accoya USA's shareholders, including \$50 million through a limited guarantee provided on a pro-rata basis, with Accsys' 60% share representing \$30 million (see note 25).

To support Accsys' limited guarantee, Accsys provided a \$20 million Letter of Credit, issued by HSBC and ABN AMRO, to FHB (see note 27), together with a \$10 million cash guarantee.

The \$30 million limited guarantee provided to FHB is accounted for under IFRS 9 'Financial instruments' and held at a fair value of € nil (2025: €nil), representing a present value calculation of €8.7 million (2025: €8.6 million) weighted by the estimated probability of FHB calling on the guarantee being close to 0%, and therefore any remaining value being close to €nil. This probability has been assessed due to the requirements in place under the joint venture operating agreement for the joint venture shareholders to fund Accoya USA.

29. Financial instruments

Financial instruments

Lease liabilities

Lease creditors of €3,337,000 as at 31 March 2026 (2025: €4,283,000) relates to various offices, land, plant and equipment that the Group leases (see note 16).

Capital risk management

The Group manages its capital base to ensure that entities in the Group will be able to continue as a going concern and to maintain investor, creditor and market confidence in sustaining the future development of the Group.

The capital structure of the Group consists of equity attributable to owners of the parent Company, comprising share capital, reserves and accumulated losses, together with undrawn committed debt facilities.

The Board reviews the capital structure on a regular basis. The Group's capital allocation strategy is to de-leverage the balance sheet. As at 31 March 2026, the leverage ratio (net debt/underlying EBITDA) was 1.96x (2025: 2.52x).

The Group's primary debt facilities with HSBC and ABN AMRO include covenants on leverage and interest cover. The Group has fully complied with these covenants during the year, and there are no indications that the Group would have difficulty complying with the covenants when they will be next tested on 30 June 2026.

No final dividend is proposed in 2026 (2025: €nil). The Board deems it prudent for the Group to maintain a strong statement of financial position during phases one and two of the Group's FOCUS strategy.

All assets and liabilities mature within one year except for the lease liabilities, for which details are given in note 16 and loans, for which details are given in note 26.

Trade payables are payable on various terms, typically not longer than 30 to 90 days.

Derivative financial instruments measured at fair value through other comprehensive income comprise foreign currency forward contracts used by the Group to manage its foreign exchange risk.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Financial risk management objectives

The Group's treasury policy is structured to ensure that adequate financial resources are available for the development of its business whilst managing its currency, interest rate, counterparty credit and liquidity risks. The Group's treasury strategy and policy are developed centrally and approved by the Board.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

Financial Instruments by category

	Fair value hierarchy	At amortised cost	At fair value though profit or loss	At fair value through OCI	Total
2026/€'000					
Financial assets					
Trade and other receivables		25,867	-	-	25,867
Cash and cash equivalents		17,402	-	-	17,402
Derivative financial instruments measured at fair value through other comprehensive income		-	-	386	386
Total		43,269	-	386	43,655
2025/€'000					
Financial assets					
Trade and other receivables		13,390	-	-	13,390
Cash and cash equivalents		17,423	-	-	17,423
Total		30,813	-	-	30,813
2026/€'000					
Financial liabilities					
Borrowings - loans		(54,837)	(1,151)	-	(55,988)
Lease liabilities		(3,337)	-	-	(3,337)
Trade and other payables		(19,264)	-	-	(19,264)
Total		(77,438)	(1,151)	-	(78,589)
2025/€'000					
Financial liabilities					
Borrowings - loans		(55,087)	(613)	-	(55,700)
Lease liabilities		(4,283)	-	-	(4,283)
Trade and other payables		(8,436)	-	-	(8,436)
Total		(67,806)	(613)	-	(68,419)

Foreign currency risk management

The Group's functional currency is the Euro with the majority of operating costs and balances denominated in Euros. Equity contributions into Accoya USA and a smaller proportion of revenue and expenditure are incurred in US dollars and expenditure is also incurred in pounds sterling. In addition some raw materials, while priced in Euros, are sourced from countries which are not within the Eurozone. The Group undertakes rolling 12 month hedging on a proportion of US dollar-based acetic anhydride supply. The Group monitors any potential underlying exposure to other exchange rates.

If exchange rates changed by 5% from exchange rates at 31 March 2026, the effect on the P&L from the revaluation of:

- Trade Receivables – P&L impact would not be material (2025: not material). The details of the Trade receivables per Currency is disclosed in note 21 with the US Dollar receivables held in Titan Wood Inc, which has a US Dollar reporting currency.
- Trade payables – P&L impact would be approximately €178,000 (2025: €104,000).

Interest rate risk management

Up to the liquidation of Tricoya UK Ltd in December 2024, some of the Group's borrowings had variable interest rates based on a relevant benchmark (i.e. EURIBOR) plus an agreed margin. Surplus funds are invested in short term interest rate deposits to reduce exposure to changes in interest rates. The Group does not currently enter into any interest rate hedging arrangements. Following the liquidation of Tricoya UK Ltd, interest rates on loans are floating on a margin above EURIBOR (see note 26).

In the prior year, if the interest rate change by 5% on loans which had a variance interest element, the P&L impact would have been approximately €341,000.

Credit risk management

The Group is exposed to credit risk due to its trade receivables from customers and cash deposits with financial institutions. The Group's maximum exposure to credit risk is limited to their carrying amount recognised at the balance sheet date.

The Group ensures that sales are made to customers with an appropriate credit history to reduce the risk where this is considered necessary. The Directors consider the trade receivables at year end to be of good credit quality including those that are past due (see note 21). The Group is not exposed to any significant credit risk exposure in respect of any single counterparty or any group of counterparties with similar characteristics other than the balances which are provided for as described in note 21.

Accsys Technologies PLC

Notes to the financial statements for the year ended 31 March 2026 (continued)

The Group has credit risk from financial institutions. Cash deposits are placed with a group of financial institutions with suitable credit ratings in order to manage credit risk with any one financial institution. All financial institutions utilised by the Group, and with which the Group holds cash balances, have investment grade credit ratings.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. See note 16 and 26.

Fair value of financial instruments

In the opinion of the Directors, there is no material difference between the book value and the fair value of all financial assets and financial liabilities.

30. Capital Commitments

	2026 €'000	2025 €'000
Contracted but not provided for in respect of property, plant and equipment	-	-

31. Related party transactions

There have been no related party transactions in the year apart from those already disclosed in note 25.

32. Subsequent events

On 15 June 2026, €2.5m of accrued convertible loan note interest was converted to additional loan notes with the proviso that they will be converted to Ordinary shares within business 60 days. The option to convert rather than taking cash payment of the accrued interest is purely at each note holder's discretion.

There have been no other material events since 31 March 2026.

Accsys Technologies PLC

Company statement of financial position as at 31 March 2026

Registered Company 05534340

	Note	2026 €'000	2025 €'000
Non-current assets			
Investments in subsidiaries	4	30,363	29,643
Financial asset at fair value through profit or loss	5	-	-
		<u>30,363</u>	<u>29,643</u>
Current assets			
Debtors	6	273,712	285,928
Cash at bank and in hand		4,585	272
		<u>278,297</u>	<u>286,200</u>
Creditors: amounts falling due within one year	7	(19,629)	(18,264)
Net current assets		<u>258,668</u>	<u>267,936</u>
Creditors: amounts falling due after more than one year	8/9	(49,129)	(50,688)
Net assets		<u>239,902</u>	<u>246,891</u>
Capital and reserves			
Called up Share capital	10	12,169	12,022
Share premium account		264,782	262,938
Reserve for own shares		(8)	(8)
Hedge reserve		386	-
Capital redemption reserve		148	148
Profit and loss account		(37,575)	(28,209)
Total shareholders' funds		<u>239,902</u>	<u>246,891</u>

The notes form an integral part of the parent Company financial statements.

The financial statements were approved by the Board and authorised for issue on 15 June 2026 and signed on its behalf by:

Sameet Vohra
Chief Financial Officer

Accsys Technologies PLC

Company statement of changes in equity for the year ended 31 March 2026

	Called up share capital €000	Share premium account €000	Hedge reserve €000	Capital redemption reserve €000	Own shares €000	Profit and loss account €000	Total shareholders' funds €000
Balance at 1 April 2024	11,976	262,394	-	148	(8)	(21,895)	252,615
Loss for the financial year	-	-	-	-	-	(7,480)	(7,480)
Other comprehensive gain/(loss) for the year	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	1,747	1,747
Shares issued	46	-	-	-	-	(46)	-
Premium on shares issued	-	535	-	-	-	(535)	-
Share issue costs	-	9	-	-	-	-	9
Balance at 31 March 2025	12,022	262,938	-	148	(8)	(28,209)	246,891
Loss for the financial year	-	-	-	-	-	(8,392)	(8,392)
Other comprehensive gain/(loss) for the year	-	-	386	-	-	-	386
Share based payments	-	-	-	-	-	720	720
Shares issued	147	-	-	-	-	(112)	35
Premium on shares issued	-	1,844	-	-	-	(1,582)	262
Share issue costs	-	-	-	-	-	-	-
Balance at 31 March 2026	12,169	264,782	386	148	(8)	(37,575)	239,902

The profit and loss account includes €8,010,000 of non-distributable reserves arising from the liquidation of Accsys Chemicals Limited in the year ended 31 March 2007.

Accsys Technologies PLC

Notes to the Company financial statements for the year ended 31 March 2026

1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The separate financial statements of Accsys Technologies PLC ('the Company') have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) for the year ended 31 March 2026. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2 of the Group financial statements.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The Company has taken advantage of the exemption in FRS 101, and has not disclosed information required by the standard as the consolidated financial statements, in which the Company is included, provide equivalent disclosures for the Group under IFRS 7 'Financial instruments: disclosures'.
- The Company has taken advantage of the exemption available under FRS 101 and not disclosed related party transactions with wholly owned subsidiary undertakings.
- The Company has taken advantage of the exemption available under FRS 101 and the requirements of IAS 7 to not disclose a Statement of Cash Flows.

As permitted under section 408 of the Act the Company has elected not to present its own profit and loss account for the year. The loss for the financial year was €8,392,000 (2025: €7,480,000).

Going concern

The Company, from a going concern perspective, is inextricably linked to the Group. As explained in note 1 to the Group's consolidated financial statements, the Directors have concluded that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis. This conclusion also applies to the preparation of the Company's financial statements for the reasons set out in that note.

Investments

Except where a reliable fair value cannot be obtained, unlisted shares held by the Company are stated at historical cost less any provision for impairment.

Share based payments

When the parent entity grants options over equity instruments directly to the employees of a subsidiary undertaking, then in the parent Company financial statements the effect of the share based payment is capitalised as part of the investment in the subsidiary as a capital contribution, with a corresponding increase in equity. The fair value of the options granted is measured using a modified Black Scholes model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest only where vesting is dependent upon the satisfaction of service and non-market vesting conditions.

Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options which eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes except for deferred tax assets which are only recognised to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Financial assets

Debtors and Cash at bank and in hand

The Company follows the Group's accounting policies for Debtors and Cash. See note 1 to the Group financial statements.

Financial liabilities

Other financial liabilities

Trade payables and other financial liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Accounting judgements

In preparing the Financial Statements, management has to make judgments on how to apply the accounting policies and make estimates about the future. The critical judgements that have been made in arriving at the amounts recognised in the Financial Statements and the key sources of uncertainty that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year are discussed below:

Financial asset at fair value through profit or loss

The Company has an investment in listed equity shares carried at €nil fair value as a reliable fair value cannot be obtained since there is no active market for the shares and there is currently uncertainty around the future funding of the business. The Company makes appropriate enquiries and considers all of the information available to it in order to determine the fair value.

Carrying value of intercompany receivables and investments in subsidiaries

The recoverable amounts of these balances have been determined based on value in use calculations. These calculations require the use of judgements in relation to discount rates and future forecasts. The recoverability of these balances is dependent upon the level of future licence fees, royalties and manufacturing revenues relating to Group companies. The Directors remain confident that revenue from own manufacturing, existing licensees, new licence or consortium agreements will be generated, demonstrating the recoverability of these balances.

2. Profit and loss account

A loss for the financial year of €8,392,000 (2025: €7,480,000) is included within the Company financial statements. The Directors have taken advantage of the exemption available under section 408 of the Companies Act 2006 and not presented a profit and loss account for the Company. Fees payable to the Company's auditors for the audit of the Group's annual financial statements was €272,000 (2025: €295,000). Fees payable to the Company's auditors for the audit of the Company's subsidiaries was €85,000 (2025: €104,000), fees payable for assurance services was €109,000 (2025: €53,000), fees payable to component auditors for audit of subsidiaries was €209,000 (2025: 201,000) and fees payable to component auditors for audit of joint ventures was €111,000 (2025: €134,000).

The information disclosed in the Group's consolidated financial statements under IFRS 2 'Share-based payment' is within note 13, providing further information regarding the Company's equity-settled share-based payment arrangements.

3. Employees

The Company had no employees other than Executive Directors (2026: 2 and 2025: 2) during the current or prior year.

Non-Executive Directors received emoluments in respect of their services to the Company of €330,000 (2025: €341,000). Details have been included in the Remuneration Report. The Company did not operate any pension schemes during the current or preceding year.

4. Investments in subsidiaries

The Directors have considered the recoverability of the carrying values, taking into account the net assets as well as the long term expected performance of the subsidiaries and do not consider that any impairment is currently required. The recoverable amount is determined based on a value in use calculation which uses cash flow projections based on Board approved financial budgets. Cash flows have been projected for a period of five years plus a terminal value discounted at a pre-tax discount rate of 14.1% per annum (2025: 16.5%) and a growth rate of 2% (2025: 2% growth rate) to determine their present value. The key assumption used in the value in use calculations is the level of manufacturing revenues and future licence fees estimated by management over the budget period. These have been based on past experience and expected future revenues but are limited to existing assets.

The following were the principal subsidiary undertakings at the end of the year and have all been included in the financial statements:

	€'000
Cost	
At 1 April 2024	<u>31,963</u>
Additions	-
Share based payments	1,747
Fair value of embedded derivative	613
	<u>34,323</u>
At 31 March 2025	-
Additions	720
Share based payments	720
	<u>35,043</u>
At 31 March 2026	<u>35,043</u>
Impairment	
At 1 April 2024 and 31 March 2025 and 31 March 2026	<u>4,680</u>
Net book value	
At 31 March 2026	<u>30,363</u>
	<u>29,643</u>
At 31 March 2025	<u>29,643</u>
	<u>27,283</u>
At 31 March 2024	<u>27,283</u>

Accsys Technologies PLC

Notes to the Company financial statements for the year ended 31 March 2026 (continued)

Subsidiary undertakings	Class	2026 % shares and voting rights held	2025 % shares and voting rights held
Titan Wood Technology BV (Netherlands)	Ordinary	100	100
Titan Wood BV (Netherlands)	Ordinary	100	100
Titan Wood Limited (UK)	Ordinary	100	100
Titan Wood Inc (USA)	Ordinary	100	100
Accsys (Accoya USA) Holdings LLC (USA)	Ordinary	100	100
Accsys USA Holdings Inc (USA)	Ordinary	100	100
Tricoya Technologies Limited (UK)	Ordinary	100	100
Tricoya UK Limited (UK) - in liquidation	Ordinary	100	100
Accoya Color UK Limited (UK)	Ordinary	100	100
Accsys Jersey Limited (Jersey)	Ordinary	100	100
Joint venture undertakings			
Accoya USA LLC (USA)	Ordinary	60	60

The shares in Titan Wood BV, Titan Wood Inc, Accsys (Accoya USA) Holdings LLC, Accsys USA Holdings Inc, Accoya USA LLC, Accoya Color UK Limited, Tricoya Technologies Ltd and Tricoya UK Ltd are held indirectly by the Company.

The principal activities of these companies were as follows:

Titan Wood Technology B.V. *	The provision of technical and engineering services to licensees, and the technical development of acetylation opportunities.
Titan Wood B.V. *	The manufacture and sale of Accoya® acetylated wood.
Titan Wood Limited **	Establishing global market penetration of Accoya® and Tricoya® as the premium wood and wood elements brands respectively for external applications requiring durability, stability and reliability through the licensing of the Group's proprietary process for wood acetylation.
Titan Wood Inc. ****	Provision of Sales, Marketing and Technical services.
Accsys (Accoya USA) Holdings LLC ****	Holdings company
Accsys USA Holdings Inc ****	Holdings company
Tricoya Technologies Limited **	Engaged in the commercialisation of technology for the production of Tricoya® Wood Elements around the world.
Tricoya UK Limited **	The company went into voluntary liquidation on 17 December 2024. The Company has therefore lost control of the entity but still holds 100% of the shares until the liquidation is complete.
Accoya Color UK Limited (UK) **	The manufacture of colored acetylated wood.
Accsys Jersey Limited ***	The issuing of convertible loan notes on the Group's behalf.
Accoya USA LLC ****	The construction and operation of a manufacturing plant for Accoya® acetylated wood to serve the North American market.

Registered office of subsidiaries:

*	P.O. Box 2147, 6802 CC, Arnhem, The Netherlands
**	4 th Floor, 3 Moorgate Place, London, EC2R 6EA, United Kingdom
***	3 rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey
****	Building 470, 200 South Wilcox Drive, Kingsport, Tennessee, 37660, USA

Accsys Technologies PLC

Notes to the Company financial statements for the year ended 31 March 2026 (continued)

5. Financial asset at fair value through profit or loss

	2026 €'000	2025 €'000
Shares held in Cleantech Building Materials PLC	-	-

Accsys Technologies PLC has previously purchased a total of 21,666,734 unlisted Ordinary shares in Diamond Wood China. On 23 December 2016, Cleantech Building Materials PLC acquired Diamond Wood China. On 19 April 2017 Cleantech Building Materials acquired the 21,666,734 shares previously owned by the Company and in return the Company has been issued with 520,001 shares in Cleantech Building Materials PLC, a listed company trading on the Nasdaq First North market in Copenhagen.

There continues to be no active market for these shares as at 31 March 2026. As such a reliable fair value cannot be calculated and the investment is carried at a €nil fair value (2025: €nil).

A total of 498,522 shares were held at 31 March 2026 (2025: 498,522 shares).

6. Debtors

	2026 €'000	2025 €'000
Amounts owed by Group undertakings	273,192	285,793
Prepayments and accrued income	134	68
VAT recoverable	-	67
Financial instruments	386	-
	<u>273,712</u>	<u>285,928</u>

The amounts owed by Group undertakings currently have no repayment plans in place, however the intention is for the Group's subsidiaries to repay this balance in the future. A repayment plan will be determined and commence for the loan when the subsidiaries have surplus cash and the Group requires the cash for other purposes. The Directors have considered the recoverability of the balances, taking into account the net assets as well as the long term expected performance of the subsidiaries and do not consider that any impairment is currently required. The Group will use the operational profits of the subsidiaries to flow cash around the Group thus repaying the loans. The recoverable amount is determined based on a value in use calculation which uses cash flow projections based on latest Board-approved financial budgets. Cash flows have been projected for a period of five years plus a terminal value discounted at a pre-tax discount rate of 14.1% (2025: 16.5%) and a 2% growth rate (2025: 2% growth rate) to determine their present value. Refer to note 15 of the Group financial statements for the key assumptions and sensitivity analysis for this calculation.

7. Creditors: amounts falling due within one year

	2026 €'000	2025 €'000
Trade creditors	240	435
Amounts owed to Group undertakings	15,430	11,567
Obligation under lease liabilities	-	7
Short term borrowings	2,600	5,625
VAT	433	-
Accruals and deferred income	926	630
	<u>19,629</u>	<u>18,264</u>

The amounts owed to Group undertakings are payable upon demand and are unsecured.

8. Creditors: amounts falling due after one year

	2026 €'000	2025 €'000
Amounts owed to Group undertakings	<u>22,072</u>	<u>23,834</u>

The amounts owed to Group undertakings yield a 9.5% interest per annum and are repayable in November 2029.

Accsys Technologies PLC

Notes to the Company financial statements for the year ended 31 March 2026 (continued)

9. Commitments under loan agreements

	2026	2025
	€'000	€'000
Loan obligations		
Within one year	2,600	5,625
In the second to fifth years inclusive	27,056	26,854
Present value of loan obligations	<u>29,656</u>	<u>32,479</u>
	2026	2025
	€'000	€'000
Amounts payable under loan agreements:		
Within one year	4,184	7,285
In the second to fifth years inclusive	<u>29,112</u>	<u>28,996</u>
Less future finance charges	(3,640)	(3,802)
Present value of loan obligations	<u>29,656</u>	<u>32,479</u>

10. Called up Share capital

	2026	2025
	€'000	€'000
Allotted - Equity share capital		
243,383,081 Ordinary shares of €0.05 each (2025: 240,445,567 Ordinary shares of €0.05 each)	12,169	12,022
	<u>12,169</u>	<u>12,022</u>

In the year ended 31 March 2025:

In May 2024, 80,816 Ordinary shares were issued following the exercise of nil cost options, granted under the Company's 2023 LTIP.

In September 2024, 809,892 Ordinary shares were issued to an Employee Benefit Trust at nominal value, as part of the annual bonus, in connection with the employee remuneration and incentivisation arrangements for the period from 1 April 2023 to 31 March 2024.

In September 2024, 36,487 Ordinary shares were issued following the vesting of nil cost options granted under the Company's Deferred bonus plan.

In the year ended 31 March 2026:

In July 2025, 2,248,645 Ordinary shares were issued following the vesting of nil cost options granted under the Company's Deferred bonus plan.

In January 2026, following the subscription by employees in the prior year for shares under the Employee Share Participation Plan (the 'Plan'), 50% of the 442,665 Ordinary shares were issued at €0.54 per share and the remaining 50% were matched at nominal value as part of the plan.

In January 2026, following the subscription by employees for shares under the Employee Share Participation Plan (the 'Plan'), 246,204 Ordinary shares were issued at €0.72 per share as part of the plan.

Accsys Technologies PLC

Notes to the Company financial statements for the year ended 31 March 2026 (continued)

11. Reconciliation of movements in total shareholders' funds

	2026	2025
	€'000	€'000
Loss for the financial year	(8,392)	(7,480)
Share based payments charged to subsidiaries	720	1,747
Shares issued	297	-
Share issue costs	-	9
Foreign exchange hedge movement	386	-
Net decrease in shareholders' funds	<u>(6,989)</u>	<u>(5,724)</u>
Opening total shareholders' funds	246,891	252,615
Closing total shareholders' funds	<u>239,902</u>	<u>246,891</u>

12. Deferred taxation

The Company has an unrecognised deferred tax asset of €7,072,000 (2025: €8,100,000) which is largely in respect of trading losses and has been calculated using the tax rate which is expected to be applicable when the tax losses are expected to be utilised. The Company has gross tax losses of €28,289,000 (2025: €32,000,000). The deferred asset has not been recognised due to the uncertainty of the timing of future expected profits of the fellow subsidiary (in which the Company is in the same tax group) attributable to licensing activities.

13. Guarantee provided to FHB

In March 2022 the Company's joint venture, Accoya USA agreed an eight-year \$70 million loan from First Horizon Bank ('FHB') in respect of the construction and operation of the Accoya USA plant and a further \$10 million revolving line of credit for plant commissioning and working capital purposes (see note 25 and 26 in the Group financial statements). The FHB term loan is supported by Accoya USA's shareholders, including \$50 million through a limited guarantee provided on a pro-rata basis, with Accsys' 60% share representing \$30 million. See note 28 in the Group financial statements for further details.

14. Guarantee provided on convertible loan notes issued by Accsys Jersey Limited

In the November 2023 fundraise, the Group issued €21 million of new convertible loans through the Company's subsidiary Accsys Jersey Limited (see note 26 in the Group financial statements for further details on these convertible loan notes). The Company has provided a guarantee to the Convertible loan note holders for the obligations under the convertible loan notes and the Company is contracted to provide to the convertible loan note holders Ordinary shares in the Company if the convertible loan notes are converted.

Accsys Technologies PLC

Shareholder Information

Accsys Technologies PLC is a public limited company incorporated and domiciled in the United Kingdom

Directors	Dr Jelena Arsic Van Os Sameet Vohra Edwin Bouwman Louis Eperjesi Dr Trudy Schoolenberg Dr Roland Waibel	Chief Executive Officer Chief Financial Officer Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Company Secretary	Angus Dodwell	
Company Number	05534340	
Registered Office	4th Floor 3 Moorgate Place London EC2R 6EA	
Bankers	ABN AMRO Bank Velperweg 37 6824 BM Arnhem The Netherlands HSBC UK Bank PLC 71 Queen Victoria Street London EC4V 4AY	
Registrars	MUFG Pension & Market Services 19 th Floor 15 Lime Street London EC3M 7DQ	
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory auditors 1 Embankment Place London, WC2N 6RH	
Lawyers	Slaughter & May One Bunhill Row London EC1Y 8YY	
Broker and Nomad	Panmure Liberum Level 12 Ropemaker Place 25 Ropemaker Street London, EC2Y 9LY	
Corporate Access, The Netherlands	ABN AMRO Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam Netherlands	