

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This document comprises: (a) a prospectus; (b) an admission document prepared in accordance with the AIM Rules for Companies; and (c) notice of a General Meeting.

This document has been approved by the FCA as competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval shall not be considered as an endorsement of the issuer that is the subject of this prospectus or of the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the New Ordinary Shares. This document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

The Company has also requested that the FCA certify to the AFM that this document is a prospectus drawn up in accordance with the Prospectus Regulation. This document has been made available to the public in accordance with Article 21(1) of the Prospectus Regulation and Rule 27 of the AIM Rules for Companies.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document. Numis Securities Limited is acting as nominated adviser to the Company in connection with the Firm Placing and Placing and Open Offer.

You should read the whole of this document and the documents incorporated herein by reference. In particular, your attention is drawn to the risk factors set out in Part II (Risk Factors) of this document, which you should read in full.



ACCSYS TECHNOLOGIES PLC

(Incorporated and registered in England and Wales with registered no. 5534340)

**Firm Placing of 27,239,764 New Ordinary Shares at €1.05 per share and
Placing and Open Offer of 16,855,474 New Ordinary Shares at €1.05 per share
and Notice of General Meeting**

**Joint Underwriter, Nominated Adviser, Joint Financial Adviser and Joint Broker
Numis Securities Limited**

**Joint Underwriter, Joint Financial Adviser and Joint Broker
Investec Bank plc**

**Joint Underwriter
NIBC Bank N.V.**

The Existing Ordinary Shares are traded on the regulated market operated by Euronext Amsterdam N.V. (Euronext Amsterdam) and on AIM under the symbol ‘AXS’. Applications will be made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is

expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and AIM at 8:00 a.m. (GMT) on 23 December 2019. No application is currently intended to be made for the New Ordinary Shares to be admitted to trading or traded on any other exchange.

Subject to the restrictions set out below, if you have sold or do sell or have otherwise transferred or do transfer all of your Existing Ordinary Shares in certificated form before 8:00 a.m. on 29 November 2019 being the date upon which the Existing Ordinary Shares will be marked “ex” the entitlement to the Open Offer by Euronext Amsterdam and AIM, please send this document together with the Form of Proxy and any Application Form, if and when received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was/is effected for delivery to the purchaser or transferee except that such documents should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, the Restricted Jurisdictions and the United States. If you have sold or do sell or have otherwise transferred or do transfer all or some of your Existing Ordinary Shares held in uncertificated form before the Ex-Entitlements Date, a claim transaction will automatically be generated by Euroclear UK which, on settlement, will transfer the appropriate number of Open Offer Entitlements and/or Excess Open Offer Entitlements to the purchaser or transferee. If you have sold or do sell or have otherwise transferred or do transfer only part of your holding of Existing Ordinary Shares held in certificated form before the Ex-Entitlements Date, you should contact immediately the bank, stockbroker or other agent through whom the sale or transfer was/is effected and refer to the instruction regarding split applications in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document and in the Application Form.

NIBC Bank N.V. is acting as the Joint Underwriter, Joint Bookrunner, Listing Agent and Subscription Agent to the Company in connection with the Firm Placing and Placing and Open Offer and is not advising any other person or treating any other person as its customer or client in relation to the Firm Placing and Placing and Open Offer and will not be responsible to any such other person for providing the protections afforded to its customers or clients or for providing advice in connection with the Firm Placing and Placing and Open Offer. No representation or warranty, express or implied, is made by NIBC Bank N.V. as to any of the contents of this document and NIBC Bank N.V. does not accept any responsibility for the contents of this document.

Although the Listing Agent and Subscription Agent is party to various agreements pertaining to the Firm Placing and Placing and Open Offer, this should not be considered as a recommendation by it to invest in the New Ordinary Shares.

Numis Securities Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as Joint Underwriter, Nominated Adviser, Joint Financial Adviser, Joint Broker and Joint Bookrunner to the Company in connection with the Firm Placing and Placing and Open Offer and is not advising any other person or treating any other person as its customer or client in relation to the Firm Placing and Placing and Open Offer and will not be responsible to any such other person for providing the protections afforded to its customers or clients or for providing advice in connection with the Firm Placing and Placing and Open Offer. No representation or warranty, express or implied, is made by Numis Securities Limited as to any of the contents of this document and Numis Securities Limited does not accept any responsibility for the contents of this document.

Investec Bank plc, which is authorised by the Prudential Regulation Authority (the “PRA”) and regulated in the United Kingdom by the PRA and the FCA, is acting as Joint Underwriter, Joint Financial Adviser, Joint Broker and Joint Bookrunner to the Company in connection with the Firm Placing and Placing and Open Offer. Investec is acting exclusively for the Company and no one else in connection with the Firm Placing and Placing and Open Offer and is not advising any other person or treating any other person as its customer or client in relation to the Firm Placing and Placing and Open Offer and will not be responsible to any such other person for providing the protections afforded to its customers or clients or for providing advice in connection with the Firm Placing and Placing and Open Offer.

Apart from the responsibilities and liabilities, if any, which may be imposed on Investec by FSMA or the regulatory regime established thereunder, Investec does not make any representation or warranty, express or implied, in relation to, nor accepts any responsibility whatsoever for the contents of this document or any

transaction, arrangement or other matter referred to herein or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, the Firm Placing and Placing and Open Offer and Admission. Investec (and its affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of this document or any transaction, arrangement or other matter referred to herein or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, the Firm Placing and Placing and Open Offer and Admission.

The distribution of this document and/or any Application Form and/or the transfer of the New Ordinary Shares in or into jurisdictions other than the United Kingdom and the Netherlands may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, neither this document nor any Application Form should be distributed, forwarded to, or transmitted in or into any Restricted Jurisdiction or the United States. In particular, the New Ordinary Shares referred to in this document have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States or under the securities laws of any Restricted Jurisdiction and may not be offered or sold in the United States or any Restricted Jurisdiction absent registration or an exemption from registration. The New Ordinary Shares and the Application Forms have not been approved or disapproved by the US Securities and Exchange Commission, any US state securities commission or other regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of the Firm Placing and Placing and Open Offer or the accuracy or adequacy of the information contained in this document. Any representation to the contrary is unlawful and is a criminal offence in the United States. Overseas Shareholders are referred to Part X (Overseas Shareholders) of this document for further information.

Certain information in relation to the Company is incorporated by reference into this document. Capitalised terms used herein have the meanings ascribed to them in the section of this document entitled “Definitions”. Certain abbreviated and technical terms that are commonly used in the wood industry and which appear in this document are defined in the section of this document entitled “Glossary of Technical Terms”. Unless the context otherwise requires, all references in this document to “we”, “us”, “our” and similar terms refer to the Company or the Group, as the context requires.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

The contents of this document are not to be construed as legal, business or tax advice. Each Shareholder should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

The contents of the Company’s website do not form part of this document. This document will be published in the English language only.

This document is dated 28 November 2019.

TABLE OF CONTENTS

	Page	
PART I	SUMMARY INFORMATION	5
PART II	RISK FACTORS	12
PART III	EXPECTED TIMETABLE OF PRINCIPAL EVENTS AND FIRM PLACING AND PLACING AND OPEN OFFER STATISTICS	28
PART IV	DIRECTORS, SECRETARY AND ADVISERS	31
PART V	CHAIRMAN'S LETTER	33
PART VI	SOME QUESTIONS AND ANSWERS ABOUT THE FIRM PLACING AND PLACING AND OPEN OFFER	51
PART VII	INFORMATION ON THE ACCSYS GROUP	58
PART VIII	FINANCIAL INFORMATION RELATING TO THE ACCSYS GROUP	69
PART IX	TERMS AND CONDITIONS OF THE FIRM PLACING AND PLACING AND OPEN OFFER	70
PART X	OVERSEAS SHAREHOLDERS	95
PART XI	ADDITIONAL INFORMATION	100
PART XII	DOCUMENTATION INCORPORATED BY REFERENCE	122
	DEFINITIONS	124
	GLOSSARY OF TECHNICAL TERMS	132
	NOTICE OF GENERAL MEETING	133

PART I

SUMMARY INFORMATION

Section 1 – Introduction and warnings	
<i>Name and international securities identification number (ISIN) of the New Ordinary Shares</i>	Accsys Technologies plc ordinary shares, ISIN: GB00BQQFX454.
<i>Identity and contact details of the issuer, including its legal entity identifier (LEI)</i>	The legal and commercial name of the issuer is Accsys Technologies plc. The Company is a public limited company domiciled and incorporated in England and Wales under the Companies Act 1985 with registered number 05534340. The Company's registered office is at Brettenham House, 19 Lancaster Place, London, WC2E 7EN, England. The telephone number of the Company is +44 (0)20 7421 4300 and the legal entity identifier of the Company is 213800HKRKF8PNUNV581.
<i>Identity and contact details of the competent authority approving the prospectus</i>	This prospectus has been approved by the FCA as competent authority under the Prospectus Regulation. The head office of the FCA is at 12 Endeavour Square, London, E20 1JN, England. The telephone number of the FCA is +44 (0)20 7066 1000.
<i>Date of approval of the prospectus</i>	28 November 2019
<i>Warnings</i>	This summary should be read as an introduction to the prospectus. Any decision to invest in the New Ordinary Shares should be based on a consideration of the prospectus as a whole by the investor including the information incorporated by reference. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
Section 2 – Key information on the issuer	
Who is the issuer of the securities?	
<i>The domicile and legal form of the issuer, the law under which the issuer operates and its country of incorporation</i>	The Company is a public limited company domiciled and incorporated in England and Wales under the Companies Act 1985 with registered number 05534340. The Company's registered office is at Brettenham House, 19 Lancaster Place, London, WC2E 7EN, England. The principal legislation under which the Company operates is the Companies Act 2006 and regulations thereunder.
<i>The issuer's principal activities</i>	<p>The Company combines chemistry, technology and ingenuity to make high performance wood products that are extremely durable and stable, opening new opportunities for the built environment. By using fast-growing, sustainably-sourced timber, the Company creates long-life wood products with properties that can compete with traditional non-sustainable building materials, such as tropical hardwoods, metal, plastic and concrete. Furthermore, the Company's acetylation process boosts the already naturally occurring acetyl content of wood and by doing so, reduces the ability of the wood to absorb water, rendering it more dimensionally stable and, because it is no longer digestible, extremely durable.</p> <p>The Group's principal products are:</p> <ul style="list-style-type: none"> • Accoya[®], a unique modified timber in which the acetylation process, a patented technology, enables it to resist rot, defy the elements and stay strong for decades. Accoya[®] timber is guaranteed for 50 years above ground and 25 years in ground or freshwater. Accoya[®] is typically used for windows, external doors, cladding, siding, decking, landscape timber and structural and civil engineering projects on account of its excellent dimensional stability and Class 1 durability. • Tricoya[®] wood elements, which are produced using the Company's proprietary technology for the acetylation of wood chips, fibres and particles, primarily for use in the fabrication of panel products with Class 1 durability and exceptional

	<p>dimensional stability. Typical usages include façade cladding/siding and other secondary exterior applications, window components, door components and door skins and wet interiors, including wall linings.</p> <p>Accoya®</p> <p>The Group operates the Arnhem Plant, an Accoya® production facility in Arnhem, the Netherlands, which currently has production capacity for approximately 60,000m³ of Accoya® per annum. The preliminary stages of a further expansion of the Arnhem Plant have begun, which will involve the addition of a fourth reactor and will increase the annual production capacity of the plant to approximately 80,000m³. Accoya® produced in Arnhem is now being sold across Europe, North America, Australia, New Zealand, China, India and South East Asia, among other regions, under Accoya® distributor, supply or agency agreements.</p> <p>Given increasing demand, the Group is also progressing discussions with a potential partner concerning a possible Accoya® plant in the United States.</p> <p>Tricoya®</p> <p>The Group’s construction work on the Hull Plant, a Tricoya® production facility in Hull, UK, continues to progress and is expected to be operational in the second half of the 2020 calendar year.</p> <p>At present, to support seeding of key European markets ahead of Tricoya® production in Hull, approximately 24% of the capacity-constrained Accoya® production volumes are sold to:</p> <ul style="list-style-type: none"> • MEDITE Europe DAC (“MEDITE”), the Group’s longstanding Tricoya® joint development partner; and • Financiera Maderera S.A. (“FINSA”), the Group’s licensee and key customer in Spain, <p>in each case, for chipping into Tricoya® and the subsequent production and sale of Tricoya® panels.</p> <p>The Group is also continuing work with PETRONAS Chemicals Group Berhad to evaluate the feasibility of building and operating an integrated acetic anhydride and Tricoya® wood chip production plant in Malaysia.</p>																																										
<p><i>The issuer’s major shareholders, including whether it is directly or indirectly owned or controlled and by whom</i></p>	<p>As at the Last Practicable Date, except as disclosed in the table below, in so far as is known to the Company, no person is directly or indirectly interested in 3% or more of the Company’s capital or voting rights.</p> <table border="1" data-bbox="590 1276 1442 1758"> <thead> <tr> <th></th> <th colspan="2">Ordinary Shares owned at the Last Practicable Date</th> </tr> <tr> <th></th> <th>Number of Ordinary Shares</th> <th>% of voting rights</th> </tr> </thead> <tbody> <tr> <td>Teslin Capital Management B.V.</td> <td>15,859,829</td> <td>13.44</td> </tr> <tr> <td>Janus Henderson Investors</td> <td>7,206,812</td> <td>6.11</td> </tr> <tr> <td>Fidelity International</td> <td>7,143,995</td> <td>6.05</td> </tr> <tr> <td>Binckbank (EO)</td> <td>6,884,582</td> <td>5.83</td> </tr> <tr> <td>Van Puijenbroek Family</td> <td>6,231,070</td> <td>5.28</td> </tr> <tr> <td>Business Growth Fund</td> <td>5,815,000</td> <td>4.93</td> </tr> <tr> <td>Majedie Asset Management</td> <td>5,809,919</td> <td>4.92</td> </tr> <tr> <td>Decico B.V.</td> <td>5,630,379</td> <td>4.77</td> </tr> <tr> <td>London & Amsterdam Trust Company</td> <td>5,047,191</td> <td>4.28</td> </tr> <tr> <td>ABN Amro Private Banking</td> <td>4,753,432</td> <td>4.03</td> </tr> <tr> <td>Invesco</td> <td>4,418,749</td> <td>3.75</td> </tr> <tr> <td>KBC Asset Management</td> <td>3,645,393</td> <td>3.09</td> </tr> </tbody> </table> <p>The number of Ordinary Shares and/or the percentage of voting rights held by each of the above may change as a result of the Issue.</p> <p>The Company and the Directors are not aware of any persons, who, as at the Last Practicable Date, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor are they aware of any arrangements the operation of which may at a subsequent date result in a change in control over the Company.</p>		Ordinary Shares owned at the Last Practicable Date			Number of Ordinary Shares	% of voting rights	Teslin Capital Management B.V.	15,859,829	13.44	Janus Henderson Investors	7,206,812	6.11	Fidelity International	7,143,995	6.05	Binckbank (EO)	6,884,582	5.83	Van Puijenbroek Family	6,231,070	5.28	Business Growth Fund	5,815,000	4.93	Majedie Asset Management	5,809,919	4.92	Decico B.V.	5,630,379	4.77	London & Amsterdam Trust Company	5,047,191	4.28	ABN Amro Private Banking	4,753,432	4.03	Invesco	4,418,749	3.75	KBC Asset Management	3,645,393	3.09
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<p><i>The identity of the issuer's key managing directors</i></p>	<p>Paul Clegg (Chief Executive Officer – outgoing)* Robert Harris (Chief Executive Officer – incoming) William Rudge (Finance Director)</p> <p>*Paul will remain as a Board member until 31 December 2019, allowing for a smooth transition to Robert, who was appointed as CEO with effect from 20 November 2019 and will join the Board as a director shortly following the publication of this document.</p>																																																																																																
<p><i>The identity of the issuer's statutory auditors</i></p>	<p>PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH, United Kingdom.</p>																																																																																																
<p>What is the key financial information regarding the issuer?</p>																																																																																																	
<p><i>Key financial information</i></p>	<p>Selected key historical financial information relating to the Group for the three financial years ended 31 March 2017, 31 March 2018 and 31 March 2019 and the six months ended 30 September 2018 and 30 September 2019 is set out in the table below. The information has been presented in accordance with Annex I of European Commission Delegated Regulation (EU) 2019/979.</p> <p>Consolidated Statement of Comprehensive Income</p> <table border="1"> <thead> <tr> <th></th> <th>Year ended 31 March 2019</th> <th>Year ended 31 March 2018</th> <th>Year ended 31 March 2017</th> <th>Six months ended 30 September 2019</th> <th>Six months ended 30 September 2018</th> </tr> <tr> <th></th> <th>€'000</th> <th>€'000</th> <th>€'000</th> <th>€'000</th> <th>€'000</th> </tr> </thead> <tbody> <tr> <td><i>Total revenue</i></td> <td>75,153</td> <td>60,911</td> <td>56,529</td> <td>43,993</td> <td>31,597</td> </tr> <tr> <td><i>Operating loss</i></td> <td>(3,038)</td> <td>(8,729)</td> <td>(3,905)</td> <td>(434)</td> <td>(3,066)</td> </tr> <tr> <td><i>Total comprehensive loss for the period attributable to owners of Accsys</i></td> <td>(5,831)</td> <td>(9,040)</td> <td>(4,990)</td> <td>(1,304)</td> <td>(3,964)</td> </tr> <tr> <td><i>Year-on-year revenue growth</i></td> <td>23%</td> <td>8%</td> <td>7%</td> <td>39%</td> <td>12%</td> </tr> </tbody> </table> <p>Consolidated Statement of Financial Position</p> <table border="1"> <thead> <tr> <th></th> <th>Year ended 31 March 2019</th> <th>Year ended 31 March 2018</th> <th>Year ended 31 March 2017</th> <th>Six months ended 30 September 2019</th> <th>Six months ended 30 September 2018</th> </tr> <tr> <th></th> <th>€'000</th> <th>€'000</th> <th>€'000</th> <th>€'000</th> <th>€'000</th> </tr> </thead> <tbody> <tr> <td><i>Total assets</i></td> <td>152,586</td> <td>134,993</td> <td>93,788</td> <td>153,684</td> <td>153,108</td> </tr> <tr> <td><i>Total equity</i></td> <td>73,659</td> <td>73,495</td> <td>56,471</td> <td>71,835</td> <td>74,767</td> </tr> <tr> <td><i>Net financial debt (long term debt plus short term debt minus cash)</i></td> <td>(50,073)</td> <td>(3,771)</td> <td>18,000</td> <td>(59,286)</td> <td>(34,240)</td> </tr> </tbody> </table> <p>Consolidated Statement of Cash Flow</p> <table border="1"> <thead> <tr> <th></th> <th>Year ended 31 March 2019</th> <th>Year ended 31 March 2018</th> <th>Year ended 31 March 2017</th> <th>Six months ended 30 September 2019</th> <th>Six months ended 30 September 2018</th> </tr> <tr> <th></th> <th>€'000</th> <th>€'000</th> <th>€'000</th> <th>€'000</th> <th>€'000</th> </tr> </thead> <tbody> <tr> <td><i>Net cash flows (used in)/ generated from operating activities</i></td> <td>300</td> <td>(3,769)</td> <td>(2,455)</td> <td>2,574</td> <td>707</td> </tr> <tr> <td><i>Net cash flows (used in)/ generated from investing activities</i></td> <td>(48,845)</td> <td>(29,850)</td> <td>(2,606)</td> <td>(6,949)</td> <td>(34,722)</td> </tr> <tr> <td><i>Net cash flows (used in)/ generated from financing activities</i></td> <td>17,777</td> <td>32,865</td> <td>37,726</td> <td>(1,132)</td> <td>16,543</td> </tr> </tbody> </table>		Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2017	Six months ended 30 September 2019	Six months ended 30 September 2018		€'000	€'000	€'000	€'000	€'000	<i>Total revenue</i>	75,153	60,911	56,529	43,993	31,597	<i>Operating loss</i>	(3,038)	(8,729)	(3,905)	(434)	(3,066)	<i>Total comprehensive loss for the period attributable to owners of Accsys</i>	(5,831)	(9,040)	(4,990)	(1,304)	(3,964)	<i>Year-on-year revenue growth</i>	23%	8%	7%	39%	12%		Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2017	Six months ended 30 September 2019	Six months ended 30 September 2018		€'000	€'000	€'000	€'000	€'000	<i>Total assets</i>	152,586	134,993	93,788	153,684	153,108	<i>Total equity</i>	73,659	73,495	56,471	71,835	74,767	<i>Net financial debt (long term debt plus short term debt minus cash)</i>	(50,073)	(3,771)	18,000	(59,286)	(34,240)		Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2017	Six months ended 30 September 2019	Six months ended 30 September 2018		€'000	€'000	€'000	€'000	€'000	<i>Net cash flows (used in)/ generated from operating activities</i>	300	(3,769)	(2,455)	2,574	707	<i>Net cash flows (used in)/ generated from investing activities</i>	(48,845)	(29,850)	(2,606)	(6,949)	(34,722)	<i>Net cash flows (used in)/ generated from financing activities</i>	17,777	32,865	37,726	(1,132)	16,543
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<i>Net financial debt (long term debt plus short term debt minus cash)</i>	(50,073)	(3,771)	18,000	(59,286)	(34,240)																																																																																												
	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2017	Six months ended 30 September 2019	Six months ended 30 September 2018																																																																																												
	€'000	€'000	€'000	€'000	€'000																																																																																												
<i>Net cash flows (used in)/ generated from operating activities</i>	300	(3,769)	(2,455)	2,574	707																																																																																												
<i>Net cash flows (used in)/ generated from investing activities</i>	(48,845)	(29,850)	(2,606)	(6,949)	(34,722)																																																																																												
<i>Net cash flows (used in)/ generated from financing activities</i>	17,777	32,865	37,726	(1,132)	16,543																																																																																												
<p><i>Pro forma financial information</i></p>	<p>Not applicable.</p>																																																																																																
<p><i>Brief description of any qualifications in the audit report relating to the historical financial information</i></p>	<p>Not applicable; the audit reports on the historical financial information contained in, or incorporated by reference into, this document are not qualified.</p> <p>However, the auditors' report on the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019 contains an emphasis of matter, which in summary states (without modifying the auditors' conclusion) that, if Shareholders do not vote in favour of the Resolutions or the Issue has not otherwise taken place in December 2019, or if the gross aggregate proceeds of the Issue are less than expected, the Group may be unable to complete the construction of the Hull Plant and may be unable to meet its liabilities as they fall due unless alternative financing arrangements are obtained. The auditors reported that those factors, along with other</p>																																																																																																

	factors described in the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.
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What are the key risks that are specific to the issuer?

Prior to investing in the Ordinary Shares, prospective investors should consider the associated risks. The key risks specific to the Company are:

- The Group faces environmental, health and safety and product liability risks, in particular in relation to the construction of its sites and its operation in the chemical industry.
- The Group may be unable to deliver its current strategy for growth or realise its future plans for the further expansion of its manufacturing capacity. If the Issue does not complete, the Group would need to obtain appropriate alternative financing by the end of 2019 in order to be able to fund its expected share of TVUK's liabilities relating to the completion of the construction of the Hull Plant. In the event that the Group is unable to obtain alternative equity and/or debt financing, the Tricoya® Project is likely to be significantly delayed, which would curtail the Group's ability to generate revenue from both the sale of Tricoya® from the Hull Plant and from the licensing of its valuable intellectual property related to Tricoya® in the short to medium term. In addition, if the Issue does not proceed, the Group would need to obtain appropriate alternative financing in order to be able to fund the further expansion of the Accoya® plant in Arnhem by the addition of the fourth Accoya® acetylation reactor. In the event that the Group is unable to obtain alternative equity and/or debt financing by early 2020, the expansion of the Group's manufacturing capacity in Arnhem is likely to be materially delayed, which will significantly impact the Group's ability to grow its Accoya® sales volumes from current levels in the medium term. If necessary, the Group would also consider various mitigating actions such as reductions in capital expenditure and/or costs until appropriate financing is secured. If it is not possible for the Group to obtain the required additional financing, the other members of the Tricoya® Consortium may fund the shortfall such that the construction of the Hull Plant may continue. This would also have the effect of, among other things, diluting the Group's economic interest in TVUK and its returns therefrom. Otherwise, the Tricoya® Project may be abandoned altogether and TVUK could eventually be sold or another corporate solution found, which may result in the Group losing part or all of its investment in TVUK. In the case of the Group's Accoya® plant in Arnhem, if additional financing is not obtained for the fourth Accoya® acetylation reactor, then the project would be delayed, production capacity would not increase and the Arnhem Plant would continue to operate at or near to its current maximum production capacity of approximately 60,000m³ per annum. Any of the foregoing events could have an adverse impact on the Group, which could result in Shareholders losing part or all of the value of their investment in the Company.
- The success of the Group in enabling it to continue to supply the increasing demand for its products depends on increasing its manufacturing capacity at the Arnhem Plant and the Hull Plant. Significant additional delays or cost overruns in the construction of the Hull Plant or the proposed further expansion of the Arnhem Plant, or disruptions to their operation, may adversely impact the viability of these projects.
- Any default by a material customer, business and/or joint venture partner (including, but not limited to, the other members of the Tricoya® Consortium), licensee or supplier, or a failure by such stakeholders to purchase, supply, invest or otherwise perform as expected, may have a material adverse effect on the Group's prospects, results of operations and financial condition.
- The Company's indebtedness, including under its various debt facility agreements, exposes the Company to the risks associated with borrowings, particularly at the current time when the Company is investing for growth (such as expanding the Arnhem Plant and constructing the new Hull Plant). Although the inability of TVUK to hitherto fund cost overruns in the construction of the Hull Plant with equity has resulted in a technical breach by TVUK of the RBS Facility Agreement, RBS has not taken any action to enforce any right or remedy under the RBS Facility Agreement in connection with this technical breach, has continued to fund TVUK and has confirmed in discussions that it remains supportive of the Tricoya® Project. The balance of equity required to meet such cost overruns is expected to be funded into TTL by the other members of the Tricoya® Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, all of which remain committed to achieving the market potential of Tricoya®, at which point TVUK is expected to cure the technical breach under the RBS Facility Agreement.
- The Group's inability to protect adequately its proprietary technology (particularly around wood acetylation and manufacturing processes), brand names and confidential information could have a material adverse effect on its business.
- Any failure in information technology security or continuity involving the Group's computer systems, networks or data, and/or loss of key staff, could disrupt its businesses, result in the loss or disclosure of confidential information, intellectual property or data, and damage its reputation and business.
- The Group relies on its ability to procure raw materials for the acetylation process, principally timber and acetic anhydride, from selected suppliers. If the Group is unable to purchase raw materials in the volumes and to the specifications required, then this may affect manufacturing costs and efficiencies. In addition, the Group's gross margins could be affected if the costs of timber and of commodities generally increase substantially. In the longer term, the Group may be unable to pass along a portion of any higher raw materials costs to the Group's customers because of competitive pressures.
- The success of the Group in building a profitable business depends in large part on its ability to achieve continued wider adoption of Accoya® and further market acceptance of Tricoya®. There is a risk that the Group's current and potential competitors may develop and introduce new competing products and services that could be priced lower or achieve greater market share.

Section 3 – Key information on the securities
What are the main features of the securities?
<p>The Firm Placing and Placing and Open Offer comprise in aggregate 44,095,238 New Ordinary Shares of which 27,239,764 New Ordinary Shares are proposed to be issued under the Firm Placing and 16,855,474 New Ordinary Shares are proposed to be issued under the Placing and Open Offer, in each case at €1.05 per New Ordinary Share. When admitted to trading, the New Ordinary Shares will be registered with the following ISIN: GB00BQQFX454.</p> <p>The Existing Ordinary Shares are denominated in euro and quoted in sterling on AIM and in euro on Euronext Amsterdam and the New Ordinary Shares will be traded and quoted in the same way. On the Last Practicable Date, the Company had 117,988,305 Existing Ordinary Shares of €0.05 each in issue (all of which were fully paid or credited as fully paid).</p> <p>The New Ordinary Shares, when issued and fully paid, will rank <i>pari passu</i> in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions made, paid or declared in respect of the Ordinary Shares after their issue. On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under applicable law and subject to any special rights attaching to any class of Ordinary Shares, shall be applied in repaying to Shareholders the amounts paid up on the Ordinary Shares held by them and any surplus assets will belong to the holders of any Ordinary Shares then in issue according to the numbers of Ordinary Shares held by them or, if no Ordinary Shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them. There are no special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares and there are no restrictions on the free transferability of the Ordinary Shares.</p> <p>The Company’s general dividend policy is to pay dividends at levels consistent with factors such as future earnings, financial condition, capital adequacy and liquidity. The Company does not expect to pay a dividend in respect of the current financial year.</p> <p>The Board deems it prudent for the Company to maintain as strong a financial position as possible during the current phase of the Company’s growth strategy.</p>
Where will the securities be traded?
<p>Applications will be made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and on AIM at 8:00 a.m. (GMT) on 23 December 2019.</p>
What are the key risks that are specific to the securities?
<p>Prior to investing in the Ordinary Shares, prospective investors should consider the associated risks. The key risks specific to the New Ordinary Shares are:</p> <ul style="list-style-type: none"> • Prospective investors should be aware that the value of an investment in the Company may go down as well as up. The market value of the Ordinary Shares can fluctuate substantially and may not always reflect the underlying value or prospects of the Group. • The Ordinary Shares are denominated in euro and quoted in sterling on AIM and in euro on Euronext Amsterdam. An investment in Ordinary Shares may expose the investor to exchange rate risks. • There is no guarantee that there will be sufficient liquidity in the Ordinary Shares to sell or buy any number of Ordinary Shares at a certain price level. • Certain institutional Shareholders currently hold, and may continue to hold after the Issue, and other investors may acquire pursuant to the Issue, a significant proportion of Ordinary Shares. These Shareholders may, if they act together, exercise significant influence over all corporate matters requiring Shareholder approval after the Issue, including the election of Directors and the determination of significant corporate actions. • Following the issue of the New Ordinary Shares to be allotted pursuant to the Issue, Shareholders not participating in the Firm Placing will experience dilution in their ownership of the Company.
Section 4 – Key information on the offer of securities to the public and/or the admission to trading on a regulated market
Under which conditions and timetable can I invest in this security?
<p><u>Terms and conditions of the Firm Placing and Placing and Open Offer</u></p> <p>Firm Placing</p> <p>The Company is seeking to raise €28.6 million (gross) through the Firm Placing of 27,239,764 New Ordinary Shares at the Offer Price to certain institutional investors. The Firm Placing is not subject to clawback. The Firm Placing is subject to the same conditions and termination rights which apply to the Placing and Open Offer.</p> <p>Open Offer</p> <p>The Company intends to raise €17.7 million (gross) through the Placing and Open Offer of 16,855,474 New Ordinary Shares at the Offer Price.</p>

Subject to the fulfilment of the conditions below, Qualifying Shareholders are being given the opportunity to subscribe for New Ordinary Shares *pro rata* to their existing shareholdings on the basis of 1 Open Offer Share at €1.05 each for every 7 Existing Ordinary Shares held and registered in their name as at the Record Time.

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

Qualifying Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at the Offer Price through the Excess Application Facility. Qualifying Shareholders may apply for Excess Open Offer Shares up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares held and registered in that Shareholder's name as at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares.

Placing

Any Open Offer Shares which are not applied for under the Open Offer may be allocated to Conditional Places at the Offer Price (subject to the Excess Application Facility), with the proceeds retained for the benefit of the Company.

16,855,474 Open Offer Shares will be conditionally placed to Conditional Places at the Offer Price, subject to clawback to satisfy Open Offer Entitlements and Excess Open Offer Entitlements taken up by Qualifying Shareholders under the Open Offer.

General

The Issue is conditional upon:

- the passing of the first and third resolutions to be proposed at the General Meeting;
- Admission becoming effective by no later than 8:00 a.m. (GMT) on 23 December 2019 (or such later time and/or date as the Company and the Joint Underwriters may determine); and
- the Underwriting Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

In the event that these conditions are not satisfied or waived (where capable of waiver), the Firm Placing and Placing and Open Offer will be revoked and will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter.

The Firm Placing and Placing and Open Offer are being fully underwritten by the Joint Underwriters, subject to the conditions set out in the Underwriting Agreement.

Applications will be made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and on AIM at 8:00 a.m. (GMT) on 23 December 2019.

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions made, paid or declared in respect of the Ordinary Shares after their issue.

Expected timetable

Each of the times and dates set out in the expected timetable of principal events below and mentioned in this document, the Application Form and in any other document issued in connection with the Firm Placing and Placing and Open Offer are subject to change by the Company, in which event details of the new times and dates will be notified to Euronext Amsterdam and the London Stock Exchange and, where appropriate, Qualifying Shareholders. References to times in this document are to London time unless otherwise stated. The ability to participate in the Open Offer is subject to certain restrictions relating to Shareholders with registered addresses or located or resident in countries outside the UK and the Netherlands.

If you have any queries on the procedure for acceptances and payment, you should contact the Shareholder Helpline on +44 (0)1903 706150 between 9:00 a.m. and 5:00 p.m. Monday to Friday (excluding bank holidays). Calls from within the United Kingdom are charged at the standard geographic rate. International call charges will apply if you are calling from outside the United Kingdom.

Record Time for entitlement under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders	6:00 p.m. on 26 November 2019
Announcement of the Firm Placing and Placing and Open Offer	7:00 a.m. on 28 November 2019
Publication and posting of this document (including the Notice of General Meeting) and Forms of Proxy, and despatch of Application Forms to Qualifying Non-CREST Shareholders	28 November 2019
Record Time for entitlement under the Open Offer for Qualifying Euroclear Shareholders	6:00 p.m. (CET) on 28 November 2019
Existing Ordinary Shares marked "ex" by Euronext Amsterdam and AIM	8:00 a.m. on 29 November 2019
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	29 November 2019

Open Offer Entitlements and Excess Open Offer Entitlements enabled in CREST	29 November 2019
Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements credited to appropriate stock accounts held with Intermediaries for Qualifying Euroclear Shareholders	8:00 a.m. (CET) on 29 November 2019
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4:30 p.m. on 13 December 2019
Latest time for depositing Open Offer Entitlements and Excess Open Offer Entitlements into CREST	3:00 p.m. on 16 December 2019
Latest time for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00 p.m. on 17 December 2019
Latest time for receipt of Forms of Proxy by registered Shareholders for the General Meeting	9:00 a.m. on 18 December 2019
Latest time for election and payment in full by applying Qualifying Euroclear Shareholders via their Intermediaries	2:00 p.m. (CET) on 18 December 2019
Latest time for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11:00 a.m. on 19 December 2019
General Meeting	9:00 a.m. on 20 December 2019
Announcement of the result of the Firm Placing and Placing and Open Offer through a Regulatory Information Service	20 December 2019
Date of Admission and dealings in New Ordinary Shares commences on AIM	23 December 2019
Commencement of dealings in New Ordinary Shares on Euronext Amsterdam	23 December 2019
New Ordinary Shares credited to CREST stock accounts (Qualifying CREST Shareholders only) and to stock accounts held with Intermediaries (Qualifying Euroclear Shareholders only)	23 December 2019
Despatch of definitive share certificates for the New Ordinary Shares in certificated form	8 January 2020
<u>Dilution</u>	
If a Qualifying Shareholder who is not a Placee does not take up any of his Open Offer Entitlements or Excess Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 27.2% as a result of the Firm Placing and Placing and Open Offer.	
If a Qualifying Shareholder who is not a Placee takes up his Open Offer Entitlements in full (assuming it does not participate in the Excess Application Facility), such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 16.8% as a result of the Firm Placing.	
Subject to certain exceptions, Shareholders in the United States and the Restricted Jurisdictions will not be able to participate in the Open Offer.	
<u>Costs and expenses</u>	
The total estimated costs and expenses of the Issue payable by the Company are approximately €3.3 million (excluding recoverable VAT). Investors will not be charged expenses by the Company in respect of the Issue.	
Why is this prospectus being produced?	
<u>Reasons for the Issue</u>	
The Company expects to raise net proceeds of approximately €43 million from the Issue. The Firm Placing and Placing and Open Offer are being fully underwritten by the Joint Underwriters, subject to the conditions set out in the Underwriting Agreement.	
The Group intends that the net proceeds of the Issue will be applied to: (i) expand and enhance the Arnhem Plant, including the addition of a fourth Accoya® wood acetylation reactor, new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment; (ii) complete the construction by TVUK (in which TTL has a 60.7% interest) of the Hull Plant for Tricoya®; (iii) fund preliminary evaluation work relating to the Group's potential Accoya® plant in the United States; and (iv) fund the increased working capital requirements of the Group resulting from (i) and (ii) above.	
<u>Material interests</u>	
There are no interests, including any conflicting interests, known to the Company that are material to the Company or the Issue.	

PART II

RISK FACTORS

Any investment in Accsys or in the New Ordinary Shares carries a number of risks. Prospective investors should review this document carefully and in its entirety (together with any documents incorporated by reference into it) and consult with their professional advisers before acquiring any New Ordinary Shares. You should carefully consider the risks and uncertainties described below, in addition to the other information in this document and the information incorporated into this document by reference, before making any investment decision. Prospective investors should note that the risks relating to the Group, its industry and the New Ordinary Shares summarised in Part I (Summary Information) of this document are the risks that the Directors believe to be most essential to an assessment by a prospective investor of whether to consider an investment in such securities. However, as the risks and uncertainties which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in Part I (Summary Information) of this document but also, among other things, the risks and uncertainties below.

The risks and uncertainties described below represent all those known to the Directors as at the date of this document which the Directors consider to be material. However, these risks and uncertainties are not the only ones facing the Group; additional risks and uncertainties not presently known to the Directors, or that the Directors currently consider to be immaterial, could also impair the business of the Group. If any or a combination of these risks actually occurs, the business, financial condition and operating results of the Group could be adversely affected. In such case, the market price of the Ordinary Shares could decline and you may lose all or part of your investment.

1. Risks relating to the business and operations of the Group

(a) *Health, safety and environmental (“HSE”) and product liability risks*

The Group’s business exposes it to health and safety risks that are inherent to any industrial chemicals company, such as the risks associated with the use of hazardous toxic chemicals, the risk of explosion of facilities that run under heat and pressure, together with the risks associated with handling large volumes of timber and inherent HSE risks in carrying out construction projects. The Group cannot guarantee that the measures taken to ensure employee health and safety and to ensure compliance with environmental and other applicable regulations will be sufficient in the future, or that the Group will not be required to incur significant health and safety-related expenses in the future. Any such expenses or associated reputational damage could have an adverse effect on the Group’s business, financial condition and results from operations.

If a product of the Group or of one of its customers does not conform to agreed specifications or is otherwise defective, the Group may be subject to claims by its customers arising from end-product defects, injury to individuals or property damage or other such claims, which may have a material adverse effect on the Group’s business, reputation, financial condition and results of operations.

The environmental risks of the Group’s processes are related to proper process and product containment and the inherent risks of operating these types of processing facilities, in addition to risks associated with the use of hazardous toxic chemicals and the risk of explosion of facilities that run under heat and pressure. The Directors have taken, and will endeavour to take, appropriate measures to ensure that the Group’s facilities are and will be constructed and operated in compliance with applicable environmental laws and regulations and that there are mitigation plans in place to minimise the effect of environmental risks. Changes to environmental laws and regulations, however, may increase the Group’s costs of operation. Although the Directors believe that the Group’s procedures comply with current applicable regulations, any failure to comply with environmental laws and regulations could result in the Group incurring costs and/or liabilities, including as a result of regulatory enforcement, personal injury, property damage and claims and litigation resulting from such events, which could adversely affect the Group’s results of operations and financial condition.

(b) ***The Group may be unable to deliver its current strategy for growth or realise its future plans for the further expansion of its manufacturing capacity***

The Board believes that the net proceeds of the Firm Placing and Placing and Open Offer are necessary to fund the two significant capital projects that the Group is undertaking, alongside funding the feasibility review for a new Accoya® plant in the United States and providing additional working capital for the Group as it increases in size. The Issue allows this substantial investment to take place without putting additional pressure on the Company's balance sheet.

Under its current business plan, the Company's expected capital investments over the short to medium term include: (i) the Company's expected share of the increase in construction costs associated with the completion of the Tricoya® Hull Plant, being approximately €12 million, with funding required by the end of 2019 and the plant expected to become operational in the second half of the 2020 calendar year; and (ii) the commencement of investment in the addition of a fourth Accoya® wood acetylation reactor in Arnhem, together with new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment for a total expected cost of approximately €26 million, with the Front End Engineering and Design work expected to commence in the second half of the financial year ending 31 March 2020, construction expected to commence in the second half of the financial year ending 31 March 2021 and the fourth reactor expected to be operational in the second half of the financial year ending 31 March 2022.

As such, the Group intends to invest or commit to the vast majority of the net proceeds of the Issue over the next 18 months under its growth strategy. Based on the Company's current cash flow forecasts, the Company is of the opinion that, taking into account its existing cash balances, existing available facilities and the net proceeds of the Issue, the Group will have sufficient working capital for its requirements under (i) and (ii) above. However, without the net proceeds of the Issue, the Group would only have sufficient working capital to the end of December 2019 as this is when the investment in the Hull Plant under (i) is expected to be required. At such time, in order to continue to carry out its current business plan, the Company would need to raise additional capital (or obtain appropriate alternative financing). In such a scenario, the shortfall at the end of December 2019 would be approximately €12 million, being the Group's expected share of TVUK's liabilities relating to the completion of the construction of the Hull Plant.

Although the audit reports on the historical financial information contained in, or incorporated by reference into, this document are not qualified, the auditors' report on the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019 contains an emphasis of matter, which in summary states (without modifying the auditors' conclusion) that, if Shareholders do not vote in favour of the Resolutions or the Issue has not otherwise taken place in December 2019, or if the gross aggregate proceeds of the Issue are less than expected, the Group may be unable to complete the construction of the Hull Plant and may be unable to meet its liabilities as they fall due unless alternative financing arrangements are obtained. The auditors reported that those factors, along with other factors described in the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. The auditors' emphasis of matter is reproduced in full in the section headed "Important Information" of this document.

The Company primarily intends to raise this required additional capital and thereby address the auditors' emphasis of matter through the Issue, as described in this document. If the Issue does not complete, the Group would need to obtain appropriate alternative financing by the end of 2019 in order to be able to fund its expected share of TVUK's liabilities relating to the completion of the construction of the Hull Plant. In the event that the Group is unable to obtain alternative equity and/or debt financing, the Tricoya® Project is likely to be significantly delayed, which would curtail the Group's ability to generate revenue from both the sale of Tricoya® from the Hull Plant and from the licensing of its valuable intellectual property related to Tricoya® in the short to medium term. In addition, if the Issue does not proceed, the Group would need to obtain appropriate alternative financing in order to be able to fund the further expansion of the Accoya® plant in Arnhem by the

addition of the fourth Accoya® acetylation reactor. In the event that the Group is unable to obtain alternative equity and/or debt financing by early 2020, the expansion of the Group's manufacturing capacity in Arnhem is likely to be materially delayed, which will significantly impact the Group's ability to grow its Accoya® sales volumes from current levels in the medium term.

If necessary, the Group would also consider various mitigating actions such as reductions in capital expenditure and/or costs until appropriate financing is secured. If it is not possible for the Group to obtain the required additional financing, the other members of the Tricoya® Consortium may fund the shortfall such that the construction of the Hull Plant may continue. This would also have the effect of, among other things, diluting the Group's economic interest in TVUK and its returns therefrom. Otherwise, the Tricoya® Project may be abandoned altogether and TVUK could eventually be sold or another corporate solution found, which may result in the Group losing part or all of its investment in TVUK. In the case of the Group's Accoya® plant in Arnhem, if additional financing is not obtained for the fourth Accoya® acetylation reactor, then the project would be delayed, production capacity would not increase and the Arnhem Plant would continue to operate at or near to its current maximum production capacity of approximately 60,000m³ per annum. Any of the foregoing events could have an adverse impact on the Group, which could result in Shareholders losing part or all of the value of their investment in the Company.

In addition, it is possible that, upon completing further diligence, the Group may conclude that the new Accoya® plant in the United States and/or the integrated acetic anhydride and Tricoya® wood chip production plant in Malaysia cannot be profitably constructed or operated or otherwise do not present the most attractive opportunities for realising growth. If so, the Group may be required to develop alternative plans, causing delays to the further expansion of its manufacturing capacity which could have a material adverse effect on the Group's future growth prospects.

(c) ***Significant delays or cost overruns in the expansion of the Arnhem Plant or completion of the construction of the Hull Plant, or disruptions to their operation, may impact the profitability of these projects and the Group overall***

Issues may arise in relation to the expansion of the Arnhem Plant or the completion of the construction of the Hull Plant or in relation to their operation. There is no certainty that these proposed projects will be operational at the levels anticipated within the current expected timeframe or within the current budgeted cost. Factors such as disputes with workers, contractors or suppliers, price increases, shortages of construction materials, permitting requirements, technical or engineering difficulties, accidents, or unforeseen difficulties or changes in government policies may give rise to delays or cost overruns, which could have an adverse effect on the Group's financial position and results of operations.

In addition, the Company's expected share of the increase in construction costs associated with the completion of the Tricoya® Hull Plant may be subject to change depending on a number of factors, including reaching final agreement on the additional costs to complete the Tricoya® Project, the willingness and ability of the other members of the Tricoya® Consortium, MEDITE and BP Chemicals to fund their expected respective share of those additional costs and the ability of TVUK to obtain any additional financing on commercially acceptable terms, and may therefore differ from the capital expenditure ultimately incurred.

Should delays or significant problems persist in the longer term (i.e. more than 12 months from the date of this document), or the Company's expected share of the increase in construction costs associated with the completion of the Hull Plant is expected to be higher than initially anticipated, the Group may need to raise additional finance to fund the projects, which may adversely impact the Group's returns from such projects. Should the necessary funding be unavailable on acceptable terms, or at all, the viability of the proposed projects may be adversely impacted.

There can be no assurance that long-term unforeseen technical problems will not be encountered with the Group's wood acetylation technology and acetylated wood produced on the basis of that technology. In addition, the operation of the Group's production facilities during and following an

increase in capacity or the installation of a new plant will involve significant risks and uncertainties beyond the Group's control. For example, the actual operating and manufacturing capacity of the expanded Arnhem Plant and the new Hull Plant may be less than expected due to currently unknown technical, process or equipment reliability issues. The occurrence of any of these risks could result in the temporary or permanent closure of the Arnhem Plant and/or the Hull Plant and expose the Group to costly reputational harm, all of which could have a material adverse effect on the Group's business, revenues, financial condition or results of operations.

(d) ***The Group may suffer losses if a licensee or other counterparty were to fail to perform and/or provide funding for investments as contracted, or as expected, and could be adversely affected if it is unable to procure raw materials from specific suppliers***

The Group transacts business with and through a number of counterparties, including customers, business partners, licensees, suppliers, financiers and insurers. The financial failure of one or more of the Group's key customers, business and/or joint venture partners, licensees or suppliers may have an adverse effect on the viability of the Group to carry on its business. Any default by a material customer, business and/or joint venture partner (including, but not limited to, the other members of the Tricoya[®] Consortium), financier, licensee or supplier, or a failure by such stakeholders to purchase, supply, invest or otherwise perform as expected, may have a material adverse effect on the Group's prospects, results of operations and financial condition.

The Group procures raw materials, principally timber and acetic anhydride, from selected suppliers for the acetylation process. The timbers are of a specific quality preferable for the acetylation process. As these timbers are only available from certain suppliers in certain parts of the world, access to the required timber is limited. Similarly, the Group is dependent on a small number of manufacturers supplying acetic anhydride in the volumes and to the specifications required by the Group for acetylation purposes. If the Group is required to source raw materials from other suppliers, or use raw materials produced from other sources, or is unable to purchase raw materials in the volumes and to the specifications required, then this may affect manufacturing costs and efficiencies, and may have an adverse effect on the Group's business, financial condition and results from operations.

(e) ***The Group's indebtedness exposes the Group to risks associated with borrowing***

The Group has a number of facility agreements and other external debt arrangements in place with various counterparties which expose the Group to certain risks, particularly at the current time when the Company is investing for growth (such as expanding the Arnhem Plant and constructing the new Hull Plant).

The Group's level of indebtedness may potentially:

- (i) curtail the Group's ability to pay dividends;
- (ii) limit the Group's flexibility in planning for, or reacting to, changes in technology, customer demand, competitive pressures and the industries in which it operates;
- (iii) require the Group to dedicate a substantial portion of its cash flow from operations to the repayment of its indebtedness; or
- (iv) as a fixed cost, make the Group more vulnerable in the event of a downturn in its business or the wider economy that negatively impacts its revenues.

The Group's ability to operate profitably and generate sufficient cash flow over the longer term (that is, more than 12 months from the date of this document) to invest in growth opportunities and to implement its strategies is dependent on the future operating performance of the Group. If the Group fails to achieve its anticipated long-term sales targets in respect of the Arnhem Plant or the Hull Plant, it may become unable to invest for growth or service its debt obligations. In these circumstances, the Group's borrowings may become repayable prior to the dates on which they are scheduled for repayment or may otherwise become subject to early termination and the Group may be unable to refinance its borrowings on commercially attractive terms (or at all). If the Group is required to repay

bank finance or other borrowings early either in full or in part, the Group may be subject to financial penalties. In order to make the repayments, the Group may be forced to sell assets when it would not otherwise choose to do so and the Group may therefore not achieve the price expected for these assets. In addition, in such a scenario the Group's costs of borrowing may increase, especially if debt is refinanced or if a default occurs.

Furthermore, the RBS Facility Agreement, a summary of which is set out in section 8(n) of Part XI (Additional Information) of this document, contains certain obligations and other provisions, including events of default, relating to the timing and manner of funding any cost overruns by TVUK in relation to the construction of the Hull Plant. As explained in section 6 of Part V (Chairman's Letter), delays in the construction of the Hull Plant have resulted in additional forecast costs of approximately €28 million (of which the Company's expected share is approximately €12 million) associated with the lead contractor, the project team and related activities being required for a longer period, with the delay meaning that the Hull Plant is now expected to be operational in the second half of the 2020 calendar year. The inability of TVUK to hitherto fund these cost overruns with equity has resulted in a technical breach by TVUK of the RBS Facility Agreement. However, RBS has not taken any action to enforce any right or remedy under the RBS Facility Agreement in connection with this technical breach, has continued to fund TVUK and has confirmed in discussions that it remains supportive of the Tricoya[®] Project. The balance of equity required to meet such cost overruns is expected to be funded into TTL by the other members of the Tricoya[®] Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, all of which remain committed to achieving the market potential of Tricoya[®], at which point TVUK is expected to cure the technical breach under the RBS Facility Agreement.

In the event that TVUK is unable to comply with the terms of its debt facilities and secure new equity funding from its shareholders (including from TTL) or procure required amendments or waivers under its existing or future debt facilities, it may default under its facilities, following which the relevant bank(s) may have the right to withdraw the relevant facility and/or enforce any charges over shares in TVUK. This could result in a sale or other corporate solution being found in respect of TVUK, which may ultimately cause the Group to lose part or all of its investment in TVUK. The liabilities of TVUK in respect of the Hull Plant (including, without limitation, under the RBS Facility Agreement) are ring-fenced and non-recourse to the Company.

Any of the foregoing events could have a material adverse impact on the Group's business, financial condition, results of operations and prospects.

(f) ***The Group's inability to protect adequately its proprietary technology and brand names could have a material adverse effect on its business***

The Group relies substantially on proprietary technology, patent rights, confidential information, trade secrets, know-how, branding and market positioning, laboratory research data and field research data to conduct its business, and to attract and retain customers and licensees. The success of the Group's business depends on its ability to protect its know-how and its intellectual property portfolio, and maintain and obtain patents without infringing the proprietary rights of others. If the Group does not effectively protect its know-how and intellectual property, its business and operating results could be materially harmed.

The Group now holds 329 patent family members (167 granted patents and 162 pending patents) relating to its acetylation technology in many major markets, including the United Kingdom, including in relation to its current acetylation processes and products. However, the Group's existing patents and its pending and future patent applications may be challenged, circumvented or invalidated or may be unenforceable. Patent applications run the risk of being refused on account of prior applications by competitors that have not yet become public. Furthermore, patents may only be granted for certain claims, thereby limiting the scope of protection. Competitors may develop similar technology or succeed in circumventing the Group's existing patents, enabling them to manufacture and sell products which compete directly with those of the Group. This could cause a decline in the Group's revenues and operating results. There is therefore no guarantee that the Group's patent

protection will exclude competitors, or that a patent granted in favour of the Group will withstand challenge, or that third parties will not in the future claim rights in, or ownership of, the patents and other proprietary rights from time to time held by the Group. If the Group is unable to maintain the proprietary nature of its technologies, it may lose any competitive advantage provided by its intellectual property. As a result, the Company's results of operations may be adversely affected and it may lead to the impairment of the amounts recorded for goodwill and other intangible assets.

The Group uses the brand names Accoya® and Tricoya® for its products worldwide. The brands are increasingly-valuable assets for the Group and the Group operates on an increasingly-global basis. The Group has registered both Accoya® and Tricoya® as trademarks in numerous jurisdictions, but further applications for trademark registration may be refused or challenged in jurisdictions where a similar trademark for wood products has been registered prior to the filing of the Group's application. Furthermore, the existing trademarks may be infringed or otherwise come under attack from third parties. An inability to use its brand names or continual infringement may adversely affect the Group's business in the relevant jurisdiction. As with the Group's technical intellectual property, the brands are carefully managed via the Group's qualified in-house intellectual property manager working with external trademark attorneys where appropriate.

The Group also seeks to protect its technology and processes in part by entering into confidentiality agreements with customers, business partners, licensees and employees and by limiting (broad) access to the Group's proprietary technologies and processes to its licensees. However, the remedies available to the Group in the event of a breach of such confidentiality agreements may be inadequate to protect its technology and processes. In addition, the restrictive covenants contained in key employees' employment contracts may not be enforceable in all cases. Furthermore, the Group's trade secrets may become known by other means or may be discovered independently by competitors. Unauthorised disclosure of the Group's trade secrets could enable competitors to use some of its proprietary technologies, which could harm the Group's competitive position and could cause its revenues and operating results to decline. A substantial cost may be incurred if the Group is required to defend its intellectual property rights.

In addition, a third party could claim that the Group's technology infringes that third party's proprietary rights. These claims, even if without merit, could be time consuming and expensive to defend and could have a materially detrimental effect on the Group. A third party asserting infringement claims against the Group and its customers could require the Group to cease the infringing activity and/or require the Group to enter into licensing and royalty arrangements. The third party could also take legal action which could be costly to the Group. In addition, the Group may be required to develop alternative non-infringing solutions that may require significant time and substantial unanticipated resources. Such claims could have a material adverse effect on the Group's business, financial condition or results.

- (g) ***Any failure involving, or cyber-attacks directed at, the Group's computer systems, networks or data, and/or loss of key staff, could disrupt its businesses, result in the loss or disclosure of confidential information or data, damage its reputation and cause losses***

As an intellectual property-rich Group with manufacturing processes that depend on information technology ("IT") systems, a failure of IT security, continuity or inadequate management information, may have a serious impact on the Group's business.

The use of IT is critical to the ability of Accsys to continue to grow the business. By their nature, IT systems are susceptible to cyber-attacks. Security breaches may involve unauthorised access to the Group's networks, systems and databases, exposing information about the Group's proprietary technology. Furthermore, any attempt to disrupt the availability, confidentiality, integrity and resilience of the Company's IT systems could result in disruption to key operations, damage assets and compromise the integrity and security of data (both corporate and customer). This could result in loss of trust from the Group's customers, employees and other stakeholders, reputational damage and direct or indirect financial loss, including as a result of fines for breach of the EU GDPR and other applicable

regulations. It is possible that the IT security measures taken by Accsys to protect its proprietary information may not be sufficient to prevent such unauthorised access to, or disclosure of, such data.

The Group's future success depends on the ability to attract, train, retain and motivate highly-skilled technical, engineering, product development, business development, sales and support staff. The retention of the services of these people cannot be guaranteed. Competition for personnel with appropriate qualifications is intense and may become even more so in the future. If the Group were to lose the services of any of these key employees, it may encounter difficulties in finding a suitable replacement. It is also currently unclear how the UK's withdrawal from the EU, and possible restrictions on the movement of people, may impact the ease with which UK nationals can work in the Group's continental European locations and *vice versa*. Failure by the Group to adequately manage any of the foregoing risks could have an adverse impact on the Group's business, financial condition, results of operations and prospects, or otherwise harm its reputation and its ability to attract the talent necessary for its business.

- (h) ***The Group's success depends significantly on its ability to sell its products, achieve wider adoption of Accoya® and further market acceptance of Tricoya® and, if the Group is unable to achieve this, it may be unable to maintain a sustainable or profitable business***

The success of the Group in building a profitable business depends in large part on its ability to achieve wider adoption of Accoya®. Whilst Accoya® is well established in the market, and demand for the product is strong, the current manufacturing capacity of the Arnhem Plant is limited to approximately 60,000m³ per annum. Due to the relatively small current capacity of the Arnhem Plant in the short term compared to potential demand, sales may be adversely impacted by an inability to meet or manage demand within such capacity constraints, which may in turn limit any growth in the adoption of Accoya®. In addition, there is no guarantee that, once the expanded Arnhem Plant becomes fully functional, there will be sufficient demand to maximise the potential of the increased production either at all or in the time frames envisaged by the Company. Insufficient demand, or a failure to meet or manage demand, would materially and adversely affect the Group's business, prospects, financial condition and/or results of operations.

The Group's success also depends significantly on the Group achieving wide-spread market acceptance of Tricoya®. Whilst the Tricoya® process is based on the Group's core acetylation technology, there is a risk that unexpected technical or process issues may arise, which may adversely affect production volumes and costs in relation to Tricoya® and potential customers', business partners' and licensees' perception of Tricoya®. Furthermore, there is no guarantee that there will be large-scale market acceptance of the product.

There is a risk that the Group's current and potential competitors may develop and introduce new competing products and services that could be priced lower or achieve greater market share. Furthermore, if the speed of further developing the Group's technologies and products compares unfavourably to directly-competing technologies or products, the Group's business, results from operations or financial condition may be materially adversely affected.

Sales of products may also be impacted by quality control failures which may lead to reputational damage or customer claims.

- (i) ***The Company cannot guarantee that the Group's disaster recovery and business continuity planning or insurance coverage will be adequate in the future***

The Company cannot guarantee that the Group's disaster recovery and business continuity planning will be adequate in the future for its critical business processes nor that they will adequately address every potential event. In particular, there is no guarantee that the Group's disaster recovery and business continuity planning will adequately address any issues arising at the Arnhem Plant and/or the Hull Plant.

Although the Group is insured against major risks, the Company can give no assurance that the Group's present insurance coverage is sufficient to meet any claims to which it may be subject, that

it will in the future be able to obtain or maintain insurance on acceptable terms or at appropriate levels or that any insurance maintained will provide adequate protection against potential liabilities. Any losses that the Group incurs that are not adequately covered by insurance may decrease the Group's future operating income. In addition, defending the Group against such claims may strain management resources, affect the Group's reputation and require the Group to expend significant sums on legal costs.

Business continuity planning is intended to ensure that business-critical processes are protected from disruption and will continue even after a disastrous event (such as a major fire or weather, political, war or labour event). If the Group's business continuity planning proves to be inadequate, there is no guarantee that the Company or any of its operating subsidiaries would be able to compete effectively or even to continue in business after a disastrous event or major disruption to one or more of its plants. The Group's business is currently operated out of one plant, which is crucial for the production of Accoya® and Tricoya® market development material. Therefore, in the event of a calamity, all of the Group's operations would be at risk. Accordingly, if critical business processes fail or are materially disrupted as a result of a disastrous event or otherwise and cannot recover quickly, this could have a material adverse effect on the Group's business, financial condition and results of operations.

(j) ***The Group's technological advantages may be outweighed by additional costs, particularly in respect of Tricoya®***

The Group's technologies are highly innovative and at different stages of development, from concept to commercial plant. In the case of Tricoya®, there is a risk that the targeted achievement of performance at full operational size will involve additional cost and/or time requirements beyond those that have been budgeted, with consequent effects upon the funds required, or will result in higher unit production costs than projected, therefore reducing profitability. This may, in turn, have an adverse impact on the Group's pace of growth or on its business, financial condition and operating results.

2. Risks relating to changes in law and the political and economic environment

(a) ***The Group faces risks relating to the UK's proposed exit from the European Union and the upcoming UK general election***

The EU Referendum Result has created uncertainty regarding the UK's relationship with the EU and political uncertainty in the UK.

Although the EU Referendum Result has not led to any immediate material changes to the Group's current operations and structure, it could generate political, economic and currency volatility and uncertainty in the markets. Whilst the Group may be less exposed to the same, given its cross-listing on Euronext Amsterdam and given the fact that its Accoya® manufacturing facilities are located in the Netherlands and the fact that its functional currency is euro, the effect of the EU Referendum Result could include the following: (i) damage to customers', licensees' and investors' confidence in the Group; (ii) increased compliance and operating costs for the Group; (iii) a reduction in the share price of the Company; (iv) a reduction in the net asset value of the Company; (v) exposure to major currency movements (given that the Group has historically generated a significant proportion of its revenue in euros in EU member states); or (vi) a material negative impact on the Group's tax position or business, results of operation and financial position more generally.

The Group's manufacturing operations, products and services are subject to industry-driven standards and governmental regulation. Changes to such standards and governmental regulation in the future, now potentially more likely in the aftermath of the EU Referendum Result, could give rise to increased costs being incurred by the Group associated with required remedial measures or production stoppage, any of which could have a material adverse effect on the business and financial performance of the Group. In addition, on 29 October 2019, the House of Commons of the UK passed a bill in favour of holding a general election, which will be held on 12 December 2019 (the "**UK General Election**"). The UK General Election could generate increased market volatility both at the time of and following the vote, and its outcome may also lead to further changes in laws and regulations.

New legislation or regulations, or a more stringent interpretation of existing laws and regulations, may also require the Group's potential customers, licensees, partners or suppliers to change operations significantly or incur increased costs, which could have a material adverse effect on the financial results of the Group.

Depending on the outcome of the UK General Election, a new UK government may decide to proceed with the ratification of the withdrawal agreement and political declaration considered and agreed at European Council on 17 October 2019, pursue a policy of leaving the EU without a withdrawal agreement in place, hold a second referendum or revoke Article 50 of the Treaty on European Union. In the event that the UK leaves the EU without a withdrawal agreement to facilitate the continued normal functioning of existing UK-EU trading arrangements, there is a risk that the import of Accoya® from the Group's Arnhem plant located in the Netherlands into the UK could be significantly disrupted and/or delayed, which could have a material adverse effect on the financial results of the Group, as it may result in the Group being unable to satisfy customer demand in the UK, one of its key markets.

In addition, production of Accoya® at the Group's Arnhem plant could be affected by any disruption or delays to the export of acetic anhydride from the UK to the Netherlands, which could have a material adverse effect on the financial results of the Group.

Until the terms and timing of the UK's exit from the EU and the outcome of the UK General Election are confirmed, it is not possible to determine the full impact that the EU Referendum Result, the UK's exit from the EU, the UK General Election and/or any related matters may have on general legal, political and economic conditions in the UK.

(b) ***The Group may be adversely affected by macroeconomic conditions including any increase in the costs of key raw materials***

The current uncertainty following the EU Referendum Result and pending the outcome of the UK General Election regarding the strength and longevity of economic recovery, international trade and the pace of growth in the countries and industries in which the Group's existing and prospective customers, business partners and licensees operate may negatively affect the level of demand for the Group's products. Future economic policies and downturns may lead to a rise in the number of customers who are unable to pay for the Group's products, business partners who are unable to fulfil their obligations or licensees who are unable to pay their licence fees, any of which in turn may have an adverse impact on the Group's pace of growth or on its business, financial condition and operating results.

In addition, the Group's ability to operate profitably is affected by the cost and availability of key inputs. The costs of wood and of commodities generally, such as acetyls and energy, are volatile. The factors that influence the cost of these inputs are unpredictable and include operational issues, natural disasters, weather and economic conditions. Fluctuations in the availability and prices of raw materials and commodities could have a material effect on the Group's earnings and its financial condition and on the quality of its products. The Group's gross margins could be affected if these types of costs increase substantially. In the longer term, the Group may be unable to pass along a portion of any higher raw materials costs to the Group's customers because of competitive pressures.

(c) ***The Group may not be able to expand into new markets***

An element of the Group's strategy for growth envisages the Group selling or licensing new or existing products, processes, brands and services into other territories or countries or into new markets. However, there can be no assurance that the Group will successfully execute this strategy for growth or that such products, processes, brands or services will achieve commercial success. The development of a mass market for a new product, brand or process is affected by many factors, most of which are beyond the control of the Group, including the emergence of newer and more competitive products or processes, the future price of raw materials, the tax regime on the materials and chemicals required to produce such products and develop such processes, the costs of the products

or processes developed by third parties, regulatory requirements (including future regulatory changes) and the propensity of end-users to try new products or processes. If a mass market for any product, brand or process fails to develop or develops more slowly than anticipated, the Group may fail to achieve profitability with respect to the technology associated with such product, brand or process and suffer a material adverse effect on future revenue and profitability. In addition, the Group may not continue to develop such technology if market conditions do not support the continuation of the product, brand or process.

(d) ***The Group is exposed to risks relating to fluctuations in currency exchange rates***

The Group's financial statements are expressed in euro. Given that the Group's current largest and strongest market is the UK, and that it operates in many different regions around the world, it is subject to movements in currency exchange rates on the translation of financial information of businesses whose operational currencies are other than euro. Some of the Company's subsidiaries may incur costs in currencies other than those in which revenues are earned. The relative movements between the exchange rates in the currencies in which costs are incurred and the currencies in which revenues are earned can affect the profits of those subsidiaries. Fluctuations in the exchange rates between the euro and other currencies could therefore affect the Group's reported results from year to year. This could have a material adverse effect on an investor's ownership interests in the Group, as well as the Group's business, financial condition and results from operations, and the effects may be more pronounced in the aftermath of the EU Referendum Result and following the UK General Election.

In the event that the UK leaves the EU without concluding a withdrawal agreement, any consequent decline in the value of sterling as against the euro may result in price increases for UK customers, which could impact sales in the UK, one of the Group's key markets, and thereby have a material adverse effect on the financial results of the Group.

3. Risks relating to the Issue and the Ordinary Shares

(a) ***The market value of the Ordinary Shares may fluctuate and may not reflect the underlying value or prospects of the Group***

Prospective investors should be aware that the value of an investment in the Company may go down as well as up. The market value of the Ordinary Shares can fluctuate and may not always reflect the underlying value or prospects of the Group. A number of factors outside of the control of the Company may materially adversely affect its performance and the price of the Ordinary Shares including, *inter alia*, the operations and share price performance of other companies in the industries and markets in which the Company operates; speculation about the Company's business in the press, media or investment community; changes to the Company's sales or profit expectations or the publication of research reports by analysts and general market conditions.

(b) ***Shareholders may be exposed to exchange rate risks***

The Ordinary Shares are denominated in euro and quoted in sterling on AIM and in euro on Euronext Amsterdam. An investment in Ordinary Shares by an investor whose principal currency is not the euro exposes the investor to foreign currency exchange risk. Any depreciation of the euro in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in foreign currency terms, and any appreciation of the euro will increase the value in foreign currency terms. Exposure to foreign exchange risk may be of particular concern to investors in light of the uncertainty over the final terms of the UK's exit from the EU.

(c) ***Shareholders are likely to experience dilution in their ownership of the Company***

If a Qualifying Shareholder who is not a Placee does not take up any of his Open Offer Entitlements or Excess Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 27.2% as a result of the Issue. If a Qualifying Shareholder who is not a Placee takes up his Open Offer Entitlements in full (assuming it does not participate in

the Excess Application Facility), such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 16.8% as a result of the Firm Placing. Subject to certain exceptions, Shareholders in the United States and the Restricted Jurisdictions will not be able to participate in the Open Offer and will therefore experience dilution as a result of the Issue.

Furthermore, Shareholders may experience immediate and substantial dilution by future share issues. Save for the issue of the New Ordinary Shares, the exercise of the BGF Option, the Volantis Option, the BGF Additional Option and the Volantis Additional Option and the exercise of options or warrants under any unapproved share option scheme adopted by the Company and existing from time to time, the Directors have no current plans for an offering of Ordinary Shares. However, it is possible that the Directors may decide to offer additional shares in the future. In the case of a future allotment of new Ordinary Shares for cash, existing Shareholders have certain statutory pre-emption rights, unless those rights are disapplied by a special resolution of the Shareholders at a general meeting. An issue of new Ordinary Shares not for cash or when pre-emption rights have been disapplied could dilute the interests of the then-existing Shareholders.

In addition, Overseas Shareholders may not be able to exercise their pre-emptive rights as part of a future issue of shares for cash (even if pre-emption rights were not waived), unless Accsys decides to comply with applicable local laws and regulations. This is because securities laws of certain jurisdictions may restrict the Company's ability to allow participation by certain Shareholders in any future issue of shares. In particular, Overseas Shareholders who are located in the United States may not be able to exercise their rights on a future issue of shares, unless a registration statement under the US Securities Act is effective with respect to such rights or an exemption from the registration requirements is available thereunder. Similar restrictions exist in certain other jurisdictions. The Company currently does not intend to register the Ordinary Shares under the US Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to US or other Shareholders. Any additional offering could therefore dilute the interests of existing Shareholders and/or have an adverse impact on the market price of the Ordinary Shares. A public perception that an additional offering may occur could also have an adverse impact on the market price of the Ordinary Shares.

(d) ***Sufficient liquidity in the market and potential share price volatility***

The Ordinary Shares are traded on Euronext Amsterdam and on AIM. There is no guarantee that there will be sufficient liquidity in the Ordinary Shares to sell or buy any number of Ordinary Shares at a certain price level. The Company cannot predict the extent to which an active market for the Ordinary Shares will develop or be sustained, or how the development of such a market might affect the market price for the Ordinary Shares. An illiquid market for the Ordinary Shares may result in lower trading prices and increased volatility, which could adversely affect the value of any investment.

The market price of the Ordinary Shares could fluctuate substantially due to a number of factors, including, but not limited to:

- (i) disruption or termination of the Group's relationships with key suppliers, customers or licensees;
- (ii) fluctuations in the Group's semi-annual or annual operating results;
- (iii) actual or expected changes in the Group's growth rates or competitors' growth rates;
- (iv) changes in the composition of the Group's management;
- (v) fluctuations in currency exchange rates;
- (vi) changes in the financial performance, conditions or market valuation of the Group's suppliers, customers or licensees;
- (vii) the status of the Group's financing activities, including compliance with the financial covenants in its debt instruments in the longer term;

- (viii) the issue of additional shares by the Company or a significant increase in the Group's debt obligations;
- (ix) the sale of a substantial number of Ordinary Shares by Shareholders (or the perception that such sale or sales could occur);
- (x) publication of research reports about the Group or the Group's industry by securities or industry analysts;
- (xi) failure to meet or exceed securities analysts' expectations relating to the Group's financial results;
- (xii) speculation in the press or investment community generally;
- (xiii) general economic conditions, particularly as they impact consumer spending patterns;
- (xiv) the uncertainty of the outcome of the UK General Election;
- (xv) macro-economic conditions in the countries in which the Group may do business;
- (xvi) adoption or modification of the regulations, policies, procedures or programs applicable to the Group's business; and
- (xvii) war, acts of terrorism and other man-made or natural disasters.

Past trends have indicated that where a company experiences a period of volatility in the market price of its shares, or where investors incur a loss on the value of their investment in a company's shares, such a company may be vulnerable to litigation activity by Shareholders endeavouring to recoup their losses. If instituted against the Company or one of its subsidiaries, such litigation activity could result in substantial costs and a diversion of the Group's management's attention and resources.

- (e) ***A limited number of Shareholders may collectively own a substantial percentage of Ordinary Shares after the Firm Placing and Placing and Open Offer and could significantly influence matters requiring Shareholder approval***

Certain institutional Shareholders currently hold, and may continue to hold after the Issue, and other investors may acquire pursuant to the Issue, a significant proportion of Ordinary Shares (see also section 6 of Part XI (Additional Information) of this document). Likewise, if BGF and Volantis (or their assignees) exercise in full the BGF Option and/or the Volantis Option respectively and the BGF Additional Option and/or the Volantis Additional Option respectively, they will each acquire a substantial holding of Ordinary Shares. These Shareholders may, if they act together, exercise significant influence over all matters requiring Shareholder approval, including the election of Directors and significant corporate actions, and may vote their Ordinary Shares in a way with which other investors do not agree. This concentration of ownership could adversely affect the trading volume and market price of the Ordinary Shares or delay or prevent a change of control that could otherwise be beneficial to Shareholders.

- (f) ***If securities or industry analysts do not publish research or reports about the Group's business, or if they downgrade their recommendations regarding the Ordinary Shares, the Company's share price and trading volume could decline***

The trading market for the Ordinary Shares will be influenced by the research and reports that industry or securities analysts publish about the Group or its business. If one or more of the analysts who covers the Company or the Group's industry downgrades their recommendation in respect of the Ordinary Shares in their report, the market price of the Ordinary Shares would probably decline. If one or more of these analysts were to stop covering the Company or fail to publish reports regularly on the Company, the Company could lose visibility in the financial markets. This could cause a decline in the market price or trading volume of the Ordinary Shares.

(g) ***The ability of Overseas Shareholders to bring actions, or to enforce judgments, against the Group, the Directors or the officers of the Group may be limited***

The ability of an Overseas Shareholder to bring an action against the Group may be limited under law. Ordinary Shares are governed by English law and the Articles of Association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and the Group's executive officers. The majority of the Company's Directors and the Group's executive officers are residents of the UK. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors and the Group's executive officers within the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors or the Group's executive officers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors or the Group's executive officers in any original action based solely on foreign securities laws brought against the Group, the Directors or the Group's executive officers in a court of competent jurisdiction in England or other countries. This could have an adverse impact on the market price of the Ordinary Shares.

IMPORTANT INFORMATION

Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation Rules, the Prospectus Regulation, the Disclosure Guidance and Transparency Rules, the AIM Rules for Companies, the Market Abuse Regulation and other applicable regulations, the delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information contained herein is correct as at any time after its date.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or by the Joint Underwriters.

Investors must not treat the contents of this document or any subsequent communications from the Company or the Directors or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters. Each prospective investor should consult his, her or its own solicitor, independent financial adviser or tax adviser for legal, financial or tax advice.

Part I (Summary Information) of this document should be read as an introduction to this document. Any decision to invest in Ordinary Shares should be based on consideration of this document as a whole by the investor. In particular, investors must read the sections headed "What are the key risks that are specific to the issuer?" and "What are the key risks that are specific to the securities?" of Part I (Summary Information) of this document, together with the risks set out in Part II (Risk Factors) of this document.

FORWARD-LOOKING STATEMENTS

This document and the information incorporated by reference into this document include certain "forward-looking statements". Words such as "believes", "anticipates", "estimates", "expects", "intends", "aims", "potential", "will", "would", "could", "considered", "likely", "estimate" and variations of these words and similar future or conditional expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. All statements other than statements of historical fact included in this document are forward-looking statements. Forward-looking statements appear in a number of places throughout this document and include statements regarding the Directors' or the Company's intentions, beliefs or current expectations concerning, among other things, operating results, financial condition, prospects, growth, expansion plans, strategies, the industry in which the Group operates and the general economic outlook. Forward-looking statements include, but are not limited to:

- statements about the costs of, and the Company's ability to successfully execute, the expansion of the Arnhem Plant and the completion of the Hull Plant;
- statements about the expected production capacity of the expanded Arnhem Plant and the Hull Plant; and
- estimates of future demand for and production and sales volumes of Accoya® and Tricoya®.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that may or may not occur in the future and are therefore based on current beliefs and expectations about future events. Forward-looking statements are not guarantees of future performance. Investors are therefore cautioned that a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements. These factors include, but are not limited to, those discussed in Part II (Risk Factors) and Part VII (Information on the Accsys Group). In particular, this document includes figures representing anticipated funding requirements for the Tricoya® Project and the expansion of the Arnhem Plant. The actual capital requirements of the Tricoya® Project and the expansion of the Arnhem Plant are subject to multiple factors, as discussed in Part II (Risk Factors) and Part V (Chairman's Letter). Accordingly, the figures presented herein may differ from the capital expenditure incurred.

Neither the Company nor any member of the Accsys Group undertakes any obligation to update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws, the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), the Prospectus Regulation Rules, the Prospectus Regulation, the Disclosure Guidance and Transparency Rules, the AIM Rules for Companies, the Market Abuse Regulation and other applicable regulations.

MARKET DATA

Where information contained in this document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

PRESENTATION OF FINANCIAL INFORMATION AND NON-FINANCIAL OPERATING DATA

Historical financial information

The historical financial information presented in this document consists of:

- the audited consolidated financial statements of the Group as of and for the year ended 31 March 2019; and
- the unaudited interim condensed consolidated financial statements of the Group as of and for the six months ended 30 September 2019.

The basis of preparation and significant IFRS accounting policies are explained in the notes to the consolidated financial statements which are incorporated by reference into this document as explained in Part XII (Documentation Incorporated by Reference) of this document.

The Group presents its annual accounts as of 31 March in each financial year.

Non-IFRS financial measures

The Group has included certain measures in this document that are not measures defined by IFRS or any other generally accepted accounting principles such as EBITDA.

The Directors believe that these measures provide important alternative information with which to assess the Group's performance and are measures that the Board uses to manage the Group's business. These measures are defined as follows:

EBITDA represents operating loss, including a share of joint venture loss and excluding depreciation and amortisation.

The reconciliation of EBITDA to operating loss is set out in the following table:

	Year ended 31 March 2019 €'000	Year ended 31 March 2018 €'000	Year ended 31 March 2017 €'000	Six months ended 30 September 2019 €'000 (unaudited)
Operating loss	(3,038)	(8,729)	(3,905)	(434)
Share of joint venture loss	–	–	–	–
Depreciation and amortisation	3,965	3,078	2,712	2,906
EBITDA	927	(5,651)	(1,193)	2,472

The non-IFRS financial measures included in this document do not alone provide a sufficient basis to compare the Group's performance with that of other companies and should not be considered in isolation or as a substitute for operating income or any other generally accepted measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity. In

addition, these measures should not be used instead of, or considered as alternatives to, the Group's historical financial information incorporated by reference into this document. As there are no generally accepted principles governing the calculation of this measure, the Company's calculation of EBITDA may be different from the calculation of similar titled measures disclosed by other companies and therefore comparability may be limited.

Non-financial operating data

The non-financial operating data included in this document has been extracted without material adjustment from the management records of the Company and is unaudited.

CURRENCY PRESENTATION

Unless otherwise indicated, all references in this document to "EUR", "€" or "euro" are to the lawful currency in the member states of the European Union that have adopted the single currency introduced in application of the European Economic Community Treaty.

Unless otherwise indicated, all references in this document to "£", "pounds", "pounds sterling" or "sterling" are to the lawful currency of the United Kingdom and references to "pence" or "p" represent pence in the lawful currency of the United Kingdom.

The Group prepares its consolidated financial statements incorporated by reference into this document in euros. Unless otherwise indicated, the financial information contained in this document has been expressed in euros.

ROUNDING

Certain data in this document including financial, statistical and operating information as well as the financial information presented in a number of tables have been rounded to the nearest whole number or the nearest decimal place. Therefore, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data and the sum of the numbers in a table may not conform exactly to the total figure given for that table. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

EMPHASIS OF MATTER

The auditors' report on the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019 contains an emphasis of matter, as set out below:

Without modifying our conclusion on the interim financial statements, we have considered the adequacy of the disclosure made in note 1 to the interim financial statements concerning the Group's ability to continue as a going concern. The Group is reliant on additional funding in order to continue the construction of the Hull plant over the next 12 months. The Hull plant is a material asset of the Group and a key element of the Group's growth strategy. As such, the Group is in the process of an equity raise of gross proceeds of approximately €46.3 million through an underwritten Firm Placing and Placing and Open Offer. The funding is contingent on both the new shares being subscribed for and/or fully underwritten and shareholders voting for the issue of the new shares. If the Group's shareholders do not approve the resolutions, or if the issue has not otherwise taken place in December 2019, or if the gross aggregate proceeds of the issue are less than expected, the Group may be unable to complete the construction of the Hull plant and may be unable to meet its liabilities as they fall due unless alternative financing arrangements are obtained.

These conditions, along with the other matters explained in note 1 to the interim financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The interim financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

PART III

EXPECTED TIMETABLE OF PRINCIPAL EVENTS AND FIRM PLACING AND PLACING AND OPEN OFFER STATISTICS

Each of the times and dates set out in the expected timetable of principal events below and mentioned in this document, the Application Form and in any other document issued in connection with the Firm Placing and Placing and Open Offer are subject to change by the Company, in which event details of the new times and dates will be notified to Euronext Amsterdam and the London Stock Exchange and, where appropriate, Qualifying Shareholders. References to times in this document are to London time unless otherwise stated. The ability to participate in the Open Offer is subject to certain restrictions relating to Shareholders with registered addresses or located or resident in countries outside the UK and the Netherlands, details of which are set out in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) and Part X (Overseas Shareholders). If you have any queries on the procedure for acceptances and payment, you should contact the Shareholder Helpline on +44 (0)1903 706150 between 9:00 a.m. and 5:00 p.m. Monday to Friday (excluding bank holidays). Calls from within the United Kingdom are charged at the standard geographic rate. International call charges will apply if you are calling from outside the United Kingdom.

Record Time for entitlement under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders	6:00 p.m. on 26 November 2019
Announcement of the Firm Placing and Placing and Open Offer	7:00 a.m. on 28 November 2019
Publication and posting of this document (including the Notice of General Meeting) and Forms of Proxy, and despatch of Application Forms to Qualifying Non-CREST Shareholders	28 November 2019
Record Time for entitlement under the Open Offer for Qualifying Euroclear Shareholders	6:00 p.m. (CET) on 28 November 2019
Existing Ordinary Shares marked “ex” by Euronext Amsterdam and AIM	8:00 a.m. on 29 November 2019
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	29 November 2019
Open Offer Entitlements and Excess Open Offer Entitlements enabled in CREST	29 November 2019
Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements credited to appropriate stock accounts held with Intermediaries for Qualifying Euroclear Shareholders	8:00 a.m. (CET) on 29 November 2019
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4:30 p.m. on 13 December 2019
Latest time for depositing Open Offer Entitlements and Excess Open Offer Entitlements into CREST	3:00 p.m. on 16 December 2019
Latest time for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00 p.m. on 17 December 2019
Latest time for receipt of Forms of Proxy by registered Shareholders for the General Meeting	9:00 a.m. on 18 December 2019

Latest time for election and payment in full by applying Qualifying Euroclear Shareholders via their Intermediaries	2:00 p.m. (CET) on 18 December 2019
Latest time for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11:00 a.m. on 19 December 2019
General Meeting	9:00 a.m. on 20 December 2019
Announcement of the result of the Firm Placing and Placing and Open Offer through a Regulatory Information Service	20 December 2019
Date of Admission and dealings in New Ordinary Shares commences on AIM	23 December 2019
Commencement of dealings in New Ordinary Shares on Euronext Amsterdam	23 December 2019
New Ordinary Shares credited to CREST stock accounts (Qualifying CREST Shareholders only) and to stock accounts held with Intermediaries (Qualifying Euroclear Shareholders only)	23 December 2019
Despatch of definitive share certificates for the New Ordinary Shares in certificated form	8 January 2020

FIRM PLACING AND PLACING AND OPEN OFFER STATISTICS

Offer Price	€1.05 per New Ordinary Share
Basis of Open Offer	1 New Ordinary Share for every 7 Existing Ordinary Shares ¹
Number of Existing Ordinary Shares ²	117,988,305
Number of Firm Placing Shares to be issued pursuant to the Firm Placing	27,239,764
Number of Open Offer Shares to be issued pursuant to the Placing and Open Offer	16,855,474
Number of Ordinary Shares in issue immediately following the Firm Placing and Placing and Open Offer ³	162,083,543
Firm Placing Shares as a percentage of the enlarged issued share capital of the Company immediately following the Firm Placing and Placing and Open Offer ³	16.8%
Open Offer Shares as a percentage of the enlarged issued share capital of the Company immediately following the Firm Placing and Placing and Open Offer ³	10.4%
Estimated gross proceeds of the Firm Placing and Placing and Open Offer ³	€46.3 million
Estimated proceeds receivable by the Company from the Firm Placing and Placing and Open Offer, after deduction of expenses ^{3,4}	€43 million

Notes:

1. Fractions of New Ordinary Shares will not be allotted to Shareholders in the Open Offer and fractional entitlements under the Open Offer will be rounded down to the nearest whole number of New Ordinary Shares.
2. In issue as at 27 November 2019, being the Last Practicable Date.
3. Unless otherwise stated, for the purposes of the table above and this document, the number of New Ordinary Shares to be issued under the Firm Placing and Placing and Open Offer is stated on the assumption that no further Ordinary Shares are issued as a result of the exercise of any options under any share plan, or otherwise, between the date of this document and the relevant time. In addition, the gross and net proceeds of the Firm Placing and Placing and Open Offer have been calculated on the basis that 27,239,764 New Ordinary Shares are issued under the Firm Placing and that 16,855,474 New Ordinary Shares are issued under the Placing and Open Offer.
4. Expenses are expected to be approximately €3.3 million (inclusive of VAT).

PART IV

DIRECTORS, SECRETARY AND ADVISERS

Directors

Patrick Shanley (*Non-executive Chairman*)
Paul Clegg (*Chief Executive Officer – outgoing*)*
Robert Harris (*Chief Executive Officer – incoming*)
William Rudge (*Finance Director*)
Michael Sean Christie (*Non-executive Director*)
Susan Farr (*Non-executive Director*)
Montague John Meyer (*Non-executive Director*)
Geertrui Elizabeth Schoolenberg (*Non-executive Director
and Senior Independent Director*)

* Paul will remain as a Board member until 31 December 2019, allowing for a smooth transition to Robert, who was appointed as CEO with effect from 20 November 2019 and will join the Board as a director shortly following the publication of this document.

Registered office

Brettenham House
19 Lancaster Place
London WC2E 7EN
United Kingdom

Company Secretary

Angus Dodwell

Joint Underwriter, Nominated Adviser, Joint Financial Adviser, Joint Broker and Joint Bookrunner

Numis Securities Limited
The London Stock Exchange
10 Paternoster Square
London EC4M 7LT
United Kingdom

Joint Underwriter, Joint Financial Adviser, Joint Broker and Joint Bookrunner

Investec Bank plc
30 Gresham Street
London EC2V 7QP
United Kingdom

Joint Underwriter, Joint Bookrunner, Listing Agent and Subscription Agent

NIBC Bank N.V.
Carnegieplein 4
2517 KJ The Hague
The Netherlands

UK legal advisers to the Company

Slaughter and May
One Bunhill Row
London EC1Y 8YY
United Kingdom

UK and Dutch legal advisers to the Joint Underwriters, Nominated Adviser, Joint Financial Advisers, Joint Brokers and Joint Bookrunners

Norton Rose Fulbright
3 More London Riverside
London SE1 2AQ
United Kingdom

Dutch legal advisers to the Company

Rutgers Posch Visée Endedijk N.V.
Herengracht 466
1017 CA Amsterdam
The Netherlands

Auditors and reporting accountant

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH
United Kingdom

Registrars and receiving agent

SLC Registrars
Elder House, St Georges Business Park
Brooklands Road, Weybridge
Surrey KT13 0TS
United Kingdom

PART V

CHAIRMAN'S LETTER



ACCSYS TECHNOLOGIES PLC

(registered in England & Wales with registered number 05534340)

Directors

Patrick Shanley (*Non-executive Chairman*)
Paul Clegg (*Chief Executive Officer – outgoing*)*
Robert Harris (*Chief Executive Officer – incoming*)
William Rudge (*Finance Director*)
Michael Sean Christie (*Non-executive Director*)
Susan Farr (*Non-executive Director*)
Montague John Meyer (*Non-executive Director*)
Geertrui Elizabeth Schoolenberg (*Non-executive Director and Senior Independent Director*)

* Paul will remain as a Board member until 31 December 2019, allowing for a smooth transition to Robert, who was appointed as CEO with effect from 20 November 2019 and will join the Board as a director shortly following the publication of this document.

Registered Office

Brettenham House
19 Lancaster Place
London WC2E 7EN
United Kingdom

28 November 2019

Dear Shareholder

Launch of Firm Placing and Placing and Open Offer

1. INTRODUCTION

The Company has today announced that it has conditionally raised €46.3 million (before expenses) in aggregate by way of an underwritten Firm Placing and Placing and Open Offer, comprising €28.6 million (before expenses) through the issue of 27,239,764 New Ordinary Shares pursuant to a Firm Placing and €17.7 million (before expenses) through the issue of 16,855,474 New Ordinary Shares pursuant to a Placing and Open Offer.

The Firm Placing and Placing and Open Offer, which are fully underwritten, will be at an offer price of €1.05 per New Ordinary Share (the “**Offer Price**”). The Offer Price was set having regard to the prevailing market conditions and the size of the Firm Placing and Placing and Open Offer.

The net proceeds of the Firm Placing and Placing and Open Offer will be used to fund the following as part of the Group's continued growth strategy:

- (i) the further expansion and enhancement of the Arnhem Plant by the addition of a fourth Accoya[®] acetylation reactor, increasing annual production capacity to approximately 80,000m³, new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment;
- (ii) the Company's expected share of the increase in construction costs associated with the completion of the Tricoya[®] Hull Plant, which is expected to be operational in the second half of the 2020 calendar year with a targeted annual production capacity of approximately 30,000 metric tonnes;
- (iii) preliminary evaluation work relating to the Group's potential Accoya[®] plant in the United States; and
- (iv) the increased working capital requirements of the Group resulting from (i) and (ii) above.

The Issue requires the approval of Shareholders to proceed. I am therefore writing to you to provide information regarding the Issue and the General Meeting to be held at 9:00 a.m. on 20 December 2019.

Details of the Issue can be found in section 4 of this letter and in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document. In addition, Part VI (Some Questions and Answers about the Firm Placing and Placing and Open Offer) of this document contains some questions and answers about the Issue. The full details of the General Meeting are set out in the Notice of General Meeting at the end of this document.

The further expansion of the Arnhem Plant and the completion of the Hull Plant represent transformational developments for the Group and an endorsement of the Company's technologies and future prospects. This letter provides information in respect of the Arnhem Plant expansion and enhancements, which will, *inter alia*, increase Accoya® manufacturing capacity to approximately 80,000m³, and the funds required to facilitate the completion of the construction of the Hull Plant as well as other uses of the net proceeds from the Issue.

Details of the Arnhem Plant expansion can be found in section 5 of this letter and in Part VII (Information on the Accsys Group) of this document. Details of the funds required to facilitate the completion of the construction of the Hull Plant can be found in section 6 of this letter and in Part VII (Information on the Accsys Group) of this document.

You should read the whole of this document and not rely only on any part of it. In particular, your attention is also drawn to the risk factors set out in Part II (Risk Factors) of this document, which you should read carefully and in full.

2. INFORMATION ON THE COMPANY

The Company is incorporated in England and Wales and has its shares admitted to trading on Euronext Amsterdam and AIM. The Company combines chemistry, technology and ingenuity to make high performance wood products that are both durable and stable, sustainable and which open new opportunities for the global built environment. In October 2019, Accsys became one of the first companies to be awarded the new Green Economy Mark, developed by the London Stock Exchange to recognise London-listed companies that generate between 50% and 100% of their total annual revenues from products and services that contribute to the global green economy.

The Group continues to invest in the generation and protection of intellectual property relating to the innovation associated with its acetylation processes and products, seeking to ensure ongoing differentiation and competitive advantage in the market place. Patenting and/or maintaining valuable know-how as a trade secret remains the typical route through which the Group's innovation is protected, alongside trademark protection for its valuable brands.

The Group has an extensive patent portfolio of 329 patent family members in over 40 countries, with 167 granted patents, including in relation to key technologies, in various countries throughout the world. The Group's trademark portfolio is now well established and covers the key distinctive brands Accoya®, Tricoya® and the unique "Trimarque Device" trademarked logo under which products are marketed, alongside the corporate Accsys brand. All of the Group's key brands have now been registered in over 60 countries, becoming recognisable names in the timber and panel industries.

The Group's principal products are:

- Accoya®, a unique modified timber in which the acetylation process, a patented technology, enables it to defy the elements and stay strong for decades. It is stable, durable and resists rot. Warranted for 50 years for use above ground and 25 years in ground or freshwater, Accoya®'s properties match or exceed those of the best tropical hardwoods, manufactured from abundantly available, Forest Stewardship Council® ("FSC®") certified wood species and is Cradle to Cradle Certified™ at the Gold level. Accoya® is the material of choice for a wide range of demanding applications from windows and doors, decking to cladding, bridges to exterior structures and applications that are

presently only otherwise feasible with non-sustainable or man-made materials on account of its excellent dimensional stability and Class 1 durability; and

- Tricoya[®] wood chips, which are produced using sustainable, FSC[®] certified wood species and are used to manufacture Tricoya[®] panel products by the Group's licensees. Tricoya[®] panels demonstrate significantly-enhanced durability and exceptional dimensional stability, allowing specifiers such as architects, designers and joineries greater flexibility and scope when designing. Tricoya[®] panels are used in a wide variety of applications such as window components and door skins, façade cladding, wet interiors, kitchen carcasses and art installations. Tricoya[®] is also warranted by licensees for 50 years for use above ground and 25 years in ground or freshwater.

The Group operates the Arnhem Plant, an Accoya[®] production facility in Arnhem in the Netherlands, which, following the successful completion of the construction of a third acetylation reactor in 2018, currently has production capacity of approximately 60,000m³ of Accoya[®] per annum. The completion of this reactor at the Arnhem Plant was a notable milestone for the Company and led to increased sales from the additional production capacity, helping the Group to achieve an EBITDA positive result for the year ending 31 March 2019. The current financial year should see the further benefits of this expansion as the Arnhem Plant reached full capacity in the fourth quarter of the financial year ended 31 March 2019.

Currently, approximately 24% of the capacity-constrained Accoya[®] production volumes are being sold to MEDITE, the Group's longstanding Tricoya[®] joint development partner and a member of the Tricoya[®] Consortium, for chipping into Tricoya[®] and the subsequent production and sale by MEDITE of MEDITE Tricoya[®], and to FINSA to support seeding of key European markets ahead of Tricoya[®] production in Hull.

The Tricoya[®] Consortium was successfully formed in March 2017 and saw the Company attract equity investment from BP Ventures, MEDITE, as well as financial investors BGF and Volantis into its subsidiary company, TTL, in order for TTL to accelerate the global exploitation of the Company's Tricoya[®] wood chip acetylation technology. TTL's first project has been the construction of the world's first dedicated Tricoya[®] wood chip acetylation plant in Hull through its subsidiary company TVUK, into which MEDITE and BP Chemicals have also invested. The Company currently has a 76.1% interest in TTL (held by TWL), which in turn has a 60.7% interest in TVUK.

Construction of the Hull Plant has been substantially progressed since the formation of the Tricoya[®] Consortium, with €54 million invested to date and several significant milestones reached. TVUK is the owner of the plant and responsible for the overall delivery of the project. It is expected that the plant will be operational in the second half of the 2020 calendar year.

The Hull Plant has a targeted annual production capacity of 30,000 metric tonnes of acetylated Tricoya[®] chips per annum, enough to produce approximately 40,000m³ of Tricoya[®] panel products per annum, with the potential to expand at a later date.

In addition, the Group is working with Eastman Chemical Company ("**Eastman**") to evaluate the feasibility of jointly constructing and operating an Accoya[®] wood production facility in North America (the "**Project**"). Eastman is the world's largest producer of acetic anhydride, the key chemical used in the production of acetylated wood. By establishing a production plant in the US, Accsys would be able to provide increased volumes of locally-produced Accoya[®], supply new customers, and improve logistical efficiency in the region. A decision as to whether or not to proceed with the next stage of the Project is expected to be taken by each party following conclusion of the evaluation, and subject to entering into legally binding agreements, during the course of 2020. Demand for Accoya[®] remains very strong in the Americas, with sales volumes in the region increasing by 39% from 2,241m³ in the six months to 30 September 2018 to 3,111m³ in the six months to 30 September 2019, in what the Directors believe is the largest Accoya[®] market opportunity. The Group intends that approximately €1.5 million of the net proceeds of the Issue will be applied to fund preliminary evaluation work relating to the Group's potential Accoya[®] plant in the United States over the next 12 to 18 months prior to making a final investment decision.

Work is also progressing with PETRONAS Chemicals Group Berhad, the leading integrated chemicals producer in Malaysia and one of the largest in South East Asia, to evaluate the feasibility of jointly funding,

designing, building and operating an integrated acetic anhydride and Tricoya® wood chip production plant in Malaysia. The commencement of the feasibility study represents an important milestone as the Company looks to expand into new markets. It is envisaged that Tricoya® wood elements produced at the Malaysian plant would use acetic acid from PCG's existing joint venture in Malaysia. The plant would then supply the wood panel industry within South East Asia, under licence, as the key raw material for the formation of Tricoya® panels for use in the substantial construction industry in the region. Since entering into a feasibility evaluation agreement in January 2019, TTL and PCG have been progressing work on the various work streams, which include evaluating preliminary engineering studies and regional customer and market feasibility assessments. Under the terms of this agreement, the evaluation is expected to last for a period of at least another 9 months with a decision to be made as to whether to proceed further taken after the Hull Plant becomes operational. Approximately €1.5 million is expected to be incurred by Accsys on the feasibility study activities during this period.

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

In June 2019, the Company announced that Paul Clegg would step down as Chief Executive Officer ("CEO") and a Board member with effect from 31 December 2019. In October 2019, the Company announced that Robert Harris had been appointed CEO of the Company with effect from 20 November 2019. Robert will join the Board as a director shortly following the publication of this document.

3. CURRENT TRADING AND PROSPECTS

The Group today also announced its interim results for the six months from 31 March 2019 to 30 September 2019. In that announcement, the Group stated that demand for Accoya® was strong, with sales from Arnhem reaching 28,113m³, increasing from 21,379m³ in the six months to 30 September 2018 and increasing by 16.5% in the 12 months to 31 March 2019, notwithstanding price increases implemented to manage demand, which also increased margins.

Furthermore, with the Arnhem Plant now operating at or near maximum production capacity of approximately 60,000m³ per annum, in the six months from 31 March 2019 to 30 September 2019, total revenue for the Group increased 39% to €44 million compared with the same period in the previous year.

The increase in sales volumes is attributable to consistent and growing demand for the Group's products, with sales volumes at present limited only by the Group's manufacturing capacity throughout the year, even after the expansion of the Arnhem Plant by the addition of a third acetylation reactor in 2018. The Company continues to effectively manage this situation, with all customers being on allocation and as the Company works to increase its production capabilities and the market for Accoya® in the longer term, the Company is supported by the knowledge that Accsys offers a specialty product that its distributors can sell at consistently high margins throughout the cycle.

Underlying EBITDA for the six months ended 30 September 2019 was €2.5 million (2018: €1.4 million loss). Group revenues increased by 39% over this period, evidencing continued strong demand for the Group's Accoya® and Tricoya® products. Gross margin improved to 29.1% in the first half (September 2018: 22.2%), positively impacted by higher volumes, an improved product mix and higher selling prices. Accoya® underlying EBITDA increased by 171% to €7.6 million for the first half (September 2018: €2.8m), showing the benefit of the third Accoya® reactor coming on stream.

Net debt as at 30 September 2019 was €59.3m. The net proceeds of the Issue are expected to result in a significant reduction in net debt in the short term. While the majority of the net proceeds are expected to be invested in the Hull Plant and the further expansion of the Arnhem Plant, the investment in the fourth Accoya® acetylation reactor will take place over the next two years. The Company is targeting further gross profit growth in the short to medium term, in particular as the Company benefits from the expansion projects, resulting in an improved EBITDA to net debt ratio.

There has been no significant change in the financial performance of the Group since 30 September 2019, the date to which the Company's last unaudited condensed consolidated interim financial statements

incorporated into this document by reference, as explained in Part XII (Documentation Incorporated by Reference), are prepared.

The Group's interim results for the six months from 31 March 2019 to 30 September 2019, coupled with the Firm Placing and Placing and Open Offer, mark an exciting and important milestone for the Company and the Directors expect to build upon the 12 months of positive EBITDA trading with real momentum across the Group. Accsys is now well positioned to take advantage of its sustainable products and substantial market opportunity.

The second half of the financial year has started well and the Directors expect this to benefit from production at capacity levels as well as further improvement to the Group's sales product mix. The Group is targeting further improvement to gross margins over the medium term, with the anticipated benefit from the Hull Plant becoming operational, enabling an increase in higher-priced sales to replace the volume currently being sold to Tricoya[®] licensees.

The expansion of the Arnhem Plant by the addition of a fourth reactor and the completion of the Hull Plant will enable Accsys to significantly increase its sales over time, targeting Group revenues of €160 million over the medium term. While the significant increase in production capacity enables the Group to grow to meet increasing demand, the Directors believe it is essential to plan for the next phase of expansion and will continue to develop the discussions concerning potential new manufacturing plants in the US and Malaysia.

As explained in section 6 below, the Company's expected share of the increase in construction costs associated with the completion of the Tricoya[®] Hull Plant amounts to approximately €12 million. This figure may be subject to change depending on a number of factors, including reaching final agreement on the additional costs to complete the Tricoya[®] Project, the willingness and ability of the other members of the Tricoya[®] Consortium, MEDITE and BP Chemicals to fund their expected respective share of those additional costs and the ability of TVUK to obtain any additional financing on commercially acceptable terms. These uncertainties, should they result in a material change to the construction costs associated with the completion of the Tricoya[®] Hull Plant (and/or the Company's share thereof) and/or the ability of the Tricoya[®] Consortium, MEDITE and/or BP Chemicals to fund their expected respective share of any additional costs, are reasonably likely to have a material effect on the Company's prospects for at least the current financial year. Please refer to section 7 below for further information.

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

The Company proposes to raise €46.3 million (before expenses) in aggregate by way of the Issue, comprising €28.6 million (before expenses) by way of the Firm Placing and €17.7 million (before expenses) by way of the Placing and Open Offer.

The Directors have given careful consideration as to how to structure the proposed issuance of equity and, following advice from the Joint Underwriters, have concluded that a Firm Placing and Placing and Open Offer is the most suitable option available to the Company and its Shareholders at this time.

The Group is in the process of executing its growth strategy, a core component of which is the steady ramp up of production capacity for both Accoya[®] and Tricoya[®] to meet market demand. The Group has therefore decided to undertake the Firm Placing and Placing and Open Offer to raise additional equity capital to support its growth ambitions with the net proceeds of the Issue to be applied to:

- (i) the further expansion of the Arnhem Plant, through the construction of a fourth Accoya[®] acetylation reactor and enhancements to the Arnhem Plant through new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment. This will increase production capacity by approximately 33% with targeted annual production capacity of approximately 80,000m³ when the fourth reactor is at capacity which is currently expected during the financial year ending 31 March 2024. As part of the site's expansion, wood handling and storage equipment will be upgraded in order to be able to process higher levels of output and improve efficiency;

- (ii) the Company's expected share of the increase in construction costs associated with the completion of the Tricoya[®] Hull Plant, which is expected to be operational in the second half of the 2020 calendar year with a targeted annual production capacity of approximately 30,000 metric tonnes;
- (iii) funding for preliminary evaluation work relating to its potential Accoya[®] plant in the United States. Demand for Accoya[®] remains very strong in the Americas, with sales volumes in the region increasing by 39% compared with the same period last year, being an increase from 2,241m³ in the six months to 30 September 2018 to 3,111m³ in the six months to 30 September 2019, in what continues to be a priority market for the Company. The Company intends to fund preliminary evaluation work over the next 12 to 18 months prior to making a final investment decision; and
- (iv) supplementing the additional working capital requirements of the Group resulting from (i) and (ii) above, particularly as inventory levels rise to support increased production and sales to customers.

The table below summarises the estimated amounts for each of the above:

	Estimated expenditure (EUR million)
Additional costs the Company is expected to fund in relation to the completion of the Hull Plant by TVUK	12
Design, construction and commissioning of a fourth Accoya [®] acetylation reactor at the Arnhem Plant	20
Purchase and installation of new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment at the Arnhem Plant	6
Preliminary evaluation work for Accoya [®] plant in the US	1.5
General working capital	3.5
TOTAL	43

5. ARNHEM ACCOYA[®] PLANT EXPANSION

The Group's existing Accoya[®] site in Arnhem increased its production capacity during the financial year ended 31 March 2019 by 50% to 60,000m³ per annum ("Reactor 3") and detailed planning for a fourth Accoya[®] acetylation reactor, providing approximately an additional 20,000m³ per annum, has commenced ("Reactor 4").

With Reactor 3 operating at or near full capacity and with customers all on allocation, the Reactor 4 expansion is required to satisfy the continued high demand in the market for Accoya[®]. With the Front End Engineering and Design work expected to commence in the second half of the financial year ending 31 March 2020 and construction expected to commence in the second half of the financial year ending 31 March 2021, Reactor 4 is expected to be operational in the second half of the financial year ending 31 March 2022 and reach full capacity during the financial year ending 31 March 2024.

The Reactor 3 project included the construction of some of the chemical infrastructure required for the addition of Reactor 4. In addition, further work beyond the core Reactor 4 unit is required to support full speed operation of four acetylation reactors simultaneously. This additional work will have the potential to improve the efficiency of the entire Arnhem operation, with the new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment expected to be operational by the second half of the financial year ending 31 March 2022. The Board expects the addition of Reactor 4 to further improve operating margins over the medium term as a result of the economies of scale of operating on the same site, and with only a limited increase in related overhead costs. The payback on the Reactor 4 investment is expected to be approximately three years, allowing for a period of ramp up of operations.

The Group plans to invest approximately €20 million towards the capital costs of Reactor 4, which will increase overall production capacity to approximately 80,000m³ per annum, enabling Accoya[®] revenues of €120 million to be achievable over the medium term. In addition, approximately €6 million will be spent on purchasing new chemical storage facilities and upgrading wood stacking and automatic wood handling

equipment at the Arnhem Plant. The Group intends to fund this €26 million investment from part of the proceeds of the Issue. These figures represent anticipated funding requirements for the expansion of the Arnhem Plant and may be subject to change depending on a number of factors, as discussed in Part II (Risk Factors).

The Reactor 4 expansion and further enhancement of the Arnhem Plant follow a number of years of sustained and significant growth in Accoya® sales. The Arnhem Plant now operates at or near to its current maximum production capacity of approximately 60,000m³ per annum. In the six months from 31 March 2019 to 30 September 2019, the sales volume of Accoya® was 28,113m³, an increase of approximately 32% compared with the same period in the previous year (31 March 2018 to 30 September 2018: 21,379m³). The Directors believe that the long-term market opportunity remains substantial, with annual demand in excess of 1 million cubic metres of Accoya® per annum being achievable in the long term and average gross margins of at least 30% being achievable in the medium to longer term in view of the reduced costs per unit which could result from increased production and as a result of the expected change in sales mix over the medium term following the start-up of the Hull Plant, resulting in Tricoya® material no longer being produced in Arnhem and instead replaced by sales of normal Accoya®.

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

Additional details of the Arnhem Plant are contained in section 2 of Part VII (Information on the Accsys Group).

6. TRICOYA® HULL PLANT

The construction of the first dedicated Tricoya® wood chip acetylation plant in Hull has been substantially progressed since the formation of the Tricoya® Consortium in 2017, with approximately €54 million invested to date and several significant milestones reached. Most of the wood-handling aspects of the plant have been constructed and all equipment has been ordered, with most now on site already. TVUK has recruited the first employees who will make up the operations team of 31, and they are currently planning the commissioning and start-up of the plant.

As announced previously, delays in construction mean that TVUK expects the Tricoya® Hull Plant to be operational in the second half of the 2020 calendar year with construction progressing and the previously-reported issue concerning civil engineering works being addressed. The civil works issue does not relate to Accsys' Tricoya® acetylation technology, meaning that there is no impact on the long-term expected profitability of the project, with gross margins of approximately 40% expected to be achievable once the plant reaches near capacity, which is expected to occur during the financial year ending 31 March 2024.

Whilst the issues concerning engineering and related works are being addressed, the delay has resulted in additional forecast costs of approximately €28 million associated with the lead contractor, the project team and related activities being required for a longer period. Of this amount, under the Tricoya® Consortium structure, the Company's expected share amounts to approximately €12 million, with the balance of equity into TTL expected to be funded by other members of the Tricoya® Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, alongside debt funded to TVUK by RBS under the existing RBS Facility Agreement and an additional facility expected to be entered into between TVUK and RBS. As such, the total project cost is expected to amount to a total of approximately €89 million, with approximately €54 million invested to date, including pre-operating costs. These figures represent anticipated funding requirements for the Tricoya® Project and may be subject to change depending on a number of factors, including reaching final agreement on the additional costs to complete the Tricoya® Project, the willingness and ability of the other members of the Tricoya® Consortium, MEDITE and BP Chemicals to fund their expected respective

share of those additional costs and the ability of TVUK to obtain any additional financing on commercially acceptable terms. Accordingly, the figures presented herein may differ from the capital expenditure ultimately incurred. Your attention is also drawn to the risk factors set out in Part II (Risk Factors) of this document, which you should read carefully and in full. The Directors believe that the various estimates and assumptions on which the figures relating to the Tricoya® Project presented herein are based are reasonable given the status of the project and the continued commitment of the Tricoya® Consortium, MEDITE and BP Chemicals to achieve the market potential of Tricoya®, supported by strong commercial incentives (as discussed in the section headed “Further financing of TVUK” in section 8(g) of Part XI (Additional Information)).

The RBS Facility Agreement, a summary of which is set out in section 8(n) of Part XI (Additional Information) of this document, contains certain obligations and other provisions, including events of default, relating to the timing and manner of funding any cost overruns by TVUK in relation to the construction of the Hull Plant. The inability of TVUK to hitherto fund the cost overruns referred to above with equity has resulted in a technical breach by TVUK of the RBS Facility Agreement. However, RBS has not taken any action to enforce any right or remedy under the RBS Facility Agreement in connection with this technical breach, has continued to fund TVUK and has confirmed in discussions that it remains supportive of the Tricoya® Project. As explained above, the balance of equity required to meet such cost overruns is expected to be funded into TTL by the other members of the Tricoya® Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, all of which remain committed to achieving the market potential of Tricoya®, at which point TVUK is expected to cure the technical breach under the RBS Facility Agreement.

The Company anticipates that demand from MEDITE and FINSA will utilise the majority of the capacity of the Hull Plant as it ramps up operation. Under a committed off-take agreement with MEDITE, in the first year of production at the Hull Plant, a minimum of 6,000 tonnes of Tricoya® wood chips, representing 20% of the Hull Plant design capacity, is to be sold or paid for by MEDITE. As production at the plant ramps up, this off-take agreement provides for the ramp up in MEDITE’s commitment, reaching a minimum of 12,000 tonnes of Tricoya® per annum, representing 40% of total design capacity, by year six.

The Hull Plant has a targeted annual production capacity of 30,000 metric tonnes of acetylated Tricoya® chips per annum, enough to produce approximately 40,000m³ of Tricoya® panel products per annum. Based on this targeted capacity of 30,000 metric tonnes of acetylated Tricoya® chips per annum, the Hull Plant is anticipated to reach EBITDA breakeven at approximately 40% design capacity. It is expected to take approximately three years to reach full capacity following start-up, after which there will be scope for expansion. The modular design of the Hull Plant is expected to allow for an efficient expansion when market conditions dictate. The Company anticipates numerous Tricoya® revenue streams from the start-up of the Hull Plant, including:

- (i) licensee and sales agreements with a number of parties (which includes the licensee and sale agreements already secured with MEDITE and FINSA);
- (ii) the sale of acetylated wood chips;
- (iii) licence and royalty fees received by TTL for the right to use Tricoya® intellectual property to manufacture Tricoya® chips; and
- (iv) the sale of acetic acid, which is a by-product of the Tricoya® manufacturing process.

7. WORKING CAPITAL AND IMPORTANCE OF THE VOTE

The Company is of the opinion that, taking into account existing available facilities and the net proceeds of the Issue, the working capital available to the Group is sufficient for its present requirements, that is, for at least the next 12 months following the date of this document.

Under its current business plan, the Company’s expected capital investments over the short to medium term include: (i) the Company’s expected share of the increase in construction costs associated with the completion of the Tricoya® Hull Plant, being approximately €12 million, with funding required by the end of 2019 and the plant expected to become operational in the second half of the 2020 calendar year; and (ii)

the commencement of investment in the addition of a fourth Accoya® wood acetylation reactor in Arnhem, together with new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment for a total expected cost of approximately €26 million, with the Front End Engineering and Design work expected to commence in the second half of the financial year ending 31 March 2020, construction expected to commence in the second half of the financial year ending 31 March 2021 and Reactor 4 expected to be operational in the second half of the financial year ending 31 March 2022.

In relation to these projects:

- (i) The Tricoya® Hull Plant is a key part of the Group's growth strategy with the objective of selling significant volumes of Tricoya® and generating further revenues from the licensing of its valuable intellectual property related to Tricoya®, both in connection with the Hull Plant and potential future plants, including in Malaysia. The Hull Plant is critical to this and although the Group is not contractually committed to investing further in TVUK, it intends to do so, alongside its Tricoya® Consortium partners, given the amount of capital already invested in the project. The Company's expected share of the increase in construction costs associated with the completion of the Tricoya® Hull Plant is approximately €12 million, which is to be funded from the Issue by the end of 2019. If the Issue does not proceed for any reason, the Company would need to seek alternative equity and/or debt financing in order to complete the project. Without this financing there are likely to be significant delays to the Tricoya® Project which would significantly impact the Group's ability to generate both Tricoya® sales volumes and licensing revenues in the short to medium term. The liabilities of TVUK in respect of the Hull Plant are ring-fenced (including, without limitation, under the RBS Facility Agreement) and non-recourse to the Company, giving the Company some flexibility to adjust the timing and extent of its commitments in respect of this project.
- (ii) The expansion of the Group's manufacturing capacity in Arnhem is also a key part of the Group's growth strategy with the objective of driving significant increases in Accoya® sales volumes. The proposed fourth reactor in Arnhem is critical to this and, although the Group is not currently contractually committed to building the fourth reactor (and new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment), it intends to fund the total expected cost of approximately €26 million from the Issue. Investment is expected to commence in the first half of the 2020 calendar year with the expansion targeted for completion by the second half of the financial year ending 31 March 2022. It is expected that the significant majority of the approximate €26 million total cost will be invested or committed to in the next 18 months. If the Issue does not proceed for any reason, the Company would need to seek alternative equity and/or debt financing in order to complete the proposed fourth reactor and associated equipment installation. Without this financing there are likely to be significant delays to the expansion of the Group's manufacturing capacity in Arnhem which will significantly impact the Group's ability to grow its Accoya® sales volumes from current levels in the medium term. The capital expenditure in respect of the fourth reactor and the enhancements to the Arnhem Plant currently remains uncommitted, giving the Company full flexibility to adjust the timing and extent of its commitments in respect of this project.

As such, the Group intends to invest or commit to the vast majority of the net proceeds of the Issue over the next 18 months under its growth strategy. Based on the Company's current cash flow forecasts, the Company is of the opinion that, taking into account its existing cash balances, existing available facilities and the net proceeds of the Issue, the Group will have sufficient working capital for its requirements under (i) and (ii) above. However, without the net proceeds of the Issue, the Group would only have sufficient working capital to the end of December 2019 as this is when the investment in the Hull Plant under (i) is expected to be required. At such time, in order to continue to carry out its current business plan, the Company would need to raise additional capital (or obtain appropriate alternative financing). In such a scenario, the shortfall at the end of December 2019 would be approximately €12 million, being the Group's expected share of TVUK's liabilities relating to the completion of the construction of the Hull Plant.

Although the audit reports on the historical financial information contained in, or incorporated by reference into, this document are not qualified, the auditors' report on the Group's unaudited condensed consolidated

interim financial statements for the six months ended 30 September 2019 contains an emphasis of matter, which in summary states (without modifying the auditors' conclusion) that, if Shareholders do not vote in favour of the Resolutions or the Issue has not otherwise taken place in December 2019, or if the gross aggregate proceeds of the Issue are less than expected, the Group may be unable to complete the construction of the Hull Plant and may be unable to meet its liabilities as they fall due unless alternative financing arrangements are obtained. The auditors reported that those factors, along with other factors described in the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. The auditors' emphasis of matter is reproduced in full in the section headed "Important Information" of this document.

The Company primarily intends to raise this required additional capital and thereby address the auditors' emphasis of matter through the Issue, as described in this document. The Issue is being fully underwritten by the Joint Underwriters, subject to the conditions set out in the Underwriting Agreement. In addition, the Company consulted with a significant number of its Shareholders before announcing the Issue. Following this consultation, the Company has conditionally raised €46.3 million (before expenses) in aggregate from existing and new Shareholders by way of an underwritten Firm Placing and Placing and Open Offer. Accordingly, the Company is confident that the Issue will be successful, subject to the passing by Shareholders of Resolutions 1 and 3 at the General Meeting.

If Resolutions 1 and 3 are not passed and the Firm Placing and Placing and Open Offer do not proceed, the Company will not receive the net proceeds from the Issue and the Group would need to obtain appropriate alternative financing by the end of 2019 in order to be able to fund its expected share of TVUK's liabilities relating to the completion of the construction of the Hull Plant. In addition, the Company's expected share of the increase in construction costs associated with the completion of the Tricoya® Hull Plant may be subject to change depending on a number of factors, including reaching final agreement on the additional costs to complete the Tricoya® Project, the willingness and ability of the other members of the Tricoya® Consortium, MEDITE and BP Chemicals to fund their expected respective share of those additional costs and the ability of TVUK to obtain any additional financing on commercially acceptable terms. These uncertainties may result in changes to the construction costs associated with the completion of the Tricoya® Hull Plant (and/or the Company's share thereof) and/or the ability of the Tricoya® Consortium, MEDITE and/or BP Chemicals to fund their expected respective share of any additional costs, in which case the Group may need to raise additional finance to fund the project.

In the event that the Group is unable to obtain alternative equity and/or debt financing (or such alternative financing is only achievable on terms which are not acceptable to the Company), the Company would not be able to fund its expected share of the costs of completing the construction of the Hull Plant within the forecast timetable, which may result in significant delays to the Group's growth strategy and adversely impact the Group's returns from the Tricoya® Project. In such a scenario, due to the Hull Plant being a material asset of the Group and a key component of the Group's growth strategy, this could result in costly reputational harm to the Company or loss of trust from the Group's customers, employees and/or other stakeholders, all of which could have a material adverse effect on the Group's business, revenues, financial condition or results of operations and, accordingly, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern (as noted by the Company's auditors in their emphasis of matter). If it is not possible for the Group to obtain the required additional financing or the Group determines that it does not wish to fund its expected share of the construction costs associated with the completion of the Hull Plant for any reason, the other members of the Tricoya® Consortium may fund the shortfall such that the construction of the Hull Plant may continue. This would have the effect of, among other things, diluting the Group's economic interest in TVUK and its returns therefrom. Otherwise, the Tricoya® Project may be abandoned altogether and TVUK could eventually be sold or another corporate solution found, which may result in the Group losing part or all of its investment in TVUK.

Furthermore, the RBS Facility Agreement, a summary of which is set out in section 8(n) of Part XI (Additional Information) of this document, contains certain obligations and other provisions, including events of default, relating to the timing and manner of funding any cost overruns by TVUK in relation to the

construction of the Hull Plant. As explained in section 6 above, delays in the construction of the Hull Plant have resulted in additional forecast costs of approximately €28 million (of which the Company's expected share is approximately €12 million) associated with the lead contractor, the project team and related activities being required for a longer period, with the delay meaning that the Hull Plant is now expected to be operational in the second half of the 2020 calendar year. The inability of TVUK to hitherto fund these cost overruns with equity has resulted in a technical breach by TVUK of the RBS Facility Agreement. However, RBS has not taken any action to enforce any right or remedy under the RBS Facility Agreement in connection with this technical breach, has continued to fund TVUK and has confirmed in discussions that it remains supportive of the Tricoya® Project. The balance of equity required to meet such cost overruns is expected to be funded into TTL by the other members of the Tricoya® Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, all of which remain committed to achieving the market potential of Tricoya®, at which point TVUK is expected to cure the technical breach under the RBS Facility Agreement.

In the event that TVUK is unable to comply with the terms of its debt facilities and secure new equity funding from its shareholders (including from TTL) or procure required amendments or waivers under its existing or future debt facilities, it may default under its facilities, following which the relevant bank(s) may have the right to withdraw the relevant facility and/or enforce any charges over shares in TVUK. This could result in a sale or other corporate solution being found in respect of TVUK, which may ultimately cause the Group to lose part or all of its investment in TVUK. As explained above, the liabilities of TVUK in respect of the Hull Plant (including, without limitation, under the RBS Facility Agreement) are ring-fenced and non-recourse to the Company.

In addition, if the Issue does not proceed, the Group would need to delay the development of the fourth Accoya® acetylation reactor in Arnhem until appropriate alternative financing is secured. In the event that the Group is unable to obtain alternative equity and/or debt financing, the expansion of the Group's manufacturing capacity in Arnhem is likely to be materially delayed, which will significantly impact the Group's ability to grow its Accoya® sales volumes from current levels in the medium term. Consequently, the Arnhem Plant would continue to operate at or near to its current maximum production capacity of approximately 60,000m³ per annum.

If the Firm Placing and Placing and Open Offer do not proceed for any reason, the Company would primarily intend to raise the €43 million required to effect its growth strategy over the next 18 months through other equity and/or debt fundraisings. In those circumstances, the Directors would need to determine the appropriate timing, structure, size and other terms of such proposed equity and/or debt fundraising taking into account all relevant factors, including the reasons for the Issue not having proceeded and prevailing market conditions. The Directors currently believe that any such other equity or debt fundraisings would be achievable on acceptable terms on the basis of the following factors:

- (i) the Directors believe that the current business plan presents an attractive investment proposition and that the Company's assets are increasingly valuable and may be of interest to new investors;
- (ii) the Directors believe that a number of the Company's existing Shareholders may be interested in taking up Ordinary Shares in future fundraisings to prevent dilution of their holdings and to show their continued support for the Group's business plan, as a number of them have done in relation to past equity financings;
- (iii) the Company has raised a total of: (i) approximately €28 million (net of expenses) by way of a Firm Placing and Placing and Open Offer in February 2011; and (ii) approximately €14 million (before expenses) by way of a Firm Placing and Open Offer in March 2017;
- (iv) €34 million of funding was agreed with the other members of the Tricoya® Consortium in March 2017; and
- (v) the Directors believe that the Company's Ordinary Shares are attractive to UK and Dutch institutional investors on the basis that the Ordinary Shares are traded on Euronext Amsterdam and on AIM.

If necessary, the Group would also consider the implementation of mitigating actions as a method of ameliorating the working capital position of the Group until appropriate financing is secured. Such

mitigating actions may include reducing R&D, sales and marketing costs, cutting back on discretionary expenditure, postponing future plans for the further expansion of the Group's manufacturing capacity (in the US, for example) and/or asset disposals. At a minimum, the Company reviews its cash position and working capital requirements on a regular basis to determine its financial position, so decisions on cost reductions take place as required as part of that process. The timing and means of execution of any decisions regarding cost reductions would therefore take place in the context of the Company's financial position at such time, and the results of any completed fundraisings subsequent to those detailed in this document. The Directors are confident in the Company's ability to effect cost reductions since such costs are monitored on an ongoing basis and action can be taken to reduce costs as and when required.

For the reasons set out above, the Directors believe that the Firm Placing and Placing and Open Offer are in the best interests of Shareholders as a whole. In order for the Firm Placing and Placing and Open Offer to proceed, Resolutions 1 and 3 to be proposed at the General Meeting must be passed. The Directors therefore believe that, whether or not you intend to be present, it is very important that Shareholders vote in favour of all the Resolutions at the General Meeting.

8. PRINCIPAL TERMS AND CONDITIONS OF THE FIRM PLACING AND PLACING AND OPEN OFFER

The Firm Placing and Placing and Open Offer are conditional upon:

- the passing of the first and third resolutions to be proposed at the General Meeting;
- Admission becoming effective by no later than 8:00 a.m. (GMT) on 23 December 2019 (or such later time and/or date as the Company and the Joint Underwriters may determine); and
- the Underwriting Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

The shareholder approvals necessary for the Firm Placing and Placing and Open Offer will be sought at the General Meeting to be held at 9:00 a.m. on 20 December 2019, the full details of which are set out in the Notice of General Meeting at the end of this document.

27,239,764 New Ordinary Shares will be placed with the Firm Placees at the Offer Price of €1.05 per Ordinary Share subject to, and in accordance with, the Underwriting Agreement. The Firm Placing is expected to raise gross proceeds of approximately €28.6 million. The Firm Placing Shares are not subject to clawback and are not part of the Placing and Open Offer.

The Firm Placing and Placing and Open Offer are being fully underwritten by the Joint Underwriters, subject to the conditions set out in the Underwriting Agreement. A summary of the principal terms of the Underwriting Agreement is set out in section 8(a) of Part XI (Additional Information) of this document.

Open Offer Entitlements

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

1 Open Offer Share at €1.05 each for every 7 Existing Ordinary Shares

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

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

Excess Application Facility

Qualifying Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at the Offer Price through the Excess Application Facility. Qualifying Shareholders may apply for Excess Open

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

Placing

Any Open Offer Shares which are not applied for under the Open Offer may be allocated to Conditional Places (subject to the Excess Application Facility) at the Offer Price, with the proceeds retained for the benefit of the Company.

16,855,474 Open Offer Shares will be conditionally placed to Conditional Places at the Offer Price, subject to clawback to satisfy Open Offer Entitlements and Excess Open Offer Entitlements taken up by Qualifying Shareholders under the Open Offer.

Miscellaneous

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

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions made, paid or declared in respect of the Ordinary Shares after their issue. The ability of the Company to pay dividends on its Ordinary Shares in the future will be a function of its profitability and cash flow and the extent to which, as a matter of law, it has available to it sufficient distributable reserves out of which any proposed dividend may be paid. Future dividends to Shareholders will be at the discretion of the Board after taking into account various factors including the Group's business prospects, cash requirements, level of distributable reserves, financial performance, new product development and plans for international expansion. The Board deems it prudent for the Company to maintain as strong a financial position as possible during the current phase of the Company's growth strategy and therefore the Company does not expect to pay a dividend in the near term.

Applications will be made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and on AIM at 8:00 a.m. (GMT) on 23 December 2019.

If a Qualifying Shareholder who is not a Placee does not take up any of his Open Offer Entitlements or Excess Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 27.2% as a result of the Issue. If a Qualifying Shareholder who is not a Placee takes up his Open Offer Entitlements in full (assuming it does not participate in the Excess Application Facility), such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 16.8% as a result of the Firm Placing. Subject to certain exceptions, Shareholders in the United States and the Restricted Jurisdictions will not be able to participate in the Open Offer.

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

Applications will be made for the Open Offer Entitlements and Excess Open Offer Entitlements to be admitted to CREST (in respect of Qualifying CREST Shareholders) and Euroclear Nederland (in respect of Qualifying Euroclear Shareholders). It is expected that such Open Offer Entitlements and Excess Open Offer

Entitlements will be credited to the stock accounts of Qualifying CREST Shareholders and to the stock accounts held with Intermediaries on 23 December 2019. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

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

9. OVERSEAS SHAREHOLDERS

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

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

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

10. TAXATION

The taxation consequences for Qualifying Shareholders of the Firm Placing and Placing and Open Offer will depend upon the jurisdiction in which the relevant Qualifying Shareholder is resident for tax purposes. Certain information about UK and Dutch taxation is set out in section 14 of Part XI (Additional Information) of this document. If you are in any doubt as to your tax position, or you are subject to tax in a jurisdiction other than the United Kingdom or the Netherlands, you should consult your own independent tax adviser without delay.

11. GENERAL MEETING

The Firm Placing and Placing and Open Offer are subject to a number of conditions, including Shareholder approval of the first and third resolutions to be proposed at the General Meeting.

The second resolution seeks a new general authority for the Directors to allot Ordinary Shares and the fourth resolution seeks a new general authority for the Directors to disapply statutory pre-emption rights on the allotment of a limited number of equity securities for cash, each to apply until the Company's annual general meeting to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date

of the annual general meeting of the Company held in 2019.

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

Notice convening the General Meeting to be held at 9:00 a.m. on 20 December 2019 at Brettenham House, 19 Lancaster Place, London, WC2E 7EN is set out at the end of this document.

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

The first resolution is an ordinary resolution authorising the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €2,204,762 in connection with the Firm Placing and Placing and Open Offer. This authority will expire on the date that is six months after the date of the General Meeting.

Second resolution – Authority to allot Ordinary Shares

The second resolution is an ordinary resolution that, in addition to all existing authorities, the Directors be generally and unconditionally authorised to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €734,920. This authority will expire on the date of the annual general meeting of the Company to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date of the annual general meeting of the Company held in 2019. Together with the existing authority granted at the Company's 2019 annual general meeting, this general authority will give the Directors the power to allot Ordinary Shares up to an aggregate nominal amount equivalent to approximately one third of the Company's enlarged share capital following the Firm Placing and Placing and Open Offer.

Third resolution – Disapplication of pre-emption rights in respect of the Firm Placing and Placing and Open Offer

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

Fourth resolution – Disapplication of pre-emption rights

The fourth resolution is a special resolution that, subject to the second resolution being passed, authorises the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares pursuant to the authority given by the second resolution, as if section 561 of the Companies Act 2006 did not apply to such allotment. This authority will be limited to the allotment of equity securities up to a nominal amount of €220,476. This authority will expire on the date of the annual general meeting of the Company to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date of the annual general meeting of the Company held in 2019. Together with the existing authority granted at the Company's 2019 annual general meeting, this authority will give the Directors the power to allot equity securities for cash, as if section 561 of the Companies Act 2006 did not apply to such allotment, up to an aggregate nominal amount equivalent to 10% of the Company's enlarged share capital following the Firm Placing and Placing and Open Offer.

12. ACTION TO BE TAKEN

In respect of the General Meeting

You will find enclosed with this document a Form of Proxy. Whether you intend to be present at the General Meeting or not, you are asked to complete the Form of Proxy in accordance with the instructions printed thereon and to return it, along with any power of attorney or other authority under which it is signed, to SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS,

United Kingdom, using the accompanying pre-paid envelope (for use in the UK only), or by sending a completed, signed and dated scanned version of the Form of Proxy by email to office@slcregistrars.com as soon as possible and, in any event, so as to be received by no later than 9:00 a.m. on 18 December 2019. **The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so.**

In respect of the Open Offer

Qualifying Non-CREST Shareholders (other than Qualifying Non-CREST Shareholders who are Restricted Shareholders or persons in the United States) will receive an Application Form with this document giving details of their Open Offer Entitlements and Excess Open Offer Entitlements and containing instructions on how to take up their entitlements under the Open Offer. If a Qualifying Non-CREST Shareholder wishes to apply for Open Offer Shares and/or Excess Open Offer Shares under the Open Offer (whether in respect of all or part of their Open Offer Entitlements and/or Excess Open Offer Entitlements), they should complete the Application Form in accordance with the procedure for application set out in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) and on the Application Form itself. Completed Application Forms should be returned together with a cheque or banker's draft in euro or sterling made payable to "SLC Registrars re Accsys Technologies" and crossed "A/C payee only", for the full amount payable on acceptance, by post or by hand (during normal business hours only) to SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom, so it is received by no later than 11:00 a.m. (GMT) on 19 December 2019.

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

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

If you are a Qualifying CREST Shareholder, you will not be sent an Application Form. It is expected that SLC Registrars will instruct Euroclear UK to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than Qualifying CREST Shareholders who are Restricted Shareholders or persons in the United States) with such Shareholders' Open Offer Entitlements and Excess Open Offer Entitlements on 29 November 2019. CREST members who wish to apply to acquire some or all of their *pro-rata* entitlements to Open Offer Shares and Excess Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions to take up the entitlements to Open Offer Shares and Excess Open Offer Shares of CREST sponsored members. The latest time for settlement of the relevant CREST instruction is 11:00 a.m. (GMT) on 19 December 2019.

If you are a Qualifying Euroclear Shareholder, no Application Form will be sent to you and you will receive a credit to your appropriate stock account held with your Intermediary in respect of the Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements. You should refer to the procedure for application set out in section 6 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document. The relevant application and payment in full in euro for Open Offer Shares and Excess Open Offer Shares must have been received by the Subscription Agent by no later than 2:00 p.m. (CET) on 18 December 2019. Your Intermediary may set an earlier deadline for application in order to enable it to communicate your application to the Subscription Agent in a timely manner.

If you have sold or do sell or have otherwise transferred or do transfer all of your Existing Ordinary Shares held in certificated form before the Ex-Entitlements Date, which is 8:00 a.m. on 29 November 2019, please forward this document together with the Form of Proxy and any Application Form, if and when received, at once to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale or transfer was/is effected for onward transmission to the purchaser or transferee except that such documents when issued, should not, however, be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, any of the Restricted Jurisdictions or the United States. If you have sold or do sell or have otherwise transferred or do transfer only part of your holding of Existing Ordinary Shares (other than ex-entitlements) held in certificated form before the Ex-Entitlements Date, please contact immediately the stockbroker, bank or other agent through whom the sale or transfer was/is effected and refer to the instructions regarding split applications set out in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) and in the Application Form.

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

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

The latest time for acceptance under the Open Offer is expected to be 11:00 a.m. on 19 December 2019. The procedure for acceptance and payment is set out in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document. Further details also appear in the Application Form that will be sent to all Qualifying Non-CREST Shareholders (other than Qualifying Non-CREST Shareholders who are Restricted Shareholders or persons in the United States).

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

13. DIRECTORS' PARTICIPATION

The Directors beneficially own, in aggregate, 1,118,566 Ordinary Shares (including Ordinary Shares held by their immediate families) representing approximately 0.95% of the issued Ordinary Share capital of the Company as at 27 November 2019 (being the Last Practicable Date). The Directors and Robert Harris intend to subscribe for an aggregate of 188,887 New Ordinary Shares through the Firm Placing as outlined below:

	As at the Last Practicable Date		Firm Placing Shares	As at Admission	
	Number of Ordinary Shares	% of issued share capital		Number of Ordinary Shares	% of issued share capital
Patrick Shanley	70,981	0.06	44,444	115,425	0.07
Robert Harris	–	–	44,444	44,444	0.03
Michael Sean Christie	72,258	0.06	11,111	83,369	0.05
Montague John Meyer	29,745	0.03	44,444	74,189	0.05
Geertrui Elizabeth Schoolenberg	–	–	44,444	44,444	0.03

14. DIRECTORS' RECOMMENDATION

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

The Board believes that the net proceeds of the Firm Placing and Placing and Open Offer are necessary to fund the two significant capital projects that the Group is undertaking, alongside funding the feasibility review for a new Accoya® plant in the United States and providing additional working capital for the Group as it increases in size. The Issue allows this substantial investment to take place without putting additional pressure on the Company's balance sheet. If the Group does not proceed with the Firm Placing and Placing and Open Offer, the Group will need to delay or curtail its intended growth plans in order to operate with an appropriate level of headroom within its existing resources and facilities. This will include delaying the development of Reactor 4 and pausing the construction of the Hull Plant until appropriate financing is secured which will significantly impact the Group's ability to grow both its Accoya® and Tricoya® sales volumes from current levels in the short to medium term. In order for the Firm Placing and Placing and Open Offer to proceed, Resolutions 1 and 3 to be proposed at the General Meeting must be passed. The Directors believe that it is important that Shareholders vote in favour of all the Resolutions at the General Meeting. The Directors consider the Firm Placing and Placing and Open Offer and the Resolutions to be in the best interests of Shareholders taken as a whole.

Accordingly the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be put to the General Meeting, as they intend to do, or procure, in respect of any of their own beneficial holdings, amounting to 1,118,566 Ordinary Shares (including Ordinary Shares held by their immediate families) in aggregate, representing approximately 0.95% of the Existing Ordinary Shares as at the Last Practicable Date.

Yours faithfully,

Patrick Shanley
Chairman

PART VI

SOME QUESTIONS AND ANSWERS ABOUT THE FIRM PLACING AND PLACING AND OPEN OFFER

The questions and answers set out in this Part VI (Some Questions and Answers about the Firm Placing and Placing and Open Offer) are intended to be generic guidance only and, as such, you should also read Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document for full details of what action you should take. If you are in any doubt about the action to be taken, you are recommended to seek your own personal financial advice immediately from your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised under FSMA. The attention of Overseas Shareholders is drawn to Part X (Overseas Shareholders) of this document.

This Part VI (Some Questions and Answers about the Firm Placing and Placing and Open Offer) deals with general questions relating to the Firm Placing and Placing and Open Offer, as well as more specific questions about the Firm Placing and Placing and Open Offer relating to Ordinary Shares held by persons resident in the UK who hold their Ordinary Shares in certificated form only. If you hold your Ordinary Shares in uncertificated form (that is, through CREST) your attention is drawn to section 5 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document which contains full details of what action you should take. If you are a CREST sponsored member, you should consult your CREST sponsor. If you hold your Ordinary Shares through Euroclear Nederland, your attention is drawn to section 6 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document which contains full details of what action you should take.

If you do not know whether your Ordinary Shares are held in certificated or uncertificated form, please call the Shareholder Helpline (see Part III (Expected Timetable of Principal Events and Firm Placing and Placing and Open Offer Statistics) of this document for details).

1. What is a firm placing? Am I eligible to participate in the Firm Placing?

A firm placing is where specific investors agree to subscribe for firm placing shares. A firm placing provides a company with an opportunity to introduce new shareholders onto its shareholder register and is not open to all existing shareholders. The Company proposes to issue the Firm Placing Shares at a price of €1.05 per Firm Placing Share. This is the same price as for the Open Offer Shares. The Firm Placing Shares do not form part of the Open Offer and are not subject to clawback. Unless you are a Firm Placee, you will not participate in the Firm Placing.

2. What is a placing and open offer?

A placing and open offer is a way for companies to raise money, by giving their existing shareholders a right to subscribe for further shares at a fixed price in proportion to their existing shareholdings (the open offer) and providing for new investors to subscribe for any shares not bought by the Company's existing Shareholders (the placing).

3. What is the Company's Open Offer?

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to subscribe for an aggregate of 16,855,474 Open Offer Shares at a price of €1.05 per Open Offer Share. If you hold Ordinary Shares at the Record Time or have a *bona fide* market claim, and are not, subject to certain limited exceptions, a Shareholder located in the United States or any other Restricted Jurisdiction, as set out in Part X (Overseas Shareholders) of this document, you will be entitled to subscribe for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share at €1.05 each for every 7 Existing Ordinary Shares held by Qualifying Shareholders at the Record Time. If your entitlement to Open Offer Shares is not a whole number, your fractional entitlement will be disregarded in calculating your entitlement to Open Offer Shares. Fractional entitlements to Open Offer Shares will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Open Offer Shares are being offered to Qualifying Shareholders in the Open Offer at a discount to the closing mid-market share price on the last dealing day before the details of the Firm Placing and Placing and Open Offer were announced on 28 November 2019. The Offer Price of €1.05 per Open Offer Share represents a 10.3% discount to the closing middle-market price of an Existing Ordinary Share listed on Euronext Amsterdam on the Last Practicable Date (being €1.17).

Qualifying Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at the Offer Price through the Excess Application Facility, up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares held and registered in their name as at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares.

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

4. When will the Placing and Open Offer take place?

The Placing and Open Offer is subject to Admission becoming effective by not later than 8:00 a.m. (GMT) on 23 December 2019 (or such later time and date as the Company and the Joint Underwriters may determine).

5. What is an Application Form?

It is a form sent to those Qualifying Shareholders who hold their Ordinary Shares in certificated form. It sets out your entitlement to subscribe for the Open Offer Shares and contains a form for you to complete if you want to participate.

6. What if I have not received an Application Form?

If you have not received an Application Form and you do not hold your Ordinary Shares in CREST or through Euroclear Nederland, this probably means that you are not eligible to participate in the Open Offer. Some Qualifying Shareholders, however, will not receive an Application Form but may still be able to participate in the Open Offer, including:

- (A) Qualifying CREST Shareholders and Qualifying Euroclear Shareholders;

- (B) Qualifying Non-CREST Shareholders who bought Ordinary Shares before 8:00 a.m. on 29 November 2019 but were not registered as the holders of those Ordinary Shares at the Record Time; and
- (C) certain overseas Shareholders.

7. If I buy Ordinary Shares before 8:00 a.m. on 29 November 2019 (the Ex-Entitlements Date) will I be eligible to participate in the Open Offer?

If you buy Ordinary Shares before 8:00 a.m. on 29 November 2019 (the Ex-Entitlements Date) but you are not registered as the holder of those Ordinary Shares at the Record Time you may still be eligible to participate in the Open Offer. If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to the Open Offer Shares in respect of any Ordinary Shares acquired on or after 8:00 a.m. on 29 November 2019 (the Ex-Entitlements Date).

8. I hold my Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?

CREST members should follow the instructions set out in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document. Persons who hold Ordinary Shares through a CREST member should be informed by the CREST member through which they hold their Ordinary Shares of the number of Open Offer Shares which they are entitled to take up under the Open Offer and should contact them if they do not receive this information.

9. I hold my Ordinary Shares in uncertificated form in Euroclear Nederland. What do I need to do in relation to the Open Offer?

Qualifying Euroclear Shareholders should be informed by the Intermediary through which they hold their Euroclear Shares of the number of Open Offer Shares for which they are entitled to apply under the Open Offer. Qualifying Euroclear Shareholders should contact their Intermediary if they have received no information in relation to their Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements. If a Qualifying Euroclear Shareholder wishes to apply for Open Offer Shares under the Open Offer, it must instruct its Intermediary with respect to application and payment (in euro) in accordance with the procedures of that Intermediary, which will be responsible for instructing the Subscription Agent accordingly.

10. I hold my Ordinary Shares in certificated form. How do I know I am eligible to participate in the Open Offer?

If you receive an Application Form and, subject to certain limited exceptions, are not a holder with a registered address in a Restricted Jurisdiction or the United States, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Ordinary Shares before 8:00 a.m. on 29 November 2019 (the Ex-Entitlements Date).

11. I hold my Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?

If you hold your Ordinary Shares in certificated form and, subject to certain limited exceptions, do not have a registered address in a Restricted Jurisdiction or the United States, you will be sent an Application Form that shows:

- in Box 1, how many Ordinary Shares you held at the Record Time;
- in Box 2, how many Open Offer Shares are comprised in your Open Offer Entitlements;
- in Box 3, how much you need to pay in euro and sterling if you want to take up your right to subscribe for all your Open Offer Entitlements; and

- in Box 4, how many Excess Open Offer Shares you can apply for under the Excess Application Facility.

If you would like to apply for any or all of the Open Offer Shares and/or Excess Open Offer Shares comprised in your Open Offer Entitlements and/or Excess Open Offer Entitlements, you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker's draft drawn in the appropriate form, in the accompanying pre-paid envelope or returned by post to the SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom so as to be received by 11:00 a.m. on 19 December 2019 or returned by hand (during normal office hours only) so as to be received by SLC Registrars by no later than 11:00 a.m. on 19 December 2019, after which time Application Forms will not be valid.

12. I hold my Ordinary Shares in certificated form and am eligible to receive an Application Form. What are my choices in relation to the Open Offer?

(a) *If you do not want to take up your Open Offer Entitlements or Excess Open Offer Entitlements*

If you do not want to take up your Open Offer Entitlements or your Excess Open Offer Entitlements you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares and/or Excess Open Offer Shares you could have taken up are sold, as would happen under a rights issue provided the price at which they are sold exceeds the costs and expenses of effecting the sale. You cannot sell your Open Offer Entitlements or Excess Open Offer Entitlements to anyone else. If you do not return your Application Form subscribing for the Open Offer Shares and/or Excess Open Offer Shares to which you are entitled by 11:00 a.m. on 19 December 2019, we have made arrangements under which we have agreed to issue the Open Offer Shares to the Conditional Placees subject to the Excess Application Facility. Qualifying Shareholders are, however, encouraged to vote at the General Meeting by attending in person or completing and returning the Form of Proxy enclosed with this document.

If a Qualifying Shareholder who is not a Placee does not take up any of his Open Offer Entitlements or Excess Open Offer Entitlements, such Qualifying Shareholder's holding, as a percentage of the enlarged share capital, will be diluted by 27.2% as a result of the Firm Placing and Placing and Open Offer.

(b) *If you want to take up some but not all of the Open Offer Shares and/or Excess Open Offer Shares under your Open Offer Entitlements and/or Excess Open Offer Entitlements*

If you want to take up some but not all of the Open Offer Shares under your Open Offer Entitlements, you should write the number of Open Offer Shares you want to take up in Box A of your Application Form; for example, if you have Open Offer Entitlements for 50 New Ordinary Shares but you only want to apply for 25 New Ordinary Shares, then you should write '25' in Box A.

You may only apply for Excess Open Offer Shares under the Excess Application Facility if: (i) you have agreed to take up your Open Offer Entitlements in full; or (ii) fewer than 7 (but at least one) Existing Ordinary Shares were held and registered in your name as at the Record Time. If you want to take up some but not all of the Excess Open Offer Shares under your Excess Open Offer Entitlements, you should write the total number of Open Offer Shares and Excess Open Offer Shares you want to take up in Box A of your Application Form; for example, if you have Open Offer Entitlements for 50 New Ordinary Shares and Excess Open Offer Entitlements for 150 New Ordinary Shares but you only want to apply for 100 New Ordinary Shares, then you should write '100' in Box A. An application for Excess Open Offer Shares will only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that your application for Excess Open Offer Shares will be met in full or in part or at all.

To work out how much you need to pay for the New Ordinary Shares, you need to multiply the number of New Ordinary Shares you want (in this example, '100') by €1.05 (being 105 cents) giving you an amount of €105, in this example. You should write this total sum in Box B, rounding down to the nearest whole euro cent and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope by post or by hand (during normal office hours only), to SLC Registrars (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Registrar by no later than 11:00 a.m. on 19 December 2019, after which time Application Forms will not be valid.

All payments may be in sterling or euro and made by cheque or banker's draft made payable to "SLC Registrars re Accsys Technologies" and crossed "A/C payee only". Terms for subscription and payment in sterling are set out in section 4.4 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document. Cheques or banker's drafts must be drawn on an account at a bank or building society or a branch of a bank or building society which must be in the UK, the Channel Islands or the Isle of Man and which is either a settlement member of Cheque & Credit Clearing Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by either of those companies. Cheques and banker's drafts must bear the appropriate sorting code number in the top right-hand corner and must be for the full amount payable on application. Post-dated cheques will not be accepted. Cheques drawn on a non-UK bank will be rejected. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the full name of the building society or bank account holder and has added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as the name of the Shareholder. Cheques or banker's drafts will be presented for payment upon receipt. Payments via CHAPS, BACS or electronic transfer will not be accepted. The Company reserves the right to instruct SLC Registrars to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 8 January 2020.

(c) ***If you want to take up all of your Open Offer Entitlements and/or Excess Open Offer Entitlements***

If you want to take up all of the Open Offer Shares and/or Excess Open Offer Shares to which you are entitled, all you need to do is sign page 1 of the Application Form (ensuring that all joint holders sign (if applicable)) and send the Application Form, together with your cheque or banker's draft for the amount (as indicated in Box 3 of your Application Form), payable to "SLC Registrars re Accsys Technologies" and crossed "A/C payee only", in the accompanying pre-paid envelope by post or by hand to SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom so as to be received by SLC Registrars by no later than 11:00 a.m. on 19 December 2019, after which time Application Forms will not be valid. If you post your Application Form, it is recommended that you allow sufficient time for delivery.

13. I am a Qualifying Shareholder, do I have to apply for all the Open Offer Shares and/or Excess Open Offer Shares I am entitled to apply for?

No. You can take up any number of the Open Offer Shares allocated to you under your Open Offer Entitlements or none. If you have agreed to take up your Open Offer Entitlements in full, or fewer than 7 (but at least one) Existing Ordinary Shares were held and registered in your name as at the Record Time, you can also take up any number of the Excess Open Offer Shares allocated to you under your Excess Open Offer Entitlements.

Any applications by a Qualifying Shareholder for a number of Open Offer Shares which is equal to or less than that person's Open Offer Entitlements will be satisfied, subject to the Open Offer becoming unconditional. If you decide not to take up all of the Open Offer Shares comprised in your Open Offer Entitlements, then your proportion of the ownership and voting interest in the Company will be reduced to a greater extent than if you had decided to take up your full entitlement. Please refer to answers (a), (b) and (c) of question 12 for further information.

An application for Excess Open Offer Shares will only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that your application for Excess Open Offer Shares will be met in full or in part or at all.

14. Will I be taxed if I take up my entitlements?

If you are resident in the United Kingdom for tax purposes, you will not have to pay UK tax when you take up your right to receive New Ordinary Shares, although the Firm Placing and Placing and Open Offer will affect the amount of UK tax you may pay when you sell your Ordinary Shares.

Further information for Qualifying Shareholders in the United Kingdom or the Netherlands for tax purposes is contained in section 14 of Part XI (Additional Information) of this document. **Qualifying Shareholders who are in any doubt as to their tax position or who are subject to tax in any jurisdiction other than the United Kingdom or the Netherlands should consult their professional advisers immediately.**

15. What happens if I apply for Open Offer Shares and/or Excess Open Offer Shares and the Issue does not proceed?

(a) *If you hold your Ordinary Shares in certificated form*

If the Firm Placing and Placing and Open Offer do not proceed for any reason, application monies will be returned (at the applicant's sole risk, including any exchange rate risk), either as a cheque by first class post to the address set out on the Application Form or to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, without payment of interest, as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

(b) *If you hold your Ordinary Shares in uncertificated form (that is, through CREST)*

If the Firm Placing and Placing and Open Offer do not proceed for any reason, the Open Offer Entitlements and/or Excess Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

(c) *If you hold your Ordinary Shares through Euroclear Nederland*

If the Firm Placing and Placing and Open Offer do not proceed for any reason, the Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements to which you are entitled will be disabled and the Subscription Agent will refund the amount paid by the Intermediary through whom you hold your interest in Euroclear Shares, without interest, as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

16. What should I do if I live outside the United Kingdom or the Netherlands?

Your ability to apply to subscribe for Open Offer Shares and Excess Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlements and/or Excess Open Offer Entitlements. Shareholders with registered addresses in the United States or any Restricted Jurisdiction are, subject to certain limited exceptions, not eligible to

participate in the Open Offer. Your attention is drawn to the information in Part X (Overseas Shareholders) of this document.

17. Further assistance

If you have any other questions, please telephone the Shareholder Helpline on +44 (0)1903 706150. This helpline is available between the hours of 9:00 a.m. and 5:00 p.m. Monday to Friday (excluding bank holidays). Calls from within the United Kingdom are charged at the standard geographic rate. International call charges will apply if you are calling from outside the United Kingdom. Please note that, for legal reasons, the Shareholder Helpline is only able to provide information contained in this document (other than information relating to the Company's register of members) and, as such, will be unable to give advice on the merits of the Firm Placing and Placing and Open Offer or to provide financial advice. Shareholder Helpline staff can explain the options available to you, which forms you need to fill in and how to fill them in correctly.

Your attention is drawn to the further terms and conditions in Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) of this document and (in the case of Qualifying Non-CREST Shareholders) in the Application Form.

PART VII

INFORMATION ON THE ACCSYS GROUP

1. Key principal activities

Accsys combines chemistry, technology and ingenuity to make high performance wood products that are both durable and stable, sustainable and which open new opportunities for the global built environment. The Group has two principal products: Accoya® and Tricoya®.

Accoya® is one of the world's leading high performance sustainable woods. It is stable, durable and resists rot. Warranted for 50 years for use above ground and 25 years in ground or freshwater, Accoya®'s properties match or exceed those of the best tropical hardwoods, manufactured from abundantly available, FSC® certified wood species and is Cradle to Cradle Certified™ at the Gold level. Accoya® is the material of choice for a wide range of demanding applications from windows and doors, decking to cladding, bridges to exterior structures and applications that are presently only otherwise feasible with non-sustainable or man-made materials on account of its excellent dimensional stability and Class 1 durability.

Tricoya® wood elements were introduced to the market in 2012. Whilst the production of Tricoya® wood elements has been on a relatively small scale to date, sales have significantly increased year on year since its introduction and extended into more than 25 countries. Tricoya® wood chips are produced using sustainable, FSC® certified wood species and are used to manufacture Tricoya® panel products by the Group's licensees. Tricoya® panels demonstrate significantly enhanced durability and exceptional dimensional stability, allowing specifiers such as architects, designers and joineries greater flexibility and scope when designing. Tricoya® panels are used in a wide variety of applications such as window components and door skins, façade cladding, wet interiors, kitchen carcasses and art installations. Tricoya® is also warranted by licensees for 50 years above ground and 25 years in ground or freshwater. Tricoya® overcomes all of the key shortcomings associated with conventional wood-based panels, including performance failure, suffering in moist environments, swelling and shrinking in response to changes in humidity and being susceptible to degradation due to attack by microorganisms and fungi. Tricoya® panels have similar durability and stability to materials such as fibre-cement, HPL-compact and sheet metal.

The market for Tricoya® panels continues to grow, with the Group's partner MEDITE, who has been responsible for the majority of sales so far, continuing to seed new markets in the UK, Ireland and Northern Europe. This has resulted in sales of Accoya®, which is used in the production of Tricoya® panels, to MEDITE and FINSA increasing by 49% to 12,000m³ during the Group's financial year ended 31 March 2019.

Accoya® and Tricoya® products represent environmentally-friendly building solutions over their full life cycle, made from resources that are abundantly available, fast growing, sustainably sourced and renewable. They are natural building materials that are low maintenance and have qualities that match those of some non-sustainable, resource-intensive man-made materials. Accoya® and Tricoya® products benefit from all the positive attributes of wood (such as sustainability and strength) without the downfalls (such as poor durability and stability).

In October 2019, Accsys became one of the first companies to be awarded the new Green Economy Mark, developed by the London Stock Exchange to recognise London-listed companies that generate between 50% and 100% of their total annual revenues from products and services that contribute to the global green economy.

2. Business structure

The Group's operations comprise four principal business units: (a) the commercial scale Accoya® wood production and sales facility in Arnhem, the Netherlands; (b) the construction and operation of a commercial scale Tricoya® wood chip production and sales facility in Hull, UK; (c) the Group's work with third parties to develop and grow the sales of Accoya® and Tricoya®; and (d) technology, product and intellectual property development.

(a) ***The Arnhem Plant and its expansion***

The Group designed and developed the Arnhem Plant drawing upon the extensive experience it had gained from operating a pilot plant over a period of several years. The Arnhem Plant provides technical validation of the processes and technology required to produce Accoya® and Tricoya® on a commercial basis, providing a platform from which to launch the Group's manufacturing, licensing and other business activities. Physical construction of the Arnhem Plant commenced in April 2006 and the first batch of Accoya® was produced in March 2007. Today the Arnhem Plant has an annual commercial production capacity of approximately 60,000m³ of Accoya®. The Arnhem Plant generates a substantial profit on a standalone basis and, based on historical data, is break even at only approximately 50% of its current capacity.

Accoya® produced in Arnhem is sold across Europe, North America, Australia, New Zealand, China, India and South East Asia, among other regions, under Accoya® distributor, supply and agency agreements.

Due to demand for the product and steady growth in Accoya® sales, notwithstanding the recent addition of a third acetylation reactor in 2018, the Arnhem Plant has again reached maximum annual production capacity. The Group has therefore begun a further process of expansion which includes the addition of Reactor 4, new chemical storage facilities, a new wood stacker and associated automatic wood handling equipment.

The net proceeds of the Firm Placing and Placing and Open Offer will also add to available working capital for utilisation prior to, and immediately following, the completion of the Arnhem Plant expansion. The net proceeds of the Issue in turn will again allow for an increase in the volume and mixture of Accoya® inventory to better service customer needs, as well as optimise production scheduling and contribute to production efficiency.

Further details of the proposed Arnhem Plant expansion are contained in Part V (Chairman's Letter) of this document.

(b) ***Construction and operation of the Hull Plant***

The construction of the first dedicated Tricoya® wood chip acetylation plant in Hull has been substantially progressed since the formation of the Tricoya® Consortium in 2017, with approximately €54 million invested to date and several significant milestones reached. Most of the wood handling aspects of the plant have been constructed and all equipment has been ordered, with most now on site already. TVUK has recruited the first employees who will make up the ongoing operations team of 31, and they are currently planning the commissioning and start-up of the plant.

As previously announced, the delay in building means that TVUK now expects the plant to be operational in the second half of the 2020 calendar year. The lead contractor responsible for the delivery of the project notified TVUK that certain structural engineering issues needed to be addressed. Principally, this entailed the reinforcement of the main tower foundations and steelwork. The issue related to civil works and does not relate to Accsys' Tricoya® acetylation technology, meaning that there is no impact on the long-term expected profitability of the project, with gross margins of approximately 40% expected to be achievable once the plant reaches near capacity levels, which is expected to occur during the financial year ending 31 March 2024. Whilst the issues concerning engineering and related works are being addressed, the delay has resulted in additional forecast costs of approximately €28 million associated with the lead contractor, the project team and related activities being required for a longer period. Of this amount, under the Tricoya® Consortium structure, the Company's expected share amounts to approximately €12 million, with the balance of equity into TTL expected to be funded by other members of the Tricoya® Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, alongside debt funded to TVUK by RBS under the existing RBS Facility Agreement and an additional facility expected to be entered into between TVUK and RBS. As such, the total project cost is expected to amount to a total of approximately €89 million, with approximately €54 million invested to date, including pre-operating costs. These figures represent anticipated funding requirements for the Tricoya® Project and may be subject to change depending on a number of factors, including reaching final agreement on the additional costs

to complete the Tricoya[®] Project, the willingness and ability of the other members of the Tricoya[®] Consortium, MEDITE and BP Chemicals to fund their expected respective share of those additional costs and the ability of TVUK to obtain any additional financing on commercially acceptable terms. Accordingly, the figures presented herein may differ from the capital expenditure ultimately incurred. Your attention is also drawn to the risk factors set out in Part II (Risk Factors) of this document, which you should read carefully and in full. The Directors believe that the various estimates and assumptions on which the figures relating to the Tricoya[®] Project presented herein are based are reasonable given the status of the project and the continued commitment of the Tricoya[®] Consortium, MEDITE and BP Chemicals to achieve the market potential of Tricoya[®], supported by strong commercial incentives (as discussed in the section headed “Further financing of TVUK” in section 8(g) of Part XI (Additional Information)).

The RBS Facility Agreement, a summary of which is set out in section 8(n) of Part XI (Additional Information) of this document, contains certain obligations and other provisions, including events of default, relating to the timing and manner of funding any cost overruns by TVUK in relation to the construction of the Hull Plant. The inability of TVUK to hitherto fund the cost overruns referred to above with equity has resulted in a technical breach by TVUK of the RBS Facility Agreement. However, RBS has not taken any action to enforce any right or remedy under the RBS Facility Agreement in connection with this technical breach, has continued to fund TVUK and has confirmed in discussions that it remains supportive of the Tricoya[®] Project. As explained above, the balance of equity required to meet such cost overruns is expected to be funded into TTL by the other members of the Tricoya[®] Consortium and then into TVUK by TTL, MEDITE and BP Chemicals, all of which remain committed to achieving the market potential of Tricoya[®], at which point TVUK is expected to cure the technical breach under the RBS Facility Agreement.

Once commissioned, the Company anticipates that demand from MEDITE and FINSA will utilise the majority of the capacity of the Hull Plant as it ramps up operation. Under a committed off-take agreement with MEDITE, in the first year of production at the Hull Plant, a minimum of 6,000 tonnes of Tricoya[®] wood chips, representing 20% of the Hull Plant design capacity, is to be sold or paid for by MEDITE. As production at the plant ramps up, this off-take agreement provides for the ramp up in MEDITE’s commitment, reaching a minimum of 12,000 tonnes of Tricoya[®] per annum, representing 40% of total design capacity, by year six. The Hull Plant has a targeted annual production capacity of 30,000 metric tonnes of acetylated Tricoya[®] chips per annum, enough to produce approximately 40,000m³ of Tricoya[®] panel products per annum. It is expected to take approximately three years to reach full capacity following start-up, after which there will be scope for expansion.

Further details of the Hull Plant are contained in Part V (Chairman’s Letter) of this document.

(c) ***Working with third parties to develop and grow Accoya[®] and Tricoya[®]***

The Company invests in its relationships with third parties at every level of the business, with an emphasis on those who are able to help the Company to develop its technology and products and their position in the market. Such third parties include equipment manufacturers, wood suppliers, testing and certification bodies and other system supply specialists.

The Group engages with third parties in its acetylated wood manufacturing activities and in the licensing of its technology. Where possible and appropriate, the Group also intends to engage with partners as an equity participant in third party plants operating under licence from the Group. In parallel, the Group aims to continue to grow the service side of its business by providing revenue-generating sales and marketing, engineering, technical and operational support to third party Accoya[®] and Tricoya[®] licensees, enabling them to develop and grow their Accoya[®] or Tricoya[®] businesses as effectively as possible.

In addition to licence agreements for the construction of the plants to exploit Accoya[®] in China and the ASEAN territories (entered into with Diamond Wood China Limited) and in Europe (entered into with Cerdia Production) the Group is currently evaluating the feasibility of a new Tricoya[®] wood chip production plant in Malaysia with a potential joint venture partner, PCG. In addition, the Group is

working with Eastman Chemical Company (“**Eastman**”) to evaluate the feasibility of jointly constructing and operating an Accoya® wood production facility in North America (the “**Project**”). Eastman is the world’s largest producer of acetic anhydride, the key chemical used in the production of acetylated wood. By establishing a production plant in the US, Accsys would be able to provide increased volumes of locally-produced Accoya®, supply new customers, and improve logistical efficiency in the region. A decision as to whether or not to proceed with the next stage of the Project is expected to be taken by each party following conclusion of the evaluation, and subject to entering into legally binding agreements, during the course of 2020.

(d) ***Technology, product and intellectual property development***

The Company continues to undertake R&D and product development activities in order to generate future revenue growth. In particular, the Directors believe that the development of new products remains an important element of the Group’s manufacturing and licensing strategy. R&D activities are anticipated to include the development of coloured Accoya®, the development of an acetyls programme focusing on maximising the value of the acetic acid bi-product as well as the continued development of the application of acetylation to other solid wood applications.

The Group continues to focus on and invest in the generation and protection of intellectual property relating to the innovation associated with its acetylation processes and products, seeking to ensure ongoing differentiation and competitive advantage in the market place. Whilst each new innovation is carefully considered, patenting and/or maintaining valuable know-how as a trade secret remains the typical route through which the Group’s innovation is protected.

The Group has an extensive patent portfolio and has increased its number of patent family members in the recent period to 329, in over 40 countries. The Group now holds 167 granted patents, including in relation to key technologies, in various countries throughout the world. Research and development resources are employed to maximise the scope of the Group’s patent rights not only to cover the products that the Group and its distributors and licensees currently sell and the processes by which these products are currently made, but also to strengthen the exclusive rights conferred by granted product and process patents.

Management of the Group’s valuable know-how remains an essential element of safeguarding the Group’s innovations and market position, with confidentiality protocols in place to prevent unauthorised access to such know-how. The Group also places contractual obligations on third parties collaborating with it, with a particular focus on minimising risks by ensuring know-how is only shared when necessary.

The Group’s well-established trademark portfolio continues to grow geographically and covers the key distinctive brands Accoya®, Tricoya® and the unique “Trimarque Device” trademarked logo under which products are marketed, alongside the corporate Accsys brand, including transliterations in Arabic, Chinese and Japanese. All of the Group’s key brands have now been registered in over 60 countries, becoming valuable and recognisable names in the timber and panel industries.

3. Current trading and prospects

The Group today also announced its interim results for the six months from 31 March 2019 to 30 September 2019. In that announcement, the Group stated that demand for Accoya® was strong, with sales from Arnhem reaching 28,113m³, increasing from 21,379m³ in the six months to 30 September 2018 and increasing by 16.5% in the 12 months to 31 March 2019, notwithstanding price increases implemented to manage demand, which also increased margins.

Furthermore, with the Arnhem Plant now operating at or near maximum production capacity of approximately 60,000m³ per annum, in the six months from 31 March 2019 to 30 September 2019, total revenue for the Group increased 39% to €44 million compared with the same period in the previous year.

The increase in sales volumes is attributable to consistent and growing demand for the Group’s products, with sales volumes at present limited only by the Group’s manufacturing capacity throughout the year, even

after the expansion of the Arnhem Plant by the addition of a third acetylation reactor in 2018. The Company continues to effectively manage this situation, with all customers being on allocation and as the Company works to increase its production capabilities and the market for Accoya® in the longer term, the Company is supported by the knowledge that Accsys offers a specialty product that its distributors can sell at consistently high margins throughout the cycle.

Underlying EBITDA for the six months ended 30 September 2019 was €2.5 million (2018: €(1.4) million). Group revenues increased by 39% over this period, evidencing continued strong demand for the Group's Accoya® and Tricoya® products. Gross margin improved to 29.1% in the first half (September 2018: 22.2%), positively impacted by higher volumes, an improved product mix and higher selling prices. Accoya® underlying EBITDA increased by 171% to €7.6 million for the first half (September 2018: €2.8m), showing the benefit of the third Accoya® reactor coming on stream.

Net debt as at 30 September 2019 was €59.3m. The net proceeds of the Issue are expected to result in a significant reduction in net debt in the short term. While the majority of the net proceeds are expected to be invested in the Hull Plant and the further expansion of the Arnhem Plant, the investment in the fourth Accoya® acetylation reactor will take place over the next two years. The Company is targeting further gross profit growth in the short to medium term, in particular as the Company benefits from the expansion projects, resulting in an improved EBITDA to net debt ratio.

There has been no significant change in the financial performance of the Group since 30 September 2019, the date to which the Company's last unaudited condensed consolidated interim financial statements incorporated into this document by reference, as explained in Part XII (Documentation Incorporated by Reference), are prepared.

The Group's interim results for the six months from 31 March 2019 to 30 September 2019, coupled with the Firm Placing and Placing and Open Offer, mark an exciting and important milestone for the Company and the Directors expect to build upon the 12 months of positive EBITDA trading with real momentum across the Group. Accsys is now well positioned to take advantage of its sustainable products and substantial market opportunity.

The second half of the financial year has started well and the Directors expect this to benefit from production at capacity levels as well as further improvement to the Group's sales product mix. The Group is targeting further improvement to gross margins over the medium term, with the anticipated benefit from the Hull Plant becoming operational, enabling an increase in higher-priced sales to replace the volume currently being sold to Tricoya® licensees.

The expansion of the Arnhem Plant by the addition of a fourth reactor and the completion of the Hull Plant will enable Accsys to significantly increase its sales over time, targeting Group revenues of €160 million over the medium term. While the significant increase in production capacity enables the Group to grow to meet increasing demand, the Directors believe it is essential to plan for the next phase of expansion and will continue to develop the discussions concerning potential new manufacturing plants in the US and Malaysia.

4. Markets

The Directors believe the potential market for Accoya® and Tricoya® to be in excess of 2.6 million cubic metres annually. In the financial year ended 31 March 2019, the Company sold 49,716 cubic metres of Accoya®, however the Directors believe that the total global solid wood market exceeds 450 million cubic metres annually and that Accoya® demand in excess of 1 million cubic meters annually are achievable in the longer term.

Accoya® captures the market share in those applications which require high-performing, long-lasting, sustainable products. The impressive durability and stability benefits of Accoya® are highly valued in top-end applications.

The majority of the Company's Accoya® sales are to a network of timber distributors which in turn supply a variety of industries, principally for joinery (windows and doors) and for decking and cladding. As Accoya®

output increases, the Board expects other sales opportunities to develop as Accsys becomes able to meet the demands of larger scale manufacturers and as it continues to develop products and their applications.

Tricoya[®] panels' enhanced performance and moisture resistance makes them particularly suited to external applications including façades and cladding, soffits and eaves, exterior joinery, wet interiors, door skins, flooring, signage and marine uses. Tricoya[®] displaces alternative more expensive or less easily handled products and opens up major new market opportunities in the construction sector.

The global market for Tricoya[®] panel products is estimated by the Directors to be in excess of 1.6 million cubic metres and up to approximately 4.5 million cubic metres per annum. This would equate to around 1.5% of global MDF manufacturing capacity.

Both Accoya[®] and Tricoya[®] offer environmental advantages which enable them to compete with a variety of other less sustainable wood and man-made products. The Directors believe that this will become more important as global attention increases in respect of the potential harm that other products, such as plastics and micro plastics, can cause.

5. Regulatory environment

There have been no material changes in the Company's regulatory environment since the period covered by the latest published audited financial statements.

6. Dividend policy

The Board deems it prudent for the Company to maintain as strong a financial position as possible during the current phase of the Company's growth strategy. Accordingly, the Board does not expect to declare a dividend in respect of the current financial year.

7. Capitalisation and indebtedness

The following tables show the Group's indebtedness as at 30 September 2019 and the capitalisation as at 30 September 2019.

	€'000
Indebtedness⁽¹⁾	
Current debt	
– Guaranteed	–
– Secured ⁽²⁾	6,018
– Unguaranteed/unsecured	930
Total current debt	6,948
Non-current debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured ⁽²⁾	33,145
– Unguaranteed/unsecured	22,494
Total non-current debt (excluding current portion of long-term debt)	55,639
Total indebtedness at 30 September 2019	62,587

(1) This statement of indebtedness has been extracted without material adjustment from the Group's unaudited underlying accounting records at 30 September 2019.

(2) Current secured debt comprises obligations under finance lease and the amounts payable under the Cerdia Production Loan Agreement, the ABN Loan Agreement, the ABN Lease Loan Agreement and the RBS Facility Agreement. Non-current secured debt comprises obligations under finance lease and the amounts payable under the Cerdia Production Loan Agreement, the ABN Loan Agreement, the ABN Lease Loan Agreement and the RBS Facility Agreement.

	€'000
Capitalisation ⁽¹⁾⁽³⁾	
Share capital – ordinary shares	5,900
Share premium account	145,429
Own shares	–
Legal reserves ⁽²⁾	106,855
Other reserves	2,366
Total capitalisation at 30 September 2019	260,550

(1) This statement of capitalisation has been extracted without material adjustment from the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019.

(2) Legal reserves include capital redemption reserve and merger reserve.

(3) This does not include accumulated loss, foreign currency translation reserve and non-controlling interests.

There has been no material change to the Group's total indebtedness since 30 September 2019 or to the Group's total capitalisation since 30 September 2019.

The following table sets out the Group's net financial indebtedness at 30 September 2019:

	€'000
Net financial indebtedness⁽¹⁾⁽²⁾	
Cash	3,301
Cash equivalents	–
Trading securities	–
Liquidity	3,301
Current financial receivable	–
Current bank debt	–
Current portion of non-current debt	(6,059)
Other current financial debt ⁽³⁾	(889)
Current financial debt	(6,948)
Net current financial indebtedness	(3,647)
Non-current loans	(51,528)
Bonds issued	–
Other non-current debt ⁽⁴⁾	(4,111)
Non-current financial indebtedness	(55,639)
Net financial indebtedness as at 30 September 2019	(59,286)

(1) This statement of net financial indebtedness has been extracted without material adjustment from the Group's unaudited underlying accounting records at 30 September 2019.

(2) The Group has no indirect or contingent indebtedness at 30 September 2019.

(3) This includes obligations under finance lease.

(4) This includes obligations under finance lease and the amount payable under the Cerdia Production Loan Agreement.

8. Directors

The Company has been able to draw upon an experienced team of engineering professionals with backgrounds in process, chemical, mechanical and textile engineering, micro-fibre technology, wood science and cellulose chemistry. Members of this team have successfully obtained patents or been named as the inventor in relation to chemical manufacturing processes, wood and chip technology, and new products made from cellulosic materials.

In addition to technological expertise, the Company's management team has experience ranging from very large multinationals to entrepreneurial start-ups. Experience includes managing fast-growing businesses as well as the construction, engineering and commissioning of new plants, operational plant management, raw materials procurement and product marketing.

Patrick Shanley (aged 65) is Chairman

Patrick, born April 1954, has extensive board room experience in the chemicals sector, having previously been Chief Financial Officer of Courtaulds plc and Acordis bv, Chief Executive Officer of Corsadi bv, Chairman of Cordenka Investments bv and Chairman of Finacor bv. Patrick began his career working for British Coal where he qualified as a Chartered Management Accountant. He has a strong operational, restructuring, merger and acquisition background within a manufacturing environment. With effect from 2 December 2015, Patrick has been appointed Non-executive Chairman of Gattaca plc.

At the annual general meeting of the Company held in 2019, Patrick's re-election as a Director was approved for a further term. Consequently, as at the date of this document, Patrick has served on the Board for nine years. It is considered best corporate governance practice for a Chairman to step down from the Board after nine years unless there are special circumstances. The Board fully supports the adoption of best corporate governance practice and, whilst not mandatory under the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), Patrick intends to step down as Chairman in the near term. However, to allow for continuity, stability and over-sight as the Company looks to bed-in its new CEO, Robert Harris, the Board believes it to be in the best interests of shareholders for Patrick to step down once the new CEO has had a suitable period within the business. It is expected that this will be before the end of the 2020 calendar year.

Paul Hugh Anthony Clegg (aged 59) is CEO (outgoing)

Paul, born May 1960, assumed the role of CEO on 1 August 2009. Paul had been a non-executive director of the Group since April 2009 and had been working with the Group as part of the Chairman's Office since mid-2008. Prior to this, he was CEO of Cowen International, subsequent to its sale by Société Générale in 2006. Before this, he ran SG Cowen International, part of the Société Générale Group, from 2000 to 2006.

Paul started in investment banking in 1981 at The First Boston Corporation. Since then he has held senior positions at various investment banks including James Capel and Schroders. Paul is also a non-executive director at Peel Hunt LLP, as well as being Chairman of TTL and TVUK.

In June 2019, the Company announced that Paul will step down as CEO and a Board member on 31 December 2019 after ten years in the role.

Robert (Rob) Harris (aged 55) is CEO (incoming)

The Company recently announced the appointment of Rob as CEO with effect from 20 November 2019. Rob brings significant experience from across several industrial sectors, including chemicals, oil, metals, renewables and speciality products. Rob initially spent nearly 20 years with BP plc and Exxon-Mobil. Whilst at BP, Rob was responsible for the successful research, development and commercialisation of an international market-leading wood treatment chemicals business. Rob has subsequently held a number of senior roles, including with manufacturers British Vita, Nippon Glass and Reliance Industries, a Fortune 500 Industrial company and the largest private sector corporation in India.

Most recently, Rob was CEO, Europe at Eco-Bat Technologies Limited, a global energy storage product recycling business with sustainable values and annual revenues exceeding £1 billion. During his tenure at Eco-Bat, Rob helped transform the business, both in strategic repositioning and significantly improving profitability and cash flow.

Rob will join the Board as a director shortly following the publication of this document.

William Bickerton Rudge (aged 42) is Finance Director

William, born February 1977, was the Financial Controller for the Company since joining the Company in January 2010 before being appointed Finance Director on 1 October 2012. Prior to this he qualified as a chartered accountant with Deloitte in 2002 and subsequently gained a further six years' experience in Deloitte's audit and assurance department, focusing on technology companies including small growth companies and multinational groups. William spent a year working at Cadbury plc, including as financial controller at one of its business units, before joining the Company in 2010.

Montague (Nick) John Meyer (aged 74) is a Non-executive Director

Nick, born December 1944, has extensive board room experience in the timber industry, having previously been Chairman of Montague L Meyer Limited and Deputy Chairman and Chief Executive of Meyer International plc. Nick is currently Executive Chairman of Consolidated Timber Holdings Limited, an innovative and substantial group of companies which imports, distributes and processes sustainable timber and timber products. Nick is also a former president of the Timber Trade Association of the United Kingdom.

Susan (Sue) Jane Farr (aged 63) is a Non-executive Director

Sue, born Leap Year Day 1956, is a highly experienced marketing and communications professional who joined the Accsys Board in November 2014. Sue has been part of the executive management team at Chime Communications plc since 2003. Prior to that she was Europe MD of leading PR firm Golin Harris, the BBC's first ever Director of Marketing and Communications, and Director of Corporate Affairs for Thames Television. She is a non-executive director of British American Tobacco plc, DNEG Limited and Helical plc. She was a non-executive director of Motivcom plc from 2008-2014 and a Trustee of the Historic Royal Palaces from 2007-2013. She has been Chairman of both the Marketing Group of Great Britain and The Marketing Society. A previous Advertising Woman of the Year, she was awarded a Honorary Doctorate by the University of Bedfordshire in 2010.

Michael Sean (Sean) Christie (aged 62) is a Non-executive Director

Sean, born October 1957, is currently a non-executive director of Optibiotix Health plc, Applied Graphene Materials plc and Turner and Townsend Ltd. Previously he was Group Finance Director of Croda International plc from 2006-2015, a global manufacturer of speciality chemicals. Prior to joining Croda in 2006, Sean was Group Finance Director of Northern Foods plc. He also served as a non-executive director of KCOM Group plc until 2007 and of Cherry Valley Farms Limited until its sale in 2010. He is a Fellow of both the Chartered Institute of Management Accountants and the Association of Corporate Treasurers. Sean has extensive knowledge of all aspects of finance and strategy in major businesses and is an experienced Audit Committee Chairman.

Geertrui (Trudy) Elizabeth Schoolenberg (aged 61) is a Non-executive Director and Senior Independent Director

Trudy, born August 1958, has nearly 30 years' experience working for blue-chip companies in the chemicals, engineering and high performance product sectors, including over 20 years with Royal Dutch Shell where she led business strategy and growth plans for Shell Chemicals, a business unit with a multi-billion dollar turnover. She joined the Accsys Board on the 1st April 2018. As well as strategy and growth experience, Dr Schoolenberg has strong operational knowledge, gained both during her time at Shell and thereafter at Akzo Nobel, where following supply chain and research and development roles on Akzo's \$4 billion decorative paints Board, she subsequently had responsibility for delivering a new manufacturing plant in Newcastle. Trudy is currently a non-executive director of The Netherlands Petroleum Stockpiling Agency (COVA), Spirax-Sarco Engineering plc and a non-executive director of high performance material producer, Low & Bonar plc, where she became senior independent director in 2017.

Further information on the Directors is set out in Part XI (Additional Information) of this document.

9. Corporate Governance

In 2018, the Company conducted a review of its corporate governance and sought to determine the most appropriate recognised governance code for it to report against going forward. Following that review, the Company, in line with the majority of AIM companies, adopted the QCA Code which it follows and reports against on a comply-or-explain basis. The Company is currently fully compliant with the recommendations of the QCA Code.

10. Takeovers and mergers

Dutch bidding rules

The Directive on Takeover Bids (2004/25/EC) has been implemented in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and certain rules promulgated thereunder, including the Dutch Decree on Takeover Bids (*Besluit openbare biedingen Wft*). The Dutch takeover provisions are applicable to the Company as the Ordinary Shares are admitted to trading on Euronext Amsterdam, subject to certain exemptions given that the Company is not a company incorporated under the laws of the Netherlands.

In general, under the Dutch takeover provisions, it is prohibited to launch a public offer for securities that are admitted to trading on a Dutch regulated market, such as the Ordinary Shares, unless an offer document has been approved by, in the case of the Company, the AFM and has subsequently been published. The Dutch takeover provisions are intended to ensure that, in the event of a public offer, sufficient information will be made available to the Shareholders, that the Shareholders will be treated equally, that there will be no abuse of inside information and that there will be a proper and timely offer period. The Dutch takeover provisions regarding mandatory takeover bids, in terms of when a mandatory takeover bid is triggered, do not apply to the Company, as the Company is not incorporated under the laws of the Netherlands. However, matters concerning the consideration offered and matters relating to the offer procedure are governed by the Dutch takeover provisions, also in the event of a mandatory takeover bid.

UK City Code on Takeovers and Mergers

The City Code on Takeovers and Mergers is issued and administered by the Takeover Panel. The Takeover Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers and merger transactions pursuant to the Directive on Takeover Bids (2004/25/EC) (the “**Takeovers Directive**”). Following the implementation of the Directive on Takeover Bids by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules in the City Code, which are derived from that Directive, now have a statutory basis.

The City Code applies to all takeovers and merger transactions, howsoever effected, where, among other things, the offeree company is a public company (except an open-ended investment company) which has its registered office in the United Kingdom, the Channel Islands or the Isle of Man.

However, the City Code only applies to the Company in respect of matters relating to the information to be provided to its employees and matters relating to company law (in particular the percentage of voting rights which confers control and any derogation from the obligation to launch an offer, as well as the conditions under which the Board may undertake any action which might result in the frustration of an offer). This includes Rule 9 of the City Code, under which any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with such person are interested) carry 30% or more of the voting rights of a company subject to the City Code, must make a general offer in cash to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by such person and any person acting in concert with that person. An offer under Rule 9 of the City Code must be in cash or be accompanied by a cash alternative at not less than the highest price paid within the 12 months prior to the announcement of the offer for any shares by the person required to make the offer or any person acting in concert with that person.

In relation to matters concerning the consideration offered (in particular the price) and matters relating to the offer procedure (in particular the information on the offeror’s decision to make an offer, the contents of the offer document and the disclosure of the offer) the Dutch takeover provisions, as described above, will apply.

For the purposes of the City Code:

- “**persons acting in concert**” comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company; and
- “**control**” means an interest, or interests, in shares carrying in aggregate 30% or more of the voting rights of a company, irrespective of whether such interest or interests give *de facto* control.

In the event that the Takeovers Directive ceases to apply in the UK, it is expected that the City Code will apply in full to any offer for the Company.

11. Taxation

Your attention is drawn to section 14 of Part XI (Additional Information) of this document. If you are in any doubt as to your tax position, you should consult an appropriate professional adviser without delay.

PART VIII

FINANCIAL INFORMATION RELATING TO THE ACCSYS GROUP

Financial information relating to the Group as at and for the year ended 31 March 2019 and as at and for the six months ended 30 September 2019 is incorporated into this document by reference to the Group's audited consolidated financial statements as at and for the year ended 31 March 2019 and the Group's unaudited interim condensed consolidated financial statements as at and for the six months ended 30 September 2019, as explained in Part XII (Documentation Incorporated by Reference) of this document.

PART IX

TERMS AND CONDITIONS OF THE FIRM PLACING AND PLACING AND OPEN OFFER

1. Introduction

As explained in Part V (Chairman's Letter), the Company is proposing to raise €46.3 million (before expenses), comprising €28.6 million (before expenses) through the issue of 27,239,764 New Ordinary Shares pursuant to the Firm Placing and €17.7 million (before expenses) through the issue of 16,855,474 New Ordinary Shares pursuant to the Placing and Open Offer. The Firm Placing and Placing and Open Offer will be at an offer price of €1.05 per New Ordinary Share. Further details of the Firm Placing and Placing and Open Offer are set out in sections 2 to 11 of this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer).

The Open Offer is an opportunity for Qualifying Shareholders to apply for in aggregate 16,855,474 Open Offer Shares *pro rata* to their current holdings at the Offer Price.

The Conditional Placees have agreed to acquire the Open Offer Shares at the Offer Price subject to clawback in respect of valid applications by Qualifying Shareholders under the Open Offer.

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares. The New Ordinary Shares will together represent approximately 27.2% of the enlarged issued share capital of the Company immediately following the Issue.

As a result of the issue of the New Ordinary Shares, the Company's net assets will be increased by up to approximately €43 million. The issue of the New Ordinary Shares will have no effect on the Company's earnings, save for interest earned on the net proceeds of the Firm Placing and Placing and Open Offer.

2. Terms and conditions of the Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, the Application Form), each Qualifying Shareholder (other than, subject to certain exceptions, Restricted Shareholders and persons in the United States) is being given an opportunity to apply for the Open Offer Shares at the Offer Price (payable in full and free of all expenses) on the following *pro rata* basis:

1 Open Offer Share at €1.05 each for every 7 Existing Ordinary Shares

held and registered in its name as at the Record Time and so in proportion to any other number of Existing Ordinary Shares then held.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' Open Offer Entitlements and will be aggregated and made available under the Excess Application Facility. Accordingly, Qualifying Shareholders with fewer than 7 (but at least one) Existing Ordinary Shares held and registered in their name as at the Record Time will not be entitled to take up any Open Offer Shares but may be able to apply for Excess Open Offer Shares under the Excess Application Facility. Applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements.

Provided they choose to take up their Open Offer Entitlements in full, or fewer than 7 (but at least one) Existing Ordinary Shares were held and registered in their name as at the Record Time, Qualifying Shareholders may also apply for Excess Open Offer Shares, at €1.05 each, through the Excess Application Facility up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares held and registered in their name as at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares. Fractions of Excess Open Offer Shares will not be issued under the Excess Application

Facility and entitlements to apply for Excess Open Offer Shares will be rounded down to the nearest whole number. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all.

The Offer Price represents a discount of approximately 10.3% to the closing middle-market price of an Existing Ordinary Share listed on Euronext Amsterdam on 27 November 2019 (being the Last Practicable Date), being €1.17. The net asset value per Ordinary Share as at 30 September 2019, being the date of the latest balance sheet, was €0.61.

Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating Open Offer Entitlements and Excess Open Offer Entitlements under the Open Offer.

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

The attention of Qualifying Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document or an Application Form into a jurisdiction other than the UK or the Netherlands is drawn to Part X (Overseas Shareholders), which forms part of the terms and conditions of the Open Offer. In particular, subject to the provisions of section 1(d) of Part X (Overseas Shareholders), Restricted Shareholders and persons in the United States will not be sent the Application Forms and will not have their CREST stock accounts or the stock accounts held with Intermediaries via Euroclear Nederland credited with Open Offer Entitlements or Excess Open Offer Entitlements.

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions made, paid or declared in respect of the Ordinary Shares after their issue.

Applications will be made for the New Ordinary Shares to be admitted to listing and trading on Euronext Amsterdam and to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on Euronext Amsterdam and on AIM at 8:00 a.m. (GMT) on 23 December 2019 (whereupon an announcement will be made by the Company to a Regulatory Information Service and sent to Euronext Amsterdam).

The Firm Placing and Placing and Open Offer are being fully underwritten by the Joint Underwriters, subject to the conditions set out in the Underwriting Agreement. The Firm Placing and Placing and Open Offer are conditional upon:

- (A) the passing of the first and third resolutions to be proposed at the General Meeting;
- (B) Admission becoming effective by not later than 8:00 a.m. (GMT) on 23 December 2019 (or such later time and/or date as the Company and the Joint Underwriters may determine); and

- (C) the Underwriting Agreement having become unconditional in all respects and not having been terminated in accordance with its terms prior to Admission.

In the event that these conditions are not satisfied or waived (where capable of waiver), the Firm Placing and Placing and Open Offer will be revoked and will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter.

After Admission, the Underwriting Agreement will not be subject to any condition or right of termination (including in respect of statutory withdrawal rights). A summary of the principal terms of the Underwriting Agreement is set out in section 8(a) of Part XI (Additional Information) of this document. No temporary documents of title will be issued in respect of the Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to the Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 8 January 2020.

The Existing Ordinary Shares are already CREST-enabled and Euroclear Nederland-enabled. No further application for admission to CREST or Euroclear Nederland is required for the New Ordinary Shares. All of the New Ordinary Shares when issued and fully paid may be held and transferred by means of CREST or Euroclear Nederland.

Applications will be made for the Open Offer Entitlements and Excess Open Offer Entitlements to be admitted to CREST and Euroclear Nederland as participating securities. Euroclear UK requires the Company to confirm to it that certain conditions are satisfied before Euroclear UK will admit any security to CREST. As soon as practicable after the satisfaction of these conditions, the Company will confirm this to Euroclear UK. In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Entitlements and Excess Open Offer Entitlements are expected to be credited to their CREST stock accounts, or to the appropriate stock accounts held with Intermediaries via Euroclear Nederland, on 29 November 2019.

Save as otherwise provided in this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer), it is expected that:

- (A) SLC Registrars will instruct Euroclear UK to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than, subject to certain exceptions, Restricted Shareholders and persons in the United States) with such Shareholders' CREST Open Offer Entitlements and Excess CREST Open Offer Entitlements, with effect from 8:00 a.m. (GMT) on 29 November 2019;
- (B) Qualifying Euroclear Shareholders will have their Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements credited to the appropriate stock accounts held with Intermediaries on 29 November 2019, as soon as practicable after the Company has confirmed to Euroclear UK that all the conditions for admission of such rights to CREST have been satisfied;
- (C) in respect of Qualifying CREST Shareholders who validly take up their Open Offer Entitlements and/or Excess Open Offer Entitlements, subject to the conditions above being satisfied, New Ordinary Shares in uncertificated form will be credited to the appropriate stock accounts of such Qualifying CREST Shareholders by 8:00 a.m. (GMT) on 23 December 2019;
- (D) in respect of Qualifying Euroclear Shareholders who validly take up their Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements, subject to the conditions above being satisfied, New Ordinary Shares in uncertificated form will be credited to the stock accounts held with Intermediaries of such Qualifying Euroclear Shareholders by 8:00 a.m. (GMT) on 23 December 2019; and
- (E) share certificates for the New Ordinary Shares will be despatched by 8 January 2020 to Qualifying Non-CREST Shareholders who validly take up their Open Offer Entitlements and/or Excess Open Offer Entitlements. Such certificates will be despatched at the risk of such Qualifying Shareholders.

Qualifying Shareholders taking up their Open Offer Entitlements and/or Excess Open Offer Entitlements will be deemed to have given the representations and warranties set out in section 4.7 below (in the case of

Qualifying Non-CREST Shareholders), section 5.10 below (in the case of Qualifying CREST Shareholders) and section 6.6 below (in the case of Qualifying Euroclear Shareholders) unless, in each case, such requirement is waived by the Company. All Qualifying Shareholders taking up their Open Offer Entitlements and/or Excess Open Offer Entitlements under the Open Offer will be deemed to have given the representations and warranties set out in section 2 of Part X (Overseas Shareholders) of this document.

All documents and cheques posted to or by Qualifying Shareholders and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

The attention of Overseas Shareholders is drawn to Part X (Overseas Shareholders) which forms part of the terms and conditions of the Open Offer.

References to dates and times in this document should be read as subject to adjustment. The Company will make an appropriate announcement to a Regulatory Information Service and send the press announcement to Euronext Amsterdam giving details of the revised dates but Qualifying Euroclear Shareholders may not receive any further written communication.

3. Action to be taken in connection with the Open Offer

The action to be taken in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has received an Application Form in respect of his Open Offer Entitlements and/or Excess Open Offer Entitlements under the Open Offer or has had his Open Offer Entitlements and/or Excess Open Offer Entitlements credited to his CREST stock account or to his stock account held with an Intermediary via Euroclear Nederland.

If you are a Qualifying Non-CREST Shareholder and you are not a Restricted Shareholder or a person in the United States, please refer to section 4 and sections 7 to 11 (inclusive) of this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer).

If you are a Qualifying CREST Shareholder and you are not a Restricted Shareholder or a person in the United States, please refer to section 5 and sections 7 to 11 (inclusive) of this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) and to the CREST Manual for further information on the CREST procedures referred to above.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to apply under the Open Offer in respect of the Open Offer Entitlements and/or Excess Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and/or Excess Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to above.

If you are a Qualifying Euroclear Shareholder and you are not a Restricted Shareholder or a person in the United States, please refer to section 6 and sections 7 to 11 (inclusive) of this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer).

4. Action to be taken in relation to Open Offer Shares represented by Application Forms

4.1 General

Save as provided in Part X (Overseas Shareholders) in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will have received an Application Form with this document.

The Application Forms sent to such persons set out:

- (A) in Box 1, the number of Existing Ordinary Shares held and registered in such persons' name as at the Record Time (on which a Qualifying Non-CREST Shareholder's entitlement to New Ordinary Shares is based);
- (B) in Box 2, the maximum number of Open Offer Shares for which such persons are entitled to apply under the Open Offer, taking into account that they will not be entitled to take up any

fraction of a New Ordinary Share arising when their entitlement was calculated, such fractions being aggregated and made available under the Excess Application Facility;

- (C) in Box 3, how much they would need to pay in euro or sterling if they wish to take up their Open Offer Entitlements in full;
- (D) in Box 4, the maximum number of Excess Open Offer Shares under the Excess Application Facility;
- (E) the procedures to be followed if a Qualifying Non-CREST Shareholder wishes to dispose of all or part of his entitlement or to convert all or part of his entitlement into uncertificated form; and
- (F) instructions regarding acceptance and payment, consolidation, splitting and registration of renunciation.

Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlements in full, or fewer than 7 (but at least one) Existing Ordinary Shares were held and registered in their name as at the Record Time, Qualifying Non-CREST Shareholders may apply for Excess Open Offer Shares should they wish to do so. Applications by Qualifying Non-CREST Shareholders for Excess Open Offer Shares under the Excess Application Facility will be limited to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares held and registered in their name as at the Record Time. Applications under the Excess Application Facility may be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the number of Excess Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility will be met in full or in part or at all.

The instructions and other terms set out in the Application Form constitute part of the terms and conditions of the Open Offer to Qualifying Non-CREST Shareholders.

The latest time and date for acceptance of the Application Forms and payment in full will be 11:00 a.m. on 19 December 2019.

The New Ordinary Shares are expected to be issued on 23 December 2019. After such date the New Ordinary Shares will be in registered form, freely transferable by written instrument of transfer in the usual common form, or if they have been issued in or converted into uncertificated form, in electronic form under the CREST system.

Qualifying Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. Qualifying Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the enclosed Form of Proxy (either in hard copy or by email).

4.2 ***Bona fide market claims***

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Ordinary Shares through the market prior to 8:00 a.m. on 29 November 2019 (the date upon which the Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer). Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims prior to 3:00 p.m. on 17 December 2019.

The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary

Shares prior to the date upon which the Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, being 8:00 a.m. on 29 November 2019, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee.

Qualifying Non-CREST Shareholders who have sold all of their registered holdings prior to the Record Time should, if the market claim is to be settled outside CREST, complete Box 5 on page 4 of the Application Form and immediately send it to the broker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee, or directly to the purchaser or transferee, if known. Subject to certain exceptions, the Application Form should not, however, be forwarded to or transmitted in or into any Restricted Jurisdiction or the United States. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in section 5.2 below.

Qualifying Non-CREST Shareholders who have sold or otherwise transferred part only of their Existing Ordinary Shares shown on Box 1 of their Application Form prior to the Record Time should, if the market claim is to be settled outside CREST, complete Box 5 on page 4 of the Application Form and immediately deliver the Application Form, together with a letter stating the number of Application Forms required (being one for the Qualifying Non-CREST Shareholder in question and one for each of the purchasers or transferees), the total number of Existing Ordinary Shares to be included in each Application Form (the aggregate of which must equal the number shown in Box 1 of the Application Form) and the total number of Open Offer Entitlements to be included in each Application Form (the aggregate of which must equal the number shown in Box 2), to the broker, bank or other agent through whom the sale or transfer was effected or return it by post to SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom so as to be received by 11:00 a.m. on 19 December 2019. The Receiving Agent will then create new Application Forms, mark the Application Forms “Declaration of sale or transfer duly made” and send them by post to the person submitting the original Application Form. The Application Form and this document should not, however, be forwarded to or transmitted in or into any Restricted Jurisdiction or the United States.

4.3 *Application procedures*

Qualifying Non-CREST Shareholders who wish to apply to subscribe for all or any of the Open Offer Shares in respect of their Open Offer Entitlements must return the Application Form in accordance with the instructions thereon. Qualifying Non-CREST Shareholders may only apply for Excess Open Offer Shares under the Excess Application Facility if: (i) they have agreed to take up their Open Offer Entitlements in full; or (ii) fewer than 7 (but at least one) Existing Ordinary Shares were held and registered in their name as at the Record Time. Completed Application Forms should be posted in the accompanying pre-paid envelope (in the UK only) or returned by post or by hand (during normal office hours only) to the Registrar (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Registrar by no later than 11:00 a.m. on 19 December 2019, after which time, subject to the limited exceptions set out below, Application Forms will not be valid. Applications delivered by hand will not be checked upon delivery and no receipt will be provided. Qualifying Non-CREST Shareholders should note that applications, once made, will, subject to the very limited withdrawal rights set out in this document, be irrevocable and receipt thereof will not be acknowledged. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery.

Completed Application Forms should be returned together with a cheque or banker’s draft in euro or sterling made payable to “SLC Registrars re Accsys Technologies” and crossed “A/C payee only”, for the full amount payable on acceptance, by post or by hand (during normal business hours only) to SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom so as to be received as soon as possible and, in any event, not later than

11:00 a.m. on 19 December 2019. A reply-paid envelope for use within the UK only will be sent with the Application Form.

4.4 ***Payment in euro or sterling***

Qualifying Non-CREST Shareholders may pay for any New Ordinary Shares which they wish to take up under the Open Offer in either euro or sterling. If you wish to subscribe for New Ordinary Shares in euro, you should follow the instructions set out below.

If you wish to subscribe for New Ordinary Shares in sterling, you will be required to submit a cheque or banker's draft in accordance with the provisions below for 90 pence for every New Ordinary Share subscribed for. This sum is based upon an exchange rate of £1 = €1.17. This exchange rate has been chosen to seek to ensure, to the extent possible, that, when the payment is converted into euro on the closing date, on conversion there will be sufficient proceeds in euros to meet the total subscription price for the New Ordinary Shares subscribed for under the Open Offer.

SLC Registrars may present any remittance for payment on, or at any time after, receipt. At noon on 19 December 2019 (or as soon as possible thereafter), SLC Registrars will so far as necessary convert the proceeds of the remittance into euro at the best rate then available to them via their bank, HSBC Bank plc. However, the Company reserves the right not to so convert the payment amount.

All payments must be made by cheque or banker's draft in euro or sterling payable to "SLC Registrars re Accsys Technologies" and crossed "A/C payee only". Qualifying Non-CREST Shareholders who wish to pay in sterling should refer to this section 4.4 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer). Third party cheques may not be accepted except building society cheques or banker's drafts where the building society or bank has inserted details of the full name of the building society or bank account holder and have added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as the name of the Shareholder. Cheques or banker's drafts must be drawn on an account at a bank or building society or a branch of a bank or building society which must be in the UK, the Channel Islands or the Isle of Man and which is either a settlement member of Cheque & Credit Clearing Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by either of those companies. Cheques and banker's drafts must bear the appropriate sorting code number in the top right-hand corner. Post-dated cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted.

The Company reserves the right to have cheques and banker's drafts presented for payment on receipt. No interest will be paid on payments made before they are due and any interest on such payments will be paid to the Company. It is a term of the Firm Placing and Placing and Open Offer that cheques must be honoured on first presentation and the Company may elect to treat as invalid any acceptances in respect of which cheques are not honoured. Return of the Application Form with a cheque will constitute a warranty that the cheque will be honoured on first presentation.

If cheques or banker's drafts are presented for payment before the conditions of the Firm Placing and Placing and Open Offer are fulfilled, the application monies will be kept in an interest-bearing account retained for the Company until all conditions are met. If the Firm Placing and Placing and Open Offer do not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Firm Placing and Placing and Open Offer.

If New Ordinary Shares are allotted to a Qualifying Shareholder and a cheque for that allotment is subsequently not honoured, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares on behalf of such Qualifying Shareholder and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and of all amounts payable by such Qualifying Shareholder pursuant to the provisions of this Part IX (Terms and Conditions of

the Firm Placing and Placing and Open Offer) in respect of the acquisition of such shares) on behalf of such Qualifying Shareholder. Neither the Company nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by any Qualifying Shareholder as a result.

All enquires in connection with the Application Forms should be addressed to SLC Registrars on +44 (0)1903 706150. Calls will be charged at the standard geographic rates. Other providers' costs may vary and international call charges will apply if you are calling from outside the United Kingdom.

4.5 ***Discretion as to rejection and validity of acceptances***

If payment is not received in full by 11:00 a.m. on 19 December 2019, the offer to subscribe for Open Offer Shares will be deemed to have been declined and will lapse. However, the Company may, but shall not be obliged to, treat as valid: (a) Application Forms and accompanying remittances that are received through the post not later than 10:00 a.m. on 20 December 2019 (the cover bearing a legible postmark not later than 11:00 a.m. on 19 December 2019); and (b) acceptances in respect of which a remittance is received prior to 11:00 a.m. on 19 December 2019 from an authorised person (as defined in section 31(2) of FSMA) specifying the number of New Ordinary Shares to be acquired and undertaking to lodge the relevant Application Form, duly completed, by 10:00 a.m. on 20 December 2019 and such Application Form is lodged by that time.

The Company may also (in its absolute discretion) treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat as invalid any application or purported application for the New Ordinary Shares pursuant to the Open Offer that appears to the Company to have been executed in or despatched from, or that provides an address for delivery of definitive share certificates for New Ordinary Shares in, a Restricted Jurisdiction or the United States.

4.6 ***Excess Application Facility***

Qualifying Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at €1.05 each through the Excess Application Facility. Qualifying Shareholders may apply for Excess Open Offer Shares up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares held and registered in their name as at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares. Fractions of Excess Open Offer Shares will not be issued under the Excess Application Facility and entitlements to apply for Excess Open Offer Shares will be rounded down to the nearest whole number. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Shareholders will be met in full or in part or at all.

Qualifying Non-CREST Shareholders who wish to apply for Excess Open Offer Shares in excess of their Open Offer Entitlements must complete the Application Form in accordance with the instructions set out on the Application Form.

Each Qualifying Shareholder who has made a valid application for Excess Open Offer Shares under the Excess Application Facility and from whom payment in full for Excess Open Offer Shares has been received will receive a refund in an amount equal to the number of Excess Open Offer Shares applied and paid for but not allocated multiplied by the Offer Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

4.7 *Effect of application*

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form the applicant:

- (i) represents and warrants to each of the Company and the Joint Underwriters that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and the Excess Open Offer Entitlements (if relevant) and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for the Open Offer Shares or the Excess Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with each of the Company and the Joint Underwriters that all applications under the Open Offer and the Excess Open Offer Entitlements (if relevant) and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England and Wales;
- (iii) confirms with each of the Company and the Joint Underwriters that in making the application he is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information contained in this document (including information incorporated by reference);
- (iv) confirms that in making the application he is not relying and has not relied on the Joint Underwriters or any other person affiliated with the Joint Underwriters in connection with any investigation of the accuracy of any information contained in this document or his investment decision;
- (v) confirms to each of the Company and the Joint Underwriters that in making the application he is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, including any documentation incorporated by reference, he will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);
- (vi) represents and warrants to each of the Company and the Joint Underwriters that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements and/or Excess Open Offer Entitlements or that he received such Open Offer Entitlements and/or Excess Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vii) requests that the Open Offer Shares and/or Excess Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and the Application Form, subject to the Articles of Association;
- (viii) represents and warrants to the Company and the Joint Underwriters that, if he has received some or all of his Open Offer Entitlements and/or Excess Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements and/or Excess Open Offer Entitlements by virtue of a *bona fide* market claim;
- (ix) except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation free of any requirement which the Company (in its absolute

discretion) regards as unduly burdensome, represents and warrants to the Company and the Joint Underwriters that:

- (a) he is not, nor is he applying on behalf of any person who/which is:
 - (i) located in;
 - (ii) a citizen or resident of; or
 - (iii) a corporation, partnership or other entity created or organised in or under any laws of,
any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares or Excess Open Offer Shares is prevented by law;
- (b) he is not applying with a view to re-offering, reselling, transferring or delivering any of the Open Offer Shares and/or Excess Open Offer Shares which are the subject of his application to, or for the benefit of, a person who/which is:
 - (i) located in;
 - (ii) a citizen or resident of; or
 - (iii) a corporation, partnership or other entity created or organised in or under any laws of,
any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares or Excess Open Offer Shares is prevented by law; and
- (c) he is not acting on behalf of any such person on a non-discretionary basis or on behalf of any person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares and/or Excess Open Offer Shares under the Open Offer;
- (x) represents and warrants to each of the Company, the Joint Underwriters and the Registrar that:
 - (i) he is not in the United States, nor is he applying for the account of any person who is located in the United States, unless (a) the instruction to apply was received from a person outside the United States and (b) the person giving such instruction has confirmed that (x) it has the authority to give such instruction and either (y) has investment discretion over such account or (z) is an investment manager or investment company and that it is applying for the Open Offer Shares and/or Excess Open Offer Shares in an “offshore transaction” within the meaning of Regulation S; and (ii) he is not applying for the Open Offer Shares and/or Excess Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly of any Open Offer Shares and/or Excess Open Offer Shares into the United States;
- (xi) represents and warrants to each of the Company and the Joint Underwriters that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and
- (xii) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles of Association.

4.8 *Money Laundering Regulations*

To ensure compliance with the Money Laundering Regulations, SLC Registrars may require, at its absolute discretion, verification of the identity of the beneficial owner by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the “**verification of identity requirements**”). If an application is made by a UK-regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any

verification of identity requirements are the responsibility of such broker or intermediary and not of SLC Registrars. In such case, the lodging agent's stamp should be inserted on the Application Form.

The person lodging the Application Form with payment (the "**applicant**"), including any person who appears to SLC Registrars to be acting on behalf of some other person, shall thereby be deemed to agree to provide SLC Registrars with such information and other evidence as SLC Registrars may require to satisfy the verification of identity requirements. Submission of an Application Form shall constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of remittance and an undertaking by the applicant to provide promptly to SLC Registrars such information as may be specified by SLC Registrars as being required for the purpose of the Money Laundering Regulations.

If SLC Registrars determines that the verification of identity requirements apply to any applicant or application, the relevant New Ordinary Shares (notwithstanding any other term of the Firm Placing and Placing and Open Offer) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. SLC Registrars is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and neither SLC Registrars nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, SLC Registrars has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

The verification of identity requirements will not usually apply if:

- (A) the applicant is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (B) the applicant is an organisation required to comply with the EU Money Laundering Directive ((EU) 2015/849) as amended;
- (C) the applicant is a company whose securities are listed on a regulated market subject to specified disclosure obligations;
- (D) the applicant (not being an applicant who delivers his/her application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the Money Laundering Regulations or with a credit institution situated in a non-EEA State which imposes requirements equivalent to those laid down in that directive; or
- (E) the aggregate subscription price for the relevant New Ordinary Shares is less than €15,000 (or its sterling equivalent).

Submission of the Application Form with the appropriate remittance will constitute a warranty to each of the Company and the Joint Underwriters from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

Where the verification of identity requirements apply, please note the following as this will assist in satisfying the requirements. Satisfaction of these requirements may be facilitated in the following ways:

- (i) if payment is made by cheque or banker's draft in euro or sterling drawn on a branch of a bank or building society in the UK and bears a UK bank sort code number in the top right hand corner, the following applies. Cheques, which are recommended to be drawn on the personal

account of the individual investor where they have sole or joint title to the funds, should be made payable to “SLC Registrars re Accsys Technologies” and crossed “A/C payee only”. Third party cheques may not be accepted except for building society cheques or banker’s drafts where the building society or bank has inserted details of the full name of the building society or bank account holder and have added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as the name of the Shareholder;

- (ii) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in sub-paragraph (B) above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, India, Israel, Japan, Korea, Malaysia, Mexico, New Zealand, Norway, the Russian Federation, Saudi Arabia, Singapore, South Africa, Switzerland, Turkey and the US), the agent should provide written confirmation that it has that status with the Application Form(s) and written assurances that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to SLC Registrars and/or any relevant regulatory or investigatory authority; or
- (iii) if an Application Form is lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his address.

To confirm the acceptability of any written assurance referred to in paragraph (ii) above, or in any other case, the applicant should contact SLC Registrars. The telephone number of SLC Registrars is +44 (0)1903 706150. Calls from within the United Kingdom are charged at the standard geographic rate. International call charges will apply if you are calling from outside the United Kingdom.

4.9 *Issue of New Ordinary Shares in certificated form*

Definitive share certificates in respect of the New Ordinary Shares to be held in certificated form are expected to be despatched by post by 8 January 2020, at the risk of the person(s) entitled to them, to accepting Qualifying Non-CREST Shareholders or their agents or, in the case of joint holdings, to the first-named Shareholder, in each case at their registered address (unless lodging agent details have been completed on the Application Form).

5. **Action to be taken in relation to Open Offer Shares in CREST**

5.1 **General**

Save as provided in Part X (Overseas Shareholders) in relation to certain Restricted Shareholders and persons in the United States, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his Open Offer Entitlements equal to the maximum number of Open Offer Shares which he is entitled to apply to acquire under the Open Offer and/or Excess Open Offer Entitlements equal to 10 times the number of Existing Ordinary Shares held and registered in his name as at the Record Time. Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders’ Open Offer Entitlements and will be aggregated and made available under the Excess Application Facility.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Ordinary Shares held at the Record Time by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and/or Excess Open Offer Entitlements have been allocated.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders by 29 November 2019 or such later time as the Company shall decide, Application Forms shall, unless the Company agrees otherwise, be sent out in substitution for the Open Offer Entitlements and Excess

Open Offer Entitlements which have not been so credited and the expected timetable as set out in this document may be adjusted as appropriate. References to dates and times in this document should be read as subject to any such adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates and will send the press announcement to Euronext Amsterdam but Qualifying Euroclear Shareholders may not receive any further written communication.

Qualifying CREST Shareholders who wish to take up all or part of their Open Offer Entitlements and/or Excess Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member, you should consult your CREST sponsor if you wish to take up your entitlements, as only your CREST sponsor will be able to take the necessary action to take up your Open Offer Entitlements and/or Excess Open Offer Entitlements. If you have any queries on the procedure for acceptances and payment, you should contact the Shareholder Helpline on +44 (0)1903 706150, between 9:00 a.m. and 5:00 p.m. Monday to Friday (excluding bank holidays).

In accordance with the instructions of this section 5, the CREST instruction must have been settled by 11:00 a.m. on 19 December 2019.

5.2 *Bona fide market claims*

The Open Offer Entitlements and Excess Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by Euroclear UK's Claims Processing Unit as "cum" the Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlements will thereafter be transferred accordingly. The Excess Open Offer Entitlements will not transfer with the Open Offer Entitlements claim, but will be transferred as a separate claim. Euroclear UK's Claims Processing Unit will not generate market claims for the Excess CREST Open Offer Entitlements. Qualifying CREST Shareholders claiming Excess CREST Open Offer Entitlements by virtue of a *bona fide* market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of Excess CREST Open Offer Entitlements to their CREST account.

Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess Open Offer Entitlements credited to CREST, and allocated to the relevant Qualifying Shareholder, will be transferred to the purchaser. Please note that an additional Unmatched Stock Event ("**USE Instruction**") must be sent in respect of any application under the Excess Application Facility.

A Qualifying CREST Shareholder who has made a valid application for Excess Open Offer Shares under the Excess Application Facility which is not met in full, and from whom payment in full for Excess Open Offer Shares has been received, will receive a euro amount equal to the number of Excess Open Offer Shares applied and paid for, but not allocated to, the relevant Qualifying CREST Shareholder, multiplied by the Offer Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

5.3 *USE Instructions*

Qualifying CREST Shareholders who are CREST members and who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are

CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to CREST which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

5.4 *Content of USE Instructions in respect of Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Open Offer Entitlements being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlements. This is GB00BK8JBL68;
- (iii) the CREST participant ID of the CREST member;
- (iv) the CREST member account ID of the CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 2RA05;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is RA334801;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11:00 a.m. on 19 December 2019; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00 a.m. on 19 December 2019. In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction: (i) a contact name and telephone number (in the free format shared note field); and (ii) a priority of at least 80. CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 19 December 2019 in order to be valid is 11:00 a.m. on that day. After 23 December 2019, the New Ordinary Shares will be registered and freely transferable in electronic form under the CREST system.

If the conditions to the Firm Placing and Placing and Open Offer are not fulfilled at or before 8:00 a.m. on 23 December 2019, or such other time and/or date as may be agreed between the Company and Joint Underwriters, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

5.5 ***CREST procedures and timings***

Qualifying CREST Shareholders who are CREST members and CREST sponsors (on behalf of CREST sponsored members) should note that Euroclear UK does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the Qualifying CREST Shareholder concerned to take (or, if the Qualifying CREST Shareholder is a CREST sponsored member, to procure that his CREST sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11:00 a.m. on 19 December 2019. In this connection, Qualifying CREST Shareholders and (where applicable) CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

5.6 ***Validity of application***

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by not later than 11:00 a.m. on 19 December 2019 will constitute a valid application under the Open Offer.

5.7 ***Incorrect or incomplete applications***

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Registrar, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Offer Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

5.8 ***Excess Application Facility***

Qualifying CREST Shareholders are also being given the opportunity to apply for Excess Open Offer Shares at €1.05 each through the Excess Application Facility. Qualifying Shareholders may apply for Excess Open Offer Shares up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares held and registered in their name as at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of the aggregated fractional entitlements to Open Offer Shares. Fractions of Excess Open Offer Shares will not be issued under the Excess Application Facility and entitlements to apply for Excess Open Offer Shares will be rounded down to the nearest whole number. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying CREST Shareholders will be met in full or in part or at all.

5.9 ***Content of USE Instruction in respect of Excess Open Offer Entitlements***

The USE Instruction must be properly authenticated in accordance with Euroclear UK's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of New Ordinary Shares for which application is being made (and hence the number of Excess Open Offer Entitlements being delivered to the Registrar);

- (ii) the ISIN of the Excess Open Offer Entitlements. This is GB00BK8JBK51;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess Open Offer Entitlements are to be debited;
- (v) the participant ID of the Registrar in its capacity as a CREST receiving agent. This is 2RA10;
- (vi) the member account ID of the Registrar in its capacity as a CREST receiving agent. This is RA334802;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11:00 a.m. on 19 December 2019; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 19 December 2019 in order to be valid is 11:00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess Open Offer Entitlements security.

5.10 *Effect of application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (i) represents and warrants to each of the Company and the Joint Underwriters that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares and/or Excess Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with each of the Company and the Joint Underwriters to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay the amount payable on application);
- (iii) agrees with each of the Company and the Joint Underwriters that all applications and contracts resulting therefrom, and any non-contractual obligations relating thereto, under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) confirms that in making the application he is not relying and has not relied on the Joint Underwriters or any other person affiliated with the Joint Underwriters in connection with any investigation of the accuracy of any information contained in this document or his investment decision;

- (v) confirms to each of the Company and the Joint Underwriters that in making the application he is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, including any documentation incorporated by reference, he will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);
- (vi) represents and warrants to the Company and the Joint Underwriters that if he has received some or all of his Open Offer Entitlements and/or Excess Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements and/or Excess Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vii) represents and warrants to each of the Company and the Joint Underwriters that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements and/or Excess Open Offer Entitlements or that he has received such Open Offer Entitlements and/or Excess Open Offer Entitlements by virtue of a *bona fide* market claim;
- (viii) except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome, represents and warrants to the Company and the Joint Underwriters that:
 - (a) he is not, nor is he applying on behalf of any person who/which is:
 - (i) located in;
 - (ii) a citizen or resident of; or
 - (iii) a corporation, partnership or other entity created or organised in or under any laws of,

any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares or Excess Open Offer Shares is prevented by law;
 - (b) he is not applying with a view to re-offering, reselling, transferring or delivering any of the Open Offer Shares and/or Excess Open Offer Shares which are the subject of his application to, or for the benefit of, a person who/which is:
 - (i) located in;
 - (ii) a citizen or resident of; or
 - (iii) a corporation, partnership or other entity created or organised in or under any laws of,

any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares or Excess Open Offer Shares is prevented by law; and
 - (c) he is not acting on behalf of any such person on a non-discretionary basis or on behalf of any person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares and/or Excess Open Offer Shares under the Open Offer;
- (ix) represents and warrants to each of the Company, the Joint Underwriters and the Registrar that:
 - (i) he is not in the United States, nor is he applying for the account of a person who is located in the United States, unless (a) the instruction to apply was received from a person outside the United States and (b) the person giving such instruction has confirmed that (x) it has the authority to give such instruction and either (y) has investment discretion over such account or

- (z) is an investment manager or investment company and that it is applying for the Open Offer Shares and/or Excess Open Offer Shares in an “offshore transaction” within the meaning of Regulation S; and (ii) he is not applying for the Open Offer Shares and/or Excess Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly of any Open Offer Shares and/or Excess Open Offer Shares into the United States;
- (x) requests that the Open Offer Shares and/or Excess Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles of Association; and
- (xi) represents and warrants to each of the Company and the Joint Underwriters that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986.

5.11 *Discretion as to rejection and validity of acceptances*

The Company may:

- (i) reject any acceptance constituted by a USE Instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in section 5.10 of this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer). Where an acceptance is made as described in this section 5 which is otherwise valid, and the USE Instruction concerned fails to settle by 11:00 a.m. on 19 December 2019 (or by such later time and date as the Company and the Joint Underwriters may determine), the Company shall be entitled to assume, for the purposes of its right to reject an acceptance as described in this paragraph 5.11(i), that there has been a breach of the representations, warranties and undertakings set out or referred to in section 5.10 above unless the Company is aware of any reason outside the control of the Qualifying CREST Shareholder or CREST sponsor (as appropriate) concerned for the failure of the USE Instruction to settle;
- (ii) treat as valid (and binding on the Qualifying CREST Shareholder concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this section 5;
- (iii) accept an alternative properly authenticated dematerialised instruction from a Qualifying CREST Shareholder or (where applicable) a CREST sponsor as constituting a valid acceptance in substitution for, or in addition to, a USE Instruction and subject to such further terms and conditions as the Company may determine;
- (iv) treat a properly authenticated dematerialised instruction (in this sub-paragraph 5.11(iv), the “**first instruction**”) as not constituting a valid acceptance if, at the time at which SLC Registrars receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or SLC Registrars has received actual notice from Euroclear UK of any of the matters specified in CREST Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (v) accept an alternative instruction or notification from a Qualifying CREST Shareholder or (where applicable) a CREST sponsor, or extend the time for acceptance and/or settlement of a USE Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any Qualifying CREST Shareholder or (where applicable) CREST sponsor, the Qualifying CREST Shareholder or CREST sponsor is unable validly to take up all or part of his Open Offer Entitlements and/or Excess Open Offer Entitlements by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of

CREST) or on the part of facilities and/or systems operated by SLC Registrars in connection with CREST.

5.12 ***Money Laundering Regulations***

If you hold your Open Offer Shares in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a bank, a broker or another UK financial institution), then, irrespective of the value of the application, SLC Registrars is required to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. Such Qualifying CREST Shareholders must therefore contact SLC Registrars before sending any USE Instruction or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to the Company, the Joint Underwriters and SLC Registrars to provide promptly to SLC Registrars any information SLC Registrars may specify as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to SLC Registrars as to identity, SLC Registrars, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the USE Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, SLC Registrars will not permit the USE Instruction concerned to proceed to settlement (without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure by the applicant to provide satisfactory evidence).

5.13 ***Deposit of Open Offer Entitlements and Excess Open Offer Entitlements into, and withdrawal from, CREST***

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements and Excess Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer and Excess Application Facility is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlements set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and/or the Excess Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlements prior to 11:00 a.m. on 19 December 2019. After depositing their Open Offer Entitlements into their CREST account, CREST holders will shortly thereafter receive a credit for their Excess Open Offer Entitlements, which will be managed by the Registrar.

In particular, having regard to normal processing times in CREST and on the part of the Registrar, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the Open Offer Entitlements and Excess Open Offer Entitlements set out in such Application Form as Open Offer Entitlements and Excess Open Offer Entitlements in CREST, is 3:00 p.m. on 16 December 2019 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST is 4:30 p.m. on 13 December 2019, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, following the deposit or withdrawal (whether as shown in an Application Form or held in CREST), to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under

the Excess Application Facility, as the case may be, prior to 11:00 a.m. on 19 December 2019. CREST holders inputting the withdrawal of their Open Offer Entitlements from their CREST account must ensure that they withdraw both their Open Offer Entitlements and their Excess Open Offer Entitlements.

Delivery of an Application Form with the CREST Deposit Form at Box 8 duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and SLC by the relevant CREST member(s) that it is/they are not in breach of the provisions of the notes under the paragraph headed Application Letter on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it/they is/are not located in, or citizen(s) or resident(s) of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law, and that it/they is/are not located in the United States and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

5.14 ***Right to allot/issue in certificated form***

Despite any other provision of this document, the Company reserves the right to allot and to issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by SLC Registrars in connection with CREST.

6. Action to be taken in respect of Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements

6.1 ***General***

If you are a Qualifying Euroclear Shareholder and not a Restricted Shareholder or a person in the United States and you hold an interest in Euroclear Shares at the Record Time, the Intermediary through whom you hold such interest will customarily give you details of the aggregate number of Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements to which you are entitled. If you are a Qualifying Euroclear Shareholder and not a Restricted Shareholder or a person in the United States, you will be entitled to take up your Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements. Your Intermediary will supply you with this information in accordance with its usual customer relations procedures. You should contact your Intermediary if you are a Qualifying Euroclear Shareholder but have received no information with respect to the Firm Placing and Placing and Open Offer. The latest time and date for application and payment in full by applying Qualifying Euroclear Shareholders via their Intermediaries is 2:00 p.m. (CET) on 18 December 2019.

If for any reason it is impracticable to credit the stock accounts of Qualifying Euroclear Shareholders held with Intermediaries via Euroclear Nederland by 8:00 a.m. (CET) on 29 November 2019 or such later time as the Company shall decide, Application Forms shall, unless the Company agrees otherwise, be sent out in substitution for the Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements which have not been so credited and the expected timetable as set out in this document may be adjusted as appropriate. References to dates and times in this document should be read as subject to any such adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates and will send the press announcement to Euronext Amsterdam, but Qualifying Euroclear Shareholders may not receive any further written communication.

6.2 ***Bona fide market claims***

The Euroclear Open Offer Entitlements and the Excess Euroclear Open Offer Entitlements will constitute a separate security for the purposes of Euroclear Nederland. Although Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements will be admitted to Euroclear

Nederland and be enabled for settlement, the Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements are non-tradeable and will not be listed on Euronext Amsterdam, and applications in respect of Euroclear Open Offer Entitlements and the Excess Euroclear Open Offer Entitlements may only be made by the Qualifying Euroclear Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions will not be identified by Euroclear Nederland as “cum” the Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements and will not generate an appropriate market claim transaction and the relevant Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements will thereafter not be transferred accordingly. Intermediaries are therefore responsible for the settlement of *bona fide* market claims.

6.3 *Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements*

Existing Ordinary Shares traded on Euronext Amsterdam are registered in the name of Euroclear Nederland. Euroclear Nederland is a CREST member and will hold legal title to the Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements issued to it for the benefit of the Qualifying Euroclear Shareholders in accordance with the Dutch Securities Giro Act (*Wet giraal effectenverkeer*). Euroclear Nederland will credit the accounts of the Admitted Institutions with the relevant number of Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements and the Admitted Institutions will credit the appropriate stock accounts of the Qualifying Euroclear Shareholders held with Intermediaries on 23 December 2019. Euroclear Nederland will, as a Qualifying CREST Shareholder, be invited to take up the CREST Open Offer Entitlements and Excess CREST Open Offer Entitlements held by it.

6.4 *Application and payment*

Qualifying Euroclear Shareholders should be informed by the Intermediaries through which they hold their Existing Ordinary Shares of the number of New Ordinary Shares for which they are entitled to apply under the Open Offer. Any such application will be conditional on the Open Offer becoming unconditional. Qualifying Euroclear Shareholders should contact their Intermediaries if they have received no information in relation to their Euroclear Open Offer Entitlements or Excess Euroclear Open Offer Entitlements. If a Qualifying Euroclear Shareholder wishes to apply for New Ordinary Shares under the Open Offer, he must instruct his Intermediary with respect to application and payment in accordance with the procedures of that Intermediary, which will be responsible for instructing the Subscription Agent accordingly.

Applications and payments in euro for New Ordinary Shares must be received by the Subscription Agent as soon as possible but in any event no later than 2:00 p.m. (CET) on 18 December 2019. **The last date and/or time before which notification of exercise instructions may be validly given may be earlier, depending on the Intermediary through which your Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements are held.** Applications under the Open Offer are, subject to the very limited withdrawal rights set out in this document, irrevocable and will not be acknowledged or confirmed.

6.5 *Excess Application Facility*

The Excess Application Facility enables Qualifying Euroclear Shareholders, provided they take up their Open Offer Entitlements in full, or held an interest in fewer than 7 (but at least one) Euroclear Shares as at the Record Time, to apply for New Ordinary Shares in excess of their Open Offer Entitlements. The Subscription Agent will instruct Euroclear Nederland, as registered holder of the Existing Ordinary Shares traded on Euronext Amsterdam, to apply for Excess Open Offer Shares on behalf of the Qualifying Euroclear Shareholders applying pursuant to their Excess Euroclear Open Offer Entitlements up to a maximum number of Excess Open Offer Shares equal to 10 times the number of Existing Ordinary Shares in which they hold an interest as at the Record Time. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that other Qualifying Shareholders do not apply for their Open Offer Entitlements in full or in respect of

the aggregated fractional entitlements to Open Offer Shares. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Qualifying Euroclear Shareholders will be met in full or in part or at all. In addition, Qualifying Euroclear Shareholders may be scaled back in accordance with the customary procedures of their Intermediaries. This scale back ratio may not be *pro rata* to the number of Excess Open Offer Shares applied for by Qualifying Euroclear Shareholders and could deviate per Intermediary. Qualifying Euroclear Shareholders are therefore instructed to contact their Intermediaries, should they have any questions regarding their scale back ratio.

6.6 *Effect of application*

By applying to take up Euroclear Open Offer Entitlements and, if applicable, Excess Euroclear Open Offer Entitlements in the Open Offer, including under the Excess Application Facility, a Qualifying Euroclear Shareholder (in relation to his Intermediary), also on behalf of any person he is acting for or otherwise representing, and an Intermediary (in relation to the Subscription Agent):

- (i) agrees with each of the Company and the Joint Underwriters that all applications, acceptances of applications and contracts resulting therefrom under the Open Offer, and any non-contractual obligations relating thereto, shall be governed by, and construed in accordance with, English law, provided that if and to the extent that (a) the provisions of the Dutch Securities Giro Act (*Wet giraal effectenverkeer*) or the procedures determined by Euroclear Nederland from time to time otherwise require, and/or (b) the applicable procedures of the Intermediary through which he holds his Euroclear Shares apply, the same shall be governed by the laws of the Netherlands (or, in respect of the procedures referred to in (b), any other applicable law);
- (ii) represents and warrants to each of the Company and the Joint Underwriters that he has the right, power and authority, and has taken all action necessary, to make the application and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares and/or Excess Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (iii) agrees with each of the Company, the Joint Underwriters and the Subscription Agent to pay the amount payable on application in accordance with the Euroclear Nederland payment arrangements (it being acknowledged that the payment to the Subscription Agent's payment bank in accordance with the Euroclear Nederland payment arrangements shall, to the extent of the payment, discharge in full the obligation of the Intermediaries to pay the amount payable on application);
- (iv) confirms to each of the Company and the Joint Underwriters that, in making the application, he is not relying on any information or representation other than is contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);
- (v) confirms to each of the Company and the Joint Underwriters that, in making the application, he is not relying on any information or representation other than is contained in this document, and accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained in this document, and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information contained in this document (including information incorporated by reference);

- (vi) represents and warrants to each of the Company and the Joint Underwriters that he is the Qualifying Shareholder originally entitled to the Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements and/or that he has received such Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vii) represents and warrants to each of the Company and Joint Underwriters that, if he has received some or all of his Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements (if applicable) by virtue of a *bona fide* market claim;
- (viii) except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome, represents and warrants to each of the Company and the Joint Underwriters that:
 - (a) he is not, nor is he applying on behalf of any person who/which is:
 - (i) located in;
 - (ii) a citizen or resident of; or
 - (iii) a corporation, partnership or other entity created or organised in or under any laws of,

any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares or Excess Open Offer Shares is prevented by law;
 - (b) he is not applying with a view to re-offering, reselling, transferring or delivering any of the Open Offer Shares and/or Excess Open Offer Shares which are the subject of his application to, or for the benefit of, a person who/which is:
 - (i) located in;
 - (ii) a citizen or resident of; or
 - (iii) a corporation, partnership or other entity created or organised in or under any laws of

any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares or Excess Open Offer Shares is prevented by law; and
 - (c) he is not acting on behalf of any such person on a non-discretionary basis or on behalf of any person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares and/or Excess Open Offer Shares under the Open Offer;
- (ix) represents and warrants to each of the Company and the Joint Underwriters that: (i) he is not in the United States, nor is he applying for the account of a person who is located in the United States, unless (a) the instruction to apply was received from a person outside the United States and (b) the person giving such instruction has confirmed that (x) it has the authority to give such instruction and either (y) has investment discretion over such account or (z) is an investment manager or investment company and that it is applying for the Open Offer Shares and/or Excess Open Offer Shares in an “offshore transaction” within the meaning of Regulation S; and (ii) he is not applying for the Open Offer Shares and/or Excess Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly of any Open Offer Shares and/or Excess Open Offer Shares into the United States;
- (x) represents and warrants to each of the Company and the Joint Underwriters that he is not, nor is he applying as nominee or agent for, a person who is or may be liable to notify and account

for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;

- (xi) confirms to each of the Company and the Joint Underwriters that he is or is representing the Qualifying Shareholder of the Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements used to apply for New Ordinary Shares and that he is acting in accordance with relevant securities laws; and
- (xii) requests that the New Ordinary Shares to which he will become entitled be credited to his stock account held with an Intermediary on the terms set out in this document, subject to the Articles of Association of the Company.

All questions concerning the timelines, validity and form of instruction and payment to the Intermediary of a Qualifying Euroclear Shareholder in relation to the application for New Ordinary Shares will be determined by such Intermediary in accordance with its usual terms of business or as it otherwise notifies to such Qualifying Euroclear Shareholder.

Any Qualifying Euroclear Shareholder who does not wish to take up his Euroclear Open Offer Entitlements or Excess Euroclear Open Offer Entitlements under the Open Offer should not make an application. The Company reserves the right to treat an application as valid and binding on the person(s) by whom or on whose behalf it is made, even if it is not made in accordance with the relevant instructions and is not accompanied by the required payment or verification of identity satisfactory to the Company to ensure that the Money Laundering Regulations would not be breached by acceptance of the payment submitted in connection with the application.

6.7 Subscription Agent

NIBC Bank N.V. will act as Subscription Agent for the receipt of subscriptions for the New Ordinary Shares through the exercise of Euroclear Open Offer Entitlements and Excess Euroclear Open Offer Entitlements via the Excess Application Facility. The Intermediary through which you hold your Euroclear Open Offer Entitlements and/or your Excess Euroclear Open Offer Entitlements will be responsible for collecting exercise instructions from you and for informing the Subscription Agent of your subscription in a timely manner.

6.8 Listing Agent

NIBC Bank N.V. is the Listing Agent with respect to the New Ordinary Shares on Euronext Amsterdam.

7. Taxation

Information on taxation in the United Kingdom and the Netherlands with regard to the Firm Placing and Placing and Open Offer is set out in section 14 of Part XI (Additional Information) of this document. The information contained in section 14 of Part XI (Additional Information) is intended only as a general guide to the current tax position in the United Kingdom and the Netherlands and Qualifying Shareholders in the United Kingdom and the Netherlands should consult their own tax advisers regarding the tax treatment of the Firm Placing and Placing and Open Offer in light of their own circumstances. Shareholders who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult an appropriate professional adviser immediately.

8. Withdrawal rights

Qualifying Shareholders wishing to exercise the withdrawal rights under Article 23(2) of the Prospectus Regulation after the issue by the Company of a prospectus supplementing this document (if any) must do so by lodging a written notice of withdrawal, which shall not include a notice sent by facsimile or any other form of electronic communication, with SLC Registrars, Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom. The notice of withdrawal must include

the full name and address of the person wishing to exercise such statutory withdrawal rights and, if such person is a Qualifying CREST Shareholder, the participant ID and the member account ID of such Qualifying CREST Shareholder. The notice of withdrawal must not be received later than two business days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by SLC Registrars after the expiry of such period will not constitute a valid withdrawal.

Furthermore, based on advice received, it is the Company's view that Qualifying Shareholders who have validly taken up their Open Offer Entitlements and, if applicable, Excess Open Offer Entitlements in accordance with the procedure laid down for acceptance and payment in this Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) shall not be entitled to withdraw any such acceptance. In such circumstances, any such accepting Qualifying Shareholder, or renounee, wishing to withdraw is advised to seek independent legal advice.

9. Times and dates

The Company shall in its discretion be entitled to amend the dates that Application Forms are despatched or dealings in New Ordinary Shares commence and amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document. In such circumstances the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates and will send the press announcement to Euronext Amsterdam but Qualifying Euroclear Shareholders may not receive any further written communication.

10. Governing law

Unless otherwise specified, the terms and conditions of the Open Offer as set out in this document and the Application Form shall be governed by, and construed in accordance with, the laws of England and Wales.

11. Jurisdiction

The Courts of England and Wales are to have exclusive jurisdiction to settle any dispute, whether contractual or non-contractual which may arise out of or in connection with the Firm Placing and Placing and Open Offer, this document and the Application Form. By accepting entitlements under the Open Offer in accordance with the instructions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the Courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART X

OVERSEAS SHAREHOLDERS

1. Overseas Shareholders

This document has been approved by the FCA, being the competent authority in the UK. The Company has requested the FCA to certify to the AFM that this document is a prospectus drawn up in accordance with the Prospectus Regulation.

Accordingly, the making of the Open Offer to persons located or resident in, or who are citizens of, or who have a registered address in, countries other than the UK or the Netherlands, may be affected by the laws or regulatory requirements of the relevant jurisdictions.

(a) *General*

The distribution of this document and the Application Form and the making of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of, countries other than the UK or the Netherlands or to persons who are nominees of or custodians, trustees or guardians for citizens of, residents in or nationals of, countries other than the UK or the Netherlands may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult with their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer and Excess Open Offer Shares under the Excess Application Facility.

No action has been or will be taken by the Company, the Joint Underwriters, or any other person to permit a public offering or distribution of this document (or any other offering or publicity materials or Application Forms relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the UK and the Netherlands. It is the responsibility of all persons outside the UK and/or the Netherlands receiving this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST and/or to a stock account held with an Intermediary via Euroclear Nederland and wishing to accept the offer of New Ordinary Shares to satisfy themselves as to full observance of the laws of the relevant territory, including obtaining all necessary governmental or other consents which may be required, observing all other requisite formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

The Company, the Joint Underwriters and their respective representatives have not made and are not making any representations to any offeree or purchaser of Open Offer Shares regarding the legality of an investment in Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

This section 1 of this Part X (Overseas Shareholders) sets out the restrictions applicable to Qualifying Shareholders who have registered addresses outside the UK or the Netherlands, who are citizens or residents of countries other than the UK or the Netherlands, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this document to a jurisdiction outside the UK or the Netherlands, or who hold Ordinary Shares for the account or benefit of any such person. New Ordinary Shares will be provisionally allotted to all Qualifying Shareholders, including all Restricted Shareholders and persons in the United States. However, Application Forms have not been, and will not be, sent to, and Open Offer Shares will not be credited to the CREST accounts or the stock accounts held with Intermediaries via Euroclear Nederland of, Restricted Shareholders or persons in the United States, or to their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in such jurisdiction.

Receipt of this document and/or an Application Form or the crediting of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST and/or to a stock account held with an Intermediary via Euroclear Nederland will not constitute an offer in or into a Restricted Jurisdiction or the United States and, in those circumstances, this document and/or an Application Form must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements and/or Excess Open Offer Entitlements to a stock account in CREST and/or a stock account held with an Intermediary via Euroclear Nederland in any territory other than the UK or the Netherlands may treat the same as constituting an invitation or offer to him, nor should he in any event use the Application Form or deal with Open Offer Entitlements and/or Excess Open Offer Entitlements unless, in the relevant territory, such an invitation or offer could lawfully be made to him and the Application Form or Open Offer Entitlements and/or Excess Open Offer Entitlements could lawfully be used or dealt with without contravention of any unfulfilled registration or other legal or regulatory requirements.

Accordingly, persons receiving a copy of this document and/or an Application Form or whose stock account in CREST and/or held with an Intermediary via Euroclear Nederland is credited with Open Offer Entitlements and/or Excess Open Offer Entitlements should not, in connection with the Firm Placing and Placing and Open Offer, distribute or send the same in or into, or transfer Open Offer Entitlements and/or Excess Open Offer Entitlements to any person in or into, any Restricted Jurisdiction or the United States. If an Application Form or credit of Open Offer Entitlements and/or Excess Open Offer Entitlements is received by any person in any Restricted Jurisdiction or the United States, or by their agent or nominee in any such territory, he must not seek to take up the entitlements referred to in the Application Form or in this document or must renounce the Application Form and must not transfer the Open Offer Entitlements and/or Excess Open Offer Entitlements unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person who does forward this document or an Application Form into any such territories (whether under contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section 1 of this Part X (Overseas Shareholders).

Subject to this section 1 of this Part X (Overseas Shareholders), any person (including, without limitation, nominees, agents and trustees) outside the UK or the Netherlands wishing to take up his entitlements under the Open Offer (or to do so on behalf of someone else) must satisfy himself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The comments set out in this section 1 of this Part X (Overseas Shareholders) are intended as a general guide only and any Qualifying Shareholder who is in doubt as to his position should consult his own independent professional adviser without delay.

The Company may treat as invalid any acceptance or purported acceptance of the offer of the Open Offer Entitlements and Excess Open Offer Entitlements which appears to the Company or its agents to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if it believes or they believe that the same may violate applicable legal or regulatory requirements or if, in the case of an Application Form, it provides an address for delivery of the definitive share certificates for New Ordinary Shares in a Restricted Jurisdiction or the United States, or if, in the case of a credit of New Ordinary Shares in CREST or to a stock account held with an Intermediary via Euroclear Nederland, the Qualifying Shareholder's registered address is in a Restricted Jurisdiction or the United States, or if the Company believes or its agents believe that the same may violate applicable legal or regulatory requirements. The attention of Restricted Shareholders and Qualifying Shareholders holding shares on behalf of persons with addresses in Restricted Jurisdictions or the United States is drawn to this section 1 of this Part X (Overseas Shareholders).

Despite any other provisions of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder (other than, subject to certain limited exceptions, Restricted Shareholders and persons in the United States) to take up his entitlements if the Company

in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restriction in question. If the Company is so satisfied, the Company will arrange for the relevant Qualifying Shareholder to be sent an Application Form if he is a Qualifying Non-CREST Shareholder or, if he is a Qualifying CREST Shareholder, arrange for the CREST Open Offer Entitlements and/or Excess CREST Open Offer Entitlements to be credited to the relevant CREST stock account, or if he is a Qualifying Euroclear Shareholder, arrange for the Euroclear Open Offer Entitlements and/or Excess Euroclear Open Offer Entitlements to be credited to his stock account held with an Intermediary via Euroclear Nederland.

Those Shareholders who wish, and are permitted, to take up their entitlement should note that payments must be made as described in sections 4, 5 and 6 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer).

(b) ***United States***

None of the New Ordinary Shares has been nor will they be registered under the US Securities Act, any US State security laws, or with any securities regulatory authority of any US State or other jurisdiction in the United States and, as set out below, are being offered and sold only outside the United States in offshore transactions in reliance on the exemptions from registration provided by Regulation S promulgated under the US Securities Act.

Except as otherwise agreed by the Company in writing, each person who subscribes for the New Ordinary Shares pursuant to the Firm Placing and Placing and Open Offer will be deemed to have represented, agreed and acknowledged as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

- (i) it is acquiring the New Ordinary Shares in an offshore transaction in accordance with Rule 903 under the US Securities Act;
- (ii) it is aware that the New Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States; and
- (iii) the Company will rely upon the truth and accuracy of the foregoing representations, agreements and acknowledgements.

(c) ***Switzerland***

This document does not constitute a prospectus within the meaning of Art. 652a of the Swiss Code of Obligations. The New Ordinary Shares may not be publicly offered, sold or advertised, directly or indirectly, in or into Switzerland except in a manner which will not result in a public offering within the meaning of the Swiss Code of Obligations. None of this document, any Application Form, or any other offering materials relating to the Company, the Open Offer Entitlements and Excess Open Offer Entitlements or the New Ordinary Shares may be distributed, published or otherwise made available in Switzerland except in a manner which would not constitute a public offer in Switzerland.

(d) ***Other overseas territories***

Application Forms will be posted to Qualifying Non-CREST Shareholders (other than, subject to certain limited exceptions, Restricted Shareholders and persons in the United States) and Open Offer Entitlements and Excess Open Offer Entitlements will be credited to the stock accounts of Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of, any country other than a Restricted Jurisdiction or the United States. No offer of or invitation to subscribe for New Ordinary Shares is being made by virtue of this document or the Application Form into any of the Restricted Jurisdictions or the United States. Qualifying Shareholders in jurisdictions other than those specified above may, subject to the laws of their relevant jurisdiction, accept their entitlements under the Open Offer in accordance with the instructions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Application Form.

Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the United Kingdom or the Netherlands should consult their appropriate professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements and/or Excess Open Offer Entitlements. If you are in any doubt as to your eligibility to accept the offer of New Ordinary Shares, you should contact your appropriate professional adviser immediately.

EEA States (other than the UK and the Netherlands)

In relation to EEA States (except for the UK and the Netherlands) (each, a “**relevant member state**”), no New Ordinary Shares have been offered or will be offered to the public in that relevant member state prior to the publication of a prospectus in relation to the New Ordinary Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in the relevant member state, all in accordance with the Prospectus Regulation, except that offers of New Ordinary Shares may be made to the public in that relevant member state at any time:

- (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- (iii) in any other circumstances falling within Articles 1(3), 1(4) or 3(2) of the Prospectus Regulation,

provided that no such offer of New Ordinary Shares shall require the Company or the Joint Underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For this purpose, the expression “an offer of any New Ordinary Shares to the public” in relation to any New Ordinary Shares in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and any New Ordinary Shares to be offered so as to enable an investor to decide to acquire any New Ordinary Shares.

The Company has requested the FCA to certify to the AFM that this document is a prospectus drawn up in accordance with the Prospectus Regulation.

2. Representations and warranties relating to overseas territories

(a) *Qualifying Non-CREST Shareholders*

Any person accepting an Application Form or requesting registration of the New Ordinary Shares comprised therein represents and warrants to the Company that, except where proof has been provided to the Company’s satisfaction that such person’s use of the Application Form will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not accepting an Application Form from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for New Ordinary Shares or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within the United States or any Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept or renounce was given; and (iv) such person is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any Restricted Jurisdiction or any territory referred to in (ii) above.

The Company may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in, or renunciation or purported renunciation of, an Application Form if it: (a) appears to the Company to have been executed in or despatched from the United States or any Restricted Jurisdiction or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if the Company believes the same may violate any applicable legal or regulatory

requirement; (b) provides an address of any Restricted Jurisdiction or the United States for delivery of definitive share certificates for New Ordinary Shares (or any jurisdiction outside the UK in which it would be unlawful to deliver such certificates); or (c) purports to exclude the representation and warranty required by this section.

(b) ***Qualifying CREST Shareholders***

A Qualifying CREST Shareholder who makes a valid acceptance in accordance with the procedure set out in section 5 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he is not within any of the Restricted Jurisdictions or the United States; (ii) he is not in any territory in which it is unlawful to make or accept an offer to acquire or subscribe for New Ordinary Shares; (iii) he is not acting on a non-discretionary basis for a person located within the United States or any Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any Restricted Jurisdiction or any territory referred to in (ii) above.

The Company may treat as invalid any USE Instruction which: (a) appears to the Company to have been despatched from the United States or a Restricted Jurisdiction or otherwise in a manner which may involve a breach of the laws of any jurisdiction or which they or their agents believe may violate any applicable legal or regulatory requirement; or (b) purports to exclude the representation and warranty required by this section.

(c) ***Qualifying Euroclear Shareholders***

A Qualifying Euroclear Shareholder who makes a valid acceptance in accordance with the procedure set out in section 6 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he is not within any of the Restricted Jurisdictions or the United States; (ii) he is not in any territory in which it is unlawful to make or accept an offer to acquire or subscribe for New Ordinary Shares; (iii) he is not acting on a non-discretionary basis for a person located within the United States or any Restricted Jurisdiction or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he is not acquiring New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares into the United States or any Restricted Jurisdiction or any territory referred to in (ii) above.

(d) ***Waiver***

The provisions of this section 2 of this Part X (Overseas Shareholders) and section 1 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) and of any other terms of the Firm Placing and Placing and Open Offer relating to Restricted Shareholders and persons in the United States may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company in its absolute discretion. Subject to this, the provisions of this section 2 of this Part X (Overseas Shareholders) and section 1 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) which refer to Qualifying Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this section 2 of this Part X (Overseas Shareholders) and section 1 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) shall apply jointly to each of them.

(e) ***Payment***

All payments must be made in the manner set out in sections 4, 5 and 6 of Part IX (Terms and Conditions of the Firm Placing and Placing and Open Offer) (as applicable).

PART XI

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names and principal functions appear in section 8 of Part VII (Information on the Accsys Group) of this document, Robert Harris and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Directors, Robert Harris and the Company, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

2. The Company

- (a) The Company was incorporated in England and Wales on 11 August 2005 under the 1985 Act (with registered number 5534340) as a public company limited by shares with an authorised share capital of €2,000,000 divided into 200,000,000 ordinary shares of €0.01 each and £100,000 divided into 1,000,000 deferred shares of 10p each.
- (b) The Company's registered office and principal place of business is at Brettenham House, 19 Lancaster Place, London, WC2E 7EN, United Kingdom, its telephone number is +44 (0)20 7421 4300 and its website is www.accsysplc.com (please note that the contents of the Company's website do not form part of this document).
- (c) The Company's legal entity identifier is 213800HKRFFK8PNUNV581.
- (d) The principal legislation under which the Company operates, and pursuant to which the New Ordinary Shares will be created, is the Companies Act and regulations thereunder.

3. Equity options

- (a) On 2 February 2016, the Company's subsidiary, TTL, issued warrants to subscribe for up to 175,000 of its Series A Preference Shares in favour of BP Ventures (100,000 shares) and TWL (75,000 shares) at a price of €2.00 per warrant share during the exercise period, which started on 2 February 2016 and runs until the earlier of: (i) 2 February 2021; (ii) the date of an exit; and (iii) the exercise of the option.
- (b) On 29 March 2017, the Company announced the formation of the Tricoya[®] Consortium and as part of this, funding was agreed with BGF and Volantis. In addition to the issue of the Loan Notes the Company granted options over Ordinary Shares of the Company to BGF and Volantis exercisable at a price of £0.62 per Ordinary Share at any time until 31 December 2026 (the "**Options**"). 5,838,954 Options were issued to BGF and 3,217,383 Options were issued to Volantis.

In addition, the Company agreed to use its reasonable endeavours to obtain shareholder authority at the 2017 General Meeting to grant to BGF a further option in respect of 2,610,218 Ordinary Shares and to grant to Volantis a further option in respect of 1,438,284 Ordinary Shares (the "**Additional Options**"). The necessary resolutions were passed at the 2017 General Meeting and accordingly the Additional Options have been converted to Options, such that at the Last Practicable Date a total 13,104,839 Options exist (with 8,449,172 attributable to BGF and 4,655,667 attributable to Volantis). This represents 11.1% of the issued share capital of the Company as at the Last Practicable Date and will represent 8.1% of the enlarged issued share capital of the Company following completion of the Issue. Further details of the arrangements with BGF and Volantis are contained in section 8 of this Part XI (Additional Information).

4. Resolutions, authorisations and approvals relating to the Firm Placing and Placing and Open Offer

In summary, the resolutions to be proposed at the General Meeting are as follows:

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

The first resolution is an ordinary resolution authorising the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €2,204,762 in connection with the Firm Placing and Placing and Open Offer. This authority will expire on the date that is six months after the date of the General Meeting.

Second resolution – Authority to allot Ordinary Shares

The second resolution is an ordinary resolution that, in addition to all existing authorities, the Directors be generally and unconditionally authorised to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to a nominal amount of €734,920. This authority will expire on the date of the annual general meeting of the Company to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date of the annual general meeting of the Company held in 2019. Together with the existing authority granted at the Company's 2019 annual general meeting, this general authority will give the Directors the power to allot Ordinary Shares up to an aggregate nominal amount equivalent to one third of the Company's enlarged share capital following the Firm Placing and Placing and Open Offer.

Third resolution – Disapplication of pre-emption rights in respect of the Firm Placing and Placing and Open Offer

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

Fourth resolution – Disapplication of pre-emption rights

The fourth resolution is a special resolution that, subject to the second resolution being passed, authorises the Directors to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares pursuant to the authority given by the second resolution, as if section 561 of the Companies Act 2006 did not apply to such allotment. This authority will be limited to the allotment of equity securities up to a nominal amount of €220,476. This authority will expire on the date of the annual general meeting of the Company to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date of the annual general meeting of the Company held in 2019. Together with the existing authority granted at the Company's 2019 annual general meeting, this authority will give the Directors the power to allot equity securities for cash, as if section 561 of the Companies Act 2006 did not apply to such allotment, up to an aggregate nominal amount equivalent to 10% of the Company's enlarged share capital following the Firm Placing and Placing and Open Offer.

5. Rights attached to the New Ordinary Shares

The Articles of Association are available for inspection at the address specified in section 17 of this Part XI (Additional Information).

A description of certain rights attached to the New Ordinary Shares is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

6. Directors' and other interests

- (a) The beneficial interests (including pension fund holdings) of the Directors and Robert Harris in the Ordinary Shares, including their interests in any New Ordinary Shares subscribed for under the Firm Placing and Placing and Open Offer, as at 27 November 2019 (being the Last Practicable Date) and as they are expected to be on Admission, are set out below:

	As at the Last Practicable Date		As at Admission	
	Number of Ordinary Shares	% of issued share capital	Number of Ordinary Shares	% of issued share capital
Patrick Shanley	70,981	0.06	115,425	0.07
Paul Clegg ⁽¹⁾	649,732	0.55	649,732	0.40
Robert Harris	–	–	44,444	0.03
William Rudge	192,000	0.16	192,000	0.12
Michael Sean Christie	72,258	0.06	83,369	0.05
Susan Farr ⁽²⁾	–	–	–	–
Montague John Meyer	29,745	0.03	74,189	0.05
Geertrui Elizabeth Schoolenberg	–	–	44,444	0.03

(1) Shareholding excludes 68,850 Ordinary Shares held beneficially by members of Paul Clegg's immediate family.

(2) Shareholding excludes 35,000 Ordinary Shares held beneficially by members of Susan Farr's immediate family.

- (b) The interests of the Directors set out in the table at paragraph 6(a) above are exclusive of interests held by the Executive Directors under the LTIP. As at 27 November 2019 (being the Last Practicable Date), such interests are as follows:

Executive Director	Interest in Ordinary Shares under LTIP – vested but unexercised	Interest in Ordinary Shares under LTIP – unvested and unexercised
Paul Clegg	1,449,056	651,663 ⁽¹⁾
William Rudge	212,394	325,050

(1) In accordance with the LTIP Rules, Paul's unvested LTIP Awards will be adjusted *pro rata*, with options lapsing in a proportion equal to the proportion that the number of complete months between the date on which Paul steps down as CEO (31 December 2019) and the third anniversary of the grant date bears to 36 months. The unvested LTIP Awards shown in the table above do not include such *pro rata* adjustment.

- (c) Save as disclosed in this Part XI (Additional Information), none of the Directors or Robert Harris nor any member of their immediate families holds, or is legally or beneficially interested, directly or indirectly, in any shares or options in the Company.
- (d) Save as disclosed in this Part XI (Additional Information), none of the Directors or Robert Harris nor any member of their immediate families has a related financial product (as defined in the AIM Rules for Companies) referenced to the Ordinary Shares.

- (e) As at 27 November 2019 (being the Last Practicable Date), except as disclosed in the table below, in so far as is known to the Company, no person is directly or indirectly interested in 3% or more of the Company's capital or voting rights:

	Number of Ordinary Shares	% of voting rights
Teslin Capital Management B.V.	15,859,829	13.44
Janus Henderson Investors	7,206,812	6.11
Fidelity International	7,143,995	6.05
Binckbank (EO)	6,884,582	5.83
Van Puijenbroek Family	6,231,070	5.28
Business Growth Fund	5,815,000	4.93
Majedie Asset Management	5,809,919	4.92
Decico B.V.	5,630,379	4.77
London & Amsterdam Trust Company	5,047,191	4.28
ABN Amro Private Banking	4,753,432	4.03
Invesco	4,418,749	3.75
KBC Asset Management	3,645,393	3.09

- (f) None of the Company's major Shareholders has any different voting rights.
- (g) No person involved in the Issue has an interest which is material to the Issue.
- (h) As at 27 November 2019 (being the Last Practicable Date), the Company was not aware of any persons who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company.
- (i) As at 27 November 2019 (being the Last Practicable Date), the Company was not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.
- (j) The Directors and Robert Harris hold or have held in the past five years the following directorships in companies in addition to their directorships of the Company and past or current members of the Group (if any) and are or have been a partner of the following partnerships in the past five years:

	Current directorships/partnerships	Past directorships/partnerships
Patrick Shanley	Gattaca plc Acetate Products Limited Nomi Associates Limited	Derwent Cogeneration Limited Acordis B.V. Finacor B.V.
Paul Clegg	Peel Hunt LLP Clegg Enterprises Limited	Synairgen plc
Robert Harris	Cat's Pyjamas II Limited	International Lead Association Eco-Bat B.V. H.J. Enthoven & Sons Limited Eco-Bat Technologies GB H.J. Enthoven Limited HJE Limited G. & P. Batteries Limited Blotter Limited BLM Limited British Lead Mills Limited

	Current directorships/partnerships	Past directorships/partnerships
Robert Harris <i>(continued)</i>		Eco-Bat SRL Eco-Bat Norway BMG Metall und Recycling GmbH Ecobat Logistics Austria GmbH Berzelius Metall GmbH Politec SRL
William Rudge	–	–
Montague John Meyer	Wanstead Sports Grounds Limited Sherborne Holdings Limited C.L.T. Timber and Transport Limited Hardwood Limited Dockland Settlements Sydenhams Limited Porthmellin Securities Limited Consolidated Timber Holdings Group Limited Cranleigh Foundation	Bradfords Quay Limited MBM Speciality Forest Products Limited PXP Holdings Limited Trafalgar Cases Limited Cranleigh School Consolidated Timber Holdings Limited Triesse Holdings Limited Triesse Group Limited Triesse (Trisan) Limited Triesse Limited Falcon Panel Products Limited Meridian Wood Products Limited MBM Forest Products Limited van Hoorebeke SA Hoffman Thornwood Limited Compass Forest Products Limited Ringtown Limited Isipan SA
Susan Farr	British American Tobacco plc Helical plc DNEG Limited	Dairy Crest Group plc Dolphin Capital Investments plc Millennium & Copthorne Hotels plc
Michael Sean Christie	Applied Graphene Materials plc Turner and Townsend Limited Optibiotix Health plc	Eminate Limited Croda International plc Cowick Hall Trustees Limited Croda Enterprises Limited Croda Europe Limited Croda Holdings France SAS Croda Investments Limited Croda Investments No 2 Limited Croda Japan KK Croda JDH Limited Croda Overseas Holdings Limited Croda Polymers International Limited Croda World Traders Limited Uniqema Limited Produce Investments plc

	Current directorships/partnerships	Past directorships/partnerships
Geertrui	The Netherlands Petroleum	Akzo Nobel Coatings International
Elizabeth	Stockpiling Agency (COVA)	B.V.
Schoolenberg	Spirax-Sarco Engineering plc Low & Bonar plc	Akzo Nobel Decorative Coatings B.V.

- (k) As at the date of this document, none of the Directors or Robert Harris:
- (i) has any convictions in relation to fraudulent offences for at least the previous five years;
 - (ii) has had any unspent conviction in relation to indictable offences;
 - (iii) has been associated with any bankruptcy, receivership, liquidation or companies put into administration while acting in the capacity of a member of the administrative, management or supervisory body of any company for at least the previous five years;
 - (iv) has been bankrupt or entered into an individual voluntary arrangement;
 - (v) has been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional bodies) nor has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years;
 - (vi) has had his or her assets form the subject of any receivership or has been a partner of a partnership at the time of, or within 12 months preceding, any assets thereof being the subject of a receivership;
 - (vii) was a director, a member of the administrative or supervisory bodies or a senior manager of any company at the time of, or within 12 months preceding, any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement of such company or any composition or arrangement with that company's creditors generally or with any class of creditors; or
 - (viii) has been a partner in a partnership at the time of, or within 12 months preceding, any compulsory liquidation, administration or partnership voluntary arrangement of such partnership.
- (l) Each of the persons named in column 1 of the table in paragraph 6(j) above owes duties to the entities opposite his or her name specified in column 2 of that table (if any). Otherwise, in respect of any Director and Robert Harris, there are no potential conflicts of interest between any duties they may have to the Company and their private interests and/or any duties they owe to any other entity.
- (m) There is no arrangement or understanding with any major shareholder, customer, supplier or other person, pursuant to which any of the Directors was elected (or pursuant to which Robert Harris will be appointed) as a member of the Board.

7. Related party transactions

Teslin Capital Management B.V. ("**Teslin**") intends to subscribe for up to 19,811,740 New Ordinary Shares pursuant to the Firm Placing and Placing and Open Offer (assuming full take-up under the Open Offer). On this basis, as at Admission, funds advised and managed by Teslin will directly and indirectly hold up to 22% of the issued share capital of the Company.

Teslin is a related party of Accsys for the purposes of the AIM Rules for Companies as it is a substantial shareholder of the Company which is entitled to exercise, or control the exercise of, 10% or more of the votes able to be cast at general meetings of the Company. The Board considers, having consulted with Numis as the Company's nominated adviser, that the terms of Teslin's participation in the Firm Placing and Placing and Open Offer are fair and reasonable insofar as Shareholders are concerned.

On 14 November 2019, the Company and Geertrui (Trudy) Elizabeth Schoolenberg, a Non-executive Director, entered into a consultancy agreement relating to the provision of services from 1 July 2019 until 31 December 2019 (unless terminated earlier in accordance with its terms) in connection with the Company's current expansion projects in Hull and Arnhem (the "**Consultancy Agreement**"). In consideration for the provision of services under the Consultancy Agreement, the Company (either directly or through TWBV) has agreed to pay Trudy a fee of £1,500 per day (exclusive of VAT), subject to an overall limit of £45,000 (exclusive of VAT), and all reasonable expenses incurred in providing the services. The services under the Consultancy Agreement are to be provided by Trudy independently of her role as Non-executive Director.

8. Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) are all the contracts which have been entered into by members of the Group within the two years immediately preceding the date of this document, which are, or may be, material to the Group or are contracts (not being contracts entered into in the ordinary course of business) which have been entered into at any time by any member of the Group and which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document:

(a) Underwriting Agreement

The Company and the Joint Underwriters have entered into the Underwriting Agreement, dated 28 November 2019, pursuant to which the Joint Underwriters have severally agreed, subject to certain conditions including (among other things) there being no breach of warranty by the Company, the Resolutions being passed and there being no occurrence of certain *force majeure* events, to use reasonable endeavours to procure subscribers at the Offer Price for (or, failing which, to themselves subscribe at the Offer Price for): (i) the Firm Placing Shares; and (ii) any Open Offer Shares in respect of which valid applications are not received from Qualifying Shareholders in accordance with the terms of the Open Offer and Conditional Placees have not been procured or monies due from Conditional Placees are not received. The Firm Placing and Placing and Open Offer are fully underwritten by the Joint Underwriters.

In consideration of the services to be provided by the Joint Underwriters under the Underwriting Agreement, the Company has agreed to pay the Joint Underwriters a base commission of 3.3% of the gross proceeds of the Issue, to be divided equally among the Joint Underwriters, and, at the discretion of the Company, an incentive commission of 0.5% of the gross proceeds of the Issue, each subject to the Underwriting Agreement not having been terminated in accordance with its terms prior to Admission. In addition, the Joint Underwriters will be reimbursed for their costs and expenses properly incurred in connection with the Placing and Open Offer.

Upon Admission, the Underwriting Agreement will not be subject to any condition or right of termination or rescission. The Company has given customary representations and warranties to the Joint Underwriters as to the accuracy of the information contained in this document and other relevant documents, other matters relating to the Company and the Group and the Firm Placing and Placing and Open Offer. In addition, the Company has given indemnities to the Joint Underwriters on customary terms subject to certain limitations.

(b) ABN Loan Agreement

On 1 August 2018, TWBV and ABN AMRO entered into the ABN Loan Agreement, pursuant to which ABN AMRO agreed to lend €14,000,000 (the "**ABN Loan Amount**") to TWBV in relation to the purchase of the Arnhem land and buildings. The term of the ABN Loan Agreement is five years.

The ABN Loan Amount shall be repaid over its five-year term in 19 equal parts of €250,000 from 1 January 2019, followed by a final payment of €9,250,000. Interest is payable at a fixed rate of 3% per annum, payable quarterly in arrears on the first day of each first month of each quarter.

The ABN Loan Agreement contains events of default, information covenants and other covenants in favour of ABN AMRO, in line with market practice. Covenants include the provision of TWBV's quarterly management accounts and consolidated figures for the Group.

The ABN Loan Agreement is supported by the following security:

- (i) a first ranking bank mortgage over the registered property in Arnhem;
- (ii) a pledge over specific receivables, being intellectual property rights under an intra-group licence, from TWL;
- (iii) a pledge over the machinery and equipment of TWBV which ranks second after ABN AMRO Asset Based Finance N.V.;
- (iv) a pledge over the receivables of TWBV which ranks third after ABN AMRO Asset Based Finance N.V.;
- (v) a pledge over the stocks of TWBV which ranks third after ABN AMRO Asset Based Finance N.V.;
- (vi) a pledge over all goods of TWBV;
- (vii) joint and several liability of Accsys Technologies plc; and
- (viii) a surplus guarantee from ABN AMRO Asset Based Finance N.V..

(c) ***ABN Lease Loan Agreement***

On 1 August 2018, TWBV and ABN AMRO Asset Based Finance N.V. entered into the ABN Lease Loan Agreement, pursuant to which ABN AMRO Asset Based Finance N.V. agreed to lend €5,000,000 to TWBV in relation to the purchase of the Arnhem land and buildings.

The term of the ABN Lease Loan Agreement is five years and interest is payable at a fixed rate of 3% per annum, payable monthly in advance. The ABN Lease Loan Agreement is supported by security over the first two reactors in the Arnhem Plant.

(d) ***Bruil Loan Agreement***

On 1 August 2018, TWBV and Bruil entered into the Bruil Loan Agreement, pursuant to which Bruil agreed to lend €4,000,000 (the "**Bruil Loan Amount**") to TWBV in relation to the purchase of the Arnhem land and buildings. The term of the Bruil Loan Agreement is five years. Interest is payable at a fixed rate of 5% per annum, payable in arrears in semi-annual instalments, falling due on the last day of each six-month period. The first interest payment was made on 31 December 2018.

The Bruil Loan Amount shall be repaid in five instalments over the five-year term as follows: €500,000 on 1 July 2021; €500,000 on 31 December 2021; €500,000 on 1 July 2022; €1,000,000 on 31 December 2022; and €1,500,000 on 1 July 2023.

The Bruil Loan Agreement contains events of default, information covenants and other covenants in favour of Bruil, in line with market practice for a debt facility from a non-institutional lender. The Bruil Loan Agreement is subordinated to the ABN Loan Agreement and the ABN Lease Loan Agreement.

(e) ***Cerdia Production Loan Agreement***

TWBV and TWL entered into the Cerdia Production Loan Agreement, pursuant to which Cerdia Production agreed to lend up to €9,500,000 (the "**Cerdia Production Loan Amount**") to TWBV for application exclusively towards the design, build and procurement of equipment in relation to the expansion of the Arnhem Plant. The Cerdia Production Loan Amount has been drawn down in full.

Interest is payable at the rate of 7.5% per annum. The tranches of the Cerdia Production Loan Amount are repayable in equal quarterly repayments over eight years from the second anniversary of the first drawdown, which occurred on 29 December 2016. The Cerdia Production Loan Agreement contains events of default, information covenants and other covenants in favour of Cerdia Production in line with market practice for a debt facility from a non-institutional lender.

The Cerdia Production Loan Agreement is supported by security granted by members of the Group in favour of Cerdia Production, including over plant, machinery, inventory and trade receivables. In respect of the latter, the parties have entered into an inter-creditor agreement with ABN AMRO, the Group's primary provider of credit, to regulate the terms of enforcement of security as between ABN AMRO (with first ranking security) and Cerdia Production (with second ranking security).

(f) ***TTL SSA***

The TTL SSA was entered into for the purpose of regulating the management of TTL and the relationship between the equity investors comprising the Tricoya[®] Consortium.

TTL's share capital comprises ordinary shares of €0.00001 each and Series A preference shares of €0.00001 each ("**TTL Preference Shares**").

Completion under the TTL SSA occurred on 2 February 2016, when TWL was allotted 375,000 TTL Preference Shares and BP Ventures was allotted 500,000 TTL Preference Shares. Second completion under the TTL SSA occurred on 29 March 2017. Immediately prior to second completion, each of TWL, TTL, BP Ventures, MEDITE, BGF and Volantis entered into a deed of amendment, application and adherence relating to the TTL SSA, pursuant to which (among other things) MEDITE, BGF and Volantis subscribed for TTL Preference Shares and TWL and BP Ventures subscribed for further TTL Preference Shares. TWL has since been issued further TTL Preference Shares in consideration of the supply by TWL, at TTL's request, of Accoya[®] for market development.

TTL Board

Pursuant to the terms of the TTL SSA, TWL has the right to appoint one director to the board of TTL (the "**TTL Board**") for every whole 10% of the total TTL Preference Shares in issue held by TWL, up to a maximum of four directors (each a "**TWL Director**"). In addition, BP Ventures and MEDITE are each entitled to appoint one director for so long as they hold not less than 10% of the TTL Preference Shares in issue (the "**BP Director**" and the "**MEDITE Director**" respectively). BP Ventures has a right to appoint, in addition, one (non-voting) observer.

TWL is entitled to appoint the chairperson of the TTL Board (with no casting vote) and company secretary, subject to retaining a majority of all the issued shares in TTL from time to time. Board meetings of TTL are held no less than quarterly. Subject to certain exceptions, the quorum for meetings of the TTL Board is at least one TWL Director together with each of the BP Director and the MEDITE Director.

Reserved matters, warranties and TTL articles of association

Summaries of the reserved matters, warranties and TTL articles of association are incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

(g) ***TVUK SSA***

TVUK Board and appointment of key management

Each shareholder of TVUK shall have the right to appoint one director to the board of TVUK (the "**TVUK Board**") for every whole 13% of the equity shares in TVUK held by such shareholder, provided that MEDITE shall have the right to appoint one director to the TVUK Board for so long as it holds not less than 5% of the equity shares in issue. The chairman of the TVUK Board will be

appointed by the shareholder who for the time being has the right to appoint a majority of the directors, currently TTL. The chairman of the TVUK Board will not have a second or casting vote.

Meetings of the TVUK Board will be held no less than quarterly. Subject to certain exceptions, the quorum for meetings of the TVUK Board will be at least two directors, one of whom must be a director nominated by TTL and one of whom must be a director nominated by BP Chemicals.

The TVUK Board shall review the ongoing funding requirements of the Company on a quarterly basis and, subject to certain exceptions and conditions set out in the TVUK SSA, the TVUK Board may issue a subscription call (a “**Subsequent Subscription Call**”) requiring the members of TVUK (including TTL) to subscribe for additional TVUK Ordinary Shares, provided that no shareholder may be required to subscribe for more than a stated maximum. The TVUK SSA provides for certain processes in the event that a shareholder does not comply with a Subsequent Subscription Call made in accordance with the terms of the TVUK SSA, including that the non-subscribing shareholder(s) shall be deemed to give a transfer notice to the shareholders who have participated in the Subsequent Subscription Call in respect of all of the shares held by the non-subscribing shareholder at fair value discounted by 20%.

Reserved matters and restrictive covenants

Summaries of the reserved matters and restrictive covenants are incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

Further financing of TVUK

In the event that TVUK experiences cost overruns (compared to the initial budget agreed by shareholders), such cost overruns shall be put before shareholders and, if so approved by a Shareholder Majority, financed by TVUK making an offer to all of the shareholders to subscribe for additional TVUK Ordinary Shares *pro rata* to their existing shareholdings at that time (“**Further Shares**”). In the event that any shareholder does not subscribe for its full entitlement of Further Shares, subject to certain exceptions set out in the TVUK SSA, then 12.5% of the shares held by that shareholder shall immediately be converted into deferred shares.

In addition, in accordance with the RBS Facility Agreement, the shareholders of TVUK may be required to deposit certain funds into a designated account in the event that TVUK cannot comply with its obligations pursuant to the RBS Facility Agreement. If any of the shareholders (each a “**Non-Funding Shareholder**”) do not pay to such amount when properly required to do so in accordance with the terms of the TVUK SSA then, in certain circumstances set out in the TVUK SSA, 12.5% of the shares held by each Non-Funding Shareholder shall be converted into deferred shares.

- (h) ***Engineering procurement and construction agreement between TTL and Fabricom Oil Gas and Power Limited, dated 13 February 2017, as novated by TTL to TVUK on 29 March 2017 (“Hull EPC Agreement”), as amended by a deed of variation dated 24 December 2018 (the “Deed of Variation”) (the Hull EPC Agreement and the Deed of Variation, together, the “Contract”)***

The summary of the Hull EPC Agreement is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

The Hull EPC Agreement was amended by the Deed of Variation, the material amendment being that the Contract is no longer based on a ‘lump sum’ payment but instead on a ‘target cost’ payment mechanism. The Contract price has therefore been adjusted and, while subject to a cap, the cap can be varied in certain circumstances including changes in scope of work.

- (i) ***BGF Option Agreement***

The summary of the BGF Option Agreement is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

In addition, the Company agreed to use its reasonable endeavours to obtain shareholder authority at the 2017 General Meeting to grant to BGF the BGF Additional Option. The necessary resolutions were passed at the 2017 General Meeting. The BGF Option and the BGF Additional Option represent 7.2% of the issued share capital of the Company as at the Last Practicable Date and will represent 5.2% of the enlarged issued share capital of the Company following completion of the Issue.

(j) ***Volantis Option Agreement***

The summary of the Volantis Option Agreement is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

In addition, the Company agreed to use its reasonable endeavours to obtain shareholder authority at the 2017 General Meeting to grant to Volantis the Volantis Additional Option. The necessary resolutions were passed at the 2017 General Meeting. The Volantis Option and the Volantis Additional Option represent 3.9% of the issued share capital of the Company as at the Last Practicable Date and will represent 2.9% of the enlarged issued share capital of the Company following completion of the Issue.

(k) ***Loan note instrument constituting the BGF Loan Notes and the Volantis Loan Notes (the “Loan Note Instrument”)***

The summary of the Loan Note Instrument is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

(l) ***Guarantee agreement between the Company, Titan Wood Limited, TWBV, BGF and BGF Limited (the “BGF Guarantee Agreement”)***

The summary of the BGF Guarantee Agreement is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

(m) ***Guarantee agreement between the Company, Titan Wood Limited, TWBV and Volantis (the “Volantis Guarantee Agreement”)***

The terms of the Volantis Guarantee Agreement, dated 29 March 2017, are identical to those of the BGF Guarantee Agreement.

(n) ***RBS Facility Agreement***

The summary of the RBS Facility Agreement is incorporated into this document by reference to the 2017 Prospectus, as explained in Part XII (Documentation Incorporated by Reference) of this document.

9. Working capital

The Company is of the opinion that, taking into account existing available facilities and the net proceeds of the Issue, the working capital available to the Group is sufficient for its present requirements, that is, for at least the next 12 months following the date of this document.

For the purposes of the AIM Rules for Companies, in the opinion of the Directors, having made due and careful enquiry and taking into account existing available facilities and the net proceeds of the Firm Placing and Placing and Open Offer, the working capital available to the Company and the Group will be sufficient for their present requirements, that is for at least the next 12 months from the date of Admission.

10. Significant change

There has been no significant change in the financial position of the Group since 30 September 2019, the date to which the Company’s last unaudited condensed consolidated interim financial statements incorporated into this document by reference, as explained in Part XII (Documentation Incorporated by Reference), are prepared.

11. Governmental, legal and arbitration proceedings

There have been no governmental, legal or arbitration proceedings (including any which were pending or threatened of which the Company is aware) during the 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company and/or Group.

12. Regulatory disclosures

The Company regularly publishes announcements via the RNS system and the Company's website. Below is a summary of the information disclosed in accordance with the Company's obligations under the Market Abuse Regulation over the last 12 months relevant as at the date of this prospectus. In addition to the RNS system, full announcements can be accessed on the webpage of the Company at <https://www.accsysplc.com/news/>.

Inside information

In January 2019, the Company announced that its subsidiary, TTL, had entered into an agreement with PCG to evaluate the feasibility of jointly funding, designing, building and operating an integrated acetic anhydride and Tricoya® wood elements production plant in Malaysia. Under the terms of the agreement, the parties agreed to carry out the evaluation exclusively for a period of at least 18 months.

In June 2019, the Company announced that Paul Clegg would step down as CEO and a Board member with effect from 31 December 2019. In October 2019, the Company announced that Robert Harris had been appointed CEO of the Company with effect from 20 November 2019.

The Company has today announced that it has conditionally raised €46.3 million (before expenses) in aggregate by way of an underwritten Firm Placing and Placing and Open Offer, comprising €28.6 million (before expenses) through the issue of 27,239,764 New Ordinary Shares pursuant to a Firm Placing and €17.7 million (before expenses) through the issue of 16,855,474 New Ordinary Shares pursuant to a Placing and Open Offer.

Dealings by persons discharging managerial responsibilities and their persons closely associated

In March 2019, the Company announced, in accordance with its obligations under Article 19 of the Market Abuse Regulation, that Anthony Christopher Mair, being a person closely associated with Susan Farr, a Non-executive Director, had purchased 25,000 Ordinary Shares. In June 2019, the Company announced that the same individual had purchased 10,000 further Ordinary Shares.

In June 2019, the Company announced that the remuneration committee of the Board had resolved to grant LTIP Awards to various senior employees, including the Finance Director, William Rudge, in accordance with the terms of the LTIP Rules approved by the Company's shareholders in 2013. William Rudge was granted 96,963 LTIP Awards, which are nil-priced options over shares granted in accordance with the Company's remuneration policy.

In July 2019, the Company announced that Paul Clegg, CEO of the Company, had transferred from his brokerage account into his pension fund a total of 441,307 Ordinary Shares by way of sale and re-purchase.

13. Principal establishments

In August 2018, TWBV purchased the previously leased land and buildings at Industriepark Kleefse Waard, Westervoortsedijk, Arnhem, the Netherlands from Bruil.

TWL has the use of office accommodation at Brettenham House, 19 Lancaster Place, London, WC2E 7EN under a lease. The annual rent of £368,358 is subject to increase in 26 October 2025 and is payable from 1 April 2020.

Titan Wood Inc. has leased premises at 5000 Quorum Drive, Suite 620, Dallas, Texas 75254, United States. The annual rent is \$57,969 and the lease term runs to 31 March 2020, after which it may be extended.

TVUK has entered into an underlease granted by BP Chemicals to TVUK, as subsequently assigned by BP Chemicals to Saltend Chemicals Park Limited. The underlease is for a 20-year term (and thereafter TVUK may, at its option, call for the grant of a new lease of a ten-year duration) and relates to the land at which the Hull Plant is being constructed. The annual rent of £60,000 is subject to review every five years.

14. Taxation

Investors should note that the tax laws of their own country may affect the tax treatment of their participation in the Firm Placing and Placing and Open Offer and that the tax laws of their own country and the country in which the Company is incorporated, and the countries in which the Group operates, may affect Shareholders' post-tax income from their Ordinary Shares. A summary of certain UK and Dutch tax issues is set out below.

If potential investors are in any doubt about the taxation consequences of acquiring, holding or disposing of Ordinary Shares, or are subject to tax in any country other than the Netherlands or the UK, they should seek advice from their own professional advisers without delay. Investors should note that tax law and interpretation can change and that, in particular, the level and basis of, and reliefs from, taxation may change and that may alter the benefits of investment.

UK Taxation

The following information is intended only as a general guide to current UK tax legislation and to current published practice of Her Majesty's Revenue & Customs ("**HMRC**"). The information is not exhaustive.

The following information is intended to apply only to Placees and Shareholders who (unless the position of non-UK resident Shareholders is expressly referred to) are resident, and in the case of individuals, domiciled or deemed domiciled, in the UK for UK taxation purposes (and not in any other territory) and to whom split-year treatment does not apply, who hold their Ordinary Shares as investments (and not as securities to be realised in the course of a trade or which constitute carried interest) and who are the direct absolute beneficial owners of their Ordinary Shares and who have not acquired (or been deemed to have acquired) their Ordinary Shares through any individual savings account ("**ISA**") or self-invested personal pension or by reason of their or another person's office or employment. The information may not apply to certain classes of Placees or Shareholders, such as dealers in securities or Placees or Shareholders who are trustees or who hold their Ordinary Shares through any form of investment vehicle.

(a) Dividends

The Company is not required to withhold tax at source from dividend payments it makes.

Individual Shareholders

All dividends received from the company by an individual Shareholder who is resident and domiciled in the UK will, except to the extent that they are earned through an ISA, self-invested pension plan or other regime which exempts the dividend from tax, form part of the Shareholder's total income for income tax purposes.

A nil rate of income tax will apply to the first £2,000 of dividend income received by an individual Shareholder from all sources in a tax year (the "**Nil Rate Amount**"), regardless of what tax rate would otherwise apply to that dividend income.

Any dividend income received by an individual Shareholder in a tax year in excess of the Nil Rate Amount will be subject to income tax at the following dividend rates for 2019/2020:

- (i) at the rate of 7.5%, to the extent that the relevant dividend income falls below the threshold for the higher rate of income tax;
- (ii) at the rate of 32.5%, to the extent that the relevant dividend income falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax;
and

- (iii) at the rate of 38.1%, to the extent that the relevant dividend income falls above the threshold for the additional rate of income tax.

Dividend income that is within the dividend nil rate amount counts towards an individual's basic or higher rate limits, and will therefore potentially affect the level of savings allowance to which they are entitled and the rate of tax that is due on any dividend income in excess of the nil rate amount. In calculating into which tax band any dividend income over the nil rate falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

Corporate Shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax that are "small companies" (for the purposes of UK taxation of dividends) will not generally be subject to UK tax on dividends from the Company, provided certain conditions are met, including an anti-avoidance condition.

Other Shareholders within the charge to UK corporation tax will not be subject to UK tax on dividends from the Company so long as the dividends fall within an exempt class and certain conditions are met. In general, dividends paid on ordinary shares that are non-redeemable shares and do not carry any present or future preferential rights to dividends or to a company's assets on its winding up, and dividends paid to a person holding less than 10% of the issued share capital of the payer (or any class of that share capital in respect of which the distribution is made) and who is entitled to less than 10% of the profits available for distribution and would be entitled to less than 10% of the assets available for distribution on a winding-up, are examples of dividends within an exempt class. However, the exemptions are not comprehensive and are subject to anti-avoidance rules.

Non-UK resident Shareholders

A non-UK resident Shareholder is not generally subject to UK tax on dividend receipts. However where a non-UK resident Shareholder carries on a trade, profession or vocation in the UK and the dividends are a receipt of that trade or, in the case of corporation tax, the Ordinary Shares are held by or for a UK permanent establishment through which the trade is carried on, there may be a liability to UK tax.

A Shareholder resident outside the UK may be subject to taxation on dividend income under their local laws. Any such Shareholder should consult its own tax advisers concerning its tax liabilities (in the UK and any other country) on dividends received from the Company.

(b) ***UK taxation of chargeable gains arising on sale or other disposal***

For the purpose of UK tax on chargeable gains, the amounts paid by a Shareholder for Ordinary Shares will generally constitute the base cost of its holdings in those Ordinary Shares.

A disposal of Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains depending upon the Shareholder's circumstances and subject to any available exemption or relief.

UK resident individual Shareholders

For an individual Shareholder within the charge to UK capital gains tax, a disposal of New Ordinary Shares may give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax.

An individual Shareholder who is resident in the UK for UK tax purposes and whose total taxable gains and income in a given tax year, including any gains made on the disposal or deemed disposal of his New Ordinary Shares, are less than or equal to the upper limit of the income tax basic rate band applicable in respect of that tax year (the "**Band Limit**") will generally be subject to capital gains tax at the flat rate of 10% (for the tax year 2019/2020) in respect of any gain arising on a disposal or deemed disposal of his New Ordinary Shares.

An individual Shareholder who is resident in the UK for UK tax purposes and whose total taxable gains and income in a given tax year, including any gains made on the disposal or deemed disposal of his New Ordinary Shares, are more than the Band Limit will generally be subject to capital gains tax at the flat rate of 10% (for the tax year 2019/2020) in respect of any gain arising on a disposal or deemed disposal of his New Ordinary Shares (to the extent that, when added to the Shareholder's other taxable gains and income in that tax year, the gain is less than or equal to the Band Limit) and at the flat rate of 20% (for the tax year 2019/2020) in respect of the remainder.

No indexation allowance will be available to an individual Shareholder in respect of any disposal or deemed disposal of New Ordinary Shares. However, each individual Shareholder has an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £12,000 for the tax year 2019/2020.

Individuals who are temporarily not resident in the UK may, in certain circumstances, be subject to UK tax in respect of gains realised while they are not resident in the UK.

UK resident corporate Shareholders

For a corporate Shareholder within the charge to UK corporation tax, a disposal of Ordinary Shares may give rise to a chargeable gain at the rate of corporation tax applicable to that Shareholder (currently 19% for companies, reducing to 17% from 1 April 2020) or an allowable loss for the purposes of UK corporation tax. It should be noted for the purposes of calculating an indexation allowance available on a disposal of New Ordinary Shares that generally the expenditure incurred in acquiring the New Ordinary Shares will be treated as incurred only when the Shareholder made, or became liable to make, payment, and not at the times those shares are otherwise deemed to have been acquired. Regardless of the date of disposal of the New Ordinary Shares, indexation allowance will be calculated only up to and including December 2017.

Open Offer

As a matter of UK tax law, the acquisition of Open Offer Shares pursuant to the Open Offer may not strictly speaking constitute a reorganisation of share capital for the purposes of the UK taxation of chargeable gains. The published practice of HMRC to date has been to treat any subscription of shares by an existing shareholder which is equal to or less than the shareholder's minimum entitlement pursuant to the terms of an open offer as a reorganisation, but it is not certain that HMRC will apply this practice in circumstances where an open offer is not made to all shareholders. HMRC's treatment of the Open Offer cannot therefore be guaranteed and specific confirmation has not been requested in relation to the Open Offer.

To the extent that the acquisition of the Open Offer Shares is regarded as a reorganisation of the Company's share capital for the purposes of the UK taxation of chargeable gains, a Qualifying Shareholder should not be treated as making a disposal of any part of that Qualifying Shareholder's Existing Ordinary Shares by reason of taking up all or part of his Open Offer Entitlement. The Open Offer Shares issued to a Qualifying Shareholder will be treated as the same asset as, and having been acquired at the same time as, the Qualifying Shareholder's Existing Ordinary Shares. The amount of subscription monies paid for the Open Offer Shares will be added to the base cost of the Qualifying Shareholder's Existing Ordinary Shares.

If, or to the extent that, the acquisition of Open Offer Shares under the Open Offer is not regarded as a reorganisation of the Company's share capital, the Open Offer Shares acquired by each Qualifying Shareholder under the Open Offer will, for the purposes of the UK taxation of chargeable gains, be treated as a separate acquisition of Ordinary Shares and the price paid for those Open Offer Shares will constitute their base cost. For both corporate and individual shareholders, the Open Offer Shares should be pooled with the shareholder's Existing Ordinary Shares and the share identification rules will apply on a future disposal. To the extent that the Open Offer Shares under the Open Offer are issued for less than their market value, there is a technical risk that Qualifying Shareholders may be regarded as having made a part-disposal of their existing shareholding when they take up shares under

the Open Offer. However, to date, we are not aware that HMRC have sought to tax a part-disposal under such circumstances.

Firm Placing

The issue of Firm Placing Shares to Firm Placees pursuant to the Firm Placing will not be regarded as a reorganisation of the Company's share capital for the purposes of UK taxation of chargeable gains. Accordingly such an acquisition of New Ordinary Shares will instead be treated as a separate acquisition of shares. Again, for existing corporate and individual Shareholders, the New Ordinary Shares should be pooled with their Existing Ordinary Shares and the share identification rules will apply on a future disposal.

Placing

Similarly, the issue of Open Offer Shares to Conditional Placees pursuant to the Placing will not constitute a reorganisation of the Company's share capital for the purposes of the UK taxation of chargeable gains and, accordingly, any acquisition of Open Offer Shares by a Conditional Placee pursuant to the Placing will be treated as a separate acquisition of Ordinary Shares.

Non-resident Shareholders

A Shareholder who is not resident in the UK for tax purposes is generally not subject to UK capital gains tax on a disposal of shares, unless such a Shareholder carries on a trade, profession or vocation in the UK through a branch or agency or, in the case of a non-UK resident corporate Shareholder, a permanent establishment to which the Ordinary Shares are attributable or the company is considered to be 'property rich' where 75% of the company's asset base is UK land.

Subject to the exceptions set out in the paragraph above, individual Shareholders who are not resident in the UK will not be subject to UK capital gains tax in respect of gains arising on disposals of Ordinary Shares. However, a Shareholder who has previously been resident or ordinarily resident in the United Kingdom may in some cases be subject to UK tax on capital gains in respect of a disposal of Ordinary Shares in the event that they re-establish residence in the United Kingdom.

(c) ***Stamp duty and SDRT***

The following statements are intended as a general guide to the current UK stamp duty and SDRT position for holders of New Ordinary Shares. Certain categories of person, including intermediaries, brokers, dealers and persons connected with clearance services and depositary receipt systems, may not be liable to stamp duty or SDRT or may be liable at a higher rate. Furthermore, such persons may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986.

The comments in this section relating to stamp duty and SDRT apply whether or not a Shareholder is resident in the UK.

The issue

No stamp duty or SDRT is ordinarily payable on the New Ordinary Shares to be issued by the Company.

However, Qualifying Shareholders who wish to take up their Open Offer Entitlements should note that the New Ordinary Shares subscribed for and/or purchased by them under the Open Offer will only be delivered into the accounts of such Qualifying Shareholders (or their nominees) in the clearance system operated by Euroclear Nederland. The stamp duty/SDRT consequences of this are set out below under the sub-heading 'Ordinary Shares deposited with Euroclear Nederland'.

Subsequent transfers

Following completion of the Open Offer and subject to applicable exemptions and reliefs and subject as set out below, in particular under the heading 'Ordinary Shares deposited with Euroclear

Nederland', for subsequent conveyances or transfers, stamp duty at the rate of 0.5% (rounded up to the next multiple of £5) of the amount or value of the consideration given by the purchaser is generally payable on an instrument transferring New Ordinary Shares. An exemption from stamp duty is available on an instrument transferring New Ordinary Shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.

A charge to SDRT will also generally arise on an unconditional agreement to transfer New Ordinary Shares (at the rate of 0.5% of the amount or value of the consideration payable). However, if within six years of the date of the agreement (or, if the agreement is conditional, the date on which it becomes unconditional), an instrument of transfer is executed pursuant to the agreement, and stamp duty is duly paid on that instrument, or that instrument is exempt, any SDRT already paid will generally be refunded, provided that a claim for payment is made, and any outstanding liability to SDRT will be cancelled.

The purchaser or transferee of New Ordinary Shares will generally be liable for paying such stamp duty or SDRT.

Ordinary Shares held through CREST

Paperless transfers of New Ordinary Shares with CREST are generally liable to SDRT, rather than stamp duty, at the rate of 0.5% of the amount or value of the consideration in money or money's worth payable by the purchaser. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Under the CREST system, generally no stamp duty or SDRT will arise on a deposit of New Ordinary Shares into the system unless such a transfer is made for consideration in money or money's worth, in which case a liability to SDRT will arise usually at a rate of 0.5% of the amount or value of the consideration paid for New Ordinary Shares.

Ordinary Shares deposited with clearance services and depositary receipt systems generally

Under current UK legislation, where New Ordinary Shares are issued or transferred (i) to (or to a nominee or agent for) a person whose business is or includes the provision of clearance services or (ii) to (or to a nominee or agent for) a person whose business is or includes issuing depositary receipts, stamp duty or SDRT would generally be payable at the higher rate of 1.5% of the amount or value of the consideration paid for the New Ordinary Shares (rounded up to the next multiple of £5 in the case of stamp duty) or in certain circumstances, the value of the New Ordinary Shares.

However, following the decisions in *HSBC Holdings plc and Vidacos Nominees Ltd v HMRC C-569/07* [2010] STC 58 and *HSBC Holdings plc and The Bank of New York Mellon Corporation v The Commissioners for HMRC* [2012] UKFTT 163 (TC), HMRC has confirmed that it will no longer seek to apply the 1.5% stamp duty or SDRT charge when shares are first issued to an EU clearance service or depositary receipt system. Relief is generally available for subsequent transfers between clearance services or depositary receipt systems. However, anti-avoidance measures have been introduced by HMRC which remove this exemption where companies and depositary receipt issuers arrange a scheme under which new shares are issued to an EU clearance service or depositary receipt system without the payment of 1.5% stamp duty or SDRT and the shares are subsequently transferred to a clearance service or depositary receipt system outside the EU.

Accordingly, on the basis that the New Ordinary Shares are first issued to an EU clearance service or depositary receipt system, provided there is no subsequent transfer to a non-EU clearance service or depositary receipt system, no SDRT should be payable. However, if this is not the case, the Shareholder will be liable to pay SDRT at the rate of 1.5% of the aggregate value of the Offer Price of the New Ordinary Shares allotted to them, in addition to the aggregate Offer Price for such New Ordinary Shares.

Clearance systems may opt under section 97A of the Finance Act 1986, provided certain conditions are satisfied, for the normal rate of stamp duty or SDRT (0.5% of the consideration paid) to apply to

issues or transfers of Ordinary Shares into, and to transactions within, such systems instead of the higher rate of 1.5% generally applying to an issue or transfer of Ordinary Shares into the clearance system and the exemption from stamp duty and SDRT on transfer of Ordinary Shares whilst in the clearance system.

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depositary receipt system, or in respect of a transfer of Ordinary Shares held within such a service or system, will strictly be payable by the operator of the clearance service or depositary receipt system or its nominee, as the case may be, but in practice will generally be reimbursed by participants in the clearance service or depositary receipt system.

Ordinary Shares deposited with Euroclear Nederland

It is understood that Euroclear Nederland is a clearance system for stamp duty purposes and has not made an election under section 97A Finance Act 1986. If, following completion of the Open Offer, Ordinary Shares are first issued to Euroclear Nederland, as mentioned above, following the ECJ and FTT decisions, HMRC will not seek to charge the 1.5% SDRT of the value of the Ordinary Shares.

No SDRT should be payable on any transfers or agreements to transfer Ordinary Shares within Euroclear Nederland.

Growth market shares

For completeness, there is an exemption from stamp duty and SDRT for shares that are admitted to trading on a recognised growth market but not listed on any recognised stock exchange. Whilst AIM is a recognised growth market, the exemption for growth market shares will not apply to subsequent transfers of the Ordinary Shares and the New Ordinary Shares as these shares will also be listed on Euronext Amsterdam.

Impact of the UK's proposed exit from the European Union

We do not expect the UK's proposed exit from the European Union to cause HMRC to change its practice.

Dutch Taxation

(a) *General*

The information set out below is a general summary of certain Dutch tax consequences in connection with the acquisition, ownership and transfer of the Ordinary Shares. The summary does not purport to be a comprehensive description of all the Dutch tax considerations that may be relevant for a particular holder of the Ordinary Shares, and this summary is not intended to be applicable in respect of all categories of holders of Ordinary Shares. The summary is based upon the tax laws of the Netherlands as in effect on the date of this document, as well as regulations, rulings and decisions of the Netherlands and its taxing and other authorities available on or before such date and now in effect. All of the foregoing is subject to change, which could apply retroactively and could affect the continuing validity of this summary. As this is a general summary, investors or Shareholders are recommended to consult their own tax advisers as to the Dutch or other tax consequences of the acquisition, redemption, ownership and transfer of the Ordinary Shares, including, in particular, the application to their particular situations of the tax considerations discussed below.

The following summary does not address the tax consequences arising in any jurisdiction other than the Netherlands in connection with the acquisition, ownership and transfer of the Ordinary Shares.

The Directors believe that the Company is not a resident nor that it is deemed to be a resident of the Netherlands nor that it has a presence in the Netherlands for Dutch tax purposes, and the following summary assumes that the Company will not be treated as a resident or deemed resident of the Netherlands nor that it will be treated as having a presence in the Netherlands for Dutch tax purposes.

The Directors believe that the assets of the Company, on a consolidated basis, do not consist of at least 50% of immoveable property (or rights to immoveable property) and the assets of the Company on a consolidated basis do not consist of at least 30% of immoveable property which is situated in the Netherlands.

The description of taxation set out in this summary is not intended for any holder of Ordinary Shares who is:

- (i) an individual for whom the income or capital gains derived from the Ordinary Shares are attributable to employment activities the income from which is taxable in the Netherlands;
- (ii) an individual from whom the ownership of the Ordinary Shares is deemed to be a so-called ‘beneficial interest’ (*lucratief belang*);
- (iii) an individual who holds, or is deemed to hold a substantial interest (as defined below) in the Company;
- (iv) an entity that is not subject to or exempt, in whole or in part, from Dutch corporate income tax;
- (v) an entity owning, directly or indirectly or together with affiliated companies, Ordinary Shares representing 5% or more of the Company’s total issued and outstanding nominal share capital (or the issued and outstanding nominal share capital of any class of shares), or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of the Company’s total issued and outstanding nominal share capital (or the issued and outstanding nominal share capital of any class of shares) or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit and/or to 5% or more of the liquidation proceeds;
- (vi) an investment institution (*fiscale beleggingsinstelling*), as defined in the Dutch Corporate Income Tax Act 1969; or
- (vii) an exempt investment vehicle (*vrijgestelde beleggingsinstelling*), as defined in the Dutch Corporate Income Tax Act 1969.

Generally a holder of ordinary shares will have a substantial interest in a company (“**substantial interest**”) if s/he holds, alone or together with his/her partner and his/her under-aged children, whether directly or indirectly, the ownership of, or certain other rights over, shares representing 5% or more of the company’s total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of the company’s total issued and outstanding capital (or the issued and outstanding capital of any class of shares) or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit and/or to 5% or more of the company’s liquidation proceeds. If a holder of ordinary shares does not have a substantial interest, a deemed substantial interest will be present if (part of) a substantial interest has been disposed of, or is deemed to have been disposed of, on a non-recognition basis.

(b) *Dividend withholding tax*

Distributions from the Company are not subject to Dutch dividend withholding tax.

(c) *Corporate income tax and individual income tax*

A ‘Resident of the Netherlands’ is a holder of Ordinary Shares who is, or who is deemed to be, a resident of the Netherlands for purposes of Dutch taxation. A ‘Non-Resident of the Netherlands’ is a holder of Ordinary Shares who is not treated as a resident of the Netherlands for the purposes of Dutch taxation.

Residents of the Netherlands

Individuals

A Resident of the Netherlands who is an individual and who holds Ordinary Shares will generally be subject to Dutch income tax on the income and/or capital gains derived from the Ordinary Shares at the progressive rate (up to 51.75%) if:

- (i) the holder has an enterprise or an interest in an enterprise, to which enterprise the Ordinary Shares are attributable; or
- (ii) the holder derives income or capital gains from the Ordinary Shares that are taxable as benefits from ‘miscellaneous activities’ (*resultaat uit overige werkzaamheden*) which is considered to include performance of activities with respect to the Ordinary Shares that exceed regular, active portfolio management (*normaal, vermogensbeheer*).

If conditions (i) and (ii) mentioned above do not apply, any holder of Ordinary Shares who is an individual will be subject to Dutch income tax from savings and investment (*box 3*). Rather than taxing the actual income received from savings and investment, Dutch law assumes a deemed return on investment on net assets (assets minus debts). This deemed return depends on the total value of assets and liabilities of an individual on 1 January of the tax year. The income from savings and investments in the first two brackets below is attributed to a savings part and an investment part (proportionally) at a rate of 0.13% and 5.60% for 2019. For 2019, the deemed return is calculated as follows (insofar as the net value of assets exceeds the exempt net asset amount (*heffingvrij vermogen*)):

	Savings part 0.13%	Investment part 5.60%	Effective return on investment
Up to EUR 71,650	67%	33%	1.935%
EUR 71,650 up to EUR 989,736	21%	79%	4.451%
EUR 989,736 and more	0%	100%	5.60%

The deemed return following from the abovementioned table is taxed at a flat rate of 30%.

Entities

A Resident of the Netherlands who is an entity will generally be subject to Dutch corporate income tax with respect to the income and capital gains derived from the Ordinary Shares. For the calendar year 2019 the Dutch corporate income tax rate is 19% on the first €200,000 of taxable income and 25.0% over the taxable income exceeding €200,000.

Non-Residents of the Netherlands

A Non-Resident of the Netherlands who holds Ordinary Shares is generally not subject to Dutch income or corporate income tax on the income and capital gains derived from the Ordinary Shares, provided that:

- (i) such Non-Resident of the Netherlands does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder) which enterprise is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Ordinary Shares are attributable or deemed attributable;
- (ii) in the case of a Non-Resident of the Netherlands who is an individual, such individual does not derive income or capital gains from the Ordinary Shares that are taxable as benefits from miscellaneous activities in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*); and
- (iii) such Non-Resident of the Netherlands is neither entitled to a share in the profits of an enterprise nor co-entitled to the net worth of such enterprise effectively managed in the Netherlands, other than by way of the holding of securities or through an employment contract, to which enterprise the Ordinary Shares or payments in respect of the Ordinary Shares are attributable or deemed attributable.

(d) *Gift and inheritance taxes*

Dutch gift or inheritance taxes will not be levied on the transfer of the Ordinary Shares by way of gift or on the death of a holder, unless:

- (i) the holder is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions.

For the purposes of Dutch gift, estate and inheritance tax, an individual who is of Dutch nationality will be deemed to be a resident of the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For the purposes of Dutch gift tax, an individual who is not of Dutch nationality will be deemed a resident of the Netherlands if he has been a resident in the Netherlands at any time during the 12 months preceding the date of the gift.

(e) *VAT*

No Dutch VAT is payable in respect of the issuance, transfer or redemption of the Ordinary Shares or with regard to distribution on the Ordinary Shares.

(f) *Other taxes and duties*

No Dutch capital tax, net wealth tax, registration tax, customs duty, transfer tax, stamp duty, registration tax or any other similar documentary tax or duty will be due in the Netherlands by a holder of Ordinary Shares in respect of or in connection with the subscription, issue, allotment or delivery of the New Ordinary Shares.

15. Third party information

Certain information contained in this document has been sourced from third parties. In each case, the source of such information is indicated where the information appears in this document. The Company confirms that the information in this document that has been sourced from third parties has been accurately reproduced and that, as far as it is aware and is able to ascertain from information published by these third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

16. General

- (a) The total expenses of the Firm Placing and Placing and Open Offer payable by the Company are approximately €3.3 million (inclusive of VAT). The Company's net proceeds from the Firm Placing and Placing and Open Offer would be approximately €43 million.
- (b) No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, from the Company within the 12 months preceding the date of this document or entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission any of the following:
 - (i) fees totalling £10,000 or more;
 - (ii) Shares of the Company where these have a value of £10,000 or more calculated by reference to the Offer Price; or
 - (iii) any other benefit with a value of £10,000 or more as at the date of this document.
- (c) The auditors of the Company are PricewaterhouseCoopers LLP of 1 Embankment Place, London, WC2N 6RH, who have audited the consolidated financial statements of the Group for the financial year ended 31 March 2019. PricewaterhouseCoopers LLP issued unqualified reports on the consolidated financial statements of the Group for the financial year ended 31 March 2019.

PricewaterhouseCoopers LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

- (d) Numis has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they are included.
- (e) Investec Bank plc has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they are included.
- (f) NIBC Bank N.V. has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they are included.
- (g) NIBC Bank N.V. is incorporated in the Netherlands with commercial register number 27032036. Its registered seat is in The Hague, the Netherlands and its offices are at Carnegieplein 4, 2517 KJ The Hague. NIBC Bank N.V. is regulated by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) and the AFM.
- (h) The New Ordinary Shares will be in registered form and are capable of being held in uncertificated form.

17. Availability of documents

Copies of the following documents will be available for inspection at the offices of the Company's solicitors, Slaughter and May, One Bunhill Row, London, EC1Y 8YY during normal business hours Monday to Friday (excluding public holidays in England and Wales) up to and including 20 December 2019:

- (i) the Articles of Association;
- (ii) the Group's audited statutory accounts for the year ended 31 March 2019;
- (iii) the Group's unaudited interim accounts for the six months ended 30 September 2019;
- (iv) the written consents referred to in section 16 of this Part XI (Additional Information); and
- (v) this document.

This document will be available through the Company's website at www.accsysplc.com and Euronext's website at www.euronext.com.

Dated: 28 November 2019

PART XII

DOCUMENTATION INCORPORATED BY REFERENCE

The table below sets out the various sections of such documents which are incorporated by reference into this document, so as to provide the information required pursuant to the Prospectus Regulation and to ensure that this document contains the relevant reduced information which is necessary to enable investors to understand the prospects of the Company and the significant changes in the business and the financial position of the Company that have occurred since the end of the last financial year and the rights attaching to the Ordinary Shares. The parts of these documents which are not being incorporated by reference are either not relevant for an investor or are covered elsewhere in this document. Information that is itself incorporated by reference or referred or cross-referred to in the documents below is not incorporated by reference into this document. Except as set forth above, no other portion of these documents is incorporated by reference into this document. The following information is available free of charge from the Company's head office at Brettenham House, 19 Lancaster Place, London, WC2E 7EN.

Reference document	Information incorporated by reference	Page numbers of reference document
Interim results for the six months ended 30 September 2019	Condensed consolidated interim statement of comprehensive income for the 6 months ended 30 September 2019, condensed consolidated interim statement of changes in equity for the 6 months ended 30 September 2019, condensed consolidated interim statement of financial position at 30 September 2019, condensed consolidated interim statement of cash flow for the 6 months ended 30 September 2019, notes to the interim financial statements for the 6 months ended 30 September 2019 and independent review report.	Pages 12 to 36
Annual report and financial statements for the year ended 31 March 2019	Independent auditors' report, consolidated statement of comprehensive income for the year ended 31 March 2019, consolidated statement of financial position at 31 March 2019, consolidated statement of changes in equity for the year ended 31 March 2019, consolidated statement of cash flow for the year ended 31 March 2019, notes to the financial statements for the year ended 31 March 2019, Company balance sheet at 31 March 2019 and notes to the Company financial statements for the year ended 31 March 2019	Pages 76 to 139

Reference document	Information incorporated by reference	Page numbers of reference document
Prospectus published by the Company on 29 March 2017	Sub-paragraphs (a), (b), (c), (d), (e), (f), (g) and (h) in section 6 (Articles of Association) of Part XII (Additional Information)	Pages 126 to 128
	The sections headed “Reserved matters”, “Warranties” and “TTL articles of association” in the summary of the TTL SSA	Pages 143 to 144
	The sections headed “Reserved Matters” and “Restrictive covenants” in the summary of the TVUK SSA	Page 145
	The summary of the Hull EPC Agreement	Page 146
	The summary of the BGF Option Agreement	Pages 149 to 150
	The summary of the Volantis Option Agreement	Page 150
	The summary of the Loan Note Instrument	Pages 150 to 151
	The summary of the BGF Guarantee Agreement	Page 151
	The summary of the RBS Facility Agreement	Page 151

DEFINITIONS

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

“1985 Act”	the Companies Act 1985 of England and Wales;
“2017 General Meeting”	the general meeting of the Company held at 11:00 a.m. on 21 April 2017;
“2017 Prospectus”	the prospectus published by the Company on 29 March 2017, available at https://www.accsysplc.com/wp-content/uploads/sites/2/2017/09/Accsys-Technologies-March-2017-Prospectus.pdf ;
“ABN AMRO”	ABN AMRO Bank N.V.;
“ABN Lease Loan Agreement”	the lease loan agreement relating to the purchase of the Arnhem land and buildings between TWBV and ABN AMRO Asset Based Finance N.V. dated 1 August 2018;
“ABN Loan Agreement”	the loan agreement relating to the purchase of the Arnhem land and buildings between TWBV and ABN AMRO dated 1 August 2018;
“Admission”	the admission of the New Ordinary Shares to listing and trading on Euronext Amsterdam and to trading on AIM;
“Admitted Institution”	an admitted institution (<i>aangesloten instelling</i>) of Euroclear Nederland within the meaning of the Dutch Securities Giro Act (<i>Wet giraal effectenverkeer</i>), which holds a collective depot (<i>verzameldepot</i>) in relation to Euroclear Shares;
“AFM”	the Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>);
“AIM”	the Alternative Investment Market, a market operated by the London Stock Exchange;
“AIM Rules for Companies”	the rules published by the London Stock Exchange governing admission to AIM and the regulation of companies whose securities are admitted to trading on AIM (including any guidance notes), as each may be amended or reissued from time to time;
“AIM Rules for Nominated Advisers”	the rules published by the London Stock Exchange setting out the eligibility, ongoing responsibilities and certain disciplinary matters in relation to nominated advisers, as amended or reissued from time to time;
“Application Form”	the personalised application form on which Qualifying Non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer;
“Arnhem Plant”	the Group’s Accoya® production facility in Arnhem, the Netherlands;
“Articles of Association”	the articles of association of Accsys, as amended from time to time;
“ASEAN”	Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Phillipines, Singapore, Thailand and Vietnam;

“BGF”	BGF Investments LP, a limited partnership with number LP14928 whose registered office is at 13-15 York Buildings, London, WC2N 6JU;
“BGF Additional Option”	the further share option granted by the Company to BGF in respect of 2,610,218 Ordinary Shares;
“BGF Limited”	Business Growth Fund Limited, a company incorporated in England and Wales with company number 07514847, whose registered office is at 13-15 York Buildings, London, WC2N 6JU;
“BGF Loan Notes”	£10,476,973.68 in principal of unsecured fixed rate loan notes due 2021 issued by the Company to BGF, as constituted by the Loan Note Instrument;
“BGF Option”	the share option granted by the Company to BGF in respect of 5,838,954 Ordinary Shares, pursuant to the BGF Option Agreement;
“BGF Option Agreement”	the option agreement dated 29 March 2017 and made between the Company and BGF;
“Board” or “Directors”	the directors of the Company as at the date of this document;
“BP Chemicals”	BP Chemicals Limited, a company incorporated in England and Wales with company number 00194971, whose registered office is at Chertsey Road, Sunbury On Thames, Middlesex, TW16 7BP;
“BP Ventures”	BP Technology Ventures Limited, a company incorporated in England and Wales with company number 09534543, whose registered office is at Chertsey Road, Sunbury On Thames, Middlesex, TW16 7BP;
“Bruil”	Bruil Beleggingsmaatschappij EDE B.V.;
“Bruil Loan Agreement”	the loan agreement relating to the purchase of the Arnhem land and buildings between TWBV and Bruil dated 1 August 2018;
“Cerdia Production”	Cerdia Production GmbH (formerly known as Rhodia Acetow GmbH and Solvay Acetow GmbH);
“Cerdia Production Loan Agreement”	the term loan facility agreement between TWBV, Cerdia Production, Titan Wood Limited and Solvay UK Holding Company Limited dated 25 November 2015, as amended on 20 December 2016;
“City Code”	the Code on Takeovers and Mergers issued and administered by the Takeover Panel;
“Class 1 durability”	the highest classification of wood durability defined within European Standard EN 350-1;
“Companies Act”	the Companies Act 2006 of England and Wales;
“Company” or “Accsys”	Accsys Technologies plc, a company incorporated in England and Wales with company number 05534340, whose registered office is at Brettenham House, 19 Lancaster Place, London, WC2E 7EW, United Kingdom;

“Conditional Placée”	any person who has agreed to conditionally subscribe for Open Offer Shares (subject to clawback to satisfy Open Offer Entitlements and Excess Open Offer Entitlements taken up by Qualifying Shareholders under the Open Offer) pursuant to the Placing;
“CREST”	the United Kingdom paperless share settlement system and system for the holding of shares in uncertificated form in respect of which Euroclear UK is the operator;
“CREST Courier and Sorting Service”	the CREST courier and sorting service established by Euroclear UK to facilitate, among other things, the deposit and withdrawal of securities;
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996, as amended);
“CREST Open Offer Entitlement”	the entitlement of a Qualifying CREST Shareholder, pursuant to the Open Offer, to apply to acquire Open Offer Shares pursuant to, and subject to the terms of, the Open Offer;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended);
“CREST Rules”	the rules and regulations and practices of Euroclear UK;
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules made by the Financial Services Authority pursuant to Part VI of FSMA (as set out in the FCA Handbook), as amended;
“EEA States”	a state which is a contracting party to the agreement on the European Economic Area signed at Oporto on 2 May 1992, as it has effect for the time being;
“EU”	the European Union;
“EU GDPR”	Regulation (EU) 2016/679;
“EU Referendum Result”	the UK’s June 2016 referendum vote to leave the EU;
“Euroclear Nederland”	the Dutch Central Institute for Giro Securities Transactions (<i>Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.</i>), trading as Euroclear Nederland;
“Euroclear Open Offer Entitlement”	the entitlement of a Qualifying Euroclear Shareholder, pursuant to the Open Offer, to apply to acquire an interest in Open Offer Shares pursuant to, and subject to the terms of, the Open Offer;
“Euroclear Shares”	interests in and corresponding to the Existing Ordinary Shares which at the Record Time are registered in the name of Euroclear Nederland and which are traded on Euronext Amsterdam;
“Euroclear UK”	Euroclear UK & Ireland Limited, the operator of CREST;

“Euronext Amsterdam”	the regulated market operated by Euronext Amsterdam N.V.;
“Ex-Entitlements Date”	the date on which the Ordinary Shares are marked “ex-entitlement”, being 8:00 a.m. on 29 November 2019;
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for New Ordinary Shares in excess of their Open Offer Entitlements;
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder, the conditional entitlement to apply for Excess Open Offer Shares under the Excess Application Facility, which are subject to allocation in accordance with this document;
“Excess Euroclear Open Offer Entitlements”	in respect of each Qualifying Euroclear Shareholder, the conditional entitlement to apply for Excess Open Offer Shares under the Excess Application Facility, which are subject to allocation in accordance with this document;
“Excess Open Offer Entitlements”	in respect of each Qualifying Shareholder, the conditional entitlement to apply for Excess Open Offer Shares under the Excess Application Facility, which are subject to allocation in accordance with this document;
“Excess Open Offer Shares”	the New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Excess Application Facility, or (in the case of Qualifying Euroclear Shareholders) an interest in such shares;
“Executive Directors”	Paul Clegg and William Rudge;
“Existing Ordinary Shares”	the existing Ordinary Shares in issue as at the date of this document;
“FCA”	the Financial Conduct Authority of the UK;
“FCA Handbook”	the FCA’s Handbook of Rules and Guidance, as amended from time to time
“Firm Placee”	any person who has agreed to subscribe for Firm Placing Shares pursuant to the Firm Placing;
“Firm Placing”	the placing of 27,239,764 New Ordinary Shares with the Firm Placees;
“Firm Placing Shares”	the 27,239,764 New Ordinary Shares which are the subject of the Firm Placing;
“Form of Proxy”	the form of proxy for use at the General Meeting which accompanies this document;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting of the Company to be convened pursuant to the Notice of General Meeting;
“Group” or “Accsys Group”	Accsys and its existing subsidiary undertakings (and, where the context permits, each of them);
“Hull Plant”	a wood chip acetylation plant with a targeted annual production capacity of approximately 30,000 metric tonnes currently being built at the Saltend Chemical Park in Hull;

“IFRS”	International Financial Reporting Standards and adopted pursuant to the procedure of Articles of Regulation (EC) No. 1606/2002;
“Intermediary”	an Admitted Institution or an investment firm or bank within the meaning of the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>), which holds a collective depot (<i>verzameldepot</i>) in relation to Euroclear Shares;
“Investec”	Investec Bank plc, a company incorporated in England and Wales with company number 00489604, whose registered office is at 30 Gresham Street, London, EC2V 7QP, United Kingdom;
“Issue”	together, the Firm Placing and Placing and Open Offer;
“Joint Bookrunners”	Numis, Investec and NIBC Bank N.V.;
“Joint Financial Advisers” or “Joint Brokers”	Numis and Investec;
“Joint Underwriters”	Numis, Investec and NIBC Bank N.V.;
“Last Practicable Date”	27 November 2019, being the Last Practicable Date prior to the publication of this document;
“Listing Agent”	NIBC Bank N.V.;
“Loan Note Instrument”	the loan note instrument dated 29 March 2017 constituting the Loan Notes;
“Loan Notes”	the BGF Loan Notes and the Volantis Loan Notes together;
“London Stock Exchange”	London Stock Exchange plc;
“LTIP”	the long-term incentive plan operated by the Group;
“LTIP Awards”	awards granted pursuant to the LTIP;
“LTIP Rules”	the rules for the LTIP approved by the Company’s shareholders in 2013;
“Market Abuse Regulation”	Regulation (EU) No 596/2014;
“MEDITE”	MEDITE Europe DAC (formerly MEDITE Europe Limited);
“MEDITE Tricoya®”	Extreme Durable Medium Density Fibreboard panels produced by MEDITE using Tricoya® under licence from TTL;
“Money Laundering Regulations”	the Money Laundering Regulations 2007 (SI 2007 No. 2157);
“New Ordinary Shares”	the Firm Placing Shares and/or the Open Offer Shares and/or the Excess Open Offer Shares, as the context requires;
“Non-executive Directors”	the non-executive directors of the Company as at the date of this document, being Patrick Shanley, Montague John Meyer, Susan Farr, Michael Sean Christie and Geertrui Elizabeth Schoolenberg, and “Non-Executive Director” means any one of them;
“Notice of General Meeting”	the notice convening the General Meeting, set out at the end of this document;

“Numis” or “Nominated Adviser”	Numis Securities Limited, a company incorporated in England and Wales with company number 02285918, whose registered office is at 10 Paternoster Square, London, EC4M 7LT, United Kingdom;
“Offer Price”	€1.05 (£0.90) per New Ordinary Share;
“Open Offer”	the conditional invitation to Qualifying Shareholders (other than, subject to certain exceptions, Restricted Shareholders and persons in the United States) to apply to acquire the Open Offer Shares and Excess Open Offer Shares pursuant to, and subject to the terms of, the Open Offer set out in this document and, in the case of Qualifying Non-CREST Shareholders, the Application Form;
“Open Offer Entitlement”	the entitlement of a Qualifying Shareholder, pursuant to the Open Offer, to apply to acquire Open Offer Shares pursuant to, and subject to the terms of, the Open Offer or (in the case of Qualifying Euroclear Shareholders) the entitlement to acquire an interest in Open Offer Shares;
“Open Offer Shares”	the 16,855,474 New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Open Offer, or (in the case of Qualifying Euroclear Shareholders) an interest in such shares;
“Ordinary Shares”	the ordinary shares of €0.05 each in the capital of Accsys;
“Overseas Shareholders”	Shareholders who have registered addresses outside the UK or the Netherlands or who are citizens or residents of, incorporated in, or otherwise registered in countries outside the UK or the Netherlands;
“PCG”	PETRONAS Chemicals Group Berhad;
“Placee”	a Conditional Placee or a Firm Placee;
“Placing”	the conditional placing of Open Offer Shares as described in this document and subject to clawback to satisfy Open Offer Entitlements and Excess Open Offer Entitlements taken up by Qualifying Shareholders under the Open Offer;
“Prospectus Regulation”	Regulation (EU) No 2017/1129;
“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA pursuant to Part VI of FSMA (as set out in the FCA Handbook), as amended;
“Qualifying CREST Shareholders”	Qualifying Shareholders (other than Qualifying Euroclear Shareholders) holding Ordinary Shares in uncertificated form in CREST;
“Qualifying Euroclear Shareholders”	holders of a stock account with an Intermediary which at the Record Time includes Euroclear Shares, resulting in the holders having an interest in the relevant Intermediary’s collective depot (<i>verzameldepot</i>) of Euroclear Shares;
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders (other than Qualifying Euroclear Shareholders) holding Ordinary Shares in certificated form;
“Qualifying Shareholders”	holders of Ordinary Shares on the register of members of the Company at the Record Time but including, where the context permits, Qualifying Euroclear Shareholders;
“R&D”	research and development;

“RBS”	The Royal Bank of Scotland plc;
“RBS Facility Agreement”	the facility agreement between (1) TVUK as borrower, (2) RBS as mandated lead arranger, (3) RBS as original lender, (4) RBS as agent of the other finance parties, (5) Natwest Markets plc as security trustee for the secured parties and (6) National Westminster Bank plc as original hedge counterparty dated 29 March 2017, as amended and restated on 17 May 2018;
“Record Time”	(i) in respect of Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders, 6:00 p.m. on 26 November 2019 and (ii) in respect of Qualifying Euroclear Shareholders, 6:00 p.m. (CET) on 28 November 2019;
“Regulation S”	Regulation S promulgated under the US Securities Act;
“Regulatory Information Service”	one of the regulatory information services approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list maintained on the London Stock Exchange website www.londonstockexchange.com ;
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
“Restricted Jurisdictions”	Australia, Canada, Japan, the Republic of South Africa and Switzerland, and “Restricted Jurisdiction” shall be construed accordingly;
“Restricted Shareholders”	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of, any Restricted Jurisdiction;
“SDRT”	Stamp Duty Reserve Tax;
“Shareholder”	a holder of Ordinary Shares;
“SLC Registrars” or “Registrar” or “Receiving Agent”	SLC Registrars of Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom in its capacities as registrar and receiving agent in respect of the Firm Placing and Placing and Open Offer;
“Subscription Agent”	NIBC Bank N.V.;
“Takeover Panel”	the UK Panel on Takeovers and Mergers;
“Tricoya[®] Consortium”	the consortium of equity investors subscribing for shares in TTL pursuant to the TTL SSA, being TWL, BP Ventures, MEDITE, BGF and Volantis;
“Tricoya[®] Project”	the Tricoya [®] Consortium’s project to, among other things, finance, construct and operate the Hull Plant and to exploit all Tricoya [®] -related intellectual property;
“TTL”	Tricoya Technologies Limited, a company incorporated in England and Wales with company number 08231894, whose registered office is at Brettenham House, 19 Lancaster Place, London, WC2E 7EN, United Kingdom;
“TTL SSA”	shareholder and subscription agreement dated 2 February 2016 relating to TTL and made between TWL, BP Ventures and TTL, as

amended on 20 October 2016 and 20 December 2016 and as amended and restated on 29 March 2017 and 11 December 2017;

“TWBV”	Titan Wood B.V.;
“TVUK”	Tricoya Ventures UK Limited, a company incorporated in England and Wales with company number 10087465, whose registered office is at Brettenham House, 19 Lancaster Place, London, WC2E 7EN, United Kingdom;
“TVUK SSA”	shareholder and subscription agreement dated 29 March 2017 relating to TVUK and made between TTL, BP Chemicals, MEDITE and TVUK;
“TWL”	Titan Wood Limited, a company incorporated in England and Wales with company number 04738951, whose registered office is at Brettenham House, 19 Lancaster Place, London, WC2E 7EN, United Kingdom;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“Underwriting Agreement”	the agreement dated 28 November 2019 between the Company and the Joint Underwriters relating to the Firm Placing and Placing and Open Offer, a summary of which is set out in section 8(a) of Part XI (Additional Information) of this document;
“United Kingdom Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“US” or “United States”	the United States of America, its possessions and territories, any state of the United States of America and the District of Columbia;
“US Securities Act”	the United States Securities Act of 1933, as amended;
“USE Instruction”	has the meaning given in the CREST Manual;
“VAT”	value added tax;
“Volantis”	Alphagen Capital Limited, a company incorporated in England and Wales with company number 00962757, whose registered office is at 201 Bishopsgate, London, EC2M 3AE;
“Volantis Additional Option”	the further share option granted by the Company to Volantis in respect of 1,438,284 Ordinary Shares;
“Volantis Loan Notes”	£5,773,026.32 in principal of unsecured fixed rate loan notes due 2021 issued by the Company to Volantis, as constituted by the Loan Note Instrument;
“Volantis Option”	the share option granted by the Company to Volantis in respect of 3,217,383 Ordinary Shares pursuant to the Volantis Option Agreement; and
“Volantis Option Agreement”	the option agreement dated 29 March 2017 and made between the Company and Volantis.

GLOSSARY OF TECHNICAL TERMS

acetic acid	a commodity chemical made from natural gas, used in food preservation, solvent manufacture and chemical derivatives;
acetic anhydride	a highly active form of acetic acid made by eliminating water from acetic acid; used in the manufacture of acetate fibres and DMT, a raw material for polyester;
acetylation	the chemical process where acetyl groups are chemically bonded to cellulose pulp and to chemical components in wood;
cladding	exterior boards and panels on buildings and houses (known in the US as “siding”), which serves both as a decorative material and as a weather barrier;
m ³	cubic metres; and
MDF	medium density fibreboard.

ACCSYS TECHNOLOGIES PLC
(registered in England and Wales with registered no. 5534340)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Accsys Technologies plc (the “**Company**”) will be held at 9:00 a.m. on 20 December 2019 at Brettenham House, 19 Lancaster Place, London, WC2E 7EN for the purpose of considering and, if thought fit, passing the following Resolutions of which Resolutions 1 and 2 will be proposed as ordinary resolutions and Resolutions 3 and 4 will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. THAT, in addition to all existing authorities in such regard, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “**Act**”) to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to a nominal amount of €2,204,762 in connection with the Firm Placing and Placing and Open Offer (as each is defined in the prospectus published by the Company on 28 November 2019). This authority shall expire on the date that is six months after the date of this General Meeting (unless and to the extent that such authority is renewed or extended by the Company in general meeting prior to such date) but so that the Company may before the expiry of such period make an offer or agreement which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.
2. THAT, in addition to all existing authorities in such regard, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Act to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to a nominal amount of €734,920. This authority shall expire on the date of the annual general meeting of the Company to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date of the annual general meeting of the Company held in 2019 (unless and to the extent that such authority is renewed or extended by the Company in general meeting prior to such date) but so that the Company may before the expiry of such period make an offer or agreement which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

SPECIAL RESOLUTIONS

3. THAT subject to the passing of Resolution 1 above, in addition to all other existing powers of the Directors which shall continue in full force and effect, the Directors be and are hereby given power pursuant to section 570 of the Act to allot equity securities (as defined in the Act) for cash under the authority given by Resolution 1 above, as if section 561 of the Act did not apply to any such allotment. This power shall be limited to the allotment of equity securities pursuant to the Firm Placing and Placing and Open Offer up to an aggregate nominal value of €2,204,762. Subject to the continuance of the authority conferred by Resolution 1, this power shall expire on the date that is six months after the date of this General Meeting (unless and to the extent that such authority is renewed or extended by special resolution prior to such date) but so that the Company may before the expiry of such period make an offer or agreement, which would, or might, require equity securities to be allotted after the power ends and the Directors may allot equity securities under any such offer or agreement as if the power had not ended.
4. THAT subject to the passing of Resolution 2 above, in addition to all other existing powers of the Directors which shall continue in full force and effect, the Directors be and are hereby given power pursuant to section 570 of the Act to allot equity securities (as defined in the Act) for cash under the

authority given by Resolution 2 above, as if section 561 of the Act did not apply to any such allotment. This power shall be limited to the allotment of equity securities up to a nominal amount of €220,476. Subject to the continuance of the authority conferred by Resolution 2, this power shall expire on the date of the annual general meeting of the Company to be held in 2020 or, if earlier, the date that is 15 months after 30 September 2019, being the date of the annual general meeting of the Company held in 2019 (unless and to the extent that such authority is renewed or extended by special resolution prior to such date) but so that the Company may before the expiry of such period make an offer or agreement, which would, or might, require equity securities to be allotted after the power ends and the Directors may allot equity securities under any such offer or agreement as if the power had not ended.

By order of the Board

Angus Dodwell

Company Secretary

Registered Office:

Brettenham House

19 Lancaster Place

London WC2E 7EN

28 November 2019

NOTES TO THE NOTICE OF GENERAL MEETING

The following notes explain your general rights as a member and your right to attend and vote at the General Meeting or to appoint someone else to vote on your behalf. Capitalised terms used in these notes which are not otherwise defined in the Notice of General Meeting shall have the meanings given to them in the prospectus published by the Company on 28 November 2019.

Right to attend and vote at the General Meeting

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members who have been entered on the Company's register of members by 6:30 p.m. (GMT) on 18 December 2019, or, if the General Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting excluding days which are not working days, shall be entitled to attend and vote at the General Meeting and only in respect of the number of ordinary shares in the Company registered in their name at that time. Changes to entries on the Company's register of members after that time will be disregarded in determining the rights of any person to attend or vote at the General Meeting.

Proxy appointment

2. Any member of the Company entitled to attend and vote at the General Meeting may appoint one or more proxies to exercise all or any of his or her rights to attend, speak and vote at the meeting. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company. To appoint more than one proxy, please contact the Company's registrars, SLC Registrars, on +44 (0)1903 706150, who will be able to advise you on how to do this.
3. For the convenience of shareholders who may be unable to attend the General Meeting, a Form of Proxy is enclosed which, in order to be valid, should be completed, signed, dated and returned, along with any power of attorney or any other authority under which it is signed (or a duly certified copy of such power or authority), to the Company's registrars, SLC Registrars, by hand or by post at Elder House, St Georges Business Park, Brooklands Road, Weybridge, Surrey, KT13 0TS, United Kingdom or by email to office@slcregistrars.com, in each case by 9:00 a.m. on 18 December 2019, being 48 hours (excluding days which are not working days) before the time fixed for the General Meeting, or if the General Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting excluding days which are not working days.
4. In the case of a shareholder which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
6. The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction (as described in notes 9 to 12 below) will not prevent a member attending the General Meeting and voting in person if he/she wishes to do so.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. If you appoint more than one proxy and the Forms of Proxy appointing those proxies would give those proxies the apparent right to exercise votes on your behalf in a general meeting over more shares than you hold, then each of those Forms of Proxy will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the General Meeting.

CREST members

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID 7RA01) not later than 48 hours (excluding bank holidays and weekends) before the time appointed for holding the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where

applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Nominated Persons

13. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “**Nominated Person**”) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
14. The statements of the rights of shareholders in relation to the appointment of proxies in this notice do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders.

Corporate representatives

15. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Total voting rights

16. As at the close of business on 27 November 2019 (being the Last Practicable Date prior to the publication of this notice), the Company’s issued ordinary share capital comprised 117,988,305 ordinary shares of €0.05 each. Each ordinary share carries the right to one vote at the General Meeting and therefore the total number of voting rights in the Company as at 27 November 2019 was 117,988,305.

Euroclear Shares

17. Persons holding ordinary shares of €0.05 each in the Company through the Dutch Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*), trading as Euroclear Nederland (“**Euroclear Nederland**”) via intermediaries are not included in the Company’s register of members – such ordinary shares are included in the register of members under the name of Euroclear Nederland. If anyone who holds their ordinary shares through Euroclear Nederland wishes to: (i) attend the General Meeting; (ii) appoint one or more proxies to attend, speak and vote on their behalf; or (iii) give instructions without attending the General Meeting, they must instruct NIBC Bank N.V. in its capacity as Subscription Agent accordingly. To do this, they are advised to contact their intermediary as soon as possible and advise them of which of the three options they prefer. In all cases, the validity of the instruction will be conditional upon ownership of the shares as at 6:00 p.m. (CET) on 18 December 2019. The registration for attending the meeting must be filed with NIBC Bank N.V. by no later than noon (CET) on 17 December 2019 by email to eas@nibc.com. The written statement of Admitted Institutions on the ownership of the ordinary shares as at 6:00 p.m. (CET) on 18 December 2019 must be submitted to NIBC Bank N.V. by email to eas@nibc.com by no later than 5:00 p.m. (CET) on 19 December 2019. Persons holding attendance rights may be represented at the meeting by a written proxy, provided that this proxy is submitted to NIBC Bank N.V. by email to eas@nibc.com by no later than noon (CET) on 17 December 2019.

Questions at the General Meeting

18. Any member attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

Availability of documents and other information

19. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www.acsysplc.com.
20. You may not use any electronic address provided in either this Notice of General Meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

Miscellaneous

21. Resolutions 1 and 2 are proposed as ordinary resolutions. This means that for each of these resolutions to be passed, a majority of votes cast must be in favour of the resolution. Resolutions 3 and 4 are proposed as special resolutions. This means that for each of these resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.
22. An explanation of the effect of each Resolution, if passed, is set out in Part XI (Additional Information) of the prospectus published by the Company on 28 November 2019.
23. The General Meeting will be held at 9:00 a.m. on 20 December 2019. Shareholders should ensure that they arrive at the General Meeting a reasonable time in advance. Shareholders who arrive late to the General Meeting may be refused admission.
24. Except as provided above, shareholders who have general queries about the General Meeting should contact the Company’s registrars, SLC Registrars, on +44 (0)1903 706150. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on whether applicants should exercise their Open Offer Entitlements and/or Excess Open Offer Entitlements nor give any financial, legal or tax advice.

