

Accsys Technologies

Strategy day provides insight into Focus strategy

Today, Accsys hosted an investor strategy day at its site in Arnhem, the Netherlands. Management provided an insight into its Focus strategy, which is aimed at optimising operational efficiencies and bringing both plants to full capacity. The company is targeting a run-rate sales volume of 100,000m³ by the end of FY27 and 120,000m³ by the end of FY30 (that is full capacity), growing further after FY30 with the focus on investment in capacity expansion. Accsys is maintaining its 30% gross margin target and for the first time has set adjusted group EBITDA margin targets of 12% by the end of FY27 and 15% by the end of FY30.

Year end	Revenue (€m)	EBITDA (€m)	Net profit (€m)	EPS (€)	EV/sales (x)	EV/EBITDA (x)
3/23	162.0	22.9	9.5	0.05	1.1	7.5
3/24	136.2	4.8	(10.2)	(0.04)	1.3	35.9
3/25e	135.5	10.7	(4.7)	(0.02)	1.3	16.1
3/26e	149.0	19.4	2.5	0.01	1.2	8.9

Note: *EBITDA, net profit and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items. EBITDA includes 60% share of the Accoya US JV.

The CEO and CFO provided an insight into the building blocks of the company's Focus strategy, which aims at maximising shareholder value, with clear operational and financial performance targets. Management outlined the operational, product innovation and commercial plans for the next few years.

The Focus strategy is split into three phases, with financial targets for the combined performance of the Arnhem and Kingsport plants (in the US, Accsys operates with Eastman Chemical Company via the 60%/40% JV, which is equity accounted). Phase one runs to the end of FY27 with an unchanged run-rate sales volume target of 100,000m³ and a new adjusted group EBITDA margin of 12% by the end of this phase. Phase two is from FY28 to FY30 and will focus on bringing both plants to full capacity, with a run-rate sales volume of 120,000m³ and an adjusted group EBITDA margin of 15% by the end of this phase. Phase three (beyond FY30) will focus on growth and capacity expansion through further capital investments.

We will update our model after the investor strategy day as the new targets are much more cautious than our current estimates. On our current estimates, our DCF points to a value per share of €0.95.

Investor strategy day

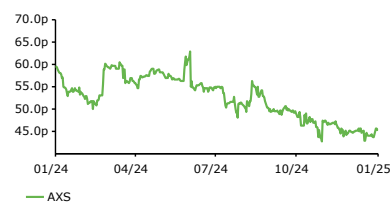
General industrials

30 January 2025

Price¹ **45.65p**
Market cap² **£111m**

Net cash/(debt) at 30 September 2024 €1.20/€(40.2)m
 Shares in issue 240.4m
 Code AXS
 Primary exchange LSE
 Secondary exchange NXT AM
¹€0.55
²€132m

Share price performance



Business description

Accsys Technologies is a chemical technology company enhancing the natural properties of wood to make high performance and sustainable building products. Its processes are based on the acetylation of solid wood and wood elements.

Analysts

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