



**avantium**

# AVANTIUM Extraordinary General Meeting of Shareholders

25 January 2022



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# Agenda items

- 1 Opening
- 2 Appointment of Mr. Nils Björkman as member of the Supervisory Board (*voting item*)
- 3.a. Authorisation of the Management Board to issue Warrants and to exclude pre-emptive rights (*voting item*)
- 3.b. Authorisation of the Management Board to issue €45 million in ordinary shares in connection with a public offering (preferable), rights issue, and/or private placements and to exclude pre-emptive rights (*voting item*)
- 3.c. Amendment Articles of Association re increase authorised share capital (*voting item*)
- 4 Any other business (including Q&A)
- 5 Closing





# 1. Opening

# Attendees

## Supervisory Board



Edwin Moses  
Chairman



Michelle Jou



Margret  
Kleinsman



Trudy  
Schoolenberg



Cynthia  
Arnold



Nils Björkman  
Nominee

## Management Board



Tom van Aken  
CEO



Bart Welten  
CFO



Carmen  
Portocarero  
General Counsel

## Other



Joyce Leemrijse  
Notary A&O



# Issued capital

- On the record date (end of day), 28 December 2021, the issued capital of the company consisted of:

31,286,447 total number of shares outstanding

- Total number of shares represented:

17,950,986 representing 57.4% of the total number of shares outstanding on the record date.



# Composition Supervisory Board





2. Appointment of Mr Nils Björkman as member of the Supervisory Board (*voting item*)



# Appointment Nils Björkman

See the proposal in the explanatory notes to the agenda



# Financing





# Final Investment Decision FDCA Flagship Plant

# The world's first plant to produce FDCA on a commercial scale



## Scale

5 kilotonnes of FDCA/annum



## Location

Chemie Park Delfzijl



## Market focus

High-value applications



## Timing

Construction completed in 2023 and operational in 2024



## Objective

Market launch



## Partners

Committed partners throughout the value chain



## Earnings model

- Sales of FDCA and PEF to customers
- Unlocking licensing business in high-volume markets



## Funding

Fully secured

Rendered image of the Flagship Plant design  
Greenfield plot @ Chemie Park Delfzijl



# De-risking the road to commercialisation

Paving the way for global roll-out of our PEF/FDCA Technology, while addressing \$200B+ markets



## LABORATORY

- Amsterdam, 2008
- Kilogrammes/annum
- Innovative research



## PILOT: 10t/a

- Geleen, 2011 – today
- Technology development
- Providing customers with FDCA & PEF for testing and application development purposes



## FLAGSHIP: 5kt/a

- Delfzijl, construction completed by the end of 2023
- Commercial launch & Technology demonstration: cashflow
- High-value applications



## INDUSTRIAL: > 100kt/a

- Global, 2024 and beyond
- Licensing: profit growth driver
- Value applications and mainstream applications



Technology fully proven

First-of-a-kind

Technology leadership

**Collaborations**

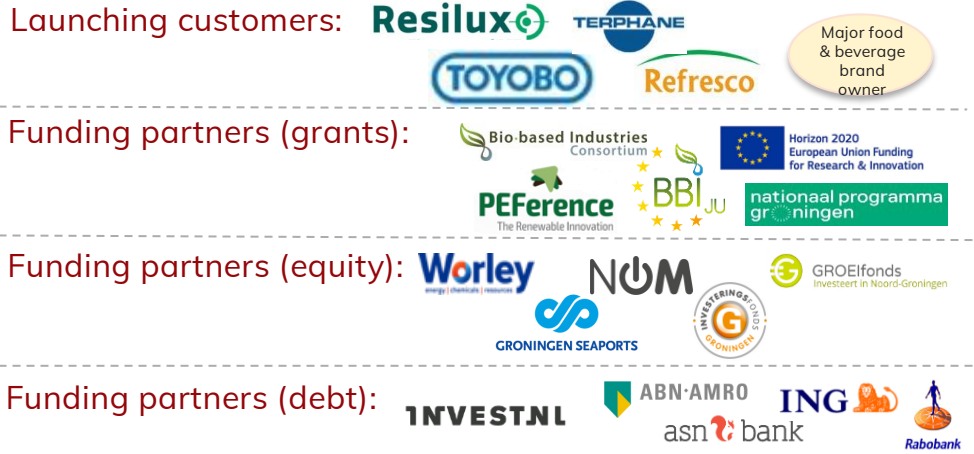
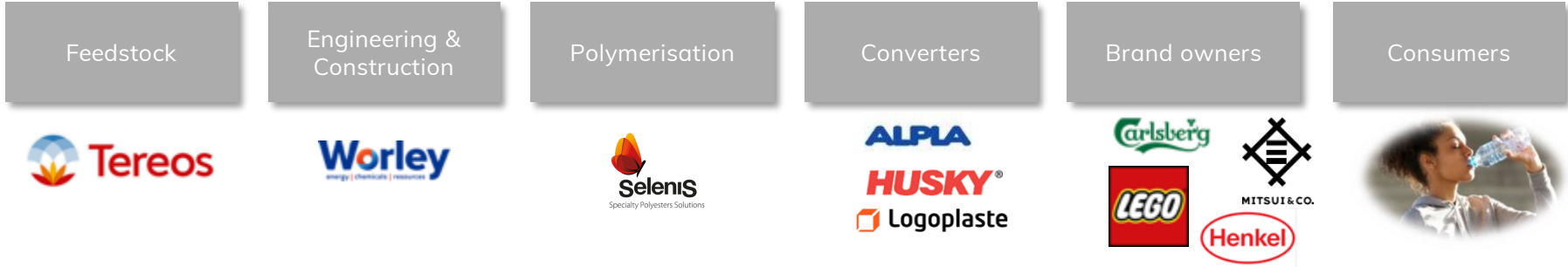
**Product offtake**

**Licensing**



# An eco system of partners

Committed partners throughout the Avantium value chain



# Three Key Conditions to FID are met

Avantium has taken the Final Investment Decision (FID) concerning the construction of the FDCA Flagship Plant as the Key Conditions thereto are now satisfied:



1. PEF market proven by obtaining sufficient offtake commitments



2. Process technology and supply chain ready for scale up



3. €192 million in financing secured



The positive investment decision marks a defining milestone in the evolution of Avantium and a pivotal moment towards the commercialisation of Avantium's sustainable plastic PEF

# 1. Offtake commitments obtained

## Collaboration with committed value chain partners

- 50% of the Flagship Plant FDCA capacity with additional capacity reservations to 67%
- Five conditional offtake agreements signed for the supply of FDCA and PEF to manufacture food packaging for bottles and films:



- Agreements at agreed price levels for a period of at least five years following first deliveries

**Strong pipeline of further offtake contracts ensuring full production capacity is sold out prior to start-up in support of our licensing strategy**





## 2. Engineering & Supply Chain condition satisfied

### Engineering:

- Engineering, procurement and construction (EPC) contract for the FDCA Flagship Plant signed with Worley, with a contracted delivery date of Q4 2023
- Sub-leasehold agreement with Groningen Seaports for land on which to build and operate its 5 kta FDCA Flagship Plant
- Draft environmental permit for the FDCA Flagship Plant in place

### Supply chain:

- Strategic supply agreement for the supply of high fructose syrup as the feedstock for the FDCA Flagship Plant with Tereos
- Multi-year commercial polymerisation agreement with Selenis

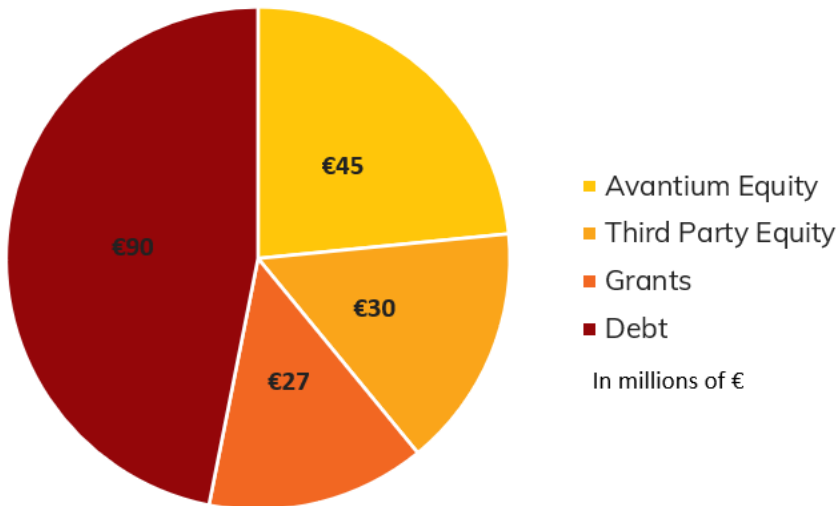




### 3. Financing for FDCA Flagship Plant secured

Fully funded to cash flow positive operations

Funding sources €192m



Funding uses €192m

- **Flagship Plant CAPEX:** € 115 million (including contingency)
- **Running cost ARNP (OPEX):** € 65 million
- **Interest, other:** € 12 million

### 3. Avantium Renewable Polymers (ARNP) funding sources

1. Avantium Equity: €45 million investment by Avantium (€35 million already committed + plus additional €10 million to absorb costs delay ) (77.4% in ARNP)

2. Third Party Equity: €20 million equity from Groningen consortium and €10 million equity from Worley (totalling €30 million, representing 22.6% in ARNP)

3. Grants: a €20 million PEFerence grant\* and €7.5 million grant from the National Programme Groningen

4. Debt: €90 million Debt Financing



\* This project has received funding from the Bio-based Industries Joint Undertaking (JU) under the European Union's Horizon 2020 research and innovation programme under grant agreement No 744409. The JU receives support from the European Union's Horizon 2020 research and innovation programme and the Bio-based Industries Consortium

### 3. €90 million Debt Financing

By four reputable banks and government backed impact investment fund Invest-NL

- Consortium of lenders comprising four Dutch banks (ABN AMRO Bank, ASN Bank, ING Bank, Rabobank) and the government backed Dutch impact investment fund Invest-NL
  - Each bank has committed €15 million
  - Invest-NL has committed €30 million



- Cost of Debt Financing consists of three components: cash interest, accrued interest and warrants

**IN NL** “This **first-of-a-kind investment** by this group of Dutch financial institutions illustrates how we can **jointly shape the capital needs of innovative and sustainable companies.**” - Wouter Bos, CEO of Invest-NL

“With **this multidimensional financing solution** for Avantium for the **world's first FDCA Flagship Plant**, the involved Dutch banks confirm their commitment to make a substantial contribution to the **circular economy in the Netherlands**” – Andrew Bester, Head of ING Wholesale Banking, comments on behalf of the Dutch banks



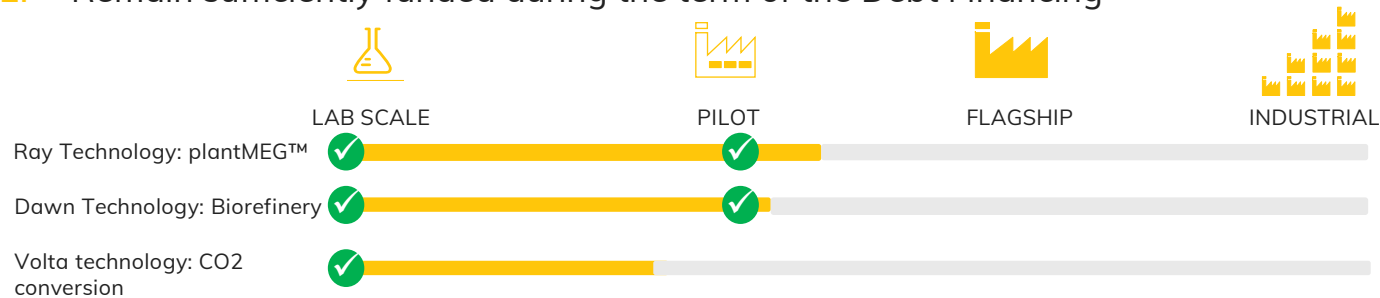
### 3. The issuance of Warrants to the lenders

- The Debt Financing structure provides for upside in value creation once plant is in its commercial phase
- To that end, Avantium will grant 2.84 million number of Warrants, convertible into ordinary shares of Avantium N.V. for an exercise price of €0,- per share
- The value of the granted Warrants is €11.25 million
- The warrant structure will have anti-dilution protection for the announced equity raise of up to €45 million
- A proposal is submitted to the General Meeting to designate the Management Board as the corporate body authorised to issue Warrants and to exclude pre-emptive rights (**voting item 3.a.**)



### 3. €45 million capital raise to fund other technologies

- Avantium continues to develop its other technologies towards commercialisation
- Avantium seeks shareholders' approval to issue €45 million in ordinary shares, preferably by means of a public offering, to:
  - Take the portfolio of Avantium's other technologies towards their next phase of commercialisation
  - Remain sufficiently funded during the term of the Debt Financing



- A proposal is submitted to the General Meeting to designate the Management Board as the corporate body authorised to issue the shares and to exclude pre-emptive rights (**voting item 3.b.**)
- The issuance of the warrants and shares requires an amendment of the Articles of Association (**voting item 3.c.**)



# Scaling-up and commercialising plantMEG™

PlantMEG™ has potential in existing markets and applications



## LABORATORY

- 2010
- Amsterdam
- Kilogrammes
- Innovative research



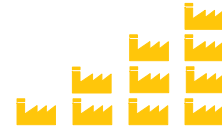
## PILOT

- 2020 start-up
- Delfzijl
- 10 tonnes
- Develop technology & economic feasibility



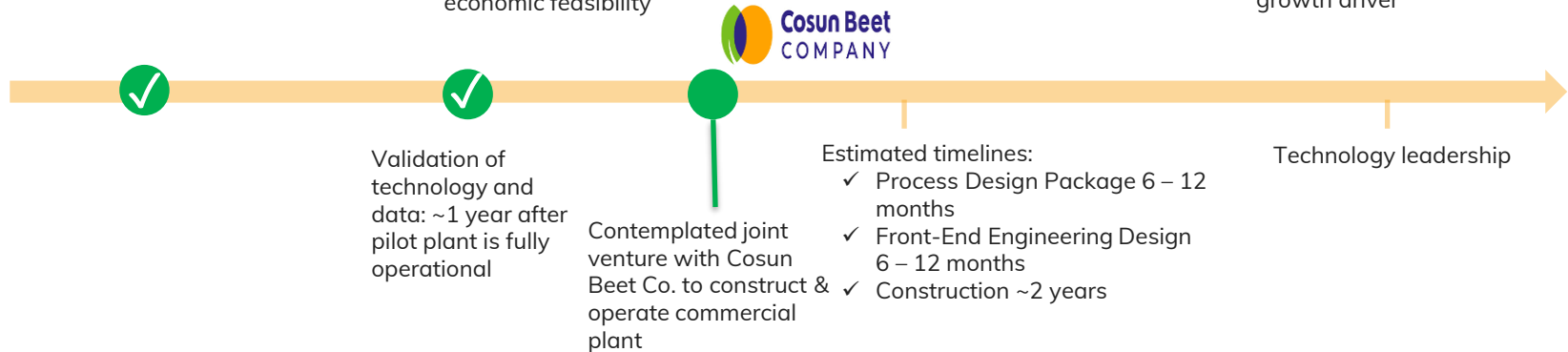
## COMMERCIAL

- 2025/2026
- Location TBD
- Scale 100kta
- Commercial launch plantMEG™



## INDUSTRIAL

- TBD
- Global
- Industrial scale
- Licensing: cashflow and profit growth driver



# Avantium and Cosun Beet Company Join Forces

To jointly construct and operate the first plant-based glycols commercial plant

## Envisioned Commercial Plant:

- Jointly owned by Cosun Beet Co & Avantium
- Products:
  - Ray plantMEG™
  - Ray plantMPG™
  - Ray Glycerine
- Technology: Ray Technology™ under license from Avantium
- Feedstock: Beet sugar from Cosun Beet Co.
- Location: Northwestern Europe
- Desired start-up: 2025/2026





# Key value drivers Avantium on track

	2021	2022-2024
FDCA / PEF	<ul style="list-style-type: none"> <li>✓ Avantium has taken the Final Investment Decision on the construction of the FDCA Flagship Plant, after fulfilling all three Key Conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Following Financial Close, start construction FDCA Flagship Plant</li> <li>• Sell-out Flagship Plant</li> <li>• Construction, Commissioning &amp; Start-up, Commercial Operations Flagship Plant</li> <li>• License agreements</li> </ul>
PlantMEG™	<ul style="list-style-type: none"> <li>✓ PlantMEG™ pilot plant operational</li> <li>✓ Successful application validation PlantMEG™ and PlantMPG™</li> <li>✓ Envisaged joint venture with Cosun Beet Co. to construct and operate commercial glycols plant</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment joint venture with Cosun Beet Co.</li> <li>• Engineering of commercial glycols plant</li> <li>• Financing and commercial partnerships plantMEG™</li> <li>• Start construction commercial glycols plant</li> </ul>
Other	<ul style="list-style-type: none"> <li>✓ Published Sustainability Plan Chain Reaction 2030</li> <li>✓ Proven revenue stream Catalysis Business</li> <li>• Explore partnerships to further develop and scale-up other pipeline programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Increased focus Avantium Catalysis on renewable chemistries</li> <li>• Financing and partnerships for other programs in the pipeline</li> <li>• Scale-up other programs in the pipeline</li> </ul>





# Concluding remarks

# A defining milestone in the evolution of Avantium

## All conditions to FID successfully met

- PEF market proven
- Process technology
- Financing



## Extraordinary General Meeting of Shareholders

1. Warrants to lenders
2. €45 million capital raise
3. Articles of Association

## €45 million capital raise to finance next phase

- Technologies such as plantMEG™
- General corporate purposes

Shareholders' approval on the three EGM resolutions crucial to bring Avantium to the next phase in its journey:

- Bringing Avantium in the position to move towards Financial Close
- Funding development of Avantium's other proven technologies
- Supported by a solid financial position





## Questions & Answers





3.a. Authorisation of the Management Board to issue Warrants and to exclude pre-emptive rights (*voting item*)



- 3.b. Authorisation of the Management Board to issue €45 million in ordinary shares in connection with a public offering (preferable), rights issue, and/or private placements and to exclude pre-emptive rights (*voting item*)



3.c. Amendment Articles of Association re increase authorised share capital (*voting item*)

## Other (corporate) affairs







## 4. Any other business (including Q&A)

# Preliminary voting results

No.	Agenda item	Outcome
2	Appointment of Mr. Nils Björkman as member of the Supervisory Board ( <i>voting item</i> )	Adopted
3.a.	Authorisation of the Management Board to issue Warrants and to exclude pre-emptive rights ( <i>voting item</i> )	Adopted
3.b.	Authorisation of the Management Board to issue €45 million in ordinary shares in connection with a public offering (preferable), rights issue, and/or private placements and to exclude pre-emptive rights ( <i>voting item</i> )	Adopted
3.c.	Amendment Articles of Association re increase authorised share capital ( <i>voting item</i> )	Adopted





**Questions?**





## 5. Closing



Thank you for your continued support!

Rendered image of the Flagship Plant design  
Greenfield plot @ Chemie Park Delfzijl