



# AVANTIUM Annual General Meeting of Shareholders

18 May 2022

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# 1. Opening

# Agenda items

- |    |  |
|----|--|
| 1  | Opening  |
| 2  | Annual Report for the financial year 2021  |
| 3  | Remuneration Report 2020 ( <i>advisory vote</i> )  |
| 4  | Adoption of the Annual Accounts 2020 ( <i>voting item</i> )  |
| 5a | Discharge from liability of members of the Management Board for the performance of their duties in financial year 2021 ( <i>voting item</i> )  |
| 5b | Discharge from liability of members of the Supervisory Board for the performance of their duties in financial year 2021 ( <i>voting item</i> )   |
| 6a | Designation of the Management Board to issue up to 4% ordinary shares and to exclude pre-emptive rights in connection with the Company's long term incentive and share-based compensation plans ( <i>voting item</i> ) |
| 6b | Authorisation of the Management Board to repurchase shares in the share capital of Avantium on behalf of Avantium ( <i>voting item</i> )   |
| 7  | Appointment of PricewaterhouseCoopers Accountants N.V. as external auditor for the financial year 2022 ( <i>voting item</i> )  |
| 8  | Any other business (including Q&A)   |
| 9  | Closing  |



# Review 2021





## 2. Annual Report for the financial year 2021

# Avantium in 2021 at a glance

Revenue  
(in € million)



Number of government grants



Investments  
(in € million)



Number of FTEs  
(end of year)



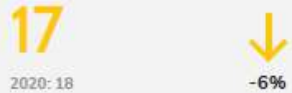
Gender balance  
(% of total workforce)



Grant recognition  
(in € million)



Newly granted patents



Cash outflow<sup>1</sup>  
(in € million)



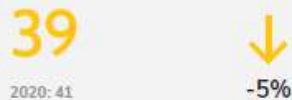
Nationalities employed



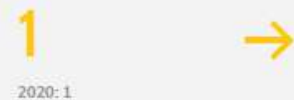
Non-hazardous waste  
(in kg)

23,625

Newly reported inventions



Number of safety accidents



Hazardous waste  
(in kg)

107,056

# Key financial highlights 2021: revenues and other income

Total Revenues increased by 11% to €10.9 million (from €9.9 million in 2020); revenues in all Avantium business segments improved. Catalysis revenue increased with €850k

(In Euro x 1,000)	2021	2020
Catalysis	10,029	9,173
Renewable Chemistries	500	405
Renewable Polymers	388	285
<b>Total segment revenue</b>	<b>10,917</b>	<b>9,863</b>

Other Income decreased by 20% to €6.7 million (FY 2020: €8.4 million), due to income milestones from two major grant programmes in Renewable Chemistries being fully recognised in 2020

(In Euro x 1,000)	2021	2020
Catalysis	279	235
Renewable Chemistries	3,610	5,764
Renewable Polymers	2,683	2,288
Unallocated items	114	116
<b>Total segment other income</b>	<b>6,686</b>	<b>8,403</b>





# Key financial highlights 2021: EBITDA

Total EBITDA for Avantium decreased from €-14.9 million in 2020 to €-16.1 million in 2021

in millions of €	2021	2020	% change
Catalysis	2.7	2.6	4%
Renewable Chemistries	(2.3)	(1.6)	44%
Renewable Polymers	(7.1)	(7.3)	-3%
Company overheads/other	(9.4)	(8.6)	9%
<b>EBITDA of business segments</b>	<b>(16.1)</b>	<b>(14.9)</b>	<b>8%</b>

- The decrease in Renewable Chemistries is primarily due to lower grant income
- In 2020 we had a positive one-off of €0.5m that explains the majority of the decrease in Company overhead/other



# Key financial highlights 2021: Cash

- Avantium started 2021 with €26.6 million cash;
- Cash at 31 December 2021 was €34.9 million.
- This is an increase of €8.3 million over the year.
  - Net cash outflow from Operating and Investing activities for the year was €18.1 million (FY 2020: €18.8 million)
  - The increase in Avantium's cash position is due to the successful capital raise of gross €28 million that took place in April 2021 (net €26.4 million)

On 21 April 2022, Avantium raised gross €45 million by means of a public offering in Avantium shares

<i>in millions of €</i>	<b>2021</b>	<b>2020</b>
<b>Cash position at the beginning of the year</b>	26.6	45.4
EBITDA	(16.1)	(14.9)
Lease payments	(1.7)	(1.9)
Working capital movement	3.2	1.2
Capital expenditures	(5.3)	(3.5)
Other	1.7	0.3
<b>Net cashflow used in operating, investing and financing activities</b>	<b>(18.1)</b>	<b>(18.8)</b>





# Key financial highlights 2021: Expenses and Loss

- Net operating expenses amounted to €33.7 million in 2021 (€33.2 million in 2020)

## Operating Expenses

in millions of €	2021	2020	% change
Raw materials and contract costs	(3.0)	(2.3)	30%
Employee benefit expenses	(19.2)	(19.3)	-1%
Office and housing expenses	(2.0)	(2.0)	—%
Patent, licence, legal and advisory expenses	(4.3)	(4.2)	2%
Laboratory expenses	(2.9)	(3.7)	-22%
Advertising and representation expenses	(0.7)	(0.7)	—%
Reversal due for onerous contract	—	0.5	-100%
Other operating expenses	(1.6)	(1.5)	7%
<b>Net operating expenses</b>	<b>(33.7)</b>	<b>(33.2)</b>	<b>2%</b>

## Highlights:

- Employee expenses were rather stable at €19.2 million;
- Raw materials and contract costs increased due to higher Catalysis sales;
- In 2020 we had the €0.5 million positive one-off.

- Net loss for the year 2021 amounted to €24.4 million (FY 2020: €22.8 million)



## Landmark year for Avantium Renewable Polymers



# 2021 was a landmark year for Avantium

- Avantium Renewable Polymers announced the positive Final Investment Decision (FID) for the construction of the FDCA Flagship Plant, for which the Company received support from its shareholders at the EGM on 25 January 2022
- Financial Close reached on 31 March 2022
- First Piling Ceremony of FDCA Flagship Plant on 20 April 2022, representing the start of the construction of the plant, with an expected completion date of Q4 2023



Rendered image of the FDCA Flagship Plant



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



**Location**  
Chemie Park  
Delfzijl (NL)



**Timing**  
Construction  
completion 2023  
& operational  
2024



**Scale**  
5 kilotonnes of  
FDCA p/a



**Objective**  
Prove technology  
at scale:  
Sales PEF &  
Unlock licensing  
business



**Commercialisation**  
Over 50% offtake capacity committed



**Funding**  
Plant financing secured

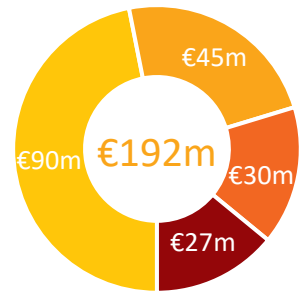







# FDCA Flagship Plant secured financing breakdown

## Financial Close reached on 31 March 2022

### Funding sources



### Funding uses

-  CAPEX: €115m
-  Running cost (OPEX): €65m
-  Interest, other: €12m

### Grants (€27m):

- €20m PEFerence grant<sup>(1)</sup>
- €7.5m grant from the National Programme Groningen



### Third Party Equity (€30m):

- €20m equity from Groningen consortium
- €10 million equity from Worley
- Represents 22.6% of the Renewable Business equity



### Avantium Equity (€45m):

- €45m investment by Avantium (increased from €35m)
- Represents 77.4% of the Renewable Business equity



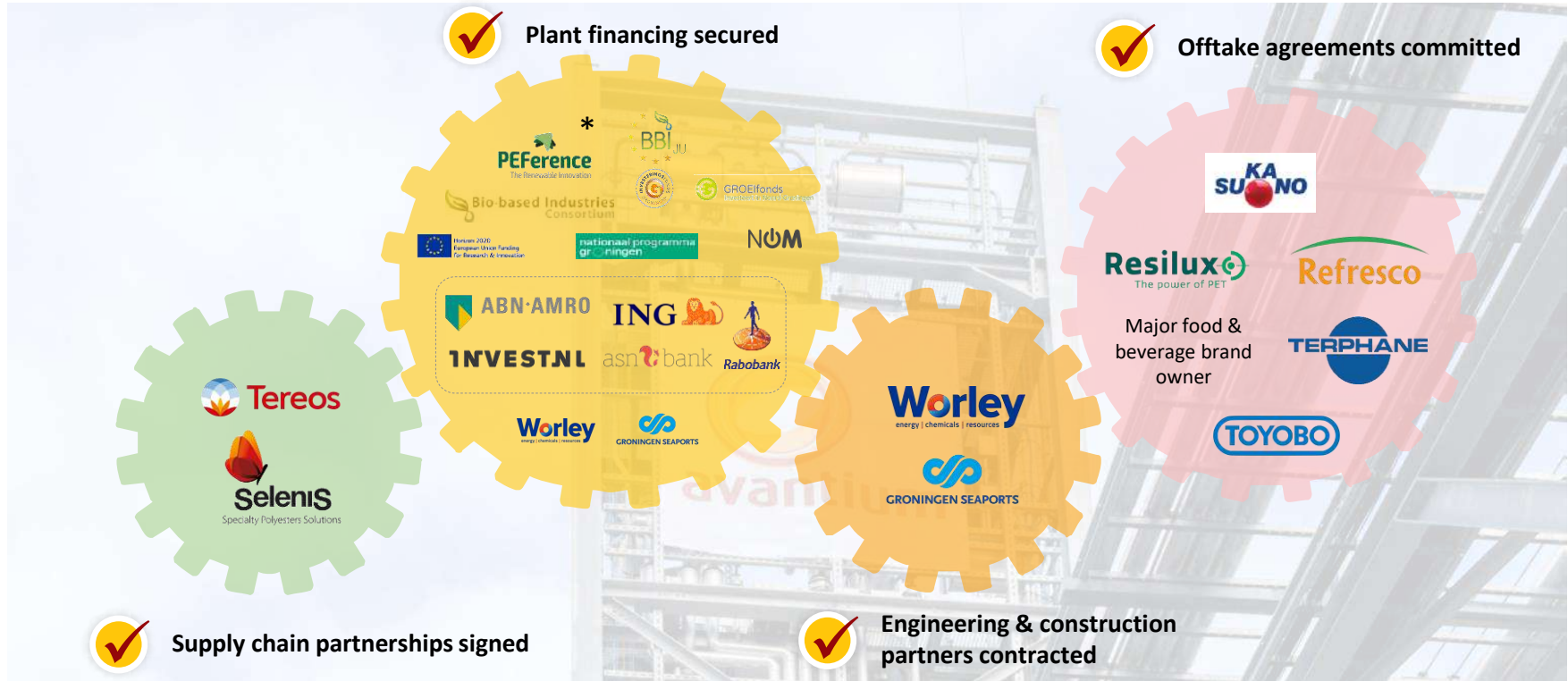
### Debt Financing (€90m):

- Each bank has committed €15m
- Invest-NL, government backed Dutch impact investment fund, has committed €30m
- Interest consists of three components: cash interest, accrued interest and warrants



Note: (1) This project has received funding from the Bio-based Industries Joint Undertaking (JU) under the European Union's Horizon 2020 research and innovation program under grant agreement No744409. The JU receives support from the European Union's Horizon 2020 research and innovation program and the Bio-based Industries Consortium.

# Successfully de-risked a cross the entire value chain



Note: (\*) This project has received funding from the Bio-based Industries Joint Undertaking (JU) under the European Union's Horizon 2020 research and innovation program under grant agreement No744409. The JU receives support from the European Union's Horizon 2020 research and innovation program and the Bio-based Industries Consortium.



# First Piling Ceremony FDCA Flagship Plant 20 April 2022







**Avantium Renewable Chemistries  
recorded number of promising  
developments in 2021**

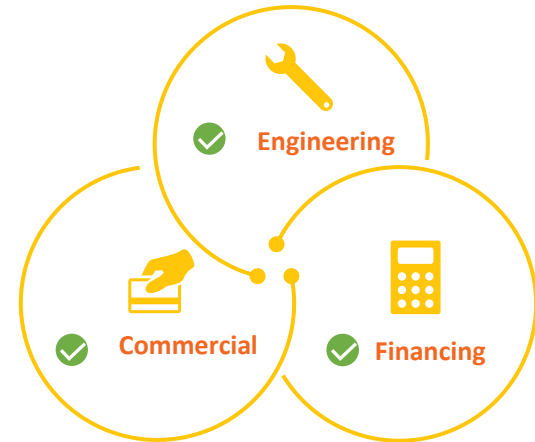


# Signed partnership with Cosun Beet Co. for Ray Technology™

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

 <b>Location</b> Northwestern Europe	 <b>Joint venture</b> Jointly owned by Cosun Beet Co & Avantium	 <b>Size</b> >100kt per annum (expected)
 <b>Applications</b> Wide range: packaging, fibers & other		 <b>Timing</b> FID 2024 Operational in 2026
 <b>Technology</b> plantMEG license sale from Avantium to JV	 <b>Feedstock</b> Beet sugar from Cosun Beet Co.	 <b>Objective</b> Commercial launch plantMEG

Success of FDCA strategy execution will accelerate plantMEG execution



# Construction of the world's first test road with Avantium lignin

'DAWN DRIVE' on the N987 in the province of Groningen (near Siddeburen)





# Successful testing of Volta container unit at RWE powerplant

An ideal way to test Avantium's Volta Technology in real-world applications





## Avantium Catalysis



# Revenues of Avantium Catalysis improved in 2021

## Despite ongoing travel restrictions

- Avantium Catalysis saw the start of a recovery in its Systems business (revenues: €6.8 million); the Services business was at the same revenue level as in 2020 (revenues: €3.2 million)
- Avantium Catalysis successfully completed its first-ever remote installation and commissioning of a Flowrence unit in the USA via video link
- Avantium Catalysis sees an increase in questions and requests regarding R&D into sustainable chemistry, which requires tailored solutions: e.g. tailor-made testing unit for adsorption to IrceLyon and Catalysis joining the PROVE IT consortium to optimise a proven process for catalytically converting off-gas CO<sub>2</sub> into methanol





**Questions?**







### 3. Remuneration Report 2021 *(advisory vote)*

# Remuneration Report 2021

Reference is made to the Remuneration Report 2021, published on the website of Avantium



Remuneration Report 2021





**Questions?**



# Remuneration Report 2020 (a advisory vote)

## Voting Results:

For	Against	Abstained
8,618,561	4,491,018	2,631,404





## 4. Adoption of the Annual Accounts 2021 *(voting item)*

# Annual Accounts 2021



Annual Report 2021



- Reference is made to the Annual Report 2021, published on the website of Avantium
- Mr Westerman, partner PricewaterhouseCoopers Accountants N.V., presents the Auditor's Report



**Questions?**



# Adoption of the Annual Accounts 2021

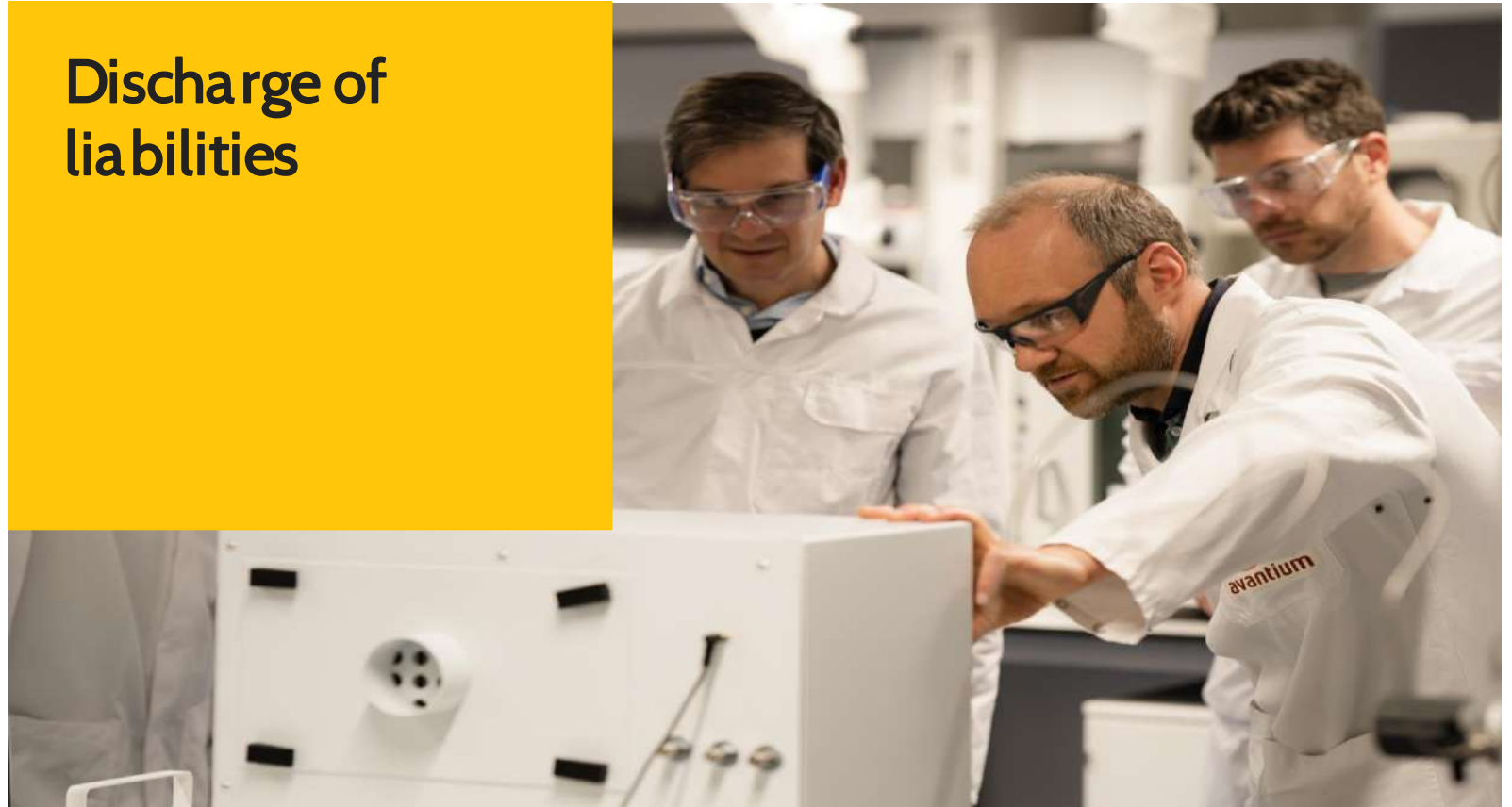
## Voting Results:

For	Against	Abstained
13,113,649	2,070	2,625,264





# Discharge of liabilities



5a. Discharge from liability of members of the Management Board for the performance of their duties in financial year 2021 (*voting item*)



# Discharge Management Board 2021

Voting Results:

For	Against	Abstained
13,067,617	15,086	2,658,280



5b. Discharge from liability of members of the Supervisory Board for the performance of their duties in financial year 2021 (*voting item*)



# Discharge Supervisory Board 2021

Voting Results:

For	Against	Abstained
13,072,017	10,386	2,658,580



# Authorisation shares



6a. Designation of the Management Board to issue up to 4% ordinary shares and to exclude pre-emptive rights in connection with Avantium's long term incentive and share-based compensation plans (*voting item*)



# Designation of Management Board to issue up to 4% ordinary shares

## Voting Results:

For	Against	Abstained
7,869,477	332,225	7,539,281







6b. Authorisation of the Management Board to repurchase shares in the share capital of Avantium on behalf of Avantium (*voting item*)

# Authorisation of Management Board to repurchase shares

## Voting Results:

For	Against	Abstained
15,714,170	11,010	15,803



## Other (corporate) affairs





7. Appointment of PricewaterhouseCoopers Accountants N.V. as external auditor for the financial year 2022 (*voting item*)

# Appointment of PwC Accountants N.V. as external auditor for 2022

## Voting Results:

For	Against	Abstained
13,107,779	1,990	2,631,214





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

# Preliminary voting results

No.	Agenda item	Outcome
3	Remuneration Report 2021 (advisory vote)	Adopted
4	Adoption of the Annual Accounts 2021	Adopted
5 (a)	Discharge from liability of members of the Management Board for the performance of their duties in the financial year 2021	Adopted
5 (b)	Discharge from liability of members of the Supervisory Board for the performance of their duties in the financial year 2021	Adopted
6 (a)	Designation of the Management Board to issue up to 4% ordinary shares and to exclude pre-emptive rights in connection with the Company's long term incentive and share-based compensation plans	Adopted
6 (b)	Authorisation of the Management Board to repurchase shares in the share capital of Avantium on behalf of Avantium	Adopted
7	Appointment of PriceWaterhouseCoopers Accountants N.V. as external auditor for the financial year 2022	Adopted





## 9. Closing