Avantium Full Year 2024 Results Call

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Participants

Tom van Aken – Chief Executive Officer

Jaap van der Velden– Finance Director of Avantium Renewable Polymers

Aarne Luten – Head of Investor Relations

Operator: Hello and welcome to the Avantium Full Year 2024 Results Conference Call. Please note this call is being recorded and for the duration of the call, your lines will be on listen only. However, you will have the opportunity to ask questions at the end of the call. This can be done by pressing star one on your telephone keypad to register your question. If you require assistance at any point, please press star zero and you will be connected to an operator. I will now hand you over to your host, Mr. Aarne Luten, Head of Investor Relations of Avantium to begin today's conference. Thank you.

Aarne Luten: Thanks, operator. Good morning, everyone. Thank you all for joining us today. My name is Aarne Luten, Head of Investor Relations of Avantium. This call is being recorded and a transcript of the call will be made available on our website soon after the call.

Before we begin, I would like to point out the disclaimer at the bottom of our 2024 Full Year results press release and remind participants that some of our comments today may include forward-looking statements reflecting Avantiums view of future events. These matters involve risks and uncertainties that could cause our results to materially differ from our forward-looking statements. I would like to hand over now to Tom van Aken, CEO of Avantium. The floor is yours, Tom.

Tom van Aken: Thank you Aarne. Good morning, everyone, and thank you for taking the time to join us during this call. First, I want to inform you that our CFO, Boudewijn van Schaïk, is not with us today, he is recovering from a recent surgery. We wish him a speedy recovery, and we expect to see him back in the office soon. Boudewijn van Schaïk is replaced in this call today by Jaap van der Velden, our Finance Director of Avantium Renewable Polymers.

This morning, we published our 2024 Full-Year results, and we would like to run you through the key business and financial highlights. Let me start with the most important thing, which is the start-up of the FDCA Flagship Plant in Delfzijl. Last year, we completed the construction of our commercial-scale FDCA Flagship Plant. Following the official opening of the FDCA Flagship Plant in October 2024, the construction team completed their work and transferred the site to Avantium. Meanwhile, we have continued to work on the commissioning of the plant.

We have commenced start-up activities focusing on the first processing step in the FDCA Flagship Plant. This is the Sugar Dehydration unit. After successful start-up of this key processing step, we will continue the start-up with the Oxidation and Purification units. Safety is our number one priority for the start-up and the operation of the Flagship Plant. We are starting up in campaigns before we switch to continuous operations to mitigate risks that are intrinsic to a first-of-a-kind plant.

We anticipate producing the first batches of FDCA in the coming months. Produced FDCA will then be polymerized into PEF by our partner Selenis. After performance tests of the produced PEF and validation of compliance with the relevant food contact regulations, sales under the offtake agreements are expected to commence in the second half of 2025. We are confident that we have the right resources and skill sets in place to successfully start-up the FDCA Flagship Plant, enabling the commercial launch of FDCA and PEF.

Now that the construction of the plant is completed, we're reporting the final construction-related CapEx. This is now at €189 million compared to the estimate of €175 million announced in August 2024. The completion of the construction of the plant and the commissioning activities resulted in cost increases and delays due to the need for extra materials and labor. Avantium and engineering partner Worley are engaged in the close-out process for the Flagship Plant's engineering and construction phase.

On the status of commercialization of PEF which we market under the brand name releaf®, we secured several new commercial partnerships over the year 2024, as further specified in our press release. It demonstrates the growing interest in PEF across various high-value applications, industries, and geographies, which we expect to result in signing additional offtake agreements. The FDCA Flagship Plant is a crucial part of Avantium's licensing strategy, enabling us to offer technology licenses to industrial partners and develop projects to produce FDCA and PEF on an industrial scale across the globe.

Important factors in those discussions include points like commercial demand for FDCA and PEF, production infrastructure, feedstock availability, and regulatory approvals. An example of the commercial progress we are making with capacity reservations are the ones with Helios Resins and Amcor. Capacity reservations are important to mitigate commercial risk for potential licensees. To enable the large-scale polymerization of PEF, we teamed up with EPC, a company that will help us to develop continuous PEF polyester production technology.

To diversify feedstock options for future licensees, Avantium has used its Dawn Technology to develop a method to recycle polycotton textile waste. This method breaks down cotton into glucose, leaving polyester intact for recycling. The glucose can subsequently be used as feedstock to make FDCA and PEF. This method, published in Nature Communications, is the first to recycle both polyester and cotton efficiently. Lab and pilot plant trials show it works well and is cost-effective.

Finally, on the regulatory side, we took a significant step forward in October 2024 with the US Food and Drug Administration's (FDA) approval for PEF in food contact applications in the United States.

Switching to the other parts of Avantium, on the R&D Solutions side, our Flowrence® activities had a good year with strong demand for catalyst testing units and testing services. This led to increase in revenues by 5% in 2024 to €14.3 million of revenues. For Volta Technology, we signed a multi-year agreement to strengthen our existing partnership with SCG Chemicals to use Volta technology to pilot the production of PLGA, a potentially carbon-negative polymer with valuable properties.

Our Finance Director of Avantium Renewable Polymers, Jaap van der Velden, will now run you through the financial results.

Jaap van der Velden: Thank you Tom, and good morning everyone. I would like to begin by pointing out that Avantium has prepared the audited full-year figures for 2024 on a going concern basis, with a material uncertainty. For more details, I refer to the press release and our annual report.

Let me take you through the P&L items. Revenues for 2024 increased by 7% to €21 million versus €19.7 million last year. This was largely attributable to an increase in Avantium Renewable Polymers revenues. Other income of government grants decreased by 21% to €4.6 million, versus €5.8 million in 2023, mainly due to the end of certain grant programs. Operating expenses rose to €58.9 million, while our EBITDA loss for 2024 was €33.3 million versus €27.5 million in 2023. Our net loss for 2024 decreased to €32.6 million, compared to €34.2 million in 2023.

Turning to our cash position. This was €23.9 million at 31st of December, 2024. The cash balance at 31st of December 2023 was €35.2 million. In February 2024, Avantium successfully raised net capital €64.4 million. In December 2024, we raised net capital of €10.6 million and secured a €5 million convertible loan from Pieter Kooi. Furthermore, we have drawn down €15 million from the debt financing facilities. In 2024, we spent €58.6 million on capital expenditure and used €36 million net cash in operations, excluding effect from changes in working capital and finance and interest costs.

In December 2024 Avantium obtained commitments from its lending banks , to extend the maturity date of our Debt Financing Facilities to 31st of March 2026, with a second extension to 31st of March 2027, subject to meeting certain conditions. The lenders also committed to increase the Facilities by €20.1 million, subject to Avantium raising additional equity and meeting certain production milestones. Avantium expects to meet these conditions by Q4 2025.

On the 18th of March, 2025, Avantium and its lenders executed the final documentation reflecting this extension and the €20.1 million increase.

In addition, we entered into an agreement with the province of Groningen for a €9.9 million subordinated loan, following the intention that was received in December 2024. This loan will become available in two tranches in the first and second quarters of 2025, subject to meeting certain conditions.

Finally, in 2024, Avantium NV provided additional funding to Avantium Renewable Polymers BV under a new shareholder loan agreement totaling €31.9 million. This was followed in the first quarter of 2025 by a €3.1 million subordinated shareholder loan from minority shareholder Worley. Both loans facilitate the commissioning and start-up phase of the FDCA Flagship Plant. This concludes the financial part, back to you, Tom.

Tom van Aken: Thank you, Jaap. Building on the financial information provided by Jaap, the Company will be looking to strengthen its financial position by strict cost management, by attracting additional funding and by pursuing strategic initiatives for other activities outside the Renewable Polymer business. Looking ahead, our main goal for 2025 is to safely and successfully start-up the FDCA Flagship Plant. This will be the most important milestone for the Company, as it will trigger the commercial launch of FDCA and PEF and it is considered the stepping stone for selling additional technology licenses.

The opening of the plant in October 2024 was a historical event where some of you were also present. The downside of the word historical is that it's a reference to the past. The completion of the construction may feel like reaching the finish line, but it's the start of a new phase in which we will make this new material available to consumers around the globe.

This concludes our prepared remarks. Operator, you may now open the line for questions. Thank you.

Operator: Thank you. Ladies and gentlemen, as a reminder, if you would like to ask a question or contribute on today's call, please press star one now on your telephone keypad, and to redraw your question, it's star two. Also, ensure your line remains unmuted locally, you will be advised when to ask your question. The first question comes from the line of Fernand de Boer from the Degroof Petercam. Please go ahead.

Fernand de Boer: Good morning. Thank you for taking my questions. A couple, I think. One is that you just mentioned one of the conditions to get additional funding from the banks is that you do another equity raise. Any idea on the size, could you give any indication? Then the second question is on the cost overruns you had, you ended up with €189 million. How are the discussions going with the other contractors? Who is going to pay the bill? Because I still have the feeling that you have to pay the bill.

Then I had a question on depreciation on the plant. I saw that it is still not started. With the plant handed over, when exactly was that, and when do you start depreciating on the plant? Then on cost of goods sold in the second half seem to be very low compared to the first half. And could you give some indication on the cash burn per half year?

Tom van Aken: Sorry, Fernand. The last question, can you repeat it please?

Fernand de Boer: You have now completed the plant, so I think most of that is paid for. I saw that you still have some trade payables outstanding. Could you give us an indication on the cash burn you had operationally and what you expect for the first six months of this year?

Tom van Aken: Thank you for asking those questions. I will take the first two and then hand over for the last questions to Jaap. The first question was related to the condition of the loan. The banks have indeed put in as a condition that the Company will need to raise additional equity. We do not disclose the amount of equity that we need to raise, as that will be communicated in a later stage.

Your second question was, how are we doing with the discussions on the cost overruns with contractors and subcontractors? As we have indicated, we have initiated a close-out process with Worley, which is our EPC partner. The discussion with Worley is now different as we have closed the project. It is a discussion on the cost overruns in the context of the EPC contract that has been signed with Worley. You are correct that the Company has so far paid for the additional CapEx overruns, and that is something that we are evaluating at this moment with Worley. As you can imagine, we are not making any statements regarding that process or expectations because of the process we are in.

Then you asked for depreciation costs and cash flow. I would like to hand over to Jaap.

Jaap van der Velden: Thank you, Tom, and thank you, Fernand, for the question. First on depreciation, as communicated, construction has been completed. Reporting wise this happened post-year end, so we are expecting depreciation to start in due course following the formal flows of the project and the accounting treatment around that.

The question on the cash burn going forward, we expect cash burn to be roughly in line with the last quarter of last year, but clearly deducting the CapEx of the construction that is no longer taking place. As a reference, while there are uncertainties, that could be used for the period going forward, knowing that once the plant is ramping up, we will see some additional working capital starting to build up.

Lastly, on the cost of goods sold, and the second half of last year where we saw a difference compared to the first half. That is due to the sales mix, mainly related to R&D Solutions. Within

R&D Solutions, we improved our profitability. That relates to higher revenues, but also indeed the costs due to the sales mix that has improved.

Fernand de Boer: Okay. Off the trade payables, how much is there still earmarked for the plant, so of the €37 million?

Tom van Aken: Let us look this up and get back to you, Fernand.

Fernand de Boer: I have one other question. I think I'm a little bit puzzled. You have now 86.1 million shares if I read it correctly. But then, on the fully diluted number you gave in your annual report, a comment that I think doesn't make sense, is to use the fully diluted because you don't make any profits. Then actually your loss per share would be down. But still, how many fully diluted shares do you have? It's 86 million issued, 4.4 million warrants, some options, etc., because the moment you sign a contract, we have to divide that by more shares. Then the fully diluted number comes into place.

Tom van Aken: I think I understand the question because you ultimately want to know how many shares you have to take into consideration. I would just like to come back to that separately because, in Boudewijn’s absence we need to make sure that we address this with the right information.

Operator: The next question comes from the line of Paul de Froment calling from Bryan Garnier. Please go ahead.

Paul de Froment: Good morning everyone. Two questions for me. The first one is, could you give us any visibility on the sales contribution of the Flagship Plant in 2025 or at least the utilization rates that you expect in 2025? The second question is, could you elaborate a little bit more on the process related to the to the textile to glucose recycling process? Do you think you could scale up easily this process? Thank you.

Tom van Aken: Thank you for the questions. In terms of the sales contribution and utilization rate in 2025, just for clarity, we are not making forward-looking statements about the revenue projection for this year. I would like to come back to something we've said about this before, which is after start-up, we project it takes 12 to 24 months to bring the plant to nameplate capacity. Clearly 2025 is the year where we're going to be starting it up so it will be significantly lower than that, because in the beginning, we're producing in campaigns and not yet in continuous mode. In that sense, this is something you need to be conservative with because it would be unwise to have too aggressive projections.

About the textile waste recycling technology, we have so far been able to use our Dawn pilot plant for doing the trials on the polycotton recycling tests. We know that in order to scale, we need to make further pilot plants modifications and investments to further prove that. That is something that is also being discussed with strategic partners as there is a very strong interest in polycotton recycling because this is one of these really tough things for recyclers to deal with, as polycotton is a mixture of cotton and polyester and therefore very difficult to separate and to recycle. We do believe that we have the solution to this, where we can use the cotton part into a sugar part for making FDCA and PEF, while we then also separate the polyester part for polyester recycling. That will have to be proven first at pilot scale before we can really scale this to commercial operations. In that sense, it is something what we see as part of our more strategic innovation efforts, which we think will help our licensees for the future. But for the coming years, we will rely on fructose coming from agricultural crops. I hope that answered your question.

Paul de Froment: Yes. Thank you very much, Tom.

Operator: The next question comes from Patrick Roquas calling from Kepler Cheuvreux. Please go ahead.

Patrick Roquas: Good morning all. One question from my side, Tom and Jaap. Can you update us on the total room to grow on existing borrowing facilities, including the potential contribution from the events you mentioned with the existing lenders from March 18th? Thank you.

Tom van Aken: Sorry, Patrick, I didn't fully understand the question.

Patrick Roqueas: How much room is there left to draw on existing facilities? If you would include the potential contribution from what you've mentioned in the press release with the events on March 18th.

Tom van Aken: We have drawn everything from the previous loan facility, which was originally €90 million, then was increased by €15 million. We have now increased that facility with €20.1 million. As we are stating in the press release regarding that €20.1 million, we expect on basis of the conditions that have been agreed with the banks, that we will be able to draw that down in the fourth quarter of 2025. Once that has been drawn, that would mean that we would bring the total then to €125 million, excluding interest.

Patrick Roquas: That's clear.

Tom van Aken: All right. Thanks.

Operator: The next question comes from the line of Usama Tariq calling from ABN AMRO - ODDO BHF. Please go ahead.

Usama Tariq: Hi. Good morning team. I just had one or two questions. The first one is a little bit more qualitative. You indicated about the potential need for an equity issue. Is there also some other potential sources of funding that you are looking at, for example, not debt, but more like grants from European Commission? Is that also a venue you're trying to exploit? My second question would be just for my understanding, the events after the balance sheet date, could you make me understand the shareholder loan? I believe it was €33 million or something if I'm not wrong. Could you just clarify how it is? Because I remember there was €5 million shareholder loan from Pieter Kooi and €3 million from Worley. I'm just a little bit confused on that part. Very grateful. Thank you.

Tom van Aken: Thank you so much. On the financing, your question is, if I understand correctly, do you have other ways than raising additional equity? Are you also pursuing other avenues? The answer to that is yes. We are absolutely also looking at possibilities for grants on a national level and on a European level, and of course, also on the conditions and timing of those sources. I think important to highlight is that you can see that in the press release, we are also looking for strategic options for our R&D Solutions business, Volta Technology and for our Ray technology.

Then the last point regarding other options outside of the equity raise, we're also looking at cost management to reduce the need for capital by being very disciplined and very careful with how we spend the capital within the Company. I know there are quite a number of moving elements, but I think it's good that we try to keep as many options open that are available to us to see how we can best make sure that the company remains strongly financed.

I think I've also said that if you look at the drawdown from the €20.1 million from the banks, there is the condition that the Company require us to raise additional equity. I think also that is something that I need to highlight here.

Then on the shareholder loans, first we have the convertible loan agreement with Pieter Kooi, that is on NV level. That is the €5 million that we announced in December 2024 and the conditions are also in the December 4th press release. Then there is a €3.1 million shareholder loan from Worley. That is on the level of Avantium Renewable Polymers. So that is the subsidiary of Avantium that is overlooking the commercialization of the FDCA and PEF technology. And Jaap, anything to add or is that correct?

Jaap van der Velden: Correct. And I think you were mentioning the €31.9 million shareholder loan. And so, we are indeed talking about a full shareholder loan from the Avantium Renewable Polymers shareholders to Avantium Renewable Polymers, which then indeed is €3.1 million from

Worley and €31.9 million from Avantium N.V. to Avantium Renewable Polymers BV. So that is an intragroup loan in this reporting.

Tom van Aken: Usama, does this answer your question?

Usama Tariq: Yeah, it does. Thank you so very much.

Tom van Aken: All right. Thank you.

Operator: Ladies and gentlemen. As a reminder, if you would like to ask a question, please press Star One on your telephone keypad. The next question comes from the line of Reginald Watson calling from ING. Please go ahead.

Reginald Watson: Morning, all. I have a question about the extension of the bank loan by €20.1 million. And Tom, you mentioned that one of the conditions is that additional equity should be issued. But I've gone back to the original 4th of December release. That condition is there in the 4th of December release. But you then proceeded to issue fresh equity at that point in time. So why is the equity raise condition not satisfied already to allow you to access that additional €20.1 million of bank lending?

Tom van Aken: Good morning, Reg. You are correct that we have announced the €20.1 million increase of the Debt Financing Facilities with the lenders in December. That was the commitment they have given in December. We subsequently have negotiated with them the loan documentation in the course of Q1. As part of those negotiations, we have agreed on additional equity that has to come into the Company and certain milestones that are related to the production of the Flagship Plant that need to be met before we can draw down the €20.1 million.

Reginald Watson: Okay. So basically they changed the T’s and C’s on you.

Tom van Aken: This is basically the result of an intense negotiation process, Reg.

Reginald Watson: What I don't understand is if you were able to make a public announcement on the 4th of December about the terms and conditions of the agreement. And then things have subsequently changed, then clearly there has been a change in the terms and conditions that the banks demanded from the 4th of December till now.

Tom van Aken: It is the difference between a term sheet negotiation and the full documentation that's required for the total loan agreement that we have signed. So that is the level of detail that is changing between a term sheet and a long-form documentation.

Reginald Watson: Right. Okay. Understood. The other question I have then, please, is just for housekeeping, just to follow up on Fernand. If you are going to start depreciating the Flagship Plant this year, can you at least give us an indication of what levels of depreciation you're expecting so at least we can just model it more accurately rather than throwing wild numbers around?

Tom van Aken: I'll pass on that question to Jaap.

Jaap van der Velden: Thank you, Tom and Reg. This is also disclosed in the PPE section of the annual report. We will depreciate the plant over a lifetime of 10 years. And that's based on the PPE and the asset build-up, extrapolated to a yearly basis.

Reginald Watson: Okay. But is it phased in for '25 because as Tom pointed out, the throughput will be a lot lower due to campaign production rather than continuous flow. Is that taken into account in the depreciation charge or not?

Tom van Aken: The depreciation is flat line. So it's independent of actual production.

Reginald Watson: Okay. Great. Thank you. And then the final question from me, Tom. I guess it's a little disheartening to see that Ray isn't making any further progress given sort of previous agreements you had with Cosun and given how promising the technology appears to have been. What's the big change there that led you to explore the sale of that IP?

Tom van Aken: Thanks, Reg. I don't think it has anything to do with the technology itself. I think the technology itself is really how we have presented it to the outside world. I think that there are a few things that have made us come to this decision. We've already communicated to you in December 2023 at the Capital Markets Day that the Company will be focusing on FDCA and PEF and therefore halting further investments in Ray. And because we realized that in order to commercialize the technology, we would had to take the step to build a Flagship Plant, and that would require significant equity and debt financing that the Company would then also have to raise, in addition to what we were raising for the FDCA Flagship Plant and business. We came to the conclusion at that moment in time that the Company was not able to do these things in parallel, but instead, we decided to focus on FDCA and PEF. After that, we have tried to find a strategic partner to work with us on the scale-up of that technology. Of course, under the provision that they would provide the capital to do that. That has not resulted in 2024 to a desired transaction. And for that reason, we are now exploring other strategic pathways to see how we can monetize the technology. I think the technology still gives you the prospect of making bio-based MEG in a very competitive way, using a one-step process. I think it is fair to say that the state of the chemical industry is quite challenging at the moment, as you can see in every newspaper. And therefore, I think that this has made our life more difficult to find a suitable strategic partner, which is why we are where we are today.

Reginald Watson: Okay. I understood the background of putting the project into mothballs, shall we say, and not following it in parallel with FDCA. But I guess the news is that you're looking to find other options to monetize it. Does it simply not make sense to focus on FDCA? And then once you have the sale of license proceeds from FDCA, you can then recycle that back into developing the bio MEG, which then provides the perfect plant-based solution for PEF.

Tom van Aken: I would certainly love to do that, Reg. This is my preferred option, but we also have to look at the liquidity position of the Company and at this moment in time, we need to explore all options that we have available to us to see how we can make sure that the Company remains in a financially strong position. And unfortunately, that also includes things that are maybe strategically less attractive, but that could make financial sense. So that is how we consider balancing the strategic options and the financial needs of the Company.

Reginald Watson: Okay. And I guess Volta and R&D Solutions fall into that category as well then.

Tom van Aken: That is absolutely true. If you look at the technology, if you look at the market interest, the market interest is there. The proposition for the technology on the one-step competitive process is there. So in that sense, I would not be surprised that there are going to be other companies out there that are interested to take this on. But finding the right partner is not something which is trivial and which is easy to forecast.

Reginald Watson: Okay. That's helpful. Thank you, Tom.

Tom van Aken: Thanks, Reg.

Operator: The next question comes from the line of Andrés Castanos calling from Berenberg. Please go ahead.

Andrés Castanos: Hello. Good morning. I would like an update on Volta Technology, please. What would be your current estimate for a timeline to a demo or a flagship plant for this technology? Thank you.

Tom van Aken: Good morning, Andrés. So basically on the Volta Technology, the first thing that we are planning to do there for the business is to move that to pilot skill before it can be brought to commercial-scale production. I think the timeline is more there in the coming five years to make sure that it is piloted and subsequently being put into commercial-scale production. So our estimate is that it's somewhere between 5 to 10 years.

But let me just be clear before people are going to be confused about this. This is similar to the Ray Technology and R&D Solutions technology, this is technology for which we think there is a very interesting business case, but we do not have enough financial resources within Avantium to support this business going forward. Therefore we're looking outside for other strategic investors or financial investors to take that technology forward because Avantium is not planning to use its balance sheet for investing in that technology in particular, as the timelines are significantly longer in comparison to the FDCA and PEF proposition.

Andres Castanos: That's clear. Thank you.

Tom van Aken: All right. Thank you.

Operator: Ladies and gentlemen, as a final reminder, if you'd like to ask a question, please press star one. There is a follow up question from Patrick Roquas calling from Kepler Cheuvreux. Please go ahead.

Patrick Roquas: Thank you, Operator. So, Tom, final question. Do you confirm your target to become a €100 million revenue company with positive EBITDA by 2026 also taking into account your remark, that after start-up of the plant, around 12 to 24 months are needed to get to nameplate capacity? Thank you.

Tom van Aken: Thanks, Patrick. Actually, I had already expected that someone would bring it up, so no surprise it comes from you. And I mean that in a positive way to be to be clear.

Patrick Rokas: No worries.

Tom van Aken: We communicated our financial ambition in December 2023 like you mentioned, to reach €100 million revenues in 2026 and to be EBITDA positive. I think that there are a number of factors that determine if we can achieve that ambition. Of course, first of all, it is the timing of the Flagship Plant start-up, which of course, has been pushed back somewhat due to commissioning activities that have taken longer, that we mentioned at the beginning of the call. But you can see that if it takes 12 to 24 months to come to full scale capacity, that is still in 2026, 2027.

I think the main factor or question mark, if this is going to be achieved is licensing. And I don't think so far in the Q&A that this has come forward a lot. The licensing business is very dependent on the start-up of the plant because we don't expect that we can sign licensing deals before the Flagship Plant has successfully been started. So that is why this Flagship Plant is so relevant. And once that has been started and if that starts up this year, then I do believe that we are going to be in a good position to see license deals coming in.

And whether this is in line with the time frame that we communicated in December 2023? That is the reason why we formulated it as a financial ambition because we know this is a stretch goal, Patrick, and we will do everything we can to achieve that. But that is clearly something that we need to see once the plant is running on how quickly those license deals can be realized.

Patrick Rokas: All clear, Tom. Thanks for that.

Tom van Aken: All right. Thank you, Patrick.

Operator: There are no further questions, so I will hand you back to your host to conclude today's conference. Thank you.

Aarne Luten: Thank you, Operator. And thank you all again for joining us today and for the questions you asked. Please feel free to reach out to us if you have any more questions. Thanks again and have a nice day.

Operator: Thank you for joining today's call. You may now disconnect.

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