Bringing Releaf® to the Market

Annual Report 2024

Contents

About This Report

Scope of the Annual Report

This Annual Report covers Avantium N.V., including all our consolidated entities as stated in "Note 2.2.1 subsidiaries."

Our financial and non-financial results are presented in one report and relate to all consolidated entities for the period of January 1 until December 31, 2024, unless stated otherwise.

Reporting Guidelines

Avantium prepared this Annual Report in line with the International Integrated Reporting Council (IIRC) Integrated Reporting (IR) framework.

For the non-financial information included in this report, we followed the Global Reporting Initiative (GRI) Standards (GRI 1: Foundation 2021). A GRI content index shows where in the Annual Report information can be found.

The consolidated financial statements of Avantium N.V. have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated.

Reporting Structure

This Annual Report outlines Avantium's long-term value creation for our stakeholders. Our value creation model is presented at the beginning of the report, illustrating how our vision, mission, and actions positively impact our direct value chain and beyond. We demonstrate the integration of our strategy's various elements, including material topics, sustainability targets, key performance indicators (KPIs), associated risks, and alignment with the United Nations (UN)'s Sustainable Development Goals (SDGs).

Assurance

Currently, the financial data and related information included in the financial statements are covered by external assurance. While we have improved our non-financial reporting, including preparations for the EU Corporate Sustainability Reporting Directive (CSRD), we have decided not to seek external assurance for non-financial information at this time.

Audience

This Annual Report is intended to inform stakeholder groups that have an impact on or are impacted by our business. This includes commercial and financial partners, investors and shareholders, employees, and society as a whole. The report aims to provide a balanced overview of our activities and Avantium's capacity to create sustainable long-term value. Additional disclosures can be found on our website: www.avantium.com.

Safe Harbor Statement

This Annual Report may include forward-looking statements. Other than reported financial results and historical information, all statements featured in this Annual Report – including, without limitation, those regarding our financial position, business strategy and management plans, and objectives for future operations – are forward-looking statements. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Avantium's ability to control or estimate precisely, such as future market conditions, the behavior of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.

Avantium at a Glance

Key Figures 2024

Financial

Finance

- **Revenue** (in € million): 21 — 2023: 19.7 — ↑ 7%
- **EBITDA** (in € million): -33.3 — 2023: -27.5 — ↓ 21%
- **Investments** (in € million): 58.6 — 2023: 89.8 — ↓ -35%
- **Net cash outflow** (in € million): -106.1 — 2023: -114.1 — ↓ -7%
- **Number of government grants**: 15 — 2023: 18 — ↓ -17%
- **Grant recognition** (in € million): 4.6 — 2023: 5.8 — ↓ -21%

Non-Financial

Technology

- **Newly granted patents**: 15 — 2023: 10 — ↑ 50%
- **Newly reported inventions**: 45 — 2023: 43 — ↑ 4.65%

Environment

- **Scope 1 emissions** (in tonnes CO_2e): 0.24
- **Scope 2 emissions** (in tonnes CO_2e): 257
- **Scope 3 emissions** (in tonnes CO_2e): 4368

Social

- **Number of FTEs**: 284 — 2023: 288 — ↓ -1.39%
- **Number of nationalities employed**: 35 — 2023: 36 — ↓ -2.78%
- **Gender balance** (% of total workforce): 26 — 2023: 27 — ↓ -3.70%
- **Women in senior leadership positions** (% of total senior leadership positions): 39 — 2023: 34 — ↑ 14.71%
- **Number of safety accidents**: 0 — 2023: 0 — =

Key Financials 2024

(€1,000)	2024	2023
Revenues	21,036	19,700
Other income from government grants	4,596	5,789
Net operating expenses	(58,912)	(52,947)
EBITDA	**(33,280)**	**(27,458)**
Depreciation, amortization, and impairment charge	(5,230)	(7,396)
Finance (costs)/income – net	(1,471)	221
Net loss for the financial year	(32,627)	(34,150)
Cash flow from operating activities	(36,001)	(16,952)
Cash flow from investing activities	(58,635)	(89,769)
Cash flow from financing activities	83,360	77,068
Net cash flow used in operating, investing, and financing activities[1]	(11,277)	(29,652)
Cash and cash equivalents at end of financial year	**23,898**	**35,216**
Segment revenues		
R&D Solutions	14,281	13,546
Renewable Chemistries	100	—
Renewable Polymers	6,478	5,592
Support	177	562
Total segment revenue	**21,036**	**19,700**
Other income from government grants		
R&D Solutions	60	87
Renewable Chemistries	52	821
Renewable Polymers	2,654	3,673
Support	1,830	1,209
Total segment other income	**4,596**	**5,789**

[1] In presenting and discussing Avantium's financial position, operating results, and cash flows, Avantium (like many other publicly listed companies) uses certain alternative performance measures (APMs) not defined by IFRS. These APMs are used because they are an important measure of Avantium's business development and management performance. Please see Note 2 Alternative performance measures to the Consolidated financial statements.

Key Events 2024

Avantium Renewable Polymers

Construction of the FDCA Flagship Plant completed in October 2024, celebrated with a grand opening ceremony attended by approximately 300 guests from all over the world.

New commercial collaborations signed with Auping, Helios, Plastipak, Royal Vezet (in collaboration with Albert Heijn), Kirin, SCG Chemicals, and Parfums Christian Dior (part of LVMH).

Launch of the new brand for our plant-based and recyclable polymer PEF: releaf®

FDA food contact approval for PEF in the United States.

Volta Technology

Award of a €3.5 million grant from the EU Horizon Europe program for our participation in the "ICONIC" R&D program, which aims to convert CO_2 into formic acid.

Strengthening of the partnership with SCG Chemicals to pilot the production of PLGA and to develop various PLGA applications.

Avantium R&D Solutions

A license agreement signed with TNO allowing Avantium to manufacture, further develop, and sell proton exchange membrane (PEM) electrolyzer test units, key for the production of green hydrogen.

Steady revenue stream, with €14 million revenues for R&D Solutions in 2024.

Company

Workforce stable at 303 employees. Avantium awarded Gold Sustainability Medal by EcoVadis for the third consecutive year.

€116 million financing package in total secured, consisting of equity and (conditional) loans.

Message from the CEO

Dear Stakeholder,

It is with huge pride that I look back on 2024. After all, it is not every year that we have the privilege of celebrating the opening ceremony for a world-first manufacturing plant that will enable us to launch a fully plant-based, truly circular plastic with the potential to revolutionize entire industries. It is fair to say, therefore, that 2024 marked a decisive step forward for Avantium: a step that took us over the threshold of our evolution from a research and development (R&D) organization into a commercial company.

Open for Business

Our crowning achievement during the year was completing the construction of our first-of-its-kind commercial-scale plant for furandicarboxylic acid (FDCA) in Delfzijl, the Netherlands. FDCA is the key building block for polyethylene furanoate (PEF), a 100%-renewable and circular polymer and a higher-performing, lower-carbon-footprint alternative to fossil plastics. Over three unforgettable days in October, we officially opened Avantium's FDCA Flagship Plant, with the grand opening attended by Her Majesty Queen Máxima of the Netherlands alongside approximately 300 guests from all over the world.

The ceremony was an emotional moment for me and many of my colleagues at Avantium, especially those who have contributed to taking FDCA from an exploratory laboratory experiment nearly 20 years ago to the 5-kilotonne facility we have built today. To celebrate the beginning of Avantium's newest chapter, with the people who made it possible, was a moment of immense pride and gratitude.

As in previous years, we worked hard to overcome the challenges thrown our way in 2024, including high inflation and geopolitical impacts on supply chains that made it a difficult time to complete large, complex building projects like ours. As well as successfully securing significant additional funding to offset the resulting cost increases, we worked hard to keep construction delays to a minimum while also recording no safety incidents during the year – a remarkable feat for a project of this magnitude.

Reflecting on our achievements at the ceremony also brought home to me the impact of our work here at Avantium: not only what we have already accomplished, but also, and more importantly, what is yet to come. Of course, much more work is needed to de-fossilize the chemical industry, but we are now well on track to deliver PEF into the hands of consumers in 2025, bringing us a significant step closer to helping realize the vision of a fossil-free future for the generations to come.

2024 took us over the threshold of our evolution from an R&D organization into a commercial company

Tom van Aken

Introducing releaf®

The opening of the FDCA Flagship Plant was also the ideal opportunity to officially introduce PEF to the world under its new brand name: releaf®. We believe the name – a play on our plant-based plastic's ability to relieve the world from fossil incumbents – and the look and feel of the releaf® brand perfectly capture the unique qualities of this revolutionary material (see www.releaf.bio). The enthusiastic support we have received from our partners, including major consumer brands from around the world, is a testament to Avantium's strategic vision as we continue along our path to commercializing our game-changing plastic.

Staying with news of our commercial progress, we continued to prove the growing demand for our circular plastic across high-value markets including packaging and textiles.

Our technologies and products are designed to revolutionize the chemical industry

In 2024, we welcomed a range of new commercial partners for PEF: leaders in food and beverages (Plastipak, Royal Vezet in collaboration with Albert Heijn, and Kirin), mattresses (Auping), and consumer perfumery (Parfums Christian Dior). For more details of these agreements and of the developments in our global commercialization and licensing strategy for YXY® Technology, see Performance by Business Area.

Other Advances across Avantium

Meanwhile, it was another year of progress elsewhere in our Company. Volta Technology maintained its progress: we sharpened our focus on the carbon-negative polymer polylactic-co-glycolic acid (PLGA) and took steps toward scaling up this carbon capture and utilization (CCU) technology at a pilot plant (see Volta Technology). We saw strong demand for the advanced catalysis solutions we provide through Avantium R&D Solutions, which also made further inroads into key emerging sustainable chemistry markets (see Avantium R&D Solutions). Finally, although we have now halted investment in Ray Technology™, as a result of our decision to prioritize the commercialization and licensing of our YXY® Technology, we continued to explore strategic options. While I recognize that putting operations on hold was difficult for my colleagues affected by the resulting restructuring, I am pleased that many of them remain with Avantium in other parts of our operations, including our new FDCA Flagship Plant.

Moving Forward as a Team

It goes without saying that none of the progress Avantium has made this year would have been possible without our people. Our team – motivated, talented, and collaborative – is truly the driving force behind our success. We therefore recognize not only the need to remain an attractive employer for the talented people we rely on, but also our responsibility to provide a safe, inclusive, and empowering working environment. I am proud that Avantium continues to appeal to the brightest talent in the chemical industry from a diverse range of backgrounds, with 35 different nationalities represented among our employees in 2024.

Our aim is to ensure our Company is a welcoming and inspiring place where everyone feels at home and able to make an impact as we carry out our mission. We continued to invest in our workforce throughout the year, including by hiring a training and skills development specialist, and by working toward certification by Great Place to Work, the employee engagement survey designed to measure and improve workplace culture (see Becoming a Top-10 Place to Work). Our leadership remained largely stable in 2024, with no changes to the membership of our Supervisory Board. I am thankful for the Board's unwavering support and guidance. In our Management Team, we welcomed Marco Jansen as our first-ever Chief Commercial Officer. I take great pride in the high caliber of Avantium's team and believe Marco further strengthens our expertise, bringing valuable knowledge on board at a critical time, as we step up our commercial activities and introduce PEF to the wider world.

From Vision to Reality

Our top priorities for 2025 are the safe and successful start-up of the FDCA Flagship Plant and ensuring that we remain well-capitalized. As we continue the process of starting up our FDCA Flagship Plant and prepare to produce the first commercial volumes of PEF, I want to thank everyone at Avantium, as well as our construction partners, for their hard work – not only in 2024, but throughout the two-decade journey that has brought us here. I would also thank our commercial and financial partners, including our investors, for their continued support for Avantium's ambitions and strategy. Step by step, our collective efforts are moving us ever closer to delivering meaningful positive value and impact for our stakeholders and the planet. With many more challenges and opportunities ahead, I look forward to continuing to work together to accelerate the global plastics transition, launch releaf® to the market, and contribute significantly to a fossil-free future for all of us.

Tom van Aken
Chief Executive Officer, Avantium

Who We Are

Our vision is clear. At Avantium, sustainability is ingrained in our very essence. With our products and technologies, we aim to de-fossilize the chemical industry, drive the transition to a circular economy, and generate long-term, sustainable value for all our stakeholders.

FDCA Flagship Plant

Official opening	10/22/2024
Hours worked on site without Lost Time Injuries (x 1,000)	>1,000
Production capacity (tonnes per year)	5,000
Operations employees	68
Plot size (hectares)	2.5
Length of cables (kilometers)	>50
Length of piping (kilometers)	>26

Employees
300+

Our Mission

To be a world leader in renewable and circular polymers and commercialize our technologies through partnerships and licensing.

Our Ambition

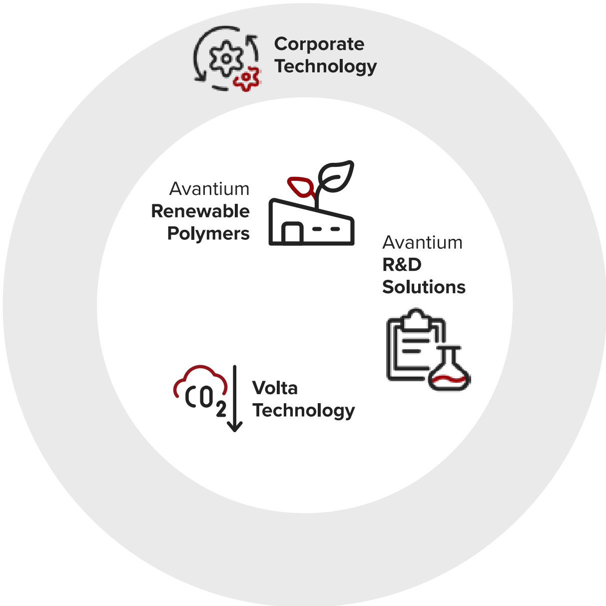
To lead the transition to a fossil-free chemical industry by 2050.

Our Strategy

Monetizing our proprietary technologies by applying them in our commercial production plants through partnerships or joint ventures or by licensing them to third parties.

Our Business Areas

Avantium's business areas are united by a common goal: providing innovative solutions for the urgent sustainability challenges facing the chemical industry.



Avantium Renewable Polymers

Avantium Renewable Polymers houses our leading technology, YXY® Technology, which transforms plant sugars into FDCA. FDCA is the essential building block for creating our next-generation polymer PEF, known under the brand name and EU registered trademark releaf®.

Releaf®, which is 100% plant based and circular, offers a higher-performing and more sustainable alternative to traditional solutions in the packaging, film, and textile sectors. This is due to its superior barrier properties, greater mechanical strength, heat resistance, and lower processing temperature.

Using 100% renewable carbon in releaf® instead of fossil carbon in polyethylene terephthalate (PET) for producing 500 ml bottles significantly reduces greenhouse gas (GHG) emissions by 62% over the bottles' life cycle. Additionally, the emissions from bio-based bottles upon incineration are offset by CO_2 removal during the growth of the renewable feedstock, ensuring no additional CO_2 is released into the atmosphere. Significant GHG emission reductions (around 39%) can also be achieved in multilayer packaging (PET/polyamide (PA)) by replacing typical fossil-based barrier layers with PEF (see our website for full life-cycle assessment (LCA) results).

This business unit is in the process of starting up the world-first FDCA Flagship Plant in Delfzijl and is on track to launch releaf® at commercial scale in 2025.

In addition to selling FDCA and releaf® from the FDCA Flagship Plant to offtake partners, Avantium Renewable Polymers is implementing a technology licensing strategy with industrial partners. These partners are expected to construct production facilities with initial capacities of (more than) 100 kilotonnes per year under a technology license from Avantium.

See page 23 for details of our progress.

Avantium R&D Solutions is our revenue-generating business unit, specializing in advanced catalysis solutions for R&D in four sustainable chemistry markets: green hydrogen, chemical recycling for plastics, adsorption, and sustainable chemical building blocks. We provide custom R&D units, as well as systems and services, to customers worldwide.

Avantium R&D Solutions

Volta Technology uses electrochemistry to harness the power of air-based CO_2, converting it into a fossil-free raw material suitable for a broad range of high-value chemical products.

Avantium Volta Technology

This business unit focuses on formic acid, oxalic acid, and glycolic acid – the latter two being key building blocks for carbon-neutral plastics like PLGA. PLGA with 80% or more glycolic acid is an excellent barrier against oxygen and moisture, has good mechanical properties, and is recyclable, home compostable, and marine degradable.
It can be used as a coating material and in molded plastics. Our Volta Technology team is working with strategic partners to advance this technology to the next stage: a pilot plant with an indicative capacity of 10 kilotonnes per year.

Led by Avantium's Chief Technology Officer, Gert-Jan Gruter, this small team of scientists and PhD students has strong ties to the University of Amsterdam. Corporate Technology serves as an incubator for early-stage innovation, complementing our other business units.

Avantium Corporate Technology

Our Corporate Technology team works on optimizing our Dawn Technology™, which converts biomass – such as polycotton textile waste and agricultural residues - into industrial glucose that can be used in chemical and fermentation processes for a wide range of industrial applications, including monomers (for polyesters) and solvents. The resulting glucose can, for example, be used by Avantium to produce its lead product FDCA.

The Corporate Technology team also works in collaboration with our Volta Technology team on developing PLGA and on oxalic acid-based polyesters known as PISOX, which provide an unprecedented combination of useful and sustainable properties including marine degradability and a carbon-negative footprint.

For the legal structure of Avantium, please refer to note 2.2.1

Management Report

Value Creation Model

Input

Human
303 employees

Intellectual
175 patent families

Natural
- Volume of renewable feedstock
- Origin of feedstock

Social & Relationship
- Engagement with our stakeholders
- Partnerships

Financial
- **€58.6 million** in investments
- **€23.9 million** cash position at December 31, 2024

Our Added Value

Sustainability Goals	Material Topics
Our Technologies - Our technologies will deliver 1.5 million tonnes of CO_2 savings across the chemical industry - We will become a circular business - All our plant-based feedstock for Renewable Polymers and Renewable Chemistries will come from sustainable sources	- Environmental impact of our technologies - Circularity - Sustainable feedstocks
Our Operations - Our own operations will achieve net-zero carbon emissions - We will send zero non-hazardous waste to incineration and landfill. - All our plants will achieve an ISO 45001 certification (healthy and safe working environment)	- Occupational health & safety - Greenhouse gas (GHG) emissions of our operations - Hazardous materials management - Non-hazardous waste management
Our People - Avantium will be one of the 10 best companies to work for in the Netherlands - We will improve upon our baseline of being an inclusive and diverse company - We will have engaged 100,000 students about using chemistry to create a fossil-free world	- Health & well-being - Talent attraction & retention - Diversity & inclusion - Next generation of scientists
Our Leadership & Governance - All our advocacy will focus on transforming the chemical industry to becoming circular and fossil free	- Climate advocacy - Stakeholder engagement - Corporate partnerships - Product stewardship - Intellectual property (IP) & data protection - Climate-related regulation
Financial/investor return - €25.6 million in consolidated revenues and other income - €-33.3 million in EBITDA - Future licensing deals with one licensing deal in place	- Long-term - Shareholder value

Impact

- Effective partnerships for meaningful change
- Fossil-free chemical industry
- Creating a sustainable and circular future

SUSTAINABLE DEVELOPMENT GOALS

The World Around Us

As well as being a year of continued geopolitical and societal upheaval, 2024 broke a number of unwelcome climate records, including the hottest year ever recorded and the first year in which global temperatures breached the 1.5-degree threshold set by the Paris Agreement. Amid these concerns, there are also promising signs of change – creating opportunities for Avantium to help accelerate the materials transition and contribute to the realization of a fossil-free world.

The Fight against Plastic Pollution

Tackling plastic pollution remained high on the sustainability agenda for individuals and businesses in 2024, with 88% of global consumers saying they think an international treaty is an important step. Despite this support, more than 200 countries failed to reach an agreement when they met in South Korea in December, with a fundamental split emerging over whether the planned treaty should focus on reducing plastic production or simply reducing plastic waste.

However, we at Avantium see reasons for optimism: the summit demonstrated that peoples' voluntary actions show promise in driving change, while key manufacturers, including Ahold Delhaize, PepsiCo, and Nestlé, are calling for harmonized regulations that address the entire life cycle of plastic products. We are therefore hopeful about the resumption of negotiations in 2025.

In the meantime, we were pleased to see the European Union (EU) adopt an ambitious new Packaging and Packaging Waste Regulation in late 2024, which positions bio-based plastic as a critical component in the success of the EU's climate and circularity objectives. We welcome this further recognition of the need to transition from fossil-based plastic to renewable, plant-based alternatives – like Avantium's releaf® – in order to support social and economic development at a lower cost to our planet.

Toward a De-Fossilized World

At Avantium, we were not immune to the challenges facing the sustainable plastics movement, which are part of a wider resistance to environmental, social and governance (ESG) considerations, the three key factors used to measure the sustainability and ethical impact of a business. Sustainability-focused companies such as ours faced headwinds caused by

2024's less-favorable climate for green and circular products. This was combined with the effects of a difficult macroeconomic environment, especially for an organization undertaking a major construction project.

High inflation and supply-chain interruptions made it another challenging year, requiring us to raise more funding. We see our success in doing so as a positive indication that, despite general caution around sustainability, investors are still keen to invest in specific sustainable products like our game-changing releaf®.

Despite the obstacles, it is clear that progress toward a fossil-free future cannot be halted. Global investment in clean energy was more than double that of investment in fossil fuels in 2024, signifying that the needle is shifting in favor of the energy and materials transition. Furthermore, many organizations continue to drive progress toward a circular economy: for 72% of businesses, recycling products is a core aspect of their manufacturing strategy (up from 53% in 2022), and 69% are working to eliminate fossil-fuel feedstocks.

This momentum represents opportunities for Avantium in the coming years. By commercializing our plant-based plastic releaf® and scaling up our other proprietary technologies, we are helping to support our value chain's sustainability transition, decouple the global economy from fossil resources, and protect our planet for the generations to come.

Stakeholders and Materiality

We maintain ongoing dialogues with our stakeholders – the individuals, groups, and organizations that can affect or be affected by our business – about Avantium's strategy, developments, and activities. We create value for our stakeholders by working toward our mission to help transition the chemical industry to renewable feedstocks and to secure a sustainable future for all. In addition, we work closely with our ecosystem of strategic, commercial, and financial partners, expert suppliers and service providers, and academic partners. See Stakeholder Engagement on page 48 for more details.

Our Stakeholder Groups

We recognize six stakeholder groups: our employees; our partners and customers; our shareholders; our suppliers and contractors; governments and authorities; and wider society. Each group is affected by Avantium's business activities and performance in a different way. We take into account the varied interests and variable expectations of these stakeholder groups when determining our strategy.

Employees
Our talented and motivated employees are our biggest competitive advantage. We aim to be a magnet for the best people from a diverse array of backgrounds and to provide a safe and vibrant workplace where everyone can thrive, perform, and contribute to our goals. Safety is always our number-one priority: we strive for an incident- and accident-free environment.

Partners and Customers
An integral part of Avantium's strategy and commercialization roadmap is our collaboration with partners throughout the entire value chain. We bring our technologies to the market in collaboration with like-minded companies whose skills and expertise complement our own and increase our chances of success.

Together, we develop and deliver innovative solutions that benefit our customers and help them achieve their sustainability goals. We conduct dialogues with our partners and customers to identify shared objectives, build partnerships, and create ecosystems to commercialize our innovations around the world. Avantium's global customer base, including industry leaders, positions us to provide tailored services and deliver meaningful results.

Shareholders
Avantium's shareholders rely on us to successfully execute our strategy and create maximum value. By monetizing our innovative technologies and commercializing our game-changing products and technologies, we create the potential to deliver increased value to our shareholders.

Financial Partners
Our financial partners are a crucial stakeholder group for Avantium. This group includes a consortium of lenders comprising ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, the Dutch government-backed impact investment fund Invest-NL, and loan providers including the Province of Groningen and Fonds Nieuwe Doen, as well as subsidy providers. These partners rely on us to successfully execute our strategy and related projects.

Suppliers and Contractors
Our suppliers and contractors are integral partners as we scale up our technologies efficiently and deliver on our commitments to customers. Avantium is committed to forging and maintaining a responsible and sustainable supply chain.

Governments and Authorities
Governments and regulatory authorities develop and implement legislation and associated regulations that can significantly affect Avantium. Regulatory bodies at the European, national, and local levels also provide subsidies and grant permits, requiring us to engage with them regularly.

Society
Avantium also considers a range of other stakeholders in carrying out our business. We align our (commercial and sustainability) strategy with the needs of wider society, looking beyond our immediate value chain. As well as engaging with students at schools and universities – sharing our expertise and inspiring young people to be excited about sustainable and renewable chemistry – we maintain active dialogues with local communities, industry associations, media organizations, and non-governmental organizations (NGOs).

Materiality Assessment

In 2022, we conducted a double materiality assessment in line with the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), and the United Nations (UN) Sustainable Development Goals (SDGs), in order to identify and prioritize the (sustainability) topics and issues that are most material to Avantium's business and stakeholders.
Our leadership, employees, and key internal and external partners (including business partners, NGOs, and investors) then rated these topics according to the level of risk and opportunity they present to Avantium's business and the extent to which they influence our impact on society and the environment.
This informed the finalization and prioritization of the key topics.

In 2024 we have started working on an updated double materiality assessment which will be used for the future reports.

See Supplementary Information (page 182) for further details.

Our Strategy and Value Creation

Avantium's strategy aims to create sustainable value for all our shareholders. It is founded on the four pillars of our mission: technology leadership in renewable polymers, bringing them to the world with partners, accelerating the transition to renewable and circular products, and providing a safe and vibrant place to make an impact.

Our goal is to be a world leader in renewable and circular polymers and to commercialize our technologies through partnerships and licensing. Close collaboration with strong partners throughout our entire value chain is key to our strategy.

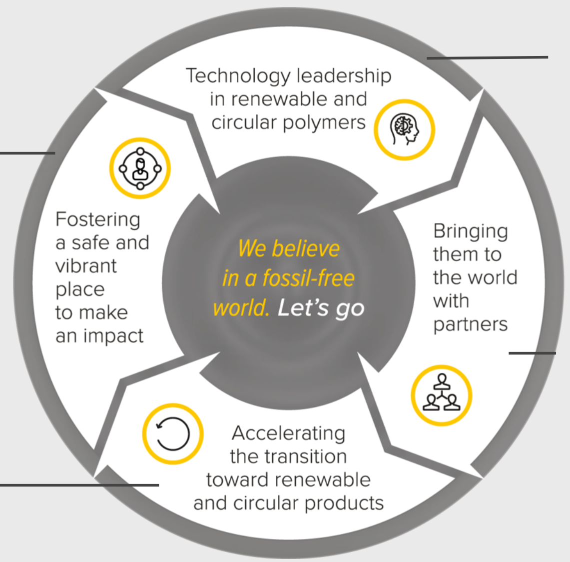
As such, we work with companies who share our values and want to build a better world for future generations. This helps us develop innovative, high-performing solutions that deliver sustainability benefits to customers and beyond.

Applying our technologies in our production plants or through partnerships | **How** | **Divesting our technologies to a suitable party**

What

We embed our safety culture in everything we do, striving to be accident and incident free. We attract talent from all over the world, creating a workplace where people both are inspired and inspire each other to work on technologies that can make a significant positive impact on our collective future.

We invent novel renewable chemistry processes to make chemicals and materials from renewable sources or feedstocks. We select opportunities that have the potential to be game-changers in the circular economy.



We are a pioneering commercial-stage company focused on renewable and circular polymer materials. We develop and commercialize innovative technologies for the production of materials based on sustainable carbon feedstocks; i.e., carbon from biomass or CO_2 from the air.

We are not in this alone; nor do we do it alone. We bring technologies to market in collaboration with like-minded partners from all around the globe. Partner selection and engagement is key to our activities as we work together for global deployments and a positive environmental impact.

Licensing our disruptive technologies to third parties

Our Core Values | **Our Golden Sustainability Rules** | **Our Golden Safety Rules**

Business Model

We aim to monetize our innovative proprietary technologies through various strategic routes, including: (i) licensing them to third parties, (ii) applying them in our production plants or through partnerships or joint ventures, and (iii) divesting them to third parties. Licensing is especially important: it is the fastest and most capital-efficient way to commercialize our technologies, bring our sustainable solutions to market, and deploy them around the globe to meet the increasing demand for renewable and circular materials.

Meanwhile, Avantium's management processes allow us to manage risk and increase shareholder value. We aim to manage, plan, and allocate our resources in the way that best serves all our stakeholders while enabling us to reach our goals.

Business Area Strategies

Avantium Renewable Polymers

Avantium Renewable Polymers is responsible for developing and commercializing YXY® Technology, which catalytically converts plant-based sugars into furandicarboxylic acid (FDCA), the main building block of polyethylene furanoate (PEF), known under the brand name releaf®. There are five parts to our strategy: (i) to continue developing the market for PEF by working with partners to generate global demand, (ii) to prove the technology at commercial scale at our FDCA Flagship Plant, (iii) to ensure global availability of PEF via technology licenses, (iv) to continuously improve the technology, and (v) to maintain our technology leadership through ongoing research and key partner collaborations.

Having officially opened our FDCA Flagship Plant in the final quarter of 2024, we expect to start operations and begin FDCA production in 2025 (see Performance by Business Area on page 23).

Our commercial strategy for the FDCA Flagship Plant is to demonstrate YXY® Technology to the market at commercial scale and for this to serve as a stepping stone in Avantium's licensing strategy. To prepare for this, we have developed a licensing sales funnel covering the Americas, Asia, and Europe.

Volta Technology

Avantium continues to develop materials using CO_2 as a feedstock using our pre-pilot carbon capture and utilization (CCU) platform. Volta Technology converts CO_2 into chemical building blocks, carbon monoxide, formic acid, oxalic acid, and high-value products, including a new sustainable plastic: polylactic-co-glycolic acid (PLGA). Our aim is to continue developing Volta Technology and – together with strategic and funding partners – to scale it up to a pilot plant (see Performance by Business Area on page 24).

Corporate Technology

As well as supporting the strategic progress of our Volta Technology, Corporate Technology aims to optimize Avantium's Dawn Technology™, our biorefinery platform that has been developed at pilot scale (see Performance by Business Area on page 24). Our approach focuses on the use of cotton glucose from polycotton waste textiles as a feedstock for a wide range of industrial applications, including polymers, resins, and solvents. The glucose can, for example, be used for our lead product FDCA.

Avantium R&D Solutions

Our strategy for the revenue-generating arm of our Company is to provide advanced, custom-made catalytic R&D solutions to customers in four emerging markets in sustainable chemistry: green hydrogen, chemical plastic recycling, adsorption, and sustainable chemical building blocks. Meanwhile, we also provide our proprietary advanced catalysis R&D systems and services to customers worldwide. We are exploring various strategic opportunities to further develop the R&D Solutions business (see Performance by Business Area on page 25).

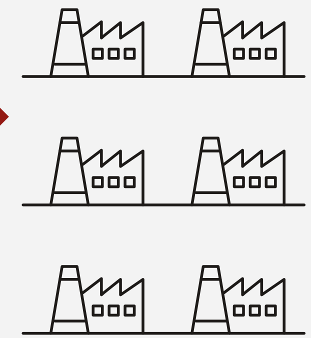
Avantium Renewable Chemistries

In 2023, Avantium decided to prioritize the commercialization and licensing of FDCA and PEF and, therefore, to put further investments in Ray Technology™ on hold. Instead, we are seeking strategic equity partners with sufficient financial resources to develop our plants-to-glycols platform to commercial scale (see Performance by Business Area on page 25).

Commercialization Strategy

We use a stringent stage-gate process to manage our development activities from ideation to commercial launch. Our strategic aim is to commercialize our technologies through partnerships and licensing to third parties who have the capabilities to realize industrial-scale production capacities.

Avantium's innovation funnel is used to assess and decide on the ideas to pursue as well as to enable the appropriate allocation of resources to projects at the various phases of development.



Stage 1: Development
We evaluate an idea's technical and commercial potential and its fit with Avantium's strategy. This involves proof-of-concept experiments, invention disclosures, pre-market analysis, and external validation. We prepare a business case, budget, and operational plan, identify technology partners, allocate resources, and execute the plan, with stage-gate decisions made by our Management Team.

Stage 2: Pilot Plant
We design a pilot plant, secure the technology, and – pending the review and approval of our Supervisory Board – test, demonstrate, and optimize it, as well as validating applications at the pilot plant.

Stage 3: Flagship Plant
We prepare for production at commercial scale, either on our own or in partnership. Construction begins once a positive Final Investment Decision (FID) is made, based on (i) technology readiness including engineering, (ii) commercial coverage, and (iii) financing.

Stage 4: Licensing Facilities
We license our validated technology to industrial partners and develop projects to produce FDCA and PEF for broader-scale deployment and market adoption.

Sustainability Strategy

Sustainability is the driving force behind all we do at Avantium. In pursuit of our shared vision of a fossil-free world, we develop and commercialize disruptive technologies, fed by renewable carbon feedstock, that accelerate de-fossilization and enable the global shift we need. To do this, we work together with like-minded partners to test these technologies and bring them to market – where their sustainability potential will help to reduce plastic waste, tackle climate change, and drive the transition to a circular, sustainable, bio-based economy.

Our sustainability strategy, Chain Reaction 2030, is Avantium's roadmap to achieving our shared ambitious vision of a fossil-free chemical industry by 2050. More than 100 stakeholders, internal and external, contributed to target-setting and provided feedback, helping us identify the four pillars of our sustainability strategy: Our Technologies, Our Operations, Our People, and Our Leadership & Governance. Through Chain Reaction 2030, we commit to goals and targets in areas where our impact on ESG issues is greatest. Our strategies includes accelerating the development of our own technologies and operations to support the circular economy, promoting responsible and sustainable business practices across the industry, empowering our own employees to make a lasting impact, inspiring the next generation of talent, and advocating for a global transition to a fossil-free industry.

Performance by Business Area 2024

In 2024, across our technologies and business units, we took important steps toward our strategic goals.

Avantium Renewable Polymers

Finalizing Our FDCA Flagship Plant

For Avantium Renewable Polymers, 2024 was a milestone year. Nearly 20 years after achieving proof of principle for our YXY® Technology, we officially opened our FDCA Flagship Plant in Delfzijl (see Message of the CEO). The excitement of the opening ceremony took place during a successful year of construction - including zero safety incidents, a remarkable achievement for a project of this size and complexity.

Nevertheless, the headwinds in our economic and geopolitical environment in 2024 (see The World Around Us), as well as the additional materials and extra labor needed for the construction of the FDCA Flagship Plant, caused notable cost increases and delays to the project. To remain well capitalized and continue finalizing the FDCA Flagship Plant, we secured €70 million through a rights offering in February. This was followed in December by an additional financing package of €46 million, raised through a conditional debt financing package and an accelerated bookbuild offering. Avantium also reached an agreement with lenders to extend its existing Debt Financing Facilities. This demonstrates the ongoing support of our investors and the financial community and reflects their trust in Avantium Renewable Polymers and its lead products FDCA and PEF.

Growing Our Ecosystem of Partners

We are now preparing to start operations at our world-first plant and to begin putting PEF into the hands of consumers in 2025. The success of our licensing strategy for YXY® Technology (see Our Strategy) depends on both steps. Throughout 2024, we therefore continued discussions with potential licensees, aiming to assemble a pipeline of partners who will build industrial-scale production facilities for FDCA and PEF. This included signing an agreement to carry out a market study with our partner SCG Chemicals to validate PEF's market potential to support large-scale production in Asia. Avantium is closely monitoring the shift in strategic focus of its licensing partner Origin Materials. Consequently, as the activities under the licensing agreement are halted, the recognition of revenues under the Origin Materials licensing agreement is suspended, as detailed in the 2024 half-year results press release.

On the commercial side, we secured several new partnerships in 2024. As well as reaching a multi-year capacity-reservation agreement with Helios Resins for FDCA from a future industrial-scale plant based on a technology license agreement from Avantium, we signed an offtake agreement for releaf® with Plastipak, a leader in rigid plastic containers for food, beverages, and consumer products. We also announced strategic collaborations with leading textile innovators Auping, Monosuisse, and Antex (on PEF-based yarns for more sustainable mattresses) and with fresh food company Royal Vezet (on salad bowls made from PEF, to be sold in the Netherlands' largest supermarket chain, Albert Heijn). Moreover, Parfums Christian Dior – part of LMVH, already an offtake partner of Avantium Renewable Polymers – will become the first in the cosmetics industry to use our revolutionary PEF in its primary packaging. Finally, at the end of the year, we stepped up our collaboration with Kirin Holdings, the Japanese beverage company. This new agreement will see us expand our R&D activities to further explore PEF's potential in Kirin's packaging solutions. These developments reflect the ever-growing interest in PEF among renowned companies in a range of high-value industries.

Strengthening Our Commercial Position

To ensure we capitalize on more opportunities like these, we strengthened our Avantium Renewable Polymers team with the appointment of a new Chief Commercial Officer (CCO), who brings proven expertise in bio-based polymers and public affairs as well as experience as a commercial executive. Meanwhile, our work to grow and fulfill PEF's market potential around the world took another significant step forward in 2024 when we received US Food and Drug Administration (FDA) approval of PEF for food contact applications in the United States.

Elsewhere, we made further investments in developing our polymerization capabilities by expanding our Avantium Renewable Polymers pilot plant in Geleen. This extra in-house capacity allows us to test and enhance our melt and solid-state polymerization technologies for a wide range of PEF applications. This supports not only the start-up of our FDCA Flagship Plant, but also our patent and IP strategy – in turn helping to protect our leading position regarding FDCA and PEF as we bring our game-changing plant-based plastic to the market.

Unveiling releaf®: Pioneering the Future of Sustainable Plastics

The celebrations of the opening of our FDCA Flagship Plant in October 2024 marked the start of a new era for Avantium and for the plastics industry. We not only looked ahead to the upcoming start-up of FDCA and PEF production but also unveiled the new brand for our plant-based and recyclable polymer: releaf®.

Releaf® stands for relieving the planet from fossil plastics using plant-based solutions and embracing the principles of recycling, renewing, and rethinking. The launch was well received by our partners across industries. To mark the launch of releaf®, we unveiled a new website: www.releaf.bio. We also showcased PEF and its new commercial brand at 2024's Dutch Design Week, the largest design event of Northern Europe.

Avantium partnered with the renowned design studio Hoogvliet Jongerius, which created the installation "From Plants to Plastics" to shine a spotlight on the origins and benefits of releaf® as well as its artistic potential.

Volta Technology

Furthering Sustainable Innovation

We achieved significant progress in our CCU technology in 2024, as we continued to explore its potential for the commercial production of high-value chemicals. Avantium was awarded a €3.5 million grant from the EU Horizon Europe program for our participation in the ICONIC R&D program, which aims to convert CO_2 into formic acid (a key ingredient in sustainable protein production). During the four-year project, we will not only scale up our own electrochemical cell but also collaborate closely with partners to demonstrate the entire process, from capturing CO_2 to producing valuable end products.

In another significant milestone, we also signed a new multi-year agreement that strengthens our existing partnership with SCG Chemicals, a leading chemical player in Asia and innovator of chemical solutions. This new project will see us use Volta Technology to pilot the production of PLGA, a more sustainable alternative to fossil-based polyester, from CO_2. The agreement follows a year of close collaboration between Avantium and SCG Chemicals, during which we thoroughly explored the barrier properties, recyclability, and environmental impact of PLGA to optimize its formulation for packaging and other applications. Under the terms of the deal, SCG Chemicals will help us develop these sustainable applications to bring them to market. We have also granted SGC Chemicals an option to negotiate a deal for licensing Volta Technology within Southeast Asia, driving innovation and sustainability in the region and in the global polymer industry.

The next exciting step for Volta Technology is to scale up this platform to a pilot plant. In 2024, we set the concrete ambition of spinning out Volta Technology from the rest of Avantium and began seeking external investment to realize this. We welcome engagement from like-minded funding partners who can help us accelerate this next stage of development.

Corporate Technology™

Progressing Our Early-Stage R&D

Our Corporate Technology team focused on two main projects during 2024. While half of our researchers supported the Volta Technology team with its work on PLGA, the other half continued trialing our Dawn Technology™ biorefinery platform. Our results show a strong business case for using Dawn Technology® to convert waste polycotton textiles into glucose (an essential chemical building block) and chemically recyclable polyethylene terephthalate (PET), thereby addressing a major challenge for the global textile industry. As described in a new paper authored by our Corporate Technology team and published in Nature Communications in January 2025, our approach enables two major innovations with important sustainability benefits: first, valorizing waste textiles as a non-food feedstock for glucose, and second, enabling fiber-to-fiber recycling. We see significant interest in these benefits in our wider value chain and we aim to secure funding and partnerships to enable us to further develop this process.

Meanwhile, the team also continued working on several smaller projects that are at an earlier stage of development but still relevant to our mission and strategy. These include research into new polymers such as the marine-degradable, carbon-negative polyesters known as PISOX as well as high-performing FDCA co-polyesters such as PBAF and PEIF.

Avantium R&D Solutions

Building on Solid Foundations

Avantium R&D Solutions achieved steady growth in 2024, bringing in total revenues of €14.3 million for a 5% year-on-year increase.
It was another particularly strong year for our Flowrence® activities – including related contract R&D – with strong demand for our proprietary catalyst testing units and maintenance and upgrade services. Continuing the previous year's upward trend, 27% of the revenues from our Flowrence® came from customers' sustainable chemistry applications, such as sustainable feedstock testing and biomass processing.

Elsewhere, our refinery catalyst testing units, which are also increasingly used to facilitate more sustainable chemistry, were fully booked throughout the year. To increase our capacity to serve customer needs, we began building a new unit that will be completed in 2025.

Addressing Demand for Sustainable Chemistry

Meanwhile, we continued to focus on four key areas of sustainable chemistry in 2024, with our progress justifying the careful selection of these markets as part of our strategic direction for Avantium R&D Solutions.

- Green hydrogen: we signed a license agreement with TNO (the Netherlands Organization for Applied Scientific Research) allowing us to manufacture and further develop proton exchange membrane (PEM) electrolyzer test units, key for the production of green hydrogen, and sell this equipment to third-party customers.
- Adsorption: we made further advances in the promising segment of direct air capture (DAC). In addition to selling more units, we also proved three new functional DAC technologies in line with customer demand. In 2024, our collaboration with Climeworks was strengthened through the provision of advanced high-throughput adsorption testing units. These units enhance the efficiency and effectiveness of testing new materials for CO_2 adsorption, significantly reducing sample mass and gas consumption 25-fold. This strengthens Climeworks in scaling up its DAC technology quality control, enabling faster development and implementation of solutions to capture CO_2 directly from the air.
- Chemical plastic recycling: we successfully completed the proof of principle we had begun in 2023, demonstrating the value of our pyrolysis technology for customers.
- Sustainable chemical building blocks: we carried out several commercial projects converting CO_2 and ammonia to sustainable chemical building blocks, leveraging our Flowrence® platform.

We achieved this progress despite facing external headwinds including the tight labor market in our highly specialized industry. Another significant challenge in 2024 was the wider chemical industry's decreased investment in sustainable chemistry, owing to cost pressures in a challenging economy. We will continue to monitor the effects of socio-economic and geopolitical developments on this business unit and compensate for our own increased costs through managed price increases. This will enable us to sustain investment in our sustainable chemistry strategy in 2025 and beyond. Furthermore, we are actively exploring all strategic options to further grow the R&D Solutions business.

Avantium Renewable Chemistries

Seeking Strategic Partners

Although we put investments in Ray Technology™ on hold in December 2023, we continued to identify and engage strategic equity partners with the resources needed to bring our proprietary plants-to-glycols technology to commercial scale. This process will continue in 2025. The decision to halt operations resulted in redundancies of Ray Technology™ employees; however, more than 80% of Ray Technology™ employees were successfully transferred to new roles elsewhere within Avantium, most of them at our FDCA Flagship Plant. This not only afforded them a smooth transition within our Company, but also helped fill key vacancies at the FDCA Flagship Plant ahead of its upcoming start-up.

Sustainability Performance 2024

In 2024, we continued to work toward Avantium's long-established sustainability vision and goals, as set out in our Chain Reaction 2030 sustainability strategy. We are guided by our sustainability governance structure, our Sustainability Steering Board, and four sustainability task forces (one for each pillar of Chain Reaction 2030).

Responsible Business

Avantium has an environmental policy and procedures, management practices, and reporting procedures. This is accompanied by a management system for social-, ethical-, and labor-related practices within our responsible supply chain activities. We have been a member of MVO Nederland since 2023, as part of our preparations for reporting in line with the Corporate Sustainability Reporting Directive (CSRD). At Avantium, we welcome the introduction of this EU directive as a means of improving corporate reporting around key sustainability topics. We are using our own CSRD journey as an opportunity to re-evaluate our sustainability ambitions and roadmap ahead of the publication of our first CSRD-based report, ensuring alignment with evolving regulatory requirements.

Sustainability governance is a core part of Avantium's wider approach to responsible governance. It is overseen by our Sustainability Steering Board, chaired by our Chief Sustainability Officer who reports directly to Avantium's Chief Executive Officer (CEO). The rest of the Steering Board comprises Avantium's Chief Financial Officer (CFO), CCO, Human Resources (HR) Director, and Communications Director. This ensures broad representation from across Avantium's business units and departments.

We uphold high standards when it comes to ethical and responsible business principles, including guarding against bribery, fraud, corruption, and money laundering. Our mandatory Code of Good Business Conduct covers ethical business practices in a wide range of areas, while our Speak-Up Policy – revised in 2023 – sets out protections for whistleblowers and the procedures through which employees can and must report relevant irregularities. Avantium's Compliance Officer updates every Audit Committee meeting on fraud and irregularities, including whistleblowing cases. In 2024, there were no confirmed incidents of corruption, no legal actions taken against anti-competitive behavior or anti-trust, and no reported incidents of discrimination.

We are transparent about our technologies, products, and processes. The mechanisms in place for enabling and ensuring this transparency include our Bilateral Contacts Policy. To protect our proprietary and innovative technologies, we use confidentiality agreements when processing and sharing confidential information and materials with third parties.

We also have internal policies and procedures in place regarding our labor, human rights, environmental, and supply chain practices. See Avantium's website for more information.

GOLD | Top 5%
ecovadis
Sustainability Rating
OCT 2024

For the third year in a row, Avantium was awarded a Gold Medal by EcoVadis in 2024. This award is the outcome of a thorough audit of our performance across four categories: environment, labor and human rights, ethics, and sustainable procurement. Gold is awarded to the top 5% of companies across all sectors as assessed by EcoVadis in the 12 months prior to the medal issue date. This award therefore reflects the quality of our Company's sustainability management system and recognizes our commitment to promoting transparency throughout the value chain.

Value Chain and Boundaries

Across our different business areas at Avantium (see Our Business Areas on page 11), we are united in aiming to deliver innovative solutions for the renewable materials transition, cut out plastic waste, and reduce CO_2.

Avantium operates at four different locations:

- Headquarters and laboratories at Amsterdam Zekeringstraat
- Laboratories (in collaboration with the University of Amsterdam) at the Amsterdam Science Park
- Pilot plant and FDCA Flagship Plant at Chemie Park Delfzijl
- Pilot plant in Geleen Brightlands Chemelot Industrial Park

With construction of our FDCA Flagship Plant now complete, we have moved into the commissioning and start-up phase. Production of FDCA is expected to commence in 2025, meaning no data about the FDCA Flagship Plant's operations is available for this reporting period. Since Avantium is not yet a commercial production company, the impact of our operations is, for the time being, closer to that of an R&D company than to that of a chemical manufacturing company.

In 2024, 69% of our employees mainly worked either in research laboratories or in our offices (on, for example, business development, analytics, strategy, project management, and engineering). The remaining 31% of our employees worked in our pilot plants and FDCA Flagship Plant.

Most of Avantium's suppliers are landlords and providers of office supplies. We also have a limited number of significant suppliers of feedstock (used for developing and piloting our technologies), whose impacts we discuss on page 31 of this report.

Scope and References

Avantium has 10 sustainability goals that form the core of our Chain Reaction 2030 strategy. We engage with our stakeholders regularly to ensure our activities address the areas that matter most to these different groups.

We conducted our most recent materiality assessment - to determine the scope of Avantium's sustainability focus - in 2022. Through this process, we identified the topics that are most material to our business. For a full explanation of the materiality assessment process and our stakeholder engagement activities, see page 183.

Each of our four sustainability task forces works on a set of Chain Reaction 2030 goals, which relate to a set of material topics. To aid transparency in our reporting and help readers find information in this report, we link these topics in turn to a number of internationally renowned sustainability frameworks: the UN SDGs, GRI, and SASB.

"We have been preparing for CSRD (Corporate Sustainability Reporting Directive), which is not merely a compliance requirement for our Company but also a valuable opportunity for Avantium to refine and advance our Chain Reaction 2030 sustainability strategy.
By embracing CSRD in line with the evolving regulatory landscape, we will continue to drive focused innovation, enhance our environmental and social impact, and create long-term value for our stakeholders."

Heleen Goorissen
Chief Sustainability Officer Avantium

References to Sustainability Reporting Frameworks

Area	Pillar	Sustainability goal in Chain Reaction 2030	Material topic	GRI reference	SDG reference	SASB reference
Environmental	Our Technologies	Our technologies will deliver 1.5 million tonnes of CO_2 savings across the chemical industry.	Environmental Impact of Our Technologies	GRI 305 Emissions	3.9, 12.4	RT-CH-110a.1 RT-CH-110a.2
		We will become a circular business.	Product Stewardship, Circularity		12.5	
		All our plant-based feedstock for Renewable Polymers and Renewable Chemistries will come from sustainable sources.	Sustainable Feedstocks	GRI 308 Suppliers Environmental Assessment GRI 414 Suppliers Social Assessment	9.4	
	Our Operations	We will send zero non-hazardous waste to incineration and landfill.	Non-Hazardous Waste Management, Hazardous Materials Management	GRI 306 Waste	3.9, 12.5	RT-CH-150a.1
		Our own operations will achieve net-zero carbon emissions.	Greenhouse Gas Emissions of Our Operations	GRI 305 Emissions	12.4	RT-CH-110a.1 RT-CH-110a.2 RT-CH-130a.1
Social	Our People	All our plants will achieve an ISO 45001 certification (healthy and safe working environment).	Occupational Health & Safety	GRI 403 Occupational Health and Safety	3.9	RT-CH-320a.2
		Avantium will be one of the 10 best companies to work for in the Netherlands.	Talent Attraction & Retention, Health & Well-Being	GRI 2-7 Employees GRI 404 Training and Education	4.7, 7a, 8.5	
		We will improve upon our baseline of being an inclusive and diverse company, ensuring that we are representative of the societies and communities we operate within.	Diversity & Inclusion	GRI 405 Diversity and Equal Opportunity	5.5, 8.2, 8.5	
		We will have engaged 100,000 students about using chemistry to create a fossil-free world.	Next Generation of Scientists	GRI 404 Training and Education	4.4, 9.5, 17.7	
Governance	Our Leadership & Governance	All our advocacy will focus on transforming the chemical industry to becoming circular and fossil free.	Climate Advocacy, Climate-Related Regulation, IP & Data Protection, Responsible Licensing, Stakeholder Engagement, Corporate Partnerships	GRI 22-28 Strategy, Policies and Practices	13.3, 17.6, 17.16	RT-CH-530a.1 RT-CH-210a.1

Environmental Performance

With our proprietary technologies and tailored R&D services, Avantium is committed to becoming a world leader in sustainable chemistry. Our solutions help drive the shift to a fossil-free chemical industry and contribute to a more sustainable future for our planet. Nevertheless, we remain conscious of the potential environmental impact of our operations and work to mitigate any adverse effects on the world around us.

Material Topics Addressed

- Environmental Impact of Our Technologies
- Product Stewardship, Circularity
- Sustainable Feedstocks
- Non-Hazardous Waste Management
- Hazardous Materials Management
- Greenhouse Gas Emissions of Our Operations

GRI Indicators

GRI 305 Emissions
GRI 308 Suppliers Environmental Assessment
GRI 414 Suppliers Social Assessment
GRI 306 Waste
GRI 305 Emissions

SDG Subtargets

Using Sustainable Feedstocks

OUR GOAL

By 2030, 100% of our plant-based feedstock for Avantium Renewable Polymers and Avantium Renewable Chemistries will come from sustainable sources.

Avantium's processes are mainly powered by first-generation plant-based feedstocks, until such time when we can use second- or third-generation plant-based feedstocks. We therefore ensure we work with suppliers who provide us with sustainable materials; for example, we source low-value fructose and glucose from farmers who supply their higher-value plant proteins into the human food industry.

In 2024, we focused on two key feedstock suppliers for our YXY® Technology: India Glycols and Tereos. These "Tier 1" suppliers have accepted the requirements of our Sustainable Supplier Code, which was launched in 2022 and is based on the conventions of the International Labour Organisation (ILO) and the Ethical Trading Initiative and on the principles of the Sustainable Agriculture Initiative Platform. The scope and ambition of this Code reflect Avantium's commitment to sourcing raw materials and feedstocks in compliance with international best practices on sustainability and responsible sourcing.

In particular, the Sustainable Supplier Code sets out the following:

- Compliance with national and international laws and regulations: following regulations; conducting operations with honesty, integrity, and openness; respecting and following business integrity laws; and accurately recording all business transactions with Avantium.
- Respect for human rights and labor standards: adhering to ILO Convention 138 and 182 regarding child labor and ILO Convention 29 and 105 regarding forced labor; providing at least a "living wage;" not tolerating discrimination, harassment, or bullying; respecting the right to form and join trade unions or collective bargaining; providing adequate employment contracts; and ensuring relevant training for employees.
- A safe working environment: providing relevant safety instructions, training, and equipment; providing employees with access to safe drinking water; and assessing health and safety risks.
- Environmental responsibility: ensuring that all necessary environmental permits are in place; becoming more circular; and optimizing resource use, including by minimizing impacts on biodiversity.
- Managing bio-based feedstock: not using banned agrochemicals; registering used agrochemicals; minimizing any adverse effects on soil fertility, water and air quality, and biodiversity from agricultural activities; providing clear traceability of seed origins; and making positive contributions where possible.

Reducing Industry CO_2 Emissions

OUR GOAL

By 2030, our technologies and products will deliver 1.5 million tonnes of CO_2 savings across the chemical industry.

Avantium strives to contribute to significant CO_2 savings, either by increasing efficiency or through novel technologies with a lower environmental impact than fossil-based incumbents. All our technologies are developed with the aim of promoting an efficient, sustainable chemical industry. We expect that, upon the initiation of our licensing strategy, the launch of industrial-scale FDCA facilities (more than 100 kilotonnes) will lead to significant CO_2 savings, as demonstrated by life-cycle assessments (LCAs). The effective CO_2 savings can be assessed based on the scale, ramp-up, and operation of each licensee, including its supply chain.

We monitor our progress on this target through third-party, peer-reviewed, and ISO-certified LCAs at regular intervals, which assess the potential sustainability benefits of Avantium's lead technologies and products (including versus fossil-based alternatives). In recent years, Avantium has conducted an ISO-certified LCA for PEF.
The results show that, compared to fossil-based incumbents, Avantium's PEF can enable a 62% reduction in GHG emissions over the life cycle of a 500 ml bottle (see our website for more information).

Although these LCAs demonstrate the potential of our solutions to enable significant CO_2 savings, the actual savings can only occur, and be measured, once our licensees begin operations at their commercial plants. We have already entered into our first YXY® Technology licensing agreement with Origin Materials for a 100-kilotonne-per-annum-scale facility.

Harnessing CCU and Catalysis

As well as developing technologies that help to reduce industrial carbon emissions, Avantium develops carbon-negative technologies that use waste CO_2 as a feedstock, such as our CCU platform, Volta Technology. See Performance by Business Area on page 24 for details of the team's progress in 2023.

Meanwhile, with its expertise in catalysis, Avantium R&D Solutions supports customers' businesses in becoming more sustainable. By increasing the rate of chemical reactions, catalysts can improve the efficiency of a wide variety of chemical processes. This gives them an essential role in limiting the environmental harm of the chemical industry. We cannot report on the CO_2 reductions enabled by our solutions at our partners' facilities; nevertheless, our support enables them to improve their processes and accelerate their transition to lower-emission operations.

Reducing Emissions from Our Operations

OUR GOAL

By 2030, our own operations will achieve net-zero carbon emissions.

Not only do Avantium's technologies enable significant emission reductions downstream, but we also strive to minimize the GHG emissions of our own operations. Our approach includes, for instance, optimizing our processes and choosing more sustainable energy sources where possible. Having reported on our Scope 1 and Scope 2 emissions for several years, we are also reporting on our Scope 3 emissions for the first time in 2024, using five categories: capital goods, business travel, purchased goods and services, upstream transportation, and waste management.

The numbers provided are based on spend data and the Environmentally Extended Input-Output (EEIO) methodology, giving a high-level estimation of our emissions that will be improved over time.

Emissions from Our Operations in 2024

	2024
	CO_2 emissions in tonnes
Scope 1 (direct emissions)	
Geleen pilot plant	0.24
• CO_2	0.19
• VOC (Methyl bromide)	0.05
Total Scope 1	**0.24**

Our total Scope 1 and Scope 2 emissions were less than that of 2023. There are several reasons for this. First, we decommissioned the Ray Technology™ pilot plant in Delfzijl during the first half of the year, meaning only minimal energy was required thereafter to keep the temperature above zero, ensure some ventilation, and allow the control room to function. Second, there was much less steam used at the Geleen pilot plant due to repairs to the steam network, which meant the steam supply was shut off for part of the year.

As part of our Scope 1 emissions and in addition to CO_2, our pilot plants emit volatile organic compounds (VOCs), including methyl bromide. In 2024, VOC emissions at Delfzijl were insignificant; in Geleen, methyl bromide was estimated at 0.24 tonnes.

	2024	
	Usage	CO_2 emissions in tonnes
Scope 2 (indirect emissions)		
Amsterdam Zekeringstraat		
Sustainable electricity (MWh)	1,572	0
Gas for heating (m^3)	83,117	148
Total Amsterdam Zekeringstraat		148
Geleen pilot plant		
Steam (GJ)	492	31
Sustainable electricity (MWh)	986	0
Total Geleen pilot plant		31
Delfzijl pilot plant		
Steam (GJ)	93	18
Electricity – fossil (MWh)	244	60
Total Delfzijl pilot plant		78
Total Scope 2		257

The numbers for Scope 2 emissions exclude the office and lab at Amsterdam Science Park. This is our smallest office and is part of a large office building where separate data is not available for individual office units. Its emissions and energy use are considered to be insignificant, and we have therefore decided to exclude it from our reporting. The energy use reported for our Geleen pilot plant is based on the estimation provided by Brightlands Campus.

Meanwhile, with the FDCA Flagship Plant still in the commissioning and start-up phase, we cannot yet report on its emissions.

	2024
	CO_2 emissions in tonnes
Scope 3	
Capital goods	398
Business travel	1,487
Purchased goods and services	2,218
Upstream transportation	264
Waste treatment	1
Total Scope 3	4,368

In previous years, Avantium collaborated with external consultants to identify the main categories of our Scope 3 emissions. Building on that foundation, we are reporting Scope 3 emissions across the predefined categories in 2024. Emissions from capital goods, purchased goods and services, and upstream transportation are estimated based on expenditure data and calculated using the best-matching emission factors from the EEIO dataset, inflation rates from 2023 and 2024,[2] and currency conversion[3] rates as at December 31, 2024. Business travel emissions are calculated based predominantly on direct data pertaining to distances traveled, accounting for the mode of travel and using external sources[4] to calculate the emissions, combined with expenditure data (for taxi and car rentals).

Emissions from waste treatment are based on the weight of waste and are calculated using the UK Government GHG Conversion Factors for Company Reporting.[5]

[2] https://www.cbs.nl/nl-nl/nieuws/2025/03/inflatie-3-3-procent-in-2024
[3] https://www.ecb.europa.eu/stats/exchange/eurofxref/shared/pdf/2024/12/20241231.pdf
[4] co2.myclimate.org or provided directly by travel service
[5] Greenhouse gas reporting: conversion factors 2024 - GOV.UK

The estimated Scope 3 emissions (4,368 tonnes) significantly exceed the total amount of Scope 1 and Scope 2 emissions (257 tonnes). The capital goods category does not include the construction of the FDCA Flagship Plant in Delfzijl but includes investments made for other locations. Additionally, expenditure data related to energy and waste utilities are excluded because they are already included in Scope 2 emissions or the waste treatment category, respectively. Since most of our train travel is done in the Netherlands and elsewhere in Europe, where trains are mostly powered by renewable energy, we exclude emissions from rail travel.

Managing Waste from Our Operations

OUR GOAL

By 2025, we will send zero non-hazardous waste to incineration and landfill.

Our operations generate both hazardous and non-hazardous waste. From discussions with various stakeholders, we know the main impacts of this waste include noise, CO_2 generation, unpleasant odors, toxic emissions, and water contamination. Avantium aims to avoid generating hazardous waste wherever possible. We manage any unavoidable hazardous waste by implementing stringent processes (for example, through recycling or incineration) in line with governmental regulations. We follow a similar approach to non-hazardous waste, aiming to avoid generating waste materials in the first place before reusing or recycling any waste we do produce.

Over the first months of 2024, we closed down operations at our Ray Technology™ pilot plant. Shutting down and preparing the equipment and premises for conservation resulted in additional waste, including hazardous materials.

Our FDCA Flagship Plant was officially opened in October 2024 and we are still in the process of starting up the plant. Therefore, we cannot yet report any waste resulting from operations.

Waste from Operations in 2024: Non-Hazardous Waste

in kg	2024	
	Weight	%
Amsterdam Zekeringstraat		
Incineration with energy recovery	11,299	49%
Re-use or recycling	11,652	51%
Total Amsterdam	**22,951**	
Pilot plant Geleen		
Incineration with energy recovery	2,156	49%
Re-use or recycling	2,246	51%
Total Geleen	**4,402**	
Pilot plants Delfzijl		
Incineration with energy recovery	2,790	55%
Re-use or recycling	2,299	45%
Total Delfzijl	**5,089**	
Total non-hazardous waste	**32,442**	

Waste from Operations in 2024: Hazardous Waste

in kg	2024	
	Weight	%
Amsterdam Zekeringstraat		
Incineration	1,827	15%
Incineration with energy recovery	8,125	65%
Re-use or recycling	2,589	21%
Total Amsterdam	**12,541**	
Pilot plant Geleen		
Incineration with energy recovery	57,044	99%
Re-use or recycling	370	1%
Total Geleen	**57,414**	
Pilot plants Delfzijl		
Incineration with energy recovery	22,141	100%
Re-use or recycling	0	—%
Total Delfzijl	**22,141**	
Total hazardous waste	**92,096**	

The decrease in our hazardous waste in 2024 (from 125,848 kg in 2023 to 92,096 kg in 2024) is mostly the result of decommissioning our pilot plant in Delfzijl and running fewer oxidation activities at our Geleen pilot plant. The same applies to the decrease of non-hazardous waste at our Delfzijl pilot plant (from 30,741 kg in 2023 to 5,089 kg in 2024). The increase of non-hazardous waste at our Geleen location (from 1,983 kg in 2023 to 4,402 kg in 2024) is due to the disposal of inventory that was past its shelf life.

The reduction of non-hazardous waste in Amsterdam (from 33,950 kg in 2023 to 22,951 kg in 2024) – mainly generated through office activities – and the significant increase of the proportion of waste that was reused or recycled (from 44% in 2023 to 51% in 2024) can largely be attributed to behavioral changes. To decrease the amount of non-hazardous waste we produce, we launched a new set-up at the beginning of 2024 aiming to encourage colleagues to reduce waste and sort the remainder for recycling. The simple solution of removing trash cans from individual offices had a positive impact on people's behaviors, leading to a 48% decrease of overall non-hazardous waste and a 41% reduction in the weight of non-hazardous waste sent to incineration from our main office at Amsterdam Zekeringstraat.

The numbers in these tables do not include the waste produced by the office and lab at Amsterdam Science Park. Our smallest office, it produces insignificant waste and is part of a large office building where no separate data measurements are available. We have therefore decided to exclude it from our reporting.

Closing the Loop on Circularity

OUR GOAL

By 2030, we will become a circular business.

To achieve our circularity target, we know we must make process improvements at all stages of the product life cycle – including energy, input materials, production, distribution, use, disposal, waste, and emission leakage. Avantium has therefore pledged to:
- Design products that use sustainably sourced renewable materials in minimum possible amounts.
- Develop products that are durable and recyclable.
- Enable production scalability via the efficient use of licensing models for our technologies.

Avantium's circular business model is built on developing, commercializing, and licensing our sustainable technologies and R&D capabilities. This allows us to develop solutions that maintain their maximum value throughout their life cycle, contributing to the circular economy in line with the so-called 9R principles.[6]

Reduce, Reuse, Recycle, and Beyond

Avantium's business vision is based on the concept of the natural carbon cycle: using bio-based feedstock inputs and de-fossilizing the industry. Our technologies turn sustainable feedstocks into sustainable materials. Using our most advanced technology, YXY® Technology, we are focusing on the commercialization of the polymer PEF, known under the brand name releaf®. Thanks to PEF's superior mechanical and barrier properties (compared to PET), we enable our partners to significantly reduce the amount of packaging they need for their products and/or replace multilayer packaging with mono-material solutions.

[6] https://op.europa.eu/en/publication-detail/-/publication/ca9846a8-6289-11ea-b735-01aa75ed71a1/language-en

As we bring this new material to market, we are also taking responsibility for a sustainable end-of-life solution. As a polyester, PEF is highly suitable for recycling and circular packaging solutions, as assessed by multiple independent third parties in addition to our LCAs.

In 2022, for example, at Avantium's request, PTI Europe Sàrl conducted an evaluation in accordance with the European PET Bottle Platform (EPBP) protocol to determine the effect of multilayer PET bottles containing 10% PEF on the PET recycling stream. The results showed that PET/PEF multilayer bottles have no negative impact on haze and other properties of the resulting recycled PET products at a market penetration of 5%, even taking into account potential local accumulation. Based on this, the EPBP awarded an interim endorsement to the Company's PEF resin.

In 2023, Avantium was granted Critical Guidance Recognition from APR, a US-based international non-profit focused on improving recycling for plastics. We earned this recognition for the use of PEF in a multilayer PET bottle. For the Critical Guidance Recognition testing in the USA, multilayer PET/PEF bottles containing 7 wt% and 10 wt% of PEF were first evaluated by a third party (Plastics Forming Enterprises LLC) and then reviewed by an independent committee, appointed per APR's procedures. We demonstrated these bottles' compatibility with standard PET recycling practices, without impacting the physical properties of the recycled PET. Both types of multilayer PET/PEF bottles were found to meet or exceed the most challenging test conditions and strictest APR Critical Guidance criteria. We also aim to secure the necessary permits in other parts of the world, including Japan.

In the long term, once a critical mass of PEF volume production is reached, our aim is that PEF will be recycled in its own separate streams. We know this to be possible thanks to our polymer's unique and recognizable footprint, making it detectable by standard near-infrared (NIR) sorting equipment.

At Avantium, we also explore new purposes for known materials. By combining the glycolic acid produced by our Volta Technology with lactic acid, we can make PLGA, a carbon-neutral, recyclable, home-compostable, and marine-biodegradable polymer with valuable barrier and mechanical properties. PLGA is therefore a more sustainable and cost-effective alternative to fossil-based polymers.

Social Performance

Our diverse team of 303 people is united and inspired by our common purpose of making a lasting, positive impact on the world. We aim to attract and retain talented colleagues and foster a workplace where everyone feels they belong, so they are in turn empowered to contribute to the execution of our ambitious strategy.

Material Topics Addressed

- Occupational Health and Safety
- Health and Well-Being
- Diversity and Inclusion
- Talent Attraction and Retention
- Next Generation of Scientists

GRI Indicators

GRI 2-7 Employees
GRI 403 Occupational Health and Safety
GRI 404 Training and Education
GRI 405 Diversity and Equal Opportunity

SDG Subtargets

Providing Safe and Healthy Workplaces

OUR GOAL

By 2023, all our plants plan to achieve an ISO 45001 certification.

As a chemical company, we prioritize safety above all else at Avantium. Occupational health and safety (OHS) is managed by our Quality, Health, Safety, & Environment (QHSE) department. We have very strict policies and management systems in place and we ensure that proper onboarding, training, and work practices are followed. All procedures, risk assessments, and monitoring are maintained on an ongoing basis.

We handle both non-hazardous and hazardous materials, with the latter managed in accordance with strict guidelines for Avantium employees. We also enact a safety policy based on the Hierarchy of Control (a system for controlling risks in the workplace), in which our first action is to eliminate the use of hazardous materials whenever possible.

"We ensured zero accidents during the construction phase of our FDCA Flagship Plant in Delfzijl by carefully selecting the contractors we worked with, carrying out daily meetings on risk mitigation, focusing on proactive operational QHSE via coaching, and promoting a safe working culture through inspections, toolbox talks, and safety observation reports."

Jeanette Ubels
QHSE Manager FDCA Flagship Plant

Owing to the ongoing construction of our FDCA Flagship Plant in 2024, we extended our deadline for implementing ISO 45001 (OHS management systems) certification. With the facility now officially open, we are working to finalize the first certification in 2025. The scope of this project has also been updated to focus on the production of FDCA and the supply of bio-based materials, as well as to include ISO 9001 (Quality management systems) and ISO 14001 (Environmental management systems) alongside ISO 45001.

Accidents and Incidents

We begin every Avantium team meeting with a safety update, including the chance for colleagues to share cases that provide important learnings for our team. In 2024, we continued to follow our Golden Safety Rules and other safety protocols, including mandatory trainings before people can access operational areas. Every three years, a certified OHS service provider assesses our workplaces and identifies any risks to mental or physical health.

We encourage all employees to report any situation they consider unsafe. The QHSE department then discusses and classifies the report, following up where necessary. In 2024, we updated our classification of safety information and set the target of having every employee report at least one unsafe situation. While this was not achieved in 2024, we will continue working on this in 2025.

We publish our Company-wide safety scorecard every quarter, including details of:

- Injuries
- Recordable process safety incidents (e.g., large spills, explosions, fire, toxic clouds)
- First-aid cases
- Non-recordable incidents: First-aid cases and other injuries (e.g., paper cuts, scratches)
- Process safety incidents (e.g., small spills)
- Near misses (e.g., falling objects, tripping)
- Observations (e.g., wrong lock/tag out, missed procedures)

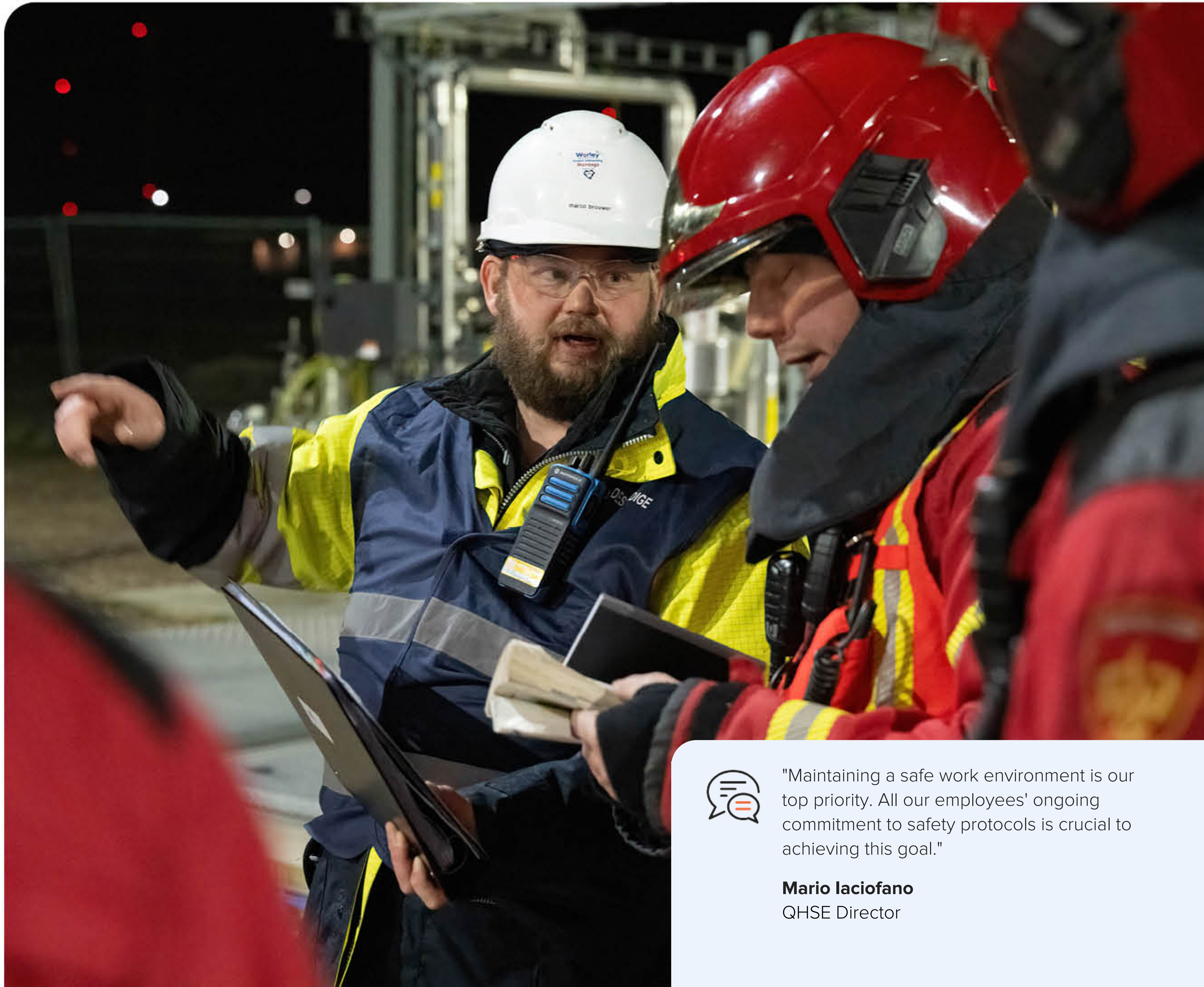
Accidents and Incidents in 2024

	2024
Injuries	0
Recordable process safety incidents	0
First aid cases	1
Other injuries	8
Non-recordable process safety incidents	109
Near misses	62
Observations per person	0.65

Safety Culture and Trainings

As well as promoting Avantium's Golden Safety Rules, we provide formal training and a comprehensive OHS reading list to every new joiner. Employees at and visitors to our pilot plants must complete a short training course and answer a list of questions before accessing operational areas.

The members of our different teams spent 7694.5 hours in trainings in 2024. In particular, health and safety continued to play an essential role in the training and preparation of the colleagues working at our FDCA Flagship Plant as we moved closer to start-up in 2025.



"Maintaining a safe work environment is our top priority. All our employees' ongoing commitment to safety protocols is crucial to achieving this goal."

Mario Iaciofano
QHSE Director

Becoming a Top-10 Place to Work

OUR GOAL

By 2030, Avantium will be one of the 10 best companies to work for in the Netherlands.

Avantium's 303 people work together in service of a common goal: making a lasting positive impact on people and planet by accelerating the transition away from fossil resources. To maximize this impact, we work hard to attract and retain talented employees and to foster working environments where everyone feels they belong, can develop themselves, and contribute to our success.

One of the ways in which we create a supportive and productive workplace is through our Working from Home Policy. Launched in 2023, the policy sets out when office staff can choose to work from home and what support Avantium provides. In 2024, most Avantium colleagues worked at the office at least two or three days per week. We believe this flexibility offers opportunities for in-person collaboration and alignment as well as for individual focus time, with the added benefits of cutting down commuting hours (and emissions) and promoting a healthier work-life balance.

On December 31, 2024, our 303 people with employment contracts worked alongside 8 interns, 5 PhD students, 7 people with flexible contracts, and 31 self-employed contractors. In addition, we also had 2 employees of record based in the USA.

Great Place to Work Program

In 2024, we made encouraging progress on our journey toward Great Place to Work (GPtW) certification. We completed the GPtW survey in November, with 259 colleagues sharing their views on our organizational culture (a response rate of 81%). The average score across the 60 statements – which assess culture factors focusing on trust, pride, and camaraderie – was 66%, up from 63% in 2021. This is a positive improvement that puts us above the average score for the Netherlands (58%). Although we did not reach the 70% average required for GPtW certification, we view this as a promising sign that our people policies are moving us in the right direction, particularly regarding diversity, equity, and inclusion (DEI). For more information on this, see Promoting Diversity, Equity, and Inclusion on page 42.

Contributing to our progress, our improvement activities since the previous survey in 2021 focused on three key areas: adjusting our secondary benefits, improving our internal communications and transparency, and encouraging our community feeling. Activities on secondary benefits remain a work in progress, led by our HR department, advised in turn by the GPtW team. The other two topics were both included in the 2024 action plan of Avantium's People Task Force (one of the Chain Reaction 2030 task forces). Here we saw significant developments: internal knowledge sharing was a particular strong point, as we hosted lunch sessions designed to give employees insights into other teams and functions, from investor relations to operations in our pilot plants. We also organized a poster session for our Amsterdam-based departments and teams, as an opportunity to introduce themselves and their work to one another. Not only did this encourage personal and professional connections between colleagues, but it also strengthened people's understanding of the technologies, projects, and strategies underway across our organization. To further foster greater community feeling and cross-cultural cohesion, we hosted another successful Integration Dinner on Diversity Day (see Promoting Diversity, Equity, and Inclusion on page 42).

To ensure we continue on our upward trajectory, our Management Team will identify areas for improvement across the entire organization based on the GPtW survey results, producing two key Company-wide actions. Each business area and/or department will also review its specific survey results with its team members, identifying one or two improvement actions to be implemented alongside the Company-wide initiatives. The deadline for implementing these improvement actions is June 30, 2025.

"Thanks to our passionate colleagues, a simple poster session became a lively hub of connection, innovation, and collaboration. The intersection of our diverse skills and perspectives is what drives our success at Avantium."

Jean Lai
Marketing & Brand Manager and member of Chain Reaction 2030 People Task Force

Works Council

Avantium continues to have a constructive relationship with our Works Council ("Ondernemingsraad"), which consists of eight members from different business areas and sites.

During 2024, the Works Council continued its work, with its members using their everyday contacts to stay informed about employees' concerns throughout the year. As well as discussing general topics with the Management Team, the Works Council advised on six topics, including the re-appointment of Michelle Jou to the Supervisory Board and the remuneration policies for the Management Board and the Supervisory Board. The Works Council also provided consent on two topics and collaborated with Avantium's HR team to update the Employee Handbook, in order to incorporate new Dutch laws and regulations as well as the latest working practices at Avantium.

Health and Well-Being

As a chemical company, Avantium is committed to providing safe and healthy working conditions for all our employees. This is a top priority, since there are inherent risks involved in the work we do at our laboratories and production sites. Safety is therefore always top of the agenda in meetings. We also provide guidance on ergonomic best practices, offer voluntary medical assessments, and are supported by the certified OHS union ArboUnie in matters related to employee health, illness, and absence.

"In 2024, we organized engaging activities to strengthen our community and celebrate our differences. Through our Footprint Challenge, for instance, we brought together colleagues from all departments and backgrounds, in pursuit of a commonly shared objective. This inspiring initiative aimed to raise awareness about our environmental impact. We gained new insights and shared our knowledge on how to reduce our carbon footprint and increase our handprint, thereby promoting sustainability and encouraging collaboration and innovative thinking. This is just one example of how we can grow our positive impact on our planet, while also fostering an inclusive and welcoming environment for everyone. We believe that by embracing our differences, we can build a stronger, more innovative, and more supportive community."

Marloes Harmsen
HR Business Partner and member of the Chain Reaction 2030 People Task Force

We had zero recordable injuries and process safety incidents in 2024, a reflection of the importance we place on safety. Our overall absence rate, however, was 6.52%, higher than in 2023 (5.49%). Our analysis shows that many of these absences were caused by long-term factors outside Avantium's direct control; nonetheless, we are committed to mitigating their causes as far as possible. To support this process, we conducted a periodical occupational health examination (POHE), consisting of an opt-in employee survey and medical assessments with a doctor's assistant. This enabled us to identify areas for improvement, particularly around stress mitigation. We recognize that 2024 was a busy and at times challenging year, and we deeply value the collective effort made by our colleagues. As we move forward, we will implement Company-wide policies as well as local improvement actions to ensure that all future success can be achieved with minimal impact on employee well-being.

In 2024, we provided line managers with training on managing sick leave, strengthening resilience, dealing with legislation and compliance issues relating to employment, and having difficult conversations with employees.

Avantium updated its procedures to prevent and address bullying, discrimination, and other unacceptable workplace behavior in 2024. Employees who have been witness to or affected by these or related issues can contact one of our Confidants, who act as confidential advisors and guide employees through Avantium's complaints procedure. We also have a robust whistleblower policy in the form of our Speak-Up Policy, which outlines the process for reporting irregularities.

Performance Management and Training

At Avantium, we are committed to ensuring that our people all have the opportunity to reach their full potential. All employees set annual goals in consultation with their line manager, which include both contributions to Avantium's strategic priorities and self-development targets. Progress toward these goals is then monitored in regular meetings during the year.

In 2024, we demonstrated our commitment to learning and development by launching the Avantium Academy, our new hub for training and learning support. The Academy provides training opportunities for a wide range of employees, covering topics from safety to role-specific and soft skills. In addition, we offer all employees access to our e-learning platform GoodHabitz. The construction of the FDCA Flagship Plant meant that we emphasized safety and technical trainings in Delfzijl during the year; other courses centered on digital skills, sustainability, and many other topics. Avantium employees spent 8697 hours on trainings in 2024, for an average of 28.7 hours per employee.

Talent Attraction and Retention

The decision in late 2023 to halt further investments in our Ray Technology™ was followed by a challenging time for many of our employees. The reorganization in 2024 resulted in 58 redundancies; however, we were able to successfully relocate over 80% of these employees, the majority of them to our new FDCA Flagship Plant, which is also in Delfzijl, and to other business units of Avantium. We therefore ensured as much employment continuity as possible for the colleagues affected. During the year, we also hired 43 new colleagues, most of them at the FDCA Flagship Plant to fulfill all our staffing needs as we approach the start-up phase.

Our ability to fill these roles amid a tight labor market is a positive sign of our success in making Avantium an appealing workplace for talented professionals in a competitive industry. We consistently receive a high number of applications from interested candidates: in 2024, we had an average of 26 applications per vacancy (2023: 36). With more and more people looking for opportunities to make a meaningful positive impact in their work, we see the level of interest in our Company as a reflection of the strength of our message and a vote of confidence in the work we are doing to realize a fossil-free future.

We offer employees a range of benefits, including a competitive Remuneration Policy, Company pension contributions, and health insurance at a reduced cost. Avantium's Mobility Plan includes NS Business Cards for public transport, which can also be used for private purposes, and a Company-wide bicycle scheme. This encourages employees to use more sustainable forms of travel, supporting our people's mental and physical well-being alongside the health of our planet.

Promoting Diversity, Equity and Inclusion

OUR GOAL

By 2025, we will improve upon our baseline of being an inclusive and diverse company, ensuring we are representative of the societies and communities we operate within.

It was another year of growth for Avantium in 2024, with 43 new employee contracts (2023: 95) and 45 leavers (2023: 53) taking our workforce to a total of 303 by the end of the year. We are proud of our diverse and multinational workforce, which includes people of 35 (2022: 36) different nationalities.

Celebrating Our Differences

Our Company values emphasize creating a vibrant and safe environment for colleagues at all stages of their working life. We therefore have several initiatives in place to facilitate a healthy work-life balance for employees, including care leave and parental leave policies. In 2024, 21 colleagues used their right to take parental leave (2023: 26), and another 13 (2023: 3) returned from parental leave. Over the year, 218 people worked full-time (2023: 221) and 85 (2023: 83) worked part-time.

Our Core Values

1 **We make a lasting impact**
We think big. We understand our customers through and through. We improve the world around us. We drive – and thrive on – change. We have an impact on the environmental footprint of the wider industry.

2 **We are determined team players**
We embrace challenges. We value complementary talents and diverse perspectives. We actively engage with partners. We work in teams to solve problems. We go the extra mile to deliver results.

3 **We do the right things right**
We behave ethically. We make bold choices. We take responsibility for our actions. We operate safely.

4 **We are pragmatic idealists**
We always find a way. We think outside the box, but never lose sight of reality. We keep our feet on the ground. We always sail towards our destination, adjusting course when necessary.

5 **We have fun (and the rest of the world is a little bit weird)**
We appreciate unconventional solutions. We celebrate success and learn from setbacks. We view things with a positive eye and an open mind.

Our Diversity & Inclusion Policy outlines Avantium's DEI targets. We aim to ensure, for instance, that men and women each represent at least one-third of our Supervisory Board and Management Team. At the end of 2024, 33% of the Supervisory Board's members were women. In our Management Team, however, we fell just short of reaching our gender-balance goal of each gender making up at least one third of the total (see table). When hiring for positions in the Management Team, we pay particular attention to including women on the recruitment longlist and shortlist. We also aim for a 2% increase in the number of women across our overall workforce and in leadership positions each year. We achieved this goal in 2024, with 39% women in leadership roles (2023: 34%). At the end of the year, Avantium's overall workforce comprised 26% women, which is slightly less than in 2023 (27%). In 2025, we will continue working toward these and our other DEI targets.

The Diversity & Inclusion Policy commits Avantium to conducting regular engagement surveys. Our most recent such survey was the GPtW survey (see Becoming a Top-10 Place to Work on page 40), which showed our strengths in DEI. All our highest-scoring statements centered on employees' sense of belonging, with over 90% of employees agreeing that people at Avantium are treated fairly regardless of their race or sexual orientation, 88% reporting that people are treated fairly regardless of their gender, and another 88% agreeing with the statement "I can be myself here." While we are proud of our performance in these areas, we know we can do even better and will look to build on this achievement in 2025.

Under the same policy, we also commit to maintaining a diversity of nationalities and ensuring equal pay for equal work. In 2024, the diversity of nationalities at Avantium (35) remained almost the same as in 2023 (36). Our own analysis found that the women-to-men salary ratio for non-Management Team members was 100.16% (2023: 97.35%).

In 2024, we once again held our yearly Integration Dinner on Diversity Day, bringing together colleagues from different backgrounds to celebrate and learn about one another's differences. As every year, our popular Integration Dinner gives employees the chance to cook and serve a dish from their culture and share their traditions with their colleagues.

Employee Diversity in 2024

	Management Team	Leadership positions	Non-leadership positions
Female	29%	39%	24%
Male	71%	61%	76%
<30 years old	—%	—%	14%
30–50 years old	14%	39%	56%
>50 years old	86%	61%	30%
Dutch	100%	82%	76%
Non-Dutch	—%	18%	24%

Upholding Equal Opportunities

At Avantium, we are committed to providing equal opportunities to our staff, our contractors, and agents of and applicants to the Company. We do not discriminate on the basis of age, gender, race, disability, faith, beliefs, or sexual orientation. Avantium aims to ensure that employees are selected, trained, compensated, promoted, or transferred solely on the basis of abilities, qualifications, and merit.

To prevent unconscious bias in our Performance & Development Review cycle, all line managers receive briefing documents that guide them on avoiding unconscious bias. To avoid bias in our recruitment processes, interviewers use standardized recruitment scorecards to evaluate candidates on their suitability for the vacancy. The hiring team compares the compiled scorecards to identify the strongest candidate.

Inspiring the Next Generation

OUR GOAL

By 2030, we will have engaged 100,000 students about using chemistry to create a fossil-free world.

At Avantium, we believe sustainable chemistry is not just essential but exciting. We aim to use our position as a leader in the field to inspire the next generation of chemists, helping to build a pipeline of motivated, creative, and talented people who are keen to make a difference in the chemical industry. Our approach starts with raising awareness among young people – the consumers as well as the chemists of tomorrow – about the need to transition away from a fossil-based, linear economy toward a sustainable, circular future.

In 2024, we created a digital chemistry lesson for elementary schools across the Netherlands in collaboration with C3 (Centrum JongerenCommunicatie Chemie). Featuring a classroom experiment using simply everyday materials, this off-the-shelf lesson enables children to explore the principle of transforming one object into another, thanks to their similar basic building blocks. Often too tiny to see, chemical building blocks can be broken up and rearranged into a new material – for example, in recycling an old T-shirt into a bottle or other polymer (re)application. The official launch of the digital lesson took place in January 2025 at the 2025 National Education Exhibition, following which we aim to reach about 15,000 children across the country.

As well as once again hosting a Girls Day at our Zekeringstraat office in Amsterdam, Avantium also participated in 2024's annual Weekend of Science at locations including Amsterdam Science Park. During the event, hundreds of children were able to try out the exciting transformations possible through (sustainable) chemistry. In addition, we organized a three-day Dutch masterclass for pre-university students about sustainable plastics, in collaboration with Bètapartners. Through a lab practical, lecture, literature workshop, debate, tour, and more, these students learned about the steps that make up the full life cycle of plastics. In total, we engaged 4954 students in 2024, for an accumulated total of 32,915.

Outreach and Engagement in 2024

Activity	Number of students engaged
Open days/events	573
Conferences	50
Guest lectures	148
Site visits to Avantium offices	296
Social media, including Avantium's website, LinkedIn, BlueSky, Facebook, Instagram, YouTube	3887

Governance Performance

At Avantium, we strongly believe in the need for a more sustainable chemical industry – and we aim to make our voice heard by advocating for change. We engage with a wide range of stakeholders to drive the innovation and collaboration we need to enable and accelerate global de-fossilization.

Material Topics Addressed

- Climate Advocacy
- Climate-Related Regulation
- IP and Data Protection
- Responsible Licensing
- Stakeholder Engagement
- Corporate Partnerships

GRI Indicators

GRI 22-28 Strategy, policies and practices

SDG Subtargets

Advocating for a Fossil-Free Industry

OUR GOAL

By 2030, 100% of our advocacy will focus on transforming the chemical industry to becoming circular and fossil free.

In 2024, the grand opening of our FDCA Flagship Plant and the launch of our new releaf® brand generated significant media attention for our Company and our mission. Avantium was featured in more than 235 articles and 27 interviews during the year, as well as participating in and speaking at conferences and publishing 8 peer-reviewed papers. We use these opportunities to share our work, objectives, and motivation with different audiences and to advocate for a circular, bio-based economy.

Avantium secured a number of new corporate partnerships in 2024 to accelerate progress toward our strategic goals; for details, see Performance by Business Area on page 23. Meanwhile, we continued to engage with different players on the climate crisis and the urgent need to de-fossilize the chemical industry. This forms a large part of our stakeholder engagement activities (see page 48). In 2024, we continued to participate in associations such as Renewable Carbon Initiative, MVO Nederland, European BioPlastics (EUPB), Industry Table Northern Netherlands, the Royal Association of the Dutch Chemical Industry (VNCI), the Bio-based Industries Consortium, and CO_2 Value Europe.

We also work closely with other companies in various grant consortia, such as PEFerence, which aims to replace a significant share of fossil-based polyesters with 100% plant-based PEF. The consortium's members include Carlsberg Group, LVMH, Henkel, LEGO, and Nestlé Waters. In 2024, we joined the groundbreaking Hemp2Comp project, an initiative aiming to revolutionize the composite materials industry by leveraging the environmental benefits of hemp and through the innovative use of furanic humins, a byproduct of PEF production.

In addition, our advocacy includes engaging with governments and authorities to help shape climate policy and plastic regulations. We do this both as Avantium and as part of industry organizations, partners in grant consortia, and other like-minded partners. In 2024, we welcomed the adoption of the EU's new Packaging and Packaging Waste Regulation, which came into force in January 2025 and represents a significant step toward a sustainable and circular plastics economy.

In all our partnerships, we adhere to the responsible business principles set out in our Code of Business Conduct. This document includes norms on labor and human rights, ethics, bribery, fraud, corruption, transparency, governance, and accountability.

Intellectual Property

Effective management of our IP is critical to Avantium's success. Our active IP management program includes regular reviews of competitors' patent publications as well as discussions with Avantium's scientists about (potential) patent filings related to new technology developments. To expand our freedom to operate, we file third-party observations, lodge oppositions, and investigate potential opportunities for acquiring the right to practice under the patent rights of third parties. As our business and innovation strategies evolve, so do Avantium's IP strategies for the different business areas. For Avantium Renewable Polymers and Volta Technology, for example, this has resulted in more-focused IP strategies.

"At Avantium, we believe in a fossil-free chemical industry. All our technologies are aimed at accelerating this transition. We transform sustainable, renewable carbon into useful materials for our everyday life, like clothing and food packaging. We see our role not only in developing and commercializing our technology solutions in a circular manner, but also in providing thought leadership to encourage the industry to adopt circular business practices. We do this by engaging in advocacy related to recycling, carbon management, and product sustainability."

Ingrid Goumans
Public Affairs & ESG Director and member of Chain Reaction 2030 Technology Task Force

Patents and Patent Applications in 2024

Business unit	Intellectual asset portfolio	Current number of patent families (incl. newly filed patent applications)[7]	Number of new patent applications in 2024[8]	Number of patents granted in Europe (EPO) or the USA in 2024	Number of inventions reported in 2024[9]
Renewable Polymers	YXY® Technology	70	4	7	8
Renewable Chemistries	Ray Technology™	19	2	4	3
Renewable Chemistries	Dawn Technology®	8	0	1	1
Renewable Chemistries	Volta Technology	40	5	1	14
Research & Development Solutions	RDS	12	1	2	10
Corporate Technology	Early stage	26	3	0	9
	Total	**175**	**15**	**15**	**45**

Data Management and Information Security

Avantium's data and data management systems are vital assets for our Company. To protect our information technology (IT) infrastructure, we conduct ongoing assessments with a particular focus on cybersecurity. Our IT team is partway through implementing an IT security and governance framework based on the Center for Internet Security (CIS) Critical Security Controls. As part of this process, we are developing a complete set of updated and modernized IT policies, aligned with industry standards and the NIS2 directive.

We recorded three IT security incidents in 2024, including so-called email subscription bombs: cyberattacks designed to flood a victim's email inbox with unwanted messages that make it easier to hide phishing or impersonation emails. While none of these succeeded in disrupting operations or accessing any Company data, they show the increase in both the quantity and the quality of cyberattacks facing Avantium and the need for continuing investment in our cybersecurity program. As a result of the attacks, we carried out a systems review, with the findings informing our ongoing improvements.

[7] A patent family is a collection of several national and/or regional patents and/or patent applications covering the same invention.
[8] A patent application is a request pending at a patent office for the grant of a patent for an invention. Once the patent application complies with the laws of the country or region concerned, a patent may be granted for the invention.
[9] Reported inventions may mature into a publication or patent application or may be kept as a trade secret.

We protect our data in line with the EU's General Data Protection Regulation (GDPR) requirements. In 2024, there were no substantiated complaints concerning breaches of customer privacy or losses of customer data at Avantium.

In 2025, we will continue to embrace artificial intelligence (AI) as an essential business tool. This includes developing appropriate policies and controls to ensure that we can use these new technologies in a safe and sustainable way.

Responsible Licensing

As part of our commercialization strategy, we are actively exploring technology licensing opportunities for large-scale production. Having signed our first licensing agreement with Origin Materials in 2023, we are currently in discussions with multiple other potential licensees. We aim to incorporate sustainable sourcing requirements into our license agreements.

Stakeholder Engagement

We believe that continuous stakeholder engagement, in which we embrace open dialogue and knowledge-sharing, is important in an innovation-driven industry and helps us to identify areas for improvement. We communicate with our stakeholders through various channels and at a variety of levels. Our methods of engagement vary depending on the stakeholder, the key issues at hand, and the purpose of engagement. The following tables provide an overview of our main stakeholder groups, the ways we communicate with them, and the topics most relevant to them.

Stakeholder	Form and frequency of dialogue	Topics discussed	Effect of dialogue on Avantium
Employees	▪ Social intranet (YIP) ▪ Company meetings with all employees (every two months or when appropriate) ▪ Leadership Team meetings (every two months or when appropriate) ▪ Business unit town hall meetings (every two months or when appropriate) ▪ Performance reviews (twice a year) ▪ Training and development programs (when appropriate) ▪ Works Council (at least every two months or when appropriate) ▪ Onboarding program for new employees (when appropriate) ▪ Monthly lunch lectures and interviews	▪ Strategy ▪ Business highlights and performance ▪ Health and safety ▪ HR-related topics, including vitality ▪ Diversity and inclusion ▪ Training and development ▪ Peer-to-peer learning ▪ Career path and development opportunities	Through continuous and open dialogue, we aim to help our employees embrace our values and familiarize themselves with our strategy and mission. We celebrate our successes and share our challenges and setbacks. This enhances engagement and commitment, as well as efficient communications. We believe employee engagement is key to Avantium's business, and that our success is built on the commitment, ambition, and expertise of our people.
(Prospective) Partners and customers	▪ Business meetings and site visits, joint (research and development) projects, and business development (when appropriate) ▪ Phone and video calls, email exchanges, and virtual tours by commercial or technical teams (daily) ▪ Conferences, symposia, and special events (when appropriate)	▪ Technologies, lead products, and services ▪ Business development and innovation ▪ Customer support and quality ▪ Technology licenses ▪ ESG targets (e.g., circular business models, carbon footprint)	Close collaboration with strong partners and customers throughout the entire value chain is integral to Avantium's strategy and commercialization and licensing roadmap. We work with companies who share our values and want to build a better world for future generations. This helps us develop innovative solutions that deliver sustainability benefits to customers and other stakeholders.

Stakeholder	Form and frequency of dialogue	Topics discussed	Effect of dialogue on Avantium
Shareholders	■ Direct interaction with Investor Relations, CEO, or CFO in (video and audio) calls, email exchanges, and site visits (regularly) ■ Annual General Meeting (annually) ■ Extraordinary General Meeting (when appropriate) ■ Capital Markets Day (Technology & Markets Day/Retail Investors Day) (annually or when appropriate) ■ Annual or half-year results presentation and press release (bi-annually) ■ Investor conferences and roadshows (when appropriate)	■ Strategy, business activities, and performance ■ Financial results ■ Funding options ■ Commercial and operational progress ■ Company roadmap and technology portfolio ■ Lead products and end-market ■ ESG performance and specific ESG-related topics ■ Board composition and remuneration	We aim to help current shareholders, potential investors, and financial analysts understand the (long-term) investment opportunities Avantium offers. With shareholders, we discuss our strategy and business model, financial performance and outlook, funding strategies, and opportunities, as well as our sustainable solutions.
Financial Partners	■ Direct interaction with consortium of lenders and grant providers in calls, email exchanges, and virtual meetings (regularly and when appropriate)	■ Strategy, business activities, and performance ■ Financial results ■ Funding options ■ Commercial and operational progress ■ Risks and opportunities ■ ESG performance and specific ESG-related topics	Our financial partners, including a consortium of lenders – such as ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and the Dutch government-backed impact investment fund Invest-NL, loan providers including the Province of Groningen and Fonds Nieuwe Doen, and subsidy providers – are vital stakeholders for Avantium. They expect us to effectively implement our strategy and associated projects. With our financial partners, we discuss our strategy and business model, financial performance and outlook, funding strategies, commercial and operational progress, and risks and opportunities.

Stakeholder	Form and frequency of dialogue	Topics discussed	Effect of dialogue on Avantium
Suppliers and contractors	■ Direct interaction via supplier account teams/procurement in calls, email exchanges, and virtual meetings (daily) ■ Site visits at Avantium and/or at the supplier's office (when appropriate) ■ Communications regarding specific interactions, setting up purchase orders, discussing details of the General Terms and Conditions (as relevant) ■ Engagement regarding ESG norms and agreeing with the Avantium Sustainable Supplier Code (when relevant)	■ Products and technology ■ Innovation ■ Supply chain of renewable feedstock ■ Supplier performance and risk management ■ Health and safety ■ Compliance ■ Human rights and labor standards ■ Environmental topics, including biodiversity ■ IP / information security ■ Business continuity	We rely heavily on our supplier network, with our suppliers and contractors integral partners in the efficient and seamless scale-up of our technologies and in delivering on our customer commitments. We are committed to a responsible and sustainable supply chain, as laid out in our Sustainable Supplier Code.
Governments and authorities	■ (Pro)Active dialogue with government, regulators, and authorities and municipalities (when appropriate) ■ Safety and compliance reporting (when appropriate) ■ Reporting on diversity, energy efficiency, and other ESG-related topics (when appropriate)	■ Our technologies and lead products ■ Strengthening innovation in the industry and society where we operate ■ Compliance ■ Safety ■ Permitting	Avantium takes part in open dialogues with relevant governments and authorities. We have regular meetings with government bodies, authorities, and local municipalities to discuss Avantium's business, opportunities, and challenges. The aims include strengthening our license to operate, generally promoting an environment conducive to investment and development, and mitigating regulatory and political risk.
Society	Industry associations ■ Member conferences, regular meetings, and round tables of relevant industry associations (when appropriate) Community, universities, media, NGOs, and others ■ www.avantium.com (continuously) ■ Avantium's social media channels (continuously/when appropriate) ■ Press releases, interviews, and engagement calls/meetings (when appropriate) ■ Collaboration with University of Amsterdam (continuously) ■ Community engagement programs (when appropriate) ■ Company visits (when appropriate) ■ Trainings and networks (when appropriate)	■ Our technologies and lead products ■ Strengthening innovation in the industry and society where we operate ■ Compliance ■ Circular economy ■ Community engagement ■ Our people ■ Exciting the next generation about renewable chemistry ■ Local developments ■ CSRD and other reporting related regulations	We align our business strategy and sustainability goals with the needs of our wider society, beyond our direct value chain. We also engage with students at schools and universities, sharing our expertise and exciting the next generation about sustainable and renewable chemistry.

Financial Performance 2024

Income Statement

Revenue

in millions of €	2024	2023	% change
R&D Solutions	14.3	13.5	5 %
Renewable Chemistries	0.1	0.0	— %
Renewable Polymers	6.5	5.6	16 %
Unallocated	0.2	0.6	-69 %
Total revenue	**21.1**	**19.7**	7%

In 2024, Avantium's consolidated revenue increased by 7% from €19.7 million in 2023 to €21.0 million. The increase in revenue was driven by Avantium Renewable Polymers, whose revenues increased by 16% as a result of FDCA sales from the pilot plant to customers, as well as license revenue recognition under the license agreement with Origin Materials. Avantium R&D Solutions revenues increased by 5% due to new orders and the delivery of several Flowrence® systems and contract R&D projects during the year.

Other Income: Government Grants

Income from government grants decreased by 21%, from €5.8 million in 2023 to €4.6 million in 2024. This decrease is predominantly due to certain grant programs ending in 2024. In 2024, we recognized grant income from Waterproof, which is related to Avantium demonstrating the full value chain of a closed carbon cycle, and which will see us use our proprietary Volta Technology to convert CO_2 from wastewater purification and waste incineration into formic acid.

EBITDA[10]

in millions of €	2024	2023	% change
R&D Solutions	2.2	1.1	100%
Renewable Chemistries	-3.0	-7.6	61%
Renewable Polymers	-17.2	-9.4	-83%
Company overheads/ other	-15.3	-11.6	-32%
EBITDA	**(33.3)**	**(27.5)**	-21%

In Avantium R&D Solutions, the increase in EBITDA for 2024 related to higher revenue and lower operating expense relating to consumables and sales and marketing.

The lower EBITDA in Avantium Renewable Chemistries was due to the significant reduction in activities in 2024.

Avantium Renewable Polymers showed a decrease in EBITDA in 2024. This mainly related to the increase in full-time equivalents (FTEs), resulting in higher employee benefit expenses, in addition to slightly lower other income.

For further information on the EBITDA of Avantium's business segments, please refer to note 24 in the financial statements.

Total EBITDA for Avantium decreased from €-27.5 million in 2023 to €-33.3 million in 2024.

Operating Expenses

in millions of €	2024	2023	% change
Raw materials and contract costs[11]	(4.7)	(4.2)	-12%
Employee benefit expenses[12]	(35.9)	(31.5)	-14%
Office and housing expenses	(4.0)	(3.3)	-21%
Patent, licence, legal, and advisory expenses	(5.9)	(5.0)	-18%
Laboratory expenses	(4.2)	(4.3)	2%
Advertising and representation expenses	(1.8)	(2.0)	10%
Other operating expenses	(2.4)	(2.6)	8%
Net operating expenses	**(58.9)**	**(52.9)**	-11%

Net operating expenses amounted to €58.9 million in 2024, an increase of €6.0 million compared to 2023 (€52.9 million). This increase is mainly due to the increase in FTEs during 2024, higher raw materials and contract expenses due to activities in the R&D Solutions business, and higher advisory expenses in Avantium Support due to the various funding initiatives.

[10] EBITDA is an important measurement of the Company's financial performance before taking the cost of capital, depreciation, and taxes into consideration. EBITDA margins provide a view of operational efficiency and enable a more accurate and relevant comparison between peer companies.
[11] During the 2024 financial year, management made a reclassification between the Employee benefits expenses and Raw materials and contract costs line items (refer to note 25). Comparative has been updated accordingly.
[12] Please refer to note 12.

Financial Position and Balance Sheet

Cash Position and Cash Flow

The total cash position (including restricted cash[13]) as at December 31, 2024 was €23.9 million (December 31, 2023: €35.2 million). During 2024, Avantium's cash position decreased due to the investment in capital expenditure for the construction of the FDCA Flagship Plant, as well as operating expenses as a result of the increase in FTEs and the commissioning of the FDCA Flagship Plant. The decrease in cash was offset by the net proceeds of €64.4 million from the rights issue in February, drawdowns of the Debt Financing Facilities in 2024 of €15.0 million, the receipt of the proceeds from the convertible loan from Pieter Kooi of €5.0 million, and the net proceeds of €10.6 million through an accelerated bookbuild offering in December 2024.

Avantium's net cash used in operating, investing, and financing activities in 2024 was €106.1 million, versus €114.1million in 2023.

The cash outflow in 2024 mainly related to a €58.6 million million investment in capital expenditure for the engineering and construction of the FDCA Flagship Plant.

In 2024, the working capital experienced a negative movement of €5.7 million, compared to a postive movement of €8.4 million in 2023. This negative movement was mainly due to a €4.4 million decrease in trade and other payables, which was partially offset by a €1.3 increase in trade and other receivables.

The decrease in trade and other payables was primarily related to increased capital expenditure for the construction of the FDCA Flagship Plant and the execution of work under the license agreement with Origin Materials. The increase in trade and other receivables was mainly related to customers of Avantium R&D Solutions.

Furthermore, Avantium performed work for a number of grant grant programs during 2024, for which the financing is to be received.

Looking ahead, we are committed to strengthening our solvency position through disciplined financial management and strategic initiatives. This includes optimizing our capital structure, cost management, and, where appropriate, pursuing cost-saving measures. Our main priority remains the safe commissioning and start-up of the FDCA Flagship Plant in 2025.

The following table provides an overview of the net cash outflow during the year, excluding extraordinary cash flows:

in millions of €	2024	2023
EBITDA	(33.3)	(27.5)
Lease payments	(2.4)	(2.0)
Working capital movement[14]	(5.7)	8.4
Capital expenditures[15]	(58.6)	(89.8)
Interest and commitment fees from borrowings	(7.6)	(4.1)
Other[16]	1.5	0.9
Net cash outflow	**(106.1)**	**(114.1)**

Balance Sheet

Total assets increased to €288.6 million in 2024 (2023: €228.5 million), mainly as a result of the investment in the FDCA Flagship Plant and the capitalization of the borrowing cost. Total equity increased to €97.8 million (2023: €53.9 million) as a result of the capital raise in 2024. Total borrowings increased to €118.0 million (2023: €86.6 million), which relates to the additional drawdown of the Debt Financing Facilities, which is measured at amortized cost.

Financial lease obligations increased to €10.1 million (2023: €9.6 million), and primarily consist of lease agreements on offices, plants, and laboratory facilities. This increase relates to new leases and extension of lease periods during the year.

Non-current assets increased from €174.2 million in 2023 to €246.3 million in 2024, primarily as a result of the planned investment in the construction of the FDCA Flagship Plant and the capitalization of the borrowing cost.

[13] For more information, refer to note 10 of the consolidated financial statements.

[14] In presenting and discussing Avantium's financial position, operating results, and cash flows, Avantium (like many other publicly listed companies) uses certain alternative performance measures (APMs) not defined by the International Financial Reporting Standards (IFRS). These APMs are used because they are an important measure of Avantium's business development and management performance. Please see note Alternative performance measures.

[15] Refer to footnote 16.

[16] Other includes non-cash movements related to share-based payments.

Alternative Performance Measures

In presenting and discussing Avantium's financial position, operating results and net results, management uses certain alternative performance measures (APMs) not defined by the International Financial Reporting Standards (IFRS). These APMs should not be viewed in isolation as alternative to equivalent IFRS measures but should be used as supplementary information in conjunction with the most directly comparable IFRS measures. Since APMs do not have standardized meaning under IFRS, they may not be not be comparable to similar measures presented by other companies. Nonetheless, management believes that these APMs provide useful information to assess the Company's performance and financial position, both when comparing reporting periods and when benchmarking against a peer group, particularly considering the current phase of the Company's business.

To provide clear reporting on the development of the business, APM adjustments, which represent material items of income or expenses, are made. The APMs that are disclosed in this report are listed in the table. No separate reconciliation is provided for APMs where the inputs are directly derived from their definitions combined with the information on the face of the consolidated financial statements. Otherwise, a reconciliation to the most directly comparable IFRS measures is provided for APMs that pertain to historical performance.

Significant judgment is required in using APMs, particularly in identifying material items in the consolidated income statement as "APM adjustments."

APM	Definition
EBITDA	This is the sum of the revenue, other income and net operating expenses.
EBITDA of business segments	This is the sum of the revenue, other income and net operating expenses for each business segment.This excludes overheads and cost allocations for shared service activities. Refer to note 24 for a reconciliation to the most directly comparable IFRS measure.
Capital expenditure	This is the sum of the cash outflow from investments in property, plant, and equipment and investments in intangible asset, as included in the consolidated statement of cash flows
Working capital movement	Equals the movement in working capital as included in the consolidated statement of cash flows.
Net cash flow used in operating, investing, and financing activities	This is the sum of the cash flows from operating activities, cash flows from investing activities, and cash flows from financing activities as included in the consolidated statement of cash flows.

APM	Definition
Cost increase FDCA Flagship Plant	The current expected remaining cash outflow relating to the FDCA Flagship Plant, insofar this is higher than the budgeted cash outflow. This is a measure of expected future performance that will be reflected in cash flows from investing activities in the consolidated statement of cash flows in future periods.
Adjusted equity total	The adjusted equity total is calculated as equity attributable to owners of the parent minus intangible assets,
Adjusted balance sheet total	The adjusted balance sheet total is calculated as total assets minus intangible assets, participating interest, receivables from shareholders, and shares held in the own Company.
Adjusted solvency	The adjusted solvency ratio is calculated as the Adjusted equity total divided by the Adjusted balance sheet total. Refer to note 3.2 for a reconciliation to the most directly comparable IFRS measure.

Investor Relations and Share Performance

Investor Relations

Avantium values its strong relationship with shareholders and the broader investment community. We therefore set high standards for our communications strategy to ensure that we provide transparent, accurate, and relevant information to our shareholders and investors, thereby helping them to make informed investment decisions. We are committed to providing accurate and complete information to all stakeholders simultaneously and in a timely way. To this end, Avantium regularly updates the markets on its performance, the progress made on the execution of our strategy, and any other relevant developments within the Company. We do this through press releases, webcasts, conference calls, and other forms of communication.

Our activities comply with the rules and regulations of Euronext Amsterdam and the Dutch Authority for the Financial Markets (AFM). More information about how we engage with the investor community can be found on our website.

Shareholder Engagement

To ensure we maintain an open and continuous dialogue with the investor community, we engage with investors extensively through (virtual) roadshows, investor meetings, capital markets days, and conferences. We also accommodate meeting requests from the financial community whenever feasible, while always complying with applicable regulatory and confidentiality obligations.

When we publish our annual and half-year results or provide an update on significant strategic events, our CEO and CFO host a conference call for research analysts to discuss our recent business and financial performance. Transcripts of these calls are published on the Company website immediately thereafter. We also use specific events to inform both institutional and retail investors about our business and strategy.

Our Bilateral Contact Policy, which can be found in the Corporate Governance section of our website, requires us to have at least two representatives of Avantium present at each conversation with shareholders and investors, where possible. Bilateral meetings and conference calls with analysts, investors, and shareholders are not held during "closed periods," which normally start one month prior to the publication of Avantium's annual or half-year results.

On October 22, 2024, Avantium celebrated the official opening of our FDCA Flagship Plant in Delfzijl. This event was attended by some of Avantium's largest shareholders, among other guests. The following day, we held a Retail Investor Day to provide retail investors with the opportunity to see the FDCA Flagship Plant in real life and to engage with a broad range of Avantium employees, including top management and experts from within the business. More than 200 retail investors attended this event.

General Meetings of Shareholders

Avantium organizes an Annual General Meeting of Shareholders (AGM) once a year. Extraordinary General Meetings of Shareholders (EGMs) are held as often as the Management Board or Supervisory Board deems desirable. No later than 42 days before the AGM or EGM, we announce the date and publish the agenda and other meeting documents on the Investor Relations section of our website.

On January 24, 2024, Avantium held an EGM to obtain approval from its shareholders for issuing new shares. In our AGM on May 15, 2024, Avantium's shareholders granted the requested approvals on all items on the agenda. This included the adoption of the Company's 2023 financial statements and the adoption of the revised remuneration policies for the Management Board and the Supervisory Board. Furthermore, Michelle Jou was re-appointed as a member of the Supervisory Board and approval was granted to issue up to 10% of ordinary shares. More information about the 2024 AGM, including the minutes, voting results, and attendance, can be found on our website.

Capital Raise

At the EGM on January 24, 2024, shareholders granted approval for the authorization of the Management Board to issue up to €50 million in ordinary shares in connection with an equity raise, which could be increased by up to €20 million. On January 26, 2024, Avantium announced the launch of a fully underwritten rights offering. On February 9, 2024, we announced that the Company had successfully raised €50.5 million by means of a rights offering, corresponding to the issuance of 27,018,772 new ordinary shares at an issue price per share of €1.87. In addition, given the interest in the transaction among both existing shareholders and new investors, Avantium decided to use its full authorization of €70 million by accommodating excess demand from institutional investors. Avantium placed additional offer shares to cornerstone investors as well as to the pre-committed shareholders for an amount of €9.1 million at the issue price. A private placement offering of €10.4 million was completed after close of market on February 8, 2024 in order to accommodate the excess demand from institutional investors. These offer shares were placed at a price of €2.30 per offer share, representing a discount of 3.2% on the closing price on February 8, 2024 and a premium of 23.0% to the issue price under the rights offering.

On December 4, 2024, Avantium announced that it had secured a financing package of up to €35 million to support the start-up of its FDCA Flagship Plant. In addition, Avantium raised €11.2 million through an accelerated bookbuild offering of 6,380,223 new ordinary shares, representing 8% of the Company's issued share capital. The offer shares were placed at a price of €1.75 per new ordinary share, representing a discount of 14.5% to the closing price on December 3, 2024.

Listing and Indices

Avantium's shares are listed and traded on both Euronext Amsterdam and Euronext Brussels, under the ticker symbol AVTX. Avantium is included in the Euronext Amsterdam SmallCap Index (AScX), which consists of the 25 listed companies ranked 51–75 (in terms of market capitalization) on Euronext Amsterdam.

Share Capital and Voting Rights

At the end of 2024, the number of issued and outstanding ordinary shares amounted to 86,133,012. The ordinary shares issued and outstanding have equal voting rights (one share equals one vote).

Major Shareholders

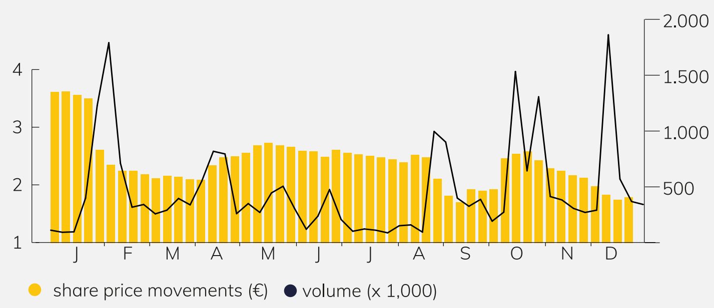
The Dutch Financial Markets Supervision Act requires Avantium's investors who hold a (potential) capital and/or voting interest of 3% or more to disclose this to the AFM, which publishes these major shareholding disclosures in its publicly available register at www.afm.nl.

At year-end 2024, investors represented by Wierda en Partners Vermogensbeheer were our largest shareholder, with around 7.7% of our registered shares. Shares held by Pieter Kooi represented 5.0% of our capital, with APG Asset Management N.V. holding 4.9% of Avantium shares.

In 2024, Avantium continued to have a large shareholder base consisting of Dutch and Belgian retail investors who actively trade Avantium shares.

Share Price Performance and Liquidity

At the end of 2024, Avantium's share price was €1.82 (2023: €3.53) and our market capitalization was €157 million (2023: €153 million). The average number of Avantium shares traded per day in 2024 was 469,870 (2023: 172,670).



1. 9 February 2024: Avantium announces the successful completion of its €70 million capital raise
2. 20 March 2024: 2023 Full Year results
3. 21 August 2024: 2024 Half Year results
4. 5 December 2024: Avantium strengthens its financial position to support the start-up of its FDCA Flagship Plant
5. 6 December 2024: Avantium successfully raise EUR 11 million through an accelerated bookbuild offering

Analyst Recommendations

Avantium is currently covered by six equity research analysts. Their target prices and recommendations on December 31, 2024 were as follows:

Bank	Target price	Recommendation
ABN AMRO - Oddo BHF	€2.20	Neutral
Berenberg	€4.60	Buy
Bryan Garnier	€4.90	Buy
ING	€9.57	Buy
Kepler Cheuvreux	€2.05	Hold
Degroof Petercam	€3.00	Buy

Dividend Policy

Avantium intends to retain any profits for the foreseeable future, to expand the growth and development of its business. Therefore, the Company does not anticipate paying dividends to its shareholders in the foreseeable future.

Going Concern

The financial statements have been prepared on a going concern basis.

As Avantium continues to transition from a company focused on technology development to an operational company, the focus is on the start-up of the FDCA Flagship Plant, with significant cash continuing to be committed to capital expenditure over the period ended on December 31, 2024 of €58.6 million (December 31 2023: €89.8 million), and cash used in operating activities increased as expected over the period ended on December 31, 2024 to €37.4 million (December 31, 2023: €18.8 million). During this transition, Avantium will continue to depend on external sources of funding. Fundamental to Avantium's continuity are:

- The successful start-up of the FDCA Flagship Plant for Avantium Renewable Polymers and achieving the Commercial Operations Date;
- The sale of technology licenses based on the proven technology following the achievement of the Commercial Operations Date of the FDCA Flagship Plant
- Refinancing or extension of the Debt Financing Facilities (plus accrued and capitalized interest) before March 31, 2026; and
- Additional funding for the start-up and ramp-up of production from the FDCA Flagship Plant and for Avantium Renewable Polymers, as well as for all support activities and the further development of Avantium's other technologies.

Avantium completed the construction of its FDCA Flagship Plant in Delfzijl (the Netherlands) in October 2024. After the official opening of the FDCA Flagship Plant, the construction team handed over the site to the Avantium operations team, where testing and commissioning activities were already ongoing to prepare the FDCA Flagship Plant for a safe start-up. During the start-up phase, unforeseen events could occur that might lead to additional costs and/or a longer period for the achievement of Commercial Operations Date. Any delay in achieving the Commercial Operations Date may have a significant impact on the ability of the Company to generate revenues from the sale of FDCA and PEF and related cash flow.

Following the start-up of the FDCA Flagship Plant, a fundamental driver of the long-term funding of the Company will be the successful sale of technology licenses for Avantium's YXY® Technology, which will enable the large-scale production of FDCA and PEF. Without a timely and successful start-up of the FDCA Flagship Plant, Avantium may not be successful in selling sufficient technology licenses, within the anticipated timelines, to secure the necessary liquidity for the Company. As a result, any delays or deviations in relation to the sale of technology licenses, and their related income, will have a significant impact on the ability of the Company to generate cash flow in the future.

The debt financing of €105 million (excluding capitalized and accrued interest) provided under the Debt Financing Facilities agreement with ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and Invest-NL had a final maturity date of March 31, 2025. On this date, the full principal amount was to be repaid, including all accrued interest of approximately €10 million. Under the terms of the Debt Financing Facilities agreement, Avantium has the opportunity to request two extension options of up to one year each, which are subject to approval by the banks. The Company has been in ongoing discussions with the lenders and, on December 5, 2024, obtained commitments from its lenders to extend the Debt Financing Facilities agreement until March 31, 2026, as well as to a further extension to March 31, 2027, subject to meeting certain conditions. The €2.5 million loan provided by Fonds Nieuwe Doen must be repaid in February 2026.

If Avantium is unable to refinance or meet the conditions for the further extension of its Debt Financing Facilities for the FDCA Flagship Plant, for which repayment is now due on March 31, 2026, following the extension agreed upon on March 18, 2025, Avantium will require additional funding or cash resources to provide sufficient working capital for at least 15 months as of the date of these financial statements for the period ended December 31, 2024. Failure to achieve new funding in a timely fashion may result in Avantium being unable to fulfil its obligations or to fund working capital, all of which are necessary to execute the Company's strategy, retain contract partners, retain key employees and meet its payment obligations; thereby bringing the Company's going concern at risk.

Avantium's consolidated cash position was €23 million as of December 31, 2024. These funds will be required to fund the start-up of the FDCA Flagship Plant and the ongoing operating costs of Avantium Renewable Polymers, as well as the remaining business and support activities of Avantium. Despite having successfully secured an additional €46 million funding package in December 2024, which includes a €20.1 million increase of the existing Debt Financing Facilities, dependent on certain conditions precedent, it is management's expectation that there is currently not sufficient committed cash to fund the start-up and ramp-up of the FDCA Flagship Plant and the ongoing operations for a period of at least 15 months as of the date of these financial statements for the period ended December 31, 2024. If Avantium is not able to meet the required conditions to draw down the €20.1 million from the lenders, or when there is a significant delay in obtaining these funds, this will have an impact on the ability of the Company to continue as a going concern.

These events indicate the existence of a material uncertainty that may cast significant doubt on Avantium's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. In light of the above, management has taken the following measures to address the material uncertainties:

Commercial Operations Date

The successful start-up of the FDCA Flagship Plant and subsequently achieving the Commercial Operations Date are key milestones for the Company. Once commercial operations have commenced, Avantium Renewable Polymers will be producing FDCA from the FDCA Flagship Plant that can be converted to PEF and delivered to its customers under the agreements already in place. This will result in the Company starting to generate revenues from the FDCA Flagship Plant. The start-up of the FDCA Flagship Plant is an essential part of the strategy of the Company to successfully license the YXY® Technology and is expected to result in future profitability and cash flow. In order to manage the start-up of the FDCA Flagship Plant and to achieve the Commercial Operations Date, the Company has a detailed start-up plan whereby the safe start-up of the FDCA Flagship Plant is the key priority. As part of this plan, the Company anticipates producing the first FDCA in the coming months as it progresses with the staged start-up of the plant.

License Revenue

In addition to the revenues and cash flow from the sale of FDCA from the FDCA Flagship Plant production and the subsequent sale of PEF the Company is dependent on the sale of technology licenses (based on the proven technology following the start-up of the FDCA Flagship Plant) in order to become profitable and cash flow positive. The Company has developed a licensing strategy, and is building a pipeline of potential licensees. The Company has expanded its commercial team to help secure technology licenses as well as capacity reservations for future licensed plants. The licensing strategy includes expectations of certain upfront payments, and the timing of these payments remains unpredictable and dependent on factors that are not in the control of Avantium.

Refinancing or Extension

On December 5, 2024, the lenders under the Debt Financing Facilities, ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and Invest-NL, committed to extend the maturity date of the Debt Financing Facilities by one year to March 31, 2026, with an additional one year extension to March 31, 2027 , subject to meeting certain conditions prior to March 31, 2026. On March 18, 2025, Avantium and the lenders executed the final documentation reflecting this extension. The Company continues to explore the possibility of refinancing the existing Debt Financing Facilities, and continues to work on meeting the conditions for the additional one year debt extension to March 31, 2027.

Additional Funding

On December 5, 2024, Avantium announced a further €46 million in additional funding including €11 million in gross proceeds from an accelerated bookbuild equity offering, a €5 million convertible loan from Pieter Kooi, an intention to provide up to €10 million subordinated loan from the Province of Groningen, and an additional €20.1 million commitment from the existing lenders under the €105 million Debt Financing Facilities (excluding accrued and capitalized interest). Furthermore, in the first quarter of 2025, minority shareholder Worley provided a €3.1 million subordinated shareholder loan to Avantium Renewable Polymers B.V. On March 18, 2025, Avantium and the Province of Groningen executed the documentation reflecting the €9.9 million subordinated loan. This loan from the Province of Groningen will become available in two tranches in in the first and second quarter of 2025, contingent on the parties meeting certain conditions, including as per a Memorandum of Understanding exploring steps towards Avantium’s further future commitment to the Groningen region. The additional €20.1 million commitment from the existing lenders is expected to become available in the fourth quarter of 2025 upon meeting certain conditions, including those related to the production of FDCA from the FDCA Flagship Plant and raising additional equity funding by issuing new ordinary shares in the Company. The Company continues to explore various forms of additional financing including raising new equity, additional debt instruments, subsidies, as well as investigating strategic alternatives for its various business activities.

In light of all of the above, management has assessed the going concern assumption, which is the basis on which Avantium's consolidated financial statements for the period ended on December 31, 2024 have been prepared.

Based on management's analyses and assessments, although a material uncertainty remains for the Company's going concern, management believes that it is appropriate to prepare Avantium's consolidated financial statements for the period ended December 31, 2024 using the going concern assumption.

Corporate Governance

Risk Management and Internal Control

Enterprise-Wide Risk Management Framework

Risk management is one of the key responsibilities of Avantium's Management Team and Supervisory Board. Risks and uncertainties are highly dynamic and our assessment of and responses to them are critical to the Company achieving its strategic objectives. In line with industry best practice, Avantium's risk management process is designed to comply with the principles set out in the Dutch Corporate Governance Code 2022 unless otherwise stated, while taking into account that Avantium is a small listed company with limited resources.

Risk Management Process

Within Avantium, a Risk and Control Manager is dedicated to the management of the enterprise-wide risk management process and has an independent reporting line to the Chief Financial Officer (CFO) and General Counsel. The CFO ultimately oversees risk management tasks and directs the work performed by the Risk and Control Manager.

An update on risk management activities, findings, conclusions, and actions is provided to the Audit Committee on a regular basis. During these Audit Committee meetings, priorities are set and guidance is provided to follow up on identified areas of concern and to further enhance risk and control management.

Throughout 2024, Avantium performed periodic risk workshops and control assessments with internal and external subject matter experts to review and advise the Company on identified risks and controls. Findings from these risk workshops and control assessments are discussed with stakeholders, with follow-up actions agreed and implemented.

Risk Appetite

Avantium manages its risks and internal control environment through the boundaries defined by the risk appetite.
The Management Team, with support from the Supervisory Board, determines Avantium's risk appetite, monitors Avantium's risk exposure, and sets the Group-wide targets.

Our risk appetite is broken down into the following risk areas:

Risk areas	Description of risk areas	Appetite for risk
Strategy and Technology	Avantium develops new technologies through research and development (R&D) projects, which are "industry disruptive.". Avantium seeks to protect its proprietary technology. We aim to demonstrate scale-up of these technologies from laboratory scale via a pilot plant to a flagship plant, and subsequently to sell technology licenses. Funding these technologies is inherently risky.	**High**
Operations	Avantium's operational risk is related to managing its laboratories and offices, starting up and operating its pilot plants, and building and operating the FDCA Flagship Plant.	**Low (safety and quality)** **Medium (technology scale-up)**
Finance and Reporting	Avantium has a conservative financial strategy and strives to ensure that there are no reporting	**Low**
Legal and Compliance	Avantium strives to avoid non-compliance with laws and regulations, which include health and safety regulations, competition laws, and environmental laws, and aims to limit any liability risk and to avoid fraud and bribery.	**Low**

Key Risks in 2024

Key risks were identified during risk assessments performed in the 2024 reporting year and presented to, and approved by, the Management Team for disclosure in the 2024 Annual Report. During the assessment, both our internal and external environment were taken into account.

Key risks were primarily selected based on their ability to materially affect the achievement of Avantium's strategic objectives and do not represent a comprehensive list of all risks affecting the Company. The symbols in the last columns of the risk register represent management's assessment of risk exposure changes compared to 2023. The table below provides explanation for the symbols used:

Increase	Decrease	Remained the same
⌃	⌄	=

Changes from the Prior Year

It is important to note that the manner in which risks are disclosed has changed from how the Company disclosed them for 2023. For 2024, risk disclosures were reviewed and amended to provide a concise overview of the most material risks faced by the Company and to better align with disclosures within the market.

Risks	Mitigating factors	Risk Trend
Financial Sustainability Avantium has accumulated losses from years of R&D activities while operating with limited revenue streams, and therefore remains heavily reliant on external financing to fund its R&D activities and start-up of the FDCA Flagship Plant. Due to the explorative nature of Avantium's operations, financing options are limited to: ■ Debt with strict covenants, ■ Equity financing that results in dilution, and ■ Grants with stringent requirements. Avantium may continue to make losses for the foreseeable future. The financial sustainability of Avantium will largely depend on its ability to commercialize YXY® Technology and other developed technologies in a timely manner through product sales and licensing deals.	■ Setting our strategic direction and key performance indicators (KPIs) in business plans to ensure Avantium delivers on its licensing and other revenue strategies. ■ Maintaining relationships with banks and prospective investors through constant, proactive communication and relationship-building. ■ Actively pursuing strategic opportunities to raise funding. ■ Continuously monitoring the grant landscape for new opportunities. ■ Strictly managing debt financing iaccording to covenants. ■ Prudently managing and forecasting cash within the Company.	=
FDCA Flagship Plant Start-Up Mechanical completion of the FDCA Flagship Plant was finalized in Q4 of 2024, which had a delaying effect on the commissioning, testing, and start-up of operations. The additional resources needed for construction and increased waiting time resulted in material budget overruns and significantly impacted the cash position of Avantium. Machine breakdown or other operational disruptions during the commissioning and start-up period could cause additional delays in making the FDCA Flagship Plant operational, which would further increase budget overruns.	■ Comprehensively testing the FDCA Flagship Plant and operations commenced upon mechanical completion. ■ Putting comprehensive assurance in place throughout construction, testing, and operation of the FDCA Flagship Plant. ■ Expanding and training the workforce within the Company in 2024 to ensure that the FDCA Flagship Plant is adequately geared for commercial operations to begin. ■ Obtaining or working to obtain, permits to ensure all regulatory requirements are met during testing and operations. ■ Using independent service providers to review relevant processes within the Company to ensure operational excellence and align with certain International Organization for Standardization (ISO) standards.	=
Market Dynamics Our revenue-generating unit, Avantium R&D Solutions, delivers niche services for a small number of customers. Loss of a customer, or even a new competitor in the market, could significantly affect revenue. As a new player in the packaging and textiles industry, Avantium is subject to several market forces, such as: ■ Competing in a well-established market with numerous big players and new technology competitors. ■ The current economic downturn in the chemical industry, which could negatively affect appetite for investing in new technology. The success of our commercialization efforts will rely heavily on market acceptance of FDCA and PEF, delivering on our existing agreements, and finding licensees who are motivated to invest in our technology. If Avantium does not gain market traction fast enough through offtake volumes and technology licensing, or has a loss in existing market share, we will not reach economic sustainability.	■ Actively managing customer relationships. ■ Establishing and managing sales funnels to enable our business development team to engage with potential customers and form partnerships. ■ Actively monitoring market activity and macro-economic factors that could affect business plans and dealings. ■ Continuously investing in technology development to maintain competitiveness within the market. ■ Maintaining, protecting, and expanding our current intellectual property (IP) portfolio.	

Risks	Mitigating factors	Risk Trend
Organizational Change Previously, Avantium's operations were focused solely on R&D and major projects. With the start-up of the FDCA Flagship Plant, Avantium is undergoing a significant organizational change as it transitions to being a commercial company and licensor in manufacturing. This change necessitates change management across the Company, which affects Avantium's people, processes, systems, and planning. Not adequately preparing for and dealing with this change could have negative consequences for the Company, including for its long-term sustainability.	■ Continuously engaging with employees to determine how to improve the workplace. ■ Applying stringent hiring practices to ensure new employees are capable and fit into the existing culture. ■ Expanding teams and their skills to ensure employees maintain a work-life balance and commit to growth within the Company. ■ Hiring external consultants to temporarily support the team and provide the Company with access to necessary skills and knowledge that are not available internally. ■ Creating a culture of transparency and collaboration within the Company. ■ Continuously improving our existing processes and implementing new tools to ensure scaling of the Company is aligned with planned growth.	
Technology and Intellectual Property Significant resources are spent on creating new technology or improving existing technology. These efforts lead to the creation of IP that needs to be registered with the relevant authorities, protected, and commercialized before patent expiry. Loss of patent protection or leakage of trade secrets could significantly affect Avantium's ability to sell technology licenses. Conversely, Avantium can lose its freedom to operate if it inadvertently infringes on the IP rights of third parties in its technological or commercial operations. Such an infringement could also lead to costly litigation or third-party claims against the Company and its partners.	■ Actively monitoring worldwide trends and technology developments, especially with respect to the patent landscape. ■ Setting an IP strategy to manage the maintenance, protection, and expansion of Avantium's IP portfolio. ■ Consulting technical teams and committees when considering proactive publishing of patents or seeking patent protection. ■ Implementing adequate legal, human resources (HR), and information technology (IT) controls to protect IP from breach.	=
Regulations, Permits, and Compliance Increased regulation within the European Union (EU), coupled with the ever-changing environment of Avantium's operations and the expansion into new geographical locations, has added significant complexity to our operations. This includes elements such as: ■ Complying with laws and regulations, ■ Maintaining and obtaining permits for operations, ■ Maintaining and obtaining registrations for import and export, ■ Complying with international trading sanctions, and ■ Preventing bribery, money laundering, and fraud in all our dealings. Managing these risks is resource-intensive. Not adequately managing Avantium's compliance risks could result in fines, loss of permits, costly third-party liability claims, loss of trust, or operational disruptions. Cumbersome regulation in other geographical locations could potentially create a barrier to entry for business development or expansion of operations.	■ Registering Avantium products in accordance with applicable regulations and directives, allowing the manufacture, distribution, and use of these products. ■ Continuously monitoring the regulatory landscape for changes and applying for prerequisite regulatory approvals and registrations where applicable. ■ Establishing and maintaining a dialogue with authorities, where applicable. ■ Including appropriate liability in contracts, including limitation of liability, liquidated damages, and, where possible, exclusion of consequential damages. ■ Establishing strict manufacturing protocols and quality assurance procedures to ensure that our products are fully in line with specifications according to regulations and customer needs. ■ Taking out comprehensive liability and other insurances to cover risks within our operating environment. ■ Implementing internal controls to maintain a stringent approach to preventing bribery and corruption. ■ Implementing and enforcing several internal policies to protect whistle-blowers and provide employees with guidance on anti-money laundering, anti-bribery, and anti-corruption controls.	

Risks	Mitigating factors	Risk Trend
Partnerships Significant portions of our business are reliant on building and maintaining functional and beneficial partnerships. A breakdown in key partnerships can cause unforeseen disruptions to operations. Associating with partners who are poorly perceived in the market could also potentially affect Avantium's reputation within the market.	■ Actively building and maintaining relationships within the industry. ■ Following an established contract management process. ■ Diversifying suppliers where possible. ■ Collaborating with universities and industry players in grants and other projects. ■ Using up-to-date sanctions screening software and other onboarding processes when entering into new business relationships.	
Safety Ongoing R&D activities as well as the start-up and operations of the FDCA Flagship Plant could potentially lead to safety-related incidents occurring, with the potential being exacerbated by the presence of hazardous substances on site. An incident of this nature could potentially cause injuries, loss of life, negative environmental impacts, or operational disruptions.	■ Onboarding every employee, student, intern, and hired specialist with adequate safety and process training at the start of their engagement. ■ Creating awareness for health, safety, and environment (HSE) issues through leadership engagement, training procedures, safety systems, internal memos, instructions, and Company meetings. ■ Applying strict design criteria for the handling and storing of hazardous substances. ■ Performing hazard and risk assessments for all planned operational activities to ensure necessary preventive measures are implemented. ■ Implementing work methods to prevent incidents and accidents. ■ Hiring specialists to improve our knowledge of occupational hygiene and process safety.	=
Information and Communications Technology Avantium's IT systems and processes support operations within the Company. Protecting and managing these systems and the information therein are key to ensuring business continuity and preventing data loss. Avantium's public presence and valuable IP makes us an attractive target for cyberattacks. We are therefore challenged to continually improve our security monitoring and response measures.	■ Implementing policies and procedures that are closely aligned with industry best practices to ensure adequate management of data, systems, and security. ■ Working with specialists and implementing recommendations for Avantium's IT infrastructure and security. ■ Providing compulsory training for employees to build their awareness of cybersecurity.	=
Sustainability Avantium wants to continue to improve the sustainability of its operations. Overall, the effects of climate change and increased scarcity of resources could significantly affect the Company and its value chain in the short, medium, and long term. In addition to internal goals and milestones, the Company is subject to regulation and other pressures from outside parties to improve sustainability. Non-compliance with these rules or expectations could lead to fines or the breakdown of key relationships.	■ Integrating sustainability milestones and roadmaps in strategic planning and decision making of the Company. ■ Performing assessments on the supply chain to predict and mitigate any interruptions that may occur. ■ Maintaining dialogue with internal and external stakeholders on sustainability matters. ■ Implementing policies and procedures to ensure compliance with upcoming sustainability and related reporting regulations.	=

Control Environment

The Management Team and Supervisory Board are ultimately responsible for ensuring that the Company maintains a strong set of internal controls.

The continuous transformation of the Company, including the start-up of the FDCA Flagship Plant, has resulted in a significant increase in the complexity of (internal) control and reporting requirements. We are reviewing and, where appropriate, adjusting our standards, processes, culture, and structures to address this increased complexity and risk.

The Supervisory Board has decided, in consultation with the Audit Committee, that the Company is too small to install its own dedicated internal audit officer. This decision will continue to be assessed as the Company's needs and objectives evolve.

In-Control Statement

Our systems and procedures cannot reasonably provide full assurance that all strategic, operational, compliance, and reporting objectives will be achieved, nor can they prevent all misstatements, inaccuracies, errors, fraud, and non-compliance with laws and regulations. To management's knowledge, there have been no reportable instances of fraud, bribery, or money laundering during 2024.

On this basis, and in accordance with provision 1.4.3 of the Dutch Corporate Governance Code, Avantium's Management Board states to the best of its knowledge that:

- This Annual Report provides sufficient insight into any failings in the effectiveness of Avantium's internal risk management and control systems;
- The aforementioned risk management and control systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- Based on the current state of affairs, financial reporting on a going concern basis is justified (refer to Going Concern on page 57); and
- The Going Concern section in the Report of the Management Board list those material risks and uncertainties relevant to expectations regarding Avantium's continuity for the period of 12 months after the preparation of this Report of the Management Board.

In accordance with Article 5:25c of the Financial Markets Supervision Act, Avantium's Management Board confirms, to the best of its knowledge, that:

- The financial statements in this Annual Report give a true and fair view of the Company's assets, liabilities, and financial position as at December 31, 2024 and the results of our consolidated operations for the financial year 2024; and
- The sections in the Report of the Management Board provide a true and fair view of the situation on the balance sheet date and the business development during the financial year of Avantium and of our affiliated Group companies included in the financial statements, and describe the principal risks that Avantium N.V. faces.

Amsterdam, March 18, 2025

Tom van Aken	**Boudewijn van Schaïk**
Chief Executive Officer	Chief Financial Officer

Corporate Governance Statement

General

Avantium N.V. ("Avantium" or "the Company") is a public limited liability company incorporated under the laws of the Netherlands, with its registered seat in Amsterdam and its offices at Zekeringstraat 29, 1014 BV Amsterdam, the Netherlands, chamber of commerce registration number 34138918. Avantium's shares are listed on Euronext Amsterdam and Euronext Brussels (symbol: AVTX).

Avantium's corporate governance framework adheres to the Dutch Civil Code, the Dutch Corporate Governance Code ("the Dutch Code"), the Company's Articles of Association (amended on January 25, 2022), applicable securities laws, and regulations for the Management and Supervisory Boards. Our Articles of Association, available online, incorporate most principles and best practice provisions of the Dutch Code relevant to a two-tier governance structure. Since the 2017 financial year, Avantium has complied with the 2016 Dutch Code, last updated on December 20, 2022, which governs the interactions between the Management Board, Supervisory Board, and General Meeting of Shareholders. Listed companies in the Netherlands must account for their adherence to the Dutch Code. This chapter provides an overview of how Avantium implements the Dutch Code.

Avantium operates with a two-tier board structure, comprising the Management Board and the Supervisory Board. The Management Board oversees the day-to-day operations of the Company, while both Boards share responsibility for Avantium's governance framework. Their primary focus is on sustainable long-term value creation, considering stakeholder interests in strategic decisions.

Each Board, along with the Supervisory Board's committees, follows specific regulations detailing their duties, responsibilities, composition, and working methods. These regulations are accessible on our website. Additionally, Avantium has a third governing body, the General Meeting of Shareholders.

The Works Council, which advocates for employee interests, engages in continuous dialogue with both the Management and Supervisory Boards, providing feedback and representing their respective responsibilities.

The following sections outline the roles and duties of these governing bodies.

Management Board

Powers, Responsibilities, and Functioning

The Management Board serves as the statutory executive body of Avantium as described in the Articles of Association. Alongside the Management Board, key appointed employees form the Management Team, which oversees the day-to-day operations and strives to achieve the Company's objectives, strategy, policies, and results. This team is responsible for developing and implementing business strategies and policies in alignment with the Company's risk profile, as well as maintaining internal control systems.

The Management Board is empowered to take any actions necessary or beneficial to achieve Avantium's objectives, except those restricted by law or explicitly assigned to the General Meeting or Supervisory Board by the Articles of Association.

In fulfilling its responsibilities, the Management Board must consider the interests of Avantium's stakeholders, including shareholders, employees, partners, and customers, as well as relevant sustainability issues.

The Management Board is accountable to the Supervisory Board and the General Meeting of Shareholders regarding the performance of its duties. Certain decisions made by the Management Board require the approval of the Supervisory Board and/or the General Meeting. These decisions are detailed in the Articles of Association and the Supervisory Board Regulations. Both documents are available at www.avantium.com.

The Management Board keeps the Supervisory Board informed and consults with it on key issues. The Management Board communicates the main aspects of the Company's strategy, general and financial risks, and risk management and control systems to the Supervisory Board. Additionally, the Management Board must promptly provide the Supervisory Board with all necessary information to perform its duties effectively.

Composition of the Management Board

The Management Board is composed of at least two members. The Supervisory Board has designated one Managing Director as the Chief Executive Officer (CEO) and another as the Chief Financial Officer (CFO) to specifically oversee the Company's financial matters. The Supervisory Board holds the authority to make binding nominations for the appointment of Management Board members to the General Meeting. Each member of the Management Board is appointed for a term of up to four years, with their term ending immediately after the Annual General Meeting of Shareholders (AGM) in the fourth calendar year following their appointment. Members may be reappointed for additional terms of up to four years each.

The current members of the Management Board are:

Name	Years in Management Board	Date of initial appointment	Date of re-appointment	Term ends in
Tom van Aken	19	2005	AGM 2021	AGM 2025
Boudewijn van Schaïk	2	2023	n.a.	AGM 2027

Evaluation

At least once a year, the Management Board conducts a self-evaluation, assessing both the Board as a whole and its individual members. Additionally, the Supervisory Board evaluates the performance of the Management Board and its members during each closed session, with the Chair communicating the findings to the Management Board.

Remuneration

Information on the Remuneration Policy for Management Board members and their individual remuneration can be found in the Remuneration Report 2024 (page 84).

Supervisory Board

Powers, Responsibilities, and Functioning

The Supervisory Board has three roles: supervisory, advisory, and employer for the Management Board. It has specific powers, including the authority to approve certain decisions made by the Management Board.

The Supervisory Board supervises the Management Board and the general course of affairs of the Company, its subsidiaries, and the business affiliated therewith. The Supervisory Board is accountable for these matters to the General Meeting.
The Supervisory Board also provides advice to the Management Board. The Supervisory Board assists the Management Board with advice on general matters related to the activities of Avantium.

In performing their duties, the Supervisory Board members act in accordance with the interests of the Company, considering stakeholder interests. They focus furthermore on the effectiveness of Avantium's internal risk management and control systems and the integrity and quality of the financial reporting.

The Supervisory Board is responsible for nominating and supervising an external accountant who audits, reports on, and issues a statement concerning the Company's annual financial statements to the General Meeting.

Composition of the Supervisory Board

Avantium's Supervisory Board consists of at least three members and is authorized to make binding nominations for the appointment of a Supervisory Board member. It appoints one of its members to be Chair. In line with the Dutch Code, each member is appointed for no more than four years, with their appointment period ending immediately after the General Meeting held in the fourth calendar year after their initial appointment. The Supervisory Board member may then be re-appointed once for another term of not more than four years. A Supervisory Board member may subsequently be reappointed again for a period of two years, which appointment may be

extended once for another term of two years. For an appointment to continue beyond eight years, justification should be given in the Report of the Supervisory Board.

On May 15, 2024, the General Meeting re-appointed Michelle Jou as Supervisory Board member for an additional term of four years. In 2024, the Supervisory Board consisted of the following members:

Name	Member since	Year of possible re-election	End of final term
Edwin Moses	2019	2027	2031
Michelle Jou	2020	2028	2032
Margret Kleinsman	2017	2025	2029
Nils Björkman	2022	2026	2034
Dirk Van Meirvenne	2023	2027	2035
Peter Williams	2023	2027	2035

Evaluation

At least once a year, the Supervisory Board evaluates its own performance as well as the performance of its Committees, the Management Board and all individual members thereof. More information on the evaluation of the Supervisory Board in 2024 can be found in the Report of the Supervisory Board (page 78).

Remuneration

Information on the Remuneration Policy for Supervisory Board members and their individual remuneration can be found in the Remuneration Report 2024 (page 84).

Supervisory Board Committees

The Supervisory Board's Audit Committee, Industrialization Committee, Remuneration Committee, and Nomination Committee provide advice and inform the Supervisory Board's decision-making. However, the Supervisory Board retains collective responsibility for the duties delegated to its Committees. The Committee Regulations are available on Avantium's website.

Audit Committee

The Audit Committee supports the Supervisory Board by ensuring the integrity and quality of the Company's financial reporting and the effectiveness of the internal risk management and control systems. This includes overseeing compliance with relevant legislation and regulations, as well as the impact of the codes of conduct. The Committee also supervises the Company's financing, evaluates the external independent audit process, and monitors the scope and approach of the external auditor, along with their progress and performance. The relationship with the external independent auditor is reviewed annually. In collaboration with the Management Board, the Audit Committee reviews half-year and full-year financial statements, independent auditor reports, and the Management Letter. Additionally, the Committee oversees the Company's policy on tax planning and the application of IT, including cybersecurity risks.

Industrialization Committee

The Industrialization Committee has been established to act as the Supervisory Board's advisory and risk review forum, overseeing the Company's technology strategy, industrialization roadmaps, and technology portfolio. These areas are determined, formulated, and executed by the Company's Management Board and senior management.

Remuneration Committee

The Remuneration Committee evaluates and recommends the Remuneration Policy for the Management Board and the Supervisory Board, which is then proposed for adoption by the General Meeting. The approved policy serves as the foundation for determining the fixed and variable remuneration of the Management Board.

Nomination Committee

The Nomination Committee is responsible for advising on candidates to fill vacancies in the Management Board and Supervisory Board, evaluating the performance of both Boards and their members, overseeing the Management Board's policy on selection criteria and appointment procedures for senior management, and ensuring long-term succession planning.

Independence and Conflicts of Interest

In accordance with the Supervisory Board Regulations, the Management Board Regulations, and the Dutch Code, Board members must immediately report any real or potential conflict of interest to the Chair of the Supervisory Board and/or to the other members of the Management Board. In 2024, there were no reports of potential conflicts of interest relating to members of the Supervisory Board and Management Board. The Supervisory Board was also able to carry out its tasks independently pursuant to principles 2.1.7 to 2.1.9 of the Dutch Code.

General Meetings of Shareholders

An AGM is held within six months after the end of each financial year. The primary purpose of the AGM is to address matters specified in Avantium's Articles of Association and under Dutch law, such as adopting the financial statements and discharging the Management Board and Supervisory Board members from their respective management and supervision duties. Extraordinary General Meetings (EGMs) are convened if deemed necessary by the Management Board and Supervisory Board or at the request of one or more shareholders who, individually or collectively, represent at least one-tenth of Avantium's issued share capital.

An AGM or EGM is convened by a notice from the Management Board or the Supervisory Board. Shareholders who, individually or collectively, represent at least 0.03% of the Company's issued capital can request items to be added to the agenda. Every shareholder has the right to attend, speak, and vote at the meeting. Unless a larger majority is required by Dutch law or the Articles of Association, resolutions of the General Meeting are passed by a simple majority of the votes cast. Certain resolutions require a qualified majority of two-thirds of the votes cast if less than half of the issued share capital is represented at the respective AGM or EGM.

The draft minutes must be published on our corporate website within three months after the AGM or EGM. Shareholders are given three months to respond to the draft minutes. After this period, the minutes are adopted and signed by the Chair of the Supervisory Board and the General Counsel, who acts as the secretary to the AGM or EGM.

Works Council

Avantium's Works Council ("Ondernemingsraad") ensures employee participation in both the daily operations and the decision-making processes for the Company's future direction. It benefits both Avantium as an employer and its employees by enabling workplace representation and providing a forum for constructive feedback that helps the business progress. The Works Council consists of eight members selected from various business units and sites. These members are elected by employees during the Works Council Election. The Works Council then elects a Chair and a Deputy Chair from among its members, with the Chair preferably having already completed one term in the Works Council.

The Works Council members meet monthly. Additionally, they convene every six weeks with the CEO and the General Counsel to discuss general topics such as safety, vitality, and budget. Depending on the agenda, the CFO, the HR Director, and/or the Quality, Health, Safety, and Environment Director may also attend to provide relevant updates and facilitate broader discussions. Besides recurring topics like health and safety, company business, and HR updates, other topics include the Company's financing and the Risk Inventory and Evaluation for all sites. More information on the Works Council can be found on page 41.

Diversity and Inclusion

On January 1, 2022, the Diversity Act ("Wet evenwichtiger man-vrouw verhouding") came into effect in the Netherlands. In line with this Act, Avantium has established ambitious targets for achieving a balanced representation of men and women in the Management Team, the Supervisory Board, and the sub-top management level. Avantium aims to be an inclusive and diverse company with an open and inspiring culture, where individuals feel safe to develop and share ideas. Avantium's Diversity & Inclusion Policy and targets are published on our corporate website.

The Management Team and the Supervisory Board are diverse and balanced in terms of educational background and work experience. They comprise individuals with a strong mix of sector knowledge, financial expertise, and management capabilities. The Supervisory Board annually reviews the composition of the Supervisory Board, Management Board, and Management Team.

The Supervisory Board has established a profile outlining its size and composition, which includes (i) the number of members, (ii) the desired expertise and backgrounds represented, (iii) the desired diversity and independence of its members, and (iv) the qualifications required. This profile is available on our corporate website.

At the end of 2024, 33% of the Supervisory Board's members were women, meeting the quota prescribed by Section 2:166 of the Dutch Civil Code. However, our Management Team fell just short of reaching our gender-balance goal, comprising five men and two women (29%). More broadly, Avantium has a very diverse group of employees, with people of different genders from different backgrounds, cultures, and religions. More information on the impact of our Diversity & Inclusion Policy can be found on page 42.

Governance Avantium Renewable Polymers B.V.

Avantium Renewable Polymers B.V., a 77.4%-owned subsidiary of Avantium N.V., is a Dutch limited liability company based and registered in Amsterdam, the Netherlands. It serves as the holding company for Avantium RNP Flagship Plant B.V., which is currently in the process of starting up the world's first commercial FDCA manufacturing plant (the FDCA Flagship Plant). This plant, located in Delfzijl, the Netherlands, will be operated by Avantium Renewable Polymers.

Due to the equity participation by the Bio Plastics Investment Groningen Consortium B.V. and Worley Nederland B.V., Avantium N.V. entered into a shareholders' agreement (SHA) to govern the relationship between the shareholders of Avantium Renewable Polymers B.V. The SHA includes several specific governance mechanisms in addition to the customary arrangements on governance matters.

Supervisory Board Avantium N.V.

The Supervisory Board of Avantium N.V., acting as the Supervisory Board for Avantium Renewable Polymers' major shareholder, also oversees the business of Avantium Renewable Polymers B.V., particularly the engineering, construction, and commissioning and start-up of the FDCA Flagship Plant.

Avantium ensures that at least one member of the Supervisory Board possesses specific expertise in this area.

Project Oversight Board

Avantium Renewable Polymers B.V. has established a Project Oversight Board, with representatives appointed and dismissed according to its Regulations. Throughout the engineering, construction, and commissioning and start-up phases of the FDCA Flagship Plant, the board convenes at least once every two months. Meeting minutes are shared with the shareholders of Avantium Renewable Polymers B.V. In 2025, the Project Oversight Board will engage in oversight of the execution of Avantium Renewable Polymers' licensing strategy. In accordance with Sections 3.4, 3.6, and 3.7 of the Project Oversight Regulations, the appropriate experience and expertise will be secured for this phase.

Shareholders' Committee

Avantium Renewable Polymers B.V. has a Shareholders' Committee, with each shareholder appointing their own representative. This Committee convenes at least once every three months. The Managing Director, or their designated replacement from the Management Board, attends these meetings to update the committee members on the progress and other relevant matters concerning the FDCA Flagship Plant and the overall business of Avantium Renewable Polymers.

Corporate Governance Statement

Since its listing on Euronext Amsterdam, Avantium has adhered to the Dutch Code, recognizing the significance of good corporate governance. Avantium agrees with the principles of the Dutch Code and has taken, and will continue to take, appropriate steps to implement its principles and best practice provisions.

Avantium is dedicated to implementing the principles and best practice provisions of the Dutch Code. The Dutch Code acknowledges that a one-size-fits-all approach is not suitable for every company's governance structure, and deviations can be justified. The comply-or-explain principle emphasizes the Boards' responsibility for the Company's governance structure and adherence to the Dutch Code, requiring a clear explanation for any deviations. Below, we outline the principles and best practice provisions where we deviate from the Dutch Code.

Principle 1.3.6: Absence of Internal Audit Department

Avantium's internal audit function evaluates the design and operation of our internal risk management and control systems. The Management Board oversees the internal audit function, while the Supervisory Board maintains regular contact with those involved. In 2024, the responsibilities of the internal audit function were distributed among various senior support staff roles within the Company, such as Legal and Finance. These support staff have direct access to the Audit Committee and the external independent auditor. Minutes are recorded to document how the Audit Committee is informed by the internal audit function. The Supervisory Board annually reviews whether the allocation to various senior support functions remains adequate. Senior staff members utilize external subject matter expertise when appropriate. More information can be found in the Risk Management and Internal Control section on page 61.

Best Practice Provision 2.3.4: Composition of the Committees

According to this provision, the Chair of the Audit Committee or the Remuneration Committee cannot be the Chair of the Supervisory Board or a former member of the Management Board. However, in 2024, the Chair of the Supervisory Board was also Chair of the Remuneration Committee. The Chair of the Supervisory Board possesses significant expertise in remuneration topics and is supported by two Supervisory Board members with relevant experience. When necessary, the Remuneration Committee also seeks assistance from external advisors.

In 2024, the Chair of the Remuneration Committee maintained ongoing dialogue with major shareholders and shareholder representative bodies regarding Avantium's Remuneration Policy and its revision. This revised policy was approved by the AGM on May 15, 2024. Given the critical nature of remuneration topics during Avantium's transition from an R&D company to a commercial organization, the Company and the other Supervisory Board members believe that having a Chair with substantial expertise in remuneration in a public market environment best serves the interests of the Company and its stakeholders, justifying this deviation.

Best Practice Provision 3.3.2: Remuneration of Supervisory Board Members

This provision states that Supervisory Board members may not receive remuneration in the form of shares and/or rights to shares. To attract and retain top talent in a competitive global environment and to help the Supervisory Board create sustainable added value, Avantium's Remuneration Policy, adopted by the AGM on May 15, 2024, includes the option for Supervisory Board members to receive a one-off fixed award of restricted share units (RSUs) upon (re-)appointment. RSUs are non-performance-based instruments designed to align the interests of the Supervisory Board with those of other shareholders.

The Chair of the Supervisory Board is entitled to a fixed grant of 55,000 shares upon (re-)appointment, and the other members are entitled to a fixed grant of 20,000 shares. A member may decline the award. For the applicable terms, reference is made to the Supervisory Board Remuneration Policy as published on the Avantium website.

The Company does not grant loans to members of the Supervisory Board. See the Remuneration Report 2024 for more information.

Best Practice Provision 4.3.3: Canceling the Binding Nature of a Nomination or Dismissal

This provision states that General Meetings of a company without statutory two-tier status ("structuurregime") can, by an absolute majority of votes cast, cancel the binding nature of a nomination for the appointment or dismissal of a Management Board or Supervisory Board member. It may be stipulated that this majority must represent a specific proportion (up to one-third) of the issued capital. If this proportion is not met at the Meeting, but an absolute majority of votes cast supports the resolution to cancel the binding nature of a nomination or dismissal, a new General Meeting can be convened. At this new Meeting, the resolution can be passed by an absolute majority of votes cast, regardless of the proportion of capital represented.

Avantium's Articles of Association permit the Supervisory Board to make binding nominations. If the Supervisory Board makes a binding nomination for the appointment of a Management Board or Supervisory Board member, the nominee will be appointed regardless of the majority of votes cast in favor. However, the General Meeting can override the binding nature of such a nomination with a two-thirds majority of the votes cast, provided these votes represent more than half of the issued share capital.

If the Supervisory Board has not made a binding nomination, the General Meeting can appoint a member of the Management Board or Supervisory Board at its discretion with a simple majority, provided this represents at least one-third of the issued share capital. According to the Company's Articles of Association, the General Meeting can dismiss a member of the Management Board or Supervisory Board at any time. Such a resolution requires a two-thirds majority of the votes cast, representing more than half of the issued share capital. However, if the dismissal is proposed by the Supervisory Board, a simple majority is sufficient. Avantium deviates from the Dutch Code on this provision to ensure the continuity of the Company.

Decree Article 10 EU Takeover Directive

The information required by the Decree Article 10 EU Takeover Directive ("Besluit artikel 10 overnamerichtlijn"), to the extent applicable to the Company, is included in this Corporate Governance section.

The contractual terms of the Company's key financing agreements may entitle the banks to demand early repayment of the amounts borrowed by the Company and its subsidiaries if there is a change of control over the Company, as defined in the respective agreements.

In connection with the €90 million Debt Financing Facilities committed by ABN AMRO Bank N.V. and its subsidiaries, ING Sustainable Investments B.V., Invest-NL Capital N.V., De Volksbank N.V. (trading as ASN Bank), and Coöperatieve Rabobank U.A. (the lenders) in 2021, the Company issued approximately 2.84 million warrants. These warrants are convertible into the Company's ordinary shares at a 1:1 conversion ratio for an exercise price of €0.10 per share, pursuant to the Warrant Agreement. The Warrants included anti-dilution protection for the equity raise of up to €45.0 million by the Company in the April 2022 offering. The Warrants will become exercisable when the FDCA Flagship Plant is operational or when other additional conditions outlined in the Warrant Agreement are met. These additional conditions include a change of control, certain joint ventures, permitted acquisitions, disposals, and other specified events.

Effective July 31, 2024, the Management Board has resolved to grant 559,085 additional warrants to the consortium of banks upon the receipt of an additional EUR 15.0million based on an amendment to the original Debt Financing Facilities Agreement. The warrants are convertible into the Company's ordinary shares with a 1:1 conversion ratio for an exercise price of €0.10 per share.

In December 2024, the lenders committed to increasing the Debt Financing Facilities by €20.1 million, adding to the existing €105 million Debt Financing Facilities, which will become available upon meeting certain conditions. As part of the increase and extension of the Debt Financing Facilities, Avantium will grant the lenders rights to subscribe for ordinary shares, convertible into ordinary shares at a 1:1 conversion ratio for an exercise price of €0.10 per share upon the effective date of the extension. The number of Warrants to be issued to the lenders (excluding ASN Bank) is based on the warrant value of approximately €12.5 million, divided by the volume-weighted average share price over a 30-day period up to the effective date of the extension. The issuance of the Warrants requires the shareholders' approval. Avantium will request its shareholders to authorize the Management Board to issue Warrants and to limit or exclude pre-emptive rights at the AGM on May 14, 2025. The Warrants include customary anti-dilution protection, and Avantium may need to grant additional warrants to the lenders in the event of further increases or extensions of the Debt Financing Facilities.

Certain government grants and subsidies are subject to restrictions, such as change of control clauses and other requirements, that could potentially lead to the amount of such grants or subsidies being reduced. The debt instruments, including the Debt Financing Facilities, Fonds Nieuw Doen, and the Convertible Loan Agreement with Pieter Kooi, are subject to change of control clauses and other provisions that could require a mandatory prepayment.

Sustainability Governance

Although Avantium began its sustainable business journey in 2000, the Company only formalized its sustainability strategy in 2019. That year, we engaged with internal and external stakeholders to identify the sustainability topics that are most critical for us to address.

This process led to the creation of our Sustainability Manifesto, which outlines our approach to helping to tackle the global climate emergency. In 2021, we published our sustainability strategy, Chain Reaction 2030, which highlights key milestones on the path to achieving our ambitious vision of a fossil-free chemical industry by 2050. More than 100 stakeholders, both internal and external, participated in the target-setting process and provided valuable feedback.

Having published Chain Reaction 2030, we set up a cross-functional and cross-departmental governance model and implementation team:

- The Sustainability Steering Board steers the execution of Chain Reaction 2030. It approves plans and courses of action. The Sustainability Steering Board is chaired by our Chief Sustainability Officer, who reports directly to Avantium's CEO. The rest of the Steering Board comprises Avantium's CFO, the Managing Director of Avantium R&D Solutions, our HR Director, and our Communications Director. This ensures broad representation from across Avantium's business units and departments.
- The Chain Reaction 2030 Task Force comprises a number of teams that execute the implementation of the Chain Reaction 2030 targets. These teams also drive the planning, implementation, and monitoring of different policies, processes, and activities in support of these aims.
- Members of the Steering Board and Task Force have these activities included in their annual personal goals and are evaluated accordingly on their progress.

Management Team

Tom van Aken
(1970, Dutch)

Chief Executive Officer (CEO) and member of the Management Board

- Joined Avantium: 2002
- Appointed CEO: 2005
- Current term: 2021–2025

Tom van Aken joined Avantium in 2002 as Vice President of Business Development. After becoming Vice President of Global Marketing and Sales in 2004, he was appointed CEO the following year. Prior to joining Avantium, Tom was Business Development Director at DSM Fine Chemicals, Inc.

Tom holds a master's degree in Chemistry from the University of Utrecht (the Netherlands).

Ancillary positions

- Member of Top Team Chemistry.NL (SME representative)
- Member of the Board of Directors TKI Green Chemistry & Circularity

Boudewijn van Schaïk
(1979, Dutch)

Chief Financial Officer (CFO) and member of the Management Board

- Joined Avantium: 2023
- Appointed CFO: 2023
- Current term: 2023–2027

Boudewijn van Schaïk has served as Avantium's CFO since 2023. Between 2013 and 2022, he held senior roles in Treasury, Strategy and M&A at SBM Offshore, including the position of Corporate Finance Director. Prior to this, he served in various senior finance positions at NIBC Bank, ABN AMRO Bank, Main Corporate Finance, and Alexander Forbes Financial Services (South Africa).

Boudewijn holds a Business Science degree (Accounting and Corporate Finance) from the University of Cape Town (South Africa).

Ancillary positions

None

Gert-Jan Gruter
(1963, Dutch)

Chief Technology Officer (CTO)

- Joined Avantium: 2000
- Appointed CTO: 2004

Gert-Jan Gruter has been Avantium's CTO since 2004. Before this, he was responsible for setting up the Chemicals Service business at Avantium (2000–2004) and was a Group Leader in New Catalyst Research at DSM (1993–2000).

Gert-Jan holds a master's degree in Organic Chemistry and a PhD in Organometallic Chemistry & Catalysis from the Vrije Universiteit in Amsterdam (the Netherlands).

Ancillary positions

- Professor of Industrial Sustainable Chemistry at the University of Amsterdam
- Visiting Professor at Chulalongkorn University Bangkok, Thailand

Carmen Portocarero
(1967, Dutch)

General Counsel

- Joined Avantium: 2012
- Appointed General Counsel: 2012

Carmen Portocarero joined Avantium in 2012, bringing expertise from various corporate legal positions, including during more than 17 years at US telecommunications company AT&T. Carmen holds a master's degree in Law from Radboud University Nijmegen (the Netherlands) and completed various law programs at Harvard University to obtain US qualifications.

Ancillary positions

None

Management Team

Steven Olivier (1964, Dutch)

Managing Director Avantium R&D Solutions

- Joined Avantium: 2015
- Appointed Managing Director of Avantium R&D Solutions: 2015

Steven Olivier joined Avantium in 2015 to lead the Avantium R&D Solutions business unit. Previously, he worked at Albemarle (2005–2014) and AkzoNobel (1994–2004) in a range of senior executive and commercial roles in the catalyst industry. From 2011 to 2013, he was a representative director of Nippon Ketjen (Japan).

Steven holds a master's degree in Chemistry from Leiden University (the Netherlands).

Ancillary positions
None

Marco Jansen (1970, Dutch)

Chief Commercial Officer (CCO)

- Joined Avantium: 2024
- Appointed CCO: 2024

Marco Jansen joined Avantium as Chief Commercial Officer in September 2024, focusing on the commercialization of PEF and FDCA and executing the licensing strategy. Prior to this, he held senior roles in sales, market development, sustainability, and advocacy at Braskem. Before Braskem, Marco worked at Arkema Group.

Marco holds a BA in Commercial Economics.

Ancillary positions
None

Yap Chie Cheung (1974, Dutch)

Managing Director Volta Technology

- Joined Avantium: 2023
- Appointed Managing Director of Volta Technology: 2024

Yap Chie Cheung joined Avantium in 2023 as Managing Director of the Renewable Chemistries business unit and became Managing Director of Volta Technology in 2024. From 2020 to 2023, Yap Chie was the Global Business Unit Director at the Nourish Division of International Flavors & Fragrances (IFF). Prior to that, she served as Director Bioindustrial and Proteins Europe at Cargill (2015–2020) and held various positions at DSM (1998–2015).

Yap Chie holds a master's degree in Business Economics from the Vrije Universiteit in Amsterdam (the Netherlands).

Ancillary positions
None

Supervisory Board

Edwin Moses (1954, British & Belgian)

Chair of the Supervisory Board
- Member of the Supervisory Board since: 2019
- Current term: 2023–2027

Background
Edwin Moses has worked for several European life science companies, specializing in high-value services for the pharmaceutical industry and drug discovery and development. With a focus on high-growth businesses and change management, he has 25 years of board-level experience in over 15 companies, primarily as Chair.

Responsibilities
Edwin Moses is Chair of the Nomination Committee, Chair of the Remuneration Committee, and a member of the Audit Committee

Ancillary positions
- Chair of the Supervisory Board Achilles Therapeutic plc
- Chair of the Board of LabGenius Ltd
- Chair of the Board of NanoSyrinx Ltd

Nils Björkman (1954, Swedish)

- Member of the Supervisory Board since: 2022
- Current term: 2022–2026

Background
Nils Björkman spent 33 years at Tetra Pak Group in senior roles across Sweden, Canada, the USA, the UK, and Switzerland. He retired as Executive Vice President of commercial operations in March 2015. He has also served as a non-executive board member for several companies. Nils holds an MBA from the Stockholm School of Economics (Sweden).

Responsibilities
Nils Björkman is Chair of the Industrialization Committee and a member of the Remuneration Committee and the Nomination Committee

Ancillary positions
None

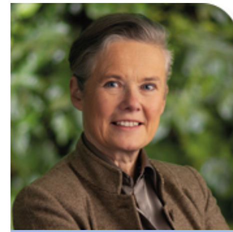
Michelle Jou (1969, Taiwanese)

- Member of the Supervisory Board since: 2020
- Current term: 2024–2028

Background
Michelle Jou is the CEO of Castrol (BP group). She spent 19 years at Covestro in senior roles across Asia and Europe, including President of the global Polycarbonates Segment in Shanghai. She holds a BA in French from Fu-Jen University (Taiwan) and an MBA from EMLYON Business School (France).

Responsibilities
Michelle Jou is a member of the Nomination Committee and the Remuneration Committee

Ancillary positions
- CEO, Castrol (part of the BP group)



Margret Kleinsman (1963, Dutch)

- Member of the Supervisory Board since: 2017
- Current term: 2021–2025

Background
Margret Kleinsman graduated from the University of Twente and completed her post-doctoral research at the Vrije Universiteit in Amsterdam (both in the Netherlands). She was CFO of Agrifirm from 2020 until 2024. Prior to this, she was CFO of Holland Colours N.V. and worked for AkzoNobel, with particular responsibilities in the areas of chemicals, fibers and coatings, and including two longer-term assignments in the USA.

Responsibilities
Margret Kleinsman is Chair of the Audit Committee

Ancillary positions
- Member of the Supervisory Board at Brunel International N.V.

Supervisory Board

Dirk Van Meirvenne
(1964, Belgian)

- Member of the Supervisory Board since: 2023
- Current term: 2023–2027

Background
Dirk Van Meirvenne serves as Head of the Advanced Industrial Intermediates business unit at Lanxess, a global specialty chemicals company in Cologne, Germany. Prior to this, he served in various senior management positions in R&D and technology at Bayer, in both Europe and Asia. He holds an PhD in Polymer Chemistry from the University of Ghent (Belgium).

Responsibilities
Dirk Van Meirvenne is a member of the Industrialization Committee

Ancillary positions
- Head of the Advanced Industrial Intermediates business unit at Lanxess

Peter Williams
(1956, British)

- Member of the Supervisory Board since: 2023
- Current term: 2023–2027

Background
Peter Williams is the Group Technology Director and Head of Investor Relations at INEOS, and was formerly CEO of INEOS Technologies. He previously held senior roles at BP in the UK. He is also a non-executive director at First Hydrogen and V-Carbon. He holds a PhD in Chemistry from the University of York (UK).

Responsibilities
Peter Williams is a member of the Industrialization Committee

Ancillary positions
- Group Technology Director and Head of Investor Relations at INEOS
- Non-executive director at First Hydrogen and V-Carbon

Report of the Supervisory Board

Introduction

This report explains how Avantium's Supervisory Board fulfilled its responsibilities in 2024.
The Report of the Supervisory Board should be read in conjunction with the Corporate Governance Statement on page 67, which provides information on the Company's corporate governance structure.

Composition, Diversity, and Independence

The Supervisory Board currently consists of six members: Edwin Moses (Chair), Nils Björkman, Michelle Jou, Margret Kleinsman, Dirk Van Meirvenne, and Peter Williams. The biographies of the Supervisory Board members are available on the preceding pages of this report and on the Avantium website.

In May 2024, the Supervisory Board proposed the re-appointment of Michelle Jou as member of the Supervisory Board. At the AGM held on May 15, 2024, she was re-appointed as a Supervisory Board member for a term of four years.

As detailed in Promoting Diversity, Equity, and Inclusion (page 42), Avantium strives to foster an inclusive and diverse environment characterized by an open and inspirational culture.
This commitment extends to the composition of the Supervisory Board, which actively promotes diversity across various dimensions, including age, gender, nationality, industry experience, background, skills, knowledge, and perspectives. In 2024, women accounted for 33% of Avantium's Supervisory Board, in accordance with both the Board's internal target and the Dutch legislative requirement of at least 33% male or female Supervisory Board members to ensure gender balance.

Diversity Profile

Name	Year of birth	Nationality	Expertise and experience	Gender
E. Moses	1954	British and Belgian	■ Scaling-up and financing innovative companies ■ International executive and non-executive experience	Male
N. Björkman	1954	Swedish	■ International expertise in the packaging innovations business ■ International industry experience	Male
M.B.B. Jou	1969	Taiwanese	■ International executive experience, especially Asian region ■ Commercial experience from chemical and plastics industries	Female
M.G. Kleinsman	1963	Dutch	■ Financial expertise in chemical and plastics industries ■ International experience	Female
D. Van Meirvenne	1964	Belgian	■ Extensive knowledge and experience in the chemical sector ■ International industry experience	Male
P.S. Williams	1956	British	■ Extensive knowledge and experience in the chemical sector ■ Comprehensive finance and general management experience	Male

Retirement and Re-Election Schedule

Name	(Re-)appointment date	Year of possible re-election	End of final term
E. Moses	May 10, 2023	2027	2031
N. Björkman	January 25, 2022	2026	2034
M.B.B. Jou	May 15, 2024	2028	2032
M.G. Kleinsman	May 19, 2021	2025	2029
D. Van Meirvenne	May 10, 2023	2027	2035
P.S. Williams	May 10, 2023	2027	2035

All members of the Supervisory Board are considered independent. The Supervisory Board believes its composition allows members to act critically and independently from each other and the Management Board, in accordance with the Dutch Code (principles 2.1.7 to 2.1.9). This ensures that the Supervisory Board can fulfill its duties as outlined in Avantium's Articles of Association, including offering both solicited and unsolicited advice and support to the Management Board.

In 2024, there were no actual or potential conflicts of interest between Avantium and any Supervisory Board member. As part of the Company's key control framework and in compliance with legislation, Supervisory Board and Management Board members must annually disclose their related parties and any transactions with the Company. No related-party transactions occurred in 2024, except for instances where Supervisory Board members used a management company to invoice their directors' fees to Avantium.

Education and Self-Evaluation

Continuous learning is crucial for effective governance. Supervisory Board members regularly visit Avantium's offices and plants to engage with senior management and other internal stakeholders. This helps them deepen their understanding of the Company's operations, opportunities, and challenges. The Chair of the Supervisory Board and the CEO frequently meet, both online and in person, and similar interactions occur between Committee Chairs and relevant Management Team members. Additionally, one-on-one interactions between Supervisory Board members and the Management Team often arise from discussions during Supervisory Board meetings. These conversations leverage the specialized knowledge of individual Supervisory Board members, who are consulted for advice on specific topics as needed.

The Company offers an onboarding program for newly appointed Supervisory Board members to ensure they understand the business, strategy, and key risks. This program includes: meetings with other Supervisory Board members, the Management Board, and other management members; detailed presentations on business operations and risks; Dutch corporate governance topics; and visits to various Company facilities.

The Supervisory Board is committed to continuous evaluation to enhance its effectiveness. Annually, in line with the Dutch Corporate Governance Code and Section 2.2 of the Supervisory Board Regulations of Avantium N.V., the Board reviews its composition, competence, and functioning, as well as that of its Committees. It also assesses the relationship between the Supervisory Board and the Management Board, the performance of individual members, and the Chairs of both the Supervisory Board and its Committees, along with the composition and functioning of the Management Board and its individual members.

The 2024 self-evaluation session of the Supervisory Board was conducted through interviews. The results were discussed within the Supervisory Board in its closed sessions, without the Management Board present. The overall assessment from the 2024 evaluation was positive. Succession planning for Supervisory Board and Management Board members and key leadership positions was extensively discussed, also in terms of diversity. The Supervisory Board members consider the current size and diversity of the Supervisory Board appropriate in terms of competencies, nationalities/geographical representation, experience, and gender. The Supervisory Board effectively fulfills its duties and responsibilities in a professional and constructive manner. Members are well-prepared for meetings, respect each other's input and perspectives, and regularly challenge opinions and views, leading to constructive debates. The quality of discussions and the ability to challenge management constructively were highlighted as strengths. The Supervisory Board members value personal interactions and aim to increase face-to-face engagement where possible. Additionally, trust, openness, and psychological safety within the Board were also noted as positive aspects. An aspect that the Board should be mindful of is the balance between strategic oversight and operational involvement.

The performance of the Management Board is also evaluated throughout the year. This assessment occurs during the closed sessions of the Supervisory Board and receives appropriate follow-up in writing or face-to-face or video conference meetings with the Management Board and its individual members. The Remuneration Committee is responsible for assessing the performance of the Management Board and its individual members. It then reports its findings and recommendations to the full Supervisory Board.

Supervisory Board Meetings in 2024

Meetings and Attendance

The Supervisory Board meets regularly to review the Company's achievements and strategic plans, and the performance of both the Supervisory and Management Boards. In 2024, the Supervisory Board held six formal meetings, all attended by the full Management Board, except for closed sessions. Informal dinners were organized around these meetings. Additionally, at least five video conference updates were held to discuss urgent matters. Furthermore, the Management Board provided the Supervisory Board with regular written updates on financing and other strategic topics. The Supervisory Board also maintained frequent communication with the Management Board, both during and between formal meetings.

The individual attendance per meeting can be found in the table below.

Name	Supervisory Board meeting	Audit Committee meeting	Industrialization Committee meeting	Nomination Committee meeting	Remuneration Committee meeting
E. Moses	6/6	4/4	n.a.	3/3	3/3
N. Björkman	6/6	n.a.	9/9	3/3	3/3
M.B.B. Jou	4/6	n.a.	n.a.	3/3	3/3
M.G. Kleinsman	6/6	4/4	n.a.	n.a.	n.a.
D. Van Meirvenne	5/6	n.a.	8/9	n.a.	n.a.
P.S. Williams	6/6	n.a.	9/9	n.a.	n.a.

Topics Discussed in 2024

The Supervisory Board meets at least five times a year (2024: six), including sessions before the publication of Avantium's annual and half-year results. These results, along with related documents like the draft press release and the independent auditor's report, are discussed with the Management Board.

The Audit Committee reviews these documents before the Supervisory Board meeting. The external independent auditor attended the discussion on the 2023 Annual Report and accounts.

In addition to the standard agenda items for meetings, such as the financials and the business performance throughout the year, the Supervisory Board and Management Board discussed the following topics in 2024:

- Avantium's liquidity outlook and funding strategy
- The Company's sustainable value creation and capital allocation strategy
- Detailed progress reports on the commercialization and licensing strategy for FDCA and PEF
- Detailed progress reports on the results and strategic direction of the other business activities
- New technology developments
- The full-year and half-year financial results and audit matters
- The assessment of strategic, technological, operational, financial, and legal risks, and control and compliance issues
- The preparation for, evaluation of, and follow-up to the General Meetings
- Topics related to sustainability
- The views of analysts and investors, as well as changes in the shareholder structure and base
- Initiatives related to public relations and thought leadership
- The assessment and adjustment of remuneration policies for the Management Board and Supervisory Board
- Senior leadership performance, organizational changes, and senior management appointments
- The budget for the second half of 2024 and the budget for 2025

The following topics in particular were discussed extensively by the Supervisory Board:

The Construction of the FDCA Flagship Plant and Commissioning and Start-Up Plan

The construction of the FDCA Flagship Plant, including its capital expenditures, timeline, staffing, and governance, was discussed extensively during Supervisory Board meetings throughout 2024. These discussions were often informed by the Industrialization Committee's reports and conclusions. Avantium conducted periodic internal audits on the project and shared the outcomes with the Supervisory Board.

The Supervisory Board thoroughly discussed the costs, schedule, and risk analysis of the FDCA Flagship Plant construction and its overall impact on the Company. Since construction began in April 2022, the project has faced challenges such as high inflation, material and contractor shortages, and supply chain issues. In August 2024, Avantium estimated the total capital expenditure at €175 million, with the capital expenditure (CAPEX) overrun mainly due to additional materials for Electrical and Instrumentation and labor costs. Construction was completed in October 2024, and the Company is now commissioning and starting up the plant's various sub-units. The Supervisory Board and management also meticulously discussed the updated Commissioning and Start-Up Plan, which involves initially producing FDCA in campaigns before transitioning to continuous operations.

In addition to overseeing Avantium N.V., the Supervisory Board supervises the activities of Avantium Renewable Polymers B.V., particularly the engineering, construction, and commissioning of the FDCA Flagship Plant. For this purpose, reports from the Project Oversight Board and the Shareholders' Committee of Avantium Renewable Polymers were reviewed by the Management Board, who then forwarded the relevant information to the Supervisory Board. Details about the governance of Avantium Renewable Polymers B.V. can be found in the Corporate Governance section on page 67.

Liquidity Outlook and Funding Strategy

The Supervisory Board and Management Board dedicated considerable time to discussing Avantium's funding options and scenarios based on short- and medium-term cash flow forecasts and required minimum cash balances. In February 2024, Avantium raised €50.5 million through a rights offering of new shares and completed an additional upsize offering of €19.5 million, a significant achievement given the challenging environment. The Supervisory Board extensively discussed and endorsed the process, structure, and timelines of this capital raise in several meetings.

In December 2024, the Company raised €11.2 million through an accelerated bookbuild offering, representing approximately 8% of the existing issued ordinary share capital. The Supervisory Board again extensively discussed and endorsed the process, structure, and timelines of this capital raise.

Additionally, Avantium reached an agreement with lenders to extend the maturity date of the €105 million Debt Financing Facilities from March 31, 2025, to March 31, 2026. The Company also obtained commitments from its consortium of lenders (ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and Invest-NL) to increase the existing Debt Financing Facilities by €20.1 million, which will become available upon meeting certain conditions. Furthermore, Avantium entered into a €5 million convertible shareholder loan agreement with Dutch entrepreneur Pieter Kooi, an existing shareholder. The Province of Groningen announced its intent to provide a subordinated loan of up to €10 million to Avantium Renewable Polymers.

Commercial Pipeline and Licensing Strategy

The Supervisory Board actively discussed and monitored the pipeline of potential licensees for YXY® Technology.

The Supervisory Board closely monitored the progress of conditional offtake agreements for FDCA and PEF from the FDCA Flagship Plant. Where required, the Supervisory Board discussed and approved the key terms for these agreements.

Strategic Portfolio Review

The Supervisory Board dedicated significant time to reviewing Avantium's comprehensive technology portfolio and the strategic decisions relating to each technology. Avantium decided to prioritize the commercialization of FDCA and PEF technology and accelerate its licensing strategy, as this represent the most promising high-growth and high-margin opportunity in the near-term. In line with this decision, Avantium is also exploring strategic options for its other business activities.

The Supervisory Board endorsed management's decision to halt further investments in Ray Technology™. Additionally, it supported the decision to operate Avantium R&D Solutions as an independent business unit with a dedicated leadership team, while actively seeking strategic opportunities. The Supervisory Board also endorsed the decision to seek strategic or financial partnerships for Volta Technology to fund its next phase of development.

Safety

The Supervisory Board gave considerable attention to safety at Avantium, including overseeing the integration of the ISO standards and the promotion of a strong safety culture across the Company.

Stakeholder Management

The Supervisory Board actively seeks to understand Avantium's stakeholders, their perspectives, and their positions on relevant business topics. In 2024, the Board received updates on stakeholders' views from the Management Board, while individual members gathered insights through their own networks. Additionally, members of the Remuneration Committee engaged with major shareholders and shareholder representative bodies to seek their feedback on the revised remuneration policies for both the Management Board and Supervisory Board.

Supervisory Board Committee Activities in 2024

The Supervisory Board delegates detailed discussions on specific topics to four Committees: the Audit Committee, the Industrialization Committee, the Remuneration Committee, and the Nomination Committee. These Committees make recommendations on such specific topics before the Supervisory Board makes final decisions in its meetings.

At the end of 2024, the composition of the Supervisory Board committees was as follows:

Audit Committee	Industrialization Committee	Remuneration Committee	Nomination Committee
Margret Kleinsman (Chair)	Nils Björkman (Chair)	Edwin Moses (Chair)	Edwin Moses (Chair)
Edwin Moses	Dirk Van Meirvenne	Michelle Jou	Michelle Jou
	Peter Williams	Nils Björkman	Nils Björkman

Report of the Audit Committee

The Audit Committee assists the Supervisory Board in overseeing Avantium's financing initiatives, financial reporting, and financial statements, as well as its internal controls, risk management, and audit systems.

In 2024, the Audit Committee met four times (2023: three) and held two calls to approve the annual and half-year results. The meetings were also attended by the CEO, the CFO, the General Counsel the Compliance Officer, and the Head of Accounting and Reporting. Minutes of all meetings were submitted to the Supervisory Board. At each meeting, the Audit Committee discussed relevant financial reporting and accounting topics, including learnings and identified improvements to the audit process, the implementation of the extra module to the current enterprise resource planning (ERP) and the accounting treatment of new agreements including shareholder loans. The Audit Committee also discussed the Going Concern note in the 2024 Annual Report. Additionally, the Audit Committee discussed the impact of the upcoming Corporate Sustainability Reporting Directive (CSRD).

The Audit Committee also reviewed risk management targets and was informed on findings from both internal and external risk assessments,

Additionally, the Audit Committee monitored the Company's progress in identifying risks and implementing mitigation actions, and approved the 2025 Risk Management Plan. The Committee dedicated significant time to business ethics topics, including bribery, fraud, and corruption. At each meeting, Avantium's Compliance Officer provided updates on fraud and irregularities, including whistleblowing cases. In 2024, there were no confirmed incidents of fraud or corruption, no legal actions related to anti-competitive or anti-trust behavior, and no reported incidents of discrimination.

Report of the Industrialization Committee

The Industrialization Committee acts as the Supervisory Board's advisory and risk review forum, overseeing the Company's technology strategy, industrialization roadmaps, and technology portfolio as determined by the Management Board and senior management. It addresses strategic and technology portfolio topics through deep-dive sessions, leveraging the expertise of its members and other Supervisory Board members. The Industrialization Committee met nine times in 2024 (2023: five).

In 2024, the Industrialization Committee primarily focused on the progress of the FDCA Flagship Plant construction, including the impact of high inflation, supply chain constraints, and material scarcity on costs and the construction schedule. Committee members visited the FDCA Flagship Plant several times to oversee progress and hold in-depth discussions with the construction and operation teams on topics related to construction, mechanical completion, commissioning, and start-up. The Industrialization Committee also discussed the updated Commissioning and Start-Up Plan with management, leveraging the specialized knowledge of individual Committee members in this field. Additionally, the Committee reviewed the development and execution of Avantium's technology portfolio and roadmap, dedicating significant time to individual business cases, IP positions, the competitive landscape, and technological roadmaps.

Report of the Remuneration Committee

The Remuneration Committee is responsible for advising the Supervisory Board and prepares the Supervisory Board's resolutions with respect to remuneration of the Management Board and the Supervisory Board. One of its duties is to assess whether the Management Board's performance targets have been achieved. The Remuneration Committee met three times in 2024 (2023: three) to discuss and formulate proposals for the remuneration of individual Management Board members. It presented its findings and proposals to the Supervisory Board, which then confirmed the performance assessments and related remuneration.

The Remuneration Committee also discussed and formulated a proposal for an updated Remuneration Policy for both the Management Board and the Supervisory Board. After carefully considering feedback from major shareholders and shareholder representative bodies, the Supervisory Board, based on the Remuneration Committee's advice, submitted the updated policies for approval at the AGM on May 15, 2024. Avantium's shareholders approved the revised remuneration policies for both Boards.

Report of the Nomination Committee

The Nomination Committee prepares proposals for nominations, appointments, and re-appointments. At least once a year, it assesses the size and composition of the Supervisory and Management Boards, as well as the performance of individual members, and discusses these assessments with the Supervisory Board. The CEO attends Nomination Committee meetings, except when his performance and remuneration are discussed.

The Nomination Committee and the Supervisory Board also continually discuss succession planning for both Boards.

In 2024, the Nomination Committee met three times (2023: three). The Committee extensively discussed the search and appointment of a Chief Commercial Officer and a Chief Operations Officer.

To maintain continuity and advance Avantium's strategic direction, the Nomination Committee advised the Supervisory Board to nominate Tom van Aken for re-appointment as CEO and Management Board member for an additional four-year term, ending at the close of the AGM in 2029. The Supervisory Board believes that his expertise and network are crucial for Avantium's progress. The Supervisory Board will propose his re-appointment at the AGM on May 14, 2025.

The Nomination Committee also discussed the composition of the Supervisory Board and advised the Supervisory Board to nominate Margret Kleinsman for re-appointment as a member of the Supervisory Board for a two-year term, starting from the close of the upcoming AGM until the close of the AGM in 2027. As Chair of the Audit Committee, Margret provides valuable financial expertise, particularly in International Financial Reporting Standards (IFRS). Her re-appointment is subject to shareholder approval at the AGM to be held on May 14, 2025.

General Meetings of Shareholders in 2024

Avantium held an EGM on January 24, 2024, which took place at Avantium's headquarters in Amsterdam, the Netherlands. At the 2024 EGM, Avantium shareholders granted approvals for all items on the agenda of the 2024 EGM. This included authorizing the Management Board to issue up to €50 million in ordinary shares for an equity raise, with the option to increase this by up to €20 million, and to issue Warrants related to a €15 million increase in the Debt Financing Facilities.

On May 15, 2024, the AGM took place at the Muziekgebouw aan ‘t IJ in Amsterdam.. Avantium's shareholders approved all items on the agenda at the 2024 AGM. This included the adoption of the 2023 financial statements and the revised remuneration policies for both the Management Board and the Supervisory Board. Additionally, Michelle Jou was re-appointed to the Supervisory Board, and PricewaterhouseCoopers (PwC) was appointed as the external auditor for the financial year 2024.

As in previous years, the Chair of the Audit Committee detailed the Committee's work in 2023, the Company's collaboration with PwC, and other relevant items from the past year. The lead partner from PwC discussed the audit procedure and the independent auditor's report for 2023. More information about the 2024 AGM, including minutes, voting results, and attendance, can be found on Avantium's website.

Financial Statements 2024 and Profit Appropriation

The financial statements for the financial year 2024 were prepared by the Management Board in compliance with Articles 20 and 21 of the Articles of Association. Attached to these statements is the unqualified report from the independent auditor, PwC, with a paragraph indicating a material uncertainty related to going concern. The financial statements and the outcome of the external audit were discussed by the Audit Committee with the Management Board in the presence of the external independent auditor.

The 2024 financial statements were endorsed by all Management Board and Supervisory Board members and are, together with PwC's independent auditor's report, included in this Annual Report. The Management Board will present the 2024 financial statements at the AGM on May 14, 2025.

The Supervisory Board requests that the AGM grants discharge to the members of the Management Board and to the members of the Supervisory Board for their respective duties in 2024.

Gratitude

The Supervisory Board would like to thank all Avantium employees for their outstanding contributions, unwavering commitment, and perseverance, which have enabled Avantium to evolve from a company primarily focused on R&D to one on the cusp of large-scale manufacturing and commercialization capabilities. Reaching the historic milestone of the official opening of the FDCA Flagship Plant is a testament to their excellent work. Additionally, the Supervisory Board extends its heartfelt appreciation to the Management Board and senior management for their leadership, hard work, and transparent, constructive dialogues with the Supervisory Board. Finally, the Supervisory Board thanks the Company's shareholders for their trust and continued support for Avantium's ambitions and strategy.

Amsterdam, March 18, 2025

On behalf of the Supervisory Board,

Edwin Moses, Chair
Nils Björkman
Michelle Jou
Margret Kleinsman
Dirk Van Meirvenne
Peter Williams

Remuneration Report 2024

Letter from the Chair of the Remuneration Committee

On behalf of the Remuneration Committee, I am pleased to present the 2024 Remuneration Report, which provides a summary of the remuneration policies for the Management Board and the Supervisory Board. The following pages explain how these policies were applied in 2024.

In the sections below, I will reflect on the Company's performance in 2024 and the resulting pay outcomes, as well as the Remuneration Committee's key activities in 2024 and the outlook for 2025.

2024 Company Performance and Remuneration Outcomes

Looking back at 2024, Avantium has undergone a significant transformation, transitioning from a company primarily focused on R&D to one on the verge of large-scale manufacturing and commercialization. Reaching the important milestone of the official opening of the FDCA Flagship Plant in October 2024 marked a pivotal moment in this transformation.

Strategic Progress

- Avantium successfully completed the construction of the FDCA Flagship Plant in October 2024. Nevertheless, the headwinds in the economic and geopolitical environment in 2024 as well as the additional materials and extra labor needed for the construction of the FDCA Flagship Plant caused notable cost increases and delays to the project. The Company is currently in the process of commissioning and starting up the FDCA Flagship Plant, which is later than originally scheduled.
- Avantium has decided to sharpen its strategic focus by prioritizing the commercialization of its FDCA and PEF technology and accelerating its licensing strategy. In line with this, Avantium is exploring strategic options for its other business activities. During 2024, Avantium was not able to secure a strategic equity partner for its Ray Technology™, nor to find a financing partner to further scale up its Volta Technology.

Operational and Technological Progress

- Avantium expanded its Renewable Polymers pilot plant in Geleen, enhancing its in-house polymerization capabilities. This allows testing and improvement of melt and solid-state polymerization technologies for various PEF applications. The expansion supports the FDCA Flagship Plant start-up and strengthens Avantium's patent and IP strategy, protecting its leading position in FDCA and PEF as it brings plant-based plastic to market.
- In 2024, Avantium trialed the Dawn Technology™ biorefinery platform for textile waste recycling. The results, published in Nature Communications, show that Dawn Technology™ can convert waste polycotton textiles into glucose and chemically recyclable polyethylene terephthalate (PET), enabling fiber-to-fiber recycling and valorizing waste textiles as a non-food feedstock.

Commercial Progress

- In 2024, Avantium secured several new partnerships. The Company signed an offtake agreement for releaf® with Plastipak and announced collaborations with Auping, Monosuisse, and Antex on PEF-based yarns for sustainable mattresses, and with Royal Vezet on PEF salad bowls for Albert Heijn. Parfums Christian Dior will be the first in the cosmetics industry to use Avantium's PEF in its primary packaging. Additionally, Avantium expanded its collaboration with Kirin Holdings to explore PEF’s potential in its packaging solutions.
- Throughout 2024, Avantium continued discussions with potential licensees to expand the pipeline of partners for industrial-scale FDCA and PEF production. This included an agreement with SCG Chemicals to conduct a market study validating PEF’s potential for large-scale production in Asia.
- Avantium received US Food and Drug Administration (FDA) approval of PEF for food contact applications in the United States.
- Avantium unveiled the new brand for its plant-based and recyclable polymer PEF: releaf®.
- Avantium strengthened its multi-year agreement with SCG Chemicals to pilot the production of polylactic-co-glycolic acid (PLGA) from CO_2 using Volta Technology. This sustainable alternative to fossil-based polyester follows a year of collaboration exploring PLGA's properties and optimizing its formulation. SCG Chemicals will help develop and market these sustainable applications.
- Avantium R&D Solutions achieved steady growth in 2024, driven by strong demand for Flowrence® activities and sustainable chemistry applications, which helped generate €14.3 million in revenues.

Financial Progress

- Avantium reached an agreement with lenders to extend the maturity date of the €105 million Debt Financing Facilities from March 31, 2025, to March 31, 2026, with a second extension to March 31, 2027, subject to meeting certain conditions.
- The Company also obtained commitments from its consortium of lenders (ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and Invest-NL) to increase the existing Debt Financing Facilities by €20.1 million, which will become available upon meeting certain conditions. Furthermore, Avantium

entered into a €5 million convertible shareholder loan agreement with Dutch entrepreneur Pieter Kooi, an existing shareholder. The Province of Groningen announced its intent to provide a subordinated loan of up to €10 million to Avantium Renewable Polymers.
- Avantium successfully completed a €70 million equity raise in February 2024 and a €11.2 million equity raise in December 2024.
- Volta Technology was awarded a €3.5 million grant from the EU Horizon Europe program for participation in the ICONIC R&D program, which aims to convert CO_2 into formic acid (a key ingredient in sustainable protein production).
- In 2024, Avantium's consolidated revenue increased by 7% from €19.7 million in 2023 to €21.0 million.

Organizational Progress
- Avantium redeployed its Ray Technology™ pilot plant employees to the FDCA Flagship Plant in Delfzijl, ensuring it became fully staffed.
- In 2024, Avantium hired a CCO, Marco Jansen, to help further drive the commercialization of FDCA and PEF and the execution of the licensing strategy.

Safety
- No work-related fatalities or serious injuries were recorded in 2024. In 2024, Avantium advanced the integration of the ISO 45001 certification standard.

Chain Reaction 2030
- Avantium's two key feedstock suppliers for FDCA and PEF have accepted the requirements of the Company's Sustainable Supplier Code.
- After several years of reporting on Scope 1 (direct emissions from owned or controlled sources) and Scope 2 (indirect emissions from the generation of purchased electricity, steam, heating, and cooling), Avantium is now also reporting on Scope 3 (indirect emissions, occurring in the Company's value chain) for the first time in 2024, covering capital goods, business travel, purchased goods and services, upstream transportation, and waste management.
- Avantium made significant progress toward Great Place to Work (GPtW) certification. In November 2024, 259 colleagues (representing a response rate of 81%) participated in the GPtW survey, resulting in an average score of 66% across 60 statements on trust, pride, and camaraderie, up from 63% in 2021 and above the Netherlands' average of 58%.

The Remuneration Committee has carefully weighed all aspects of events in 2024, and has taken care to ensure that their impact was reflected in a fair application of the Remuneration Policy and the assessment of this year's achievement of targets. The remuneration awarded to the Management Board reflects Avantium's progress in executing its business plan, as well as its achievement of key environmental, social, and governance (ESG) targets, while also taking into account that the Company did not meet all its strategic and commercial targets in 2024.

After careful consideration and following the assessment made by the Remuneration Committee on the level of achievement for each of the goals for 2024, the Supervisory Board made the following decisions:
- There was an average total Company achievement of 44.6% of the 2024 goals.
- The 44.6% achievement assessment of the Company's 2024 goals will form the basis for the cash incentive bonus payment to all staff and senior management's annual performance-related cash bonus component (short-term incentive) and the non-cash long-term annual variable incentive component (long-term incentive) .
- There was an achievement of 40% of the Management Board's goals which will be used to determine the Management Board's annual performance-related cash bonus component (short-term incentive).
- The anticipated timing for the (cash) pay-out of the bonus is by the end of Q2 2025.

2024 Remuneration Committee Focus Areas
In 2024, the Remuneration Committee met three times. In addition to detailed discussions on the corporate targets and assessment of their subsequent level of achievement, special attention was paid to the formulation of an updated Remuneration Policy for both the Management Board and the Supervisory Board. After carefully considering feedback from major shareholders and shareholder representative bodies, the Supervisory Board, based on the Remuneration Committee's advice, submitted the updated policies for approval at the AGM on May 15, 2024. Avantium's shareholders approved the revised remuneration policies for both Boards. The remuneration policies have been applied retroactively from January 1, 2024.

The Remuneration Committee will regularly assess Avantium's remuneration policies, gathering input from key internal and external stakeholders on the new incentive measures. We will also closely monitor trends in relevant marketplaces to inform our decisions.

I look forward to discussing the policies and actual remuneration practices in the 2025 AGM, and will be happy to answer any questions you may have.

Edwin Moses
Chair of the Remuneration Committee

Introduction

This Remuneration Report provides a summary of the remuneration policies for Avantium's Management Board and Supervisory Board, as well as an overview of the remuneration of the members of the Management Board and the Supervisory Board paid in the financial year 2024. This Remuneration Report is prepared in accordance with the relevant parts of Section 135, Book 2 of the Dutch Civil Code, in line with the EU guidelines based on the EU Shareholders' Rights Directive. The remuneration is furthermore determined in accordance with the Remuneration Policy adopted at the AGM on May 15, 2024, with an effective date of January 1, 2024. After approval by the Supervisory Board, the Remuneration Report will be submitted to the AGM on May 14, 2025 for an advisory vote by our shareholders, in line with Section 135b subsection 2, Book 2 of the Dutch Civil Code.

The Remuneration Report for the financial year 2023 was submitted to the AGM of 2024 and received a positive advisory vote.

Remuneration Policies

Introduction and Governance of the Remuneration Policies

The remuneration policies for the Management Board and for the Supervisory Board were adopted at the AGM of May 15, 2024 and are effective as per January 1, 2024. The Management Board Remuneration Policy and the Supervisory Board Remuneration Policy replaced the Remuneration Policy with respect to the Management Board and Supervisory Board, adopted by the General Meeting on May 14, 2020 and effective as per January 1, 2020.

The Supervisory Board is responsible for the development and execution of the remuneration policies. The Remuneration Committee will regularly review Avantium's remuneration policies, gather input from key internal and external stakeholders, and advise the Supervisory Board on the need for any further changes.

i) Management Board Remuneration Policy

The Remuneration Policy for the Management Board supports Avantium's purpose, long-term development, and strategy while respecting stakeholders' requirements and maintaining an acceptable risk profile. The Supervisory Board ensures that the policy aligns with Avantium's strategic goals and objectives. The remuneration structure balances short-term and long-term results, encouraging behavior focused on long-term value creation for all stakeholders, while maintaining high standards of integrity and good corporate governance. It motivates outstanding achievements using a combination of financial and non-financial performance measures. Sustainability is central to Avantium's strategy, with the vision of a fossil-free world driving its technologies and products. Avantium's sustainability objectives are increasingly linked to its remuneration structure.

The Supervisory Board aims to remunerate the Management Board fairly within the relevant labor market. When formulating the Management Board Remuneration Policy in 2024, the Supervisory Board aligned with the remuneration and employment conditions for Avantium's Management Team, senior management, and other employees, considering internal pay ratios as disclosed in the annual Remuneration Report. Furthermore, the level of support from stakeholders and society for the policy was taken into account. The Supervisory Board also considered the external environment, relevant statutory provisions and codes, competitive market practices, and input from Avantium's major shareholders. Moreover, advice was obtained from an external remuneration expert, as well as from Avantium's Works Council.

External Perspective: Reference Group and Market Positioning

As with the remuneration philosophy for all Avantium employees, the remuneration of the Management Board should be competitive compared with a relevant reference market. To define this market, a reference benchmark group is approved by the Supervisory Board, consisting of companies that are selected on criteria such as size, complexity, geography, governance framework, scope, and type of industry. In principle, a benchmark is conducted at least every four years. In the years without a benchmark exercise, the Supervisory Board evaluates base salary changes based on the market environment and salary adjustments for other Avantium employees. The Supervisory Board reviews and may adjust the reference group composition as needed.

As a guiding principle, the total direct remuneration of the Management Board is aimed to be set within a competitive range of +/-20% at or around the median of the reference market.

The remuneration benchmark assessment is performed on the following compensation elements:
- Base salary
- Target short-term incentive (STI)
- Total cash compensation (TCC) – base salary plus STI
- Long-term incentive (LTI) – as a percentage of base salary
- Total direct compensation (TDC) – TCC plus LTI

In 2024, the Supervisory Board conducted a remuneration benchmark assessment of the market competitiveness of the current compensation package of the members of the Management Board, in preparation for submitting the updated Remuneration Policy to the General Meeting for approval. The 2024 reference group included companies from various industries – chemicals (7 out of 12), paper and forest products, electrical equipment, containers and packaging, and automobile components – reflecting Avantium's size, profile, and international scope.

The companies in the 2024 reference group are:

1	Accyss Technologies PLC
2	Carbios SAS
3	Holland Colours N.V.
4	Alfen N.V.
5	Corbion N.V.
6	Kendrion N.V.
7	BRAIN Biotech AG
8	Evolva Holding SA
9	METabolic Explorer S.A.
10	Cabka N.V.
11	Global Bioenergies SA*
12	Sif Holding N.V.

Given the transitional phase of the Company, the composition of the reference group will continue to be assessed over the coming years.

ii) Supervisory Board Remuneration Policy

The Remuneration Policy for the Supervisory Board supports the Company's long-term development in a dynamic environment, while fulfilling stakeholders' requirements and maintaining an acceptable risk profile.To attract and retain top talent in a competitive global environment and help the Supervisory Board create sustainable value, the Remuneration Committee upheld the principle of a one-off share-based award in the form of restricted share units for Supervisory Board members upon their appointment and any subsequent re-appointment. With respect to compliance with and deviations from the Dutch Code, reference is made to page 67.

Remuneration 2024

The remuneration paid to the members of the Management Board in 2024 was based on Avantium's Management Board Remuneration Policy.

For 2024, the remuneration for members of the Management Board included the following key components:

I. Fixed annual base salary;
II. Short-term annual variable remuneration (STI);
III. Long-term annual variable remuneration (LTI);
IV. Allowance for pensions and fringe benefits.

Avantium does not grant any personal loans, guarantees, or advance payments to members of the Management Board.

i) Fixed Annual Base Salary

The fixed annual base salary aims to reward Board members for their daily responsibilities and overall performance. It is determined based on their level of responsibility and performance, and is set around the median of the remuneration levels within the 2024 reference group. However, there is flexibility to deviate up to 20% above or below this median.

In years without a benchmark, the Supervisory Board evaluates the need for base salary adjustments based on market trends and salary changes for other Avantium employees. Any adjustments should not exceed the median of the reference group by more than 20%, although purchasing power adjustments are permitted.

Effective from January 1, 2024, the fixed annual base salaries for the CEO and CFO were updated to match the externally benchmarked median. The CEO's full-year base salary was set at €342,500 and the CFO's annual base salary at €255,000. The CEO's salary adjustment was more significant to align with current market standards, while the CFO's adjustment is smaller due to his position in the benchmark results. As Avantium progresses, the new reference group will allow the CEO's salary to move closer to the median over time.

ii) Short-Term Annual Variable Remuneration (STI)

The objective of the STI is to ensure that the members of the Management Board focus on achieving their short-term operational objectives, which in turn leads to long-term value creation.

The STI refers to the annual performance-related cash bonus applicable to the members of the Management Board. The on-target bonus level is set at 60% of the base salary for the CEO and 45%

of the base salary for the CFO. These new percentages significantly exceed the median, emphasizing the importance of pay for performance during the transition period from a pre-revenue company to profitability.

The maximum bonus – that is, the bonus in case of above-target performance – is equal to 150% of the on-target bonus. If performance is below a predefined threshold level, no bonus will be paid out. If performance is between the predefined threshold level and the maximum level, the bonus is a percentage between 50% and 150% of the on-target bonus, taking into account a sliding scale.

At the beginning of each financial year, the Supervisory Board sets specific performance targets. The Supervisory Board also sets threshold performance levels that qualify for a payout of 50% of the on-target STI opportunity, and a level of over-performance that qualifies for the maximum payout of 150% of the on-target STI opportunity. If performance remains below threshold, the award is zero.

The Supervisory Board has the discretionary power to adjust the incentive pay-out up- or downwards if it feels that the outcome is unreasonable or inappropriate due to circumstances during the performance period, such as by taking into account the long-term interests and success of the Company. Scenario analyses of the possible outcomes of the variable remuneration components and their effects on the remuneration of the Management Board are conducted.

The Supervisory Board used its discretionary power to adjust the incentive pay-out over 2024 with respect to the payout level and adjusted the minimum payout level from 50% to 40% of the on-target STI opportunity to reflect the Supervisory Board's consideration of the significance of partially met strategic goals, particularly in light of broader stakeholder interests. Reference is made to the below assessment.

The Supervisory Board did not use its power to recover any remuneration from present or former Management Board members.

Performance Goals

Bonus pay-out levels are prorated based on the achievement of performance criteria. These performance measures include a balanced mix of ESG, strategic, commercial, and operational performance targets. This ensures a focus on both the short-term financial performance of the Company and its long-term strategic objectives.

The Supervisory Board sets challenging but realistic targets for each performance measure. These targets are reviewed annually, although semi-annual reviews may be conducted if deemed more appropriate. Performance measures are set in advance and typically remain unchanged throughout the performance period. The Supervisory Board may, in its sole discretion, adjust the targets and their weighting if there are significant changes in strategic priorities. To ensure alignment in the remuneration structure between the Management Board and other Avantium employees, a subset of the bonus performance measures, target setting, and pay-out schemes outlined in the Management Board Remuneration Policy is also applicable to Avantium employees.

The performance goals are specific and measurable, and are formulated and communicated at the beginning of each financial year (except for circumstances where the Supervisory Board considers semi-annual target-setting more appropriate). The Supervisory Board may adjust the targets and their relative weighting during a given year if circumstances warrant this. Following a presentation by the Management Board, the Supervisory Board sets the goals, based on progress on sustainability targets, commercial performance, and operational performance, in relation to Avantium's strategy and long-term objectives, as set out in the Management Board Remuneration Policy.

In setting the performance goals, the interests of all stakeholders, internal and external, are considered.

Strategic progress goals aim to create long-term value for shareholders and may include securing financing and strategic partnerships and achieving strategic milestones. The targets for commercial performance are based on securing partnerships for the commercialization of technology programs and reaching the commercialization phase of the different technology programs (path from laboratory scale to demonstration scale and finally commercialization scale and industrial scale through licensing). The operational performance targets are based on reaching the operational milestones of the different technology programs, as well as achieving financial and organizational performance goals. The ESG targets are based on the Company's roadmap for execution of its sustainability plan, Chain Reaction 2030.

While Avantium believes that detailed targets are strategically and commercially sensitive, it recognizes the need for transparency with external stakeholders. The Company will continue to carefully consider this matter, both in advance of setting targets and retrospectively.

For the annual bonus in 2024, the performance targets and their relative weighting were set as follows:

Performance Targets Weighting 2024

Name	Weight factor	Target
T.B. van Aken	45%	Strategic
	15%	Commercial
	30%	Operational
	10%	ESG
B.W. van Schaïk	45%	Strategic
	15%	Commercial
	30%	Operational
	10%	ESG

The Remuneration Committee has carefully weighed all aspects of 2024's events to ensure a fair application of the Management Board Remuneration Policy and assessment of the 2024 goals. The remuneration awarded to the Management Board reflects Avantium's progress in executing its business plan and achieving key ESG targets, while also considering that the Company did not meet all its strategic and commercial targets in 2024.

After careful consideration and following the proposal made by the Remuneration Committee on the level of achievement for each of the goals identified for 2024, the Supervisory Board made the following decisions:

- There was an average total Company achievement of 44.6% of the 2024 goals.
- The 44.6% achievement assessment of the Company's 2024 goals will form the basis for the cash incentive bonus payment to all staff, and will be used to determine senior management's annual performance-related cash bonus component (STI) and non-cash long-term annual variable incentive component (LTI).
- There was an achievement of 40% of the Management Board's goals which will be used to determine the Management Board's annual performance-related cash bonus component (short-term incentive).
- The timing of the (cash) pay-out of the bonus will be Q2 2025.

For the assessment of the goal achievements in 2024, the following considerations were made:

- The Company's focus on strategic progress was the main reason for weighing the strategic targets highest. These targets were related to the timely completion of the construction of the FDCA Flagship Plant, maintaining budget controls, and ensuring the safe and timely start-up of the FDCA Flagship Plant. Additionally, these targets included securing partnering deals for financing the next phase of Volta Technology's scale-up and commercialization, as well as partnering deals for the next phase of Ray Technology™ commercialization. The target related to the construction of the FDCA Flagship Plant in Delfzijl was partly achieved. The construction was completed, and the plant officially opened in October 2024. However, this was accompanied by higher construction costs and extended timelines. The strategic target for the scale-up and commercialization of Volta Technology was not achieved, nor was the target for securing a partnership or licensing deal for Ray Technology™.
- The commercial targets were considered partly achieved. Avantium secured several new commercial partnerships, although not at the planned target level. Despite advancing its licensing strategy through several capacity reservations, expanding the IP portfolio, and forming a partnership with SCG Chemicals to accelerate FDCA and PEF market adoption in Asia, the Company did not sign an additional technology licensing agreement in 2024. In the R&D Solutions business, Avantium increased its top-line growth, but at a lower percentage than it had planned.
- The operational targets related to the financial and organizational performance were partly achieved. For financial performance, the target on Company revenues was not achieved, mainly due to not signing an additional technology license agreement and the decision to suspend the recognition of revenues under the licensing agreement with Origin Materials in August 2024 as a result of Origin's shift in strategic focus. The financial target on operating costs was achieved. The target to secure the refinancing of the Debt Financing Facilities was also achieved. The organizational target for staff retention was achieved, while the target on training hours was not achieved.
- With respect to the ESG targets, Avantium extended its positive safety record with zero safety accidents. For the ESG target on Chain Reaction 2030 implementation, the Company reported its Scope 3 emissions and established a waste avoidance plan. Preparations for CSRD compliance are progressing well, and a new life-cycle assessment has been initiated, although it is not yet complete.

The table below sets out the performance per target.

The overall average achievement of the Management Board for the performance year 2024 amounts to 40% of the on-target bonus. Reference is made to the table below. This overall average achievement of the Management Board for the performance year 2024 is lower than the average total Company achievement of 44.6% due to the partial achievement of the Management Board's goals and their relative weighting. The Supervisory Board furthermore used its discretionary power to adjust the incentive pay-out over 2024 with respect to the payout level, and adjusted the minimum payout level from 50% to 40% of the on-target STI opportunity.

The on-target bonus for Tom van Aken is 60%, resulting in a variable remuneration for 2024 of 24% of his annual base salary. The on-target bonus for Boudewijn van Schaïk is 45%, resulting in a variable remuneration for 2024 of 18% of his annual base salary.

Total Performance 2024

Name	Weight factor	Target	Measured performance	Total performance in 2024
T.B. van Aken	45%	Strategic	15%	40%
	15%	Commercial	2%	
	30%	Operational	14%	
	10%	ESG	9%	
B.W. van Schaïk	45%	Strategic	15%	40%
	15%	Commercial	2%	
	30%	Operational	14%	
	10%	ESG	9%	

Performance Targets and Outcome 2024

Performance measure	Objective	Target	Performance
ESG	Safety and health	1. Zero accidents as per Avantium's incident classification system	1. Achieved
ESG	Chain Reaction 2030 implementation	1. Achieve ecological, operations, supplier, and people targets related to CO_2 reduction potential, circularity, Scope 1, 2, and 3 emissions, diversity and inclusion, engagement, and advocacy	1. Partly achieved
Strategic	Achieve strategic milestones	1. Timely completion of construction of FDCA Flagship Plant; budget controls and safe and timely start-up of FDCA Flagship Plant	1. Partly achieved
		2. Partnering deals for financing of next phase of Volta Technology scale-up and commercialization	2. Not achieved
		3. Partnering deals for next phase of Ray Technology™ commercialization	3. Not achieved
Commercial	Drive commercial performance	1. Drive commercial loading of FDCA Flagship Plant – signing of offtake agreements	1. Not achieved
		2. Drive licensing deals of YXY® Technology	2. Not achieved
		3. Continue profitable growth of R&D Solutions business	3. Partly achieved
Operational	Drive financial performance	1. Increase of Company revenues in line with long-term plan	1. Not achieved
		2. Control of operating expenses in line with annual plan	2.Achieved
		3. Preparations for refinancing of loans of FDCA Flagship Plant to be executed in 2025	3.Achieved
Operational	Drive organizational performance	1. Staff retention: manage regretted loss percentage below 10%	1. Achieved
		2. Invest in training and development of employees	2. Not achieved

iii) Long-Term Annual Variable Remuneration (LTI)

To create direct alignment with long-term shareholder value, members of the Management Board will receive conditional awards of performance share units (PSUs) on an annual basis.

iii.a) Performance Share Units

The number of PSUs granted is based on 70% of the CEO's fixed annual base salary and 55% of the CFO's. This LTI percentage, which is above the reference market median of 60%, emphasizes the principle of pay for performance. It aims to ensure that the Management Board's compensation aligns with the Company's long-term objectives and shareholders' interests.

The number of PSUs granted each year is determined as follows: in 2024, based on the closing share price on May 15, 2024; in 2025, using a one-year volume-weighted average share price (VWAP) on the date of publication of the 2025 Annual Report; and thereafter, using a two-year VWAP on the date of publication of the Annual Report. Subject to the Supervisory Board's underpin assessment, the PSUs will vest three years from the date of award and will be subject to a lock-up period of five years from the date of award, except for customary sell-to-cover sales to meet applicable tax obligations.

The Supervisory Board will conduct an underpin assessment at vesting. This assessment will evaluate the long-term value creation during the vesting period to determine whether vesting should occur, considering the overall performance of the Management Board member during this period.

The Supervisory Board will assess (i) the long-term value creation by the Management Board over the vesting period, and (ii) whether any significant financial or non-financial events over the years preceding vesting have occurred. As basis for the overall analysis, the Supervisory Board includes a regular intermediate evaluation of sub (i) and (ii) over the vesting period, as part of its assessment of the annual goal achievements.

Based on this evaluation, the Supervisory Board will, at its sole discretion, determine to what extent Management Board members are entitled to the shares corresponding to the PSU's and/or whether the entitlement to (a part of) the PSUs will be forfeited. The annual remuneration report in the relevant year of vesting will detail the outcome of the underpin assessment for awards whose vesting period ended in the relevant reporting year, including the number of forfeited and vested PSUs and the subsequent awarded shares.

Any awards to members of the Management Board are subject to customary leaver provisions, which are to be interpreted and applied by the Supervisory Board in its sole and absolute discretion. The Supervisory Board may, at its discretion, decide for any good leaver whether (i) a prorated number of PSUs shall vest, (ii) the applicable vesting scheme continues to apply, or (iii) any other vesting conditions apply as deemed appropriate by the Supervisory Board.

iii.b) Share Ownership Guidelines

Members of the Management Board are required to build and retain a personal shareholding in Avantium within five years from their appointment date, with additional time granted if requirements increase significantly. This requirement emphasizes confidence in the Company's strategy and long-term success.

The current shareholding requirement is 150% of the CEO's fixed annual gross base salary and 100% of the CFO's. The value of the share ownership is determined annually, with the Supervisory Board aiming to apply a consistent calculation method. The shareholding can be built up by retaining all after-tax shares from the LTI plan and does not require personal share purchases.

The Supervisory Board allows a five-year period to build up the required shareholding, considering the LTI plan's three-year vesting period. Management Board members can sell shares to cover taxes related to the LTI plan or previous incentive plans. The Supervisory Board may waive the shareholding requirement temporarily in extraordinary circumstances, such as significant changes in share price.

iii.c) Adjustments to Variable Remuneration

In line with Dutch law, the variable remuneration of the members of the Management Board may be reduced, or Management Board members may be obliged to repay (part of) their remuneration to the Company, if one of the circumstances as described in Section 4.2 (Management Board Remuneration: Adjustments to Variable Remuneration) of the Remuneration Policy apply. In 2024, no adjustments based upon this section of the Remuneration Policy were made.

iv) Allowance for Pension and Fringe Benefits

Members of the Management Board are allowed to participate in the Company's pension plan, which is available to all Avantium employees. Avantium covers the employer's contribution to the pension plan, which is based on a defined contribution system. The pension contribution for Management Board members is currently limited to a pensionable salary of €137,800 (2024), and they are not compensated for the gap between the pensionable salary and their base salary. There are no arrangements for early retirement.

If revisions are made to the Dutch Pension Act, the Supervisory Board reserves the right to make reasonable accommodations.

Additionally, Management Board members receive expense reimbursements, such as travel expenses, social security costs, and contributions to health and disability insurance, all in accordance with Avantium's policies, plans, and arrangements.

The table hereafter provides a breakdown of the aggregate remuneration of the members of the Management Board in 2024.

Management Board Agreements and Severance Payments

Each member of the Management Board provides services based on a services agreement with the Company ("overeenkomst van opdracht") according to Article 7:400 of the Dutch Civil Code.
The term of the services agreement is for a definite period, typically matching the term for which each member is appointed by the General Meeting. The Company's notice period is four months, unless the Supervisory Board decides to extend it to six months. Each agreement includes customary provisions on protective covenants and confidentiality.

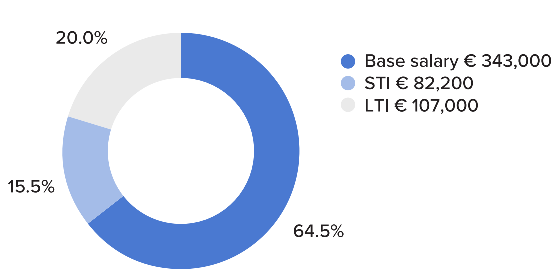
The Supervisory Board may determine that a member of the Management Board is entitled to a severance payment for the loss of income resulting from termination as a Management Board member. The severance payment is limited to one year’s base salary, in line with the Code. Any severance or compensation granted by a court in relation to the termination of the management agreement shall be deducted from the severance payment.

Total Remuneration Received by Members of the Management Board

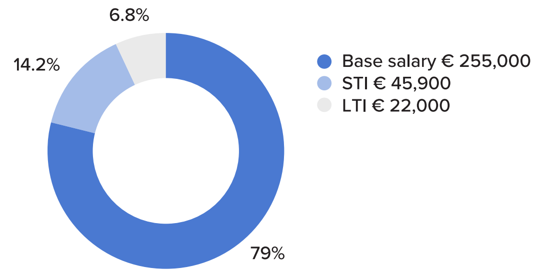
(In €1,000)	Fixed remuneration		Variable					
Management Board member	Salary	Other benefits[17]	Short-term bonus[18]	Long-term award[19]	Post-employee benefits	Total remuneration	% of fixed remuneration	% of variable remuneration
T.B. van Aken								
2024	343	28	82	107	30	590	68%	32%
2023	300	28	211	55	21	615	57%	43%
B.W. van Schaïk								
2024	255	88	46	22	18	429	84%	16%
2023	251	69	126	—	14	460	73%	27%
B.J.J.V. Welten (former CFO)								
2024	—	—	—	19	—	19	0%	100%
2023	—	—	—	47	—	47	0%	100%
Total – 2024	**598**	**116**	**128**	**147**	**48**	**1,038**	**73%**	**27%**
Total – 2023	**551**	**97**	**337**	**102**	**35**	**1,123**	**61%**	**39%**

[17] Other benefits mainly include contributions to social security plans and benefits in kind such as mobility allowance, medical expenses, legal expenses, CFO educational costs and an annual fixed allowance as compensation for the loss of certain expense reimbursements received from the CFO's previous employer.
[18] Including the awarded bonus for the specific performance year.
[19] Including the value of the various performance share-based plans that vested during the year. The value of the long-term investment plan (LTIP) reward is calculated based on the number of matching shares that have vested and of the share price at the date of vesting. The value of the employee stock option plan (ESOP) reward is calculated based on the number of share options that have vested during the year and the net of the share price at vesting date less the exercise price.

CEO remuneration 2024*



CFO remuneration 2024*



* The chart shows the relative value of the remuneration elements fixed annual base salary, STI and LTI, excluding fringe benefits and pension, for both the CEO and the CFO

The total remuneration based on the International Financial Reporting Standards (IFRS) in 2024 for Tom van Aken amounted to €699,000 (2023: €695,000) due to the share-based payment expenses of €216,000 recognized during the year (2023: €134,000). The total remuneration based on IFRS in 2024 for Boudewijn van Schaïk amounted to €478,000 (2023: 532,000) due to the share-based payment expenses of €70,000 recognized during the year (2023: €72,000).

Internal Pay Ratio

In setting the Remuneration Policy for the members of the Management Board, the Supervisory Board also takes into account the internal pay ratio. The internal pay ratio between the average pay of Avantium employees vis-à-vis the average pay of the CEO is calculated based on the average 2024 remuneration of all Avantium employees vis-à-vis the 2024 remuneration of the CEO. Since 2020, we have also included pension contributions and long-term incentive components.

The 2024 pay ratio is 6:1 (2023: 6:1; 2022: 6:1 2021: 6:1 2020: 5:1 2019: 5:1) for the CEO. The 2024 pay ratio is based on the specific guidance on the calculation methodology of the pay ratio effective as of January 1, 2023 as provided in the Dutch Code.[20] The following table provides an overview of the remuneration of the members of the Management Board compared with the average total remuneration of an Avantium employee (defined as gross wages, holiday allowance, other benefits, pension, bonus, and long-term awards) and Company performance since the listing of the Company's shares in 2017.

The table includes information on a five-year period, as of 2019.

(In €1,000)	**2024**	**% change**	**2023**	**% change**	**2022**	**% change**	**2021**	**% change**	**2020**	**% change**	**2019**
Management Board member											
T.B. van Aken	590	-4%	615	11%	553	-6%	589	34%	440	2%	432
B.W. van Schaïk	429	0%	460	0%	—	0%	—	0%	—	0%	—
B.J.J.V. Welten (former CFO)	19	-61%	47	-87%	364	-12%	411	35%	304	0%	—
Average employee salary	**88**	-9%	**97**	1%	**96**	5%	**91**	12%	**81**	16%	**70**

[20] Starting as of January 1, 2021, the value of the share-based component of the remuneration is determined at the time of assignment in accordance with the applicable rules under IFRS. Before January 1, 2021, the value of the share-based component of the remuneration was determined based on the value of the options that vested during the year and the net of the share price at vesting date less the exercise price.

The average total Company performance over 2024 was 44.6%. The total Company performance represents an average achievement score, as Avantium's employees are paid 50% on basis of Company achievements (strategic, commercial, operational, and ESG target achievement) and 50% on the achievements of their respective business unit, being more granular financial, commercial, operational, and organizational targets relevant for the specific business unit.

	2024	% change	2023	% change	2022	% change	2021	% change	2020[21]	% change	2019
Total Company performance	**45%**	-43%	**78%**	-6%	**83%**	-1%	**84%**	100%	**—%**	-100%	**65%**

[21] The Company's performance and achievement of the performance measures for 2020 was set to zero percent herein; as the Management Board and senior management decided to forfeit their respective annual cash bonus, the Company elected not to disclose the realized achievement of the 2020 performance targets.

Number of Investment Shares and Matching Shares Outstanding and Awarded to the Management Board

		The main conditions of share plans				Information regarding the reported financial year							
Management Board member	Specification of plan	Performance period	Award date	Vesting date	End of retention period	Number of awards outstanding January 1	Shares allocated during the year	Shares forfeited during the year	Shares vested during the year	Value of matching shares vested during the year in EUR[22]	Matching Shares unvested as at December 31	Shares subject to retention period as at December 31	Matching Shares vested as at December 31
T.B. van Aken, CEO	LTIP – Investment Shares	2017-2018	3/16/2018	3/16/2018	3/16/2023	7,441	1,332	—	—	—	—	—	—
		2019-2020	5/14/2020	5/14/2023	5/14/2025	15,365	2,750	—	—	—	—	15,365	—
		2021-2022	5/18/2022	5/18/2025	5/18/2025	20,630	3,693	—	—	—	—	24,323	—
		2022-2023	5/10/2023	5/10/2026	5/10/2026	14,606	2,614	—	—	—	—	17,220	14,606
	LTIP – Matching Shares	n/a	3/16/2018	3/16/2021	3/16/2023	7,441	673	—	673	2,345	—	—	7,441
		n/a	5/14/2020	5/14/2023	5/14/2025	15,365	2,750	—	2,750	7,673	—	—	15,365
		n/a	5/18/2022	5/18/2025	5/18/2027	20,630	3,693	—	10,159	27,379	2,703	—	17,927
		n/a	5/10/2023	5/10/2026	5/10/2028	14,606	2,614	—	9,567	26,882	7,653	—	—
B.J.J.V. Welten, former CFO	LTIP – Investment Shares	2021-2022	5/18/2022	5/18/2025	5/18/2025	9,947	1,781	—	—	—	—	11,728	—
		2022-2023	5/18/2023	12/31/2023	12/31/2023	—	1,306	—	1,306	4,571	—	—	—
	LTIP – Matching Shares	n/a	5/18/2022	5/18/2025	5/18/2025	9,947	1,781	—	4,899	14,111	4,619	—	4,899
Total Management Board members						**116,084**	**20,119**	**—**	**23,149**	**64,280**	**10,356**	**56,908**	**55,339**
Total former Management Board members						**19,894**	**4,868**	**—**	**6,205**	**18,682**	**4,619**	**11,728**	**4,899**

Under the Remuneration Policy effective from January 1, 2020 to January 1, 2024, the Management Board was eligible for long-term variable remuneration in the form of shares (long-term incentive plan; LTIP). Members of the Management Board were required to invest the entire non-cash component of their net bonus in shares provided by the Company (Investment Shares). This non-cash component constituted 50% of the bonus. Additionally, the cash component of the bonus could also be invested in Investment Shares at the discretion of the Board member.

Investment Shares are subject to a five-year retention period. After this period, Avantium will match the Investment Shares on a 1:1 basis (Matching Shares), granting one Matching Share for each Investment Share. These Matching Shares are delivered at the end of the five-year retention period.

If a Board member is no longer with the Company at the end of the retention period, the number of Matching Shares will be reduced according to the LTIP. The reduction is based on the termination date and reason for departure, with a pro-rata reduction based on the number of full months the Board member was not engaged.

At the AGM on May 15, 2024, shareholders approved a 17.9% increase in LTIP shares to compensate for the value reduction from not receiving claim rights for entitlements to shares and being unable to exercise or sell them, following the €70 million capital raise, including through a rights issue in February 2024, which resulted in the dilution of LTIP participants' rights.There is no change in the vesting period.

[22] The value of Matching Shares vested during the year is expressed in EUR and is determined by the share price at vesting date.

Number of Options Outstanding and Awarded to the Management Board

		The main conditions of share option plans				Information regarding the reported financial year						
Management Board member	Specification of plan	Award date	Vesting date	Exercise period	Exercise price of the option in EUR[23]	Number of options outstanding as at January 1	Share options granted during the year	Share options forfeited during the year	Share options vested during the year	Value of share options vested during the year[24]	Share options unvested as at December 31	Share options vested as at December 31
T.B. van Aken, CEO	ESOP	5/17/2017	5/17/2020	8 years	8.69	50,000	—	—	—	—	—	50,000
		3/28/2018	3/28/2021	8 years	4.38	50,000	—	—	—	—	—	50,000
		5/16/2019	5/16/2022	8 years	2.13	100,000	—	—	—	—	—	100,000
		5/14/2020	5/14/2023	8 years	2.95	50,000	—	—	—	—	—	50,000
		5/19/2021	5/19/2024	8 years	3.74	50,000	—	—	5,556	—	—	50,000
		5/18/2022	5/19/2025	8 years	2.52	50,000	—	—	16,667	6,001	5,556	44,444
		5/10/2023	5/10/2026	8 years	2.87	50,000	—	—	16,667	—	22,222	27,778
B.W. van Schaïk, CFO	ESOP	12/30/2022	12/30/2025	8 years	3.00	50,000	—	—	16,667	—	15,278	34,722
		5/10/2023	5/10/2026	8 years	2.87	20,000	—	—	6,667	—	8,889	11,111
Total Management Board members						**470,000**	**—**	**—**	**62,222**	**6,001**	**51,944**	**418,056**

Until January 1, 2024, when the current Management Board Remuneration Policy came into effect, share options under the employee stock option plan (ESOP) were awarded annually to members of the Management Board based on performance parameters pre-determined by the Supervisory Board. The Options fully vest on the third anniversary following the date of the award. The exercise period of the Options is up to five years after the date of vesting. The Options vest at the end of a three-year vesting term and not on an annual pro-rata basis during this period. Only if a member of the Management Board is no longer employed by the Company at the date of vesting would the number of options be decreased as provided for in the ESOP. This reduction depends on the cause of departure and termination date, with a pro-rata decrease based on the number of full months the Board member was not engaged during the three-year vesting period.

At the AGM held on May 15, 2024 the shareholders approved the decrease of the exercise price of the Options granted under the ESOP by 17.9% to compensate for the value reduction from not receiving claim rights for share options and being unable to exercise or sell them, following the €70 million capital raise, including through a rights issue in February 2024, which resulted in the dilution of ESOP participants' rights. There is no change in the vesting period.

In 2024, 0 additional share options were granted to the Management Board. The share-based payment expenses of the Management Board of €304,000 comprise the part of the share-based compensation attributable to the share options granted in previous years and PSUs (note 14).

[23] The exercise price is the modified price after the 17,9% decrease in the exercise price as approved by the shareholders during the AGM held on May 15, 2024.
[24] The value of share options vested during the year is expressed in EUR and is determined by the average share price at vesting date less the exercise price.

Number of Options Outstanding and Awarded to Former Management Board Member

		The main conditions of share option plans										Information regarding the reported financial year
Management Board member	Specification of plan	Award date	Vesting date	Exercise period	Exercise price of the option in EUR[25]	Number of options outstanding as at January 1	Share options exercised during the year	Share options forfeited during the year	Share options vested during the year	Value of share options vested during the year[26]	Share options unvested as at December 31	Share options vested as at December 31
B.J.J.V Welten, former CFO	ESOP	5/14/20	5/14/23	8 years	2.95	44,444	—	—	—	—	—	44,444
		5/19/21	5/19/24	8 years	3.74	16,667	—	—	—	—	—	16,667
		5/18/22	5/19/25	8 years	2.52	6,667	—	—	—	—	—	6,667
Total former Management Board members						**67,778**	**—**	**—**	**—**	**—**	**—**	**67,778**

Number of Shares Outstanding relating to Performance Share Units

	The main conditions of share option plans									Information regarding the reported financial year
Management Board member	Specification of plan	Award date	Vesting date	Number of vested PSU's as at January 1	Number of vested PSU's outstanding as at January 1	PSU's granted during the year	PSU's forfeited during the year	PSU's vested during the year	PSU's vested as at December 31	Number of unvested PSU's as at December 31
T.B. van Aken, CEO	PSU	1/1/2024	12/31/2027	—	—	85,320	—	—	—	85,320
B.W. van Schaïk, CFO	PSU	1/1/2024	12/31/2027	0	0.00	49,911	—	—	—	49,911
Total Management Board members						**135,231**	**—**	**—**	**—**	**135,231**

[25] The exercise price is the modified price after the 17,9% decrease in the exercise price as approved by the shareholders during the AGM held on May 15, 2024.
[26] The value of share options exercised during the year is expressed in EUR and is determined by the share price at exercise date less the exercise price.

Management Board Remuneration 2025

The 2025 goals are only being disclosed to the extent that they are not share-price or competition sensitive. For this reason, some of these goals are described generically.

As per the current Management Board Remuneration Policy of 2024, the on-target bonus for Tom van Aken is 60% of his annual base salary. The on-target bonus for Boudewijn van Schaïk is 45% of his annual base salary.

Performance Targets Weighting 2025

Performance measures 2025	CEO	CFO
Strategic	35%	35%
Commercial	20%	20%
Operational	35%	35%
ESG	10%	10%
Total performance	**100%**	**100%**

Performance Targets and Weighting 2025

Performance measure	Objective	Target	Weight Management Board	Financial	Non-financial
ESG	Safety and health	1. Zero accidents as per Avantium's incident classification system	5.0%	0.0%	5.0%
ESG	Chain Reaction 2030 implementation	1. Achieve ecological, operations, supplier, and people targets related to CO_2 reduction, circularity, waste reduction, Scope 1, 2, and 3 emissions, and CSRD	5.0%	0.0%	5.0%
Strategic	Achieve strategic milestones	1. Safe and timely start-up of FDCA Flagship Plant 2. Achieve strategic focus in the Company's technology portfolio	35.0%	10.5%	24.5%
Commercial	Drive commercial performance	1. Drive licensing business as long-term commercialization business model by signing new licensing deals 2. Ensure commercial loading of FDCA Flagship Plant 3. Record planned revenues from FDCA Flagship Plant and licensing business	20.0%	20.0%	0.0%
Operational	Drive financial performance	1. Ensure the Company has access to sufficient funding to operate with 12-months runway 2. Ensure extension of Debt Financing Facilities package until 2027 3. Implement Company efficiencies and cost reductions	20.0%	20.0%	0.0%
Operational	Drive organizational performance	1. Staff retention: manage regretted loss percentage below 10% 2. Invest in training and development of employees	15.0%	0.0%	15.0%
Total			**100.0%**	**50.5%**	**49.5%**

Supervisory Board Remuneration 2024

Remuneration Policy for the Supervisory Board

The remuneration of the members of the Supervisory Board consists of the following components:

i. annual fee;
ii. restricted share units (RSUs); and
iii. travel and other expenses.

i) Annual Fee

The Supervisory Board Remuneration Policy, effective from January 1, 2024, determines the annual (gross) fees for each position of the Supervisory Board, separated into membership and chairship of the Supervisory Board and membership and chairship of a Committee.

In line with the Supervisory Board Remuneration Policy, the members of the Supervisory Board received the following annual (gross) fees:

- Membership of the Supervisory Board: €45,000;
- Chairship of the Supervisory Board: €40,000 (additional);
- Membership of a Committee of the Supervisory Board: €6,000 (per Committee); and
- Chairship of the Audit Committee of the Supervisory Board: €10,000 (additional).

The table hereafter provides a breakdown of the Supervisory Board members' remuneration in 2024.

Avantium does not grant any personal loans, guarantees, or advance payments to members of the Supervisory Board.

ii) Restricted Share Units (RSUs)

Effective as of January 1, 2024, a new equity-based incentive plan in the form of RSUs was introduced. Upon (re-)appointment, shares are awarded to members of the Supervisory Board in the form of RSUs, which are non-performance-based instruments.

Based on an appointment or re-appointment term of four (4) years, the number of RSUs to be granted to Supervisory Board members is:

1. A fixed grant of 55,000 shares upon (re-)appointment of the Chair of the Supervisory Board; and
2. A fixed grant of 20,000 shares upon (re-)appointment of other members of the Supervisory Board.

Vesting of RSUs takes place on an annual pro-rata basis during a period of four years as of the date of the grant, therefore fully vesting on the fourth anniversary following the date of the grant.

If the membership of a member of the Supervisory Board is terminated / ends prior to the date of vesting, the number of shares will be decreased depending on the Supervisory Board member's end date, on an annual pro-rata basis during the period of four years. Settlement of RSUs takes place in ordinary shares.

A lock-up period of one year applies from the date that the shares have fully vested. Members of the Supervisory Board are not entitled to any dividend equivalents during the period that the RSUs have not vested.

Customary sell-to-cover and net settlement clauses apply, based on which the members of the Supervisory Board are entitled to dispose of shares / RSUs as soon as they have become unconditional, in deviation from the applicable holding period and other conditions, to meet applicable tax obligations.

Any awards to members of the Supervisory Board under the RSU plan are subject to customary leaver provisions, which are to be interpreted and applied by the Supervisory Board in its sole and absolute discretion.

With respect to compliance with and deviations from the Dutch Code, reference is made to page 67.

iii) Travel Expenses and Other Expenses

Supervisory Board members shall be reimbursed for all reasonable costs incurred in connection with their attendance of meetings. Travel costs will be reimbursed in line with Avantium's Travel Policy. Any other expenses shall only be reimbursed, either in whole or in part, if incurred with the prior consent of the Chair. In addition, Supervisory Board members may be granted a fixed net cost allowance covering certain predefined out-of-pocket expenses.

Total Overview of Supervisory Board Remuneration 2024

(In €1,000)	Fixed remuneration		Variable remuneration				
	Membership	Committees	Other compensation[27]	Long-term award[28]	Total remuneration	% of fixed remuneration	% of variable remuneration
E. Moses	85	18	3	—	**106**	**97 %**	**3 %**
M.B.B. Jou	45	12	2	7	**66**	**86 %**	**14 %**
D. Van Meirvenne	45	6	2	—	**53**	**96 %**	**4 %**
M.G. Kleinsman	45	10	—	—	**55**	**100 %**	**— %**
P.S. Williams	45	6	—	—	**51**	**100 %**	**— %**
N. Björkman	45	18	5	4	**72**	**88 %**	**13 %**
Total – 2024	**310**	**70**	**12**	**11**	**403**	**94 %**	**6 %**

Detail on the Total Remuneration Received by Each Supervisory Board Member in 2024

(In €1,000)	2024	2023	2022	2021	2020	2019
E. Moses	106	98	123	121	133	3
M.G. Kleinsman	55	50	50	50	50	50
M.B.B. Jou	66	55	67	70	47	—
N. Björkman	72	60	57	—	—	—
D. Van Meirvenne	53	30	—	—	—	—
P.S. Williams	51	29	—	—	—	—
Total Supervisory Board members	**403**	**322**	**297**	**241**	**230**	**53**
Remuneration of former Supervisory Board members						
C.A. Arnold (member until March 31, 2022)	—	—	17	53	14	—
G.E. Schoolenberg (member until September 1, 2022)	—	—	25	44	13	—
D.J. Lucquin (member until September 30, 2020)	—	—	—	—	44	50
R.W. van Leen (member until December 31, 2019)	—	—	—	—	—	30
K. Verhaar (member until December 20, 2019)	—	—	—	—	—	90
G.E.A Reijnen (member until May 15, 2019)	—	—	—	—	—	21
J.S. Wolfson (member until May 15, 2019)	—	—	—	—	—	18
Total former Supervisory Board members	**—**	**—**	**42**	**97**	**71**	**209**
Total remuneration	**403**	**322**	**339**	**338**	**301**	**262**

[27] Other compensation includes expenditures related to travel.
[28] Long-term award includes the value of the ESOP plan and RSU plan. The value of the ESOP reward is calculated based on the number of share options that have vested during the year and the net of the share price at vesting date less the exercise price.

The total remuneration based on IFRS in 2024 for Edwin Moses amounted to €195,000 (2023: €156,000) due to the share-based payment expenses of €90,000 recognized during the year (2023: €65,000). The total remuneration based on IFRS in 2024 for Michelle Jou amounted to €76,000 (2023: €55,000) due to the share-based payment expenses of €16,000 recognized during the year (2023: €2,000). The total remuneration based on IFRS in 2024 for Nils Björkman amounted to €79,000 (2023: €80,000) due to the share-based payment expenses of €12,000 recognized during the year (2023: €21,000). The total remuneration based on IFRS in 2024 for Dirk Van Meirvenne amounted to €78,000 (2023: €51,000) due to the share-based payment expenses of €25,000 recognized during the year (2023: €21,000l). The total remuneration based on IFRS in 2024 for Peter Williams amounted to €76,000 (2023: €50,000) due to the share-based payment expenses of €25,000 recognized during the year (2023: €21,000).

Number of Options Supervisory Board

	The main conditions of share option plans				
	Specification of plan	Award date	Vesting date	Exercise period	Exercise price of the option in EUR
E. Moses	ESOP	May 10, 2023	May 10, 2026	8 years	2.87
M.B.B. Jou	ESOP	May 14, 2020	May 14, 2023	8 years	2.95
N. Björkman	ESOP	May 18, 2022	May 19, 2025	8 years	2.52
D. Van Meirvenne	ESOP	May 10, 2023	May 10, 2026	8 years	2.87
P.S. Williams	ESOP	May 10, 2023	May 10, 2026	8 years	2.87

	Information regarding the reported financial year									
	Specification of plan	Number of options outstanding January 1	Share options granted during the year	Share options exercised during the year	Share options forfeited during the year	Share options vested during the year	Value of share options vested during the year[29]	Value of share options exercised during the year[30]	Share options unvested as at December 31	Share options vested as at December 31
E. Moses	ESOP	85,000	—	—	—	28,333	—	—	37,778	47,222
M.B.B. Jou	ESOP	30,000	—	—	—	—	—	—	—	30,000
N. Björkman	ESOP	30,000	—	—	—	10,000	3,601	—	3,333	26,667
D. Van Meirvenne	ESOP	30,000	—	—	—	10,000	—	—	13,333	16,667
P.S. Williams	ESOP	30,000	—	—	—	10,000	—	—	13,333	16,667
Total Supervisory Board members		**205,000**	**—**	**—**	**—**	**58,333**	**3,601**	**—**	**67,778**	**137,222**

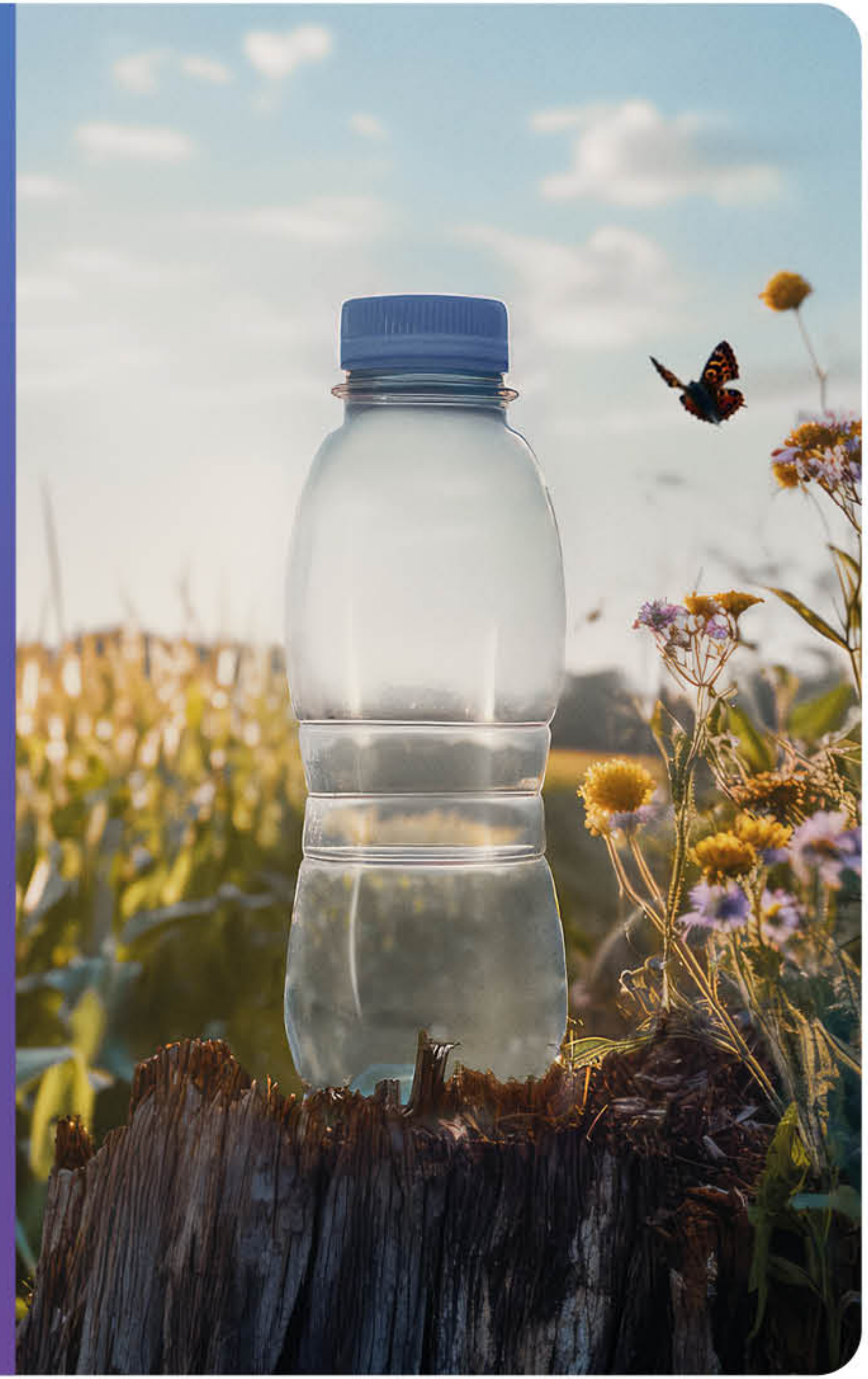
	The main conditions of share option plans			Information regarding the reported financial year						
Management Board member	Specification of plan	Award date	Vesting date	Number of vested shares as at January 1	Number of vested shares outstanding as at January 1	Share options granted during the year	Share options forfeited during the year	Share options vested during the year	Shares vested as at December 31	Number of unvested shares as at December 31
M.B.B. Jou	RSU	5/15/2024	5/14/2028	—	—	20,000	—	—	—	20,000
Total Management Board members						**20,000**	**—**	**—**	**—**	**20,000**

Until January 1, 2024, when the new Supervisory Board Remuneration Policy took effect, share options under the ESOP were awarded to Supervisory Board members upon (re-)appointment. Each member received €30,000 Options, while the Chair received €85,000 Options. Members could choose to decline the award.
Margret Kleinsman chose not to receive the Options award. With respect to compliance with and deviations from the Dutch Code, reference is made to page 67.

At the AGM held on May 15, 2024 the shareholders approved the decrease of the exercise price of the Options granted under the ESOP by 17.9% to compensate for the value reduction from not receiving claim rights for share options and being unable to exercise or sell them, following the €70 million capital raise, including through a rights issue in February 2024, which resulted in the dilution of ESOP participants' rights. There is no change in the vesting period.

[29] The value of share options vested during the year is expressed in EUR and is determined by the share price at vesting date less the exercise price.
[30] The value of share options exercised during the year is expressed in EUR and is determined by the share price at exercise date less the exercise price.

Financial Statements



Consolidated Financial Statements 2024

Consolidated Statement of Financial Position

As at December 31

in Euro x 1,000	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	234,971	164,121
Intangible assets	6	3,271	2,323
Right-of-use assets	7	7,820	7,778
Investments in joint ventures and associates		—	—
Other non-current assets	9	189	—
Total non-current assets		**246,251**	**174,222**
Current assets			
Inventories	8	1,317	1,368
Trade and other receivables	9	14,244	12,390
Cash and cash equivalents	10	23,898	35,216
Asset held for sale	11	2,916	5,291
Total current assets		**42,375**	**54,265**
Total assets		**288,626**	**228,487**
EQUITY			
Equity attributable to owners of the parent			
Ordinary shares	12	8,611	4,321
Share premium		341,761	271,006
Other reserves	12	8,392	6,924
Accumulated losses		(262,910)	(236,078)
Total equity attributable to the owners of the parent		**95,854**	**46,173**
Non-controlling interest	13	1,931	7,690
Total equity		**97,785**	**53,863**

in Euro x 1,000	Notes	2024	2023
LIABILITIES			
Non-current liabilities			
Borrowings	17	7,523	86,602
Financial liability	20	—	13,609
Shareholder loan	18	—	12,603
Other Non-Current liabilities	21	859	—
Non-Current Prepayment Liabilities	16	600	—
Lease liabilities	7	7,708	7,501
Provisions for other liabilities and charges	19	3,022	1,581
Total non-current liabilities		**19,712**	**121,896**
Current liabilities			
Borrowings	17	110,511	—
Financial liability	20	7,593	—
Shareholder loan	18	13,436	—
Lease liabilities	7	2,409	2,115
Trade and other payables	16	37,020	48,625
Provisions for other liabilities and charges	19	123	323
Liabilities associated with asset held for sale	11	37	1,665
Total current liabilities		**171,129**	**52,728**
Total liabilities		**190,841**	**174,624**
Total equity and liabilities		**288,626**	**228,487**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Profit or Loss and Comprehensive Income

For the financial year ended December 31

in Euro x 1,000	Notes	2024	2023
Revenues	22	21,036	19,700
Other income	23	4,596	5,789
Total revenues and other income		**25,632**	**25,489**
Operating expenses			
Raw materials and contract costs	25	(4,669)	(4,177)
Employee benefit expenses	24; 25; 26	(35,890)	(31,515)
Office and housing expenses	25	(3,981)	(3,336)
Patent, license, legal and advisory expenses	25	(5,903)	(4,979)
Laboratory expenses	25	(4,232)	(4,329)
Advertising and representation expenses	25	(1,826)	(1,983)
Other operating expenses	25	(2,411)	(2,628)
Net operating expenses		**(58,912)**	**(52,947)**
EBITDA[31]		(33,280)	(27,458)
Depreciation, amortization and impairment charge	25	(5,230)	(7,396)
Operating loss		**(38,510)**	**(34,854)**
Finance income	27	1,475	1,194
Finance costs	27	(2,946)	(973)
Fair value remeasurement	20	7,354	483
Loss before income tax		**(32,627)**	**(34,150)**
Income tax expense	28	—	—
Loss for the period		**(32,627)**	**(34,150)**
Other comprehensive income		—	—
Total comprehensive loss for the year		**(32,627)**	**(34,150)**

in Euro x 1,000	Notes	2024	2023
Loss attributable to:			
Owners of the parent		(26,868)	(31,402)
Owners of Non-controlling interest		(5,759)	(2,748)
		(32,627)	**(34,150)**
Total comprehensive loss attributable to:			
Owners of the parent		(26,868)	(31,402)
Owners of Non-controlling interest		(5,759)	(2,748)
		(32,627)	**(34,150)**

in Euro	Note	2024	2023
Loss per share attributable to the ordinary equity holders of the company			
Basic earnings per share	15	(0.36)	(0.73)
Diluted earnings per share	15	(0.36)	(0.73)

The accompanying notes are an integral part of these consolidated financial statements.

[31] EBITDA is an important measurement of the Company's financial performance before taking the cost of capital, depreciation and taxes into consideration. EBITDA margins provide a view of operational efficiency and enable a more accurate and relevant comparison between peer companies. In presenting and discussing Avantium's financial position, operating results and cash flows, Avantium (like many other publicly listed companies) uses certain Alternative performance measures (APMs) not defined by IFRS'. These APMs are used because they are an important measure of Avantium's business development and Avantium's management performance. Please see Alternative performance measures as included under Financial performance 2024

Consolidated Statement of Changes in Equity

For the year ended December 31

in Euro x 1,000	Ordinary shares	Share premium	Other reserves	Accumulated losses	Non-controlling interest	Total Equity
Balance at January 1, 2023	**4,261**	**270,829**	**12,785**	**(205,291)**	**10,437**	**93,021**
Loss for the year	—	—	—	(31,402)	(2,748)	(34,150)
Total Comprehensive expense for the year	**—**	**—**	**—**	**(31,402)**	**(2,748)**	**(34,150)**
Transactions with owners						
■ Employee share schemes - value of Employee services	—	—	933	—	—	933
■ Employee share schemes - LTIP investment shares granted	—	—	174	—	—	174
■ Informal capital distribution - shareholder loan	—	—	(5,879)	—	—	(5,879)
■ Share-based payment - purchase of intangible asset	—	—	(473)	—	—	(473)
■ Transfer value share scheme to accumulated losses	—	—	(615)	615	—	—
■ Issue of ordinary shares from share option plan	60	176	—	—	—	237
Total transactions with owners	**60**	**176**	**(5,861)**	**616**	**—**	**(5,008)**
Disposal of subsidiary	**—**	**—**	**—**	**—**	**—**	**—**
Balance at December 31, 2023	**4,321**	**271,006**	**6,924**	**(236,078)**	**7,690**	**53,863**
Balance at January 1, 2024	**4,321**	**271,006**	**6,924**	**(236,078)**	**7,690**	**53,863**
Loss for the year	—	—	—	(26,868)	(5,759)	(32,627)
Total Comprehensive expense for the year	**—**	**—**	**—**	**(26,868)**	**(5,759)**	**(32,627)**
Transactions with owners						
■ Share based payments	—	—	1,512	—	—	1,512
■ Issue of ordinary shares due to capital raise	4,284	70,755	—	—	—	75,039
■ Transfer value share scheme to accumulated losses	—	—	(38)	38	—	—
■ Issue of ordinary shares from share option plan	6	—	(6)	—	—	—
Total transactions with owners	**4,290**	**70,755**	**1,468**	**38**	**—**	**76,551**
Balance at December 31, 2024	**8,611**	**341,761**	**8,392**	**(262,910)**	**1,931**	**97,785**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended December 31

in Euro x 1,000	Notes	2024	2023
Cash flows from operating activities			
Loss for the year		(32,627)	(34,150)
Adjustments for:			
■ Depreciation of property, plant and equipment	5	2,395	4,859
■ Amortization	6	230	91
■ Depreciation of right of use assets	7	2,578	2,447
■ Share-based payment	14	1,454	933
■ Finance income/(costs) - net	27	1,471	(221)
■ Fair value remeasurement	20	(7,354)	(483)
■ Impairment of property, plant and equipment	5	27	—
Changes in working capital (excluding exchange differences on consolidation):			
■ Decrease in inventories	8	51	199
■ Increase in trade and other receivables	9	(1,258)	(5,543)
■ (Decrease)/Increase in trade and other payables	16	(4,447)	13,635
■ Increase in provisions	19	3	87
		(37,476)	(18,146)
Interest received on current accounts	27	1,475	1,194
Net cash used in operating activities		(36,001)	(16,952)
Cash flows from investing activities			
Purchases of property, plant and equipment (PPE)	5	(58,325)	(89,320)
Purchases of intangible assets	6	(310)	(449)
Net cash used in investing activities		(58,635)	(89,769)
Cash flows from financing activities			
Proceeds from convertible loan	17	5,000	—
Net proceeds from Capital raise	12	75,039	—
Net proceeds of option exercises		—	237
Proceeds from borrowings	17	14,775	77,500
Proceeds from shareholder loan	18	—	6,683
Interest paid[32]		(9,060)	(5,316)
Principal elements of lease payments	7	(2,394)	(2,035)
Net cash generated from financing activities		83,360	77,068
Net decrease in cash and cash equivalents		(11,277)	(29,652)
Cash and cash equivalents at beginning of the year	10	35,216	64,870
Effect of exchange rate changes	27	(41)	(2)
Cash and cash equivalents at end of financial year	10	23,898	35,216

The accompanying notes are an integral part of these consolidated financial statements.

[32]Interest paid consist of the following: Interest paid on borrowings €7.7 million (2023 :€3.4 million) (refer to note 17); interest paid on leases €0.5 million (2023: €0.3 million); commitment fees €0.2 million (2023: €0.8 million) and other interest on bank accounts and charges €0.7 million (2023: €0.8 million)

Main Notes to the Consolidated Financial Statements

1. General Information

Avantium N.V. ('the Company') is a company incorporated and domiciled in the Netherlands, with its statutory seat at Zekeringstraat 29-31, 1014 BV in Amsterdam. The Company is listed on Euronext Amsterdam and Brussels.

The consolidated financial statements of the Company for the year ended December 31, 2024 comprise the Company and its subsidiaries (together referred to as 'the group'). The Company is also the ultimate parent of the group.

The Company is primarily involved in developing and commercializing next generation bio-based plastics and chemicals based on our unique technological capabilities in advanced catalysis research & development. Avantium also provides R&D solutions in the field of sustainable chemistry and is the leading provider of advanced catalyst testing technology and services to accelerate catalyst R&D.

These consolidated financial statements were approved for issue by both the Supervisory Board and the Management Board on March 18, 2025.

2. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of Preparation

The consolidated financial statements of Avantium N.V. have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union. The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated.

2.1.1 Going Concern

The financial statements have been prepared on a going concern basis.

As Avantium continues to transition from a company focused on technology development to an operational company, the focus is on the start-up of the FDCA Flagship Plant, with significant cash continuing to be committed to capital expenditure over the period ended on December 31, 2024 of €58.6 million (December 31 2023: €89.8 million), and cash used in operating activities increased as expected over the period ended on December 31, 2024 to €37.4 million (December 31, 2023: €18.8 million). During this transition, Avantium will continue to depend on external sources of funding. Fundamental to Avantium's continuity are:

- The successful start-up of the FDCA Flagship Plant for Avantium Renewable Polymers and achieving the Commercial Operations Date;
- The sale of technology licenses based on the proven technology following the achievement of the Commercial Operations Date of the FDCA Flagship Plant
- Refinancing or extension of the Debt Financing Facilities (plus accrued and capitalized interest) before March 31, 2026; and
- Additional funding for the start-up and ramp-up of production from the FDCA Flagship Plant and for Avantium Renewable Polymers, as well as for all support activities and the further development of Avantium's other technologies.

Avantium completed the construction of its FDCA Flagship Plant in Delfzijl (the Netherlands) in October 2024. After the official opening of the FDCA Flagship Plant, the construction team handed over the site to the Avantium operations team, where testing and commissioning activities were already ongoing to prepare the FDCA Flagship Plant for a safe start-up. During the start-up phase, unforeseen events could occur that might lead to additional costs and/or a longer period for the achievement of Commercial Operations Date. Any delay in achieving the Commercial Operations Date may have a significant impact on the ability of the Company to generate revenues from the sale of FDCA and PEF and related cash flow.

Following the start-up of the FDCA Flagship Plant, a fundamental driver of the long-term funding of the Company will be the successful sale of technology licenses for Avantium's YXY® Technology, which will enable the large-scale production of FDCA and PEF. Without a timely and successful start-up of the FDCA Flagship Plant, Avantium may not be successful in selling sufficient technology licenses, within the anticipated timelines, to secure the necessary liquidity for the Company. As a result, any delays or deviations in relation to the sale of technology licenses, and their related income, will have a significant impact on the ability of the Company to generate cash flow in the future.

The debt financing of €105 million (excluding capitalized and accrued interest) provided under the Debt Financing Facilities agreement with ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and Invest-NL had a final maturity date of March 31, 2025. On this date, the full principal amount was to be repaid, including all accrued interest of approximately €10 million. Under the terms of the Debt Financing Facilities agreement, Avantium has the opportunity to request two extension options of up to one year each, which are subject to approval by the banks. The Company has been in ongoing discussions with the lenders and, on December 5, 2024, obtained commitments from its lenders to extend the Debt Financing Facilities agreement until March 31, 2026, as well as to a further extension to March 31, 2027, subject to meeting certain conditions. The €2.5 million loan provided by Fonds Nieuwe Doen must be repaid in February 2026.

If Avantium is unable to refinance or meet the conditions for the further extension of its Debt Financing Facilities for the FDCA Flagship Plant, for which repayment is now due on March 31, 2026, following the extension agreed upon on March 18, 2025, Avantium will require additional funding or cash resources to provide sufficient working capital for at least 15 months as of the date of these financial statements for the period ended December 31, 2024. Failure to achieve new funding in a timely fashion may result in Avantium being unable to fulfil its obligations or to fund working capital, all of which are necessary to execute the Company's strategy, retain contract partners, retain key employees and meet its payment obligations; thereby bringing the Company's going concern at risk.

Avantium's consolidated cash position was €23 million as of December 31, 2024. These funds will be required to fund the start-up of the FDCA Flagship Plant and the ongoing operating costs of Avantium Renewable Polymers, as well as the remaining business and support activities of Avantium. Despite having successfully secured an additional €46 million funding package in December 2024, which includes a €20.1 million increase of the existing Debt Financing Facilities, dependent on certain conditions precedent, it is management’s expectation that there is currently not sufficient committed cash to fund the start-up and ramp-up of the FDCA Flagship Plant and the ongoing operations for a period of at least 15 months as of the date of these financial statements for the period ended December 31, 2024. If Avantium is not able to meet the required conditions to draw down the €20.1 million from the lenders, or when there is a significant delay in obtaining these funds, this will have an impact on the ability of the Company to continue as a going concern.

These events indicate the existence of a material uncertainty that may cast significant doubt on Avantium’s ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. In light of the above, management has taken the following measures to address the material uncertainties:

Commercial Operations Date

The successful start-up of the FDCA Flagship Plant and subsequently achieving the Commercial Operations Date are key milestones for the Company. Once commercial operations have commenced, Avantium Renewable Polymers will be producing FDCA from the FDCA Flagship Plant that can be converted to PEF and delivered to its customers under the agreements already in place. This will result in the Company starting to generate revenues from the FDCA Flagship Plant. The start-up of the FDCA Flagship Plant is an essential part of the strategy of the Company to successfully license the YXY® Technology and is expected to result in future profitability and cash flow. In order to manage the start-up of the FDCA Flagship Plant and to achieve the Commercial Operations Date, the Company has a detailed start-up plan whereby the safe start-up of the FDCA Flagship Plant is the key priority. As part of this plan, the Company anticipates producing the first FDCA in the coming months as it progresses with the staged start-up of the plant.

License Revenue

In addition to the revenues and cash flow from the sale of FDCA from the FDCA Flagship Plant production and the subsequent sale of PEF the Company is dependent on the sale of technology licenses (based on the proven technology following the start-up of the FDCA Flagship Plant) in order to become profitable and cash flow positive. The Company has developed a licensing strategy, and is building a pipeline of potential licensees. The Company has expanded its commercial team to help secure technology licenses as well as capacity reservations for future licensed plants. The licensing strategy includes expectations of certain upfront payments, and the timing of these payments remains unpredictable and dependent on factors that are not in the control of Avantium.

Refinancing or Extension

On December 5, 2024, the lenders under the Debt Financing Facilities, ABN AMRO Bank, ASN Bank, ING Bank, Rabobank, and Invest-NL, committed to extend the maturity date of the Debt Financing Facilities by one year to March 31, 2026, with an additional one year extension to March 31, 2027 , subject to meeting certain conditions prior to March 31, 2026. On March 18, 2025, Avantium and the lenders executed the final documentation reflecting this extension. The Company continues to explore the possibility of refinancing the existing Debt Financing Facilities, and continues to work on meeting the conditions for the additional one year debt extension to March 31, 2027.

Additional Funding

On December 5, 2024, Avantium announced a further €46 million in additional funding including €11 million in gross proceeds from an accelerated bookbuild equity offering, a €5 million convertible loan from Pieter Kooi, an intention to provide up to €10 million subordinated loan from the Province of Groningen, and an additional €20.1 million commitment from the existing lenders under the €105 million Debt Financing Facilities (excluding accrued and capitalized interest). Furthermore, in the first quarter of 2025, minority shareholder Worley provided a €3.1 million subordinated shareholder loan to Avantium Renewable Polymers B.V. On March 18, 2025, Avantium and the Province of Groningen executed the documentation reflecting the €9.9 million subordinated loan. This loan from the Province of Groningen will become available in two tranches in in the first and second quarter of 2025, contingent on the parties meeting certain conditions, including as per a Memorandum of Understanding exploring steps towards Avantium's further future commitment to the Groningen region. The additional €20.1 million commitment from the existing lenders is expected to become available in the fourth quarter of 2025 upon meeting certain conditions, including those related to the production of FDCA from the FDCA Flagship Plant and raising additional equity funding by issuing new ordinary shares in the Company. The Company continues to explore various forms of additional financing including raising new equity, additional debt instruments, subsidies, as well as investigating strategic alternatives for its various business activities.

In light of all of the above, management has assessed the going concern assumption, which is the basis on which Avantium's consolidated financial statements for the period ended on December 31, 2024 have been prepared.

Based on management's analyses and assessments, although a material uncertainty remains for the Company's going concern, management believes that it is appropriate to prepare Avantium's consolidated financial statements for the period ended December 31, 2024 using the going concern assumption.

2.1.2 Changes in Accounting Policy and Disclosures

New Standards, Amendments and Interpretations Adopted
The following amendments apply for annual reporting periods beginning on or after January 1, 2024:

- IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements, now require both qualitative and quantitative disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.
- IFRS 16 - Lease: Lease liability in a Sale and Leaseback, includes requirements for sale and leaseback transactions to explain how a seller-lessee accounts for a sale and leaseback after the date of the transaction.

The amendments to IAS7, IFRS 7 and IFRS 16 had no effect on the consolidated financial statements for the year ended December 31, 2024.

The amendments to - and new requirements in - IAS 1 - Presentation of Financial Statements, as it relates to the classification of liabilities as current or non-current, are effective for annual reporting periods beginning on or after January 1, 2024. The amendments to IAS 1 clarify how covenants with which an entity must comply within 12 months after the reporting date might affect the classification of a liability as current versus non-current. These amendments also aim to improve disclosures an entity provides in relation to liabilities subject to these covenants and conditions. The Debt Financing Facilities has a maturity date of March 31, 2025 and has therefore been classified as current at year end December 31, 2024. Given the fact that all liabilities which are subject to covenants have been classified as current the amendments to IAS 1 does not have any implications for the classification and disclosure of liabilities at year end 2024. Refer to note 17.

New Standards, Amendments and Interpretations not yet adopted
A number of new standards and amendments to standards and interpretations have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions, with the exception of IFRS 18, Presentation and Disclosure in Financial Statements. This new standard will impact the Company's presentation in the income statement and disclosures around management performance measures. It is expected to become effective for annual reporting periods beginning on or after January 1, 2027, at which point the Company plans to apply the standard, subject to endorsement by the EU. The Company has yet to determine the full impact of this new standard.

Changes in presentation
In order to ensure that information is presented in a relevant and reliable manner expense have been reclassified between between line items in the Consolidated Statement of Profit or Loss and Comprehensive Income (refer to note 25). As a result an amount of €4.2 million (2023: €2.9 million) has been reclassified from Employee benefit expenses to Raw materials and contract costs. Employee benefit expenses have increased from €31.7 million (2023:€28.6 million) to €35.9 million (2023:€31.5 million) and Raw materials and contract costs has decreased from €8.9 million (2023:€7.1 million) to €4.7 million (2023:€4.2 million).

Management has revised the presentation of cash flows related to interest expenses of €1.4 million (2023:€1.8 million) in the Consolidated Statement of Cash Flows. As a result of the reclassification the Net cash used in operating activities has decreased from -€37.4 million (2023:-€18.8 million) to -€36 million (2023:-€17 million) and Net cash generated from financing activities has decreased from €84.8 million (2023:€78.9 million) to €83.4 million (2023:€77.1 million)

.Prior period numbers have been restated accordingly.

2.2 Consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

They are de-consolidated from the date that control ceases.

The consolidated companies are listed below (indicating the consolidation percentage):
- Avantium Technologies B.V., Amsterdam (100%)
- Avantium Support B.V., Amsterdam (100%)
- Renewable Technologies B.V., Amsterdam (100%)
- Avantium Chemicals B.V., Amsterdam (100%)
- Avantium Knowledge Centre B.V., Amsterdam (100%)
- Furanix Technologies B.V., Amsterdam (100%)
- YXY Technologies B.V., Amsterdam (100%)
- Stichting Administratiekantoor Avantium, Amsterdam (100%)
- Stichting Stock Options Avantium, Amsterdam (100%)

- Feedstock Technologies B.V., Amsterdam (100%)
- Avantium Renewable Polymers B.V., Amsterdam (100%)
- Avantium RNP Flagship Plant B.V., Amsterdam (100%)
- Avantium Japan K.K., Tokyo (100%)
- Synvina C.V., Amsterdam (100%)

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the group's accounting policies.

2.2.2 Disposal of Subsidiaries

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.
In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in comprehensive other income are reclassified to profit or loss.

2.2.3 Non-Controlling interest

Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

2.2.4 Principles of Consolidation and Equity Accounting

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2.2.5 Segment Reporting

Operating segments are reported in a manner consistent with the business responsibilities and internal reporting.

The Management Board has appointed the Management Team which assesses the financial performance and position of the group, and makes strategic decisions. For the 2024 financial year the Management Team, consists of the Chief Executive Officer, the Chief Financial Officer, the Chief Technology Officer, the Chief Commercial Officer, the Group Legal Counsel, the Managing Director of Volta and the Managing Director of Avantium R&D Solutions.

2.3 Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euros, which is the Company's functional currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'.

Group Companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- Income and expenses for each statement of comprehensive income are translated at the average exchange rates.

- All resulting exchange differences are recognized as a separate component of other comprehensive income.

2.4 Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The use of estimates is or could be a significant factor affecting the reported carrying values of property, plant and equipment, intangibles, trade and other receivables and trade and other payables. Despite management's best efforts to accurately estimate such amounts, future results could materially differ from those estimates. Refer to note 4 for Critical Accounting Estimates and Judgements as applied in the preparation of the financial statements.

2.5 Property, Plant and Equipment

Property, plant and equipment comprise mainly of laboratory equipment, hardware and leasehold improvements. Leasehold improvements include machinery that is located in at the pilot plant sites and FDCA Flagship Plant. All property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition of the items and includes capitalization of decommissioning and restoration costs associated with provisions decommissioning and restoration costs (refer 2.19 Provisions). Where an item of property, plant and equipment has been obtained by exchange for a non-monetary asset, and the exchange lacks commercial substance, the acquired item is not measured at fair value, but at the carrying amount of the asset given up.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance charges are expensed in the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost of the assets to their residual values over their estimated useful lives as follows:

■ Leasehold improvements	5-20 years
■ Machinery, laboratory equipment and vehicles	5-10 years
■ Computer hardware	3-5 years
■ Office furniture and equipment	3-5 years

Management performed the yearly review of the useful life estimate and concluded the useful life of certain items of computer hardware should be increased to 5 years. The change in useful life will be applied prospectively and it is not expected to have a material impact on subsequent periods.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. Gains and losses are included in the Consolidated Statement of Profit or Loss and Comprehensive Income.

Property, plant and equipment under construction expenditures incurred for purchasing and constructing property, plant and equipment are initially recorded as 'under construction' until the asset is completed and ready for use. Upon the completion of the assets, the recognized costs are reclassified from 'under construction' to the relevant category of property, plant and equipment. Assets under construction are not depreciated and are measured at cost less any impairment losses.

2.6 Intangible Assets

Research and Development

Research expenditures are recognized as expenses as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the group are recognized as intangible assets when the following criteria are fulfilled:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale.
- Management intends to complete the intangible asset and use or sell it.
- There is an ability to use or sell the intangible asset.
- It can be demonstrated how the intangible asset will generate probable future economic benefits.
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available.
- The expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Amortization of development costs is included in depreciation, amortization and impairment charge in the statement of comprehensive income. All development costs arose from internal development. Intangible assets not ready for use are tested for impairment at least on an annual basis.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use on a straight-line basis over its estimated useful life of:

- Research and Development 5 years

Computer Software and Other Intangibles

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and use the specific software. These costs are amortized straight-line over their estimated useful lives of three years.

Costs associated with developing or maintaining computer software programs are recognized as expenses as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group, that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets.

Other intangibles consisting of an in-kind contribution of a shareholder for their software at the foundation of the group and compensation paid to a third party to exclusively use parts of their technology.

Amortization is calculated using the straight-line method over the estimated useful life of:

- Computer software and other intangibles 3 years

Intellectual Property

Intellectual property is stated at historical cost; less accumulated amortization and any accumulated impairment losses. Intellectual property is amortized over the period until the moment that-the technology on which the intellectual property is filed is ready to deploy commercially.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably

Amortization is calculated using the straight-line method to allocate their cost of the assets to their residual values over their estimated useful lives (average lifetime of patent portfolio) as follows:

- Intellectual property 5-20 years

License rights

Acquired licenses that grants the Company the right to use technologies not owned/developed by the Company are recorded on its consolidated balance sheet. The license rights are stated at historical cost, which will subsequently be lowered with accumulated amortization in the following years.

License rights contain variable royalty fee payment terms that are linked to production of the License Products once the FDCA Flagship Plant starts production. The fees will equal to $20 USD per metric ton of Licensed Products produced from the FDCA Flagship Plant. Variable royalty fee payments that depend on the volume of production of the Licensed Products will be recognized in profit or loss in the period in which the condition that triggers those payments.

Where an intangible asset is obtained in exchange for consideration payable on deferred credit terms, the asset will initially be recognized at its cost price equivalent, being the present value of the consideration payable over the credit term.

Where an intangible asset is obtained in exchange for variable consideration, such variable consideration is not included in the carrying amount of the asset at acquisition and no liability is recognized for the variable consideration. Subsequent payments of variable consideration is recognized in profit and loss as and when incurred.

Amortization is calculated using the straight-line method to allocate their cost of the assets to their residual values over their estimated useful lives (average lifetime of license rights) as follows:

- License rights 5-20 years

2.7 Impairment of Non-Financial Assets

Non-financial assets are reviewed for possible impairment whenever an impairment trigger is identified. Any events or changes in circumstances which could indicate that the carrying amount of the assets may not be recoverable are considered impairment triggers. If any such impairment triggers are identified, the assets' recoverable amount is estimated. The recoverable amount is determined to be the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognized in profit or loss. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Each reporting segment is considered a cash-generating unit. An annual assessment is performed on all cash-generating units to identify potential impairment triggers.

Non-financial assets, which are impaired, are tested periodically to determine whether the recoverable amount has increased and the impairment be (partially) reversed. Impairment losses on goodwill are not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversal of impairments is only permitted if, in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

2.8 Non-Current Assets (or Disposal Groups) Held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

2.9 Financial Assets

2.9.1 Classification

The group classifies its financial assets in assets to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition. The group classifies its financial assets as assets held for collection of contractual cash flows.

2.9.2 Recognition and Measurement

Regular purchases and sales of financial assets are recognized on the trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets expire or if the Company transfers the financial asset to another party and does not retain control or substantially all risks and rewards of the asset. Financial liabilities are derecognized when the Company's obligations specified in the contract expire or are discharged or cancelled. Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the statement of comprehensive income and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of comprehensive income.

2.10 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.11 Impairment of Financial Assets

Assets Carried at Amortized Cost

Impairment provisions for trade receivables are recognized based on the simplified approach within IFRS 9 to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated statement of comprehensive income.

2.12 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of raw materials, finished goods and work in progress comprises all purchase costs including charges incurred to bring inventories to their current location and into their current state. It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade Receivables

Trade receivables are amounts due from customers for products sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Refer to note 2.11 for further information about the group's impairment policy on financial assets.

2.14 Cash and Cash Equivalents

In the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.
In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Restricted Cash

The restricted cash includes cash deposits, which is measured at an amount equal to the current outstanding bank guarantees issued to third parties and/or cash deposits held in designated accounts for an equity reserve as agreed with lenders. The restricted cash is not available for use by the Company to meet the short-term cash obligations. In the consolidated statement of financial position the restricted cash is shown within cash and cash equivalents as current assets.

2.15 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury Shares

Where any group company or liquidity provider appointed by the group, purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.
No gain or loss is recognized in the statement of comprehensive income on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

2.16 Trade and Other Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.17 Current and Deferred Income Tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Employee Benefits

Pension Obligations

The group operates a defined contribution pension plan for all employees funded through payments to an insurance company. The group has no legal or constructive obligations to pay further contributions if the plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-Based Payments
The group operates a share-based compensation plans for its employees, which consist of an Employee Stock Option Plan (ESOP), and a Long-term Incentive Plan (LTIP), also refer to note 14. These plans are classified as an equity-settled share-based payment plans. During the year 2024, the group has introduced a new Long-Term Incentive Plan (New LTIP), which grants Performance Share Units (PSUs) to members of the Management Board and a new equity-based incentive plan in the Restricted Share Units (RSUs) to Supervisory Board members. These PSUs and RSUs are settled in ordinary shares upon vesting, through the issuance of new shares. Share options granted to employees are measured at the fair value of the equity instruments granted under the indirect method of measurement. Fair value is determined through the use of an option-pricing model considering, amongst others, the following variables:

a) The exercise price of the option
b) The expected life of the option
c) The current value of the underlying shares
d) The expected volatility of the share price
e) The dividends expected on the shares
f) The risk-free interest rate for the life of the option

For the Company's share option plan, management's judgment is that the Black-Scholes valuation model is most appropriate for determining fair values as this model allows accounting for non-transferability and early exercise. Since the Company became listed in March 2017, there is published share price information available to determine the fair value of its shares and the expected volatility of that value. These assumptions and estimates are further discussed in note 14 to the consolidated financial statements. The result of the share option valuations and the related compensation expense is dependent on the model and input parameters used.

For the equity-settled Avantium ESOP, RSUs and PSUs, the fair value of the grant is determined at the grant date. For the LTIP, the fair value is determined by the share price of the award at the grant date.

The fair value of the employee services received in exchange for the grant of the awards is recognized as an expense. For share-based payments that do not vest until the employees have completed a specified period of service, the group recognizes the cost of services received as the employees render service during that period.

At each balance sheet date, the Company revises its estimates of the number of awards that are expected to become exercisable. It recognizes the impact of the revision of original estimates, if any, in the Statement of Comprehensive Income and a corresponding adjustment to equity.

The proceeds received from exercised options net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium. While PSUs are settled in ordinary shares upon vesting, hence the reserve attributable to the allocated shares is transferred to share capital and share premium.

Profit-sharing and Bonus Plans
The group recognizes a liability and an expense for bonuses and profit-sharing where contractually obliged or where there is a past practice that has created a constructive obligation.

Termination Benefits
Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognizes termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2.19 Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

A provision for restructuring is recognized after the group has approved a detailed and formal restructuring plan and the restructuring has either commenced or been announced publicly.

The group provides for the estimated cost of product warranties that do not represent a separate performance obligation under contracts with customers at the time revenue is recognized and the group has a constructive obligation. The warranty provision is established based on the group's best estimates of the amounts necessary to settle future and existing claims on products sold as of the balance sheet date.

A provision for decommissioning and restoration costs is recognized (together with a corresponding amount as part of the related property, plant and equipment) for legal or constructive obligations to dismantle an item of property, plant and equipment and to restore the site on which it is located. Provisions for decommissioning and restoration costs are measured on the basis of the current requirements, technology and price levels; the present value is calculated using amounts discounted over the useful economic life of the assets. The effects of changes resulting from revisions to the timing or the amount of the original estimate of the provision are reflected on a prospective basis, generally by adjustment to the carrying amount of the related property, plant and equipment.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.20 Revenue Recognition

Revenue from contracts with customer is recognized in accordance with the five step process outlined in IFRS 15. For all contracts that fall within the scope of 'IFRS 15 Contracts with Customers' Avantium recognizes revenue at the transaction price to which it expects to be entitled.

The transaction price is generally stipulated in the contracts and are typically determined based on the contractual terms. For contracts that contain separate performance obligations, the transaction price is allocated to those separate performance obligations by reference to their relative stand-alone selling prices.

Revenue is recognized by Avantium as and when the group satisfies a performance obligation by transferring control over a promised good or service to a customer. Control can transfer to a customer either “at a point in time” or “over time”. Revenue is shown net of value-added tax, returns, rebates, and discounts, and after eliminating sales within the group. As the group does not extend credit terms to customers exceeding 12 months, it applies the practical expedient in IFRS 15 regarding significant financing components.

Where incremental costs of obtaining a contract with a customer are incurred, an asset shall be recognized for these costs if it is expected that these costs shall be recovered. Such costs will be recognized directly within profit and loss in the case that no expectation to recover such costs exists.

Discounts or credits provided to customers are considered consideration payable to a customer for goods/services which are not distinct and therefore are deducted from the transaction price in determining the amount of revenue to be recognized.

Main Revenue Streams

- Work in Progress Projects
- Services
- Sale of Goods
- Sale of Licenses

The information provided below reflects additional details over the groups revenue streams.

Work in Progress Projects

The group specializes in engineering and constructing various mechanical systems for customers used in R&D, as well as providing contractual R&D services. Given the custom and individually engineered nature of these contracts, customers are consulted on the input of varying components and actively involved in directing the specifics of expected results. Therefore, at contract inception, it is determined that the group's performance does not create an asset with an alternative use outside of the contracted purpose.

As work over the project progresses, control is transferred to the customer incrementally based on the stage of completion. The stage of completion is measured by comparing the proportion of costs incurred to the total expected costs, ensuring that the costs incurred accurately reflect the progress made in transferring goods and services to the customer.

Services

Revenue from the provision of services, primarily servicing and maintenance activities, is recognized based on the stage of completion of the work performed. This method is used because the client receives the benefits from and has use of the services at the same rate as the work is performed.

There are two primary types of servicing and maintenance contracts, stand-ready agreements and maintenance work in progress projects. Where such services are provided as part of a larger contract, they are considered separate performance obligations.

- Stand-ready : Service level agreements for the provision of maintenance and support services within a specified timeframe. The stage of completion is determined by the percentage of the period within the stand-ready agreement that has been fulfilled, over the contracted period of time.
- Maintenance Work in Progress : Servicing and maintenance projects conducted over a period of time to the customers specifications. Refer to ‘Work in Progress Projects’ for more information on the determination of the stage of completion.

Sale of Goods

Avantium sells customized spare parts and research & development samples to its customers. Revenue from these sales is recognized at a point in time when control of the goods is transferred to the customer, and the entity has a present right to receive payment.

This transfer of control is measured using the commercial shipment terms specified within each contract, assessed on a contract-by-contract basis.

Sale of Licenses
Avantium issues licenses to its intellectual property in conjunction with design and engineering services. Generally, these licenses are not distinct from the associated services and are therefore accounted for as a single performance obligation. License contracts typically include a combination of fixed (including upfront non-refundable payments) and variable consideration. An estimate of variable consideration is included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue is generally recognized over time, as the company's performance does not create an asset with an alternative use and the company has an enforceable right to payment for performance completed to date. Management measures progress towards the performance obligation in a manner that most faithfully depicts the company's performance, typically using an input measure of costs incurred compared to total expected costs.

License contracts may also include additional elements such as usage/sale-based royalties, support services, and/or the sale of goods. Usage/sale-based royalties are considered variable consideration and recognized at the earlier of when the related performance obligation is satisfied or when the sales or usage occurs. Support services and the sale of goods are treated as separate performance obligations, as they are distinct promises that the customer can benefit from independently. Refer to the respective sections above, which describe the accounting treatment applied to these performance obligations.

Contract Balances
The timing of payment of consideration for the supply of goods and services to the customer is based on contractually agreed installment terms.

Contract assets are unbilled revenues, where the company has recognized revenue to date in line with satisfaction over performance obligations as detailed above. Contract assets are reported on the balance sheet under trade and other receivables and are reclassified to trade receivables when the contractually identified installment term is met.

Contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration or has recognized a receivable asset in line with the contractually identified installment term. These amounts are reported as contract liabilities on the balance sheet under trade and other payables. Contract liabilities are recognized as revenue as performance obligations are satisfied per detail above.

2.21 Grants

Grants and subsidies from third parties are recognized at their fair value when there is a reasonable assurance that the grant will be received, and the group will comply with all attached conditions. Any outstanding receivables related to these grants are recorded as other receivables under current receivables.

Advances received for grants related to income -are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate. Grants relating to costs are deducted from the relevant costs to be compensated in the same period.

Grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.
Subsidies are recognized as a reduction in Employee benefit expenses over time.

2.22 Leases

The group leases various offices and a vehicle. Short-term leases (less than 12 months) or low-value leases (less than EUR 5,000) are expensed through the statement of profit or loss as incurred. Lease contracts are generally entered into for fixed periods of 3 to 10 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security deposits in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Management considers extension options and the reasonable certainty with which such options might be exercised in determining the non-cancellable lease period over which the value of the lease liability and related right-of-use asset is to be calculated. Management reassesses extension options on an annual basis and revises the lease terms accordingly.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognized as right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease Liability
Lease liabilities are initially measured at the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments are based on an index or a rate;
- decommissioning costs; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-Use Assets
Right-of-use assets are initially measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received - any initial direct costs; and
- onerous contract provisions.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, if this is judged to be shorter than the lease term. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

If the lease transfers ownership of the underlying asset to Avantium by the end of the lease term or if the cost of the right-of-use asset reflects that Avantium will exercise a purchase option, the right-of-use asset is depreciate from the commencement date to the end of the useful life of the underlying asset.

2.23. Financial Liability

Financial liabilities are recognized when the group becomes a party to the contractual provision of a financial instrument. Financial liabilities are recognized when the group's obligations specified in the contract expire or are discharged or cancelled.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

2.23.1 Classification

The group classifies all financial liabilities as subsequently measured at amortized cost, except for derivatives. Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Warrants
The Company has issued warrants under financing arrangements. Under the terms of the respective contracts, such warrants are derivative financial instruments that will be settled by the Company in its own equity instruments. Where a warrant holder is entitled to anything other than a fixed amount of ordinary shares in exchange for a fixed amount of cash upon exercise, such warrants are classified as financial liabilities.

2.23.2 Recognition and Measurement

At initial recognition, financial liabilities are measured at fair value.

Subsequent to initial recognition, the group applies the effective interest method to financial liabilities measured at amortized cost. Any difference between the proceeds and redemption value is recognized in the income statement over the period of the loans and short-term borrowings.

Derivatives (including warrants) are subsequently measured at fair value through profit or loss-at each reporting date. Gains and losses resulting from the fair value remeasurement are recognized in the income statement as fair value gains(losses) on financial instruments.

2.23.3 Interest Income and Expense

Interest income and interest expense is recognized using the effective interest method. When a loan or receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognized using the original effective interest rate.

Interest income and interest expense is recognized in the income statement using the effective interest rate method, except if it is accounted for as borrowing cost. Refer to note 2.24.

2.24. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Borrowing costs include interest expenses calculated as based on the effective interest method as well as interest in respect of lease liabilities. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

The commencement date for capitalization is the date at which both expenditures for the qualifying asset and borrowing costs are incurred and the activities necessary to prepare the asset have been undertaken. The capitalization of borrowing costs will cease when substantially all activities necessary to prepare the qualifying asset for its intended use or sale ~~is~~ complete. An asset is normally ready for its intended use or sale when the physical construction of the asset is complete even though routine administrative work or minor modifications might still continue. Management applies judgement in determining whether any activities required post completion of physical construction constitutes administrative work or minor modifications based on the nature of these activities and the associated cost in proportion to total cost of acquisition, construction or production.

All interest payments relating to the loan are included in the Cash Flow Statement under Financing activities.

2.25. Earnings per Share

Basic Earnings per Share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- By the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares (note 15).

Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.26. Cash Flow Statement

The cash flow statement is presented using the indirect method. Cash flow in foreign currencies are converted at the exchange rate on the date of the cash flow, or based on the average rate.

A distinction is made in the cash flow statement between the cash flows from operating, investment and financing activities. Any interest paid (including interest on lease liabilities and interest capitalized as borrowing cost) during the financial year is presented as cash flows from financing activities.

2.27. Climate Risk

Management has disclosed climate related targets and progress made during the 2024 financial year in the Sustainability performance section of this report. Transformational risk related to the achievement of such climate related targets have been disclosed in the Governance section of this report.

3. Financial Risk Management

3.1 Financial Risk Factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk, credit risk and liquidity risk). The group's risk management program focuses on the unpredictable nature of financial markets and seeks to limit any potential adverse effects on financial performance.

Risk management is carried out by the central Finance & Accounting department (Group F&A) under policies approved by the Management Board. Group F&A identifies, evaluates and covers financial risks in close cooperation with the group's operating units. The board provides principles for overall risk management, as well as written policies covering specific areas such as foreign-exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

Financial instruments

Non-Current Financial assets as at December 31:

in Euro x 1,000	Notes	2024	2023
Other non-current assets	9	189	—

Non-Current Financial liabilities as at December 31:

in Euro x 1,000	Notes	2024	2023
Borrowings	17	7,523	86,602
Shareholder loan	18	—	12,603
Lease liabilities	7	7,708	8,326
Financial liability	20	—	13,609
Other Non-Current Liabilities	21	859	—
Non-current Pre-payment liabilities	16	600	—

Current Financial assets as at December 31:

in Euro x 1,000	Notes	2024	2023
Trade receivables	9	5,124	3,793
Prepayment	9	459	1,807
Other receivables	9	8,866	7,018
Cash and cash equivalents	10	23,898	35,216

Current Financial liabilities as at December 31:

in Euro x 1,000	Notes	2024	2023
Borrowings	17	110,511	—
Financial liability	20	7,593	—
Shareholder loan	18	13,436	—
Trade payables	16	14,767	12,133
Other liabilities	16	13,309	27,294
Lease liabilities	7	2,409	2,139

All financial assets and liabilities are classified as measured at amortized cost, except for the financial liability related to the warrants, which is classified as measured at fair value through profit or loss.

The carrying amounts of these financial assets and the current financial liabilities are assumed to approximate their fair values due to their short-term nature. Also refer to note 16 for an overview of trade and other payables. The carrying amount of the borrowings approximates their fair value since they carry a floating rate of interest. The financial liability related to the warrants which is carried at fair value.

Interest Rate Risk

The most significant interest rate risk for the Company relates to borrowings (refer to note 17).
As at December 31, 2024 the borrowings of the Company consisted of seven drawdowns on a three-year Debt Financing facility agreement amounting to €105.0 million (2023: €90.0 million). This Debt Financing facility agreement is based on EURIBOR. The accrued cash and PIK interest expense at December 31, 2024 amounted to €9.4 million (2023: €4.4 million).

Interest rate risk is the risk that changes in the market interest rates affect the fair value or cash flows of a financial instrument. If market interest rates had been 50 basis points higher on average during 2024, with all other variables held constant, net interest expenses for the year would have been €0.6 million higher (2023: €0.3 million). The opposite applies in the case of a 50 basis points decrease in the interest rates.

Currency Risk

The group operates internationally and is exposed to foreign exchange risk primarily in relation to the US dollar. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities. Management has set up a policy that requires group companies to manage their foreign exchange risk against their functional currency. The group companies are required to close commercial transactions in euros. Certain US-based customers negotiate US-dollar contracts. There are a limited number of these contracts, and the group companies can only close these with management's written approval. The group's operations are therefore not subject to significant foreign exchange rate risks. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

The group has outstanding trade receivables in US dollars of $0.1 million (2023: $0). The group had no trade receivables in another foreign currency. The group had outstanding trade payables in US dollars of $43,637.31 (2023: $88,000), in British pound of £0 (2023: £7,000) and in Japanese Yen of ¥2.4 million (2023: ¥0.6 million).

If at December 31, 2024, the euro had weakened by 10% against the US dollar with all other variables held constant, post-tax loss for the year would have been €0.01 million higher (2023: €0.01 million higher). The US dollar cash position as at December 31, 2024 is $0.01 million (2023: $0.01 million). The Japanese Yen cash position as at December 31, 2024 is ¥2.7 million (2023: ¥7.6 million). The group had no cash position in other foreign currencies.

Exchange rates :

Currency (from EUR):	Average rate for 2024 financial year	Closing rate as at December 31, 2024
CHF	0.95	0.94
CNY	7.84	7.59
GBP	0.85	0.83
JPY	163.74	162.69
NOK	11.52	11.79
USD	4.38	1.04

Credit Risk

Credit risk is managed on group basis. The group does have a significant concentration of credit risk. On December 31, 2024, the largest single client exposure consisted of 41% of the outstanding trade receivables, having received the amount in January 2025. The group's clients are subject to creditworthiness tests. Sales are subject to payment conditions varying between payments in advance and 30 days after invoice date. For certain projects, deviations to this rule may apply only after approval of group F&A, in which case additional security, including guarantees and documentary credits, may be required. Management does not expect any losses from non-performance by its clients nor from concentration of this risk.

In 2024, €0 (2023: €0.2 million) of trade or other receivables was written off; €2.0 million (2023: €1.8 million) was past due, of which 62% had been paid before January 31, 2025 (as at March 4, 2024: 88%).

The amount of trade and other receivables past due as at December 31, were as follows:

in Euro x 1,000	2024	2023
Less than 3 months past due	1,119	1,760
Between 3 and 6 months past due	812	79
More than 6 months past due	59	7
	1,990	**1,846**

The group determines any significant increase in credit risk since initial recognition in accordance with the aging profile of receivables (typically when a contractual payment is more than 30 days past due, which is also considered to be a default). Expected credit losses on trade receivables are recognized based on the simplified approach within IFRS 9, measuring expected credit losses based on the lifetime expected loss allowance for all trade receivables and contract assets. This is determined in accordance with the aging profile of receivables.

At year end 2024 management has applied the following rates the calculation of the Expected credit loss provision :

Aging bucket	2024
0 - 30 days post due	2%
31 - 90 days post due	9%
> 91 days post due	30%

Management monitors any extended default (instances where a debtor continues to not meet its payment obligations) and determines on an individual basis whether such receivables are considered credit-impaired. Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a customer to engage in a repayment plan with the group, and a failure to make contractual payment for a period of greater than 6 months past due. Management has recognized allowances for expected credit losses in the amount of €0.2 million (2023: €0.2 million) on the trade receivables as at December 31, 2024.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset mentioned above. The group does not hold any collateral as security. The long-term credit ratings of banks used by the group, as at December 31, 2024 at Moody's and S&P subsequently, are as follows. Group funds are held at Rabobank with a long-term credit rating of Aa2 and A+, ABN AMRO Bank with a long-term credit rating of between Aa3 and A, and at ING Bank with a long-term credit rating between A1 and A+.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity. The amounts disclosed in the table are the contractual cash flows for continuing operations. The specific time buckets are not mandated by the standard but are based on a choice of management. The tables includes only the principal cash flows:

As at December 31, 2024:

in Euro x 1,000	Less than 1 year	Between 1 and 2 years	Between 2 and 5 year	Over 5 years	Total
Borrowings	(114,384)	(2,500)	(5,998)	—	(122,882)
Shareholder loan	(13,877)	—	—	—	(13,877)
Interest payable	(2,124)	(10)	—	—	(2,134)
Lease liabilities	(2,893)	(3,234)	(4,476)	(1,196)	(11,799)
Financial liability	(7,593)	—	—	—	(7,593)
Trade payables	(14,767)	—	—	—	(14,767)
Other current liabilities	(13,309)	—	—	—	(13,309)
Other Non-Current Liabilities	(100)	(100)	(300)	(500)	(1,000)
	(169,047)	**(5,844)**	**(10,774)**	**(1,696)**	**(187,361)**

As at December 31, 2023:

in Euro x 1,000	Less than 1 year	Between 1 and 2 years	Between 2 and 5 year	Over 5 years	Total
Borrowings	—	(92,500)	—	—	(92,500)
Shareholder loan	—	(12,603)	—	—	(12,603)
Lease liabilities	(2,404)	(2,945)	(4,997)	(1,188)	(11,534)
Financial liability	(13,609)	—	—	—	(13,609)
Trade payables	(12,133)	—	—	—	(12,133)
Other current liabilities	(27,294)	—	—	—	(27,294)
	(55,440)	**(108,049)**	**(4,997)**	**(1,188)**	**(169,674)**

Fair value

The group applies the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: Valuation techniques whereby the lowest-level input as significant for valuation at fair value is directly or indirectly observable;
Level 3: Valuation techniques whereby the lowest level input as significant for valuation at fair value is not observable.
Changes in the fair value of the financial instruments measured at fair value are recognized in the Income Statement.

Trade and Other Receivables, Payables to Suppliers, Other liabilities due to expire within one year are included in the financial statements at amortized cost. The amortized cost is considered to be a reflection of fair value due to the short duration.

The fair value measurement for borrowings are categorized within level 3 of the fair value hierarchy. The fair value is determined based on the discounted cash flow method.

The financial liability (warrants) are categorized within level 2 of the fair value hierarchy as this is not a trading instrument.

3.2 Capital Management

The group's objective when managing capital is to safeguard its ability to continue as a going concern (also refer to 2.1.1) in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. To maintain or adjust the capital structure, the group monitors capital on the basis of its adjusted solvency ratio. This ratio is calculated as adjusted equity divided by the adjusted balance sheet total.

The adjusted equity is calculated as equity:

- Minus the intangible assets, participating interests and receivables from shareholders

The adjusted balance sheet total is calculated as total assets:

- Minus the intangible assets, participating interest, receivables from shareholders and shares held in the own Company

The adjusted solvency ratios as at December 31, were as follows:

in Euro x 1,000	2024	2023
Equity attributable to owners of the parent	95,854	46,173
Intangible assets	(3,271)	(2,323)
Adjusted equity total	**92,583**	**43,850**
Total assets	288,625	228,486
Intangible assets	(3,271)	(2,323)
Adjusted balance sheet total[1]	**285,354**	**226,163**
Adjusted solvency ratio	**32%**	**19%**

4. Critical Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Estimates and judgments are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Income Taxes

The group, which has a history of recent tax losses, recognizes deferred tax assets arising from unused tax losses or tax credits only to the extent that the relevant fiscal unity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the fiscal unity. Management's judgment is that there is not a high degree of certainty that sufficient profits will be earned to utilize the losses. Consequently, based on management's judgment, sufficient convincing other evidence is not available, and a deferred tax asset is therefore not recognized.

[1] In presenting and discussing Avantium's financial position, operating results and cash flows, Avantium (like many other publicly listed companies) uses certain Alternative performance measures (APMs) not defined by IFRS'. These APMs are used because they are an important measure of Avantium's business development and Avantium's management performance. Please see Alternative performance measures disclosure under the section Financial Performance in 2024.

Share-based Payments

Share options granted to employees are measured at the fair value of the options granted (indirect method of measurement). For the Company's share option plan, management's judgment is that the Black-Scholes valuation method is most appropriate for determining fair values. The assumptions and estimates used in the valuation are further discussed in note 14 to the consolidated financial statements.

The result of the share option valuations and the related compensation expense is dependent on the model and input parameters used. Even though management considers the fair values reasonable and defensible based on the methodologies applied and the information available, others might derive at a different fair value for the options granted under the Company's share option plan.

Research and Development Expenditures

The project stage forms the basis in the decision of whether costs made for the group's product development programs should be capitalized or not. Management judgment is required in determining when the group should start capitalizing development costs as intangible assets.

Management determined that for a system, commercial feasibility is, in general, probable when the group has built a successful prototype and has interested customers for the commercial product. Management determined that for product development, (note 2.6) commercial feasibility is, in general, probable when the group has successfully completed essential testing phases and are in a late stage of discussions with potential partners for commercialization opportunities.

Revenue Recognition

The group recognizes revenue over time or at point in time depending on the agreed contract performance obligations.

For Flowrence® systems and services contracts the group recognizes revenue over time as performance of the contract progresses. The performance on a contract relates to fixed-price contracts to construct tailor-made Flowrence® systems which the customers control and cannot be of alternative use to the Company. For the Flowrence® systems, the stage of completion is measured by reference to the total contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Value is delivered to customers up to each of these points. For services, in order to recognize revenue over time, the group is required to estimate the series of distinct services performed to date as a proportion of the total services to be performed, where also stage gates are present, and value is added up to that point. To define the recognized revenues, the group estimates the required total costs (Flowrence®) or man-hours (services) to complete each project. On a regular basis a review of the total costs or man-hours is performed.

The group recognized license revenue over time. The group measures its performance towards completion of the performance obligation based on an output measure of surveys of work performed compared to the overall project timeline. This measures is deemed to represent the pattern of transfer of control to the customer since the work performed is of a technical nature. The group assesses on an ongoing basis whether the estimated project timeline is still in line with expectations and will make adjustments should there be a delay or faster progression than initially estimated.

Going Concern

For the critical accounting judgment with regard to the going concern situation and assumption, see note 2.1.1.

Government Grants

The group accounts for income government grants over time .The group accounts for asset government grants by deducting the grant amount from the carrying value of the related asset. For grant programs, this requires the group to estimate the services/actions performed to date as a proportion of the total services or actions to be performed. For further considerations and assumptions with regard to the critical accounting estimate in relation to government grants, see note 2.21.

Impairment

Judgments and estimates are required, not only to determine whether there is an indication that an asset may be impaired, but also whether indications exist that impairment losses previously recognized may no longer exist or may have decreased (impairment reversal). After indications of impairment have been identified, judgments and estimates are also involved in the determination of the recoverable amount of a non-current asset. The recoverable amount is determined based on the higher of the fair value less cost to sell and the value-in-use. These involve estimates of expected future cash flows (based on future growth rates and remaining useful life) and residual value assumptions, as well as discount rates to calculate the present value of the future cash flows. For more information on managements key assumptions and estimates in relation to impairment assessments performed for the financial year, see note 5.

Ceasing of capitalization of borrowing costs and activation of flagship plant

In determining the date at which the FDCA Flagship Plant is to be activated and the capitalization of borrowing costs is to be ceased, management is required to identify the date on which the FDCA Flagship Plant is ready for intended use. As the process of preparing the plant for startup is dynamic in nature, determining the exact moment at which the plant would be ready for intended use requires both estimation and judgements to be made by management. Management has considered the possible implication of the completion of physical construction, performance testing and regulatory approval in estimating the date at which the plant is expected to be ready for intended use. Management has determined this to be the date of commercial operations of the plant, which is expected to occur in 2025. This is the date at which the plant is able to commence with commercial production of FDCA.

Notes to the Consolidated Statement of Financial Position

5. Property, Plant and Equipment

in Euro x 1,000	Leasehold improvements	Laboratory equipment	Hardware	Office furniture and equipment	Construction in progress	Total
At At January 1, 2023						
Cost	25,902	34,805	3,296	2,204	50,184	116,391
Accumulated depreciation	(19,183)	(31,112)	(3,054)	(2,138)	—	(55,486)
Net book amount	**6,719**	**3,693**	**242**	**66**	**50,184**	**60,906**
Year ended December 31, 2023						
Opening net book amount	6,719	3,693	242	66	50,184	60,906
Additions	208	557	135	—	98,476	99,376
Borrowing costs	—	—	—	—	11,587	11,587
Transfers	360	176	43	—	(578)	—
Depreciation charge	(2,960)	(1,789)	(90)	(20)	—	(4,859)
Reclassification to asset held for sale -cost	(8,930)	(914)	(50)	(12)	(163)	(10,068)
Reclassification to asset held for sale - accumulated depreciation	6,487	658	21	12	—	7,179
Closing net book amount	**1,885**	**2,382**	**301**	**47**	**159,506**	**164,121**
At At December 31, 2023						
Cost	17,540	34,624	3,424	2,192	159,506	217,286
Accumulated depreciation	(15,655)	(32,242)	(3,123)	(2,145)	—	(53,166)
Net book amount	**1,885**	**2,382**	**301**	**47**	**159,506**	**164,121**
Year ended December 31, 2024						
Opening net book amount	1,885	2,382	301	47	159,506	164,121
Additions	22	(10)	49	—	53,645	53,706 [2]
Borrowing costs	—	—	—	—	19,538	19,538 [3]
Transfers	123	2,297	10	—	(2,430)	—
Impairment charge	—	(26)	(1)	—	—	(27)
Depreciation charge	(536)	(1,739)	(105)	(15)	—	(2,395)
Reclassification from asset held for sale - book value	—	—	28	—	—	28
Closing net book amount	**1,494**	**2,904**	**282**	**32**	**230,259**	**234,971**
At December 31, 2024						
Cost	17,685	36,885	3,483	2,192	230,259	290,503
Accumulated depreciation	(16,191)	(33,981)	(3,201)	(2,160)	—	(55,532)
Net book amount	**1,494**	**2,904**	**282**	**32**	**230,259**	**234,971**

[2] In the Statement of Cash flows the additions paid in 2024 amounted to €58.3 million. To reconcile this to the additions above of €73.2 million (additions and borrowing cost) the following needs to be excluded: the additions reduction of €7.0 million invoice accruals, €1.2 million contribution in kind (see note 9 for detail on the prepayment), €1.1 million capitalized estimated decommissioning costs increase (see note 19), and non-cash borrowing cost as mentioned below of €12.0 million.
[3] The borrowing cost includes non-cash borrowing costs amounting to €12.0 million and cash borrowing cost paid of €7.6 million

The additions in property plant and equipment during 2024 predominantly related to investments made by the Avantium Renewable Polymers segment in the construction of the FDCA Flagship Plant. The Avantium R&D Solutions segment invested mainly in revenue-generating project machinery.

The borrowing cost capitalized includes the interest on leases of the FDCA Flagship Plant, Payment in Kind Interest, Cash interest and Effective interest on the Debt Financing facility, interest on the Fonds Nieuwe Doen Loan and the upfront fee. All of these borrowings are related specifically to the FDCA Flagship Plant. In 2024, an impairment of €0.03 million relating to assets (2023: €0 million) was recorded in R&D Solutions.

The property, plant and equipment of €235.0 million are pledged under the Debt Financing facility (refer to note 17).

Impairment Renewable Polymers

At the end of each reporting period Avantium assesses its property, plant and equipment for whether there are potential indicators for impairment. In October 2024 mechanical completion of the FDCA Flagship Plant was realized. By December 31, 2024 total cost was at € 230 million, which was €40 million higher than the previously communicated forecast that we provided in December 2023. Furthermore, the commissioning, testing, start-up phase and thereby the sale of commercial product of the plant will commence later than communicated in December 2023.

In line with the IAS 36 guidance, management has identified the following cash generating units (CGUs) for both internal and external reporting requirements:

- Renewable Polymers Group ("RNP")
- Renewable Chemistries ("RNC")
- R & D Solutions ("RDS")

To assess the need for an impairment, the carrying amount of a CGU is compared to the recoverable amount of the CGU. The recoverable amount of the CGU is based on the higher of the fair value less costs of disposal (FVLCD) and value in use (VIU) calculation. VIU is determined by discounting the future cash flows generated from the continuing use of the CGU using a pre-tax discount rate.

The carrying amount of the CGU includes the FDCA Flagship Plant, related leases, working capital and allocation of the relevant corporate assets amounting to a total of €213.3 million.

Following the start-up of the FDCA Flagship Plant, a fundamental driver of the long-term funding of the Group will be the successful sale of technology licenses for Avantium's YXY® technology that enables the large-scale production of FDCA and PEF. Without a timely and successful start-up of the FDCA Flagship Plant, Avantium may not be successful in selling sufficient technology licenses, in a timely fashion, to secure the necessary liquidity for the Company. As a result, any material delays or deviations in relation to the sale of technology licenses and their related income would have a significant negative impact on the Company's future cash flows and potentially its viability.

In view of the above and the FDCA Flagship Plant being the first of its kind and the vast majority of the sale of expected future licenses still needs to occur, management opted for a VIU calculation based on finite forecast period (i.e. without a terminal value). The VIU is prepared based on the 5 year forecast for the output of the Flagship plant, extrapolated to the end of the life of the Flagship plant in 2034 and the forecasted license income from the expected sale of licenses in the coming 6 years, extrapolated to the end date of these licenses (which is forecasted to be 2048). The potential sale of licenses after the 6 year forecast are not taken into consideration.

The key drivers in the model are the timing of the start of commercial product sales, license income expected to be generated through the sale of licenses and the Weighted Average Cost of Capital (WACC).

Key estimates and assumptions 2024	**2024**
Timing of the start of commercial product sales	H2 2025
License income expected to be generated through the sale of licenses	The license income from the licenses to be sold during the first 6 years and related future income
WACC	12%

Pre-tax WACC calculated from the model is 15.1%, while sales prices are not indexed and costs are expected to increase by 2% / year.

In 2024, no impairment was recognized in relation to the trigger based impairment test.

As part of the impairment test, sensitivity tests were performed to assess the impact in changes of the key assumptions:

- Sale of commercial product: in case of a 1 year delay there would be no need for impairment ;
- License income: a reduction in license income of 16.1% would result in the VIU to be at the same level as the carrying value;
- WACC: in case of a change of 3.0% (i.e. by use of a 15.0% post-tax WACC / 18.4% pre-tax WACC) the VIU would be at the same level as the carrying value

The recoverable amount of the CGU is significantly dependent on the success of the future licensing business and thereby any significant deviations and/or delays in the timing of the start of commercial product sales or the license income expected to be generated through the sale of licenses will have a material impact on this valuation.

6. Intangible Assets

(In Euro x 1,000)	Development costs	Software	Intellectual Property	License rights	Other	Total
At January 1, 2023						
Cost	2,159	7,450	433	1,326	987	12,355
Accumulated amortization and impairment	(2,159)	(7,234)	—	—	(987)	(10,380)
Net book amount	**—**	**216**	**433**	**1,326**	**—**	**1,974**
Year ended December 31, 2023						
Opening net book amount	—	216	433	1,326	—	1,974
Additions	—	298	—	—	151	449
Amortization charge	—	(91)	—	—	—	(91)
Reclassification to asset held for sale - cost	—	(33)	—	—	—	(33)
Reclassification to asset held for sale - accumulated depreciation	—	24	—	—	—	24
Closing net book amount	**—**	**413**	**433**	**1,326**	**151**	**2,323**
At December 31, 2023						
Cost	2,159	7,715	433	1,326	1,138	12,771
Accumulated amortization and impairment	(2,159)	(7,301)	—	—	(987)	(10,448)
Net book amount	**—**	**413**	**433**	**1,326**	**151**	**2,323**
Year ended December 31, 2024						
Opening net book amount	—	413	433	1,326	151	2,323
Additions	—	—	—	841	337	1,178 [4]
Amortization charge	—	(173)	—	(57)	—	(230)
Reclassification to asset held for sale - cost	—	—	—	—	—	—
Reclassification to asset held for sale - accumulated depreciation	—	—	—	—	—	—
Closing net book amount	**—**	**240**	**433**	**2,110**	**488**	**3,271**
At December 31, 2024						
Cost	2,159	7,715	433	2,167	1,475	13,948
Accumulated amortization and impairment	(2,159)	(7,475)	—	(57)	(987)	(10,678)
Net book amount	**—**	**240**	**433**	**2,110**	**488**	**3,271**

The additions to intangible assets during 2024 predominantly relates to the TNO License acquired by Avantium R&D Solutions (refer to note 21) and the development and implementation of a new ERP software package for the Company, project that had started in 2022. The Intellectual Property of €0.4 million is pledged under the Debt Financing facility (refer to note 17).

[4] In the Statement of Cash flows the additions paid in 2024 amounted to €0.3 million. The additions include €0.8 million non-cash addition relating to the TNO license(refer to note 21).

Development Costs

The development costs consist of the development and prototype expenses of the Flowrence® system and are all fully amortized.

Software and Other Intangibles

Software mainly comprises purchased general laboratory and office-related software.
Other intangibles are the in-kind contribution of a shareholder relating to software at the foundation of the group and compensation paid to a third party to exclusively use parts of their technology.

Intellectual Property

Following the Liquid Light acquisition in 2016, the Company records intellectual property (patent portfolio acquired) on its consolidated balance sheet, which will subsequently be lowered with accumulated amortization the following years, when the technology on which the intellectual property is filed, is ready to deploy commercially. As at December 31, 2024, the recoverable amount of the intellectual property exceeds the carrying amount.

Total of research expenditures recognized as an expense in the consolidated statement of comprehensive income amounted to €1.2 million (2023: €1.7 million) and mainly constitute of early stage research trials.

License Rights

The license rights consists of the licenses acquired for technologies not owned or developed by the Company. Included in the license rights is the Eastman license acquired by Avantium Renewable Polymers during 2021. As part of the license agreement, royalty fees will be payable to Eastman.
The fees will equal to $20 USD per metric ton of Licensed Products produced from the FDCA Flagship Plant. The commencement of the operations will be in 2025. Avantium may decide how it proposes to settle the royalty fees for the first two years.The foregoing running royalty will be payable by Avantium in cash or in shares of Avantium N.V. (in equivalent value) on a semi-annual basis for the first two years of operation of the FDCA Flagship Plant, after which all such payments will be paid in cash.

Effective April 2024, Avantium Chemicals B.V has entered into a non-transferrable, exclusive, non-sublicensable license with Nederlandse Oragnisatie voor toepast- natuurwetenschappelijk onderzoek TNO. The license provides Avantium Chemicals B.V. with the right to manufacture, sell , market and further develop Proton Exchange Membrane (PEM) electrolyser test units. The initial agreement is valid for a period of seven years, with a possible extension of another three years. Avantium has obtained the license in exchange for a fixed consideration of € 100,000 per year and variable consideration in the form of royalties when Avantium realizes future sales under this license.
In accordance with the applicable accounting policy, a liability was recognized for the fixed consideration (refer to note 21), and any variable consideration payable will be recognized in profit or loss as and when incurred. An intangible asset has been recognized for the License obtained under the agreement (refer to note 6).

7. Leases

This note provides information for leases where the group is a lessee.

Amounts Recognized in the Balance Sheet

The balance sheet shows the following amounts relating to leases:

in Euro x 1,000	December 31, 2024	December 31, 2023
Properties	7,819	8,085
Motor vehicles	1	6
Reclassification to asset held for sale	—	(313)
Total right-of-use assets	**7,820**	**7,778**

in Euro x 1,000	December 31, 2024	December 31, 2023
Non-current lease liabilities	7,708	8,326
Current lease liabilities	2,409	2,139
Reclassification (to)/from liabilities associated with asset held for sale	—	(849)
Total Lease liabilities	**10,117**	**9,616**

Movement schedule for the lease liability

in Euro x 1,000	2024	2023
Balance at January 1	**9,616**	**11,943**
New lease contracts	1,771	250
Repayment of lease liabilities	(2,405)	(2,088)
Modifications	286	360
Reclassification (to)/from liabilities associated with asset held for sale	849	(849)
Balance at December 31	**10,117**	**9,616**

Additions to the right-of-use assets during the 2024 financial year were €2.1 million (2023: €0.3 million). These additions pertain to new lease agreements for temporary offices and laboratory spaces installed at the related to new lease agreements signed for temporary office and lab spaces installed at the FDCA Flagship Plant, which will be rented for their useful life of 10 years upon activation.

Amounts Recognized in the Statement of Comprehensive Income

The statement of comprehensive income shows the following amounts relating to leases:

in Euro x 1,000	2024	2023
Properties	2,567	2,396
Motor vehicles	11	51
Total depreciation charge of right-of-use assets	**2,578**	**2,447**

in Euro x 1,000	2024	2023
Interest expense included in finance cost	220	192
Total interest charge on lease liabilities	**220**	**192**

The cash flow net of VAT related to principal elements of the lease payments amounted to €2.4 million (2023: €2.0 million).

Some of the lease agreements contain variable lease elements that are linked to the usage of the lease, which is not included in the measurement of the lease liability. The variable lease expense for the year not included in the measurement of the lease liability amounted to €0.4 million (2023: €0.6 million). The short term and low value lease expenses for 2024 amounted to €0.5 million (2023: €0.5 million).

8. Inventories

(In Euro x 1,000)	December 31, 2024	December 31, 2023
Raw materials	1,317	1,153
Work in progress	—	215
	1,317	**1,368**

The costs of inventories recognized as an expense and included in raw materials and contract costs, amounted to €0.3 million (2023: €0.2 million).

9. Trade and Other Receivables

(In Euro x 1,000)	December 31, 2024	December 31, 2023
Non-Current		
Other Non-Current assets	189	—
Total other non-current assets	**189**	**—**
Current		
Trade receivables	5,124	4,243
Less: Allowance for doubtful debt	(205)	(228)
Social security and other taxes	1,426	4,072
Prepayments	459	1,807
Contract assets	3,808	2,509
Other receivables	3,677	2,066
Reclassification to asset held for sale	(45)	(2,079)
Total current trade and other receivables	**14,244**	**12,390**
Total trade and other receivables	**14,433**	**12,390**

An other non-current asset has been recognized of €0.2 million by Avantium RNP Flagship B.V. in relation to refundable deposits paid on two leases. These leases commenced in April 2024 and October 2024 and have respectively been entered into for terms of 65 - and 61 - months.

Prepayments include a contribution in kind recognized by Avantium RNP Flagship B.V. on March 31, 2022, which consists of shares in Avantium Renewable Polymers B.V. issued upfront to Worley for services that will be delivered under the construction agreement for the FDCA Flagship plant. The prepayment is released equally over 24 months starting from April 2022. As at December 31, 2024, the remaining balance is €0 (2023: €1.2 million).

Contract assets relating to systems and services contracts are unbilled revenues, where the Company has recognized revenue to date in accordance with its progress towards completion of its performance obligations, however is not yet in the position to bill these revenues to customers as the invoicing milestone has not yet been reached.

The other receivables comprise primarily of funding to be received in relation to government grants where the Company has already complied with the attached conditions under the specific grant program amounting to €3.3 million (2023: €1.7 million) and deposits held at third parties amounting to €0.3 million (2023: €0.3 million).

In 2024, €0 (2023: €0.2 million) of trade or other receivables was written off; €2.0 million was past due, of which 62% had been paid before January 31 2025.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. The Company assessed the trade receivables balance as at December 31, 2024, including an allowance for expected credit losses of €0.2 million (2023: €0.2 million) (refer to note 3.1). The carrying amounts of these financial assets are assumed to approximate their fair values.

Trade receivables of €5.1 million (2023: €4.2 million) are pledged under the Debt Financing facility agreement (refer to note 17).

10. Cash and Cash Equivalents

(In Euro x 1,000)	December 31, 2024	December 31, 2023
Cash at bank and on hand	20,699	33,716
Restricted cash	3,199	1,500
Cash and cash equivalents for cash flow purposes	**23,898**	**35,216**

The carrying amounts of these financial assets are assumed to approximate their fair values. A notional cash pool agreement is in place for all Rabobank accounts where balances are netted on a daily basis. Within the cash pool, there are €0 overdrafts.

The cash and cash equivalents presented in the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flow include restricted cash of €3.2 million. The restricted cash represents short term cash-collateralised guarantee facilities. At year end 2023 the Company had a maximum guarantee capacity of €3.0 million with Rabobank. During the 2024 financial year the company obtained an additional guarantee facility with ABN AMRO. The ABN AMRO guarantee facility does not have a maximum capacity. As at December 31, 2024, €3.2 million (2023: €1.7 million), of which €3.0 million relates to Rabobank, of the guarantee capacity has been utilized as a result of guarantees issued to third parties.

For further information on commitments issued to third parties, refer to note 31.

11. Asset Held for Sale

On December 13, 2023 Avantium announced that the Company is prioritizing the commercialization of its FDCA and PEF technology and the acceleration of its licensing strategy. As a result, further investments in the Ray Technology™ to produce the plant-based glycols, plantMEG and plantMPG, were put on hold. At year end 2023 the related assets and liabilities were classified as held for sale.

Despite significant progress in seeking investors to continue the development of the technology, management concluded that a transaction was not feasible. In September 2024 Management reconsidered the strategy in relation to the Ray Technology™ . As a result management engaged the expertise of an external consultant in November 2024 to sell the Ray Technology™ . The scope of the sale has been reduced from that of a business to purely IP assets and the related pilot plant .The price at which it is marketed have been adjusted to reflect the change in the sale scope and strategy. The right-of-use assets and lease liabilities have been reclassified out of assets held for sale and liabilities associated with assets held for sale, respectively. The use of the leased asset has been transferred to another business unit within the group. Depreciation of the asset has been reinstated upon transfer and return to normal use and the asset has been assessed for a possible impairment trigger as a part of the cash-generating unit to which it has been allocated. As the carrying amount of the disposal group encompassing the Ray Technology™ continues to be recovered principally through a transaction in which the Company will lose control over the disposal group and the transaction is considered highly probable, the Company has classified the assets and liabilities of the Ray Technology™ disposal group held for sale. The disposal group has been measured at its carrying amount, as this is considerably lower than the fair value less the cost to sell. The disposal group forms part of the Renewable Chemistries segment.

The carrying value of the major classes of assets and liabilities of the disposal group as at December 31, 2024 are as follows:

(In Euro x 1,000)	December 31, 2024	December 31, 2023
Property, plant and equipment	2,861	2,889
Intangible assets	10	10
Right of use asset	—	313
Trade receivables	—	450
Other receivables	45	1,629
Total assets held for sale	**2,916**	**5,291**
Lease liabilities	—	(849)
Trade and other payables	(7)	(228)
Other liabilities	(30)	(588)
Total liabilities associated with asset held for sale	**(37)**	**(1,665)**

12. Share Capital and Other Reserves

Avantium N.V. is listed on Euronext Amsterdam and Euronext Brussels.

12.1 Ordinary Shares

At an Extraordinary General Meeting of Shareholders on January 24, 2024, shareholders granted approval for the authorization to the Management Board to issue up to €50.0 million in ordinary shares in connection with an equity raise, which could be increased by up to €20.0 million.

On February 9, 2024, Avantium announced that the Company successfully raised €50.5 million by means of a rights offering, resulting in the issue of 27,018,772 new ordinary shares. In light of the high take-up rate by existing shareholders of Avantium, and given the interest in the transaction of both existing shareholders as well as new investors, Avantium decided to use its full authorization of €70.0 million with an additional upsize offering of €19.5 million, resulting in the issue of 9,376,981 new ordinary shares.

On December 5, 2024 Avantium announced that it has successfully raised €11.2 million through an accelerated book build offering of 6,380,223 new ordinary shares in the Company, representing approximately 8% of the Company's existing issued share capital.

In February and in December Avantium successfully secured net cash amounting to €64.5 million and €10.6 million, respectively, from equity raises. The total net cash proceeds from Avantium in 2024 amounted to €75.0 million.

The authorized share capital at December 31, 2024 amounted to €10.0 million consisting of 100,000,000 ordinary shares, with a nominal value of €0.10 each. The issued share capital at December 31, 2024 comprises 86,133,012 ordinary shares (2023: 43,230,036). In 2024, no options were exercised by employees. At December 31, 2024, zero (2023: zero) shares were held by the Stichting Administratiekantoor Avantium (the Foundation) and nil employee shares were repurchased. All 86,133,012 shares issued are fully paid and stated at its par value of €0.10 each.

12.2 Other Reserves

The costs of equity settled share-based payments to employees are recognized in the statement of comprehensive income, together with a corresponding increase in equity during the vesting period, taking into account (deferral of) corporate income taxes. The accumulated expense of the share incentive plan recognized in the statement of comprehensive income is shown as part of the equity category 'other reserves' in the consolidated statement of changes in equity.

Additionally, included in the 'other reserves' category is the share-based payment for the Eastman license acquired in 2021. The settlement of the share-based payment will be in three equal installments. The first installment was made in 2022 at 8 months after the Final Investment Decision. The second installment was paid in 2023, 24 months after the Final Investment decision. The third installment is payable and awaiting transaction details to execute. Avantium has the option to settle the outstanding amount in shares or cash.

12.3 Currency Translation Difference

The group does not hold a company reporting in any other currency than euros and therefore does not hold a currency translation reserve.

13. Non-Controlling Interest

The table summarizes the information relating to the Group's subsidiary, Avantium Renewable Polymers B.V., that has a Non-Controlling Interest amounting to 22.64%.

On March 31, 2022, there was a change in ownership of Avantium Renewable Polymers B.V., a subsidiary of Avantium N.V. Worley Nederland B.V. and Bio Plastics Investment Groningen B.V.

together have acquired a 22.6% shareholding in Avantium Renewable Polymers B.V., while Avantium continues to hold 77.4% of the equity.

Summarized balance sheet

Avantium Renewable Polymers B.V.

(In Euro x 1,000)	December 31, 2024	December 31, 2023
Non-current assets	236,992	164,304
Non-current liabilities	(50,556)	(125,673)
Net non-current assets/(liabilities)	**186,436**	**38,632**
Current assets	4,539	28,597
Current liabilities	(188,338)	(38,913)
Net current assets/(liabilities)	**(183,799)**	**(10,316)**
Net total assets/(liabilities)	**2,637**	**28,316**
Accumulated Non-Controlling interest	1,931	7,690

Summarized Statement of Profit or Loss and Comprehensive Income

Avantium Renewable Polymers B.V.

(In Euro x 1,000)	2024	2023
Revenue	6,478	5,592
Other Income	2,654	3,673
Net operating expenses	(26,316)	(18,615)
EBITDA[5]	(17,184)	(9,350)
Loss for the period	**(25,436)**	**(12,207)**
Loss allocated to Non-Controlling interest	(5,759)	(2,748)

The loss allocated to Non-Controlling interest constitutes to 22.64% (2023: 22.64%) of the loss for the period for Avantium Renewable Polymers B.V.

Summarized Statement of Cash Flow

Avantium Renewable Polymers B.V.

(In Euro x 1,000)	2024	2023
Cash flows from operating activities	(4,435)	(18,769)
Cash flows from investing activities	(57,810)	(90,223)
Cash flows from financing activities	53,761	100,853
Net increase/(decrease) in cash and cash equivalents	**(8,484)**	**(8,139)**

14. Share-based Payment

The group operates share-based compensation plans for its employees, which consists of an Employee Share Option Plan (ESOP) and a Long-term Incentive Plan (LTIP). These plans are classified as equity-settled share-based payment plans.

Long-term Investment Plan (LTIP)

The members of the Management Team are obligated to invest a percentage of their (net) bonus in (depository receipts for) shares to be delivered by the Company under the LTIP. Each Investment share relates to one share. The cash component of the bonus may, at the discretion of the relevant member of the Management Team, also be invested in Investment shares. The Investment shares are subject to a retention period of five years, during which the investment shares cannot be sold. After the end of the retention period, the Company will match the (depository receipts for) shares granted under the LTIP at a 1:1 ratio, i.e. one Matching share is granted for each Investment share.

The entitlement to receive Matching shares will be reduced as follows in the case of termination: 100% if the termination date is prior to the first anniversary of the date of Award; 66.67% if the termination date is prior to the second anniversary but after the first anniversary of the date of Award; 33.33% if the termination date is prior to the third anniversary but after the second anniversary of the date of Award.

In 2024, 87,967 shares were granted under the Long term Investment Plan (LTIP). These awards consist of 51,827 Investment shares and 36,140 Matching shares. The difference between Investment Shares and Matching Shares is explained by the fact that in view of the resignation date, Investment

[5] In presenting and discussing Avantium's financial position, operating results and cash flows, Avantium (like many other publicly listed companies) uses certain Alternative performance measures (APMs) not defined by IFRS'. These APMs are used because they are an important measure of Avantium's business development and Avantium's management performance. Please see Alternative performance measures as included under Financial performance 2024.

Shares were granted to two Management Team members without entitlement to Matching Shares (reference is made to the above paragraph).

The movements in outstanding LTIP awards with the Management Board and senior management can be summarized as follows:

Long-term Investment Plan	2024		2023	
	Number of awards	Weighted Average share price at grant date (in Euro)	Number of awards	Weighted Average share price at grant date (in Euro)
Number of awards outstanding January 1	**424,281**	**3.78**	**313,190**	**3.88**
Number of matching shares forfeited	—	—	—	—
Number of awards granted (including matching shares)	87,967	2.81	111,091	3.50
Modification	71,899	2.81	—	—
Number of awards outstanding December 31	**584,147**	**3.51**	**424,281**	**3.78**

LTIP awards outstanding at the end of the year had the following share price at grant date:

Grant date	Share price at grant date in Euro	Number of awards
July 1, 2017	10.50	5,418
March 16, 2018	5.36	72,357
March 21, 2019	2.64	19,667
May 14, 2020	3.59	104,344
May 18, 2022	3.07	163,421
May 10, 2023	3.50	132,629
May 15, 2024	2.81	87,967
At December 31, 2024		**585,803**

At the Annual General Meeting held on May 15, 2024 the shareholders approved the increase of the number of Long Term Incentive Plan shares by 17.9%. There is no change in the vesting period. The fair value of the additional shares is the determined as the share price on date of approval, being €2.81. The number of additional shares amount to €72,000. The expense recognized during 2024 due to the modification amounted to €0.2 million, with the remaining amount to be expensed over the remaining vesting periods. The number of awards reflected in the table above includes the modified number of awards.

The fair value of LTIP awards under the Long-term Investment Plan is determined by the share price at grant date and the weighted average fair value of LTIP awards granted during 2024 was €2.81 per award.

Performance share units

In the Annual General Meeting held on May 15, 2024 an update to the Management Board Remuneration Policy, which included the introduction of the New LTIP was approved. Effective as of January 1, 2024, a new equity-based long-term incentive plan (the New LTIP) was put in place which allows for the granting of Performance Share Units (“PSUs”) to Management Board members based on long-term stakeholder value creation. The PSU provides the participant with a conditional right to receive a share, following vesting and settlement in accordance with the provisions of this PSU Plan.

Under the New LTIP members of the Management Board will be granted PSUs annually, for a value equal to a predefined percentage of their fixed annual gross base salary. The number of PSUs granted each year is determined with reference to the share price. In 2024, 135,231 PSUs were granted under the plan.

PSUs will vest after a three-year cliff vesting period at which point all the granted PSUs will vest in full or in part subject to the satisfaction of the performance conditions. The vesting of PSUs is contingent on an underpin assessment which evaluates the long-term value creation by the management board and considers specific financial and non-financial events that could threaten the company’s long-term continuity and value. The underpin assessment is conducted by the Supervisory Board at vesting. Therefore at year end 2024 the grant date has not yet been achieved and accordingly the grant date fair value has been estimated using the closing share price as at the reporting date.

At year end 2024 management assumes 100% of retention and the achievement of performance targets in determining the value of the new LTIP PSUs.

The movements in outstanding PSUs with the Management Board can be summarized as follows:

Long-term Investment Plan (PSU)	2024		2023	
	Number of awards	Share price at December 31, 2024 (in Euro)	Number of awards	Share price at grant date (in Euro)
Number of awards outstanding January 1	—	—	—	—
Number of awards granted	135,231	1.82	—	—
Number of awards outstanding December 31	**135,231**	**1.82**	—	—

Restricted share units

In the Annual General Meeting held on May 15, 2024 an update to the Supervisory Board Remuneration Policy, which included the introduction of a new equity-based incentive plan for the Supervisory Board members was approved. Effective as of January 1, 2024, the new plan allows for the granting of Restricted Share Units (“RSUs”) to Supervisory Board members based on their appointment and re-appointment. RSUs provide participants with conditional rights to receive ordinary shares in the capital of the Company. Based on an appointment or re-appointment term of four (4) years, the number of RSUs to be granted to Supervisory Board members is:

- A fixed grant of 55,000 shares upon re-appointment of the Chair of the Supervisory Board; and
- A fixed grant of 20,000 shares upon re-appointment of other members of the Supervisory Board.

In 2024, 20,000 RSUs were granted under the plan. These RSUs are non-performance-based instruments.

At year end 2024 management assumes 100% of retention in determining the value of the RSUs. Based on the Supervisory Board Remuneration Policy the grant date is established as May 15, 2024 and therefore the fair value or the RSU's are estimated based on the share price as at this date.

The movements in outstanding RSUs with the Supervisory Board can be summarized as follows:

Long-term Investment Plan (RSU)	2024		2023	
	Number of awards	Share price at grant date (in Euro)	Number of awards	Share price at grant date (in Euro)
Number of awards outstanding January 1	—	—	—	—
Number of awards granted	20,000	2.81	—	—
Number of awards outstanding December 31	**20,000**	**2.81**	—	—

RSUs outstanding at the end of the year had the following share price at grant date:

Grant date	Share price at grant date in Euro	Number of RSUs
December 31, 2024	2.81	20,000
At December 31, 2024	2.81	**20,000**

Employee Share Option Plan (ESOP)

On an annual basis and on certain other occasions set out in the plan rules, options under the Employee Share Option Plan (ESOP) may be conditionally granted to eligible employees of the Company. The options will vest yearly over a three-year vesting period. The vested options have an exercise period of five years after vesting, after which the option expires.

In 2024, 371,250 share options were granted.

Further details on the grants in 2024 can be found in the table below.

Grant date	Plan	Number of ESOP options granted	Exercise price in Euro per option
December 31, 2023	ESOP	11,000	2.89
May 15, 2024	ESOP	325,250	2.81
November 1, 2024	ESOP	35,000	2.41

The movements in outstanding options with the Management Board, senior management and certain other employees can be summarized as follows:

Share Option	2024		2023	
	Number of options	Weighted Average exercise price (in Euro)	Number of options	Weighted Average exercise price (in Euro)
Number of options outstanding January 1	**2,654,599**	**1.94**	**3,081,008**	**2.55**
Number of options exercised	—	—	(609,718)	3.30
Number of options forfeited	(75,746)	3.28	(23,249)	4.45
Number of options expired	—	—	(218,942)	9.45
Number of options granted	371,250	2.79	425,500	3.50
Modification	—	0.13	—	—
Number of options outstanding December 31	**2,950,103**	**2.02**	**2,654,599**	**1.94**

At the Annual General Meeting held on May 15, 2024 the shareholders approved the decrease of the strike price of the options granted under the Employee Stock Option Plan by 17.9%. There is no change in the vesting period. The fair value is determined based on the Black-Scholes valuation model as at May 15, 2024 using the strike price grant date and the new strike price. The expense recognized during 2024 due to the modification amounted to €0.3 million, with the remaining amount to be expensed over the remaining vesting periods.

Share options outstanding at December 31, 2024, amounted to 2,950,103. The exercise prices range from €0.10 to €10.58. The weighted average remaining contractual term for options outstanding at December 31, 2024, was 4.43 years.

Avantium N.V. has issued shares resulting from the exercise of options to the Stichting Administratiekantoor Avantium (the Foundation).

The Foundation has issued depository receipts to members of the Management Board, senior management and certain other employees. The Foundation is a consolidated special purpose entity set up by Avantium N.V. The shares held by the Foundation, however, only represent the voting rights associated with the issued shares and depository receipts representing all economic benefits issued by the Foundation to members of the Management Board, senior management and certain other employees, and consequently the shares held by the Foundation are not considered treasury shares.

The number of options which are exercisable at the end of the period (i.e. vested, but not yet exercised) amounted to 1,641,456.The fair value of options under the equity-settled share-based payment plans is determined using the Black-Scholes valuation model and the weighted average fair value of options granted during 2024 was €2.02 per option (2023: €1.81).

The significant inputs into this model were as follows:

	May 15, 2024	November 1, 2024	December 31, 2023
Exercise price	€2.81	€2.41	€2.89
Volatility	51%	52%	55%
Risk free interest rate	2.43%	2.38%	1.97%
Dividend yield	—	—	—
Expected life	7.6 years	7.6 years	7.6 years
Early exercise rate	5%	5%	5%

The historical volatility used is based on the volatility of the Company's own shares in combination with the historical volatility of a peer group (five companies in total which are considered to be comparable listed companies), of which the daily stock returns over a period equal to the maturities of each plan related to the valuation dates was used.

15. Earnings per Share

Earnings per Share

Earnings per share for the years 2024 and 2023 are derived below:

In Euro	December 31, 2024	December 31, 2023
Loss for the period - basic	**(26,868,173)**	**(31,402,314)**
Loss for the period - diluted	**(26,868,173)**	**(31,402,314)**
Weighted average number of ordinary shares -basic	**75,493,818**	**42,852,733**
Number		
Options per end of the year	2,950,103	2,654,599
LTIP awards per end of the year	584,147	424,281
Effect of anti-dilutive securities	**3,534,250**	**3,078,880**
Weighted average number of shares - diluted	**75,493,818**	**42,852,733**
In Euro		
Earnings per share - basic	**(0.36)**	**(0.73)**
Earnings per share - diluted	**(0.36)**	**(0.73)**

Basic earnings per share are calculated by dividing the net result for the period by the weighted average number of ordinary shares. Diluted earnings per share are calculated by dividing the net results for the period on a diluted basis by the weighted average number of shares on a diluted basis. As the Company is in a loss-making position, the options and LTIP awards have an antidilutive impact on the diluted earnings per share, for this reason the options and LTIP awards for the year are not considered in the calculation of diluted earnings per share. On March 31, 2022, Avantium N.V. issued 2.84 million warrants to the consortium of banks as part of the Debt Financing Facilities for the FDCA Flagship Plant. Refer to note 20. The warrants issued on March 31, 2022 had an anti-dilution protection for the equity raise that took place in April 2022. As a result, on April 14, 2022, 1.02 million additional warrants were issued to the warrant holders, to compensate for the dilutive effect of the equity offering. There is no further anti-dilution protection applicable to these warrants. The warrants are convertible into the Company's ordinary shares with a 1:1 conversion ratio for an exercise price of €0.10 per share. A warrant holder may elect to exercise the warrant option cash less resulting in the number of warrants being variable. The warrants became exercisable on January 30, 2023, but because Avantium is loss making there is no dilutive impact on the earnings per share. Since January 30, 2023, there have not been any exercises of the warrants.

Effective July 31, 2024, the Management Board has resolved to grant 559,085 additional warrants to the consortium of banks upon the receipt of an additional €15.0 million based on an amendment to the original Debt Financing Facilities Agreement. The warrants are convertible into the Company's ordinary shares with a 1:1 conversion ratio for an exercise price of €0.10 per share. A warrant holder may elect to exercise the warrant option cash less resulting in the number of warrants being variable. The warrants became exercisable on October 12, 2024, but because Avantium is loss making there is no dilutive impact on the earnings per share. Since October 12,2024, there have not been any exercises of the warrants.

16. Trade and Other Payables

In Euro x 1,000	December 31, 2024	December 31, 2023
Non-Current		
Prepayment liabilities	600	—
Total Non-Current Prepayment Liabilities	**600**	**—**
Current		
Trade payables	14,767	12,133
Interest payable on borrowings	1,295	1,129
Social security and other taxes	—	2,833
Holiday pay and holiday days	1,805	1,242
Contract liabilities	1,910	7,656
Deferred government grants	8,981	10,014
Other current liabilities	8,299	14,434
Reclassification of liabilities associated with asset held for sale	(37)	(816)
Total Current Trade and other payables	**37,020**	**48,625**
Total Trade and other payables	**37,620**	**48,625**

Non-current Prepayment liabilities include advance amounts received for costs to be incurred under a collaboration agreement.

The other current liabilities comprise primarily of other staff pay related accruals of €1.6 million (2023: €2.5 million) and accrued expenses of €6.1 million (2023: €11.3 million). Deferred government grants comprise of advances received in relation to government grants. The carrying amounts of these financial liabilities are assumed to approximate their fair values.

The decrease in contract liabilities in 2024 compared to 2023 is mainly related to the contract with Origin Materials (Refer to note 22).

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities:

In Euro x 1,000	2024	2023
Revenue recognized that was included in the contract liability balance at the beginning of the period		
- Systems contracts	1,108	528
- Services contracts	3,292	(14)
- Other	3,000	—
	7,400	**514**

17. Borrowings

In Euro x 1,000	Debt Facility	Convertible Loan	Borrowings
Balance as at January 1, 2023	**12,649**	**—**	**12,649**
Debt Financing facility drawdowns	67,000	—	67,000
Effective Interest and Payment in Kind interest	6,953	—	6,953
Repayment of Debt Financing facility	—	—	—
Balance as at December 31, 2023	**86,602**	**—**	**86,602**
Drawdowns	13,436	5,000	18,436
Effective Interest and Payment in Kind Interest	12,973	23	12,996
Repayment of Debt Financing facility	—	—	—
Balance as at December 31, 2024	**113,011**	**5,023**	**118,034**

In Euro x 1,000	December 31, 2024	December 31, 2023
Non-current Debt Facilities	7,523	86,602
Current Debt Facilities	110,511	—
Total Debt Facilities	**118,034**	**86,602**

The changes in the borrowings during the financial year have resulted in the following changes in financing cash flows:

In Euro x 1,000	2024	2023
Proceeds from Debt Financing facility drawdowns	14,755	77,500
Proceeds from Convertible loan	5,000	—
Proceeds from borrowings	**19,755**	**77,500**

In February 2023, a loan of €2.5 million was provided by Stichting Fonds Leefbaarheid, Zorg en Energie Groningen (Fonds Nieuwe Doen) to Avantium RNP Flagship Plant B.V. The proceeds from the borrowing were received in February 2023. The interest rate on the loan is 4.75% payable on a monthly basis. The loan has to be repaid in full on February 1 2026.

A three-year Debt Financing facility of €90.0 million was signed with a consortium of lenders on March 31, 2022. This financing consists of three facilities. Facility A, €30.0 million, which is borrowed by Avantium N.V. and passed through to Avantium Renewable Polymers B.V. as an intercompany loan. Facility B1 and Facility B2, amounting to €45.0 million and €15.0 million, respectively, are borrowed directly by Avantium Renewable Polymers B.V. On January 19, 2024 an amendment to the facility agreement was signed whereby an additional €12.5 million and €2.5 million was respectively extended on facilities A and B2.

On August 6, 2024 €12.5 million on Facility A and €2.5 million on Facility B2 were drawn. The draw downs were effective as of July 31, 2024. The total cash amount resulting from the drawdowns amounted to €15.0 million. An upfront fee of €0.3 million was paid, resulting in a net amount received of €14.8 million. Additional warrants have been issued relating to the additional Facility A draw down (refer to note 20).

The interest on the Debt Financing Facilities consists of cash interest and accrued interest. In addition, warrants have been issued to the lenders (refer to note 20). Cash and accrued interest is EURIBOR based. The repayment of the entire loan amount including accrued interest is due on March 31, 2025. The cash interest is paid on a quarterly basis and PIK interest is capitalized on the principal balance of the Debt Financing Facilities on a quarterly basis. The average effective interest rate on the six drawdowns is 26% (2023: 23%). The average PIK rate on the drawdowns is 5% (2023: 5%).

The Debt Financing Facilities contains customary technical and commercial conditions precedent and a customary security package including amongst others security on: all material assets, IP rights, receivables of Avantium, Avantium Renewable Polymers B.V., the holding entity of the FDCA Flagship Plant, and of several other group companies, the shares in Avantium Renewable Polymers B.V. and these other group entities, the loan(s) of Avantium and Avantium Renewable Polymers B.V. to Avantium RNP Flagship B.V. and the FDCA Flagship Plant itself and the FDCA pilot plant.

During the period ended on December 31, 2024, commitment fees of €0.2million (2023: €0.8 million) were paid to the banks. During the period ended on December 31, 2024, interest on the loans of €19.2 million (2023: €11.3 million) were capitalized.

The total capital and accumulated interest outstanding on the debt facility as at December 31, 2024 is payable on March 31, 2025 and therefore has been classified as current at year end.

During the period ended on December 31, 2024, interest paid on borrowings amounted to €7.7 million.

In Euro x 1,000	2024	2023
Cash interest paid capitalized	7,381	3,450
Cash interest paid not capitalized	394	—
Interest paid on borrowings	**7,775**	**3,450**

On December 4, 2024 Avantium N.V. entered into a convertible loan agreement of EUR 5.0 million with Pieter Kooi. The loan becomes fully repayable on December 4, 2027, unless either the lender has exercised its right to convert the loan into ordinary shares or the company has exercised its right to early settlement. The loan agreement contains two conversion options. The first being the option of the lender to convert the loan into ordinary shares of Avantium N.V. at market value under certain conditions. The second being the option of the lender to convert at a fixed price upon the share price exceeding a certain conversion ratio. As a result of a prepayment option of the company, the conversion option is deemed to have no value. Under the terms of the agreement the loan bears interest of 6% per annum. Interest will be accrued to the principal amount of the loan.

The fair value measurement for borrowings are categorized within level 3 of the fair value hierarchy. The fair value is determined based on the discounted cash flow method. For period ended December 31, 2024 the fair value of the loan approximates the carrying amount due to the variable interest rates and the absence of an external credit rating.

Bank Overdrafts

As at December 31, 2024, the group had no overdraft facilities with any bank.

Borrowings as at December 31, 2024:

Borrowing company	Type of loan	Issue date	Principle amount at Year End	Interest rate	Date of maturity	Carrying amount (EUR)	Long term (EUR)	Short term (EUR)
Avantium N.V.	Debt Facility A	2022 and 2024	42,500,000	Euribor + margin	March31, 2025	44,880,295	—	44,880,295
Avantium Renewable Polymers B.V.	Debt Facility B1	2023	45,000,000	Euribor + margin	March31, 2025	47,188,238	—	47,188,238
Avantium Renewable Polymers B.V.	Debt Facility B2	2023 and 2024	17,500,000	Euribor + margin	March31, 2025	18,442,937	—	18,442,937
Avantium RNP Flagship Plant B.V.	Fonds Nieuwe Doen	2023	2,500,000	4.75% fixed	February 1, 2026	2,500,000	2,500,000	—
Avantium N.V.	Convertible loan	2024	5,000,000	6% fixed	December 4, 2027	5,022,500	5,022,500	—

Borrowings as at December 31, 2023:

Borrowing company	Type of loan	Issue date	Principle amount at Year End	Interest rate	Date of maturity	Carrying amount (EUR)	Long term (EUR)	Short term (EUR)
Avantium N.V.	Debt Facility A	2022	30,000,000	Euribor + margin	March 31, 2025	28,571,533	28,571,533	—
Avantium Renewable Polymers B.V.	Debt Facility B1	2023	45,000,000	Euribor + margin	March 31, 2025	40,528,794	40,528,794	—
Avantium Renewable Polymers B.V.	Debt Facility B2	2023	15,000,000	Euribor + margin	March 31, 2025	15,001,271	15,001,271	—
Avantium RNP Flagship Plant B.V.	Fonds Nieuwe Doen	2023	2,500,000	4.75% fixed	February 1,2026	2,500,000	2,500,000	—

18. Shareholder Loan

On December 14, 2023, Avantium Renewable Polymers B.V. entered into a Shareholders Loan Agreement with Avantium N.V. and the non-controlling shareholders. The non-controlling shareholders have each granted a subordinated shareholder loan to Avantium Renewable Polymers B.V., which was received in cash during 2023. Each subordinated loan will carry interest of 6.5% per annum, paid in arrears upon repayment of the loans. The shareholder loans are convertible into shares of Avantium Renewable Polymers B.V. upon repayment or maturity. The amount of shares to be issued upon conversion is determined by dividing the outstanding loan balance by a fixed agreed share price as stipulated in the loan agreement. This conversion feature met the definition of an equity instrument as this derivative can be settled only by exchange of a fixed number of cash for a fixed number of shares. However, the fair value of such equity conversion option was deemed immaterial hence no amount was recognized in equity.

Additionally, as per the anti-dilution protection agreed in the Shareholders Loan Agreement, the lenders agreed to compensate one of the non-controlling shareholders that did not contribute to the loans to the extent of its shareholding percentage. This compensation to that non-controlling shareholder has been recognized as a financial liability with a corresponding entry in equity. It shall become payable upon repayment of the shareholder loans or conversion into equity. The total shareholder loan liability can be specified as follows:

In Euro x 1,000	Shareholder Loan
Balance as at January 1, 2023	—
Shareholder loans drawdown	6,683
Accrued interest on shareholder loans	22
Shareholder compensation liability	5,879
Accrued interest on shareholder compensation liability	19
Balance as at December 31, 2023	**12,603**
Shareholder loans drawdown	—
Accrued interest on shareholder loans	448
Shareholder compensation liability	—
Accrued interest on shareholder compensation liability	385
Balance as at December 31, 2024	**13,436**

19. Provisions for Other Liabilities and Charges

In Euro x 1,000	Warranty provision	Restructuring provision	Decom-missioning provision	Total
Balance at January 1, 2023	**236**	**—**	**—**	**236**
Additional provision	87	113	1,581	**1,781**
Unused amounts reversed	(76)	—	—	**(76)**
Settlement of provision	—	—	—	**—**
Used during the year	(37)	—	—	**(37)**
At Balance at December 31, 2023	**210**	**113**	**1,581**	**1,904**
Balance at January 1, 2024	210	113	1,581	**1,904**
Additional provision	61	71	95	**227**
Unwinding of discount	—	—	62	**62**
Unused amounts reversed	(57)	(57)	—	**(114)**
Modifications	—	—	1,133	**1,133**
Used during the year	(11)	(56)	—	**(67)**
Balance at December 31, 2024	**203**	**71**	**2,871**	**3,145**

In Euro x 1,000	December 31, 2024	December 31, 2023
Non-current Provisions for Other Liabilities and Charges	3,022	**1,581**
Current Provisions for Other Liabilities and Charges	123	323
Total Provisions for Other Liabilities and Charges	**3,145**	**1,904**

Restructuring

On December 13, 2023 the group announced it is prioritizing the commercialization of its FDCA and PEF technology. A decision to halt investments in Ray Technology™ resulted in workforce reductions, for which the group raised a provision of €113,000 for the restructuring cost.
The remaining balance recognized as a provision as at December 31, 2024 relates to staff members who were still employed as at this date. The remaining provision will be settled in 2025 and is therefore current (shorter than one year).

Warranty

The provision for warranty consists of estimated costs for repairs of installed products which may arise during the warranty period. This estimate is based on historical experience of warranty claims and the costs associated with that. Unused amounts are reversed after expiration of the warranty period.
As at December 31, 2024, warranty provisions expected to be settled or expire within one year (current) is €0.1 million, and amounts expected to be settled or which expire outside of one year (non-current) is €0.2 million.

Decommissioning Liability

The decommissioning liability consists of the estimated costs to restore the leased land for the FDCA Flagship Plant at the end of the lease term (expected after 10 years) to the condition agreed in the lease agreement. As at year end 2024 the decommissioning liability has increased. The value of the expenditure expected to settled the liability in future has increased with both CPI and the impact of disregarding returns expected to be realized on future sales of scrap materials. As at December 31, 2024, the risk free rate of 2.6% (2023: 2.3%) was used to discount the estimated cost.

20. Financial Liability

In Euro x 1,000	Financial Liability
Balance as at January 1, 2023	**14,091**
Warrants issued	—
Fair value remeasurement	(483)
Balance as at December 31, 2023	**13,609**
Warrants issued	1,338
Fair value remeasurement	(7,354)
Balance as at December 31, 2024	**7,593**

On March 31, 2022, Avantium N.V. issued 2.84 million warrants to the consortium of banks as part of the €90.0 million Debt Financing Facilities package for the FDCA Flagship Plant. Effective July 31, 2024, the Management Board has resolved to grant 559,085 additional warrants to the consortium of banks upon the receipt of an additional €15.0 million based on an amendment to the original debt facility.
The warrants are convertible into the Company's ordinary shares with a 1:1 conversion ratio for an exercise price of €0.10 per share. A warrant holder may elect to exercise the warrant option cash less resulting in the number of warrants being variable. The warrants issued on March 31, 2022 have an exercise period of up to 6.5 years after the second utilization date, which was on January 30, 2023, meaning the ultimate date of the exercise period is July 30, 2029. The warrants issued on July 31, 2024 have an exercise period of 6.5 years, between the period October 12, 2024, and September 30, 2028.

The warrants issued on March 31, 2022 had an anti-dilution protection for the equity raise that took place in April 2022. As a result, on April 14, 2022, 1.02 million additional warrants were issued to the warrant holders, to compensate for the dilutive effect of the equity offering according to the Debt Financing facility with the lenders. There is no further anti-dilution protection applicable to these warrants or the warrants issued on July 31, 2024.

The warrants issued will become exercisable when the FDCA Flagship Plant is operational or when other additional conditions included in the warrant Agreement have been met. Such additional conditions include, a change of control, certain joint ventures, permitted acquisitions, disposals and certain other events.

The initial recognition of the warrants issued on March 31, 2022 and July 31, 2024 amounted to €11.3 million and €1.3 million respectively. The warrants are recognized under IFRS 9 Financial Instruments as a Financial Liability.

The fair value remeasurement calculations are as follows:

- For the warrants issued on March 31, 2022, the year end fair value has been adjusted to the share price as at December 31, 2024 minus a €0.1 exercise price.
- For the warrants issued on July 31, 2024, the year end fair value has been adjusted to the share price as at December 31, 2024 minus a €0.1 exercise price.

The fair value of the warrants on December 31, 2024 is €7.6 million (2023: €13.6 million).
The decrease in the share price of €1.71 resulted in the decrease in the fair value of the warrants.
The subsequent fair value remeasurement of the warrants resulted in a gain for the year ended December 31, 2024 of €7.4 million (2023: €0.5 million gain), recognized under fair value remeasurement in the Statement of Comprehensive Income. Refer to note 3.1.

21. Other Non-Current Liabilities

In Euro x 1,000	Other Non-Current Liabilities
Reconciling items to consolidated equirt attributable to owners of the company	—
Results from the consolidation of subsidiaries	841
Interest expense	18
Payments	—
Balance as at December 31, 2024	**859**

Effective April 2024, Avantium R&D Solutions has entered into a non-transferrable, exclusive, non-sublicensable license with Nederlandse Organisatie voor toepast- natuurwetenschappelijk onderzoek TNO (TNO). The license provides Avantium R&D Solutions with the right to manufacture, sell, market and further develop the Proton Exchange Membrane (PEM) electrolyser test units. Avantium R&D Solutions has obtained the license in exchange for a minimum fixed consideration of €0.1 million per year and variable consideration contingent upon future sales. A 'other non-current financial liability' has been recognized at the cost price equivalent of €0.8 million. The cost price equivalent has been calculated as the present value of the annual minimum €0.1 million payable over the contract term of 10 years. An intangible asset has been recognized for the License obtained under the agreement (refer to note 6).

Notes to the Consolidated Statement of Profit or Loss and Comprehensive Income

22. Revenues

Reported consolidated revenue from continuing operations increased by 7% from €19.7 million in 2023 to €21.0 million in 2024, largely attributable to increased revenues in the R&D Solutions business unit, €0.7 million, and Renewable Polymers Business unit, €0.9 million, year on year.

All revenue is recognized at either a point in time, or overtime (Refer to note 2.20).

In 2024, Avantium Renewable Polymers recognized €2.7 million as revenue from the Origin Materials technology license agreement (over time). Revenue recognition under the technology license agreement with Origin Materials is related to the first milestone payment of €7.5 million which was received in 2023, and the second milestone payment of €7.0 million which is due upon delivery of the Process Design Package to Origin Materials.

As a result of Origin Materials' announced change in its current strategic focus, Avantium has, as of July 2024 suspended all activities under the licensing agreement and decided to take a prudent approach in pausing the recognition of revenues under this technology license agreement. Avantium continues to work with Origin Materials on the development of the market for FDCA and PEF applications.

The full consideration of the contract amounts to €28.5 million. At year end 2024 management has re-assessed the transaction price and concluded that the second milestone payment of €7.0 million remains unconstrained. The remaining installments of €14.0 million will be due at various stages after delivery of the PDP by Avantium Renewable Polymers and constitute variable consideration depending on whether Origin will terminate the contract at any stage, and is considered constrained at year end 2024. Management assessed this contract and it does not contain a significant financing component.

To the extent that revenue has not yet been recognized in relation to the Origin Materials' license consideration received, a contract liability has been recognized (refer to note 16).

All revenue reported originates in the Netherlands for both years presented.

The following table depicts the disaggregation of revenue from contracts with customers:

2024 (in Euro x 1,000)	R&D Solutions services revenue	R&D Solutions systems revenue	Renewable Chemistry development agreements	Renewable Polymers agreements	Un-allocated revenue	Total
Segment revenue	5,067	9,214	100	6,478	177	21,036
Revenue from external customers	**5,067**	**9,214**	**100**	**6,478**	**177**	**21,036**
Timing of revenue recognition						
– At a point in time	—	876	100	3,779	177	4,932
– Over time	5,067	8,338	—	2,699	—	16,104
Total	**5,067**	**9,214**	**100**	**6,478**	**177**	**21,036**

2023 (in Euro x 1,000)	R&D Solutions services revenue	R&D Solutions systems revenue	Renewable Chemistry development agreements	Renewable Polymers agreements	Un-allocated revenue	Total
Segment revenue	3,914	9,633	—	5,592	561	19,700
Revenue from external customers	**3,914**	**9,633**	**—**	**5,592**	**561**	**19,700**
Timing of revenue recognition						
– At a point in time	—	577	—	975	561	2,113
– Over time	3,914	9,057	—	4,617	—	17,588
Total	**3,914**	**9,633**	**—**	**5,592**	**561**	**19,700**

As of December 31, 2024, the aggregate amount of the transaction price in R&D Solutions allocated to the remaining performance obligations is €12.2 million and in Avantium Renewable Polymers €7.2 million, totaling €19.4 million (2023: €11.2 million and €9.9 million, respectively, totaling €21.1 million) and the group will recognize this revenue as the progress on each contract is completed, which is estimated to occur over the next 1–36 months.

23. Other Income

(In Euro x 1,000)	2024	2023
Grants recognized	4,596	5,789
	4,596	**5,789**

The group recognized total government grants of €4.6 million (2023: €5.8 million) to contribute to Avantium's development programmes, where efforts are focused on developing a new catalytic process for making plant-based mono-ethylene glycol and for developing an economical viable chemical process to convert ligno-cellulosic biomass into high quality glucose as feedstock for bio-based chemicals. In Avantium Renewable Polymers efforts are focussed on its plant-to-plastics YXY® Technology and on starting-up the FDCA Flagship Plant and to develop a wide range of FDCA and PEF applications.

EU grants attributable to the Volta Technology, enables Avantium to perform R&D work to accelerate the progress on converting CO_2 to higher value chemicals and eventually syngas.

24. Segment Information

Description of the Segments and Principal Activities

In the Company, the Management Team consists of the Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Chief Commercial Officer, Group Legal Counsel and the Managing Directors of Volta Technology and Avantium R&D Solutions.
It has identified three separate business segments:

- Avantium R&D Solutions provides R&D solutions in the field of sustainable chemistry and is the leading provider of advanced catalyst testing technology and services to accelerate catalyst R&D. With the scalable catalyst testing system, Flowrence®, Avantium R&D Solutions helps customers reach their sustainability, profit and growth targets.
- Avantium Renewable Chemistries main activity was the development and commercialization of the Ray Technology and its plantMEG™. In 2023 the portfolio of programs under Avantium Renewable Chemistries were amended. In 2023 the Ray Technology™ was classified as held for sale under IFRS 5. In 2024 Ray Technology™ remains classified as held for sale under IFRS 5, Volta Technology and Dawn Technology™ are disclosed under unallocated.
- Avantium Renewable Polymers aims to commercialize our YXY® plants-to-plastics Technology. This technology catalytically converts plant-based sugars into FDCA (furandicarboxylic acid) and materials such as the new plant-based packaging material PEF (polyethylene furanoate). PEF is a 100% plant-based, 100% recyclable plastic with superior performance properties compared to today's widely used petroleum-based packaging materials.

Avantium has two employees employed in Japan, all other employees of Avantium are employed in the Netherlands. The average number of full time equivalent employees of the group per business segment and other departments is as follows:

(in full time equivalent employees)	2024	2023
R&D Solutions	61	58
Renewable Chemistries	17	59
Renewable Polymers	133	81
Unallocated	76	64
Total average number of FTE during the year	**287**	**262**

Revenues per Segment

(In Euro x 1,000)	2024	2023
R&D Solutions	14,281	13,546
Renewable Chemistries	100	—
Renewable Polymers	6,478	5,592
Unallocated items	177	562
Total segment revenue	**21,036**	**19,700**

Revenue is only generated from external customers and no transactions with other segments have taken place.

Other Income per Segment

(In Euro x 1,000)	2024	2023
R&D Solutions	60	87
Renewable Chemistries	52	821
Renewable Polymers	2,654	3,673
Unallocated items	1,830	1,209
Total segment other income	**4,596**	**5,789**

Employee Benefits Expenses

(In Euro x 1,000)	2024	2023
R&D Solutions	(6,267)	(6,060)
Renewable Chemistries	(1,860)	(5,482)
Renewable Polymers	(15,680)	(10,407)
Unallocated items	(12,238)	(9,566)
Total segment other income	**(36,045)**	**(31,515)**

EBITDA

The main KPI of the Company within the profit & loss account is EBITDA. Note that the EBITDA figure excludes Company overheads and shared service activities.

The EBITDA is calculated in the following manner: Profit/loss for the period plus Finance costs-net plus depreciation, amortization and impairment charge.

The EBITDA figures of the business segments are as follows.

(In Euro x 1,000)	2024	2023
R&D Solutions	2,192	1,134
Renewable Chemistries	(2,959)	(7,592)
Renewable Polymers	(17,173)	(9,351)
Total EBITDA of business segments [6]	**(17,940)**	**(15,809)**

Reconciliation

(In Euro x 1,000)	2024	2023
Loss before income tax	(32,627)	(34,150)
Amortization	231	90
Depreciation of property, plant and equipment	2,395	4,859
Depreciation of right of use assets	2,578	2,447
Impairment of property, plant and equipment	27	—
Finance costs - net	1,471	(221)
Share based compensation	1,240	1,109
Rent	621	714
Fair value remeasurement	(7,354)	(483)
Company overheads/other	13,478	9,826
Total EBITDA of business segments[7]	**(17,940)**	**(15,809)**

Assets per Segment

(In Euro x 1,000)	2024	2023
Renewable Polymers	241,531	192,902
Unallocated items	47,094	35,585
Total segment assets	**288,626**	**228,487**

[6] In presenting and discussing Avantium's financial position, operating results and cash flows, Avantium (like many other publicly listed companies) uses certain Alternative performance measures (APMs) not defined by IFRS'. These APMs are used because they are an important measure of Avantium's business development and Avantium's management performance. Please see Alternative performance measures as included under Financial performance 2024.

[7] Please refer to footnote 6.

Depreciation and Amortization

(In Euro x 1,000)	2024	2023
R&D Solutions	(274)	(230)
Renewable Chemistries	(451)	(2,776)
Renewable Polymers	(2,884)	(2,450)
Unallocated items	(1,621)	(1,938)
Total depreciation and amortisation	**(5,230)**	**(7,394)**

25. Expenses by Nature

Net operating expenses in 2024 amounted to €58.9 million (2023: €52.9 million). The increase is predominantly the result of higher employee benefit expenses, partially offset by a decrease in the purchase of raw materials.

Employee benefit expenses in 2024 amounted to €35.9 million (2023: €31.5 million) and includes wages and salaries, social security costs, share options granted to directors and employees, pension costs, and government grants received. The increase predominantly relates to an increase in temporary staffing and external recruitment services employed for the scale up of the FDCA Flagship Plant activities.

Raw materials and contract costs in 2024 amounted to €4.7 million (2023: €4.2 million) and comprises of cost of goods sold, costs of laboratory consumables directly attributable to revenue projects, and other costs incurred in relation to revenue generating activities. The increase is mainly the result of increased business activities in R&D Services.

During 2024 management reassessed the classification of expense accounts with the objective of ensuring that the classification provides more reliable and relevant information. Management has achieved this by reconsidering the nature of the various expenses to ensure that this has been disclosed under the correct function on the Consolidated Statement of Profit or Loss and Comprehensive Income.This has resulted in a reclassification of €4.2 million (2023: €2.9 million) from Employee benefits expenses to raw materials and contract costs, increasing Employee benefits expenses and decreasing raw materials and contract costs. Comparatives have been re-stated accordingly.

Patent, license, legal and advisory costs in 2024 amounted to €5.9 million (2023: €5.0 million). The increase is predominantly related to an increase in Intellectual Property fees associated with FDCA, along with consultancy and audit fees.

Office and housing expenses in 2024 amounted to €4.0 million (2023: €3.3 million) and comprises of short-term rental agreements, other facility related costs, telephony and other IT related office materials and costs. The increase is predominantly related to utility costs associated with the scale up of the FDCA Flagship Plant.

Laboratory expenses in 2024 amounted to €4.2 million (2023: €4.3 million) and comprises of laboratory consumables, spare parts, maintenance and repair work in the laboratory, and small laboratory projects.

Other operating expenses in 2024 amounted to €2.4 million (2023: €2.6 million) and comprises of external development costs, such as trials, and other general costs including Company insurances. In 2024 the Company has made additional one-off efforts related to higher compliance assessments of PEF and FDCA needed for the use as food contact material and its registration in jurisdictions of interest.

Advertising and representation expenses in 2024 amounted to €1.8 million (2023: €2.0 million) and comprises of external and internal marketing, communications, and business development efforts, including travel. Wages for internal business development staff is excluded, as this is included under employee benefit expenses.

Depreciation, amortization and impairment charges decreased to €5.2 million (2023: €7.4 million). The depreciation of fixed assets decreased in 2024 mainly due to Renewable Chemistries being held for sale, and therefore containing no further depreciation. Additionally, there were a number of assets being fully depreciated and impaired in 2024. The depreciation of right of use assets increased in 2024 and is mainly the result of an increase and/or modification in the lease portfolio of the Company during the year.

26. Employee Benefit Expenses

(In Euro x 1,000)	**2024**	**2023**
Wages and salaries	31,256	27,554
Government grants R&D (WBSO)	(1,617)	(1,453)
Social security costs	3,346	3,013
ESOP expense (note 14)	1,163	933
LTIP awards expense (note 14)	214	174
PSU awards expense (note 14)	59	—
RSU awards expense (note 14)	18	—
Pension costs - defined contribution plans	1,451	1,294
	35,890	**31,515**
Number of full time equivalent employees at the end of the year	**284**	**288**

Avantium has two employees employed in Japan, all other employees of Avantium are employed in the Netherlands. The average number of FTEs during 2024 was 287 (2023: 262).

In 2024, €1.6 million (2023: €1.5 million) government grants in the form of WBSO were recognized directly as an offset of employee benefit expenses.

During the 2024 financial year there was a modification to the exercise price of options granted under the ESOP plan (refer to note 14).

During the 2024 financial year management has made a reclassification in the Consolidated Statement of Profit or Loss and Comprehensive Income between the Employee benefits expenses and Raw materials and contract costs line items (refer to note 25). Comparative figures have been adjusted accordingly.

27. Finance Income and Costs

(In Euro x 1,000)	**2024**	**2023**
Finance costs:		
Net foreign exchange (gains) loss	41	(1)
Interest current accounts	—	—
Financing component of lease payments	220	99
Interest on borrowings	2,461	41
Other bank and commitment fees	206	834
Effective interest: Prepaid interest	18	—
Other finance costs	—	1
Finance costs	**2,946**	**973**
Finance income:		
Interest current accounts	(1,475)	(1,194)
Finance income	**(1,475)**	**(1,194)**
Finance costs - net	**1,471**	**(221)**

Interest on borrowings includes an amount of €1.6 million (2023: €nil) relating to the the Debt Facility (refer to note 17) and an amount of €0.8 million (2023: €41.000) which relates to the shareholders loan (refer to note 18). The year-on-year increase in interest on borrowings is due the interest on the additional €15.0 million drawn on the Debt facility in August 2024, which is not capitalized to the asset under construction for the FDCA Flagship Plant as the proceeds of this draw down have not been used to fund the construction of the FDCA Flagship Plant.

28. Income Tax Expense

The Company forms a tax group with its subsidiaries for corporate income and value added tax purposes (fiscal unity). Under the standard conditions, the members of the tax group are jointly and severally liable for income taxes payable by the group.

The Company does not recognize any deferred tax asset in relation to the losses carried forward as it is not considered probable that there will be sufficient taxable profit against which the unused tax losses can be utilized in the following year(s).

Both fiscal unities have carry-forward losses. The total tax losses carry-forward for the Avantium N.V. fiscal unity as of December 31, 2024 is approximately €164.3 million (December 31, 2023: €177.5 million). The total tax losses carry-forward for the Avantium Renewable Polymers B.V fiscal unity as of December 31, 2024 is approximately €111.0 million (December 31, 2023: €80.0 million). The carry-forward tax losses up to December 31, 2021 €163.1 million have been confirmed by the Dutch tax authorities.

No tax charge or tax income were recognized in 2024, since both the Avantium N.V. fiscal unity and the Avantium Renewable Polymers B.V. fiscal unity recorded an estimated net loss (approximately €5.6 million for Avantium N.V. fiscal unity and approximately €32.0 million for the Avantium Renewable Polymers B.V. fiscal unity).

The losses of both fiscal unities are subject to tax loss utilization rules under which they can be carried forward indefinitely and can be carried back one year. However, tax losses will only be fully available for carry-forward and carry-back set off up to an amount of €1.0 million of taxable profit per year. In the case of a profit which is higher than €1.0 million, the amount above €1.0 million can only be set off up to 50% of that higher taxable profit.

The Company does not use contrived or abnormal tax structures that are intended for tax avoidance. The calculation for 2024 is not based on an official Tax filing.

(In Euro x 1,000)	2024	2023
Consolidated loss before tax	**(32,627)**	**(34,150)**
Tax at applicable tax rate in the Netherlands of 25.8% (2023: 25.8%)	8,418	8,811
Non-deductable expenses	715	2,410
Subtotal	**9,133**	**11,221**
Unrecognized of deferred tax assets	(9,133)	(11,221)
Tax profit as a result from revaluation of certain assets	—	—
Utilization of previously unrecognized deferred tax assets	—	—
Tax charge	**—**	**—**

The nominal tax rates and amount in 2024 are 19% up to €0.2 million and 25.8% over €0.2 million (2023: 19% up to €0.2 million and 25.8% over €0.2 million).

Deferred taxes

(In Euro x 1,000)	2024	2023
Category of temporary differences		
Lease liabilities	2,018	2,087
Decommissioning liabilities	—	—
Total gross deferred tax assets	**2,018**	**2,087**
Offset against deferred tax liabilities	(2,018)	(2,087)
Total net deferred tax assets	**—**	**—**
Right-of-use assets	(2,018)	(2,087)
Property, plant and equipment	—	—
Total gross deferred tax liabilities	**(2,018)**	**(2,087)**
Offset against deferred tax assets	2,018	2,087
Total net deferred tax liabilities	**—**	**—**
Total deferred tax positions (net)	**—**	**—**

Deferred tax assets related to temporary differences have been recognized only to the extent that there are reversing deferred tax liabilities. The Company does not recognize any deferred tax asset in relation to the losses carried forward as it is not considered probable that there will be sufficient taxable profit against which the unused tax losses can be utilized in the following year(s).

29. Dividends

The Company declared no dividends for any of the years presented in these consolidated financial statements.

Other Notes to the Consolidated Financial Statements

30. Contingencies

During 2024, the Company had no contingencies to report.

31. Commitments & Guarantees

Commitments

Purchase commitments for property, plant and equipment aggregated €3.3 million (2023: €24.1 million).

Guarantees

The Company has a cash-collateralised guarantee facility in place. These guarantees are predominantly issued in relation to payments from customers following a systems deal for which a bank guarantee had to be issued. As at December 31, 2024, €3.2 million of the existing guarantee capacity has been utilized as a result of guarantees issued to third parties.

This guarantee facility is also disclosed as part of the cash equivalents in note 10.

32. Related-party Transactions

Related party transactions entered into at arm's length are conducted in a fair and unbiased manner, ensuring equitable terms and conditions comparable to those of transactions with unrelated parties, thereby upholding transparency, integrity, and the best interests of all involved stakeholders.

Identification of Related Parties

Key management is defined as those persons having legal authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Our key management comprises the members of the Management Board and the Supervisory Board.

Key Management Changes 2024

On May 15, 2024, the Annual General Meeting re-appointed Michelle Jou as Supervisory Board member for a term of four years.

The following persons were members of the Supervisory Board on December 31, 2024:

- Edwin Moses, Chairperson
- Nils Björkman
- Michelle Jou
- Margret Kleinsman
- Dirk Van Meirvenne
- Peter Williams

Key Management Remuneration Policy

Avantium does not grant its key management with any personal loans, guarantees or advance payments. For further information on the Remuneration Policy refer to the Remuneration Report.

Key Management Remuneration 2024

The total remuneration paid to members of the Management Board and independent members of the Supervisory Board amounted to €1.2 million (2023: €1.3 million) and €0.6 million (2023: €0.4 million) respectively.

The following table provides a breakdown of the remuneration in 2024 of the members of the Management Board:

(In Euro x 1,000) *Management Board*	Salary	Other benefits[8]	Cash bonus	Investment share bonus	Share-based payments	Post-employee benefits	Severance payments	Total Remuneration
T.B. van Aken								
2024	343	28	82	—	216	30	—	699
2023	300	28	106	106	134	21	—	695
B.W. van Schaík								
2024	255	88	46	—	70	18	—	478
2023	251	69	63	63	72	14	—	532
B.J.J.V. Welten								
2024	—	—	—	—	18	—	—	18
2023	—	—	—	—	31	—	—	31
Total - 2024	**598**	**116**	**128**	**—**	**304**	**48**	**—**	**1,194**
Total - 2023	**551**	**97**	**169**	**169**	**237**	**35**	**—**	**1,258**

The following table provides a breakdown of the remuneration in 2024 of the members of the Supervisory Board:

(In Euro x 1,000)	Annual fee[2]		Share-based payments		Travel expenses		Total	
Supervisory Board member	2024	2023	2024	2023	2024	2023	2024	2023
E. Moses	103	90	90	65	3	1	196	156
M.G. Kleinsman	55	50	—	—	—	—	55	50
M.B.B. Jou	57	50	16	2	2	3	75	55
N. Björkman	63	55	11	21	5	4	79	80
D. Van Meirvenne	51	29	25	21	2	1	78	51
P.S. Williams	51	29	25	21	—	—	76	50
Total Supervisory Board members	**380**	**303**	**167**	**130**	**11**	**9**	**559**	**442**

[2] The membership fee included within the annual fee excludes the fee covering the onboarding period prior to the respective appointments, being equal to the prorated base membership fee (€40,000 on pro rate basis).

[8] Other benefits mainly include contributions to social security plans, benefits in kind such as Company cars, medical expenses and legal expenses.

33. Proposed Appropriation of Result

In anticipation of the Annual General Meeting’s adoption of the annual accounts, the net loss for the year of €26.9 million has been added to accumulated losses.

34. Events After the Balance Sheet Date

In December 2024, Avantium announced commitments from its lenders to extend the maturity date of the €105.0 million Debt Financing Facilities to March 31, 2026, with a second extension to March 31, 2027, subject to meeting certain conditions. The lenders also committed to increasing the €105.0 million Debt Financing Facilities (excluding payment-in-kind interest) by €20.1 million, subject to customary, technical and commercial conditions precedent, including, amongst others, Avantium raising additional equity funding by issuing new ordinary shares in the Company and meeting certain commercial production milestones. The Company anticipates meeting those conditions precedent in the fourth quarter of 2025. As part of this agreement, Avantium will grant the lenders (excluding ASN Bank) rights to subscribe for ordinary shares (Warrants), pending shareholder approval at the Annual General Meeting (AGM) on May 14, 2025. On March 18, 2025, Avantium and its lenders entered into the documentation to reflect the extension and the €20.1 million increase of the Debt Financing Facilities.

Additionally, in December 2024, the Provincial Executive of Groningen announced its intent to provide a subordinated loan of up to €9.9 million to support the start-up phase of the FDCA Flagship Plant. After presenting the proposal to the Provincial Council in February 2025 and with no objections received, the Provincial Executive finalized the decision in March 2025. Based on the subordinated loan documentation, €9.9 million is to be made available in two tranches in the first and second quarter of 2025, contingent on the parties meeting certain conditions, including as per a Memorandum of Understanding outlining the parties' steps towards Avantium’s further future commitment to the Groningen region. On March 18, 2025, Avantium and the Province of Groningen entered into the documentation to reflect the €9.9 million subordinated loan.

In 2024, Avantium N.V. provided additional funding to Avantium Renewable Polymers B.V. under a shareholder’s loan agreement totaling €31.9 million, 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.

Company Financial Statements 2024

Company Balance Sheet

As at December 31
The balance sheet has been prepared after appropriation of current year result.

(In Euro x 1,000)	Note	December 31, 2024	December 31, 2023
ASSETS			
Non-current assets			
Financial Fixed Assets	37	117,055	138,589
Right-of-use assets	42	3,188	4,034
Total non-current assets		**120,243**	**142,623**
Current assets			
Financial Fixed Assets	37	64,017	—
Other receivables		22	120
Cash and cash equivalents	38	22,778	23,471
Total current assets		**86,817**	**23,591**
Total assets		**207,060**	**166,213**
LIABILITIES			
EQUITY			
Ordinary shares	12	8,611	4,321
Share premium		341,761	271,006
Other reserves	12	8,392	6,924
Accumulated losses		(262,910)	(236,078)
Total equity		**95,854**	**46,173**

(In Euro x 1,000)	Note	December 31, 2024	December 31, 2023
Provisions	**41**	**—**	**25**
Non-current liabilities			
Borrowings	39	5,023	26,774
Financial liability	40	—	13,609
Lease liabilities	42	3,198	4,163
Payables to group companies	43	52,250	73,717
Total Non-current liabilities		**60,471**	**118,261**
Current liabilities			
Borrowings	39	41,197	—
Financial liability	40	7,593	—
Trade payables		288	551
Lease liabilities	42	1,127	1,070
Other current liabilities		530	133
Total current liabilities		**50,735**	**1,754**
Total liabilities		**111,206**	**120,015**
Total equity and liabilities		**207,060**	**166,213**

Company Income Statement

For the financial year ended December 31

in Euro x 1,000	Notes	2024	2023
Revenues		—	—
Other income		—	—
Total revenues and other income		—	—
Operating expenses			
Employee benefit expenses[9]		(1,455)	(933)
Office and housing expenses		(6)	(5)
Patent, license, legal and advisory expenses		(280)	(210)
Other operating expenses		(382)	(83)
Depreciation, amortization and impairment charge		(1,007)	(1,007)
Operating loss		**(3,130)**	**(2,238)**
Fair value measurement	40	7,354	483
Finance income/(costs) - net	44	3,966	615
Profit/(Loss) before income tax		**8,190**	**(1,140)**
Income tax expense		—	—
Result from subsidiaries		(35,058)	(30,261)
Loss for the period		**(26,868)**	**(31,402)**

[9] Employee benefit expenses relate to share based compensation awarded to employees, management team - and supervisory board - members of group entities. Please refer to note 26 of the consolidated financial statements.

Notes to the Company Financial Statements

35. General Information

The Company statements are part of the 2024 financial statements of Avantium N.V.

The financial statements of the Company are prepared in accordance with the provision of Part 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result of its Company financial statements, Avantium N.V. makes use of the option provided in Section 2:362 (8) of the Dutch Civil Code. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. This means that the principles of the recognition and measurements of assets and liabilities and determination of the result (hereinafter referred to as accounting policies) of the Company financial statements of Avantium N.V. are the same as those applied for the consolidated financial statements under IFRS (refer to note 2). By applying this option, reconciliation is maintained between the group's equity and the Company's equity.

In the Company financial statements, investments in group companies are stated as net asset value, if the Company effectively exercises influence of significance over the operational and financial activities of these investments. The net asset value is determined on the basis of the accounting principles applied by the Company. Under the application of the net asset value, the Company recognizes its share in the result of group companies in the income statement. In case the net asset value of an investment in a group company is reduced to nil, losses are further recognized on any existing loans to group companies that are considered as part of the net investment in the group company. A provision for any remaining equity deficit is recognized when an outflow of resources is probable and can be reliably estimated.

Expected credit losses are recognized on all financial assets in line with the accounting policy on impairment of financial assets as included in the consolidated financial statements. This includes any intercompany receivables. In line with the exemption provided by the DASB, however, such expected credit losses are eliminated in these financial statements. This elimination takes place against the carrying value of the intercompany receivables.

36. Equity Attributable to Equity Holders of the Company

For a breakdown of the various components of equity and the related movements, reference is made to the consolidated statement of changes in equity of the consolidated financial statements (refer note 12).

37. Financial Fixed Assets

The Company directly held interests in the following subsidiaries on December 31, 2024:

- Avantium Technologies B.V., Amsterdam (100%)
- Renewable Technologies B.V., Amsterdam (100%)
- Avantium Support B.V., Amsterdam (100%)
- Avantium Knowledge Centre B.V., Amsterdam (100%)
- Feedstock Technologies B.V., Amsterdam (100%)
- Avantium Renewable Polymers B.V., Amsterdam (77.4%)
- Synvina C.V., Amsterdam (100%)

(In Euro x 1,000)	2024	2023
Participations in group companies	991	22,779
Receivables from group companies	116,064	94,339
Shareholder loan	64,017	21,470
Total of Financial Fixed Assets	**181,072**	**138,589**

(In Euro x 1,000)	2024	2023
Non-Current Fixed Financial Asset	117,055	138,589
Current Fixed Financial Asset	64,017	—
Total of Financial Fixed Assets	**181,072**	**138,589**

The movements in financial fixed assets can be summarized as follows:

(In Euro x 1,000)	Participations in group companies
Balance as at January 1, 2023	**47,998**
Share of loss in group companies	(19,340)
Other equity movements in subsidiaries	(5,879)
Balance as at December 31, 2023	**22,779**
Share of loss in group companies	(21,788)
Balance as at December 31, 2024	**991**

In Euro x 1,000)	Shareholder loan
Balance as at January 1, 2023	—
Shareholder loan issued	21,400
Accrued interest income on shareholder loans	70
Balance as at December 31, 2023	**21,470**
Shareholder loan issued	39,471
Accrued interest income on shareholder loans	3,076
Balance as at December 31, 2024	**64,017**

(In Euro x 1,000)	2024	2023
Group receivables outstanding January 1	**94,339**	**63,174**
Share of loss of group companies	(13,322)	(10,920)
Increase in receivables from group companies	35,047	42,085
Group receivables outstanding December 31	**116,064**	**94,339**

On December 14, 2023, Avantium N.V. entered into a shareholders loan agreement with Avantium Renewable Polymers B.V. The subordinated loan will carry interest of 6.5% per annum, paid in arrears upon repayment of the loans. The shareholder loan is convertible into shares of Avantium Renewable Polymers B.V. The shareholder loan is repayable in June 2025.

During the 2024 financial year Avantium N.V. provided additional funding to Avantium Renewable Polymers B.V. under a second shareholders loan agreement to a total value of €18.0 million. Interest has been accrued for at a rate of 6.5% from the date of payment until December 31, 2024. Refer to note 39 .

As at December 31, 2024 the balance of the legal reserve amounted to €0 (2023: €0).

38. Cash and Cash equivalents

In Euro x 1,000	December 31, 2024	December 31, 2023
Cash at bank and on hand	19,778	21,971
Restricted cash	3,000	1,500
Cash and cash equivalents for cash flow purposes	**22,778**	**23,471**

The cash and cash equivalents presented in the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flow include restricted cash of €3.2 million. The restricted cash represents short term cash-collateralised guarantee facilities. At year end 2023 the Company had a maximum guarantee capacity of €3.0 million with Rabobank. During the 2024 financial year the company obtained an additional guarantee facility with ABN AMRO. The ABN AMRO guarantee facility does not have a maximum capacity. As at December 31, 2024, €3.2 million (2023: €1.7 million), of which €3.0 million relates to Rabobank, of the guarantee capacity has been utilized as a result of guarantees issued to third parties.

39. Borrowings

In Euro x 1,000	Debt Facility	Convertible Loan	Borrowings
Balance as at January 1, 2023	**12,556**	**—**	**12,556**
Debt Financing facilities drawdown	12,450	—	12,450
Restatement - drawdown	—	—	—
Effective Interest	1,768	—	1,768
Repayment of Debt Financing facilities	—	—	—
Balance as at 31 December 31, 2023	**26,774**	**—**	**26,774**
Debt Financing facilities drawdown	10,936	5,000	15,936
Effective Interest	3,487	23	3,510
Repayment of Debt Financing facilities	—	—	—
Balance as at December 31, 2024	**41,197**	**5,023**	**46,220**

In Euro x 1,000	December 31, 2024	December 31, 2023
Non-current Debt Financing facilities	5,023	26,774
Current Debt Financing facilities	41,197	—
Total Debt Financing facilities	**46,220**	**26,774**

In Euro x 1,000	Less than 1 year	Between 1 and 2 years	Between 2 and 5 year	Over 5 years	Total
Borrowings	41,197	—	5,023	—	46,220
	41,197	**—**	**5,023**	**—**	**46,220**

A three-year Debt Financing Facilities agreement was signed with a consortium of lenders on March 31, 2022. Under the Debt Facilities agreement €30.0 million is borrowed by Avantium N.V. and passed through to Avantium Renewable Polymers B.V. as an intercompany loan. On January 19, 2024 an amendment to the facility agreement was signed whereby an additional €12.5 million was extended on facility A. The interest on the Debt Financing Facilities agreement consists of three components: cash interest, accrued interest and warrants (refer to note 40). Cash and accrued interest is EURIBOR based. The repayment of the loan amount is due on March 31, 2026. The cash interest is paid on a quarterly basis and PIK interest is capitalized on the principal balance of the Facility on a quarterly basis starting as of February 21, 2023 for Facility A.

The Debt Financing Facilities agreement contains customary technical and commercial conditions precedent and a customary security package including amongst others security on: all material assets, IP rights, receivables of Avantium, Avantium Renewable Polymers B.V., the holding entity of the FDCA Flagship Plant, and of several other group companies, the shares in Avantium Renewable Polymers B.V. and these other group entities, the loan(s) of Avantium and Avantium Renewable Polymers B.V. to Avantium RNP Flagship B.V. and the FDCA Flagship Plant itself and the FDCA pilot plant.

For the carrying amounts of the Property, Plant & Equipment, Intangible assets and trade receivables pledged as security for current and non-current borrowings refer to the consolidated financial statements. On November 21, 2022 the first drawdown of the loan was executed for €15.0 million. On this date, the Debt Financing Facilities agreement was amended and restated reflecting the current status of the business. On January 30, 2023 the second drawdown of the loan was executed for €15.0 million.

The annual effective interest rate on the first drawdown is 14.3% and 15.1% on the second drawdown. On August 6, 2024 an additional facility was obtained as per January 19, 2024 of €12.5 million on Facility A. Effective as of July 31, 2024, additional warrants have been issued on these additional draw downs.

On December 4, 2024 Avantium N.V. entered into a convertible loan agreement of €5.0 million with Pieter Kooi. The loan becomes fully repayable on December 4, 2027, unless either the lender has exercised its right to convert the loan into ordinary shares or the company has exercised its right to early settlement. The loan agreement contains two conversion options. The first being the option of the lender to convert the loan into ordinary shares of Avantium N.V. at market value under certain conditions. The second being the option of the lender to convert at a fixed price upon the share price exceeding a certain conversion ratio. As a result of a prepayment option of the company, the conversion option is deemed to have no value. Under the terms of the agreement the loan bears interest of 6% per annum. Interest will be accrued to the principal amount of the loan.

Borrowings as at December 31, 2024:

Borrowing company	Type of loan	Issue date	Principle amount at Year End	Interest rate	Date of maturity	Carrying amount (EUR)	Long term (EUR)	Short term (EUR)
Avantium NV	Debt Facility A	2022 and 2024	42,500,000	Euribor + margin	March 31, 2025	44,880,295	—	44,880,295
Avantium NV	Convertible loan	2024	5,000,000	6% fixed	December 4,2027	5,022,500	5,022,500	—

Borrowings as at December 31, 2023:

Borrowing company	Type of loan	Issue date	Principle amount at Year End	Interest rate	Date of maturity	Carrying amount (EUR)	Long term (EUR)	Short term (EUR)
Avantium NV	Debt Facility A	2022	30,000,000	Euribor + margin	March 31, 2025	28,571,533	28,571,533	—

40. Financial Liability

For the breakdown and movement of the financial liability please refer to note 20.

41. Provisions

Provisions for the year were as follows:

In Euro x 1,000	Provisions
On January 1, 2024	**(25)**
Reversal of provision	25
On December 31, 2024	—

In Euro x 1,000	Provisions
On January 1, 2023	**(24)**
Share of loss in group companies	(1)
Movements in provisions	—
On December 31, 2023	**(25)**

At year end December 31, 2023 management incorrectly provided for the equity deficit of Feedstock Technologies B.V (2023: €25.000), a financial fixed assets with a negative net equity. During the 2024 financial year management has corrected this by reversing the provision. Management has assessed the prior period impact to be immaterial and therefore prior period values have not been restated.

42. Leases

This note provides information for leases where the group is a lessee.

Amounts Recognized in the Balance Sheet

The balance sheet shows the following amounts relating to leases:

in Euro x 1,000	December 31, 2024	December 31, 2023
Properties	3,188	4,034
Total right-of-use assets	**3,188**	**4,034**

in Euro x 1,000	December 31, 2024	December 31, 2023
Non-current lease liabilities	3,198	4,163
Current lease liabilities	1,127	1,070
Total Lease liabilities	**4,325**	**5,232**

Movement schedule for the Right of Use Asset (book value)

in Euro x 1,000	2024	2023
Balance at January 1	**4,034**	**6,656**
Depreciation	(1,007)	(968)
Modifications	161	(1,654)
Balance at December 31	**3,188**	**4,034**

Movement schedule for the lease liability

in Euro x 1,000	2024	2023
Balance at January 1	**5,232**	**7,904**
Repayment of lease liabilities	(1,068)	(1,016)
Modifications	161	(1,655)
Balance at December 31	**4,325**	**5,232**

Additions to the right-of-use assets during the 2024 financial year were €0 (2023: €0). The decrease in the right-of-use assets are due to lower inflationary increases during 2024.

Amounts Recognized in the Statement of Income

The statement of income shows the following amounts relating to leases:

in Euro x 1,000	2024	2023
Properties	1,007	968
Motor vehicles	—	39
Total depreciation charge of right-of-use assets	**1,007**	**1,007**

in Euro x 1,000	2024	2023
Interest expense included in finance cost	95	113
Total interest charge on lease liabilities	**95**	**113**

43. Payables to Group Companies

In Euro x 1,000	2024	2023
Group payables outstanding January 1	**(73,717)**	**(52,264)**
Movements in payables to group companies	21,467	(21,452)
Group payables outstanding December 31	**(52,250)**	**(73,717)**

The fair value of the intercompany amounts in Avantium N.V. to group companies approximates their book values. The payables to group companies have no repayment term.

The movement in 2024 relates to the redistribution of VAT received on behalf of Avantium Renewable Polymers B.V.

44. Finance Income and Costs

(In Euro x 1,000)	2024	2023
Finance costs:		
Net foreign exchange (gains) loss	(2)	—
Financing component of lease payments	95	113
Interest on borrowings - convertible loan	23	—
Other bank and commitment fees	9	5
Finance costs	**125**	**118**
Finance income:		
Interest on shareholder loans	(3,076)	(70)
Interest current accounts	(1,015)	(663)
Finance income	**(4,091)**	**(733)**
Finance (income)/costs - net	**(3,966)**	**(615)**

45. Commitment and Contingencies

The Company is part of a fiscal unity for corporate income taxes. As a consequence, the Company bears joint and several liability for the debts with respect to corporate income taxes. The Company settles corporate income taxes, in principle, based on the results before taxes of the subsidiaries belonging to the fiscal unity (refer to note 28).

Avantium has issued joint and several liability for the debts arising out of the legal acts of these subsidiaries, in accordance with Section 403 Part 9, Book 2 of the Dutch Civil Code. Each of these subsidiaries has filed Avantium's 403 declaration with the Dutch trade register:

- Avantium Support B.V.
- Avantium Technologies B.V.
- Avantium Chemicals B.V.

46. Audit Fees

The fees listed below relate to the procedures applied to the Company and its consolidated group entities by PricewaterhouseCoopers Accountants N.V., the Netherlands, the independent external auditor as referred to in section 1(1) of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta), as well as by other Dutch and foreign-based PricewaterhouseCoopers Accountants N.V. individual partnerships and legal entities, including their tax services and advisory groups. Except for the non-audit services below no other fees were charged by other entities in the PwC network:

(In Euro x 1,000)	2024	2023
Audit of the financial statements	626	364
Other audit procedures	—	—
Tax services	—	—
Other non-audit services	1	101
Total	**627**	**465**

Non-audit services include fees of €1.000 (2023: €1.000) paid to other PwC network firms.

47. Employee Information

The Company had no employees in 2024 (2023: nil).

Signing

Amsterdam, March 18, 2025

Avantium N.V. (Chamber of Commerce number: 34138918)

Management Board
Tom van Aken, Chief Executive Officer
Boudewijn van Schaïk, Chief Financial Officer

Supervisory Board
Edwin Moses, Chairperson
Nils Bjorkman
Michelle Jou
Margret Kleinsman
Dirk Van Meirvenne
Peter Williams

The financial statements are authorized for issue by the Management Board on March 18, 2025.

T.B. van Aken	B.W. van Schaïk
Chief Executive Officer	Chief Financial Officer

Other Information

Articles of Association Governing Profit Appropriation

According to article 31 of the Company's Articles of Association, the Annual General Meeting determines the appropriation of the Company's net result for the year.

Independent Auditor's Report

To: the General Meeting and the Supervisory Board of Avantium N.V.

Report on the audit of the financial statements 2024

Our opinion

In our opinion:

- the consolidated financial statements of Avantium N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Avantium N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code

What we have audited

We have audited the accompanying financial statements 2024 of Avantium N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the following statements for 2024: the consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The Company financial statements comprise:

- the company balance sheet as at 31 December 2024;
- the company income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Avantium N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands.Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Material uncertainty related to going concern

We draw attention to the going concern paragraph in the note 2.1.1 Going concern of the financial statements which indicates that the Company remains dependent on additional external funding and which states that the following elements are fundamental to Avantium's continuity:

- The successful start-up of the FDCA Flagship Plant for Avantium Renewable Polymers and achieving the Commercial Operations Date;
- The sale of technology licenses based on the proven technology following the achievement of the Commercial Operations Date of the FDCA Flagship Plant;
- Refinancing or extension of the Debt Financing Facilities (plus accrued and capitalized interest) before March 31, 2026; and
- Additional funding for the start-up and ramp-up of production from the FDCA Flagship Plant and for Avantium Renewable Polymers, as well as for all support activities and the further development of Avantium's other technologies.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We refer to section 'Audit approach going concern' for further information on our audit procedures regarding the going-concern assumption

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risks and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Overview and context

Avantium N.V. is a chemical technology company, developing and commercialising innovative renewable chemistry solutions. As of 31 December 2024, the company consisted of three business units (Renewable Polymers, Renewable Chemistries and R&D Solutions), which were subject to our audit procedures as set out in the section 'The scope of our group audit'.

As indicated in the CEO letter, the financial year 2024 was characterised by the completion of the construction and celebrating the opening of the FDCA Flagship plant, overcoming the challenges in the supply chain to complete the construction and securing additional funding to offset the resulting cost increases. In preparing the financial statements, management identified the delay and increases in the cost of constructing the FDCA Flagship plant as potential indicators for impairment and performed an impairment test to estimate the recoverable amount per the end of the year.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change. In note 4 Critical Accounting Estimates and Judgments of the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the impairment assessment of the Avantium Renewable Polymers Cash Generating Unit, we considered this matter a significant risk and as a key audit matter as set out in the section 'Key audit matters' of this report.

Avantium N.V. assessed the possible effects of climate change and its plans to meet the net zero commitments on its financial position, refer to the section 'The World Around Us' of the Management Board Report. We discussed Avantium N.V.'s assessment and governance thereof with the management board and evaluated the potential impact on the financial position including underlying assumptions and estimates. Avantium's management has concluded that climate change does not negatively impact the financial position of the company. The expected effects of climate change are not considered a key audit matter.

Other areas of focus, that were not considered as key audit matters, were recognition of the license contract revenue, the accounting of Avantium's share based payments plan and the accounting of the additional warrants issued. As in all of our audits, we also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by the management board that may represent a risk of material misstatement due to fraud.

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a listed chemical technology company. We therefore included experts and specialists in the areas of amongst others IT, financial instruments, share based payments, valuations and restructuring and financing in our team.

The outline of our audit approach was as follows:

Materiality
■ Overall materiality: €2,300,000.
Audit scope
■ All group components were in scope, being Renewable Polymers, Renewable Chemistries and R&D Solutions business unit. For all components, the group engagement team performed the audit procedures.
Key audit matters
■ Impairment assessment of the Avantium Renewable Polymer Cash Generating Unit.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€2,300,000 (2023: €1,350,000), rounded
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 0.8% of total assets (2023: we used 4% of the result before income tax).
Rationale for benchmark applied	We used total assets as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that total assets is the most relevant metric for the financial performance of the Company based on the current phase of the company and the fact that the results before income tax is still negative and volatile.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the audit committee that we would report to them any misstatement identified during our audit above €115,000 (2023: €67,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Avantium N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Avantium N.V.

The group engagement team performed the audit work on all components, the group consolidation and financial statement disclosures. By performing these procedures, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, as a whole, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Avantium N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the informal fraud risk assessment, as well as the code of conduct, whistleblower procedures, policies around agents and confidant policies, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the management board as well as the audit committee and other members of management whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risk	Our audit work and observations
Risk of management override of controls Management is in a unique osition to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why we pay attention to the risk of management override of controls in: ■ the appropriateness of journal entries and other ■ adjustments made in the preparation of the ■ financial statements; ■ estimates; and ■ significant transactions, if any, outside the ■ normal course of business for the Company.	We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We selected journal entries based on risk criteria such as unexpected account combinations and journal entries recorded by unexpected users, and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation and verifying the business nature of the entries recorded. We also paid particular attention to consolidation and elimination entries. We also performed audit procedures related to the important estimates and judgments made by management, including, but not limited to the going concern assessment, impairment assessment of property, plant and equipment, revenue recognition, valuation of warrants, provisions as well as sharebased payments related estimates. We refer to the key audit matter for the Impairment assessment of the Avantium Renewable Polymers Cash Generating Unit. We specifically paid attention to the inherent risk of bias of management in estimates. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

Identified fraud risk	Our audit work and observations
Risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue transactions or assertions give rise to the risk of fraud in revenue recognition. Avantium Renewable Polymers entered into several contracts with a customer to provide services, licenses and goods. Accounting for these contracts is considered complex due to the application of the 5-step model of IFRS 15.	We evaluated the design and implementation of the internal control measures in the processes related to revenue reporting. We have validated the underlying contracts. We reviewed management's position paper on the accounting treatment, and agreed with the presentation and disclosure. We assessed the relevant estimates, recalculated the 2024 revenue and contract liability based on the identified transaction price and assessed the communication with the third party for the status of the project. We performed data analyses to identify potential unusual revenue entries in the fiscal year and performed specific substantive audit procedures on these entries, including inspection of the entries to source documentation and verifying the business nature of the entries recorded. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to revenue recognition.

Identified fraud risk	Our audit work and observations
Risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue transactions or assertions give rise to the risk of fraud in revenue recognition. Avantium Renewable Polymers entered into several contracts with a customer to provide services, licenses and goods. Accounting for these contracts is considered complex due to the application of the 5-step model of IFRS 15.	We evaluated the design and implementation of the internal control measures in the processes related to revenue reporting. We have validated the underlying contracts. We reviewed management's position paper on the accounting treatment, and agreed with the presentation and disclosure. We assessed the relevant estimates, recalculated the 2024 revenue and contract liability based on the identified transaction price and assessed the communication with the third party for the status of the project. We performed data analyses to identify potential unusual revenue entries in the fiscal year and performed specific substantive audit procedures on these entries, including inspection of the entries to source documentation and verifying the business nature of the entries recorded. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to revenue recognition.

Identified fraud risk	Our audit work and observations
The risk of improper approval of purchase invoices, changes to vendor master data and journal entries as a result of a control deficiency in the assignment and monitoring of activities of users with broad access rights in the ERP system. In 2024 we identified that the company did not design and implement a formal process on the assignment and monitoring of activities for users with broad access rights in the ERP system. Due to our findings relating to IT general controls, in our risk assessment procedures we have identified a heightened risk of fraud for improper approval of purchase invoices, change in vendor master data and journal entries with no clear business purpose, by the users with broad access rights. Based on this finding, management initiated remedial actions to identify whether or not improper approval of purchase invoices, unauthorised change in vendor data and unauthorised journal entries were recognised by users with broad access rights or profiles with unwanted system activity combinations.	We have evaluated management's remedial activity with the support of our IT team, and tested managements retrospective review of the user activities with broad access rights ('super users'). We have inspected management's review of all 'critical actions' performed by superuser accounts. We tested, on a sample basis, management's follow up on the identified approvals for purchase invoices, vendor data changes and journal entries, to confirm their assessment of an existing business rationale for these entries. Furthermore, the company's processes 'Procure to pay', 'Order to cash' and 'Period end financial reporting', are covered by our regular audit procedures, which includes substantive testing procedures on expenses and related payments, journal entries and revenue transactions. In context of the fraud risks identified for management override of controls, we also performed certain audit procedures in relation to journal entries and revenue transactions. For more details around these audit procedures, we refer to the fraud risk in this table above. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to improper approvals, vendor master data changes and journal entries.

We incorporated an element of unpredictability in our audit and we reviewed lawyer's letters. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

In the going-concern paragraph in the note 2.1.1 of the financial statements, the management board disclosed conditions that indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern.

The management board's most significant assumptions underlying their plans/actions to address these conditions that indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern (hereafter: going-concern risks) are:

- The successful start-up of the FDCA Flagship Plant for Avantium Renewable Polymers and achieving the Commercial Operations Date;
- The sale of technology licenses based on the proven technology following the achievement of the Commercial Operations Date of the FDCA Flagship Plant;
- Refinancing or extension of the Debt Financing Facilities (plus accrued and capitalized interest) before March 31, 2026; and
- Additional funding for the start-up and ramp-up of production from the FDCA Flagship Plant and for Avantium Renewable Polymers, as well as for all support activities and the further development of Avantium's other technologies.

In order to evaluate the appropriateness of management's use of the going-concern basis of accounting, including management's expectation that their plans sufficiently address the identified going concern risks and the adequacy of the related disclosures, we, with support of restructuring and financing specialists amongst others, performed the following procedures:

Regarding the assumptions underlying the management board's plans/actions, we:

- Analysed signed agreements to support the future license revenue (i.e. license agreement, letter of intent and nondisclosure agreements) to consider whether there is adequate support for those assumptions.
- Assessed reasonability of their forecast against independent scenarios based on available market research and off take of the plant (i.e. off take agreements) and alignment with public announcements made to consider whether there is adequate support for those assumptions.
- Analysed the agreements reached with the banks and other lenders for the extension of the Debt financing facilities, including the conditions precedent for future extension and the additional draw-down under the facilities, and the additional funding agreement signed in 2024 and up to and including 18 March 2025 to consider whether there is adequate support for those assumptions.
- Reviewed documents shared with interested parties, read minutes of the meetings of those charged with governance, presentations from the project oversight board and information provided to the lenders to evaluate the consistency of these assumptions with assumptions made by the management board.
- Inquired with management on the commercial process and on the progress of the start-up of the FDCA Flagship Plant for Avantium Renewable Polymers in H2 2025 to consider whether there is adequate support for those assumptions.

Regarding the management board's plans/actions, we:

- Analysed whether the current and the required financing has been secured and/or the process to secure this has started, to enable the continuation of the entirety of the entity's operations, including compliance with relevant covenants and future conditions required from the lenders to evaluated whether the management board can realise their plans/actions timely.
- Read minutes of the meetings of shareholders, those charged with governance and relevant committees, as well as agreements reached with the equity partners, banks and other investors for reference to the additional funding for the startup and ramp-up of production from the FDCA Flagship plant of Avantium Renewable Polymers, all support activities and the further development of Avantium's other technologies to evaluate the consistency of these assumptions with assumptions made by the management board.
- Assessed the FDCA Flagship plant start-up plan together with their licensing strategy and performed inquiry with management and key personnel from operations and sales to evaluate the consistency of the management board's business plan, the aforementioned actions/plans and cash flow forecast.
- Inquired with management as to their knowledge of going-concern risks beyond the period of management's assessment to assesses whether the expected outcome of the management board's plans/actions has been adequately included in the management board's cash flow forecast.
- Assessed the disclosure of the facts and circumstances around the financing of the FDCA Flagship Plant and the funding of the other ongoing operations in the financial statements to evaluate the consistency of the management board's business plan, the aforementioned actions/plans and cash flow forecast has been adequately disclosed.

Regarding the cash flow forecast, we:

- Evaluated the latest available cash flow forecast and performed sensitivity analysis, corroborated these with management's budgets, performed look-back procedures, assessed if the cash flow forecast is in line with all relevant information of which we are aware as a result of our audit to evaluate the sufficiency of the liquidity headroom as included in the forecast
- Analysed the financial position as at the balance sheet date compared to prior year, as well as the liquidity scenarios, including the assessment of the successful start-up of the FDCA Flagship Plant to evaluate, where necessary, whether financing of expected shortages in liquidity will be sufficient.

To consider whether any additional facts or information have become available that may be relevant for the identified going concern risks, including the management board's expectation on the sufficiency of the management board's actions/plans to mitigate the identified risks, we:

- Evaluated whether the material uncertainty with respect to going concern triggers accounting entries such as impairment of assets.
- Read minutes of the meetings of shareholders, those charged with governance and relevant committees after 31 December 2024 for reference to financing difficulties.
- Inquired of the management board and those charged with goveranance and relevant committees.

We evaluated whether the going-concern risks including the management board's plans/actions to address the identified risks and the most significant underlying assumptions have been sufficiently described in the notes to the financial statements. We found the disclosure in section 'Going Concern' in note 2.1.1 of the financial statements, where the management board disclosed conditions that indicate the existence of a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern, to be adequate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

In prior year audit, we included a key audit matter with respect to the accounting for customer contracts. This related specifically to their first YXY® Technology license Agreement. There were no new license agreements entered into in 2024. Therefore, we did not consider this as a key audit matter for 2024.

Per the end of the year management identified the delay and increase in the cost of constructing the FDCA Flagship plant as potential indicators for impairment and performed an impairment test on the CGU that includes the FDCA plant. As the impairment testing is judgemental and significant to our audit, we included this as a key audit matter for 2024.

In addition to the matters described in the section 'Material uncertainty related to going concern' we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	Our audit work and observations
Impairment assessment of the Avantium Renewable Polymers Cash Generating Unit – Note 5 Management identified the delay and increase in the cost of constructing the FDCA Flagship plant as potential indicators for impairment, in accordance with IAS 36 – Impairment of Assets. Management defined cash generating units (CGUs) within the group and performed an impairment test to estimate the recoverable amount per the end of the year. Management compared the recoverable amount with the carrying value of the CGU Avantium Renewable Polymers, which did not result in an impairment recorded by management. The impairment assessment is significant to our audit as the position is material to the Group (approximately €230 million recorded in Construction in progress), calculations are complex, involve high levels of estimation uncertainty and judgmental assumptions that are subject to change, and which could be subject to management bias. The management board's most significant assumptions in determining the recoverable amount are: ▪ the timing of the start of commercial product sale; ▪ the licence income expected to be generated through the sale of licenses; ▪ and the discount rate. Significant deviations and/or delays in these assumptions would have had a significant effect on the determination of the recoverable amount of the CGU. The Group's disclosures concerning the impairment and the sensitivity analysis prepared by management are included in Note 5 to the consolidated financial statements.	In order to evaluate the reasonability of management's impairment assessment, we, with the assistance of our valuation experts, performed the following procedures: ▪ Assessed the appropriateness of management's defined CGUs within the group; ▪ Assessed the composition of future cash flow forecasts and the underlying management assumptions by evaluating that: ◦ the forecast is based on the latest budget approved by the management board and supervisory board and consistent with the information shared to the Group's lenders, – ◦ the accuracy of the forecasts by comparing against actual past performance and previous forecasts to assess the Group's ability to forecast its cashflows, – ◦ the consistency of the model and assumptions used, – ◦ the corroboration of forward-looking information to strategic initiatives of the company, minutes of meetings of management and supervisory board, project oversight board minutes on the progress of testing the plant, signed agreements to support the future license revenue (i.e. license agreement, letter of intent and non-disclosure agreements, assessing reasonability of forecast against independent scenarios based on available market research) and off take of the plant (i.e. off take agreements) and alignment with public announcements made; ▪ Compared the inputs for the discount rate used by management to externally obtained data, such as risk-free rates, equity market risk premiums, country risk premiums as well as the betas of comparable companies; ▪ Tested the mathematical accuracy of the model and assessed whether the methodology applied in the model meets the requirements per IAS 36 for value in use; ▪ Challenged management's valuation analyses and sensitivities prepared by comparing these to our own independent sensitivity analyses; ▪ Challenged management on the disclosure of the most sensitive assumptions (i.e. the timing of the start of commercial product sale, the licence income expected to be generated through the sale of licenses; and the discount rate; ▪ Reconciled the carrying value of the CGU with audited data and assessed items included / excluded for compliance with IAS 36. To consider whether any contradictory information regarding management's plans for the CGU exist, we: ▪ Read the minutes of meetings of the project oversight board regarding the timeline of the Flagship plant construction, ▪ Inspected correspondence and reports of the group's commercial team With the procedures performed above, we determined that the methodology applied by management was in accordance with IAS 36 and assumptions used by management to perform the impairment assessment were within PwC's independent reasonable range of assumptions. A forecast is prospective financial information that is based on assumptions about events that may occur in the future and possible actions by an entity. It is highly subjective in nature and its preparation requires the exercise of considerable judgement. Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the deviation from the forecast may be material. In addition, we tested the related financial statements disclosures against the applicable disclosure requirements, including those related to sources of estimation uncertainty. We draw attention to note 5 of the consolidated financial statements which describes the key assumptions that have been applied in the impairment testing of the Renewable Polymers CGU to estimate the recoverable amount of the CGU and that the changes in the key assumptions as disclosed may have a material impact on the valuation of the Property, plant and equipment contained in the CGU.

Report on the other information included in the Annual Report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the management board report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch CivilCode.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the management board report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were appointed as auditors of Avantium N.V. by the supervisory boardfollowing the passing of a resolution by the shareholders at the annual general meeting held on 15 May 2024. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 22 years.

European Single Electronic Format (ESEF)

Avantium N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU)

2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by Avantium N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N ‘Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument’ (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the entity’s financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 47 to the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Management Board and the Supervisory Board for the financial statements

The Management Board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 18 March 2025

PricewaterhouseCoopers Accountants N.V.

J.J.L. Matze RA

Independent

Appendix to our auditor's report on the financial statements 2024 of Avantium N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report. We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied. From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Supplementary Information

Materiality Assessment

Avantium worked with an external party to conduct a materiality assessment in 2021. A similar exercise took place in 2022, with both internal and external stakeholders participating and with no significant changes from the 2021 assessment. During 2024, a new process was begun to update the materiality assessment to address the requirements of the Corporate Sustainability Reporting Directive (CSRD), ensuring alignment with evolving regulatory requirements.

Stakeholders were asked to fill in an online survey, using the double materiality principle to rate the importance of topics' impact on Avantium's business and on society and/or the environment. Respondents were divided into two groups: external stakeholders and internal stakeholders.

For external stakeholders, the three highest-rated topics with regard to impact on society and the environment were (i) Greenhouse Gas Emissions of Our Operations, (ii) Sustainable Feedstocks, and (iii) Climate Advocacy. The three highest-rated topics with regard to impact on Avantium's business were (i) Talent Attraction & Retention, (ii) Occupational Health & Safety, and (iii) Corporate Partnerships.

For internal stakeholders, the three highest-rated topics with regard to impact on society and the environment were (i) Climate Advocacy, (ii) Sustainable Feedstocks, and (iii) Circularity. The three highest-rated topics with regard to impact on Avantium's business were (i) Environmental Impact of Our Chemicals & Technologies, (ii) Health & Well-Being, and (iii) Talent Attraction & Retention.

Scope

Avantium's sustainability goals and sustainability management are designed to contribute to the United Nations (UN)'s Sustainable Development Goals (SDGs). Monitoring and reporting on progress towards these goals is done in line with the Global Reporting Initiative (GRI) Standards. In the future, Avantium will report using the European Sustainability Reporting Standards (ESRS).

Definitions of Very-High-Priority Material Topics

Environmental Impact of Our Technologies
Applying Avantium's expertise to improve the efficiency of existing chemical processes and invent new technologies with an improved environmental impact versus fossil-based incumbents.

Greenhouse Gas Emissions of Our Operations
Aligning Avantium's business with a 1.5°C future by reducing carbon emissions in line with the Paris Agreement and working to remove stubborn emissions through credible offsetting.

Circularity
Optimizing the recovery, re-use, and recycling of our technologies, mitigating Avantium's impact on natural resources.

Sustainable Feedstocks
Using plant-based feedstocks including agricultural crops, residues from agriculture or forestry, or waste material that would otherwise be incinerated.

Occupational Health & Safety
Implementing strong safety management practices, as defined by ISO 45001, in our workplaces to safeguard employees' health.

Health & Well-Being
Ensuring employee health and well-being through our culture and programs focusing on work-related stress, work–life balance, and mental health.

Talent Attraction & Retention
Attracting, engaging, and retaining a productive and talented workforce through programs, benefits and development opportunities.

Climate Advocacy
Accelerating the industry transition to fossil free by helping our customers and partners embrace the essential technologies and products of tomorrow.

Stakeholder Engagement
Engaging proactively and continuously with various stakeholders in a two-way dialogue, understanding their priorities and reflecting them in our collaboration, advocacy, and environmental, social, and governance (ESG) strategy.

Corporate Partnerships
Selecting partners who share the same values as us and who want to decouple the industry from its reliance on fossil fuels.

Intellectual Property (IP) & Data Protection
Ensuring the protection, confidentiality, and ethical use of company, client, employee, and supplier data.

Definitions of High-Priority Material Topics

Diversity & Inclusion
Upholding the highest standards of equality, fairness, and respect among employees by ensuring an inclusive and socially mobile culture with zero tolerance for harassment or discrimination.

Hazardous Materials Management
Reducing or eliminating hazardous materials from our processes wherever possible, and focusing on responsible management and disposal when their use is unavoidable.

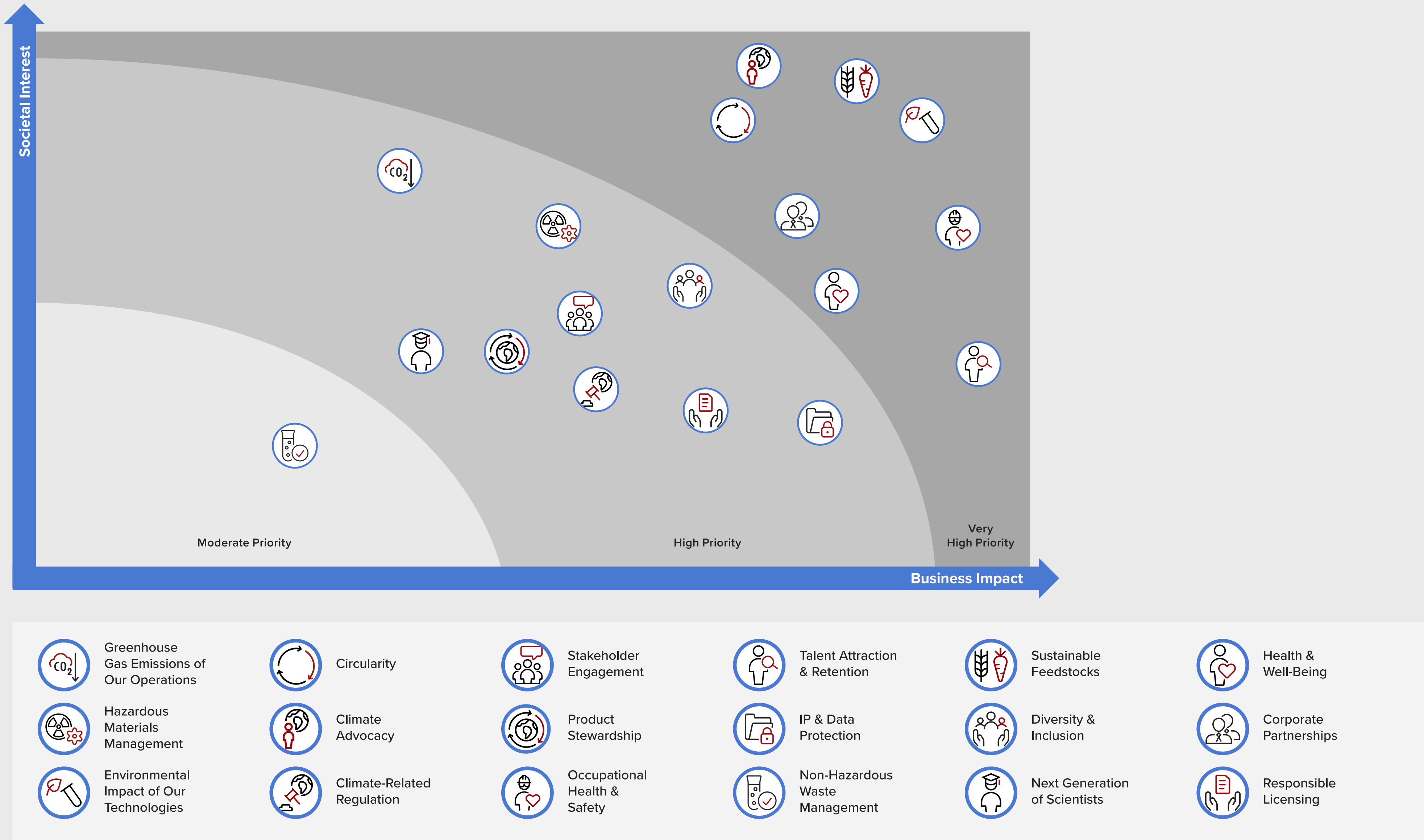
Next Generation of Scientists
Promoting and improving science, technology, engineering, and mathematical (STEM) education as a way to raise levels of scientific literacy and equip our society to address climate change.

Climate-Related Regulation
Engaging with laws, regulations, and restrictions on climate-related topics, from rapidly changing emissions regulations to taxonomy.

Non-Hazardous Waste Management
Reducing material use through the adoption of responsible consumption practices and ensuring the highest standards of re-use and recycling across our offices and operations.

Product Stewardship
Managing, in a responsible way, the health, safety, and environmental aspects of a product throughout its life cycle.

Avantium Materiality Assessment 2024



GRI Content Index

Statement of use	Avantium N.V. has reported the information cited in this Global Reporting Initiative (GRI) content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards	
	GRI 1: Foundation 2021	
	Disclosure	**Location in Annual Report, corporate website or direct answer**
GRI 2: General Disclosures	2-1 Organizational details	Financial Statements, Note 1 General Information (page 111)
	2-2 Entities included in the organization's sustainability reporting	Financial Statements, Note 2.2.1 Subsidiaries (page 114) Performance by Business Area 2024 (page 23) About This Report (page 3)
	2-3 Reporting period, frequency and contact point	About This Report (page 3)
	2-4 Restatements of information	Financial Statements, Note 2.1.2 Changes in Accounting Policy and Disclosures, (page 114)
	2-5 External assurance	About This Report (page 3)
	2-6 Activities, value chain and other business relationships	Who We Are (page 10) Value Creation Model (page 15) The World Around Us (page 16) Our Strategy and Value Creation (page 19) Performance by Business Area 2024 (page 23)
	2-7 Employees	Social Performance (page 40)
	2-8 Workers who are not employees	Social Performance (page 40)
	2-9 Governance structure and composition	Corporate Governance (page 60)
	2-10 Nomination and selection of the highest governance body	Corporate Governance (page 60) Corporate Website
	2-11 Chair of the highest governance body	Message from the CEO (page 8) Corporate Governance (page 60)
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance (page 60)
	2-13 Delegation of responsibility for managing impacts	Corporate Governance (page 60)
	2-14 Role of the highest governance body in sustainability reporting	In-control Statement (page 66)
	2-15 Conflicts of interest	Responsible Business (page 26) Corporate Website
	2-16 Communication of critical concerns	Risk Management and Internal Control (page 61)
	2-17 Collective knowledge of the highest governance body	Corporate Governance (page 60)
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance (page 60)

Statement of use	Avantium N.V. has reported the information cited in this Global Reporting Initiative (GRI) content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards	
	GRI 1: Foundation 2021	
	Disclosure	**Location in Annual Report, corporate website or direct answer**
	2-19 Remuneration policies	Remuneration Report 2024 (page 84)
	2-20 Process to determine remuneration	Remuneration Report 2024 (page 84) Corporate Governance (page 60)
	2-21 Annual total compensation ratio	Remuneration Report 2024 (page 84)
	2-22 Statement on sustainable development strategy	Message from the CEO (page 8) Sustainability Strategy (page 22)
	2-23 Policy commitments	Responsible Business (page 26) Principles and Policies, Corporate website
	2-24 Embedding policy commitments	Responsible Business (page 26) Governance Performance (page 45)
	2-25 Process to remediate negative impacts	Risk Management and Internal Control (page 61)
	2-26 Mechanisms for seeking advice and raising concerns about ethics	Whistleblower Policy (Avantium speak-up Policy) Corporate Website
	2-27 Compliance with laws and regulations	Code of Business Conduct, Corporate Website
	2-28 Membership associations	Advocating for a Fossil-Free Industry (page 46) Stakeholder Engagement (page 48)
	2-29 Approach to stakeholder engagement	Stakeholders and Materiality (page 18) Materiality Assessment (page 183) Stakeholder Engagement (page 48)
	2-30 Collective bargaining agreements	At Avantium, there are no collective bargaining agreements
GRI 3: Material Topics	3-1 Process to determine material topics	Stakeholder Engagement (page 48) Avantium Materiality Assessment (page 183)
	3-2 List of material topics	Avantium Materiality Assessment (page 183) References to Sustainability Reporting Frameworks (page 29)
	3-3 Management of material topics	Sustainability Performance 2024 (page 26)
GRI 303: Energy	3-3 Management of material topics	Reducing Emissions from Our Operations (page 32)
	302-1 Energy consumption within the organization	Reducing Emissions from Our Operations (page 32)
	302-4 Reduction of energy consumption	Reducing Emissions from Our Operations (page 32)

Statement of use	Avantium N.V. has reported the information cited in this Global Reporting Initiative (GRI) content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards	
	GRI 1: Foundation 2021	
	Disclosure	**Location in Annual Report, corporate website or direct answer**
GRI 305: Emissions	3-3 Management of material topics	Reducing Emissions from Our Operations (page 32)
	305-1 Direct (Scope 1) GHG emissions	Reducing Emissions from Our Operations (page 32)
	305-2 Energy indirect (Scope 2) GHG emissions	Reducing Emissions from Our Operations (page 32)
	305-3 Other indirect (Scope 3) GHG emissions	Reducing Emissions from Our Operations (page 32)
	305-5 Reduction of GHG emissions	Reducing Emissions from Our Operations (page 32)
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Reducing Emissions from Our Operations (page 32)
GRI 306: Waste	3-3 Management of material topics	Managing Waste from Our Operations (page 34)
	306-1 Waste generation and significant waste-related impacts	Managing Waste from Our Operations (page 34)
	306-2 Management of significant waste-related impacts	Managing Waste from Our Operations (page 34)
	306-3 Waste generated	Managing Waste from Our Operations (page 34)
	306-4 Waste diverted from disposal	Managing Waste from Our Operations (page 34)
	306-5 Waste directed to disposal	Managing Waste from Our Operations (page 34)
GRI 308: Supplier Environmental Assessment	3-3 Management of material topics	Using Sustainable Feedstocks (page 31)
	308-1 New suppliers that were screened using environmental criteria	Using Sustainable Feedstocks (page 31)
GRI 401: Employment	3-3 Management of material topics	Social Performance (page 37) Becoming a Top-10 Place to Work (page 40)
	401-1 New employee hires and employee turnover	Promoting Diversity, Equality and Inclusion (page 42)
	401-3 Parental leave	Promoting Diversity, Equality and Inclusion (page 42)
GRI 403: Occupational Health and Safety	3-3 Management of material topics	Providing Safe and Healthy Workplaces (page 38) Corporate Website
	403-1 Occupational health and safety management system	Providing Safe and Healthy Workplaces (page 38) Corporate Website
	403-2 Hazard identification, risk assessment, and incident investigation	Providing Safe and Healthy Workplaces (page 38)
	403-4 Worker participation, consultation, and communication on occupational health and safety	Works Council (page 41) Health and Well-Being (page 41) Providing Safe and Healthy Workplaces (page 38)
	403-5 Worker training on occupational health and safety	Providing Safe and Healthy Workplaces, Safety Culture and Trainings (page 38)
	403-6 Promotion of worker health	Health and Well-Being (page 41)
	403-9 Work-related injuries	Providing Safe and Healthy Workplaces, Accidents and Incidents (page 38)

Statement of use	Avantium N.V. has reported the information cited in this Global Reporting Initiative (GRI) content index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards	
	GRI 1: Foundation 2021	
	Disclosure	**Location in Annual Report, corporate website or direct answer**
GRI 404: Training and Education	3-3 Management of material topics	Becoming a Top-10 Place to Work (page 40)
	404-2 Programs for upgrading employee skills and transition assistance programs	Performance Management and Training (page 40)
	404-3 Percentage of employees receiving regular performance and career development	Performance Management and Training (page 40)
GRI 405: Diversity and Equal Opportunity	3-3 Management of material topics	Promoting Diversity, Equality and Inclusion (page 42)
	405-1 Diversity of governance bodies and employees	Promoting Diversity, Equality and Inclusion (page 42)
	405-2 Ratio of basic salary and remuneration of women to men	Promoting Diversity, Equality and Inclusion (page 42)
GRI 414: Supplier Social Assessment	3-3 Management of material topics	Using Sustainable Feedstocks (page 31)
	414-1 New suppliers that were screened using social criteria	Using Sustainable Feedstocks (page 31)

Glossary

This glossary has been carefully compiled and we believe it to be accurate. Definitions may, however, be based on Avantium's interpretation and the use of terms may differ from the meaning assigned to them elsewhere in the industry or otherwise.

Adsorption
Adsorption is the adhesion of atoms, ions, or molecules from a gas, liquid, or dissolved solid to a surface.

Bio-Based Economy
A bio-based economy exists when predominantly plant-based materials (i.e., biomass rather than fossil-based raw materials like petroleum) are used as a feedstock for making the chemicals, materials, and products we consume.

Bio-Based Plastic
These are plastics derived from man-made polymers that can be made from building blocks that originate from biological (once living) systems. Most of these building blocks (monomers) are derived from sugars. FDCA and PEF are examples of bio-based plastic; however, at Avantium, we prefer to call PEF and FDCA plant-based plastics, in order to prevent confusion with the term bioplastic. A bioplastic is a plastic derived from a biopolymer, such as DNA, insulin, cellulose, or starch.

Biomass
Organic feedstock, especially of plant origin. These feedstocks are renewable and originally found in nature in the form of agricultural and forestry products like corn, wheat, sugar beet, sugar cane, rapeseed, and woody plants. The residues of these products also contain starch, carbohydrates, fats, and proteins.

Biorefinery/Biorefining
A biorefinery is a factory that processes biomass into a range of products with the goal of making the most efficient use of the biomass or raw material. Biorefining aims to use every part of the raw material so that nothing goes to waste, thereby improving efficiencies and environmental impact. Dawn Technology™ is the brand name of Avantium's biorefinery technology, which converts non-food plant-based feedstock such as forestry residues and polycotton textile waste into industrial sugars.

Carbon Dioxide (CO_2)
A greenhouse gas (GHG) that originates as waste from the burning of fossil fuels and the production of electricity, fertilizers, chemicals, steel, and cement. It is the biggest contributor to climate change. Electrochemistry has the potential to use CO_2 as a feedstock for the sustainable production of chemicals and materials, and is seen as a game-changer for the chemical industry. The result is that this GHG is sequestered into products that can replace plastics and chemicals that are traditionally produced from fossil feedstock. Avantium's Volta Technology is the leading electrocatalytic platform developing CO_2 utilization solutions for a circular future.

Catalysis/Catalyst
A catalyst is a substance that enables and accelerates a chemical reaction. Catalysis is the process of using a catalyst in such a reaction.

Catalyst Testing
Catalyst testing is an important practice in the process of developing a new or improved catalyst. Over the years, Avantium R&D Solutions has executed numerous catalyst testing projects in the various phases of a catalyst development trajectory, from discovery and screening to process optimization and commercial selection.

Circular Economy
A circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems. Avantium works to advance new technologies for a more sustainable future. PEF plays a significant role in the circular economy.

CSRD
The EU's new Corporate Sustainability Reporting Directive.

Dawn Technology™
Dawn Technology™ is the brand name of Avantium's biorefinery technology, which converts non-food plant-based feedstock into industrial sugars and lignin. These sugars, such as glucose, are an excellent raw material for chemistry and fermentation processes and are used to produce a broad range of products.

First-Generation Feedstock
Carbohydrate-rich plants (e.g., sugar beet, sugar cane, corn, and wheat) that can also be used as food or feed or for making plant-based chemicals and materials.

Furandicarboxylic Acid (FDCA)
2.5-FDCA is an intermediate chemical for making PEF.

Flowrence®
Avantium's Flowrence® is an advanced high-throughput platform for high-quality testing of catalysts and adsorbents. This system can be used for a broad range of industrial applications that operate in gas, vapor, or trickle phases. The parallel reactor system combines the reproducibility of larger-scale reactors with the advantages of small-scale reactors, such as intrinsic safety, high accuracy, low costs per experiment, and, ultimately, faster time-to-market.

Glucose
A sugar consisting of six carbon atoms (C6), glucose is a core building block for a bio-based economy. It serves as a feedstock for the production of a broad range of chemicals and materials produced via chemistry or fermentation processes. The resulting products can be existing and new plant-based chemicals.

Glycols
A glycol is any of a class of organic compounds belonging to the alcohol family. The term is often applied to the simplest member of the class: MEG, a colorless, oily liquid. Avantium has developed plant-based MEG, a vital ingredient for the production of polyester textiles and film, PET and PEF resins, and engine coolants.

Global Reporting Initiative (GRI)
International independent standards for reporting.

Life-Cycle Assessment (LCA)
The compilation and evaluation of the input, output, and potential environmental impact of a product system throughout its life cycle. LCAs are fundamental to understanding how Avantium's technologies compete with fossil-based alternatives. LCAs form the bedrock of how we measure our footprint and describe the sustainability benefits of our innovations.

Lignin
In the Dawn Technology™ biorefining process, lignin is the mass remaining after the sugars have been removed from the initial raw material. It is very efficient for energy generation as its energy content is up to 40% higher than the original wood chips used in the process. Energy generation is currently the predominant application for lignin. Additional higher-value applications are being developed, including bio-asphalt.

Management Board and Management Team
The Management Board (consisting of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO)) is Avantium's statutory executive body and is, together with the Management Team (the CEO, CFO, Chief Technology Officer, General Counsel, and Managing Directors of the business units), responsible for the day-to-day management of Avantium.

Mono-Ethylene Glycol (MEG)
MEG is a vital ingredient for the production of polyester textiles and film, PET and PEF resins, and engine coolants. End uses for plant-based MEG (plantMEG™) range from clothing and other textiles, to packaging, kitchenware, non-toxic coolants (e.g., antifreeze), and solvents (e.g., paint and coatings). Ray Technology™ is the brand name of Avantium's technology to produce plantMEG™.

Mono-Propylene Glycol (MPG)
MPG is a valuable intermediary and is used for de-icing aeroplanes. it is also used in unsaturated polyester resins, for example in modern windmill blades, as well as heat transfer fluids. Ray Technology™'s plantMPG™ is a wholly plant-based version of MPG.

Polyethylene Furanoate (PEF)
PEF is a polyester made from MEG and FDCA. PEF produced by Avantium's YXY® Technology is a 100%-plant-based and recyclable polymer that can be used in an enormous range of applications, including bottles, packaging, textiles, and film. PEF's barrier and thermal properties are superior to conventional PET. In combination with a significantly reduced carbon footprint, this added functionality gives PEF all the attributes needed in a next-generation polyester.

Polyethylene Terephthalate (PET)
PET is a transparent polyester used for bottles and film. Currently, PET is made from fossil-based MEG and fossil-based terephthalic acid.

Polyesters
Polyesters are polymers formed from a dicarboxylic acid and a diol. Polyesters are very strong and stable and are particularly useful in making fibers for clothing or plastics. Polyesters are most commonly found as either PET or PEF.

Polylactic-co-glycolic acid (PLGA)
With our Volta Technology, we can convert CO2 into oxalic acid. In a proprietary second, separate process step, this is then turned into glycolic acid. By combining this glycolic acid with some lactic acid, Avantium can produce polylactic-co-glycolic acid (PLGA), a polymer with valuable characteristics: it has an excellent barrier against oxygen and moisture, has good mechanical properties and is both home compostable and marine degradable. Due to its properties, PLGA is an excellent sustainable alternative for PE (polyethylene). PLGA can be used, for example, as coating material and in moulded plastic materials.

Polymers
A polymer is a chemical compound with molecules bonded together in long, repeating chains. The term is commonly used in the plastics and composites industry, often as a synonym for "plastic" or "resin".

Ray Technology™
Ray Technology™ is the brand name of Avantium's technology to produce plantMEG™ and plantMPG™.

Renewable Resources
These are agricultural or forestry raw materials used as feedstock for industrial products. The use of renewable resources in industry saves fossil resources and reduces the amount of GHG emissions.

Scope 1 Emissions
Scope 1 covers emissions from sources that an organization owns or controls directly.

Scope 2 Emissions
Scope 2 covers emissions that a company causes indirectly when the energy it purchases and uses is produced.

Scope 3 Emissions
Scope 3 encompasses emissions that are not produced by the company itself, and are not the result of activities from assets owned or controlled by it, but by those for which it is indirectly responsible, up and down its value chain.

Second-Generation Feedstock
Non-food feedstock resulting from agricultural and forestry waste or residual streams. Dawn Technology™ is the brand name of Avantium's biorefinery technology, which converts non-food plant-based feedstock into industrial sugars and lignin.

Sustainable Development Goals (SDGs)
The UN launched its 17 SDGs in 2013.

Throughput
The volume of chemicals a system can process per hour.

Volta Technology
Avantium's Volta Technology, a carbon capture and utilization (CCU) technology, is the leading electrocatalytic platform developing CO_2 as a feedstock for a circular future.

YXY® Technology
Avantium's YXY® Technology helps to produce a wide range of novel 100%-plant-based materials and products by converting plant-based sugars (fructose) into plant-based chemicals (e.g., for the production of bio-based plastics, such as PEF).

If you have any questions or remarks regarding this report, we invite you to contact us.

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Published on March 19, 2025

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Editing
Avantium N.V., Amsterdam,
the Netherlands