



Tom Van Aken – CEO Avantium: Good morning everyone and welcome to this morning's call.

Let me start with a short introduction on today's announcement. After that, we will give you the opportunity to ask questions.

Following our press release of October 15 regarding the dispute between Avantium and BASF on our Synvina joint venture, BASF has now notified us that they will exit the Synvina joint venture as per January 15, 2019. Avantium still disagrees with BASF's interpretation of the joint venture agreement and we are still in discussions with BASF on the terms and conditions of an exit.

Upon an exit of BASF, Avantium will acquire BASF's equity interest in Synvina. Synvina will then continue as a fully-owned company by Avantium. In addition, the YXY technology as well as the know how and the people will revert to us. This will allow us to initiate alternative routes for commercialising the technology.

We remain fully confident in our YXY technology and in the unique properties of PEF. This confidence is underlined by firm market interest and existing partnerships of Synvina. Going forward, we will build on the work already undertaken within Synvina in the best possible way for our stakeholders. We look forward to being free to pursue further options to reach the full potential of PEF.

That concludes my statement. If there are any questions, then please notify the operator.

Thank you.

QUESTIONS AND ANSWERS

- **Reg Watson – ING**

Good morning, Tom. I appreciate that you are still in negotiation at the moment but what are the potential outcomes and what is the range of outcome in terms of actually finalising the terms of BASF's exit?

Frank Roerink – CFO Avantium: Reg, good morning. This is Frank speaking. As you know, in the prospectus we have laid out the worst-case scenario as per the joint venture agreement. Any further detail, unfortunately, I cannot provide at this point in time as we are still in negotiations with BASF on what the final exit should look like.

Reg Watson – ING: Fair enough. Can you give us any indication of what the issues are that still need to be discussed, please?

Frank Roerink – CFO Avantium: It is not about the technology; it is quite clear to both parties that the technology, the people and the assets will glow back to Avantium. It is also clear to both parties that Avantium will continue the business and BASF has no desire to continue. In terms of financials, there is of course a component of financials that need to be sorted out between the two parties.

Reg Watson – ING: And then on the commercialisation side, does that knowledge reside within the Synvina JV, so BASF leaves that behind as well?

Tom Van Aken – CEO Avantium: The IP including everything that has happened over the past years will reside with Synvina and therefore will revert to Avantium.

Reg Watson – ING: Thank you.

- **Wim Hoste – KBC Securities**

Good morning, gentlemen. Can you maybe elaborate on the reasons that BASF has given for the exit? I hear you mentioning that you are making good progress on the commercial side, so what is the reason for them to exit this JV?

And then in terms of cash flows associated towards the exit, does it look like the valuation will be similar to what BASF has paid you or has agreed to upon entering the JV structure? Can you comment on that?

Tom Van Aken – CEO Avantium: Wim, thank you. Unfortunately, we are not in a position to make any statements on behalf of BASF. Therefore, it is difficult to give a satisfying answer to your first question, although of course I fully understand that you ask the question. But it is really something that is up to BASF to answer.

What we can say is that we have really differing views with BASF on the commercialisation pathway of FDCA and PEF, so it is really on the commercialisation where we have a difference of opinion. Avantium strongly believes that for making this is a commercial success this requires a flexible and entrepreneurial approach and we believe that Avantium's culture with being a small company, a dynamic company and maybe sometimes an unconventional company is significantly different from a large corporate organisation like BASF. That is really, I think, one of the root causes under this difference in opinion.

We are absolutely confident about the technology and I do not think there should be any doubt that this is not related to the technology and it is not related to the product. The very strong interest from the market, demonstrated by the partnerships that Synvina has been able to create and by the really significant advancements that have been made over the recent years, really underpins our confidence in the commercial potential in this technology. Therefore, we look forward to pursuing alternative routes to commercialise the technology, not with BASF but by looking at other like-minded partners that have an interest in commercialising this new product.

Wim Hoste – KBC Securities: And in terms of the purity or the quality issues that led to the delay of the industrial [plan]building? Can you say anything about the progress there?

Tom Van Aken – CEO Avantium: Yes, what we can say is that Synvina is ahead of the timeline for resolving the challenges that led to the postponement that we announced in

January. I think that also gives further proof of the confidence that we have in the technology. It is not that over the recent years nothing has been done. We have identified this issue and Synvina in that sense has been very successful in resolving that issue. That purification issue is not related to the exit of BASF that we announce today.

Wim Hoste – KBC Securities: Thank you.

- **Patrick Roquas – Kepler Cheuvreux**

Good morning, gentlemen. I have a couple of questions. First, could you lay out for us the different streams of cash flow involved following the exit of BASF, obviously without giving amounts? I understand that.

Also, please give us the running cost of the Synvina JV and how fast these can be reduced? What are the expectations going forward?

Third, I am very interested to hear what has happened over the last months with regard to exploring alternative routes. A follow-up on that is for how long commercialisation of your technology is now delayed. Thank you.

Frank Roerink – CFO Avantium: Thank you, Patrick, this is Frank speaking. First of all, I apologise but I cannot give you any forward-looking statements regarding cash flow. Of course, I can help you understand the cash flows of Synvina year to date. If you look at our results you can see that the average run rate of Synvina, based on the results we have published, of our 49% stake are in the range of EUR 10 million to EUR 15 million on an annual basis. Clearly, Avantium has a desire to remain and to be very lean and agile when it comes to executing the Synvina strategy, so we will definitely be looking at making the organisation fit to purpose going forward to execute as fast as possible. Any further detail on that one we will release after the exit has been completed, so after January 15.

Patrick Roquas – Kepler Cheuvreux: Could I jump into that, Frank?

Frank Roerink – CFO Avantium: Sure.

Patrick Roquas – Kepler Cheuvreux: So, upon an exit you will acquire the equity stake of BASF. You will have to pay a cash amount for that. I am just talking theoretically without

mentioning amounts. But then there is a clause that BASF would have to pay a certain amount on the cash flow spend by the JV, given certain thresholds taken into account. That could be a possible cash flow stream?

Frank Roerink – CFO Avantium: Sure.

Patrick Roquas – Kepler Cheuvreux: And there is a kind of disagreement on the interpretation of the JV agreement. I can imagine that could imply a court case that could end up in either payment or not. That would also be a potential cash flow stream, I imagine?

Frank Roerink – CFO Avantium: I understand the question, Patrick. Let's separate the two. On January 15, parties will have reached agreement. The JVA specifies who has to pay what to whom. As you may recall when the JV started, BASF contributed EUR 57.5 million to it. Clearly, not all that money has been spent and anything that has not been spent will automatically be returned to BASF. Of the amount that has been spent in total, parties are in discussion on who should pay which part of that total spend.

Patrick Roquas – Kepler Cheuvreux: Right.

Frank Roerink – CFO Avantium: So, that is the only cash settlement that would need to be sorted out between parties.

Patrick Roquas – Kepler Cheuvreux: Clear.

Tom Van Aken – CEO Avantium: Your last question was about ways forward. As Frank said, for us it is more appropriate to make further comments about this after the exit has been completed, which is foreseen for the mid of January. What I can say is that we are confident that not only in a market potential but also in particular in the partnerships that have been struck by either Avantium in the past or by Synvina over the recent years and we have received numerous signals from parties in the value chain that are very interested to continue with the commercialisation of the technology. So, that provides further confidence of going forward with this new exciting technology.

Patrick Roquas – Kepler Cheuvreux: Thank you.

Tom Van Aken – CEO Avantium: As there are no more questions, we would like to thank you for calling in this morning and we look forward to talking to you again in the middle of January. Then we will come out with further news and a further press release. I would like to



wish you all the best for the holidays and all the best for the New Year. Thank you, and have a good morning.

End of call