

Avantium First Half 2021 Results:

Avantium Makes Commercial Progress while Financing Discussions for the FDCA Flagship Plant Continue

AMSTERDAM, 11 August 2021, 07:00 hrs CEST - Avantium N.V. (Euronext Amsterdam and Brussels: AVTX), a leading innovative chemical technology company dedicated to developing and commercialising proprietary technologies for the production of chemicals from renewable sources, today reports its 2021 half year results.

Key Business Developments in the First Half of 2021:

- Avantium Renewable Polymers continues to work towards making a Final Investment Decision (FID) concerning the potential construction of the planned FDCA (furandicarboxylic acid) flagship plant:
 - Negotiations with banks and other parties continue around FDCA flagship plant funding.
 - Avantium and a European feedstock provider have reached agreement on the terms of a strategic supply contract of high fructose syrup feedstock.
 - Mr. Bas Blom is appointed Managing Director of Avantium Renewable Polymers, effective 15 August 2021.
- Avantium Renewable Chemistries made continued progress towards commercialisation with its Ray Technology™:
 - Avantium and Cosun Beet Company announced the ambition to jointly construct and operate the first commercial plant for the production of plantMEG™ (mono-ethylene glycol) and plantMPG™ (mono-propylene glycol).
 - Successful production of PEF (polyethylene furanoate) and PET polyesters with plantMEG™ from the Ray Technology™ demonstration plant.
- Avantium Catalysis recorded revenues of €4.3 million in the first half of 2021 (HY 2020: €4.0 million), with continued impact from COVID-19 travel restrictions.
- Today, Avantium announced that Mr. Nils Björkman has been nominated for appointment to its Supervisory Board for a term of four years.

Key Financial Developments in the First Half of 2021:

- Revenues increased in the first half of 2021 by 11% to €4.7 million (HY 2020: €4.3 million). Other income decreased by 26% to €3.3 million (HY 2020: €4.5 million), due to lower grant recognition in the first of half of 2021. In the first half of 2021, Total Revenues and Other income were €8.0 million (HY 2020: €8.8 million).
- Operating expenses decreased to €15.1 million (HY 2020: €15.7 million).
- The cash position was €43.4 million on 30 June 2021 (31 December 2020: €26.6 million):
 - The cash outflow from operations in the first half was €9.6 million (HY 2020: €10.7 million).
 - The improved cash position is primarily due to the successful €27.8 million capital increase through an accelerated bookbuild offering in April 2021. The net proceeds from the capital increase after bank and legal fees were €26.4 million.
- The loss for the half year was €-10.9 million (HY 2020: €-11.0 million).

Tom van Aken, Chief Executive Officer of Avantium, comments: "We have made significant commercial progress across our business over the last six months. We have expanded our expertise in all key areas of our business and advanced the commercialisation of our Ray Technology™. The new appointments we have made in our Renewable Polymers business unit and to our Supervisory Board increase the strength of our senior management and will help support our efforts to achieve success in commercialising our technologies.

We have secured a total offtake volume of over 50% of production capacity for our FDCA flagship plant and remain in negotiations with banks and other financial institutions for the remainder of our required financing to reach a positive FID.”

Business Overview

Avantium Renewable Polymers

In the first half of 2021, Avantium Renewable Polymers worked diligently on reaching a positive Final Investment Decision (FID) in relation to the construction of the FDCA flagship plant, planned to be built in Delfzijl, the Netherlands. This commercial facility is set to produce 5 kilotonnes of FDCA (furandicarboxylic acid) per annum, the key building block for the 100% plant-based and recyclable polymer PEF (polyethylene furanoate). Avantium had earlier identified three key conditions required for a positive FID: (i) securing €150 million financing (excluding 20% contingency), (ii) obtaining offtake commitments for 50% of the capacity of the flagship plant, and (iii) finalising the engineering and establishing the supply chain.

Avantium has communicated that it estimated to require a total funding package of approximately €150 million (excluding 20% contingency) for a positive FID. Avantium has conditionally secured: (i) the €20 million “PEference” Horizon 2020 grant awarded by Bio-based Industries Joint Undertaking (BBI JU)¹ (to date, €6.5 million cash has been received); (ii) the €40 million conditional financing from the Groningen consortium² and Worley, and (iii) Avantium's previously committed investment of €35 million (of which €26.5 million is invested by 30 June 2021). All financing elements are subject to multiple conditions, including the fulfilment of the three key conditions for the FID. Avantium Renewable Polymers is in continued negotiations with debt providers and other financial institutions for the €85 million remainder of the required financing, including the 20% contingency.

In the first half of 2021, Avantium secured five offtake commitments representing over 50% of the total FDCA flagship plant capacity. Contracts were signed with specialty chemical company Toyobo (Japan), specialty polyester film producer Terphane (US), the beverage bottling company Refresco (Netherlands), international rigid packaging supplier Resilux (Belgium), and an undisclosed major global food & beverage brand owner. These commitments are subject to financial closing, other customary approvals and party specific conditions. The partners will purchase Avantium’s FDCA at agreed price levels for a period of at least five years, depending on both the product application and the specific terms and conditions included in each agreement. Additionally, Avantium has signed a collaboration agreement with Carlsberg Group to jointly develop several PEF applications, including the Green Fibre Bottle, with the aim to validate the circularity of the applications, which should lead to additional demand for FDCA from Avantium’s flagship plant. As a further sign of their commitment, Carlsberg has joined the PEference consortium.

The engineering of the FDCA flagship plant is completed. For the construction phase, Avantium and Worley agreed on the terms of an EPC (Engineering, Procurement and Construction) contract for the FDCA flagship plant. Avantium has also established the supply chain for the FDCA flagship plant. Early 2021, Avantium and global specialty polyester supplier Selenis agreed on the principal terms for a multi-year commercial FDCA polymerisation agreement. Avantium has reached agreement on the terms of a multi-year strategic supply contract with a European feedstock provider, securing the supply of high fructose syrup as the feedstock for the FDCA flagship plant in Delfzijl.

In February 2021, Avantium announced that Avantium Renewable Polymers signed a patent licence agreement with Eastman Chemical Company for the right to operate under Eastman’s

¹ PEference is a consortium of organisations aiming to replace a significant share of fossil-based polyesters with the 100% plant-based PEF. The PEference project has received funding under Bio Based Industries Joint Undertaking under the European Union’s Horizon 2020 research and innovation programme under grant agreement No 744409.

² The Groningen consortium comprises the Province of Groningen, Groningen Seaports and regional investment funds NOM (Investment and Development Agency for the Northern Netherlands), FondsNieuweDoen, Investeringsfonds Groningen and Groeifonds.

FDCA-related patent portfolio. This allows Avantium to further improve its process to produce FDCA and PEF, both from a commercial and a technical point of view.

Avantium Renewable Chemistries

Avantium Renewable Chemistries develops and commercialises innovative chemistry technologies based on viable, non-fossil sources of carbon. The business unit is home to three technologies: Ray Technology™, Dawn Technology™ and Volta Technology.

With its proprietary sugars-to-glycols Ray Technology™, Avantium produces mono-ethylene glycol (MEG) from plant-based feedstock: plantMEG™. MEG is a vital ingredient in the production of polyesters widely used in textiles and packaging. Ray Technology™ also produces plantMPG™ (mono-propylene glycol), a valuable intermediate used in a wide variety of applications, such as industrial fluids. In 2020, Avantium successfully commissioned its Ray Technology™ demonstration plant in Delfzijl.

Avantium is making good progress in developing partnership opportunities throughout the Ray Technology™ value chain with the objective to bring Ray Technology™ to full commercial scale. Avantium is working with key partners on the application validation of its glycols. In the first half of 2021, Avantium completed the application validation for both plantMEG™ and plantMPG™. Key applications include polymerisation to PEF and PET (polyethylene terephthalate) polyesters and functional fluids used for de-icing and heat transfer.

In April 2021, Avantium and sugar beet processor Cosun Beet Company agreed a term sheet to establish a joint venture to construct a first commercial plant to produce plantMEG™ and plantMPG™ using the Ray Technology™. The term sheet describes the intention and conditions for the joint venture, in which Cosun Beet Company will take a substantial share. It also includes key terms for the joint venture to acquire a Ray Technology™ licence from Avantium, as well as the principal terms for a long-term sugar supply agreement with Cosun Beet Company to secure the feedstock for the commercial plant. The aim is to make an investment decision for the foreseen commercial plant in 2023, with commercial operations planned to commence in 2025.

In the Dawn Technology™ pilot biorefinery in Delfzijl, Avantium converts forestry residues originating from sustainable forestry management by Staatsbosbeheer into industrial sugars and lignin. These industrial sugars are used as a raw material for chemical and fermentation processes to produce a broad range of chemicals and materials. Lignin can be used for energy generation, and is also suitable for many higher value applications such as for bio-asphalt. In June 2021, the CHAPLIN XL³ project constructed a test road in the north of the Netherlands made from bio-asphalt with lignin from the Dawn Technology™ biorefinery. This lignin is used as a substitute for fossil-based bitumen. Once in widespread use, bio-asphalt made with lignin would significantly reduce the carbon footprint of road construction.

Avantium's Volta Technology, a carbon capture and utilisation technology, is a cutting-edge electrocatalytic platform that converts carbon dioxide (CO₂) into chemical building blocks and high-value products, including glycolic acid and glyoxylic acid, commodity building blocks, and even fuels. In the first half of 2021, Avantium made progress with three pre-pilot containers entering the testing phase to convert emitted CO₂ into valuable products. In the next phase, the containers will be placed at an RWE power plant in Germany and a Titan cement factory in Greece, in order to demonstrate Avantium's Volta technology under industrial conditions using the captured CO₂ of the plants.

In May 2021, Avantium announced that it has been awarded €1.78 million in total by the EU Horizon 2020 programme for its participation in the CATCO₂NVERS, CO₂SMOS and VIVALDI

³ The CHAPLIN XL (Collaboration in aspHalt Applications with LIGNiN) project members comprise academic and industrial organisations. Project members are Avantium, Roelofs Groep, Utrecht University, Wageningen Food & Biobased Research, Asphalt Kennis Centrum, H4A Infratechniek and Stichting Biobased Delta. In 2020, Avantium was awarded a €500,000 grant for its participation in the CHAPLIN XL project.

consortia⁴ and the development of electrochemical processes and CO₂-based polymers. This will be paid out by the EU in four tranches over a period of four years.

Avantium Catalysis

Avantium Catalysis provides advanced catalysis R&D services, systems and testing to industry-leading global customers. The Services R&D business provides in-house customised contract research projects. The Systems business comprises Avantium's unique and advanced Flowrence[®] and Batchington high-throughput catalyst testing systems, which are tailored to accelerate catalyst screening and to study catalyst deactivation.

The Catalysis business unit recorded revenues of €4.3 million in the first half of 2021 (HY 2020: €4.0 million). Despite the challenges caused by continuing travel restrictions as a result of the COVID-19 pandemic, Avantium Catalysis received several orders for Flowrence[®] systems and contract R&D projects from companies and academic institutions around the world, with a total value of approximately €4.2 million.

Avantium Catalysis is also pursuing strategic growth initiatives in the fields of adsorption. In the first half of 2021, the Catalysis business unit developed a first-of-a-kind tailor-made adsorption unit for development partner Ircelyon, used to test the performance of respiratory adsorption material.

Equity capital raise

On 15 April 2021, Avantium successfully raised €27.8 million through an accelerated bookbuild offering of new shares. The equity offering comprised 5,206,589 new ordinary shares, representing approximately 19.99% of the Company's issued share capital. The Offer Shares were placed at a price of €5.35 per new ordinary share. The proceeds will primarily be applied in connection with the FDCA flagship plant in Delfzijl, as well as for working capital and other general corporate purposes.

Organisation

Management Board and Supervisory Board

At the Annual General Meeting of Shareholders (AGM) held on 19 May 2021, the shareholders approved the re-appointment of Tom van Aken as CEO and statutory member of the Management Board for a term of four years, ending at the close of the Annual General Meeting to be held in 2025. At the same meeting, the shareholders also approved the re-appointment of Margret Kleinsman as a member of the Supervisory Board for a term of four years.

Today, Avantium announced the nomination of Mr. Nils Björkman for appointment to its Supervisory Board. The Supervisory Board will propose this appointment to an Extraordinary General Meeting of Shareholders (EGM), to be scheduled in the fourth quarter of 2021.

Management Team

Avantium has appointed Mr. Bas Blom as Managing Director of Avantium Renewable Polymers to lead the commercialisation of the technology to produce FDCA and PEF, effective 15 August 2021. Bas has over 20 years' commercial leadership experience in companies such as GE, SABIC, and Renewi. He has extensive industry experience in plastics and materials, with a focus on building circular business models.

Zanna McFerson, Managing Director Avantium Renewable Chemistries, has notified the Company of her decision to resign, for personal reasons, with effect from 1 September 2021. In the interim, Eelco Blum, VP Business Development at Avantium Renewable Chemistries, will assume her tasks as Managing Director for the Renewable Chemistries business unit while the company starts the process of identifying Zanna's successor.

Safety

In the first half of 2021, an accident took place at our Avantium Renewable Chemistries plant at

⁴ The CATCO₂NVERS, CO₂SMOS and VIVALDI consortia aim to reduce greenhouse gas emissions (GHG) from industry by developing innovative and integrated technologies based on electrochemical, enzymatic, and thermochemical processes. The consortium programmes have received funding as part of Horizon 2020 Europe under the Food and Natural Resources (FNR) programme under grant agreement No 101000580 (CATCO₂NVERS), No 101000790 (CO₂SMOS) and No 101000441 (VIVALDI).

ChemiePark Delfzijl. During cleaning activities, two operators were exposed to unknown hazardous vapours, causing health complaints from which both colleagues have not yet fully recovered. In compliance with Avantium's protocols, an investigation was initiated to determine the root cause of the accident. This investigation is still ongoing while several related actions have already been implemented.

Financial results

Income Statement

Total first half 2021 revenues increased to €4.7 million (HY 2020: €4.3 million). Other income decreased to €3.3 million (HY 2020: €4.5 million), due to lower grant recognition in the first half of 2021. The lower grant recognition is predominantly in Avantium Renewable Chemistries as the income milestones from two major grant programmes were fully recognised in 2020. The grant income in the first half of 2021 is predominantly the result of the previously awarded grant programmes PEFerence, IMPRESS, Bio-MEG Proeffabriek and DEI+. ⁵ Avantium successfully secured additional grants in the first half of 2021, including grants for participation in the consortia CATCO₂NVERS, CO₂SMOS and VIVALDI. In the first half of 2021, Avantium recorded lower total revenues and other income: €8.0 million compared to €8.8 million in the first half of 2020.

Operating expenses were lower at €15.1 million (HY 2020: €15.7 million) as a result of careful cost control. The lower employee benefit expenses and laboratory expenses were partially offset by higher raw material and contract costs and by higher external development and advisory fees in preparation for a positive FID on the construction of the FDCA flagship plant.

The loss for the half year of 2021 is €-10.9 million (HY 2020: €-11.0 million).

Total EBITDA decreased from €-6.9 million in the first half of 2020 to €-7.1 million in the first half of 2021. The EBITDA of Avantium Catalysis increased slightly as a result of higher revenues in the first half of 2021 offset by a higher spend on raw material and contract costs. The EBITDA of Avantium Renewable Chemistries decreased as a result of lower Other Income in the first half of 2021.

Balance Sheet and Financial Position

The balance sheet as at 30 June 2021 increased to €89.3 million (31 December 2020: €70.0 million), with net equity of €62.1 million.

Cash and cash equivalents totalled €43.4 million as of 30 June 2021 (31 December 2020: €26.6 million). The improved cash position is primarily due to the successful €27.8 million capital increase through an accelerated bookbuild offering in April 2021. The net proceeds from the capital increase after bank and legal fees were €26.4 million. The net cash flow used in operating, investing and financing activities in the first half was €9.6 million (HY 2020: €10.7 million).

Capital expenditure increased to €1.5 million (HY 2020: €1.2 million) as a result of investments made in preparation for the FDCA flagship plant.

Working capital movements improved to €-0.5 million vs €-1.7 million in 2020 as in the first half of 2020 a large amount of payables were settled.

⁵ **PEFerence** is a consortium of organisations aiming to replace a significant share of fossil-based polyesters with the 100% plant-based PEF. The PEFerence project has received funding under Bio Based Industries Joint Undertaking under the European Union's Horizon 2020 research and innovation programme under grant agreement No 744409. **IMPRESS** (grant agreement No 869993) is a consortium of ten organisations aiming to demonstrate a new biorefinery concept based on integrating novel processes such as Avantium's Dawn and Ray Technologies. **Bio-MEG Proeffabriek** is a grant project supported by the European Regional Development Fund (ERDF) through Samenwerkingsverband Noord Nederland (SNN). This grant aims to accelerate innovation in the quest for a low-carbon economy. With the Demonstration Energy and Climate Innovation (**DEI+**) scheme, the Netherlands Enterprise Agency (RVO - Rijksdienst voor Ondernemend Nederland) financially supports projects that contribute to a cost-effective reduction of CO₂ emissions by 2030.

in millions of €	30 June 2021	30 June 2020
Cash position at the beginning of the half year	26.6	45.4
EBITDA	(7.1)	(6.9)
Lease payments	(0.9)	(1.2)
Working capital movement	(0.5)	(1.7)
Capital expenditures	(1.5)	(1.2)
Other	0.4	0.3
Net cashflow used in operating, investing and financing activities	(9.6)	(10.7)
Net proceeds from Capital raise	26.4	—
Net increase/(decrease) in cash and cash equivalents	16.8	(10.7)
Cash position at the end of the half year	43.4	34.7

Outlook

Avantium remains focused on delivering on its strategic objectives. For Avantium Renewable Polymers, we continue to explore all opportunities to acquire the outstanding financing to allow a positive FID on the FDCA flagship plant in the second half of 2021.

Risks

The risks as outlined in the risk management paragraph of the Avantium N.V. 2020 annual report remain valid and continue to require focused attention in the second half of 2021.

Avantium prepared the half year figures on going concern basis. The material uncertainty that existed on the company's ability to continue as a going concern in the full year 2020 report was resolved as the company secured funding in April 2021. Avantium continues to be loss making and requires regularly new funding to scale up its technologies.

As of June 2021, Avantium has not secured the full funding package for its FDCA flagship plant. Further delay could result in unfavourable funding conditions and Avantium may subsequently not be able to build, start-up and operate a flagship plant for the production of FDCA.

In the first half of 2021, the situation around the current pandemic seems to be developing positively. However, we cannot exclude the possibility of new and unknown developments later this year which may impact the financial performance of Avantium and its ability to attract funding, to establish partnerships in the Renewable Polymers and Renewable Chemistries businesses, and to close sales transactions within the Catalysis business unit.

Auditor's Involvement

This Interim Report for the six months ended 30 June 2021, and the condensed consolidated financial statements included herein have not been audited or reviewed by an external auditor.

Management Board compliance statement

The Management Board of Avantium N.V. declares that, to the best of its knowledge, the condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and the result of Avantium N.V. and its subsidiaries and the interim report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Amsterdam, 11 August 2021,

Tom van Aken, Chief Executive Officer

Bart Welten, Chief Financial Officer



avantium

Press release

Condensed Consolidated Statement of Comprehensive Income

<i>in Euro x 1,000</i>	30 June 2021	30 June 2020
Revenues	4,749	4,294
Other income	3,291	4,474
Total revenues and other income	8,040	8,769
Operating expenses		
Raw materials and contract costs	(1,210)	(791)
Employee benefit expenses	(9,156)	(9,673)
Office and housing expenses	(900)	(903)
Patent, license, legal and advisory expenses	(1,639)	(1,613)
Laboratory expenses	(1,407)	(1,837)
Advertising and representation expenses	(178)	(449)
Reversal / (Expense) due for onerous contract	—	—
Other operating expenses	(637)	(440)
Net operating expenses	(15,127)	(15,706)
EBITDA	(7,087)	(6,937)
Depreciation, amortisation and impairment charge	(3,706)	(3,875)
EBIT	(10,793)	(10,812)
Finance costs - net	(150)	(140)
Loss before income tax	(10,943)	(10,952)
Income tax expense	—	—
Loss for the half-year	(10,943)	(10,952)
Other comprehensive income	—	—
Total comprehensive expense for the year	(10,943)	(10,952)
Loss attributable to:		
Owners of the parent	(10,943)	(10,952)
	(10,943)	(10,952)
Total comprehensive expense attributable to:		
Owners of the parent	(10,943)	(10,952)
	(10,943)	(10,952)
<i>in Euro</i>	30 June 2021	30 June 2020
Earnings per share for profit attributable to the ordinary equity holders of the company		
Basic earnings per share ⁶	(0.39)	(0.42)
Diluted earnings per share	(0.39)	(0.42)

⁶ Basic earnings per share are calculated by dividing the net result for the period by the weighted average number of ordinary shares.



avantium

Press release

Condensed Consolidated Statement of Financial Position

in Euro x 1,000	30 June 2021	31 December 2020
ASSETS		
Non-current assets		
Property, plant and equipment	23,822	25,198
Intangible assets	531	559
Right-of-use assets	8,234	9,042
Total non-current assets	32,587	34,799
Current assets		
Inventories	1,269	1,225
Trade and other receivables	12,004	7,333
Cash and cash equivalents	43,396	26,626
Total current assets	56,669	35,184
Total assets	89,256	69,983
EQUITY		
Equity attributable to owners of the parent		
Ordinary shares	3,125	2,591
Share premium	230,156	204,296
Other reserves	10,731	10,407
Accumulated losses	(181,908)	(171,057)
Total equity attributable to the owners of the parent	62,104	46,238
Total equity	62,104	46,238
LIABILITIES		
Non-current liabilities		
Lease liabilities	7,313	8,003
Total non-current liabilities	7,313	8,003
Current liabilities		
Lease liabilities	1,612	1,703
Trade and other payables	18,058	13,894
Provisions for other liabilities and charges	168	145
Total current liabilities	19,838	15,742
Total liabilities	27,152	23,745
Total equity and liabilities	89,256	69,983



Condensed Consolidated Statement of Changes in Equity

in Euro x 1,000	Attributable to equity holders of the company				
	Ordinary shares	Share premium	Other reserves	Accumulated losses	Total Equity
Balance at 1 January 2020	2,583	204,296	9,863	(148,527)	68,215
Comprehensive expense					
Result for the year	—	—	—	(10,952)	(10,952)
Other Comprehensive expense for the year	—	—	—	—	—
Total Comprehensive expense for the year	—	—	—	(10,952)	(10,952)
Transactions with owners					
– Employee share schemes - value of Employee services	—	—	280	—	280
– Employee share schemes- LTIP investment shares granted	—	—	—	—	—
– Transfer value share scheme to retained earnings	—	—	(79)	79	—
– Issue of ordinary shares	—	—	—	—	—
– Shares delivered from treasury shares	—	—	5	—	5
Total transactions with owners	—	—	206	79	285
Balance at 30 June 2020	2,583	204,296	10,068	(159,400)	57,547
Balance at 1 January 2021	2,591	204,296	10,407	(171,057)	46,238
Comprehensive expense					
Result for the year	—	—	—	(10,943)	(10,943)
Other Comprehensive expense for the year	—	—	—	—	—
Total Comprehensive expense for the year	—	—	—	(10,943)	(10,943)
Transactions with owners					
– Employee share schemes- value of Employee services	—	—	415	—	415
– Employee share schemes - LTIP investment shares granted	—	—	—	—	—
– Transfer value share scheme to retained earning	—	—	(92)	92	—
– Issue of ordinary shares	534	25,860	—	—	26,394
– Shares delivered from treasury shares	—	—	—	—	—
Total transactions with owners	534	25,860	324	92	26,809
Balance at 30 June 2021	3,125	230,156	10,731	(181,908)	62,104



Condensed Consolidated Statement of Cash Flows

in Euro x 1,000	30 June 2021	30 June 2020
Cash flows from operating activities		
Loss for the year from continuing operations	(10,943)	(10,952)
Adjustments for:		
– Depreciation of property, plant and equipment	2,870	2,938
– Amortisation	29	73
– Depreciation of right of use assets	808	826
– Share in loss of joint ventures	—	—
– Share-based payment	415	280
– Finance costs - net	150	140
– Impairment of property, plant and equipment	—	57
Changes in working capital (excluding exchange differences on consolidation):		
– Decrease/(increase) in inventories	(43)	106
– Decrease/(increase) in trade and other receivables	(4,672)	3,951
– (Decrease)/increase in trade and other payables	4,177	(5,764)
– Increase/(decrease) in provisions	24	8
	(7,185)	(8,337)
Interest (paid) on current accounts	(59)	(74)
Net cash used in operating activities	(7,245)	(8,410)
Cash flows from investing activities		
Purchases of property, plant and equipment (PPE)	(1,493)	(1,198)
Purchases of intangible assets	—	(27)
Net cash used in investing activities	(1,493)	(1,225)
Cash flow from financing activities		
Interest received from current accounts	2	40
Principal elements of lease payments	(879)	(1,149)
Net proceeds from capital raise	26,394	—
Other interest paid and financing costs	(10)	(1)
Net cash used in financing activities	25,506	(1,109)
Net increase/(decrease) in cash and cash equivalents	16,768	(10,745)
Cash and cash equivalents at beginning of the year	26,626	45,443
Effect of exchange rate changes	2	(1)
Cash and cash equivalents from continuing operations at end of financial year	43,396	34,697
Cash and cash equivalents at end of financial year	43,396	34,697

Notes to the Condensed Financial Statements

1. General information

Avantium N.V. ('the company') and its subsidiaries (together 'the group') is a company limited by shares, incorporated and domiciled in The Netherlands. Its registered office and principal place of business is at Zekeringstraat 29, 1014 BV in Amsterdam.

The information in these condensed consolidated interim financial statements ("financial statements") is unaudited and not reviewed.

2. Accounting policies

Basis of preparation of half-year report

The information is reported on half-year-to-date basis ended 30 June 2021. Where material to an understanding of the period starting 1 January 2021 and ended 30 June 2021, further information is disclosed. The interim financial statements were discussed and approved by the Management Board and the Supervisory Board. The interim financial statements have not been audited or reviewed.

Avantium prepared the half year figures on going concern basis. The material uncertainty that existed on the company's ability to continue as a going concern in the full year 2020 report was resolved as the company secured funding in April 2021. Avantium continues to be loss making and requires regularly new funding to scale up its technologies.

The interim financial statements should be read in conjunction with Avantium N.V.'s consolidated financial statements in the 2020 annual report as approved on 24 March 2021, which has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The interim financial statements have been prepared in accordance with IAS 34 'Interim financial reporting'.

The significant accounting policies applied in these consolidated interim financial statements are consistent with those applied in Avantium N.V.'s consolidated financial statements in the 2020 annual report for the year ended 31 December 2020.

3. Segment information

Revenue per segment

Revenue is only generated from external customers and no transactions with other segments have taken place.

(In Euro x 1,000)	30-6-2021	30-6-2020
Catalysis	4,254	3,964
Renewable Chemistries	450	255
Renewable Polymers	45	75
Total segment revenue	4,749	4,294

Other income per segment

(In Euro x 1,000)	30-6-2021	30-6-2020
Catalysis	88	118
Renewable Chemistries	1,872	3,166
Renewable Polymers	1,289	1,137
Unallocated items	42	53
Total segment other income	3,291	4,474

EBITDA per segment

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, amortisation and impairment charge.

The EBITDA figures of the business segments are as follows.

(In Euro x 1,000)	30-6-2021	30-6-2020
Catalysis	1,038	902
Renewable Chemistries	(700)	(415)
Renewable Polymers	(3,164)	(3,050)
Total EBITDA of business segments	(2,826)	(2,564)

Reconciliation

(In Euro x 1,000)	30-6-2021	30-6-2020
Total EBITDA of business segments	(2,826)	(2,564)
Amortisation	(29)	(73)
Depreciation of property, plant and equipment	(2,870)	(2,975)
Depreciation of right of use assets	(808)	(826)
Finance costs - net	(150)	(140)
Share based compensation	(415)	(280)
Rent	(80)	—
Company overheads/other	(3,765)	(4,096)
Loss before income tax from continuing operations	(10,943)	(10,952)

The 'Other' costs category comprises mainly of company overhead costs.

4. Related party transactions

Except as disclosed below, there are no material changes to the company's related parties, related party transactions (including their terms and conditions) and (future) obligations towards related parties, compared to 31 December 2020.

At the Annual General Meeting of Shareholders (AGM) held on 19 May 2021, the shareholders approved the re-appointment of Tom van Aken as CEO and statutory member of the Management Board for a term of four years, ending by close of the Annual General Meeting to be held in 2025. At the same meeting, the shareholders also approved the re-appointment of Margret Kleinsman as member of the Supervisory Board for a term of four years.

During the first half of 2021, 430,000 additional options awards were approved and awarded under the company's Employee Stock Options Plan (ESOP).

In 2021, no additional shares were granted to management under the company's Long-Term Incentive Plan (LTIP).

Calendar and contact details

More information about this press release:

Caroline van Reedt Dortland, Director Communications, Avantium
 +31-20-5860110 / +31-613400179,
caroline.vanreedt-dortland@avantium.com

On Wednesday 11 August 2021 at 08:00 am (CET) Avantium will host a conference call for analysts.

The interim report and transcript of the analyst call will be available at www.avantium.com

Financial calendar 2022

Date	Event
23 March 2022	Publication full-year results 2021 and publication annual report 2021
18 May 2022	Annual General Meeting
17 August 2022	Publication of half-year results 2022

About Avantium

Avantium is a leading technology development company and a forerunner in renewable chemistry. Avantium develops novel technologies based on renewable carbon sources as an alternative to fossil-based chemicals and plastics. The company currently has three technologies at pilot and demonstration phase. The most advanced technology is the YXY® plant-to-plastics-technology that catalytically converts plant-based sugars into a wide range of chemicals and plastics, such as PEF (polyethylene furanoate). Avantium has successfully demonstrated the YXY® Technology at its pilot plant in Geleen, the Netherlands. The second technology is the Dawn Technology™ that converts non-food biomass into industrial sugars and lignin in order to transition the chemicals and materials industries to non-fossil resources. In 2018, Avantium opened the Dawn Technology™ pilot biorefinery in Delfzijl, the Netherlands. The third technology is called Ray Technology™ and catalytically converts industrial sugars to plant-based MEG (mono-ethylene glycol): plantMEG™. Avantium is scaling up its Ray Technology™ and the demonstration plant in Delfzijl, the Netherlands opened in November 2019. Next to developing and commercialising renewable chemistry technologies, the company also provides advanced catalysis R&D services and systems to customers in the refinery and chemical industries. Avantium works in partnership with likeminded companies around the globe to create revolutionary renewable chemistry solutions from invention to commercial scale.

Avantium's shares are listed on Euronext Amsterdam and Euronext Brussels (symbol: AVTX). Avantium is included in the Euronext Amsterdam SmallCap Index (AScX). Its offices and headquarters are in Amsterdam, the Netherlands.

Forward-looking information / disclaimer

This press release may include forward-looking statements. Other than reported financial results and historical information, all statements included in this press release, 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 behaviour 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 press release 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.