



COMPANY PRESENTATION

AlzChem Group AG

Andreas Niedermaier, CEO
Sabine Sieber

September 2020 WIEN



DISCLAIMER



Cautionary note regarding forward-looking statements

This presentation contains forward-looking statements about the business, financial condition and earnings performance of the AlzChem Group.

These statements are based on assumptions and projections resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks. Actual business development may therefore differ materially from what has been expected.

Beyond disclosure requirements stipulated by law, AlzChem does not undertake any obligation to update forward-looking statements.

2018 was characterized by the presentation of two short financial years with the periods Jan-June 2018 (RGJ 2018/I) and July – Dec 2018 (RGJ 2018/II). The financial year since 1 January 2019 corresponds to the calendar year again.

Unless stipulated otherwise, all values are rounded up or down in accordance with the commercial rounding practices.

Please note that differences can result from the use of rounded amounts and percentages.

I. COMPANY INTRODUCTION

II. KEY INVESTMENT HIGHLIGHTS

III. KEY FINANCIALS & OUTLOOK

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Supplementary Company information

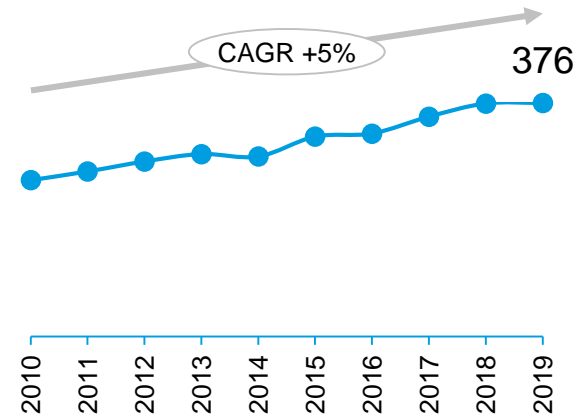
ALZCHEM AT A GLANCE I / KEY FACTS



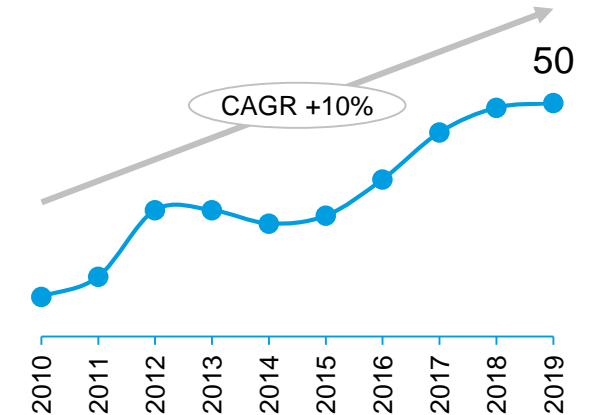
AlzChem is an INTERNATIONAL CHEMICAL COMPANY. Innovative, competent and reliable, AlzChem successfully positions itself with proven and new products in known and future markets in the world of specialty chemicals.



SALES GROWTH



EBITDA GROWTH



KEY FACTS

- Established in 1908
- Specialty chemicals company in Germany based on the calcium carbide chain
- Global sales and distribution network
- Headcount 2019: 1,623 (2018: 1,562)

EXECUTIVE TEAM

AlzChem Group AG



KLAUS ENGLMAIER, COO

WITH ALZCHEM SINCE 1988

AREAS OF RESPONSIBILITY Production, Engineering, Environment/Safety/Health/Quality, Technology

ANDREAS NIEDERMAIER, CEO

WITH ALZCHEM SINCE 1999

AREAS OF RESPONSIBILITY Finance & Controlling, Company Strategy, Investor Relations & Communication, IT, Risk Management, HR, Supply Chain Management, Legal/Patents & Trademarks

DR. GEORG WEICHSELBAUMER, CSO

WITH ALZCHEM SINCE 2012

AREAS OF RESPONSIBILITY Marketing, Sales, Innovation management & Process Development, R&D, Product safety and approval



OUR HISTORY

Innovative since 1908



1908

Founding of the **Bayerische Stickstoff-Werke AG** in Munich

1978

Change of company name to **SKW Trostberg AG**

1995

Listing of **SKW Trostberg AG** as a public company

2001

Merger of Degussa-Hüls AG with SKW Trostberg AG to form the new **Degussa AG**

2006

Founding of the **AlzChem Group**

2014

Acquisition of **Nordic Carbide AB**

2017

AlzChem AG incorporated into the listed company **AlzChem Group AG**

AlzChem Group AG new Group parent company of **AlzChem Group**

2019

Commissioning of **Creamino®** and **Nitralz®** Production expansions (appr. 60 m.€)



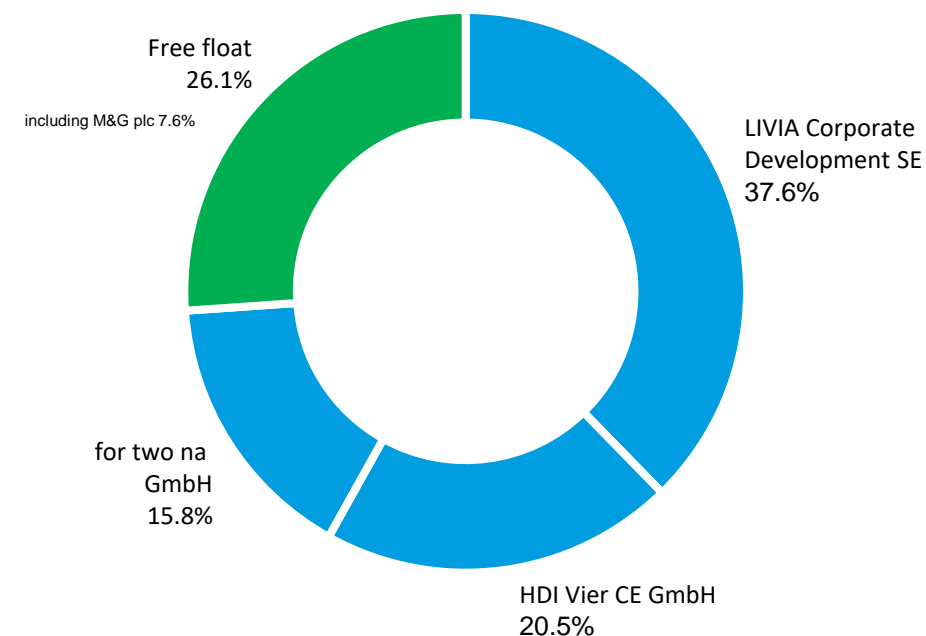
KEY SHARE DATA

Share Details as of September 23, 2020



SHARES OUTSTANDING	10,176,335
LAST CLOSING PRICE	EUR 21.60
MARKET CAPITALIZATION	EUR 219.8 m
TICKER	ACT
WKN	A2YNT3
ISIN	DE000A2YNT30
LISTING	Frankfurt Stock Exchange – Prime Standard
DESIGNATED SPONSOR	Baader Bank AG Oddo Seydler Bank AG

SHAREHOLDER STRUCTURE



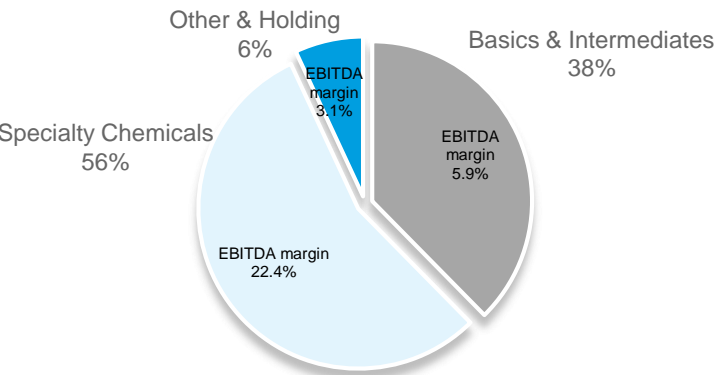
** Information regarding the free float in accordance with section 2.3 of the Guide to the Equity Indices of Deutsche Börse AG, as amended.*

ALZCHEM AT A GLANCE II

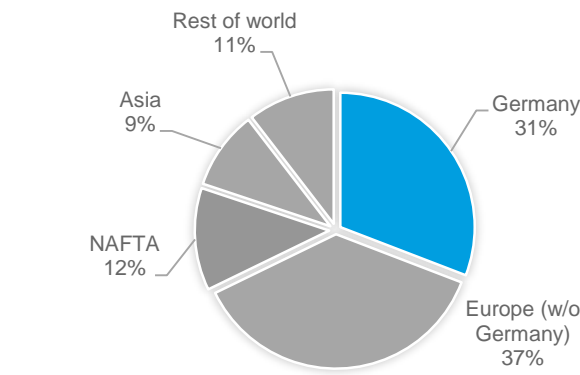
Global market leader in selected niches



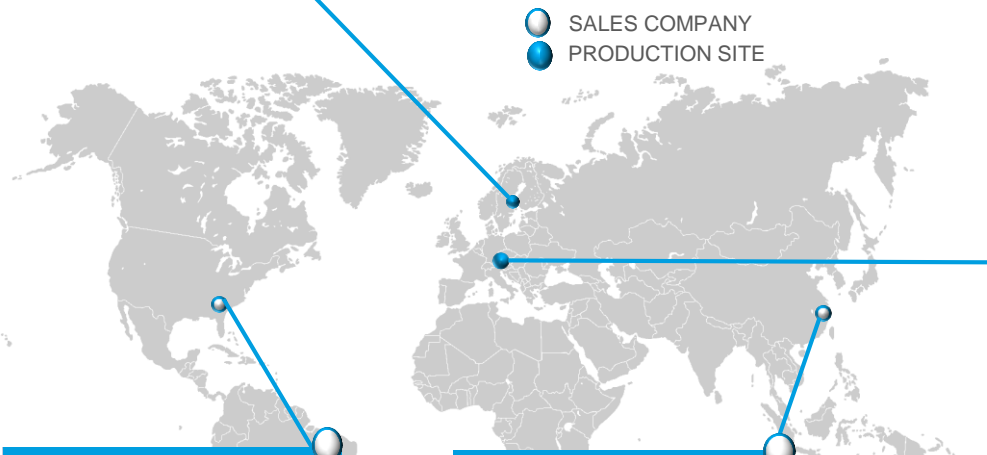
SALES SPLIT OF OUR PRODUCT SEGMENTS (1)



REGIONAL SALES SPLIT (1)



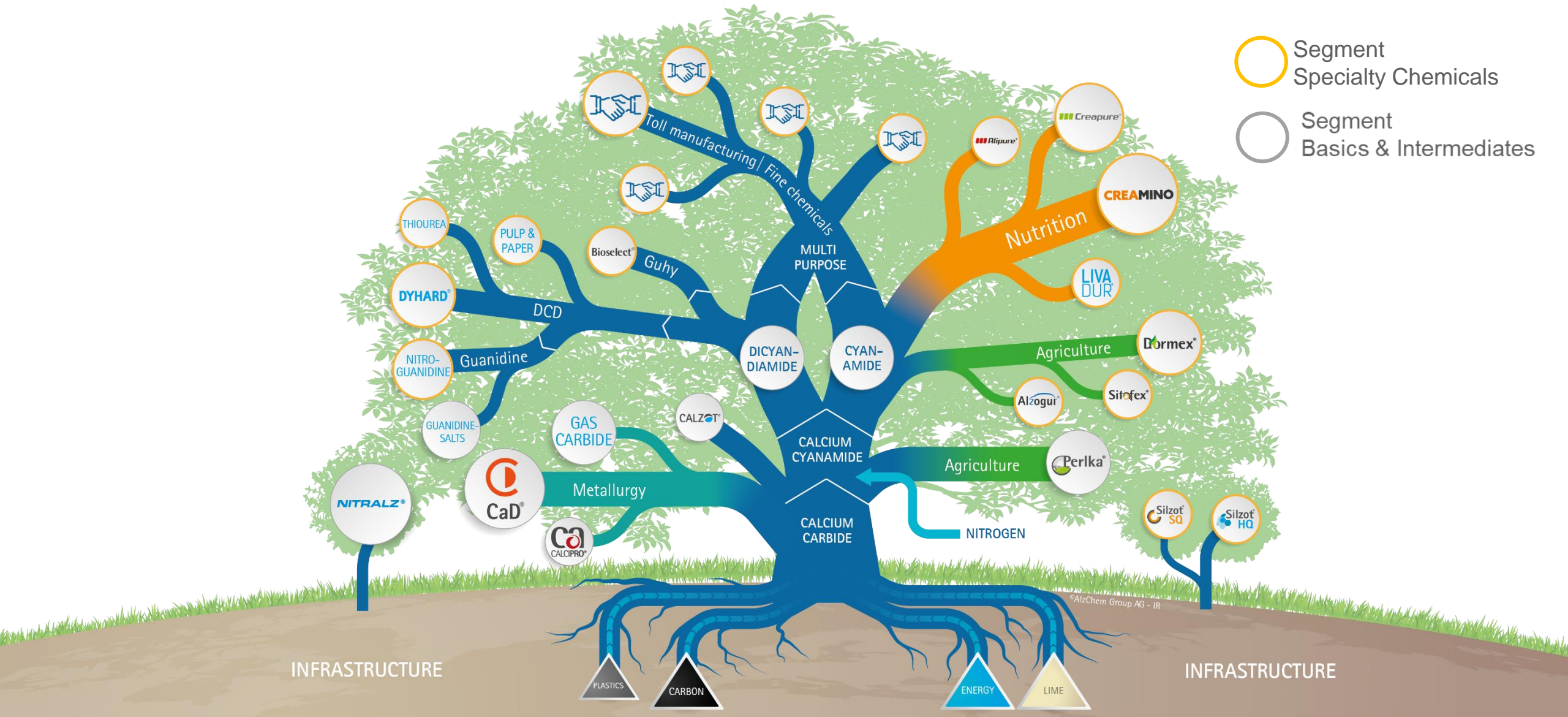
Production facilities in Germany (4) and Sweden (1) and HQ in Trostberg (GER)



(1) YTD 06.2020

Fully Integrated Business Model (“Verbund” System)

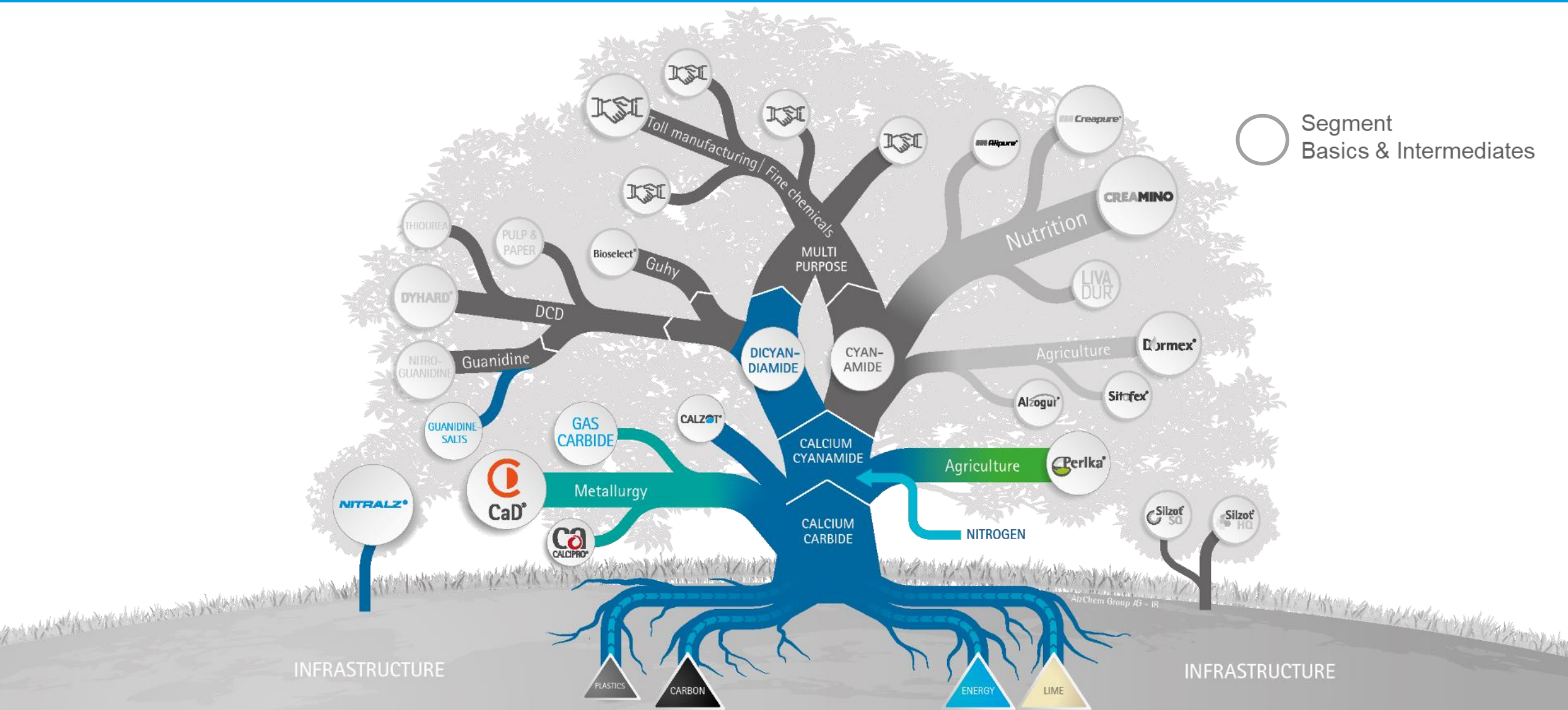
Ability to adapt production to satisfy changing end market needs



Fully Integrated Business Model (“Verbund” System)



Ability to adapt production to satisfy changing end market needs

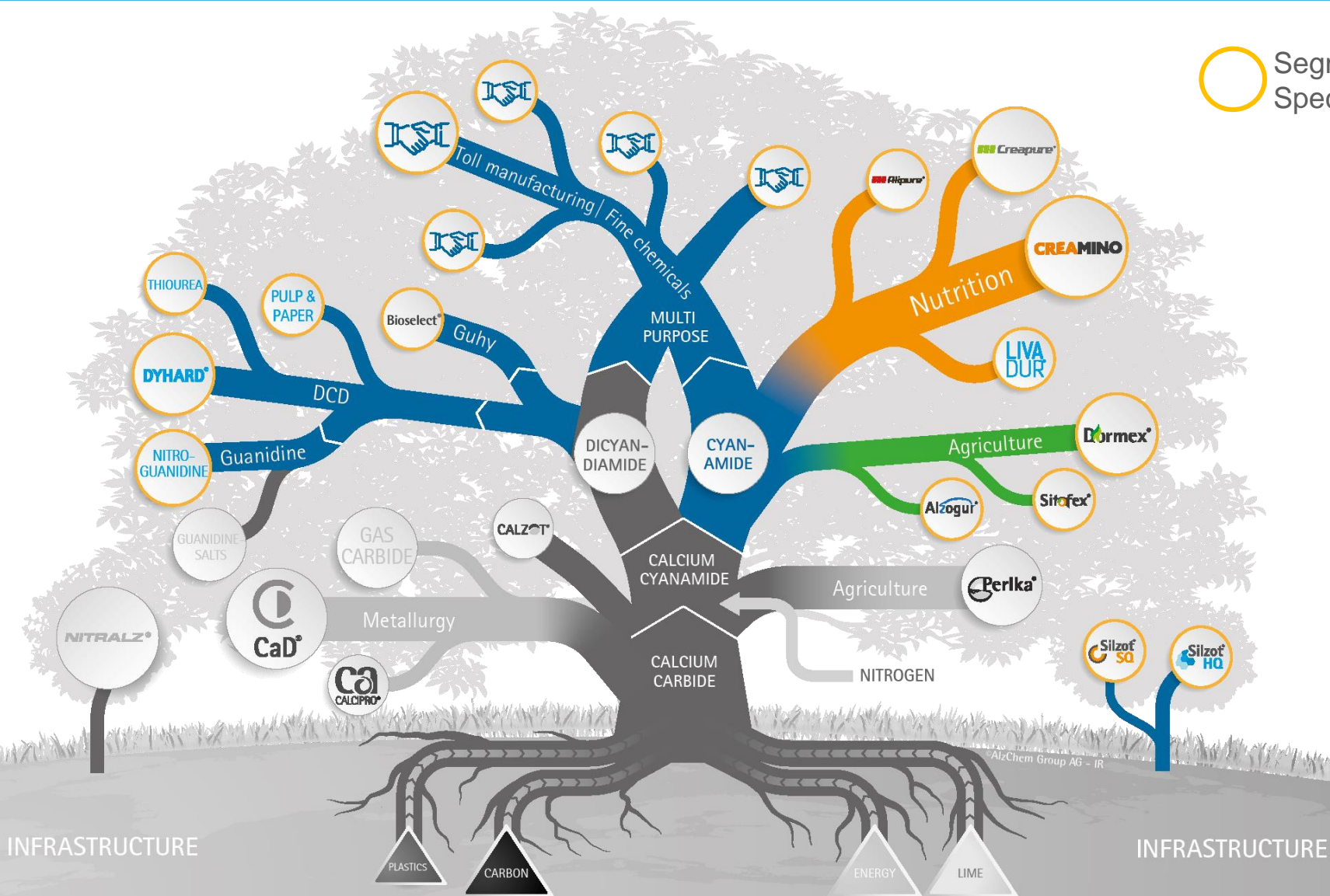


Fully Integrated Business Model (“Verbund” System)

Ability to adapt production to satisfy changing end market needs



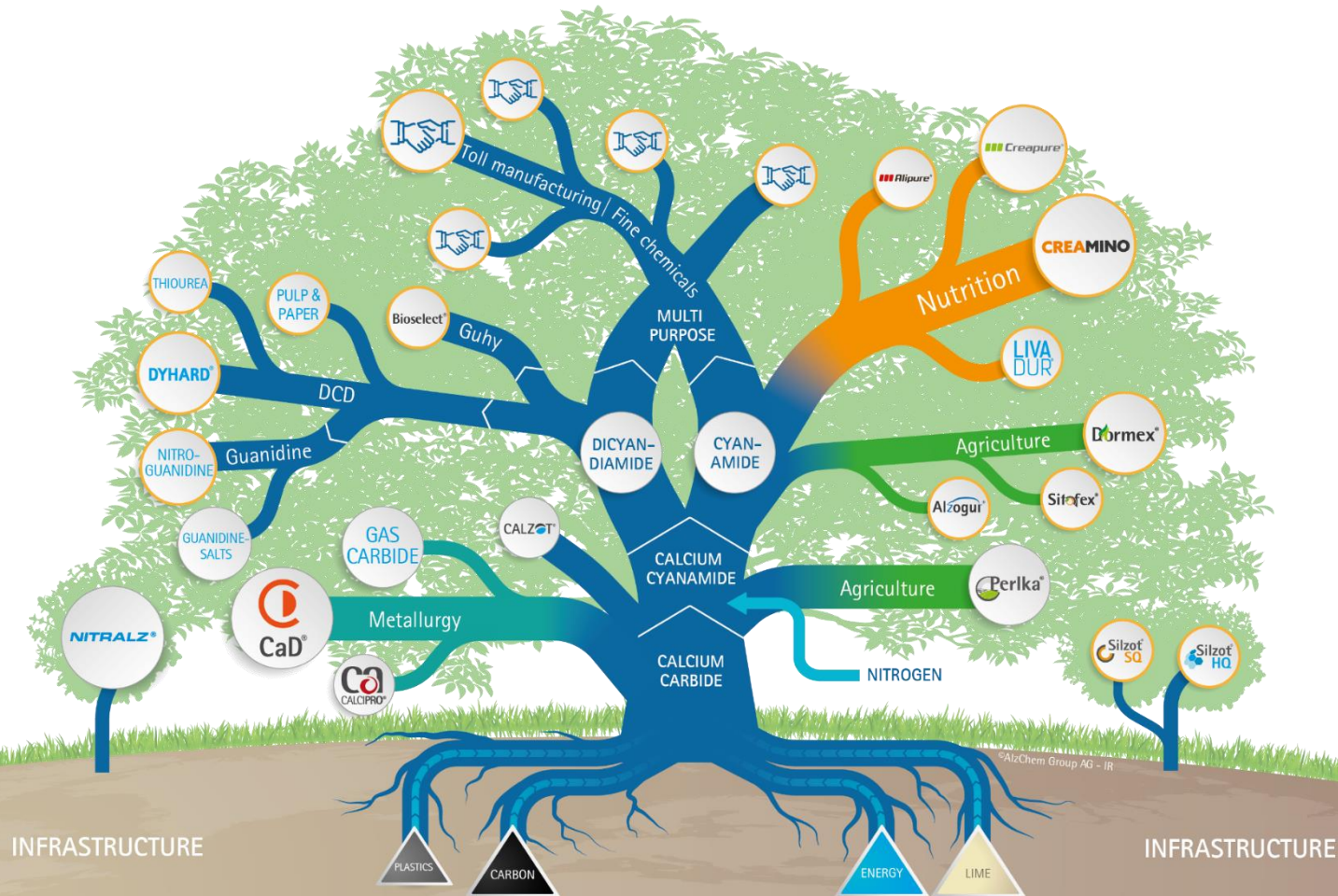
○ Segment
○ Specialty Chemicals



Fully Integrated Business Model (“Verbund” System)

Ability to adapt production to satisfy changing end market needs

○ Segment Specialty Chemicals
○ Segment Basics & Intermediates



THE “VERBUND” SYSTEM

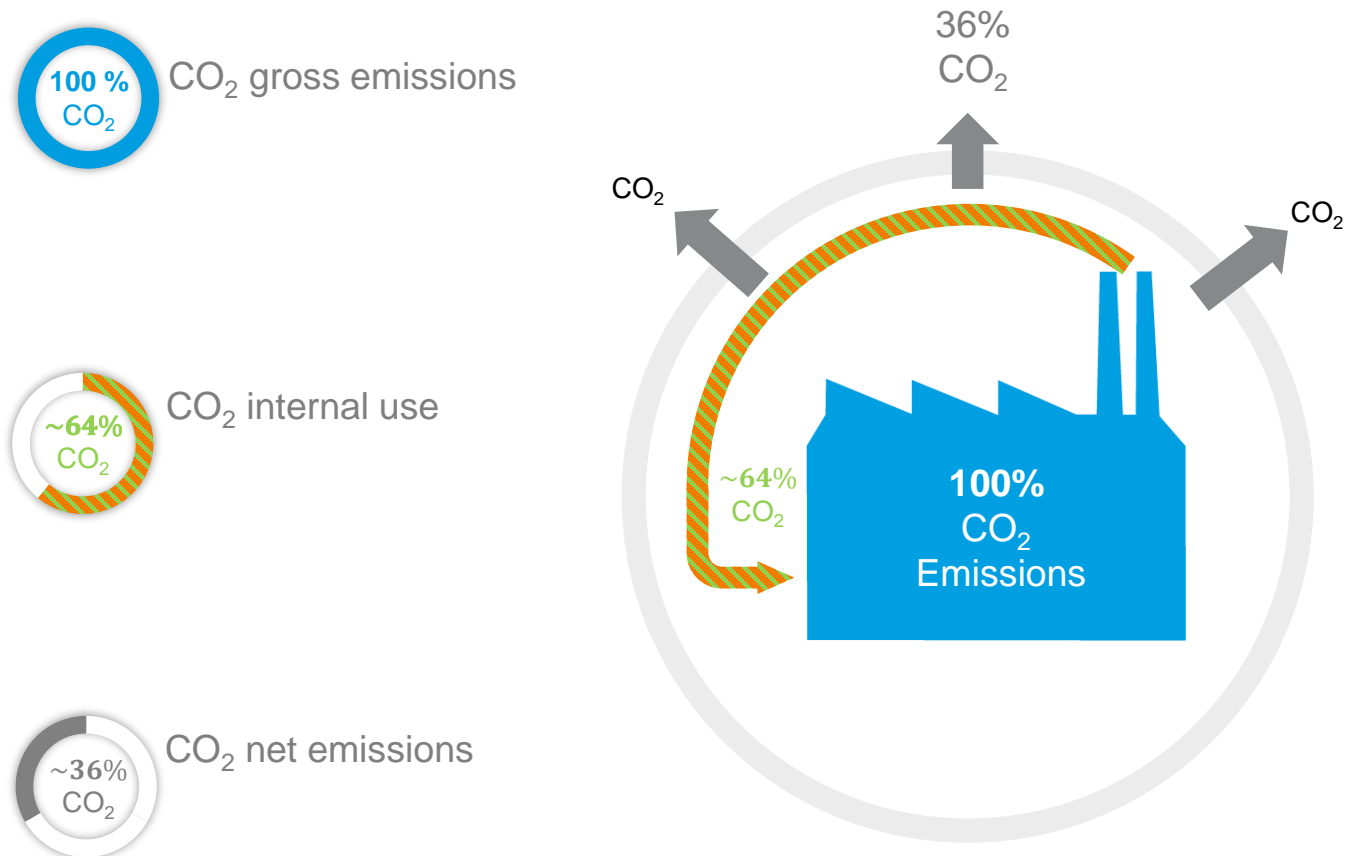
- Fully integrated production circle
- Output from one production step serves as base input for the next production step
- Highly specialized system that is difficult to replicate

BENEFITS OF “VERBUND”

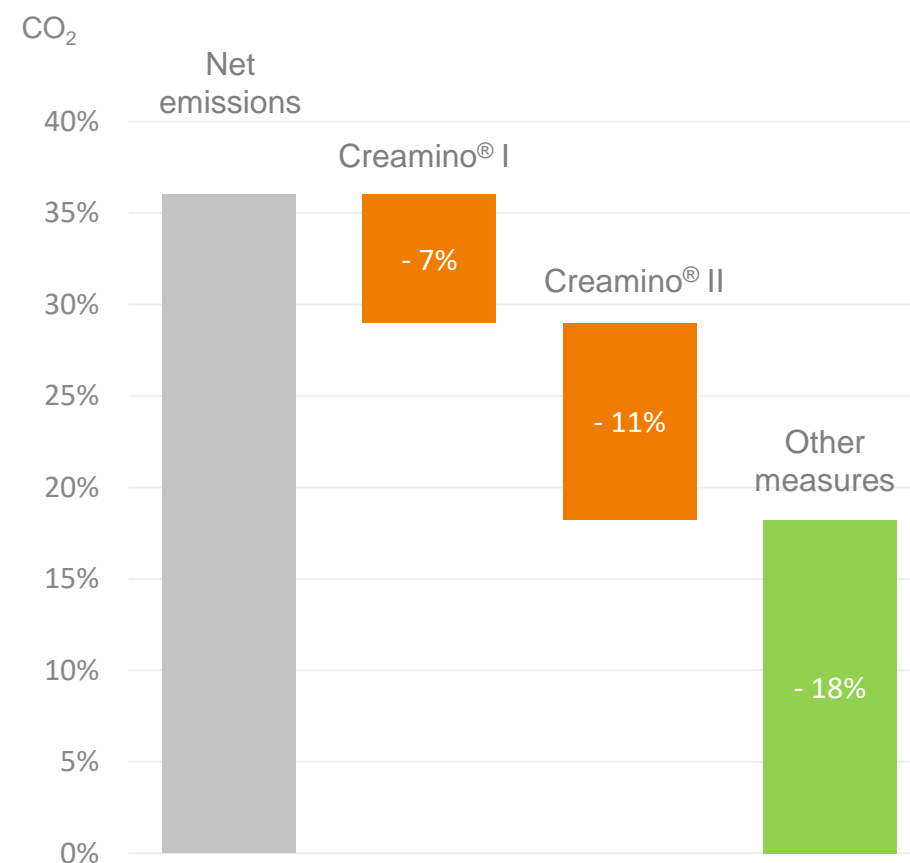
- Full control of product quality and specifications
- Lower costs
- Higher financial predictability
- Certainty of supply
- Well positioned to address niche markets
- Economies of scale
- Low carbon footprint

CO₂ BALANCE

AlzChem already has the chance to compensate for more than 80% of CO₂ in Germany



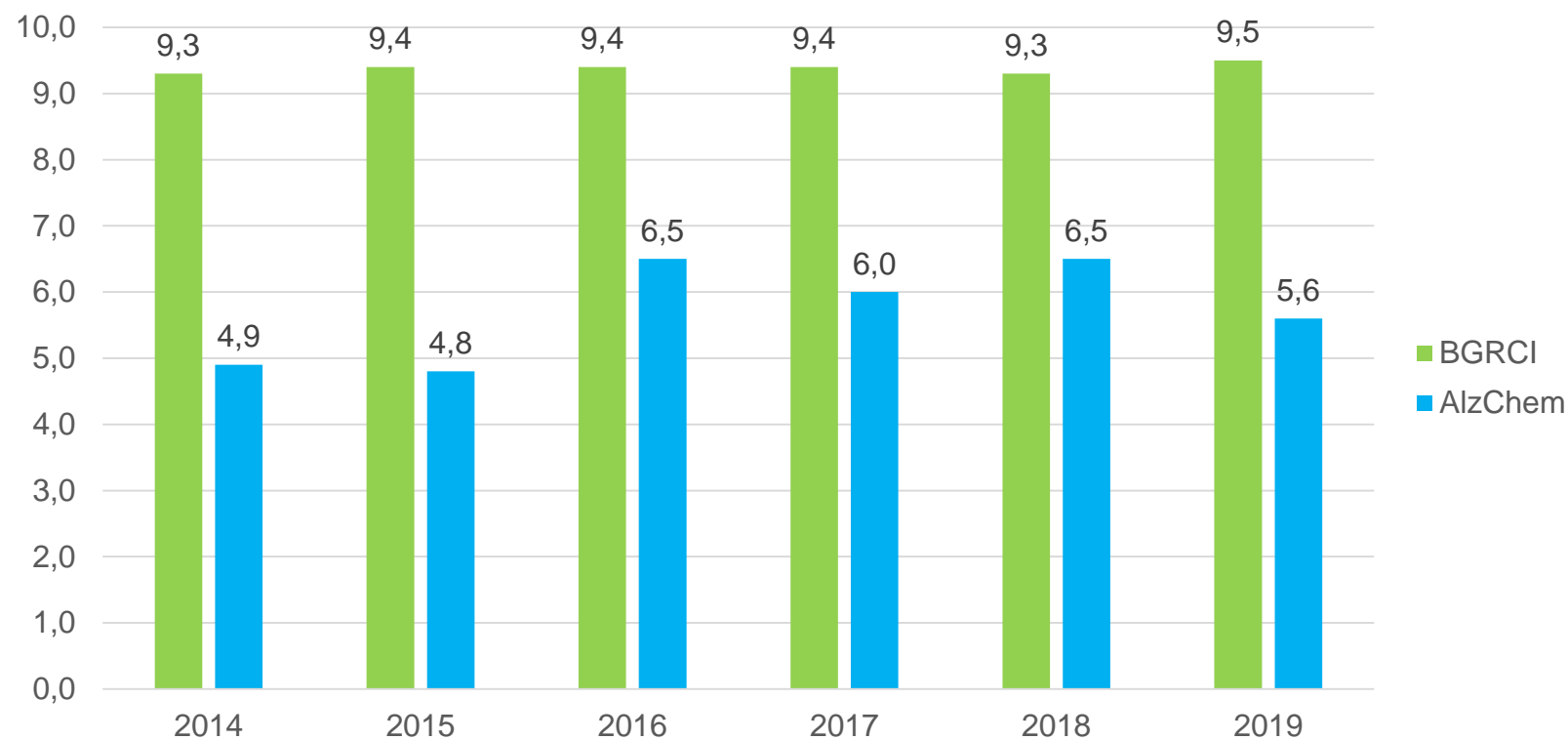
COMPENSATION NET EMISSIONS



OCCUPATIONAL SAFETY

Significant lower **Lost Time Injuries** than the industry average

LOST TIME INJURIES (LTI) AT ALZCHEM COMPARED TO THE GERMAN CHEMICAL INDUSTRY (BG-RCI)



DEFINITION LTI RATE

number of occupational accidents > 1 day lost per 1 million hours

AlzChem staff commits to a common sense for occupational safety, especially based on a personal, permanent awareness for the present job that is being accomplished. This is a perfect base for risk analyses, also in the field of plant safety.

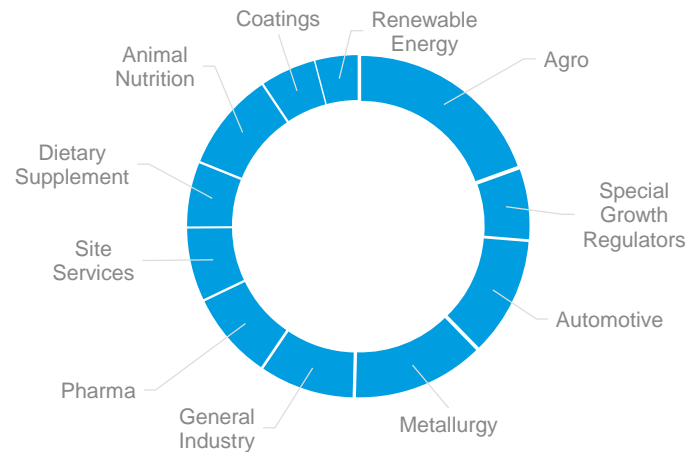
RESILIENT BUSINESS MODEL

Diversified end markets on a global scale, broad customer base & low dependence on suppliers

PRODUCTS & MARKETS

Diversified product portfolio for satisfying diversified end markets on a global scale

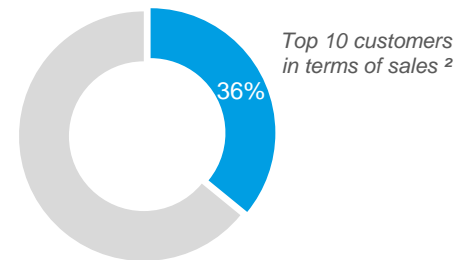
Unrelated end markets & products ¹



**RESILIENCE OF BUSINESS /
LOW CYCLICALITY**

CUSTOMERS

Diversified customer base with long-term relationships

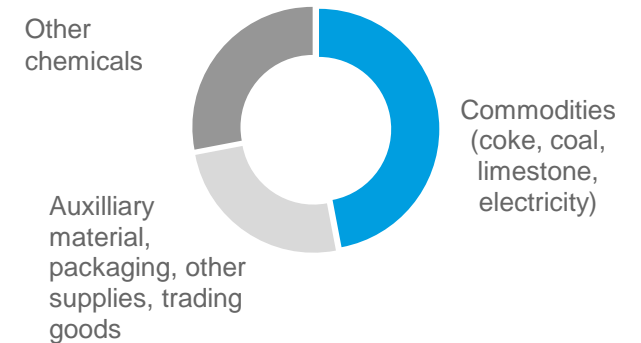


- Long-standing relationships with key customers due to exclusive distribution contracts
- Availability of potential alternative distribution partners and channels for most products mitigates risk of concentration

**INDEPENDENCY /
DIVERSIFICATION**

SUPPLIERS

Inputs are mainly commodities such as coke, limestone and electricity ("Verbund" system)



- Low dependence on suppliers due to nature of raw materials –

**INDEPENDENCY /
SECURITY OF SUPPLY**

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KEY INVESTMENT HIGHLIGHTS

Leading positions in selected Specialty niche markets supported by megatrends



Leading Market Positions in Selected Niches

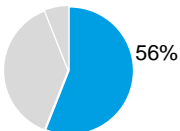









Strong Barriers to Entry

R&D is a Driver of Growth

Growth Supported by Megatrends

Well Positioned to Capture Future Growth

I. LEADING MARKET POSITIONS IN SELECTED NICHES / PRODUCTS

	1-6/2020 SEGMENT SPLIT	GLOBAL MARKET POSITION ⁽¹⁾	SELECTED KEY BRANDS ⁽¹⁾	DESCRIPTION	END MARKET
Specialty Chemicals	<p>Net Sales</p>  <p>EBITDA Margin: 22.4%</p>	1	CREAMINO	A nutritional additive for broilers and pigs	 Feed additive
		Top 3	 Creapure®	Premium brand for Creatine monohydrate used as supplements in sports nutrition	 Dietary supplement
		1	 Dormex®	Plant growth regulator, used in fruit production	 Agriculture
		1	Bioselect®	Highly purified form of guanidine hydrochloride salts	 Pharma/ API
Basics & Intermediates	<p>Net Sales</p>  <p>EBITDA Margin: 5.9%</p>	1 ⁽²⁾	 CaD®	Calcium carbide-based process chemical for hot metal desulfurization	 Steel industry
		1	Guanidine Salts	Gas generant for air bags, key production intermediate	 Airbags Agrochemicals
		Top 3	NITRALZ®	High quality aliphatic and aromatic nitriles via gas phase technology	 Pharma Agriculture Biocides Pigments

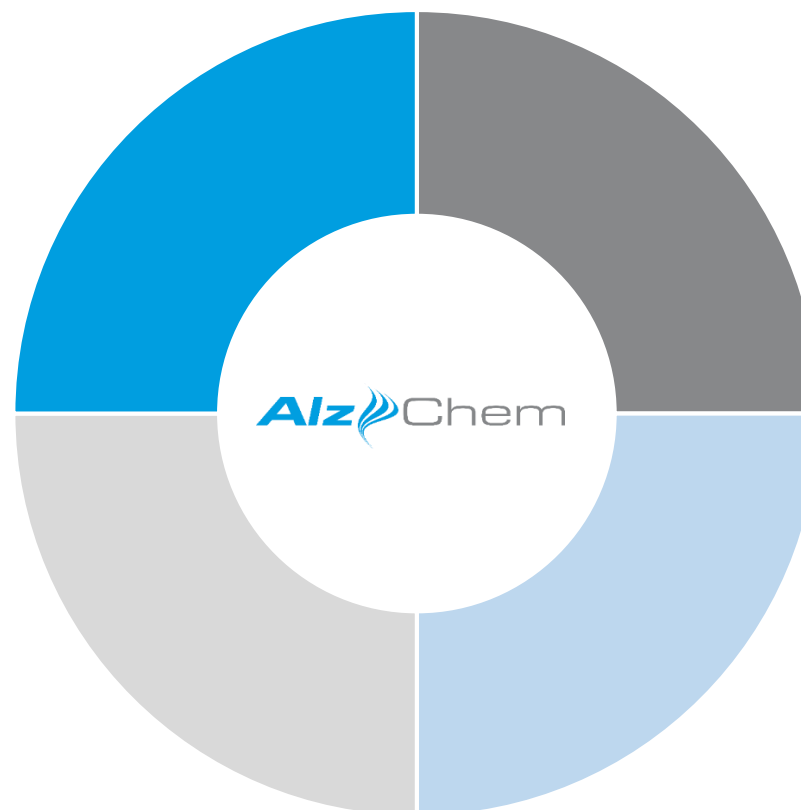
⁽¹⁾ Based on market share in revenue terms; Frost & Sullivan, summary report on global specialty chemical markets, November 2016; ⁽²⁾ European market leader

II. STRONG BARRIERS TO ENTRY

Protecting margins and creating a high degree of resilience

R&D, IP and Innovation

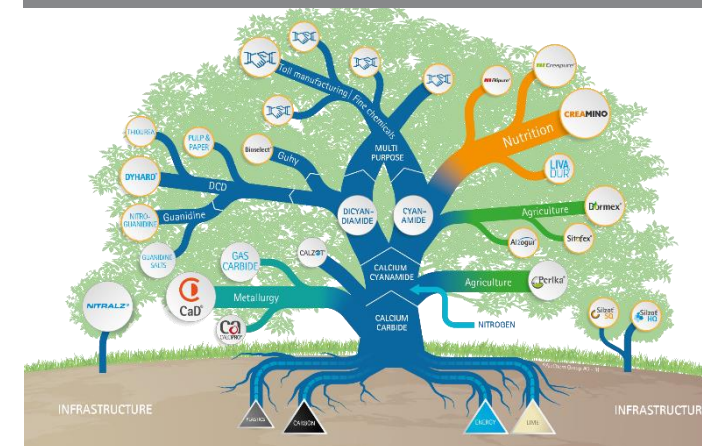
- Process know-how
- Specialisation in carbide chemicals
- R&D activities directed towards Specialty Chemicals
- 70+ patent families



Regulation



„Verbund“ System



Brands & Trademarks

Dormex[®]

Bioselect[®]

DYHARD[®]

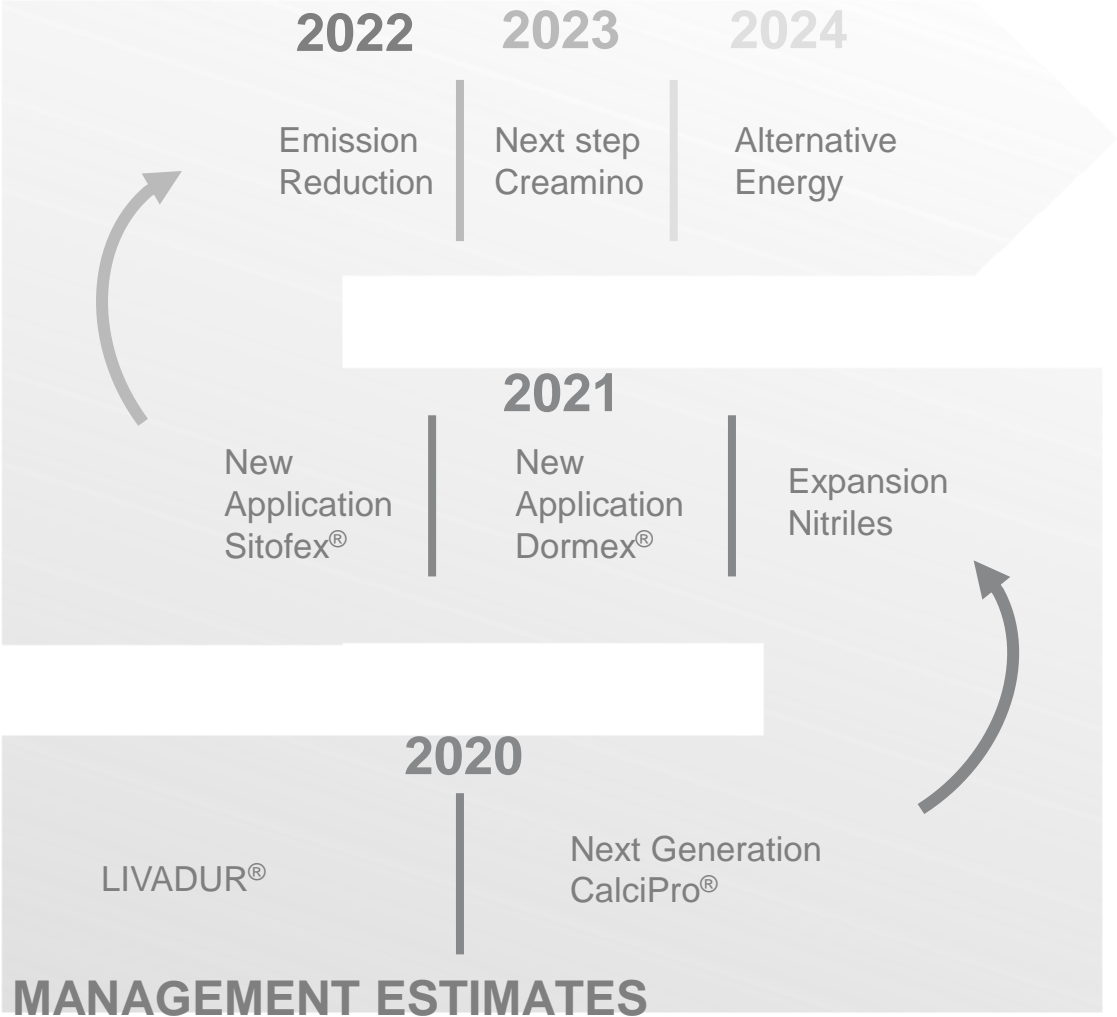
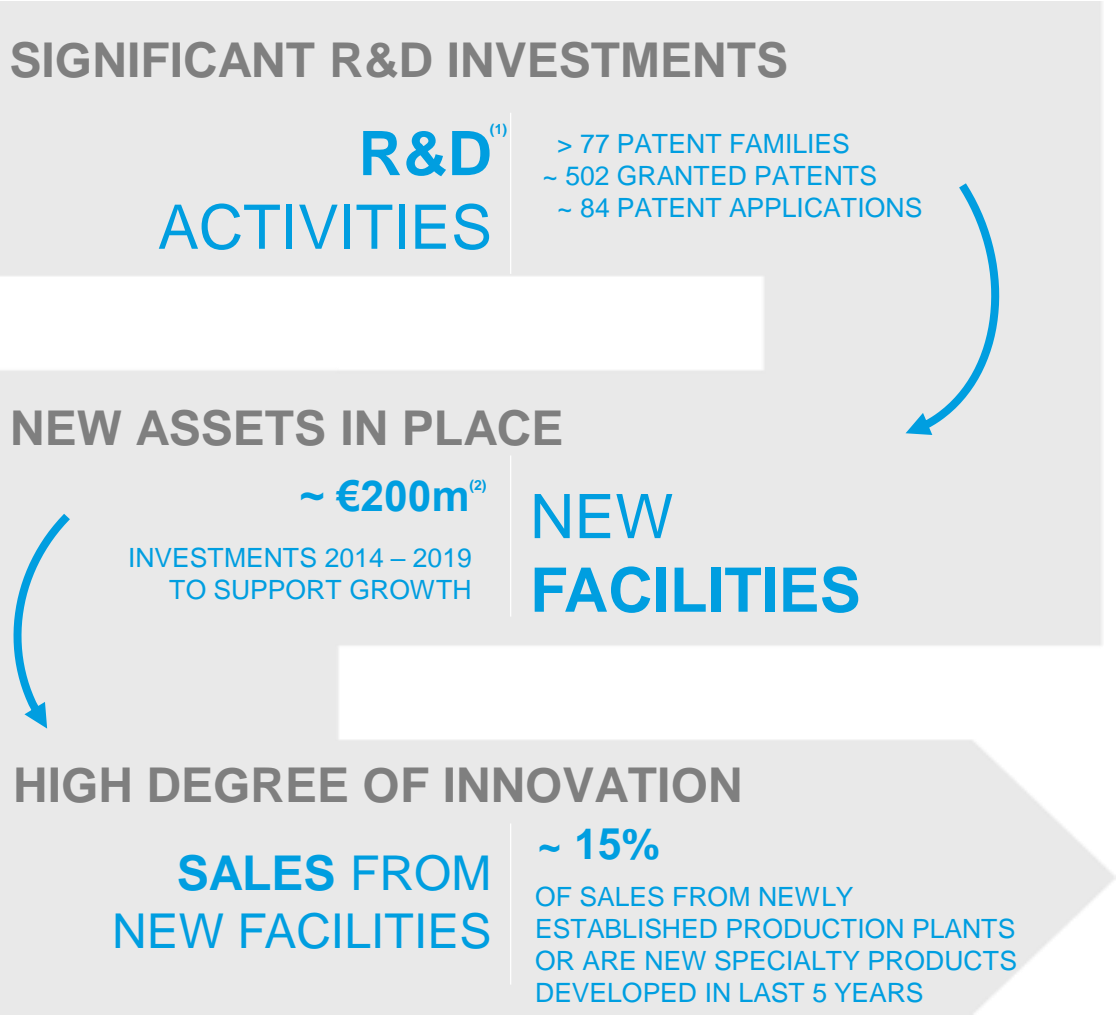
CREAMINO

Creapure[®]

Silzot[®]

III. R&D IS A DRIVER OF GROWTH

Investment strategy with a strong focus on R&D



(1) R&D = Research & Development and process development, six sigma, patent costs, registration costs; (2) Posted invoices

IV. GROWTH SUPPORTED BY MEGATRENDS

AlzChem's R&D is focused on developing niche market products supported by megatrends



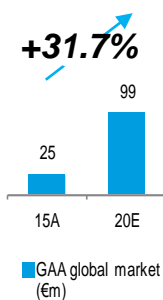
V. WELL POSITIONED TO CAPTURE FUTURE GROWTH

Potential for high market growth for AlzChem's key products

CREAMINO

- The only supplemental creatine source for broiler nutrition
- Largest supplier of GAA

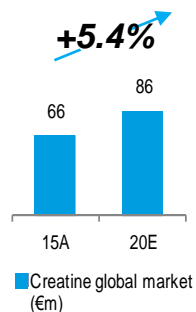
CAGR '15A – '20E



Creapure®

- Creatine for sports nutrition and health supplements Market
- Leading position in the creatine ingredients market with ~ 1/3 of global sales

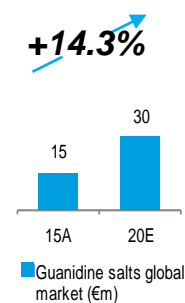
CAGR '15A – '20E



Bioselect®

- Only existing production plant outside China
- Cost competitiveness due to "Verbund" system
- Global market leader

CAGR '15A – '20E



Dormex®

- Plant growth regulators
- Dormex is the dominating cyanamide product in horticultural applications
- Global market leader

CAGR '15A – '20E

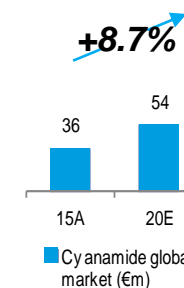


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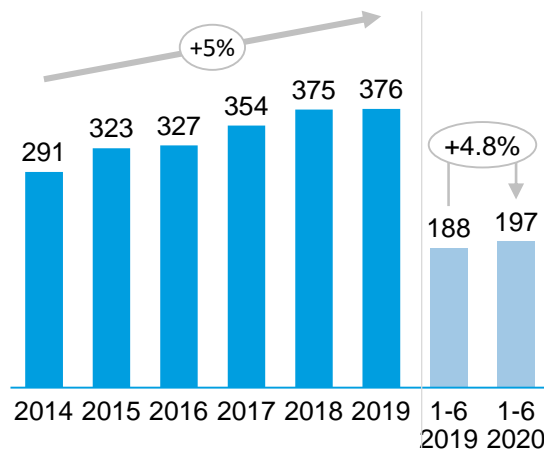
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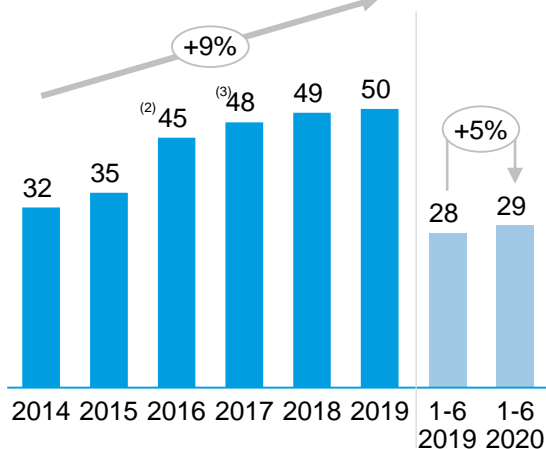
KEY FINANCIALS

Strong development in key figures⁽¹⁾

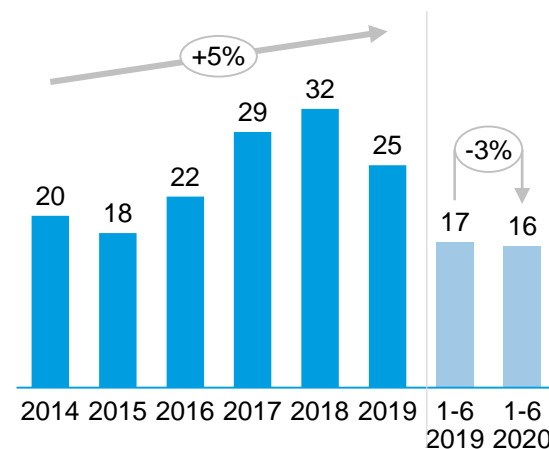
NET SALES



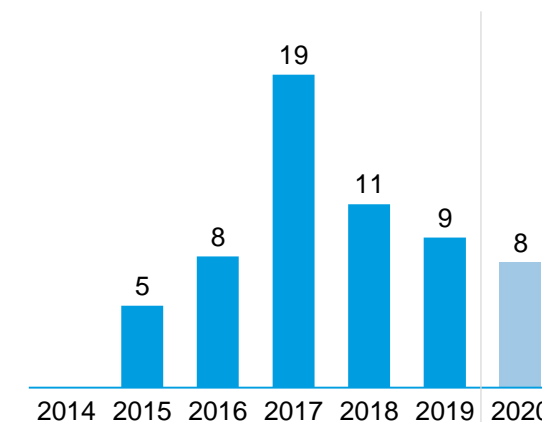
EBITDA



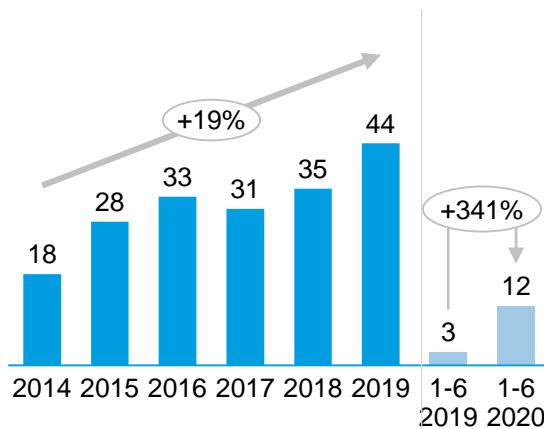
EBT



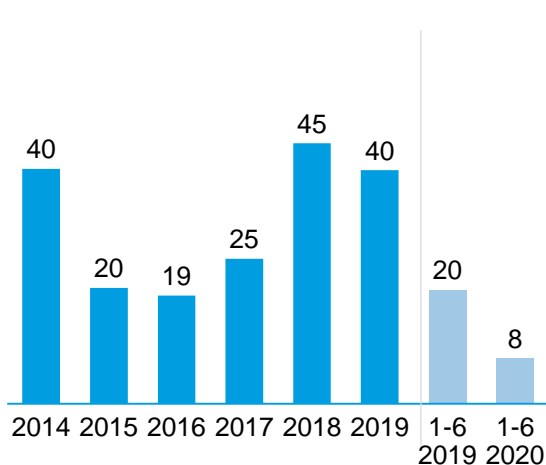
DIVIDENDS



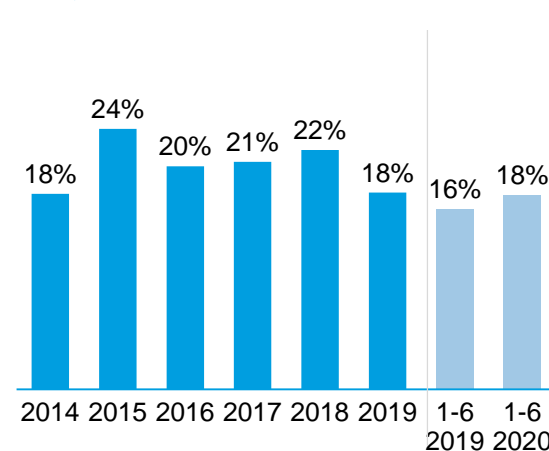
OPERATING CASHFLOW



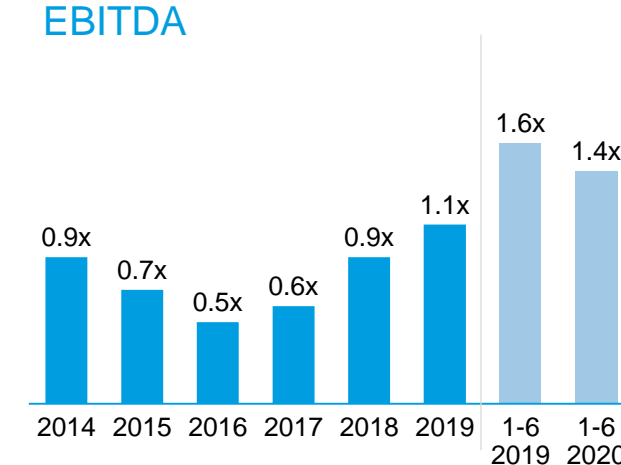
NET INVESTMENTS⁽⁴⁾



EQUITY RATIO



NET FINANCIAL DEBT / EBITDA



(1) All figures in M€; (2) Adjusted by a non-operational, one-time IPO-provision of € 6.3m; (3) Adjusted by € 2.0m IPO costs; (4) Posted invoices

FINANCIAL OVERVIEW Q2/2020



Result within guidance

AlzChem Group	Q2 2019	Q2 2020	yoy %	2019 1 - 6	2020 1 - 6	yoy %
SALES (in M€)	96,1	102,5	+6,6%	188,2	197,3	+4,8%
EBITDA (in M€)	14,6	16,8	+15,0%	27,9	29,1	+4,6%
EBITDA margin (in %)	15,2%	16,4%	+1,2 pp	14,8%	14,8%	-0,0pp
Earnings per Share (in €)	0,62	0,66	+5,8%	1,16	1,09	-6,4%

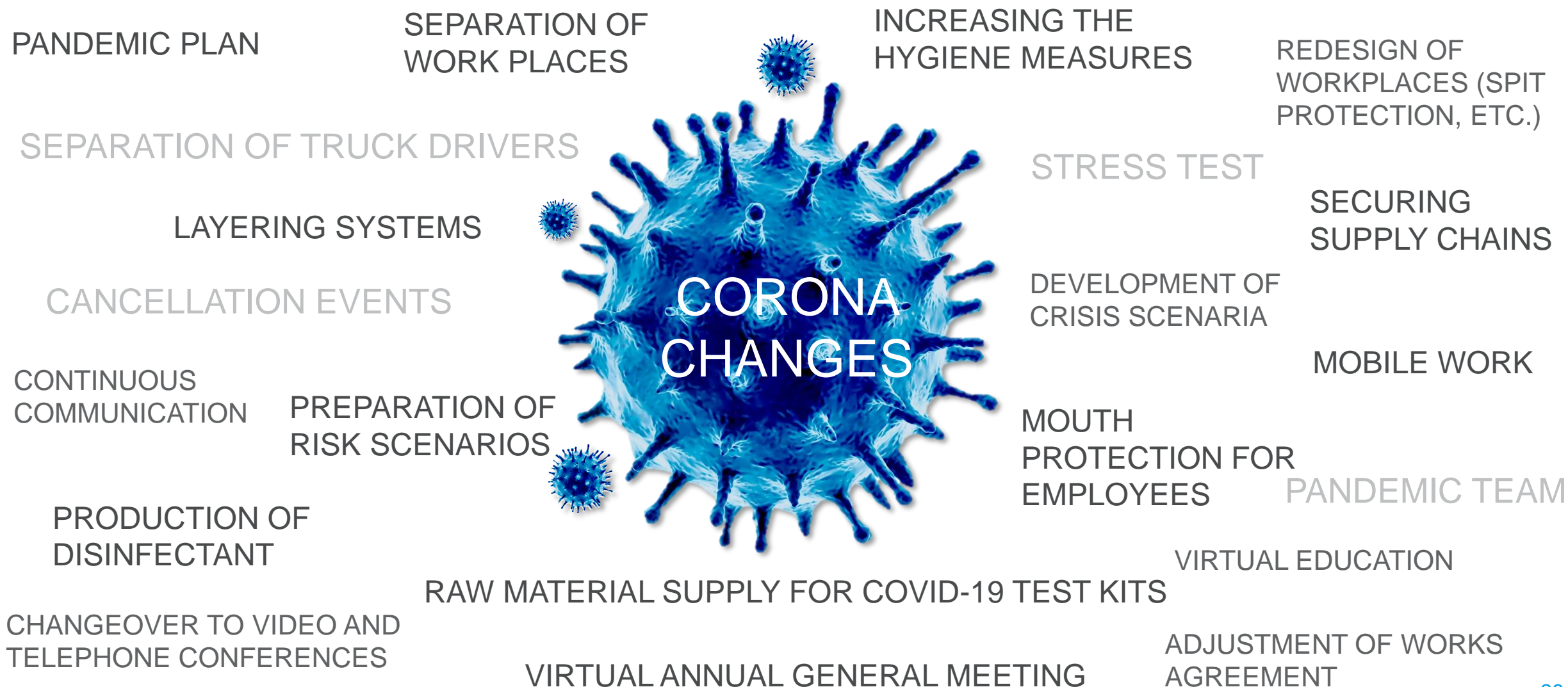
COMMENTS

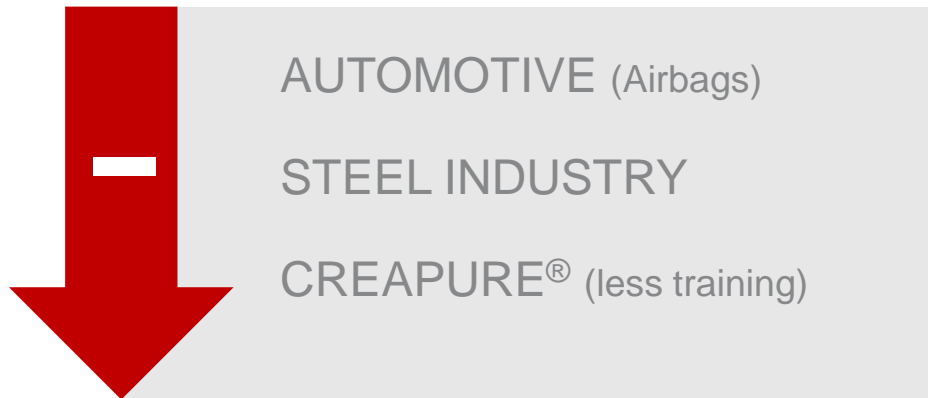
- Strong sales in Q2, first half-2020 closed with significant growth
- Revitalized multi-purpose plant business, significant growth in the pharmaceuticals sector
- Favorable raw materials environment supports growth in EBITDA
- Higher depreciation leads to lower earnings per share

SALES ANALYSIS	DELTA Q2	DELTA JUN YTD
Volume	+5.0%	+3.6%
Price	+1.0%	+0.7%
Currency	+0.6%	+0.5%

CORONA CHANGES

Measures





IMPLEMENTING OPERATING TARGETS

Focus on the key growth drivers

IMPLEMENTATION OF THE CREAMINO® GROWTH

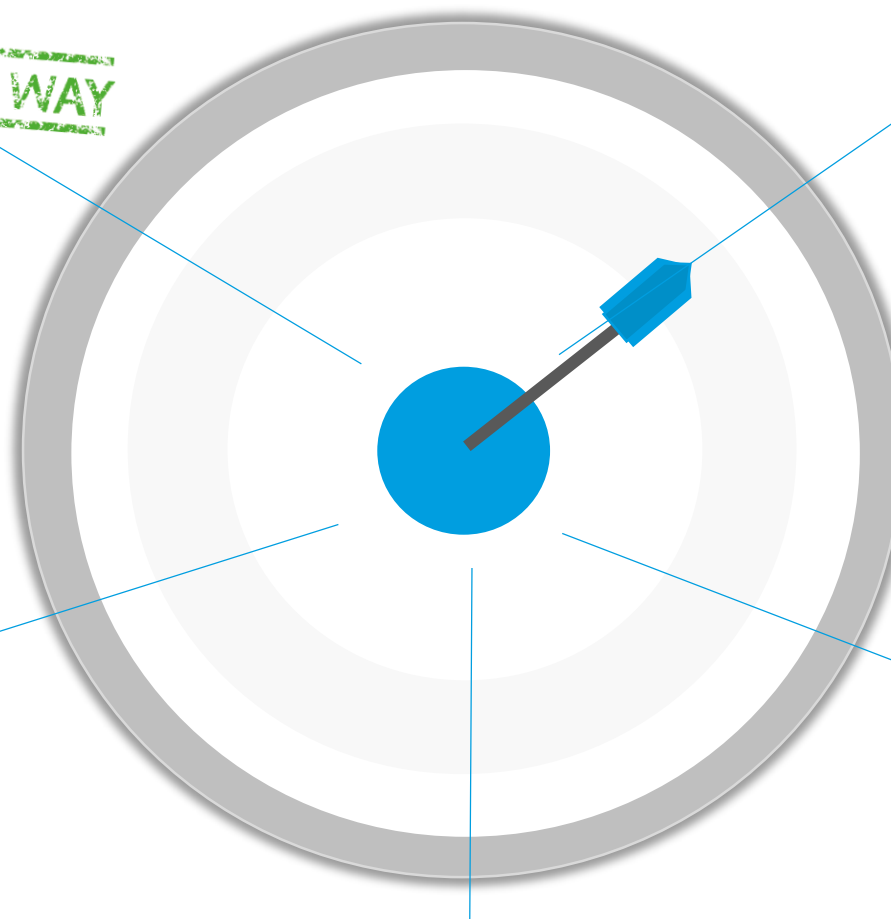
ON THE WAY

- Increase number of trials worldwide
- Reinforce technical staff – to train distributors more intensively
- Turning trials into sales
- Initiate further studies (pig and chicken)

REALIZATION OF THE NEXT CAPACITY EXPANSIONS

- Acquisition of customer contracts
- Preparation of the final CAPEX planning
- Supervisory Board approval
- Construction of the plant

SHORTLY BEFORE REALIZATION



MANAGEMENT OF COVID 19 EFFECTS

CONSTANTLY CHALLENGES US

ESTABLISH FIRST SALES OF LIVADUR®

TEST PHASE RUNNING

- Training pharmacists
- Push various promotion activities (Radiospots, Podcasts...)
- Analysis ASIA market entry
- First test sales in USA, branded by “Your Encour!”
- Available at online pharmacies

SUSTAINABILITY

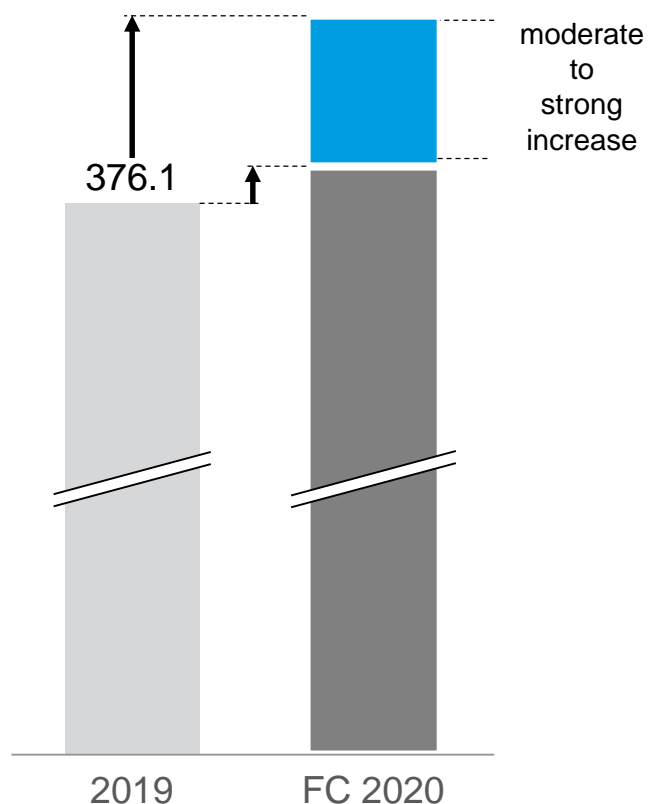
- Define and set the tone with CO₂ neutral growth
- Zero accidents and deviations

PROJECT LAUNCHED

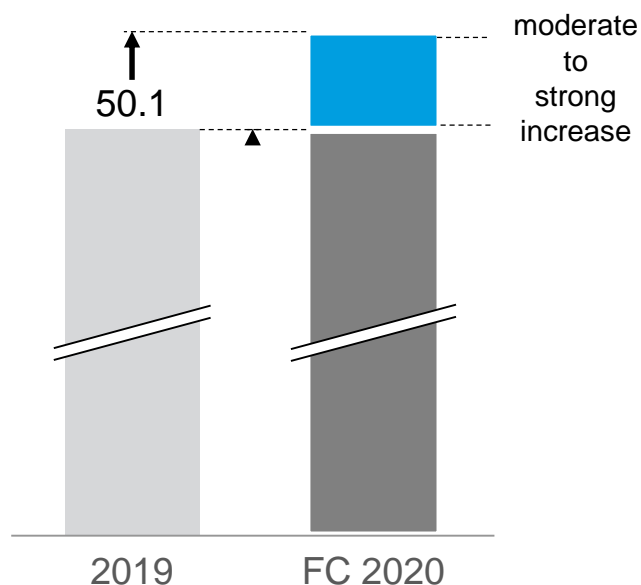
OUTLOOK 2020

Moderate to strong increase sales and EBITDA forecast (M€)

SALES



EBITDA



COMMENTS

- Start of the expected Creamino® ramp-up in second half of the year after completion of ongoing feeding trials
- Reinforcement of custom manufacturing
- Continued low demand for steel at least for Q3
- Further stable growth of NITRALZ® business
- Significant business expansion in the pharmaceutical industry
- Signs of delayed recovery of the global economic environment in H2 / 2020 (U-shaped) – results expected on the lower end of the guidance



THANK YOU
FOR YOUR ATTENTION!

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IFRS INCOME STATEMENT

Consolidated Income Statement Information

ALZCHEM GROUP (IN T€)

	Q2 2019	Q2 2020	Deviation (QoQ)		YTD Jun.2019	YTD Jun.2020	Deviation (YoY)	
Revenue	96,120	102,511	6,391	6.6%	188,244	197,251	9,008	4.8%
Changes in inventories of finished goods and work in progress	-321	-3,162	-2,841	885.4%	7,574	-1,010	-8,584	-113.3%
Other income	6,114	2,648	-3,466	-56.7%	10,541	5,073	-5,468	-51.9%
Raw materials and consumables used	-38,320	-35,253	3,068	-8.0%	-77,862	-70,744	7,118	-9.1%
Employee benefits expense	-31,497	-31,733	-237	0.8%	-62,163	-64,242	-2,080	3.3%
Other expense	-17,473	-18,190	-718	4.1%	-38,480	-37,192	1,288	-3.3%
EBITDA	14,623	16,822	2,199	15.0%	27,854	29,137	1,283	4.6%
Depreciation expense	-4,302	-5,742	-1,440	33.5%	-8,599	-11,324	-2,725	31.7%
Impairment	0	0	0		0	0	0	
EBIT	10,321	11,080	759	7.4%	19,255	17,813	-1,442	-7.5%
Investment income	54	20	-34	-63.3%	62	25	-37	-59.2%
Other interest and similar income	55	-453	-508	-919.1%	92	167	75	81.3%
Other interest and similar expense	-1,537	-925	611	-39.8%	-2,750	-1,799	951	-34.6%
Financial result	-1,428	-1,358	69	-4.9%	-2,596	-1,606	990	-38.1%
Result from associates	0	0	0		0	0	0	
Result from ordinary business	8,893	9,721	828	9.3%	16,659	16,207	-452	-2.7%
Taxes on income and profit	-2,510	-2,970	-459	18.3%	-4,723	-5,033	-310	6.6%
<i>thereof income tax</i>	-2,653	-3,300	-647	24.4%	-4,687	-4,930	-243	5.2%
<i>thereof change from deferred taxes</i>	143	330	188	131.2%	-36	-102	-67	185.2%
Annual result	6,383	6,752	369	5.8%	11,936	11,174	-762	-6.4%
<i>thereof minority interests</i>	43	43	0	0.0%	85	85	0	0.0%
<i>thereof shares held by shareholders</i>	6,340	6,709	369	5.8%	11,850	11,088	-762	-6.4%
Result per share in EUR	0.63 €	0.66 €	0	5.8%	1.17 €	1.10 €	0	-6.4%

IFRS BALANCE SHEET

Consolidated Statement of Financial Position

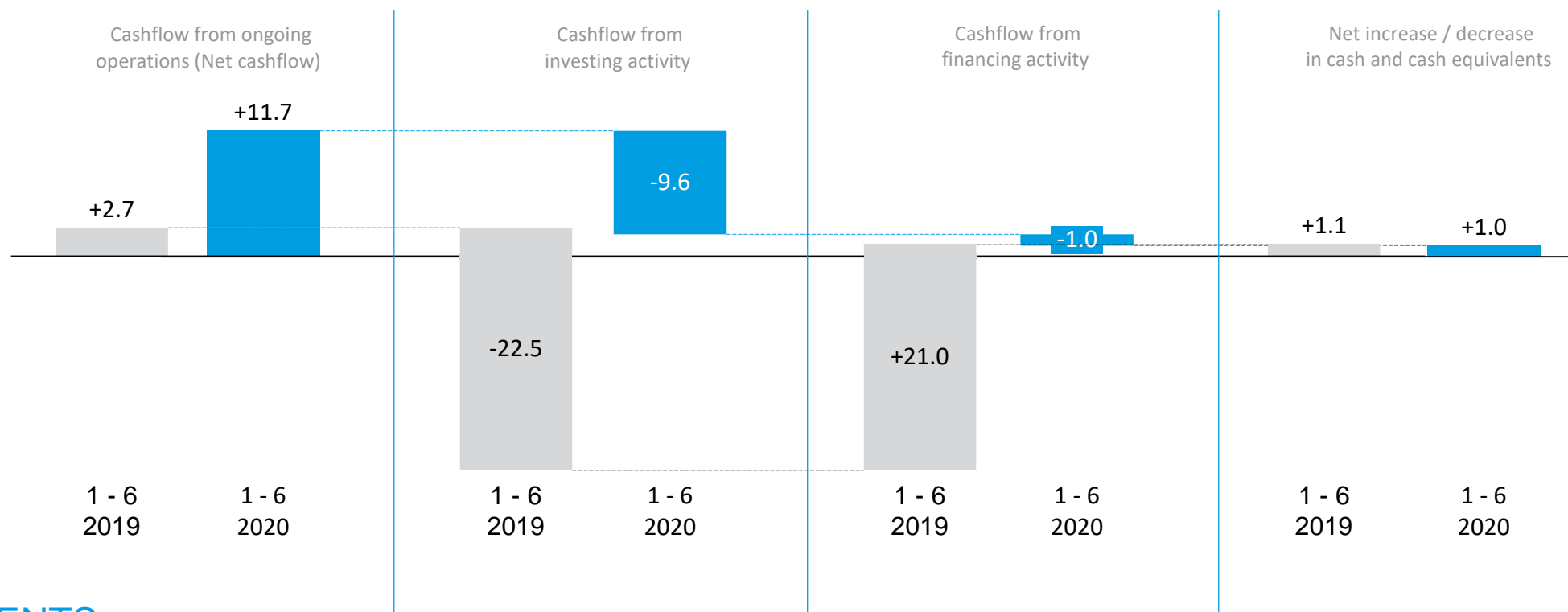


ALZCHEM GROUP (IN T€)	31.12.2019	30.06.2020	Deviation	
Intangible assets	1.541	1.360	-181	-11,8%
Tangible assets	165.702	162.969	-2.733	-1,6%
Investment properties				
Right of use (assets)	9.770	8.808	-962	-9,8%
Investments accounted for using the equity				
Financials assets	20	20		
Trade receivables				
Other receivables	470	495	24	5,2%
<i>there of Deferred tax assets for pensions</i>				
Deferred tax assets	34.477	34.950	473	1,4%
SUM NON-CURRENT ASSETS	211.981	208.602	-3.379	-1,6%
Inventories	74.607	73.469	-1.138	-1,5%
Trade receivables	32.501	50.018	17.517	53,9%
Financial assets	0	6	6	>1.000%
Other receivables	14.051	11.702	-2.349	-16,7%
Income tax receivables	381	425	44	11,6%
Cash and cash equivalents	9.061	10.099	1.038	11,5%
Assets classified as held for sale				
Other assets				
SUM CURRENT ASSETS	130.602	145.721	15.119	11,6%

ALZCHEM GROUP (IN T€)	31.12.2019	30.06.2020	Deviation	
Share capital	101.763	101.763		
RETAINED EARNINGS (+) / LOSS (-)	69.294	72.750	3.456	5,0%
Other comprehensive income	-48.152	-50.319	-2.167	4,5%
SHARE TO THE SHAREHOLDERS	59.757	61.046	1.289	2,2%
Non-controlling interests	1.592	1.678	85	5,4%
SUM EQUITY	61.350	62.724	1.375	2,2%
Provisions for pensions	134.629	138.153	3.524	2,6%
Other provisions	22.404	23.472	1.068	4,8%
Loans	50.747	44.940	-5.807	-11,4%
Finance lease liabilities	7.710	6.982	-728	-9,4%
Trade liabilities		22	22	
Other liabilities	513	513		
Deferred tax liabilities	4.745	4.466	-279	-5,9%
SUM NON-CURRENT LIABILITIES	220.748	218.547	-2.201	-1,0%
Other provisions	1.732	1.571	-162	-9,3%
Loans	11.935	25.473	13.539	113,4%
Finance lease liabilities	1.706	1.568	-138	-8,1%
Finance liabilities		0	0	
Trade liabilities	24.069	23.871	-198	-0,8%
Other liabilities	19.172	19.094	-78	-0,4%
Income tax liabilities	1.870	1.474	-396	-21,2%
SUM CURRENT LIABILITIES	60.485	73.052	12.566	20,8%
Sum EQUITY AND LIABILITIES	342.583	354.323	11.740	3,4%

CASHFLOW

Positive free cashflow due to strong cash inflow from ongoing operations



COMMENTS

- Strong cash inflow from ongoing operations
- Positive effect of inventory reduction on cashflow from ongoing operations
- Investing cashflow below prior year's level due to main CAPEX projects Creamino® and NITRALZ® in 2019
- Cashflow from financing activities (-1.0 M€) – main effects: scheduled repayment of long-term bank loans (-6.0 M€), deposits of short-term financing lines (+13.7 M€), dividend payments (-7.6 M€) as well as repayment of lease liabilities (-0.9 M€)
- Previous year's cashflow from financing activities: payout of the loan (30.1 M€)

FINANCIAL CALENDAR

Upcoming dates



2020	SEP 21	Baader Investment Conference (virtual)
2020	SEP 22	Berenberg and Goldman Sachs Conference (virtual)
2020	SEP 29	Family Office Day, (virtual)
2020	NOV 11	Quarterly Statement 3rd Quarter 2020
2020	NOV 17	Deutsches Eigenkapitalforum (virtual)
2020	NOV 30	Berenberg European Conference Pennyhill (virtual)
2020	DEC 8/9	MKK – Münchner Kapitalmarkt Konferenz
2021	MAR 19	Annual Report 2020
2021	MAY 6	Quarterly Statement 1st Quarter 2021
2021	MAY 12	Annual General Meeting 2021
2021	AUG 5	Half-Year Financial Report 2021
2021	NOV 11	Quarterly Statement 3rd Quarter 2021

