

AGILE SCIENCE PURE RESULTS





COMPANY PRESENTATION

Andreas Niedermaier, CEO April 2022

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.

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.

AGENDA – ROADSHOW PRESENTATION Q4 2021

- I. Company Introduction
- II. Key Investment Highlights
- III. Key Financials & Outlook

Appendix

Detailed Financials

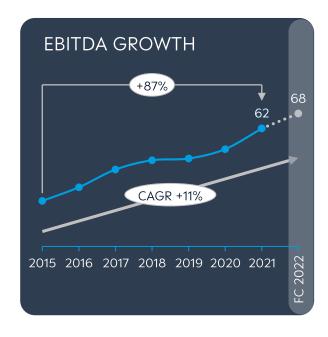
Supplementary Company Information





DETAILS





- Established in 1908
- Specialty chemicals company in Germany based on the calcium carbide chain
- Global sales and distribution network
- Headcount 2021: 1,636 (2020: 1,631)

EXECUTIVE TEAM

Alzchem Group AG



ANDREAS NIEDERMAIER

CEO

WITH ALZCHEM SINCE 1999

AREAS OF RESPONSIBILITY

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

KLAUS ENGLMAIER

COO

WITH ALZCHEM SINCE 1988

AREAS OF RESPONSIBILITY

Production, Engineering, Environment/Safety/Health/ Quality, Technology



OUR HISTORY

Innovative since 1908



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

Listing of SKW

Trostberg AG as
a public company

Founding of the **Alzchem Group**

IPO Alzchem Group AG Despite Corona, best fiscal year for Alzchem – and therefore there crisis-proof

1908

978 1995

2001

2006

2014

2017 2019

2020

2021

Change of company name to SKW
Trostberg AG

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

Acquisition of **Nordic Carbide AB**

Commissioning of Creamino® and NITRALZ® Production expansions (appr. 60 m.€) Successful
commissioning of
NITRALZ® +
Creatine capacity
increase started



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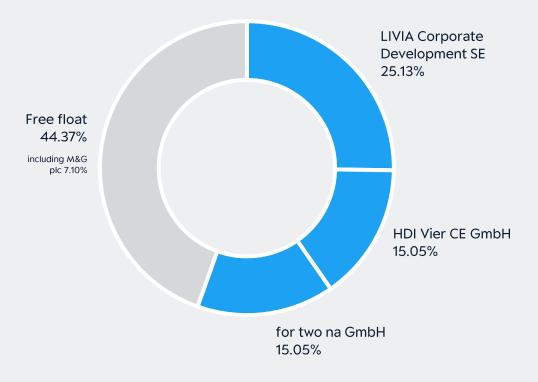
KEY SHARE DATA

Share Details as of April 25, 2022



SHARES OUTSTANDING	10,176,335 including 40,581 shares held by Alzchem Group AG
LAST CLOSING PRICE	EUR 21.20
MARKET CAPITALIZATION	EUR 216 m
TICKER	ACT
WKN	A2YNT3
ISIN	DE000A2YNT30
LISTING	Frankfurt Stock Exchange — Prime Standard
DESIGNATED SPONSOR	Baader Bank AG Oddo Seydler Bank AG

SHAREHOLDER STRUCTURE



As of April 2022. The information on the shareholders is based on the figures reported to us by them. Data regarding the free float are provided in accordance with section 2.3 of the "Guide to the DAX Equity Indices, i.e. considering the number of 40,581 own shares currently held by the company."

ALZCHEM AT A GLANCE II

Global market leader in selected niches



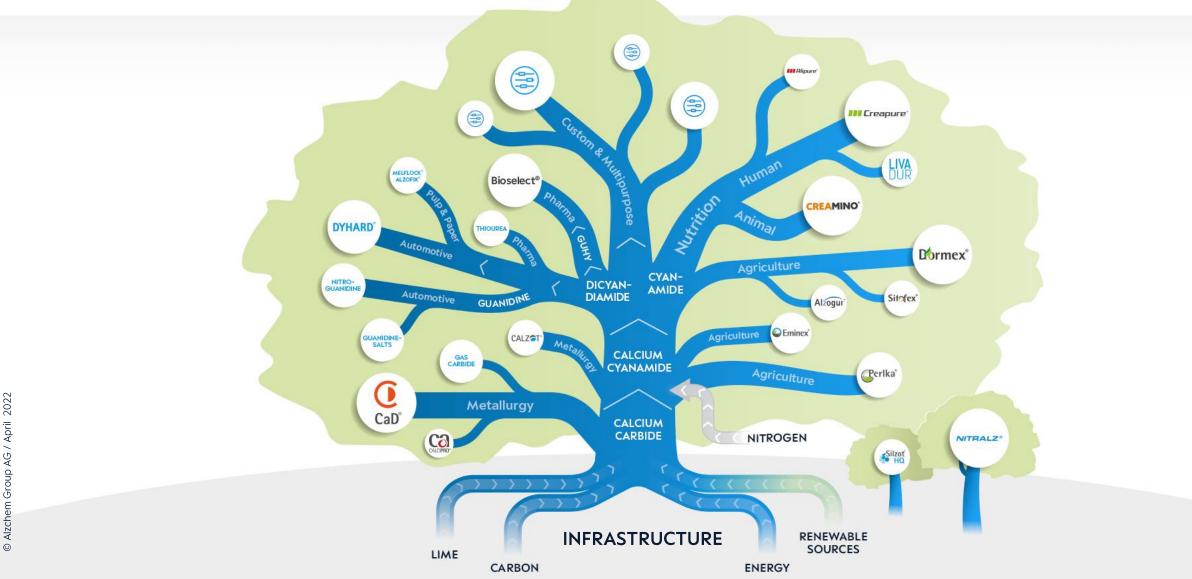




"VERBUND" SYSTEM — FULLY INTEGRATED BUSINESS MODEL







"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL

Metallurgy









Calcium carbide-based mixtures for hot metal desulphurization





Calcium Carbide raw material for high gas yield in the production of acetylene





Cored wire for Calcium treatment and desulfurization based on Calcium Carbide





Efficient additive for the nitridation of steels based on Calcium Cyanamide

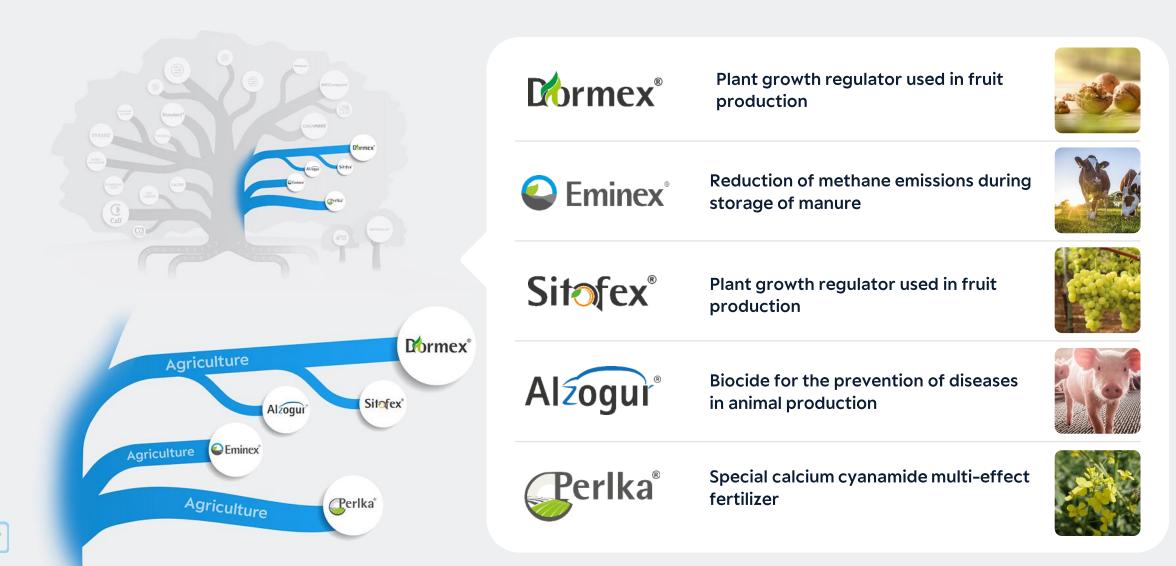




"VERBUND" SYSTEM — FULLY INTEGRATED BUSINESS MODEL

Agriculture

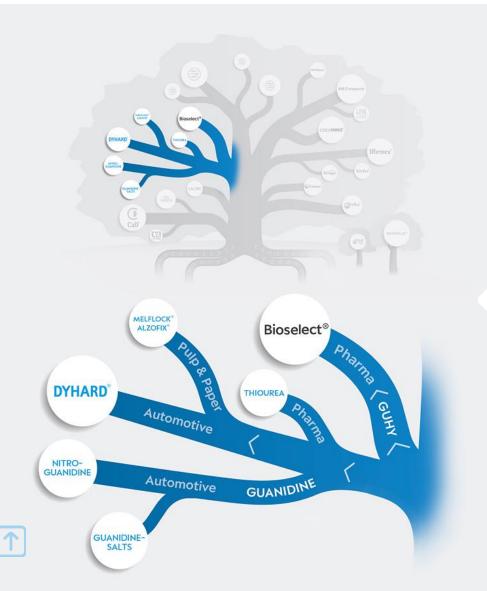




"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL

Fine Chemicals and Pharma





Bioselect®	Highly purified form of guanidine salts	
DYHARD ®	Hardeners and accelerators in powder, paste and liquid form	
DCD FOR METFORMIN	Versatile intermediate in various markets including the pharmaceutical industry	
GUANIDINE- SALTS	Fuel for airbags, key production of the intermediate product	
NITRO- GUANIDINE	Intermediates for agrochemical products	
MELFLOCK® ALZOFIX®	Applications in waste water treatment, paper, textile and leather industry	- Ale
THIOUREA	Various applications incl. flotation agent and pharmaceutical raw material	

"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL

Custom Manufacturing in Multipurpose Plants





Mutli purpose plants are the nursery for new Alzchem products

The design allows for a quick changeover between a multitude of products

With flexible and sophisticated technologies we cater to the needs of a variety of end markets (pharma, polymers, automotive, plant nutrition)

Alzchem strengths like strict project management, quick decision making and adaptation to customer needs are key to success in the custom manufacturing market

Continuous improvement based on 100 years of process Know How delivers the basis for profitable growth



"VERBUND" SYSTEM — FULLY INTEGRATED BUSINESS MODEL

Nutrition





ANIMAL NUTRITION



A feed additive for broilers and pigs

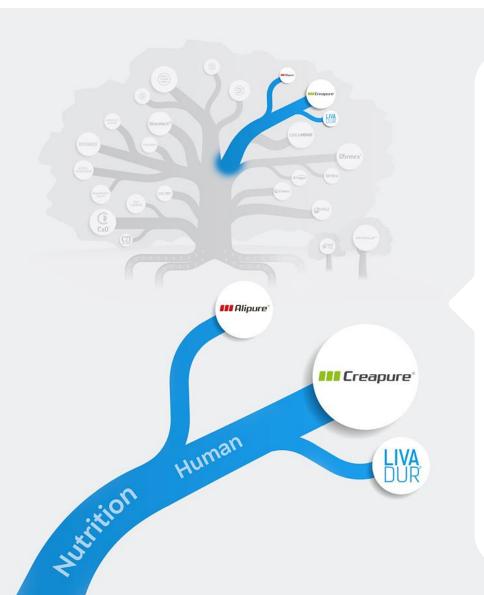




"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL

Nutrition





HUMAN NUTRITION



Premium brand for creatine monohydrate as a food supplement in sports nutrition





Dietary supplement with pure creatine



"VERBUND" SYSTEM — FULLY INTEGRATED BUSINESS MODEL

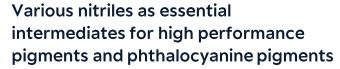
Nitralz[®]















Different nitriles are important raw materials for agricultural products, like special fungicides, insecticides and herbicides





Nitriles products are used as intermediates for different API's (active pharmaceutical ingredients)





Nitriles are an essential raw material for the production of the versataile biocide "Benzisothiazolinone"

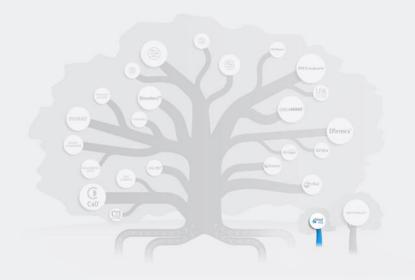




"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL

Silzot®









Silicon nitride powder for ceramic applications

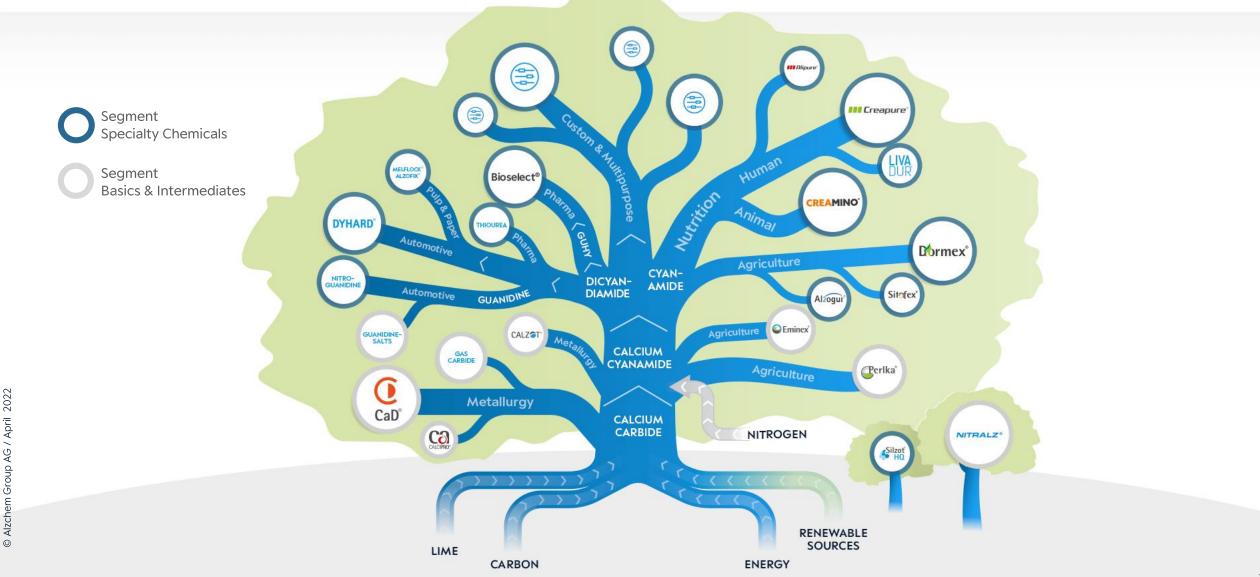




"VERBUND" SYSTEM — FULLY INTEGRATED BUSINESS MODEL



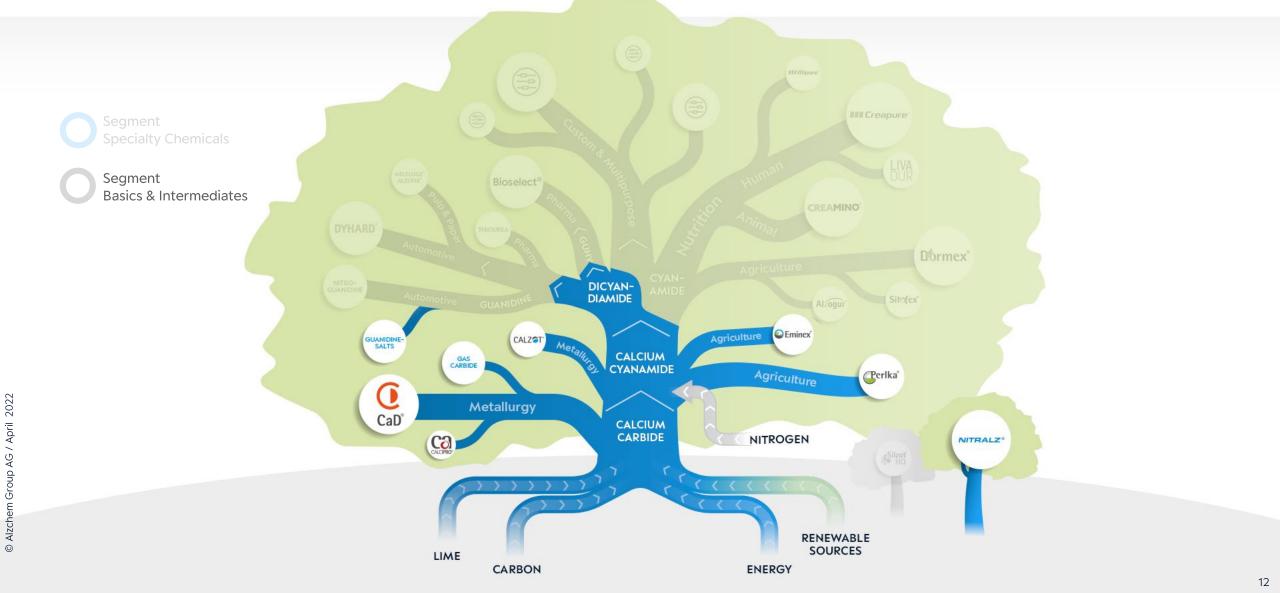




"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL



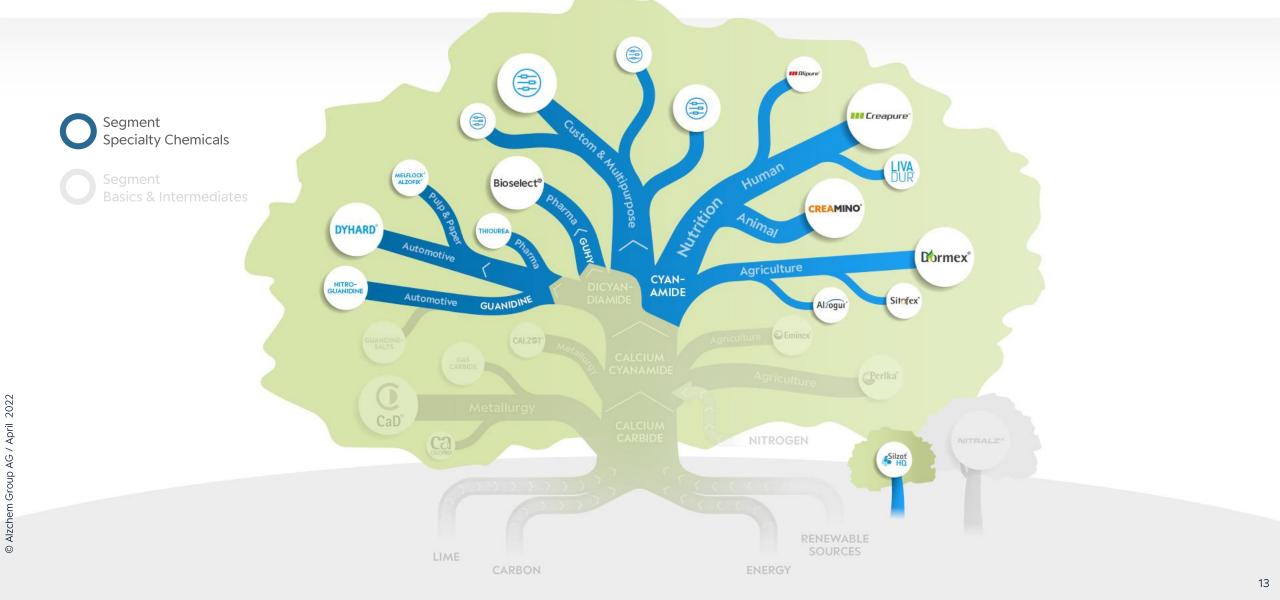




"VERBUND" SYSTEM — FULLY INTEGRATED BUSINESS MODEL



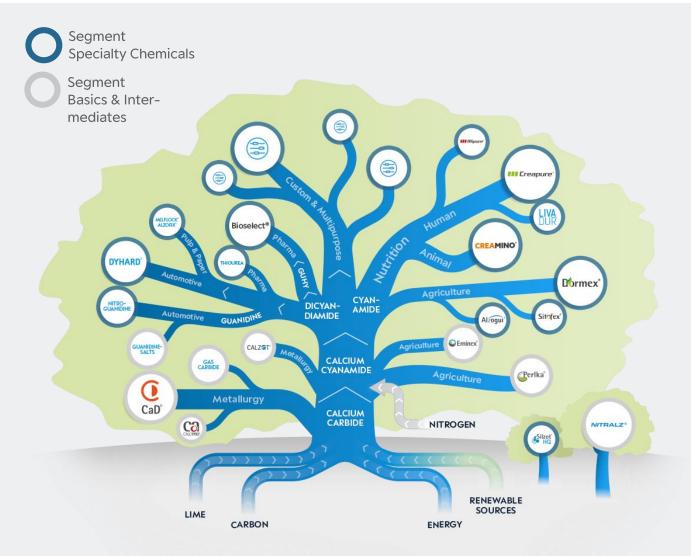




"VERBUND" SYSTEM - FULLY INTEGRATED BUSINESS MODEL

Benefits of the "Verbund" system approach





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

MEGATRENDS AS GROWTH DRIVERS









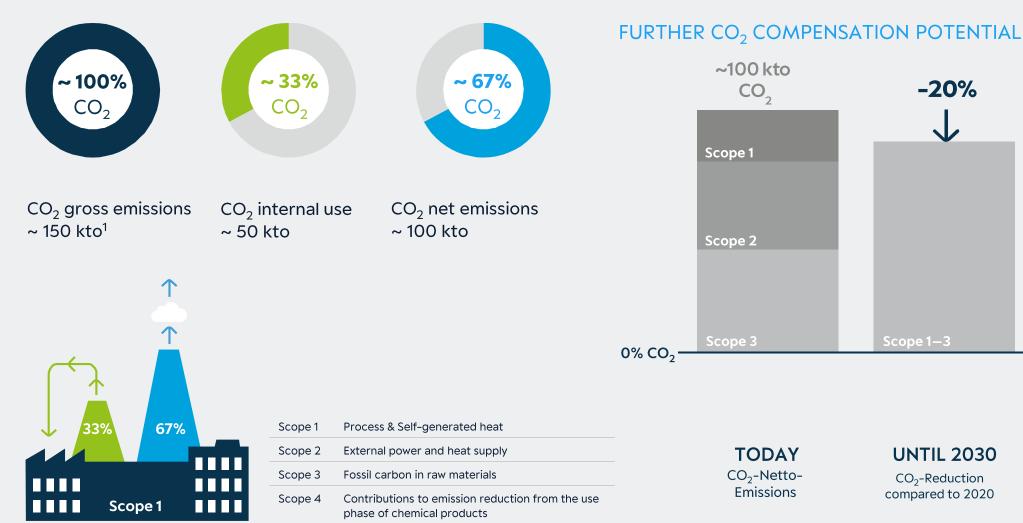
POPULATION GROWTH LONGER LIFE EXPECTANCY

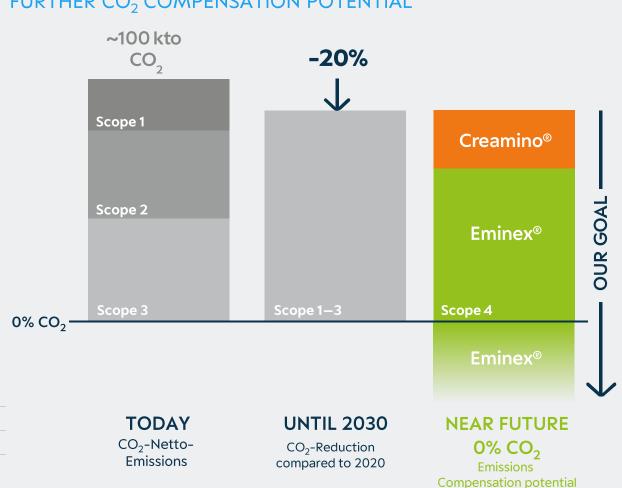
CLIMATE CHANGE SUSTAINABILITY

ESG - CO₂ BALANCE

Alzchem's potential is not only to offset all of its CO₂ but also to go far beyond it







Status 2020

Alzchem Group AG / April 2022

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

Tradition and commitment at the same time





RESILIENT BUSINESS MODEL

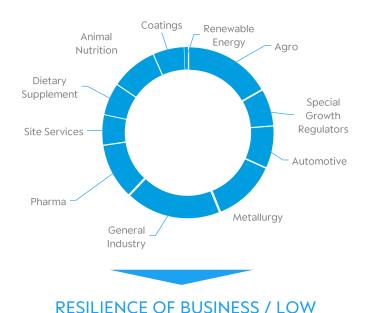
Diversified end markets on a global scale, broad customer base & low dependence on suppliers



PRODUCTS & MARKETS

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

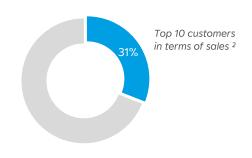
Unrelated end markets & products 1



CYCLICALITY

CUSTOMERS

Diversified customer base with long-term relationships

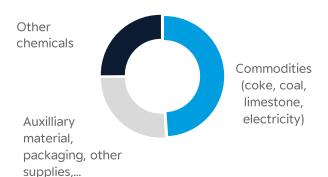


- Long-standing relationships with key customers due to exclusive distribution contracts
- Availability of potential alternative distribution partners and channels for most products mitigates risk of concentration

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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Supplementary Company Information

KEY INVESTMENT HIGHLIGHTS

Leading positions in selected Specialty niche markets supported by global developments





Leading Market Positions in Selected Niches

Strong Barriers to Entry

R&D is a Driver of Growth

Growth Supported by global developments

Well Positioned to Capture Future Growth

I. LEADING MARKET POSITIONS

In Selected Niches / Products



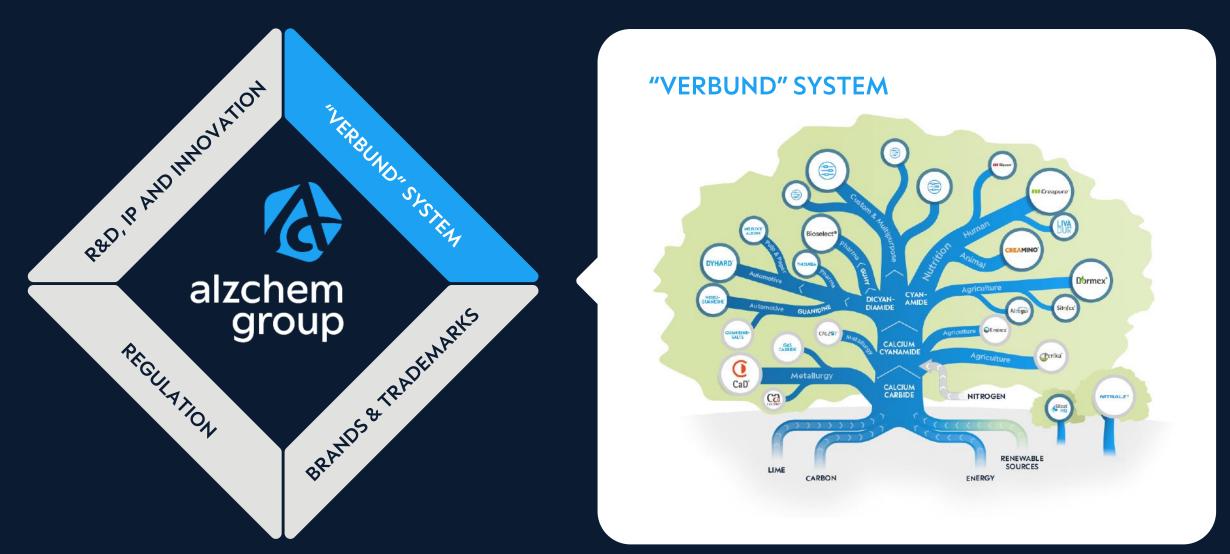
	1-3/2022 SEGMENT SPLITS	GLOBAL MARKET POSITION ¹	SELECTED KEY BRANDS	DESCRIPTION	END-MARKETS
BASICS & SPECIALITY INTERMEDIATES CHEMICALS	Net Sales	1	CREAMINO ®	A nutritional additive for poultry and pigs	Feed additive
	51% EBITDA Margin: 21.9%	Top 3	III Creapure°	Premium brand for Creatine monohydrate used as supplements in sports nutrition	Dietary supplement
		1	™ rmex [®]	Plant growth regulator used in fruit production	Agriculture
		1	Bioselect®	Highly purified form of guanidine salts	Pharma/API
	Net Sales	1 (2)	CaD ³	Calcium carbide-based process chemical for hot metal desulfurization	Steel industry
	44%	1	Guanidine Salts	Gas generator for air bags, key production intermediate	Airbags Agrochemicals
	EBITDA Margin: 4.9%	Top 3	NITRALZ®	High quality aliphatic and aromatic nitriles via gas phase technology	Pharma Agriculture Biocides Pigments

STRONG BARRIERS TO ENTRY

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STRONG BARRIERS TO ENTRY







BRANDS & TRADEMARKS



DYHARD®

CREAMINO®

Silzot®

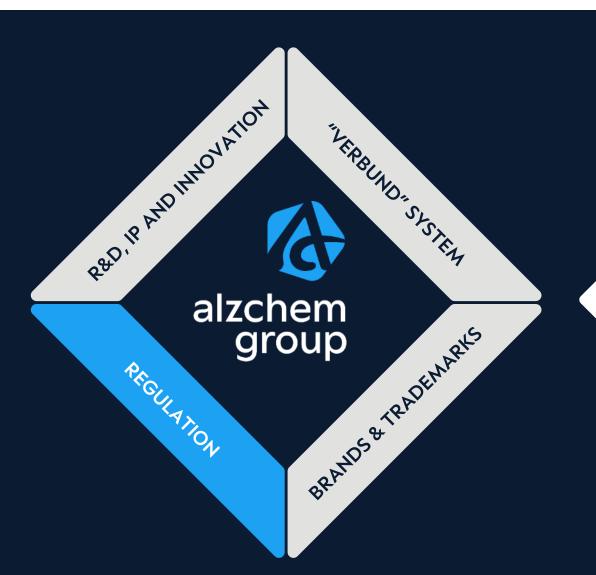
Bioselect®



STRONG BARRIERS TO ENTRY







REGULATION









II. STRONG BARRIERS TO ENTRY







R&D, IP AND INNOVATION

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



II. STRONG BARRIERS TO ENTRY

Protecting margins and creating a high degree of resilience





III. R&D IS A DRIVER OF GROWTH

Investment strategy with a strong focus on R&D



SIGNIFICANT R&D INVESTMENTS

R&D⁽¹⁾ Activities

- ~ 67 patent families
- ~ 470 granted patents
- ~ 109 patent applications

NEW ASSETS IN PLACE

New **Facilities**

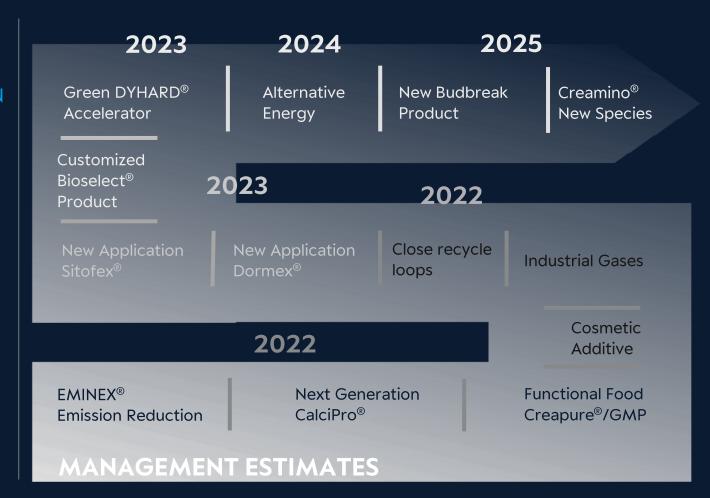
~ €245m

investments 2014–2021 to support growth HIGH DEGREE
OF INNOVATION

Sales from new facilities

~ 8,2%

of sales from newly established production plants or are new specialty products developed since 2017



Alzchem Group AG / April 202

IV. GROWTH SUPPORTED BY GLOBAL DEVELOPMENTS







POPULATION GROWTH









LONGER LIFE EXPECTANCY





PHARMA MATERIALS



CLIMATE CHANGE



Silzot®





SUSTAINABILITY

V. WELL POSITIONED TO CAPTURE FUTURE GROWTH

Potential for high market growth for Alzchem's key products



- Leading market positions in selected niches
- Strong barriers to entry
- R&D is a driver of growth
- Growth supported by global developments
- → Well positioned to capture future growth



Creatine for sports & health nutrition, functional food and health



- Plant growth regulators
- Dormex® is the dominating cyanamide product in horticultural applications



Raw materials for a variety of end markets (pharma, agro, biocides, pigments)



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



- Only existing production plant outside of China
- Cost competitiveness due to the Alzchem "Verbund" system
- · Highest quality, Made in Germany



- Calcium Cyanamide changes agriculture
- Nitrogen efficiency
- **Emission reduction** (CH4 - CO2 Eq.)

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Key Financials

Current Trading / Corona update

Specialty Chemicals is Main Driver - CAPEX

Product Segments - Excellent Performance and Development

Sustainable Financing Policy

Pensions

Targets & Outlook

KEY FINANCIALS

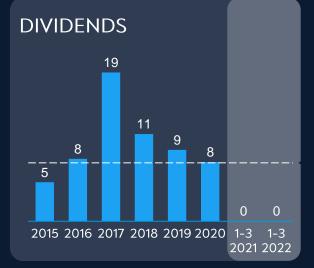
Development in key figures⁽¹⁾



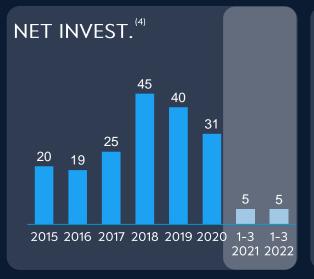




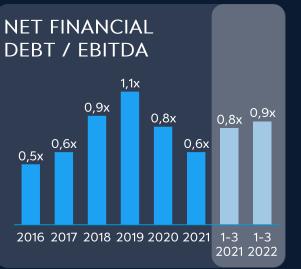










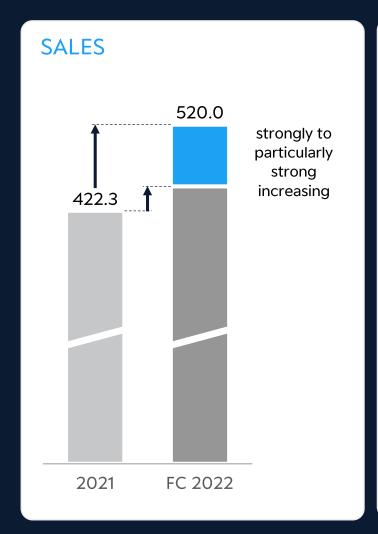


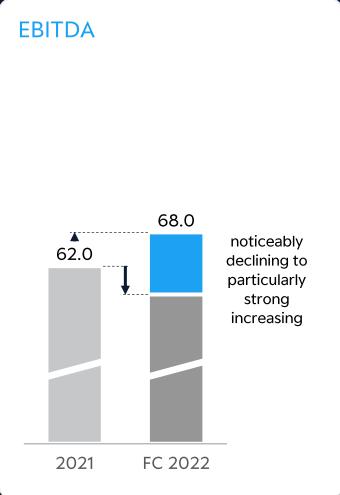
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OUTLOOK 2022 (in M€)

Parity of cost with price increases will determine EBITDA







COMMENTS

- Adjustment of the upper sales limit from 480
 M€ to 520 M€ due to necessary price increases
- Price increases will determine EBITDA balance short term needs with long-term requirements
- Further growth of NITRALZ® and Creamino® business
- Stable development in the agricultural, steel and automotive sectors
- On-time commissioning of Creapure[®] capacities
- Continued high input costs (raw material, power, logistics) and volatility
- USD exchange rate 1.15

IMPLEMENTING OPERATING TARGETS

Focus on the key growth drivers and sustainability



Implementation of price increases, at least in the amount of the cost increases

SUSTAINABILITY

- Set the path to CO₂ neutral growth and climate neutrality by 2045
- Vision 0 accidents
- Vision 0 waste promoting circular economy
- Introduction of EU Taxonomy Regulation Taxonomy compliance
- Organize transition from NFRD (Nonfinancial Reporting Directive) to CSRD (Corporate sustainability Reporting Directive)

Realization and commissioning of Creapure® capacity expansion

Continue to grow Nitralz® and Creamino® business

Management of COVID-19 effects

FINANCIAL CALENDAR

Upcoming dates





MAY 5	2022	Annual General Meeting 2022
MAY 23 - 24	2022	German Spring Conference
JUL 26	2022	Half-Year Financial Report 2022
SEP 5 - 6	2022	Fall Conference
SEP 21	2022	Berenberg and Goldman Sachs German Corporate Conference
SEP 22	2022	Baader Investment Conference
OCT 26	2022	Quarterly Statement 3 rd Quarter 2022
NOV 15 - 16	2022	Münchner Kapitalmarkt Konferenz
NOV 28 - 30	2022	Deutsches Eigenkapitalforum

FEEDBACK

We appreciate your feedback



Were your expectations met?

Are you missing any content?

WE APPRECIATE YOUR FEEDBACK!

<u>Link</u>









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