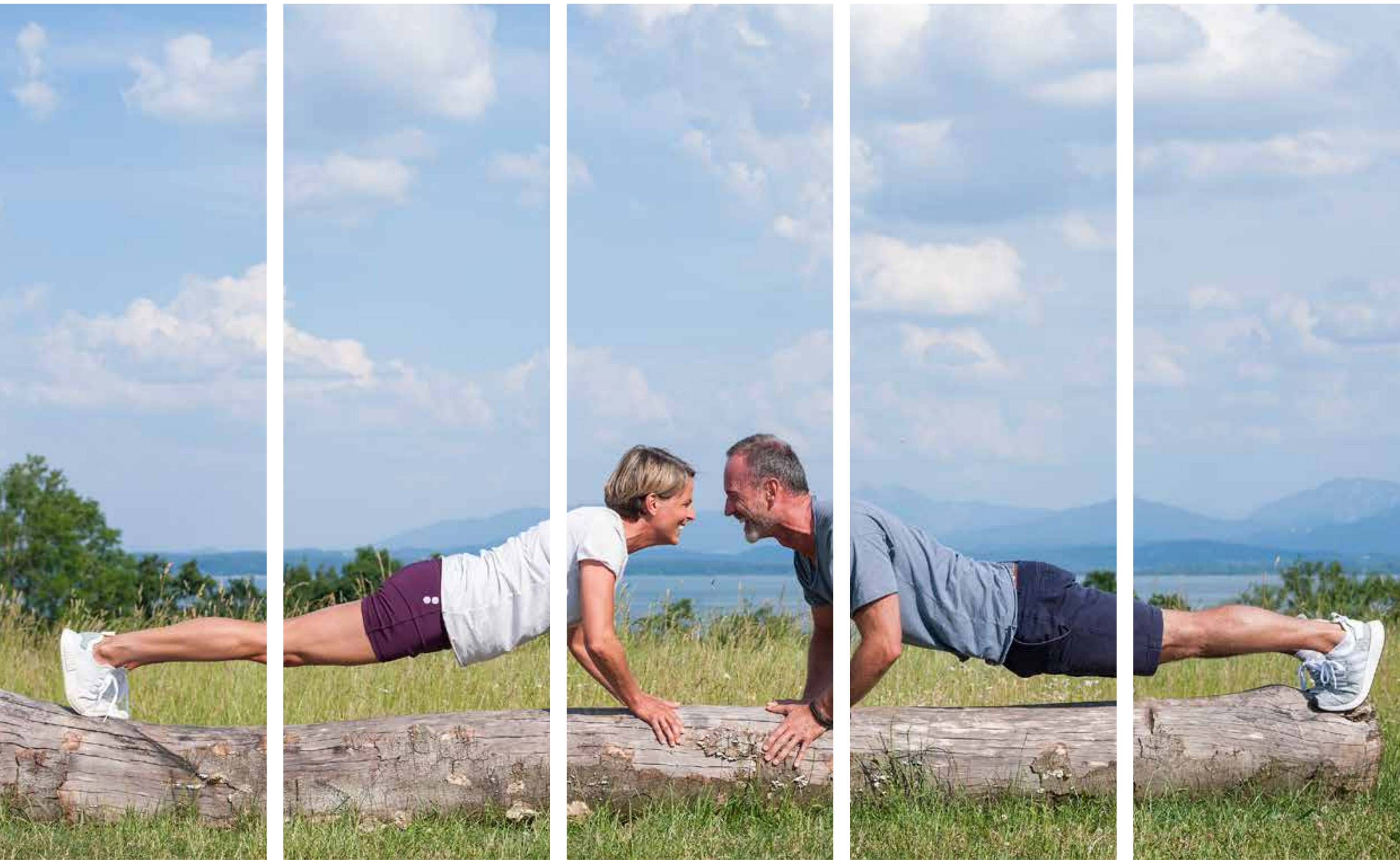
QUARTERLY STATEMENT

1st quarter of 2020



ALZCHEM AT A GLANCE

~ € 95 mn

sales generated by AlzChem
in the 1st quarter of 2020

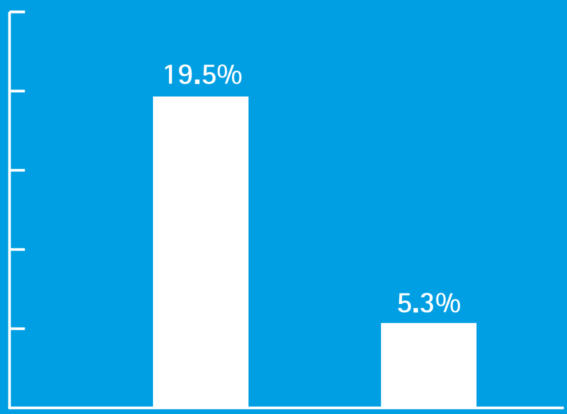
1st quarter of 2019: ~ € 92 mn

~ € 12 mn

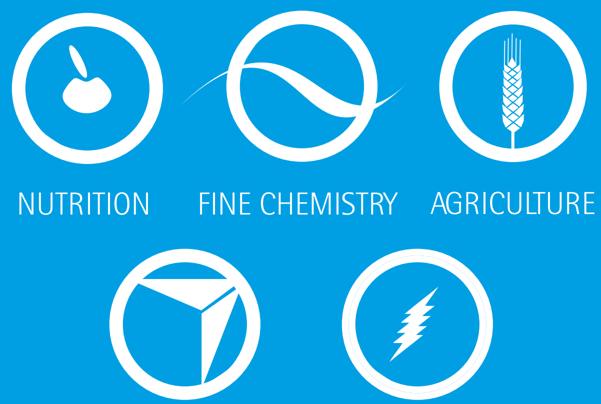
EBITDA achieved by AlzChem
in the 1st quarter of 2020

1st quarter of 2019: ~ € 13 mn

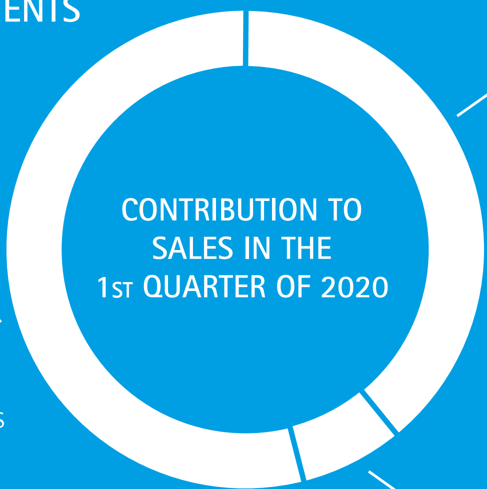
EBITDA MARGIN BY MAIN SEGMENTS



MARKETS



THREE REPORTING SEGMENTS



38.0% BASICS & INTERMEDIATES

Production of chemical intermediates for direct sale or refinement as specialty chemicals products

55.1% SPECIALTY CHEMICALS

Production anddistribution of high-quality chemical products

6.9% OTHER & HOLDING

Other activities, mainly services related to the chemical parks Trostberg and Hart

CONTENT

ENCOURAGING 1ST QUARTER OF 2020 – SALES ABOVE PREVIOUS YEAR, EBITDA AT FORECAST LEVEL

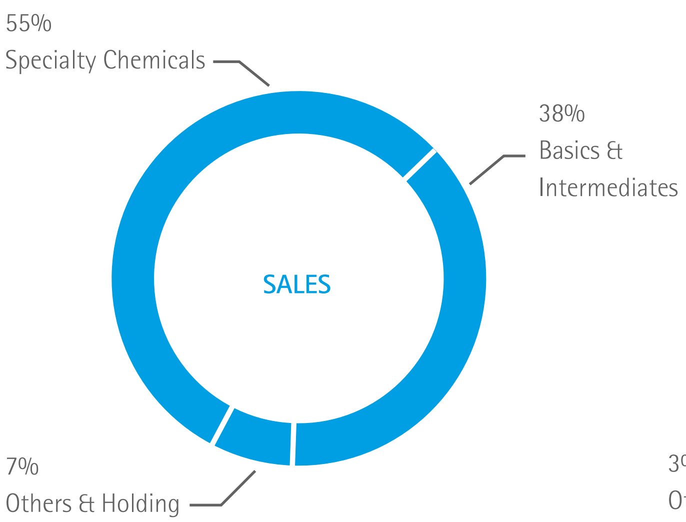
1ST QUARTER OF 2020

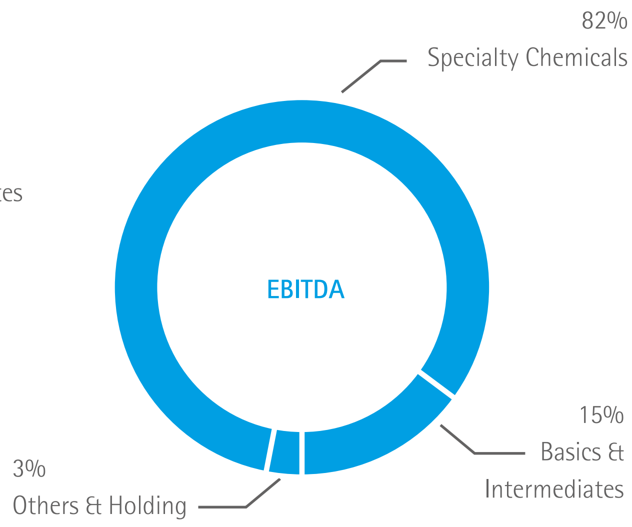
- Despite COVID-19: production and earnings stable due to diversified product portfolio and compensation possibilities.
- The expected very strong growth of Creamino® was successfully realized in Q1/2020.
- Strong growth in BioSelect® products, as these are an essential component of the COVID-19 test kits, among others.
- As expected, start-up costs from the LIVADUR® business are burdening earnings.
- Seasonally postponed deliveries (partly into Q2/2020) in the Dormex® segment.
- Economic distortions in the automotive and steel industries are burdening volumes in the metallurgy market segment, in some cases significantly.
- Tailwind from falling raw material prices supports the positive business development of the Basics & Intermediates segment.
- EBITDA develops in line with the forecast.
- Very positive cash flow development reflects good operating business performance, lower investments and strict net working capital management.
- Outlook 2020 confirmed: adjusted EBITDA at previous year's level to strongly increasing.

KEY FIGURES OF THE ALZCHEM GROUP IN THE 1ST QUARTER OF 2020

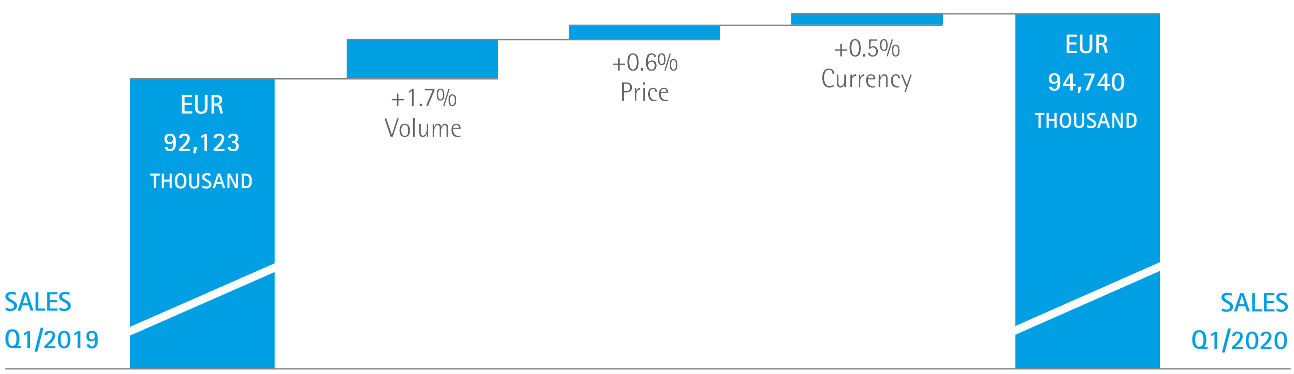
		1st quarter of 2019	1st quarter of 2020	Delta	Delta
	Unit				
Sales	EUR thousands	92,123	94,740	2,617	2.84%
EBITDA	EUR thousands	13,231	12,315	-916	-6.92%
EBITDA margin	%	14.36	13.00	-1.36% points	
EBIT	EUR thousands	8,934	6,733	-2,201	-24.64%

SALES AND EBITDA SHARE BY SEGMENT IN THE 1ST QUARTER OF 2020





CHANGE IN SALES COMPARED TO PREVIOUS YEAR



Note: Unless otherwise stated, all amounts are stated in EUR thousand. For computational reasons, rounding differences of ± one unit may occur in tables.

1. DEVELOPMENT OF THE GROUP

1.1 EFFECTS OF THE CORONA CRISIS ON THE ALZCHEM GROUP

Thanks to a traditionally highly diversified product portfolio, the partially significant effects of the global economic upheaval in connection with the COVID-19 pandemic were almost completely offset in Q1/2020.

Nevertheless, the management sees the following business areas with a declining trend or some products already showing lower business figures in the first quarter of 2020:

- Metallurgy
- Automotive

The current environment also offers business opportunities for the AlzChem Group. In particular, the areas

- Special Growth Regulator and
- Pharma

have been characterized since the end of February by almost rapidly increasing dynamics.

Building on long-term, reliable supplier relationships, the Group has been able to maintain all major supply chains to date. With a few exceptions or supply bottlenecks, the supply of raw materials to the AlzChem Group is robust and thus supports a continuous production process.

In the coming months, it will become clear whether shipping containers and overseas freight space will be easily available again and what further restrictions the so-called lockdown in India and other countries will entail.

With the tailwind of a pleasing first quarter, the possibility of internal compensation across the various application areas and the preparations made with regard to

- Hygiene,
- Organization,
- Personnel,
- Legal framework and
- Financing

the Management Board is convinced that AlzChem will continue to assert itself in the coming months, provided the framework conditions do not deteriorate significantly.

1.2 EARNINGS POSITION 1ST QUARTER OF 2020

CONSOLIDATED INCOME STATEMENT FOR THE 1ST QUARTER OF 2020 (IFRS, UNAUDITED)

in EUR thousand	1st quarter of 2019	1st quarter of 2020
Sales	**92,123**	**94,740**
Change in inventories of finished and unfinished products	7,895	2,152
Other operating income	4,427	2,425
Cost of materials	-39,541	-35,491
Personnel expenses	-30,666	-32,509
Other operating expenses	-21,007	-19,002
EBITDA	**13,231**	**12,315**
Depreciation and amortization	-4,297	-5,582
EBIT	**8,934**	**6,733**
Other interest and similar income	45	626
Interest and similar expenses	-1,214	-874
Financial result	**-1,169**	-248
Result from ordinary business acitivities	7,765	6,485
Taxes on income and earnings	-2,212	-2,063
Consolidated result for the period	**5,553**	**4,422**
thereof non-controlling interests	43	43
thereof shares of the shareholders of AlzChem Group AG	5,510	4,379
Earnings per share in EUR (undiluted and diluted)[1]	**0.54**	**0.43**

In the first quarter of 2020, sales increased by 2.8% to EUR 94,740 thousand compared to the same period of the previous year. The sales growth was mainly achieved in the Specialty Chemicals segment, although the Basics & Intermediates segment also made a slight contribution.

At EUR 2,425 thousand, other operating income was significantly lower than in the previous year. This is mainly due to the lower level of own work capitalized based on the decline in investment activities.

EBITDA decreased by EUR 916 thousand to EUR 12,315 thousand compared to the same quarter of the previous year. This development was due to the anticipated increase in personnel costs and expenses in connection with the market launches of our Creapure® derivatives LIVADUR® and Your Encour!™.

The decline in volumes in the automotive sector also had a negative impact on earnings. This was offset by developments on the procurement side. Certain raw material and electricity prices in Germany and Sweden were subject to a downward trend in the reporting period.

The cost of materials ratio fell well below the 40% mark and stood at 37.5%, compared with 43% in the first quarter of 2019, for three main reasons. Firstly, AlzChem was able to sell off inventories very significantly; secondly, it was able to benefit from its long-term electricity procurement strategy (advance purchase + low spot prices); and thirdly, it was able to take advantage of falling purchase prices for essential raw materials and energy sources (natural gas, heating oil).

The increase in personnel expenses by EUR 1,843 thousand is based on planned increases in collective bargaining agreements as well as on unplanned expenses in connection with the so-called future amount for the chemical industry. In addition, planned adjustments to the personnel base were or are being carried out, on the one hand to meet the requirements of

1 Based on 10,176,335 shares (number of shares of AlzChem Group AG as of 03/31/2020).

the German Temporary Employment Act and on the other hand to establish or expand AlzChem's professional expertise.

At EUR 19,002 thousand, other operating expenses were EUR 2,006 thousand lower than in the previous year. Here, higher operating expenses for freight, consulting services (e.g. in connection with product approvals) and advertising costs (e.g. due to LIVADUR® and Your Encour!™) were offset by lower expenses for maintenance, travel, entertainment, waste disposal and temporary work, among other things.

Depreciation and amortization increased as planned by EUR 1,285 thousand due to the commissioning of major plants or parts of plants in the second half of 2019.

The financial result improved very significantly by EUR 921 thousand to EUR -248 thousand compared to the same period of the previous year. The decrease in interest expenses and the increase in interest income resulted primarily from the change in interest rates for the discounting of long-term provisions and pension obligations due to changed discount rates. In the first quarter of 2019, significant interest expenses still had to be recognized for the measurement of non-current provisions due to the decrease in interest rates as of March 31, 2019, whereas in the first quarter of 2020, the increase in interest rates led to interest income in the measurement. The discount rate used to measure pension obligations developed as follows:

in %	2018	Q1/2019	2019	Q1/2020
Discount rate	1.90	1.40	0.90	1.70

Tax expenses have remained largely stable and have only decreased slightly. The decrease in actual taxes due to the lower earnings before taxes was offset by an increase in deferred tax expenses due to the increase in deferred tax liabilities.

Earnings per share fell from EUR 0.54 per share to EUR 0.43 per share. The calculation was based on the new number of shares of 10,176,335; the previous year's figure was adjusted accordingly. With regard to the capital measures, we refer to the information provided in the annual report as of December 31, 2019.

1.3 FINANCIAL POSITION 1ST QUARTER OF 2020

CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2020 (IFRS, UNAUDITED)

in EUR thousand	12/31/2019	03/31/2020	Delta
Assets			
Intangible assets	1,541	1,410	-131
Property, plant and equipment	165,702	163,564	-2,138
Leasing usage rights	9,770	9,267	-503
Financial assets	20	20	0
Other receivables and other assets	470	435	-35
Deferred tax assets	34,477	28,054	-6,423
Non-current assets	**211,980**	**202,750**	**-9,230**
Inventories	74,607	74,506	-101
Trade receivables	32,501	39,328	6,827
Other receivables and other assets	14,051	11,719	-2,332
Income tax claims	383	578	195
Cash and cash equivalents	9,061	10,057	996
Total current assets	**130,603**	**136,188**	**5,585**
Total assets	**342,583**	**338,938**	**-3,645**
Capital			
Equity	61,350	81,108	19,758
Non-current liabilities	220,748	196,514	-24,234
Current liabilities	60,485	61,316	831
Balance sheet total	**342,583**	**338,938**	**-3,645**

Equity increased sharply by EUR 19,758 thousand to EUR 81,108 thousand as of March 31, 2020 compared to December 31, 2019, resulting in an improvement in the Group equity ratio from 17.9% to 23.9%.

The impact of the positive consolidated result on equity in the amount of EUR 4,422 thousand was additionally supported by the effects of the interest-related decline in pension obligations. After deducting deferred taxes, the decline in pension obligations led to an increase in equity of EUR 15,238 thousand, which was recognized in other comprehensive income.

In total, non-current liabilities declined by EUR 24,234 thousand compared with 31 December 2019. This decrease was primarily due to the aforementioned interest-related reduction in pension obligations of EUR 20,990 thousand. In addition, the scheduled repayment of loan liabilities led to a reduction in non-current liabilities of EUR 2,984 thousand.

At EUR 61,316 thousand, current liabilities have hardly changed compared to December 31, 2019 (EUR 60,485 thousand).

Cash and cash equivalents amounted to EUR 10,057 thousand as of March 31, 2020, which corresponds to an increase of EUR 996 thousand compared to December 31, 2019.

CONSOLIDATED CASH FLOW STATEMENT FOR THE 1ST QUARTER OF 2020 (IFRS, UNAUDITED)

in EUR thousand	1st quarter of 2019	1st quarter of 2020	Delta
Cash flow from operating activities	**-2,050**	**8,477**	**10,527**
Cash outflow from investing activities	-12,262	-4,810	7,452
Free cash flow	**-14,312**	**3,667**	**17,979**
Cash inflow (+)/outflow (-) from financing activities	18,897	-2,657	-21,554
Net increase in cash and cash equivalents	**4,585**	**1,010**	**-3,575**

Cash inflow from operating activities increased substantially by EUR 10,527 thousand to EUR 8,477 thousand compared to the same quarter of the previous year. This clearly shows the measures already initiated in the third quarter of 2019 for the increased reduction of inventories. Furthermore, tighter receivables management resulted in a lower increase in trade receivables compared to March 31, 2019.

The cash outflow from investing activities fell sharply by EUR 7,452 thousand compared with the same period of the previous year. The comparative period of the first quarter of 2019 was still strongly influenced by investments in the construction and completion of the new Creamino® plant. Investment activities in the first quarter of 2020 focused primarily on infrastructure measures at the Trostberg and Hart sites and on investments in the future plan "Electricity Grid 2030".

After AlzChem's financing activities in the first quarter of 2019 were still largely characterized by the payment of the remaining loan amounts to finance the new Creamino® plant in the amount of EUR 30 million, financing activities in the first quarter of 2020 focused on the scheduled repayment of loans and the repayment of leasing liabilities.

Overall, this led to a cash outflow from financing activities of EUR 2,657 thousand. Despite the cash outflows from investing and financing activities, cash and cash equivalents increased overall due to the strong cash inflow from operating activities.

1.4 NET ASSETS AS OF MARCH 31, 2020

Assets have fallen by EUR 3,645 thousand to EUR 338,938 thousand since December 31, 2019. This decline can be attributed to a decrease of EUR 9,230 thousand in non-current assets and an increase of EUR 5,585 thousand in current assets.

In the non-current area, the decrease is mainly due to the reduction in deferred tax assets caused by the significant decrease in pension obligations. As depreciation of property, plant and equipment due to the major projects completed in 2019 was now higher than the new investments in the first quarter of 2020, property, plant and equipment decreased overall compared to December 31, 2019. In the current area, the increase in trade receivables of EUR 6,827 thousand due to balance sheet date related factors is the main driver of the rise in current assets.

2. DEVELOPMENT OF THE SEGMENTS

2.1. SPECIALTY CHEMICALS SEGMENT

in TEUR	1st quarter of 2019	1st quarter of 2020	Delta
External sales	50,063	52,199	2,136
EBITDA	**11,711**	**10,158**	**-1,553**
Depreciation and amortization	-1,302	-2,292	990
EBIT	**10,409**	**7,866**	**-2,543**
Inventories	44,183*	43,343	-840
EBITDA margin	**23.4%**	**19.5%**	**-3.9% points**

* as of 12/31/2019

Developments within the Specialty Chemicals segment were generally in line with forecasts. We are consistently pursuing our Creamino® strategy and are devoting considerable resources to the marketing offensive for our new products LIVADUR® and Your Encour!TM. In the area of chemical applications, we successfully reversed the downward trend of the fourth quarter of 2019 in the first quarter of 2020. New chemical compounds were developed for customers, but there was also greater demand for existing molecules specifically for the pharmaceutical sector. Our special product Dormex® was not quite able to match the previous year's level in Q1/2019. However, this is merely a matter of monthly delivery postponements into the second quarter.

As planned, our EBITDA and EBIT were impacted by marketing activities in connection with the Creapure® derivatives and, unplanned, by the decline in demand from the global automotive sector. We see lower deliveries to the dietary supplement market as an indirect consequence of the COVID-19 pandemic. The renewable energy market segment continued to be difficult. Although we were able to deliver stable volumes to the wind sector, the solar sector remained at a very low level. The EBITDA margin reflects market investments and the decline in deliveries in the automotive sector.

Inventories were deliberately not further reduced in the first quarter of 2020, so that goods can still be reliably delivered in the event of any bottlenecks in the supply chain.

2.2. BASICS & INTERMEDIATES SEGMENT

in EUR thousand	1st quarter of 2019	1st quarter of 2020	Delta
External sales	35,465	36,012	547
EBITDA	**1,038**	**1,903**	**865**
Depreciation and amortization	-1,553	-1,811	258
EBIT	**-515**	**92**	**607**
Inventories	30,924*	30,770	-154
EBITDA margin	**2.9%**	**5.3%**	**+2.4% points**

* as of 12/31/2019

Sales in the Basics & Intermediates segment in the first quarter of 2020 were up on the prior-year quarter despite initial setbacks from the steel sector. The market demands placed on the company are of a very short-term nature here, so that we have to decide on the volume distribution within the NCN chain virtually from “week to week“.

The volume development of our NITRALZ® product range is pleasing, although the color pigments business also has to contend with order cancellations in connection with the decline in demand in the automotive sector. Basic chemicals for applications in the pharmaceutical industry, among others, are showing strong demand and thus contributing to the segment's positive development. The intensive efforts to expand the areas of application and countries for Perlka® are reflected in sales volumes above the previous year's level.

The above-mentioned raw material and electricity price effects had a positive impact on the segment's EBITDA margin.

In line with the working capital strategy of the Specialty Chemicals segment, the Basics & Intermediates segment did not pursue further inventory reductions. Instead, raw material deliveries were partially revalued and rescheduled in light of possible availability restrictions.

2.3. OTHER & HOLDING SEGMENT

in EUR thousand	1st quarter of 2019	1st quarter of 2020	Delta
External sales	6,595	6,529	-66
EBITDA	**357**	**317**	**-40**
Depreciation and amortization	-1,529	-1,558	29
EBIT	**-1,172**	**-1,241**	**-69**
Inventories	3,586*	3,521	-65
EBITDA margin	**5.4%**	**4.9%**	**-0.5% points**

* as of 12/31/2019

The Other & Holding segment also essentially repeated the development of the comparable quarter in the first quarter of 2020. In the first three months of 2020, customer demand at our chemical parks remained at a similar level as in the previous year. There were shifts between some services, so that we see higher demand for storage capacities in Q1/2020, which we consider a temporary effect of the COVID-19 pandemic.

The segment's earnings reflect a price increase based on planned cost increases. It also shows that the cost discipline measures introduced are having the desired effect.

There were no significant changes in inventories in the period under review compared with the previous year.

3. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the balance sheet date that could have an impact on the net assets, financial position and earnings situation.

4. OUTLOOK

The forecasts made in the consolidated financial statements as of December 31, 2019, for the fiscal year 2020 can essentially be confirmed with this quarterly statement. We expected the following development for the fiscal year 2020:

Forecast[2] for 2020	2019	Forecast 2020
Group sales	EUR 376.1 million	slightly rising to sharply rising
Adjusted EBITDA	EUR 50.1 million	stable to sharply rising
Adjusted EBITDA margin	13.3%	stable
Adjusted EBIT	EUR 30.6 million	stable to sharply rising
Inventory ratio	19.8%	stable to slightly declining
Equity ratio	17.9%	slightly rising
Debt ratio	0.79	stable

The planned sales growth should continue to be achieved organically. Volume effects will be the primary growth driver. In view of the COVID-19 pandemic, volume shifts in the product portfolio are anticipated. However, depending on the duration or after-effect phase of the crisis, we still see the opportunity (albeit with a higher degree of uncertainty) for a sharp rise in Group sales.

The better we manage to align our production to the short-term changes in demand, the better we can master this crisis and possibly even emerge from it stronger. One advantage here is certainly the great flexibility of the NCN chain as well as the great in-house engineering know-how to be able to support and implement projects at short notice.

On the earnings side, we see a supporting trend on the commodity markets and on the electricity exchanges. Especially on the commodity markets, we do not expect any further significant price declines, as the current prices are already at the economic lower limit of many suppliers. AlzChem has no interest in thinning out its existing supplier base.

Against the background of the changing product mix and the support on the purchasing side, we continue to see the EBITDA margin as remaining constant or rising slightly.

We currently see both opportunities and risks for the financial performance indicator inventories. If volumes unexpectedly drop, it is highly probable that we will close the year with inventory levels above the forecast. This is due to the complex German energy legislation and the associated restrictions on carbide operations. If we see volumes at the upper end of the forecast corridor, we can certainly expect a low ratio.

For the financial performance indicator equity ratio, we continue to expect a slight upward trend. As things stand today, we do not see the discount rate stabilizing at 1.7% as of December 31, 2020.

In summary, we can state that the AlzChem Group is in rough seas, but is currently still on course for stability and continuous growth.

2 The forecasts are based on unchanged regulatory assumptions, such as the continuation of the Renewable Energy Sources Act (EEG), § 19 (2) StromNEV, electricity price compensation and the continuation of existing product approvals. The forecasts also contain forward-looking statements based on current management estimates and currently available information. Such statements are subject to risks and uncertainties that are beyond AlzChem's ability to control or estimate precisely. Should one of these factors of uncertainty or other imponderables occur, or should the assumptions on which these statements are based prove incorrect, the actual results could differ materially from the results explicitly mentioned or implicitly contained in these statements.

LIST OF ABBREVIATIONS

€/EUR	Euro
AG	Aktiengesellschaft (stock corporation)
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization

IMPRINT

PUBLISHER

AlzChem Group AG
Chemiepark Trostberg
Dr.-Albert-Frank-Str. 32
83308 Trostberg
www.alzchem.com

INVESTOR RELATIONS

Sabine Sieber
T + 49 86 21 86 – 2888
F + 49 86 21 86 – 502888
ir@alzchem.com

EDITING

Better Orange IR & HV AG

TYPESETTING

Sommerprint GmbH

FINANCIAL CALENDAR 2020

May 19, 2020	Annual General Meeting 2020
July 11 to August 10, 2020	Quiet Period
August 11, 2020	Half-year Financial Report 2020 Conference Call - Half-year Financial Report 2020
October 11 to November 10, 2020	Quiet Period
November 11, 2020	Q3 Quarterly Statement 2020 Conference Call - Q3 Quarterly Statement 2020

* During a "Quiet Period", AlzChem Group AG only communicates with the capital market to a limited extent before publishing quarterly and full-year results.

REMARKS

This quarterly statement may contain forward-looking statements based on current assumptions and forecasts made by the management of AlzChem Group AG. Such statements are subject to risks and uncertainties. These and other factors may cause actual results, financial position, development or performance of the company to differ materially from the estimates made here. The company assumes no liability whatsoever to update such forward-looking statements or to conform them to future events or developments.

Only the German version of this quarterly statement is legally binding.

AlzChem Group AG
CHEMIEPARK TROSTBERG
Dr.-Albert-Frank-Str. 32
83308 Trostberg
T + 49 8621 86-0
info@alzchem.com