

CORPORATE NEWS

AlzChem Group AG
Dr.-Albert-Frank-Str. 32
83308 Trostberg
Germany

www.alzchem.com

Sabine Sieber
Investor Relations

T +49 8621 86-2888
F +49 8621 86-502888
ir@alzchem.com

AlzChem Group AG: sales in the 9-month period of 2020 slightly declining, EBITDA stable

Trostberg, November 11, 2020 – AlzChem Group AG, a vertically integrated specialty chemicals supplier with a leading market position in selected niche markets, generated consolidated sales of EUR 278.6 million in the first nine months of fiscal year 2020, compared to EUR 287.7 million in the 9-month period of 2019. The slight growth in the Specialty Chemicals segment was offset by a stronger overall decline in the Basics & Intermediates and Other & Holding segments. Here, the effects of the COVID-19 pandemic became particularly apparent in the 3rd quarter of 2020. Volumes for the metallurgy and automotive sectors were particularly affected. Nevertheless, high diversification with a very broad product base remains the unique selling point and stable backbone of the AlzChem Group, because on the one hand it secures the sales development in this challenging environment on the downside and on the other hand it offers significant future potential. It should also be emphasized that the supply chain was kept stable throughout, thus ensuring unrestricted production operations throughout the entire 9-month period of 2020.

The earnings performance in the reporting period was satisfactory overall. Despite the slight decrease in sales, consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR 41.1 million reached the previous year's level of EUR 41.4 million, equivalent to an EBITDA margin of 14.8% (9M 2019: 14.4%). The lower raw material prices and the effects of the programs for digitization and process and cost optimization had a particularly positive impact here, which together led to a significant reduction in the cost of materials ratio from 39% to 36%. Depreciation and amortization increased as planned by EUR 3.4 million due to the investments and completion of new plants at the end of the previous year. Overall, this results in a consolidated result for the first nine months of 2020 of EUR 14.0 million after EUR 17.0 million in the prior-year period.

Cash flow from operating activities developed very pleasingly in the 9-month period of 2020. Cash inflow from operating activities amounted to EUR 33.8 million, an increase of EUR 8.2 million over the previous year. Despite a lower consolidated result for the period, it was possible to generate significant cash and cash equivalents, particularly through efficient working capital management.

For the full year 2020, the Management Board expects a stable to slightly declining development of consolidated sales and a stable to moderately declining adjusted

EBITDA due to the ongoing effects of the COVID-19 pandemic in individual target industries and regions.

The detailed quarterly statement for the 3rd quarter of 2020 is available for download on the website www.alzchem.com under [Investor Relations/Publications/Financial Reports](#).

About AlzChem

The AlzChem Group is a vertically integrated manufacturer of chemical products based on the so-called NCN chain. These are products with typical nitrogen-carbon-nitrogen bonding that are used in a wide variety of different industries. The Group has a leading position in select niche markets. The strategic focus of growth and the main focus of its extensive research and development are on the business segment Specialty Chemicals. The company has around 1,620 employees at four sites in Germany and three other sites abroad.