



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 increases sales by 25.3% in the first half of 2022

- Sales growth to EUR 269.8 million mainly due to price effects
- EBITDA of EUR 34.9 million almost at previous year's level
- Result for the period slightly higher at EUR 17.4 million
- Equity ratio up from 23.7% to 30.9%
- Increased sales forecast for fiscal year 2022 confirmed

Trostberg, 26 July 2022 – Alzchem Group AG, a vertically integrated specialty chemicals supplier with a leading market position in selected niche markets, was able to increase consolidated sales from EUR 215.3 million to EUR 269.8 million in the first half of 2022 in a very volatile environment. This 25.3% growth shows that the company was able to largely pass on the significant cost increases to the market via price increases, while sales volumes remained almost stable.

In the Specialty Chemicals segment, Alzchem was able to build on the pleasing development of the previous year in the first six months of 2022, increasing sales volumes moderately and sales revenues significantly in almost all business areas. Utilization of the entire plant fleet remains at a very high level. In addition, work is proceeding at full speed on the expansion of Creapure® capacities to meet the sustained growth trend in the Dietary Supplements business; construction activities are scheduled for completion in fall 2022. In the Basics & Intermediates segment, Alzchem continued to reliably supply existing customers and win new customers, particularly in the metallurgy (steel industry) and pharmaceuticals (dicyandiamide) businesses. By contrast, sales in the pharmaceuticals, agrochemicals and basic chemicals businesses (NITRALZ®) and agricultural fertilizers (Perlka®) were down on the previous year. This was due in particular to the tense situation on the energy markets, which is having a considerable impact on the competitiveness of all European producers.

The successful passing on of substantial cost increases to a large extent via corresponding price increases is also reflected in the earnings development of the Alzchem Group in the first half of 2022. Despite the extreme raw material and energy price developments, as well as the significant increase in logistics costs, the company was able to maintain earnings before interest, taxes, depreciation and amortization (EBITDA) at EUR 34.9 million, almost at the previous year's level of EUR 35.7 million, equivalent to an EBITDA margin of 12.9% (first half of 2021: 16.6%). The result for the period rose slightly year-on-year from EUR 17.1 million to EUR 17.4 million and, above all, together with the significant interest-related decline in pension obligations, led to an increase in the Group equity ratio from 23.7% as of 31 December 2021 to 30.9% as of 30 June 2022.

AGILE SCIENCE PURE RESULTS

Andreas Niedermaier, CEO of Alzchem Group AG: "The environment did not make it easy for us in the first half of 2022. It was and is all the more reassuring that we can rely on our strengths at all times. Due to our forward-looking stockpiling and the best possible independence from external suppliers at the intermediate stages of our value chain thanks to our integrated "Verbund production", we were able to maintain our high delivery reliability. Demand in our markets such as automotive, agriculture and animal nutrition remains intact. The fact that we are able to quickly pass on price increases to the market underlines our high customer focus."

For the fiscal year 2022, the Management Board confirms the guidance increased in April of "strongly to particularly strongly increasing" consolidated sales of up to EUR 520 million. The other forecasts published in the consolidated financial statements 2021 also remain valid.

The detailed half-year financial report 2022 is available for download on the website www.alzchem.com under [Investor Relations/Publications](#).

About Alzchem

Alzchem is a globally active specialty chemicals company that is predominantly among the market leaders in its fields of activity. Alzchem benefits in particular from the three very different global developments of climate change, population growth and longer life expectancy. In order to achieve the resulting social goals, Alzchem products can offer attractive solutions with a wide range of different applications.

The company sees interesting growth prospects for itself especially in the areas of human and animal nutrition and agriculture. As a result of population growth, it is necessary to achieve efficient food production. Pharmaceutical raw materials and our creatine products can contribute to healthy aging as life expectancy increases. Alzchem is facing up to the goal of sustainability arising from climate change in the field of renewable energies and across the entire company. The fields of fine chemicals and metallurgy offer just as great a perspective.

The broad product range of Alzchem Group AG includes dietary supplements, precursors for corona tests and pharmaceutical raw materials. These products are our company's response to global trends and developments. Alzchem is ideally positioned in this regard and sees itself as well equipped for an environmentally oriented future and global developments.

The company employs around 1,630 people at four production sites in Germany and one plant in Sweden, as well as two sales companies in the USA and China. In 2021, Alzchem generated consolidated sales of around EUR 422.3 million and EBITDA of around EUR 62.0 million.