

CORPORATE NEWS

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Alzchem Group AG: EBITDA increase of 32.4 % to EUR 81.4 million – continuing on the road to success

- **High-growth specialty chemicals business proves to be a key earnings driver and important sales pillar**
- **Dividend increase to EUR 1.20 planned**
- **Forecast for 2024 envisages rise in sales and EBITDA**

Trostberg, March 1, 2024 – Alzchem Group AG, a vertically integrated specialty chemicals supplier with a leading market position in selected niche markets, can look back on a successful fiscal year 2023. Despite a persistently challenging environment, the company succeeded in significantly increasing all key earnings figures and at EUR 540.6 million (2022: EUR 542.2 million) maintaining Group sales almost at the previous year's record level. Alzchem was thus able to successfully decouple itself from the development of the chemical industry in Germany. The consistent transformation towards specialty chemicals proved to be a key success factor. In this growth segment, the company benefits disproportionately from its unique position with numerous products such as Creapure®, Creamino® and guanidine salts. In addition, the cost structure for specialty chemicals is less dominated by the price of electricity. As a result, the Specialty Chemicals segment recorded sales growth of 10.9%, largely offsetting the volume- and price-driven sales decline of 15.5% in the Basics & Intermediates segment.

Primarily due to the increasing weight of the higher-margin growth segment Specialty Chemicals, Alzchem succeeded in significantly increasing Group EBITDA by 32.4% to EUR 81.4 million in the fiscal year 2023 (previous year: EUR 61.4 million). This results in a significantly improved EBITDA margin of 15.1% after 11.3% in the previous year. The decision not to pursue a low-price strategy in the electricity-intensive Basics & Intermediates segment and a slightly lower cost level also contributed to this extremely positive earnings performance. Consolidated net profit grew by 15.1% to EUR 34.8 million (previous year: EUR 30.2 million) and led to a significant increase in the Group equity ratio to 38.5% as of December 31, 2023 (December 31, 2022: 34.5%). Due to the very pleasing earnings performance, the Management Board and Supervisory Board will propose to the Annual General Meeting on May 7, 2024 that a dividend of EUR 1.20 (previous year: EUR 1.05) per share be distributed from the balance sheet profit.

Operating cash flow also developed strongly in the fiscal year 2023, which was once again clearly positive at EUR 72.7 million (2022: EUR -4.2 million). As supply chains and logistics functioned much more smoothly, Alzchem was able to significantly reduce safety stocks on the raw materials and finished goods side. After deducting investments, which were primarily used for expansion

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and infrastructure measures in the fiscal year 2023, free cash flow was positive at EUR 52.1 million after EUR -32.8 million in the previous year.

Andreas Niedermaier, CEO of Alzchem Group AG: “Our existing product portfolio alone offers attractive growth potential for the coming years with Eminex[®] and Creapure[®]/Creavitalis[®], for example, which is not yet fully reflected in our financial forecast. Eminex[®] can raise livestock farming to a completely new environmental level and will benefit immensely when CO₂ emissions from agriculture are regulated. With creatine, we already have a blockbuster in our portfolio that is only now gradually developing its true dynamics in the health and nutrition markets.”

“As a company, we can be very proud of our strong business performance in 2023. A special thanks goes to our employees, who have once again shown great flexibility and commitment. Thanks to them, the Alzchem Group remains on course for success,” explains Andreas Lösler, CFO of Alzchem Group AG. “This is also reflected in the fact that we were able to successfully meet and in some cases even exceed the forecasts for the fiscal year 2023 in terms of Group sales, EBITDA, EBITDA margin and equity ratio, which were adjusted during the year. In the fiscal year 2024, we want to continue our growth trajectory and increase Group sales from EUR 540.6 million to around EUR 570 million and Group EBITDA from EUR 81.4 million to around EUR 90 million.”

The detailed Annual Report 2023 is available for download on the website www.alzchem.com in the [Investors/Publications](#) section.

About Alzchem

Alzchem is a globally active specialty chemicals company that is one of the market leaders in most of its fields of activity. Alzchem benefits from the three very different global developments climate change, population growth and longer life expectancy in a unique way. Alzchem products can offer attractive solutions for achieving the resulting social goals in a multitude of different applications.

The company sees interesting growth prospects for itself in the areas of human and animal nutrition and agriculture in particular. As a result of population growth, it is necessary to achieve efficient food production. Pharmaceutical raw materials and creatine products can contribute to a healthy old age 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.

Alzchem Group AG’s broad product range includes dietary supplements, precursors for PCR tests and pharmaceutical raw materials. These offerings are the company’s response to global trends and developments. Alzchem is ideally positioned in this respect and considers itself well prepared for an environmental future and global developments.



The company employs around 1,690 people at four production sites in Germany and a plant in Sweden, as well as three sales companies in the USA, China and England. Alzchem generated Group sales of EUR 540.6 million and EBITDA of EUR 81.4 million in 2023.