



alzchem
group

AGILE SCIENCE PURE RESULTS

alzchem
group



Q1

2022

ANDREAS NIEDERMAIER, CEO
DR. GEORG WEICHSELBAUMER, CSO

April 28, 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 – ANALYST PRESENTATION Q1 2022

- I. **Executive Summary**
- II. Business and financial details
- III. Back-Up

HIGHLIGHTS

Successful start to the year 2022 with sales at all-time high level



Strongest 1st quarter sales, demand remains strong with order backlogs well above prior year



Optimization project "AlzFit 2025" led to several production cost reductions and more efficiency



Focus on Creapure® capacity expansion



Successful start to passing on cost increases to the market via price increases.



Group equity ratio increased from 23.7% to 28.2%



Upper limit of sales forecast for 2022 adjusted from 480 M€ to 520 M€

Russia-Ukraine war intensifies shortages and price developments on commodity and energy markets

FINANCIAL OVERVIEW

Sales growth of 25% with stable EBITDA, 18,2% price increases



Alzchem Group	Q1 2021	Q1 2022	yoy %
SALES (in M€)	104.3	129.4	+24.0%
EBITDA (in M€)	16.7	17.1	+2.1%
EBITDA margin (in %)	16.0%	13.2%	-2.8pp
Earnings per Share (in €)	0.78	0.76	-2.4%

- Strongest 1st quarter in terms of sales with enormous growth in Basics & Intermediates and growth in Specialty Chemicals
- Production stable despite high number of Covid-19 cases
- EBITDA development stable, notwithstanding increased cost level
- Cost pass-through possible so far, but EBITDA margin under pressure
- Earnings per share at around the very successful level of the previous year

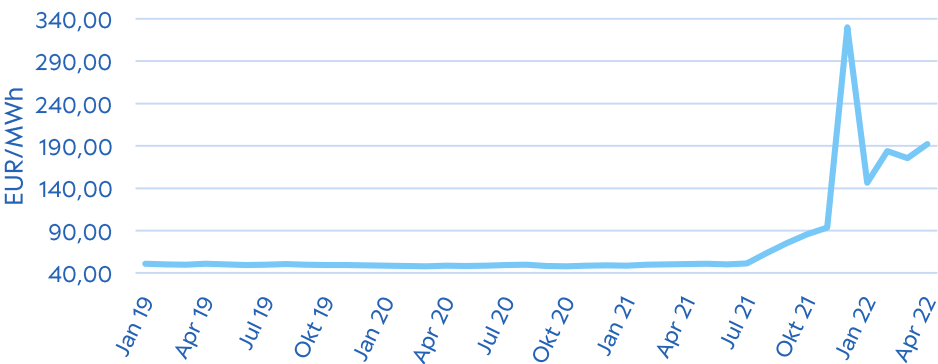
SALES ANALYSIS	DELTA Q1
Volume	4.8%
Price	18.2%
Currency	1.0%

TURBULENT MARKET ENVIRONMENT – CURRENT DEVELOPMENT



Logistic-, raw material und energy costs

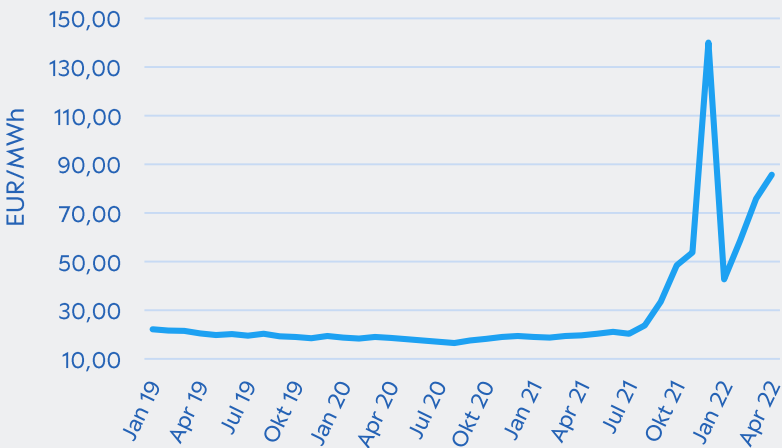
Power front year



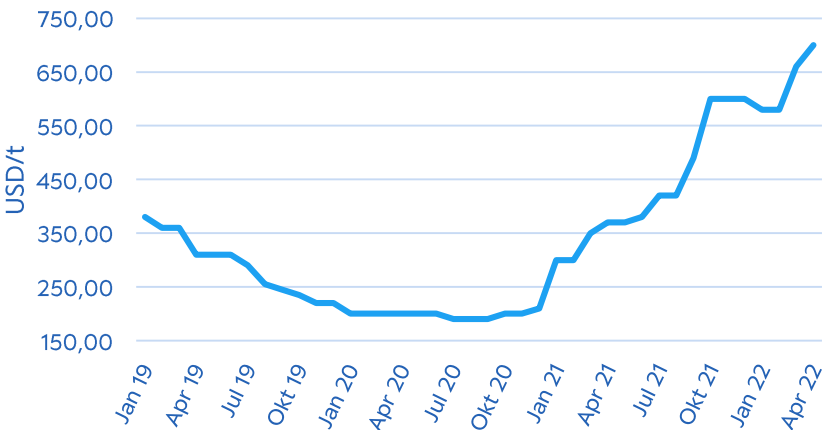
Crude oil (Brent)



Natural gas



Met-Coke



AGENDA – ANALYST PRESENTATION Q1 2022

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NITRALZ®

Perlka®
CALCIUM CYANAMIDE

CaD

BASICS & INTERMEDIATES

The "Basics & Intermediates" segment comprises the production of basic and intermediate products that are marketed as independent products for example in agriculture, steel production and the automotive sector and as raw materials for the manufacture of specialty chemicals.

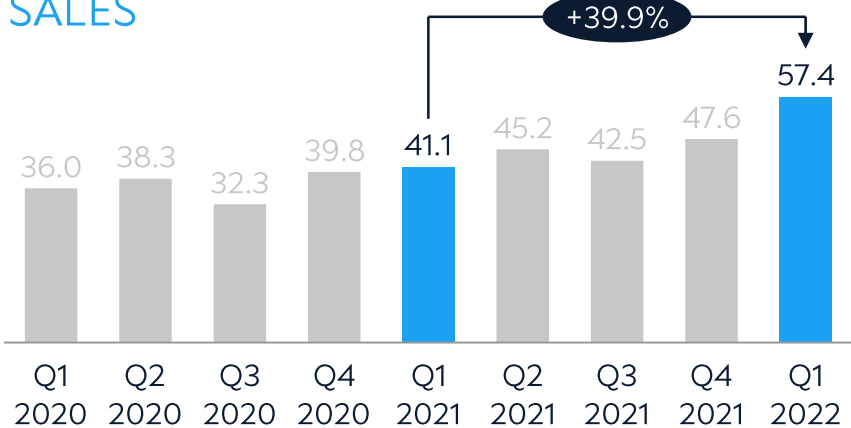
alzchem
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BASICS & INTERMEDIATES SEGMENT (in M€)

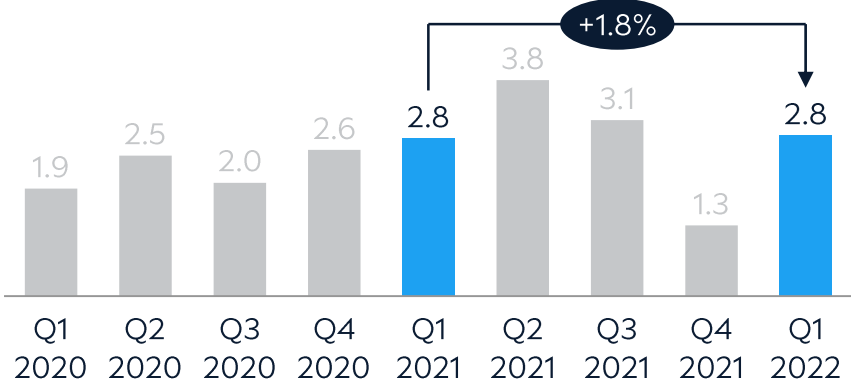
Sales significantly above prior year



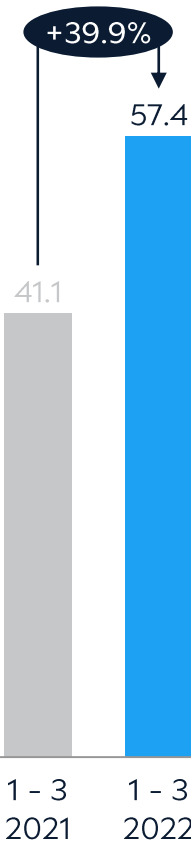
SALES



EBITDA



SALES



EBITDA



SALES ANALYSIS

	DELTA Q1
Volume	11.4%
Price	28.1%
Currency	0.4%

COMMENTS

- Q1/2022 sales significantly above previous year
- Products for agriculture, pharma and the metallurgic sector formed the basis of the success
- The successful NITRALZ® capacity expansion mid 2021 builds an additional foundation for further growth
- Ongoing price adjustments to pass on the exorbitant cost increases (raw material, electricity)
- Nevertheless, stable EBITDA supported by a range of process optimization projects (i.e. Perlka® process)



CREAMINO  **Dormex**[®] Bioselect[®] **DYHARD**[®]  **Creapure**[®]

SPECIALTY CHEMICALS

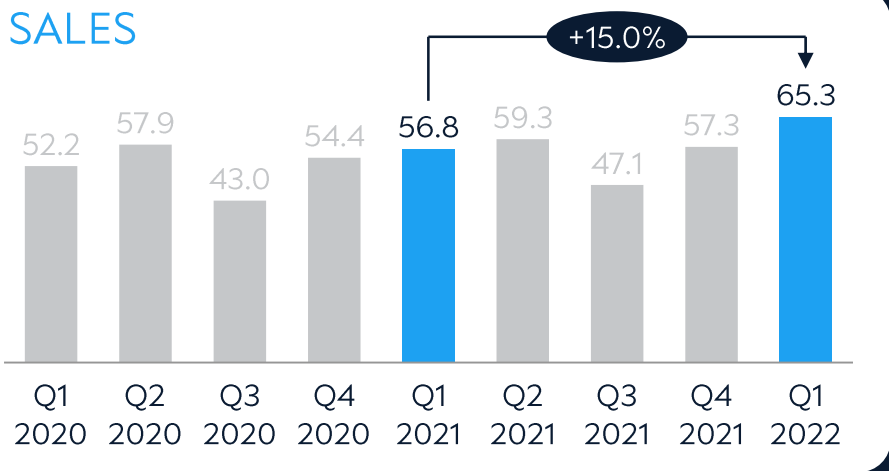
The "Specialty Chemicals" segment produces and sells high-quality growth products in the area of specialty chemicals.

SPECIALTY CHEMICALS SEGMENT (in M€)

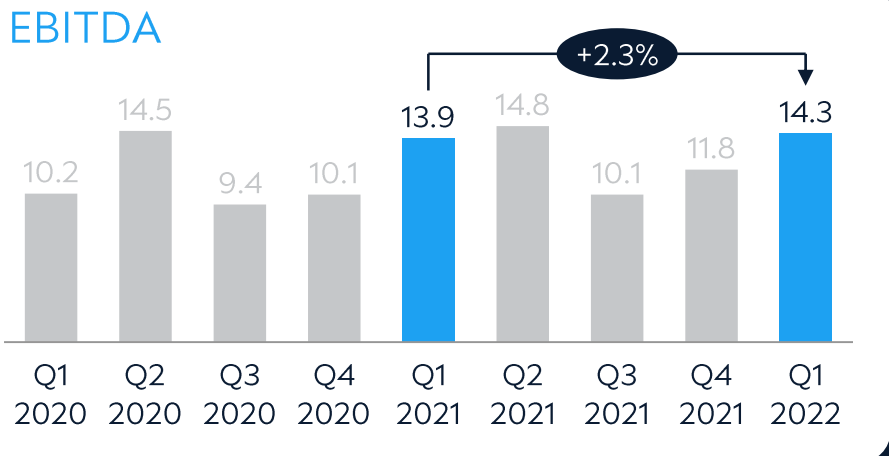
Encouraging business performance



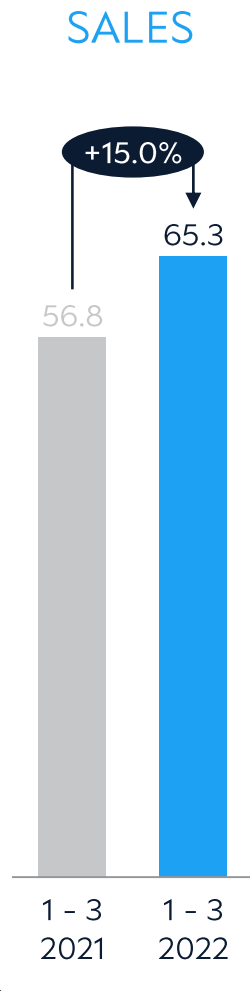
SALES



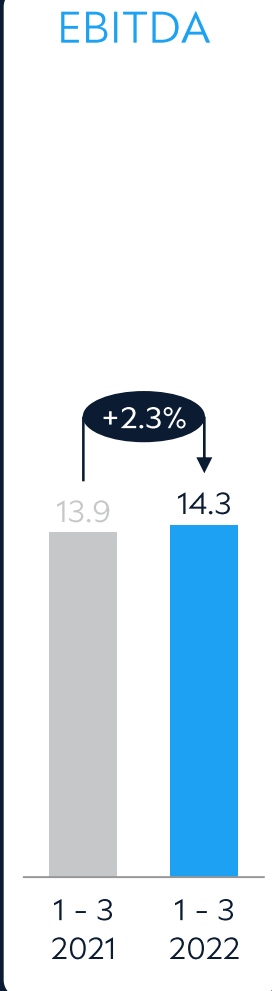
EBITDA



SALES



EBITDA



SALES ANALYSIS

	DELTA Q1
Volume	0.5%
Price	12.9%
Currency	1.6%

COMMENTS

- Demand for custom manufacturing products, DYHARD® (automotive sector) as well as Dormex® (agriculture sector) on a persistent high level
- Successful strategic marketing of dietary supplements (Creapure®), rewarded with high growth rates
- Creamino® volumes increased by a low double-digit percentage
- A tense raw material and logistic situation was one of the major challenges in the last quarter
- Positive sales development and process optimizations supported EBITDA, despite cloudy economic situation



OTHER & HOLDING

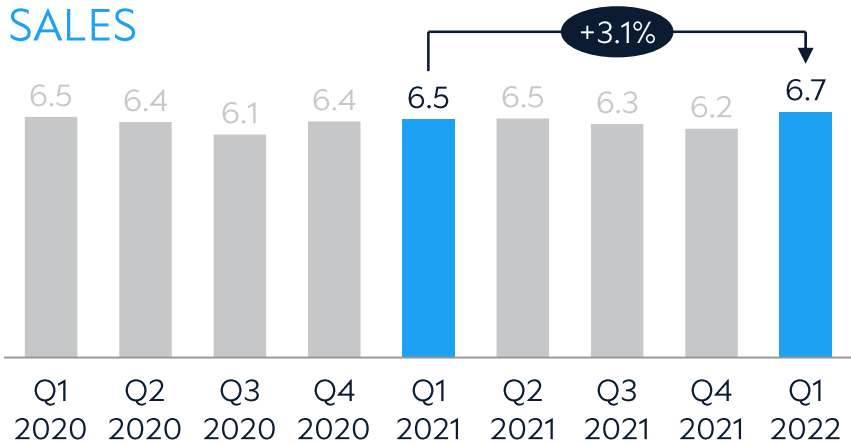
The "Other & Holding" segment offers infrastructure and energy supply services at our locations for the chemicals segments and for external customers.

OTHER & HOLDING SEGMENT (in M€)

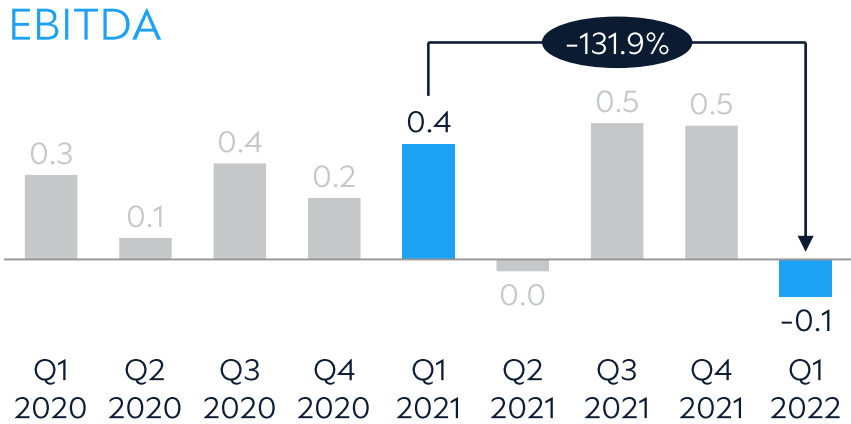
Development of services in line with 2021



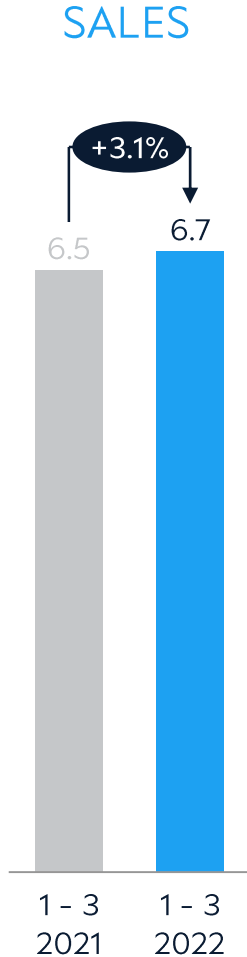
SALES



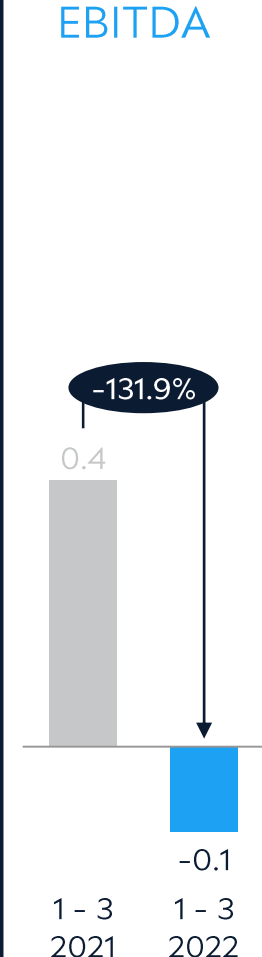
EBITDA



SALES



EBITDA



SALES ANALYSIS

	DELTA Q1
Volume	0.5%
Price	2.6%
Currency	0.0%

COMMENTS

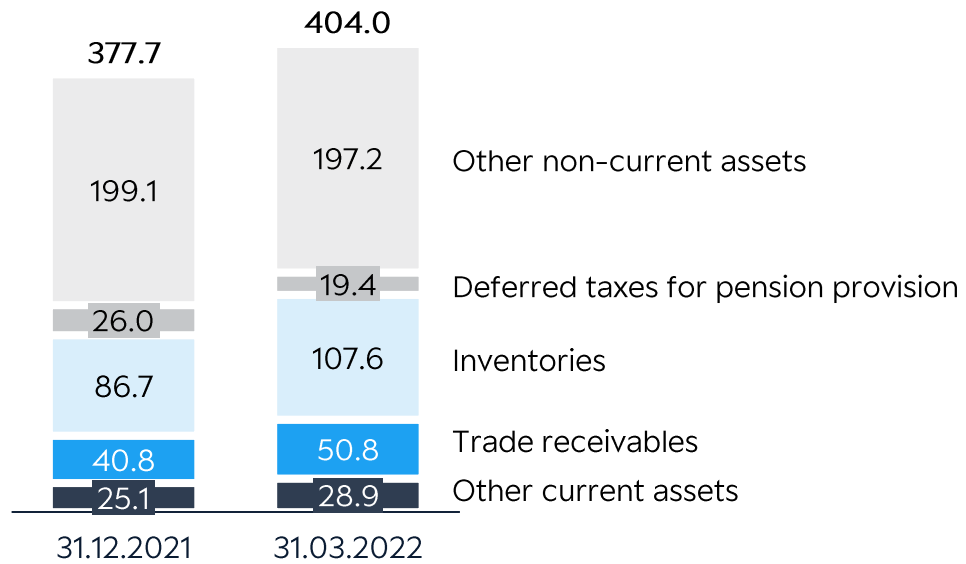
- Stable development of sales in Q1/2022 in line with 2021
- Cost increases for fossil raw materials affected the business negatively
- Time-delayed price increases ongoing to support EBITDA

BALANCE SHEET (in M€)

Increase of balance sheet total and equity ratio

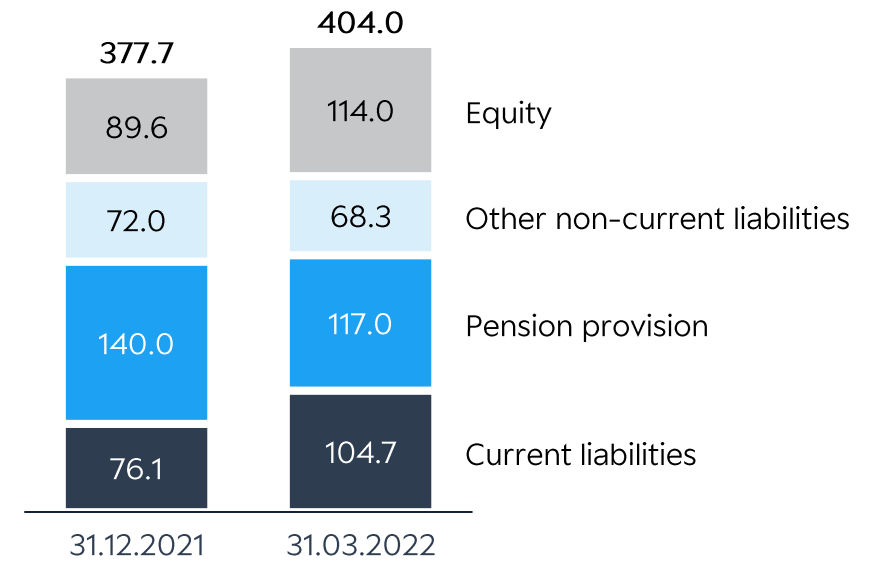


ASSETS



- Total assets increased mainly driven by the higher business volume
- Deferred taxes for pension provision decreased following the interest rate development for pension valuation
- Increase in inventories mainly mirrors the high increase in costs for raw materials and energy; also impact from higher stock to ensure availability
- Trade receivables follow higher sales volume; no delays in payments experienced

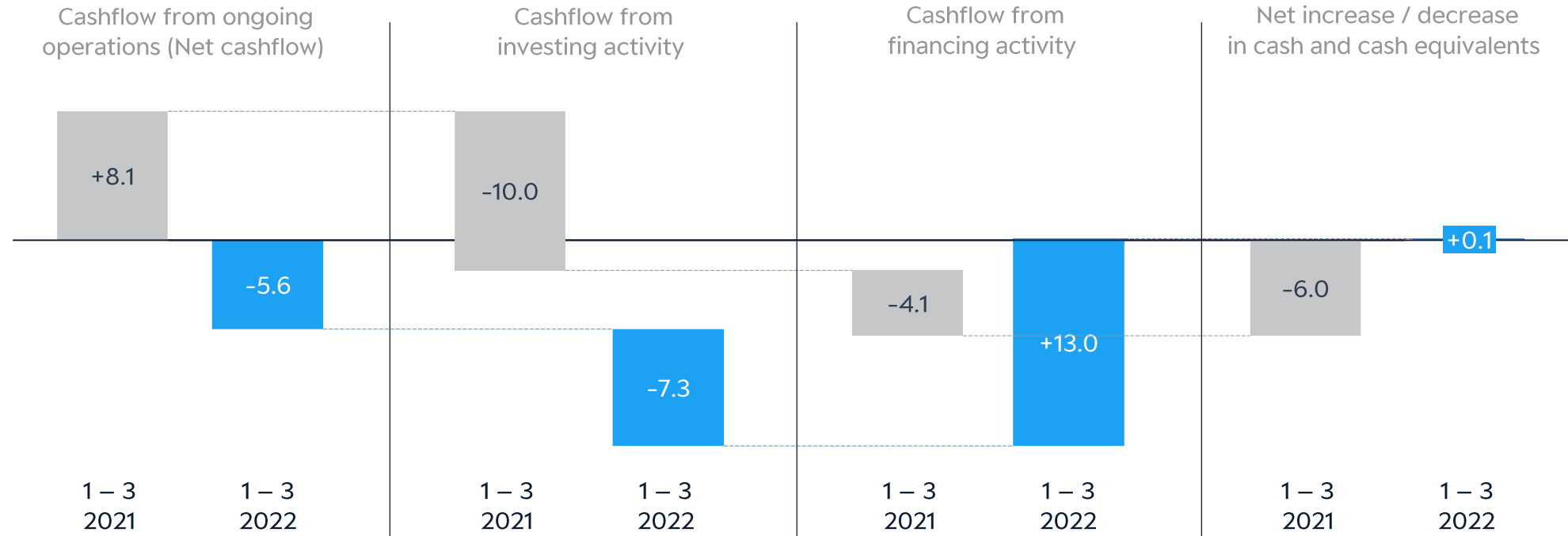
LIABILITIES



- Strong increase in equity ratio from 23.7% to 28.2%
- Equity increase was driven by positive result (7.7 M€) and mainly by reduction of pension provision due to higher interest rates in actuarial assumptions (16.6 M€ net of tax)
- Increase in short term financing of 16.2 M€ to finance growth; loans reduced on schedule
- Trade payables 9.6 M€ higher than last December as a result of higher business volume and higher costs for raw materials and energy

CASHFLOW (in M€)

Strong net cashflow impacted by business growth on both directions



- Net cashflow lower than comparative period (-13.7 M€); major decrease in net cashflow results from high increase in inventories; development of trade payables positively impacted the net cashflow
- Investing cashflow at 7.3 M€ and 2.7 M€ lower than Q1 2021; concentration on major growth projects as capacity increase for Creapure® plant; investments in replacements reduced following the volatile economic circumstances – but only postponed
- Cash flow for financing activities led to cash inflows of 13.0 M€; loan and lease repayments mainly on prior year level; major cash inflow from short term financing as a result of the increased business volume and input costs
- Overall stable development of cash (0,1 M€) since December 2021

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

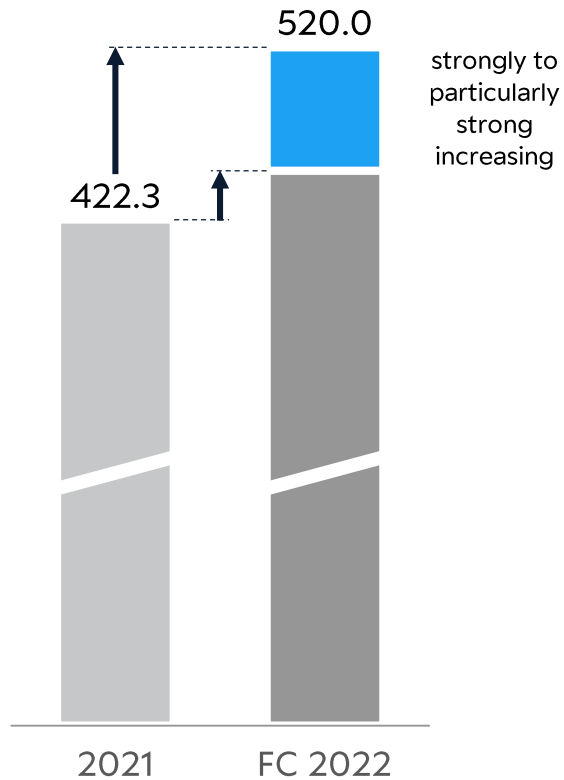
Management of COVID-19 effects

OUTLOOK 2022 (in M€)

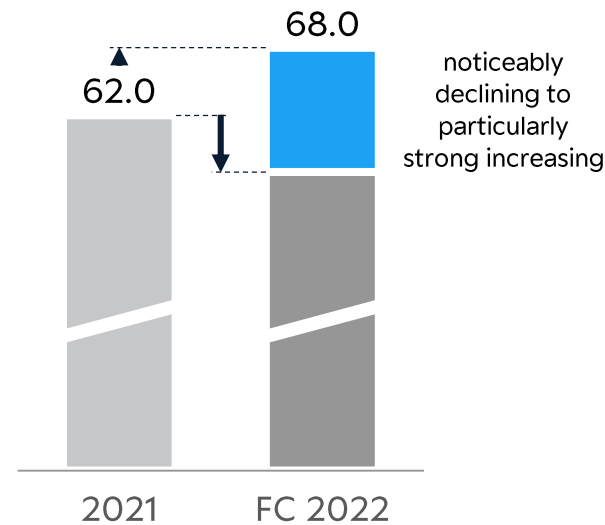
Parity of cost with price increases will determine EBITDA



SALES



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
- Possible effects of a prolonged war in Ukraine or sudden interruption of gas supplies are not reflected in this forecast and are not currently predictable

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	Münchener Kapitalmarkt Konferenz
NOV 28 - 30	2022	Deutsches Eigenkapitalforum

**AGILE SCIENCE
PURE RESULTS**

**alzchem
group**



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BALANCE SHEET

Alzchem Group

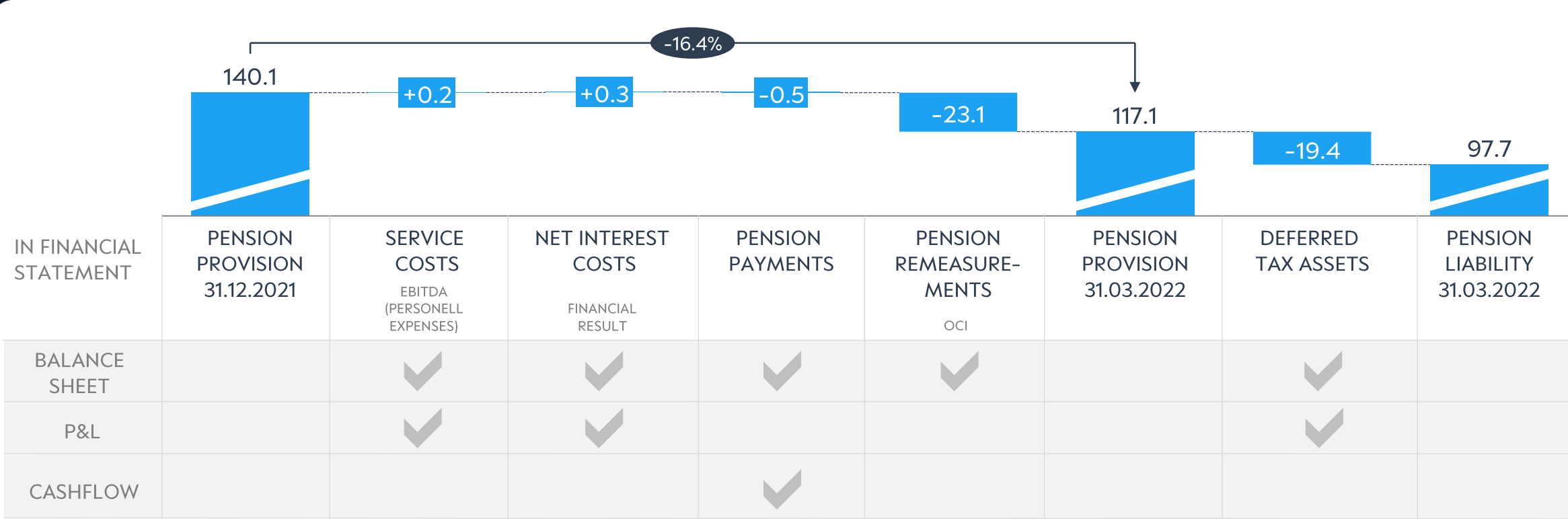


ALZCHEM GROUP (IN T€)	31.12.2021	31.03.2022	Deviation	
Intangible assets	2,329	2,257	-72	-3.1%
Tangible assets	178,806	178,136	-670	-0.4%
Investment properties				
Right of use (assets)	7,686	7,204	-482	-6.3%
Investments accounted for using the equity r				
Financials assets	20	20		
Trade receivables				
Other receivables	1,320	1,462	142	10.8%
<i>there of Deferred tax assets for pensions prc</i>				
Deferred tax assets	34,924	27,516	-7,409	-21.2%
SUM NON-CURRENT ASSETS	225,086	216,595	-8,491	-3.8%
Inventories	86,676	107,620	20,943	24.2%
Trade receivables	40,841	50,813	9,973	24.4%
Financial assets				
Other receivables	16,454	20,434	3,980	24.2%
Income tax receivables	326	77	-249	-76.4%
Cash and cash equivalents	8,285	8,435	150	1.8%
Assets classified as held for sale				
Other assets				
SUM CURRENT ASSETS	152,581	187,379	34,797	22.8%
SUM ASSETS	377,667	403,974	26,306	7.0%

ALZCHEM GROUP (IN T€)	31.12.2021	31.03.2022	Deviation	
Share capital	101,763	101,763		
RETAINED EARNINGS (+) / LOSS (-)	101,127	108,825	7,698	7.6%
Other comprehensive income	-51,104	-34,457	16,646	-32.6%
Own shares	-1,009	-1,009		
SHARE TO THE SHAREHOLDERS	87,630	111,974	24,344	27.8%
Non-controlling interests	1,934	1,977	43	2.2%
SUM EQUITY	89,565	113,951	24,387	27.2%
Provisions for pensions	140,005	116,987	-23,018	-16.4%
Other provisions	24,372	23,671	-701	-2.9%
Loans	37,553	35,039	-2,514	-6.7%
Finance lease liabilities	5,793	5,399	-394	-6.8%
Trade liabilities				
Other liabilities	171		-171	-100.0%
Deferred tax liabilities	4,084	4,208	123	3.0%
SUM NON-CURRENT LIABILITIES	211,979	185,304	-26,674	-12.6%
Other provisions	2,968	3,083	114	3.8%
Loans	10,490	26,708	16,218	154.6%
Finance lease liabilities	1,805	1,775	-30	-1.7%
Finance liabilities				
Trade liabilities	32,780	42,358	9,578	29.2%
Other liabilities	26,220	28,152	1,933	7.4%
Income tax liabilities	1,862	2,643	781	42.0%
SUM CURRENT LIABILITIES	76,124	104,718	28,594	37.6%
Sum EQUITY AND LIABILITIES	377,667	403,974	26,306	7.0%

PENSION ACCOUNTING (IFRS)

Alzchem Group (M€)



- Adjustment of market interest rate from 0.5 % → 1.0 %; decreasing impact on provision
- Adjustment of expected pension trend from 1.5 % → 2.0 %; increasing impact on provision
- Adjustment of expected salary trend from 2.5 % → 3.0 %; increasing impact on provision
- Moderately increasing cash payments

INCOME STATEMENT

Alzchem Group



ALZCHEM GROUP (IN T€)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Deviation (Q1)	
Revenue	104,321	111,000	95,920	111,052	129,395				25,073	24%
Increase (+) / Decrease (-) in inventories of finished goods	-2,144	-1,621	6,350	7,442	14,144				16,288	-760%
Other income	3,983	2,505	2,143	2,729	4,070				87	2%
Raw materials and consumables used	-36,226	-37,538	-42,153	-54,753	-73,537				-37,310	103%
Employee benefits expense	-33,038	-35,209	-30,875	-33,045	-34,000				-962	3%
Other expense	-20,175	-20,143	-17,548	-20,932	-23,003				-2,828	14%
EBITDA	16,722	18,993	13,838	12,493	17,070				348	2%
Depreciation expense	-5,771	-5,900	-6,206	-6,598	-6,305				-534	9%
Impairment										
EBIT	10,951	13,094	7,632	5,895	10,765				-186	-2%
Investment income	5	0	12	0					138	>1.000%
Other interest and similar income	507	244	127	-252	1,181				531	105%
Other interest and similar expense	-425	-413	-431	-434	-603				-178	42%
Financial result	88	-169	-292	-686	578				491	560%
Result from associates										
Result from ordinary business	11,039	12,924	7,340	5,209	11,343				304	3%
Taxes on income and profit	-3,109	-3,710	-2,608	679	-3,603				-494	16%
<i>thereof income tax</i>	-2,737	-3,330	-1,944	-1,036	-2,520				216	-8%
<i>thereof change from deferred taxes</i>	-373	-380	-663	1,715	-1,082				-710	191%
Annual result	7,930	9,214	4,733	5,887	7,740				-189	-2%
<i>thereof minority interests</i>	43	43	43	43	43					
<i>thereof shares held by shareholders</i>	7,887	9,171	4,690	5,844	7,698				-189	-2%
Result per share in EUR	0.78 €	0.90 €	0.46 €	0.58 €	0.76 €	- 0.76 €	- €	- €		

INCOME STATEMENT

Alzchem Group



ALZCHEM GROUP (IN T€)

Revenue
Increase (+) / Decrease (-) in inventories of finished goods and work in progress
Other income
Raw materials and consumables used
Employee benefits expense
Other expense
EBITDA
Depreciation expense
Impairment
EBIT
Investment income
Other interest and similar income
Other interest and similar expense
Financial result
Result from associates
Result from ordinary business
Taxes on income and profit
<i>thereof income tax</i>
<i>thereof change from deferred taxes</i>
Annual result
<i>thereof minority interests</i>
<i>thereof shares held by shareholders</i>
Result per share in EUR

Q1 2021	Q1 2022	Deviation (QoQ)	
104,321	129,395	25,073	24.0%
-2,144	14,144	16,288	-759.8%
3,983	4,070	87	2.2%
-36,226	-73,537	-37,310	103.0%
-33,038	-34,000	-962	2.9%
-20,175	-23,003	-2,828	14.0%
16,722	17,070	348	2.1%
-5,771	-6,305	-534	9.3%
0	0	0	
10,951	10,765	-186	-1.7%
5	0	138	>1.000%
507	1,181	531	104.7%
-425	-603	-178	41.9%
88	578	491	560.0%
0	0	0	
11,039	11,343	304	2.8%
-3,109	-3,603	-494	15.9%
-2,737	-2,520	216	-7.9%
-373	-1,082	-710	190.5%
7,930	7,740	-189	-2.4%
43	43	0	0.0%
7,887	7,698	-189	-2.4%
0.78 €	0.76 €	0	-2.4%

CASHFLOW STATEMENT

Alzchem Group



CASHFLOW (IN M€)

Consolidated earnings before taxes
Depreciation on fixed and intangible assets
Decrease in pension provisions
Loss (+) / Profit (-) from the sale of non-current assets
Other non-cash income (-) and expenses (+)
Financial result
Interests & Taxes
Increase (+) / Decrease (-) Net Working Capital
Cashflow from ongoing operations (Net cash flow)
Cash outflows for investments in fixed assets
Cash inflows from the sale of fixed assets
Cash inflow from the acquisition / Reverse acquisition
Cashflow from investing activity
Free cashflow
Deposits (+) / Repayment (-) bank loans long-term
Repayment of bank loans long-term
Deposits (+) / Repayment (-) from short-term financing lines
Dividend payments
Payment of reduction in leasing liabilities
Payments for the acquisition of own shares (incl. transaction costs)
Payments to non-controlling interests
Cashflow from financing activity
Net increase / decrease in cash and cash equivalents

Q1 2021	Q1 2022
11,039	11,343
5,771	6,305
-420	-513
-2	-10
3,980	1,530
-88	-578
-1,782	-1,745
-10,408	-21,912
8,091	-5,581
-9,994	-7,362
8	13
-9,986	-7,349
-1,896	-12,930
-2,984	-2,949
	16,618
-456	-463
-503	
-171	-171
-4,114	13,036
-6,010	106

SEGMENT OVERVIEW BY QUARTER

Alzchem Group



SALES

	2020				2021				2022				YTD Q1 2022	
SALES	Q1 T€	Q2 T€	Q3 T€	Q4 T€	Q1 T€	Q2 T€	Q3 T€	Q4 T€	Q1 T€	Q2 T€	Q3 T€	Q4 T€	Deviation PY (Q1) T€ %	PY T€ Actual T€
Basics & Intermediates	36,012	38,266	32,320	39,837	41,070	45,178	42,465	47,561	57,441				16,372 29%	41,070 57,441
Specialty Chemicals	52,199	57,854	42,995	54,383	56,775	59,330	47,116	57,279	65,279				8,504 13%	56,775 65,279
Other and Holding	6,529	6,391	6,058	6,414	6,477	6,492	6,339	6,212	6,675				198 3%	6,477 6,675
Group Consolidation														
Alzchem Group	94,740	102,511	81,373	100,634	104,321	111,000	95,920	111,052	129,395				25,073 19%	104,321 129,395

EBITDA

	2020				2021				2022				YTD Q1 2022	
EBITDA	Q1 T€	Q2 T€	Q3 T€	Q4 T€	Q1 T€	Q2 T€	Q3 T€	Q4 T€	Q1 T€	Q2 T€	Q3 T€	Q4 T€	Deviation PY (Q1) T€ %	PY T€ Actual T€
Basics & Intermediates	1,903	2,485	2,006	2,587	2,791	3,826	3,118	1,250	2,841				50 2%	2,791 2,841
Specialty Chemicals	10,158	14,457	9,418	10,092	13,947	14,801	10,096	11,820	14,265				318 2%	13,947 14,265
Other and Holding	317	81	361	230	435	-43	512	502	-139				-574 413%	435 -139
Group Consolidation	-63	-201	202	-227	-451	409	112	-1,079	103				553 539%	-451 103
Alzchem Group	12,315	16,822	11,986	12,683	16,722	18,993	13,838	12,493	17,069				347 2%	16,722 17,069

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

DR. GEORG WEICHSELBAUMER

CSO

WITH ALZCHEM SINCE 2012

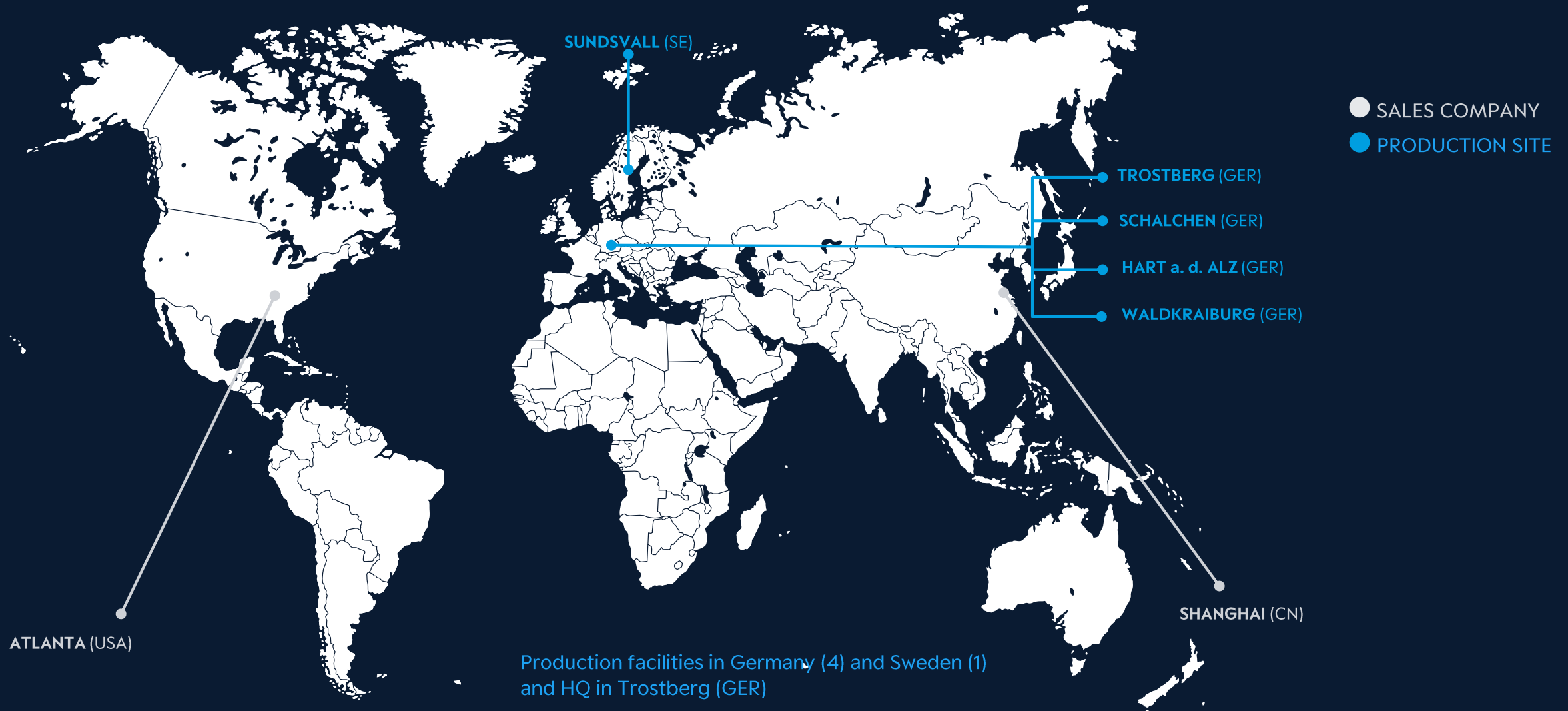
AREAS OF RESPONSIBILITY

Marketing, Sales, Innovation Management & Process Development, R&D, Product Safety and Approval



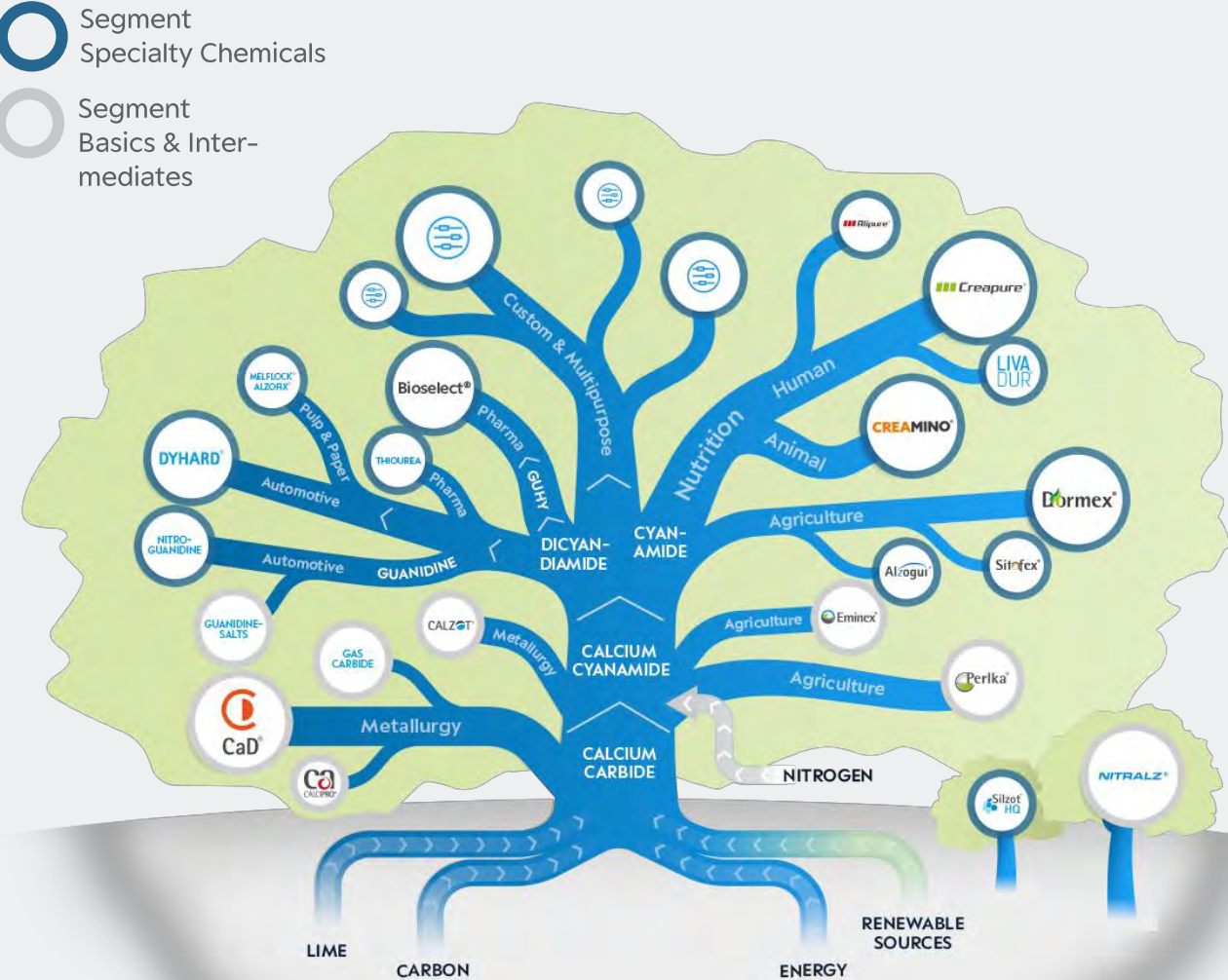
ALZCHEM GROUP LOCATIONS

Production sites and sales companies



“VERBUND” – 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

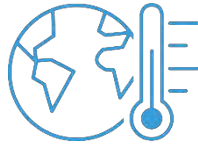
MEGATRENDS AS GROWTH DRIVERS



POPULATION
GROWTH



LONGER LIFE
EXPECTANCY



CLIMATE
CHANGE



SUSTAINABILITY

OUR PRODUCTS AND MARKETS

Successful with proven and new products in various industries







MAIN PRODUCTS		DESCRIPTION	END-MARKETS
SPECIALTY CHEMICALS	CREAMINO®	A feed additive for broilers and pigs	Feed additive
	Creapure®	Premium brand for creatine monohydrate as a food supplement in sports nutrition	Food supplements
	LIVADUR	Dietary supplement with pure creatine	Food supplements
	Dormex®	Plant growth regulator used in fruit production	Agriculture
	BREATHRU'S 301	Additive for plant protection formulations	Agriculture
	Sitofex®	Plant growth regulator used in fruit production	Agriculture
	Alzogur®	Biocide for the prevention of diseases in animal production	Agriculture
	Silzot HQ	Silicon nitride powder for ceramic applications	Ceramics
	Bioselect®	Highly purified form of guanidine salts	Pharmaceuticals / API
	Cyanamide	An organic compound widely used in agriculture and pharmaceuticals	Agriculture and pharmaceuticals
	DYHARD®	Hardeners and accelerators in powder, paste and liquid form	Hardener & Accelerator Systems for Composite Materials
	Thiourea	Various applications incl. flotation agents and pharmaceutical raw materials	Mining and pharmaceuticals
	Nitroguanidine	Intermediates for agrochemical products	Various

OUR PRODUCTS AND MARKETS

Successful with proven and new products in various industries



	MAIN PRODUCTS	DESCRIPTION	END-MARKETS
BASICS & INTERMEDIATES	 CaD [®]	Calcium carbide-based mixtures for hot metal desulphurization	Steel industry
	Guanidine Salts	Fuel for airbags, key production of the intermediate product	Automotive
	Dicyandiamide	Versatile intermediate in various markets including the pharmaceutical industry	Pharmaceutical Agriculture
	 NITRALZ [®]	Business fields in color, agro and pharmaceutical applications	Pigments Pharmaceutical
	 Eminex [®]	Reduction of methane emissions during storage of manure	Agriculture
	 Perlka [®]	Special calcium cyanamide multi-effect fertilizer	Agriculture
OTHER & HOLDING	Operation of the Trostberg Chemical Park (companies located at the site: Alzchem, BASF, MBCC Group, Firmenich, Aramark, VIActiv)		
	Site services		
	Other activities not included in the "Specialty Chemicals" or "Basics & Intermediates" segments		

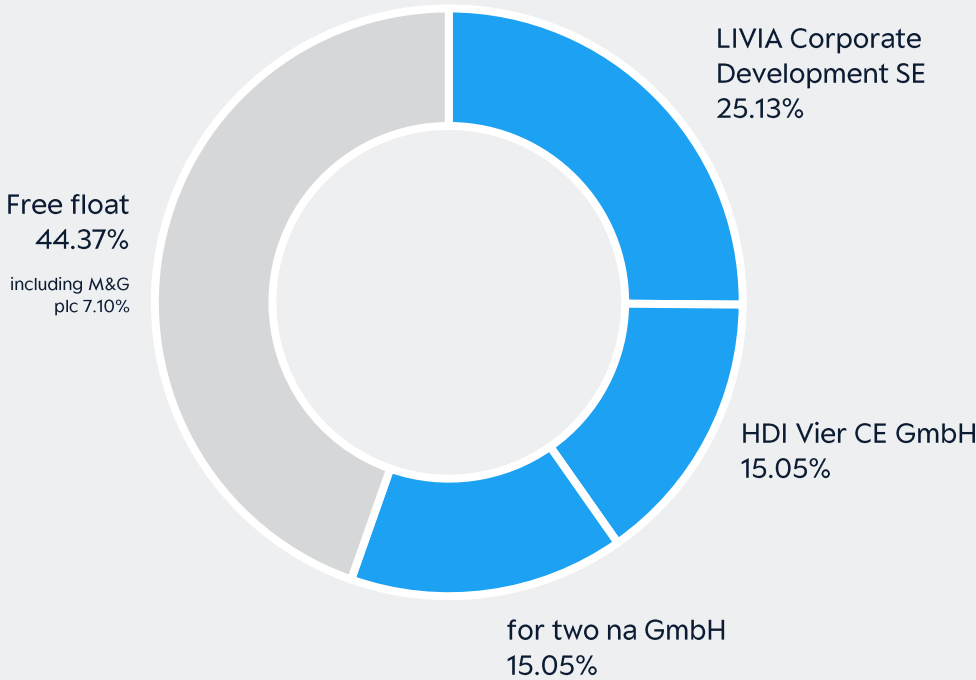
KEY SHARE DATA

Share Details as of March 18, 2022



SHARES OUTSTANDING	10,176,335 including 40,581 shares held by Alzchem Group AG
LAST CLOSING PRICE	EUR 24.00
MARKET CAPITALIZATION	EUR 244 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 March 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.”