Alzchem

(SDAX, Chemicals, ACT GR)

WARBURG RESEARCH / A Münchmeyer Petersen Capital Markets Company

Buy	
EUR 208.00	
Price	EUR 153.90
Upside	**35.2 %**

Value Indicators:	EUR
DCF:	208.29
FCF-Value Potential 28e:	166.13

Warburg Risk Score:	**3.5**
Balance Sheet Score:	4.0
Market Liquidity Score:	3.0

Description:

Alzchem is an integrated specialty chemicals provider

Market Snapshot:	EUR m
Market cap:	1,558.0
No. of shares (m):	10.1
EV:	1,663.3
Freefloat MC:	1,146.2
Ø Trad. Vol. (30d):	3.54 m

Shareholders:	
Freefloat	73.57 %
Löw SE	6.39 %
for two na GmbH	10.14 %
Staluna Trade a.s.	9.90 %

Key Figures (WRe):	2026e
Beta:	1.0
Price / Book:	5.2 x
Equity Ratio:	41 %
Net Fin. Debt / EBITDA:	0.1 x
Net Debt / EBITDA:	0.8 x

Investment story intact; post-results weakness looks unjustified

Alzchem second-quarter results came in line to slightly ahead of expectations, yet the shares fell on the release, a move difficult to reconcile with numbers that confirm steady execution and an intact investment case.

Group sales rose 9% yoy to EUR 155m, driven by higher volumes (+5.1%) and firmer prices (+4.2%) against a modest FX drag (-0.6%), while EBITDA advanced 11% to EUR 32m at a 20.7% margin (vs 20.4% a year earlier), a touch ahead of our estimate. At group level, consensus was essentially met, and EPS gained 6% to EUR 1.66, held just shy of our estimate by higher depreciation and financing costs. As so often, Specialty Chemicals carried the group, with sales up 9% to EUR 109m and EBITDA up 17% to EUR 33m at a nearly 30% margin, supported by favourable volume and price effects and reinforced by an improving mix and operating leverage. Persistently healthy demand for creatine and nitroguanidine remains the key driver, with management calling both markets robust and additional capacity urgently needed. In Basics & Intermediates, quarterly sales recovered 9% to EUR 39m as metallurgy volumes firmed, even as prices stayed soft amid tough Asian competition; EBITDA was broadly break-even, temporarily burdened by one-off effects from the carbide-furnace renovation. Cash generation in Q2 was down yoy on temporary working-capital swings and lower customer grants, with capex also higher; overall, this reflects timing and investment phasing rather than any operational deterioration.

Full-year group guidance was confirmed, with management pointing to further gains in sales and EBITDA and to a second half ahead of the first, weighted towards Q4 as the new nitroguanidine site delivers its first contributions. Q3 revenues should prove slightly softer as demand pulled forward into H1 unwinds, a phasing already embedded in our model. The capacity programme stays on schedule across the board: the German nitroguanidine start-up is under way, the creatine expansion is advancing, and in the US a location has been secured, with construction due to begin next year and operations targeted for 2029. A newly agreed financing package of up to EUR 100m broadens the funding base. Healthy demand for the key product categories underpin the H2 weighting and lend confidence into 2027 as further capacity comes on stream.

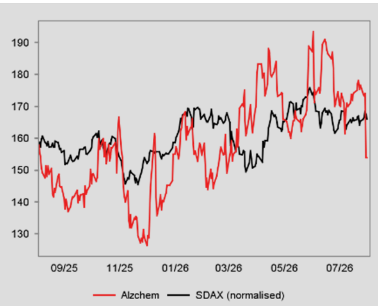
With the investment case firmer rather than more fragile and every capacity milestone on schedule, the post-results weakness looks like an opportunity. Operationally our forecasts are hardly changed, with only a slight reduction to EPS to reflect higher financing expenses. We reiterate our Buy recommendation and an unchanged DCF-based price target of EUR 208.

Changes in Estimates:

FY End: 31.12. in EUR m	2026e (old)	+ / -	2027e (old)	+ / -	2028e (old)	+ / -
Sales	601.6	0.8 %	714.0	0.7 %	796.1	0.6 %
EBITDA	128.4	0.1 %	164.6	0.1 %	189.8	0.1 %
EBIT	93.7	0.2 %	115.4	0.2 %	131.5	0.1 %
EPS	6.48	-2.8 %	7.96	-2.3 %	9.19	-2.0 %
DPS	2.27	-2.8 %	2.78	-2.3 %	3.22	-2.0 %

Comment on Changes:

- Only very minor changes to our operational forecasts.
- EPS slightly reduced on the back of higher financing costs projections.



Rel. Performance vs SDAX:

1 month:	-10.1 %
6 months:	1.6 %
Year to date:	-5.4 %
Trailing 12 months:	-6.5 %

Company events:

29.10.26	Q3

FY End: 31.12. in EUR m	CAGR (25-28e)	2022	2023	2024	2025	2026e	2027e	2028e
Sales	12.5 %	542.2	540.6	554.2	562.1	606.7	718.9	800.9
Change Sales yoy		28.4 %	-0.3 %	2.5 %	1.4 %	7.9 %	18.5 %	11.4 %
Gross profit margin		*50.8 %*	*57.7 %*	*63.7 %*	*67.6 %*	*66.7 %*	*66.9 %*	*66.4 %*
EBITDA	17.7 %	61.4	81.4	105.3	116.5	128.6	164.8	190.0
Margin		*11.3 %*	*15.1 %*	*19.0 %*	*20.7 %*	*21.2 %*	*22.9 %*	*23.7 %*
EBIT	13.6 %	35.9	55.5	79.0	89.8	93.9	115.6	131.7
Margin		*6.6 %*	*10.3 %*	*14.2 %*	*16.0 %*	*15.5 %*	*16.1 %*	*16.4 %*
Net income	12.8 %	30.1	34.6	54.1	63.5	63.8	78.7	91.2
EPS	12.8 %	2.96	3.40	5.31	6.28	6.30	7.78	9.00
EPS adj.	12.8 %	2.96	3.40	5.31	6.28	6.30	7.78	9.00
DPS	14.5 %	1.05	1.20	1.80	2.10	2.21	2.72	3.15
Dividend Yield		5.3 %	6.0 %	4.1 %	1.7 %	1.4 %	1.8 %	2.0 %
FCFPS		-3.47	4.94	7.09	3.78	-2.21	1.73	8.73
FCF / Market cap		-17.6 %	24.5 %	16.1 %	3.1 %	-1.4 %	1.1 %	5.7 %
EV / Sales		0.7 x	0.7 x	1.0 x	2.3 x	2.7 x	2.3 x	2.0 x
EV / EBITDA		6.2 x	4.4 x	5.1 x	11.1 x	12.9 x	10.1 x	8.5 x
EV / EBIT		10.7 x	6.4 x	6.8 x	14.4 x	17.7 x	14.4 x	12.2 x
P / E		6.7 x	5.9 x	8.3 x	19.3 x	24.4 x	19.8 x	17.1 x
P / E adj.		6.7 x	5.9 x	8.3 x	19.3 x	24.4 x	19.8 x	17.1 x
FCF Potential Yield		7.5 %	11.9 %	11.1 %	5.2 %	4.7 %	6.4 %	7.9 %
Net Debt		181.1	150.9	88.2	60.8	103.6	107.7	46.2
ROCE (NOPAT)		8.7 %	12.5 %	18.6 %	21.1 %	18.7 %	19.2 %	20.4 %
Guidance:	FY 2026: Sales ca. EUR 600m, EBITDA ca. EUR 126m							

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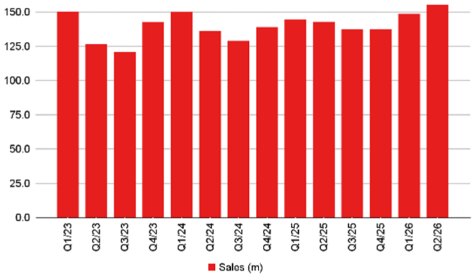
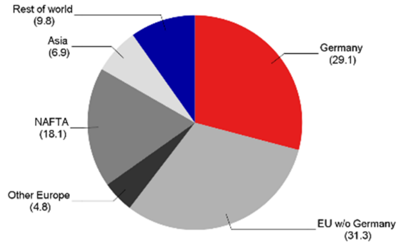
Sales development
in EUR m



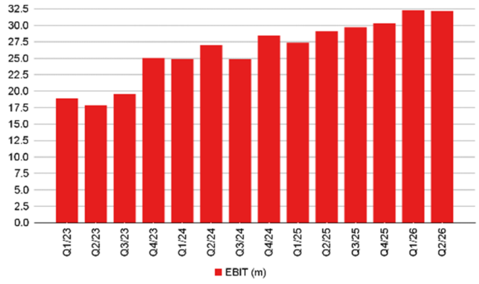
Source: Warburg Research

Sales by regions
2025; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

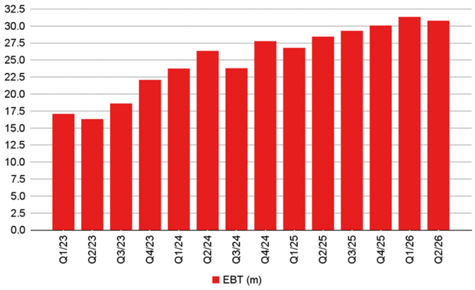
Company Background

- Alzchem goes back to the Bayerische Stickstoff-Werke GmbH (1908), which built a large calcium carbide and calcium cyanamide plant on the River Alz.
- In 1939, Bayerische Kraftwerk AG and Donauwerke AG merged to form Süddeutsche Kalkstickstoff-AG, based in Trostberg. In 1978, the company's name was changed to SKW Trostberg AG.
- In 2000, Degussa Hüls AG merged with Trostberg AG to form Degussa AG. In 2006, the Alz sites Trostberg, Schalchen, Hart and Waldkraiburg were merged into Alzchem Holding GmbH.
- Takeover by bluO in 2009, conversion to Alzchem AG in 2011. In 2019, the company invested heavily in the area of feed additives with the construction of a dedicated CreAMINO® production facility.
- Alzchem is brought into the listed Alzchem Group AG (formerly Softmatic AG). Alzchem Group AG is the new parent company of the Alzchem Group. 2019 Commissioning of investment projects CreAMINO® and Nitrile.

Competitive Quality

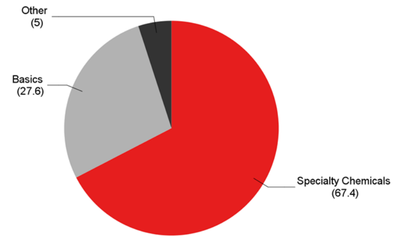
- Alzchem is a globally active, vertically integrated manufacturer of various chemical products in the calcium carbide/calcium cyanamide chain with a strategic focus on growth in the Specialty Chemicals business segment.
- Alzchem's integrated manufacturing “Verbund" system enables efficiency gains in production. The company is the global leader or among the leading companies in its chosen fields of activity.
- The company has four production facilities in Germany and one in Sweden that are complemented by two marketing companies in the US and in China allowing for global distribution of its products.
- The company is benefiting from megatrends like sustainable energy production, population growth and increase in aging population. Its products offer attractive solutions that meet demand growth.
- Alzchem provides a highly diversified product portfolio ranging e.g. from dietary supplements, plant growth regulators to propellants, thus addressing a wide range of customer industries.

EBT development
in EUR m



Source: Warburg Research

Sales by segments
2025; in %



Source: Warburg Research

Net income development
in EUR m

Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period 2026e	2027e	2028e	Transitional period 2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	Term. Value
Sales	606.7	718.9	800.9	864.9	982.5	1,031.6	1,078.8	1,123.5	1,165.2	1,203.5	1,237.8	1,267.9	1,293.3	
Sales change	*7.9 %*	*18.5 %*	*11.4 %*	*8.0 %*	*13.6 %*	*5.0 %*	*4.6 %*	*4.1 %*	*3.7 %*	*3.3 %*	*2.9 %*	*2.4 %*	*2.0 %*	*2.0 %*
EBIT	93.9	115.6	131.7	148.8	181.8	192.1	201.7	210.6	218.6	225.7	231.7	236.6	240.3	
EBIT-margin	*15.5 %*	*16.1 %*	*16.4 %*	*17.2 %*	*18.5 %*	*18.6 %*	*18.7 %*	*18.7 %*	*18.8 %*	*18.8 %*	*18.7 %*	*18.7 %*	*18.6 %*	
Tax rate (EBT)	*28.0 %*	*28.0 %*	*28.0 %*	*28.5 %*	*29.2 %*	*29.9 %*	*30.7 %*	*31.4 %*	*32.1 %*	*32.8 %*	*33.6 %*	*34.3 %*	*35.0 %*	
NOPAT	67.6	83.2	94.9	106.4	128.7	134.6	139.9	144.5	148.4	151.6	154.0	155.5	156.2	
Depreciation	34.7	49.2	58.2	58.8	58.9	58.9	59.0	59.0	59.1	59.1	59.2	59.3	59.3	
in % of Sales	*5.7 %*	*6.8 %*	*7.3 %*	*6.8 %*	*6.0 %*	*5.7 %*	*5.5 %*	*5.3 %*	*5.1 %*	*4.9 %*	*4.8 %*	*4.7 %*	*4.6 %*	
Changes in provisions	1.1	4.2	2.8	2.5	2.5	2.5	2.6	2.7	2.7	2.8	2.8	2.9	2.9	
Change in Liquidity from														
- Working Capital	-4.1	20.2	12.6	6.5	23.5	9.8	9.4	8.9	8.3	7.7	6.9	6.0	5.1	
- Capex	163.0	138.1	103.2	50.0	30.0	33.4	36.7	40.1	43.4	46.8	50.2	53.5	56.9	
Capex in % of Sales	*26.9 %*	*19.2 %*	*12.9 %*	*5.8 %*	*3.1 %*	*3.2 %*	*3.4 %*	*3.6 %*	*3.7 %*	*3.9 %*	*4.1 %*	*4.2 %*	*4.4 %*	
- Other	-38.0	-50.6	-56.0	17.6	12.6	12.6	12.6	12.6	4.2	0.2	0.2	0.2	0.2	
Free Cash Flow (WACC Model)	-17.6	28.9	96.0	93.5	124.0	140.3	142.7	144.6	154.2	158.8	158.7	157.9	156.3	155
PV of FCF	-17.6	26.9	83.1	75.4	93.1	98.2	93.0	87.8	87.3	83.8	78.0	72.3	66.6	1,242
share of PVs	4.26 %			38.51 %										57.23 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	20.00 %	Financial Strength	0.90
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.10
Market return	8.25 %	Cyclicality	1.10
Risk free rate	2.75 %	Transparency	1.10
		Others	1.00
WACC	**7.34 %**	**Beta**	**1.04**

Valuation (m)

Present values 2038e	928		
Terminal Value	1,242		
Financial liabilities	44		
Pension liabilities	88		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	72	No. of shares (m)	10.1
Equity Value	**2,109**	**Value per share (EUR)**	**208.29**

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth 1.25 %	1.50 %	1.75 %	**2.00 %**	2.25 %	2.50 %	2.75 %
1.27	8.3 %	162.67	165.69	168.94	172.44	176.24	180.36	184.85
1.15	7.8 %	176.76	180.46	184.48	188.83	193.58	198.77	204.47
1.10	7.6 %	184.64	188.77	193.25	198.12	203.46	209.32	215.79
1.04	7.3 %	193.18	197.78	202.80	**208.29**	214.32	220.97	228.34
0.98	7.1 %	202.44	207.61	213.25	219.45	226.29	233.88	242.34
0.93	6.8 %	212.55	218.35	224.73	231.76	239.57	248.27	258.04
0.81	6.3 %	235.74	243.19	251.44	260.65	270.99	282.67	295.98

Beta	WACC	Delta EBIT-margin -1.5 pp	-1.0 pp	-0.5 pp	**+0.0 pp**	+0.5 pp	+1.0 pp	+1.5 pp
1.27	8.3 %	156.48	161.80	167.12	172.44	177.76	183.08	188.40
1.15	7.8 %	171.52	177.29	183.06	188.83	194.60	200.37	206.14
1.10	7.6 %	180.05	186.07	192.10	198.12	204.15	210.18	216.20
1.04	7.3 %	189.37	195.68	201.98	**208.29**	214.59	220.90	227.20
0.98	7.1 %	199.61	206.23	212.84	219.45	226.06	232.67	239.29
0.93	6.8 %	210.91	217.86	224.81	231.76	238.72	245.67	252.62
0.81	6.3 %	237.41	245.16	252.91	260.65	268.40	276.14	283.89

- The period 2026-2030 is characterised by a production capacity expansion and high growth.
- Peak EBITDA margins modelled for 2030.
- Thereafter, we assume sales growth to return to normal with slowing momentum and slight margin erosion over the years.
- Cost of debt set at 4% (pre-tax). We apply a target debt ratio of 20%.
- Minority interests, investment grants and the reversal of contract liabilities are included in the "Other" line.

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year’s “FCF potential” with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Net Income before minorities	30.2	34.8	54.2	63.6	64.0	78.9	91.3
+ Depreciation + Amortisation	25.5	25.9	26.3	26.6	34.7	49.2	58.2
- Net Interest Income	5.4	-7.3	-3.6	-1.9	-5.1	-6.0	-4.9
- Maintenance Capex	23.0	23.3	23.7	24.0	24.7	25.4	26.2
+ Other	1.4	-2.0	-1.0	-0.5	-1.4	-1.7	-1.4
= Free Cash Flow Potential	**28.8**	**42.6**	**59.5**	**67.7**	**77.6**	**107.0**	**126.9**
FCF Potential Yield (on market EV)	7.5 %	11.9 %	11.1 %	5.2 %	4.7 %	6.4 %	7.9 %
WACC	7.34 %	7.34 %	7.34 %	7.34 %	7.34 %	7.34 %	7.34 %
= Enterprise Value (EV)	**383.6**	**357.5**	**537.9**	**1,289.7**	**1,663.3**	**1,667.4**	**1,605.9**
= Fair Enterprise Value	**393.1**	**581.3**	**810.7**	**922.4**	**1,057.7**	**1,458.6**	**1,729.7**
- Net Debt (Cash)	-27.5	-27.5	-27.5	-27.5	16.4	21.4	-39.1
- Pension Liabilities	88.2	88.2	88.2	88.2	87.2	86.2	85.2
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Market value of minorities	2.1	2.1	2.1	2.1	1.7	1.7	1.7
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
= Fair Market Capitalisation	**330.3**	**518.5**	**747.9**	**859.6**	**952.4**	**1,349.2**	**1,681.8**
Number of shares, average	10.1	10.2	10.2	10.1	10.1	10.1	10.1
= Fair value per share (EUR)	**32.58**	**50.98**	**73.51**	**85.05**	**94.07**	**133.27**	**166.13**
premium (-) / discount (+) in %					-38.9 %	-13.4 %	7.9 %

Sensitivity Fair value per Share (EUR)

	10.34 %	21.33	34.39	50.38	58.56	63.75	91.46	116.54
	9.34 %	24.28	38.74	56.44	65.50	71.69	102.41	129.53
	8.34 %	27.93	44.12	63.95	74.10	81.54	115.99	145.63
WACC	**7.34 %**	**32.58**	**50.98**	**73.51**	**85.05**	**94.07**	**133.27**	**166.13**
	6.34 %	38.71	60.00	86.09	99.46	110.56	156.01	193.09
	5.34 %	47.12	72.40	103.38	119.26	133.23	187.28	230.17
	4.34 %	59.42	90.53	128.64	148.20	166.36	232.96	284.34

- Assumption on maintenance capex: 10% below D&A for 2022-25, growing by 3% annually in 2026-28e.
- The line "Others" in the calculation of FCF covers the tax shield on net interest expenses.
- Minorities deducted from the EV valued with a P/E of 15x

Valuation

	2022	2023	2024	2025	2026e	2027e	2028e
Price / Book	1.4 x	1.3 x	2.2 x	4.8 x	5.2 x	4.4 x	3.7 x
Book value per share ex intangibles	13.92	15.53	19.84	25.01	29.16	34.73	41.00
EV / Sales	0.7 x	0.7 x	1.0 x	2.3 x	2.7 x	2.3 x	2.0 x
EV / EBITDA	6.2 x	4.4 x	5.1 x	11.1 x	12.9 x	10.1 x	8.5 x
EV / EBIT	10.7 x	6.4 x	6.8 x	14.4 x	17.7 x	14.4 x	12.2 x
EV / EBIT adj.*	10.7 x	6.4 x	6.8 x	14.4 x	17.7 x	14.4 x	12.2 x
P / FCF	n.a.	4.1 x	6.2 x	32.2 x	n.a.	n.a.	n.a.
P / E	6.7 x	5.9 x	8.3 x	19.3 x	24.4 x	19.8 x	17.1 x
P / E adj.*	6.7 x	5.9 x	8.3 x	19.3 x	24.4 x	19.8 x	17.1 x
Dividend Yield	5.3 %	6.0 %	4.1 %	1.7 %	1.4 %	1.8 %	2.0 %
FCF Potential Yield (on market EV)	7.5 %	11.9 %	11.1 %	5.2 %	4.7 %	6.4 %	7.9 %

*Adjustments made for: Restructuring costs, value adjustments, one-off earnings/losses

Consolidated profit & loss

In EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Sales	**542.2**	**540.6**	**554.2**	**562.1**	**606.7**	**718.9**	**800.9**
Change Sales yoy	28.4 %	-0.3 %	2.5 %	1.4 %	7.9 %	18.5 %	11.4 %
Increase / decrease in inventory	22.2	-3.8	-5.3	16.0	-7.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Sales	**564.4**	**536.8**	**548.9**	**578.2**	**599.7**	**718.9**	**800.9**
Material expenses	288.9	225.1	195.7	198.3	194.9	238.0	268.7
Gross profit	**275.5**	**311.7**	**353.3**	**379.9**	**404.8**	**480.9**	**532.1**
Gross profit margin	*50.8 %*	*57.7 %*	*63.7 %*	*67.6 %*	*66.7 %*	*66.9 %*	*66.4 %*
Personnel expenses	137.1	145.6	160.5	173.6	183.1	204.5	217.8
Other operating income	24.2	13.9	17.3	23.3	24.2	29.0	32.3
Other operating expenses	101.1	98.5	104.8	113.1	117.3	140.6	156.7
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	**61.4**	**81.4**	**105.3**	**116.5**	**128.6**	**164.8**	**190.0**
Margin	*11.3 %*	*15.1 %*	*19.0 %*	*20.7 %*	*21.2 %*	*22.9 %*	*23.7 %*
Depreciation of fixed assets	24.8	25.2	25.4	25.6	33.6	48.1	57.2
EBITA	**36.6**	**56.2**	**79.9**	**90.9**	**94.9**	**116.7**	**132.8**
Amortisation of intangible assets	0.7	0.7	1.0	1.0	1.1	1.1	1.1
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	**35.9**	**55.5**	**79.0**	**89.8**	**93.9**	**115.6**	**131.7**
Margin	*6.6 %*	*10.3 %*	*14.2 %*	*16.0 %*	*15.5 %*	*16.1 %*	*16.4 %*
EBIT adj.	**35.9**	**55.5**	**79.0**	**89.8**	**93.9**	**115.6**	**131.7**
Interest income	8.4	0.4	2.2	3.2	1.1	1.0	1.0
Interest expenses	3.0	7.7	5.8	5.1	6.1	7.0	5.9
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	**41.3**	**48.2**	**75.3**	**87.9**	**88.8**	**109.6**	**126.8**
Margin	*7.6 %*	*8.9 %*	*13.6 %*	*15.6 %*	*14.6 %*	*15.2 %*	*15.8 %*
Total taxes	11.1	13.4	21.1	24.3	24.9	30.7	35.5
Net income from continuing operations	**30.2**	**34.8**	**54.2**	**63.6**	**64.0**	**78.9**	**91.3**
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	**30.2**	**34.8**	**54.2**	**63.6**	**64.0**	**78.9**	**91.3**
Minority interest	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Net income	**30.1**	**34.6**	**54.1**	**63.5**	**63.8**	**78.7**	**91.2**
Margin	*5.5 %*	*6.4 %*	*9.8 %*	*11.3 %*	*10.5 %*	*11.0 %*	*11.4 %*
Number of shares, average	10.1	10.2	10.2	10.1	10.1	10.1	10.1
EPS	**2.96**	**3.40**	**5.31**	**6.28**	**6.30**	**7.78**	**9.00**
EPS adj.	2.96	3.40	5.31	6.28	6.30	7.78	9.00

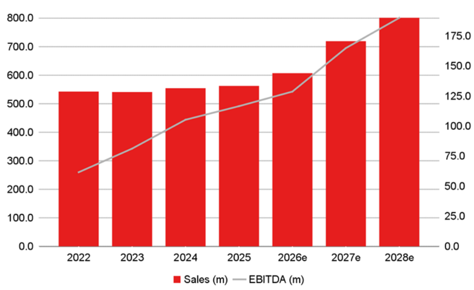
*Adjustments made for: Restructuring costs, value adjustments, one-off earnings/losses

Guidance: FY 2026: Sales ca. EUR 600m, EBITDA ca. EUR 126m

Financial Ratios

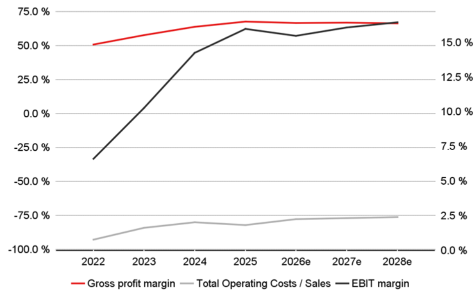
	2022	2023	2024	2025	2026e	2027e	2028e
Total Operating Costs / Sales	-92.8 %	-84.2 %	-80.0 %	-82.1 %	-77.7 %	-77.1 %	-76.3 %
Operating Leverage	-0.2 x	-187.8 x	16.8 x	9.7 x	0.6 x	1.3 x	1.2 x
EBITDA / Interest expenses	20.2 x	10.6 x	18.0 x	22.7 x	21.0 x	23.5 x	32.2 x
Tax rate (EBT)	26.8 %	27.8 %	28.0 %	27.6 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	35.2 %	35.1 %	33.8 %	33.4 %	34.9 %	34.9 %	34.9 %
Sales per Employee	323,329	320,100	321,293	318,479	335,357	387,662	421,348

Sales, EBITDA
in EUR m



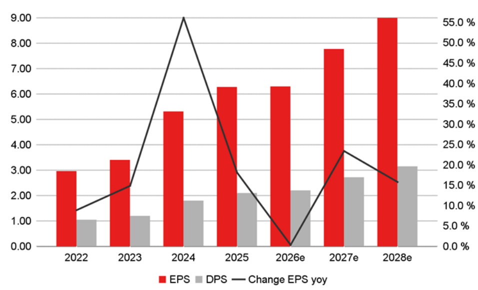
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

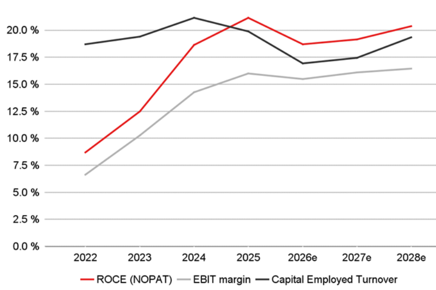
Consolidated balance sheet

In EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Assets							
Goodwill and other intangible assets	3.0	3.7	3.7	3.5	3.6	3.6	3.7
thereof other intangible assets	3.0	3.7	3.7	3.5	3.6	3.6	3.7
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	187.8	182.1	197.0	280.0	385.9	424.8	399.7
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	17.5	22.3	21.4	37.5	34.4	27.1	25.2
Fixed assets	**208.2**	**208.1**	**222.0**	**321.0**	**423.9**	**455.5**	**428.6**
Inventories	122.4	107.5	101.2	116.0	110.2	128.0	139.7
Accounts receivable	55.7	75.2	78.9	73.4	79.2	92.0	100.5
Liquid assets	9.2	11.9	61.5	71.7	79.8	54.8	85.4
Other short-term assets	27.3	22.0	20.2	35.5	38.3	45.4	50.6
Current assets	**214.6**	**216.6**	**261.8**	**296.7**	**307.6**	**320.2**	**376.2**
Total Assets	**422.9**	**424.7**	**483.8**	**617.7**	**731.5**	**775.7**	**804.7**
Liabilities and shareholders' equity							
Subscribed capital	101.8	101.8	101.8	101.8	101.8	101.8	101.8
Capital reserve	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Retained earnings	18.3	34.9	80.3	133.7	176.2	232.6	296.2
Other equity components	-1.0	0.0	-1.5	-4.1	-4.1	-4.1	-4.1
Shareholders' equity	144.0	161.6	205.5	256.3	298.8	355.2	418.8
Minority interest	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Total equity	**145.9**	**163.6**	**207.5**	**258.2**	**300.8**	**357.1**	**420.7**
Provisions	109.1	123.5	122.6	114.4	115.5	119.7	122.5
thereof provisions for pensions and similar obligations	90.1	100.3	96.9	88.2	87.2	86.2	85.2
Financial liabilities (total)	100.2	62.5	52.8	44.2	96.1	76.2	46.3
Short-term financial liabilities	68.1	10.4	9.4	8.2	9.9	10.0	10.0
Accounts payable	37.4	31.6	37.4	51.7	55.8	66.1	73.7
Other liabilities	30.2	43.6	63.5	149.1	163.3	156.5	141.5
Liabilities	**276.9**	**261.1**	**276.4**	**359.4**	**430.7**	**418.5**	**384.0**
Total liabilities and shareholders' equity	**422.9**	**424.7**	**483.8**	**617.7**	**731.5**	**775.7**	**804.7**

Financial Ratios

	2022	2023	2024	2025	2026e	2027e	2028e
Efficiency of Capital Employment							
Operating Assets Turnover	1.7 x	1.6 x	1.6 x	1.3 x	1.2 x	1.2 x	1.4 x
Capital Employed Turnover	1.7 x	1.7 x	1.9 x	1.8 x	1.5 x	1.5 x	1.7 x
ROA	14.4 %	16.6 %	24.4 %	19.8 %	15.0 %	17.3 %	21.3 %
Return on Capital							
ROCE (NOPAT)	8.7 %	12.5 %	18.6 %	21.1 %	18.7 %	19.2 %	20.4 %
ROE	25.9 %	22.7 %	29.5 %	27.5 %	23.0 %	24.1 %	23.6 %
Adj. ROE	25.9 %	22.7 %	29.5 %	27.5 %	23.0 %	24.1 %	23.6 %
Balance sheet quality							
Net Debt	181.1	150.9	88.2	60.8	103.6	107.7	46.2
Net Financial Debt	91.0	50.6	-8.7	-27.5	16.4	21.4	-39.1
Net Gearing	124.1 %	92.3 %	42.5 %	23.5 %	34.4 %	30.1 %	11.0 %
Net Fin. Debt / EBITDA	148.1 %	62.2 %	n.a.	n.a.	12.7 %	13.0 %	n.a.
Book Value / Share	14.2	15.9	20.2	25.4	29.5	35.1	41.4
Book value per share ex intangibles	13.9	15.5	19.8	25.0	29.2	34.7	41.0

ROCE Development

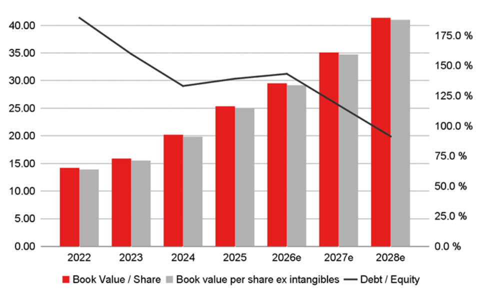


Source: Warburg Research

Net debt
in EUR m

Source: Warburg Research

Book Value per Share
in EUR



Source: Warburg Research

Consolidated cash flow statement

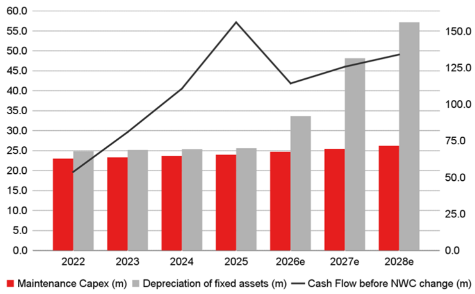
In EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Net income	27.3	43.5	66.2	72.9	63.0	76.0	89.3
Depreciation of fixed assets	24.8	25.2	25.4	25.6	33.6	48.1	57.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.7	0.7	1.0	1.0	1.1	1.1	1.1
Increase/decrease in long-term provisions	-57.2	12.8	-0.8	-11.9	0.5	2.8	1.8
Other non-cash income and expenses	58.1	-1.1	19.1	68.6	16.1	-2.3	-15.2
Cash Flow before NWC change	**53.6**	**81.1**	**110.8**	**156.2**	**114.2**	**125.8**	**134.1**
Increase / decrease in inventory	-35.7	14.9	6.3	-14.8	5.8	-17.8	-11.7
Increase / decrease in accounts receivable	-14.9	-19.5	-3.7	5.5	-5.8	-12.8	-8.4
Increase / decrease in accounts payable	4.6	-5.8	5.9	14.3	4.1	10.3	7.5
Increase / decrease in other working capital positions	-11.9	2.0	-14.1	-24.2	0.0	0.0	0.0
Increase / decrease in working capital (total)	-57.9	-8.5	-5.6	-19.2	4.1	-20.2	-12.6
Net cash provided by operating activities [1]	**-4.2**	**72.7**	**105.1**	**137.0**	**118.3**	**105.6**	**121.5**
Investments in intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	-29.1	-20.6	-43.1	-97.8	-161.1	-136.1	-101.2
Payments for acquisitions	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	0.0	12.1	0.9	22.4	50.0	70.0
Net cash provided by investing activities [2]	**-28.5**	**-20.5**	**-31.0**	**-96.9**	**-138.7**	**-86.1**	**-31.2**
Change in financial liabilities	45.9	-36.4	-8.8	-7.6	51.9	-20.0	-30.0
Dividends paid	-10.1	-10.7	-12.2	-18.2	-21.3	-22.3	-27.6
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	-1.5	-2.6	0.0	0.0	0.0
Other	-2.1	-2.1	-2.1	-1.0	-2.1	-2.1	-2.1
Net cash provided by financing activities [3]	**33.6**	**-49.2**	**-24.7**	**-29.4**	**28.5**	**-44.4**	**-59.7**
Change in liquid funds [1]+[2]+[3]	**0.9**	**3.0**	**49.5**	**10.8**	**8.1**	**-25.0**	**30.6**
Effects of exchange-rate changes on cash	0.1	-0.3	0.2	-0.6	0.0	0.0	0.0
Cash and cash equivalent at end of period	9.2	11.9	61.5	71.7	79.8	54.8	85.4

Financial Ratios

	2022	2023	2024	2025	2026e	2027e	2028e
Cash Flow							
FCF	-35.2	50.2	72.2	38.2	-22.4	17.5	88.3
Free Cash Flow / Sales	-6.5 %	9.3 %	13.0 %	6.8 %	-3.7 %	2.4 %	11.0 %
Free Cash Flow Potential	28.8	42.6	59.5	67.7	77.6	107.0	126.9
Free Cash Flow / Net Profit	-117.2 %	145.0 %	133.5 %	60.1 %	-35.1 %	22.2 %	96.9 %
Interest Received / Avg. Cash	96.1 %	3.6 %	6.1 %	4.9 %	1.4 %	1.5 %	1.4 %
Interest Paid / Avg. Debt	3.9 %	9.4 %	10.1 %	10.6 %	8.7 %	8.2 %	9.6 %
Management of Funds							
Investment ratio	5.4 %	3.8 %	7.8 %	17.4 %	26.6 %	18.9 %	12.6 %
Maint. Capex / Sales	4.2 %	4.3 %	4.3 %	4.3 %	4.1 %	3.5 %	3.3 %
Capex / Dep	113.8 %	79.4 %	163.8 %	367.0 %	464.4 %	276.6 %	173.7 %
Avg. Working Capital / Sales	21.7 %	27.0 %	26.5 %	24.9 %	22.4 %	20.0 %	20.0 %
Trade Debtors / Trade Creditors	149.0 %	238.4 %	210.9 %	141.9 %	141.9 %	139.1 %	136.3 %
Inventory Turnover	2.4 x	2.1 x	1.9 x	1.7 x	1.8 x	1.9 x	1.9 x
Receivables collection period (days)	38	51	52	48	48	47	46
Payables payment period (days)	47	51	70	95	105	101	100
Cash conversion cycle (Days)	145	174	171	166	149	142	135

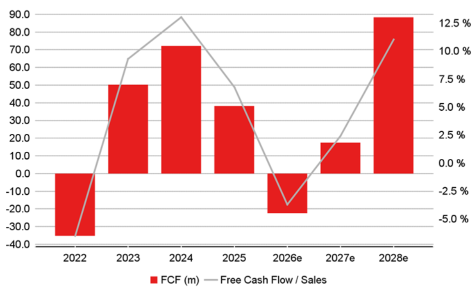
CAPEX and Cash Flow

in EUR m



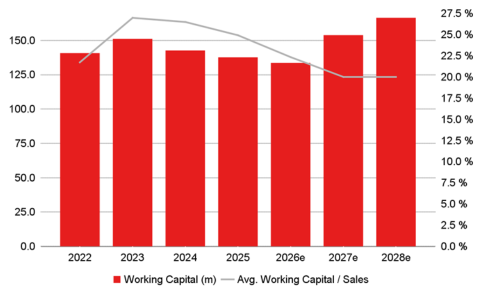
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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This report has been made accessible to the company analysed.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	**Buy:**	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	**Hold:**	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	**Sell:**	The price of the analysed financial instrument is expected to fall over the next 12 months.
"-"	**Rating suspended:**	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	131	72
Hold	40	22
Sell	5	3
Rating suspended	7	4
Total	**183**	**100**

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING …

… taking into account only those companies for which affiliated companies provided major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	3	100
Hold	0	0
Sell	0	0
Rating suspended	0	0
Total	**3**	**100**

PRICE AND RATING HISTORY ALZCHEM AS OF 03.08.2026

Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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