



alzchem  
group

AGILE SCIENCE PURE RESULTS

alzchem  
group



Q4

2023

COMPANY PRESENTATION

Andreas Niedermaier, CEO

Andreas Lösler, CFO

March 2024

## 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 – ROADSHOW PRESENTATION Q4 2023

- I. Company Introduction
- II. Key Investment Highlights
- III. Key Financials & Outlook

Appendix

Detailed Financials

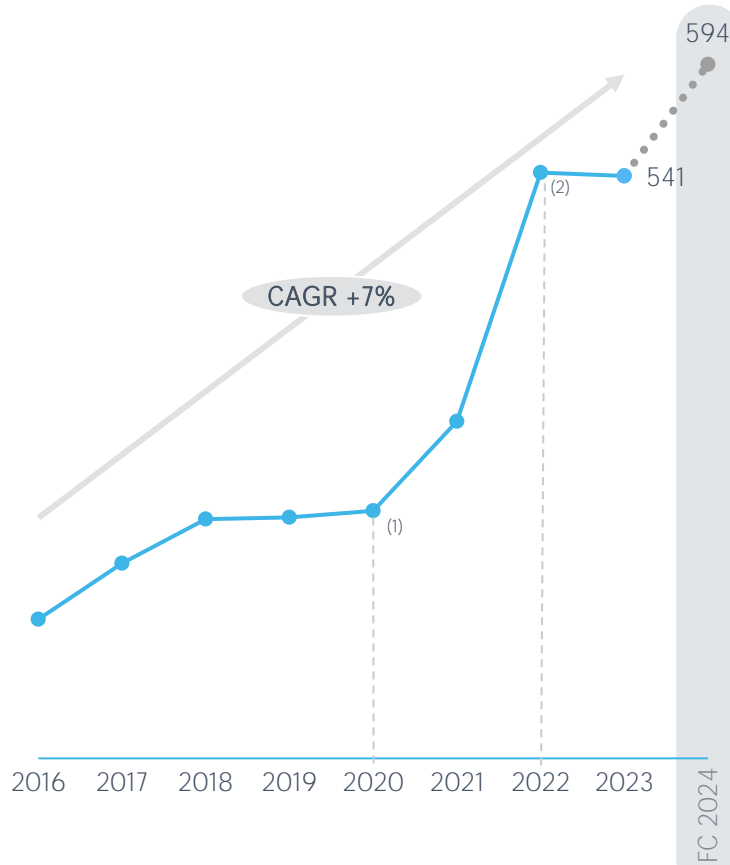
Supplementary Company Information

# ALZCHEM GROUP AG

## KEY FACTS

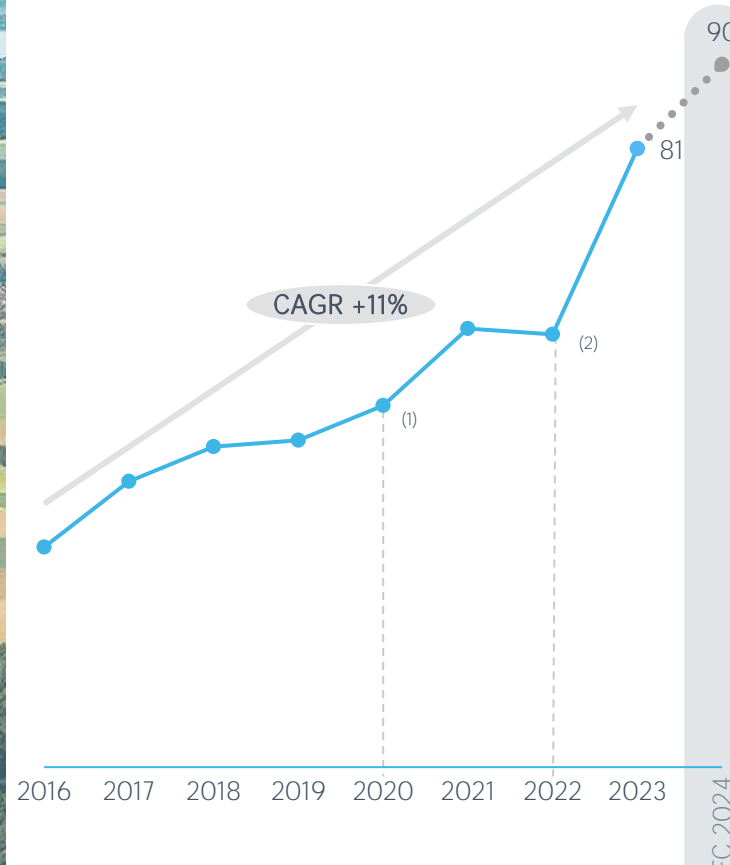


### SALES GROWTH



(1) 2020 COVID-19 pandemic start  
(2) 2022 Ukraine war

### EBITDA GROWTH



(1) 2020 COVID-19 pandemic start  
(2) 2022 Ukraine war

- Established in 1908
- Specialty chemicals company in Germany based on the calcium carbide chain
- Global sales and distribution network
- Headcount 2023: 1,689 (2022: 1,677)

# EXECUTIVE TEAM

## Alzchem Group AG



### DR. GEORG WEICHSELBAUMER CSO

WITH ALZCHEM SINCE 2012

AREAS OF RESPONSIBILITY  
Marketing, Sales, Innovation  
management & process development,  
R&D, product safety/approval

### ANDREAS NIEDERMAIER CEO

WITH ALZCHEM SINCE 1999

AREAS OF RESPONSIBILITY  
Corporate strategy, ESG,  
risk management, legal/patents &  
trademarks, supply chain management

### KLAUS ENGLMAIER COO

WITH ALZCHEM SINCE 1988

AREAS OF RESPONSIBILITY  
Production, engineering, environmental  
protection/safety/health/quality, technology

### ANDREAS LÖSLER CFO

WITH ALZCHEM SINCE 2022

AREAS OF RESPONSIBILITY  
Finance & Controlling, Investor  
Relations & Communications,  
Human Resources, Insurance,  
Information Technology

# OUR HISTORY

## Innovative since 1908



Founding of the  
Bayerische Stickstoff-  
Werke AG in Munich

Listing of SKW  
Troostberg AG as  
a public company

Founding of the  
Alzchem Group

Acquisition of  
Nordic  
Carbide AB

Commissioning of  
Creamino® and  
NITRALZ® production  
expansions  
(appr. 60 m.€)

Continuous  
increase in  
creatine capacity

Best fiscal year  
for Alzchem

1908

1978

1995

2001

2006

2009

2014

2017

2019

2022

2023

Change of company  
name to SKW  
Troostberg AG

Merger of  
Degussa-Hüls AG  
with SKW Troostberg  
AG to form the new  
Degussa AG

bluO Fonds  
becomes new  
shareholder

IPO Alzchem  
Group AG

Commissioning  
of creatine  
capacity  
(appr. 13 m.€)



# KEY SHARE DATA

## Share Details as of February 28, 2024



SHARES OUTSTANDING 10,176,335

LAST CLOSING PRICE EUR 25.80

MARKET CAPITALIZATION EUR 263 m

TICKER ACT

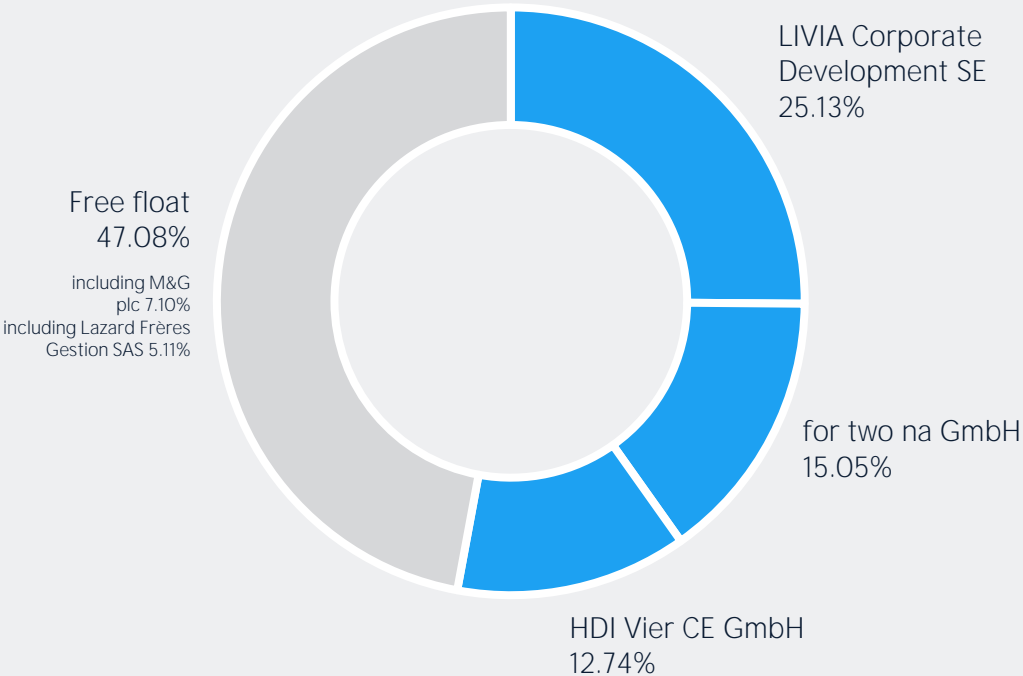
WKN A2YNT3

ISIN DE000A2YNT30

LISTING Frankfurt Stock Exchange – Prime Standard

DESIGNATED SPONSOR Baader Bank AG  
ODDO BHF Corporate & Markets AG

## SHAREHOLDER STRUCTURE



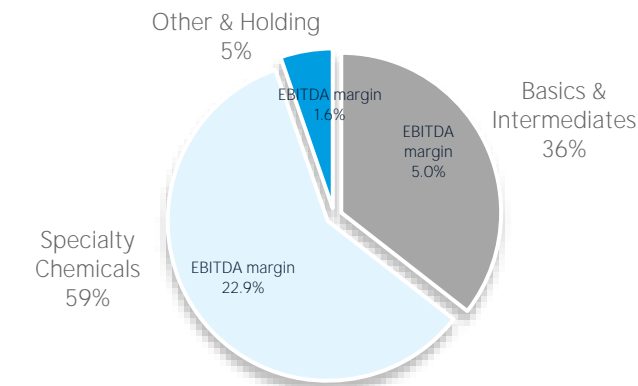
As of May 2023. The information on the shareholders is based on the figures reported to us by them. Data regarding the free float are provided in accordance with section 2.3 of the "Guide to the DAX Equity Indices."

# ALZCHEM AT A GLANCE II

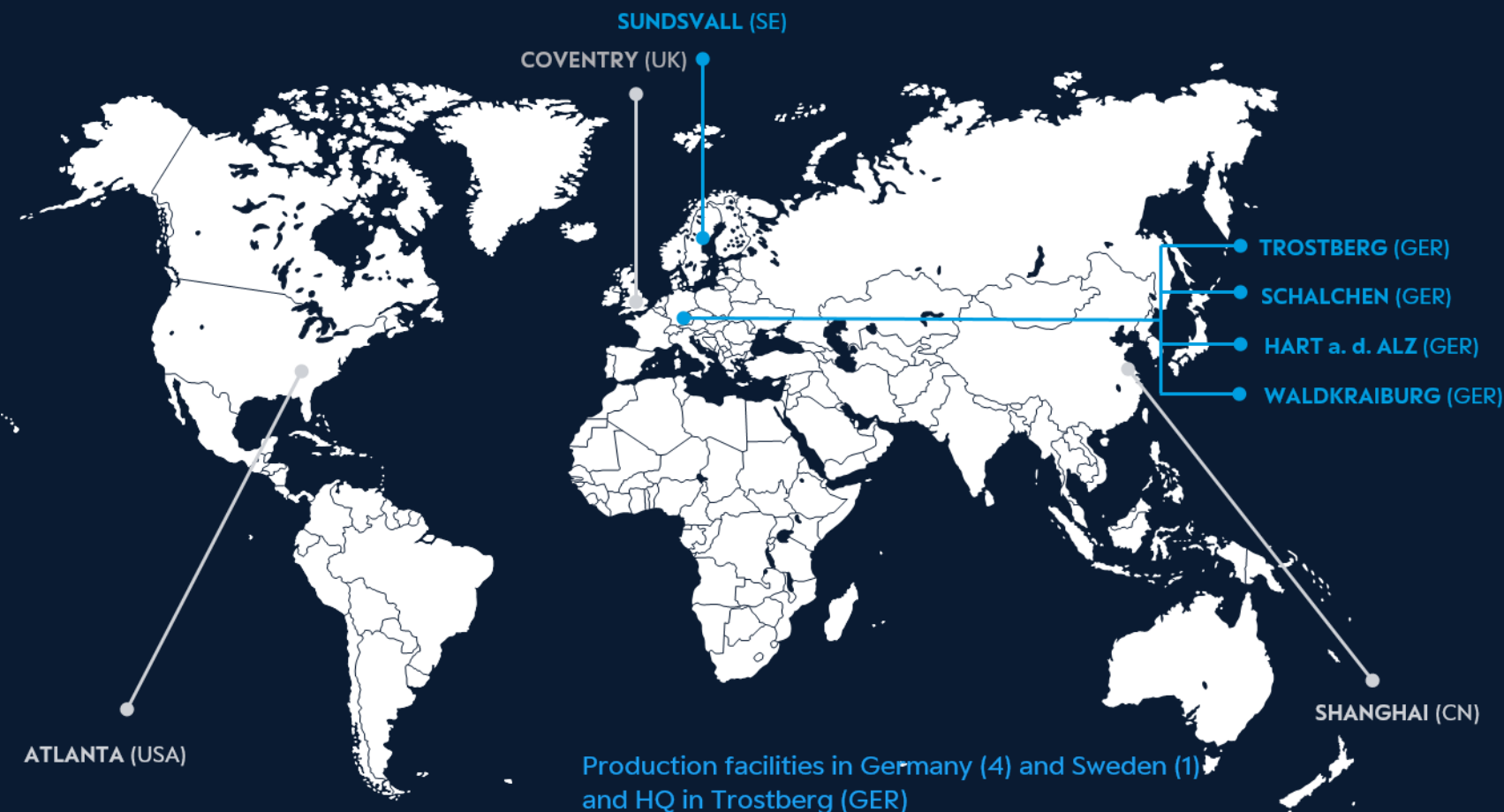
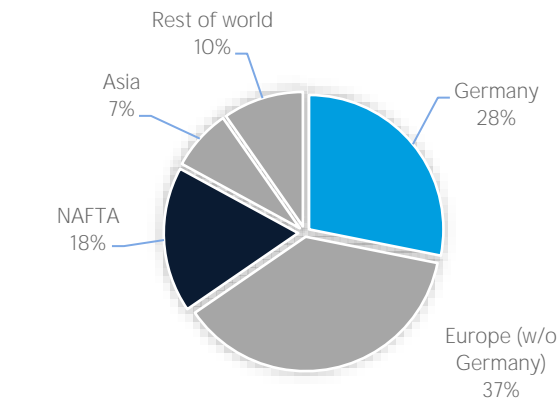
## Global market leader in selected niches



### SALES SPLIT OF OUR PRODUCT SEGMENTS<sup>(1)</sup>



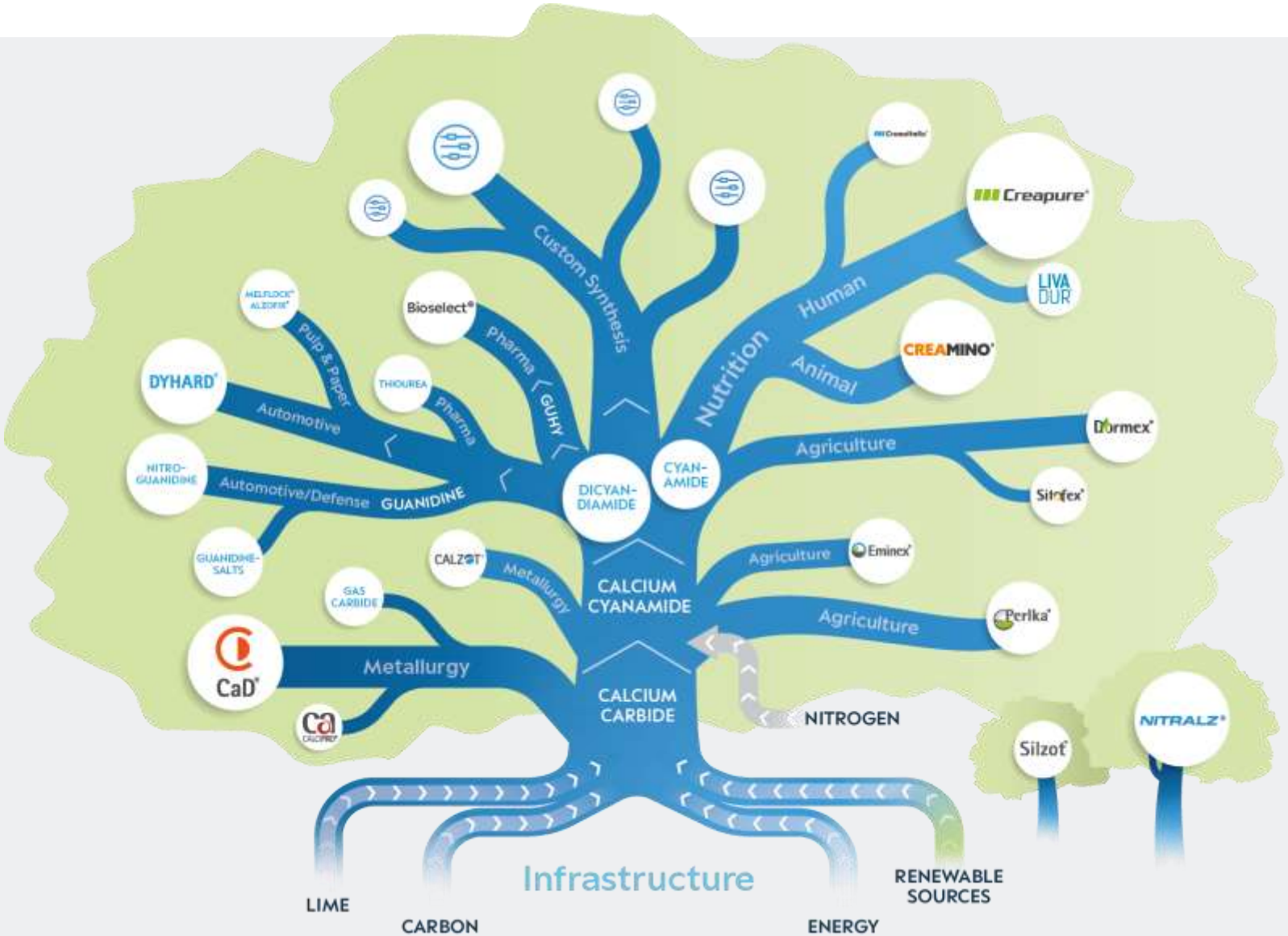
### REGIONAL SALES SPLIT<sup>(1)</sup>



<sup>(1)</sup> YTD 12.2023

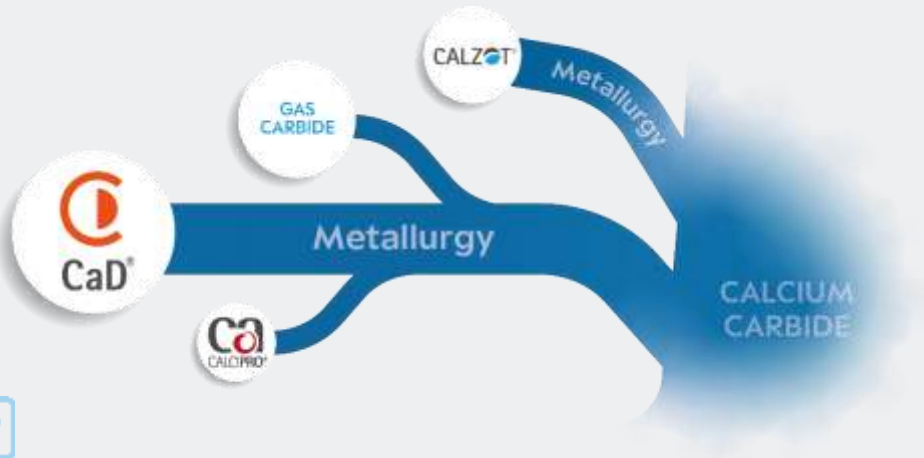
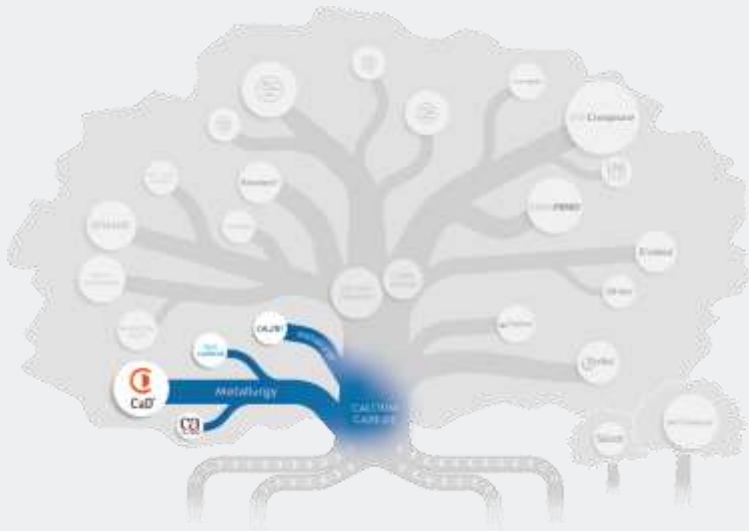
# “VERBUND” SYSTEM – FULLY INTEGRATED BUSINESS MODEL

Ability to adapt production to meet changing end market needs



# “VERBUND” SYSTEM – FULLY INTEGRATED BUSINESS MODEL

## Metallurgy



Calcium carbide-based mixtures for hot metal desulphurization



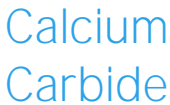
Calcium Carbide raw material for high gas yield in the production of acetylene



Cored wire for Calcium treatment and desulfurization based on Calcium Carbide



Efficient additive for the nitridation of steels based on Calcium Cyanamide

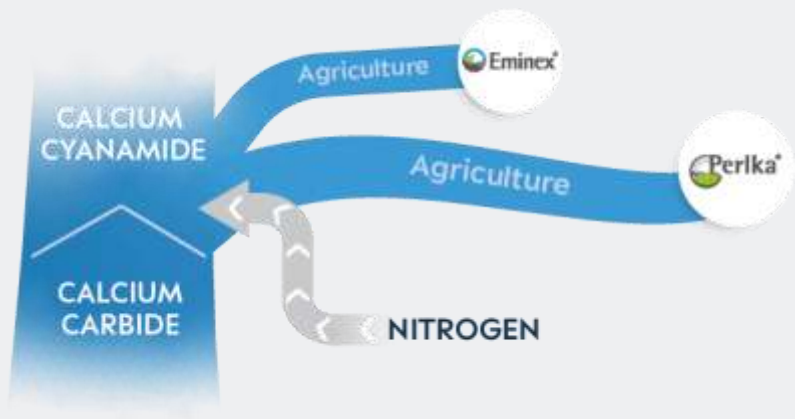
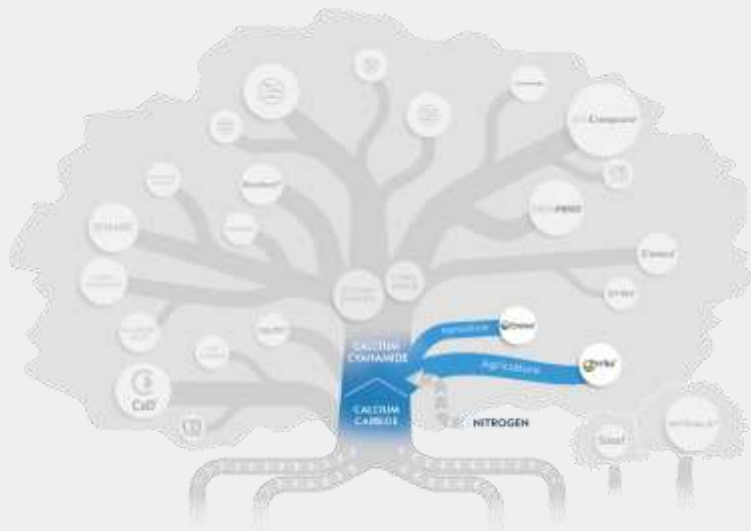


Additive for deoxidation, desulfurization and slag reduction



# "VERBUND" SYSTEM – FULLY INTEGRATED BUSINESS MODEL

## Agriculture



Reduction of methane emissions during storage of manure

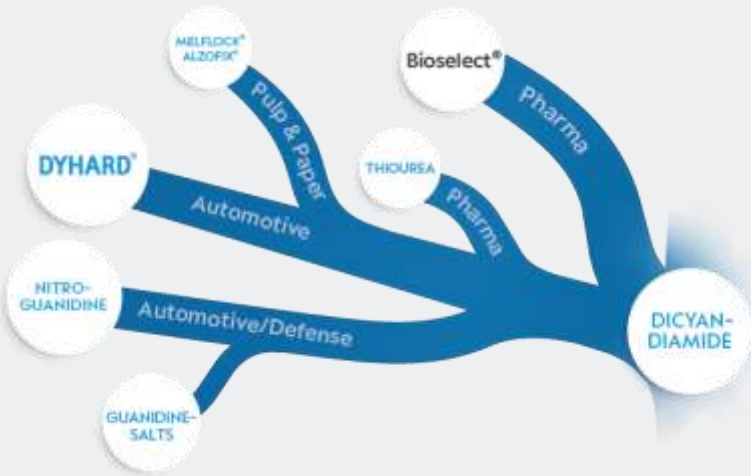
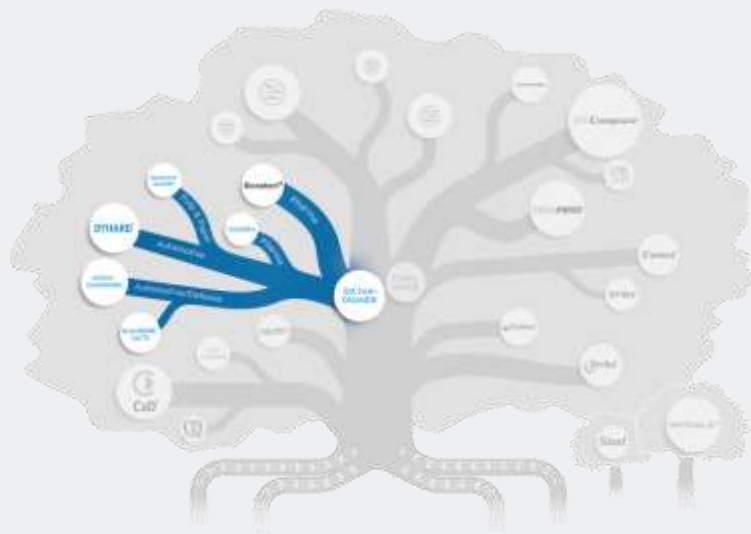


Special calcium cyanamide multi-effect fertilizer



# "VERBUND" SYSTEM – FULLY INTEGRATED BUSINESS MODEL

## Fine Chemicals and Pharma



Bioselect®

Highly purified form of guanidine salts



DYHARD®

Hardeners and accelerators in powder, paste and liquid form



DCD FOR METFORMIN

Versatile intermediate in various markets including the pharmaceutical industry



GUANIDINE-SALTS

Fuel for airbags, key production of the intermediate product



NITRO-GUANIDINE

Intermediates for explosives and agrochemical products



MELFLOCK® ALZOFIX®

Applications in waste water treatment, paper, textile and leather industry



THIOUREA

Various applications incl. flotation agent and pharmaceutical raw material



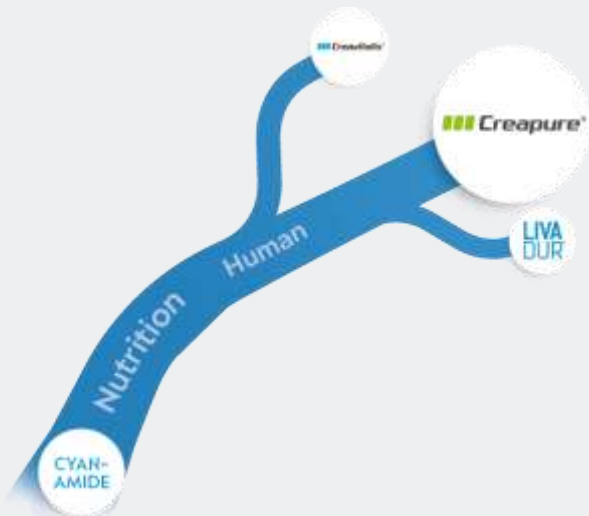
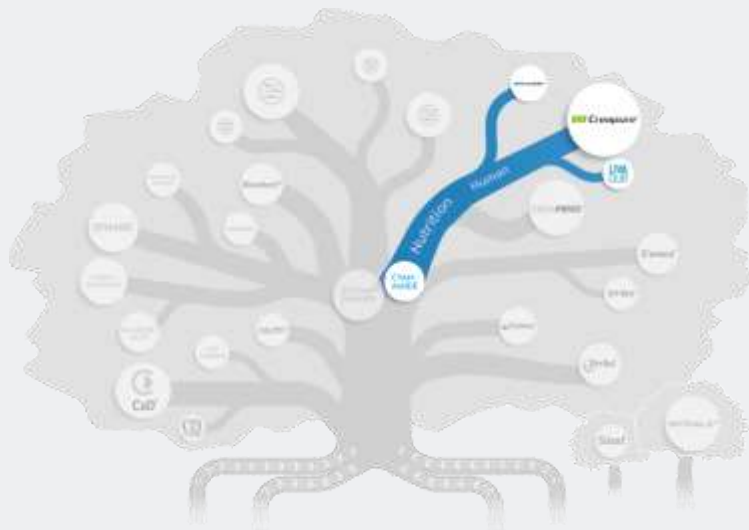


Continuous improvement based on 100 years of process Know How delivers the basis for profitable growth



# “VERBUND” SYSTEM – FULLY INTEGRATED BUSINESS MODEL

## Health & Nutrition



Premium brand for creatine monohydrate as a food supplement in sports nutrition

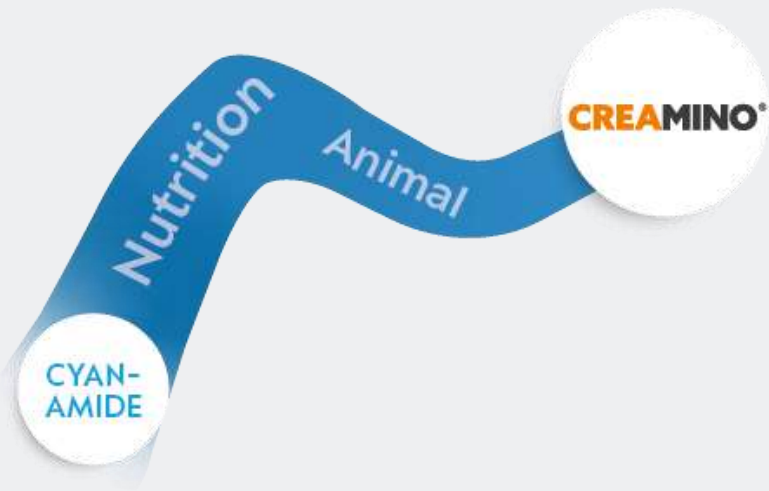


Dietary supplement with pure creatine



Creatine for health and food applications



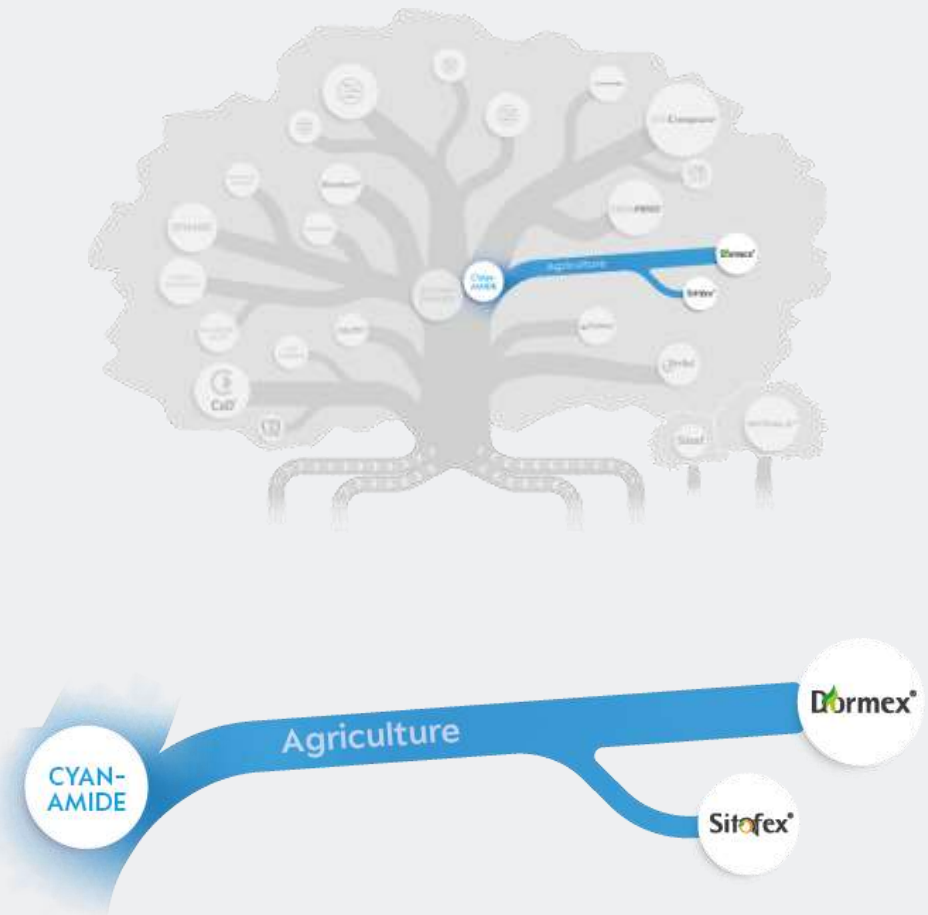


## A feed additive for broilers and pigs



# "VERBUND" SYSTEM – FULLY INTEGRATED BUSINESS MODEL

## Agriculture



Plant growth regulator used in fruit production

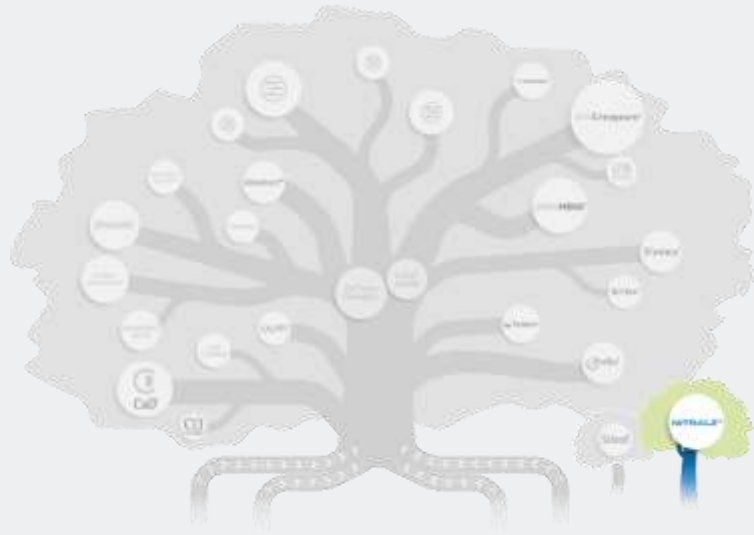


Plant growth regulator used in fruit production



# "VERBUND" SYSTEM – FULLY INTEGRATED BUSINESS MODEL

Nitralz®



## **NITRALZ®** PIGMENTS

Various nitriles as essential intermediates for high performance pigments and phthalocyanine pigments



## **NITRALZ®** AGROCHEMICALS

Different nitriles are important raw materials for agricultural products, like special fungicides, insecticides and herbicides



## **NITRALZ®** PHARMACEUTICALS

Nitriles products are used as **intermediates for different API's** (active pharmaceutical ingredients)



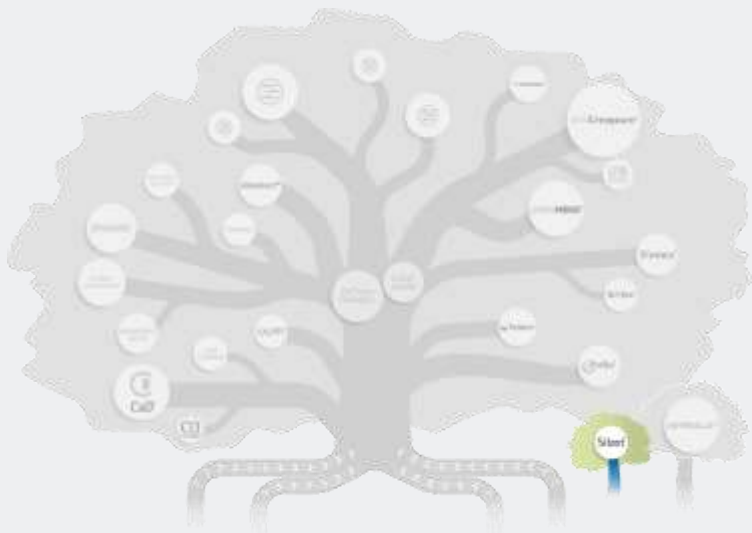
## **NITRALZ®** BIOCIDES

Nitriles are an essential raw material for the production of the versatile biocide "Benzisothiazolinone"



# “VERBUND” SYSTEM – FULLY INTEGRATED BUSINESS MODEL

Silzot®



Silicon nitride for advanced ceramics



Growth trend in electromobility

Silicon nitride is perfectly suited for use in high-performance electronics due to its outstanding insulation properties and extremely high thermal conductivity





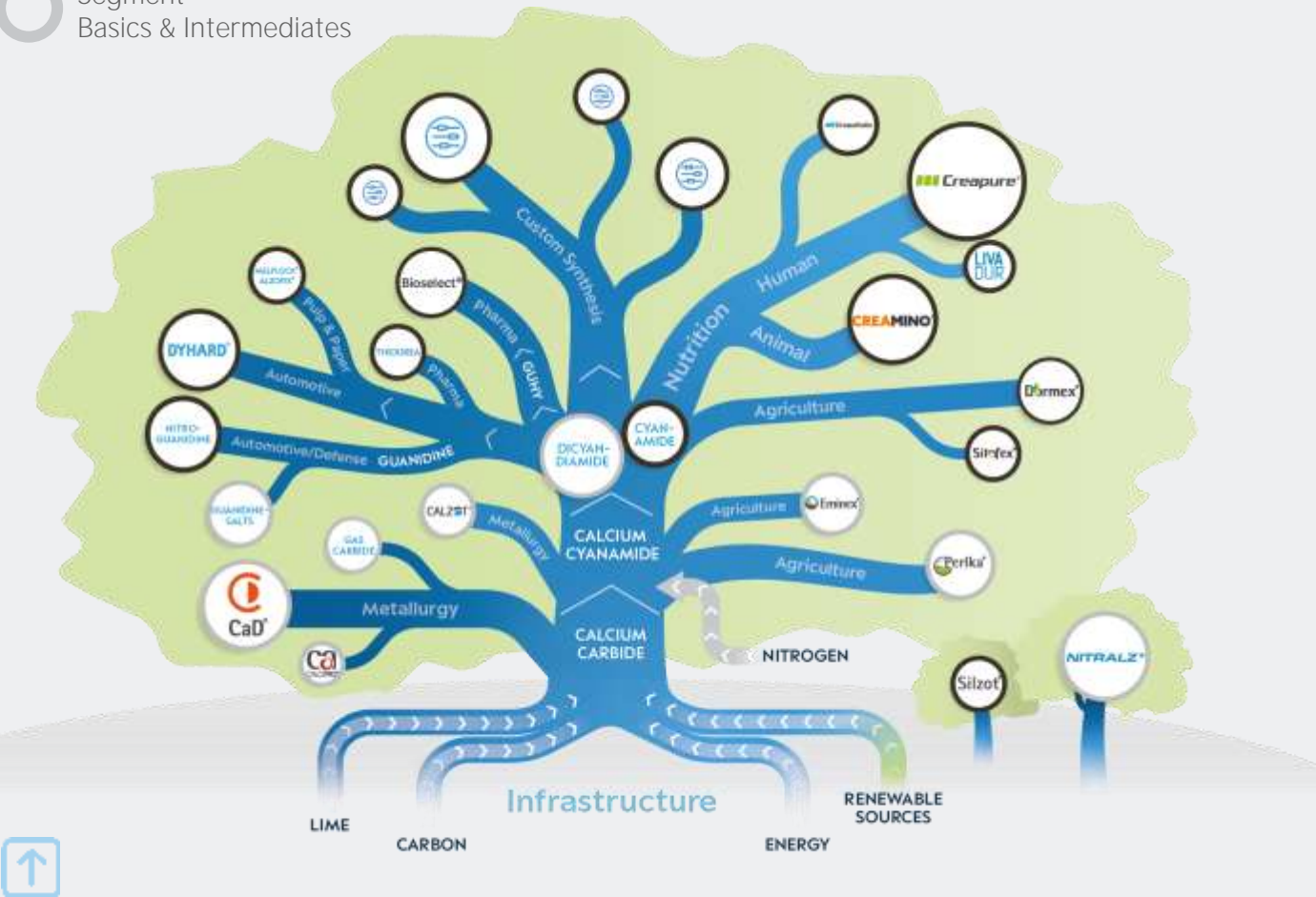


# BUSINESS MODEL

Vertically integrated production of chemical products based on the NCN chain



- Segment Specialty Chemicals
- Segment Basics & Intermediates



## BENEFITS OF “VERBUND”

- Full control of product quality and specifications
- Lower costs
- Higher financial predictability
- Certainty of supply
- Well positioned to address niche markets
- Business model based on future technology electricity - no transfer investment (gas) necessary
- Low carbon footprint

## MEGATRENDS AS GROWTH DRIVERS



POPULATION GROWTH



LONGER LIFE EXPECTANCY



CLIMATE CHANGE



SUSTAINABILITY

# SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

## Tradition meets sustainability



Excellent dealing with people and the environment

Successful reduction of the annual CO<sub>2</sub> emissions by approx. 50,000 tons\*

Spending of approx. 24 M€\* **in the protection of the environment**

Successful audits of the Trostberg site by the industry initiative **"Together for Sustainability"**

Commitment to compliance with responsible care guidelines

# RESILIENT BUSINESS MODEL

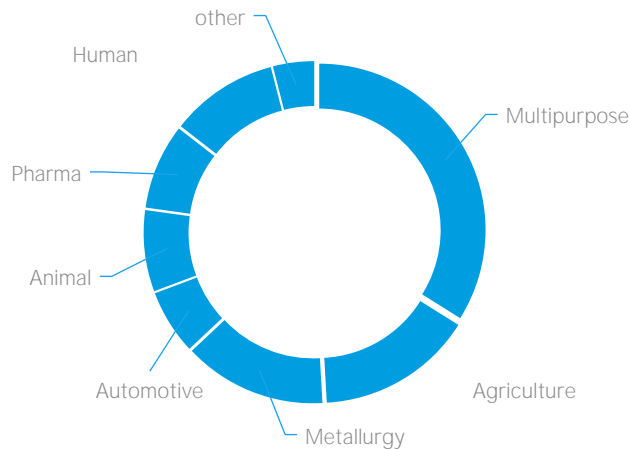
Diversified end markets on a global scale, broad customer base & low dependence on suppliers



## PRODUCTS & MARKETS

Diversified product portfolio for satisfying diversified end markets on a global scale

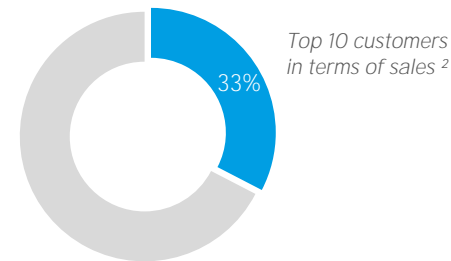
Unrelated end markets & products <sup>1</sup>



RESILIENCE OF BUSINESS / LOW CYCLICALITY

## CUSTOMERS

Diversified customer base with long-term relationships

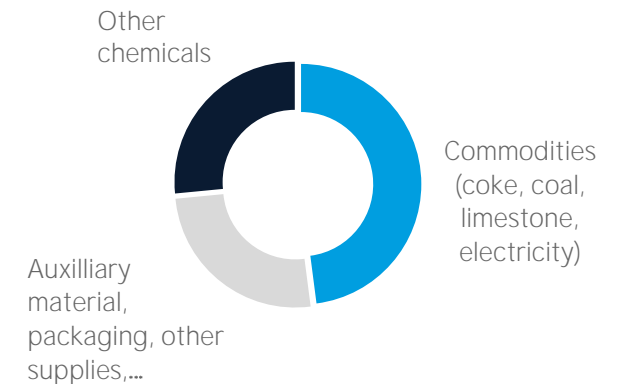


- Long-standing relationships with key customers due to exclusive distribution contracts
- Availability of potential alternative distribution partners and channels for most products mitigates risk of concentration

INDEPENDENCY / DIVERSIFICATION

## SUPPLIERS

Inputs are mainly commodities such as coke, limestone and electricity ("Verbund" system)



Low dependence on suppliers due to nature of raw materials

INDEPENDENCY / SECURITY OF SUPPLY

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# KEY INVESTMENT HIGHLIGHTS

Leading positions in selected Specialty niche markets supported by global developments



Leading Market Positions in Selected Niches

Strong Barriers to Entry

R&D is a Driver of Growth



Growth Supported by global developments

Well Positioned to Capture Future Growth

# I. LEADING MARKET POSITIONS

## In Selected Niches / Products



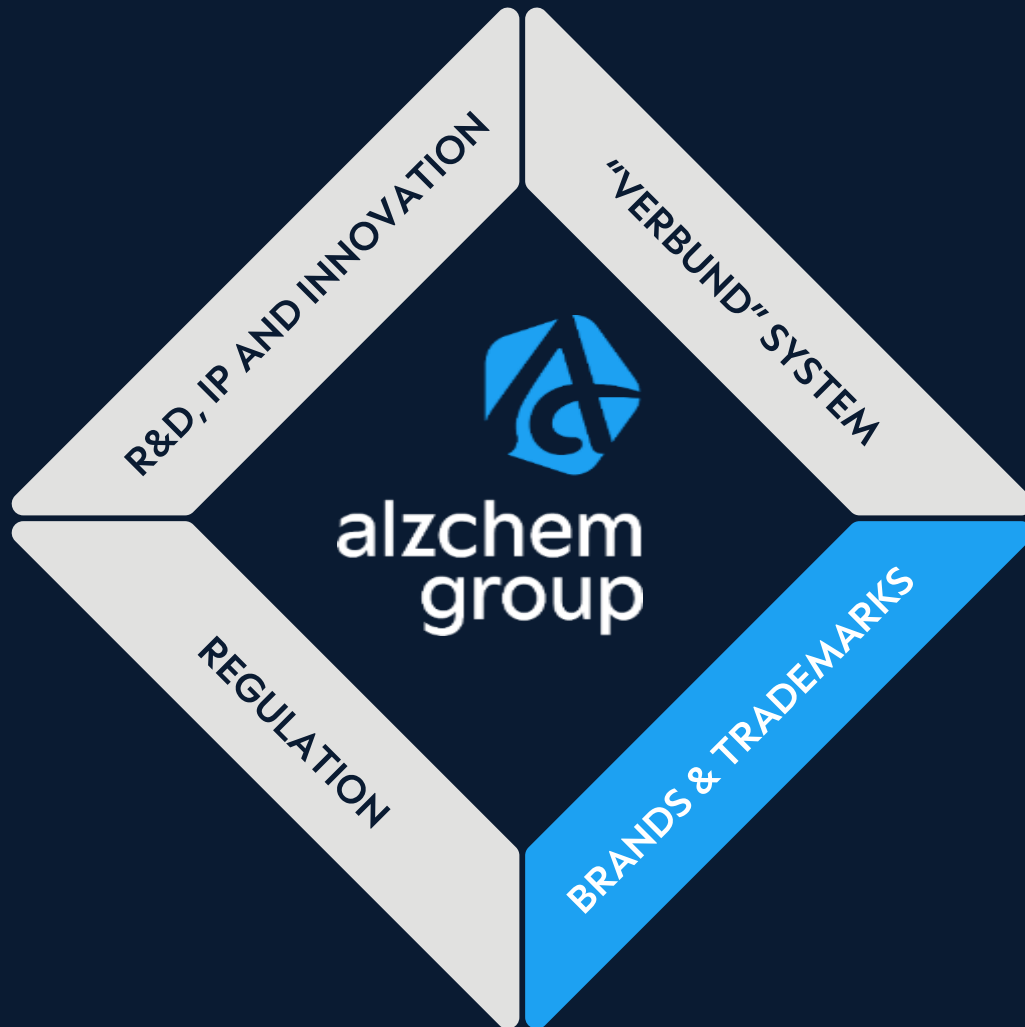
	1-12/2023 SEGMENT SPLITS	GLOBAL MARKET POSITION <sup>(1)</sup>	SELECTED KEY BRANDS	DESCRIPTION	END-MARKETS
SPECIALTY CHEMICALS	<p>Net Sales</p>  <p>59%</p> <p>EBITDA Margin: 22.9%</p>	Top 1	<b>CREAMINO<sup>®</sup></b>	A nutritional additive for poultry and pigs	 Feed additive
		Top 1	 <b>Creapure<sup>®</sup></b>	Premium brand for Creatine monohydrate used as supplements in sports nutrition	 Dietary supplement
		Top 1	 <b>Dormex<sup>®</sup></b>	Plant growth regulator used in fruit production	 Agriculture
		Top 1	<b>Bioselect<sup>®</sup></b>	Highly purified form of guanidine salts	 Pharma/API
		Top 1 <sup>(2)</sup>	<b>Nitroguanidine</b>	Intermediates for explosives and agrochemical products	 Agriculture Automotive Defense
BASICS & INTERMEDIATES	<p>Net Sales</p>  <p>36%</p> <p>EBITDA Margin: 5.0%</p>	Top 1 <sup>(3)</sup>	 <b>CaD<sup>®</sup></b>	Calcium carbide-based process chemical for hot metal desulfurization	 Steel industry
		Top 1	<b>Guanidine Salts</b>	Gas generator for air bags, key production intermediate	 Airbags Agrochemicals
		Top 3	<b>NITRALZ<sup>®</sup></b>	High quality aliphatic and aromatic nitriles via gas phase technology	 Pharma Agriculture Biocides Pigments

<sup>(1)</sup> Based on company data; <sup>(2)</sup> Western world; <sup>(3)</sup> European market leader



# STRONG BARRIERS TO ENTRY

Protecting margins and creating a high degree of resilience



## BRANDS & TRADEMARKS

 **Creapure®**

**DYHARD®**

**CREAMINO®**

 **Eminex®**

**Bioselect®**

 **Dormex®**

# STRONG BARRIERS TO ENTRY

Protecting margins and creating a high degree of resilience

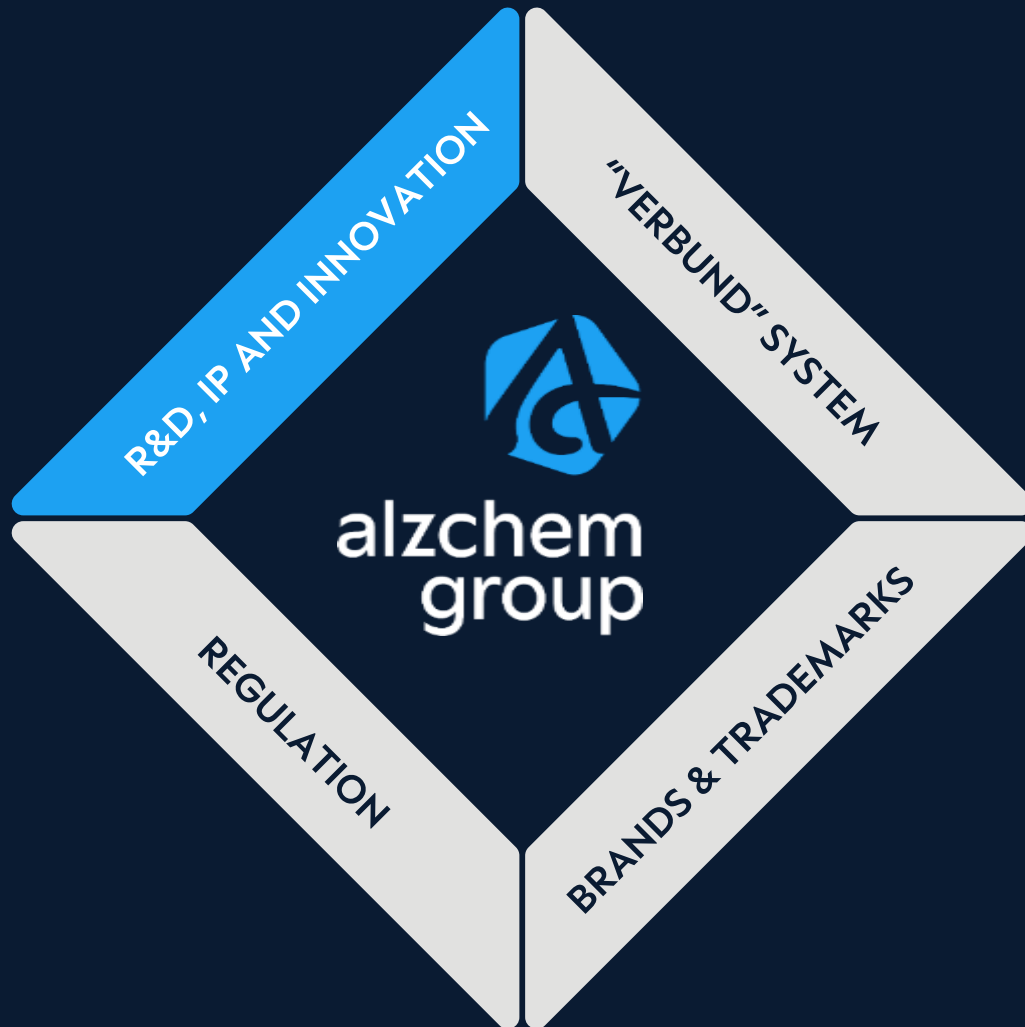


## REGULATION



## II. STRONG BARRIERS TO ENTRY

Protecting margins and creating a high degree of resilience



### R&D, IP AND INNOVATION

- Process know-how
- Specialisation in carbide based chemicals
- R&D activities directed towards Specialty Chemicals
- 67 patent families



## II. STRONG BARRIERS TO ENTRY

Protecting margins and creating a high degree of resilience



### “VERBUND” SYSTEM



### BRANDS & TRADEMARKS

**Creapure®**

**DYHARD®**

**CREAMINO®**

**Eminex®**

**Bioselect®**

**Dormex®**

### REGULATION



### R&D, IP AND INNOVATION

- Process know-how
- Specialization in carbide based chemicals
- R&D activities directed towards Specialty Chemicals
- ~ 70 patent families

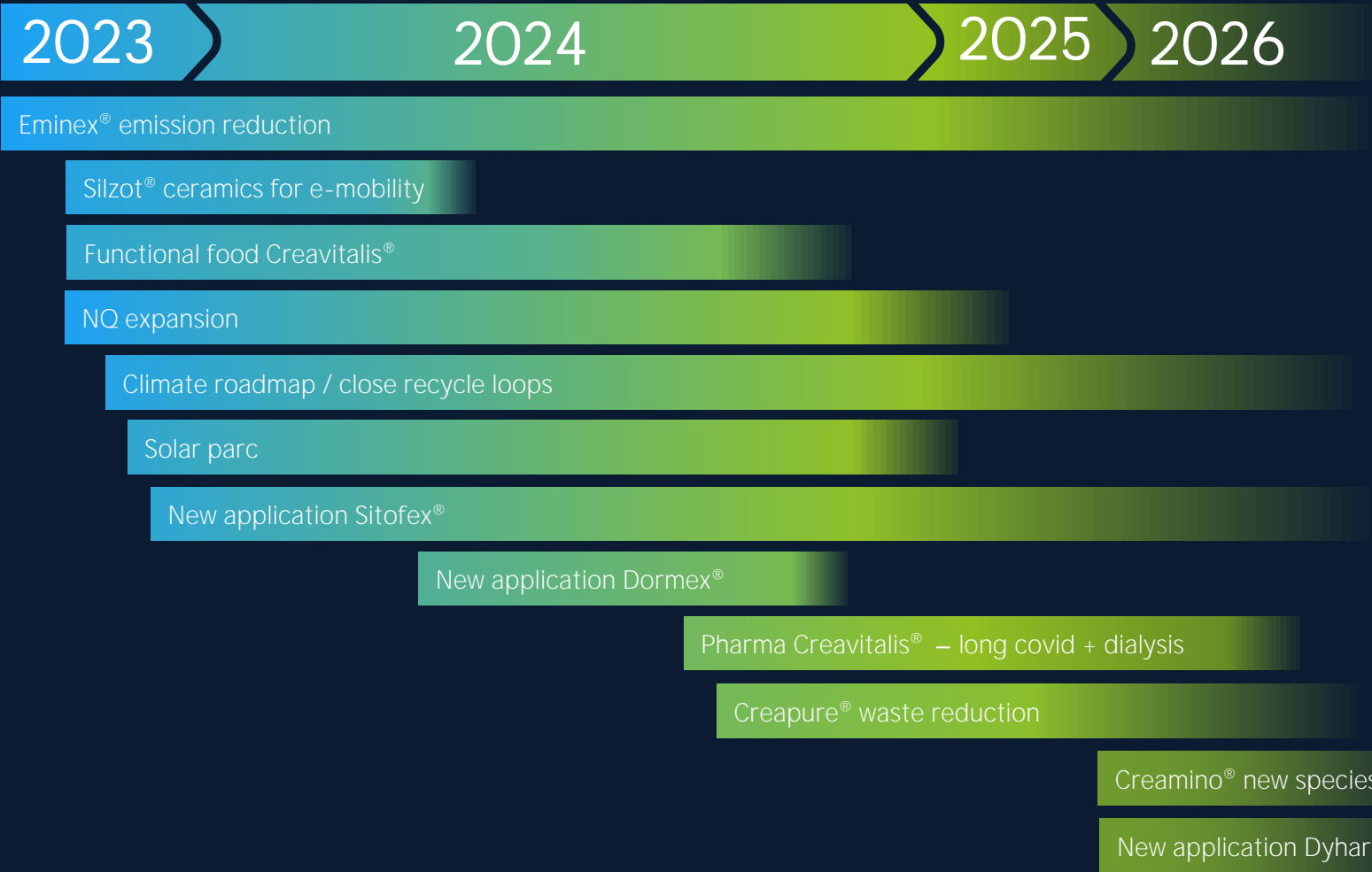


# III. R&D IS A DRIVER OF GROWTH

## Investment strategy with a strong focus on R&D



### MANAGEMENT ESTIMATES



### R&D AS OUR FOUNDATION

100 team members for research & development

### NEW ASSETS IN PLACE

> €300m investments 2013 – 2023 to support growth

## IV. GROWTH SUPPORTED BY GLOBAL DEVELOPMENTS

Highly specialized products supported by lasting megatrends



POPULATION  
GROWTH

**CREAMINO<sup>®</sup>**

**Dormex<sup>®</sup>**

**Perlka<sup>®</sup>**



LONGER LIFE  
EXPECTANCY

**Creapure<sup>®</sup>**

**Bioselect<sup>®</sup>**

PHARMA MATERIALS

**LIVA  
DUR<sup>®</sup>**



CLIMATE  
CHANGE

**DYHARD<sup>®</sup>**

**Eminex<sup>®</sup>**

**Silzot<sup>®</sup>**



# SUSTAINABILITY

# V. WELL POSITIONED TO CAPTURE FUTURE GROWTH

## Potential for high market growth for Alzchem's key products



- ✓ Leading market positions in selected niches
  - ✓ Strong barriers to entry
  - ✓ R&D is a driver of growth
  - ✓ Growth supported by global developments
- Well positioned to capture future growth



- Creatine for sports & health nutrition, functional food and health



- Plant growth regulators
- Dormex® is the dominating cyanamide product in horticultural applications



- Raw materials for a variety of end markets (pharma, agro, biocides, pigments)



- The only supplemental creatine source for broiler nutrition
- Largest supplier of GAA



- Only existing production plant outside of China
- Cost competitiveness due to the Alzchem "Verbund" system
- Highest quality, Made in Germany



- Calcium Cyanamide changes agriculture
- Nitrogen efficiency
- Emission reduction (CH<sub>4</sub> – CO<sub>2</sub> Eq.)

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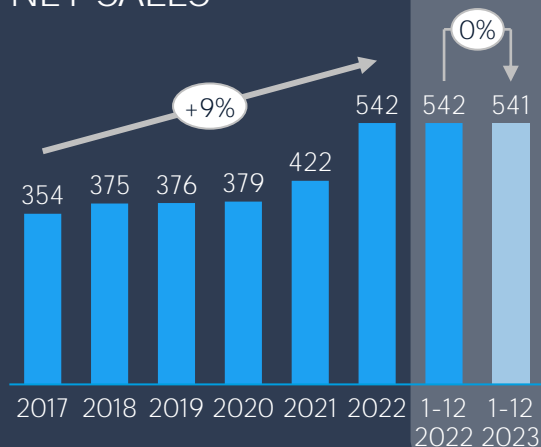
Supplementary Company Information

# KEY FINANCIALS

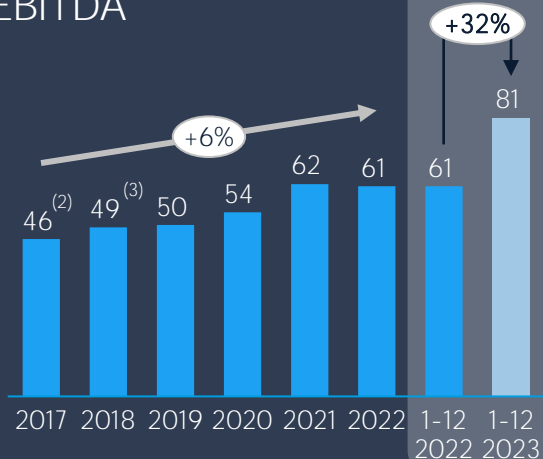
## Development in key figures<sup>(1)</sup>



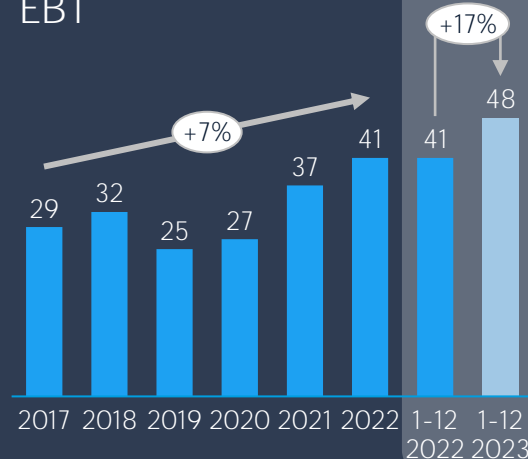
### NET SALES



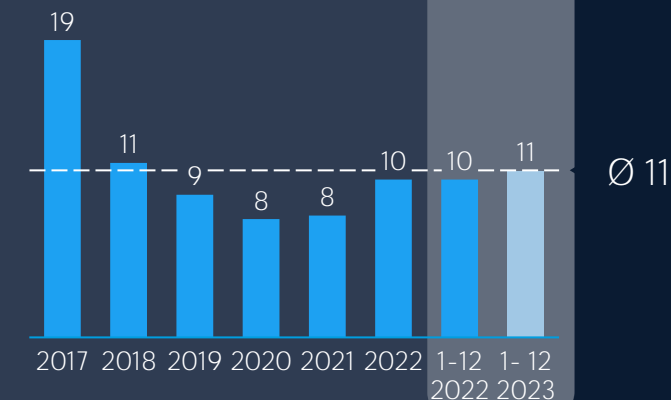
### EBITDA



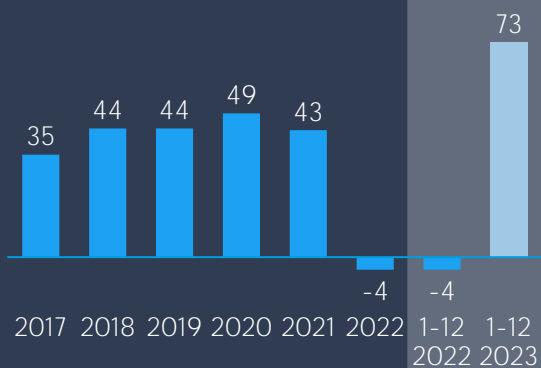
### EBT



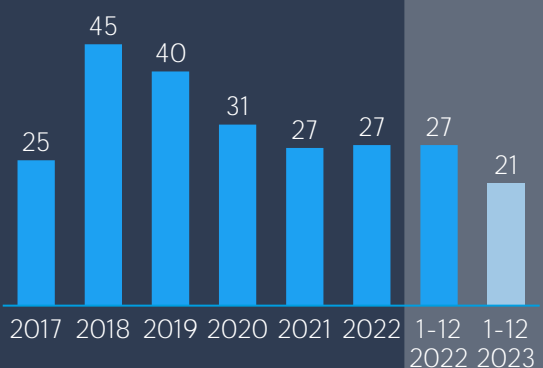
### DIVIDENDS



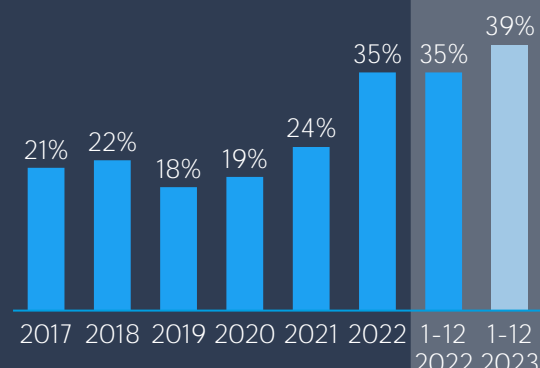
### OPERATING CASHFLOW



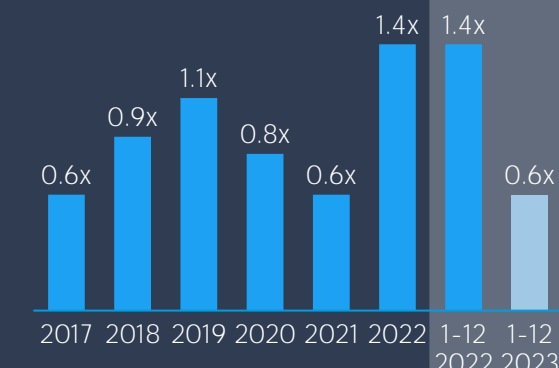
### NET INVEST.<sup>(4)</sup>



### EQUITY RATIO



### NET FINANCIAL DEBT / EBITDA



1) All figures in M€; (2) Adjusted by a non-operational, one-time IPO-provision of € 6.3m; (3) Adjusted by € 2.0m IPO costs; (4) Posted invoices

# IMPLEMENTING OPERATING TARGETS 2024

## Focus on the key growth drivers and sustainability



### IMPROVEMENT

- Pass on raw material price increases to the market
- Flexibilization of production and processes
- Volume growth & full capacity utilization



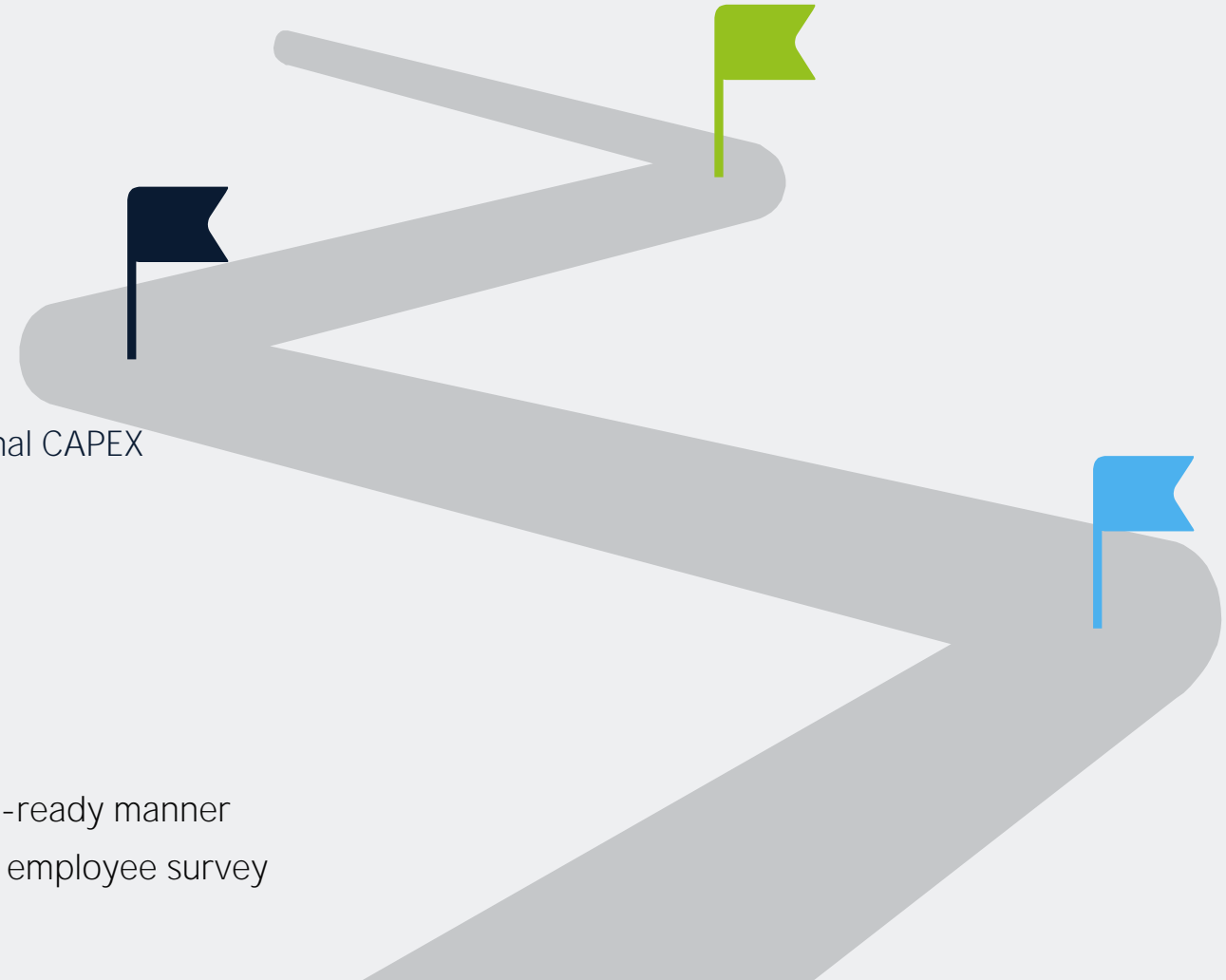
### GROWTH

- Increase the availability of Creamino® worldwide
- Examine growth opportunities in USA
- Accompany market growth of Creapure® through additional CAPEX
- Embed Eminex® on the certificate market



### SUSTAINABILITY

- Vision 0 accidents and 0 waste
- Realization of climate roadmap
- Implement EU Taxonomy Regulation and CSRD in an audit-ready manner
- Enjoyment of work – realization of the feedback from the employee survey

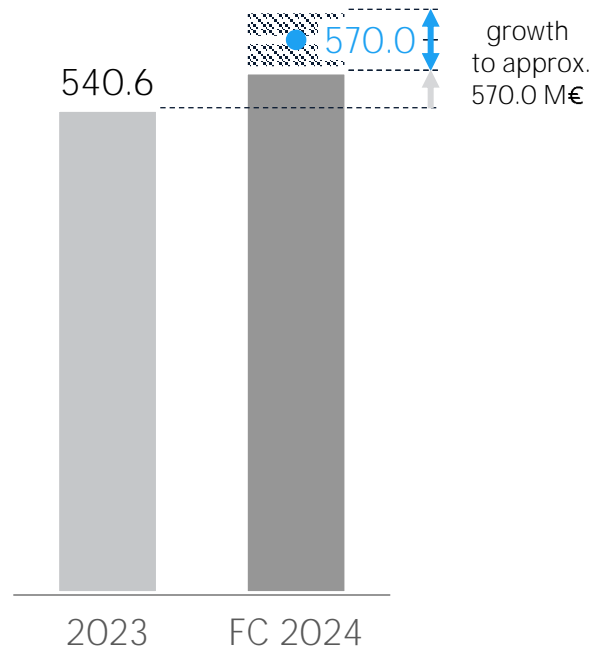


# OUTLOOK 2024 (in M€)

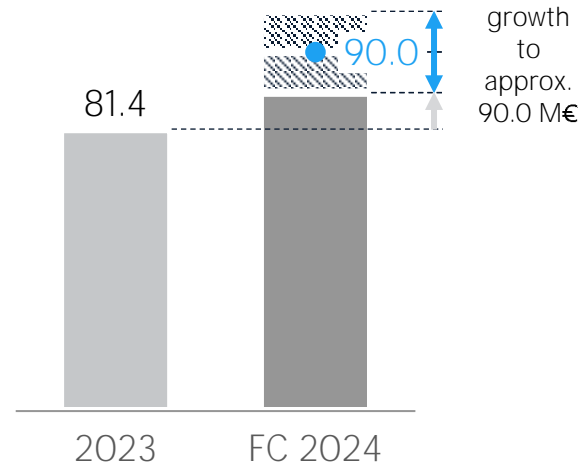
Further growth in sales, EBITDA and EBITDA-margin expected



## SALES



## EBITDA



## COMMENTS

- The Outlook is based on following assumptions:
  - ✓ No occurrence of a global recession
  - ✓ Price development of costs for raw materials, logistics and electricity stable at the level of the last quarter of 2023
  - ✓ Existing product registrations remain in place, new registrations applied for to be granted
  - ✓ Availability of raw materials and logistics
  - ✓ Ukraine war does not deliver further interruptions
- Products in Specialty chemicals continue to be the growth driver of Alzchem in sales and EBITDA
  - ✓ Creapure®, Creamino® and Nitroguanidin will support growth in volume, sales and EBITDA
- Sales in the Basics & Intermediates segment decline slightly, mainly due to price formulas
- Sales shift into Specialty Chemicals will also contribute to an increase in overall group EBITDA-margin – up to 15,8% from

# FINANCIAL CALENDAR

## Upcoming dates\*



APR 4	2024	Baader Bank Roadshow Paris
APR 30	2024	Quarterly Statement 1 <sup>st</sup> Quarter 2024
MAY 7	2024	Annual General Meeting
MAY 13-15	2024	Frühjahrskonferenz
AUG 1	2024	Quarterly Statement 2 <sup>nd</sup> Quarter 2024
SEP 25	2024	Berenberg and Goldman Sachs German Corporate Conference
SEP	2024	Baader Investment Conference
NOV 7	2024	Quarterly Statement 3 <sup>th</sup> Quarter 2024
NOV 13	2024	Münchner Kapitalmarkt Konferenz
NOV 25-26	2024	Deutsches Eigenkapitalforum

\*subject to change

# FEEDBACK

We appreciate your feedback



Were your expectations met?  
Are you missing any content?

WE APPRECIATE YOUR FEEDBACK!

[Link](#)



AGILE SCIENCE  
PURE RESULTS

alzchem  
group



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