

CORPORATE NEWS

Alzchem Group AG
Dr.-Albert-Frank-Str. 32
83308 Trostberg
Germany

www.alzchem.com

Sabine Sieber
Head of Investor Relations &
Communications

T +49 8621 86-2888
F +49 8621 86-502888
ir@alzchem.com

Alzchem Group AG reports 36.4% EBITDA growth to EUR 76.8 million – strong earnings performance continues in the first nine months of 2024

Trostberg, November 7, 2024 – Alzchem Group AG, a globally active specialty chemicals company, continues its consistent transformation towards higher-margin specialty chemicals and was able to significantly increase all key earnings figures in the first nine months of 2024 compared to the same period of the previous year. Group EBITDA rose by 36.4% to EUR 76.8 million, which was reflected in a significantly higher EBITDA margin of 18.5% (previous year: 14.2%). It is encouraging to note that this positive earnings trend was not driven by the specialty chemicals business alone, but that the Basics & Intermediates segment also made a noticeable contribution. This segment achieved an EBITDA increase of 6.8%.

The Alzchem Group also grew in terms of Group sales, generating EUR 415.2 million in the first nine months of 2024, an increase of 4.4% year-on-year. This was largely due to the continued strength of the specialty chemicals business, which recorded a 13.4% rise in sales, more than offsetting the 10.5% decline in the Basics & Intermediates segment.

The consolidated result for the period rose significantly by 65.6% to EUR 39.1 million in the first nine months of 2024. Thanks to the increased profitability and the continued strict working capital management, the operating cash flow rose by 68.0% year-on-year to EUR 75.1 million. Free cash flow climbed significantly by 59.8% to EUR 48.7 million in the reporting period. Cash and cash equivalents increased from EUR 11.9 million as of December 31, 2023, to EUR 40.6 million.

Within the individual application areas, Human Nutrition (Creapure®), Animal Nutrition (Creamino®) and Defense (Nitroguanidine) performed particularly well. Products in the Pharma (Bioselect®, due to the general trend towards customized, individually tailored DNA analysis) and Automotive (DYHARD®, due to its increasing use in lightweight construction) segments also enjoyed strong demand. In addition, the agriculture segment recorded a positive trend with the fertilizer Perlka® as a result of a significant recovery in demand. By contrast, the Custom Manufacturing segment (multi-purpose plants) due to the effects of the general chemical industry and the NITRALZ® business due to the highly price-driven competition from China remained challenging.

Andreas Niedermaier, CEO of Alzchem Group AG: “Our transformation towards higher-margin specialty chemicals is largely responsible for the fact that we were able to seamlessly continue our strong earnings performance in the first nine months of 2024. At the same time, this also enables us to achieve the targeted Scope 2 savings much faster than originally planned.

AGILE SCIENCE PURE RESULTS

Currently, it is already -19.1%. We also view our first-time award of the Platinum Medal for sustainable corporate governance as a positive. This places Alzchem among the top 1 percent of companies worldwide evaluated by EcoVadis. Looking ahead to the full year 2024, we continue to see ourselves on the right track, enabling us to confirm our guidance.”

For the fiscal year 2024, consolidated sales are expected to grow to around EUR 570 million, with the trend pointing to the lower end of the forecast range due to the conscious decision to avoid low-margin business. EBITDA is still expected to increase to over EUR 100 million. By contrast, with the increased focus on products in the Specialty Chemicals segment, the EBITDA margin will be slightly above the forecast 17.5%.

The detailed quarterly statement 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 offers answers to various global developments such as climate change, population growth and increasing life expectancy. We deliver solutions through brands and products of the highest quality and through a sustainable vision to help shape global developments.

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.