

CORPORATE NEWS

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

www.alzchem.com

AlzChem with positive business development in the first nine months of 2017

- **9-month sales of EUR 272.7 million up 8.9% on the previous year (EUR 250.5 million)**
- **Adjusted EBITDA¹ of EUR 40.5 million approximately 13% up on the previous year (EUR 35.9 million); adjusted EBITDA margin at 14.9%**
- **Production capacity for the feed additive CreAMINO® to triple²**

Sabine Sieber
Investor Relations

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

Trostberg, November 14, 2017 – In the first nine months of 2017, AlzChem AG, an operating subsidiary of AlzChem Group AG (WKN: A0AHT4) that has been listed since the beginning of October 2017, reported a positive development in terms of both its revenue and its adjusted result before interest, taxes, depreciation and amortization (EBITDA). The vertically integrated specialty chemicals supplier with a leading market position in select niche markets thus succeeded in increasing its revenue level by 8.9% to a total of EUR 272.7 million (9M 2016: EUR 250.5 million). At EUR 40.5 million, adjusted EBITDA improved by 13.0% compared to the prior-year figure (9M 2016: EUR 35.9 million). The adjusted EBITDA margin increased to 14.9% as of the reporting date September 30, 2017 (previous year: 14.3%).

Ulli Seibel, CEO of AlzChem, comments as follows: “We are satisfied with the business development and will achieve our growth targets for the full year 2017. Sales are expected to increase in the mid to high single-digit percentage range. With respect to adjusted EBITDA, we expect growth in the low single-digit percentage range.”

All business segments developed positively in terms of revenue

All three segments of AlzChem made a positive contribution to sales development in the nine-month period. The Specialty Chemicals segment grew by 10.6% to EUR 141.6 million. This business segment produces and markets high-quality chemical products for end markets such as fine chemicals and agriculture. Key growth drivers in this segment include the feed additive CreAMINO® and the dietary supplement Creapure®. The strategy of clearly focusing growth on the Specialty Chemicals segment is also reflected in the planned tripling of CreAMINO® production capacities to 21,000 metric tons per year.

In the Basics & Intermediates business segment, which combines the production of chemical intermediates, AlzChem generated total revenues of EUR 110.5 million between January and

¹ Adjusted for non-recurring costs in connection with the IPO

² Creamino® is a trademark of Evonik Industries AG

September 2017 (9M 2016: EUR 104.3 million). Above all, the Nitralz® product family, which is used, for example, to manufacture pigments, agrochemicals and pharmaceutical active ingredients, contributed to the increase in revenue. The main reason for this was the optimization of its market position in the Asian region.

The third segment, Other & Holding, is responsible for all other activities. Essentially, these include services for the chemical parks that AlzChem operates, also for third parties, in Trostberg and Hart. Here, AlzChem increased its revenue by 13.3% to EUR 20.6 million in the reporting period (9M 2016: EUR 18.2 million).

Adjusted EBITDA rises compared to the same period of the previous year

Adjusted EBITDA totaled EUR 40.5 million in the first nine months of 2017, an increase of 13.0% compared to the same period of the previous year (9M 2016: EUR 35.9 million). The adjusted EBITDA margin was 14.9% on the reporting date (9M 2016: 14.3%). Adjusted EBITDA for the nine-month period 2017 has been adjusted for one-off costs of EUR 2.3 million EUR for the IPO, for the nine-month period 2016 for 6.3 million EUR.

At the segment level, the two main segments Specialty Chemicals and Basics & Intermediates improved in terms of their EBITDA. In the Specialty Chemicals segment, EBITDA increased by 7.2% to EUR 32.0 million (9M 2016: EUR 29.9 million). In the basic chemicals segment, an increase of 36.2% to EUR 6.5 million was achieved (9M 2016: EUR 4.8 million). The Specialty Chemicals business segment has significantly higher margins compared to Basics & Intermediates. EBITDA in the Other & Holding segment amounted to EUR -0.7 million (previous year: EUR 0.5 million).

“In the third quarter of 2017, in particular, we faced noticeably higher raw material prices. We also expect this development to continue. In addition, the euro has strengthened against the US dollar, which is reflected in the margin of our revenues outside the eurozone. Despite these effects, we were able to further increase the adjusted EBITDA margin compared with the previous year's level. We see attractive growth chances that we want to continue to take advantage of”, explains CFO Andreas Niedermaier.

The complete Nine-Month Report 2017 is available for download on the Investor Relations/Publications section of the website www.alzchem.com.

About AlzChem Group AG

Based in Trostberg, Bavaria, AlzChem Group AG is a vertically integrated manufacturer of various chemical products based on the NCN chain. These are products with typical nitrogen-carbon-nitrogen bonding that are used in a wide variety of different industries. The company has a leading position in select niche markets, including the markets for feed additives and food supplements. The strategic focus of growth and the main focus of its extensive research and development are on the business segment Specialty Chemicals. The company has around 1,500 employees at four sites in Germany and three other sites abroad.