

CORPORATE NEWS

AlzChem Group AG increases sales in the first quarter of 2020 by 2.8% to EUR 94.7 million

- **EBITDA at forecast level of EUR 12.3 million**
- **Full-year forecast for 2020 still valid**

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Trostberg, May 12, 2020 – AlzChem Group AG, a vertically integrated specialty chemicals supplier with a leading market position in selected niche markets, recorded a pleasing first quarter of 2020. Due to the traditionally highly diversified product portfolio, the economic effects of the COVID-19 pandemic were almost completely compensated for. Accordingly, Group sales in the first three months of 2020 improved by 2.8% from EUR 92.1 million to EUR 94.7 million. In the Specialty Chemicals segment, the expected very strong growth of Creamino[®] was successfully realized. In addition, demand for BioSelect[®] products also rose significantly, as these are an essential component of the COVID-19 test kits, among other things. The fact that sales of the specialty product Dormex[®] did not quite match the previous year's level was due entirely to postponed deliveries until the second quarter of 2020. In the Basics & Intermediates segment, the effects from the steel and automotive sectors were offset by the generally encouraging performance of the NITRALZ[®] product range and basic chemicals. In addition, Perlka[®] sales volumes were higher than in the previous year, as additional areas of application and sales regions were developed.

On the earnings side, consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) developed at the forecast level of EUR 12.3 million (first quarter 2019: EUR 13.2 million). The resulting EBITDA margin was 13.0% after 14.4% in the prior-year quarter. This development was driven by previously forecast increases in personnel costs, expenses in connection with the market launches of the Creapure[®] derivatives LIVADUR[®] and Your Encour![™], as well as the decline in volumes in the automotive sector. This was offset by developments on the procurement side, where certain raw material and electricity prices in Germany and Sweden showed a downward trend in the reporting period. Consolidated result for the period amounted to EUR 4.4 million in the first quarter of 2020 (first quarter of 2019: EUR 5.6 million).

Based on the positive business development in the first quarter of 2020, the Management Board is maintaining its forecast for the full year 2020. Among other things, a slight to sharp organic rise in Group sales is expected, as well as adjusted EBITDA at least at the previous year's level to – parallel to sales – a sharp rise.

The detailed quarterly statement for the first quarter of 2020 is available for download on the website www.alzchem.com under [Investor Relations/Publications/Financial Reports](#).

About AlzChem

The AlzChem Group is a vertically integrated manufacturer of chemical products based on the so-called NCN chain. These are products with typical nitrogen-carbon-nitrogen bonding that are used in a wide variety of different industries. The Group has a leading position in select niche markets. 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 1,620 employees at four sites in Germany and three other sites abroad.