

OUR KNOW-HOW FOR YOUR SAFETY

Nabaltec



**Nabaltec – a leading supplier of environmentally friendly
flame retardant fillers and specialty aluminas**

Q3 2024 Highlights

21 November 2024



The company in brief

REVENUES 2023

EUR **200.1** MILLION

EBIT 2023

EUR **18.3** MILLION

SECTOR

**CHEMICAL
INDUSTRY**

EMPLOYEES 2023

516

PRODUCTION
SITES

3

EXPORT-
RATIO 2023

75.0%

ABOUT **800** CUSTOMERS

ABOUT **50** DISTRIBUTION
PARTNERS

IN BUSINESS SINCE

1937

ANNUAL CAPACITY APPROX.

265,000 t

Product Segments

| Product segments | Functional Fillers 2023 revenues: EUR 142.3 million | Specialty Aluminas 2023 revenues: EUR 57.8 million |
|------------------|--|---|
| Product ranges | Ground hydroxides Viscosity optimized hydroxides Fine precipitated hydroxides Boehmites | Oxides Reactive aluminas Ceramic bodies |
| Properties | eco-friendly, smoke-reducing, flame retardant, non-abrasive | resistant to wear and tear, electrically insulating, resistant to corrosion, resistant to temperature changes |
| Capacities* | Europe: 123,000 t Aluminum hydroxides 10,000 t Boehmites USA: 60,000 t Aluminum hydroxides | Europe: 72,000 t Specialty aluminas |
| Raw materials | Aluminum hydroxide | Aluminum oxide |

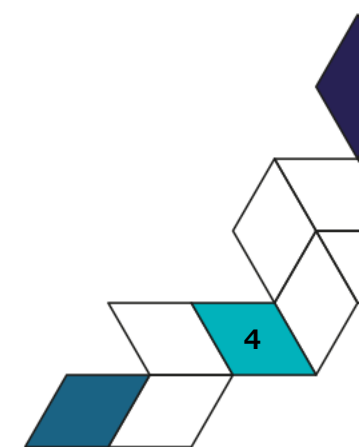
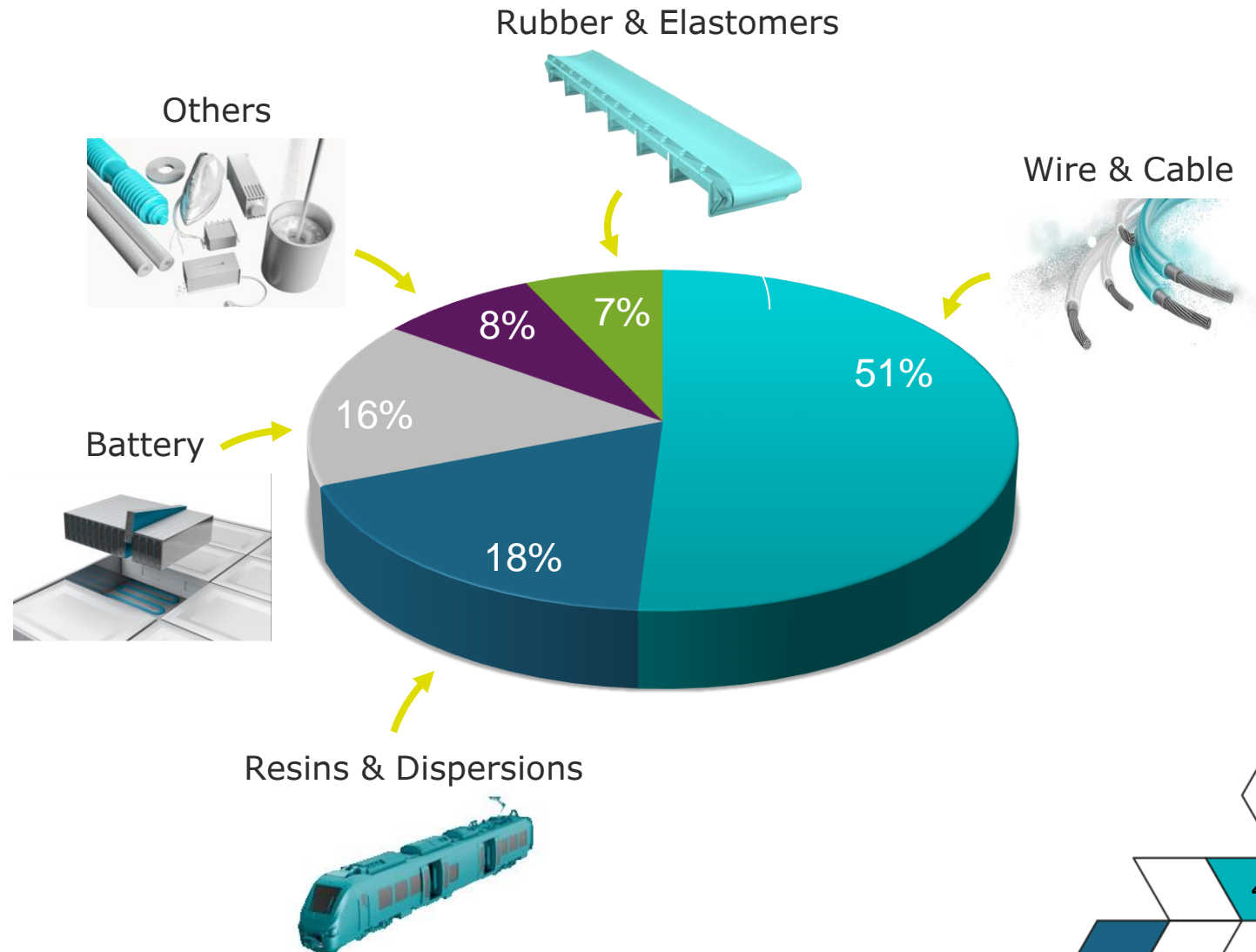
* capacity based on product mix



Market segments “Functional Fillers” 2023

Application examples:

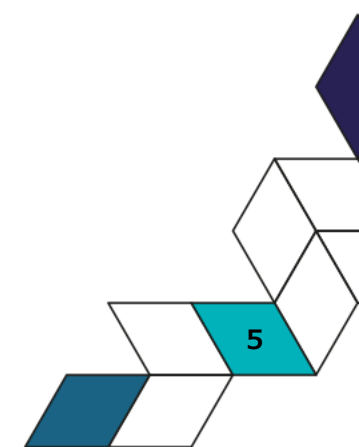
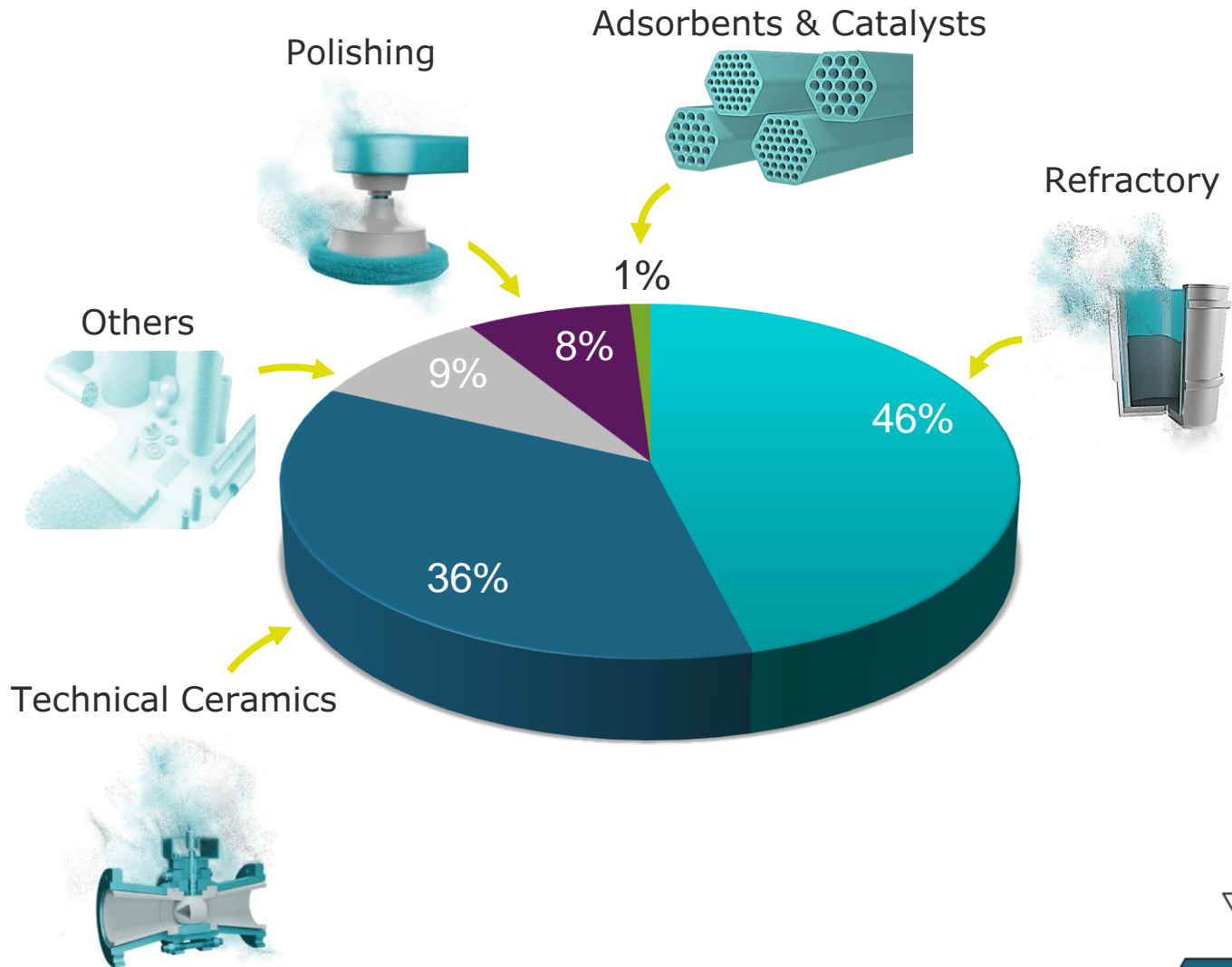
- HV-/MV-/LV-cables
- Data cables
- Automotive cables
- Wind turbine and PV cables
- E-vehicle charging cables
- Separator films
- Electronic housings and switches
- Printed circuit boards
- Adhesives
- Tires
- Vehicle interior trim
- Thermal insulations
- Facade panels



Market segments "Specialty Aluminas" 2023

Application examples:

- Furnace linings
- Wear and tear protection
- Ballistic ceramics
- Seals
- High-voltage insulators
- Catalysts
- Ceramic filters
- Polishing materials
- Ignition plugs
- Grinding media



Nabaltec Q3 2024 Highlights

Revenue EUR **49.8** million (+/-0.0% yoy)

EBIT EUR **6.0** million (+30.4% yoy)

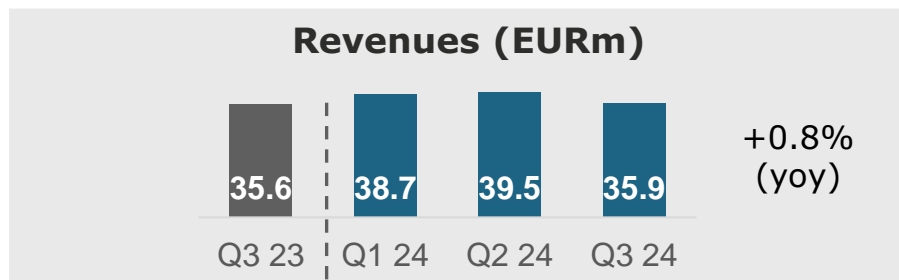
EBIT Margin **11.4%** (Q3/23: 9.2%)

EPS EUR **0.42** (+27.3% yoy)

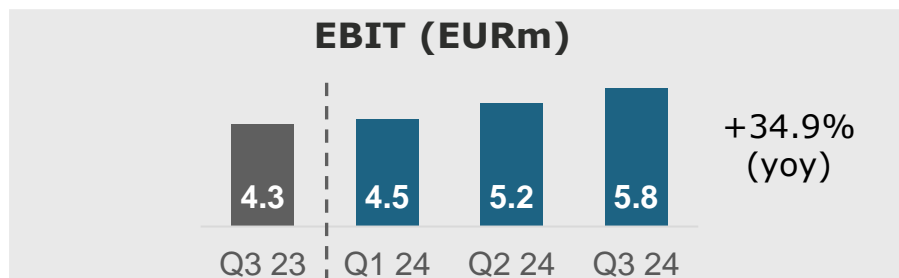
Net Debt EUR **-2.4** million (31.12.23: 5.0 m)

- **Stable revenue development in the third quarter** of 2024, revenue at the same level as in the same quarter of the previous year.
- **Higher capacity utilization and lower costs of materials, energy and maintenance** improved EBIT margin in the third quarter of 2024.
- **EPS increased** from EUR 0.33 in the third quarter of the previous year to EUR **0.42** in the third quarter 2024.
- **Net debt** as of 30 September 2024 amounts to EUR **-2.4** million.

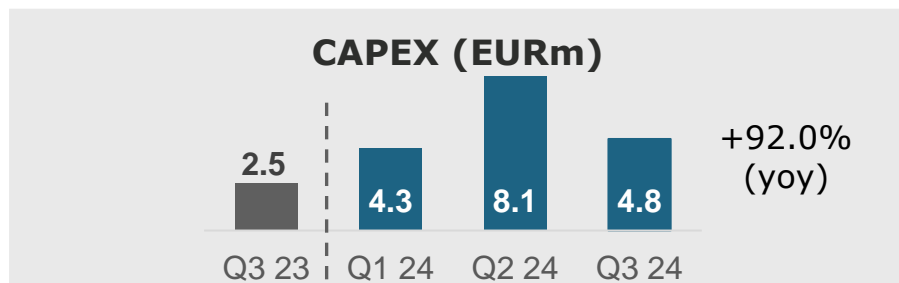
Nabaltec Q3 2024 Functional Fillers



Revenue in the “Functional Fillers” product segment **increased only slightly by 0.8% yoy**. In addition to the continued good demand for fine precipitated hydroxides and a strong third quarter for viscosity optimized hydroxides, boehmites recorded a significant drop in revenue of 46% in the third quarter of 2024 compared to the previous year’s period.



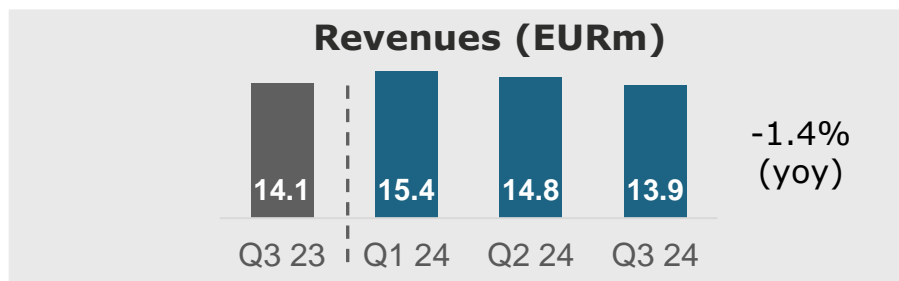
The operating result (EBIT) improved to EUR 5.8 million, **resulting in an EBIT margin of 16.2% in this segment**. The fine precipitated hydroxides product range, together with the viscosity optimized hydroxides contributed significantly to this good result.



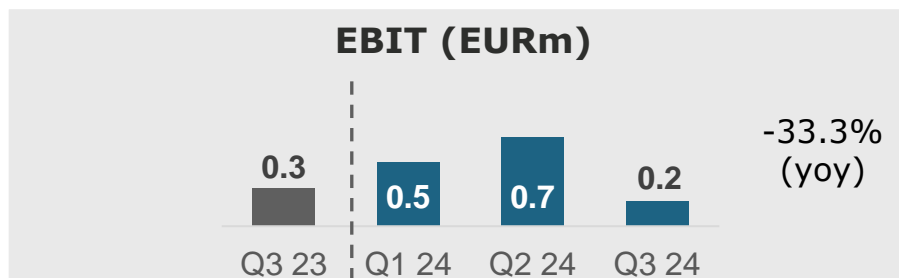
CAPEX in the “Functional Fillers” product segment amounted to EUR 4.8 million in the third quarter 2024. Investments in the capacity expansion of boehmites and viscosity optimized hydroxides are the main projects for the capex.



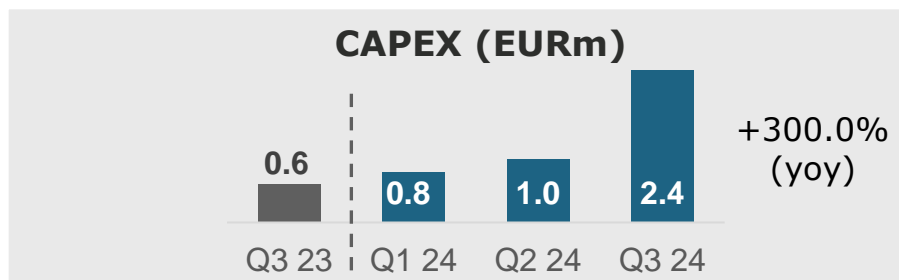
Nabaltec Q3 2024 Specialty Aluminas



Revenue in the “Specialty Aluminas” product segment **remained slightly below the previous year’s level** in the third quarter. There is still a lack of impetus here, particularly from the reactive alumina product range (higher value-added products).



The operating result (EBIT) decreased year-on-year to EUR 0.2 million. **The EBIT margin of 1.4% is weak.** The overcapacity on the market is having a negative impact on both sales volumes and sales prices.



CAPEX increased on a moderate basis to EUR 2.4 million in the “Specialty Aluminas” product segment. The amount includes initial expenditure for the general overhaul of two rotary kilns.



Profit & Loss Statement Nabaltec Group

| in EUR million | 9M/2024 | 9M/2023 | Change |
|---|--------------|---------|--------|
| Revenues | 158.2 | 155.8 | 1.5% |
| Total Performance | 162.6 | 155.2 | 4.8% |
| Gross Profit | 82.2 | 78.4 | 4.8% |
| Gross Profit margin (from the total performance) | 50.6% | 50.5% | |
| EBITDA | 25.8 | 22.7 | 13.7% |
| EBITDA margin (from the total performance) | 15.9% | 14.6% | |
| EBIT | 16.8 | 13.1 | 28.2% |
| EBIT margin (from the total performance) | 10.3% | 8.4% | |
| Net income | 11.1 | 8.4 | 32.1% |
| EPS (EUR) | 1.27 | 0.96 | 32.3% |

- **Revenues growth driven by higher sales volumes of 7.9%.** Selling prices fell in the first nine months of 2024 compared to the same period of the previous year. Export ratio is at 76.0%.
- **Gross Profit margin** as a percentage of total performance of **50.6%** at the same level as in the first nine months of 2023 (50.5%) despite lower sales prices.
- **EBITDA margin was 15.9%** in the first nine months of the year 2024.
- **EBIT margin increased** from 8.4% to **10.3%** yoy.
- **Earnings per share** in the first nine months 2024 was **EUR 1.27** after EUR 0.96 in the same period of the previous year.

Balance Sheet Nabaltec Group

| in EUR million | 09/30/24 | 12/31/23 | Change |
|-------------------------------|--------------|----------|--------|
| Intangible assets | 1.5 | 0.9 | 66.7% |
| Property, plant and equipment | 130.7 | 119.0 | 9.8% |
| Other non-current assets | 15.9 | 0.9 | |
| Inventories | 46.3 | 51.1 | -9.4% |
| Receivables and other assets | 9.1 | 23.1 | -60.6% |
| Cash and cash equivalents | 93.7 | 86.0 | 9.0% |
| Total assets | 297.1 | 280.9 | 5.8% |
| Equity | 150.2 | 141.8 | 5.9% |
| Non-current liabilities | 122.7 | 122.6 | 0.1% |
| Current liabilities | 24.2 | 16.5 | 46.7% |
| Total liabilities | 297.1 | 280.9 | 5.8% |

- Intangible assets and property, plant and equipment **increased due to higher CAPEX** in 2024.
- Other non-current assets as of 09/30/24 include a **fixed-term deposit in the amount of EUR 15 million** with a term of 2 years.
- **Inventories decreased by EUR 4.8 million** mainly due to the decline in raw material stocks.
- The **equity ratio is 50.6%** as of the reporting date 09/30/24 (12/31/23: 50.5%).
- Non-current liabilities as of 09/30/24 include provisions for pensions in the amount of EUR 28.7 million and **financial liabilities of EUR 90.0 million**.
- **Current liabilities increased by EUR 7.7 million** due to higher trade payables of EUR 4.4 million and other accounts payable of EUR 3.0 million.

Cash Flow Statement Nabaltec Group

| in EUR million | 9M/2024 | 9M/2023 | Change |
|--|--------------|---------|--------|
| Net operating income | 25.8 | 22.7 | 13.7% |
| +/- Working capital | +10.5 | -1.6 | |
| - Taxes paid | -4.1 | -6.3 | -34,9% |
| Cash flow from operating activity | 32.2 | 14.8 | 117.6% |
| Cash flow from investment activity | -21.4 | -8.2 | 161.0% |
| Free Cash flow | 10.8 | 6.6 | 63.6% |
| Cash flow from financing activity | -2.8 | -2.8 | 0.0% |
| Cash at end of the period | 93.7 | 91.4 | 2.5% |

- **The improved result** for the period 9M/2024 and especially the **changes in working capital** had a **positive impact** on cash flow from operating activities: Inventories decreased, while trade payables increased.
- The investment focus was on **expanding the capacity of boehmite and viscosity optimized hydroxides**, as well as initial expenditure for the general overhaul of two rotary kilns and the ongoing process optimization at the Schwandorf site.
- **Cash and cash equivalents** amounted to **EUR 93.7 million** on 30 September 2024.

Outlook 2024*

- The demand in 2024 has been characterized by **short-termism**. However, the **demand** has **remained stable** for the majority of the product ranges.
- At the end of the first half of the year, **Nabaltec substantiated the forecast for financial year 2024 presented** in the 2023 consolidated management report and made a **slight upward adjustment to the EBIT margin range**.
- Based on the economic and industry-specific environment, the company confirms the outlook from August 2024 and expects slight **revenues growth** in the range of **2% to 4%** in 2024 and thus, as originally forecasted, total revenues slightly above the level of the previous year (2023: EUR 200.1 million).
- On the earnings side, Nabaltec expects an **EBIT margin** in the range of **8% to 10%** compared to the previously forecast range of 7% to 9%.

*The forecast is based on the assumption that the economy and the industries relevant to Nabaltec will remain stable. At the time the forecast was prepared, it remains unclear at what speed or with what dynamics the economic situation will recover globally and in the markets relevant to Nabaltec. Inflation, high interest rates and an uncertain situation are slowing consumption and investment worldwide. In the event of continued negative economic distortions due to the geopolitical situation, negative effects on the net assets, financial position and results of operations cannot be ruled out. Furthermore, the other statements made in the outlook report remain valid.

Financial calendar

26 November 2024

Deutsches Eigenkapitalforum

6 May 2025

Publication Annual Financial Statements

6 May 2025

Earnings Call: 2024 Highlights

22 May 2025

Publication Quarterly Financial Report (call-date Q1)

22 May 2025

Earnings Call: Q1 2025 Highlights

25 June 2025

Annual General Meeting



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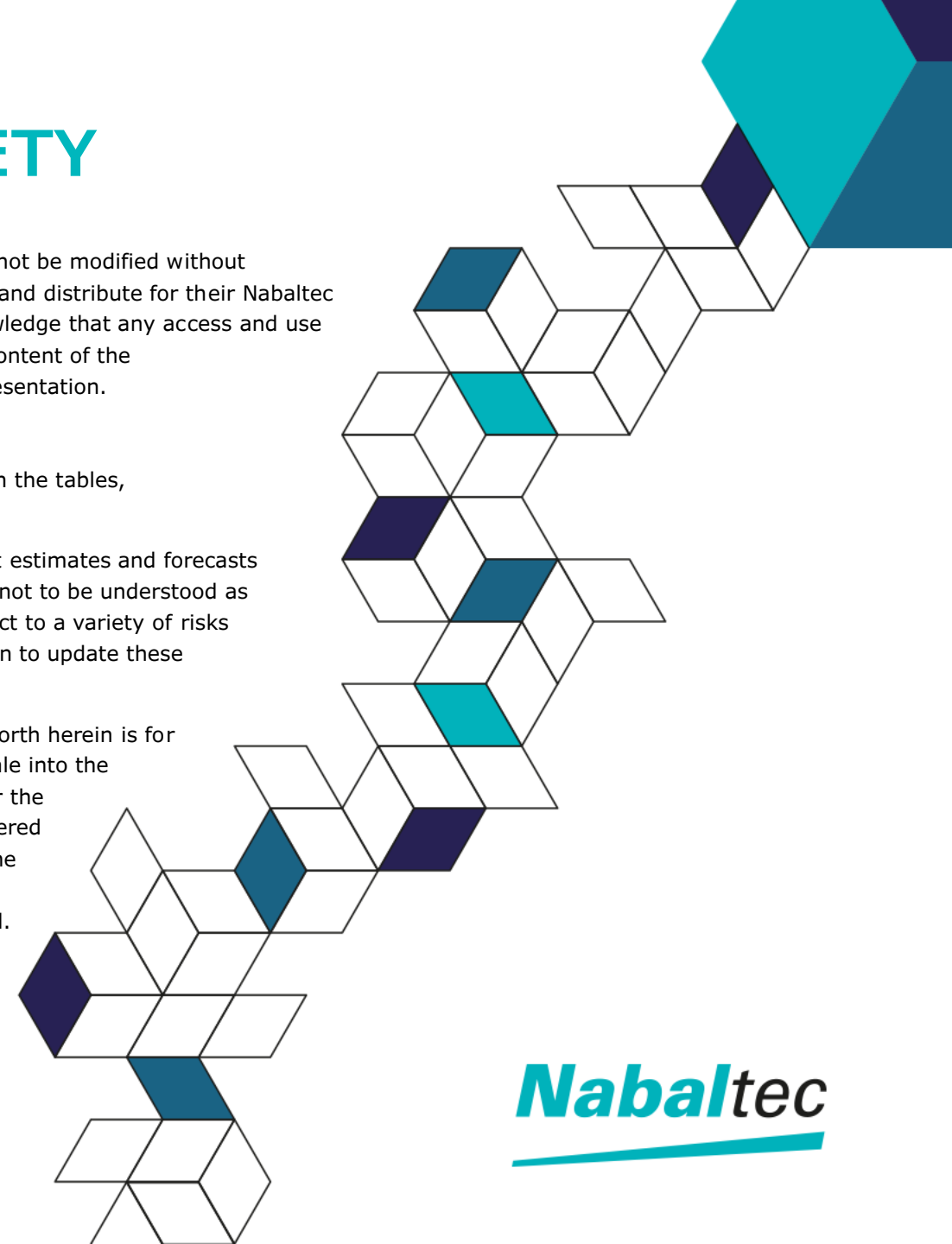
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