

*OUR
KNOW-HOW
FOR YOUR
SAFETY*

Nabaltec: a leading supplier of eco-friendly flame retardant fillers and specialty alumina

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** REPRESENTATIVE
OFFICES

IN BUSINESS SINCE

1937

ANNUAL CAPACITY APPROX.

265,000 t

Nabaltec Group

Nabaltec

Nabaltec AG
Schwandorf, GERMANY
Head Office



Naprotec LLC
Chattanooga, USA
Manufacturing

Nabaltec USA

Nabaltec USA Corporation
Corpus Christi, USA
Administration & Sales



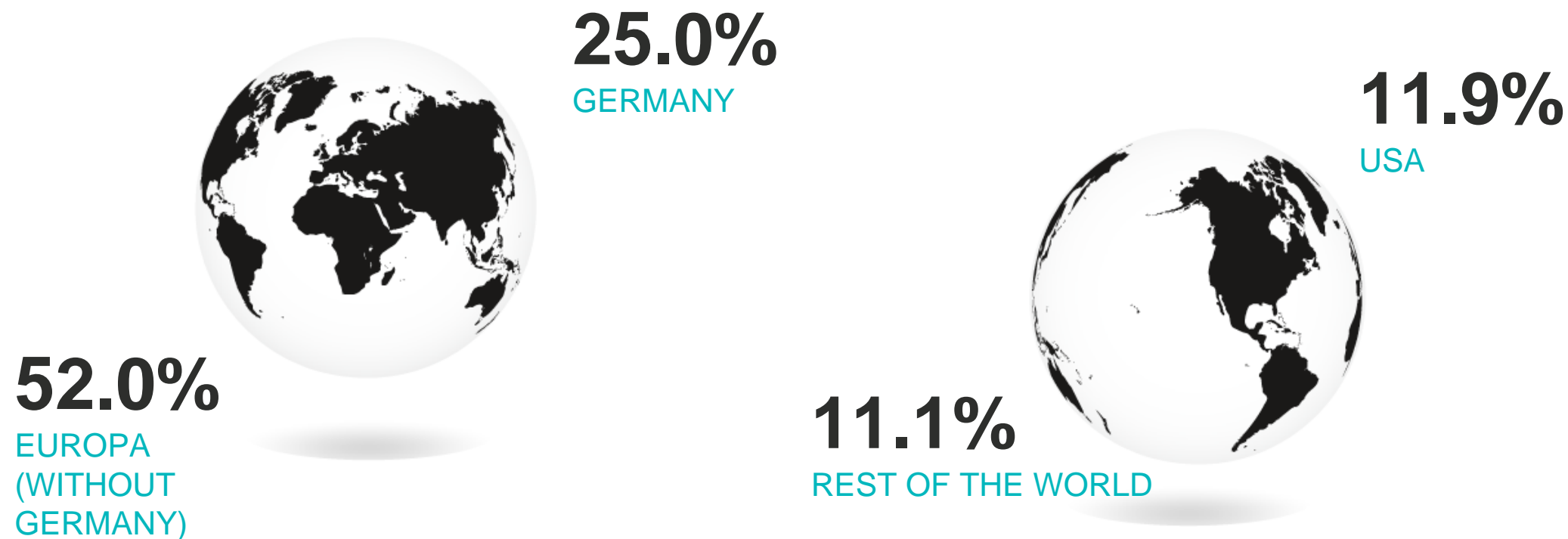
Nashtec LLC
Corpus Christi, USA
Manufacturing

Nabaltec Shanghai


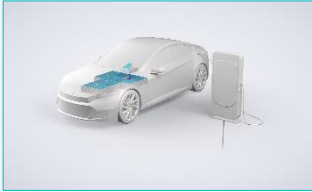
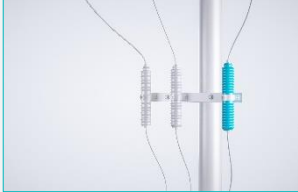
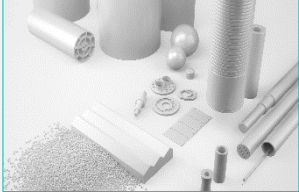
Nabaltec (Shanghai) Trading Co., Ltd.
Shanghai, CHINA
Sales & Marketing

Nabaltec revenue shares in 2023

With its own sales companies and a network of international agencies, Nabaltec maintains a global presence.



Product segments

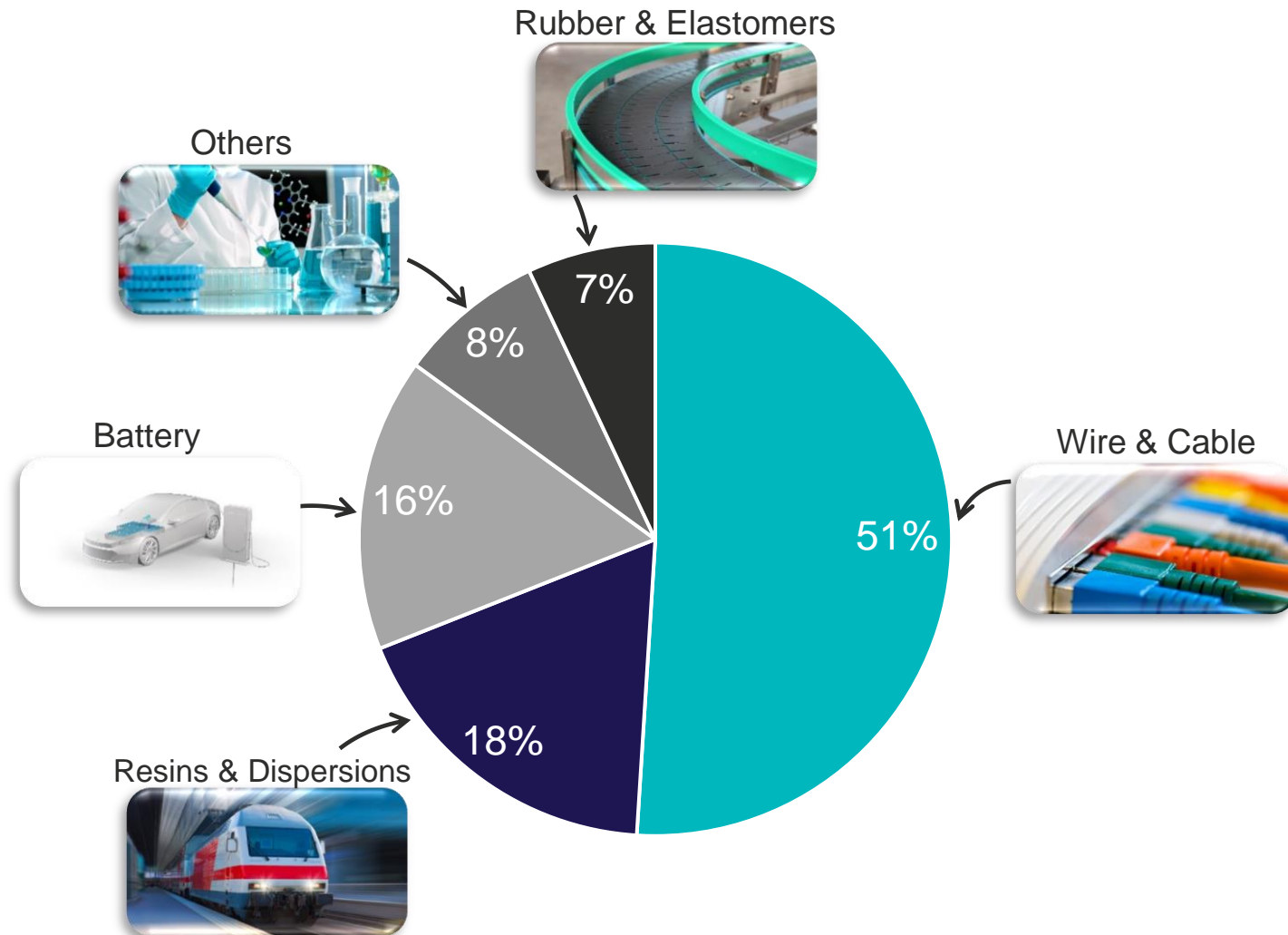
Product segments	Functional Fillers 2023 revenues: EUR 142.3 million	Specialty Alumina 2023 revenues: EUR 57.8 million
Product range	  <p>Aluminum hydroxides Boehmites</p>	  <p>Aluminum oxides Ceramic bodies</p>
Properties	Eco-friendly, smoke-reducing, flame retardant, non-abrasive	Resistant to wear 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:

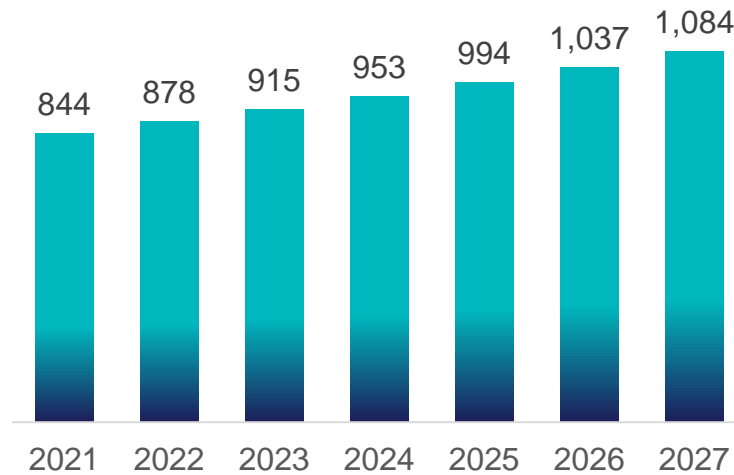
- HV-/MV-/LV-cables
- Data cables
- Automotive cables
- Wind turbine and PV cables
- E-vehicle charging cables
- Separator films
- Electronic housings and switches
- Printed circuit boards
- Adhesives
- Tires
- Vehicle interior trim
- Thermal insulations
- Facade panels



Functional Fillers – halogen free flame retardants

Market volume: aluminum hydroxides for flame retardants

in thousand tons



CAGR 4.3% through 2027 based on ATH (MARKETSANDMARKETS™, 2022)

Oligopolistic competitive environment*



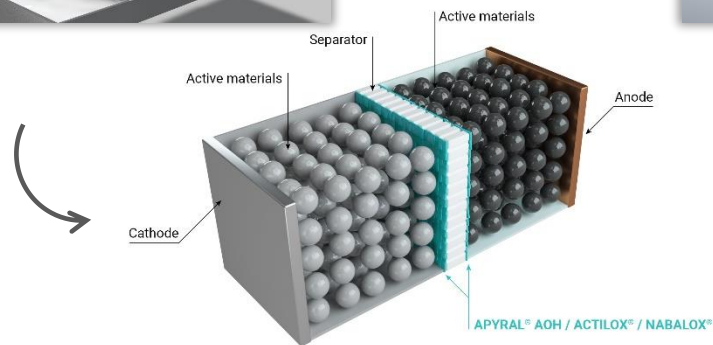
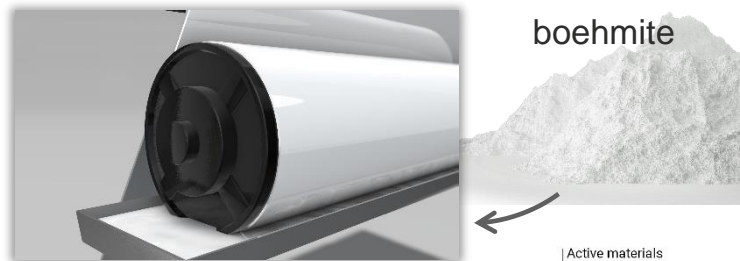
Market drivers: aluminum hydroxide**

- Increasing fire safety requirements in connection with reduced smoke development (e.g. the CPR in EU)
- Trend towards eco-friendly products (e.g. RoHS & WEEE, circular economy)
- Global growth in plastics (construction, automotive, as well as electronics and electrical)

Functional Fillers – Growth Driver E-Mobility

Innovative products in lithium-ion batteries (NMC, NMx, LFP)

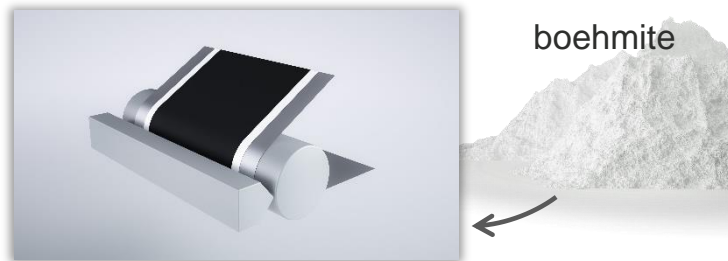
Coating Separator film



Film manufacturer
56 t/GWh

- Increase thermal stability
- Reduce the risk of short circuits
- High energy density due to thin coatings

Electrode coating „Edge Coating“

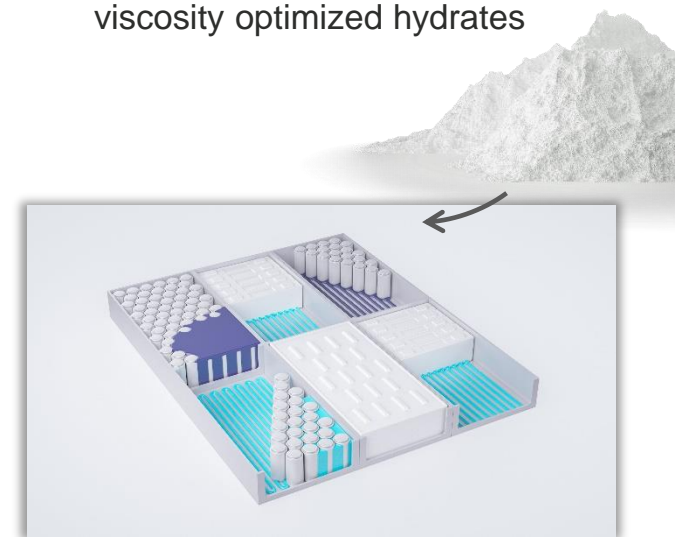


Cell manufacturer
25 t/GWh

- Avoid punctures through electrode collectors
- Cell error batch reduction during production
- Avoid short circuits due to vibrations

Thermal management Adhesives/Gap fillers

viscosity optimized hydrates

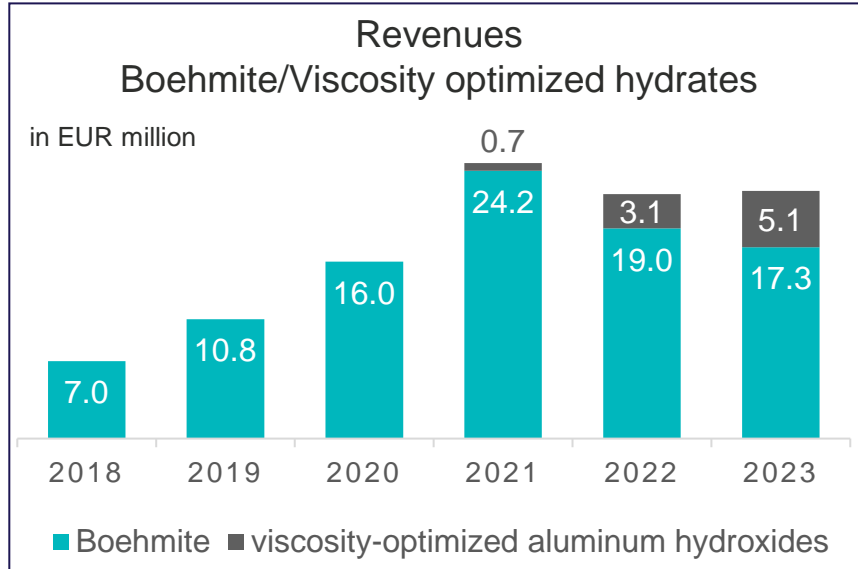


Adhesive manufacturer
80 t/GWh

- Reduce the risk of overheating
- Enable fast charging processes
- Extend battery life

Functional Fillers – Growth Driver E-Mobility

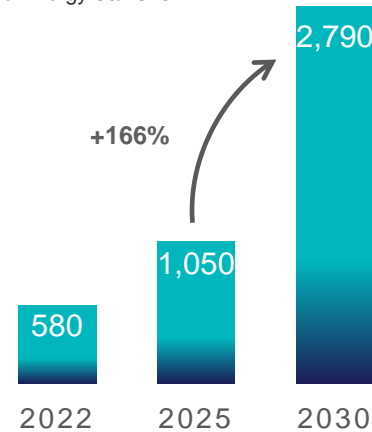
Innovative products in lithium-ion batteries (NMC, NMx, LFP)



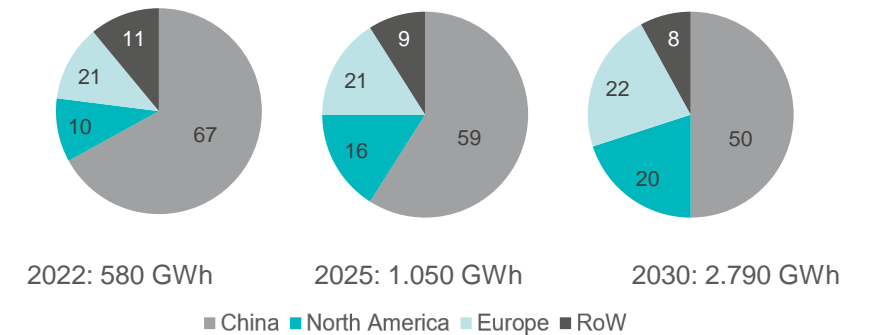
Worldwide battery demand electro mobility

Battery demand e-mobility in GWh**

** Source: Avicenne Energy 06/2023



Battery demand by region in %



Boehmite – market environment

- China dominant – EU below expectations – USA on the rise
- Demand for finer qualities on the rise
- Increasing competition with rising price pressure

Viscosity optimized hydrates – market environment

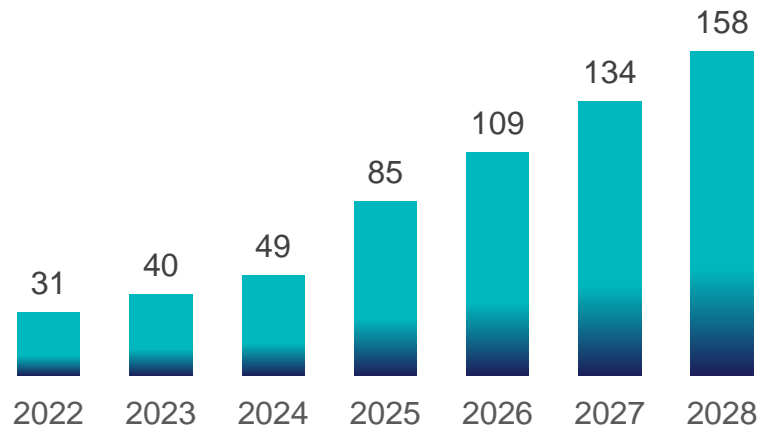
- Increasing demands on battery safety and stability
- Focus on battery assembly in Europe
- New technologies drive up demand for specialties

Functional Fillers – Growth Driver E-Mobility

Innovative products in lithium-ion batteries (NMC, NMx, LFP)

Market volume of ceramic coatings in e-mobility

in thousand tons*



Oligopolistic competitive environment for boehmite



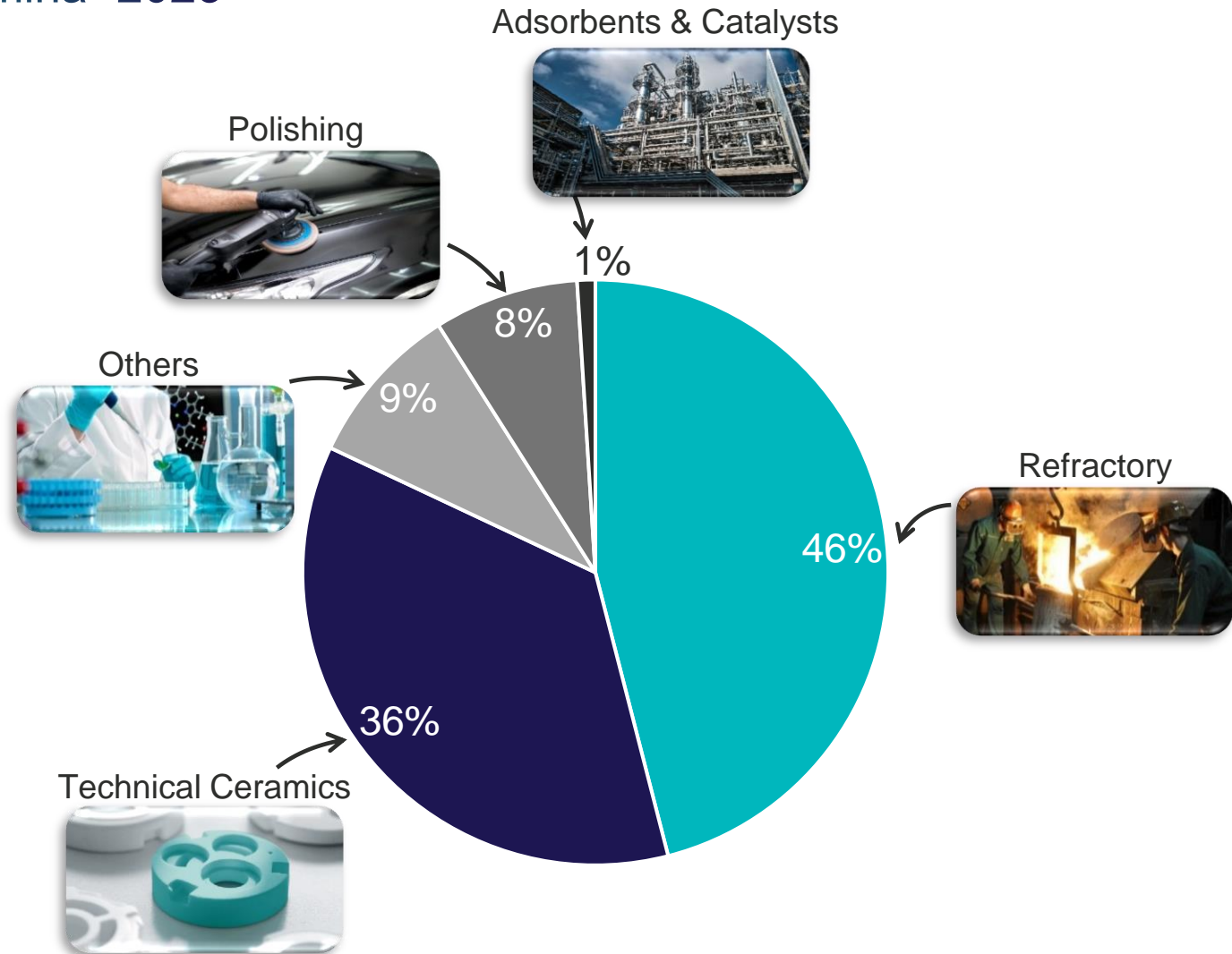
Electromobility as a market driver

- Climate protection – global reduction of CO₂ emissions required
- Climate policy agreements in Europe:
Phase-out of cars with combustion engines by 2035
- Reduction of noise and air pollution, especially in urban areas
- Government support through monetary and non-monetary measures

Market segments „Specialty Alumina“ 2023

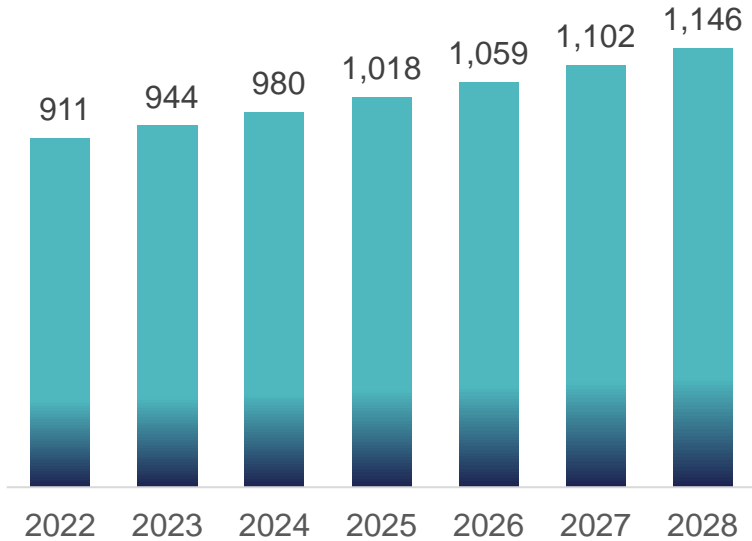
Application examples:

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



Specialty Alumina

Outlook Nabaltec target market for specialty alumina in Europe*
in thousand tons



Specialty Alumina: CAGR 4.0% through 2028 (Fact.MR, 2023)

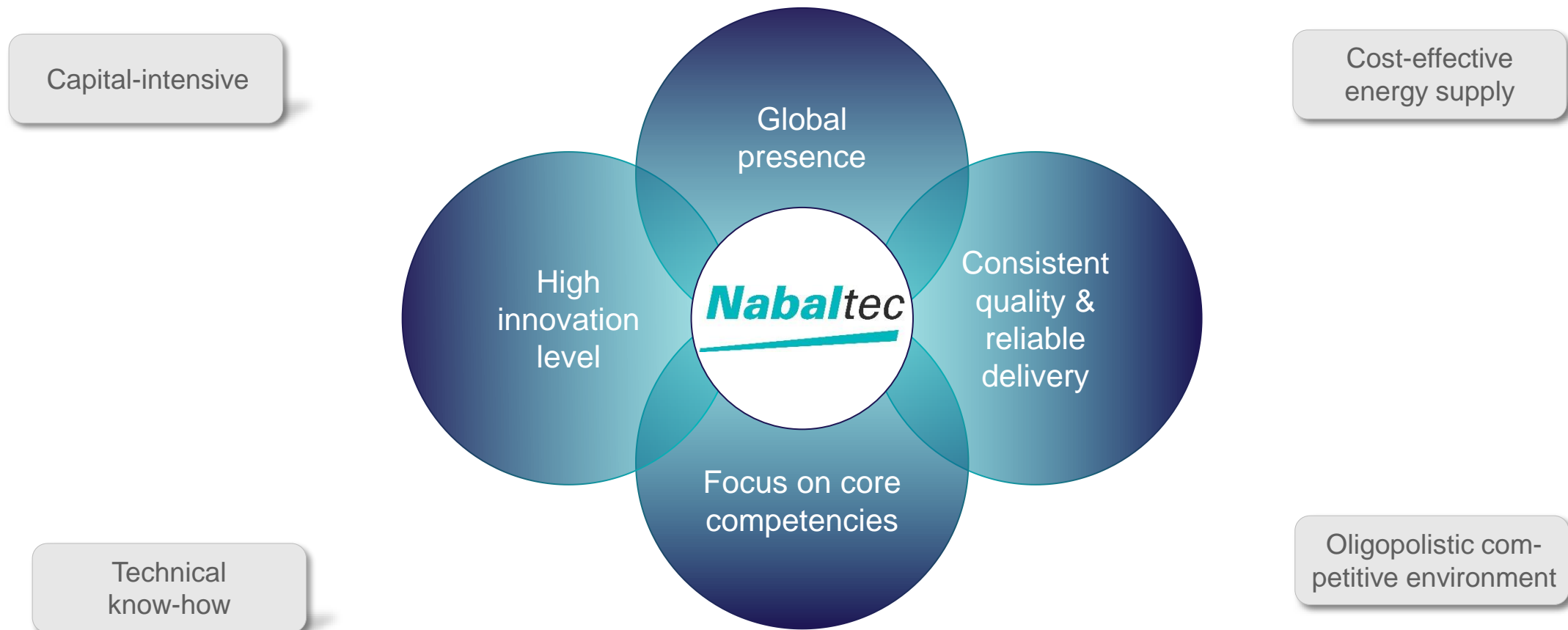
Oligopolistic competitive environment*



Market drivers: specialty aluminas

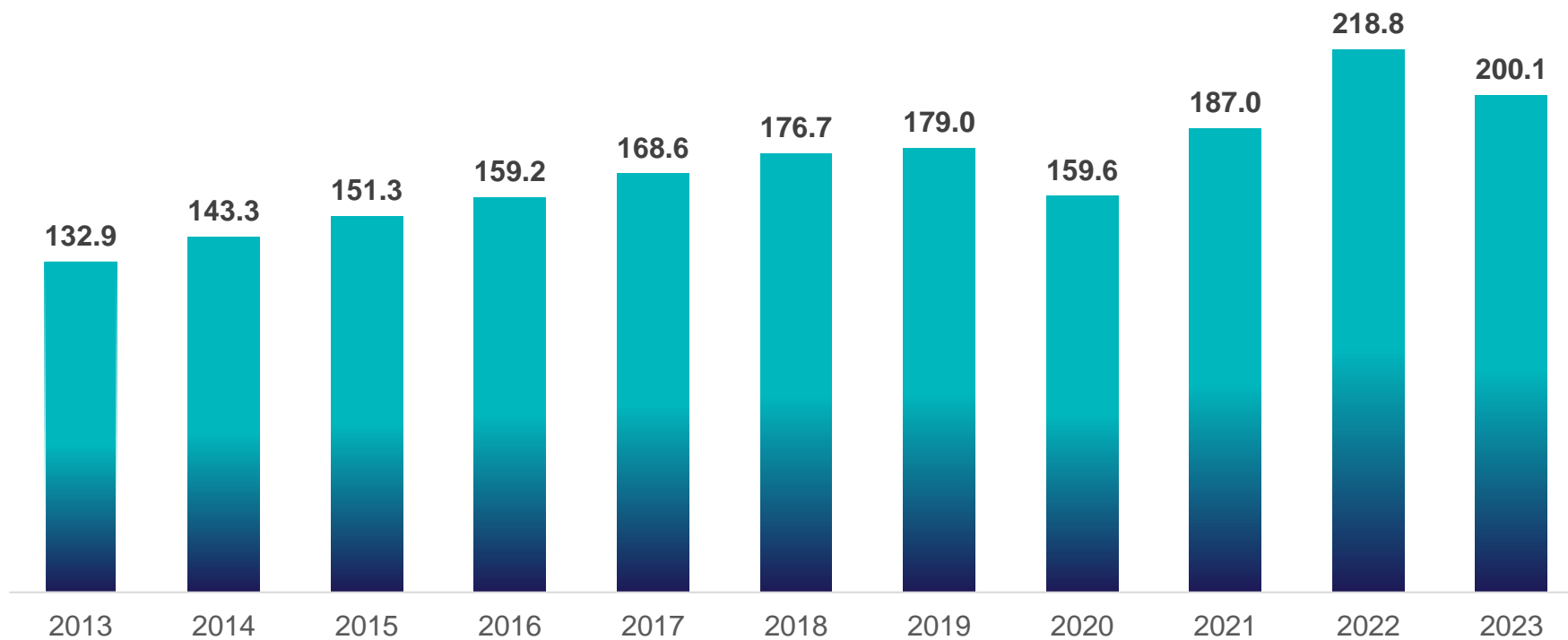
- Growing demand for technical ceramics in transportation as well as in plant and mechanical engineering
- Growing demand for high-quality specialty alumina for efficient and sustainable steel production in Europe

Market entry barriers & USPs



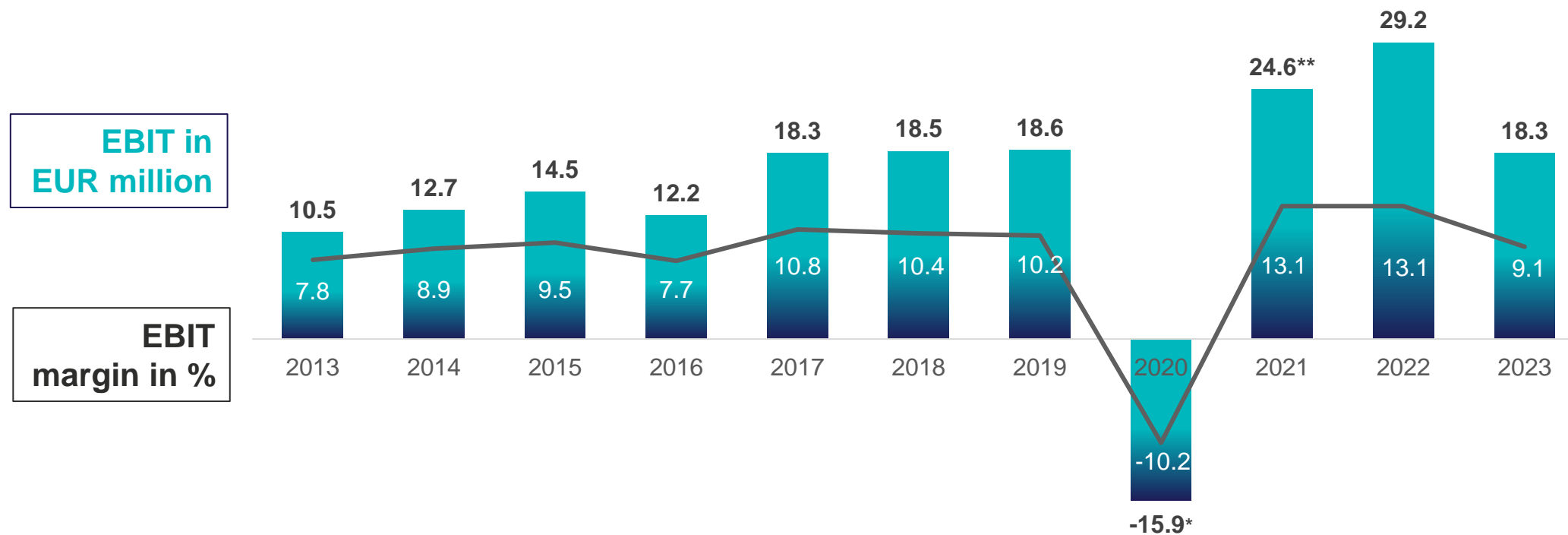
Development of revenues from 2013 to 2023

in EUR million



CAGR 2013 to 2023 = 4.2%

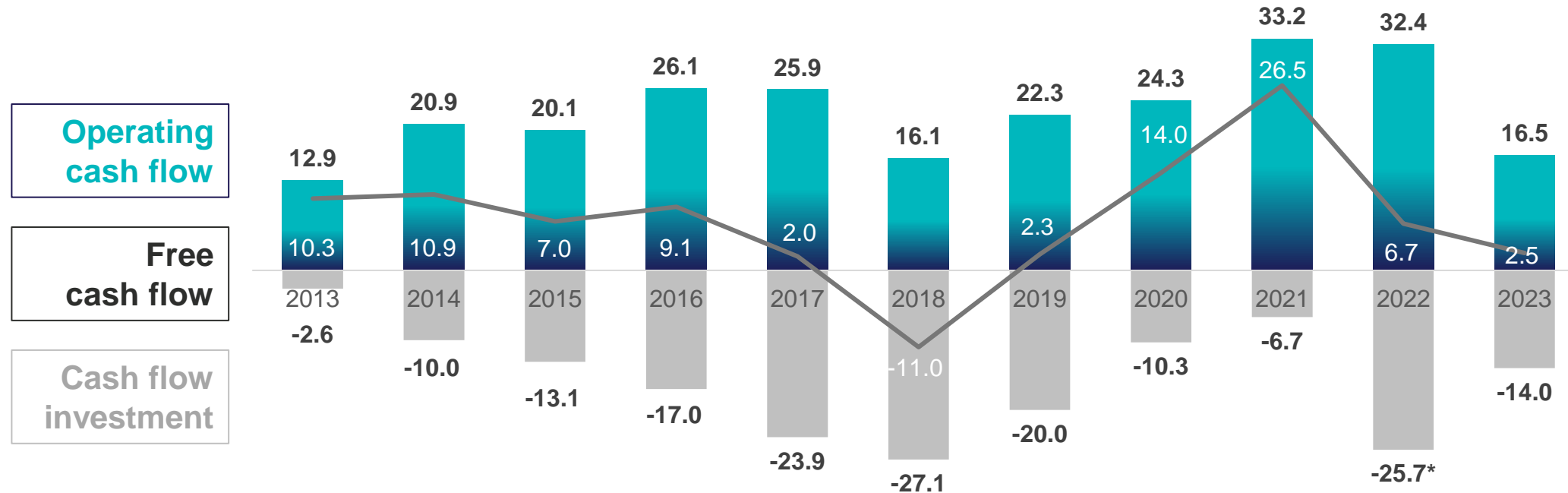
Development of EBIT from 2013 to 2023



*2020: thereof non-recurring effects in the amount of EUR -25.3 million; ** 2021: thereof non-recurring effects in the amount of EUR -1.3 million

Development of Cashflow from 2013 to 2023

in EUR million



Invested around EUR 170 million since 2013

* incl. EUR 15 million in fixed-term deposits > 3 months

Key figures Nabaltec Group (IFRS, preliminary figures Q1/2024)

in EUR million	Q1/2024	Q1/2023	change	2023	2022	change
Revenues	54.0	57.0	-5.3%	200.1	218.8	-8.5%
Functional Fillers	38.7	40.1	-3.5%	142.3	148.0	-3.9%
Specialty Alumina	15.4	17.0	-9.4%	57.8	70.9	-18.5%
EBITDA	8.0	8.4	-4.8%	31.0	42.4	-26.9%
EBIT	5.0	5.2	-3.8%	18.3	29.2	-37.3%

- Nabaltec's target markets experienced significantly weaker industrial growth in Financial Year 2023. Nevertheless, the company managed to generate the second-highest revenues in its history.
- Revenues in the boehmite product range amounted to EUR 17.3 million in 2023 after EUR 19.0 million in the previous year.
- Preliminary revenues in the first quarter of 2024 amounted to EUR 54.0 million.
- EBIT margin was 9.3% in the first quarter of 2024.

Extracts from the Balance Sheet

in EUR million	12/31/2023	12/31/2022	change
Total assets	280.9	281.1	-0.1%
Non-current assets	120.7	135.3	-10.8%
thereof property, plant and equipment	119.0	118.8	0.2%
Current assets	160.2	145.8	9.9%
thereof cash and cash equivalents	86.0	87.5	-1.7%
Equity	141.8	133.5	6.2%
Non-current liabilities	122.6	122.7	-0.1%
Current liabilities	16.5	24.9	-33.7%

- Reclassification of non-current assets in the amount of EUR 15.0 million (investments in fixed-term deposits with maturities > 3 months) to current assets.
- The equity ratio is 50.5% as of the reporting date 31 December 2023 (31 December 2022: 47.5%).
- Net debt as of 31 December 2023 amounts to EUR 5.0 million (31 December 2022: EUR 3.2 million).

Cashflow

in EUR million	2023	2022	change
Cash flow from operating activities	16.5	32.4	-49.1%
Cash flow from investing activities	-14.0	-25.7	-45.5%
Free cash flow	2.5	6.7	-62.7%
Cash flow from financing activities	-3.4	28.0	–

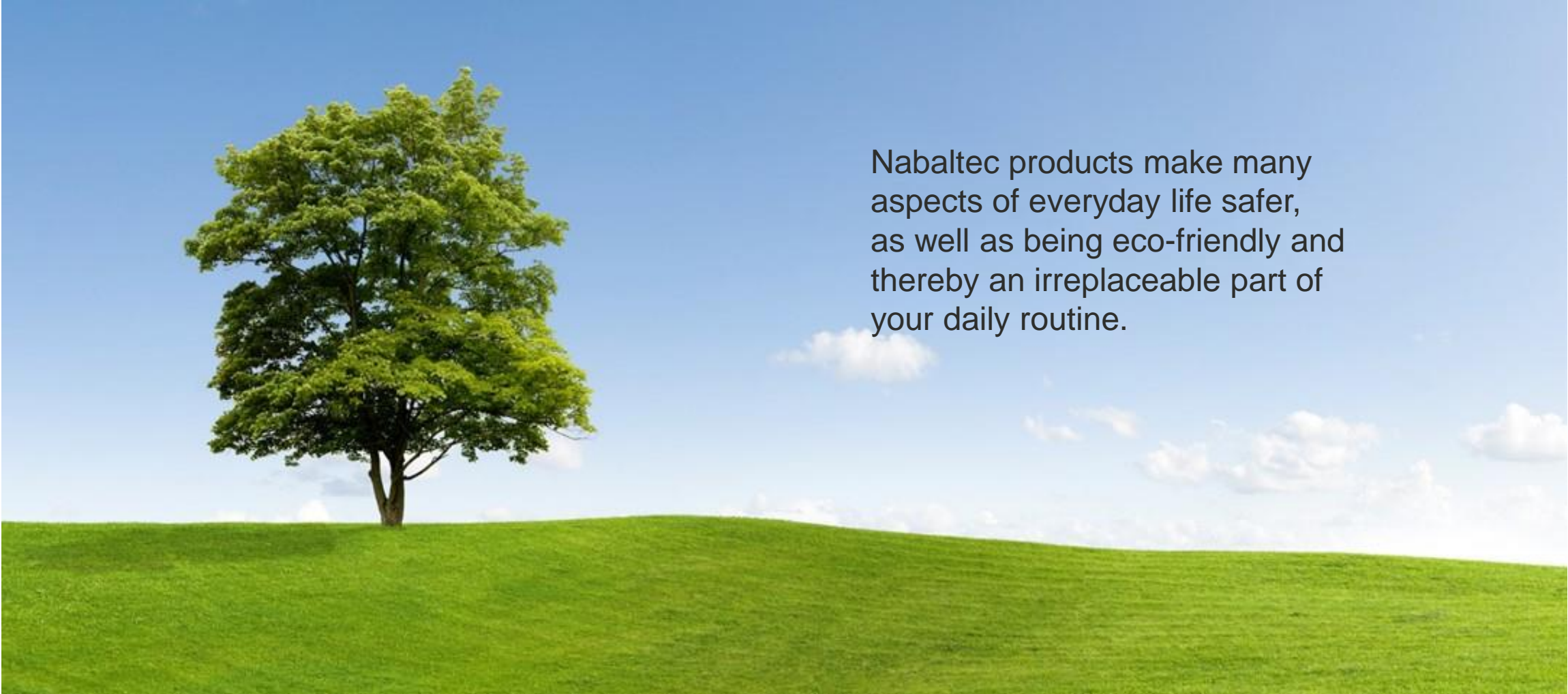
- In 2023, investments focused on expanding capacities for boehmite and optimizing processes at the Schwandorf site. In the previous year, cash flow from investing activities included payments of EUR 15.0 million for investments in fixed-term deposits with maturities of more than three months.
- Cash flow from financing activities in 2023 includes a dividend payment of EUR 2.5 million. In the previous year it included the proceeds from the issue of the loan against borrower's note issued in April 2022 with a volume of EUR 90.0 million and the disbursement of the scheduled repayment of previous loans in the amount of EUR 59.0 million as well as a dividend payment in the amount of EUR 2.2 million.
- Cash and cash equivalents amounted to EUR 86.0 million on 31 December 2023.

Outlook 2024

- At the beginning of 2024, demand remains characterized by short-termism. However, Nabaltec expects demand to increase for the majority of product ranges in the current financial year.
- Based on the economic and industry-specific environment, the company expects revenues in 2024 to be slightly higher than in the previous year.
- On the earnings side, Nabaltec expects an EBIT margin in a 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

14 May 2024	German Spring Conference 2024
23 May 2024	Publication Quarterly Financial Report (call-date Q1)
25 June 2024	Annual General Meeting
22 August 2024	Publication Half-yearly Financial Statements
21 November 2024	Publication Quarterly Financial Report (call-date Q3)



Nabaltec products make many aspects of everyday life safer, as well as being eco-friendly and thereby an irreplaceable part of your daily routine.

Contact

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Rounding

Due to computational reasons, rounding differences may appear in the percentages and figures in the tables, graphics and text.

Statements relating to the future

This presentation contains forward-looking statements based on current estimates and forecasts made by the Management Board and currently available information. These forward-looking statements are not to be understood as guarantees of projected future developments and results. Rather, future developments and results are subject to a variety of risks and uncertainties and are based on assumptions that may not prove to be accurate. We assume no obligation to update these forward-looking statements.

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