



Q1 2022 Update

May 2022

**Innovation
through
formulation**

Agenda

- 1 Key developments & business update
- 2 Financial performance
- 3 Outlook
- 4 Q&A



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This document may contain statement relevant to Azelis Group NV (the “Company”) and/or its affiliated companies (collectively “Azelis” or the “Azelis Group”) which are not historical facts and are hereby identified as “forward-looking statements”. Such forward looking statements, include, without limitation, those relating to the future business prospects, revenue, working capital, liquidity, capital needs, interest costs and income, in each case relating to the Azelis Group.

The forward-looking statements and estimates contained herein represent the judgement of and are based on the information available to the Company’s management as of the date of this announcement. They involve a number of known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied by the forward looking statements.

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The foregoing list of important factors is not exhaustive. When considering forward looking statements, careful consideration should be given to the foregoing factors and other uncertainties and events, as well as factors described in any other document published by the Company with the Belgian Financial Services and Markets Authority (“FSMA”) or on the Azelis website (www.azelis.com/investor-relations) from time to time, including the prospectus related to the admission to trading of the securities of Azelis Group NV on the regulated market of Euronext Brussels dated 14 September 2021. No undue reliance should be placed on such forward looking statements which are relevant only as of the date of this announcement. Except as required by the FSMA, Euronext or otherwise in accordance with applicable law, the Company undertakes no obligation to update publicly or revise any forward looking statements, whether as a result of new information, future events or otherwise.



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Key developments & business update Q1 2022



Strong start to the year

- 59.4% total revenue growth
- Record organic growth of 32.6%
- Strong demand in both Life Sciences and Industrial Chemicals; across all regions
- 3 acquisitions with combined annual revenues of over €160m

Profit improvements

- 71.3% increase in gross profit
- 94.6% increase in adjusted EBITA
- 589 bp expansion in conversion margin:
 - Positive mix effect
 - Scale benefits
 - Efficient margin management to mitigate inflation

Progress on initiatives

- Continued investments in digital strategy
 - 73 portals*
 - 13 e-labs*
- Inauguration of Regional Innovation Center (RIC) in Singapore
- In-cosmetics 2022 Bronze award for “IN and OUT gummies” formulation

**As of end of March 2022*

Balance Sheet

- € 57.9m Free Cashflow reflects impact of elevated working capital to support strong performance
- Leverage ratio reduced to 2.6x (5.0x end-March 2021)



Business update: Strong start to the year



Organic growth: 32.6% in Q1 2022

- Strong end-market demand
 - Life Sciences: F&H recovery and continued positive trends in Personal Care sustain momentum
 - Industrial chemicals: Continued strength in CASE in the US,

M&A: 3 acquisitions in Q1 2022

- Representing total full year annual revenues of over €160m
- Expansion of market segment and geographical footprint, further strengthening our Lateral Value Chain
 - Whitchem complements the Group's CASE product portfolio in the UK
 - Catalite reinforces our footprint in the Personal and Home Care market segments in Thailand
 - Umongo strengthens Group portfolio in Industrial Chemicals in Africa



Financial performance Q1 2022



Headline P&L Q1 2022



Azelis Group Highlights (EUR m)	Q1 2022	Q1 2021	Reported Change	Constant Currency
<i>Life Sciences</i>	592.8	372.6	59.1%	57.0%
<i>Industrial Chemicals</i>	382.5	239.1	60.0%	56.4%
Group Revenue	975.3	611.7	59.4%	56.8%
Gross Profit	235.9	137.8	71.3%	68.7%
Gross Profit Margin	24.2%	22.5%	167 bp	170 bp
Adjusted EBITDA	121.9	64.1	90.4%	88.1%
Adjusted EBITDA Margin	12.5%	10.5%	203 bp	208 bp
Adjusted EBITA¹	116.0	59.6	94.6%	92.3%
Adjusted EBITA Margin	11.9%	9.8%	215 bp	219 bp
Conversion Margin ²	49.2%	43.3%	589 bp	601 bp

(1) Adjusted EBITA represents operating profit or loss before amortization and impairment of intangible assets and excluding adjustments

(2) Conversion margin defined as Adjusted EBITA / Gross profit



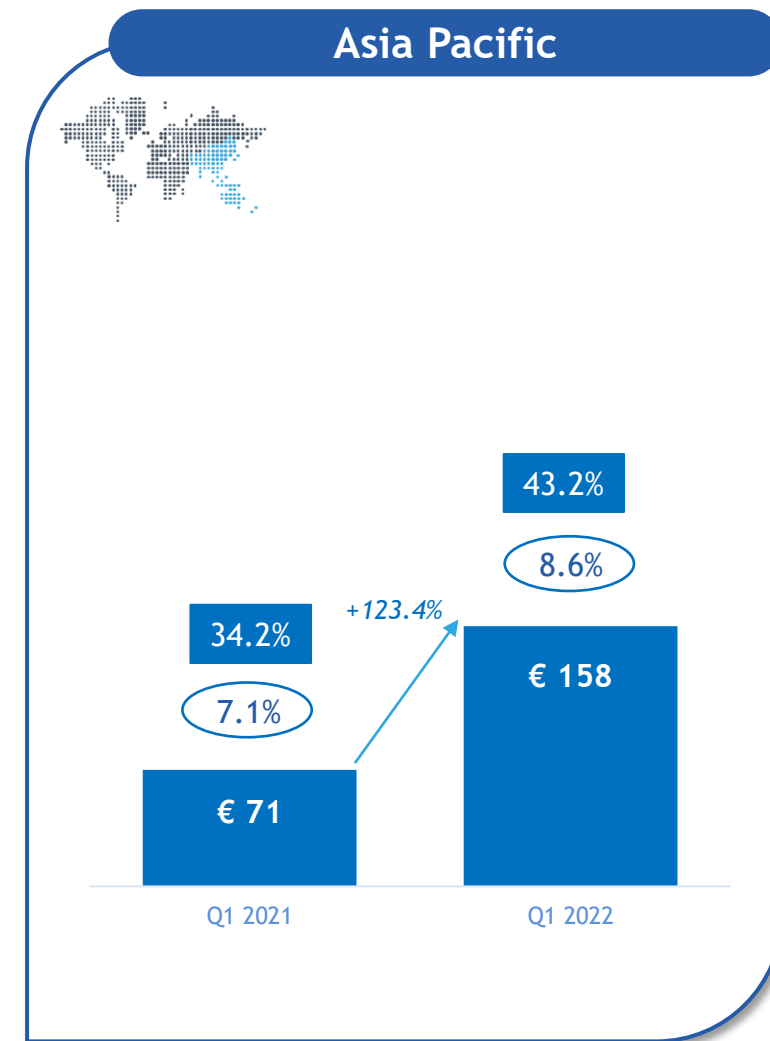
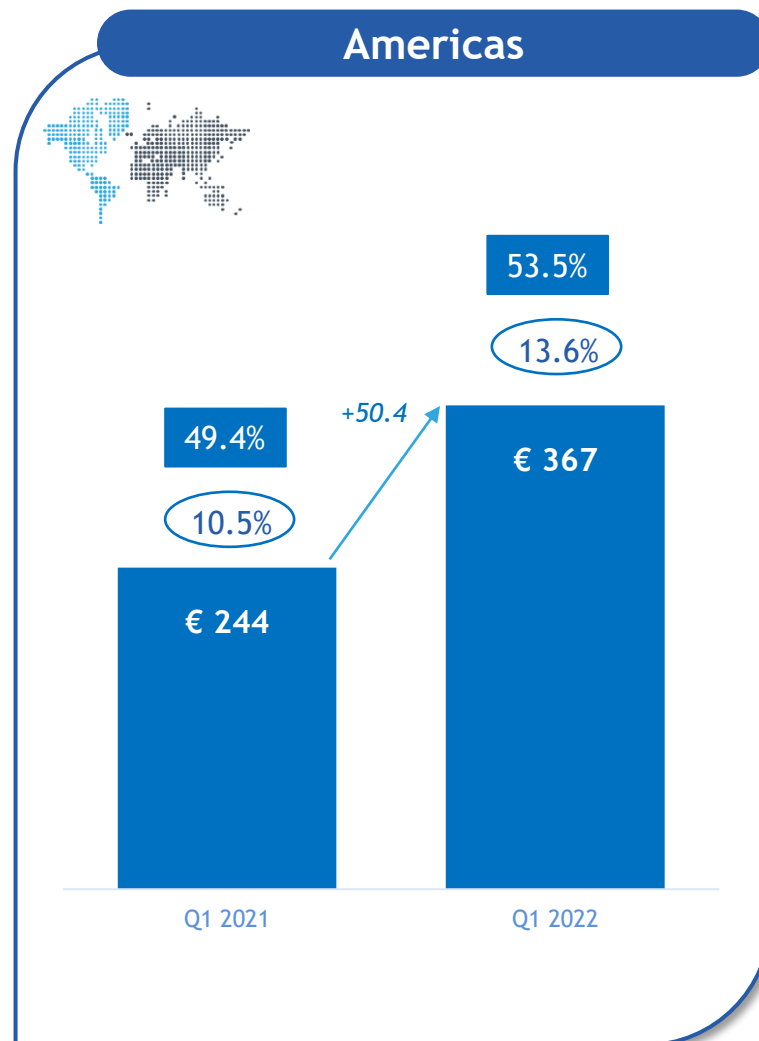
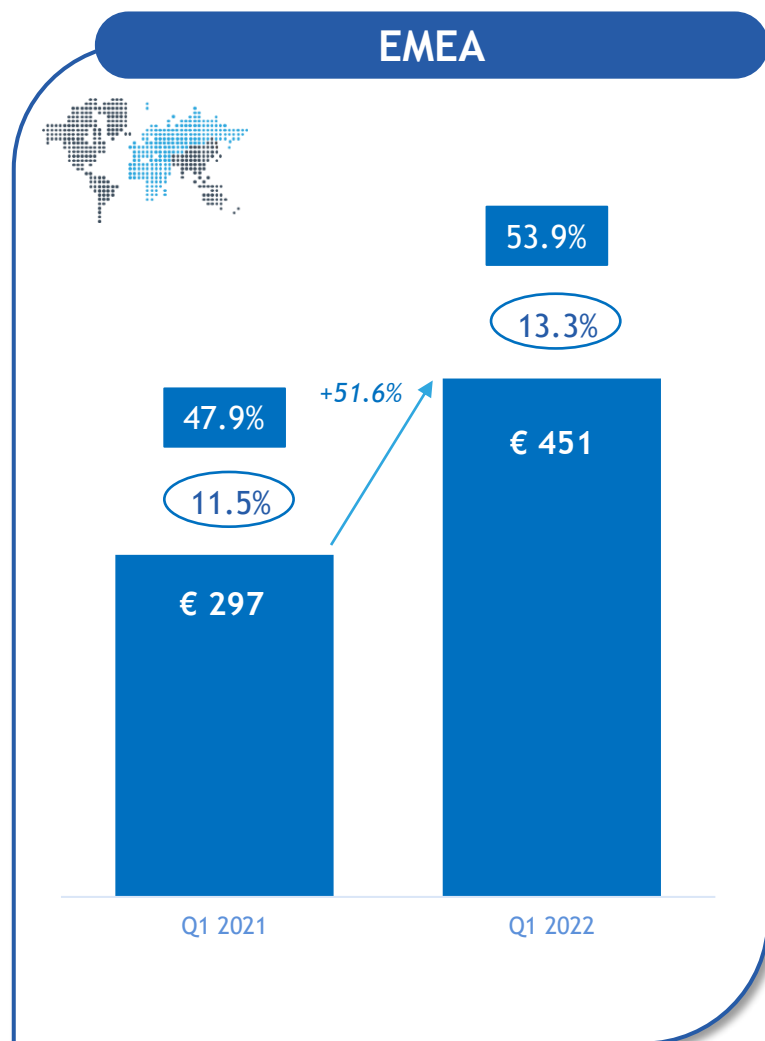
Headline growth Q1 2022



Azelis Performance (EUR m)	Q1 2022	Q1 2021	F/X Translation	M&A Growth Contribution	Organic Growth	Total Growth
EMEA	450.5	297.1	-1.8%	19.5%	33.9%	51.6%
Americas	366.5	243.7	7.4%	15.1%	27.9%	50.4%
Asia Pacific	158.3	70.9	5.3%	74.5%	43.6%	123.4%
Group Revenue	975.3	611.7	2.7%	24.1%	32.6%	59.4%
EMEA	111.6	71.1	-1.4%	14.9%	43.4%	56.9%
Americas	92.9	52.0	7.4%	32.1%	39.3%	78.8%
Asia Pacific	31.4	14.8	4.2%	54.8%	53.6%	112.6%
Group Gross Profit	235.9	137.8	2.5%	25.7%	43.0%	71.3%



Regional financial update



- € Revenue
- % Adjusted EBITA Margin: Operating profit or loss before amortization and impairment of intangible assets and excluding adjustments, divided by Revenue.
- % Conversion margin: Adjusted EBITA / Gross profit

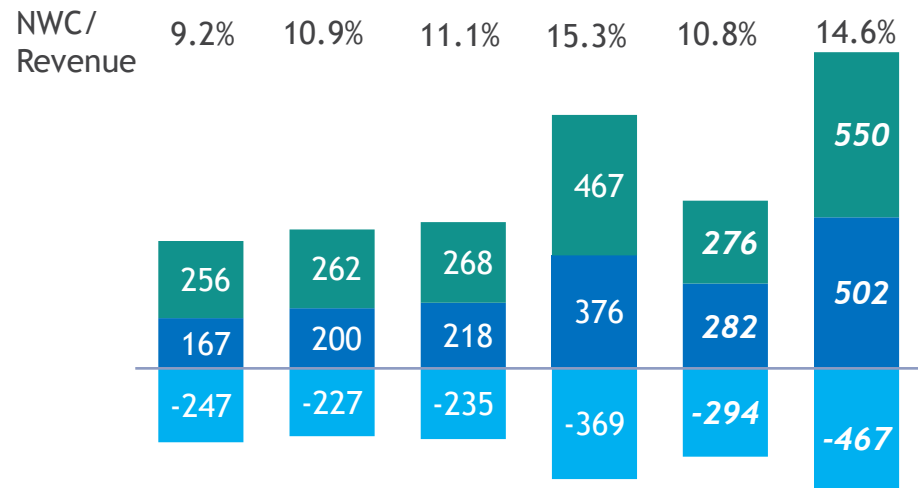


Working Capital



Working Capital

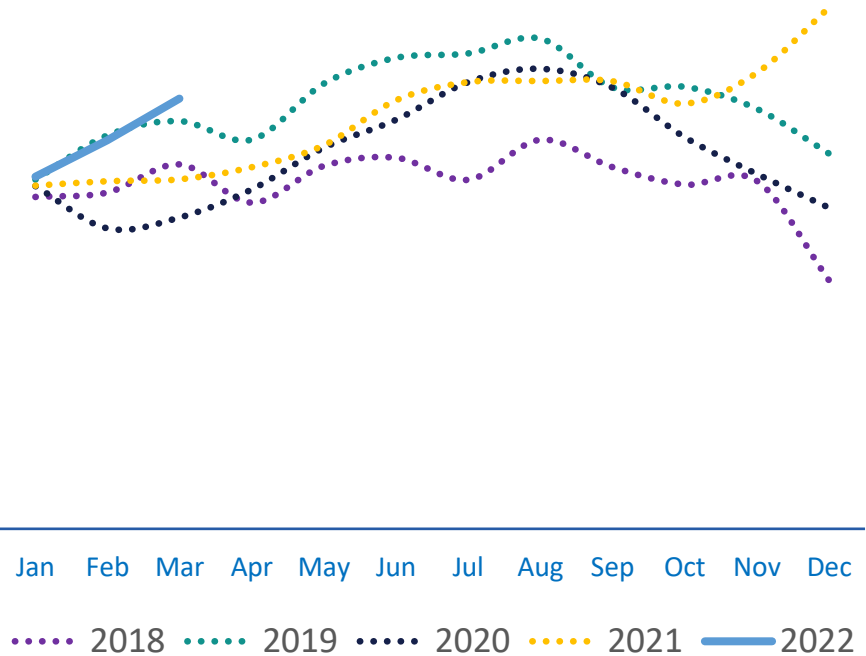
■ Receivables ■ Inventory ■ Payables



	2018	2019	2020	2021	Q1 2021	Q1 2022
DSO	32	34	35	44	42	46
DIO	49	44	43	55	41	50
DPO	47	38	38	44	44	43

* Net working capital normalized for acquisitions for the period

Evolution of NWC*



* Including stub periods of M&A and at constant currency rate.





Outlook



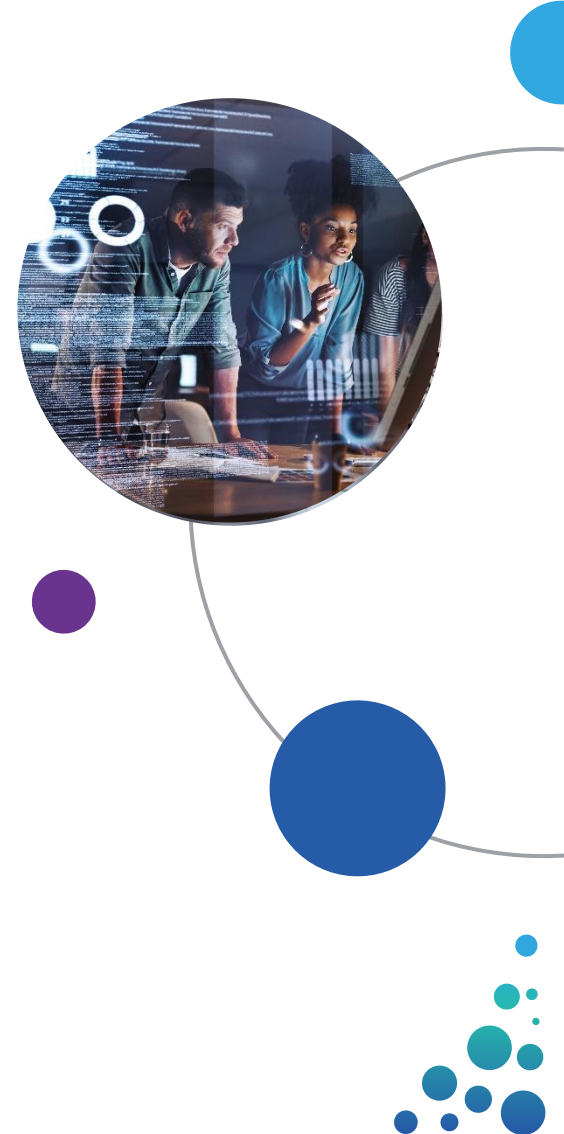
Outlook



Our strategy of driving growth is underpinned by a constantly strengthening lateral value chain, supported by continuous investments in innovation capabilities and digitalization, as well as a commitment to sustainability to create long-term value. In line with this, we are positive that we should be able to generate 8-10% of revenue growth and deliver 10-15 bps adjusted EBITA margin expansion per year in the medium-term.

Although uncertainty from ongoing supply chain disruptions as well as sustained inflation persist, the outlook for the full year 2022 remains positive for Azelis. Given the strong performance in the first three months of the year, the management expects the Group to exceed the recently-upgraded consensus estimate of EUR 325m¹ in adjusted EBITA for the full year by at least 10%.

¹Company compiled consensus as of 26 April, 2022.



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Q1 2022 Update Q&A

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