



**CONFERENCE CALL**  
**Q1 2021 results**

**IMCD N.V.**  
29 April 2021

# Disclaimer

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# Presenting team



Piet van der Slikke, CEO

Led the formation of IMCD since 1995

Designed and executed IMCD's strategy

26 years of industry experience



Hans Kooijmans, CFO

Joined IMCD in 1996

Co-led formation of IMCD

25 years of industry experience



# Agenda

- **Company profile**
- Highlights Q1 2021
- Financials Q1 2021
- Outlook
- Q&A



# Company profile

IMCD is a market-leader in the sales, marketing, and distribution of speciality chemicals and ingredients. Its result-driven professionals provide market-focused solutions to suppliers and customers across EMEA, Americas and Asia-Pacific, offering a range of comprehensive product portfolios, including innovative formulations that embrace industry trends.

Listed at Euronext, Amsterdam (IMCD), IMCD realised revenues of EUR 2,775 million in 2020 with nearly 3,300 employees in over 50 countries on 6 continents. IMCD's dedicated team of technical and commercial experts work in close partnership to tailor best-in-class solutions and provide value through expertise for around 50,000 customers and a diverse range of world class suppliers.



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# Highlights Q1 2021

## GROSS PROFIT

- Gross profit growth of 12% to EUR 197.6 million (+17% on a constant currency basis)

## OPERATING EBITA

- Operating EBITA increase of 28% to EUR 90.6 million (+34% on a constant currency basis)

## NET RESULT

- Net result before amortisation and non-recurring items increase of 27% to EUR 63.8 million (+32% on a constant currency basis)

## CASH EPS

- Cash earnings per share increased by 18% to EUR 1.11 (first 3 months of 2020: EUR 0.94)

# Highlights Q1 2021

## M&A Q1 2021

Further strengthening of the pharma, food and personal care activities in EMEA by the completion of three acquisitions:

- Acquisition of Ejder Kimya. A Turkish chemicals distributor of raw materials for personal care and pharmaceuticals products and food additives (6<sup>th</sup> of January)
- Acquisition of the Dutch-based distributor Peak International specialized in the active pharmaceutical ingredients business (7<sup>th</sup> of January)
- Acquisition of Siyeza (South Africa), a distributor of pharmaceutical, veterinary, food and personal care speciality chemical ingredients (8<sup>th</sup> of January)



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# Financials Q1 2021

## Key figures

EUR million	Jan.1 - Mar. 31 2021	Jan.1 - Mar. 31 2020	Change	Change %	Fx. adj. change
Revenue	809.9	748.8	61.1	8%	13%
Gross profit	197.6	176.4	21.2	12%	17%
Gross profit in % of revenue	24.4%	23.6%	0.8%		
Operating EBITA	90.6	70.9	19.7	28%	34%
Operating EBITA in % of revenue	11.2%	9.5%	1.7%		
Conversion margin	45.9%	40.2%	5.7%		
Net result before amortisation/non-recurring items	63.8	50.2	13.5	27%	32%
Free cash flow	63.6	33.3	30.3	91%	
Cash conversion margin	69.6%	46.2%	23.4%		
Earnings per share (EUR)	0.82	0.71	0.11	16%	23%
Cash earnings per share (EUR)	1.11	0.94	0.17	18%	22%
Number of full time employees end of period	3,360	3,064	296	10%	

# Financials Q1 2021

## Income statement

EUR million		EMEA	Americas	Asia Pacific	Holding companies	Total
<b>Gross profit</b>	<b>YTD Q1 2021</b>	<b>100</b>	<b>57</b>	<b>41</b>		<b>198</b>
	YTD Q1 2020	94	58	24		176
	Δ reported	6%	(1%)	68%		12%
	Δ constant currency	8%	10%	70%		17%
<b>Operating EBITA</b>	<b>YTD Q1 2021</b>	<b>44</b>	<b>25</b>	<b>25</b>	<b>(4)</b>	<b>91</b>
	YTD Q1 2020	38	25	11	(4)	71
	Δ reported	15%	(0%)	127%	6%	28%
	Δ constant currency	18%	11%	129%	9%	34%
<b>Operating EBITA in % of revenue</b>	<b>YTD Q1 2021</b>	<b>11.3%</b>	<b>10.1%</b>	<b>15.1%</b>		<b>11.2%</b>
	YTD Q1 2020	10.5%	9.7%	9.2%		9.5%
	Δ margin %	0.8%	0.4%	5.9%		1.7%
<b>Conversion margin</b>	<b>YTD Q1 2021</b>	<b>44.4%</b>	<b>44.3%</b>	<b>62.1%</b>		<b>45.9%</b>
operating EBITA in % of gross profit	YTD Q1 2020	40.7%	44.0%	45.9%		40.2%
	Δ margin %	3.7%	0.3%	16.2%		5.7%

# Financials Q1 2021

## Free cash flow

EUR million	Jan.1 - Mar. 31 2021	Jan.1 - Mar. 31 2020	Change	Change %
<b>Operating EBITA</b>	<b>91</b>	<b>71</b>	<b>20</b>	<b>28%</b>
Depreciation	7	6	1	
<b>Operating EBITDA</b>	<b>97</b>	<b>77</b>	<b>20</b>	<b>26%</b>
Share based payments	1	1	0	
IAS 17 lease payments	(7)	(6)	(1)	
<b>Adjusted operating EBITDA</b>	<b>91</b>	<b>72</b>	<b>19</b>	<b>27%</b>
Capex	(1)	(3)	2	
Δ Working capital <sup>1</sup>	(27)	(36)	9	
<b>Free cash flow</b>	<b>64</b>	<b>33</b>	<b>30</b>	<b>91%</b>
<i>Cash conversion ratio<sup>2</sup></i>	<i>69.6%</i>	<i>46.2%</i>	<i>23.4%</i>	

<sup>1</sup> Inventories, Trade and other receivables and Trade and other payables

<sup>2</sup> Free cash flow in percentage of Adjusted Operating EBITDA

# Financials Q1 2021

## Net debt/leverage

EUR million	31 March 2021	31 December 2020	31 March 2020
<b>Reported Net Debt</b> (incl. new share capital/ IFRS 16 debt)	<b>752</b>	<b>739</b>	<b>742</b>
<b>Reported leverage ratio:</b> Reported (incl. full year impact of acquisitions)	2.3	2.3	2.8
<b>Leverage ratio based on loan documentation:</b> Actual based on loan documentation	1.6	1.6	2.6

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# Outlook

IMCD operates in different, often fragmented market segments in multiple geographic regions, connecting many customers and suppliers across a very diverse product range. In general, results are impacted by macroeconomic conditions and developments in specific industries. Furthermore, results can be influenced from period to period by, amongst other things, the ability to maintain and expand commercial relationships, the ability to introduce new products and start new customer and supplier relationships and the timing, scope and impact of acquisitions.

IMCD's consistent strategy and resilient business model has led to successful expansion over the years and IMCD remains focused on achieving earnings growth by optimising its services and further strengthening its market positions. IMCD sees interesting opportunities to increase its global footprint and expand its product portfolio both organically and by acquisitions.

Based on the performance in the first three months of 2021 and the strong fundamentals of its business, IMCD expects operating EBITA growth in 2021.

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