

One company. Endless possibilities.

CONFERENCE CALL
First nine months 2021 results

9 November 2021

Presenting team



Piet van der Slikke

Led the formation of IMCD since 1995
Designed and executed IMCD's strategy
26 years of industry experience



Hans Kooijmans

Joined IMCD in 1996
Co-led formation of IMCD
25 years of industry experience

Company
profile

Highlights
first nine
months 2021

Financials
first nine
months 2021

Outlook

Q&A

Profile

IMCD is a market leader in the sales, marketing and distribution of speciality chemicals and ingredients.

Highlights:

- Formulatory and solutions provider
- Comprehensive and complementary product portfolio
- Multi-territory distribution management in EMEA, Asia-Pacific and Americas
- Headquartered in Rotterdam, The Netherlands



Company
profile

Highlights
first nine
months 2021

Financials
first nine
months 2021

Outlook

Q&A

Highlights first nine months 2021

GROSS PROFIT

Gross profit growth of 28% to EUR 621 million (+30% on a constant currency basis)

OPERATING EBITA

Operating EBITA increase of 51% to EUR 286 million (+54% on a constant currency basis)

NET RESULT

Net result before amortisation and non-recurring items increase of 54% to EUR 202 million (+58% on a constant currency basis)

CASH EPS

Cash earnings per share increased by 44% to EUR 3.54 (first nine months of 2020: EUR 2.46)

Highlights first nine months 2021

M&A Q3 2021

- Acquisition of Materias Químicas de México S.A. de C.V. (Maquimex), an asset-light speciality chemical distributor in HI&I, energy, water treatment and other industrial markets (19 August 2021)
- On 29 September 2021, IMCD announced the acquisition of Aquatech Speciality (Shanghai) International Trading Co., Ltd. and Aquatech Speciality (Guangzhou) Trading Co., Ltd. (“Aquatech”) in China. Aquatech is active in waterborne solutions in coatings, ink, and textile industries*.

* The closing of the transaction is expected to take place in November

Company
profile

Highlights
first nine
months 2021

Financials
first nine
months 2021

Outlook

Q&A

Financials first nine months 2021

Key figures

EUR million	Jan.1 - Sept. 30 2021	Jan.1 - Sept. 30 2020	Change	Change %	Fx adj. Change
Revenue	2,537	2,082	455	22%	24%
Gross profit	621	486	135	28%	30%
Gross profit in % of revenue	24.5%	23.3%	1.2%		
Operating EBITA	286	190	96	51%	54%
Operating EBITA in % of revenue	11.3%	9.1%	2.2%		
Conversion margin	46.1%	39.1%	7.0%		
Net result before amortisation / non-recurring items	202	131	71	54%	58%
Free cash flow	204	168	36	21%	
Cash conversion margin	70.8%	87.5%	(16.7)%		
Earnings per share (weighted)	2.66	1.74	0.92	53%	56%
Cash earnings per share (weighted)	3.54	2.46	1.08	44%	47%
Number of full time employees end of period	3,579	3,095	484	16%	

Financials first nine months 2021

Income statement

EUR million		EMEA	Americas	Asia Pacific	Holding companies	Total
Gross profit	YTD Q3 2021	308	184	129		621
	YTD Q3 2020	256	159	71		486
	Δ reported	20%	16%	81%		28%
	Δ constant currency	21%	22%	80%		30%
Operating EBITA	YTD Q3 2021	135	85	81	(14)	286
	YTD Q3 2020	100	70	32	(12)	190
	Δ reported	35%	21%	150%	15%	51%
	Δ constant currency	37%	27%	148%	17%	54%
Operating EBITA in % of revenue	YTD Q3 2021	11.3%	10.3%	15.5%		11.3%
	YTD Q3 2020	9.9%	9.6%	9.2%		9.1%
	Δ margin %	1.4%	0.7%	6.3%		2.2%
Conversion margin	YTD Q3 2021	43.8%	45.9%	62.9%		46.1%
operating EBITA in % of gross profit	YTD Q3 2020	38.9%	44.1%	45.6%		39.1%
	Δ margin %	4.9%	1.8%	17.3%		7.0%

Financials first nine months 2021

Free cash flow

EUR million	Jan.1 - Sept. 30 2021	Jan.1 - Sept. 30 2020	Change	Change %
Operating EBITA	286	190	96	51%
Depreciation	20	18	2	
Operating EBITDA	306	208	98	47%
Share based payments	4	4	0	
IAS 17 lease payments	(21)	(19)	(2)	
Adjusted operating EBITDA	289	193	96	50%
Capex	(3)	(5)	3	
Δ Working capital ¹	(82)	(19)	(63)	
Free cash flow	204	168	36	21%
<i>Cash conversion ratio²</i>	<i>70.8%</i>	<i>87.5%</i>	<i>(16.7%)</i>	

¹ Inventories, Trade and other receivables and Trade and other payables

² Free cash flow in percentage of Adjusted Operating EBITDA

Financials first nine months 2021

Net debt/leverage

EUR million	30 September 2021	31 December 2020	30 September 2020
Reported Net Debt (incl. new share capital/ IFRS 16 debt)	789	739	319
Reported leverage ratio: Reported (incl. full year impact of acquisitions)	2.0	2.3	1.2
Leverage ratio based on loan documentation: Actual based on loan documentation	1.5	1.6	0.9

Company
profile

Highlights
first nine
months 2021

Financials
first nine
months 2021

Outlook

Q&A

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 nine months of 2021 and the strong fundamentals of its business, IMCD expects operating EBITA growth in 2021.

Company
profile

Highlights
first nine
months 2021

Financials
first nine
months 2021

Outlook

Q&A

Disclaimer

The content in this presentation is provided to you by IMCD N.V. (“IMCD”) and intended for your personal information only. All information appearing herein is based on our present knowledge and experience (“as is”) and IMCD makes no representations as to its accuracy or sufficiency. To the extent information from third parties is used for or included in this presentation, we have not executed an independent verification and expressly do not represent, warrant, undertake or guarantee that the content herein or underlying information is, at any time, correct, accurate, complete, non-misleading or fit for any purpose or use.

This presentation does not provide any form of (commercial, investment or financial service) advice, nor does it contain recommendations regarding any decision, and should not be treated as such.

This presentation is considered confidential and any disclosing, distribution, copying or dissemination of this presentation or parts thereof, without the expressed prior consent of IMCD strictly prohibited.