ASK Chemicals Announces Second Quarter 2025 Results

Hilden, Germany, September 12, 2025: ASK Chemicals International Holding GmbH ("ASK", "ASK Chemicals" or the "Company") announces unaudited results for the second quarter ended June 30, 2025.

Q2 Highlights

Volumes and Sales

- Global volumes were flat in Q2/2025 compared to Q2/2024.
  - By business line, volumes in Q2/2025 for the Chemicals business decreased 3% versus prior year, while volumes for our Industrial Resins business increased 3%.
  - As in Q1/2025, Q2/2025 was lapping against a strong Q2/2024, where volumes were still at a higher base, particularly in Europe.
  - Europe represents a primary driver for the lower Chemicals volumes this quarter. In Q2/2025 volumes in Europe were below Q1/2025 (down approximately 5%), which is a quarter over quarter progression that was similarly observed in 2024, and volumes remain meaningfully below Q2/2024 (down approximately 9%). Main reasons for the decline include the depressed business environment, tariff impact on supply chains and business activity, and competitive pressures. While we anticipate these conditions to persist, we expect H2/2025 volumes in Europe to perform more in line with H2/2024.
  - Conditions in the Americas were better, with Q2/2025 in North America up 3% and South America up 2% versus Q2/2024.
  - Asia also saw volume growth of 3% in Q2/2025 versus Q2/2024 mainly driven by Industrial Resins volumes.
- However, Further Adjusted Revenue in Q2/2025 decreased by 8% versus Q2/2024 on a nominal basis. On a constant FX basis, which was impacted by FX headwinds related largely to the Americas region with Brazil being the most impacted, Further Adjusted Revenue decreased by 3%. Lower revenues were mainly driven by lower volumes in Europe, an unfavorable mix within our Industrial Resins business, and lower revenue from our Materials business.

EBITDA

- Further Adjusted EBITDA for Q2/2025 was €20.3 million, which compares to €27.9 million during the prior year.
  - When adjusted for FX, Further Adjusted EBITDA in Q2/2025 was down €6.5 million versus Q2/2024 (compared to €7.6 million on a nominal basis).
  - On a trailing twelve-month basis, this results in Further Adjusted EBITDA of €84.3 million.
- The drivers of the lower EBITDA are mainly due to the aforementioned European volume softness (which is a high margin business) and the negative product mix effect within Industrial Resins, which outweighed the realization of the cost savings measures taken over the past year.
  - Performance in North America, in particular, has remained strong and steady despite a similarly difficult operating environment, but was unable to compensate for lower performance in the other regions.
  - Furthermore, Q2/2024 had a positive EBITDA impact of €2.0 million due to half year closing adjustments made per the interim audit. As a reminder, as a result of year-end procedures that were brought forward to June to close the fiscal year ahead of the sale of the Metallurgy business line, certain accruals were brought forward in June (e.g. license income, bonus

accruals), with further corrections posted in July and August, which will impact the next quarter.
    - As with prior quarter, Q2/2025 relative to prior year was negatively impacted by the contraction of the Cores business line (which sits within our Materials business and delivered approximately €800k of margin in Q2/2025 compared to €2.1 million in Q2/2024) and the outstanding stranded costs from the sale of the Metallurgy business line.

Cash Flow

- At the end of Q2/2025, cash and cash equivalents were €24.4 million and available liquidity was €51.4 million, including a €13.0 million draw on the revolver to cover the half yearly interest payment, bonus payments in April, paydown of our reverse factoring facility in Brazil, and restructuring expenses.
- Compared to Q1/2025, cash decreased in the quarter by €11.9 million from €36.3 million to €24.4 million.
    - Operating cash flow in the quarter was managed appropriately with modest capex spend of €2.4 million and change in trade working capital of €11.7 million, or €4.9 million when excluding the reduction of the reverse factoring facility in Brazil during the quarter. Working capital has remained elevated, in particular in North America, as a result of the increasing sales in Mexico where payment terms are longer.
    - However, cash in the quarter was further impacted by the timing of interest and bonus payments in April and extraordinary items related to the repayment of the aforementioned reverse factoring line in Brazil and restructuring expenses.
- FX translation also negatively impacted cash by approximately €1.1 million in this quarter.

CEO, Luiz Totti commented:

This quarter's performance reflects a challenging global operating environment, particularly relative to last year, in tandem with a number of headwinds including continued softness in EMEA, pricing pressures in APAC region, and FX headwinds in the Americas.

Overall volumes were essentially flat year-on-year. Lower volumes in EMEA region were offset by modest increases in all other regions. However, regional and product mix effects led to a decline in Further Adjusted Revenue compared with the same period last year. As material costs were relatively unchanged, the decline in revenues directly impacted the bottom line and was a primary driver to the decline in Further Adjusted EBITDA.

In Europe, and in Germany in particular, we are seeing both cyclical and continued underlying pressures. Cyclical factors such as tariffs, energy costs, and broader macroeconomic headwinds have dampened industrial activity. In addition, some of our customers remain weak (e.g. closing production lines) and some are opting to wait for stabilization before investing more in production and inventories.

North America saw year-over-year volume increases though we continue to see cyclical downturn in the rail and agriculture industries and some conservativeness in ordering with some of our large customers.

South America's increase in volumes came largely from a strategic approach in increasing the Formaldehyde volumes in the country. Brazilian Real deterioration drove most of the reduction in profits for the region when converted to Euros.

The APAC region also saw negative mix effects as well as pricing pressures so while volumes showed a modest increase, revenues were slightly down.

Together, the three regions outside of Europe provided a measure of counter-balance to the portfolio in a difficult quarter.

Importantly, we continue to act with discipline, challenge and further reduce our cost structure, which remains a priority.

As it relates to liquidity, we are diligently working to reduce our working capital which has become challenged mostly largely due to a higher volume of sales in Mexico where payment terms are extended. Likewise, we continue to manage capital expenditures with discipline, prioritizing essential projects while maintaining flexibility. While leverage has increased, we are confident in our ability to reduce debt over time and remain firmly focused on strengthening the balance sheet.

At the same time, we are advancing the priorities that position us for long-term success. We are investing selectively in innovation, strengthening customer partnerships, and pursuing geographic and product diversification to mitigate regional volatility. These actions reflect our commitment to building resilience and ensuring we are well placed to benefit when market conditions improve.

While the combination of challenges in Europe creates headwinds, the fundamentals of our business remain strong, and we are confident in the ability of our teams worldwide to execute with discipline and focus.

Financial discussion for Second Quarter 2025

The discussion below compares the unaudited results for the second quarter of 2025 to the unaudited results of the second quarter of 2024.

in € million	2025 Q2	2024 Q2	Change vs. PY	Change in %
Volumes (ktons) - selected Product Lines*	**73.2**	**73.4**	**-0.2**	**0%**
Europe	18.6	20.4	-1.8	-9%
North America	11.5	11.1	0.4	3%
South America	25.6	25.0	0.6	2%
Asia	17.5	16.9	0.6	3%
Further Adjusted Revenue*	**144.1**	**156.4**	**-12.2**	**-8%**
Europe	49.7	57.0	-7.3	-13%
North America	41.0	42.7	-1.7	-4%
South America	28.8	31.6	-2.8	-9%
Asia	24.6	27.1	-2.5	-9%
Further Adjusted Revenue LTM	**592.3**	**613.1**	**-20.9**	**-3%**
Further Adjusted EBITDA	**20.3**	**27.9**	**-7.6**	**-27%**
Further Adjusted EBITDA LTM	**84.3**	**91.3**	**-7.0**	**-8%**
Operating Income (EBIT)	14.2	-2.0	16.3	-795%
Net financial cost	-15.0	-16.1	1.2	-7%
Net income	-5.7	-23.2	17.5	-76%
Capital Expenditures	2.4	2.4	0.0	0%
Net Working Capital***	74.7	101.9	-27.2	-27%
Cash and cash equivalents	24.4	37.0	-12.7	-34%
RCF usage in cash (€40m)	13.0	0.0	13.0	
Available Liquidity	**51.4**	**77.0**	**-25.7**	**-33%**
Total net debt	342.0	221.6	120.5	54%
Total debt ratio**	**4.06x**	**n/a**	**n/a**	**n/a**
Non-Recourse Factoring	27.6	36.9	-9.3	-25%

* "Sold-From" Region as per Management definition. In 2025, management changed its reporting to be on a Sold-From and Sold-To basis with the historical periods adjusted accordingly for comparability. As the ASK business is mainly regional, the changes to the underlying figures are minimal (except for certain materials products that travel across continents), but more relevant for internal reporting purposes.
** may not be calculated the same way as Consolidated Total Debt Ratio under the Indenture
*** 2024 figures presented include the Metallurgy business line

Volumes

During the quarter, Volumes were flat relative to the same quarter of prior year. By business line, volumes for the Chemicals business decreased 3%, but increased 3% for the Industrial Resins business. By geographic region, European volumes for the quarter were down 9%, consistent with the performance of the underlying end markets which remained weak. In South America, volumes increased by 2% thanks to strong growth in the Industrial Resins business in Brazil. Volumes in North America and Asia remained resilient, both increasing 3% year-over-year, despite a lower demand environment.

Further Adjusted Revenue

In Q2/2025, Further Adjusted Revenue decreased by 8% versus Q2/2024 to €144.1 million. The decline in revenue is related to lower European volumes, lower materials revenue, and change on product and regional mix. Revenue was also adversely impacted by the translation effects across all currencies in our larger regions but particularly from Brazilian Real to Euro. On a constant currency basis, the decrease was only 3%.

Further Adjusted EBITDA

Further Adjusted EBITDA decreased from €27.9 million in Q2/2024 to €20.3 million in Q2/2025. SG&A and manufacturing savings did not fully compensate for the lower volumes in Europe and negative product mix in all regions. Furthermore, the comparison versus the same quarter in the prior year was impacted by extraordinary items including accounting adjustments related to the June year end audit and the decline in the Cores (Materials) business line.

Liquidity and Capital Resources

The Company's cash and cash equivalents as of June 30, 2025 was €24.4 million, compared to €37.0 million as of June 30, 2024. In addition, the Company has a Revolving Credit Facility of €40.0 million which was drawn at €13.0 million as of June 30, 2025, resulting in total liquidity of €51.4 million.

Net cash from operating activities for the three months ended June 30, 2025 decreased from €8.4 million ended June 30, 2024 to (€19.1 million), a decrease of €27.5 million, mainly due to timing of interest payments (bond interest payment of €14.8 million in April 2025) and working capital increase, which accounts for the wind down of the reverse factoring facility in South America (reduced from €13.4 million to €6.6 million during the quarter).

Net cash used in investing activities for the three months ended June 30, 2025 increased by €1.5 million, from an outflow of €0.2 million in the three months ended June 30, 2024 to an outflow of €1.7 million, primarily due to a one-time land sale in 2024. Capital expenditures in the three months ended June 30, 2025 were €2.4 million compared to €2.4 million in the three months ended June 30, 2024.

Net cash from financing activities for the three months ended June 30, 2025 was an inflow of €10.0 million primarily due to a €13.0 million draw on the Revolving Credit Facility, and for the three months ended June 30, 2024 was an outflow of €0.7 million.

Net Working Capital as of June 30, 2025 was €74.7 million compared to €101.9 million as of June 30, 2024. The nominal decrease is mainly related to the divestment of the Metallurgy business line and lower factoring balances (which fluctuate naturally throughout the year), as the trade working capital otherwise increased relative to prior year.

Risks and uncertainties

Tariffs: While ASK primarily operates on a regional basis for both procurement and sales, we continue to closely monitor the evolving tariff landscape due to our global footprint and international customer base. In particular, broader macroeconomic conditions, shifts in global trade flows, and disruptions to global supply chains may influence demand for our products. Given the heightened volatility and uncertainty in the outlook for the remainder of the year, ASK is actively exploring measures to mitigate potential impacts on earnings – focusing on strategic price management and proactively optimizing our fixed cost structure.

Conference call

A conference call and webcast is scheduled for 3.00pm CET on Monday 15 September, 2025. Further details can be found in the Investor Relations section on the Company's website: Investor Relations: ASK Chemicals

Forward-Looking Statements

This communication and other written or oral statements made by or on behalf of the Parent and Issuer contain forward-looking statements. In particular, statements using words such as “may,” “seek,” “will,” “likely,” “assume,” “estimate,” “expect,” “anticipate,” “intend,” “believe,” “aim,” “predict,” “plan,” “project,” “continue,” “potential,” “guidance,” “foresee,” “might,” “objective,” “outlook,” “trends,” “future,” “could,” “would,” “should,” “target,” “on track,” or their negatives or variations, and similar terminology and words of similar import, generally involve future or forward-looking statements. Forward-looking statements reflect the Parent’s current views, plans or expectations with respect to future events and financial performance. They are inherently subject to significant business, economic, competitive and other risks, uncertainties and contingencies. The inclusion of forward-looking statements in this or any other communication should not be considered as a representation by the Parent and Issuer or any other person that current plans or expectations will be achieved. Accordingly, you should not place undue reliance on any forward-looking statement. Forward-looking statements speak only as of the date on which they are made, and the Parent and Issuer undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as otherwise required by law.

About ASK Chemicals

ASK Chemicals Group, headquartered in Hilden near Düsseldorf (Germany), is one of the world's leading suppliers of specialty chemicals and consumables.

ASK Chemicals’ comprehensive product portfolio is organized into three divisions: Chemicals, Materials and Industrial Resins. The products in our (i) Chemicals division include a broad spectrum of chemical consumables and binders for core and mold-making, (ii) Materials division include cores, risers, and filters which are applied during the casting process and (iii) Industrial Resins division include phenolic and alkyd-based resins to coat fertilizers for controlled release, resin emulsions for a broad range of applications (such as paints), and a wide range of phenolic resoles and novolacs for various industrial applications.

ASK Chemicals has sales in over 70 countries and had approximately 1,400 full-time employees as of December 31, 2024. The Company considers itself a driving force in industry-specific innovations, with research centers and laboratories in Europe, Asia, the Americas, and Africa.

Contact

Marc Dumont
Head of Group Treasury & Risk Management
+49 211 711030
investor.relations@ask-chemicals.com

Unaudited non-IFRS measures and reconciliation

in € million	2025 Q2	2024 Q2	2025.06 YTD	2024.06 YTD
Net income	**-5.7**	**-23.2**	**-5.9**	**-22.4**
Depreciation/Amortization and impairment losses	5.3	20.5	10.7	27.1
Share of profit of equity-accounted investees, net of tax	0.0	0.6	0.0	0.3
Net financial costs	15.0	16.1	23.3	26.8
Income tax expenses	4.9	4.4	9.5	8.1
EBITDA	**19.5**	**18.5**	**37.5**	**39.9**
One-Offs	0.9	7.1	5.4	13.1
Adjusted EBITDA	**20.3**	**25.6**	**42.9**	**52.9**
Further adjustments	0.0	2.4	0.0	2.1
Further Adjusted EBITDA	**20.3**	**27.9**	**42.9**	**55.0**
Revenue	152.4	186.7	315.3	378.7
Tolling	-8.3	-9.0	-15.9	-18.1
Adjusted Revenue	144.1	177.7	299.4	360.6
Further adjustments	0.0	-21.3	0.0	-45.2
Further Adjusted Revenue	**144.1**	**156.4**	**299.4**	**315.3**

Unaudited condensed statement of profit or loss and other comprehensive income

in € million	2025 Q2	2024 Q2	2025.06 YTD	2024.06 YTD
Revenue	152.4	186.7	315.3	378.7
Cost of sales	-116.8	-159.2	-243.5	-306.0
Gross result	**35.6**	**27.5**	**71.8**	**72.7**
Other income	13.0	-2.7	19.7	11.1
Selling and distribution expenses	-9.9	-13.7	-19.6	-27.7
Administrative expenses	-9.6	-18.3	-22.3	-33.9
Research and development expenses	-2.2	-3.1	-4.5	-5.6
Other expenses	-12.7	8.2	-18.2	-3.9
Operating result (EBIT)	**14.2**	**-2.0**	**26.8**	**12.7**
Finance income	4.9	3.3	15.1	9.8
Finance costs	-19.9	-19.4	-38.4	-36.6
Net financial costs	**-15.0**	**-16.1**	**-23.3**	**-26.8**
Share of profit of equity-accounted investees, net of tax	0.0	-0.6	0.0	-0.3
Result before tax	**-0.7**	**-18.8**	**3.6**	**-14.3**
Income tax expenses	-4.9	-4.4	-9.5	-8.1
Group result	**-5.7**	**-23.2**	**-5.9**	**-22.4**

Unaudited condensed consolidated balance sheets

in € million	2025.06	2024.06
Current Assets		
Inventories	59.2	64.6
Trade receivables	83.7	82.8
Current tax assets	5.5	1.6
Prepayments and other receivables	21.9	20.4
Other current financial assets	4.6	6.5
Cash and cash equivalents	24.4	37.0
Other Current assets	0.9	0.0
Assets held for sale	0.0	37.3
Total current assets	**199.2**	**250.3**
Non-current Assets		
Property, plant and equipment	138.2	152.0
Goodwill	21.0	22.4
Other intangible assets	16.6	20.3
Equity-accounted investees	0.0	0.0
Non-current receivables	24.5	25.0
Other non-current financial assets	19.2	0.7
Deferred tax assets	1.9	3.2
Total non-current assets	**221.4**	**223.6**
Total assets	**421.4**	**474.0**
Current Liabilities		
Current financial liabilities including derivatives	31.4	22.4
Trade payables	68.2	78.2
Liabilities from supplier factoring	0.5	12.7
Current provisions	10.7	16.2
Other liabilities	13.6	15.6
Current tax liabilities	2.0	3.7
Deferred income	0.0	1.0
Liabilities directly associated with assets held for sale	0.0	26.3
Total current liabilities	**126.3**	**176.2**
Non-current liabilities		
Non-current financial liabilities	347.0	306.5
Employee benefits	10.4	12.1
Other non-current provisions	3.0	2.1
Deferred tax liabilities	9.1	5.8

Deferred income > 1 year	16.1	17.6
Total non-current liabilities	**385.7**	**344.0**
Total liabilities	**512.0**	**520.3**
Subscribed capital	0.0	0.0
Capital reserves	87.7	87.7
Retained earnings	-145.5	-137.0
Other reserves	-37.3	-1.5
Total equity attributable to owners of the parent company	**-95.0**	**-50.9**
Non-controlling interest	4.5	4.6
Total equity	**-90.5**	**-46.3**
Total equity and liabilities	**421.4**	**474.0**

Unaudited consolidated cash flow statement

in € million	2025 Q2	2024 Q2	2025.06 YTD	2024.06 YTD
Group Result	-5.7	-21.8	-5.9	-22.4
Depreciation	4.1	16.7	8.3	21.9
Amortization	1.2	3.8	2.4	5.2
Net finance costs	14.9	15.4	23.2	26.8
Share of profit of equity-accounted investees (net of tax)	0.0	0.0	0.0	0.3
Gain on sale of property, plant, and equipment as well as intangible assets	0.0	-1.4	0.0	-1.4
Other non-cash income and expenses	1.0	0.2	1.5	0.4
Tax expense	4.9	4.4	9.5	8.1
Cash flows from operating activities before change in working capital	**20.4**	**17.4**	**38.9**	**38.9**
Changes in inventories	1.5	-4.4	-2.1	-3.7
Changes in receivables and other assets	-2.9	-2.2	-16.4	-26.4
Changes in liabilities and provisions	-17.7	3.4	-1.8	22.7
Cash generated from operating activities before interest and tax	**1.4**	**14.2**	**18.7**	**31.4**
Interest paid	-15.6	-1.3	-16.8	-14.8
Income taxes paid	-5.0	-4.4	-9.2	-6.4
Net cash from operating activities	**-19.1**	**8.4**	**-7.3**	**10.3**
Interest received	0.7	0.4	1.2	0.8
Dividends received	0.0	0.0	0.0	0.0
Proceeds from sale of property, plant and equipment as well as intangible assets	-0.1	2.6	0.0	2.7
Acquisition of intangible assets	-0.4	-0.7	-0.9	-1.2
Acquisition of property, plant and equipment	-1.9	-2.1	-3.8	-3.4
Payments within the scope of business combinations less acquired cash and cash equivalents	0.0	-0.4	0.0	-0.4

Net cash used in investing activities	**-1.7**	**-0.2**	**-3.4**	**-1.5**
Payments into the capital reserve	0.0	0.0	0.0	0.0
Proceeds from shareholder loans	0.0	0.0	0.0	0.0
Repayments of bank loans	-0.6	-1.3	-2.2	-2.3
Proceeds from the raising of bank loans	14.4	0.0	14.4	0.0
Payments from other financial assets and liabilities	0.0	0.0	0.0	0.0
Payments for the reimbursement of finance lease obligations (IFRS 16)	-1.4	-1.6	-2.6	-3.2
Proceeds from other financial assets and liabilities	-2.5	2.2	-6.5	1.2
Paid dividends	0.0	0.0	0.0	-0.2
Net cash from financing activities	**10.0**	**-0.7**	**3.0**	**-4.5**
Net increase in cash and cash equivalents	-10.8	7.5	-7.6	4.2
Effect of movements in exchange rates on cash held	-1.1	-0.6	-1.5	-0.7
Cash and cash equivalents acquired from acquisition activities	0.0	0.0	0.0	0.0
Cash and cash equivalents at the beginning of the period	36.3	30.1	33.5	33.5
Cash and cash equivalents	**24.4**	**37.0**	**24.4**	**37.0**

Definitions of non-IFRS measures

- "**Volumes**" means the weight of our products shipped within a period, expressed in kilotons, and excludes our Cores, Risers & Filters, which are sold on a unit and not volume basis, as well as our Sand, xPuris and Metallurgy business lines that were discontinued or divested. We exclude these categories in order to more accurately show volumes on a like-for-like basis across periods. We discontinued our Sand business line in December 2018, other than limited sales in Spain, and the xPuris business was divested in March 2024. The Metallurgy business line was divested in September 2024.
- "**Adjusted Revenue**" means reported revenue less revenue from certain tolling arrangements entered into in 2021 in Brazil with a third party. We present Adjusted Revenue and certain other metrics and financial information that use Adjusted Revenue as a base as we do not consider these tolling obligations to be a core part of our business. Products sold under this tolling arrangement are sold at cost and therefore do not contribute to our gross result. Accordingly, we believe that Adjusted Revenue and the related metrics are a better indicator of our actual revenues.
- "**Further Adjusted Revenue**" means Adjusted Revenue less revenue attributable to the divested Metallurgy business line.
- "**EBITDA**" means group result excluding income taxes, net finance costs, depreciation of property, plant and equipment & right-of-use assets and amortization of intangible assets.
- "**Adjusted EBITDA**" means EBITDA adjusted for certain managerial adjustments. Adjusted EBITDA on a geographical segment basis is presented before intragroup eliminations and excludes EBITDA from the corporate level which cannot be allocated to a certain geographic area.
- "**Further Adjusted EBITDA**" means Adjusted EBITDA less EBITDA attributable to the divested Metallurgy business line.
- "**Net Working Capital**" means inventories plus accounts receivable before factoring less accounts payable.
- "**Change in Net Working Capital**" means the operating cashflow relating to the sum of the increase or decrease in inventories, the increase or decrease in accounts receivables before factoring and the increase or decrease in accounts payable, for the relevant period.
- "**Available Liquidity**" means Cash and cash equivalents plus unused RCF in Cash and Non-cash.