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Ad Hoc Announcement Pursuant to Article 53 of the SIX Exchange Regulation Listing Rules

RECORD RESULTS FOR SALES AND PROFIT – EBIT MARGIN INCREASED TO 15.0%

Results 2021

- Sales of CHF 9,252.3 million (+17.5%), sales increase in local currencies of +17.1%
- EBITDA increased to CHF 1,758.0 million (+17.4%)
- Operating profit (EBIT) increased to CHF 1,391.4 million (+23.1%), resulting in an EBIT margin of 15.0% (previous year: 14.4%)
- Net profit up to CHF 1,048.5 million (+27.1%)
- Reduction of CO₂eq emissions by -10.1% to 17.6 kg per ton sold
- Proposal for dividend increase of 16.0% to CHF 2.90 per share (previous year: CHF 2.50)

Outlook for 2022 fiscal year

- Sales increase in local currencies by well over 10%, surpassing CHF 10 billion for the first time
- Over-proportional increase in EBIT
- Closing of MBCC acquisition remains targeted for the second half of 2022
- Confirmation of 2023 strategic targets for sustainable, profitable growth
- New sustainability targets to be presented at Capital Markets Day on September 30, 2022

Sika performed well in a challenging environment in 2021, once again demonstrating the strengths of its business model. Despite the ongoing COVID-19 pandemic and bottlenecks in the procurement of raw materials, sales rose significantly by 17.5% to a record CHF 9,252.3 million. As the company implemented price increases and followed disciplined cost management, operating profit (EBIT) went up by an over-proportional 23.1%, hitting a new record figure of CHF 1,391.4 million. This equates to an EBIT margin of 15.0% compared to 14.4% the previous year. In keeping with this development, net profit rose sharply by 27.1% to an overall CHF 1,048.5 million (previous year: CHF 825.1 million).

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Thomas Hasler, Chief Executive Officer: „Sika has generated lasting added value in a challenging year. Our achievements are only possible because of the countless initiatives worldwide and the great dedication of all our employees. We will continue to develop innovative solutions that support a sustainable future for the benefit of our customers, the environment, and society. We will pursue our strong growth in all regions and we will continue to deliver impressive performance in the future.“

RECORD FIGURES FOR SALES AND PROFIT

Not only did Sika post record sales but profit also reached an all-time high despite an extremely steep increase in raw material costs. Thanks to price increases, rigorous cost management and economies of scale, efficiency gains, and synergies from acquisitions, Sika was not just able to offset the high raw material costs at EBIT level – it also managed to substantially improve EBIT. This came in at CHF 1,391.4 million, a 23.1% gain on the prior-year figure of CHF 1,130.5 million. The EBIT margin amounted to 15.0% (previous year: 14.4%). In keeping with this development, net profit rose sharply by 27.1% to an overall CHF 1,048.5 million (previous year: CHF 825.1 million). Operating free cash flow came in a bit lower to CHF 908.4 million (previous year: CHF 1,259.4 million) due to increased inventory value and a higher level of investments.

SIKA AS AN ENABLER OF SUSTAINABLE CONSTRUCTION AND ENVIRONMENTALLY-FRIENDLY MOBILITY

Climate change is presenting society with major challenges. In its growth strategy, Sika has committed to reducing its CO₂eq emissions (scope 1 and 2) by 12% by 2023. In 2021 it was once again able to clearly surpass this target, cutting its CO₂eq emissions per ton sold by -10.1% to 17.6 kg (previous year: reduction of -25.9%). At the Capital Markets Day scheduled for September 30, 2022, the Group will announce its new sustainability targets, including a net zero roadmap.

Sika sees itself as an enabler: a supplier of innovative products that enable its customers to lower their CO₂ emissions, build in a way that conserves resources and make structures safer. Thanks to Sika solutions, they are able to enhance many aspects of their products and processes. These range from admixtures for low-emission concrete, to facade systems for energy-efficient buildings, and adhesives for environmentally-friendly vehicles.

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SIKA WAS ABLE TO GROW IN ALL REGIONS

In general, the economy in 2021 recovered more quickly than expected from the impact of the pandemic. The fast-growing construction sector played a considerable part in this. Sika was able to grow in all regions in 2021. Moreover, distribution business posted significant gains in all regions.

The EMEA region (Europe, Middle East, Africa) reported a sales increase in local currencies of 16.1% (previous year: 4.4%). As in 2020, growth in distribution and refurbishment business outstripped growth in the other business segments. Nearly all countries in the region achieved double-digit growth rates. The United Kingdom and the countries in Africa, the Middle East, and Eastern Europe benefited from an upsurge in growth. In general, sales of Sika product solutions via ecommerce platforms saw an above-average increase.

The Americas region recorded growth in local currencies of 21.0% (previous year: 1.0%). In the USA, Sika gained substantial momentum. Growth was driven by large-scale refurbishment and new-build projects in the area of distribution and data centers. Strong growth rates were achieved in Mexico, Colombia, Brazil, Peru, and Chile. In the Americas region the strategic focus of business activities on big cities and metropolitan areas again paid off, as did the concentration on major infrastructure projects and the targeted realization of cross-selling potential.

Sales in local currencies in the Asia/Pacific region increased by 19.4% (previous year: 12.6%). China in particular benefited from the ongoing strong growth momentum with double-digit organic growth rates, and successfully expanded its infrastructure and distribution business. India continued to see a dynamic development, while the countries in Southeast Asia recovered from the severe lockdowns in the last quarter of the year. The trend in Japan remains challenging. Investment activity in the country's construction market is still subdued.

In the Global Business segment, Sika posted growth in local currencies of 4.3% (previous year: -11.4%), thus outperforming the market. The automotive industry experienced major bottlenecks in the electronic parts supply chain. Whereas forecasts at the beginning of the year predicted a strong recovery in the volume of new vehicles manufactured compared with the previous year, particularly in the second half there was a sharp decline owing to the lack of

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availability of semiconductors. Nevertheless, Sika anticipates continued strong growth stimuli from the megatrends evident in modern automotive production: electromobility and lightweight construction. In particular, the transition from traditional drive systems to electromobility gained momentum during the pandemic and is benefiting from various government support programs in a number of countries.

UPDATE ON ACQUISITION OF MBCC

Along with seven completed acquisitions in the past year under review, Sika was able to sign a binding agreement for the takeover of MBCC Group (BASF Group's former construction chemicals business) in November 2021. With sales of CHF 2.9 billion, MBCC Group is a leading supplier of construction chemicals and solutions worldwide. This acquisition will complement and broaden Sika's product and solutions offering in four of five core technologies and seven of eight Target Markets, while further strengthening the geographic footprint. The transaction will give rise to a major player supporting greater sustainability.

The market for construction chemical products and solutions is set to grow to around CHF 80 billion in the next years and, as it is heavily fragmented, will continue to offer substantial growth opportunities even after Sika's acquisition of MBCC. MBCC generates around 53% of its sales in the construction systems segment and the remaining 47% in the area of concrete admixtures. The acquisition is subject to approval by the authorities. Sika is confident it will receive all required clearances in a timely manner and will cooperate closely with the authorities to this end. The closing of the acquisition remains targeted for the second half of 2022.

DIVIDEND INCREASE AND OUTLOOK

Given the record results, the Board of Directors will be proposing a 16.0% increase in the gross dividend to CHF 2.90 per share (previous year: CHF 2.50) at the Annual General Meeting on April 12, 2022.

Thanks to its innovative technologies, Sika is the partner of choice for many customers in the construction and industrial sectors. Government-supported investment programs running into the billions will provide further impetus for its business in the coming years. In addition, Sika is making targeted use of the megatrends that drive its key markets.

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Based on these expectations, Sika is confirming its 2023 strategic targets. The company remains aligned for long-term success and profitable growth. With its focus on the six strategic pillars – market penetration, innovation, operational efficiency, acquisitions, strong corporate values, and sustainability – Sika is seeking to grow by 6%–8% a year in local currencies up to 2023. From 2021 onwards, the company is aiming to achieve an EBIT margin in the range of 15%–18%. Projects in the areas of operations, logistics, procurement, and product formulation should result in an annual improvement in operating costs equivalent to 0.5% of sales.

For fiscal 2022, Sika expects sales to rise by well over 10% in local currencies – surpassing CHF 10 billion for the first time – and is anticipating an over-proportional increase in EBIT.

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KEY FIGURES 2021

in CHF mn	as % of net sales	2020	as % of net sales	2021	Δ in %
Net sales		7,877.5		9,252.3	+17.5
Gross result	54.8	4,314.8	51.8	4,791.3	+11.0
Operating profit before depreciation (EBITDA)	19.0	1,497.6	19.0	1,758.0	+17.4
Operating profit (EBIT)	14.4	1,130.5	15.0	1,391.4	+23.1
Net profit	10.5	825.1	11.3	1,048.5	+27.1
Net profit per share (EPS) in CHF ¹		5.82		7.39	+27.0
Operating free cash flow	16.0	1,259.4	9.8	908.4	-27.9
Balance sheet total		9,794.0		10,699.9	+9.2
Shareholders' equity		3,288.0		4,395.9	
Equity ratio in %		33.6		41.1	
Net working capital	16.9	1,329.5	18.4	1,701.9	
ROCE in %		16.6		20.1	
Number of employees		24,848		27,059	+8.9

1) undiluted

The Annual Report and the media conference/analyst presentation on the 2021 financial year can be downloaded at www.sika.com.

Link to Annual Report: www.sika.com/annualreport

Link to live transmission of the media, investor, and analyst presentation of February 18, 2022, 10.00 a.m. (CET): www.sika.com/live

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FINANCIAL CALENDAR

Net sales first quarter 2022	Tuesday, April 12, 2022
54th Annual General Meeting	Tuesday, April 12, 2022
Half-Year Report 2022	Friday, July 22, 2022
Results first nine months 2022	Friday, October 21, 2022
Net sales 2022	Wednesday, January 11, 2023
Media conference/analyst presentation on 2022 full-year results	Friday, February 17, 2023

SIKA AG CORPORATE PROFILE

Sika is a specialty chemicals company with a leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protecting in the building sector and motor vehicle industry. Sika has subsidiaries in 101 countries around the world and manufactures in over 300 factories. Its more than 27,000 employees generated annual sales of CHF 9.3 billion in 2021.