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

RECORD RESULTS FOR SALES, CASH FLOW, AND ADJUSTED EBIT

Results 2023

- **Record sales of CHF 11,238.6 million (+7.1%), sales increase in local currencies of +14.5%**
- **Operating profit (EBIT) adjusted for one-time M&A effects increased to CHF 1,680.6 million (+12.7%), resulting in an EBIT margin of 15.0% (previous year: 14.2%)**
- **Operating profit (EBIT) reported at CHF 1,549.1 million (previous year: CHF 1,579.7 million)**
- **Record operating free cash flow up to CHF 1,372.7 million (+58.7%)**
- **Proposal for dividend increase to CHF 3.30 per share (previous year: CHF 3.20)**
- **Successful MBCC integration with synergies in the first 8 months of CHF 41 million**
- **108 new patents and 188 new inventions registered**
- **Reduction of CO₂eq emissions per ton sold by -4.4% (scope 1 and 2)**

Outlook for 2024 fiscal year

- **For the 2024 fiscal year, Sika is expecting sales growth in local currencies of 6–9%**
- **Over-proportional increase in EBITDA expected**

Sika can look back on a historic year. In 2023, not only did the company set a course for a successful future with its new strategy “Beyond the Expected”, it also closed the largest acquisition in the company’s history. Thanks to the acquisition of MBCC Group, Sika is moving to the next strategic growth level and positioning itself ideally for the future. Along with additional annual sales of CHF 2.1 billion and countless new innovations, 6,000 new employees have joined the company. Sika and MBCC complement one another extremely well. What emerges from the combination of the two businesses is an innovation leader and sustainability champion in the construction chemicals market, providing benefits to all stakeholders.

Overall, Sika maintained its profitable growth trajectory in 2023 even in a challenging economic environment, generating record sales despite high rates of inflation, rising interest rates, and strong currency depreciation. The total sales figure amounted to CHF 11,238.6 million, a rise of

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7.1% in CHF. Almost all currencies lost considerable value against the Swiss franc, which led to a negative currency effect of -7.4% for the year as a whole. In local currencies, the result was a double-digit growth of 14.5%.

Thomas Hasler, Chief Executive Officer: “We are proud to have coped well with the challenges of difficult macroeconomic and geopolitical parameters in the last fiscal year, in addition to closing the MBCC acquisition. We are currently expecting market conditions to remain challenging in 2024, while we see good momentum in major construction and infrastructure projects that are either at the planning stage or about to be implemented in all regions. Sika is ideally positioned to benefit from the commercial potential of this international project pipeline. Our ambitions for the coming years build on our strengths, which are well anchored in our Growth Strategy 2028. These are our deep-rooted values, a performance-oriented corporate culture, and above all our highly motivated teams all around the world. I would like to thank our employees for their remarkable commitment and their clear focus on our shared goals.”

STRONG IMPROVEMENT IN MATERIAL MARGIN AND ADJUSTED EBIT MARGIN – RECORD CASH GENERATION

Sika managed to expand its material margin significantly to 53.6% in 2023 (2022: 49.4%), taking a decisive step on the road to margin recovery. Profit at EBIT level was influenced by various one-time effects. In the prior-year period, Sika recorded an extraordinary book profit of CHF 166.5 million from the sale of its European industrial coating business. At the same time, one-off expenses of CHF 78.3 million were incurred in 2022 in connection with the MBCC acquisition. In 2023, Sika booked CHF 131.5 million of acquisition and integration costs relating to this acquisition. When adjusted for these effects, Sika expanded its EBIT margin significantly to 15.0% (2022: 14.2%). Excluding the one-time effects, EBIT increased to CHF 1,680.6 million in the year under review (2022: CHF 1,491.5 million). On a reported basis, EBIT amounted to CHF 1,549.1 million (2022: CHF 1,579.7 million).

A significant increase was recorded in operating free cash flow, setting a new record of CHF 1,372.7 million (2022: CHF 865.2 million). The main drivers of this positive development were a rise in profitability, the focused management of working capital, and the normalization of inventory levels.

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DOUBLE-DIGIT GROWTH AND MARKET SHARE GAINS IN ALL REGIONS

All regions performed well and contributed to Sika's further growth and the systematic expansion of market share. This enabled Sika to deliver organic growth in 2023, in contrast to a negatively developing market.

The EMEA region (Europe, Middle East, Africa) reported a sales increase in local currencies of 14.8% (previous year: 8.3%). The countries of the Middle East and Africa recorded strong growth rates, while France, Spain, and Portugal likewise developed positively. Among other things, Sika benefited from economic subsidy programs and from investments aimed at saving energy in buildings as well as the booming area of e-mobility. Once again, business activity was subdued in Germany, Austria, and Northern Europe. The positive trend toward more infrastructure and commercial construction projects in the EMEA region continued in the fourth quarter. Distribution business was likewise up slightly on 2022.

In local currency terms, the Americas region achieved a 14.9% increase in sales (previous year: 27.5%). Rising rates of inflation, high interest rates, and an increasing shortage of specialized labor weighed on construction activity in many markets, with the corresponding negative impact on the wider construction economy. The growth in the region in 2023 is attributable to the MBCC acquisition. The US construction economy benefited generally from infrastructure projects, supported by state subsidy programs and projects in the context of reshoring production facilities to the USA. Latin America also contributed to the rise in sales with solid growth.

Sales in the Asia/Pacific region rose by 15.1% in local currencies (previous year: 14.8%). In China, Sika recorded double-digit growth in distribution business, while project business declined slightly. Sales in Japan increased, and double-digit growth rates were achieved in the growth market of India. Business in Indonesia, Thailand, and the Philippines was characterized by increasing positive momentum.

In the Global Business segment, Sika achieved growth in local currencies of 10.0% (previous year: 22.2%). This increase is primarily due to robust demand for new vehicles, particularly electric vehicles, along with the normalization of supply chains. The US strike in the auto industry had a

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negative effect in the final quarter of last year, as did the decline in business not related to the automotive industry in this segment. Sika received a record number of new orders in the automotive business in 2023. The acquired supply orders will generate further sales growth in the medium term and ensure that the automotive business continues to generate a strong performance.

LAUNCH OF NEW GROWTH STRATEGY 2028 WITH AMBITIOUS TARGETS

In the fall Sika unveiled the new Strategy 2028 “Beyond the Expected”, which builds on the success of the previous growth model. The roadmap envisages leveraging Sika’s leading market position and innovative strength, setting the course towards even stronger company performance over the coming years. The annual growth target in local currencies has been lifted to 6–9%, with the profitability target increased to an EBITDA margin of 20–23%. The new growth strategy is based on the four pillars of Market Penetration, Innovation & Sustainability, Acquisitions, and People & Culture, and represents a balanced combination of financial and non-financial objectives.

DIVIDEND INCREASE AND NEW ELECTION TO THE BOARD OF DIRECTORS

In view of the good results, at the Annual General Meeting to be held on March 26, 2024, the Board of Directors will be proposing to shareholders that the gross dividend per share be increased from CHF 3.20 to CHF 3.30 (+3.1%). Half of the dividend is to be paid from the capital contribution reserves. In absolute figures, Sika has been increasing its dividend year on year for the past 12 consecutive years. Furthermore the Board of Directors proposes the election of Thomas Aebischer as new member of the Board.

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OUTLOOK FOR 2024

For the current fiscal year, Sika is convinced that it will be able to successfully continue its strategy built on sustainable and earnings-oriented growth even in a challenging economic environment. With its innovative technologies, Sika is the partner of choice for many customers in the construction and industrial sectors. These sectors are being heavily shaped by the megatrend of sustainability, as well as by increasing automation, digitalization, and the rising demand for easy-to-apply products.

For the 2024 fiscal year, Sika is expecting sales growth in local currencies of 6–9% and again an over-proportional increase in EBITDA.

EBIT ADJUSTED FOR ONE-TIME M&A EFFECTS

in CHF mn	1.1.2022 – 31.12.2022	1.1.2023 – 31.12.2023	Change
Reported operating profit (EBIT)	1,579.7	1,549.1	
Divestment gain ¹	-166.5	0.0	
M&A and integration cost ²	78.3	131.5	
EBIT adjusted for one-time M&A effects	1,491.5	1,680.6	+12.7%
EBIT margin adjusted for one-time M&A effects	14.2%	15.0%	+80 bps

¹ Divestment of European industrial coatings business.

² Cost related to the acquisition of MBCC.

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KEY FIGURES 2023

in CHF mn	as % of net sales	2022	as % of net sales	2023	Δ in %
Net sales		10,491.8		11,238.6	+7.1
Gross result	49.4	5,179.8	53.6	6,024.8	+16.3
Operating profit before depreciation (EBITDA)	18.7	1,964.2	18.2	2,044.7	+4.1
Operating profit (EBIT)	15.1	1,579.7	13.8	1,549.1	-1.9
Net profit	11.1	1,162.5	9.5	1,062.6	-8.6
Net profit per share (EPS) in CHF ¹		7.57		6.82	-9.9
Operating free cash flow	8.2	865.2	12.2	1,372.7	+58.7
Balance sheet total		11,319.2		15,050.7	+33.0
Shareholders' equity		4,967.1		5,933.2	
Equity ratio in %		43.9		39.4	
Net working capital	18.3	1,915.8	19.1	2,141.6	
ROCE in %		21.6		16.3	
Number of employees		27,708		33,547	+21.1

¹ undiluted

The Annual Report and the media conference/analyst presentation on the 2023 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 16, 2024, 10.00 a.m. (CET): www.sika.com/live

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FINANCIAL CALENDAR

56th Annual General Meeting	Tuesday, March 26, 2024
Net sales first quarter 2024	Tuesday, April 16, 2024
Half-Year Report 2024	Tuesday, July 30, 2024
Capital Markets Day	Friday, October 4, 2024
Results first nine months 2024	Friday, October 25, 2024
Net sales 2024	Tuesday, January 14, 2025
Media conference/analyst presentation on 2024 full-year results	Friday, February 21, 2025

SIKA AG CORPORATE PROFILE

Sika is a specialty chemicals company with a globally leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protection in the building sector and automotive industry. Sika has subsidiaries in 103 countries around the world and, in over 400 factories, produces innovative technologies for customers worldwide. In doing so, it plays a crucial role in enabling the transformation of the construction and vehicle industries toward greater environmental compatibility. With more than 33,000 employees, the company generated sales of CHF 11.2 billion in 2023.