



DATE November 11, 2021  
PAGES 1 / 4  
SIKA AG Zugerstrasse 50  
6341 Baar, Switzerland  
www.sika.com

CONTACT Dominik Slappnig  
Corporate Communications &  
Investor Relations  
TELEPHONE +41 58 436 68 21  
E-MAIL slappnig.dominik@ch.sika.com

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

## **SIKA TO ACQUIRE MBCC GROUP TO ACCELERATE ITS GROWTH STRATEGY AND REINFORCE ITS POSITION AS SUSTAINABILITY CHAMPION IN THE GLOBAL CONSTRUCTION INDUSTRY**

- **MBCC Group is one of the most recognized companies in construction chemicals worldwide with sales of approximately CHF 2.9 billion (EUR 2.7 billion)**
- **Enterprise value of CHF 5.5 billion represents a 11.5x EV/pro forma 2022E EBITDA multiple with expected annual synergies of CHF 160 – 180 million bringing the multiple down to 8.5x EV/EBITDA**
- **Transaction is highly complementary across almost all of Sika's core technologies, applications, and solutions**
- **Acquisition is accretive to Sika's earnings per share from the first full year post closing**
- **The combined company will drive the sustainability transformation of the construction industry further and faster**
- **Transaction is subject to regulatory approval, but Sika is confident that all required clearances will be obtained. Closing targeted for the second half of 2022**

Sika has signed a definitive agreement to acquire MBCC Group, the former BASF Construction Chemicals, from an affiliate of Lone Star Funds, a global private equity firm, for a consideration of CHF 5.5 billion (EUR 5.2 billion). MBCC Group is a leading supplier in construction chemicals worldwide. The acquisition will complement and broaden Sika's product and solution offerings in four of five core technologies and seven of eight Sika Target Markets and will further strengthen its geographic footprint. The combined business will be a key accelerator in enabling both Sika's and MBCC Group's customers and the construction industry to drive the sustainable transformation further and faster.

MBCC Group, headquartered in Mannheim, Germany, is active in the field of construction systems and admixture systems. With approximately 7,500 employees MBCC Group has

## MEDIA RELEASE

DATE November 11, 2021  
PAGE 2 / 4

operations in over 60 countries and more than 130 production facilities. In 2021, the company is expected to generate net sales of CHF 2.9 billion (EUR 2.7 billion). MBCC Group has a world-renowned product portfolio of global and local brands which enjoy a strong reputation for quality and reliability. With its broad and balanced product offering, MBCC Group participates in all phases of the construction life cycle and is a key contributor to the decarbonization of the construction industry.

**Thomas Hasler, CEO of Sika:** “Two sustainability champions will join forces. Sika is first in class for sustainable solutions across the entire construction industry, and similarly, sustainability stands at the core of MBCC Group’s business. Together we will reinforce our complementary range of products and services across the entire construction life cycle. With our combined portfolio, we will enable and accelerate the future of sustainable construction for the benefit of customers, employees, shareholders, and coming generations.”

**Jochen Fabritius, CEO of MBCC Group:** “We have found a perfect partner who shares our core beliefs. Sika is well-known for its entrepreneurial spirit and its profitable growth strategy, including a strong acquisition track record. Our products and competencies will again be at the core of the business. Together with Sika, we are looking forward to exploring new and exciting business opportunities. I would like to thank Lone Star for the tremendous support during the past few years and for helping us to prepare for this next chapter.”

The transaction will accelerate Sika’s resilient Growth Strategy 2023 and beyond. Sika will expand its product and service offering in construction chemicals and industrial adhesives by adding the highly complementary portfolio of MBCC Group and is set to reach sales in excess of CHF 13 billion in 2023. The combination will lead to a very balanced product portfolio with all of Sika’s Target Markets achieving between CHF 1 and 2 billion in sales. Customers will benefit from an enhanced and more efficient distribution network across all construction markets. Sustainability stands at the core of both companies. As such, the acquisition combines two highly motivated and extremely capable global teams that will support a strong sustainability footprint for the future.

## **MEDIA RELEASE**

**DATE** November 11, 2021  
**PAGE** 3 / 4

Today, 70 percent of Sika's sales is generated by products that have a positive effect on sustainability, whereas more than 35 percent of MBCC Group products are sustainably advanced. Through the combination, Sika is committed to generating 80 percent of its sales from products that positively impact sustainability.

### **FINANCIAL PARAMETERS**

The complementary operational and manufacturing footprint of Sika and MBCC Group is expected to drive attractive integration opportunities, encompassing revenue as well as cost synergies. Annual synergies are expected to be in the range of CHF 160 – 180 million by 2025. The purchase price represents a 11.5x EV/pro forma 2022E EBITDA multiple which will come down to 8.5x EV/EBITDA, including run-rate synergies. The acquisition is value-enhancing to Sika shareholders and is expected to be strongly accretive to Sika's earnings per share from the first full year post closing.

The financing of the planned transaction is secured by a bridge loan facility. Sika remains committed to maintaining a strong investment grade credit rating and intends to put in place a long-term funding structure comprising a combination of cash-on-hand, bank loans, and capital markets instruments.

The acquisition is subject to regulatory approval. Sika is confident it will obtain all clearances and will actively engage with the authorities. The closing of the acquisition is targeted for the second half of 2022.

## MEDIA RELEASE

DATE November 11, 2021  
PAGE 4 / 4

### **Analyst and media conference today, November 11, 2021 at 10:00 a.m. (CET)**

Today at 10:00 a.m. an analyst and media conference will take place.

Location: Metropol, Fraumünsterstrasse 12, 8001 Zurich

A light lunch will be served following the media conference.

Presentations will be held by:

Thomas Hasler, Chief Executive Officer  
Adrian Widmer, Chief Financial Officer  
Philippe Jost, Head Construction

The conference will be webcasted live on the Sika website. Please log in 5 minutes prior to the start of the event.

[www.sika.com/pressconference](http://www.sika.com/pressconference)

A recording of the webcast will be made available in the Investors section of the Sika website.

### **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 25,000 employees generated annual sales of CHF 7.88 billion in 2020.