STRONG SALES GROWTH IN FIRST QUARTER 2020 – SLOWER IN MARCH DUE TO COVID-19

SIKA INVESTOR PRESENTATION
APRIL 21, 2020
FIRST QUARTER 2020
HIGHLIGHTS Q1 2020

15.4% SALES GROWTH IN LOCAL CURRENCY (10.3% IN CHF)

- Sales increase of 15.4% in local currencies to CHF 1,813.6 million (+10.3% in CHF)
- Negative currency effect of –5.1%
- Acquisition of Adeplast (Romania) concluded, new production facility in Sarnen (Switzerland) opened
- Outlook for 2020: forecast for 2020 not yet possible due to ongoing developments related to COVID-19
- Confirmation of 2023 strategic targets for sustainable, profitable growth
POSITIVE GROWTH IN THE FIRST QUARTER 2020
15.4% SALES GROWTH IN LOCAL CURRENCY (10.3% IN CHF)

(in CHF million, growth in LC)

Americas

EMEA

Asia/Pacific

-7.1%

Group

1Q 2019 1Q 2020

481 786 333 1,814 214
POSITIVE GROWTH IN THE FIRST QUARTER 2020

15.4% SALES GROWTH IN LOCAL CURRENCY (10.3% IN CHF)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2018</th>
<th>Q1 2019</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,554.0</td>
<td>1,645.2</td>
<td>1,813.6</td>
</tr>
</tbody>
</table>

-1.3% organic +16.7% acquisition
2019 BUSINESS YEAR
HIGHLIGHTS 2019

1. Record results
   - Sales growth of 14.4% in CHF to CHF 8,109.2 million in 2019 (16.3% in local currencies)
   - CHF 1,387.6 million EBITDA (+20.7%)
   - CHF 1,055.1 million EBIT (+11.5%)
   - CHF 758.5 million net profit (+10.4%)
   - CHF 1,026.1 million operating free cash flow (+99.9%)

2. Key investments
   - 7 new factories
   - 5 acquisitions
### KEY FIGURES

**RECORD RESULTS ON ALL LEVELS**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>Δ %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>7,085.4</td>
<td>8,109.2</td>
<td>+ 14.4</td>
</tr>
<tr>
<td>Gross margin</td>
<td>53.0%</td>
<td>53.6%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,149.9</td>
<td>1,387.6</td>
<td>+20.7</td>
</tr>
<tr>
<td>EBIT</td>
<td>945.9</td>
<td>1,055.1</td>
<td>+ 11.5</td>
</tr>
<tr>
<td>Net profit</td>
<td>687.1</td>
<td>758.5</td>
<td>+ 10.4</td>
</tr>
<tr>
<td>Operating free cash flow</td>
<td>513.2</td>
<td>1,026.1</td>
<td>+ 99.9</td>
</tr>
</tbody>
</table>
SALES DEVELOPMENT
16.3% GROWTH IN LOCAL CURRENCIES IN 2019

In 2019, sales growth of acquired businesses since initial consolidation is included in organic growth.
STRONG GROWTH MOMENTUM IN ALL REGIONS
16.3% SALES GROWTH (14.4% IN CHF) IN 2019

(in CHF million, growth in LC)

- Americas: +19.2%, 2018: 2,162, 2019: 3,432
- EMEA: +11.6%, 2018: 1,585, 2019: 3,432
- Asia/Pacific: +35.1%, 2018: 930, 2019: 1,585
- Global Business: +3.0%, 2018: 8,109.2, 2019: 9,093.2
HIGH OPERATING SPEED CONTINUED IN 2019
INVESTMENTS IN SEVEN PLANTS

Opening of Sika plants:

- Mortar plant, Senegal, Dakar
- Concrete admixture plant, Qatar, Doha
- Expansion of mortar plant, Egypt, Alexandria
- Expansion of mortar plant, Serbia, Belgrade
- Mortar plant, Cameroon, Douala
- Mortar plant, Ethiopia, Addis Ababa
- Third plant, Indonesia, Jakarta
HIGH OPERATING SPEED CONTINUED IN 2019
FIVE ACQUISITIONS IN 2019 – INTEGRATION ON TRACK

Total annual sales: CHF 1,458 million

Parex, Global
Building Finishing, Waterproofing, Flooring

King Packaged Materials, Canada
Concrete, Refurbishment

Belineco, Eastern Europe
Sealing & Bonding

Crevo-Hengxin, China
Sealing & Bonding

Adeplast, Romania
Building Finishing (Closing Q1 2020)
FAST AND SUCCESSFUL INTEGRATION OF PAREX
EXCELLENT PROGRESS

TOTAL SYNERGIES
Around CHF 100 million identified

TOTAL COST SYNERGIES
CHF 55 million

First SHOP IN SHOP concept launched in China in 2,100 STORES

CROSS-SELLING
CHF 230 million of revenue targeted with over 100 projects

FAST ORGANIZATIONAL INTEGRATION
Over 20 countries in fully integrated management structures
BUILDING FINISHING AS OUR EIGHTH TARGET MARKET
HIGHER MARKET PENETRATION

Building Finishing  Concrete  Waterproofing  Roofing
Flooring & Coating  Sealing & Bonding  Refurbishment  Industry
BUILDING FINISHING AS OUR EIGHTH TARGET MARKET
HIGHER MARKET PENETRATION

Technical Mortars / Other Sika Target Markets

Highly technical building and infrastructure projects

Direct sales to large contractors and concrete producers, where an engineer is the key decision maker

Building Finishing – Tile Adhesives and Facade Mortars

Residential and light commercial focus

Need for capillary distribution network to serve highly fragmented applicator base
WINNER OF SWISS TECHNOLOGY AWARD
CURING-BY-DESIGN – EXAMPLE OF BUS MANUFACTURER

Cost savings up to 75% - Time savings approx. 90%

<table>
<thead>
<tr>
<th></th>
<th>Open time</th>
<th>Workforce needed for application</th>
</tr>
</thead>
<tbody>
<tr>
<td>SikaForce®-803</td>
<td>45 min</td>
<td></td>
</tr>
<tr>
<td>Conventional adhesive</td>
<td>15 min</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Strength after 4 hours</th>
<th>Strength after 24 hours</th>
<th>Waiting time until vehicle can be moved</th>
</tr>
</thead>
<tbody>
<tr>
<td>SikaForce®-803</td>
<td>&gt;4 MPa</td>
<td>&gt;6 MPa</td>
<td>2 h</td>
</tr>
<tr>
<td>Conventional adhesive</td>
<td>0.45 MPa</td>
<td>1.8 MPa</td>
<td>24 h</td>
</tr>
</tbody>
</table>

Curing behavior SikaForce®-803

Viscosity vs. time in minutes.
SIKA CLEARLY OUTPERFORMS COMPETITORS
ORGANIC GROWTH SIGNIFICANTLY ABOVE PEERS IN THE PAST YEARS

2017 Organic

Sika: +6.3%
Peers: +3.6%

2018 Organic

Sika: +6.8%
Peers: +3.9%

2019 Organic

Sika: +3.3%
Peers: -1.4%
SIKA’S GROWTH STRATEGY 2023
THE PILLARS OF THE STRATEGY

Market Penetration

Innovation

Operational Efficiency

Acquisitions

Values

<table>
<thead>
<tr>
<th>Objective</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual growth</td>
<td>6-8% annual</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>15-18% EBIT</td>
</tr>
<tr>
<td>Operating free cash flow per year</td>
<td>&gt;10% EBIT</td>
</tr>
<tr>
<td>ROCE by 2023</td>
<td>&gt;25% EBIT</td>
</tr>
<tr>
<td>CO₂ emission reduction per ton</td>
<td>12% CO₂</td>
</tr>
</tbody>
</table>

SUSTAINABILITY
SIKA IS COMMITTED TO SUSTAINABILITY
OUR TARGETS

- Overall target: **12% CO$_2$ emission reduction per ton sold**

**SUSTAINABLE SOLUTIONS**
- All new product developments with “Sustainable Solutions” until 2023

**CLIMATE PERFORMANCE**
- 12% reduction of CO$_2$-emissions per ton sold until 2023

**COMMUNITY ENGAGEMENT**
- 10,000 working days of volunteering work p.a.
- 50% more projects
- 50% more direct beneficiaries

**ENERGY**
- 15% less energy consumption per ton sold
- 50% renewable electricity rate

**OCCUPATIONAL SAFETY**
- 50% less accidents
- 0 fatalities

**WASTE/WATER**
- 15% less waste generation per ton sold
- 25% higher recycling rate of total waste
- 15% less water consumption per ton sold
STRONG INNOVATION PIPELINE
MORE PERFORMANCE – MORE SUSTAINABLE
STRONG INNOVATION PIPELINE
NEW SOLUTIONS: MORE PERFORMANCE – MORE SUSTAINABLE

HYDROFLEX SEALANTS
Better stretchability, adhesion and application properties
+ Excellent Health & Safety profile, low VOC emissions (EC1+)

NEW EPOXY FLOOR COATINGS
Improved blushing resistance, significantly reduced yellowing
+ Low VOC emissions, low odor, LEED v4 contribution

HEMP BASED, CEMENT-FREE MORTARS
Thermal and phonic insulation benefits, very easy to apply
+ Negative CO₂ footprint (renewable), optimum interior air comfort
SIKA AT THE FOREFRONT OF CONSTRUCTION
NEW TECHNOLOGIES CHANGE THE INDUSTRY

- First printers in use at customer sites to print concrete elements using Sika 3D mortar
- Components printed directly from plan, no costly and time-consuming need to erect framework
- New design opportunities for architects

In the future digitalization and industrialization of construction with 3D concrete printing

Sika’s structural glazing changed the industry in 2000

Sika’s concrete admixtures make supertall skyscrapers possible

The Gherkin, London
One Vanderbilt, New York
IMPROVE OPERATIONAL EFFICIENCY
KEY INITIATIVES

HIGH LEVEL OF AUTOMATION
Improved efficiency cuts costs and reduces ecological footprint

SMART PACKAGING
Reduction in material consumption combined with easy handling

OPTIMIZED LOGISTICS
Efficient goods flows in local markets, countries, and regions

GLOBAL TEAMS OF EXPERTS
Group-wide optimization of product formulations
CURRENT SITUATION
## MEASURES ADDRESSING CURRENT SITUATION
### KEEP HIGH FLEXIBILITY

<table>
<thead>
<tr>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational Agility</strong></td>
</tr>
<tr>
<td>▪ General</td>
</tr>
<tr>
<td>▪ China</td>
</tr>
<tr>
<td>▪ Strong local Response Team in every country</td>
</tr>
<tr>
<td>▪ Preparation and response according to local situation which differs from country to country</td>
</tr>
<tr>
<td>▪ Taking advantage of local support measures</td>
</tr>
<tr>
<td>▪ All Chinese factories have restarted operations, following the rapid improvement in demand</td>
</tr>
<tr>
<td><strong>Operating Profit &amp; Cash Focus</strong></td>
</tr>
<tr>
<td>▪ CapEx</td>
</tr>
<tr>
<td>▪ Cost Structures</td>
</tr>
<tr>
<td>▪ Working Capital</td>
</tr>
<tr>
<td>▪ Reduce/postpone non-critical CapEx</td>
</tr>
<tr>
<td>▪ Adaptation of cost structure, reduction and postponement of expenses</td>
</tr>
<tr>
<td>▪ Tight monitoring and management of Working Capital</td>
</tr>
<tr>
<td><strong>Liquidity</strong></td>
</tr>
<tr>
<td>▪ Cash Balance</td>
</tr>
<tr>
<td>▪ Credit Line</td>
</tr>
<tr>
<td>▪ Bond Maturity</td>
</tr>
<tr>
<td>▪ High cash balance of CHF 995 million (end of 2019)</td>
</tr>
<tr>
<td>▪ Fully committed credit lines (RCF) of CHF 1,250 million, no covenants</td>
</tr>
<tr>
<td>▪ No maturity until July 2021 (CHF 170 million)</td>
</tr>
</tbody>
</table>

---

**General**

- Strong local Response Team in every country
- Preparation and response according to local situation which differs from country to country
- Taking advantage of local support measures
- All Chinese factories have restarted operations, following the rapid improvement in demand

**China**

- Reduce/postpone non-critical CapEx
- Adaptation of cost structure, reduction and postponement of expenses
- Tight monitoring and management of Working Capital

**CapEx**

- High cash balance of CHF 995 million (end of 2019)
- Fully committed credit lines (RCF) of CHF 1,250 million, no covenants
- No maturity until July 2021 (CHF 170 million)
THANK YOU FOR YOUR ATTENTION
FORWARD-LOOKING STATEMENT

This presentation contains certain forward-looking statements. These forward-looking statements may be identified by words such as ‘expects’, ‘believes’, ‘estimates’, ‘anticipates’, ‘projects’, ‘intends’, ‘should’, ‘seeks’, ‘future’ or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Various factors may cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this presentation, among others:

- Fluctuations in currency exchange rates and general financial market conditions
- Interruptions in production
- Legislative and regulatory developments and economic conditions
- Delay or inability in obtaining regulatory approvals or bringing products to market
- Pricing and product initiatives of competitors
- Uncertainties in the discovery, development or marketing of new products or new uses of existing products, including without limitation negative results of research projects, unexpected side-effects of pipeline or marketed products
- Increased government pricing pressures
- Loss of inability to obtain adequate protection for intellectual property rights
- Litigation
- Loss of key executives or other employees
- Adverse publicity and news coverage

Any statements regarding earnings per share growth are not a profit forecast and should not be interpreted to mean that Sika’s earnings or earnings per share for this year or any subsequent period will necessarily match or exceed the historical published earnings or earnings per share of Sika.

For marketed products discussed in this presentation, please see information on our website: [www.sika.com](http://www.sika.com)

All mentioned trademarks are legally protected.