

Sika AGM 2026 – Frequently Asked Questions – March 24, 2026

Sika’s goal is to grow above end-markets by 3-6% in local currencies medium term. What will be the main drivers of this outperformance?

- Thomas Hasler, CEO: “3-6% revenue growth is focused on what we control.” It has two components: 2-4% organic outperformance and 1-2% from bolt-on M&A. Sika has intentionally excluded any assumption on underlying market growth.
- On the organic side, the drivers are consistent: innovation, customer proximity, and the breadth of a strong solutions portfolio. The customers choose Sika because the products help them to deliver a great ROI from trusted, best in class solutions often used in complex projects.
- Fast Forward accelerates this further. Sika is investing in more innovation, digitalization, faster product rollout, and a leaner operational structure, all of which strengthen the ability to gain share regardless of where Sika is in the cycle.
- On bolt-on M&A, Sika has an active pipeline and a track record of creating significant value post-completion. Sika typically reduces acquisition multiples successfully by around 4x through delivery of cost and revenue synergies.

Impacts of Middle East Conflict?

- Sika has the strongest procurement organization in the industry and buys its raw materials locally. So far there has been no force majeure or other major disruptions in the supply chain. This is a different situation to 2022. In 2022 Sika had a surge in demand, a global supply chain crisis, and force majeure declarations across the whole industry. Today, volumes are softer, capacity is available, and oil derivative costs are moving but from a much lower base. Sika also learned from 2022. Transportation surcharges are already going through, and Sika has started to implement price increases in different areas.
- Sika’s global footprint is a competitive advantage that matters most in difficult times. Sika considers its strong regional diversification a strength to effectively manage geopolitical complexities. Across the regions, the majority of Sika’s competition is local. When supply chains are disrupted, when customers need availability and reliability, Sika’s ability to shift resources across regions and serve them when others cannot is what drives share gains. The 400 manufacturing sites that Sika has globally are proving a real competitive advantage.
- Sika is well positioned to help countries affected by the Middle East conflict to rebuild their infrastructure fast and efficiently.

What is Sika's exposure to the Middle East?

- Sales in the Middle East account for around 4% of Group sales. The region, while important, is not a significant driver of group performance.
- As with any geopolitical development, Sika monitors the potential knock-on effects closely, but at this stage the direct impact on the business is limited.

Can you quantify the petrochemicals exposure as % of material expenses? How are your raw material costs influenced by oil prices? Can you pass on higher raw material costs in your pricing?

- For every CHF 100 sales, roughly CHF 45 is material cost. Around CHF 30 of that is petrochemical-related. But the direct oil price sensitivity is a small part of that – circa CHF 4. The adjustment Sika needs to make through pricing is very manageable.
- Sika buys petrochemical products further down the value chain, so the link to crude oil is diluted and comes through with a lag. Sika's global footprint is a competitive advantage that matters most in difficult times.
- Sika has also invested in diversifying the input base. For example, the move toward bio-based raw materials, such as bio-based epoxy, gives Sika alternatives that are less exposed to oil price movements. That is a natural hedge that did not exist a few years ago.
- Historically Sika has managed the material margin well, through newer and higher value-add products. Where raw materials costs rise, Sika will protect margins through pricing as well as leveraging the procurement scale to source materials efficiently.

Sika has introduced the Fast Forward program to increase operational efficiencies. Will the planned measures be sufficient considering the present situation?

- Fast Forward takes Sika's operational efficiency contribution from around 30bps per year to 70-80bps. That is a meaningful step change, and the full impact comes through by 2028.
- Sika will always evaluate how to best optimize the cost structure to the extent that Sika does not compromise the business and damages the capability for organic growth and industry share gains.
- Thomas Hasler, CEO: "We are not waiting for the cycle to tell us what to do. We are using this period to build a stronger company."
- Thomas Hasler, CEO: "Our focus remains on what we control: innovation, customer proximity, and the breadth of our solutions."

How is innovation evolving at Sika?

- Innovation is fundamental to how Sika gains market share. Sika invests CHF 280 million annually in R&D across 16 global technology centers.
- 23-25% of Sika's sales come from products younger than five years, and these products typically carry 3-5 percentage points higher material margins.
- Innovation also creates resilience. Sika's investment in bio-based raw materials, for example bio-based epoxy, gives Sika alternatives to traditional petrochemical inputs. That is not just a sustainability story, it is a practical competitive advantage in an environment like today's.

- What Fast Forward adds is speed. Sika is investing in digital tools and adding new capabilities like data science alongside strong chemistry expertise, all aimed at reducing time to market and scaling global innovations faster.

What is included in the CHF 120-150 million investments in the Fast Forward plan?

- The investments are focused on three areas: digitalization, customer value, and supply chain optimization.
- On digitalization, Sika is investing in a global ERP system, CRM rollout, and AI-powered tools that give Sika better data on new product innovation on customers and operations.
- Sika expects CHF 150-200 million annual EBITDA benefit at full run rate by 2028 and the payback is attractive at less than 2 years. These investments create a structural advantage that compounds over time.

What are Sika's capital allocation priorities?

- Sika's number one priority is organic growth. Sika is investing to make the company stronger and more competitive through Fast Forward, with a payback of less than 2x and a phenomenal return.
- Second is bolt-on M&A. Sika has an active pipeline and a track record of reducing acquisition multiples by around 4x through delivery of synergies. Sika plans no large acquisitions in the foreseeable future and is using the current market environment to strengthen the company for the upswing.
- Third, Sika has a healthy balance sheet with strong cash generation that affords optionality for deleveraging, further dividend growth, and also buybacks.
- Sika expects to generate a lot of free cash flow in the coming years, which Sika will deploy to drive as much incremental shareholder value as possible.

How are you responding to the downturn in China?

- China is 9% of group sales today. The Automotive & Industry business accounts for around 2%, sales to non-residential and infrastructure construction for about 2%, and sales to the residential segment for around 5%. The decline in 2025 has been driven by residential construction.
- Sika is making the business leaner, exiting lower-margin product lines, and adjusting the cost base to the current level of activity. But Sika is not pulling back from China. China remains a central growth market for Sika.
- The investments Sika is making through Fast Forward in digitalization and operational efficiency apply to China as well. Thomas Hasler, CEO: "We are building an even stronger and much better-positioned business."

Are there any signs of the Chinese market improving?

- Residential business will remain difficult in 2026. Beyond that, the trajectory will depend on government policy and the pace at which the property sector stabilizes. China is a large, maturing market with significant medium-term potential. Sika is already benefiting from the strong relationships with major Chinese contractors and automotive manufacturers – partnerships that are now extending beyond China as these companies expand globally.

How significant is the data center business for Sika?

- Sika has been a partner of major global data center owners and developers for more than 20 years. The AI boom has allowed Sika to further expand its presence in recent years. Sika solutions have been used in more than 4,000 data centers worldwide and deliver a combination of performance and long-lasting quality.
- Keywords: “Peace of Mind,” innovative roofing membranes to ensure long-term resilience, low-maintenance flooring, reliable waterproofing systems, as well as concrete admixtures and fibers to reduce construction time, cost, and environmental impact.
- During 2025, Sika was involved in the construction of more than 400 data centers globally. In 2026, a double-digit growth in investments in data centers worldwide is anticipated.
- Example Switzerland: Currently, 11 data centers are under construction in Switzerland, all of which will be equipped with Sika solutions.