



SIKA PERFORMS WELL IN DEMANDING MARKETS: SLIGHT GROWTH IN LOCAL CURRENCIES IN FIRST QUARTER

SIKA INVESTOR PRESENTATION
APRIL 2023

BUILDING TRUST



1. SALES FIRST QUARTER 2023

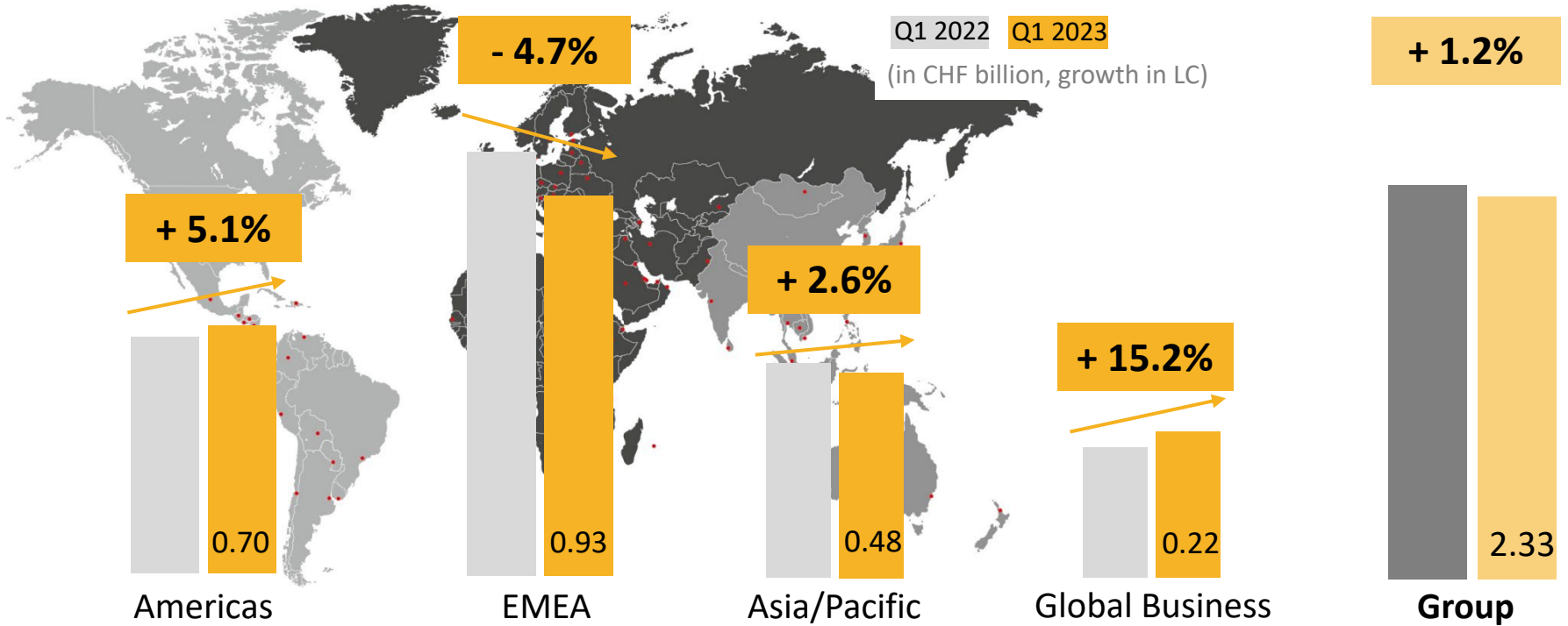
HIGHLIGHTS Q1 2023

PERFORMING WELL IN DEMANDING MARKETS

- Sales increase in local currencies of +1.2%
- Sales Q1 of CHF 2,325.9 million (-3.0% in CHF)
- Strong growth of 15.2% in Global Business (previous year: 10.4%)
- Negative currency effect of -4.2%
- Closing of MBCC acquisition still targeted for first half of 2023
- Outlook for fiscal 2023 confirmed
 - Sales increase in local currencies by 6-8%
 - Over-proportional increase in EBIT (excluding MBCC acquisition)
 - Confirmation of 2023 strategic targets

HIGHLIGHTS Q1 2023

SLIGHT GROWTH IN LOCAL CURRENCIES IN FIRST QUARTER



2. HIGHLIGHTS 2022

HIGHLIGHTS 2022

RECORD RESULTS FOR SALES, EBIT AND PROFIT

- Record results 2022
 - Sales of CHF 10,491.8 million (+13.4%), increase in local currencies +15.8%
 - CHF 1,579.7 million EBIT (+13.5%)
 - EBIT margin at 15.1% (2021: 15.0%)
 - CHF 1,162.5 million net profit (+10.9%)
- Key investments
 - 2 acquisitions completed
 - 5 new/expanded factories
- Innovation and sustainability
 - 104 new patents
 - 168 new inventions
 - -6.9% reduction of CO₂eq emissions per ton sold (scope 1 and 2)

Sales in CHF

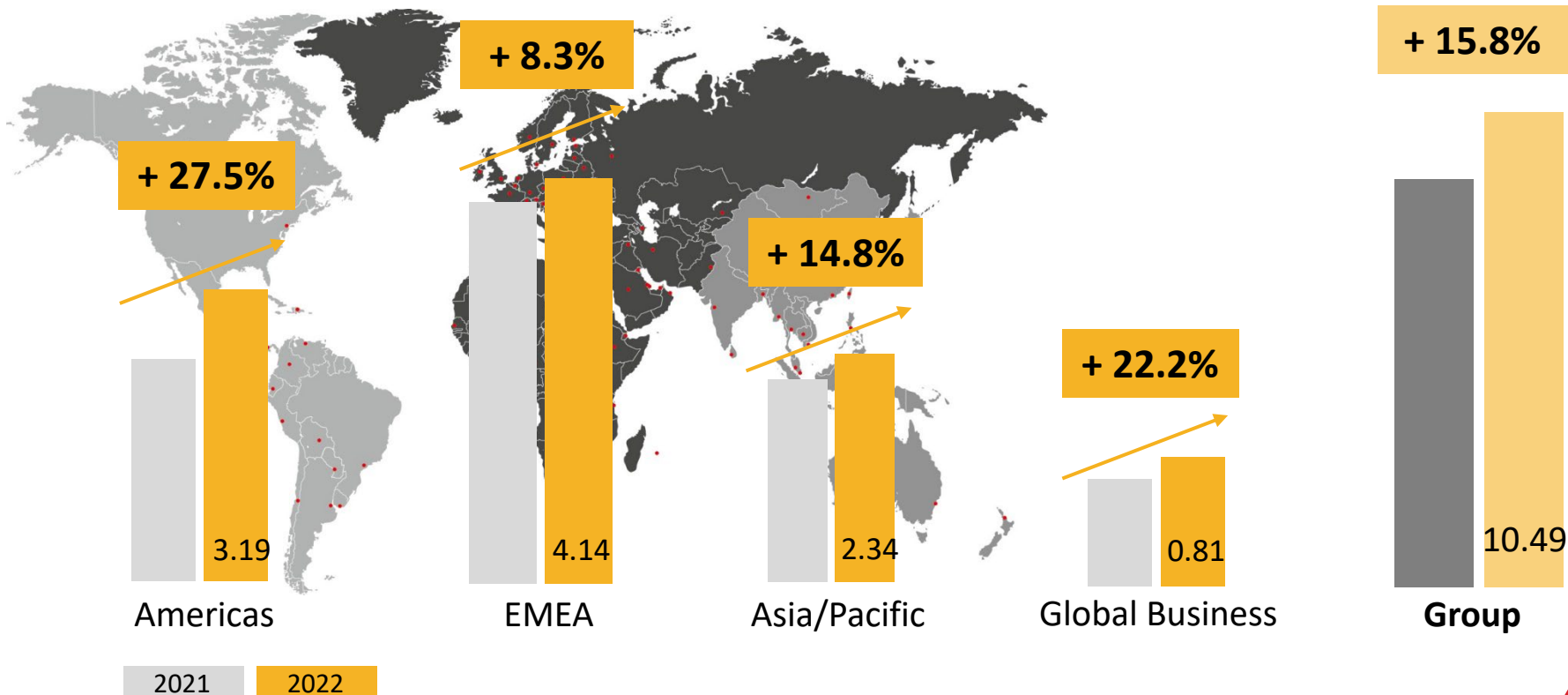
10.49 billion

EBIT in CHF

1.58 billion

SIKA EXCEEDS SALES OF CHF 10 BILLION FOR THE FIRST TIME

SALES GROWTH OF 15.8% IN LOCAL CURRENCIES



2021 2022

(in CHF billion, growth in LC)

HIGHLIGHTS 2022

STRONG PROGRESS IN SUSTAINABLE PERFORMANCE

62.7%

of electricity purchased
from renewable sources

-6.9%

reduction of CO₂eq emissions
per ton sold (scope 1 and 2)

-3.3%

waste per ton sold

53,666

direct beneficiaries of the
Community Engagement program

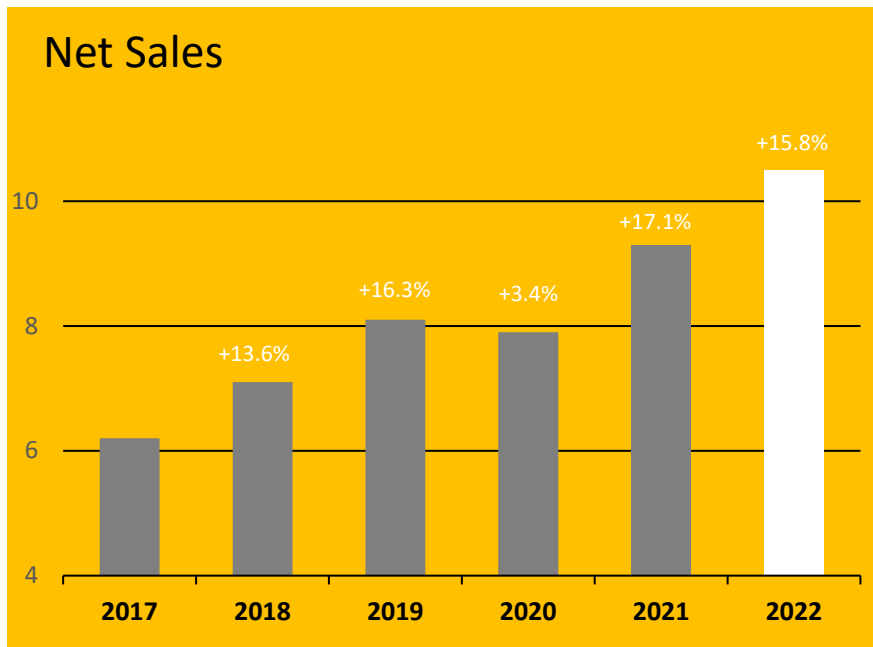
-23.8%

Lost Time Accidents
per 1,000 FTEs

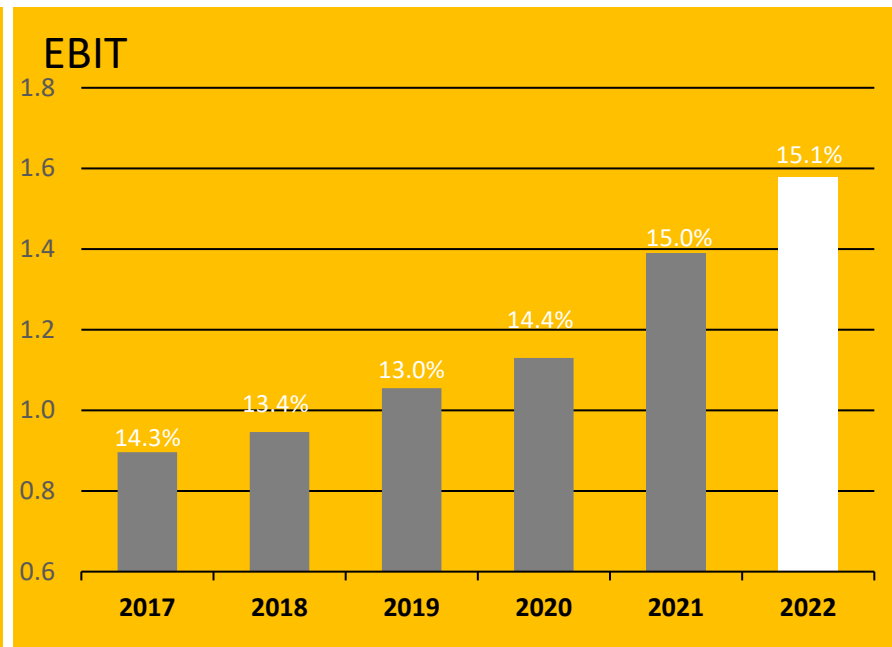
-6.1%

reduction in water
consumed per ton sold

STRONG DEVELOPMENT OVER THE YEARS WITH OVER-PROPORTIONAL PROFITABILITY GROWTH



(in CHF bn, growth in LC)

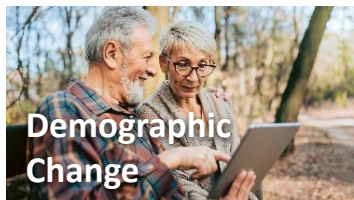
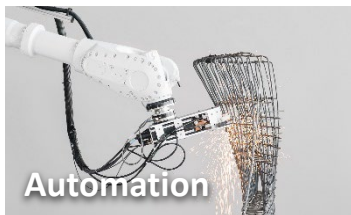


(in CHF bn, in % of net sales)

3. EXECUTION AND BENEFITS OF MEGATRENDS

STRONG EXECUTION AND BENEFITS OF MEGATRENDS

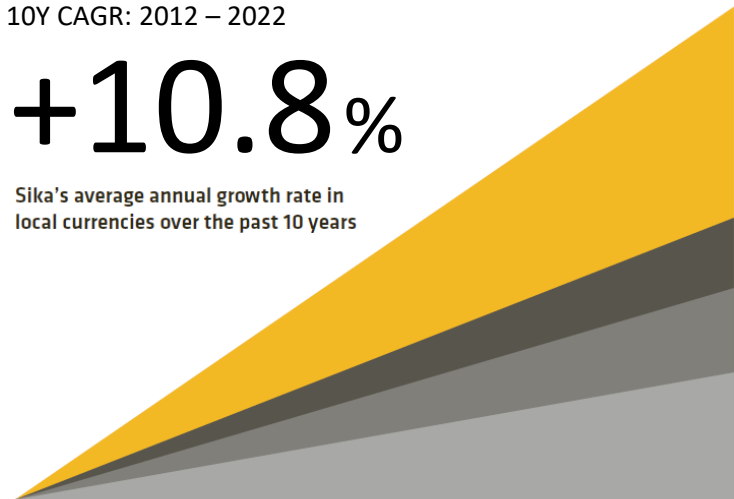
SIKA STRONGLY POSITIONED IN 2022 AND BEYOND



10Y CAGR: 2012 – 2022

+10.8%

Sika's average annual growth rate in local currencies over the past 10 years



Acquisitions
Market penetration

Structural growth
Market growth

URBANIZATION – INFRASTRUCTURE PROGRAMS

SECURE WATER SUPPLY FOR THE MEDELLÍN REGION, COLOMBIA



Project description

- The region's largest water treatment facility is **being modernized**
- Guaranteed and **secured supply of drinking water**
- The facility will supply **60%** of the Aburrá Valley's **drinking water**
- Secure supply to a total of **more than three million inhabitants** of Medellín and the surrounding communities

Sika solutions

- Sika Quick®-2500
- SikaTop® Armatec®
- Sikadur®-32
- Sikagard®-62

URBANIZATION – STRONG INFRASTRUCTURE PROGRAMS IN USA

EXTENSIVE INFRASTRUCTURE PROGRAMS STIMULATE ECONOMIES



Highway construction in Virginia

- The **largest infrastructure highway project** ever in Virginia
- **4 bridges** are being extended and **2 new underwater tunnels** being built from scratch
- Sika providing **all the admixtures**
- Sikas **waterproofing membranes** and **sealing strips** protects the tunnel against water leakage

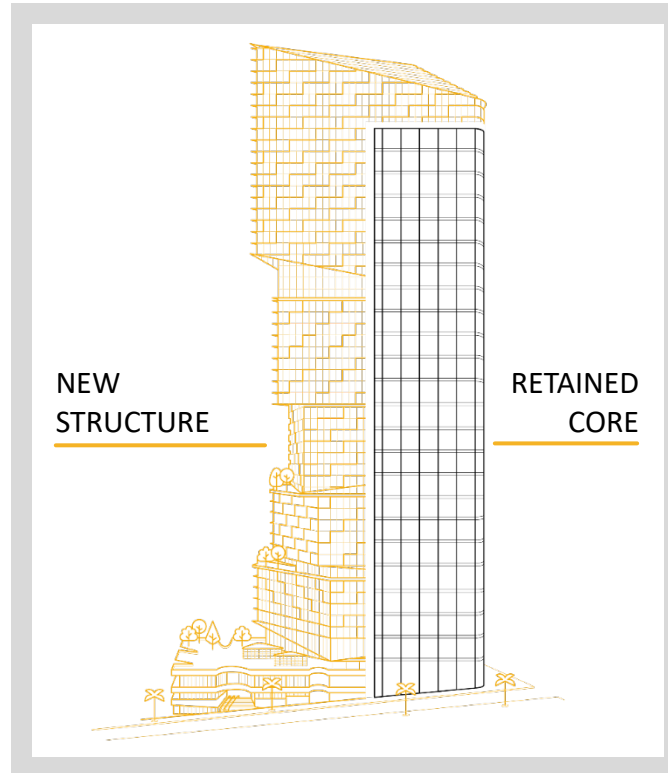


Los Angeles International Airport modernization

- **Modernization** and **extension** of the LAX international airport
- The **largest public works program** in the history of LA
- **Sika Solutions** for roofing and flooring

URBANIZATION – REPAIR AND REFURBISHMENT

THE QUAY QUARTER TOWER (QQT) IN SYDNEY



Project description

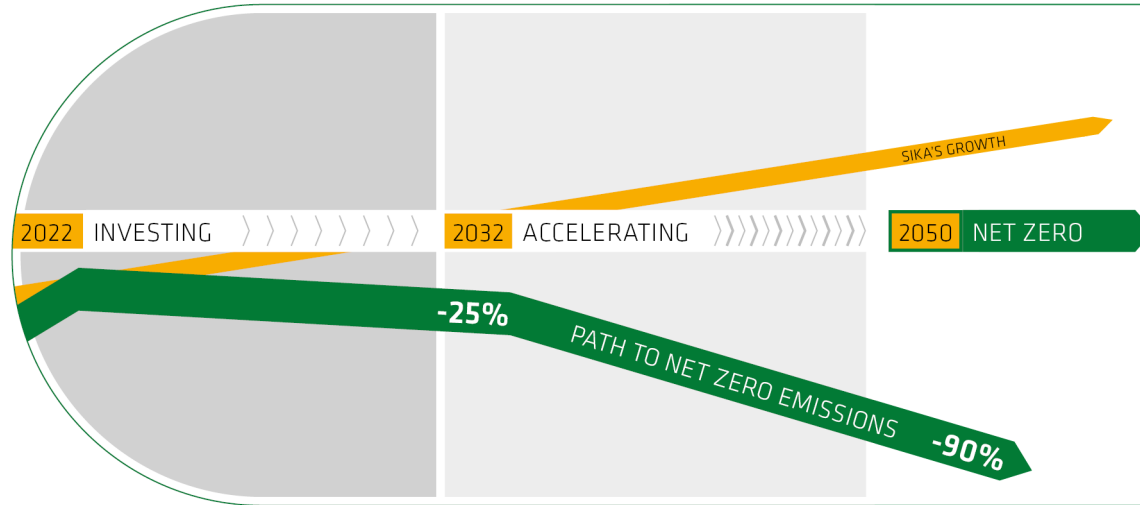
- The QQT has been “**upcycled**” from the original AMP Centre skyscraper built in 1976
- QQT opened at the start of 2022, is **206 meters high** and has **59 floors**
- **95%** of the existing core preserved
- **CHF 84.7 million** in Building Costs saved
- **12,000 tons** of CO₂ emissions saved
- Significant **time savings** during construction

Sika solutions

- carbon fiber reinforcing systems
- fire rated joint sealants
- floor leveling solutions
- waterproofing systems
- concrete repair mortars
- concrete admixtures

CLIMATE CHANGE – STRONG SUSTAINABILITY DEVELOPMENT

SIKA'S NET ZERO ROADMAP – DRIVING THE TRANSFORMATION



OUR KEY LEVERS

Education and capacity building to improve **material efficiency and circularity**

Accelerated use of **alternative low carbon supplies**

Continued focus on **operational efficiencies**

Partnerships with key suppliers who support Sika's path to net zero

Development of **new innovative solutions** for construction and industry

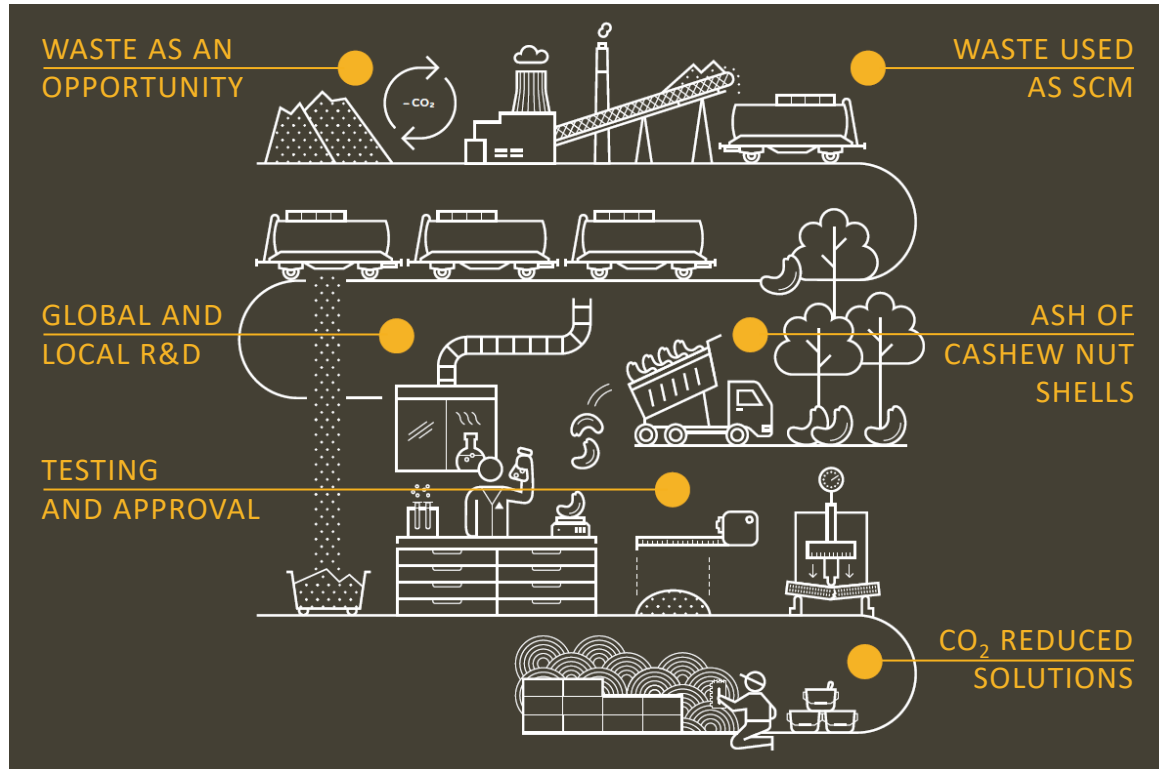
CLIMATE CHANGE – STRONG SUSTAINABILITY DEVELOPMENT COOPERATION FOR CLINKER REDUCTION AND CIRCULAR ECONOMY



Project description

- Collaboration with the **world's largest iron ore mining company**, the Swedish firm LKAB.
- Thanks to Sika admixtures, a new "**Zero Cement**" concrete has been developed. Around 100,000 cubic meter of this concrete will be used for the renovation of 38 pit shafts at LKAB's Kiruna mine in the north of Sweden.
- The **CO₂ emissions** released in the production of this shaft renovation concrete in 2023 will be **reduced by 93%** compared to 2022.

CLIMATE CHANGE – STRONG SUSTAINABILITY DEVELOPMENT FORMULATION – IN-DEPTH RESEARCH INTO NEW SOLUTIONS

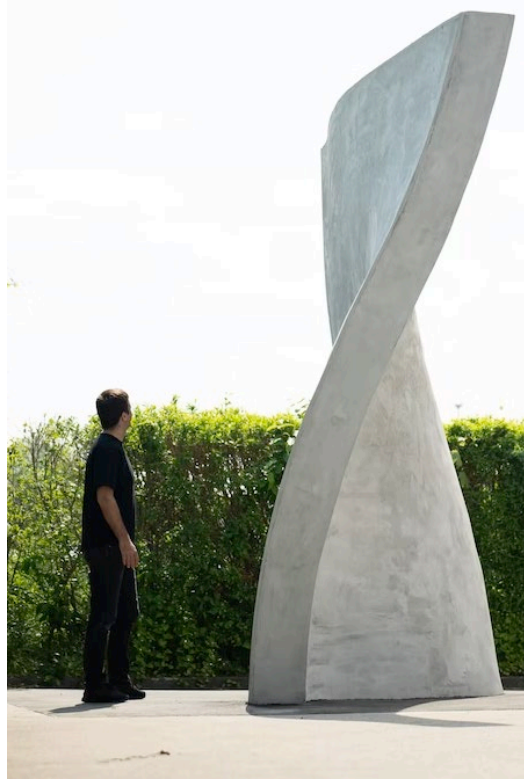


- Sika is looking to **partially replace cement** in all mortar categories over the next few years
- The goal is to **increase the substitution rate** – which averaged 14% in 2022 – **to 50% by 2025**
- High-quality products include the two mortars SikaGrout®-800 and 3320 as well as Sikagard®-5500, the **first** concrete protective coating **based on renewable feedstocks**
- All these products have a **30% to 40% reduced CO₂ footprint** with highest technical performance

SCM: Supplementary Cementitious Materials

GROWTH DRIVER **DIGITALIZATION AND AUTOMATION**

COMPLEX REINFORCED CONCRETE STRUCTURES WITH ROBOTS



- **Sika joined forces** with formwork and scaffolding application specialist PERI to invest in the Swiss start-up **MESH AG**, a spin-off of ETH Zurich
- MESH AG combines 3D technology and robotics
- **Robots** produce so-called reinforcement cages for the desired structure **precisely and rapidly**
- **Sika admixtures** ensure that the concrete can be embedded in the steel cages with standard pumps without spilling out
- MESH technology makes it possible to **produce complex geometries cost-efficiently**

GROWTH DRIVER **DIGITALIZATION AND AUTOMATION**

DIGITALIZATION – CONSTRUCTION IS ON THE MOVE

By moving software and technology out of offices and onto job sites, our industry has greater potential to add value and complete construction projects on-time and on-budget.

Situation 10-15 years ago

- No internet access
- Desktop computers
- Long implementation times
- Limited value creation



Situation today

- Internet available
- Smart mobile devices
- Web-based technologies for higher flexibility



Future situation

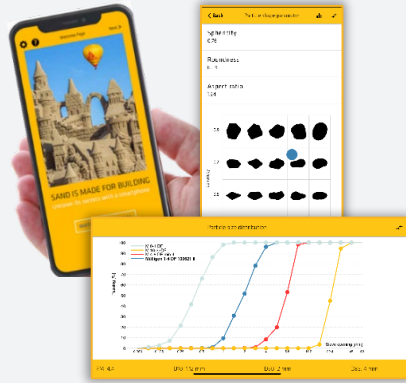
- Augmented reality/virtual
- Artificial intelligence and machine learning
- Drones and 3D scanners



GROWTH DRIVER **DIGITALIZATION AND AUTOMATION**

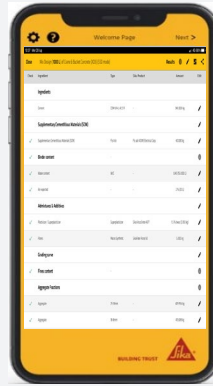
HELPING CUSTOMERS TO INCREASE QUALITY AND EFFICIENCY

RAW MATERIAL ANALYSIS



Analyze properties of sand using Sand Analyzer app

MIX DESIGN



Provide recommendations to customers on how to improve concrete mix design

TRANSIT & DELIVERY



Suite of sensors measure properties of wet concrete during delivery

EMERGING MARKET GROWTH – SOUTHEAST ASIA

MARKETS GROWING ABOVE-AVERAGE

- Strong Growth in **construction sector**: expected investment volume in 2026 is over **CHF 500 billion**
- **Infrastructure investments** by 2026 increase by **27.5%** in Southeast Asia
- Strong local presence: Sika has **8 national subsidiaries** and **20 production plants** in Southeast Asia with sales of CHF 400 million
- Sika's growth strategy in Southeast Asia includes **large construction projects** and **greater market penetration** through the expansion of the distribution business



EMERGING MARKET GROWTH – SOUTHEAST ASIA

MAJOR INFRASTRUCTURE PROJECT: METRO EXPANSION BANGKOK

Project description

- Connection between **the eastern part of Bangkok** with the **city center**
- Sika's **expertise** and **leading products** for the most rigorous tunneling requirements
- The MRT Orange Line will play a **key role in Bangkok's urban transport system**



Successful cross-selling with more than 80 Sika solutions for tunnels and stations such as:

- Sika® Separol® W-317 E
- LANKO 361 CURE
- Sika® Stabilizer-1118 TBM TH
- SikaGrout® and Sika MonoTop® range
- Sika® Injection
- SikaHyflex®-160 Construction
- Sikacryl®-620 Fire and Sikasil-670 Fire
- Sikalastic®-632 R

EMERGING MARKET GROWTH – SOUTHEAST ASIA

INVESTMENTS IN SUSTAINABLE FLAGSHIP PROJECT: THE FORESTIAS



Project description

- The Forestias is Thailand **largest new build project**
- The **sustainable project** will create an **urban district of the future** on the outskirts of Bangkok
- In August 2022, The Forestias received the **“Green Honorary Award 2022”** for its sustainability from Bangkok’s Kasetsart University

Successful cross-selling with almost **50 Sika Products** are used in 13 subprojects such as:

- SikaTop®-107 Seal TH (LEED)
- SikaTop®-107 Seal TH (LEED), and Sikafloor®-21
- Sikafloor®-161 HC (LEED)
- PurCem® LP (LEED)
- Sikafloor®-263 SL HC
- Sikalastic®-632 R

EMERGING MARKET GROWTH – SOUTHEAST ASIA

BOOMING DISTRIBUTION BUSINESS IN INDONESIA



Strong growth potential

- Sika is rolling out its distribution model to other Asian countries, with a **special focus on Indonesia**
- With a population of 274 million, the country is viewed as a **key growth market**
- In 2022 alone, **the distribution business grew by 18%**
- Within two years points of sales **doubled** from under 10,000 to **more than 22,000**
- The success of the strategy based on market penetration, expanding Sika's product portfolio, and **increasing brand awareness**

OUR PEOPLE, OUR VALUES

PERFORMING BEYOND THE EXPECTED ALL TOGETHER

OUR KEY DRIVERS

- Courage for Innovation
- Customer First
- Empowerment and Respect
- Manage for Results
- Sustainability and Integrity



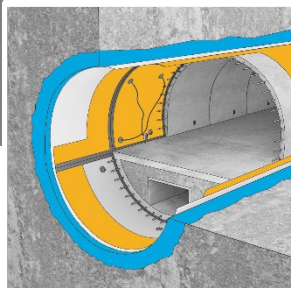
4. MBCC ACQUISITION IN THE FINAL STAGES

MBCC ACQUISITION IN THE FINAL STAGES COMPLEMENTARY IN MANY WAYS

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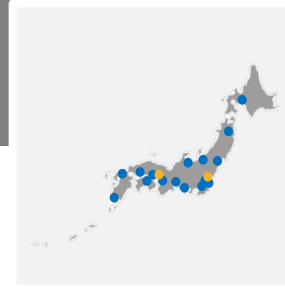
MBCC GROUP



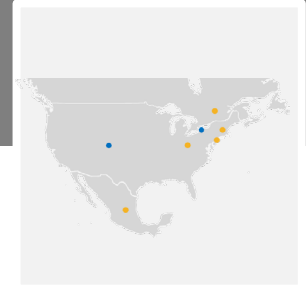
Solutions



Channel



Geography



Supply Chain



MBCC ACQUISITION IN THE FINAL STAGES

DIVESTMENTS REQUIRED IN MBCC ADMIXTURE BUSINESS

Planned divestment of MBCC admixture business to Cinven

Scope: CHF 920 million (of total CHF 3.1 billion)*

Synergy potential of CHF 160-180 million confirmed

Closing expected in first half of 2023



USA



Canada



Europe



UK



New Zealand



Australia



CHF 2.2 billion* to be integrated in Sika

0.9 bn

2.2 bn

*Based on FY 2022 figures

5. OUTLOOK

OUTLOOK 2023

CONTINUATION OF SUCCESSFUL GROWTH STRATEGY

- For 2023 Sika expects sales to increase by 6-8% in local currencies*
- Over-proportional EBIT increase expected for the year*
- Closing of MBCC in the first half of 2023
- Confirmation of 2023 strategic targets for sustainable, profitable growth

Expected sales
increase in LC

6-8%

*excluding the impact of the MBCC acquisition



THANK YOU FOR YOUR ATTENTION

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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

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