



RECORD RESULTS IN FIRST HALF OF 2021 STRONG GROWTH IN SALES AND EBIT

SIKA INVESTOR PRESENTATION
SEPTEMBER 2021

BUILDING TRUST



1. HALF-YEAR RESULTS 2021

RECORD RESULTS IN THE FIRST HALF OF 2021

GROWTH IN LOCAL CURRENCIES OF 23.5% – EBIT-GROWTH OF 67.2%

1. Sales and profit

- Sales growth of 23.5% in local currencies. Record sales of CHF 4,448.7 million (+23.1% in CHF).
- Record operating profit (EBIT) at CHF 685.9 million (+67.2%)
- Record EBIT-margin at 15.4%
- Record operating free cash flow amounting to CHF 318.4 million (+26.4%)

2. Key investments

- Investments in two factories:

Expansion of additive
production for shotcrete
(Sweden)



Expansion of concrete admix-
ture production and launch of
epoxy resin production (Qatar)



KEY INVESTMENTS 2021

ACQUISITIONS YTD

Acquisition of Kreps, Russia
(February 2021)



Acquisition of BR Massa, Brazil
(March 2021)



Acquisition of DriTac, USA
(March 2021)



Acquisition of Hamatite, Japan
(April, Closing in Q4 2021)



Acquisition of American
Hydrotech, North America
(July 2021)



Acquisition of Bexel, Mexico
(August 2021)



Acquisition of Landun, China
(August 2021)



SIKA ACQUIRES NORTH AMERICAN MARKET LEADER IN GREEN ROOFS AMERICAN HYDROTECH



Vancouver Public Library, Vancouver



Ballard Library, Seattle

- Annual sales of CHF 83 million
- Sika and Hydrotech with combined market share of over 30% in green roofs in North America and clear number 1 position
- Additional growth platform in fastgrowing green/garden roof segment
- Strengthening of Sika's leading position in sustainable roofing solutions

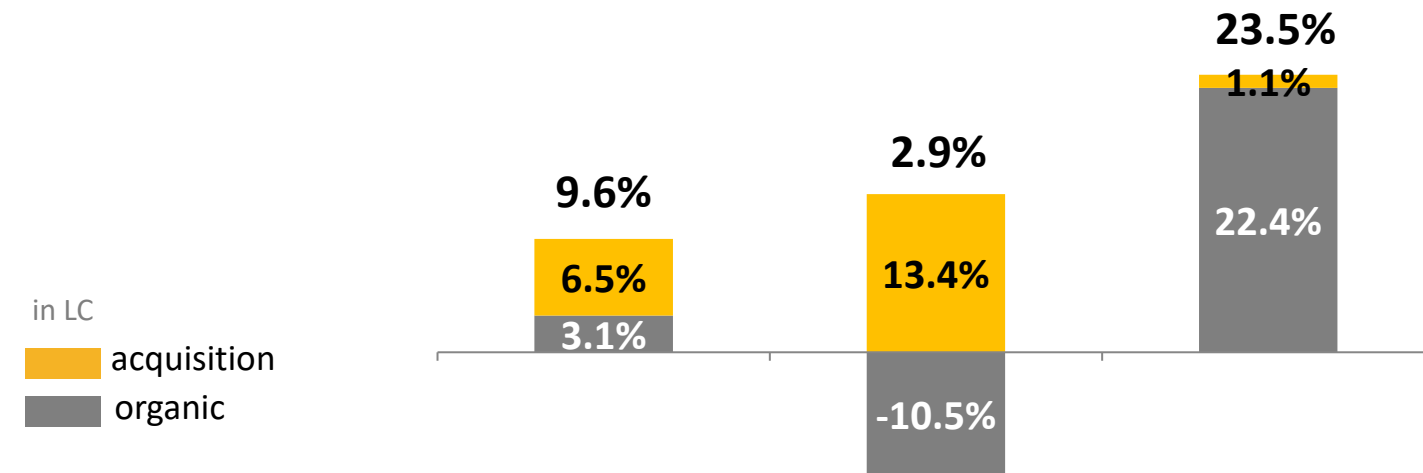
RECORD RESULTS IN THE FIRST HALF OF 2021

STRONG PERFORMANCE ON ALL LEVELS

in CHF mn	2020	NS	2021	NS	Growth
Net sales	3,614.6	100%	4,448.7	100%	23.1%
Gross result	1,973.2	54.6%	2,372.8	53.3%	20.3%
Personnel expenses	-748.5	-20.7%	-813.3	-18.3%	
Other OPEX	-631.1	-17.5%	-692.5	-15.5%	
EBITDA	593.6	16.4%	867.0	19.5%	46.1%
Depreciation and amortization	-183.4	-5.1%	-181.1	-4.1%	
EBIT	410.2	11.3%	685.9	15.4%	67.2%
Net profit	275.6	7.6%	494.7	11.1%	79.5%
Operating free cash flow	251.8	7.0%	318.4	7.2%	26.4%

RECORD RESULTS IN THE FIRST HALF OF 2021

23.5% SALES GROWTH IN LOCAL CURRENCIES



in CHF mn

Sales

1 HY 2019

3,732.4

1 HY 2020

3,614.6

1 HY 2021

4,448.7

RECORD RESULTS IN THE FIRST HALF OF 2021

STRONG ORGANIC GROWTH IN ALL REGIONS

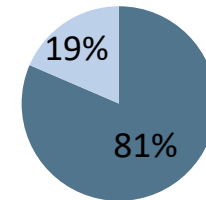
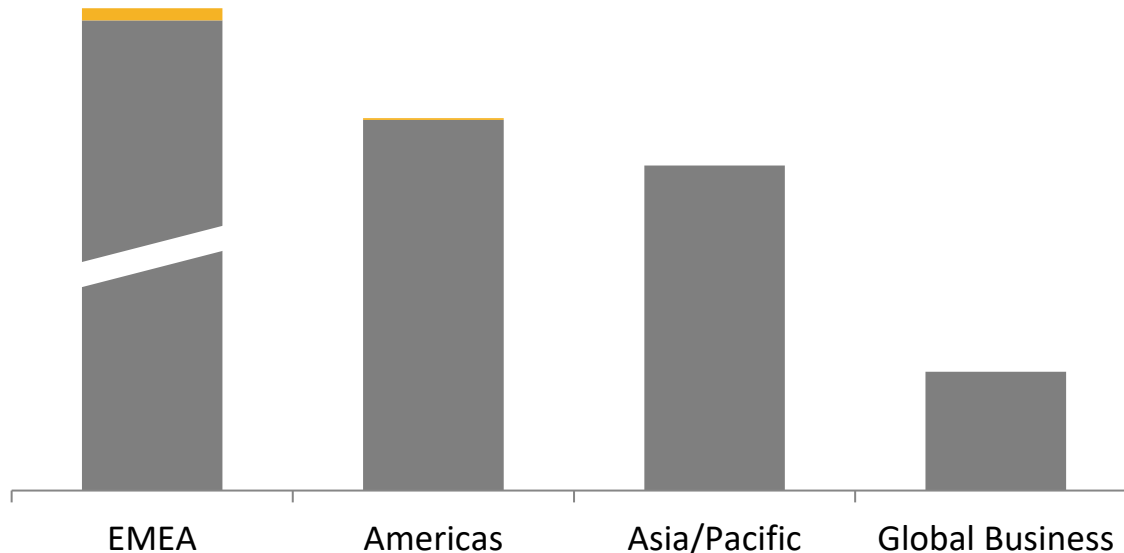
+25.2%	+15.8%	+26.4%	+26.4%
+24.1%	+19.5%	+26.0%	+27.6%
+1.1%	-3.7%	+0.4%	-1.2%
+2.2%	+0.5%	+0.0%	+0.0%

Growth in CHF

Growth in LC

FX impact

Acquisition 

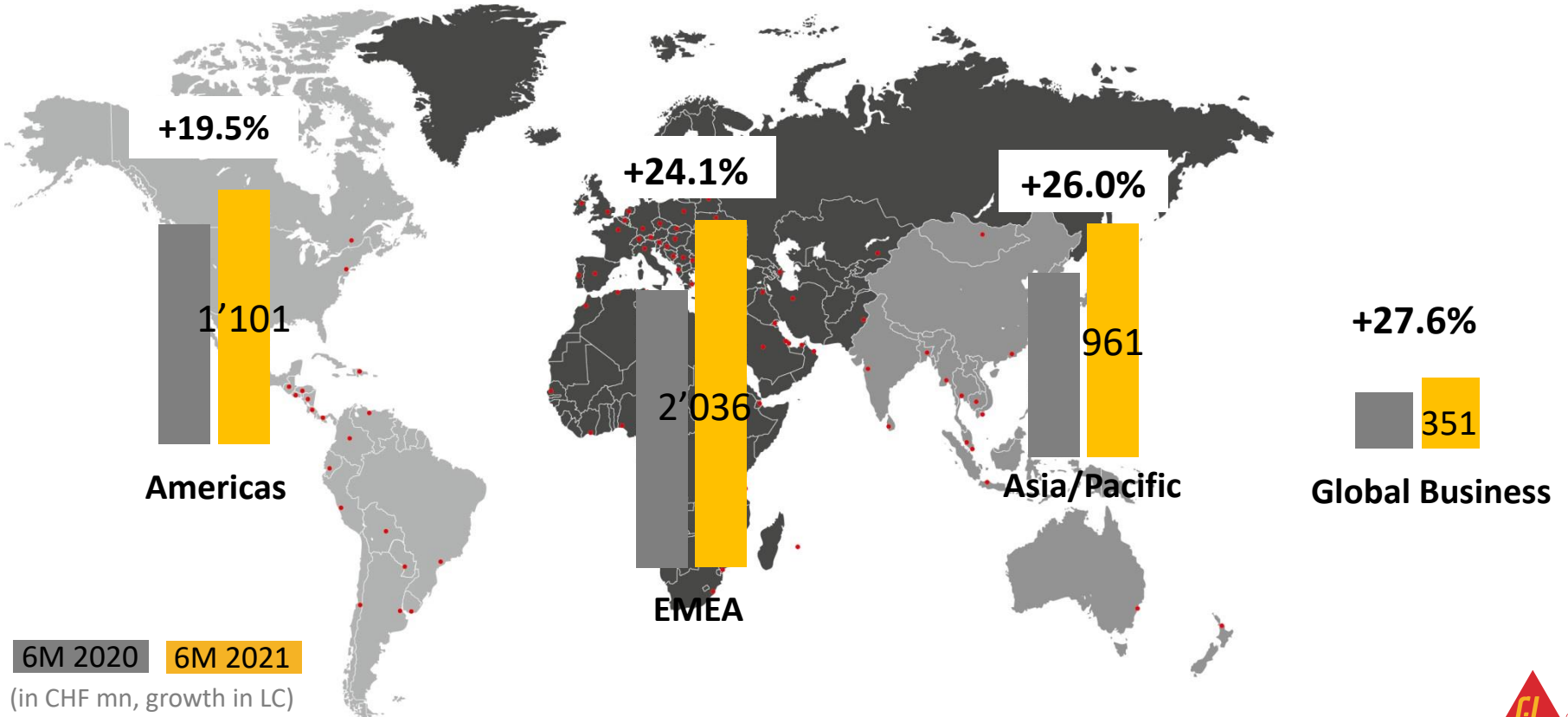


■ Construction

■ Industry

STRONG SALES GROWTH IN ALL REGIONS

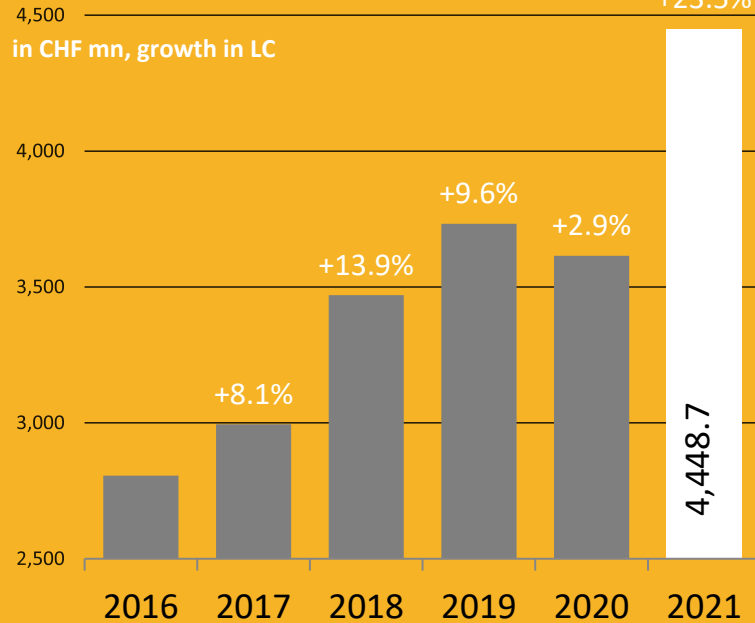
23.5% GROWTH IN LC (23.1% IN CHF) FOR FIRST HALF OF 2021



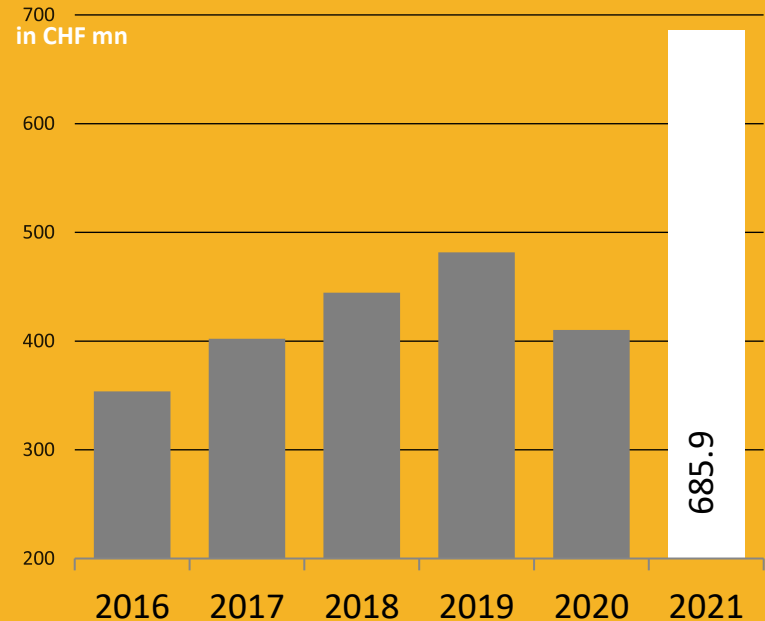
6M 2020 6M 2021
(in CHF mn, growth in LC)

SIKA'S GROWTH MODEL DELIVERS RECORD RESULTS IN THE FIRST HALF OF 2021

Net Sales



EBIT



2. RESILIENT GROWTH STRATEGY 2023

RESILIENT STRATEGY – MAJOR MEGATRENDS SUPPORTING GROWTH FURTHER ACCELERATION DESPITE PANDEMIC



Technological
Progress



Climate Change and
Scarcity of Resources



Urbanization



Demographic
Change



Dynamic
Economy

RESILIENT GROWTH STRATEGY 2023

STRATEGIC TARGETS CONFIRMED DESPITE PANDEMIC

SUSTAINABILITY

Market Penetration

Innovation

Operational Efficiency

Acquisitions

Values

6-8%
annual growth

25%
of sales with new
products

0.5%
pts non-material
cost improvement
as % of net sales

15-18%
EBIT margin
Until 2020: <15%

>10%
Operating free cash
flow per year as % of
net sales

>25%
ROCE by 2023

12% CO₂ emission reduction per ton sold

3. SIKA AS ENABLER

SIKA AS ENABLER FOR A SUSTAINABLE FUTURE

Construction

40% of global CO₂ emissions attributable to construction and building sector

Automotive

Road traffic responsible for **fifth of global greenhouse gases**

Huge opportunity as potential for progress is immense

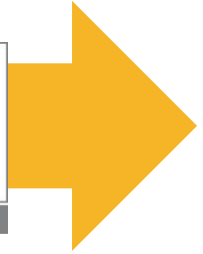
Sika offers the solutions and has the innovative strength to enable the necessary transformation



SIKA AS ENABLER

SAVING RESOURCES WITH INNOVATIVE ROOFING SOLUTIONS

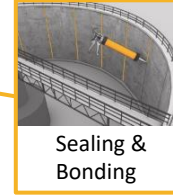
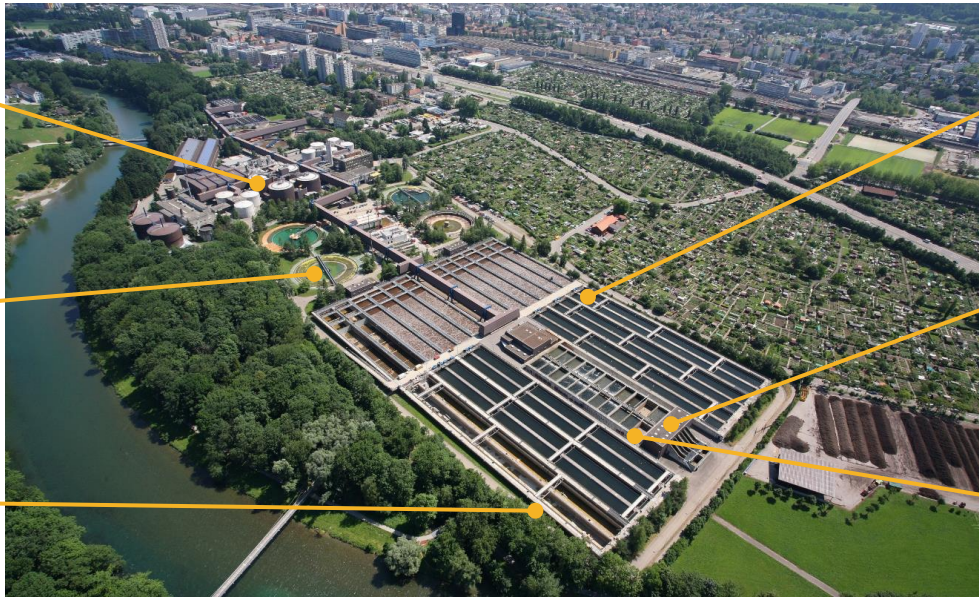
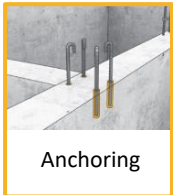
- Sika Sarnafil® AT is first *Cradle to Cradle Certified™* Membrane worldwide
- Recycling of roof membranes saves resources and reduces burden on climate
- Used roof membranes are retrieved and processed into granular material. Recycled material flows into production of new roofing materials.
- Circular economy and closing material cycles
- Specification in Green Building projects e.g. to reach LEED certification. Of increasing importance for both commercial and public construction.



SIKA AS ENABLER

CLEAN WATER FOR MILLIONS OF PEOPLE

- Demand for drinking water and wastewater treatment facilities is increasing rapidly
- Sika has innovative solutions to prevent leaks and protect water quality in these facilities – for new construction and maintenance
- Sika waterproofing systems are resistant to aggressive substances in wastewater treatment plants and make sure that there is no contamination

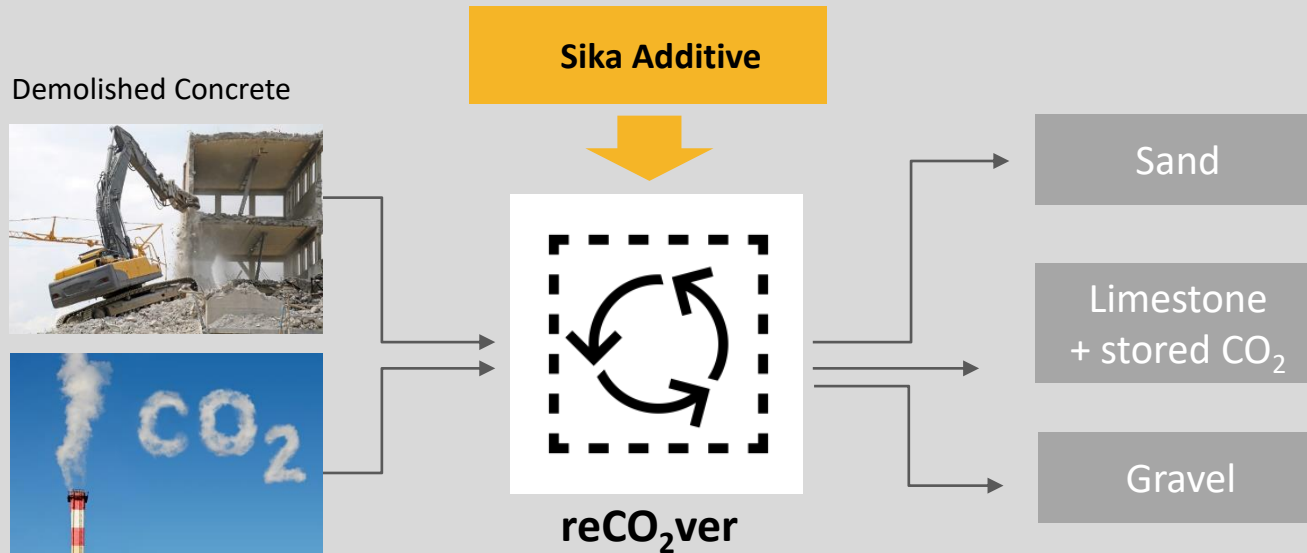


Ø 35%
of population
connected to a
sewage system
in emerging
markets

SIKA AS ENABLER

reCO₂ver – CONCRETE RECYCLING

Sika's new patented recycling process for old concrete



Sika's new recycling process for old concrete separates the components completely

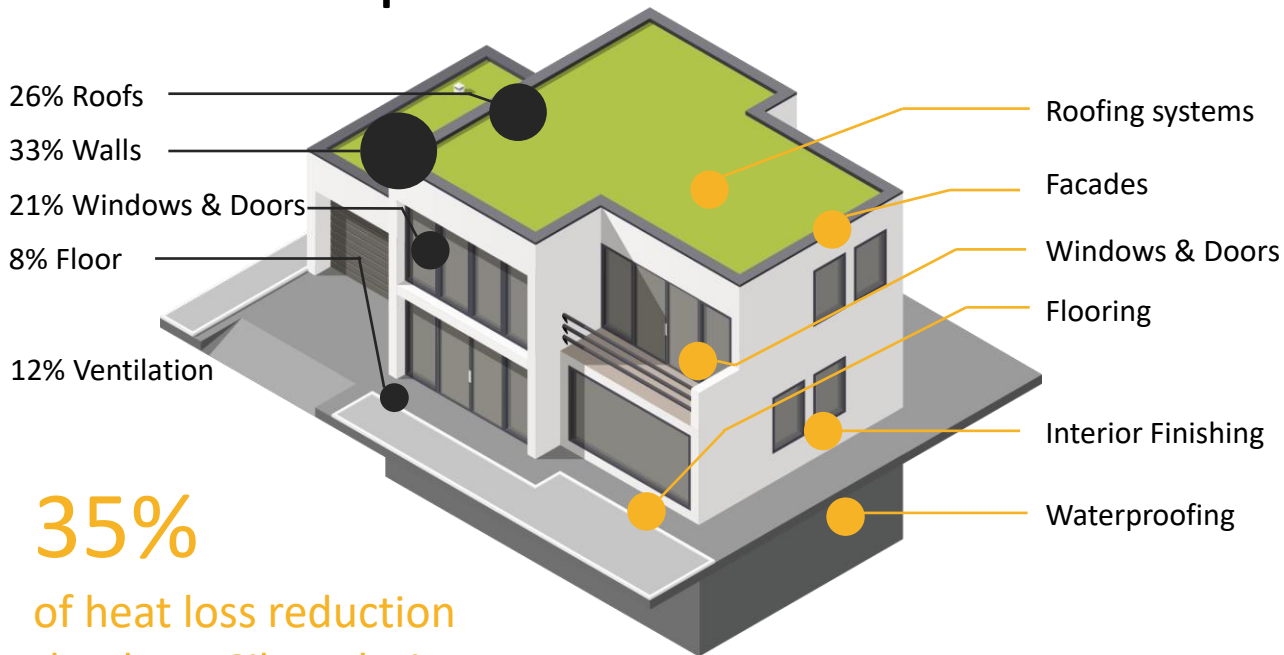
They can be re-used for new high-grade concrete

This further reduces environmental footprint of building structures and saves natural resources

SIKA AS ENABLER

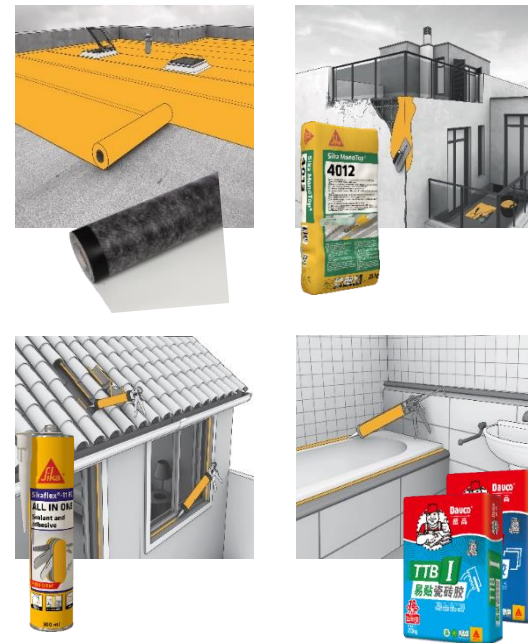
HEAT LOSS REDUCTION BY 35%

Where heat escapes



35%
of heat loss reduction
thanks to Sika solutions

Examples of Sika applications and products for sustainable buildings



COMMUNITY ENGAGEMENT

STRONG GLOBAL ENGAGEMENT DURING THE PANDEMIC

Education



Library Project, China

- 6th year
- Donation of over 94,000 books

Kovive Child welfare organization, Switzerland

- 235 beneficiaries

+656.7%

direct beneficiaries of the Community Engagement Program

Infrastructure



Zona Cero, Chile

- Involvement in the project of the university
- Modular construction of hospitals

+22.8%

more community projects sponsored

Water and climate



Rebuilding together, USA

- For over 10 years
- Sponsor of the community service day

1,119

working days of volunteering work by Sika employees

4. OUTLOOK

ANNUAL TARGET RAISED FOR FISCAL YEAR 2021

CONTINUATION OF SUCCESSFUL GROWTH STRATEGY

- Outlook for 2021 fiscal year
 - Sales growth in local currencies between 13 and 17% (previous: double-digit sales growth in local currencies)
 - Over-proportional EBIT increase
 - The EBIT margin will reach 15% for the first time, despite a challenging raw material price development
- Confirmation of 2023 strategic targets for sustainable, profitable growth



THANK YOU FOR YOUR ATTENTION

BUILDING TRUST



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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