



SIKA NINE MONTHS 2024

NEW RECORDS IN SALES AND PROFIT – ORGANIC GROWTH ACCELERATES

SWISS EQUITY CONFERENCE ZÜRCHER KANTONALBANK
NOVEMBER 6, 2024

BUILDING TRUST



1. FIRST NINE MONTHS 2024

2. OUR FIRST YEAR OF STRATEGY 2028

3. UNLOCK GROWTH WITH DURABILITY AND CIRCULARITY

4. OUTLOOK

1. FIRST NINE MONTHS 2024

RECORD RESULTS IN FIRST NINE MONTHS OF 2024

ORGANIC GROWTH ACCELERATES FURTHER

Sales and profit

- Sales of CHF 8,914.9 million (+5.5% in CHF) after first nine months
- Sales growth of 9.1% in local currencies (foreign currency effect of -3.6%)
- Continued steady improvement in organic growth from 0.2% in Q1 to 1.7% in Q3
- Expansion of material margin to 54.7% (previous year: 53.1%)
- EBITDA of CHF 1,701.7 million (previous year: CHF 1,502.7 million)
- EBITDA margin rose significantly to 19.1% (previous year: 17.8%)

Key investments

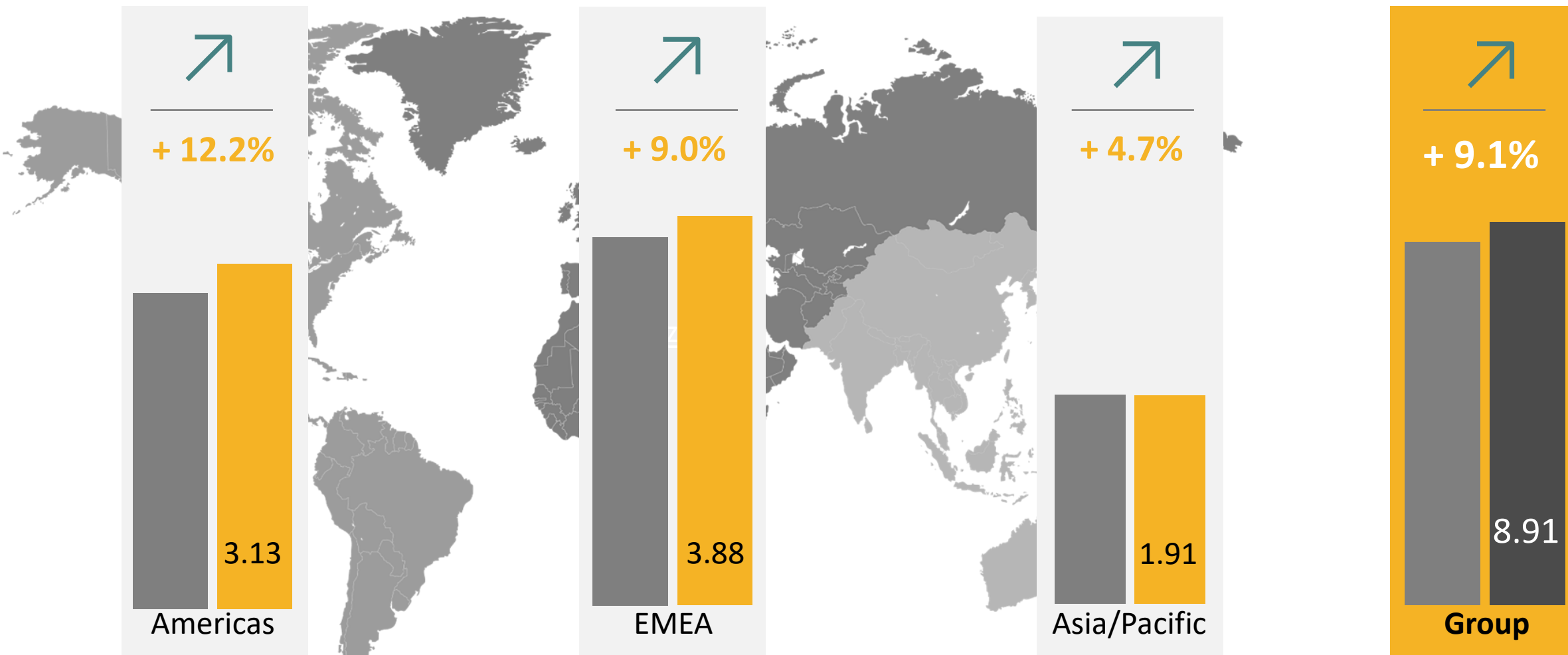
- Acquisition of Kwik Bond, USA and Vinaldom, Dominican Republic
- New plants opened in Peru and China, major plant expansion in Indonesia

Outlook

- Sales increase of 6% to 9% in local currencies
- Over-proportional increase in EBITDA
- Confirmation of 2028 strategic targets for sustainable, profitable growth

HIGHLIGHTS FIRST NINE MONTHS 2024

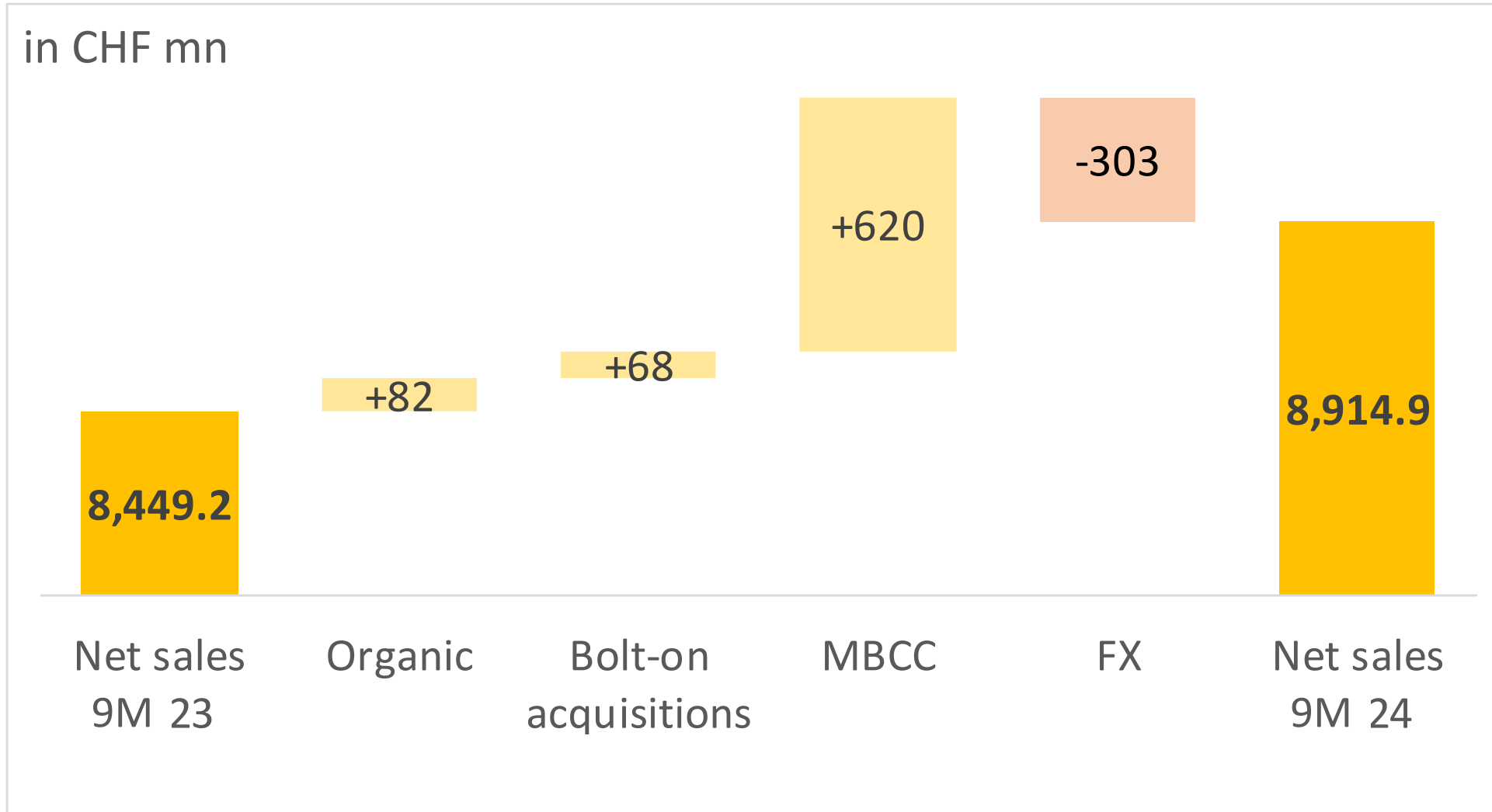
STRONG SALES GROWTH IN LOCAL CURRENCIES ACROSS ALL REGIONS



9M 2023 9M 2024
(in CHF billion, growth in LC)

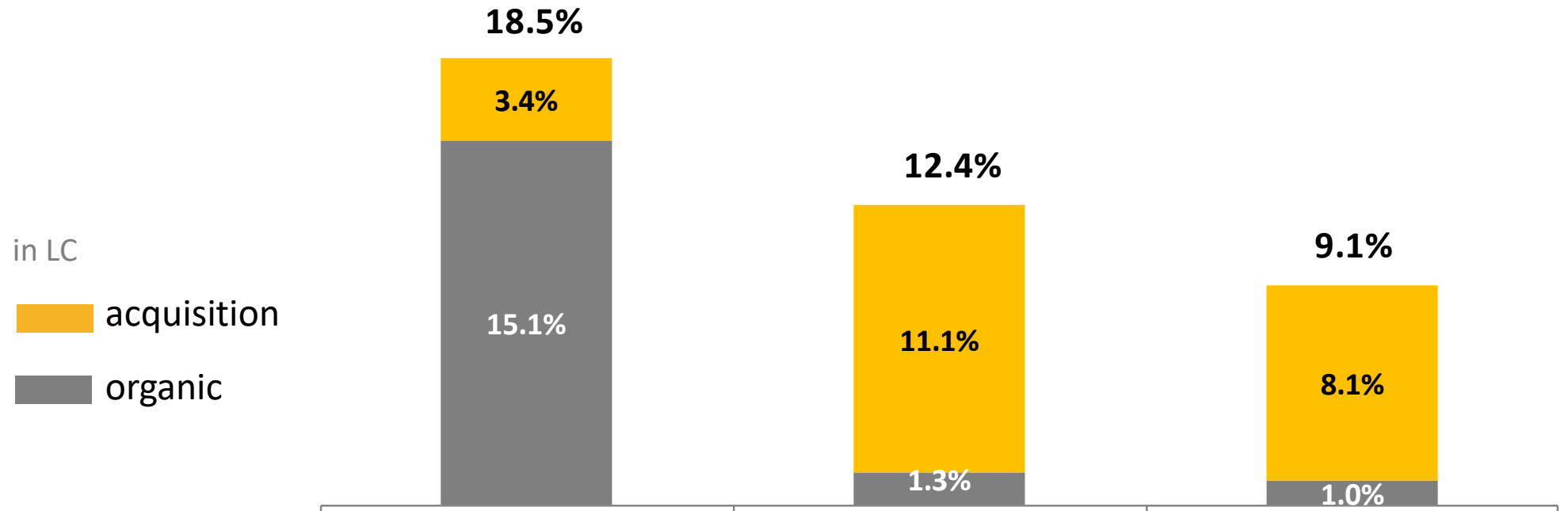
SALES GROWTH FIRST NINE MONTHS 2024

ORGANIC GROWTH ACCELERATES – MBCC AS STRONG CONTRIBUTOR



SALES GROWTH FIRST NINE MONTHS 2024

GROWTH LIFTED BY MBCC ACQUISITION

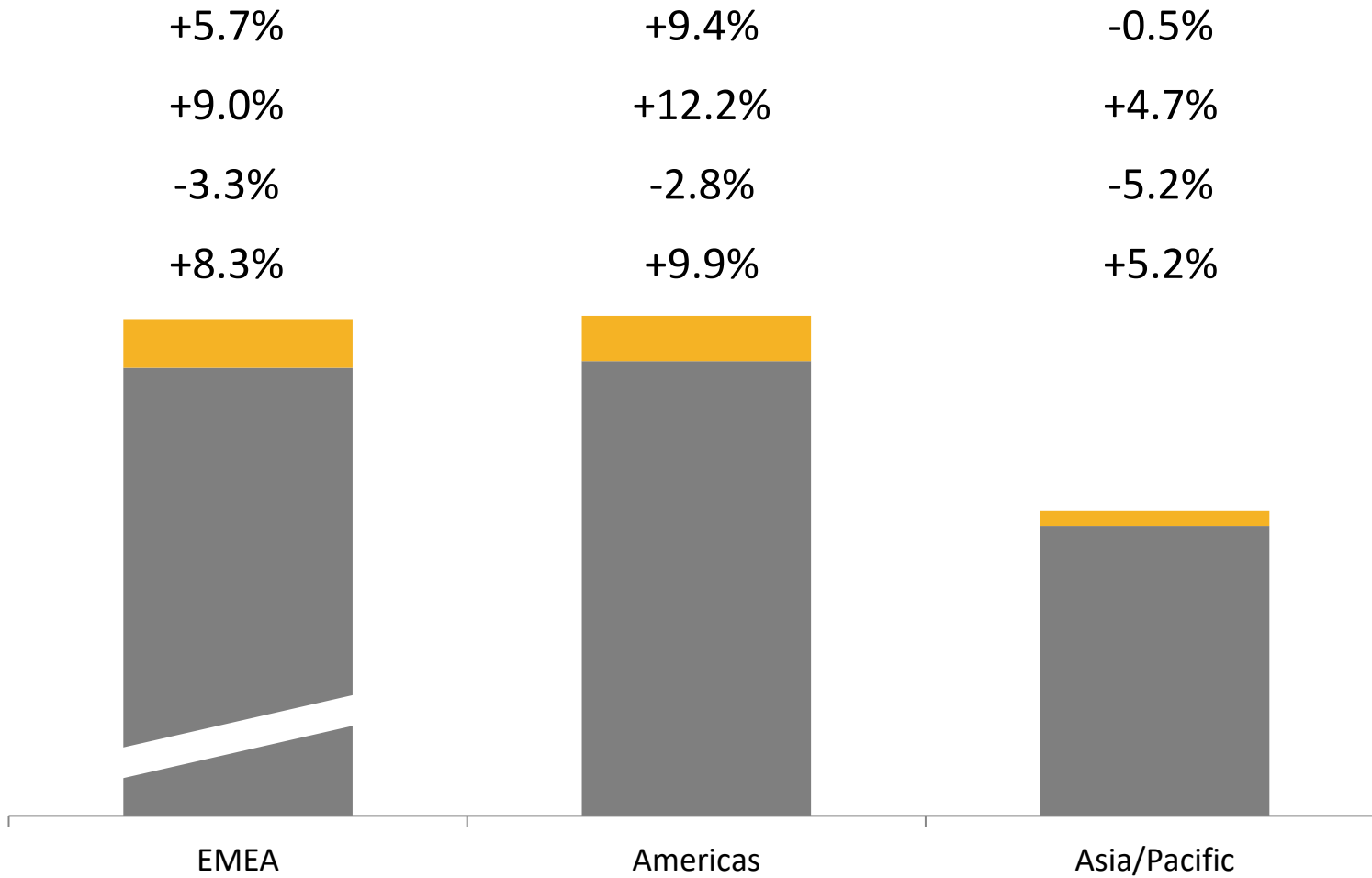


in CHF mn

	9M 2022	9M 2023	9M 2024
Sales	7,998.5	8,449.2	8,914.9

SALES GROWTH FIRST NINE MONTHS 2024

LOCAL CURRENCY GROWTH IN ALL REGIONS – HIGH FX IMPACT

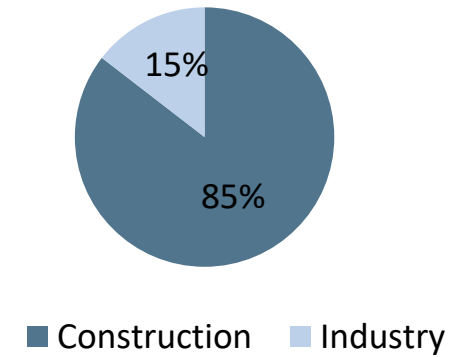


Growth in CHF

Growth in LC

FX impact

Acquisition

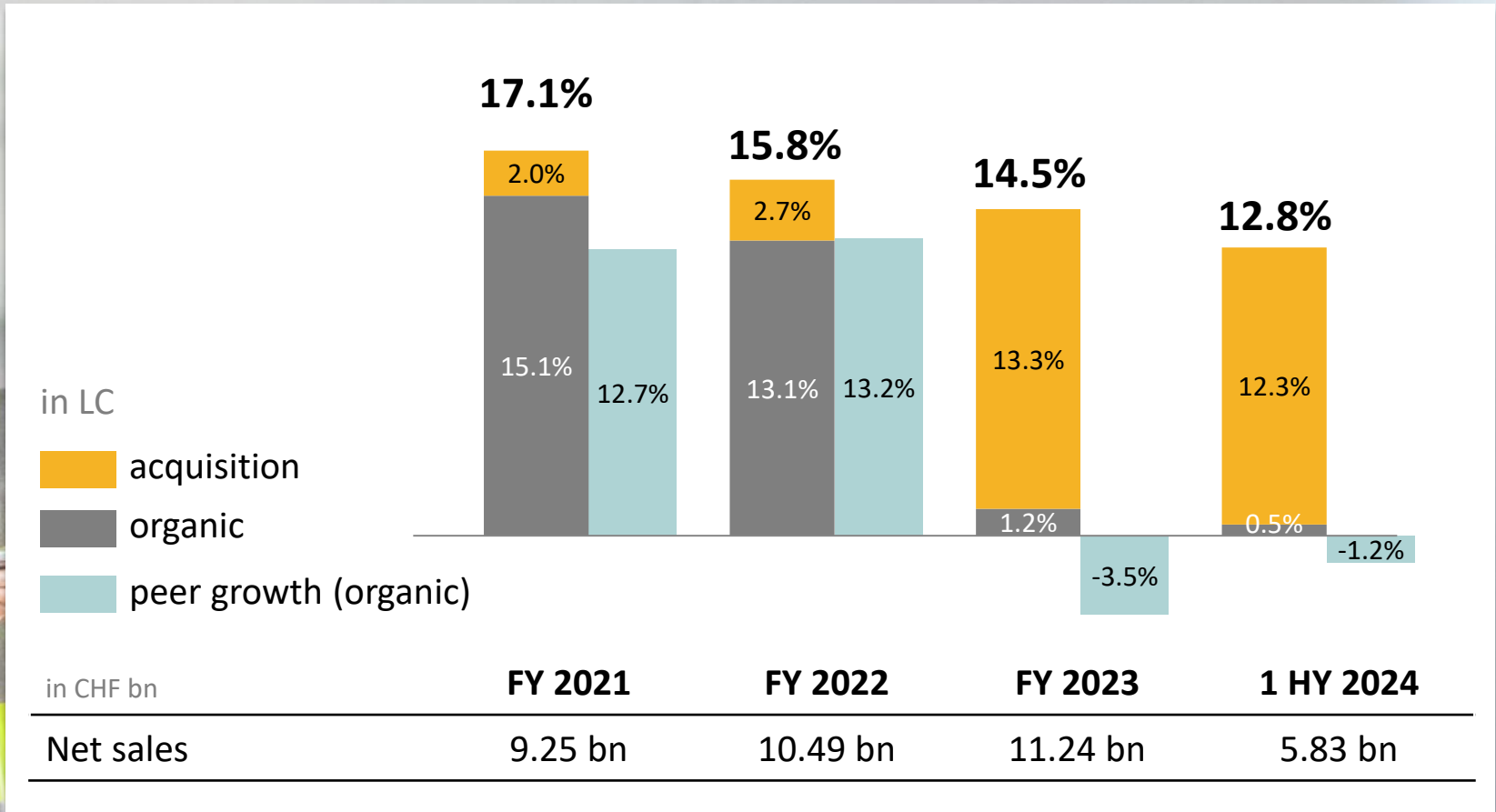


RESULTS IN FIRST NINE MONTHS 2024

STRONG MARGIN EXPANSION AND HIGH OPERATING FREE CASH FLOW

in CHF mn	2023	NS	2024	NS	Growth
Net sales	8,449.2	100%	8,914.9	100%	5.5%
Gross result	4,487.9	53.1%	4,876.9	54.7%	8.7%
Personnel expenses	-1,477.3	-17.5%	-1,625.8	-18.2%	
Other OPEX	-1,507.9	-17.8%	-1,549.4	-17.4%	
EBITDA	1,502.7	17.8%	1,701.7	19.1%	13.2%
Depreciation and amortization	-357.9	-4.3%	-407.0	-4.6%	
EBIT	1,144.8	13.5%	1,294.7	14.5%	13.1%
Net profit	736.5	8.7%	922.6	10.3%	25.3%
Operating free cash flow	896.5	10.6%	849.5	9.5%	-5.2%

SIKA GAINING MARKET SHARE OVER THE YEARS OUTGROWING THE PEERS



CONTINUOUS INVESTMENTS IN FUTURE GROWTH

KEY INVESTMENTS IN 2024

Acquisition Kwik Bond Polymers, US



Polymer systems manufacturer for the refurbishment of concrete infrastructure and bridges in the United States (April 2024).

Acquisition Vinaldom, S.A.S in the Dominican Republic



The product range includes concrete admixtures, fibers, adhesives, and sealants for major infrastructure projects in the energy and transportation sectors as well as the tourism sector (August 2024).



New manufacturing facility in Lima, Peru

Production of synthetic macro fibers to strengthen Sika's position as a leading supplier to the mining industry and a strong partner for infrastructure projects (April 2024).



New plant in Liaoning, China

Production of a full range of products, including mortars, tile adhesives, and waterproofing solutions in the largest province in Northeast China (June 2024).



Expanded plant in Bekasi, Indonesia

Sika has more than doubled the production capacity at the Bekasi plant, its biggest manufacturing facility in Indonesia (August, 2024).

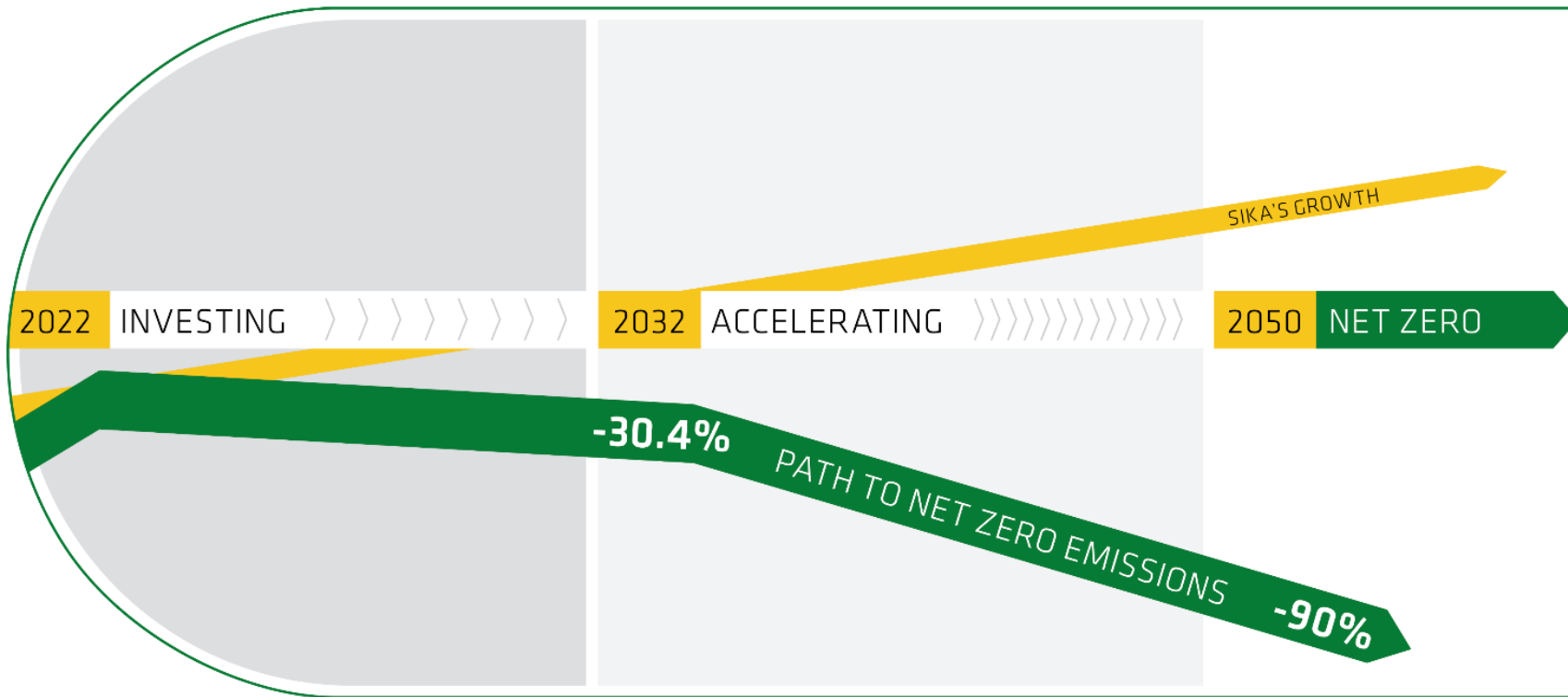
SUCCESSFUL INTEGRATION OF MBCC ACCELERATION OF SYNERGY IMPACT – 2024 GUIDANCE RAISED



GROWTH AND THE JOURNEY TO NET ZERO

SIKA'S VALIDATED SBTI TARGETS

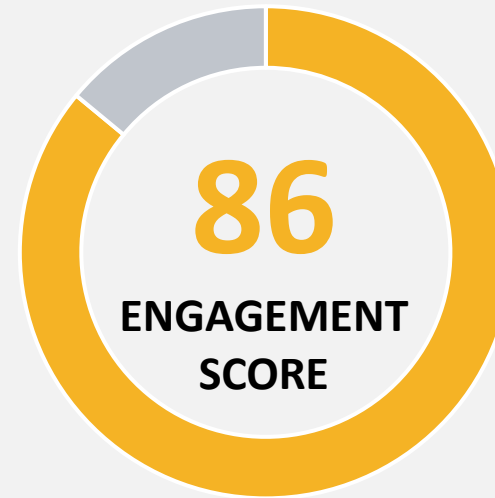
OUR KEY LEVERS



Accelerated use of alternative low carbon supplies	
Education and capacity building to improve material efficiency and circularity	Partnerships with key suppliers who support Sika's path to net zero
Development of new innovative solutions for construction and industry	Continued focus on operational efficiencies

HIGHLIGHTS FIRST NINE MONTHS 2024

HIGH ENGAGEMENT SCORE OF 86

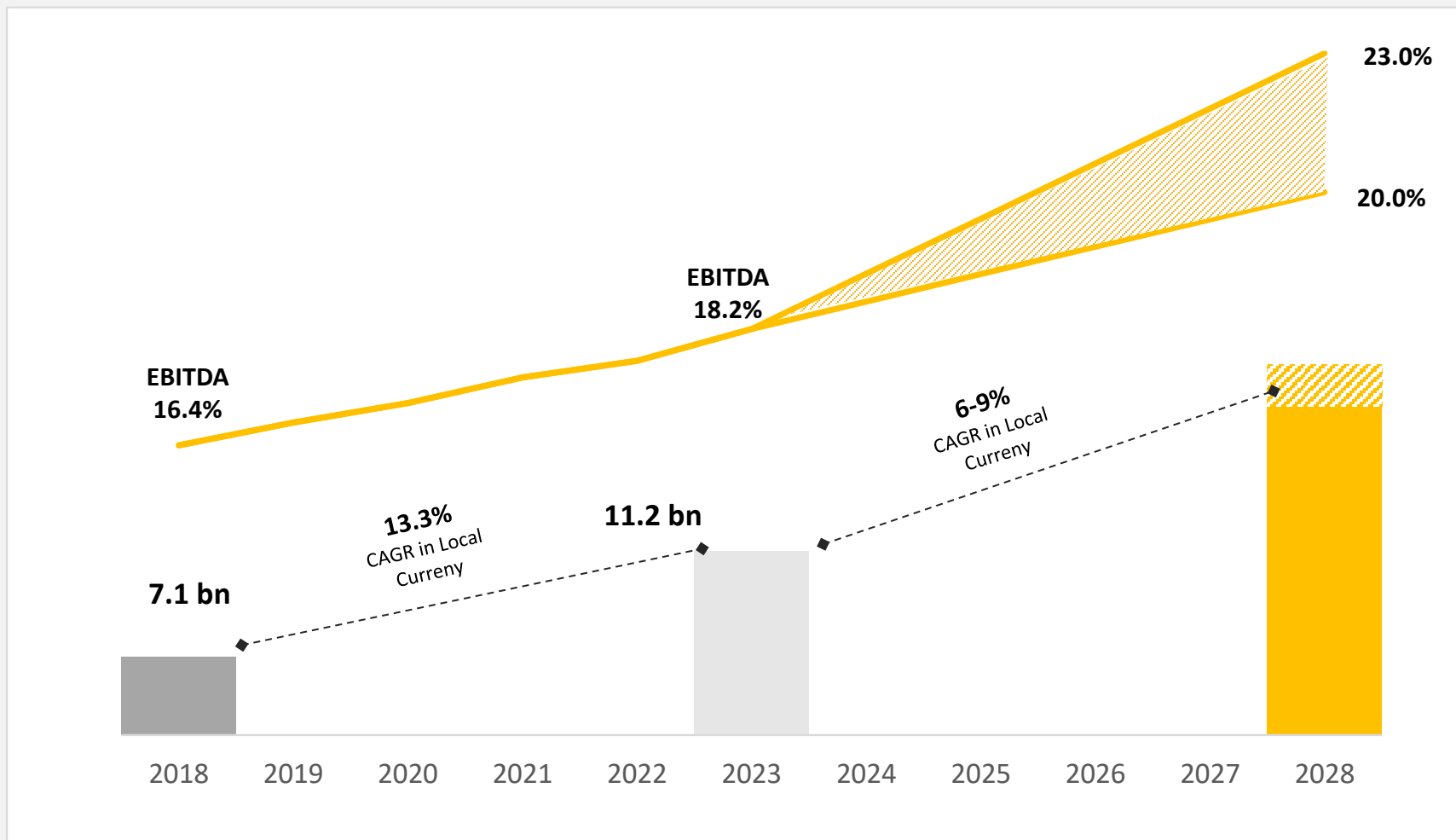


**HIGH ENGAGEMENT
SCORE OF 86**

Fueled by strong purpose
and confidence in
management and
strategy

2. OUR FIRST YEAR OF STRATEGY 2028

STRATEGY 2028 – BEYOND THE EXPECTED PROFITABLE GROWTH TO CONTINUE

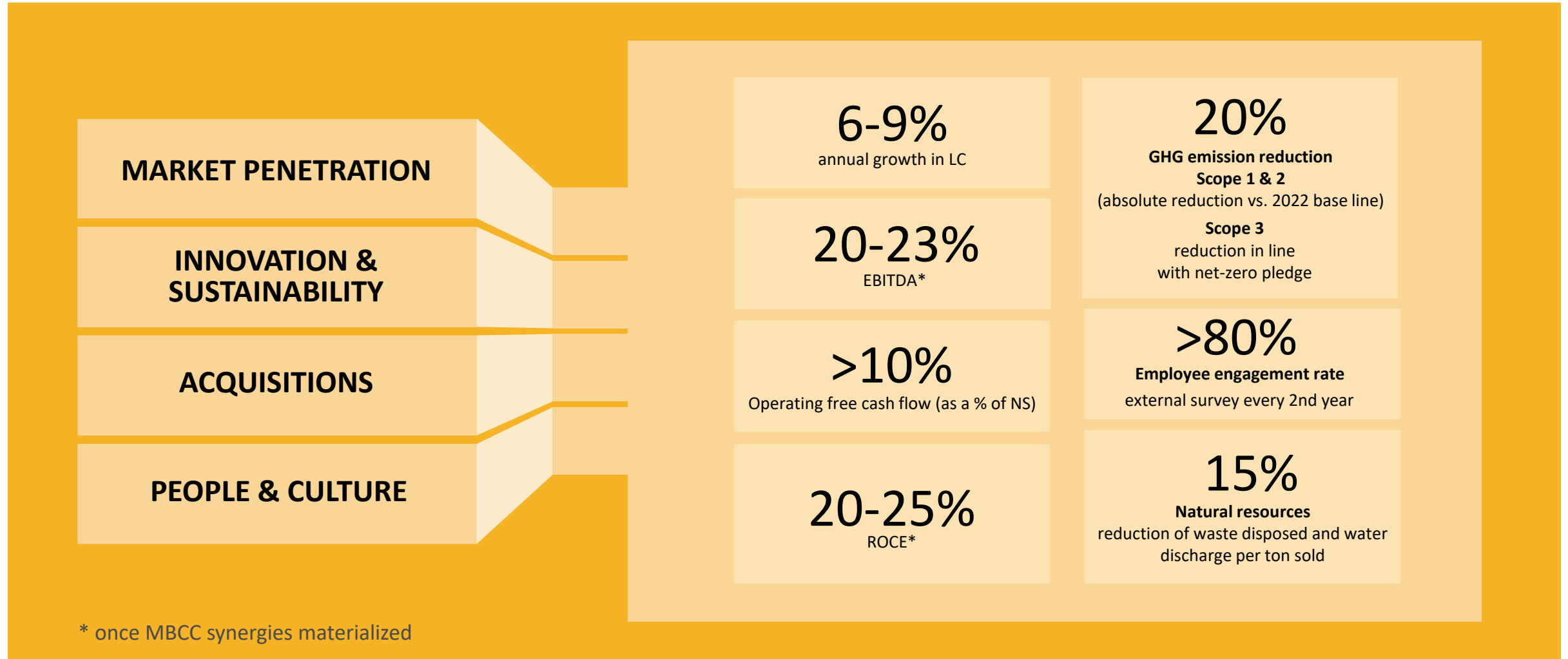


Sika[®]
BUILDING TRUST

On track for continued growth and value creation

SIKA'S GROWTH STRATEGY 2028

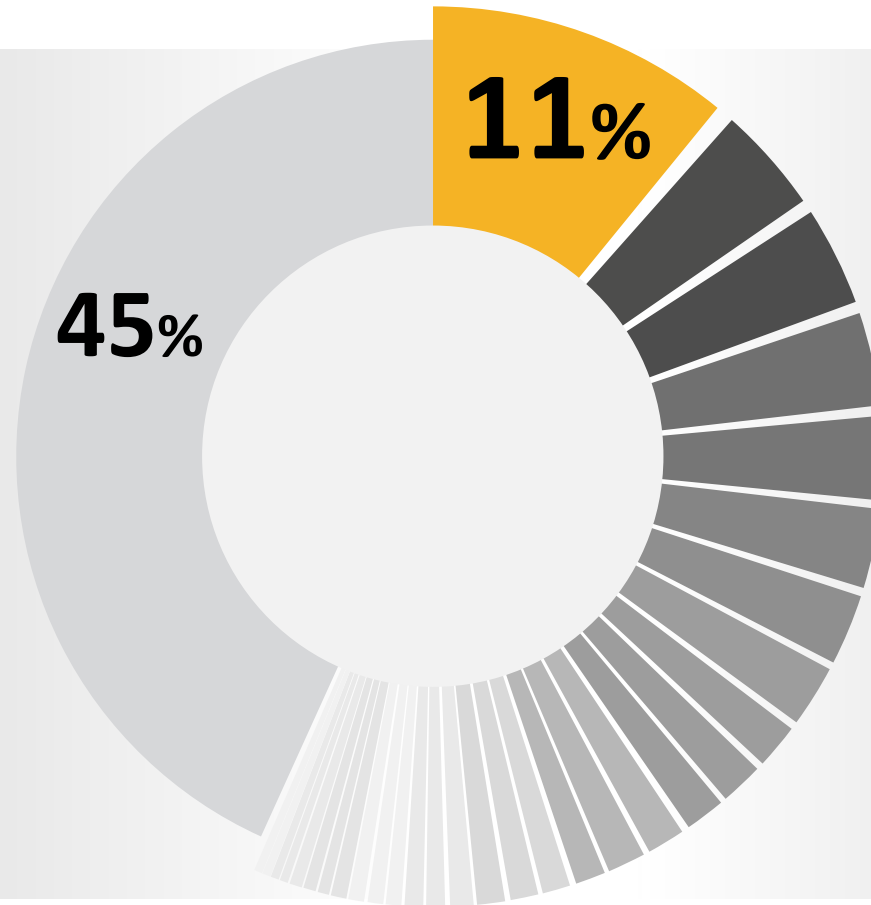
THE PILLARS OF THE STRATEGY



MARKET SHARE IN CONSTRUCTION CHEMICALS AND INDUSTRY

TOTAL ADDRESSABLE MARKET 2023: CHF 110 BILLION

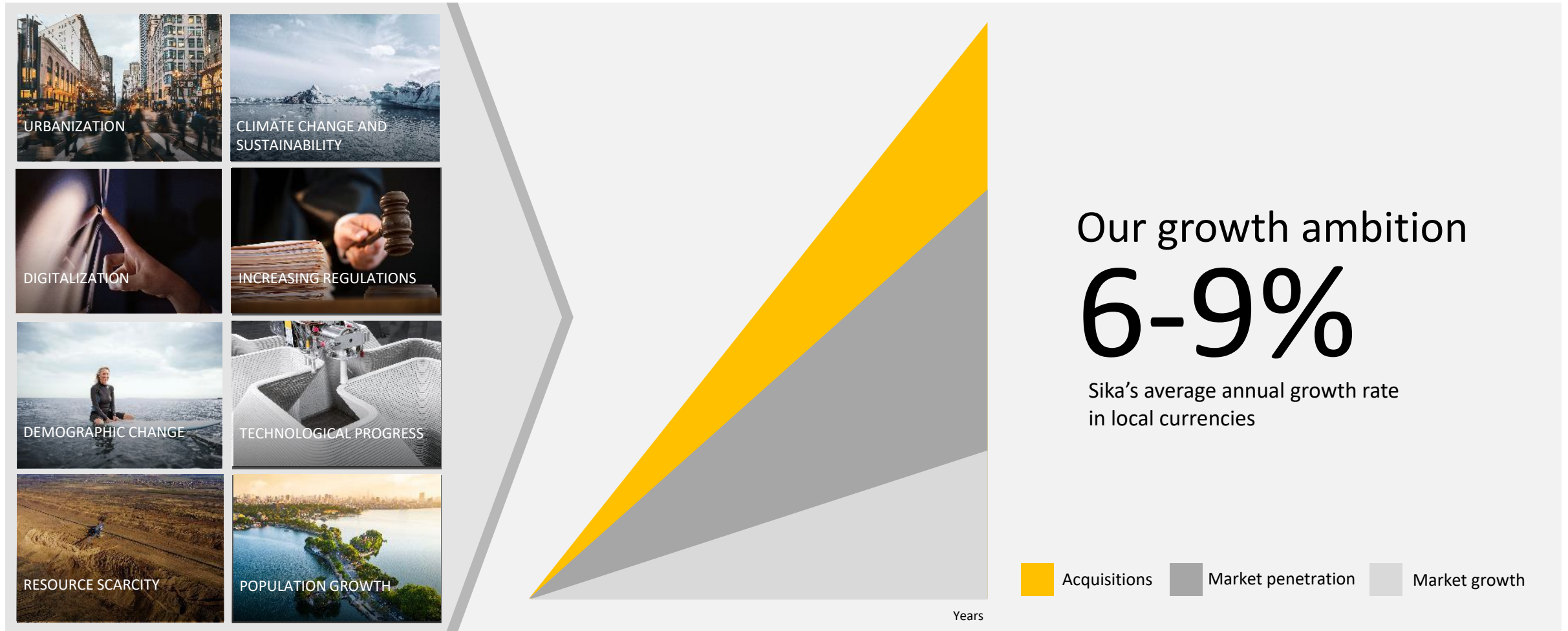
Competitive landscape remains very fragmented despite ongoing M&A activity



Top 30 competitors (incl. Sika) account for **55%** of market share

BENEFITS OF MEGATRENDS AND UNLOCK GROWTH

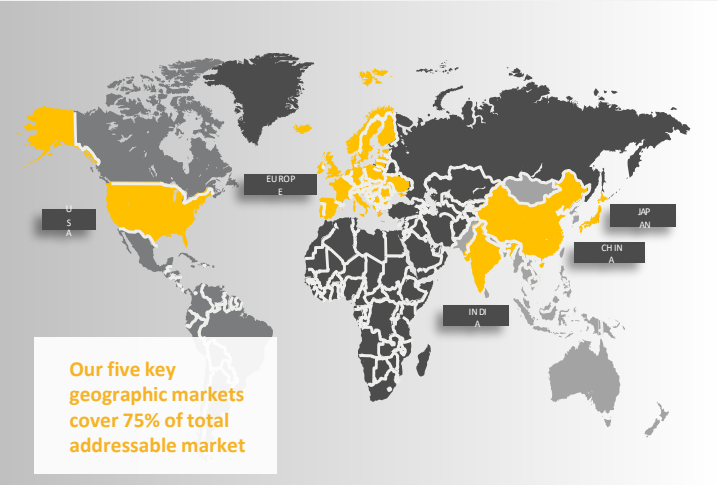
SIKA STRONGLY POSITIONED IN 2024 AND BEYOND



MARKET PENETRATION STRATEGY 2028

KEY GROWTH LEVERS/INITIATIVES

KEY GEOGRAPHIES



HIGH POTENTIAL MARKETS



LEVERAGING STRONG POSITION

Fostering our worldclass brand and leveraging our strong reputation



CROSS-SELLING

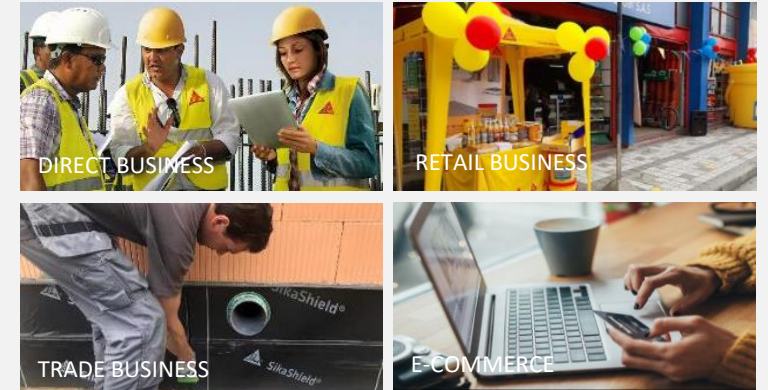
Getting more business out of every project with solution offering



Samsung semiconductor project in Austin Texas, USA

MULTI-CHANNEL APPROACH

Following a multi-channel approach with dedicated and specialized teams



GO WHERE THE MONEY IS

Focusing on **high business potential** across regions and verticals

ACQUISITIONS AS GROWTH ACCELERATOR

ACQUISITIONS 2019 – 2024

	2019	2020	2021	2022	2023	2024
	5 <small>L</small>	2	7	2	2 <small>L</small>	2
Concrete					 	
Waterproofing						
S&B			 			
Refurbishment	 					
Roofing		 				
Flooring						
Building Finishing			 			
Industry						

Large transaction

3. UNLOCK GROWTH WITH DURABILITY AND CIRCULARITY

MEGATRENDS

DRIVING LONGER LIFESPAN REQUIREMENTS



INFRASTRUCTURE AND COMMERCIAL CONSTRUCTION

- **Resilient structures** to withstand more extreme weather
- Reducing carbon footprint through **extended lifespan** and reduced maintenance

- **Net zero buildings** designed to generate their energy from renewable sources
- **Circular economy, recycled material**
- **Low-carbon solutions**

- **High-performance, durable solutions**
- **Predictive maintenance** enabled by sensors and digital twins
- New construction techniques

DATA CENTERS AND SEMICONDUCTOR FACILITIES

- Increased requirements for **longer lifespans** for data centers and semiconductor facilities

- **Owners** with high net zero commitments
- Regulations drive **decarbonization and circularity** for these sectors

- **Strong and growing investments** in the construction of data centers and semiconductor plants

DURABILITY AND ITS IMPACT ON EMISSIONS

CO₂ REDUCTION BY PROLONGING LIFESPAN

According to **different scenarios** where the average lifespan of a residential/commercial building is 40 or 60 years, **the cumulative kgCO₂eq/m² decreases by 30% once the lifespan of a building is prolonged**

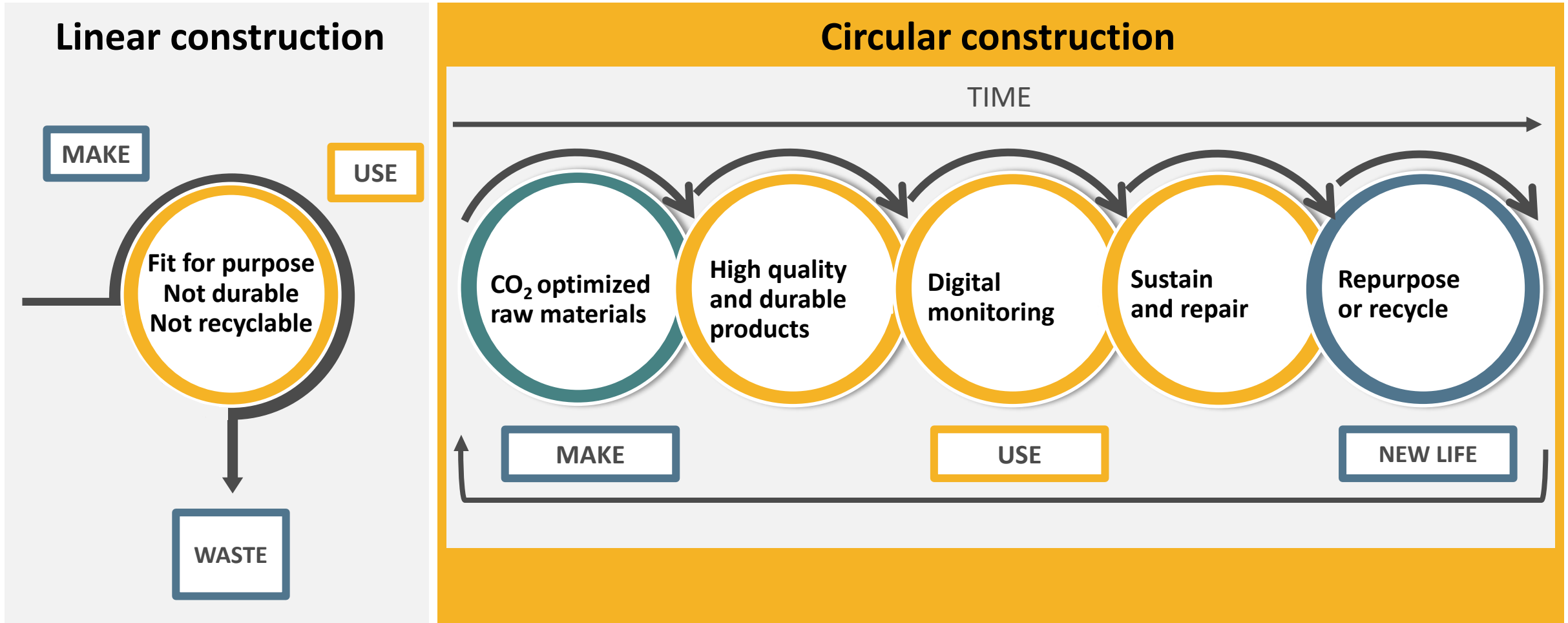
30%

less CO₂ with 20 years longer lifespan of buildings

25%

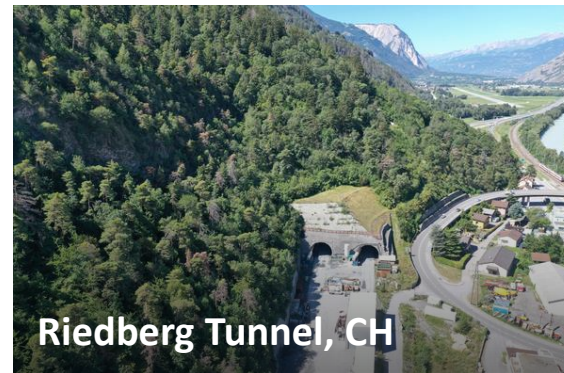
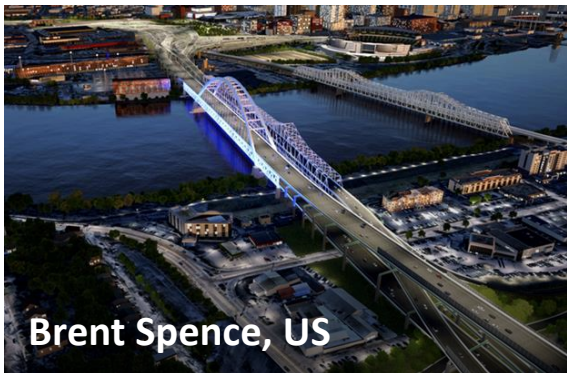
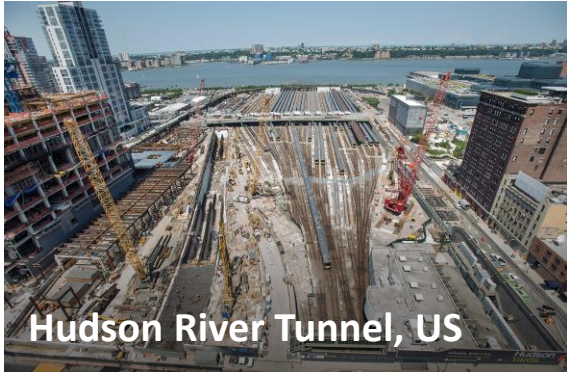
less cost with 20 years longer lifespan of buildings

DRIVING THE TRANSFORMATION OF THE CONSTRUCTION SECTOR LONG DURABILITY BY EXTENDING THE LIFESPAN



DURABILITY REQUIREMENTS IN INFRASTRUCTURE

TODAY'S PROJECTS ARE DESIGNED FOR 100+ YEARS



HIGH POTENTIAL IN CONCRETE FIBERS

DURABILITY AND SUSTAINABILITY



CHALLENGES

- Steel reinforcement: cost and CO₂ footprint
- Steel fibers: rough surfaces

FIBER-REINFORCED CONCRETE

- 50 million tons of steel can be replaced by fibers
- 30 million tons of CO₂eq can be saved with synthetic fibers

SUSTAINABILITY BENEFITS

- 20% CO₂ reduction per 150 m³ slab by Sika fibers compared to steel reinforcement¹⁾

¹⁾ Significant CO₂ reduction thanks to Sika solutions demonstrated in calculation by World Business Council for Sustainable Development (WBCSD): [Measuring-the-impact-of-carbon-avoiding-solutions-in-the-construction-industry.pdf](#)

HIGH OPPORTUNITY IN RETURNED CONCRETE CIRCULARITY AND SUSTAINABILITY



CHALLENGES

- Globally, 4% of the fresh concrete is returned = 1,100 million tons!
- Heavy work needed to dispose

SOLUTIONS

- Sika® Stabilizer-180 RCA
- Sika® Stabilizer-323 RCT

APPLICATION

- Soluble bags are added to the fresh concrete in the truck mixer
- Reusable concrete

DATA CENTERS, SEMICONDUCTOR PLANTS WITH LONGER LIFESPAN MANY DATA CENTERS TO BE BUILT IN THE COMING YEARS



Sika solutions can contribute to savings of 13,000 tons CO₂eq throughout the lifetime of a 25,000m² data center

DIGITAL SOLUTIONS SUPPORT LONGER LIFESPAN ANTICIPATING CUSTOMER NEEDS ALONG THE VALUE CHAIN

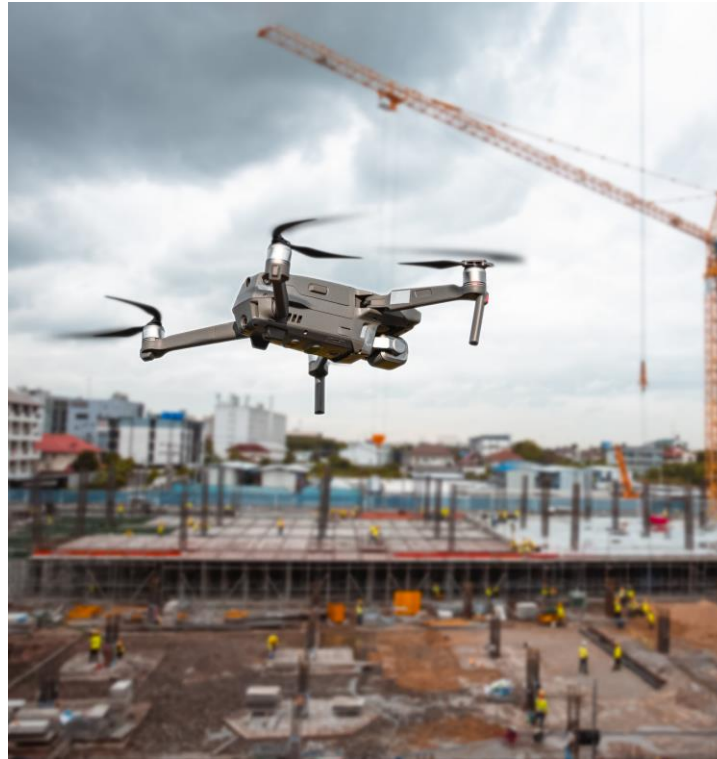
Digital Products

Built in sensors for lifelong performance tracking



Digital Monitoring & Repairing

To observe an early deterioration



Digital Tools

To make processes more efficient



4. OUTLOOK 2024

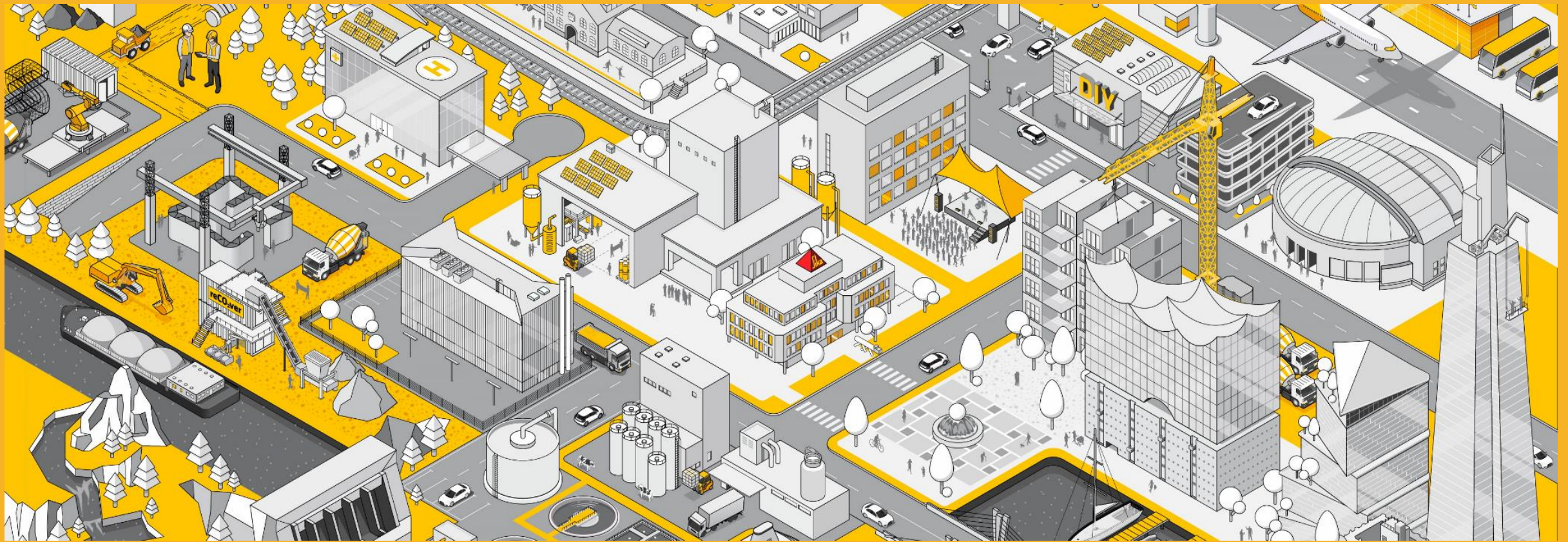
OUTLOOK 2024

CONFIRMATION OF 2028 STRATEGIC TARGETS

- For 2024 Sika expects sales growth in local currencies of 6-9%
- Over-proportional increase in EBITDA
- Confirmation of 2028 strategic targets for sustainable, profitable growth

Expected sales
growth in LC of

6-9%



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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