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Ad Hoc Announcement Pursuant to Article 53 of the SIX Exchange Regulation Listing Rules

SIKA POSTS RECORD SALES OF CHF 11.24 BILLION IN 2023 – GROWTH OF 7.1% IN CHF

- **Sika posts record sales of CHF 11.24 billion in 2023**
- **Revenue growth of +7.1% in CHF (+14.5% in local currencies)**
- **High, negative foreign currency effect of -7.4% due to sharp appreciation of the Swiss franc**
- **Integration of MBCC on track with expected synergies of CHF 180–200 million**
- **Acquisition of Thiessen Team (USA) and Chema (Peru) as well as a stake in start-up Concria Oy (Finland)**
- **New plants commissioned in Kharagpur (East India) and Chattanooga (Tennessee, USA) and expansion of two factories in Sealy (Texas, USA) and Kirchberg (Switzerland)**
- **Technology Center opened in Suzhou (China)**
- **Outlook for fiscal 2023 confirmed:**
 - **Over-proportional increase in EBIT excluding MBCC acquisition**
 - **Operating free cash flow of over 10% (as % of net sales)**

In a year of high inflation, rising interest rates, and sharp currency depreciations, Sika held firm and achieved record sales. These amounted to CHF 11.24 billion in the year under review, equating to a rise of 7.1% in CHF. Almost all currencies depreciated considerably against the Swiss franc, which led to a negative currency effect of -7.4%. One key growth driver in the past fiscal year was the acquisition and successful integration of MBCC and the systematic merger of its business activities. However, the negative currency effect also played a major role in the MBCC business that was consolidated as of the beginning of May. Sika is expecting annual synergies of CHF 180–200 million following the acquisition.

Thomas Hasler, Chief Executive Officer: “Sika has once again proved its resilience over the past twelve months. Thanks to our well-functioning business model, our high level of innovation, and the strong commitment of our 33,000 employees around the world, we have continued to grow

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substantially and gained market share in what has been a challenging year. We are benefiting from high customer demand from the major growth trends such as sustainability, urbanization, and automation. With our Strategy 2028, our geographical footprint, and our leading technologies, we are ideally positioned to continue to achieve sustainable growth in the coming years and create added value for all our stakeholders.”

DOUBLE-DIGIT GROWTH AND MARKET SHARE GAINS IN ALL REGIONS

In general, the growth trends of the first nine months continued in the final quarter of fiscal 2023. All regions performed well and contributed to Sika’s further growth and the systematic expansion of market shares. In 2023, Sika experienced positive organic growth, compared to a market that was characterized by a negative organic development.

The **EMEA region** (Europe, Middle East, Africa) reported a sales increase in local currencies of 14.8% (previous year: 8.3%). The countries of the Middle East and Africa recorded strong growth rates, while France, Spain, and Portugal likewise developed positively. Sika benefited from economic subsidy programs and from investments aimed at saving energy in buildings as well as the booming area of e-mobility. Once again, business activity was subdued in Germany, Austria, and Northern Europe. The positive trend of increased infrastructure and commercial construction projects in the EMEA region generally continued in the fourth quarter. The distribution business also recorded slight growth compared to 2022.

Sika made further investments in the EMEA region. These include a 30% stake in Concria Oy, a Finnish start-up which is developing innovative solutions for cementitious floors that provide a wide range of advantages for construction companies, architects, and building owners. Sika’s global network and the complementary product portfolio provides an attractive growth platform for both companies.

In addition to this, Sika commissioned a new production facility for shotcrete accelerators in Kirchberg at the end of the reporting year, thereby investing in the expansion of manufacturing capacities in its home market Switzerland. This high-performance technology is used in tunneling in particular, as well as in excavation stabilization.

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The **Americas region** achieved a 14.9% increase in sales in local currencies (previous year: 27.5%). Rising rates of inflation, high interest rates, and an increasing shortage of specialized labor weighed on construction activity in many of the region's markets, with negative repercussions for the wider construction economy. The growth in the region in 2023 is attributable to the MBCC acquisition. Generally speaking, the US construction economy benefited from infrastructure projects, supported by state subsidy programs and projects in the context of reshoring production facilities to the USA. Latin America also contributed to the rise in sales with solid growth.

In July of last year, Sika completed the takeover of Thiessen Team USA, a manufacturer of shotcrete and mortar products for the US mining sector. This company supplies mining companies in the west of the USA, which among other things supply the growing electro-mobility industry with critical minerals. The takeover offers significant cross-selling potential and strengthens Sika's position in the US mining sector.

Investments were also made in the expansion of manufacturing capacities at the Sealy site in the US state of Texas, while production was increased in the USA and Canada due to rising demand for concrete admixtures.

Sales in the **Asia/Pacific region** rose by 15.2% in local currencies (previous year: 14.8%). In China, Sika recorded double-digit growth in its distribution business, while project business declined slightly. Sales in Japan increased, and double-digit growth rates were achieved in the growth market of India. Business in Indonesia, Thailand, and the Philippines was characterized by increasing positive momentum.

In June, Sika opened a new factory in Kharagpur in the east of India, thereby expanding its production capacity in this densely populated country that represents an important market for the future. The factory will produce mortar products, concrete admixtures, and shotcrete accelerators for customers in the West Bengal region, which is home to more than 100 million inhabitants.

Moreover, Sika opened a state-of-the-art Technology Center in Suzhou, China, in the fourth quarter. The primary focus of activities is on the development of sustainable and high-

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performance technologies with which Sika makes a key contribution to the transformation of the construction and automotive industries. In the future, the new Technology Center – the second-largest in the Sika Group – will be used to focus even more on developing products and solutions tailored for the local market.

In the **Global Business segment**, Sika achieved growth in local currencies of 10.0% (previous year: 22.2%). This increase is primarily due to robust demand for new vehicles, particularly electric vehicles, along with the normalization of supply chains. The automotive sector strike in the USA in the final quarter of fiscal 2023 had a negative impact on sales, as did the weak demand in business not related to the automotive industry in this segment.

Sika is continually expanding its range of innovative solutions for battery systems. These include, for example, heat-conducting adhesives for the latest generation of battery-driven electric vehicles. Sika received a record number of new orders in the automotive business in the 2023 reporting year. The supply orders acquired will generate sales in the medium term and will ensure that the automotive business continues to perform well.

OUTLOOK CONFIRMED

In October, Sika unveiled its Strategy 2028 “Beyond the Expected” with the defined medium-term targets. The new strategy will enable Sika to grow profitably in the long term, even in a challenging economic environment. Thanks to its innovative technologies, Sika is the partner of choice for many customers in the construction and industrial sectors. These sectors are being heavily shaped by the sustainability megatrend, as well as by increasing urbanization, scarcity of resources, automation, digitalization, and the trend toward easy-to-apply products.

For the 2023 fiscal year, for which the full results will be published on February 16, 2024, Sika still expects an over-proportional increase in EBIT excluding the MBCC acquisition. Operating free cash flow is expected to exceed 10% of net sales for the year.

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FINANCIAL CALENDAR

Media conference/analyst presentation on full-year results 2023	Friday, February 16, 2024
56th Annual General Meeting	Tuesday, March 26, 2024
Net sales first quarter 2024	Tuesday, April 16, 2024
Half-Year Report 2024	Tuesday, July 30, 2024
Results first nine months 2024	Friday, October 25, 2024
Net sales 2024	Tuesday, January 14, 2025

SIKA CORPORATE PROFILE

Sika is a specialty chemicals company with a globally leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protection in the building sector and automotive industry. Sika has subsidiaries in 103 countries around the world and, in over 400 factories, produces innovative technologies for customers worldwide. In doing so, it plays a crucial role in enabling the transformation of the construction and vehicle industries toward greater environmental compatibility. With more than 33,000 employees, the company generated sales of CHF 11.2 billion in 2023.