



DATE January 11, 2023
PAGE 1 / 4
SIKA AG Zugerstrasse 50
6340 Baar, Switzerland
www.sika.com

CONTACT Dominik Slappnig
Corporate Communications &
Investor Relations
TELEPHONE +41 58 436 68 21
E-MAIL slappnig.dominik@ch.sika.com

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

SIKA EXCEEDS SALES OF CHF 10 BILLION FOR THE FIRST TIME – STRONG GROWTH OF 15.8% IN LOCAL CURRENCIES

- **Sika posts sales of CHF 10.49 billion in 2022**
- **Sales growth of 15.8% in local currencies (+13.4% in CHF)**
- **Further growth platforms secured with acquisitions of Sable Marco (Canada) and UGL (USA)**
- **Closing of MBCC acquisition targeted for first half of 2023**
- **New plants opened in Tanzania, Ivory Coast, Bolivia, USA, and China**
- **Record EBIT and an EBIT margin of 15% anticipated for the 2022 fiscal year**
- **Confirmation of 2023 strategic targets for sustainable, profitable growth**

Sika performed well against an increasingly difficult economic backdrop and – with CHF 10.49 billion in sales – the company exceeded the CHF 10 billion mark for the first time. This corresponds to a substantial increase of 15.8% in local currencies compared to the previous year. The currency effect came to –2.4%, with the softening US dollar and the continued weak euro particularly impacting this development. The acquisition effect was 2.5%.

Thomas Hasler, Chief Executive Officer: “In a market environment that proved extremely demanding, Sika achieved an impressive performance in fiscal 2022, posting sales in excess of CHF 10 billion for the first time in the company’s history. This solid result was made possible thanks to our broad product portfolio, our ability to innovate with a focus on sustainable product technologies, and – in particular – our workforce around the globe, whose dedication and agility once again made outstanding achievements possible. On behalf of Group Management, I would like to thank our workforce of more than 27,500 people for the commitment they have shown over the past year and for their exceptional loyalty to our company.”

MEDIA RELEASE

DATE January 11, 2023
PAGE 2 / 4

GROWTH IN ALL REGIONS

Rising raw material prices around the globe were a prominent feature of 2022, as was a deceleration in the construction sector in the second half of the year, which was mostly due to high inflation and associated interest rate hikes. Sika was able to raise prices for products and solutions accordingly, and also made use of targeted growth opportunities. Overall, the global construction sector is being shaped by several megatrends including climate change, automation, digitalization, as well as demand for easy-to-apply products. With its broad product portfolio, Sika is ideally positioned to offer its customers technologies that allow them to reduce their carbon footprint while facilitating long-lasting, resource-efficient construction. In addition, Sika is benefiting from global, state-driven economic support programs that are fueling infrastructure expansion.

The **EMEA region** (Europe, Middle East, Africa) reported a sales increase in local currencies of 8.3% in 2022 (previous year: 16.1%). Sika's distribution business, which includes product distribution via home improvement stores, builders' merchants, and online platforms, saw a decline in volume. The extraordinarily high demand during the COVID-19 pandemic normalized again, moving back into line with pre-pandemic years. In contrast, volumes in the project business, which accounts for around 60% of sales in the region, witnessed only a slight drop. Economic stimulus programs and substantial investments in the transition of the energy sector support Sika's business activities even in declining markets. The region's strongest growth rates were recorded in the countries in Africa and the Middle East, which once again achieved double-digit sales growth.

Sika moved to a new site in the East African country of Tanzania in 2022, and is now manufacturing mortar products in Dar es Salaam on top of concrete admixtures. It also extended its facility in Western Africa's Ivory Coast. This site is now double its previous size, enjoying not only additional manufacturing facilities but also new warehousing capacities, office space, and laboratories.

The **Americas region** recorded growth in local currencies of 27.5% (previous year: 21.0%). Sika generated a large part of this growth from projects in the US infrastructure segment, which saw significantly higher activity in 2022 compared to the previous year. Construction work focused on

MEDIA RELEASE

DATE January 11, 2023
PAGE 3 / 4

the modernization and expansion of subway lines, bridges, tunnels, and freeways. High demand also stemmed from investments in commercial construction projects, including stadiums and data centers. In addition, the USA is investing heavily in reshoring, which involves bringing industrial know-how back to the United States from Asia and constructing new manufacturing plants. This opens up new business opportunities for Sika. Construction activity in large parts of the US was affected by the severe winter storms in December, which also disrupted the deliveries of some Sika products.

The countries in Latin America likewise benefited from a high level of investment into infrastructure. This is critical due to strong urbanization trends. The expansion of public transportation networks has reached the implementation phase in a number of major cities, and investments are also being made in water treatment plants and reservoirs that incorporate Sika solutions.

With Sable Marco in Canada and United Gilsonite Laboratories (UGL) in the United States, Sika acquired two companies in 2022 that sell their high-performance products via established distribution channels. Furthermore, a new mortar and concrete admixture production facility came on stream in Bolivia, and a new manufacturing plant for concrete admixtures is now operational near Washington D.C.

Sales in the **Asia/Pacific region** rose by 14.8% in local currencies (previous year: 19.4%). The distribution business in China benefited from a strong growth momentum, recording double-digit growth rates. However, the Chinese project business was heavily impacted by pandemic-related lockdowns in the first nine months of the year and again at the end of 2022 by a wave of COVID-19 across the country. Sika's business activities in India continue to grow dynamically, and double-digit growth was achieved in challenging markets throughout Southeast Asia once the numerous lockdowns were lifted.

In 2022, Sika opened a new plant for liquid membranes and mortar production in Chongqing, a city in southwestern China with 30 million inhabitants. With the commissioning of this plant, the Group is strengthening its market position in a fast-growing metropolitan area.

MEDIA RELEASE

DATE January 11, 2023
PAGE 4 / 4

In **Global Business**, Sika achieved growth in local currencies of 22.3% (previous year: 4.3%), and thus grew much faster than the market. High demand for new vehicles and a normalization of supply chains have boosted business activity. For the automotive business, Sika is anticipating a recovery in the market over the medium term with continued growth stimuli from electromobility and alternative drive concepts in particular.

MBCC ACQUISITION IN ITS FINAL STAGES – OUTLOOK FOR 2022 RESULT

The acquisition of MBCC is now in its final stages. In December, the Competition and Markets Authority (CMA) in the UK accepted the remedy offered by Sika and MBCC Group to divest the MBCC concrete admixture business. Further rulings are pending, including the approval of the European Commission. Closing of the MBCC acquisition is targeted for the first half of 2023. The takeover is significantly value-enhancing. Together with MBCC, Sika will be able to strengthen its growth platform and expects to generate annual synergies of CHF 160–180 million.

For the 2022 fiscal year, Sika is anticipating record EBIT and an EBIT margin of 15%.

FINANCIAL CALENDAR

Media conference/analyst presentation on 2022 full-year results	Friday, February 17, 2023
55th Annual General Meeting	Tuesday, March 28, 2023
Net sales first quarter 2023	Tuesday, April 18, 2023
Half-Year Report 2023	Friday, July 21, 2023
Results first nine months 2023	Friday, October 20, 2023
Net sales 2023	Wednesday, January 10, 2024

SIKA AG CORPORATE PROFILE

Sika is a specialty chemicals company with a leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protecting in the building sector and motor vehicle industry. Sika has subsidiaries in 101 countries around the world and manufactures in over 300 factories. Its more than 27,500 employees generated annual sales of CHF 10.49 billion in 2022.