



RECORD RESULTS FOR PROFIT AND CASH FLOW – SIKA STRONG IN YEAR OF CORONAVIRUS

SIKA MEDIA AND INVESTOR PRESENTATION
FEBRUARY 19, 2021

BUILDING TRUST



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1. HIGHLIGHTS

PAUL SCHULER, CEO

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FINANCIAL HIGHLIGHTS 2020

RECORD RESULTS FOR PROFIT AND CASH FLOW

- Record results
 - Sales growth of 3.4% in local currencies
 - CHF 1,130.5 million EBIT (+7.1%)
 - EBIT margin improved from 13.0% to 14.4%
 - CHF 825.1 million net profit (+8.8%)
 - CHF 1,259.4 million operating free cash flow (+22.7%)
- Key investments
 - 6 new/expanded factories
 - 1 acquisition and 1 extension of partnership
- Further achievements
 - Parex integration successfully completed
 - 83 New patents, 123 Inventions

ESG HIGHLIGHTS 2020

REDUCTION OF CO₂ EMISSIONS BY 25.9%

-12.1%

waste
per ton sold

-21.2%

energy consumption
per ton sold

-25.9%

CO₂ emissions per ton sold
(20kg, previous year: 27kg)

10.1

hours of training
per employee

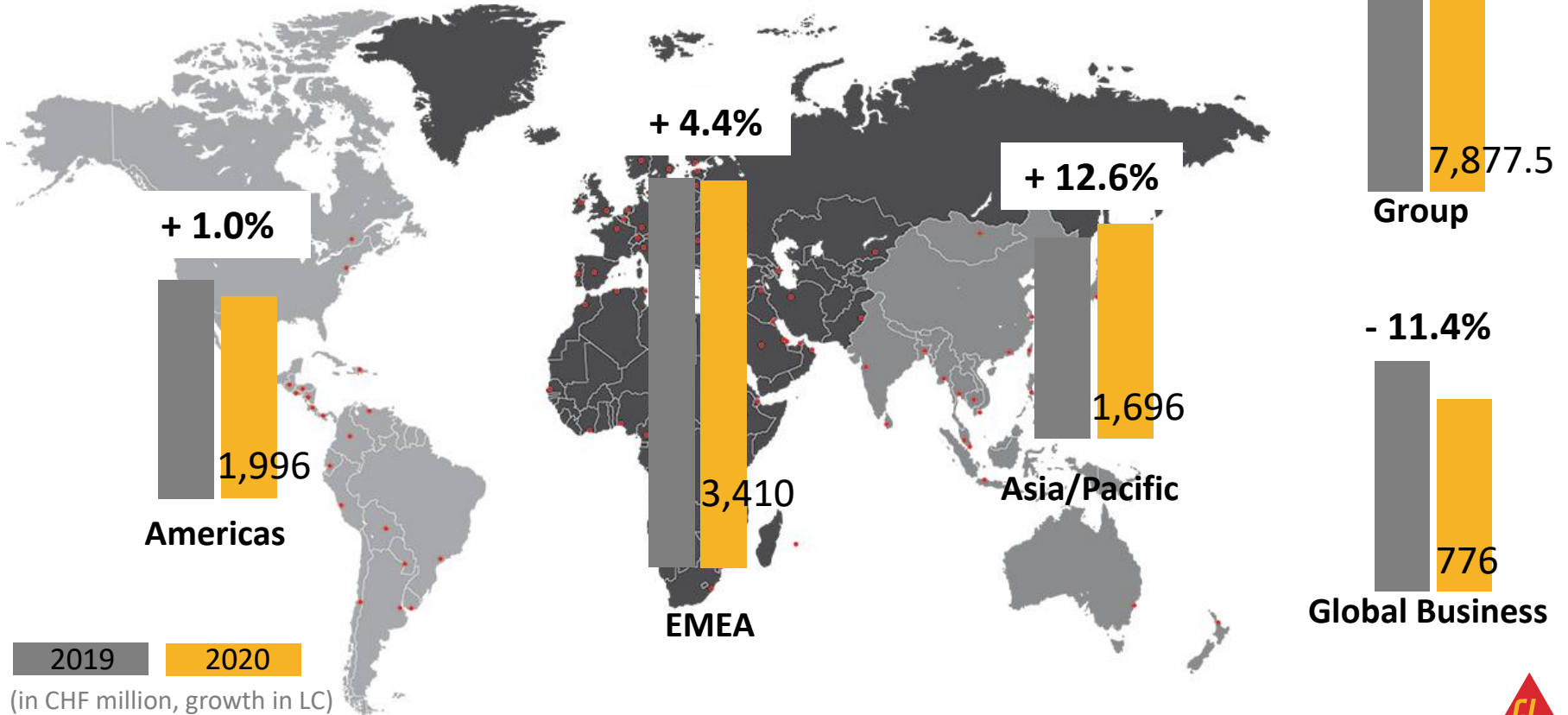
KEY FIGURES

RECORD PROFITABILITY

| in CHF mn | 2019 | 2020 | Δ % |
|---------------------------------|----------------|----------------|---------------|
| Net sales | 8,109.2 | 7,877.5 | - 2.9 |
| Gross margin | 53.6% | 54.8% | |
| EBITDA | 1,387.6 | 1,497.6 | + 7.9 |
| EBIT | 1,055.1 | 1,130.5 | + 7.1 |
| Net profit | 758.5 | 825.1 | + 8.8 |
| Operating free cash flow | 1,026.1 | 1,259.4 | + 22.7 |

LOCAL CURRENCY GROWTH IN ALL REGIONS

3.4% SALES GROWTH (-2.9% IN CHF) IN 2020

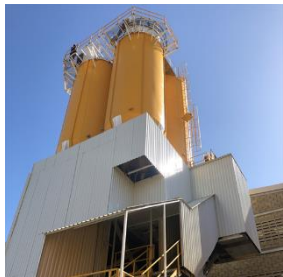


GAINING FURTHER MARKET SHARE

INVESTMENTS IN SIX PLANTS AND ONE ACQUISITION

Admixtures, Mortars, and Acrylic Plant

Barranquilla, Colombia



Adeplast, Romania

(Closing)

Building Finishing

Modern Waterproofing Group, Egypt

Waterproofing

Mortar plant

Chengdu, China

Investment in polyurethane

production facilities

Düdingen, Switzerland



Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

Expansion of structural waterproofing membrane plant

Sarnen, Switzerland



Expansion of concrete admixtures and epoxy resins plant

Dubai, United Arab Emirates

Expansion of shotcrete admixtures plant

Gournay-en-Bray, France

Extension of partnership with CiDRA Concrete Systems, USA

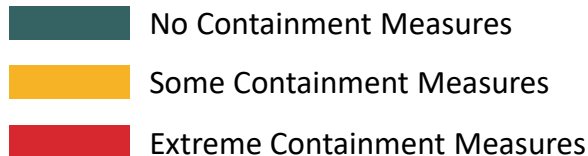
Concrete

2. SIKA'S SUCCESS FACTORS IN THE PANDEMIC

THE IMPACT OF THE PANDEMIC

MARCH 2020 TO JANUARY 2021

- Severe COVID-19 wave started in March 2020
- Most of the 100 Sika countries were strongly impacted
- Mid-year, most countries changed their strategy from lockdowns to containment measures. This trend reversed in recent weeks



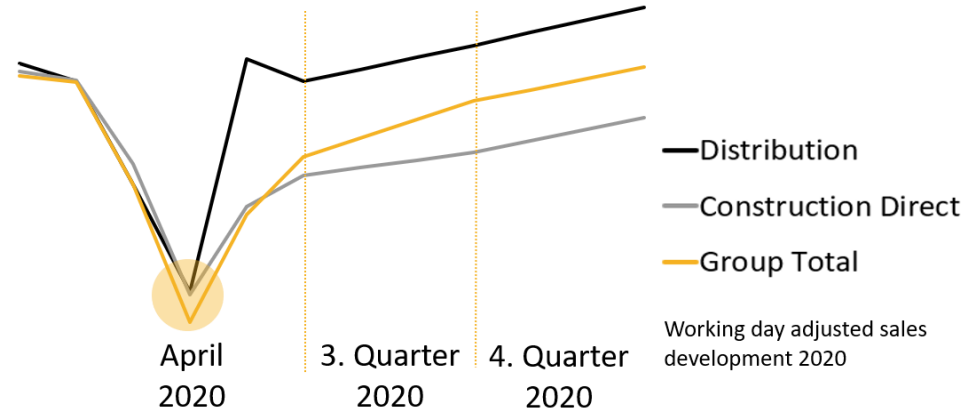
| Country | Mar 20 | Apr 20 | May 20 | Jun 20 | Jul 20 | Aug 20 | Sep 20 | Okt 20 | Nov 20 | Dez 20 | Jan 21 |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Argentina | 48 | 95 | 83 | 65 | 58 | 66 | 58 | 43 | 30 | 35 | 35 |
| Australia | 46 | 76 | 55 | 43 | 43 | 43 | 43 | 43 | 38 | 38 | 43 |
| Austria | 48 | 83 | 55 | 29 | 19 | 19 | 24 | 36 | 69 | 71 | 86 |
| Belgium | 35 | 81 | 69 | 53 | 36 | 33 | 31 | 53 | 62 | 57 | 52 |
| Brazil | 4 | 46 | 84 | 73 | 55 | 52 | 48 | 38 | 33 | 38 | 33 |
| Canada | 53 | 83 | 75 | 53 | 49 | 44 | 46 | 54 | 64 | 67 | 69 |
| China | 47 | 30 | 19 | 14 | 14 | 14 | 10 | 14 | 14 | 19 | 22 |
| Denmark | 43 | 76 | 57 | 43 | 41 | 33 | 33 | 33 | 33 | 50 | 72 |
| Finland | 35 | 67 | 65 | 43 | 36 | 24 | 24 | 27 | 38 | 43 | 50 |
| France | 43 | 81 | 69 | 31 | 19 | 19 | 29 | 38 | 76 | 64 | 62 |
| Germany | 41 | 74 | 53 | 29 | 19 | 19 | 24 | 38 | 52 | 69 | 81 |
| India | 29 | 92 | 86 | 67 | 67 | 67 | 62 | 55 | 52 | 52 | 54 |
| Indonesia | 15 | 48 | 52 | 43 | 19 | 19 | 22 | 24 | 24 | 24 | 29 |
| Italy | 100 | 100 | 74 | 62 | 48 | 48 | 33 | 43 | 67 | 67 | 57 |
| Japan | 33 | 38 | 41 | 31 | 27 | 29 | 27 | 19 | 19 | 19 | 29 |
| Mexico | 4 | 50 | 81 | 72 | 53 | 43 | 43 | 42 | 40 | 40 | 31 |
| Netherlands | 38 | 76 | 72 | 48 | 38 | 33 | 29 | 45 | 52 | 66 | 81 |
| Norway | 46 | 90 | 72 | 50 | 38 | 29 | 33 | 38 | 43 | 43 | 43 |
| Romania | 48 | 90 | 77 | 41 | 38 | 38 | 33 | 48 | 67 | 67 | 67 |
| Russia | 15 | 59 | 67 | 38 | 34 | 20 | 20 | 20 | 24 | 24 | 24 |
| Saudi Arabia | 39 | 76 | 76 | 53 | 48 | 48 | 46 | 43 | 43 | 43 | 52 |
| South Africa | 37 | 71 | 71 | 52 | 43 | 39 | 22 | 14 | 14 | 24 | 38 |
| South Korea | 45 | 45 | 38 | 30 | 30 | 10 | 10 | 10 | 10 | 10 | 10 |
| Spain | 49 | 95 | 76 | 62 | 43 | 43 | 33 | 41 | 52 | 52 | 52 |
| Sweden | 24 | 43 | 48 | 46 | 41 | 38 | 33 | 33 | 36 | 40 | 48 |
| Switzerland | 41 | 74 | 55 | 26 | 22 | 24 | 24 | 31 | 43 | 54 | 62 |
| Turkey | 35 | 59 | 69 | 38 | 33 | 38 | 38 | 38 | 38 | 52 | 52 |
| United Kingdom | 44 | 86 | 83 | 67 | 52 | 48 | 38 | 41 | 67 | 64 | 86 |
| United States | 45 | 78 | 63 | 50 | 48 | 48 | 48 | 49 | 54 | 60 | 56 |

Source: IHS Markit

SIKA'S SUCCESS FACTORS IN THE PANDEMIC

HIGHLY RESILIENT DISTRIBUTION BUSINESS

- Booming home improvement
- Sika establishes itself as household brand
- Tailor-made solutions and customer focus for every distribution channel
- Gaining further market share in online sales and e-commerce



double digit
growth in distribution channel

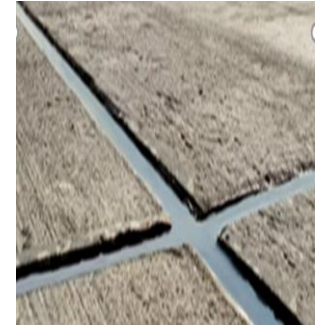
68%
increase in E-Commerce sales

41.4%
of Sika's
business is
generated in
distribution

SIKA'S SUCCESS FACTORS IN THE PANDEMIC

HIGH RESILIENCE OF REFURBISHMENT

- Structures have to be maintained and projects do not tolerate delay for security reasons
- New regulations and building standards make refurbishment mandatory
- Complexity favor refurbishment over new build
- Sika with strong position in the refurbishment market can optimally serve the growing demand



SIKA'S SUCCESS FACTORS IN THE PANDEMIC

HUGE INVESTMENTS IN DIGITALIZATION

- COVID-19 has accelerated digital and e-commerce boom
- Many new data centers as backbone of digital economy
- Strict safety standards and highest requirements for building materials drive demand for Sika solutions



Over 200

data center projects
worldwide under
construction in 2020

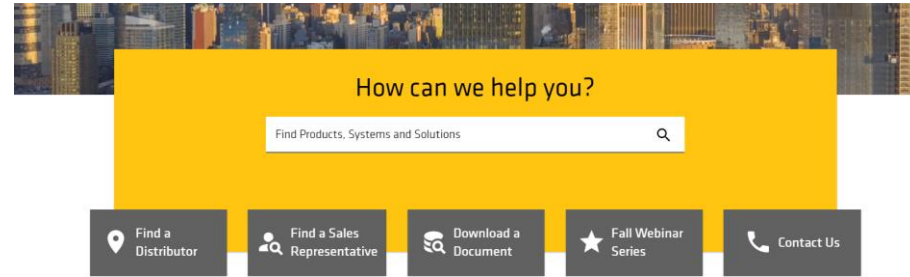
Sika offers solutions from basement to roof, like waterproofing, fire protection, protection against electrostatic charge, or cool roofs



SIKA'S SUCCESS FACTORS IN THE PANDEMIC

STRONG CUSTOMER FOCUS

- Decentralized organisations can quickly adapt to local situation
- Strong, locally managed teams
- Close to projects and close to customers
- Already close contact with customers was further intensified during pandemic
 - Daily calls and personal contact
 - More than 150,000 customers trained in webinars



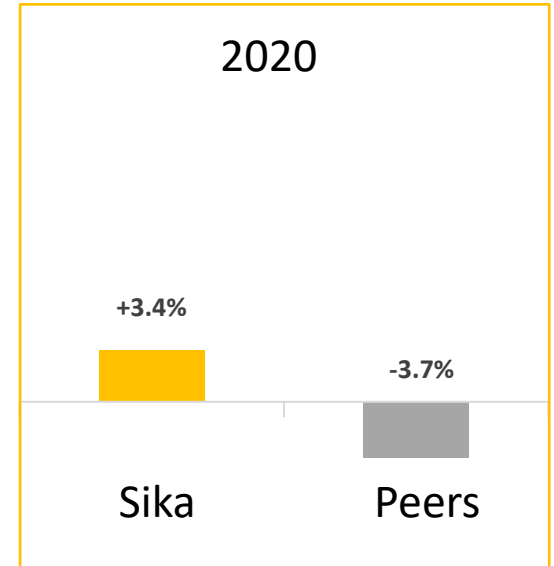
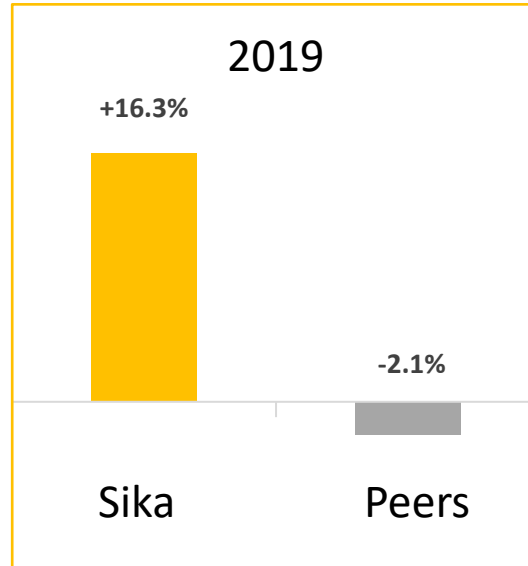
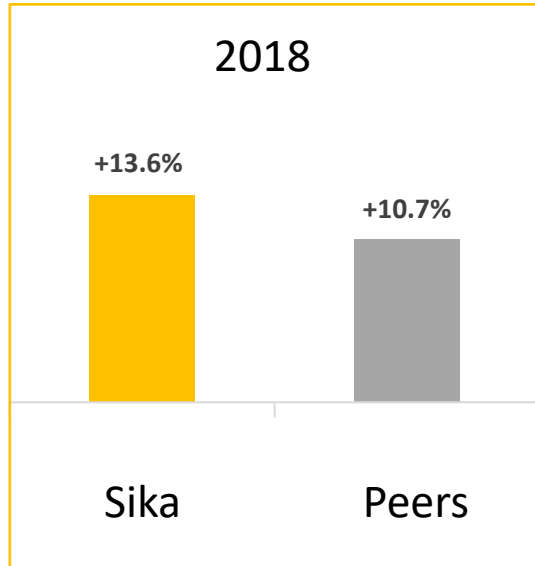
Sika France
Team E-commerce with customer



Sika Kenya
Team Sales with customer

SIKA'S SUCCESS FACTORS IN THE PANDEMIC

SIKA CLEARLY OUTPERFORMS COMPETITORS



Notes: Growth in constant currencies; 2020: only peers with already published FY results

PAREX INTEGRATION SUCCESSFULLY COMPLETED DURING PANDEMIC

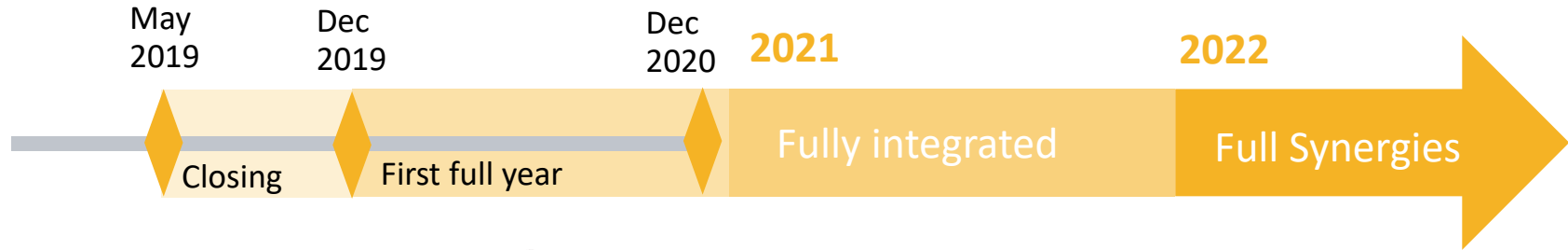
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PAREX INTEGRATION SUCCESSFULLY COMPLETED

MOVING FORWARD AS ONE STRONG COMPANY

- Integration of Parex successfully completed
- 23 countries with fully integrated teams working together to achieve results
- Synergy guidance overachieved: CHF 55 million annual synergies in 2020
- Integration of 9 brands completed, 22 brands to be fully integrated in 2-4 years



Brand
Transitioning



OPERATIONAL EFFICIENCY INCREASED DURING PANDEMIC

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OPERATIONAL EFFICIENCY INCREASED DURING PANDEMIC

STRATEGIC LEVERS DRIVING IMPROVEMENT



HIGH LEVEL OF AUTOMATION



SMART PACKAGING

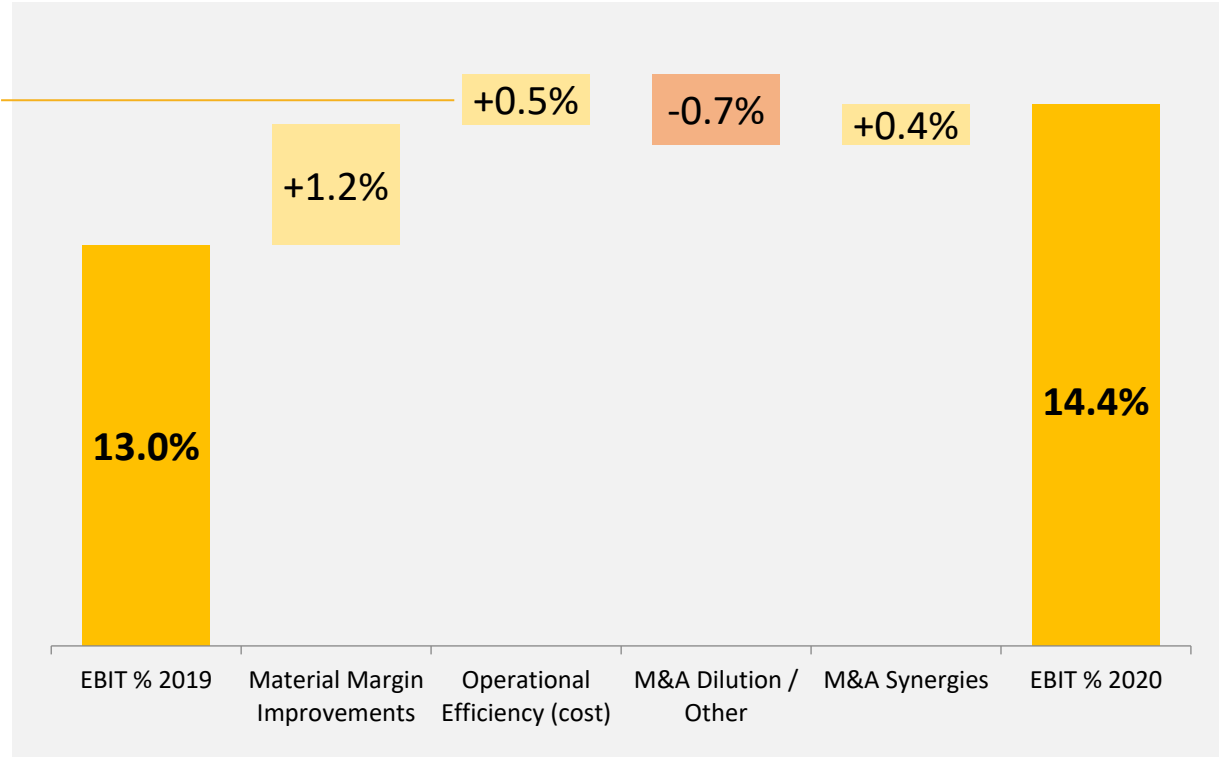


OPTIMIZED LOGISTICS



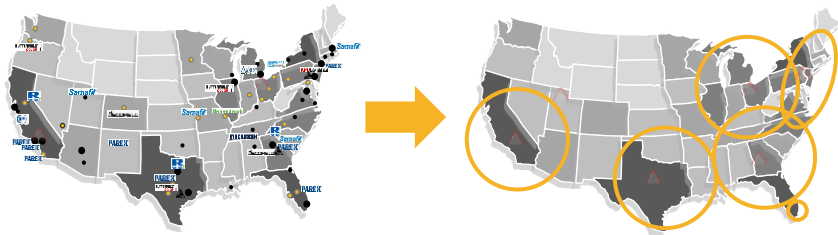
GLOBAL TEAMS OF EXPERTS

Key Initiatives Operational Efficiency



OPERATIONAL EFFICIENCY INCREASED DURING PANDEMIC EXAMPLES WITH STRONG IMPACT

US Supply Chain Alignment



Initial situation

Clustered production areas

Waste Reduction

Programs to reduce direct manufacturing waste



Mortar Production



Adhesive Production



Admixture Production

Energy Reduction Projects

Programs focusing on energy reduction



Sand Drying



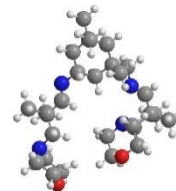
Membrane Production



Compressed Air

Formulation Efficiency

Simplify and optimize similar formulations



Optimize Formulation Design

RESILIENT GROWTH STRATEGY 2023 DESPITE PANDEMIC

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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

STRENGTH OF STRATEGY 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

RESILIENT GROWTH STRATEGY

ACCELERATED AUTOMATION IN THE BUILDING INDUSTRY

- Increasing demand for shorter construction time and shortage of qualified labor favors modular construction
- Sika is advancing modular construction with its products and solutions
- Limited CO₂ emission impact for population in urban and dense areas

+7% global
growth in
modular building

Up to **50%** time
saving over entire
construction period

Singapore is forerunner in modular building. In order to accelerate industrialization of construction, authorities explicitly require use of modular elements on sites.

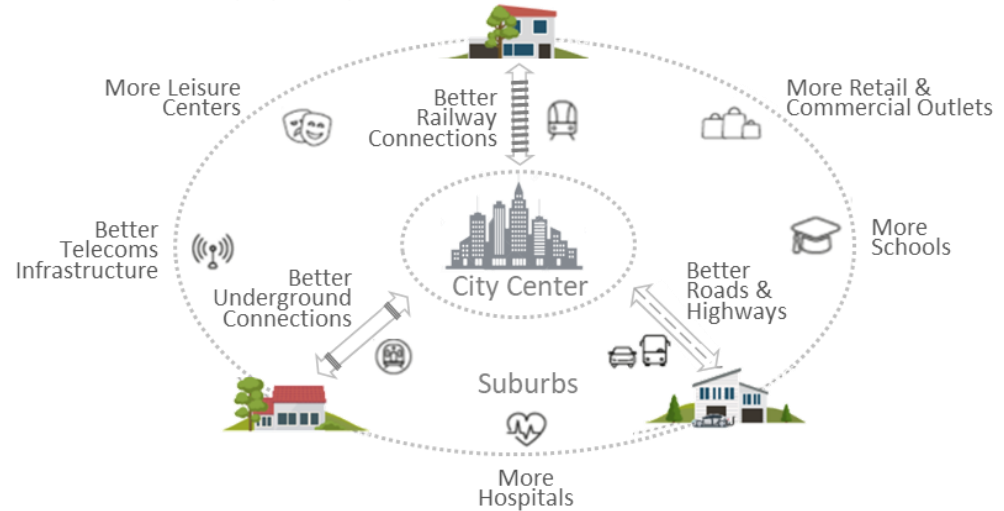


Avenue South Residences in Singapore, the world's highest building made of modular elements

RESILIENT GROWTH STRATEGY

UNLOCKING ADDITIONAL POTENTIAL IN SUBURBIA

- Urbanization trend to continue
- Big cities remain highly attractive, suburban centers are becoming more important in developed industrialized countries
- Need for housing and infrastructure facilities to increase in megacities and their suburbs
- Companies will not transition to 100% home office mid-term
- Even if less people will be working in office buildings, social distancing requirements will remain, and space will be needed



2050, **75%** of
the world's
population to live in
urban areas



RESILIENT GROWTH STRATEGY

CHF 10 TRILLION PLANNED STIMULI FOR CONSTRUCTION

- Extensive infrastructure programs stimulate economies around the globe
- Thanks to its expertise and product portfolio for new construction, refurbishment, and the e-vehicle sector Sika is ideally positioned to benefit from this growth potential
- Government initiatives in many countries lead to climate-related legislation

Investments in the areas of:

- Transportation infrastructure
- Urban development
- Bridges (full range of repair, strengthening, waterproofing, grouting, and protection solutions)
- Renewable energy (wind energy, benefit from various OEM on-shore grout validations)
- Mining
- Public buildings, such as hospitals and schools
- IT infrastructure, such as data centers (full range of roofing, waterproofing, fire protection, S&B, and flooring solutions)
- Water and sewage facilities (full range of repair, waterproofing, and protection solutions)

Americas stimulus programs

CHF 1 trillion

EMEA stimulus programs

CHF 750 billion



Asia/Pacific stimulus programs

CHF 8.6 trillion

3. FINANCIAL RESULTS 2020

ADRIAN WIDMER, CFO



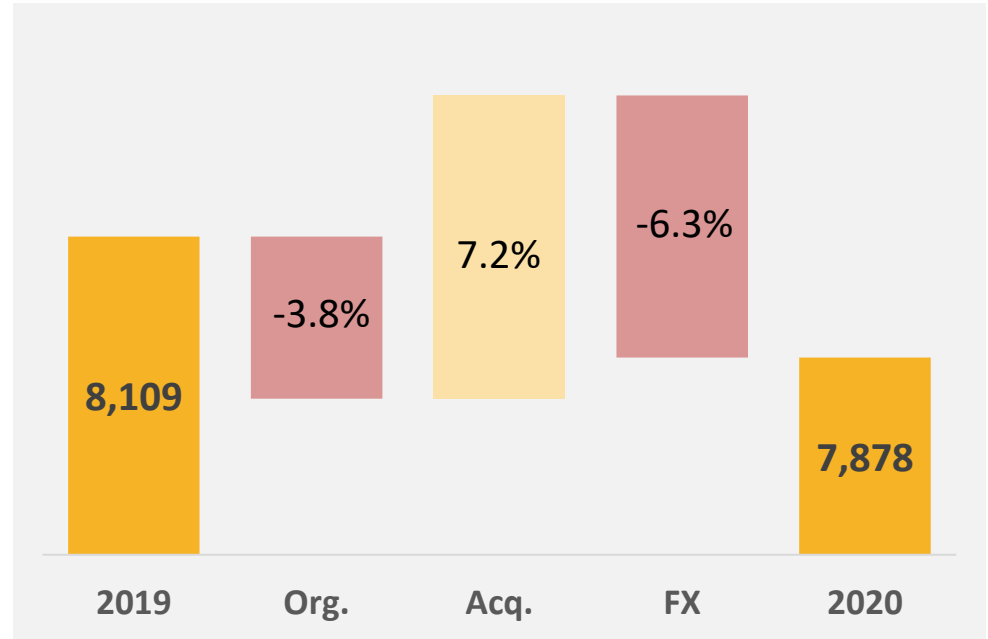
FINANCIAL HIGHLIGHTS 2020

- Net sales: CHF 7,877.5 million (+3.4% in LC, -2.9% in CHF)
- Record profitability on all levels:
 - EBITDA: CHF 1,497.6 million (+7.9%)
 - EBIT: CHF 1,130.5 million (+7.1%) or 14.4% of net sales (up from 13.0% in PY)
 - Net Profit: CHF 825.1 million (+8.8 %)
- Earnings per share (EPS) increased 9.8% to CHF 5.82 (undiluted)
- ROCE at 16.6%, impacted by acquisitions
- Very strong cash generation:
 - OFCF of CHF 1,259.4 million
 - Up by CHF 233 million or 22.7% vs. PY record
- Strong deleveraging profile

SALES 2020

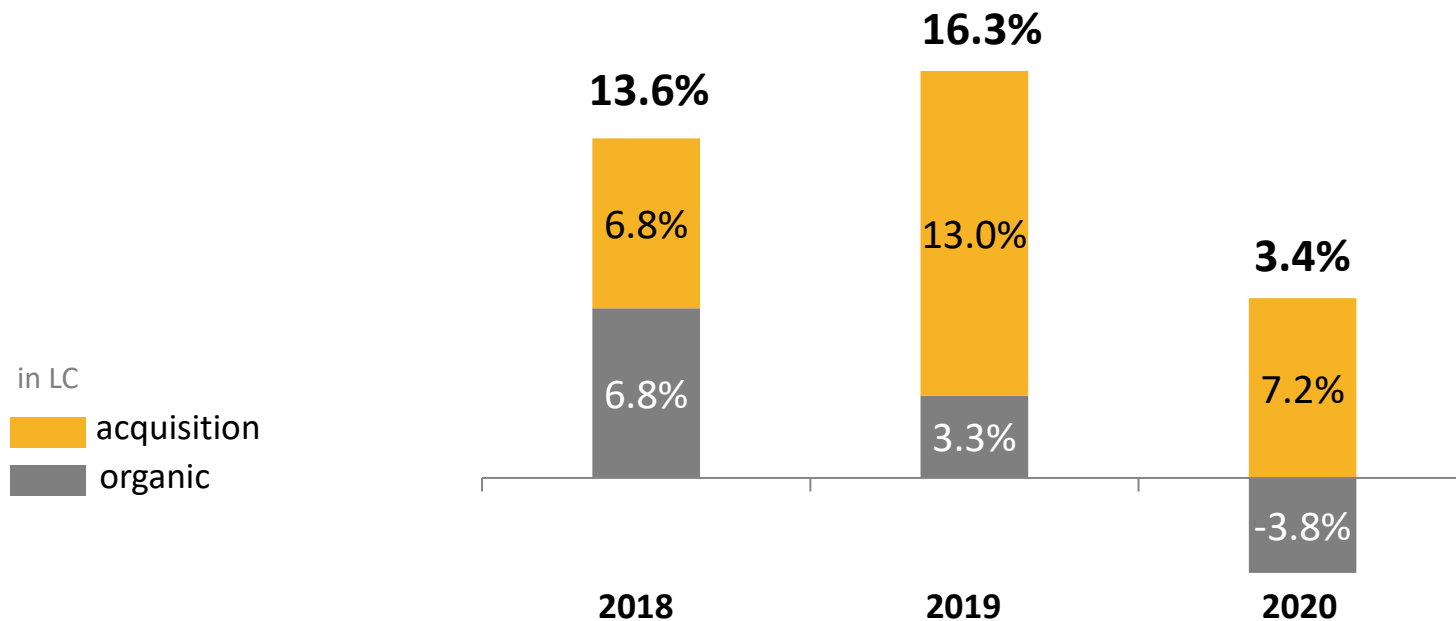
3.4% GROWTH IN LOCAL CURRENCIES

| in CHF mn | 2019 | 2020 |
|--------------------|---------|---------|
| Net sales | 8,109.2 | 7,877.5 |
| Organic growth | | -310.5 |
| Acquisition effect | | +580.6 |
| Currency effect | | -501.8 |



SALES DEVELOPMENT 2018 TO 2020

3.4% GROWTH IN LOCAL CURRENCIES IN 2020



in CHF mn

Sales

7,085.4

8,109.2

7,877.5

In 2020, sales growth of acquired businesses since initial consolidation is included in organic growth.

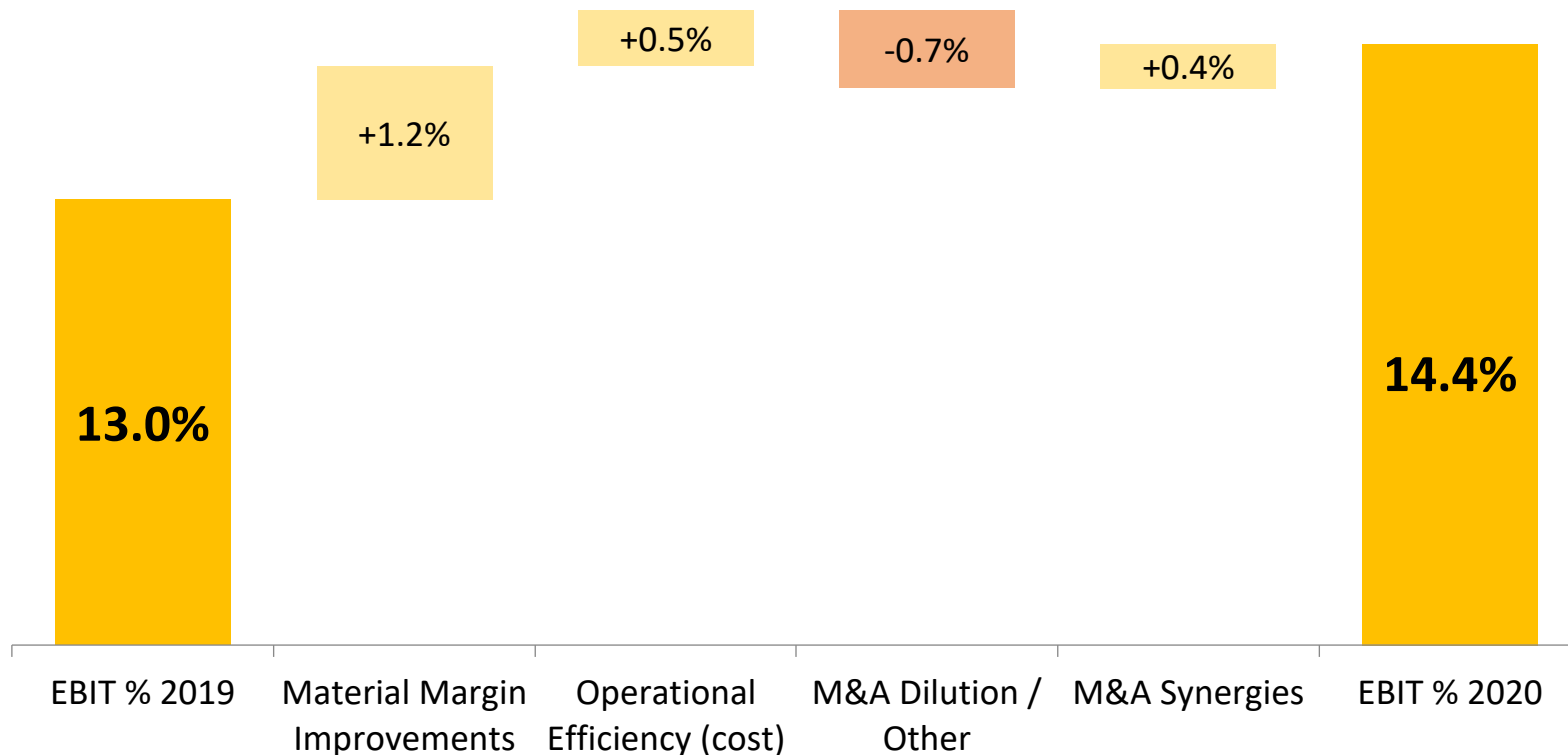
INCOME STATEMENT

PROFITABILITY GROWTH ACROSS THE BOARD

| in CHF mn | 2019 | NS | 2020 | NS | Growth |
|-------------------------------|----------------|--------------|----------------|--------------|--------------|
| Net sales | 8,109.2 | 100% | 7,877.5 | 100% | -2.9% |
| Gross result | 4,344.0 | 53.6% | 4,314.8 | 54.8% | -0.7% |
| Personnel costs | -1,544.3 | -19.0% | -1,525.9 | -19.4% | -1.2% |
| Other OPEX | -1,412.1 | -17.5% | -1,291.3 | -16.4% | -8.6% |
| EBITDA | 1,387.6 | 17.1% | 1,497.6 | 19.0% | 7.9% |
| Depreciation and amortization | -332.5 | -4.1% | -367.1 | -4.6% | 10.4% |
| EBIT | 1,055.1 | 13.0% | 1,130.5 | 14.4% | 7.1% |
| Financial expenses | -88.5 | | -70.1 | | -20.8% |
| Income taxes | -208.1 | | -235.3 | | 13.1% |
| Net profit | 758.5 | 9.4% | 825.1 | 10.5% | 8.8% |
| Tax rate | | 21.5% | | 22.2% | |
| Non-material costs | -3,288.9 | -40.6 | -3,184.3 | -40.4 | -3.2% |

EBIT IMPROVEMENT 2020

STRATEGIC LEVERS DRIVING IMPROVEMENT



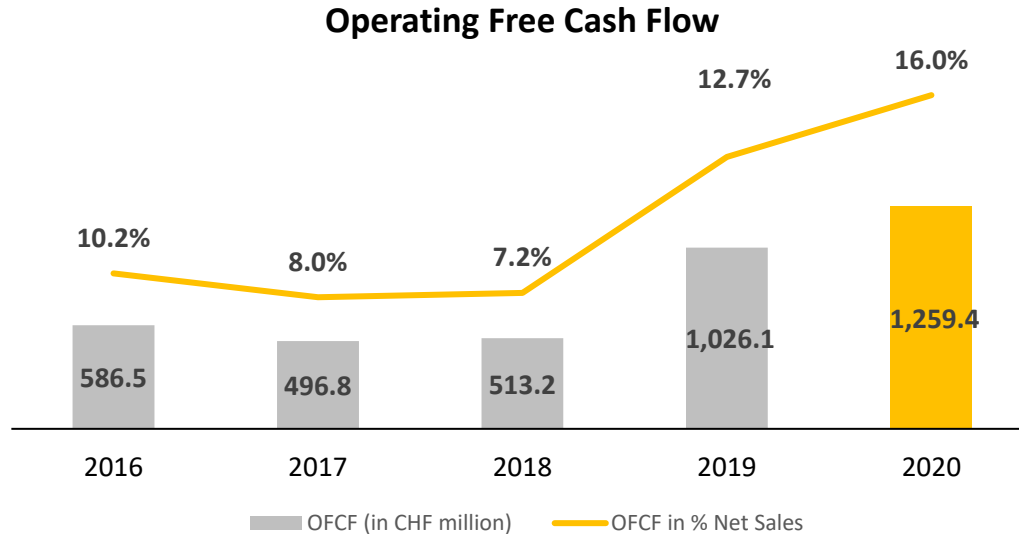
CONSOLIDATED BALANCE SHEET

SIGNIFICANT REDUCTION OF NET DEBT

| in CHF mn | 31.12.2019 | 31.12.2020 | Δ % |
|-------------------------------------|----------------|----------------|-------------|
| Cash and cash equivalents | 995.1 | 1,318.7 | 32.5 |
| Other current assets | 2,474.8 | 2,315.9 | -6.4 |
| Current assets | 3,469.9 | 3,634.6 | 4.7 |
| Non-current assets | 6,489.8 | 6,159.4 | -5.1 |
| Total assets | 9,959.7 | 9,794.0 | -1.7 |
| Current liabilities | 1,604.2 | 1,606.4 | 0.1 |
| Bonds (current) | 208.8 | 218.7 | 4.7 |
| Bonds (non-current) | 3,816.0 | 3,602.4 | -5.6 |
| Other non-current liabilities | 1,169.5 | 1,078.5 | -7.8 |
| Total liabilities | 6,798.5 | 6,506.0 | -4.3 |
| Equity including minorities | 3,161.2 | 3,288.0 | 4.0 |
| Total liabilities and equity | 9,959.7 | 9,794.0 | -1.7 |
| Net debt | 3,407.8 | 2,855.8 | -16.2 |
| ROCE | 19.2% | 16.6% | |

OPERATING FREE CASH FLOW DEVELOPMENT

STRONG CASH CONVERSION



- 2020 operating free cash flow at 16.0% of sales
- Higher profitability and lower CapEx
- NWC reduction of CHF 124 million (vs. CHF 88 million decrease in previous year)

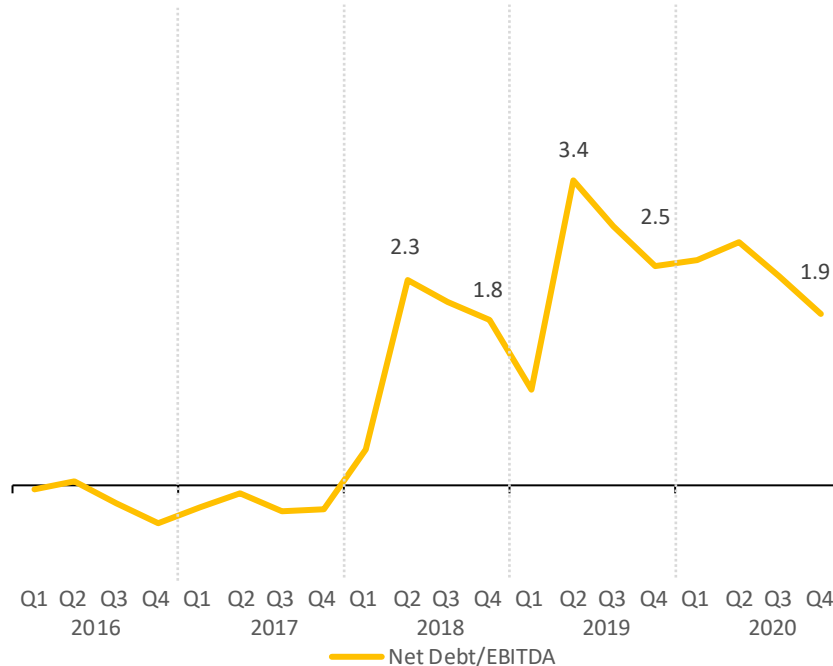
CASH FLOW STATEMENT

RECORD OPERATING FREE CASH FLOW

| in CHF mn | 2019 | 2020 |
|---|----------------|----------------|
| Cash flow from operating activities | 1,213.9 | 1,372.4 |
| CapEx/sale of assets | -187.8 | -113.0 |
| Operating free cash flow | 1,026.1 | 1,259.4 |
| Acquisitions/financial assets | -1,743.1 | -139.1 |
| Free cash flow | -717.0 | 1,120.3 |
| Cash flow from net financing activities | 827.6 | -769.0 |
| Exchange differences | -29.5 | -27.7 |
| Net change in liquid funds | 81.1 | 323.6 |

NET DEBT/EBITDA DEVELOPMENT (AS REPORTED)

STRONG DELEVERAGING PROFILE



- De-leveraging well on track
- Strong cash conversion in 2019/2020 led to significant leverage reduction from peak in 2019 (3.4x in June 2019)
- Net debt decreased by CHF 550 million in 2020
- 2020 Net Debt/EBITDA as well as FFO/Net Debt ratio fully commensurate with A- rating

DIVIDEND

BOARD OF DIRECTORS PROPOSES 8.7% DIVIDEND INCREASE

Dividend payment of CHF 2.50 per share (+8.7% vs. previous year)

| in CHF mn | 2019 | 2020 |
|-----------------------------------|-------|-------|
| Group profit (after minorities) | 751.9 | 824.5 |
| Dividend out of retained earnings | 326.1 | 354.5 |
| Dividend per share | 2.30* | 2.50* |
| Total payout ratio | 43.4% | 43.0% |

*in CHF

4. SIKA AS ENABLER

PAUL SCHULER, CEO

BUILDING TRUST



SIKA AS ENABLER FOR A SUSTAINABLE FUTURE

Construction

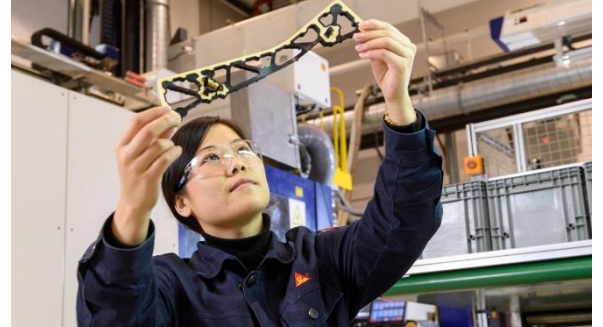
40% of global CO₂ emissions attributable to construction and building sector

Automotive

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

Huge opportunity as potential for progress is immense

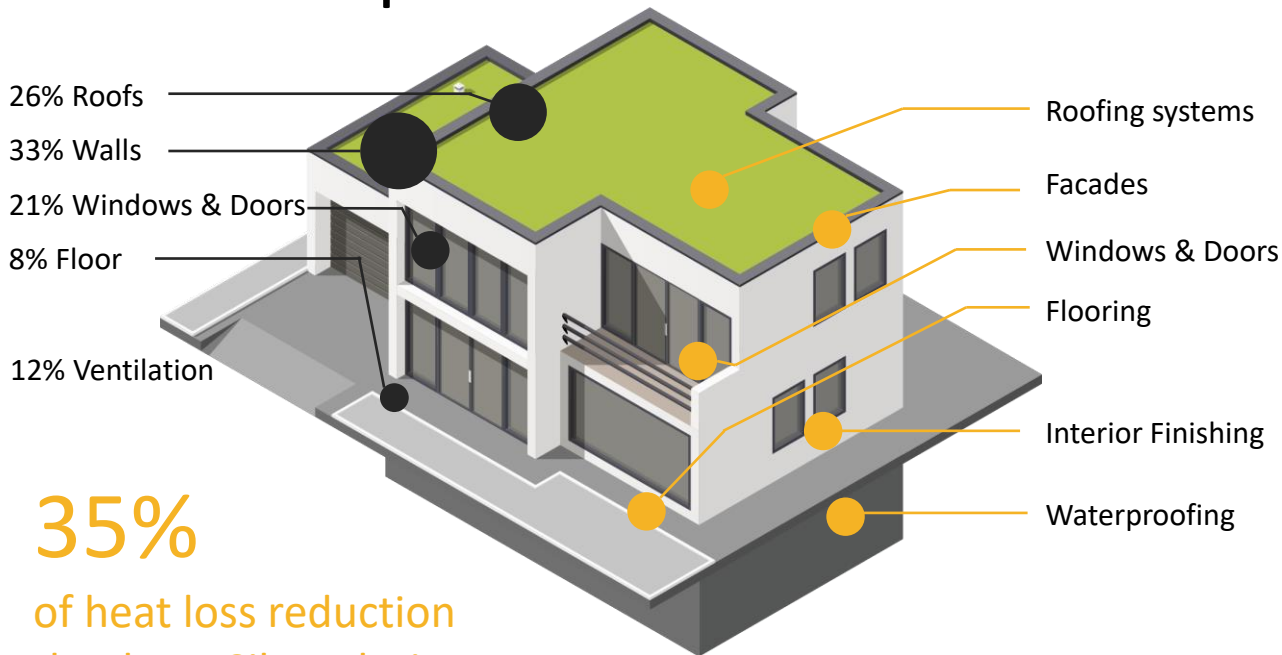
Sika possesses the solutions and innovative strength to enable the necessary transformation



SIKA AS ENABLER

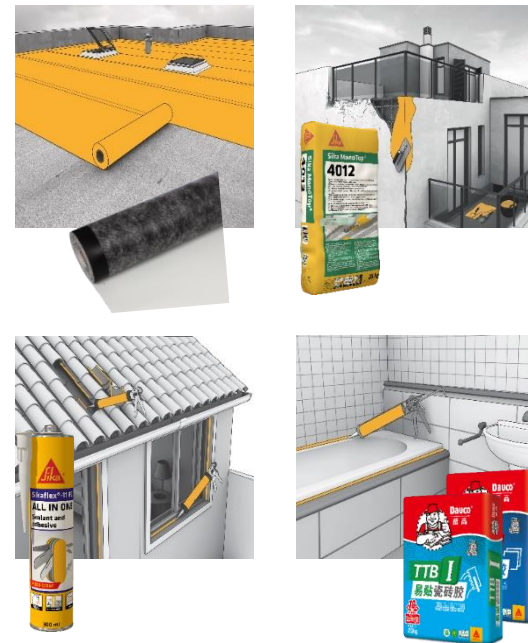
HEAT LOSS REDUCTION BY 35%

Where heat escapes



35%
of heat loss reduction
thanks to Sika solutions

Examples of Sika applications and products for sustainable buildings



SIKA AS ENABLER

SAVING RESOURCES WITH INNOVATIVE ROOFING SOLUTIONS

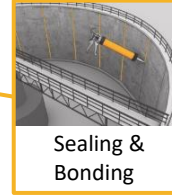
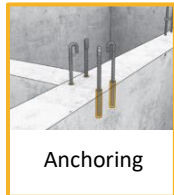
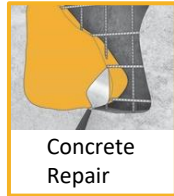
- Sika Sarnafil® AT is first *Cradle to Cradle Certified™* Membrane worldwide
- Recycling of roof membranes saves resources and reduces burden on climate
- Used roof membranes are retrieved and processed into granular material. Recycled material then flows into production of new roofing materials.
- Circular economy and closing material cycles



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 protect water quality in these facilities

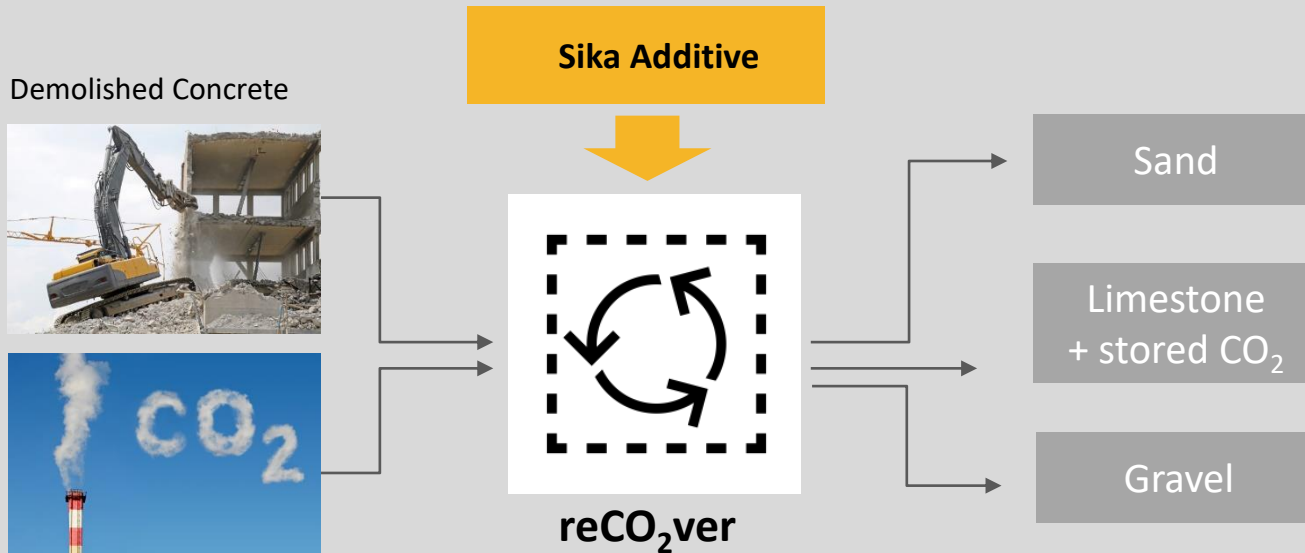


35%
of population
connected to a
sewage system
in emerging
markets

SIKA AS ENABLER

reCO₂ver – CONCRETE RECYCLING

Sika's new patented recycling process for used concrete



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

They can be re-used for new concrete.

This further reduces environmental footprint of building structures.

SIKA AS ENABLER

SUSTAINABILITY ASSESSMENT SCORES – SIKA IN TOP CLASS

ESG Evaluation



A higher score indicates better sustainability

S&P Global
Ratings

- Leading sustainability position of Sika confirmed by latest S&P ESG Evaluation results
- Sika is included in the MSCI Switzerland ESG Leaders Index
- Placing great importance in constantly improving in all ESG assessments; such as the analyses from Sustainalytics and ISS ESG, and the assessment by CDP and DJSI



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

Infrastructure



Zona Cero, Chile

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

Water and climate



Rebuilding together, USA

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

+656.7%

direct beneficiaries of the Community Engagement Program

+22.8%

more community projects sponsored

1,119

working days of volunteering work by Sika employees

5. OUTLOOK

PAUL SCHULER, CEO

THOMAS HASLER, GLOBAL BUSINESS & INDUSTRY

CHRISTOPH GANZ, AMERICAS

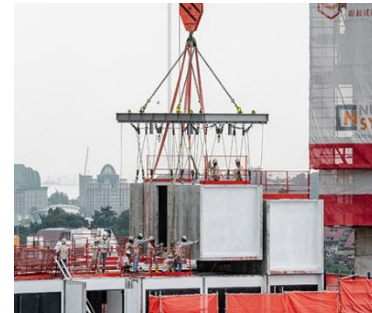
IVO SCHÄDLER, EMEA

MIKE CAMPION, ASIA/PACIFIC

OUTLOOK

GLOBAL BUSINESS & INDUSTRY

- Recovery of automotive markets ongoing with China reaching pre-COVID level while North America and Europe still in a slow catch-up mode. High volatility and uncertainties related to supply chain disruptions, lockdowns and consumer confidence.
- Strong automotive pipeline in projects and nominations – fueling over-proportional sales growth in 2021 and beyond. 25% of new nominations are battery e-vehicles and 10% are pure e- solutions (battery cells, battery box, charger, e-motor).
- Continuation of strong demand for renewable energy market as well as modular construction which fuels growth for adhesives, sealants and acoustic solutions.
- Home appliances and building components market to further benefit from distribution and home improvement trends of end consumers.
- Sika Global Business & Industry well positioned to outperform market:
 - Strong development of full electric and hybrid vehicles (car, bus and truck) which offers additional 20%-40% sales potential
 - Leverage of global market needs in automotive, transportation, renewable energy, home appliance and building components with a full-range offering
 - Leading footprint with centers of excellence in all key markets



OUTLOOK AMERICAS

- COVID remains a challenge; but Sika learnt to deal with it and adapted strategy to “go where the money is”.
- Area outlook: Canada with another good year, US with a slower start but then accelerating, LATAM led by Brazil, Peru and Chile showing strong performance despite continuously challenging environments.
- Distribution, Retail and E-Commerce business will continue to contribute over-proportional sales and EBIT growth.
- Post COVID project focus: infrastructure (NYC airports, CA water tunnels, TX speed train), data centers (Currently involved in 15 projects in the US and 10 in Canada), distribution centers (tracking more than 100 projects alone in the US), hospitals, pharma, food & beverage.
- Other important Americas business initiatives: tunneling & mining, building finishing, Wind, Modular Buildings, 3D printing.
- Operational focus: Operational Efficiency and Sustainability (CO₂ reduction), both initiatives with further positive impacts on sales, environment and profitability.
- High focus on people development and talent management.



Specification selling



Distribution / Retail

OUTLOOK

EMEA

- Recovery of construction business in most markets expected, especially in infrastructure with promising project pipeline across areas.
- Proactive specification- and cross-selling to be early engaged in major projects (new build and refurbishment). Sell value and differentiate.
- Further extension of distribution business with systematic marketing, win market shares in Eastern Europe, particularly Russia with recent acquisition of Kreps.
- Expand online business in additional countries across the region (including Pure Internet Players).
- Win further applications in Industry, benefit from integration of Advanced Resins in local organizations, further develop modular buildings – ‘Sika as enabler’.
- Further rollout of Africa strategy with new plants for capacity increase.
- Integration of Adeplast, Parex, MWP well on track with further synergies.
- Operational efficiency and sustainability projects across the region.
- People: increase gender diversity and empower internal talents.



Several big railway projects in Norway



Bernabeu stadium Real Madrid



Marketing campaign for online business

OUTLOOK

ASIA/PACIFIC

- Significant recovery in economic momentum with easing of pandemic related lockdowns and travel restrictions throughout most of APAC particularly in Southeast Asia and India.
- China leads the recovery with expansion of retail ecosystem along with accelerated cross-selling activities. Infrastructure and Commercial construction remain strong.
- Distribution business to continue strong growth from H2 2020 with strategic initiatives in China, Southeast Asia, Pacific and India with “Sika Retail Leadership Journey”.
- Strengthening existing KPM/KSM organization to drive specification and cross-selling into Mega projects within the region for Infrastructure, Electronics, Data Centers, etc.
- Strong Innovation initiatives in Target Market Industry will drive growth in Wind, E-Mobility, FFI and Transportation.
- Increased Digitalization activities to improve customer centricity and overall efficiency.
- Capacity Expansion and Automation initiatives in Mortars, Sealants, Epoxies and PU to optimize supply chain in numerous countries across the region.
- Clear Operational Efficiency and Sustainability initiatives for all countries to increase productivity/profitability while reducing CO₂ footprint.
- Talent management and Training & Development as clear focus to support growth and improve the lives of employees and their families.



Kra Bao Tunnel, Thailand



Forrestfield Airport Link, Australia

STRONG OUTLOOK 2021

CONTINUATION OF GROWTH STRATEGY 2023

- Confirmation of 2023 strategic targets for sustainable, profitable growth
- Outlook 2021:
 - Sales growth of 6%-8% in local currency expected
 - Over-proportional EBIT increase expected for the year
 - EBIT margin to reach for the first time 15%

6. QUESTIONS AND ANSWERS



THANK YOU FOR YOUR ATTENTION

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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