

## MEDIA RELEASE

**Sulzer Management Ltd**  
 Neuwiesenstrasse 15  
 8401 Winterthur  
 Switzerland  
 Phone +41 52 262 30 00  
 Fax +41 52 262 31 00

*Ad hoc announcement pursuant to Art. 53 LR*

February 20, 2023

## Resilient performance in challenging market environment

### 2022 HIGHLIGHTS

- Orders at CHF 3'425m, +9.1% on strong demand in all divisions
- Sales at CHF 3'180m, +1.8% impacted by supply chain restrictions
- Operational profitability of 10.0%, +70bps on higher margins
- Net income of CHF 28m impacted by one-offs, excluding one-offs +15% vs prior year
- Lower free cash flow at CHF 58m due to higher working capital
- Stable dividend of CHF 3.50 per share proposed on strong underlying performance

### 2023 GUIDANCE

- Order growth of 3-6%, sales growth of 7-9%, operational profitability above 10%

### CORPORATE GOVERNANCE

- Dr. Hariolf Kottmann, Per Utnegaard, Dr. Prisca Havranek-Kosicek proposed as independent Board members, increasing Board to seven
- Markus Kammüller proposed as Lead Independent Director of the Board and chair of new Governance Committee

Executive Chairwoman Dr. Suzanne Thoma stated: "This solid underlying result proves our resilience in a market environment characterized by geopolitical tensions and uncertainties. Our technologies are making a significant contribution to solving some of the most pressing challenges our society faces – while driving profitable growth. Our confidence in Sulzer's future performance is reflected in the proposed dividend of CHF 3.50 per share."

## Key figures 2022

millions of CHF	2022 <sup>1)</sup>	2021 <sup>1)</sup>	+/--% <sup>2)</sup>
Order intake	3'425.4	3'167.6	9.1
Order intake gross margin	33.5%	33.1%	
Order backlog as of December 31	1'844.7	1'724.1	
Sales	3'179.9	3'155.3	1.8
Operational profit	317.6	293.3	8.6
Operational profitability	10.0%	9.3%	
EBIT <sup>3)</sup>	111.4	221.8	
Net income	28.0	140.7	
Core net income	213.1	195.3	
Operational ROCEA	23.7%	22.7%	
Basic earnings per share (in CHF)	0.85	4.10	
Free cash flow (FCF)	58.3	210.5	
Net debt as of December 31	234.6	66.8	
Employees (number of full-time equivalents) as of December 31	12'868	13'816	

1) 2022 and 2021 numbers are from continuing operations

2) Adjusted for acquisition and currency effects

3) Impacted by write-offs related to Russia and Poland

**MEDIA RELEASE**

February 20, 2023

Resilient performance in challenging  
market environment

Page 2 of 4

*Note: If not otherwise indicated, changes from the previous year are based on FX adjusted organic figures. 2021/2022 figures are from continuing operations.*

In 2022, the company performed well considering the challenges global economies face. Orders rose 9.1% year on year, buoyed in particular by the Flow Equipment division (+8.9%) and the Chemtech division (+22.5%), where our Renewables business continued its strong growth path and capitalized on soaring demand (+ 37.8%). Order intake in the Services division grew by 1.6% despite the impact from the exit from Russia, which caused a drop for the region Europe, the Middle East and Africa of 6.5%. This was more than offset by a strong performance in the Americas (11.1%) and solid order intake in Asia-Pacific (2.4%).

Sales increased by 1.8% compared to 2021, reaching CHF 3'179.9 million. This solid result was achieved despite continuing supply chain restrictions and multiple Covid-related factory lockdowns in China.

Operational profit amounted to CHF 317.6 million in 2022, an increase of 8.6% compared with 2021, which was mainly driven by higher margins, and continued spending discipline leading to a year-on-year increase of operational profitability by 70 basis points to 10.0%.

By Dec 31, 2022, net income amounted to CHF 28.0 million compared with CHF 140.7 million in the previous year, mainly due to the one-off impacts driven by the Russia exit. Without those one-off effects, net income would have been 15% higher year over year.

Free cash flow amounted to CHF 58.3 million, down from CHF 210.5 million on a comparable basis. The main driver for the reduction in free cash flow for the period is the need for higher working capital in the context of the fluctuating market conditions and to mitigate the difficult global supply chain environment. Excluding these one-off effects, free cash flow would have been comparable to the prior year.

**Proposals of the Board at Annual General Meeting**

The Board of Directors will propose an unchanged ordinary dividend of CHF 3.50 per share at the Annual General Meeting (AGM) on April 19, 2023. This reflects our confidence in Sulzer's future performance.

As previously announced, Peter Bichsel and Hanne Birgitte Breinbjerg Sørensen will not stand for re-election at the April 2023 AGM, after long and distinguished tenures at Sulzer. The Board of Directors will propose to increase the number of board members from the current six to seven, and to elect three independent Board members: Dr. Prisca Havranek-Kosicek (designated CFO of Jenoptik), Mr. Per Utnegaard (former CEO of Bilfinger and Swissport) and Dr. Hariolf Kottmann (former CEO and Chairman of Clariant). These experienced business leaders will add important know-how to the Board and be instrumental in the further strategic development of the group. All other Board members will stand for re-election.

**Corporate Governance**

To ensure effective corporate governance, the Board is furthermore planning to implement the following measures:

- Appointment of an independent lead director
- Formation of a governance committee
- Adjustments to the composition of the existing committees of the Board of Directors

**MEDIA RELEASE**

February 20, 2023

Resilient performance in challenging

market environment

Page 3 of 4

Due to her appointment as Executive Chairwoman, Suzanne Thoma will not stand for re-election as member of the Remuneration Committee and will not serve as Chair of the Nomination Committee.

Furthermore, the Board of Directors plans to entrust Mr. Markus Kammüller with the position of Lead Independent Director and – in that capacity – to appoint him as Chair of the new Governance Committee. It is further planned to appoint him as Vice-Chairman of the Board. More details to the new composition of the Board committees will be disclosed in the invitation to the AGM, including the members of the Remuneration Committee proposed for election.

**Outlook**

Sulzer has started the year with a strong order backlog and expects continued growth in its markets despite ongoing uncertainties. We believe that fundamental megatrends will continue to drive strong demand for Sulzer's technologies.

For 2023, Sulzer expects orders to increase by 3 to 6%. Sales are expected to grow by 7 to 9%. Operational profitability is expected to further improve to above 10.0%.

One-off effects have impacted net income negatively in 2022. As no comparable impacts are expected for 2023, Sulzer expects net income in 2023 to be significantly higher compared to 2022.

Details on Sulzer's performance can be found in the Annual Report 2022:

<https://report.sulzer.com/ar22>

**Annual results presentation**

*We are pleased to invite you to the Sulzer annual results 2022 presentation on:*

**Monday, February 20, 2023, 10.00 a.m. CET**

*Suzanne Thoma, Sulzer's Executive Chair, and Thomas Zickler, CFO, will review and discuss the business and financial results of 2022. A Q&A session will follow.*

*You may attend our event on-site at the Widder Hotel (Widder-Saal) or join either via conference call or webcast.*

*Please note that the moderator can only take questions from participants dialed-into the conference call. Webcast participants cannot ask questions.*

*Kindly register your preferred manner of attendance through the respective links noted below.*

On-site: [Press Conference registration](#)

Active Digital: [Conference Call registration](#)

Passive Digital: [Webcast registration](#)

*The Annual Report 2022, as well as the presentation slides, will be available on our website effective 06.00 a.m. (CET) on 20 February 2023: <https://www.sulzer.com/en/about-us/investor-relations>*

*We look forward to your attendance at our annual results presentation.*

**MEDIA RELEASE**

February 20, 2023

Resilient performance in challenging  
market environment

Page 4 of 4

**Key dates in 2023**

April 17	Order intake Q1 2023
April 19	Annual General Meeting 2023
July 25	Midyear results 2023
October 25	Order intake nine months 2023

*Sulzer is a global leader in fluid engineering and chemical processing applications. We specialize in energy-efficient pumping, agitation, mixing, separation, purification, crystallization and polymerization technologies for fluids of all types. Our solutions enable carbon emission reductions, development of polymers from biological sources, recycling of plastic waste and textiles, and efficient power storage. Our customers benefit from our commitment to innovation, performance and quality through our responsive network of 180 world-class manufacturing facilities and service centers across the globe. Sulzer has been headquartered in Winterthur, Switzerland, since 1834. In 2022, our 12'900 employees delivered revenues of CHF 3.2 billion. Our shares are traded on the SIX Swiss Exchange (SIX: SUN). [www.sulzer.com](http://www.sulzer.com)*

**Inquiries:**

*Media Relations: Domenico Truncellito, Group Head of External Communications*

*Phone +41 52 262 31 68, [domenico.truncellito@sulzer.com](mailto:domenico.truncellito@sulzer.com)*

*Investor Relations: Christoph Ladner, Head of Investor Relations*

*Phone +41 52 262 30 22, [christoph.ladner@sulzer.com](mailto:christoph.ladner@sulzer.com)*

*This document may contain forward-looking statements including, but not limited to, projections of financial developments, market activity, or future performance of products and solutions containing risks and uncertainties. These forward-looking statements are subject to change based on known or unknown risks and various other factors that could cause actual results or performance to differ materially from the statements made herein.*