

MEDIA RELEASE

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Ad hoc announcement pursuant to Art. 53 LR

July 26, 2024

Continued profitable growth

H1 HIGHLIGHTS 2024

- Order Intake above CHF 2bn in H1, YOY +8.9%
- Sales CHF 1'699.3m, +10.5% in H1 on strong execution
- Operational profitability up 130 basis points to 11.4%
- Order intake gross margin improved by 120 basis point to 34.2%
- 2024 guidance increased for orders and sales

Executive Chairwoman Suzanne Thoma stated: "Sulzer's integrated solutions are serving large essential markets that are structurally growing, and this growth momentum is driving growth across our divisions. Given the strength of our portfolio in these markets, Sulzer is building resilience and creating value. Together with improvements through our ongoing strategic initiatives, we are contributing to economic prosperity and sustainable development."

Key figures for the first half of 2024 (January 1 – June 30)

millions of CHF	2024	2023	+/-%
Order intake	2'078.8	1'992.4	8.9
Order intake gross margin	34.2%	33.0%	
Order backlog as of June 30 / December 31	2'404.3	1'946.8	
Sales	1'699.3	1'601.6	10.5
EBIT	170.1	151.5	18.7
Operational profit	193.5	162.4	25.9
Operational profitability	11.4%	10.1%	
Free cash flow (FCF)	55.4	106.6	

Note: Unless otherwise indicated, changes in % compared to the previous year are based on organic figures (adjusted for currency effects and acquisitions, divestitures/deconsolidations).

Continued growth momentum across all divisions

Sulzer grew its order intake by 8.9 % to CHF 2'078.8 million in H1 2024, after an order intake growth of 24.1% in H1 2023. Excluding currency conversion impacts, order intake would be CHF 2'167.9 million. Through stringent cost management, order intake gross margin improved by 120 basis points to 34.2%.

Following growth of 25.1% in H1 2023, order intake in the Flow division increased by yet another 6.3%. The Water and Industrial business recorded solid growth of 10.7%, and Energy and Infrastructure orders increased by 1.3% on the back of 84.3% growth in the first half of 2023. The Services division achieved double-digit growth of 12.6% and continues to benefit from market trends in energy efficiency and carbon emissions

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reduction. Chemtech's order intake remained robust at 8.3%, after an order intake growth of 25.3% in H1 2023 and reflecting the strong momentum in biopolymers and carbon capture markets.

Sulzer enters the second half of 2024 with an order backlog of CHF 2'404.3 million (December 31, 2023: CHF 1'946.8 million). Excluding currency conversion impacts, the order backlog would be CHF 2'313.5 million.

Higher sales volume

Sales continued to rise in all divisions, recording double-digit growth of 10.5%, reaching CHF 1'699.3 million in the first half of 2024. Excluding currency conversion impacts, sales would be CHF 1'767.3 million.

Sales in the Flow division rose 11.2%, mainly driven by 32.3% growth in the Energy and Infrastructure business. For the Services division, sales grew by 12.0%, with all three regions and product lines contributing. In Chemtech, sales were up by 7.2%, primarily as a result of solid execution on large orders in the first half of 2024 and continued momentum in the Americas and Asia-Pacific regions.

Increased operational profit

Operational profit increased by 25.9%, reaching CHF 193.5m (H1 2023: CHF 162.4m). Reflecting the higher sales volumes, better margins and continued focus on operational excellence, operational profitability rose 130 basis points to 11.4% (H1 2023: 10.1%).

Operational profitability in the Flow division sharply increased to 9.5% compared with 7.0% in the first half of 2023. The Chemtech division achieved solid operational profitability of 13.2% in the first half of 2024 (H1 2023: 11.7%), up by 150 basis points. In the Services division, operational profitability remained stable at 14.2% in a year-on-year comparison as a result of ongoing investment in its geographic reach and technical capabilities to meet growing demand.

The profitability has increased although additional expenses for the strategic growth and excellence initiatives have been incurred in 2024.

Free Cash Flow

Free Cash Flow decreased to CHF 55.4m compared with CHF 106.6m in H1 2023, mainly driven by increased net working capital levels compared to December 31, 2023, more capital expenditures and higher income tax payments in the first six months of 2024.

Outlook 2024

Sulzer is active in structurally growing markets that are expected to continue growing in 2024. Based on this positive development, Sulzer increased its 2024 guidance for order intake to +9 to 12% (up from +2 to 5%) and for sales to +9 to 11% (up from +6 to 9%). The updated guidance reflects our confidence in Sulzer's ability to capitalize on our strengths in highly demanding, critical customer applications and on the quality of our business portfolio.

More details on the financial performance can be found here: [Midyear Report 2024](#)

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MIDYEAR PRESENTATION

Sulzer will hold a video webcast on the publication of its midyear results 2024 today at 10.00 a.m. CET. Participants in the video webcast will have the opportunity to ask questions following the presentation.

[Click HERE to register and join the video webcast.](#)

For those without internet or who wish to listen to the live audio presentation, please call:
+41 (0) 43 210 70 42

NOTE: *The moderator will only take questions from participants logged into the video webcast link. Telephone access to the meeting is not interactive, only allowing participants to passively listen to the presentation.*

Please do not hesitate to contact communications@sulzer.com if you have any further questions.

Sulzer is a global leader in critical applications for core infrastructure and processes for large essential industries around the world. We ensure the security and quality of critical goods and services, as well as the transition to a circular economy, by supporting energy security, natural resource management and efficiencies in process industries. Our integrated solutions add significant value by enabling energy efficiency, carbon emissions and pollution reduction, and process efficiency improvements. Customers benefit from our commitment to innovation, performance and quality through our responsive network of 160 world-class manufacturing facilities and service centers across the globe. Sulzer has been headquartered in Winterthur, Switzerland, since 1834. In 2023, our 13'130 employees delivered revenues of CHF 3.3 billion. Our shares are traded on the SIX Swiss Exchange (SIX: SUN). www.sulzer.com

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