

Winterthur, August 20, 2021

Sulzer AG
Generalversammlung
c/o Nimbus AG
Ziegelbrückstrasse 82
8866 Ziegelbrücke
Switzerland

Invitation to the extraordinary general meeting of shareholders (“EGM”) of September 20, 2021, in connection with the planned spin-off of Sulzer's Applicator Systems division (“APS”)

Dear shareholders,

As already announced in our letter to all shareholders dated May 27, 2021, the board of directors of Sulzer AG («Sulzer») proposes to spin off APS into a new separate company named medmix AG (“medmix”) which will be listed on the SIX Swiss Exchange alongside Sulzer.

Below, we reiterate the compelling economic reasons for this transaction and summarize the legal steps to be taken at the EGM.

Rationale for the transaction

As already set out in our letter to our shareholders in May, we actively manage our portfolio and whenever a business reaches a level of maturity where it would be better off as a standalone entity, or a moment when we are no longer the best owner, we give that business a future of its own and resume our development cycle. We have reached this moment with APS, which is a tremendous business with strong development potential but no synergies with the rest of Sulzer. We also believe that APS, which derives an increasingly important part of its revenues and profits from healthcare devices, is substantially undervalued as part of Sulzer's flow control portfolio. That is why we propose to split Sulzer into two focused, faster growing companies with different end-markets via a separate stock market listing of APS on the SIX Swiss Exchange. The renaming of APS into medmix reflects its shift towards healthcare while acknowledging its founding Mixpac dental and industrial franchise.

The spin-off will result in two focused companies serving different markets:

- APS, to be renamed medmix – a leader in high-precision delivery devices in healthcare, industrial and consumer end-markets, and
- Sulzer – a leader in industrial flow control products and services for water, energy, chemical and industrial infrastructure.

We are convinced that this transaction will allow both businesses to leverage their full potential, providing an attractive value creation opportunity for Sulzer, our customers, our employees and our shareholders.

medmix accelerated its transformation over the past five years from a Sulzer start-up to a global market leader in high-precision delivery devices for the healthcare, consumer and industrial segments. It is well positioned to capture profitable growth opportunities in its markets, which are driven by mega trends such as an aging population and urbanization, and by high entry barriers. medmix employs around 1'900 people worldwide and expects to achieve sales of around CHF 450m and an adjusted EBITDA margin of around 25% in 2021. We expect that medmix will return to its pre-pandemic adjusted EBITDA margins of above 26% in 2022.

medmix will continue to be led by its seasoned executive management

- Girts Cimermans, CEO, who has been leading APS since October 2019,
- Jennifer Dean, CFO, who has been CFO of APS since October 2017 and
- Friedrich von Gadow, CHRO, Head HR of APS also since October 2017.

Sulzer, after the spin-off, will renew its focus on industrial flow control and separation technology, with its existing three divisions Pumps, Service and Chemtech. All three divisions offer strong development potential and are capitalizing on a product portfolio increasingly geared towards sustainable applications like water, biopolymers and recycling.

And Sulzer will continue to grow. For 187 years, we have built businesses from scratch, based on an unrivaled ability to innovate. Many of these businesses were given a future of their own along the way, and almost all have thrived. medmix is just the latest chapter of this incredible industrial innovation journey. Keep in mind that Sulzer, in 2021 without medmix, is 25% bigger in terms of volumes and 30% bigger in terms of profits than Sulzer was in 2016 with medmix (adjusted for the strength of the Swiss Franc).

Legal structure of the transaction and agenda items for the EGM

The spin-off of medmix will be effectuated in the form of a symmetrical demerger according to art. 29 lit. b in conjunction with art. 31 para 2 lit. a of the Swiss Merger Act, whereby the APS business will be transferred to medmix, which will be incorporated in the legal demerger process simultaneously with the transfer of the spun off APS business, as the Swiss Merger Act provides for the possibility of such a synchronous process by operation of law.

In preparation for this demerger, Sulzer amended the legal group structure of its APS business and transferred all the legal entities belonging to the APS division into the Applicator Systems AG, Zug, which was incorporated on February 3, 2021.

On May 27, 2021, Sulzer's board of directors approved the demerger plan including the articles of association of medmix and issued the demerger report in accordance with art. 39 of the Swiss Merger Act, which describes the purpose of the demerger, the procedure and its consequences for the shareholders, creditors and employees of Sulzer and explains the details of the demerger. KPMG AG, as licensed audit expert, has examined the demerger plan and the board's demerger report and, on such basis, has issued an audit report, in accordance with art. 40 of the Swiss Merger Act confirming that these documents comply with Swiss law.

The listing of the medmix-shares will take place shortly after the formal incorporation of medmix and its registration in the commercial register on September 22, 2021. Existing Sulzer shareholders will get one medmix-share in addition to each Sulzer-share immediately held before the first trading day of the new medmix-shares. It is currently planned that the medmix-shares will be traded on SIX Swiss Exchange as of September 30, 2021.

medmix' listing will be combined with a share capital increase in the amount of CHF 200-300m without subscription rights for existing shareholders. The capital increase is expected to strengthen the capital

structure, to fund organic and inorganic growth, increase trading liquidity through a higher free float and to introduce new, healthcare-focused investors to medmix.

After you had the opportunity to review all the demerger documents, which have been made available on our website (www.sulzer.com/aps-spinoff) since June 3, 2021, we herewith invite you to vote on the proposed demerger at the EGM. Since August 17, 2021, the unaudited interim combined and carve-out financial statements of medmix for H1 2021 as well as the audited combined and carve-out financial statements for the financial years 2018, 2019 and 2020 have also been made available on the same webpage.

As you will note from the detailed agenda items, the board of directors of Sulzer will ask you, in your capacity as shareholders of Sulzer and future shareholders of medmix, not only to vote on the demerger plan as such but also on the articles of association of medmix (including a provision authorizing the planned capital increase), to elect medmix' board of directors, remuneration committee, auditors and independent proxy and to resolve on the agenda items regarding executive compensation for medmix as you typically do for Sulzer.

Sulzer's board of directors has unanimously proposed the transaction and asks you to endorse this important next step in Sulzer's history.

Logistical matters in relation to the Covid-19 pandemic

As regards the logistics of the EGM, we were – as already with the planning for the annual general meeting of shareholders in April – confronted with the uncertainty around the situation relating to the Covid-19 pandemic and its further development. Given that this uncertainty persists or has even increased with the spread of its new variants incl. Delta, we again chose to give a clear preference to the safety of our shareholders and employees. Therefore, the EGM will be held in accordance with the Covid-19-Ordinance 3, as extended by the Swiss federal council until December 31, 2021.

Consequently, shareholders are not allowed to attend the EGM on September 20 in person but they can authorize and instruct the independent proxy instead to cast their votes on their behalf via a written or an electronic power of attorney.

It is with regret that the board of directors has taken this decision, but given the circumstances, it again considers this step necessary to protect the health of our shareholders and employees.

Please visit our website www.sulzer.com/egm for further information.

Stay safe.

On behalf of the Board of Directors of Sulzer AG



Peter Löscher
Chairman

Notice to shareholders in the United Kingdom

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