

**SULZER**

9M 2021 Order Intake  
October 27, 2021

# + Disclaimer

This presentation may contain forward-looking statements, including but not limited to, projections of financial developments, market activities 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, which could cause the actual results or performance to differ materially from the statements made herein.

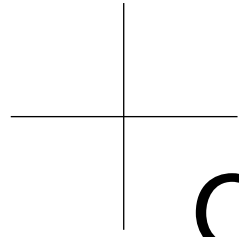
# + Treatment of medmix



+ This presentation does not include medmix (ex Applicator Systems)

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- medmix spin-off through symmetrical split, SIX-listed on September 30
  - Sulzer did not retain an economic interest, fully separate
  - medmix is classified as discontinued operations since the split
  - medmix 9M orders CHF 402m  
YOY +58.3% FX adj. and +41.3% org.
  - medmix Q3 orders CHF 133m  
+39.6% FX adj. and +21.0% org.
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# Overview

Greg Poux-Guillaume | CEO



# + Sulzer post split: new names for new ambitions

+ Pure play flow control company  
with attractive technology portfolio  
in growth markets driven by  
sustainability

## Flow Equipment

Changed from Pumps Equipment, because we now offer much more than pumps (compressors, grinders, filters, agitators and digital solutions).

969m

Order intake 2021 YTD (CHF)

## Services

Changed from Rotating Equipment Services. We are a full-service provider, using advanced data analytics, digital solutions and additive to maximize the life-time value of our customers' equipment. And we increasingly cover equipment that does not rotate.

874m

Order intake 2021 YTD (CHF)

## Chemtech

Unchanged at this point, but with a clear shift from chemical applications, which still represent more than half of what we do, towards renewable applications such as biopolymers, recycling, carbon capture.

512m

Order intake 2021 YTD (CHF)

# + Sulzer strategy

+ We have a clear path to value creation, based on strong positions

1

Grow Water and Industry in Flow Equipment

2

Leverage unique service proposition and digital / additive offering to win in Services

3

Defend Chemical leadership while boosting Biopolymers and Recycling in Chemtech

4

ESG focus as a key to strong, sustainable financial performance

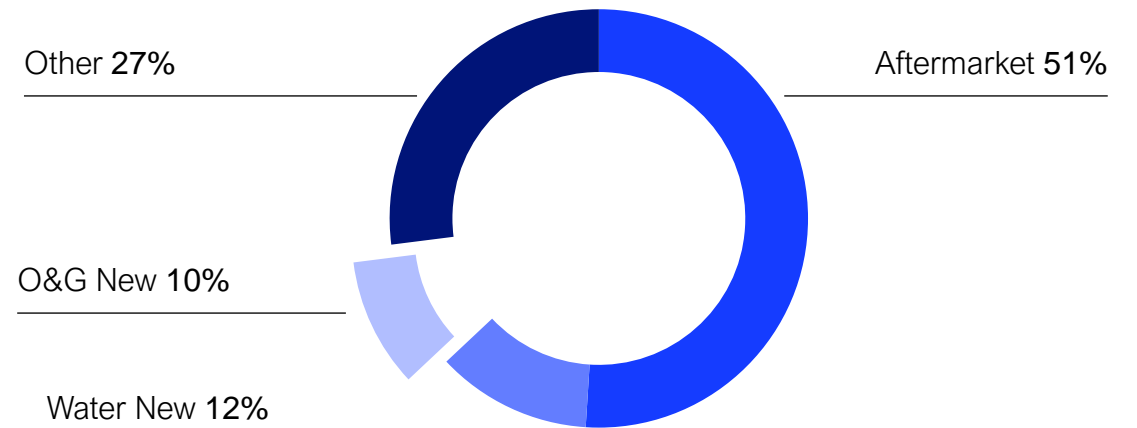
# Q3 2021 Highlights

Q3 above expectations and strong across the board

## Q3 Orders CHF 803m

- +15.7% FX adjusted and +11.8% organic
  - Water and Industry upswing in Flow Equipment
  - EMEA and Americas dynamic in Services, APAC still impacted by lockdowns
  - China and US Field Service strong in Chemtech
- 9M orders CHF 2'354m, flat YOY FX adjusted (-2.8% organic)
- Confirmed guidance based on solid Q4 vs. low '20 baseline
- Logistics a challenge causing delays in certain projects
- Increased material prices manageable to date

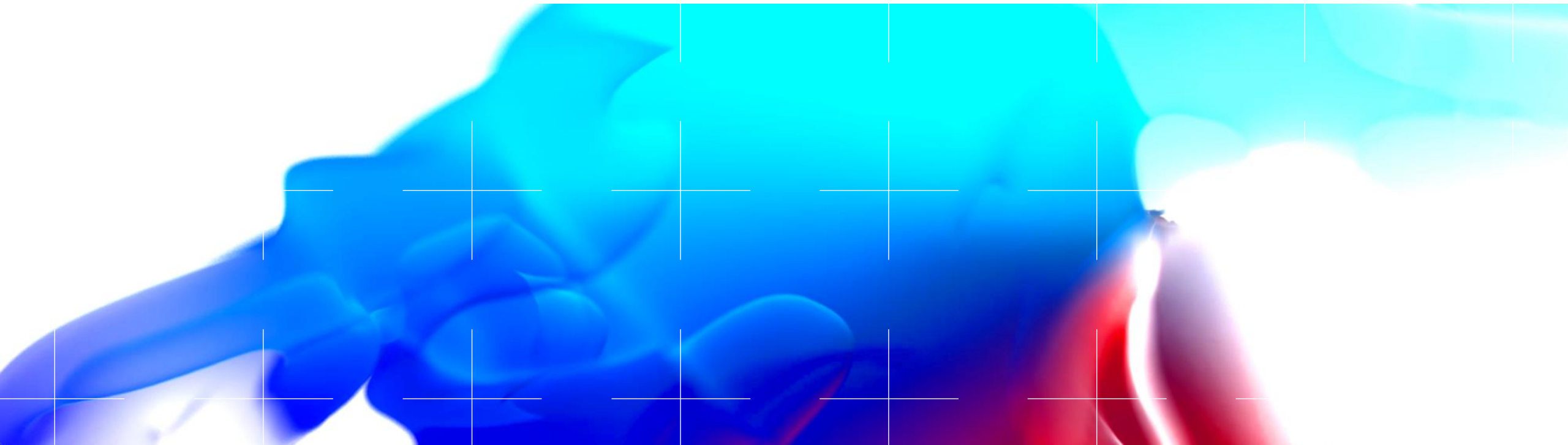
## YTD orders



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# Q3 Division Performance





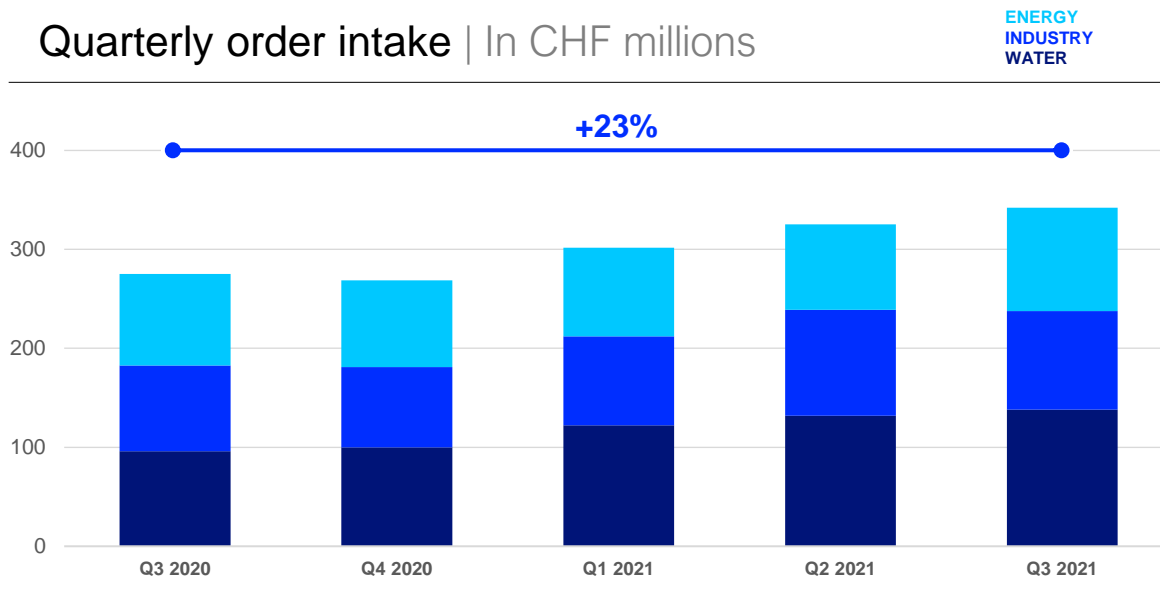
# Flow Equipment

Water is 40% of division orders in Q3 and YTD, up 20% YOY

## Order intake | In CHF millions

9M 21	9M 20	YOY	Adj. <sup>1</sup>	Org. <sup>2</sup>
969	1'019	-4.9%	-5.0%	-10.7%

## Quarterly order intake | In CHF millions



## Highlights

- Q3 orders up 23% YOY FX adjusted and up 15% organic
- All segments with strong order growth
  - Water up 20% driven by municipal wastewater
  - Industry up 14%
  - Energy up 12% despite continued order selectivity
- Increased tendering activities in Energy in Q2 accelerated in Q3 will lead to rebound in orders
- Logistics a challenge, causing delays. Raw material price inflation impact (in large part from motors) manageable. Two price adjustments this year.
- Internal Green Power initiative on track
  - Changed power supply in China to renewables
  - PV on factory rooftops in US and Germany

1. Adjusted for currency effects

2. Organic: adjusted for currency and acquisition effects

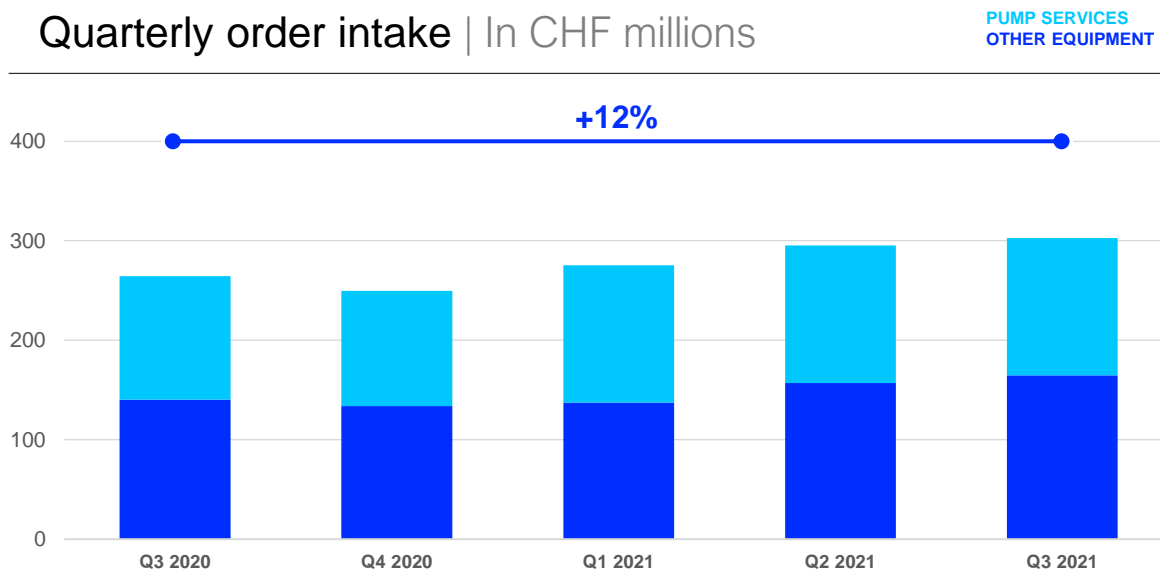
# Services

EMEA and Americas dynamic, APAC recovery still to come

## Order intake | In CHF millions

9M 21	9M 20	YOY	Adj. <sup>1</sup>	Org. <sup>2</sup>
874	881	-0.9%	-0.3%	-1.1%

## Quarterly order intake | In CHF millions



## Highlights

- Q3 orders up 12% YOY FX adjusted and up 10% organic
- Growth driven by Pumps Services (+15%), other Equipment +9%
- EMEA +22% and Americas +17%, Asia-Pacific (-23%) impacted by lockdowns in Southeast Asia, particularly Australia
- Local presence limits exposure to logistic bottlenecks

1. Adjusted for currency effects

2. Organic: adjusted for currency and acquisition effects

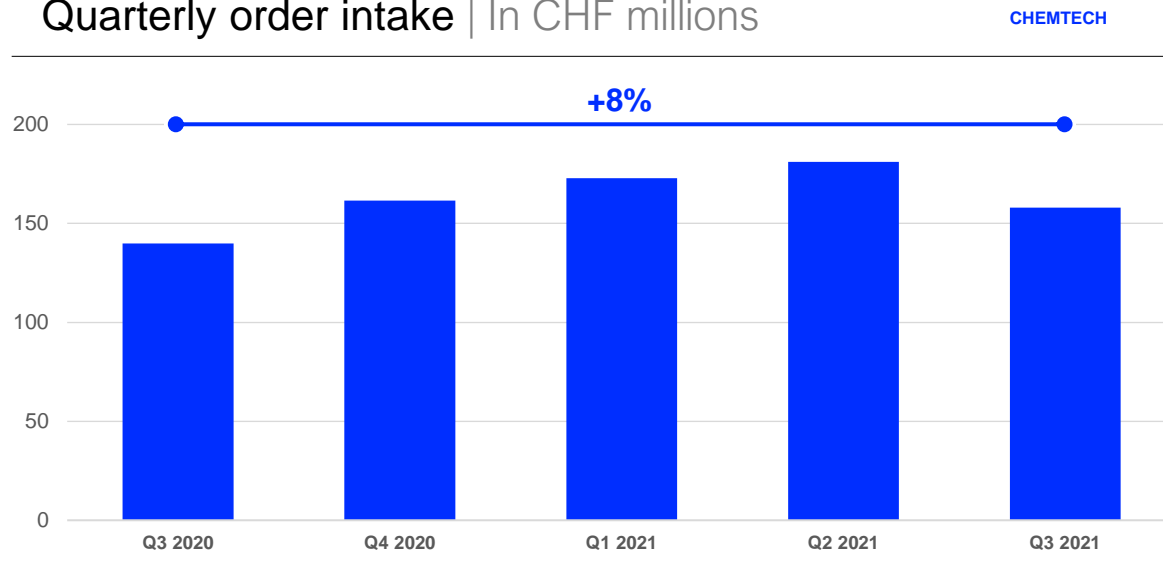
# Chemtech

China and Field Service US strong, increased momentum in other regions

## Order intake | In CHF millions

9M 21	9M 20	YOY	Adj. <sup>1</sup>	Org. <sup>2</sup>
512	459	11.5%	11.4%	11.4%

## Quarterly order intake | In CHF millions



## Highlights

- Q3 orders up 8% YOY FX adjusted and organic
- China continues to be strong (+14% in Q3)
- Field Services with good momentum in US, with increased turnaround activities
- Logistics a challenge, causing project delays. Material cost inflation manageable
- Timing of large projects geared towards end of year
- Renewables tendering very active, pipeline increasing

1. Adjusted for currency effects

2. Organic: adjusted for currency and acquisition effects

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# Takeaways



# + Takeaways

- +
  - Q3 orders growth of +11.8% organic confirms improving trends in many industries
  - Recovery not complete as lockdowns particularly in Southeast Asia still impact growth
  - Logistics challenges lead to some project delays, weighting on revenue recognition. Material inflation manageable to date
  - New momentum through focus on flow control
- 2021 guidance confirmed
  - Orders up 2-3%
  - Sales up 6-8%
  - Operational profitability around 9%

# + Mid-term targets

+ Confirmed as presented at the June 2021 Capital Markets Day

	Flow Equipment	Services	Chemtech	Sulzer
Sales Growth <sup>1</sup>	3-4%	3-5%	5-7%	4-5%
Operational Profitability <sup>2</sup>	7-8%	15%	11-12%	10-11%

1. Average sales growth p.a., FX adjusted
2. opEBITA margin as a percentage of sales

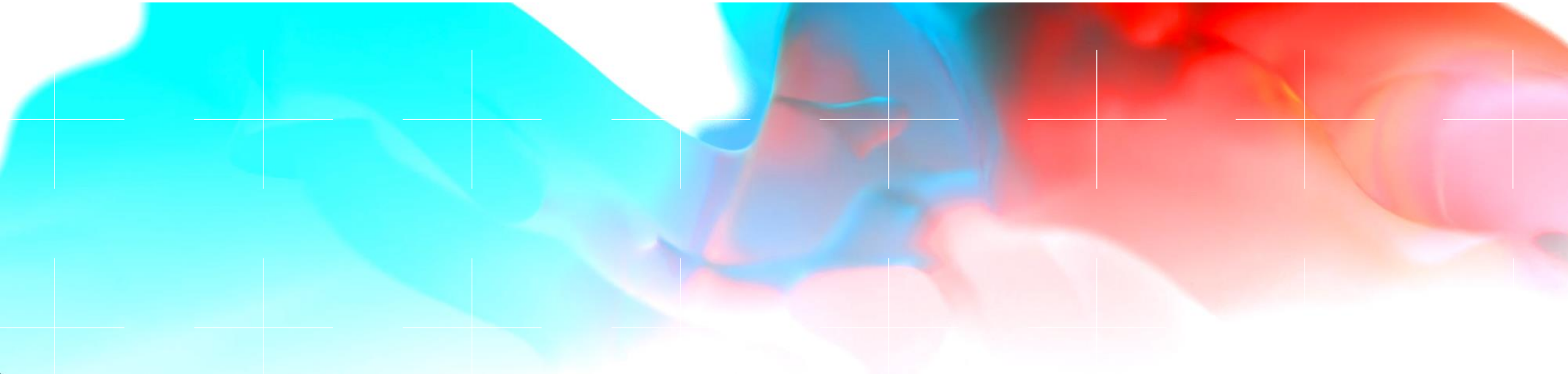
# Thank you

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## Q&A Session

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