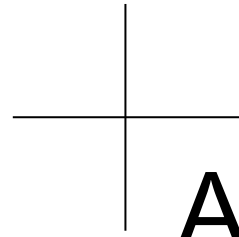


SULZER



Annual Results 2022

Dr. Suzanne Thoma | Executive Chairwoman
Thomas Zickler | CFO





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.



Review 2022

Sulzer proves its resilience in difficult market environment

- Resilient performance despite challenges
- High order backlog
- Increase in underlying profitability

- One-off effects impact net income
- One-off effects impact FCF

- Solid balance sheet: Financial and operational flexibility ensured at all times

Orders
+9.1%

Sales
+1.8%

Operational profitability
10.0%



Review 2022

Sulzer proves its resilience in difficult market environment

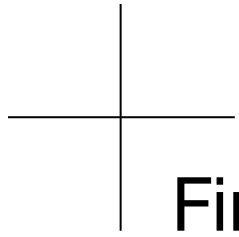
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Dividend proposal

CHF 3.50 per share



Financials 2022

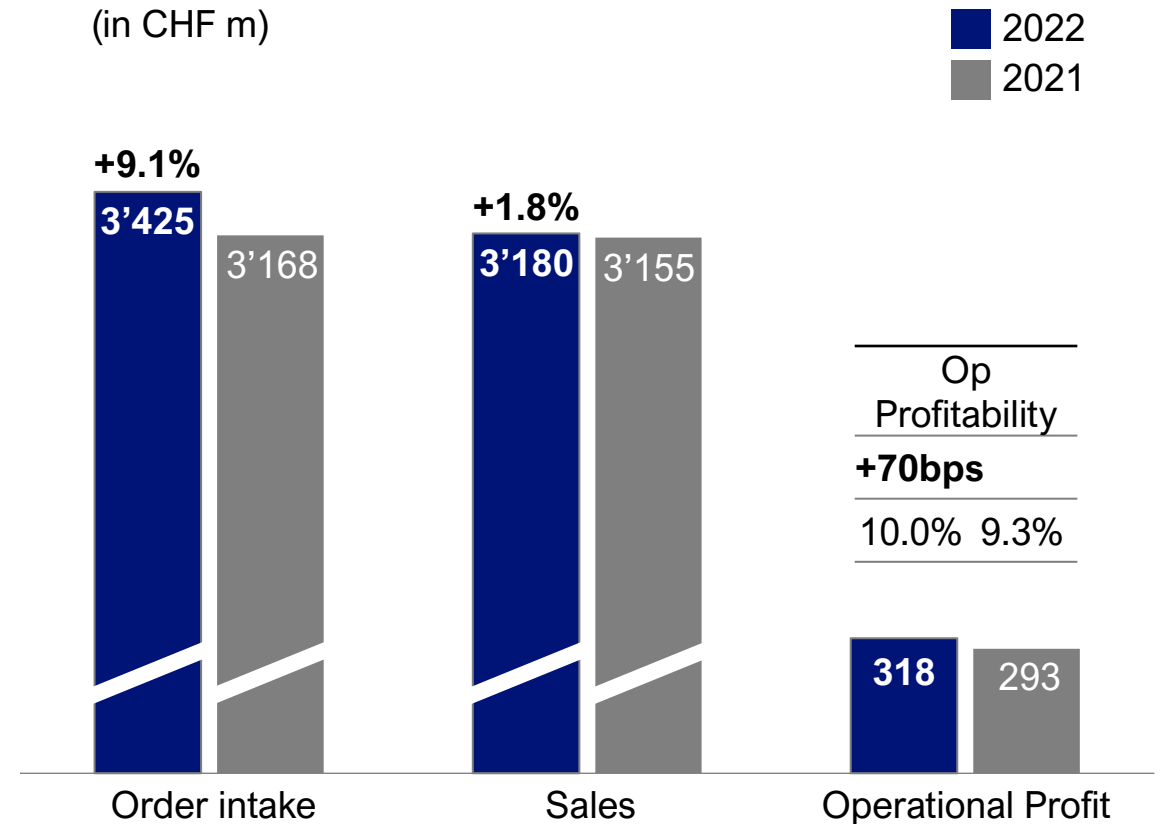
Thomas Zickler | CFO



Overview

Resilient performance despite challenges

- **Order intake +9.1%**
Driven by Chemtech and Flow Equipment
- **Order intake gross margin +40bps**
- **Sales +1.8%**
Held back by supply chain impact
- **Operational profitability +70bps**
Driven by Flow Equipment and Chemtech

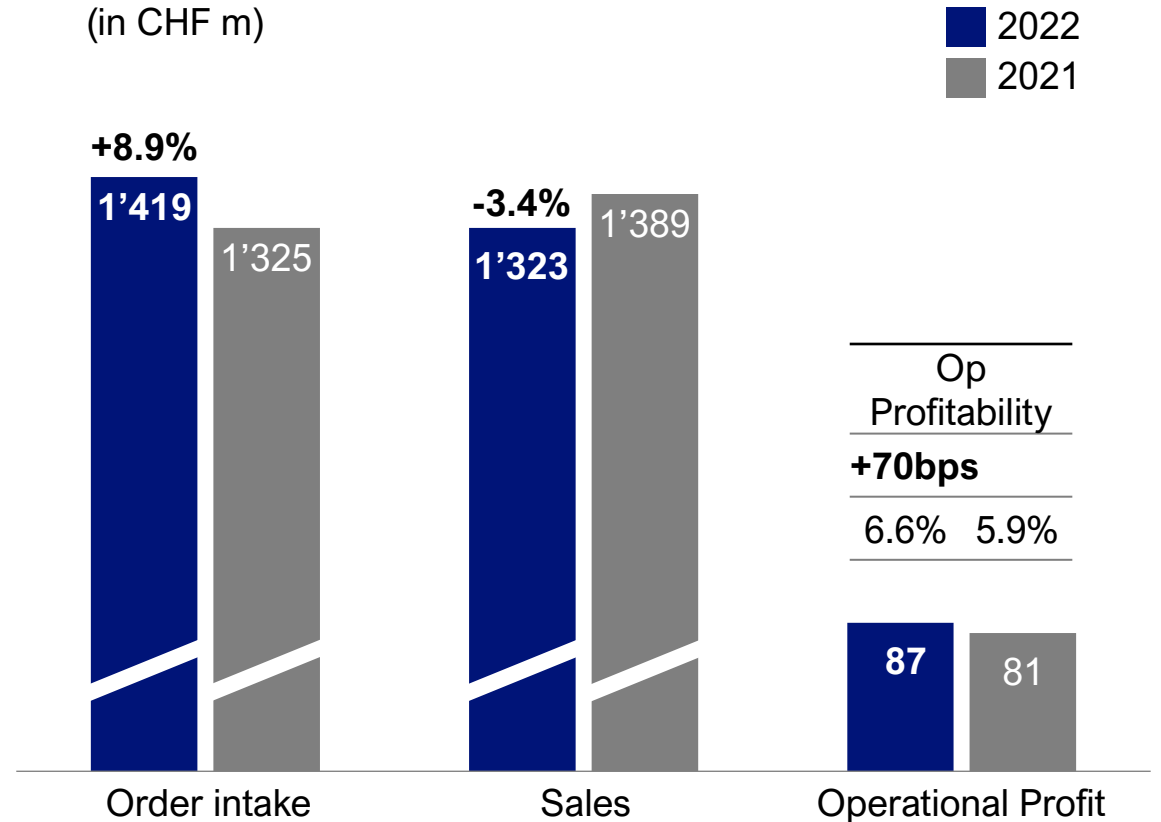




Flow Equipment

Drop in sales but significant rise in order intake

- **Order intake +8.9%**
All businesses growing
- **Sales -3.4%**
Drop in Energy orders in previous year
Compounded by supply chain impact
- **Operational profitability +70 bps**
Cost discipline

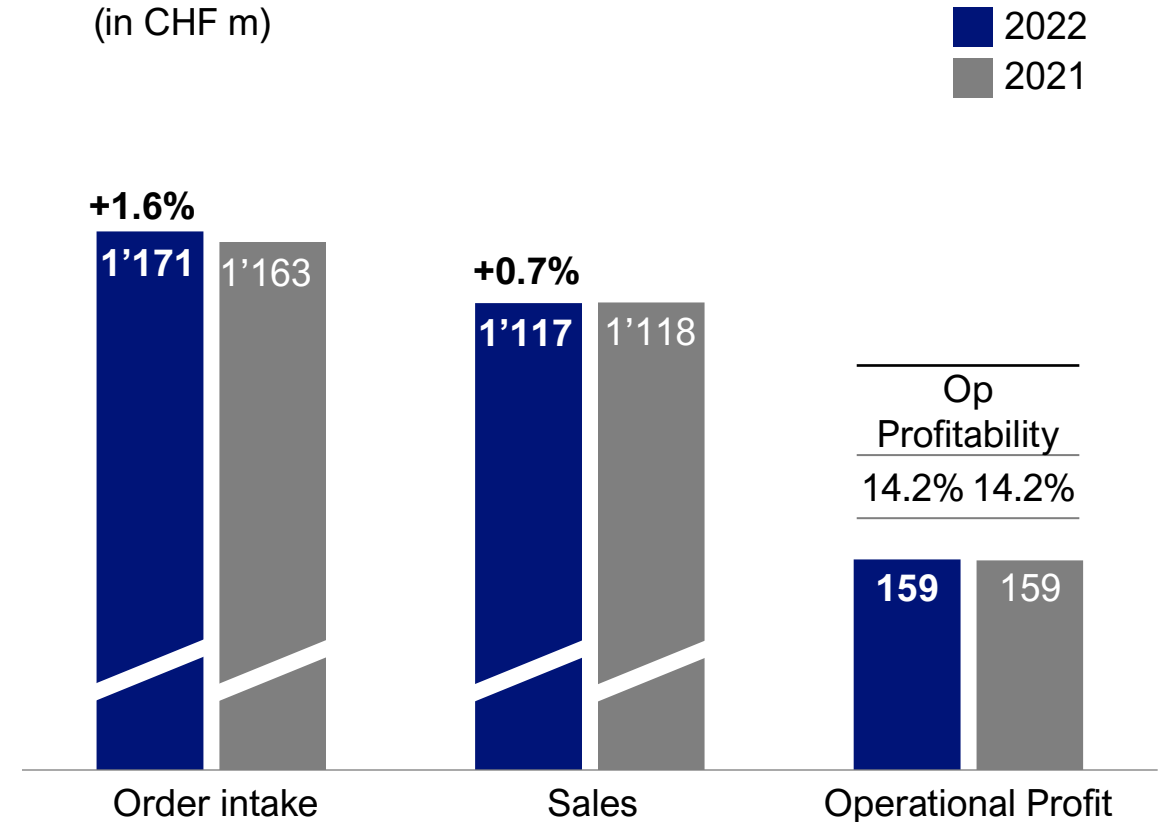




Services

Resilient performance

- **Orders +1.6%**
Growth in Americas and APAC compensated decline in EMEA
- **Sales +0.7%**
Americas and Middle East higher, Europe lower on one-off impacts
- **Operational profitability unchanged**
Proactive price management and cost control

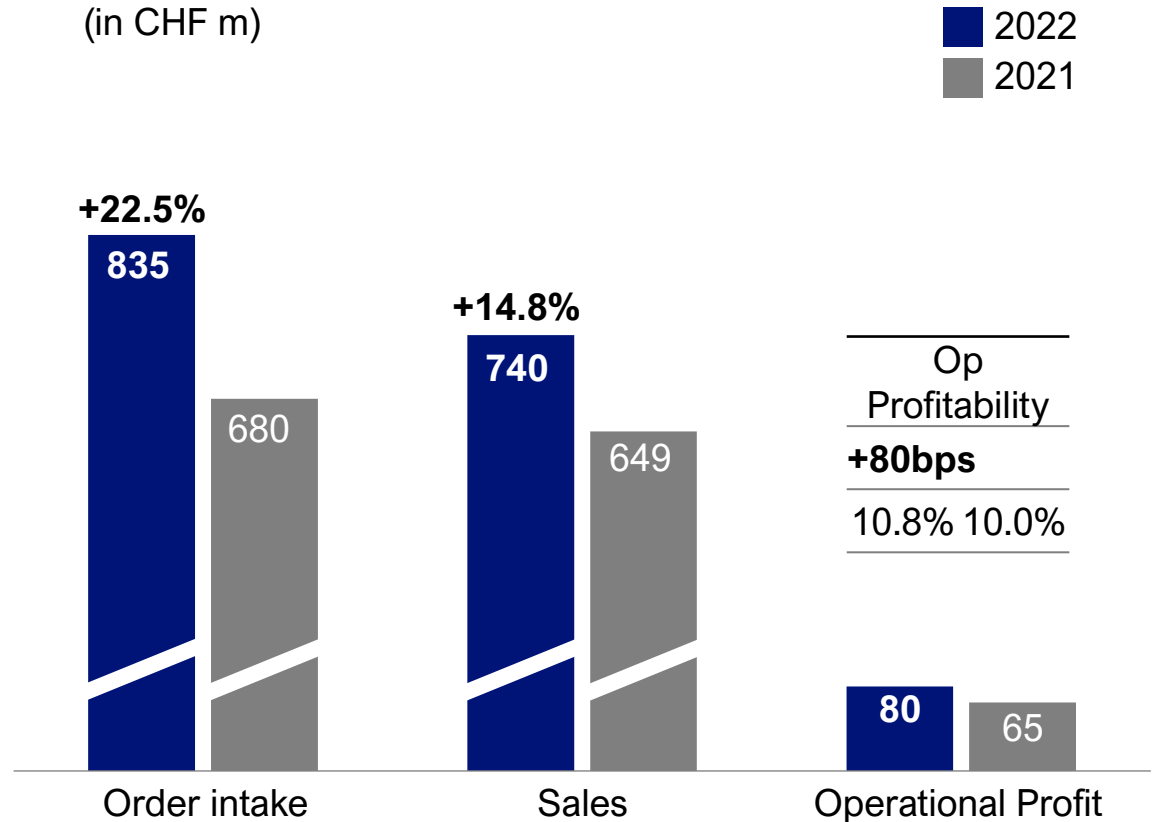




Chemtech

Record order intake, sales and profitability

- **Orders +22.5%**
Chemicals, Gas & Refining, Services and Renewables all up double digit
- **Sales +14.8%**
All market segments contributed to growth
- **Operational profitability +80 bps**
Pricing power in key markets
- **Renewable business order intake +37.8%**



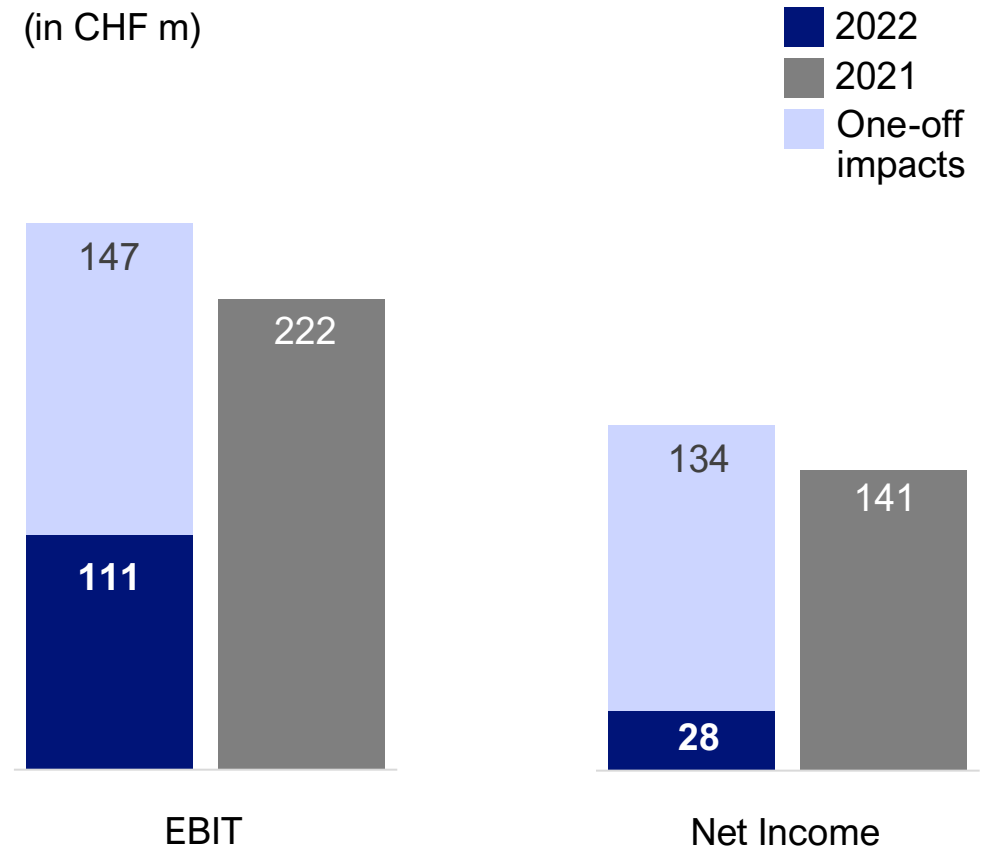


EBIT and Net Income impacted by one-offs

One-offs driven by Russia exit

- One-off impacts
 - EBIT reduced by 147m
 - Net Income reduced by 134m
- Excluding impacts
 - EBIT: +16%
 - Net Income: +15%

(in CHF m)



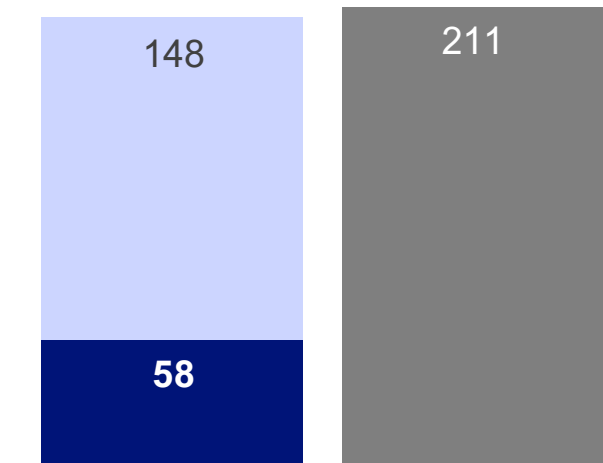
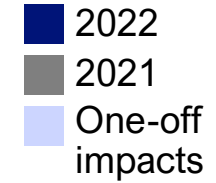


Free cash flow

FCF lower due to significant increase in net working capital

- Higher net working capital of 148m on
 - Higher inventories and project related items resulting from supply chain impacts: 92m
 - Increase of receivables over payables: 56m
- ➔ Major improvement potential in supply chain management identified

(in CHF m)



Free cash flow



Balance Sheet

Well within investment grade

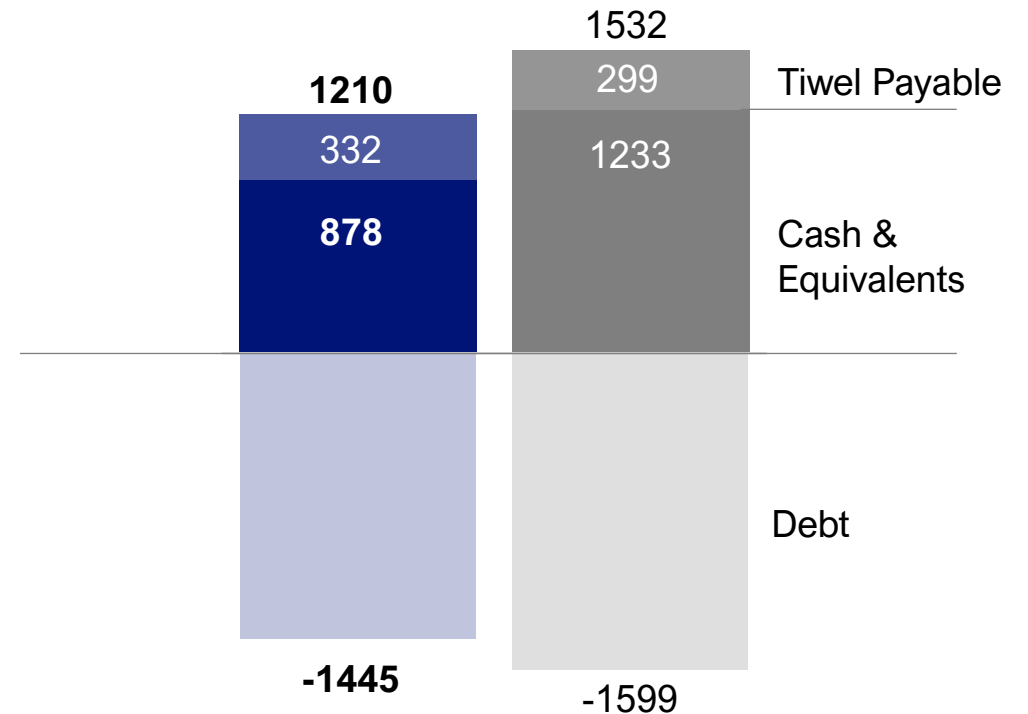
- Net debt to EBITDA at 2.1x on higher net debt and lower EBITDA
- Outstanding balance of bonds reduced by 155m
- Dividend to Tiwel held back; Tiwel payable 332m (not interest-bearing, no maturity)
- Financial and operational flexibility ensured at all times

(in CHF m)	Dec 2022	Dec 2021
Net debt	235 567 ¹	67 366 ¹
Net debt / EBITDA	0.9x 2.1x ¹	0.2x 1.0x ¹

¹ excluding cash held on behalf of Tiwel

(in CHF m)

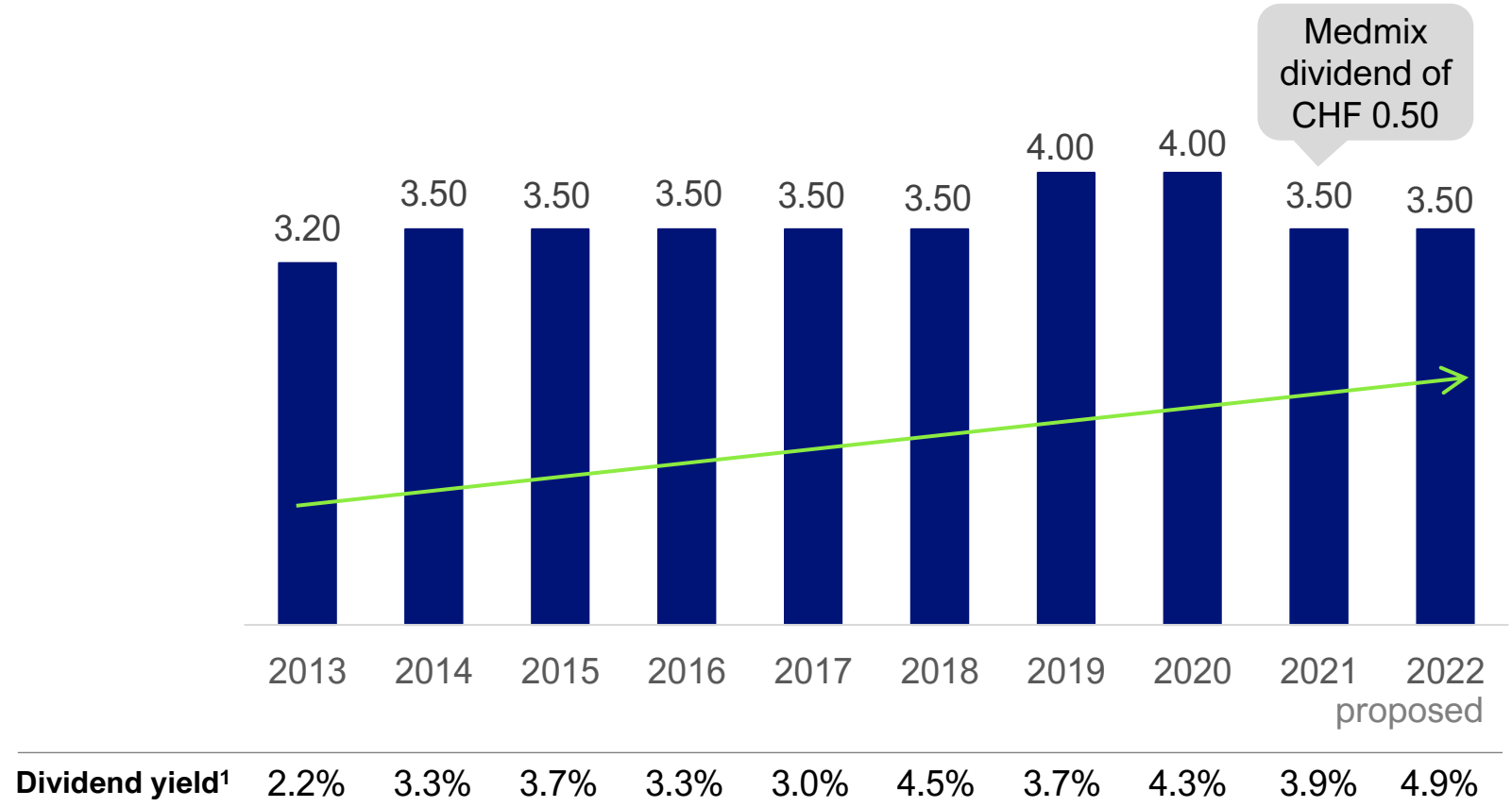
■ Dec 2022
■ Dec 2021



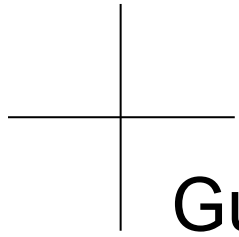
Dividend – proposal for CHF 3.50 per share

Stable dividend development over the last 10 years

- High core net income enables stable dividend payment
- Dividend proposal underlines resilience of Sulzer



¹ Dividend yield = ordinary dividend per share / share price on Dec 31.



Guidance and Strategic Perspective

Dr. Suzanne Thoma | Executive Chairwoman



Guidance 2023

Profitable growth

Order Intake growth ¹	Sales growth ¹	Operational Profitability ² %
up 3 – 6%	up 7% – 9%	above 10.0%

¹ Organic and adjusted for FX

² Operational EBITA as a percentage of sales



Way forward

Strategic Perspective

- Attractive markets
- Strong market positions
- Growth and Resilience



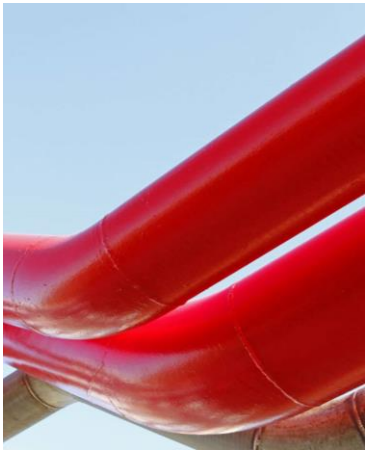
Operational Perspective

- Margins
- Cash generation
- Quality and On-time delivery

Increased value creation



Sulzer in attractive markets in fundamental transformation



Energy & Infrastructure



Process Industries



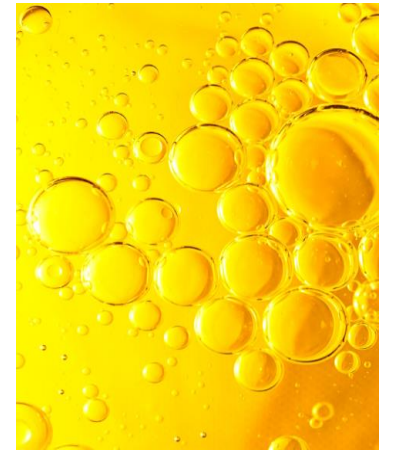
Chemicals



Wastewater



Biopolymers & Recycling



Bio- & Synthetic Fuels

Wealth of opportunities for way forward



Decarbonization in Energy – Equipment

Enhanced oil recovery with CO₂ in Qatar

- Enhanced oil recovery uses captured CO₂ instead of water
- Maximizes recovery from existing oil fields
- Extends lifetime of existing infrastructure
- Highly specialized pumps, designed for high pressure liquid CO₂ management





Decarbonization in Energy – Services

Sulzer preferred partner for energy efficiency strategies

- Sulzer selected as Var Energi (Norway) decarbonization partner
- Sulzer Diagnostics & Retrofits: Energy (~5000 MWh) and CO₂ (~2400 tonnes) per year
- Customer benefit: lower CO₂ footprint and significant OPEX savings per year



+ Highest energy efficiency in industrial processes

Sustainable fuels in Brazil

- Sulzer is partner of Inpasa, one of Latin America's largest producer of bio-ethanol
- New large-scale plant produces 2.6 million liters of ethanol per day
- Sulzer delivered 256 process pumps, 13 axial flow pumps and 18 agitators
- Sulzer chosen for broadest product portfolio with best-in-class reliability and efficiency



+ Separation and purification of renewable methanol

Sulzer enabling energy storage and production of renewable fuels

- Advanced separation technology for European Energy (Denmark) to purify e-methanol
- 32'000 tonnes of e-methanol produced per year
- CO₂ is transformed to e-methanol through hydrogenation
- E-methanol can be stored infinitely at room temperature





Plastic recycling

Responsible waste solutions

- Chemical recycling
- Plastic waste converted into high-grade feedstock for the chemical industry
- Plastics-to-Chemicals facility will produce 24'000 tonnes per year
- Indaver plans 30 full scale facilities for a total of 1 million tonnes per year





PLA – bioplastics

Advanced purification and polymerization technology

- NatureWorks: integrated manufacturer of bioplastics
- Sulzer technology allows for different PLA grades supporting wide range of applications
- Plant to produce 75'000 tonnes of PLA per year
- Productions of biopolymers reduce CO₂ emissions by up to 80% compared to fossil-fuel based polymers





“Net zero” wastewater treatment

Sulzer technology for wastewater treatment in the Netherlands

- Wastewater treatment plant with significant biogas production
- Biogas production from sludge increases by 20-30%; captured as process energy
- Sulzer equipment (pumps, agitators, turbo compressors, diffusers and flow boosters) and knowhow for bio-power plant in the Netherlands
- Plant to become energy neutral





Energy-efficient process pumps for bio-product mill

Plant to be global leader in environmental, energy and material efficiency: Metsä Fibres

- New, large bioproduct mill in Finland
- Use of wood and wood scrapes. No fossil fuel
- Environmental impact: Customer employs best available technology
- Sulzer supplied more than 400 process pumps, medium-consistency pumps and mixers
- Production of 1.5 million tonnes of pulp
- Generation of 2 TWh of electricity per year
 - ➔ Plant is 250% energy self-sufficient





Promising position for strategic development of the group

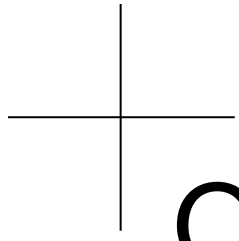
- ✓ Tier-1 engineering brand
- ✓ Mission-critical applications
- ✓ Strong engineering capabilities
- ✓ Global reach and footprint
- ✓ Recognized as top employer



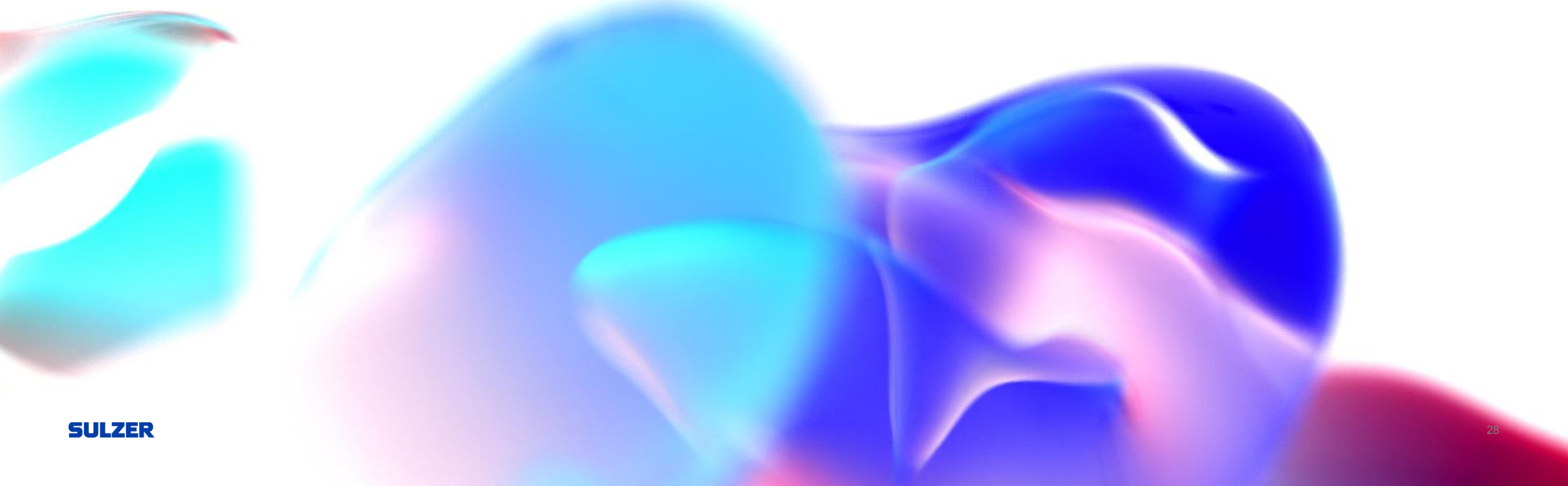
Take aways

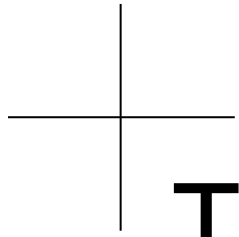
- Sulzer established markets undergo transformation: increased investments into energy efficiency, sustainability, ecological footprint reduction, less water consumption
- New markets emerge: biobased polymers, recycling, waste-to-fuel, waste-to-chemicals, carbon capture and utilization
- Technological leadership to focus on customer value
- Operational and commercial excellence to lay the foundation for growth
- Allocate capital to best use

Solid balance sheet and strong cash generation potential: Financial and operational flexibility ensured at all times.



Questions?





Thank you for your attention



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