

Ad hoc announcement pursuant to Art. 53 LR

## DKSH Reports Strong Half-Year 2021 Results

- DKSH returns to growth with net sales reaching CHF 5.5 billion (+5.3%)<sup>1</sup>
- Consistent strategy implementation results in 20.7% EBIT increase to CHF 131.5 million<sup>1</sup>
- DKSH completes four value-accretive acquisitions
- Free Cash Flow doubles compared to H1 2020

Key Figures Group (CHF million)	H1 2021	H1 2020	Δ in % CHF	Δ in % CER <sup>1</sup>
Net sales	5,487.9	5,337.9	2.8	5.3
Operating profit (EBIT)	131.5	111.3	18.1	20.7
Profit after tax	86.7	60.2	44.0	47.7
Free Cash Flow	107.2	51.1	109.8	-
RONOC (in%)	18.7	15.2	-	-

<sup>1</sup> Constant exchange rates (CER): 2021 figures converted at 2020 exchange rates

Zurich, Switzerland, July 15, 2021 – DKSH delivered strong half-year 2021 results. All key figures increased compared to last year such as net sales growing 5.3%, EBIT 20.7%<sup>1</sup> and Free Cash Flow more than doubled. Against the pre-COVID levels of 2019, DKSH reports higher profitability and cash conversion. Business Unit Performance Materials continued its growth track record and, on the back of its transformation, the Fast Moving Consumer Goods business again posted strong EBIT improvements. DKSH also completed four acquisitions and increased eCommerce sales double digit.

DKSH CEO Stefan P. Butz said: “Despite pandemic-related uncertainties and the current restrictions in Asia Pacific, our EBIT and Free Cash Flow exceed 2020 and 2019 levels thanks to our resilient business model and the disciplined execution of our strategy. Visibility on the evolution of the pandemic remains limited, but we will continue to build a better company and expect a solid second half”.

### DKSH Group

In the first half of 2021, Group net sales increased by 2.8% to CHF 5.5 billion. Exchange rates had a negative impact of 2.5% and acquisitions contributed 0.7%, which resulted in an organic growth of 4.6%. DKSH grew EBIT by 20.7% to CHF 131.5 million<sup>1</sup>, which is also an increase of 18.8% against the pre-pandemic levels in the first half of 2019. Profit after tax was CHF 86.7 million and the Free Cash Flow of CHF 107.2 million increased due to focused working capital management.

### Business Unit Healthcare

Despite the ongoing impact of COVID-19 on the healthcare industry and the situation in Myanmar, Business Unit Healthcare delivered solid results on last year's level. DKSH expanded its commercial outsourcing services and business development. The Business Unit also announced the acquisitions of MedWorkz and Hahn Healthcare.

Healthcare (in CHF million)	H1 2021	H1 2020	Δ in % CHF	Δ in % CER <sup>1</sup>
Net sales	2,753.0	2,723.0	1.1	4.1
Operating profit (EBIT)	62.1	64.5	(3.7)	0.2

### Business Unit Consumer Goods

The transformation of the **Fast Moving Consumer Goods** segment is well on track, even amidst COVID restrictions in key markets. Net sales slightly grew due to client wins and expansions despite the ongoing rationalization of client and product portfolios. EBIT increased double-digit benefitting from a leaner structure and from a leadership team that is consistently executing targeted market strategies.

In the **Luxury and Lifestyle** segment, net sales and EBIT increased, albeit from low levels. Travel restrictions will continue to limit tourism driven demand in the second half of 2021. The Swiss watch brand Maurice Lacroix again performed well.

In sum, Business Unit Consumer Goods grew net sales slightly and strongly improved profitability.

<b>Consumer Goods</b> (in CHF million)	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ in % CHF</b>	<b>Δ in % CER<sup>1</sup></b>
Net sales	1,914.3	1,912.2	0.1	2.8
Operating profit (EBIT)	35.1	25.5	37.6	38.0

### Business Unit Performance Materials

Business Unit Performance Materials again posted excellent results with double-digit sales and EBIT growth. The main drivers were strong organic growth across all four Business Lines and most key markets as well as the expansion of the key client portfolio. The experienced DKSH team delivered high-quality services to clients and customers by overcoming challenges in distribution channels and supply shortages. The performance in the first half was supplemented by the Axieo business running ahead of expectations. With the SACOA acquisition, DKSH has taken a further step in consolidating the specialty chemicals distribution industry in Australia and New Zealand. A scalable business model, strong business development, value-added services, digital marketing, and consolidation potential provide future growth opportunities.

<b>Performance Materials</b> (in CHF million)	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ in % CHF</b>	<b>Δ in % CER<sup>1</sup></b>
Net sales	633.2	535.7	18.2	18.1
Operating profit (EBIT)	61.4	44.1	39.2	40.4

### Business Unit Technology

Business Unit Technology grew sales organically and through the Bosung acquisition in Korea. The service business continued to grow and the Business Unit is well on track with implementing its focus strategy and digitization. The EBIT also increased slightly compared to last year. Based on a solid business pipeline, DKSH is confident that it will deliver a stronger second half of 2021.

<b>Technology</b> (in CHF million)	<b>H1 2021</b>	<b>H1 2020</b>	<b>Δ in % CHF</b>	<b>Δ in % CER<sup>1</sup></b>
Net sales	187.4	167.0	12.2	13.6
Operating profit (EBIT)	2.3	2.1	9.5	9.5

### Outlook

DKSH expects a solid performance in the second half and EBIT growth in 2021. The outlook assumes a slight GDP growth in Asia Pacific, that exchange rates prevail for the remainder of the year and barring unforeseen events (excludes special items). DKSH remains confident about Asia's long-term potential and is well positioned to benefit from favorable market, industry and consolidation trends.

### Further Information

The media conference will take place today at 9:30 a.m. CET and the investor call at 11:30 a.m. CET. The [Half-Year Report 2021](#) and recording of the investor webcast will be available on the DKSH website.

### Appendix: Reconciliation Table Net Sales

(in CHF million)	H1 2021	H1 2020	% CHF	% organic*	% M&A*	% FX*
<b>DKSH Group</b>	<b>5,487.9</b>	5,337.9	2.8	4.6	0.7	(2.5)
Healthcare	<b>2,753.0</b>	2,723.0	1.1	4.1	0.0	(3.0)
Consumer Goods	<b>1,914.3</b>	1,912.2	0.1	2.4	0.4	(2.7)
Performance Materials	<b>633.2</b>	535.7	18.2	14.0	4.1	0.1
Technology	<b>187.4</b>	167.0	12.2	7.5	6.1	(1.4)

\* **Organic:** Difference 2021 figures to 2020 figures excluding M&A and FX

**M&A:** MedWorkz (Healthcare), Crossmark (Consumer Goods), Axieo and SACOA (Performance Materials), Bosung (Technology)

**FX:** Impact from currency translation on net sales

### About DKSH

DKSH's purpose is to enrich people's lives. For more than 150 years, we have been delivering growth for companies in Asia and beyond across our Business Units Healthcare, Consumer Goods, Performance Materials and Technology. As a leading Market Expansion Services provider, we offer sourcing, market insights, marketing and sales, eCommerce, distribution and logistics as well as after-sales services. Listed on the SIX Swiss Exchange, DKSH operates in 36 markets with 32,450 specialists, generating net sales of CHF 10.7 billion in 2020. [www.dksh.com](http://www.dksh.com)

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