

Half-Year Results 2021

Media and Investor Conference

July 15, 2021

Delivering Growth – in Asia and Beyond.

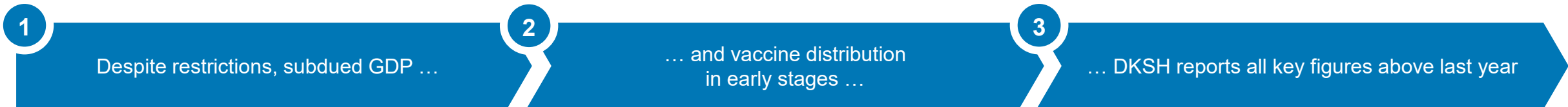


Agenda

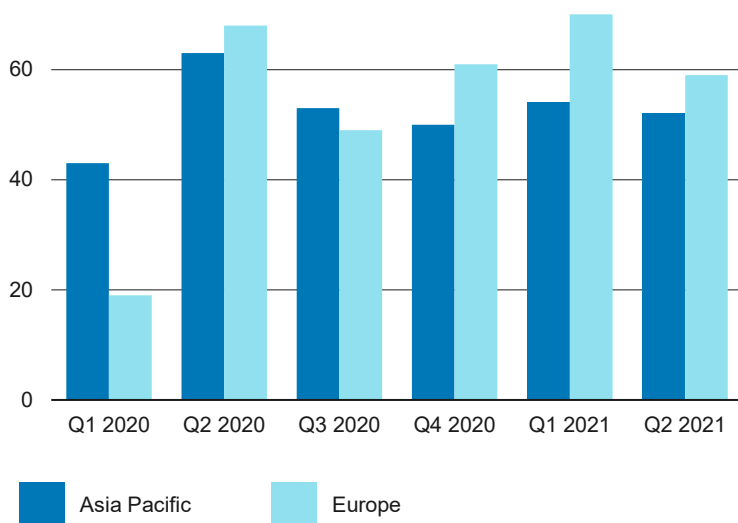


- 1. Highlights Half-Year 2021**
- 2. Business Units Review**
- 3. Financial Update**
- 4. Outlook**

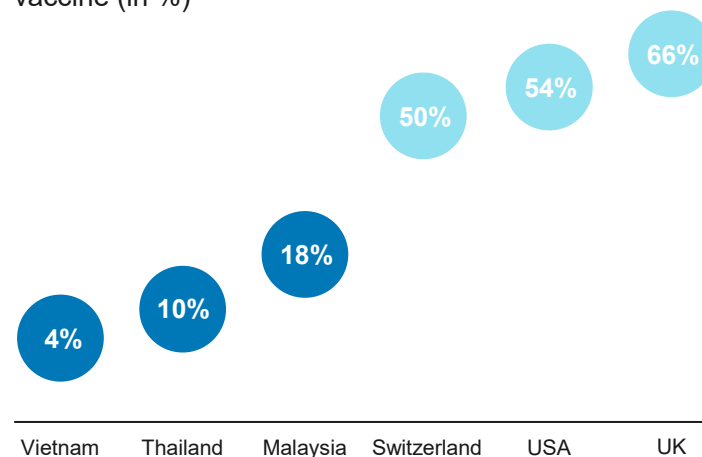
Market Environment and H1 2021 Results



Intensity of restrictions (in %) ¹



Share of people with at least one dose of COVID vaccine (in %) ²



Growth rates H1 2021 vs H1 2020 (at CER)

- Net sales +5.3%
- EBIT +20.7%
- EBIT margin 2.4% (+30 bp)
- Profit after tax +47.7%
- Free Cash Flow +109.8%
- RONOC 18.7% (+350 bp)



DKSH delivers good profitable growth in H1 2021

¹ Oxford Stringency Index for COVID-19 government measures

² Our World in Data per July 1, 2021

Highlights H1 2021



20.2

CHF million higher EBIT



4

acquisitions



New

Identity



36%

eCommerce growth



-35%

CO2 emissions by 2025

Operational excellence

EBIT and cash flow above pre-COVID level prove diligent strategy execution

M&A

Accelerated M&A execution with financial discipline

HR

Cultural transformation with new Identity and updated Brand

Digital

Continued growth in eCommerce and expansion of digital capabilities

Sustainability

New framework established and targets set for sustainability



Building a better company

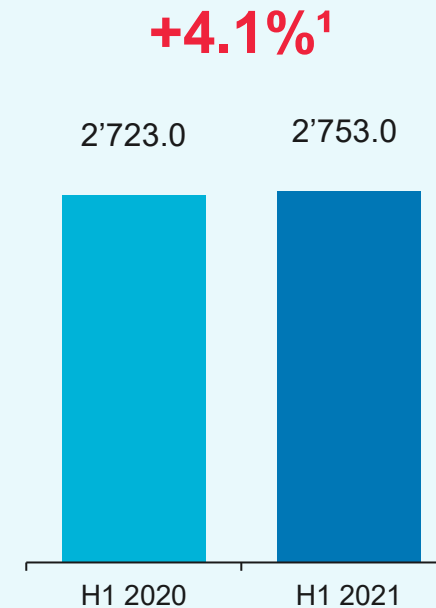


Business Unit Healthcare

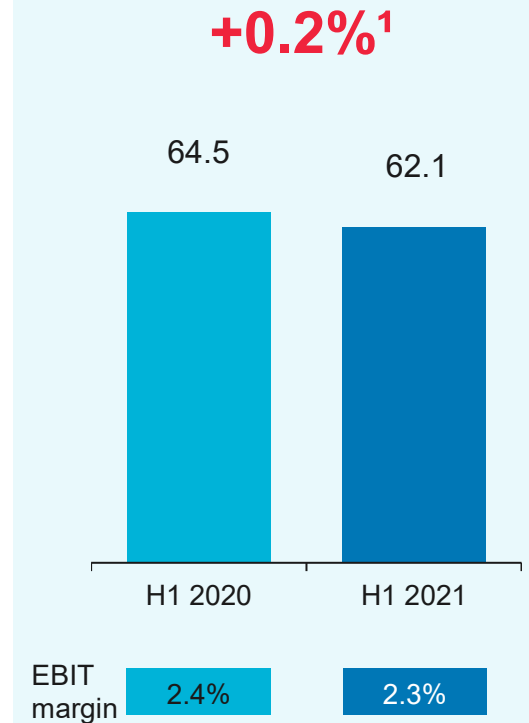


- Results on last year's level despite ongoing COVID impact on the healthcare industry and Myanmar situation
- Delivering on our purpose of “enriching people’s lives” by distributing COVID vaccines and test kits
- Expansion of commercial outsourcing services and business development
- Acquisitions of MedWorkz in Singapore and Hahn Healthcare² in Australia

Net Sales (in CHF million)



EBIT (in CHF million)



Expand strong market position and drive into higher value segments and services

¹ Constant exchange rates

² Closed on July 1, 2021



Business Unit Consumer Goods



Fast Moving Consumer Goods (FMCG)

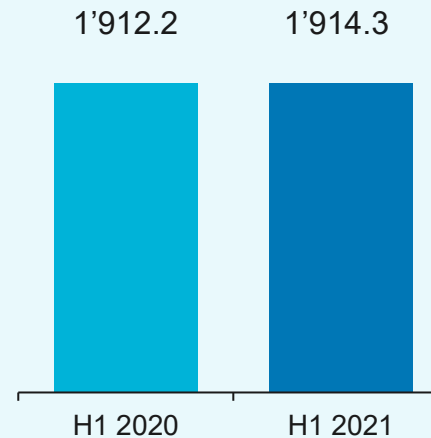
- Good Business Development results in net sales growth despite ongoing client and product rationalization
- Transformation on track – strong EBIT improvements despite COVID-19 restrictions in key markets

Luxury and Lifestyle

- Sales and profitability increasing, but will continue to be impacted by COVID
- Maurice Lacroix continues to perform well

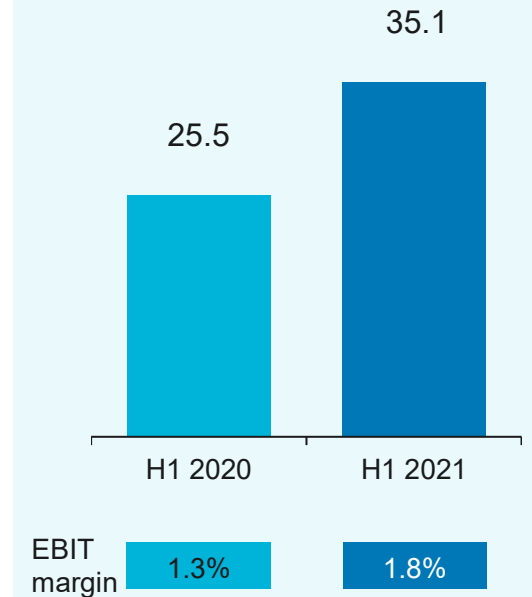
Net Sales (in CHF million)

+2.8%¹



EBIT (in CHF million)

+38.0%¹



Capitalizing on our leadership in Asia Pacific

¹ Constant exchange rates

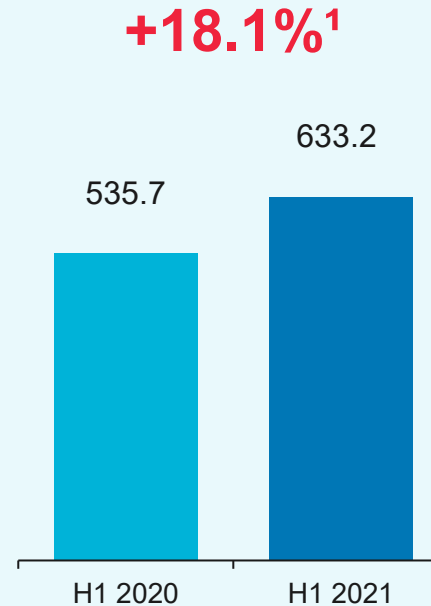


Business Unit Performance Materials

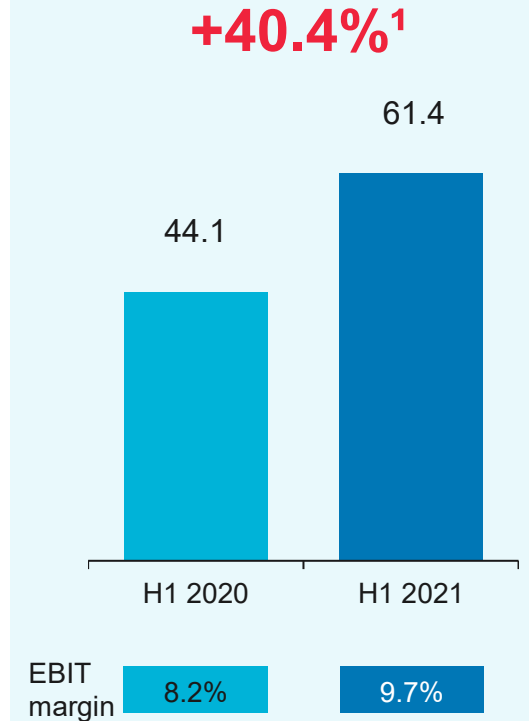


- Very strong result with double-digit sales and EBIT growth
 - Mainly organic: All Business Lines; most key markets
 - Expansion with key clients and many new customers
- Team delivers high-quality services for clients and customers challenged by supply chain disruptions
- Axieo business running ahead of expectations and further market consolidation with SACOA acquisition
- Good pipeline for new business and consolidation opportunities provide further growth potential

Net Sales (in CHF million)



EBIT (in CHF million)



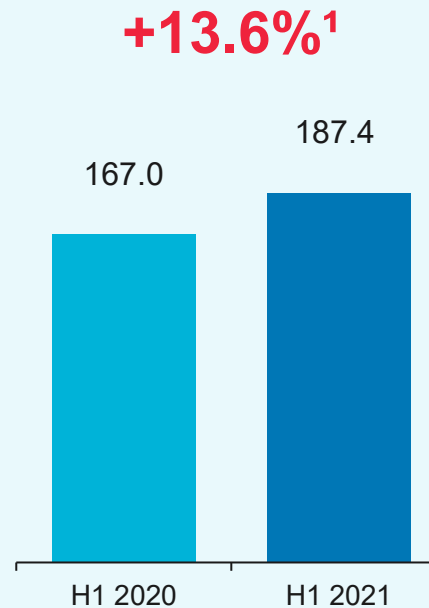
Strengthen leading position in specialty chemicals and ingredients distribution

¹ Constant exchange rates

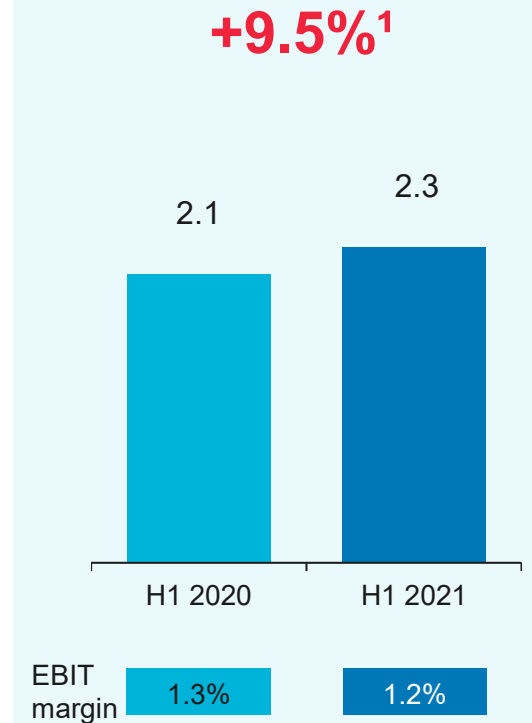
Business Unit Technology

- Driven by organic and M&A contributions, net sales recover, but are tracking below pre-COVID levels
- Strategy implementation of focusing, streamlining and digitizing on track – EBIT growing
- Stronger second half of 2021 expected due to good business pipeline

Net Sales (in CHF million)



EBIT (in CHF million)



Building resilience and deliver growth to exceed pre-COVID levels

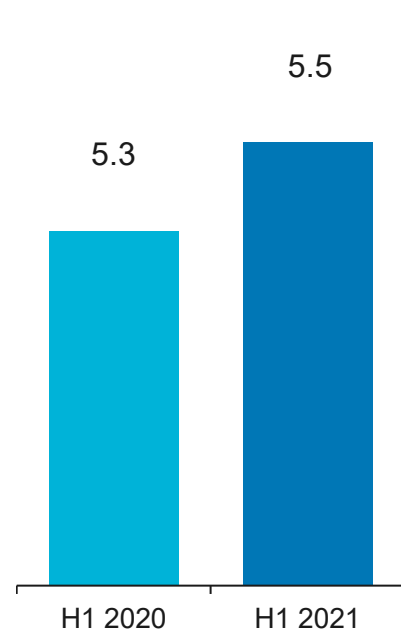
H1 2021 – All Key Figures Above Last Year



Net Sales

(in CHF billion)

+5.3%¹



EBIT

(in CHF million)

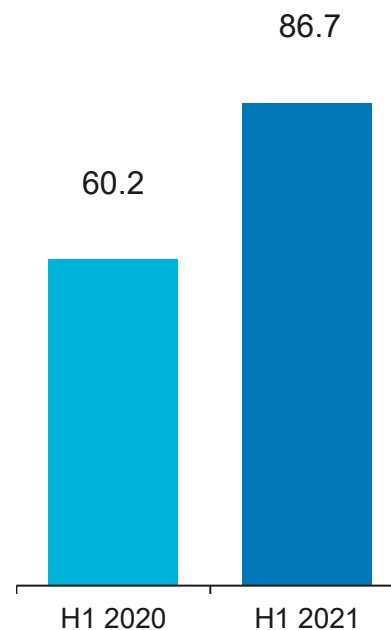
+20.7%¹



Profit after tax

(in CHF million)

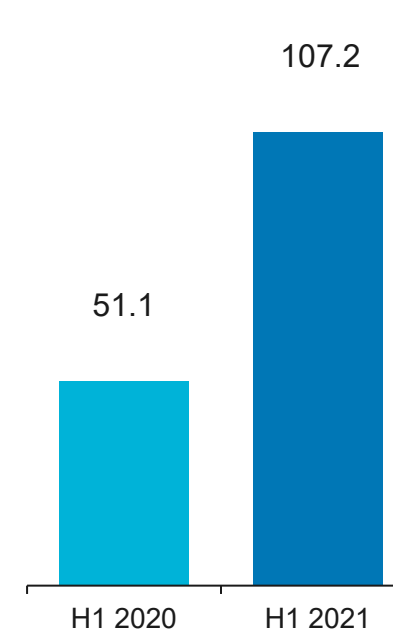
+47.7%¹



Free Cash Flow

(in CHF million)

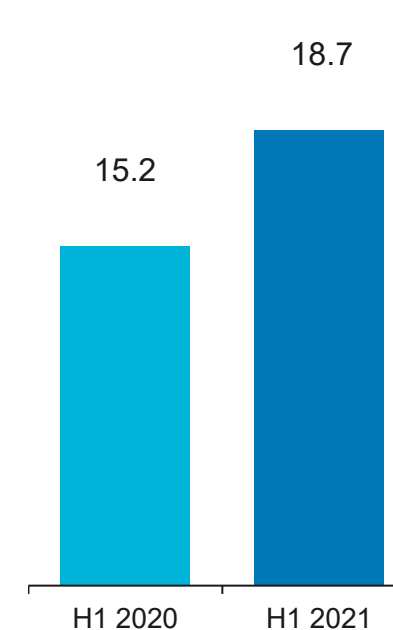
+109.8%



RONOC

(in percent)

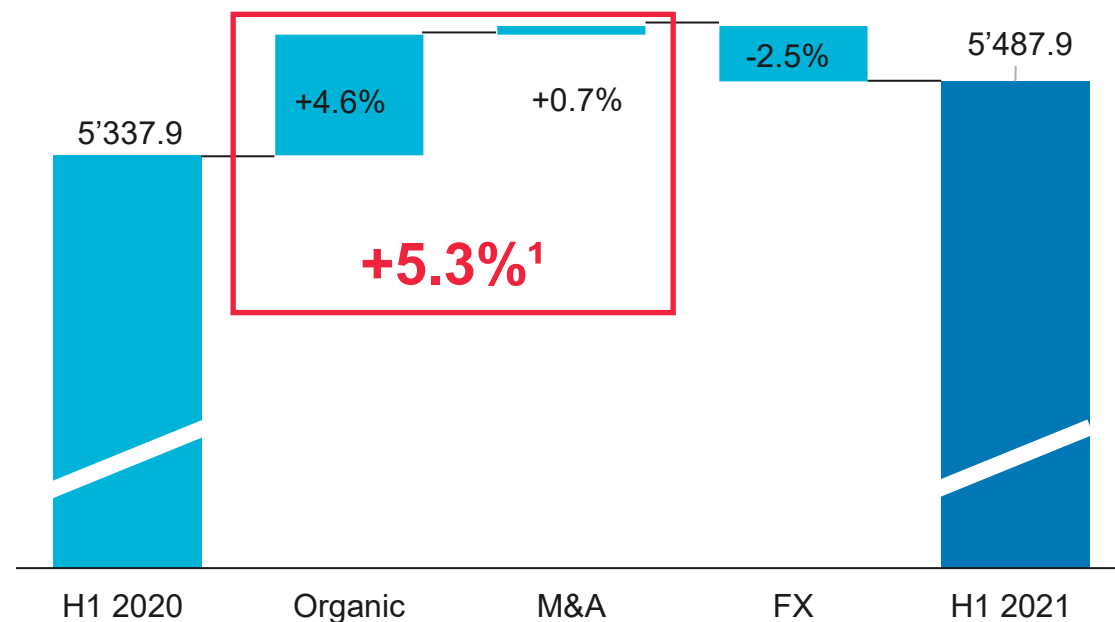
+350ppt



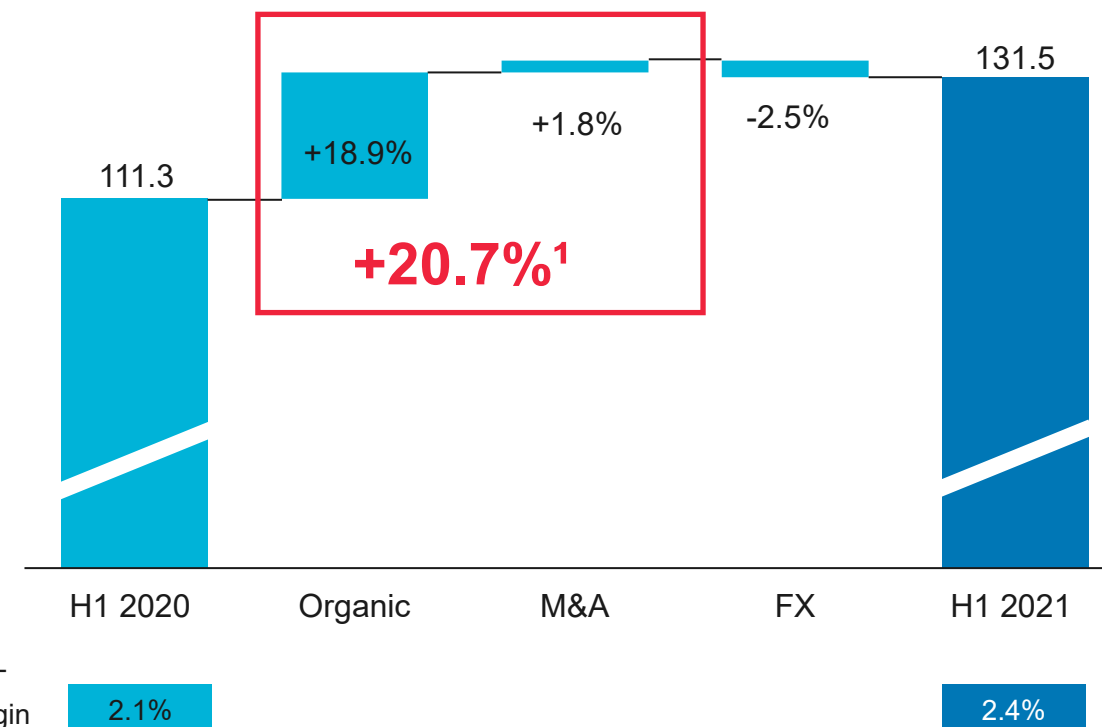
Solid Topline Growth With Higher Margins



Net sales (in CHF million)



EBIT (in CHF million)



¹ At constant exchange rates (CER)

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

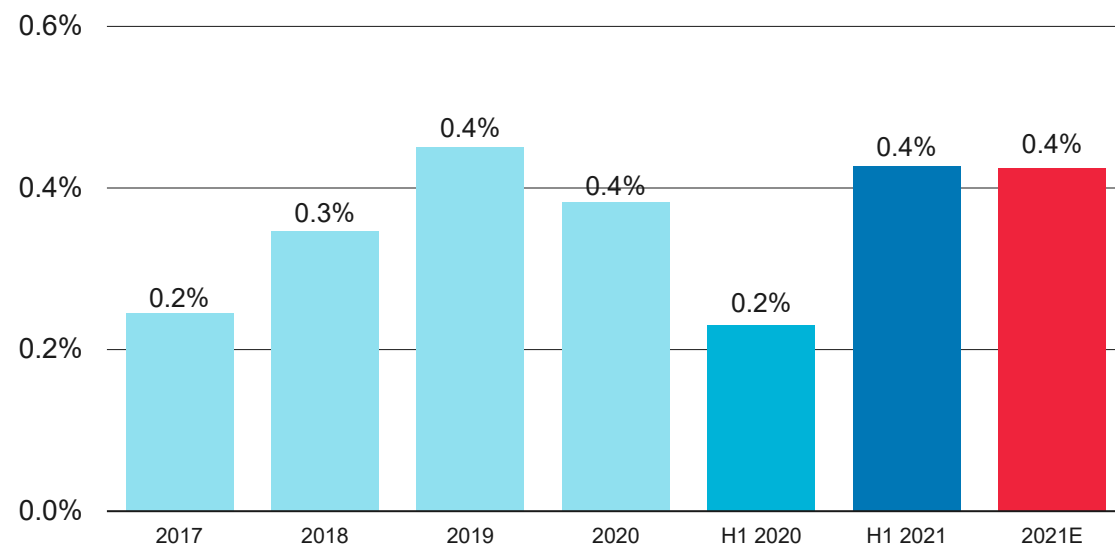
M&A: Medworkz (Healthcare), Crossmark (Consumer Goods), Axieo and Sacoa (Performance Materials) as well as Bosung (Technology)

FX: Impact from currency translation on net sales

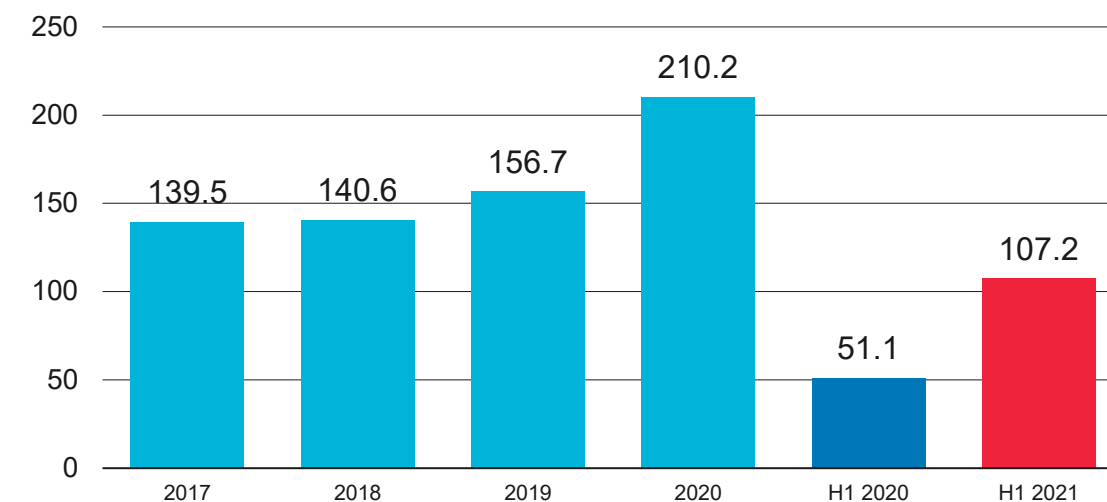
Low Capital Intensity and Sound Cash Generation



Capex / Net Sales (in %)



Free Cash Flow (in CHF million)¹



Cash conversion²



Asset-light model: average 0.4% capex / net sales



Focus on working capital optimization

¹ See definition of Free Cash Flow in Half-Year Report 2021

² Cash conversion defined as Free Cash Flow as percentage of Profit after tax (2018 Profit after tax excluding gain on sale of Healthcare business China)

Continued Strong Balance Sheet with Significant Leverage Potential



in CHF million	H1 2020	H1 2021
Cash/Liquid assets	506.6	606.3
Trade receivables	1'982.5	2'113.3
Inventories	1'295.2	1'238.1
Intangibles	301.5	354.6
Right-of-use assets	203.9	238.1
Other assets	753.0	751.0
Trade payables	2'250.1	2'351.1
Borrowings	310.8	337.8
Lease liabilities	204.0	241.3
Other liabilities	549.2	609.2
Total equity	1'728.6	1'762.0
Total equity and liabilities	5'042.7	5'301.4



Major changes H1 2021 vs. H1 2020:

- Generated ca. CHF 100 million more cash
- Lower working capital despite sales growth
- Paid higher dividend (CHF 126.8 million)
- Three acquisitions made (CHF 45.5 million)

Continued strong financial metrics:

- Net cash position of CHF 268.5 million
- Strong Equity ratio of 33.2%
- Significant leverage headroom

Additional Financial Indications



	FY 2019	FY 2020	H1 2021	FY 2021 estimate	Mid-term estimate
M&A (net sales contribution)	+1.8%	+2.1%	+0.7%	+0.8% ¹	Further M&A ambitions
FX (net sales contribution)	+1.8%	-5.1%	-2.5%	-1% to -2% ²	n.a.
Tax rate (% of profit before tax)	25.3%	26.1%	30.6%	27% to 29%	27% to 29%
Capex (in CHF million)	52.1	41.1	23.4	45 to 50	45 to 50

¹ Based on acquisitions of MedWorkz and Hahn (Healthcare), Crossmark (Consumer Goods), Axieo and Sacoa (Performance Materials) as well as Bosung (Technology)

² Assuming that current spot rates prevail for the remainder of the year

Outlook for 2021

- **EBIT growth in 2021 expected**, assuming:
 - Slight GDP growth in Asia Pacific and a gradual recovery from COVID-19 restrictions
 - Exchange rates prevail for the remainder of the year
 - Barring unforeseen events (excluding special items)
- Well positioned to benefit from **favorable long-term** market, industry and consolidation **trends in APAC**

DKSH positioned for future value generation

- Proven asset-light and **cash-generative model**
- High share of **resilient business** segments
- Experienced **leadership** and engaged workforce
- Focus on strategy implementation incl. **digitization, operational excellence, M&A** and **sustainability**
- Strong balance sheet with **M&A leverage potential**
- **Dividend track record**

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