

Full Year Results 2022

Media and Investor Conference

February 9, 2023

Delivering Growth – in Asia and Beyond.



Agenda

1. Strategy Execution – Highlights 2022
2. Business Units Review
3. Financial Update
4. Outlook



1

Strategy Execution – Highlights 2022



Continuous Strategic Progress Led to a Strong EBIT Increase Throughout the Pandemic



Business Unit Strategies

Continuously implement strategies, strengthen stakeholder relationships, and accelerate M&As



High-Performance Culture

Keep evolving our culture to build a better place to work for all



Digitalization

Accelerate digital solutions, drive our eCommerce business, and digitize internal processes



Operational Excellence

Optimize our operations to become more efficient and increase our service levels



Sustainability

Accelerate our Sustainability agenda and offerings



Driving DKSH's transformation with a clear purpose and set of values

Strategy Execution Delivers Higher Operational Performance Across all Business Units



Our ambition
Drive into higher value-added segments

Our achievement
Higher EBIT margin

Our ambition
Capitalize APAC leadership position

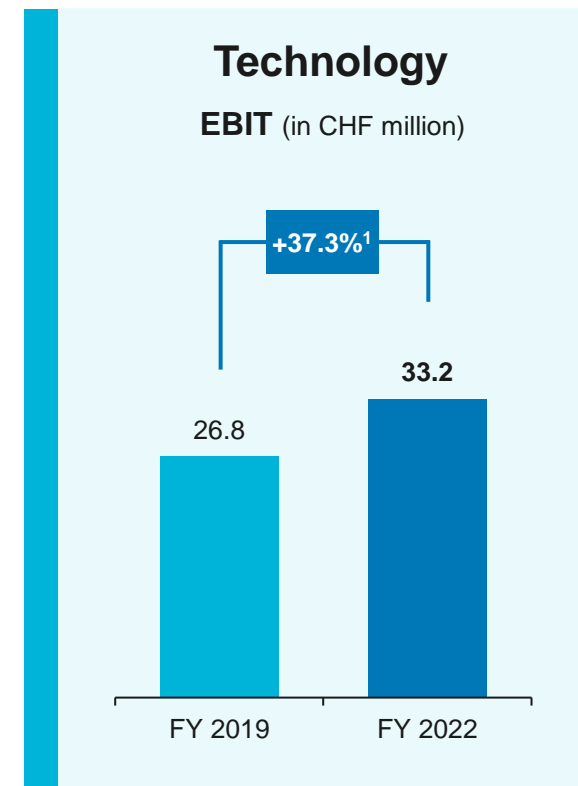
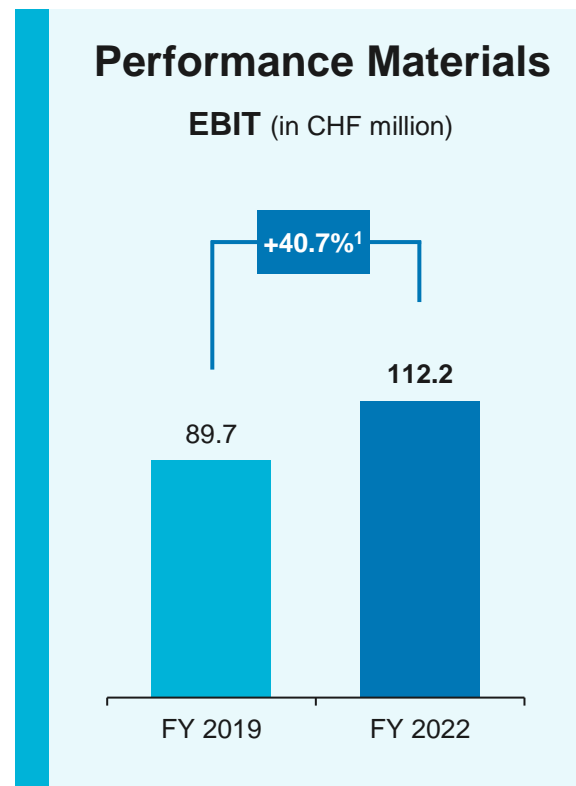
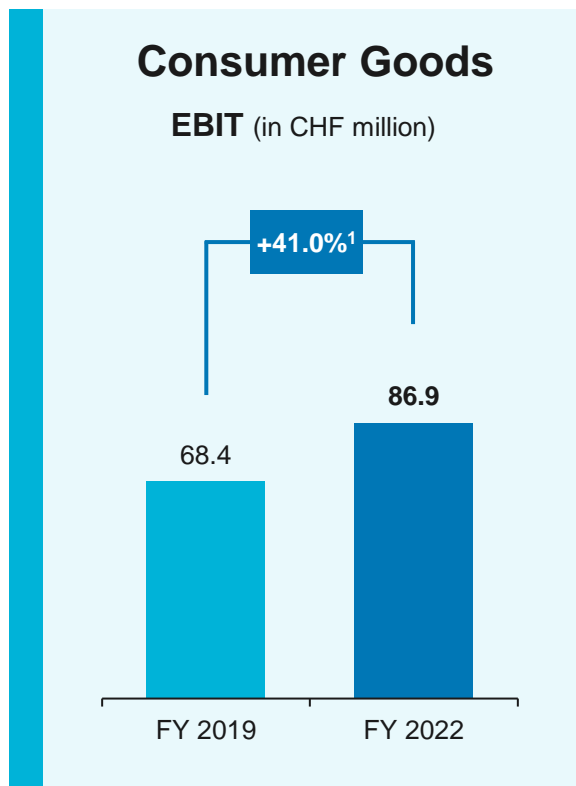
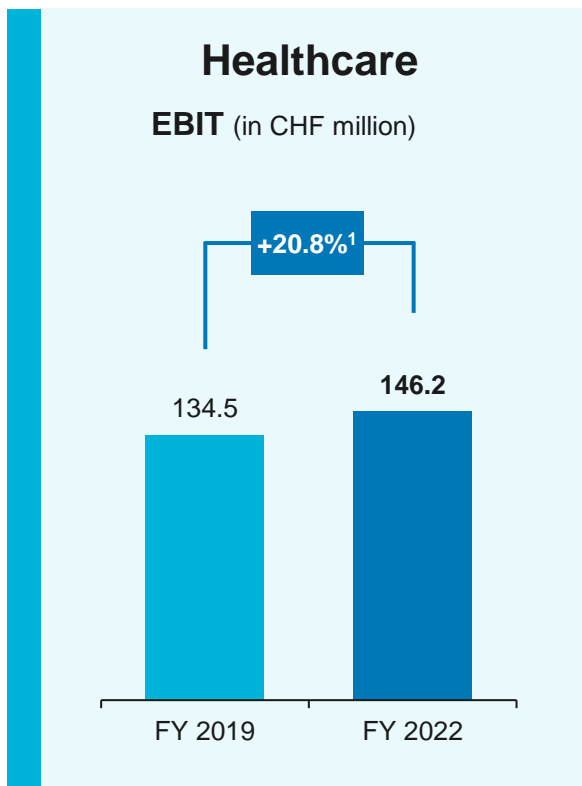
Our achievement
Successful transformation

Our ambition
Strengthen leading position

Our achievement
Global player

Our ambition
Build resilience, deliver growth

Our achievement
Exceeded Pre-COVID levels



1) Constant exchange rates (CER): 2022 figures converted at 2019 exchange rates

We Advance M&A and Drive our Cultural Transformation



M&A: >20 Acquisitions Since 2019



We Empower our People



Organic growth complemented with value-accretive M&A



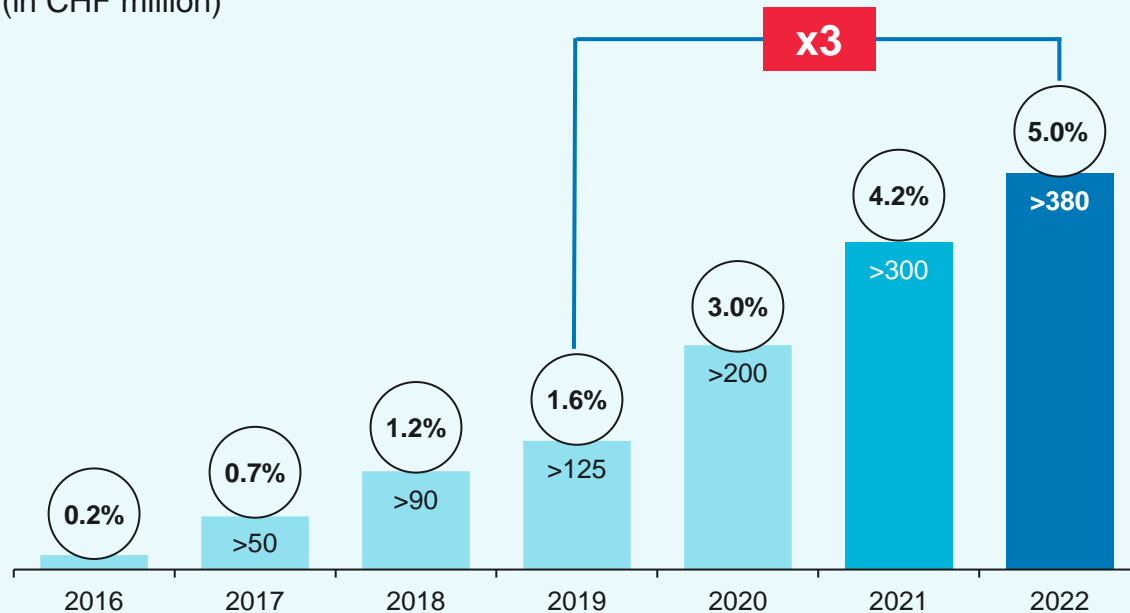
Developing our talent, embracing diversity, and offering a supportive work environment

We Drive Digitalization and Strengthen Sustainability



Evolution of DKSH's eCommerce Business

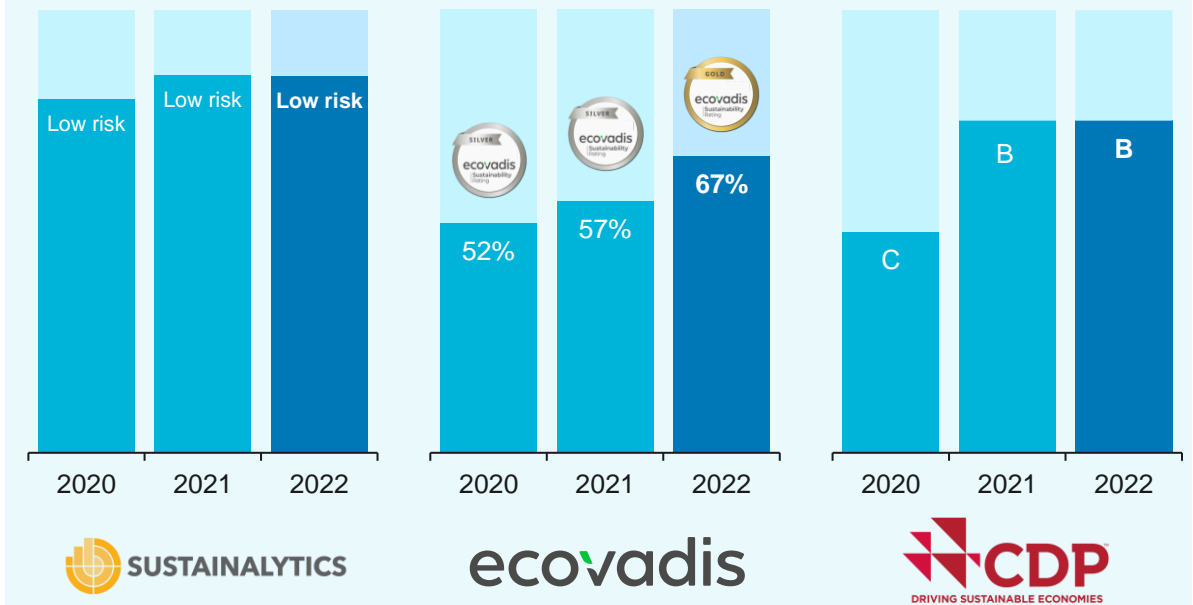
(in CHF million)



% eCommerce net sales as percent of DKSH addressable net sales¹

Selected Sustainability Rating Scores

(Rating scales standardised to 1 to 100 range)



Confident to further benefit from APAC's digitalization



Commitment to Sustainability reflected in improved external ratings

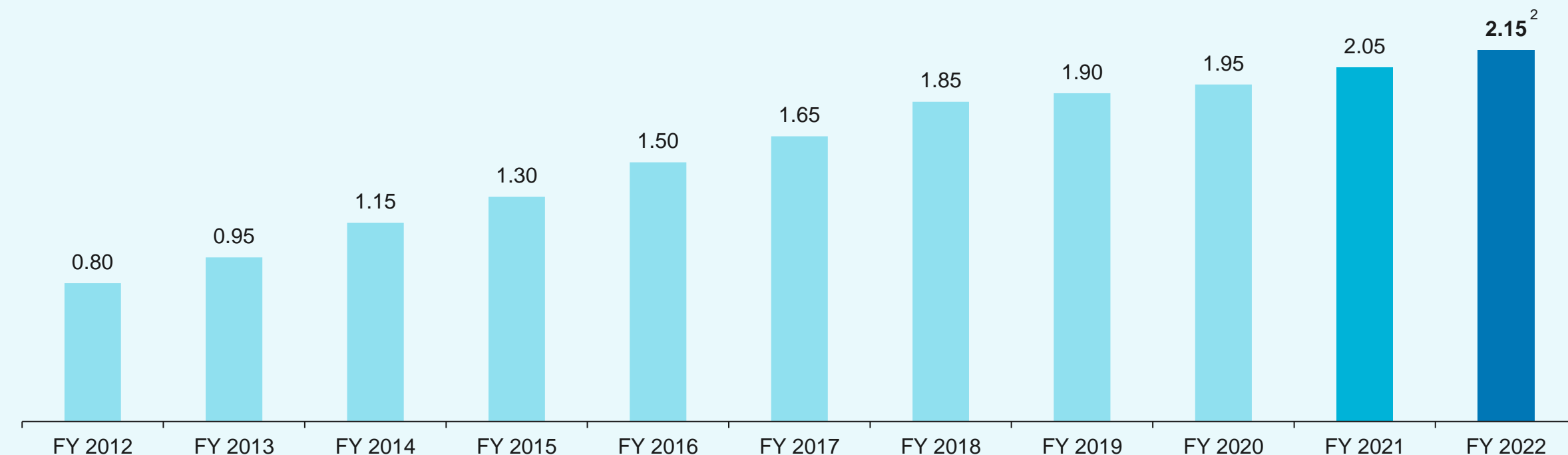
1) Addressable net sales defined as DKSH Group net sales minus Pharma net sales (part of Business Unit Healthcare)

Continuation of Progressive Dividend Policy



Ordinary dividend per share¹

(in CHF)



DKSH proposes an increase of the ordinary dividend by 4.9% to CHF 2.15 per share²

1) The chart takes into account share split 1:100, effective since the Annual General Meeting 2011
2) Proposal by the Board of Directors

2

Business Units Review

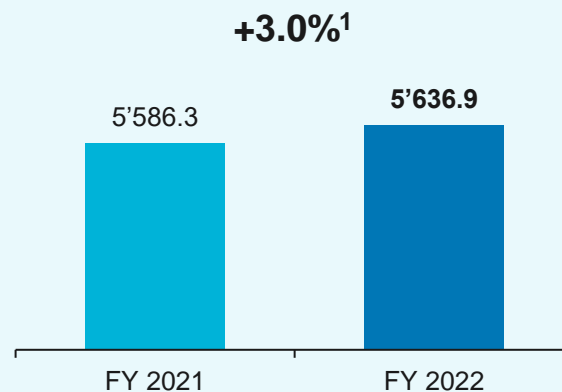




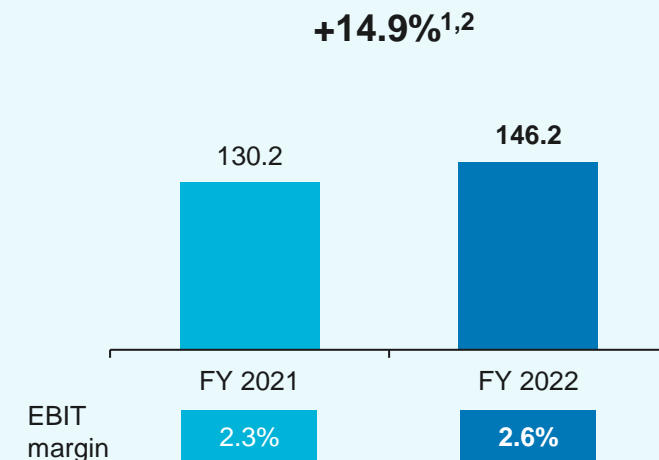
Business Unit Healthcare



Net sales (in CHF million)



EBIT (in CHF million)



- Good results with organic growth and double-digit EBIT increase
- Key EBIT drivers
 - Business emerged stronger post-pandemic
 - Higher profitability across key segments

- Acquisitions in key growth areas
 - Medical Devices: Acutest
 - Own Brands: Audisol/Audiplugs and Myonal/Merison
- Continue strategy of expanding market position and driving into higher value segments and services

1) Constant exchange rates

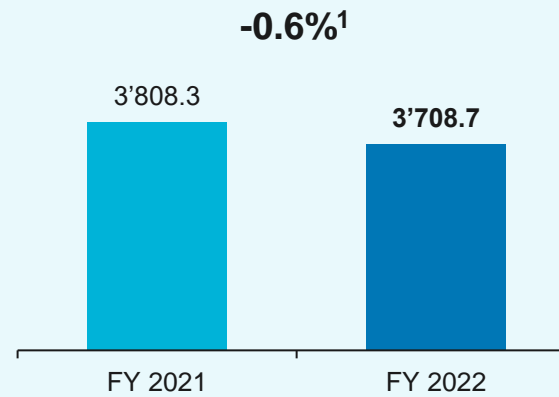
2) For 2021: Expenses for the Long-Term Incentive Plan (LTIP) are partly reclassified from Other to the four Business Units. Share of profit and loss of associates are reclassified from Business Unit Consumer Goods to Other.



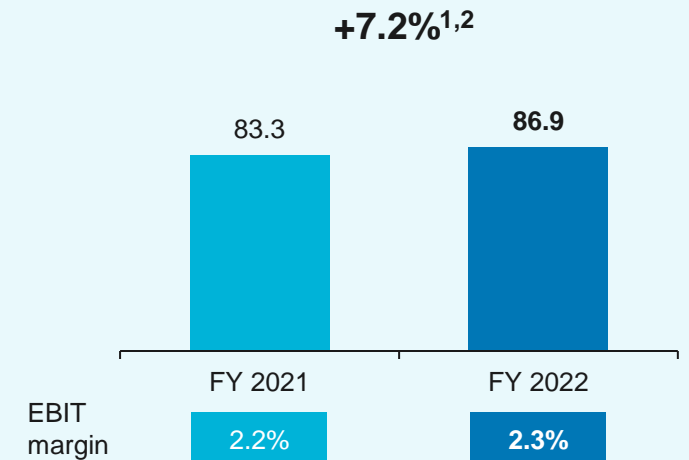
Business Unit Consumer Goods



Net sales (in CHF million)



EBIT (in CHF million)



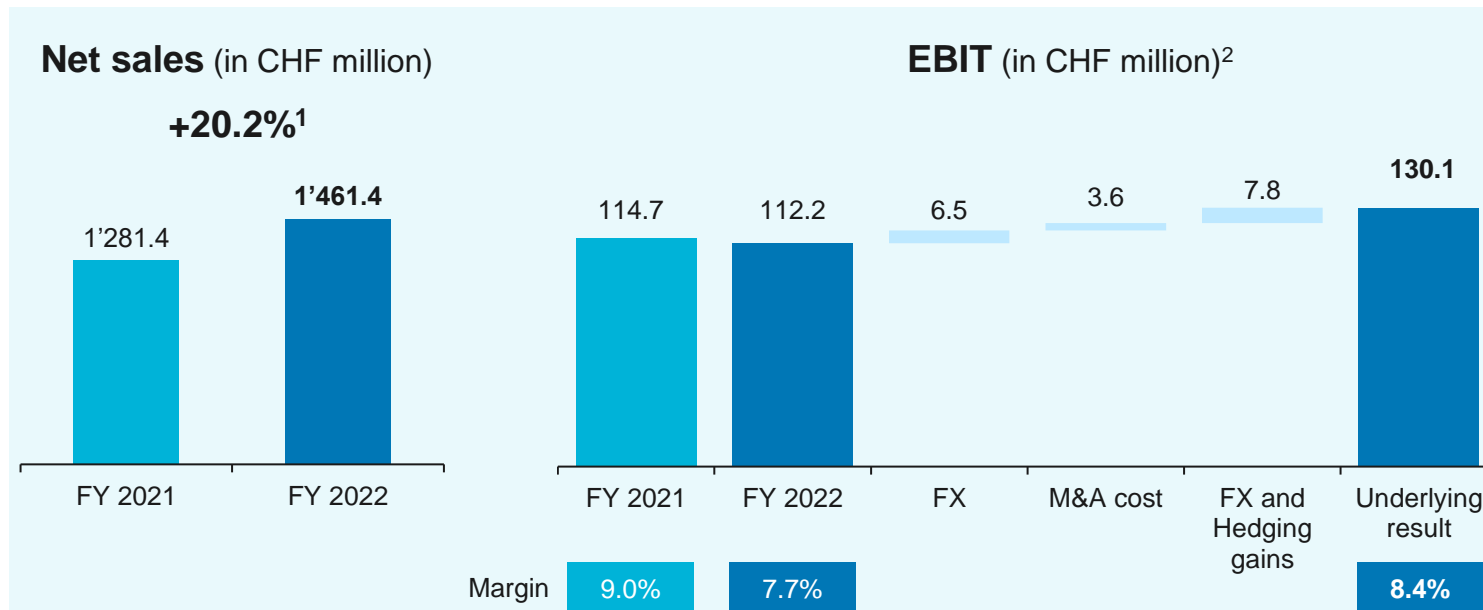
- Successful transformation delivers highest EBIT since 2017
 - Focus on value-added services
 - Portfolio rationalization
 - More flexible and leaner structure
- Net sales broadly at last year's level
 - Reasonable price increases to customers
 - Subdued volumes across APAC markets
- Continue strategy of capitalizing on our leadership position in Asia Pacific

1) Constant exchange rates

2) For 2021: Expenses for the Long-Term Incentive Plan (LTIP) are partly reclassified from Other to the four Business Units. Share of profit and loss of associates are reclassified from Business Unit Consumer Goods to Other.



Business Unit Performance Materials



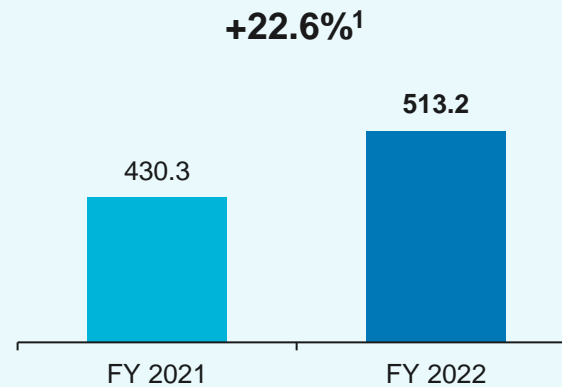
- Double-digit Net Sales growth benefitting from industry demand and business development
- Underlying result of CHF 130.1 million considers:
 - CHF 112.2 m EBIT
 - + CHF 6.5 m FX impact (translational)
 - + CHF 3.6 m M&A costs
 - + CHF 7.8 m FX and Hedging gains (realized)
- Global business with four acquisitions in Europe, one in Asia and one in North America
- Continue strategy of strengthening leading position in specialty chemicals and ingredients distribution

1) Constant exchange rates

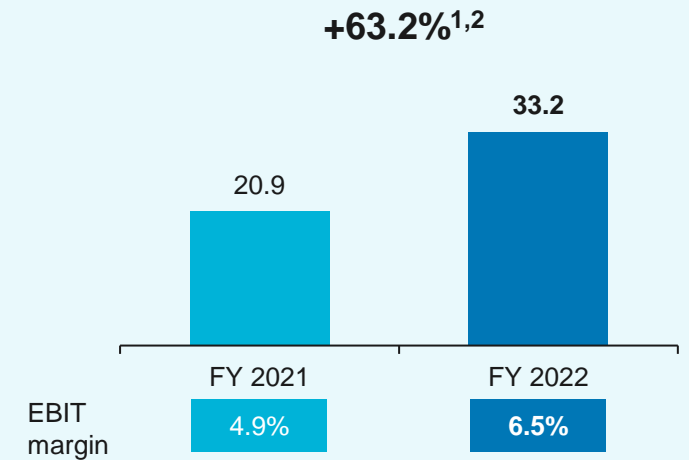
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Net sales (in CHF million)



EBIT (in CHF million)



- Successful strategy execution with results exceeding pre-Covid levels
- Key growth drivers:
 - Investments into Southeast Asia
 - Focusing Business Lines
 - Expansion of consumables and services
 - M&A contribution (DNIV)

- DKSH Technology is confident that it will continue to build resilience and deliver growth by prioritizing strategic focus areas

1) Constant exchange rates

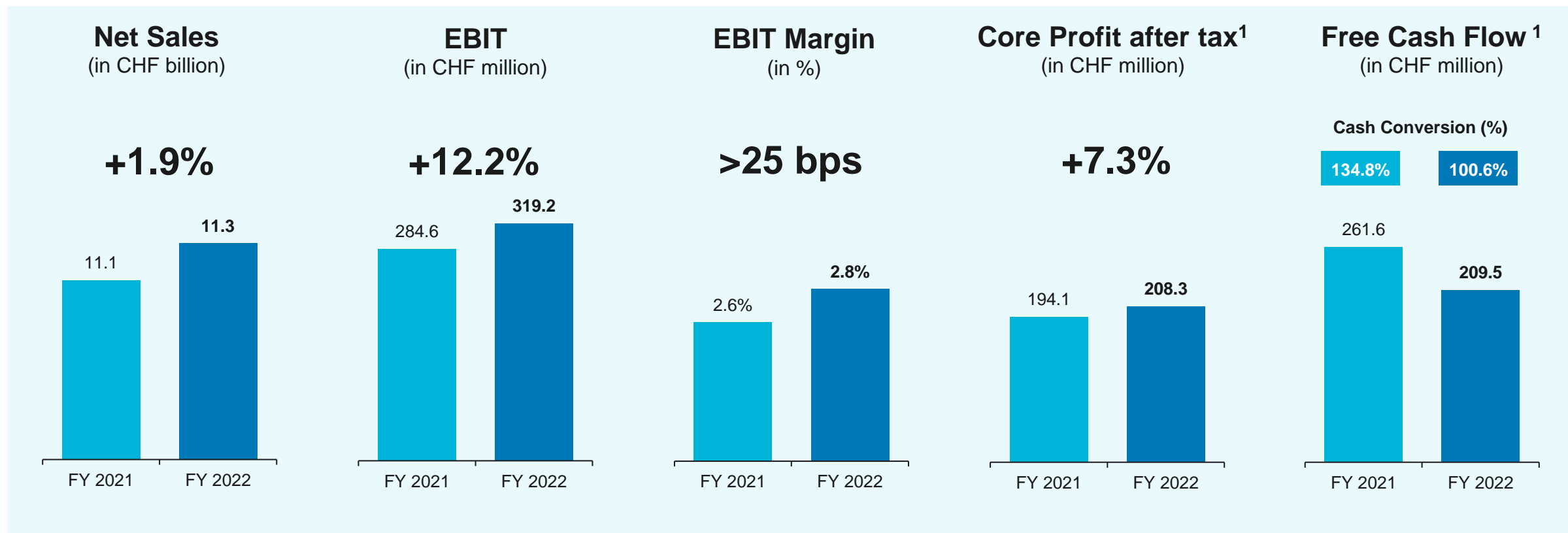
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3

Financial Update



FY 2022 – Overview Key Financials

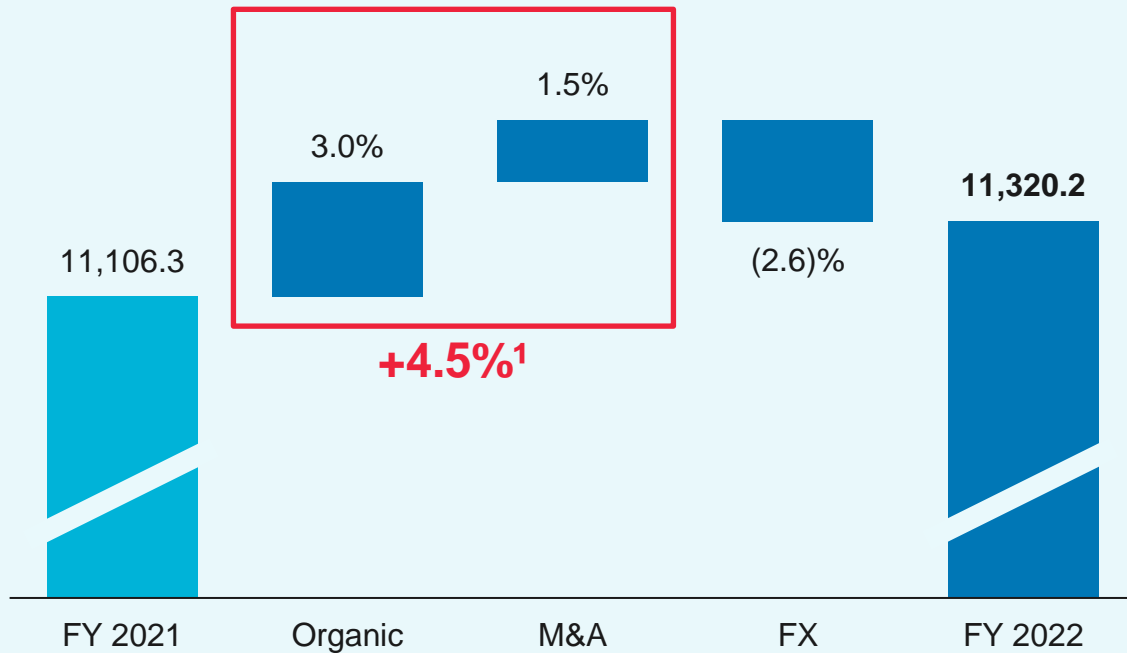


DKSH reports double-digit EBIT growth and improved margins

1) For the definition of Alternative Performance Measures (APM), see Annual Report 2022

Solid Net Sales Growth

Net Sales (in CHF million)



Organic

- Organic growth of 3.0%
- Portfolio optimization in Business Unit Consumer Goods

M&A

- Ten acquisitions in 2022
- Sound multiples paid and margins accretive
- Additional projects in the pipeline

FX

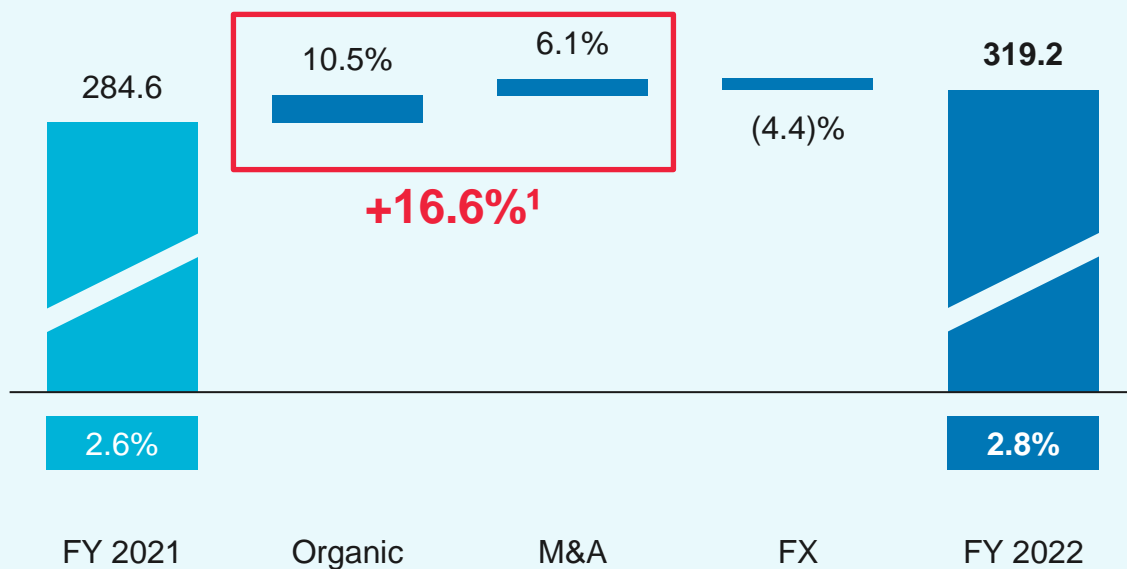
- Translational FX impact of -2.6%
- Impact from the strengthening of the Swiss franc in the period



DKSH aspires to deliver GDP+ growth

Double Digit EBIT Growth

EBIT (in CHF million)



- EBIT of CHF 319.2 million corresponds to a **double-digit growth in organic terms**

- EBIT growth (in CER)¹ across all Business Units

- Margin-accretive **M&A**



Profitability increasing

1) At constant exchange rates (CER)
For the definition of Alternative Performance Measures (APM), see Annual Report 2022

Continued Strong Balance Sheet Enables Dividend Distribution and Acquisitions



in CHF million	FY 2021	FY 2022
Cash/Liquid assets	673.7	636.4
Trade receivables	2,049.1	2,030.9
Inventories	1,164.4	1,277.3
Intangibles	394.8	825.4
Right-of-use assets	273.9	317.4
Other assets	791.5	791.3
Trade payables	2,212.6	2,233.2
Borrowings	306.4	678.7
Lease liabilities	280.7	333.9
Other liabilities	661.3	806.6
Total equity	1,886.4	1,826.3
Total equity and liabilities	5,347.4	5,878.7
Net Cash / (Debt)¹	367.3	(42.3)

Liquidity and Working Capital:

- Strong liquidity position maintained
- Continued focus on timely collection and payments: Trade Receivables and Payables (as % Net Sales) on sequential improvement and lowest since pre-pandemic
- Inventory: normalized from 2021 supply constraints, M&A, and early phasing of Chinese New Year in 2023

Use of Cash and Capital Structure:

- Total M&A of CHF 472.9 million:
 - Acquisition of businesses (CHF 433.6 million)
 - Acquisition of trademarks (CHF 39.3 million)
- Dividend payment (CHF 133.2 million)
- Marginal Net Debt position¹ of CHF 42.3 million
- Strong Equity ratio of 31.1%
- Significant headroom for further leverage

1) For definition of Alternative Performance Measures see Annual Report 2022

Additional Financial Indications



	FY 2020	FY 2021	FY 2022	FY 2023 estimate	Mid-term estimate
M&A (net sales contribution)	2.1%	0.8%	1.5%	2.5% to 3.0% ¹	Further M&A ambitions
FX (net sales contribution)	(5.1%)	(2.0%)	(2.6%)	(2.5%) ²	n.a.
Tax rate (% of profit before tax)	26.1%	27.8% ³	27.1%	27% to 29%	27% to 29%
Capex (% of net sales)	0.4%	0.5%	0.4%	0.5%	0.5%

1. Based on acquisitions signed and closed until publication of Full-Year 2022 results

2. If current spot rates prevail for the remainder of the year

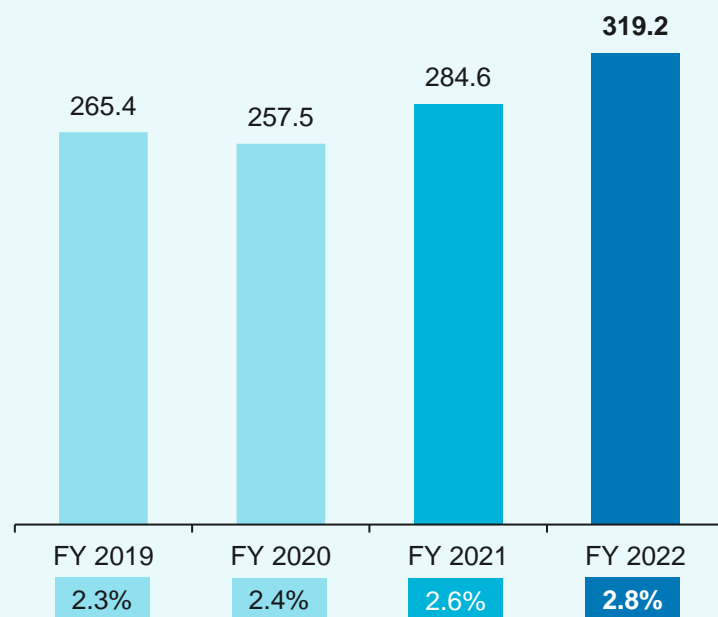
3. Excludes gain on sale to aCommerce (CHF 10.3 million) and share of loss in associate (CHF -9.1 million) as well as revaluation gain of aCommerce (CHF 34.8 million)

Overview Key Financials 2019 to 2022



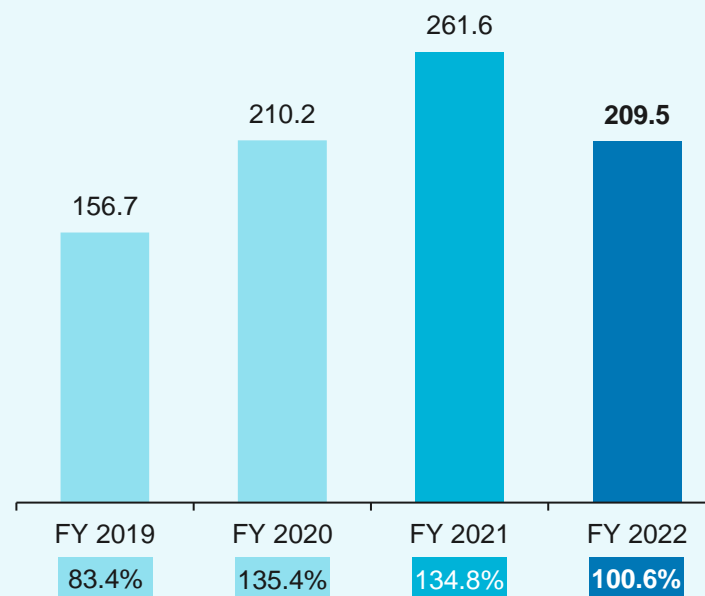
EBIT and EBIT Margin

(in CHF million and %)



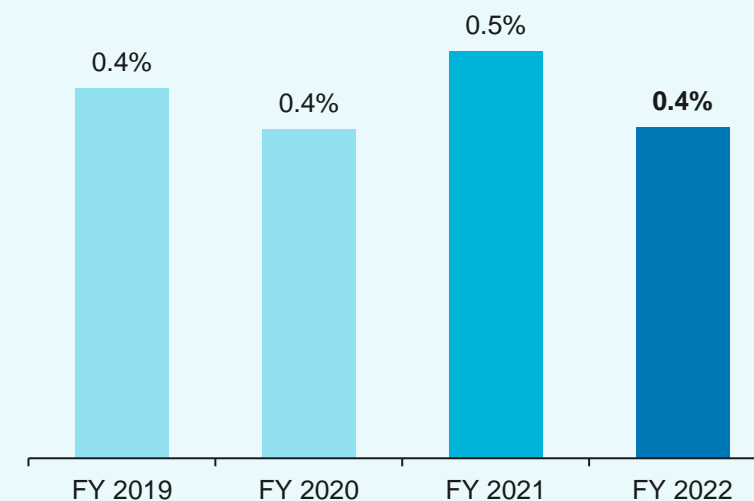
Free Cash Flow and Cash Conversion¹

(in CHF million and %)



CAPEX / Net sales

(in %)



Throughout the pandemic DKSH reports higher EBIT, increased EBIT margins and good cash conversion

1) For definition of Alternative Performance Measures see Annual Report 2022

4

Outlook



Outlook



Current macroeconomic landscape

- Economic recovery in Asia is expected to continue, but at a lower pace due to weakening global demand
- The GDP growth forecast for Southeast Asia are higher than other regions globally due to robust consumption and border openings
- Temporary relief from rising consumer prices expected in the region with inflation still settling at lower levels compared to most markets in the Western World
- Southeast Asia will benefit from easing travel restrictions, especially tourism-oriented markets such as Thailand

Prospects for 2023 and beyond

- EBIT Growth in 2023 expected, assuming
 - Economic growth in Asia Pacific
 - Stable exchange rates
 - Barring unforeseen events
- Acquired businesses will contribute to the growth in 2023
- Focus on disciplined strategy execution
- Confident about Asia's long-term potential

> DKSH is well positioned to benefit from favorable long-term market, industry, and consolidation trends in Asia Pacific



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