

# First quarter 2022

**BUCHER**

Investor relations handout – spring 2022  
Public



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Bucher at a glance

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# Long-term orientation considering all stakeholders

Our contribution to a safe, healthy and sustainable living environment



Our mission is to...

... develop and manufacture economical, state-of-the-art and environmentally sustainable machinery and drive systems,

... while protecting our environment and doing business with integrity and fair conduct.

# Sales by division 2021



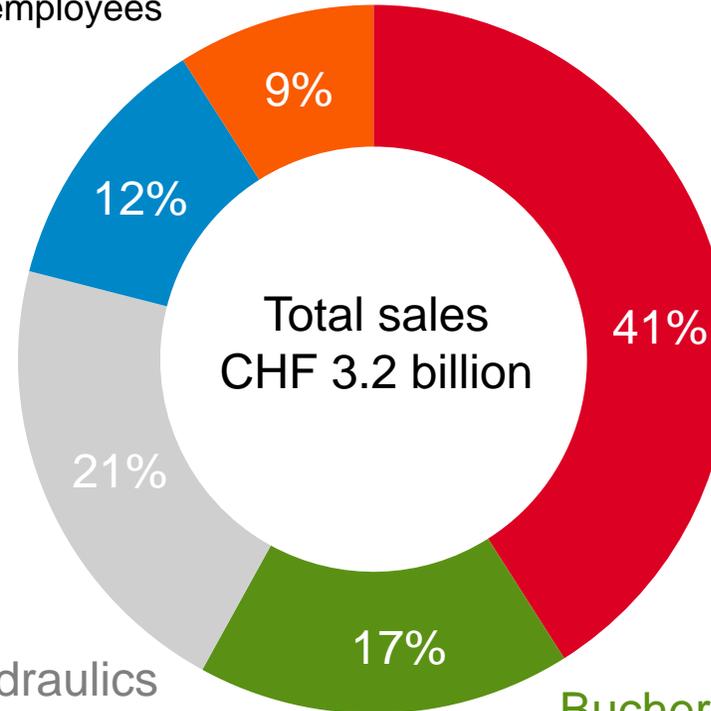
**Bucher Specials**  
CHF 320 million sales  
1'000 employees



**Kuhn Group**  
CHF 1'320 million sales  
5'800 employees



**Bucher Emhart Glass**  
CHF 390 million sales  
1'600 employees

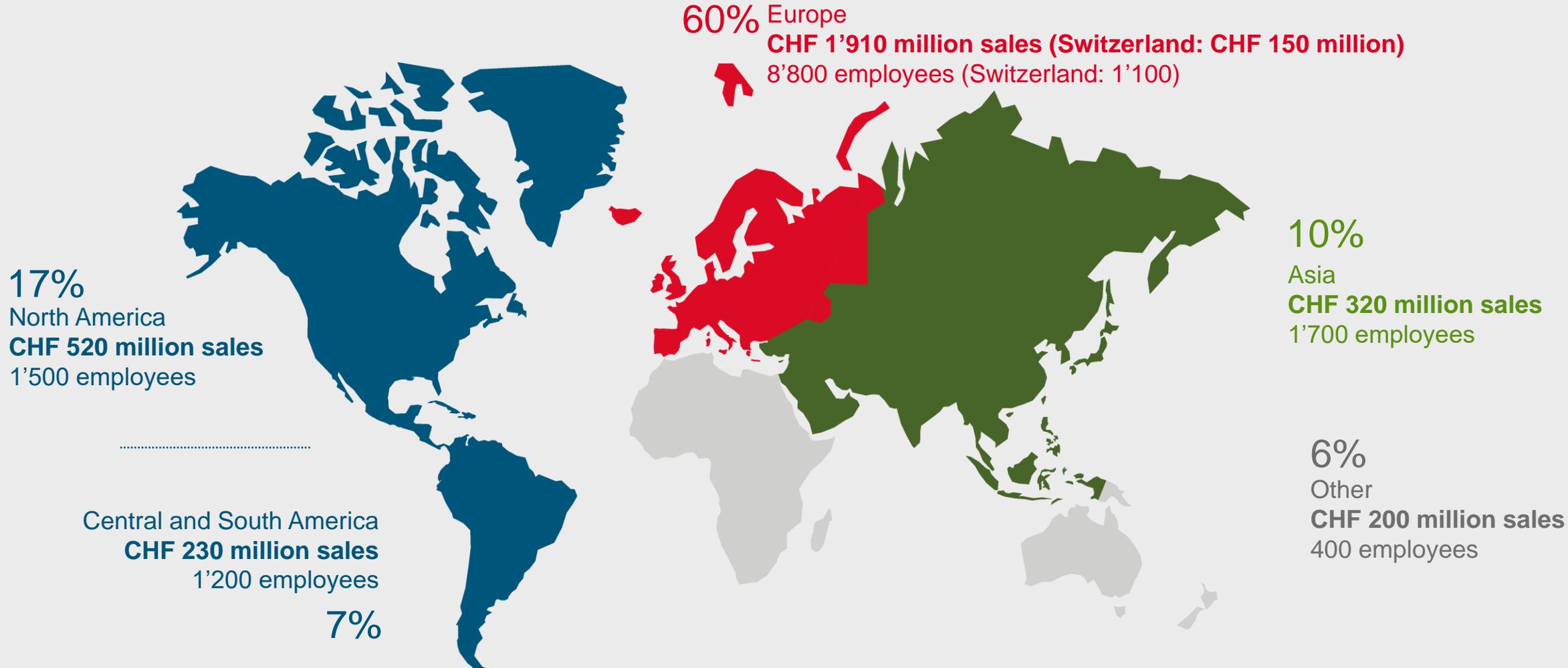


**Bucher Hydraulics**  
CHF 680 million sales  
2'800 employees

**Bucher Municipal**  
CHF 520 million sales  
2'300 employees



# International Group



# Leader in selected markets



## Kuhn Group

World market leader  
in forage harvesting machinery  
and feed mixers



## Bucher Municipal

European market  
leader in sweepers



## Bucher Hydraulics

World market leader  
in hydraulic power packs



## Bucher Emhart Glass

World market leader in glass container  
manufacturing equipment



## Bucher Specials

World market leader  
in fruit juice and  
winemaking equipment

# Bucher at a glance

## Key facts 2021

### Financials

CHF 3.2 billion sales

11.1% EBIT margin

### Employees

13'600

locally hired, highly skilled

### Global presence

> 50 production sites

on 5 continents

### Origins

founded in 1807

headquartered in Switzerland

### Ownership

listed on SIX Swiss Exchange

founding family holding 35%

# Our principles and values



## Management principles

- Decentralised responsibility, strong alignment with markets
- Centrally coordinated with lean corporate centre structure
- Leadership by strategic and financial planning and talent management

## Common values

- Long-term orientation
- Sustainable economic value creation for all stakeholders

# Sustainability strategy

## Objectives



### Customers

- Keep customers happy
- Develop innovative products and optimal solutions
- Ensure customer health and safety practices and procedures



### Employees

- Be an attractive employer and offer internal career opportunities
- Develop employees by offering training
- Safeguard health and safety at work
- Foster a diverse and inclusive culture



### Environment

- Develop new machinery and equipment that enable customers to improve their environmental sustainability
- Reduce CO<sub>2</sub> emissions in production



### Compliance

- Do business with integrity and professionalism and conduct ourselves fairly towards customers, colleagues, business partners, competitors and authorities

# Our goals



## Develop continuously

- Technological leadership for a strong market position
- Long-term customer relationships with superior support
- Reduction of ecological footprint
- Passionate and dedicated employees
- Profitable growth, return on net operating assets (RONOA) > 20%, sound balance sheet

## Strengthen our divisions

- Innovation and market penetration for organic growth
- Acquiring complementary businesses

Group: financial review

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# Key figures

## Performance

CHFm					Change in
<b>First quarter</b>	<b>2022</b>	<b>2021</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>%<sup>2)</sup></b>
Order intake	980	906	8.2	10.6	9.3
Net sales	830	733	13.2	15.8	14.7
Order book	1'925 <sup>3)</sup>	1'263	52.4	55.7	53.8
Number of employees at closing date	14'027	13'388	4.8		4.3
<b>Full year</b>	<b>2021</b>	<b>2020</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>%<sup>2)</sup></b>
Order book	1'873	1'081	73.2	73.5	71.3
Net sales	3'176	2'741	15.9	15.9	14.2
Operating profit (EBIT)	352	204	72.4		
% of net sales	11.1%	7.4%			

<sup>1)</sup> Adjusted for currency effects

<sup>2)</sup> Adjusted for currency and acquisition effects

<sup>3)</sup> Excluding cancelled orders of CHF 57 million in connection with Russia and Ukraine

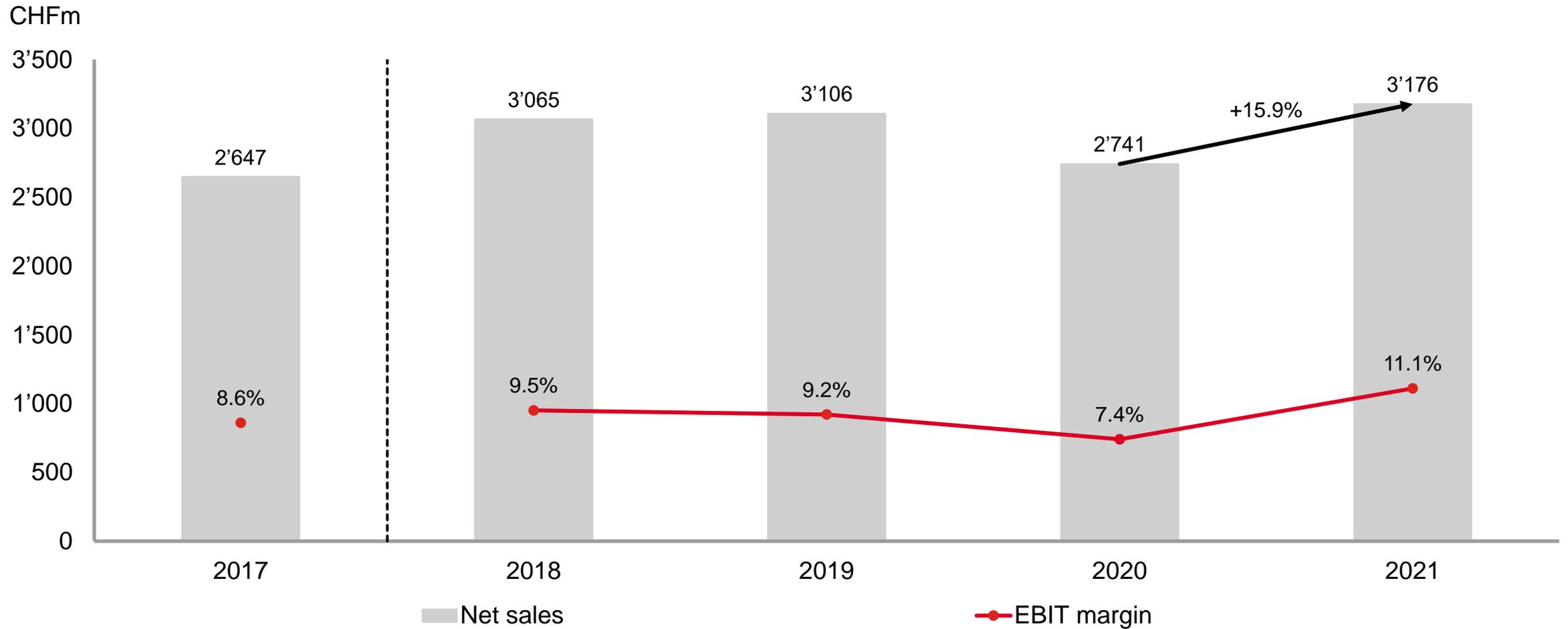
# Key figures

## Performance

<b>CHFm</b>			<b>Change</b>
<b>Full year</b>	<b>2021</b>	<b>2020</b>	<b>%</b>
Profit for the year	269	152	77.2
% of net sales	8.5%	5.5%	
Earnings per share in CHF	25.96	14.71	76.5
Capital expenditure	74	72	1.8
Operating free cash flow	271	313	-13.5
Net cash/debt	551	404	36.4
Equity	1'533	1'391	10.2
% of total assets (equity ratio)	55.4%	57.2%	
Net operating assets (NOA) average	1'052	1'151	-8.6
Return (RONOA) after tax %	25.6%	13.5%	

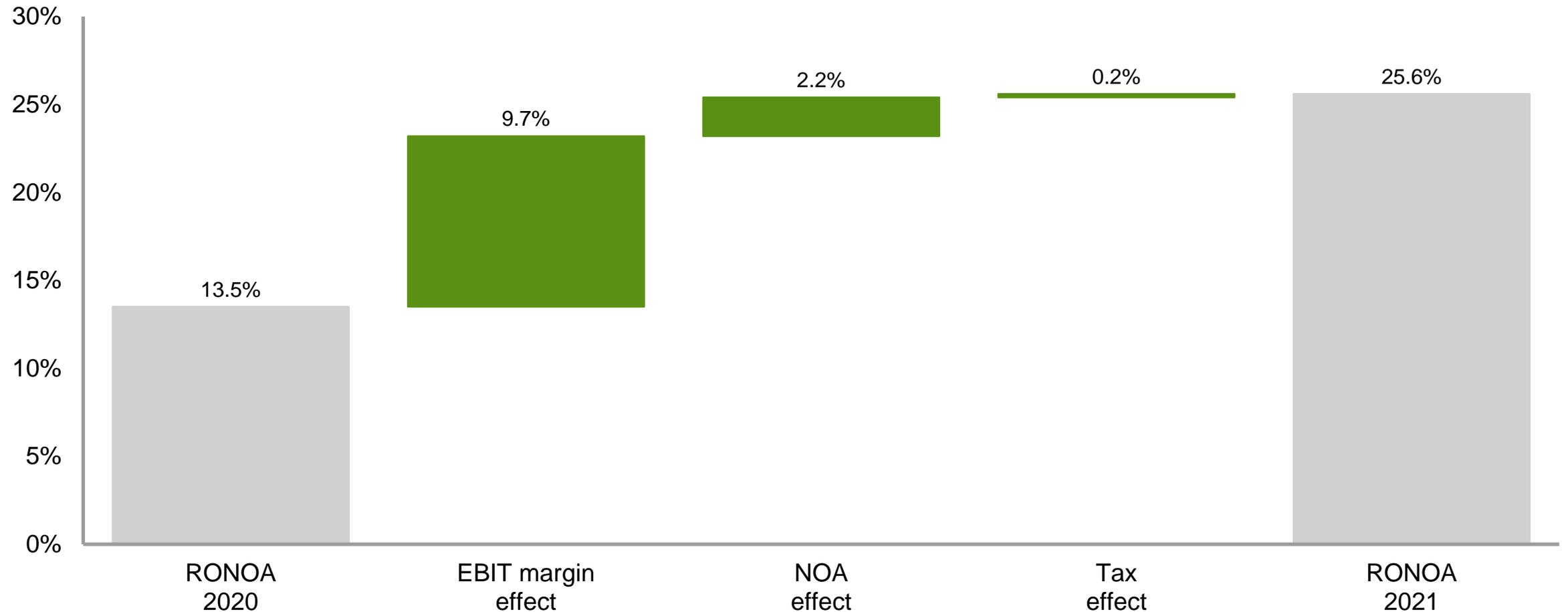
# Strong increase in sales and profitability

Performance: Net sales and EBIT margin



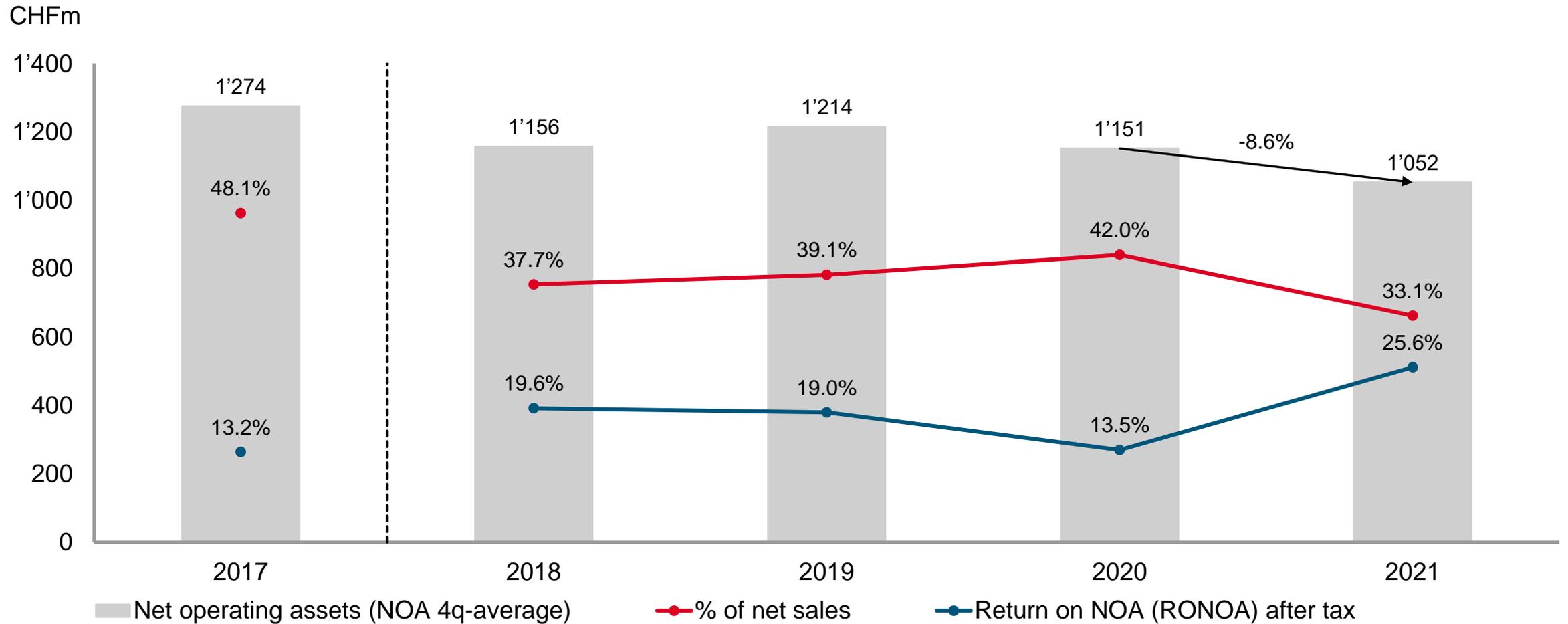
# RONOA continues to exceed the cost of capital

Invested capital: Return on net operating assets (RONOA)



# Strong decrease in NOA

Invested capital: Net operating assets (NOA)



# Acquisitions 2020

## Invested capital

2020

Bucher  
Municipal

Eurovoirie,  
France



Net sales<sup>1)</sup>  
CHF 34 million<sup>2)</sup>

Employees  
75

Bucher  
Specials

Luzzysa,  
Spain



Net sales<sup>1)</sup>  
CHF 4 million

Employees  
20

Bucher  
Municipal

Spoutvac,  
Australia



Asset Deal

Net sales<sup>1)</sup>  
CHF 16 million

Employees  
35

Bucher  
Municipal

Richards Coach Works,  
Australia



Asset Deal

Net sales<sup>1)</sup>  
CHF 1 million

Employees  
20

<sup>1)</sup> before acquisition

<sup>2)</sup> of which more than half with Bucher Municipal equipment

# Acquisitions 2021 – 2022

## Invested capital

2021

Kuhn Group

Khor,  
Brazil



Bucher  
Specials

Merk Process,  
Germany



Bucher  
Hydraulics

Lenze Mobile Drives,  
Switzerland



2022

Bucher  
Specials

Denwel,  
Czech Republic



Asset deal (carve-out)

Net sales<sup>1)</sup>  
CHF 5 million

Employees  
80

Net sales<sup>1)</sup>  
CHF 5 million

Employees  
20

Net sales<sup>2)</sup>  
CHF 15 million

Employees  
30, mainly in engineering  
and sales

Net sales<sup>1)</sup>  
CHF 7 million

Employees  
40

<sup>1)</sup> before acquisition

<sup>2)</sup> 12 months following acquisition date

# Key investment projects

## Invested capital

### Kuhn Group

Additional robot welding cells in Broadhead, WI, USA

Increased welding capacity to counter shortages



### Bucher Municipal

New building in Dorking, UK, with highest sustainability standards

For assembly of the “MaxPowa V65e”, of sewer cleaning equipment for the local market, etc.



### Bucher Hydraulics

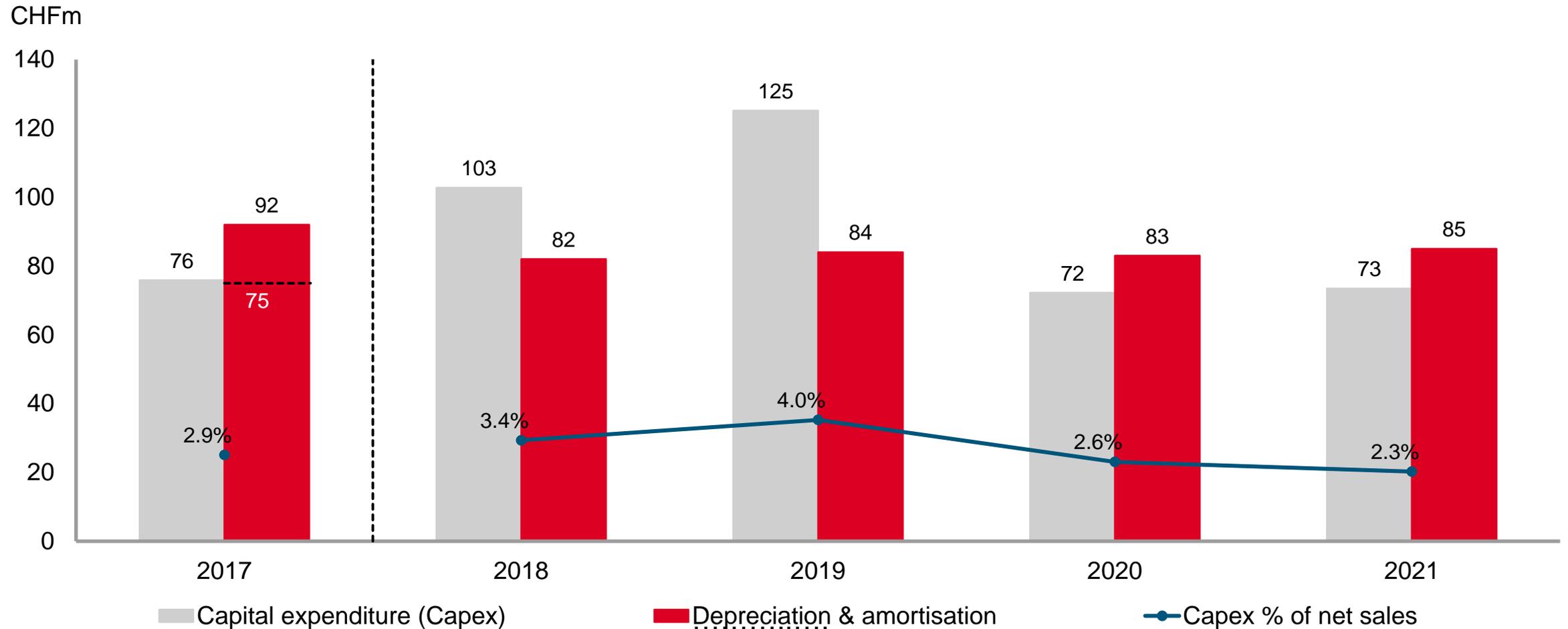
Fully automatic high-bay warehouse in Klettgau, Germany

Will enable more than 2'000 retrievals per day, saving energy, distance, time and costs



# Investment activity continued at reduced level

Invested capital: Capital expenditure



# Selected development projects

## Invested capital

### Kuhn Group

New digital service package  
“Kuhn CCI Connect Pro»

Connecting the tractor’s CCI terminal to “MyKUHN”, e.g. to use a prescription map for precise application of seeds



### Bucher Municipal

Fully electric “CityCat V20e” with liquid sprayer “Husky Le”

“CityCat V20” series rounded off with winter applications: for a low-noise and emission-free all-year solution



### Bucher Unipektin

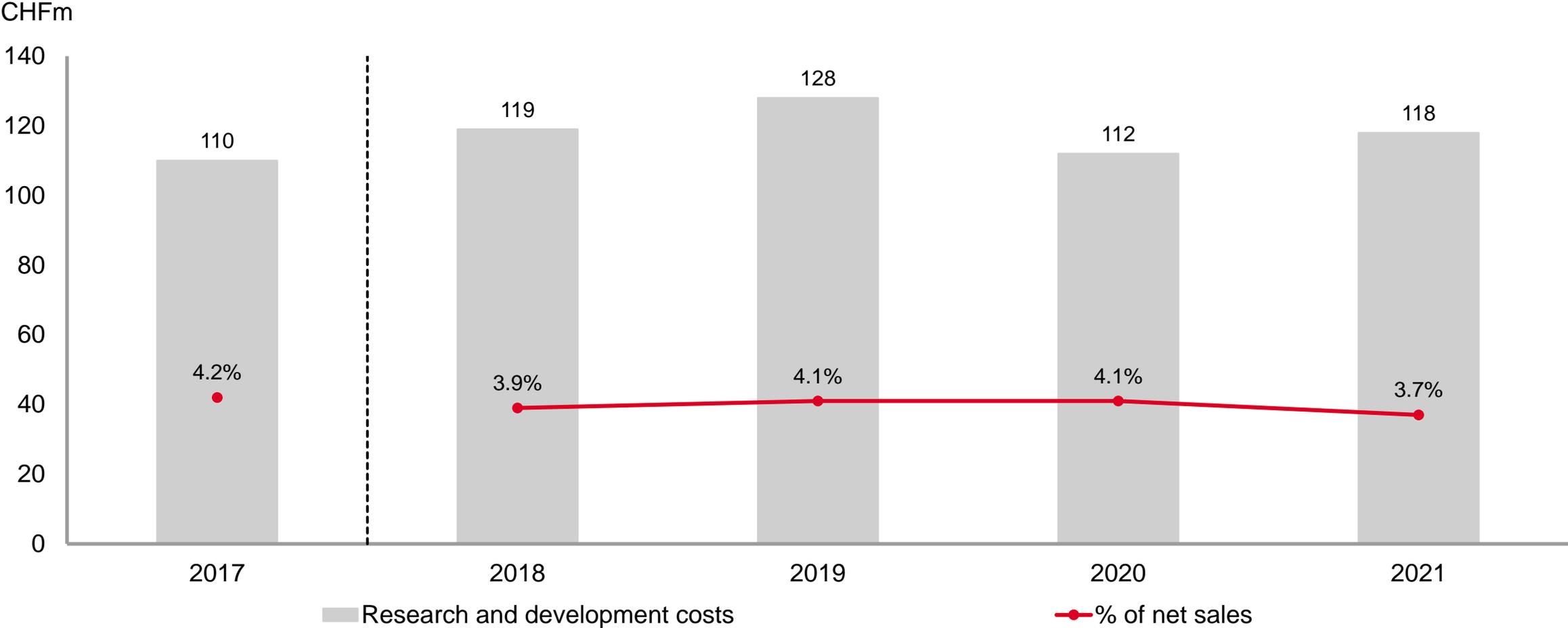
“CERINOX” filter solution with “Crossflow” technology

Using surplus yeast to produce beer in a process that consumes less energy and water



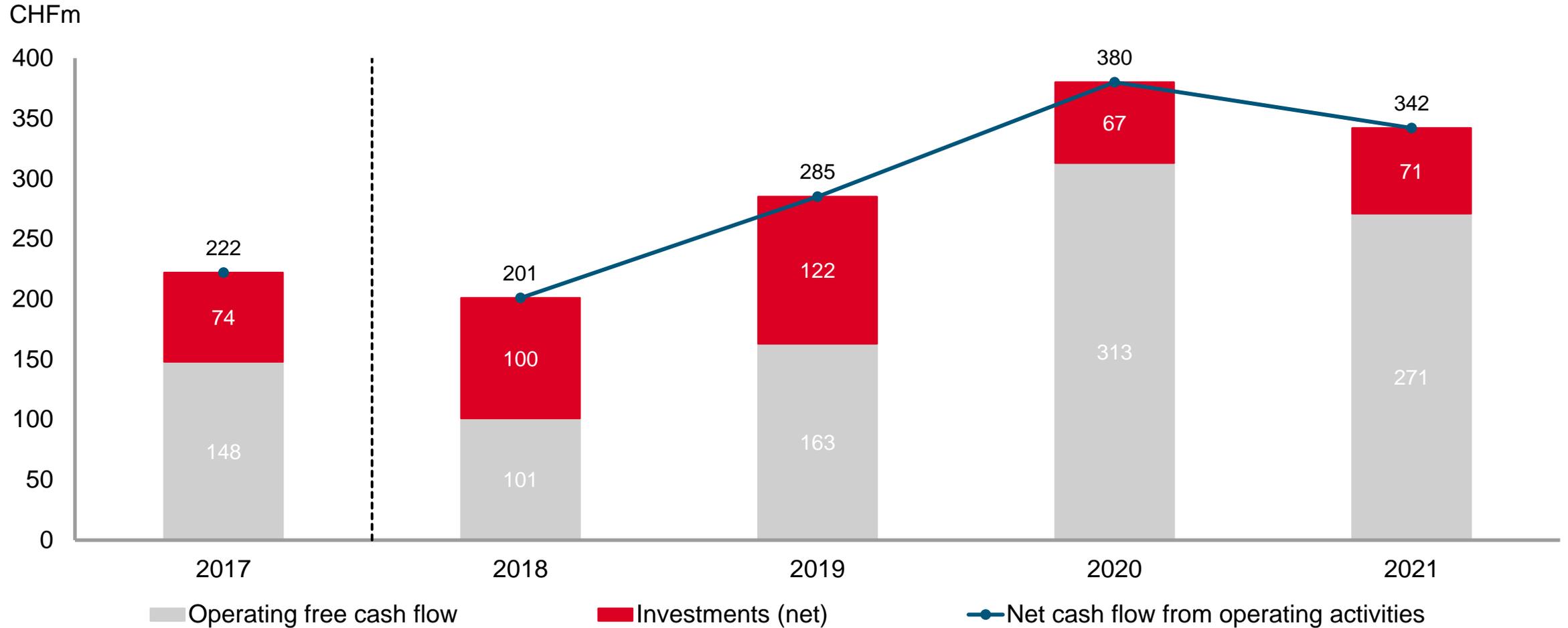
# Continued investment in innovation

Invested capital: Research and development costs



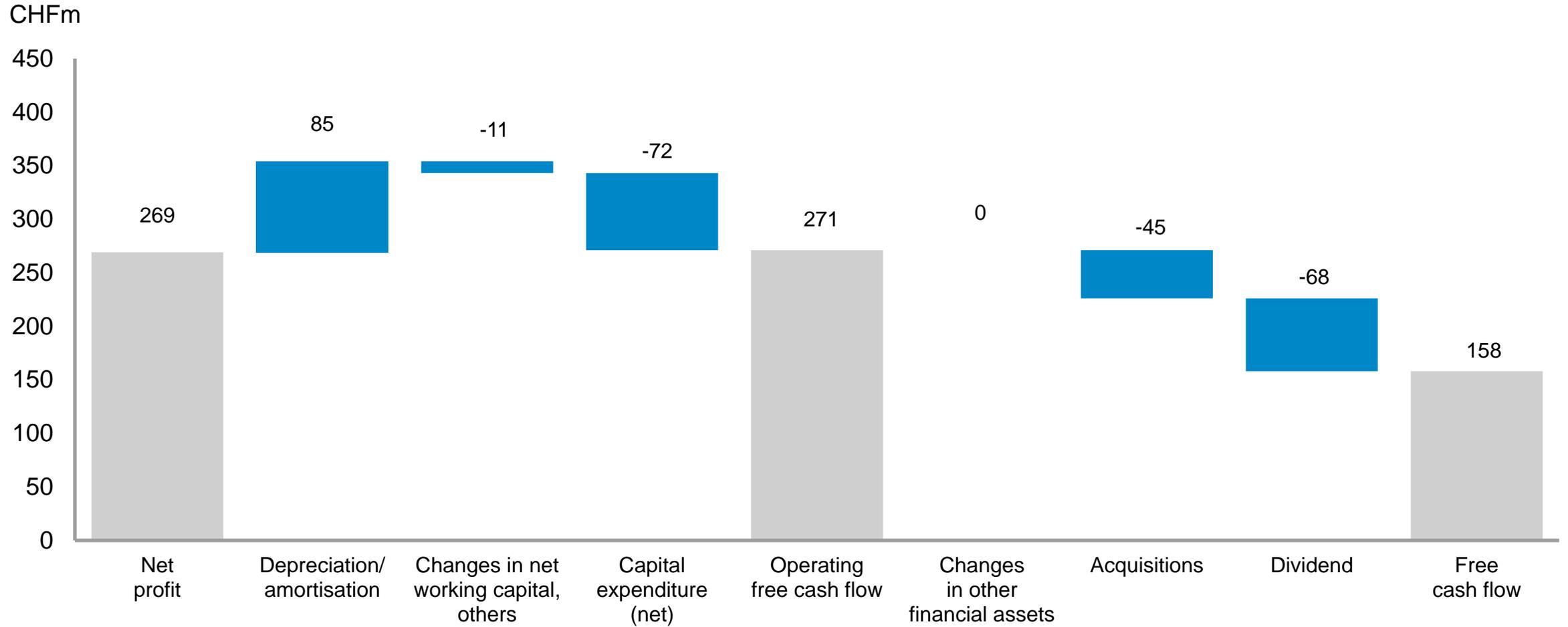
# Operating free cash flow still on a high level

Financing and risk management



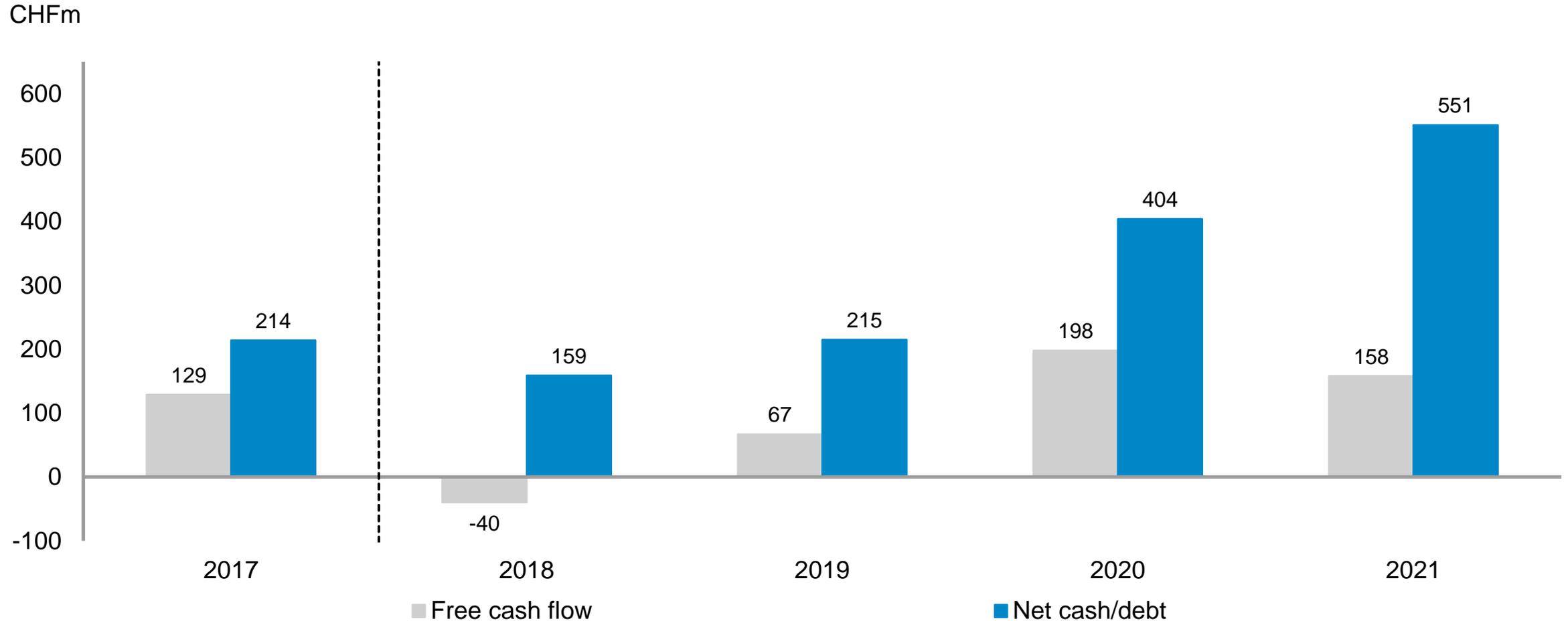
# High positive free cash flow

## Financing and risk management



# Higher net cash

## Financing and risk management



Divisions: Our activities

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# Kuhn Group

Specialised agricultural machinery

## Arable farming



Ploughing



Tillage



Seeding



Fertilisation



Spraying

## Dairy and livestock farming



Hay and forage harvesting



Feed storage



Bedding and feeding



Manure spreaders



Hedge cutters

## Landscape maintenance

# A key player in the global agricultural equipment market

Strategic focus of Kuhn Group



Support modern agriculture and connect with customers

- Large machines for large farms
- Digital solutions for precision farming and customer retention
- Close to customers: new distribution centres

# Complete product range under the Kuhn brand

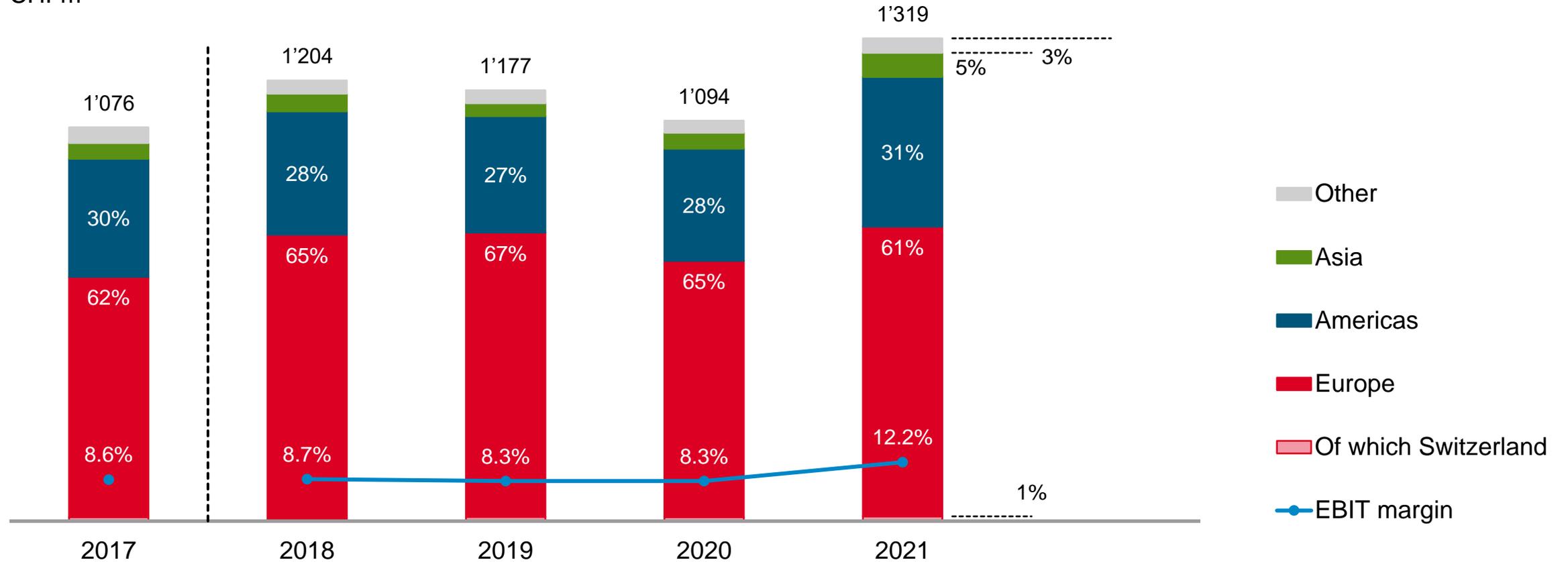
Kuhn Group

	Mowers	Hay and forage		Balers	Hedge cutters	Feed mixers	Tillage equipment		Seeding	Planting	Spreaders	Sprayers	Tractors	Harvesters self-propelled
		Tedders	Rakes				powered	non-powered						
<b>Kuhn Group</b>														
John Deere														
CNHi														
AGCO														
Claas														
Krone														
Amazone														
Pöttinger														
Kubota / Kverneland / Great Plains														
Exel Group / Hardi														
Lemken														
Horsch														
Väderstad														
Same-Deutz-Fahr														
Maschio Gaspardo														

# Net sales by region

Kuhn Group

CHFm

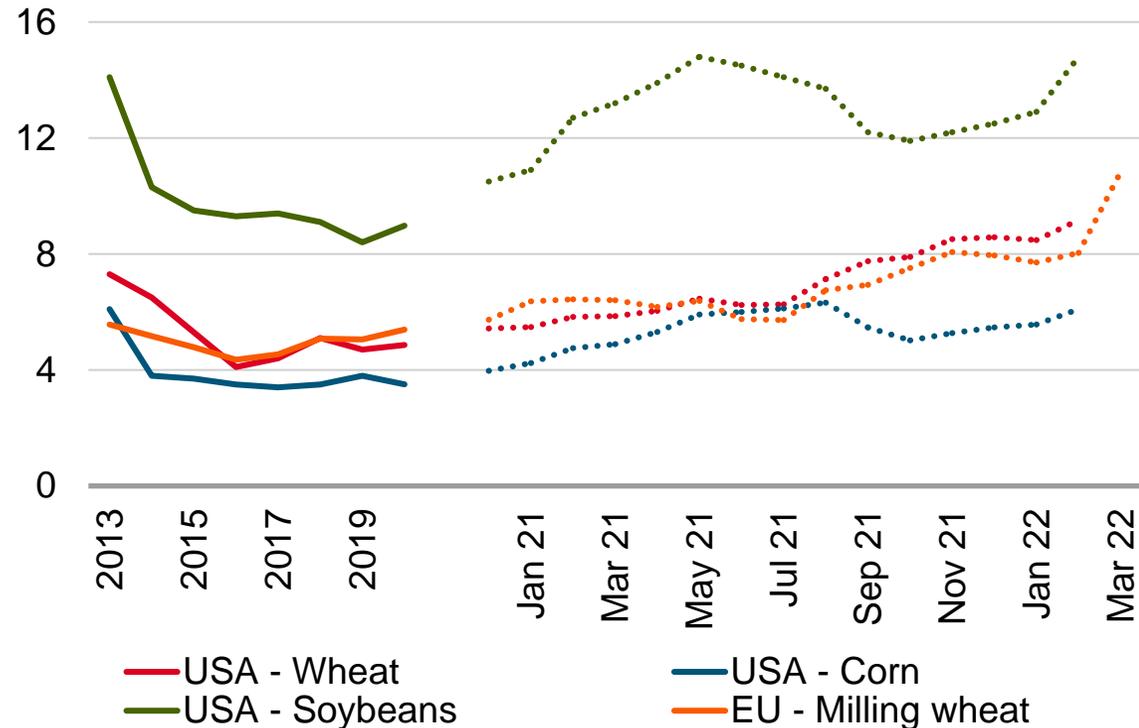


# Price development soybeans, corn, wheat, milk

(average prices until March 2022, if available)

## Crop price

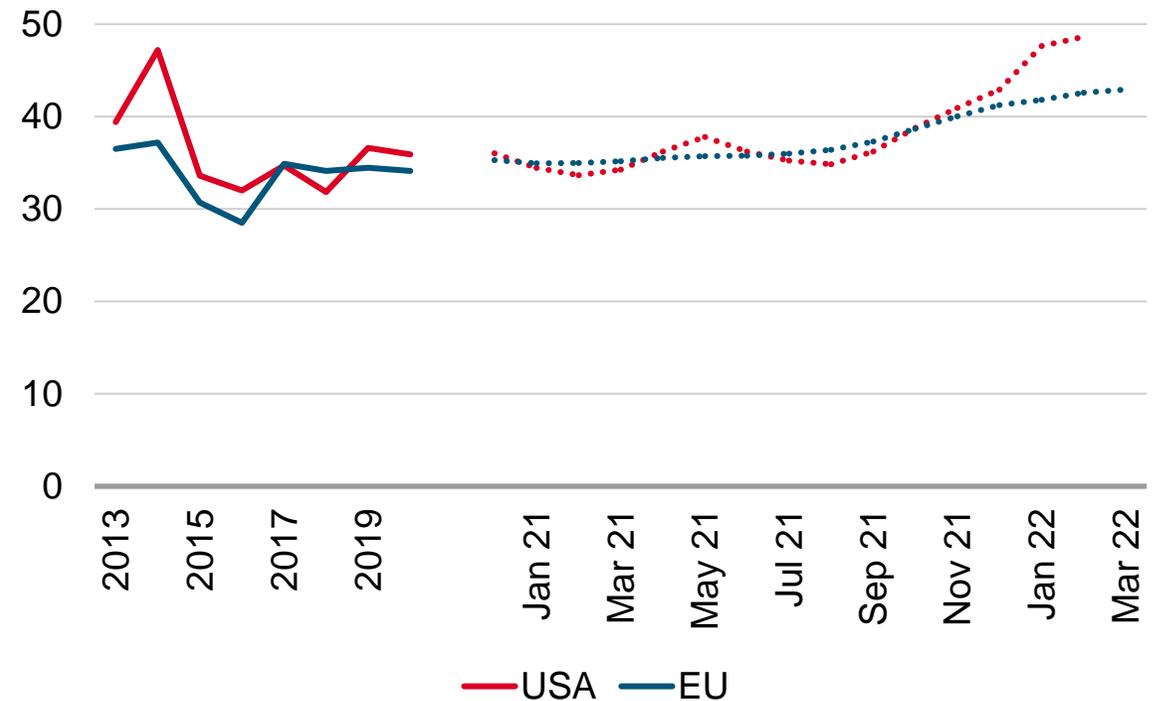
EUR and USD / bushel



Note: EU milling wheat prices for Rouen (France)  
Source: USDA, European Commission

## Milk price

EUR and USD / 100 kg

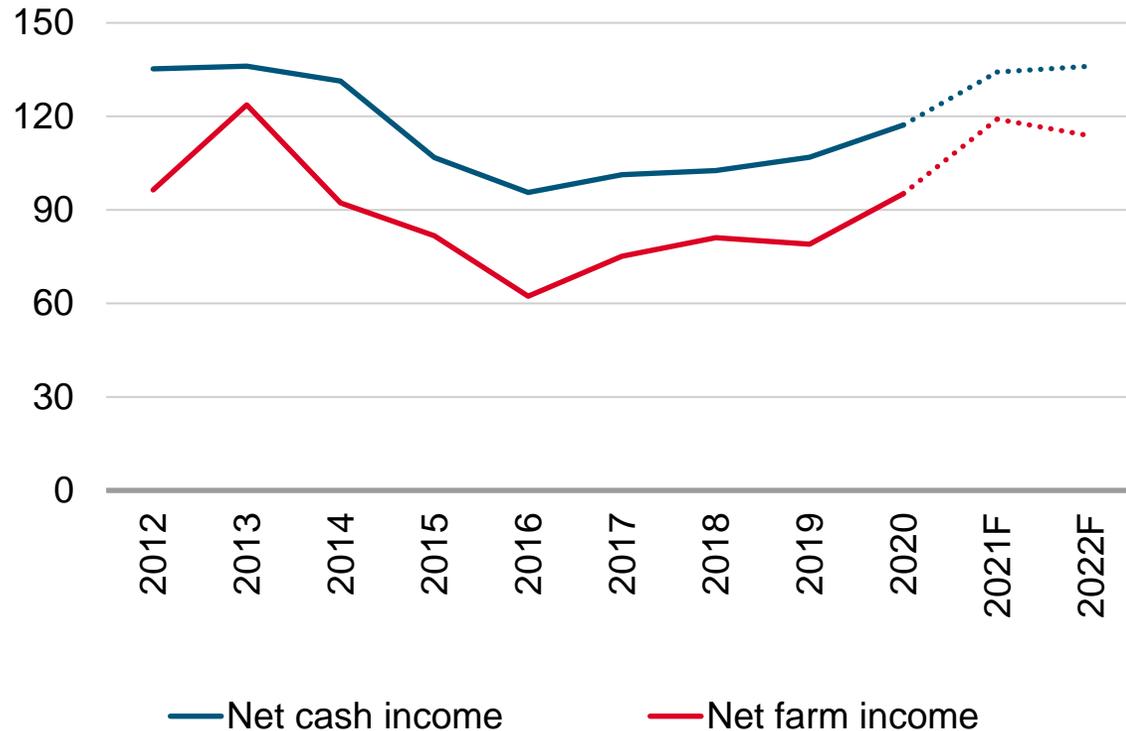


Note: After Dec 2019, prices for EU without UK. EU price for March 2022 provisional  
Source: USDA, [www.clal.it/en/?section=latte\\_europa\\_mmo](http://www.clal.it/en/?section=latte_europa_mmo)

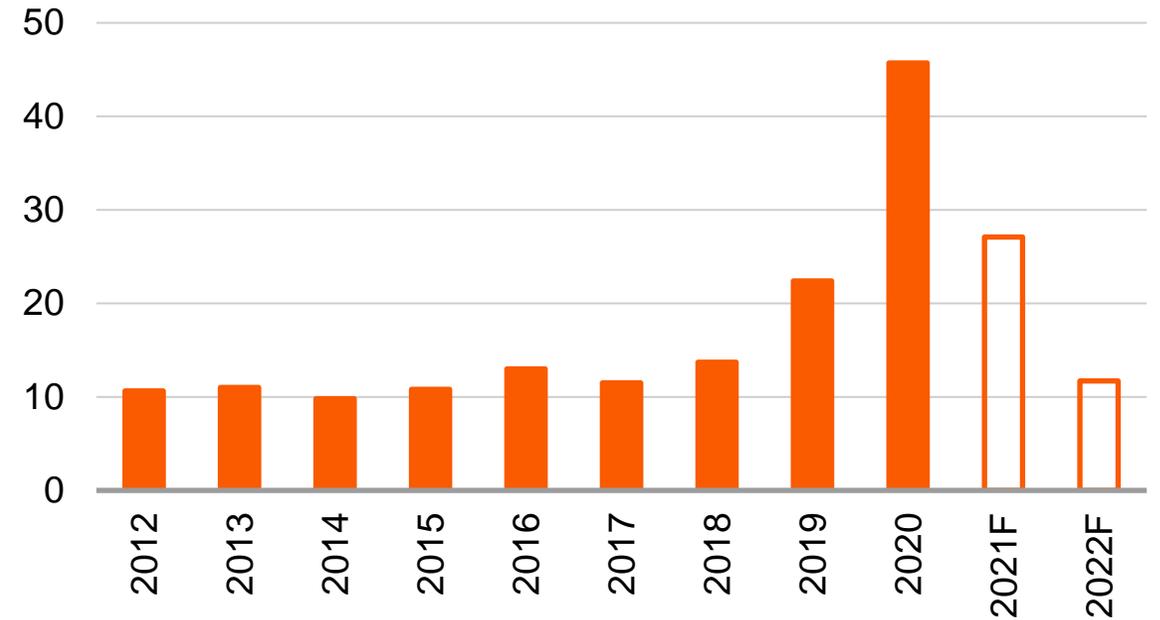
# US farm income (USDA)

(as of 4 February 2022)

**Farm income**  
USDbn



**Direct government payments**  
USDbn



Source: USDA; value in nominal (current) dollars

# Key figures

Kuhn Group

CHFm					Change in
First quarter	2022	2021	%	% <sup>1)</sup>	
Order intake	337	362	-7.0	-5.3	
Net sales	359	332	8.3	10.9	
Order book	844 <sup>3)</sup>	614	37.3	39.9	
Number of employees at closing date	6'106	5'843	4.5		
Full year	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>
Order book	941	587	60.3	62.4	61.4
Net sales	1'319	1'094	20.5	22.1	21.4
Operating profit (EBIT)	161	91	76.9		
% of net sales	12.2%	8.3%			

<sup>1)</sup> Adjusted for currency effects

<sup>2)</sup> Adjusted for currency and acquisition effects

<sup>3)</sup> Excluding cancelled orders of CHF 50 million in connection with Russia and Ukraine

# Market momentum slowing down at very high level

Kuhn Group: outlook for 2022

**Demand for agricultural machines normalising compared to extremely high level of 2021**

- Rising production costs and areas of drought, especially in North and South America
- Good performance in dairy and livestock sector despite higher feed costs and other expenses that put pressure on producers' margins
- Arable sector still underpinned by good crop prices
- Uncertainties and upheavals related to the war in Ukraine

Ongoing difficulties in the supply chain and logistics

**For 2022:** slight increase in sales, in part due to full order book; operating profit margin in double digits despite higher material and personnel costs

# Bucher Municipal

## Municipal vehicles and winter maintenance equipment

Compact sweepers



Truck mounted sweepers



Winter maintenance equipment



Sewer cleaning equipment



Refuse equipment

# “Driven by better”

Strategic focus of Bucher Municipal



## Industrialise production and strengthen service presence

- “One company – one brand” for optimised sales and service
- Strong service coverage in key markets, supported by digital solution “Bucher Connect”
- Market penetration with new line of electric-powered sweepers, winter maintenance equipment and refuse collection vehicles
- Greater efficiency due to modularisation

# Complete product range under one brand

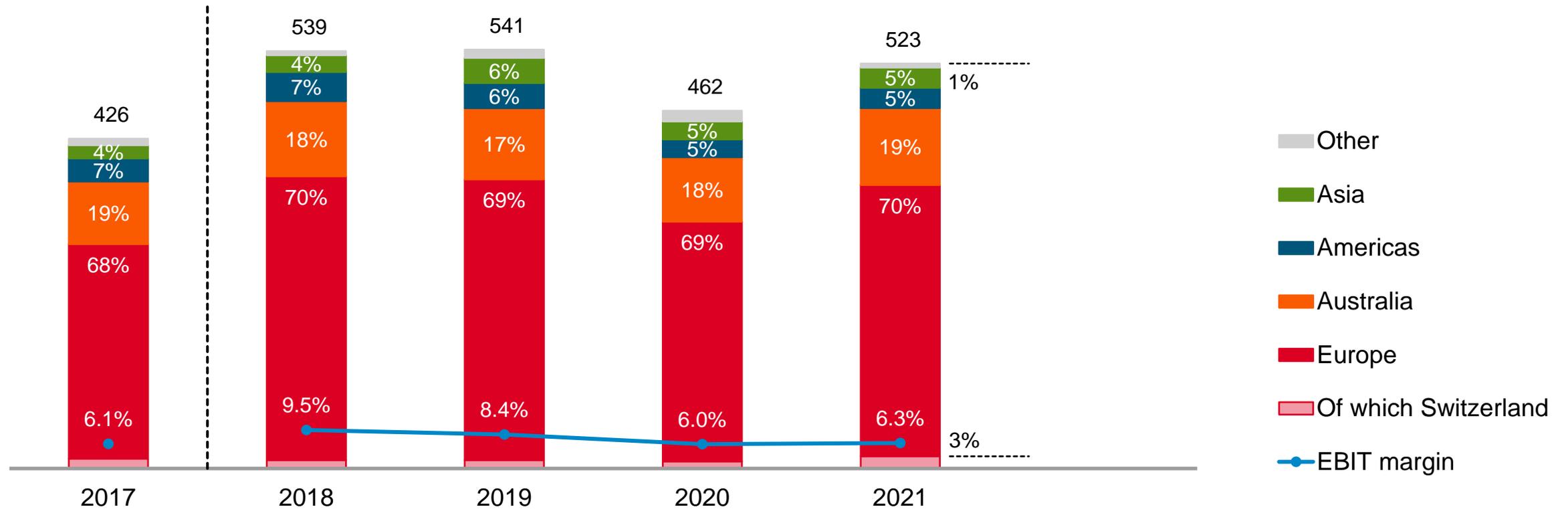
Bucher Municipal

Competitors	Sweepers				Refuse vehicles			Winter maintenance			Vacuum tankers	
	Vacuum		Mechanical		Front	Rear	Side	Spreaders	Ploughs	Snow blowers	Municipal	Industry
	Compact	Truck mounted	Compact	Truck mounted								
<b>Bucher Municipal</b>												
Federal Signal												
Alamo												
Douglas Dynamics												
Terberg-RosRoca												
Aebi-Schmidt												
Faun												
Fayat												
Hako												
Boschung												
Cappellotto												
Kaiser												
Zoomlion												

# Net sales by region

Bucher Municipal

CHFm



# Key figures

## Bucher Municipal

CHFm					Change in
First quarter	2022	2021	%	% <sup>1)</sup>	
Order intake	192	144	33.4	36.4	
Net sales	116	117	-1.5	1.3	
Order book	301 <sup>3)</sup>	188	60.1	64.0	
Number of employees at closing date	2'350	2'333	0.7		
Full year	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>
Order book	237	157	50.6	47.9	47.9
Net sales	523	462	13.0	10.6	8.1
Operating profit (EBIT)	33	28	18.5		
% of net sales	6.3%	6.0%			

<sup>1)</sup> Adjusted for currency effects

<sup>2)</sup> Adjusted for currency and acquisition effects

<sup>3)</sup> Excluding cancelled orders of CHF 7 million in connection with Russia and Ukraine

# Increase in operating profit margin

Bucher Municipal: outlook for 2022

## Strong demand for municipal vehicles

- High level in important European market, but uncertainties related to the war in Ukraine; slight increase in Australia and the USA
- Electrified products, particularly in the sweeper and winter maintenance equipment businesses

Supply chain challenges continuing, in particular delays for chassis

**For 2022:** sales on a par with 2021; increase in operating profit margin thanks to efficiency measures implemented in the previous year

# Bucher Hydraulics

Customised drive systems



Pumps/motors



Valves



Subsystems



Tailor-made  
customer solutions



Cylinders



Power packs



Inverters/converters

## Agricultural machinery



## Construction equipment



## Materials handling



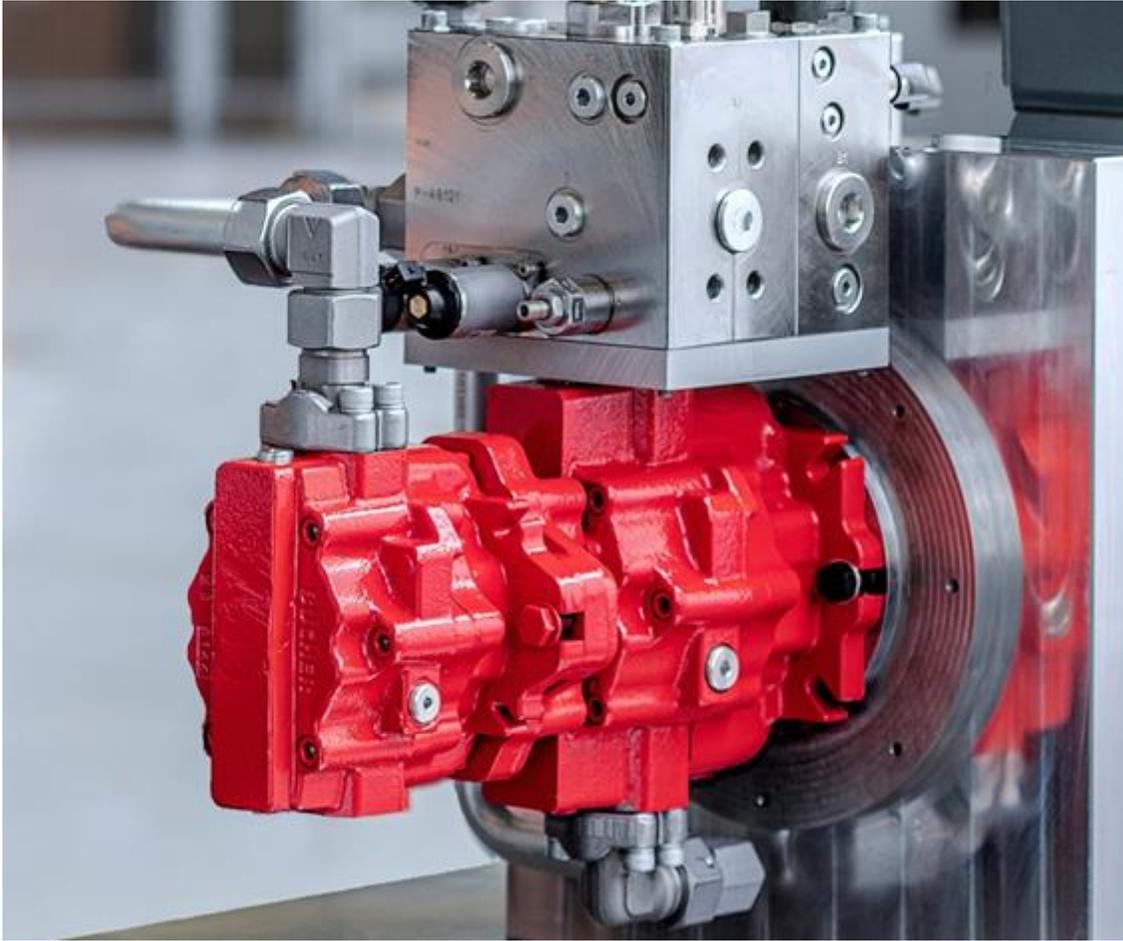
## Industry



Other segments: Mining/tunnelling, energy technology, municipal vehicles, elevator technology, high-voltage switch gear

# Investment in the future

Strategic focus of Bucher Hydraulics



## Leverage electrification and broaden product offering

- Extend new AX axial piston line, particularly suitable for electric-powered machines
- Develop innovative electrohydraulic subsystems
- Ongoing expansion of product line in the lower price segment

# Leading manufacturer with wide range of products

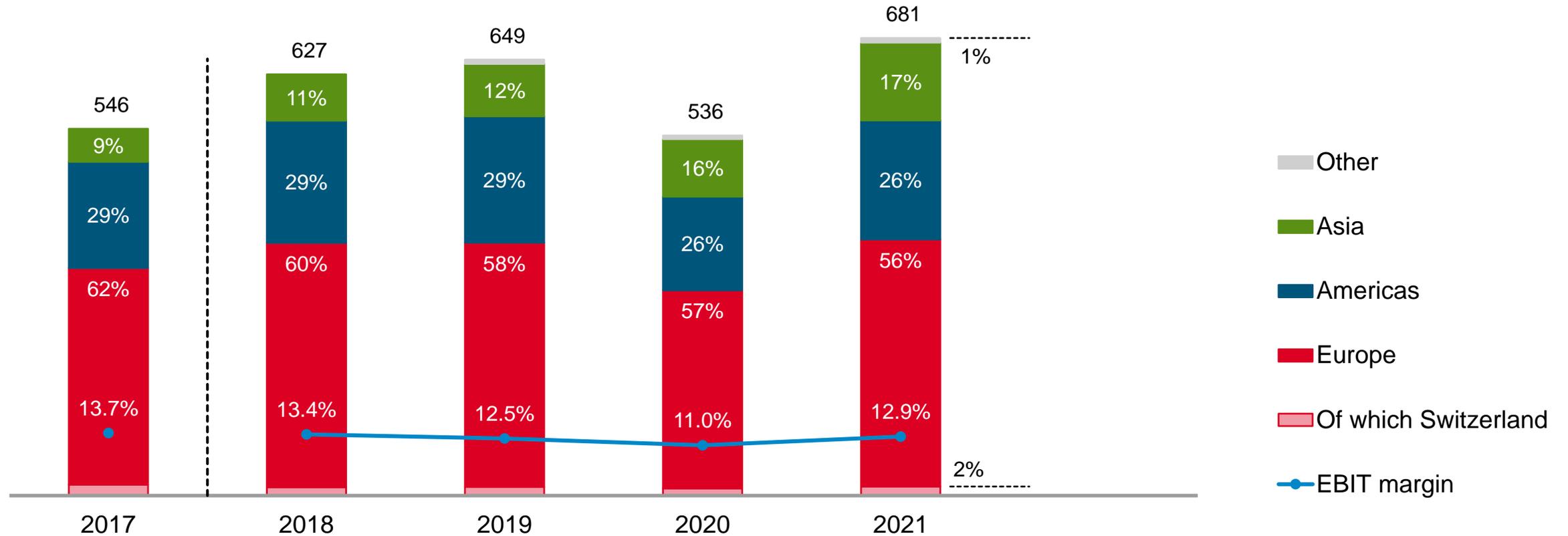
## Bucher Hydraulics

Competitors	Pumps			Valves						Motors and cylinders			Accessories				Power packs	
	Piston	Vane	Gear	Industrial (Cetop)	Servo	Directional spool	Cartridge	HIC	Special	Gear	Piston	Cylinders	Electronics	Accumulators	Filters	Other	Compact	Contracting
<b>Bucher Hydraulics</b>																		
Parker (USA)																		
Rexroth (DE)																		
Danfoss (DK)																		
Hydac (DE)																		
HAWE (DE)																		
Dana (IT)																		
Interpump (IT)																		
Argo-Hytos (DE)																		
Moog (USA)																		
Concentric (SE)																		
Husco (USA)																		
Sun Hydraulics (USA)																		
Hydraforce (USA)																		

# Net sales by region

Bucher Hydraulics

CHFm



# Key figures

## Bucher Hydraulics

CHFm					Change in
First quarter	2022	2021	%	% <sup>1)</sup>	% <sup>2)</sup>
Order intake	216	215	0.1	1.5	-2.3
Net sales	200	168	18.9	20.3	17.0
Order book	332	181	83.5	85.1	73.9
Number of employees at closing date	2'892	2'651	9.1		8.0
Full year	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>
Order book	320	134	139.2	138.8	125.7
Net sales	681	536	26.9	26.8	25.0
Operating profit (EBIT)	88	59	48.9		
% of net sales	12.9%	11.0%			

<sup>1)</sup> Adjusted for currency effects

<sup>2)</sup> Adjusted for currency and acquisition effects

# Capacity utilisation remaining at a high level

Bucher Hydraulics: outlook for 2022

## Demand weaker yet still at a very high level

- Normalisation of boom phase, particularly in China
- Decline in demand in all key segments

## Challenges in production

- Production capacity utilisation at very high level due to strong order book
- Ongoing shortages of staff

**For 2022:** moderate increase in sales; operating profit margin at level similar to that of 2021

# Bucher Emhart Glass

## Glass container manufacturing equipment

Hot end



Gob forming

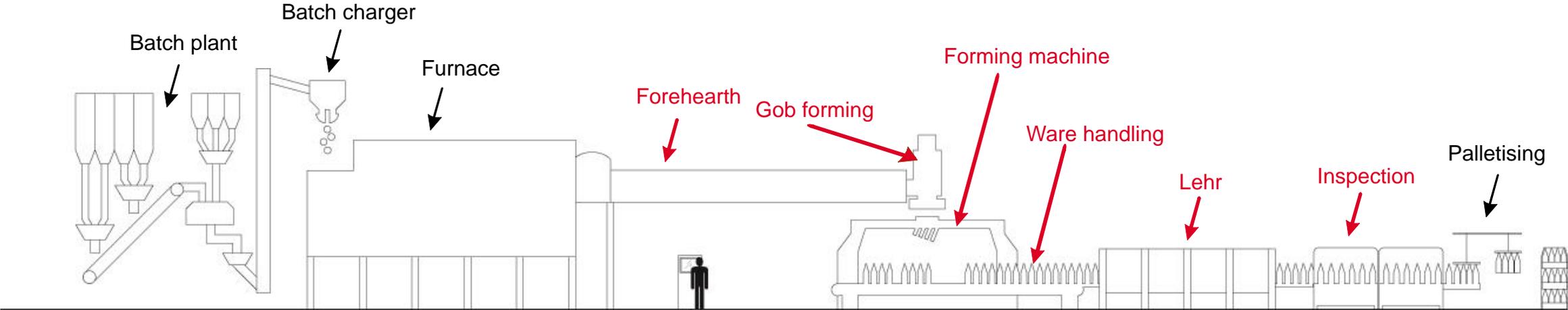


Glass-forming machine

Cold end



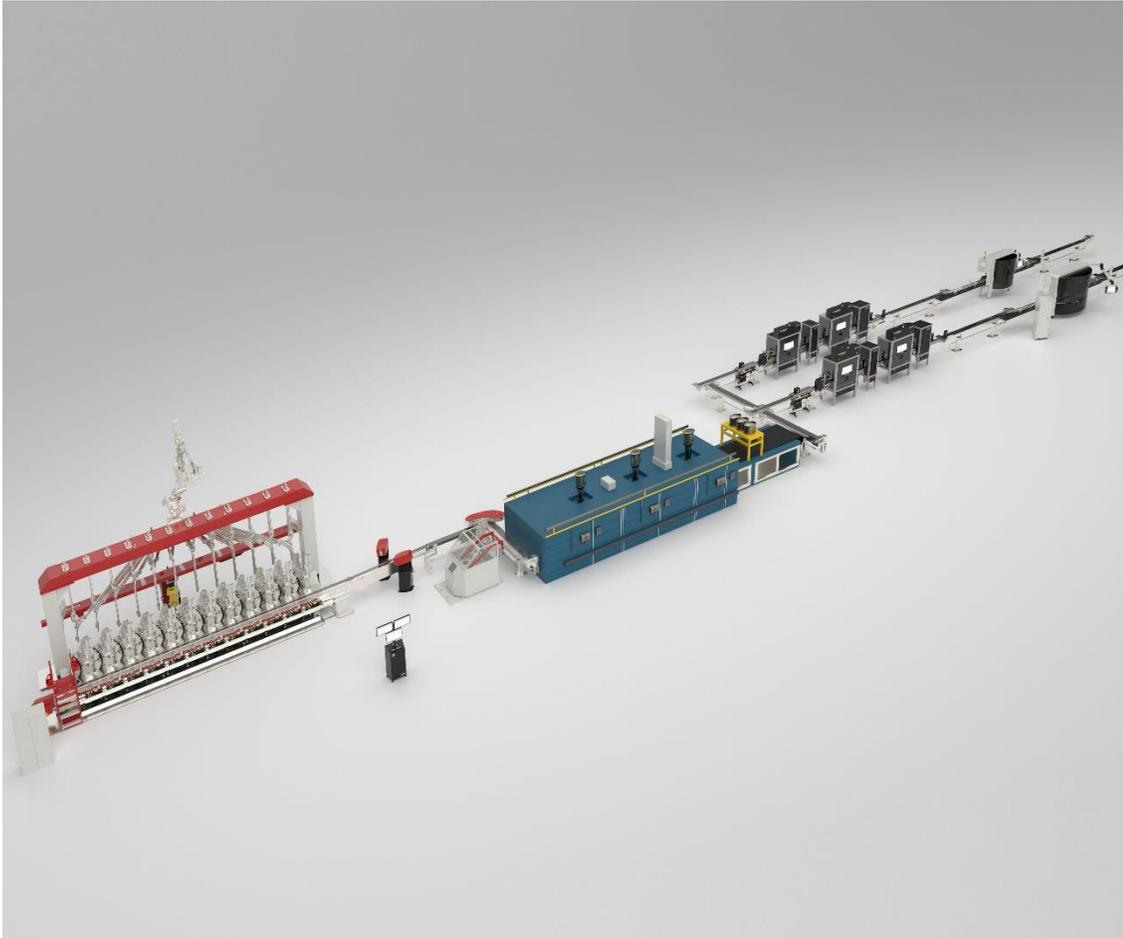
Inspection



Glass container manufacturing process

# Further strengthening of market position

Strategic focus of Bucher Emhart Glass



## Drive customers' production efficiency

- Provide customers with “End to End” solutions and automation technologies to integrate the “hot end” to the “cold end”
- Expand services, e.g. “Training under glass”
- Develop inspection machine business

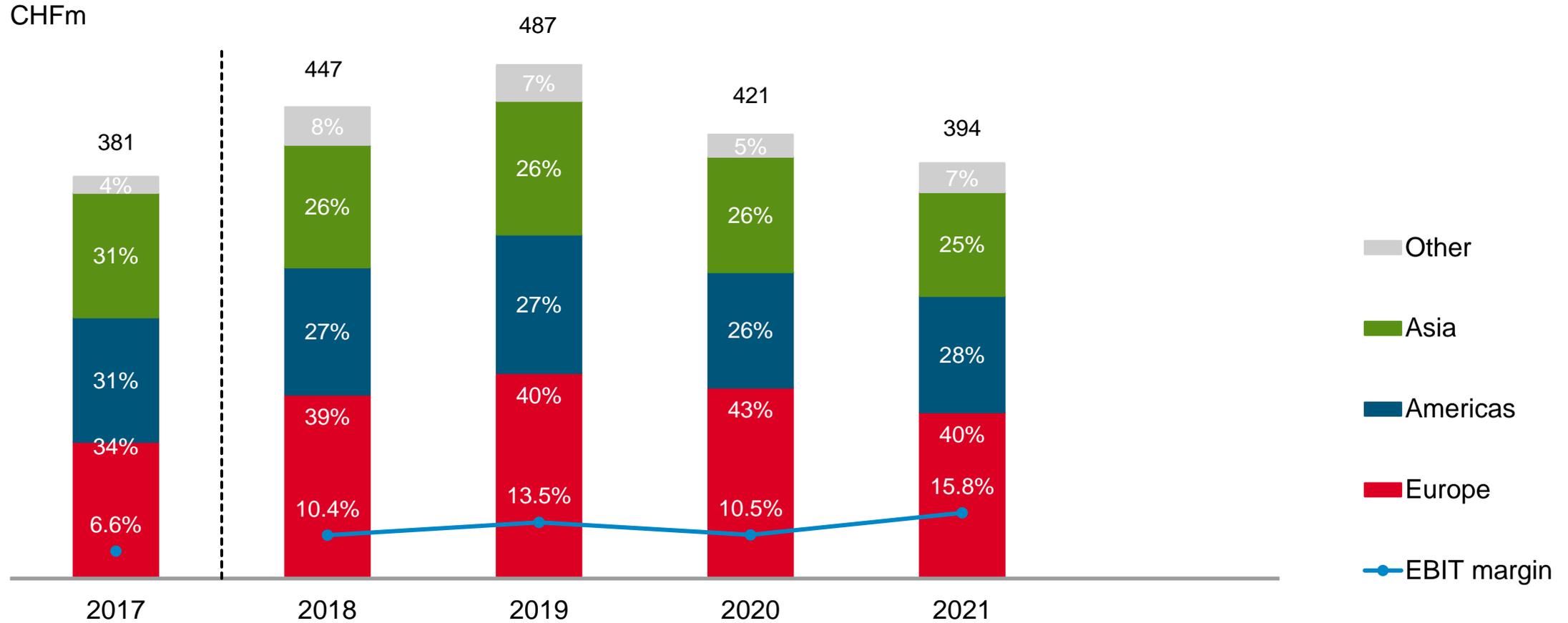
# World's leading manufacturer for glass container machinery

Bucher Emhart Glass

Competitors	Hot end							Cold end			
			Gob forming	IS forming machine							
	Furnace	Forehearth	Feeder and shear	NIS	AIS	IS	Ware handling	Lehr	Inspection	Palletising	Wrapping
<b>Bucher Emhart Glass</b>											
Bottero (IT)											
Heye (DE)											
Sklostroj (CZ)											
BDF (IT)											
Competitors (CN)											
Tiama (FR)											
Sorg											
Horn											

# Net sales by region

Bucher Emhart Glass



# Key figures

## Bucher Emhart Glass

CHFm				Change in
<b>First quarter</b>	<b>2022</b>	<b>2021</b>	<b>%</b>	<b>%<sup>1)</sup></b>
Order intake	151	101	49.3	55.5
Net sales	102	69	47.1	52.7
Order book	325	190	70.7	77.9
Number of employees at closing date	1'589	1'592	-0.2	
<b>Full year</b>	<b>2021</b>	<b>2020</b>	<b>%</b>	<b>%<sup>1)</sup></b>
Order book	285	155	83.8	81.4
Net sales	394	421	-6.4	-7.7
Operating profit (EBIT)	62	44	40.4	
% of net sales	15.8%	10.5%		

<sup>1)</sup> Adjusted for currency effects

# Considerable increase in sales

Bucher Emhart Glass: outlook for 2022

## Persistently high demand for machines and equipment for manufacturing glass containers

- Catch-up effect still noticeable following slump in 2020, shortage of glass containers
- Trend toward greater use of glass instead of plastic containers
- Customers to modernise and expand plant, increasingly at completely new production sites
- Certain amount of uncertainty among customers due to massive rise in energy prices

Production capacity utilisation at very high level due to very strong order book

**For 2022:** considerable sales growth; operating profit margin lower due to change in product mix and generally increasing cost base, but still markedly higher than the long-term target of 10%

# Bucher Specials

Individual businesses

## Bucher Vaslin



Winemaking equipment



## Bucher Unipektin



Equipment for fruit juice processing, beer filtration and drying



## Bucher Landtechnik



Agricultural distributorship in Switzerland



## Jetter

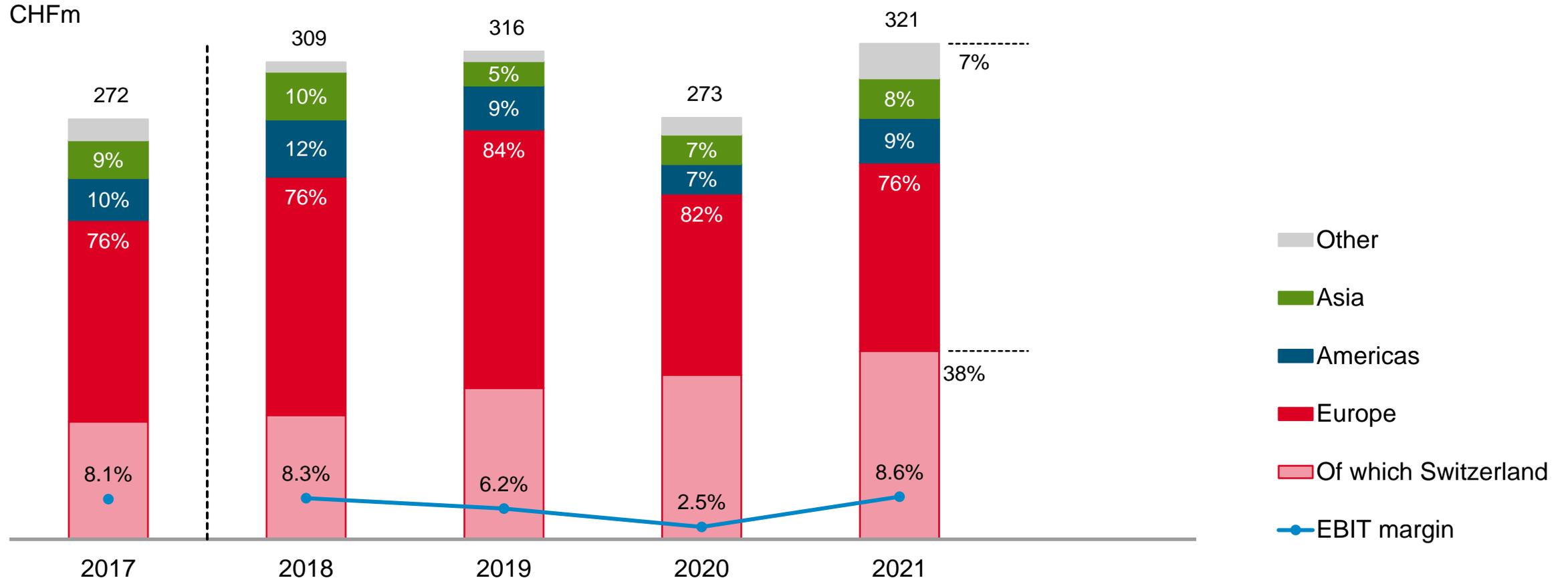


Automation solutions



# Net sales by region

Bucher Specials



# Key figures

## Bucher Specials

CHFm					Change in
First quarter	2022	2021	%	% <sup>1)</sup>	% <sup>2)</sup>
Order intake	102	96	5.8	8.1	5.2
Net sales	71	64	9.6	12.0	7.6
Order book	153	107	43.0	46.4	42.4
Number of employees at closing date	1'029	906	13.6		9.5
Full year	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>
Order book	121	70	72.1	71.4	69.7
Net sales	321	273	17.6	17.2	11.3
Operating profit (EBIT)	28	7	298.6		
% of net sales	8.6%	2.5%			

<sup>1)</sup> Adjusted for currency effects

<sup>2)</sup> Adjusted for currency and acquisition effects

# Solid development

## Bucher Specials: outlook for 2022

Market environment still good overall

- **Bucher Vaslin:** moderate increase in sales, thanks in part to catch-up effects
- **Bucher Unipektin:** increase in sales thanks to good order book
- **Bucher Landtechnik:** business performance down slightly compared to very high 2021
- **Jetter:** pronounced increase in sales, driven strongly by dynamic trend at Bucher Emhart Glass

**For 2022:** slightly higher sales, in part due to the strong order book; operating profit margin on a par with 2021 since increases in material, personnel and other costs can be largely offset

# Our contribution to society



## Outlook and trends

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# Positive outlook for 2022 overall

## Group: outlook for 2022

Demand weaker in the further course of the year, but still at a very high level; high utilisation of production capacities due to exceptionally strong order book, but difficulties in the supply chain, logistics and recruitment are likely to persist at least for the time being

Uncertainties and upheavals related to the war in Ukraine

- **Kuhn Group:** slight increase in sales, operating profit margin still in double digits
- **Bucher Municipal:** sales on a par with 2021, increase in operating profit margin
- **Bucher Hydraulics:** moderate increase in sales, operating profit margin at level similar to that of 2021
- **Bucher Emhart Glass:** considerable sales growth, operating profit margin lower but still well above 10%
- **Bucher Specials:** slightly higher sales, operating profit margin on a par with 2021

**For 2022:** slightly higher sales and somewhat lower, double-digit operating profit margin

# Russia/Ukraine

	Share of sales <sup>1)</sup>	Locations Activities <sup>2)</sup> , Employees (FTEs)		Comments
		Russia	Ukraine	
Kuhn Group	Mid single-digit (2/3 Russia)	Voronezh P/D, 50 FTEs	Kyiv D, 30 FTEs	Assembly Russia: components from Western Europe
Bucher Municipal	Low single-digit	Kaluga P/D, 90 FTEs		Production Russia: components from Western Europe; partly local/export
Bucher Hydraulics	Low single-digit			Export
Bucher Emhart Glass	Immaterial			
Bucher Specials	Low single-digit			Export
<b>Bucher Industries</b>	<b>Low single-digit</b> 2021: ~CHF 90 million	140 FTEs Assets: CHF 40m	30 FTEs Assets: CHF 10m	

<sup>1)</sup> % total division/Group <sup>2)</sup> P = Production, D = Distribution

# Margin and return targets over an economic cycle

## Outlook and trends

	IFRS						FER
<b>EBIT margin %</b>	<b>2017</b>	<b>2018</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Targets</b>
Kuhn Group	8.6	8.1	8.7	8.3	8.3	12.2	12
Bucher Municipal	6.1	9.0	9.5	8.4	6.0	6.3	9
Bucher Hydraulics	13.7	13.1	13.4	12.5	11.0	12.9	12
Bucher Emhart Glass	6.6	10.1	10.4	13.5	10.5	15.8	10
Bucher Specials	8.1	7.8	8.3	6.2	2.5	8.6	10
<b>Bucher Industries</b>	<b>8.6</b>	<b>9.1</b>	<b>9.5</b>	<b>9.2</b>	<b>7.4</b>	<b>11.1</b>	<b>&gt;10</b>
<b>Group and divisions</b>	<b>2017</b>	<b>2018</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Target</b>
RONOA after tax	13.2	15.7	19.6	19.0	13.5	25.6	>20

# Regionally divergent trends

require a geographically adapted strategy

## Trends



### Developed countries

Efficiency/sustainability

### Emerging markets

Mechanisation/urbanisation

## Topics



- Stricter environmental regulations
- Innovation
- Sensors, data, networking
- Electrification

- Market access
- Localisation
- Compliance

## Selected projects



- Precision farming
- Electrification municipal equipment
- Electrohydraulic system solutions
- “End to End” glass forming

- Kuhn Group in the east
- Expansion of Bucher Municipal and Bucher Hydraulics in Asia

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