

Ad hoc announcement

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Marked rise in sales while order book remains strong

Demand for Bucher Industries' products and services remained at a high level in the first nine months of 2022. Despite continuing challenges in the areas of procurement, logistics and personnel, the divisions were once again able to increase sales considerably.

Group

CHF million	January – September		Change			Full year
	2022	2021	%	% ¹⁾	% ²⁾	2021
Order intake	2'954	2'943	0.4	4.5	3.6	3'948
Net sales	2'624	2'364	11.0	14.7	13.9	3'176
Order book	2'143	1'684	27.3	32.9	32.4	1'873
Number of employees at closing date	14'177	13'482	5.2		4.8	13'562

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Developments in the markets of Bucher Industries were mixed over the course of the reporting period. Overall, order intake was similar to the previous year but weakened at a very high level during the third quarter. The flat to downward trend at Kuhn Group, Bucher Hydraulics and Bucher Specials was offset by the increase in orders at Bucher Municipal and Bucher Emhart Glass. The situation in the supply chain and logistics improved temporarily towards mid-year but remained challenging due to the war between Russia and Ukraine as well as rigorous COVID-19 measures in China. Difficulties recruiting qualified employees persisted, particularly in the USA. This negatively impacted both process efficiency and efforts to increase production. Nevertheless, sales saw renewed growth, which was attributable to higher volumes and price increases. The strengthening of the Swiss franc was reflected in a negative currency effect of around four percentage points. The Group's order book remained extremely high with an order backlog of seven months.

Kuhn Group

CHF million	January – September		Change		Full year
	2022	2021	%	% ¹⁾	2021
Order intake	1'225	1'247	-1.8	2.0	1'676
Net sales	1'141	1'004	13.7	16.9	1'319
Order book	1'004	831	20.9	25.7	941
Number of employees at closing date	5'974	5'738	4.1		5'832

¹⁾ Adjusted for currency effects

Pleasant increase in sales Demand for agricultural machines remained at a very high level. One reason for this was the fact that agricultural incomes were at a satisfactory level, in particular due to good prices for agricultural products. Also, manufacturers of agricultural machines having problems to deliver, customers anticipating price increases and generally low inventories in the distribution network prompted early orders. Dealers, on the other hand, reported slightly weaker sales to agricultural producers in the third quarter. Reasons for this included higher costs for fertiliser, feed and diesel, the increase in interest rates and higher prices for agricultural machines. Added to that was the extended drought in parts of Europe as well as North and South America, which resulted in lower harvest yields. In this environment, order intake at Kuhn Group remained at the same high level as in the prior-year period. Despite difficulties in the supply chain, logistics and recruitment, the division's sales grew considerably, with Brazil making an important contribution.

Bucher Municipal

CHF million	January – September		Change		Full year
	2022	2021	%	% ¹⁾	2021
Order intake	505	451	12.0	16.9	599
Net sales	367	377	-2.6	1.6	523
Order book	359	235	52.6	59.5	237
Number of employees at closing date	2'472	2'381	3.8		2'329

¹⁾ Adjusted for currency effects

Stabilisation of sales development Demand for Bucher Municipal's products was strong, with a normalisation reported in the third quarter compared with the high prior-year period. Overall, order intake rose considerably especially for truck-mounted and compact sweepers, including the electric models. The new spreaders in the winter equipment business also enjoyed brisk demand. The division was severely impacted

by difficulties in the global supply chains. The procurement of chassis for truck-mounted sweepers and sewer cleaning and refuse vehicles, in particular, remained challenging but also electronic and hydraulic components were very often only delivered with delays. In combination with staff bottlenecks especially in Australia this had a negative impact on production efficiency. Towards the end of the reporting period, the output could be increased and sales were at the same level as in the prior-year period. In September, Bucher Municipal took over the software development company Enway with 15 employees and sites in Berlin and Singapore. With this acquisition, the division strengthens its expertise so that it will be able to offer automation solutions in the future.

Bucher Hydraulics

CHF million	January – September		Change			Full year
	2022	2021	%	% ¹⁾	% ²⁾	2021
Order intake	591	646	-8.4	-6.0	-8.6	856
Net sales	575	509	12.9	15.2	13.2	681
Order book	328	282	16.6	19.7	19.7	320
Number of employees at closing date	2'977	2'790	6.7		6.7	2'825

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Demand continues to normalise The hydraulics markets declined in the first nine months of 2022, while still at an exceptionally high level. Demand for Bucher Hydraulics components and solutions weakened accordingly. The decline in order intake was mainly attributable to Asia, where the slowdown had already become apparent at the end of 2021, and intensified further as a result of the COVID-19 restrictions in China. Most recently, the normalisation also reached North America and parts of Europe. Order intake was down in most segments, in materials handling in particular, but also in construction equipment and agricultural machinery. The division still has a very strong order book and capacity utilisation remained high as a result. Sales were up again, with the increase particularly strong in North America.

Bucher Emhart Glass

CHF million	January – September		Change		Full year
	2022	2021	%	% ¹⁾	2021
Order intake	437	392	11.3	19.0	522
Net sales	342	284	20.5	28.2	394
Order book	362	267	35.8	45.6	285
Number of employees at closing date	1'608	1'553	3.5		1'563

¹⁾ Adjusted for currency effects

Pleasing business performance Demand for glass containers remained at a very high level. Accordingly, the customers of Bucher Emhart Glass invested in the modernisation of their plant or in completely new production sites to increase their production capacities, despite the rising cost of energy. The division saw order intake rise again over the high prior-year period, with a strong increase in orders particularly for glass-forming machinery and corresponding service parts. The high increase was reported in all regions except North and South America. Production capacity utilisation was very high, and the order book was at an extremely high level. Sales rose markedly, also in China, where pandemic-related measures adopted by the authorities again had an increasingly adverse impact on the business environment.

Bucher Specials

CHF million	January – September		Change			Full year
	2022	2021	%	% ¹⁾	% ²⁾	2021
Order intake	255	256	-0.4	3.2	-0.8	366
Net sales	251	239	4.9	8.6	5.8	321
Order book	124	92	34.9	40.6	31.9	121
Number of employees at closing date	1'086	958	13.4		7.8	953

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Heterogeneous development Developments in the business units of Bucher Specials were mixed in the first nine months of the year. Interest remained keen among customers of Bucher Vaslin, however this was only partly reflected in the business performance due to difficulties in the supply chain. 2022 has been a positive year for Bucher Unipektin so far. Sales were up thanks to the strong order book at the start of the year as

well as the acquisition of the Czech company Denwel in January. While business performance at Bucher Landtechnik was down, due to delivery difficulties among manufacturers as well as uncertainty in the Swiss agricultural market, it was still at a high level. The positive trend driven by developments at Bucher Emhart Glass continued at Jetter, although the supply situation and price trend remained highly challenging, particularly for electronics components. Overall, order intake at Bucher Specials was on the previous year's level and sales rose slightly.

Outlook for 2022

The Group expects demand in the fourth quarter to weaken compared to the high prior-year period. The extraordinarily strong order book means that capacities will remain heavily utilised. Difficulties in procurement as well as the shortage of skilled labour are likely to persist for the time being and continue to put pressure on margins. All the divisions are impacted by these challenges but to different degrees. For sales, **Kuhn Group** and **Bucher Hydraulics** expect a considerable increase, **Bucher Municipal** a similar level as 2021 and **Bucher Specials** an increase. All four divisions anticipate an operating profit margin on a par with that of 2021. At **Bucher Emhart Glass**, both sales and the operating profit margin will rise considerably. The **Group** expects considerably higher sales than in the previous year and an operating profit margin on a par with that of 2021. The Group's profit for the year is expected to exceed the high level of the previous year.

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Simply great machines

Bucher Industries is a global technology group with leading market positions in speciality areas of mechanical and vehicle engineering. The company's operations include specialised agricultural machinery, municipal vehicles, hydraulic components, manufacturing equipment for the glass container industry, equipment for processing beverages, as well as automation solutions. The company's shares are traded on the SIX Swiss Exchange (SIX: BUCN). Further information is available at [bucherindustries.com](https://www.bucherindustries.com).

Additional performance measures: Internally and externally Bucher Industries uses key figures that are not defined by Swiss GAAP FER. The composition and calculation of the individual performance measures are set out here: [bucherindustries.com/en/additional-performance-measures](https://www.bucherindustries.com/en/additional-performance-measures)