

First quarter 2023

BUCHER

Investor relations handout – spring 2023
Public





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Bucher at a glance

Financials

CHF 3.6 billion sales

11.8% EBIT margin

Employees

14'900

locally hired, highly skilled

Global presence

> 50 production sites

on 5 continents

Origins

founded in 1807

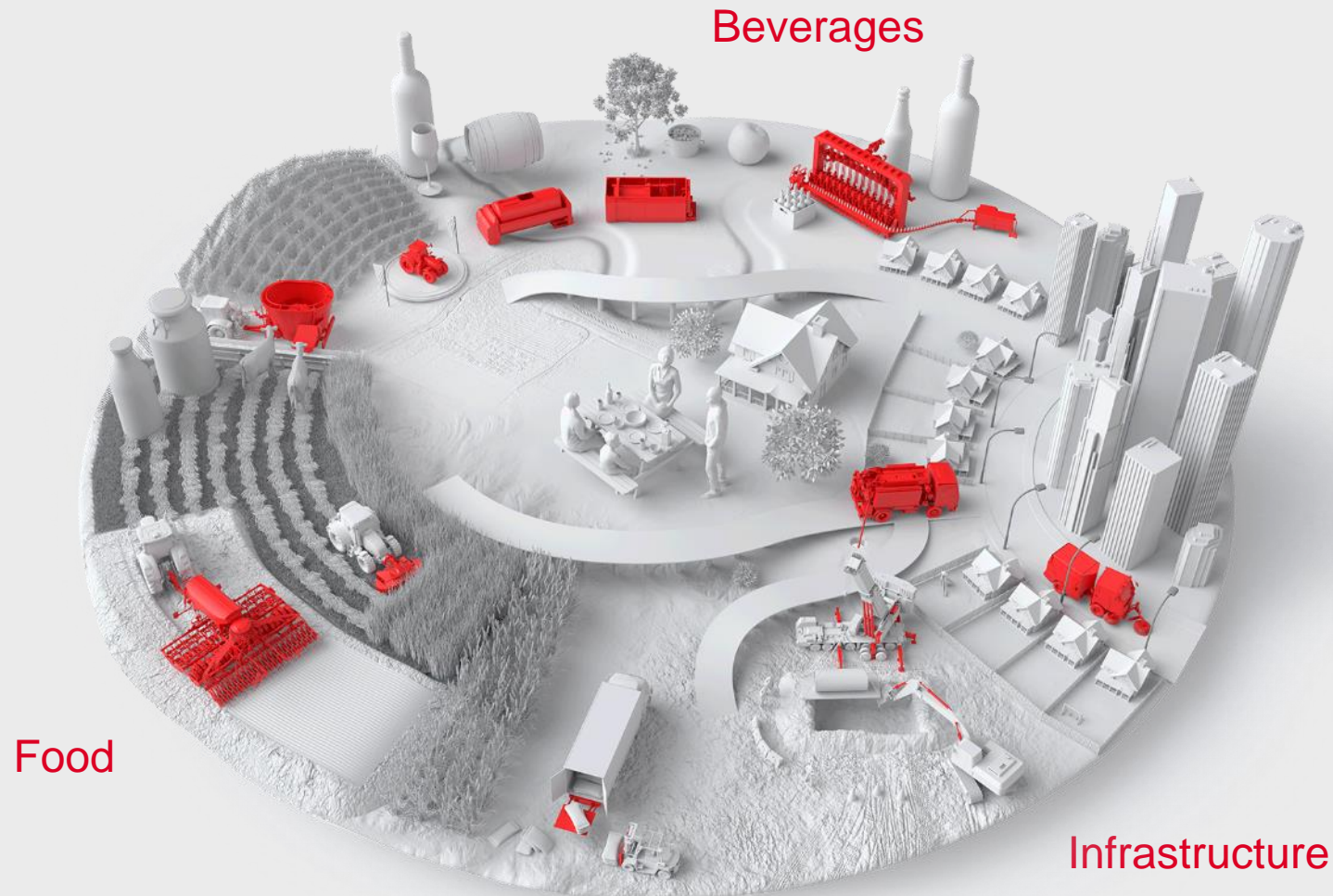
headquartered in Switzerland

Ownership

listed on SIX Swiss Exchange

founding family holding 35%

Our contribution, for the long-term and sustainable



Our passion is to engineer trusted **machinery solutions ...**

- ... to sustainably
- **feed** the world,
 - produce and preserve **beverages**,
 - and to create, maintain and clean **infrastructure**.

For a safe and healthy life for all.

Major relevant trends



Population growth¹⁾

- +2 billion people
- +50% food production



Urbanisation¹⁾

- +2 billion urban population
- Intensified utilisation of urban infrastructure



Growing middle class

- More high-value proteins
- Higher standard of living

Climate change

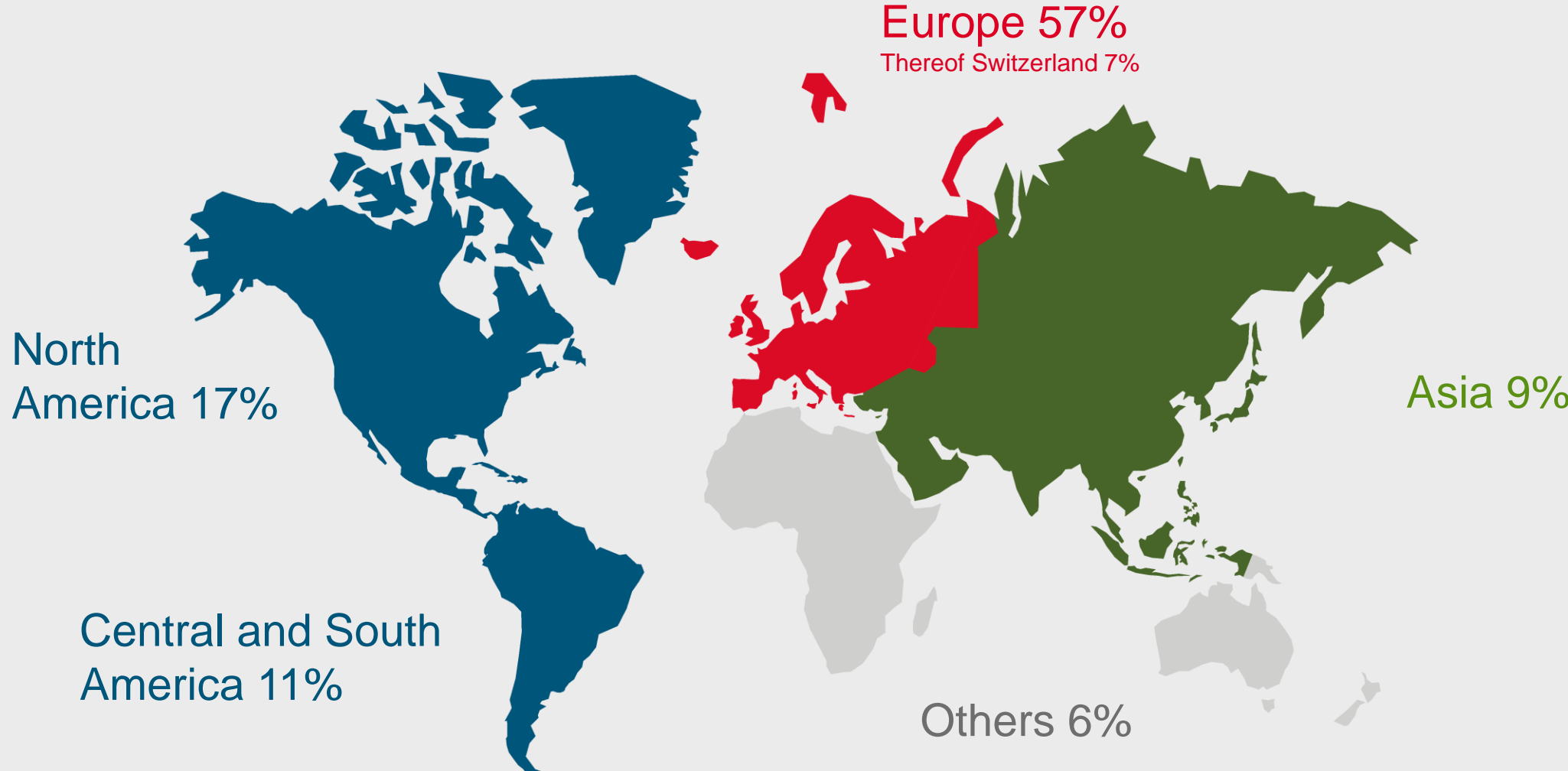
- Weather extremes
- Finite arable land



¹⁾ Source: FAO, UN; projections until 2050, rounded figures

International Group

Sales share by region



Our ambitions



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

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

The five divisions of Bucher Industries

BUCHER
specials

Beverage processing equipment,
individual businesses

Glass container
technology

BUCHER
emhart glass



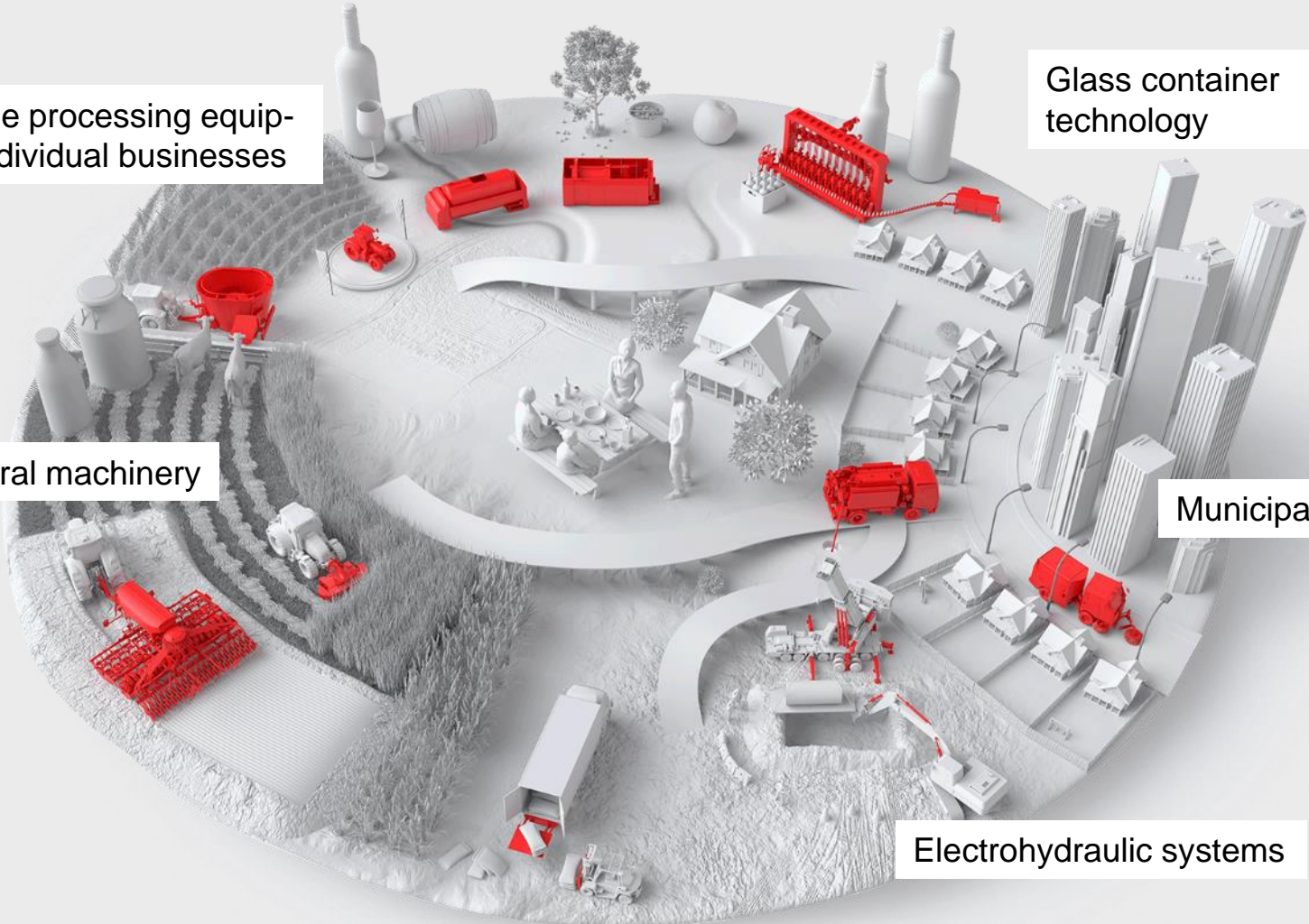
Agricultural machinery

Municipal vehicles

BUCHER
municipal

Electrohydraulic systems

BUCHER
hydraulics



Sales by division



Bucher Specials

CHF 350 million sales
1'500 employees



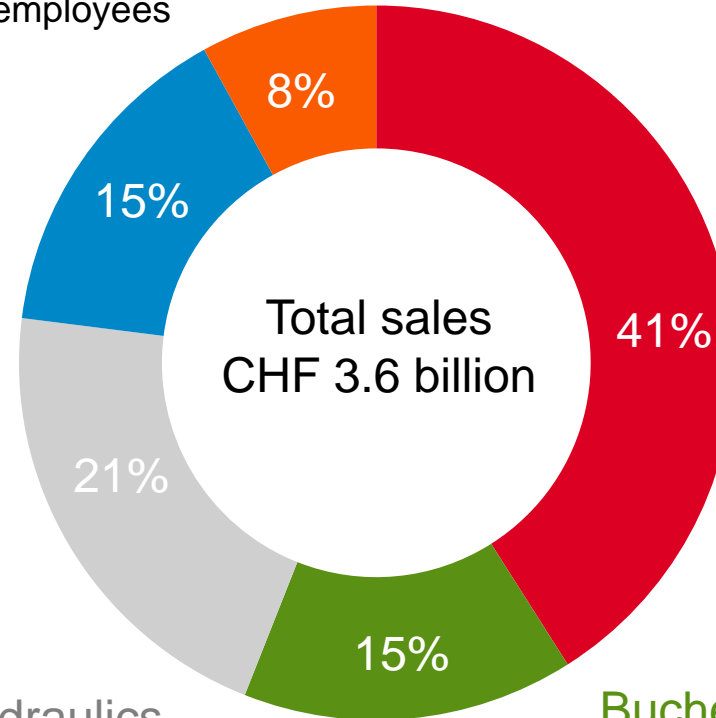
Kuhn Group

CHF 1'510 million sales
6'000 employees



Bucher Emhart Glass

CHF 530 million sales
1'700 employees



Bucher Hydraulics

CHF 760 million sales
3'100 employees

Bucher Municipal

CHF 530 million sales
2'500 employees



Leader in selected markets



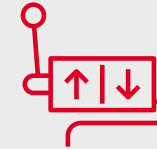
Kuhn Group

World market leader
in hay and forage harvesting machinery
and feed mixers



Bucher Municipal

European market
leader in sweepers



Bucher Hydraulics

World market leader in
compact hydraulic power units



Bucher Emhart Glass

World market leader in glass container
manufacturing equipment



Bucher Specials

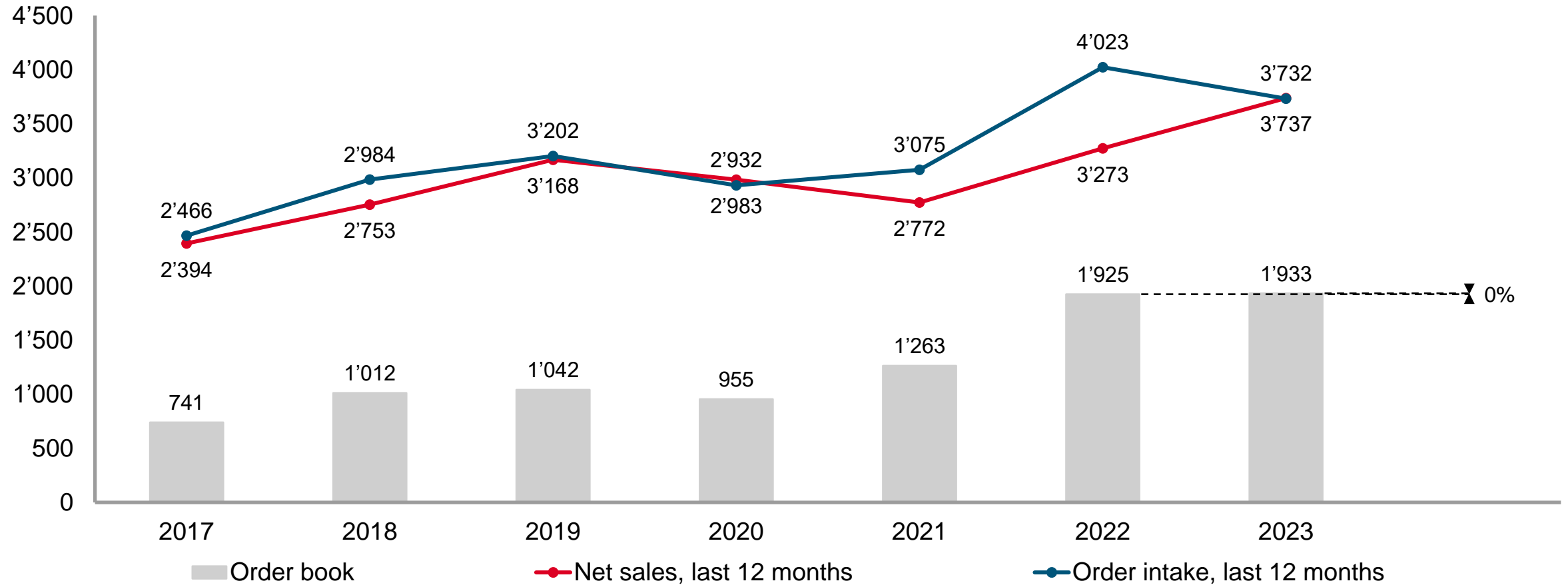
World market leader in wine
making and fruit juice equipment

Group: sustainable value creation

Order book increased

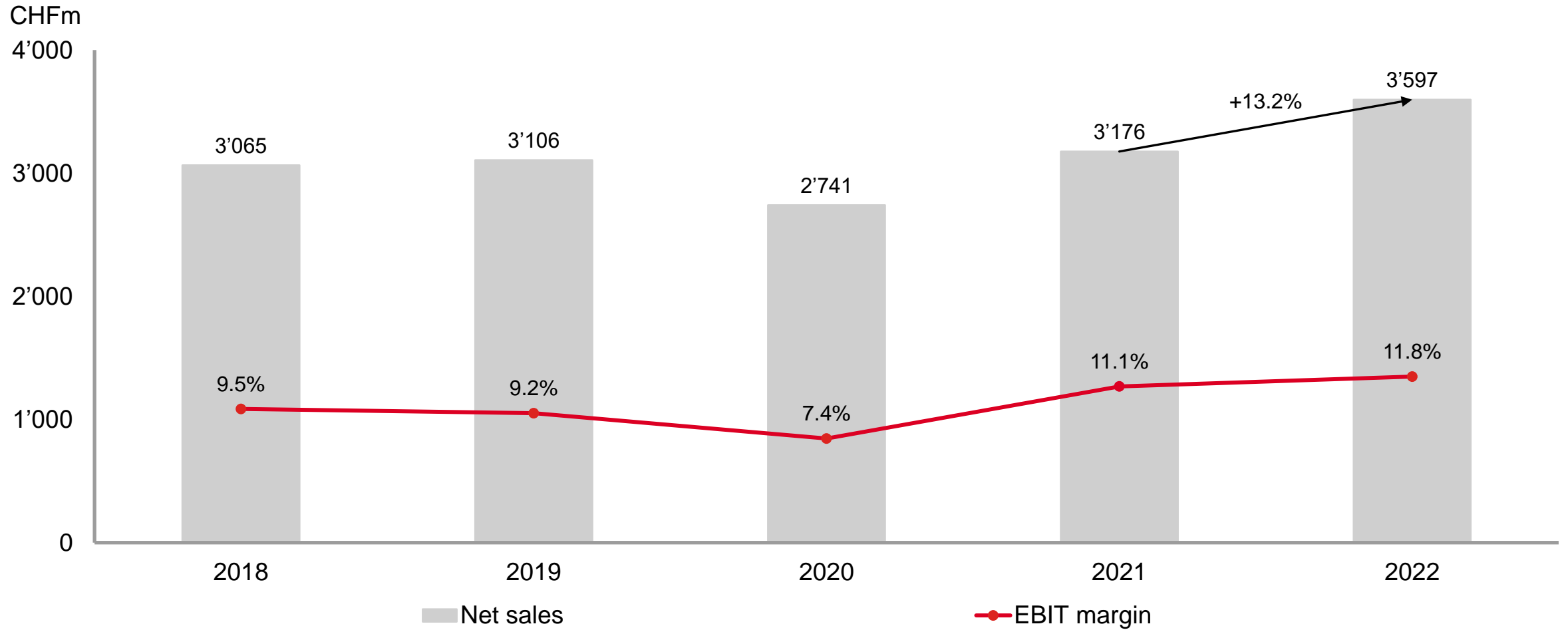
Performance: order book – first quarter

CHFm, Q1 view (31 March)



Strong increase in sales and profitability

Performance: net sales and EBIT margin



Key figures

Performance

CHFm					Change
First quarter	2023	2022	%	%¹⁾	%²⁾
Order intake	854	980	-12.9	-10.1	-10.6
Net sales	970	830	16.9	20.6	19.8
Order book	1'933	1'925	0.4	3.5	2.2
Average number of FTEs	14'886	13'885	7.2		4.2
Full year	2022	2021	%	%¹⁾	%²⁾
Order book	2'081	1'873	11.1	15.9	14.2
Net sales	3'597	3'176	13.2	17.2	16.5
Operating profit (EBIT)	425	352	20.8		
% of net sales	11.8%	11.1%			

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Key figures

Performance

CHFm			Change
	2022	2021	%
Profit for the year	335	269	24.3
% of net sales	9.3%	8.5%	
Earnings per share in CHF	32.36	25.96	24.7
Capital expenditure	97	74	32.0
Operating free cash flow	69	271	-74.7
Net cash/debt	457	551	-17.0
Equity	1'702	1'533	11.0
% of total assets (equity ratio)	57.1%	55.4%	
Net operating assets (NOA) average	1'178	1'052	12.0
Return (RONOA) after tax %	28.6%	25.6%	

Acquisitions 2021

Invested capital: external growth

2021

Kuhn Group

Khor,
Brazil



Net sales¹⁾
CHF 5 million

Employees
80

Bucher
Specials

Merk Process,
Germany



Net sales¹⁾
CHF 5 million

Employees
20

Bucher
Hydraulics

Lenze Mobile Drives,
Switzerland



Net sales²⁾
CHF 15 million

Employees
30, mainly in engineering
and sales

Asset Deal (Carve-out)

¹⁾ before acquisition

²⁾ 12 months following acquisition date

Acquisitions 2022 – 2023

Invested capital: external growth

2022

Bucher
Specials

Denwel,
Czech Republic



Net sales¹⁾
CHF 7 million

Employees
40

Bucher
Municipal

Enway,
Germany/Singapore



Start-up

Employees
15

Bucher
Specials

B&P Engineering
Poland



Net sales¹⁾
CHF 40 million

Employees
400

2023

Bucher
Municipal

SSV Environnement
France



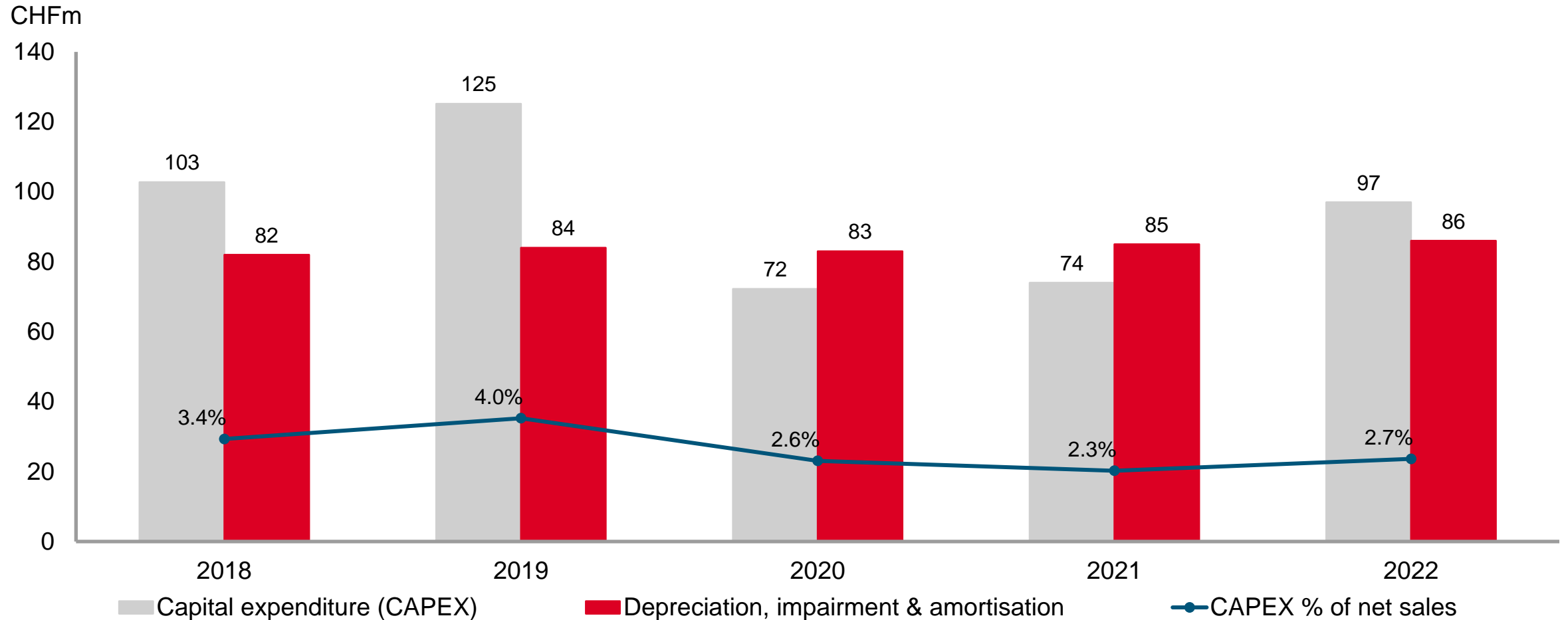
Net sales¹⁾
CHF 11 million

Employees
30

¹⁾ before acquisition

Investment activity started to increase again

Invested capital: capital expenditure



Key investment projects

Invested capital: capital expenditure

Kuhn Group

Expansion of production site,
Passo Fundo, Brazil

New hall featuring well-insulated roof,
which keeps it cooler in summer and
warmer in winter



Bucher Hydraulics

CNC machining centres,
Klettgau, Germany

Expansion of the automated hydraulic
components production for directional
control valves



Bucher Emhart Glass

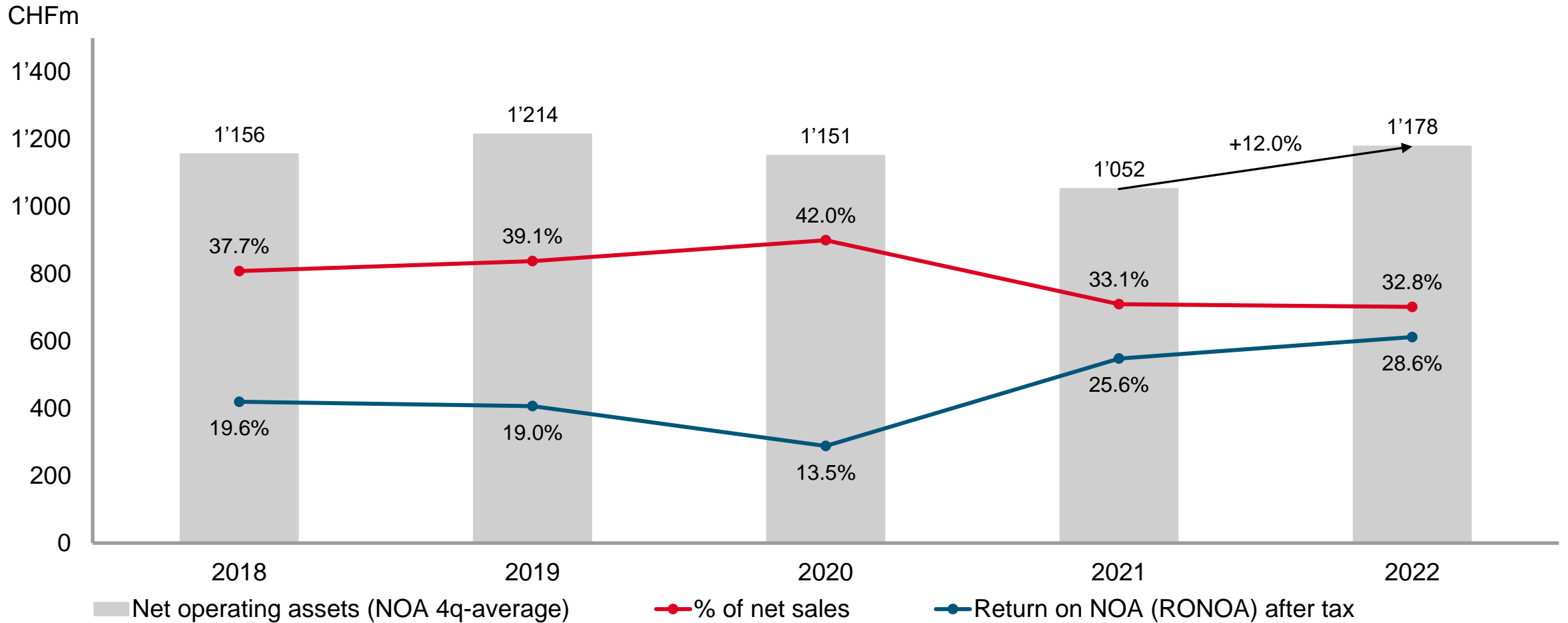
New-generation air compressor,
Zibo, China

Highly energy-efficient, reducing
carbon footprint of production and
saving costs and time



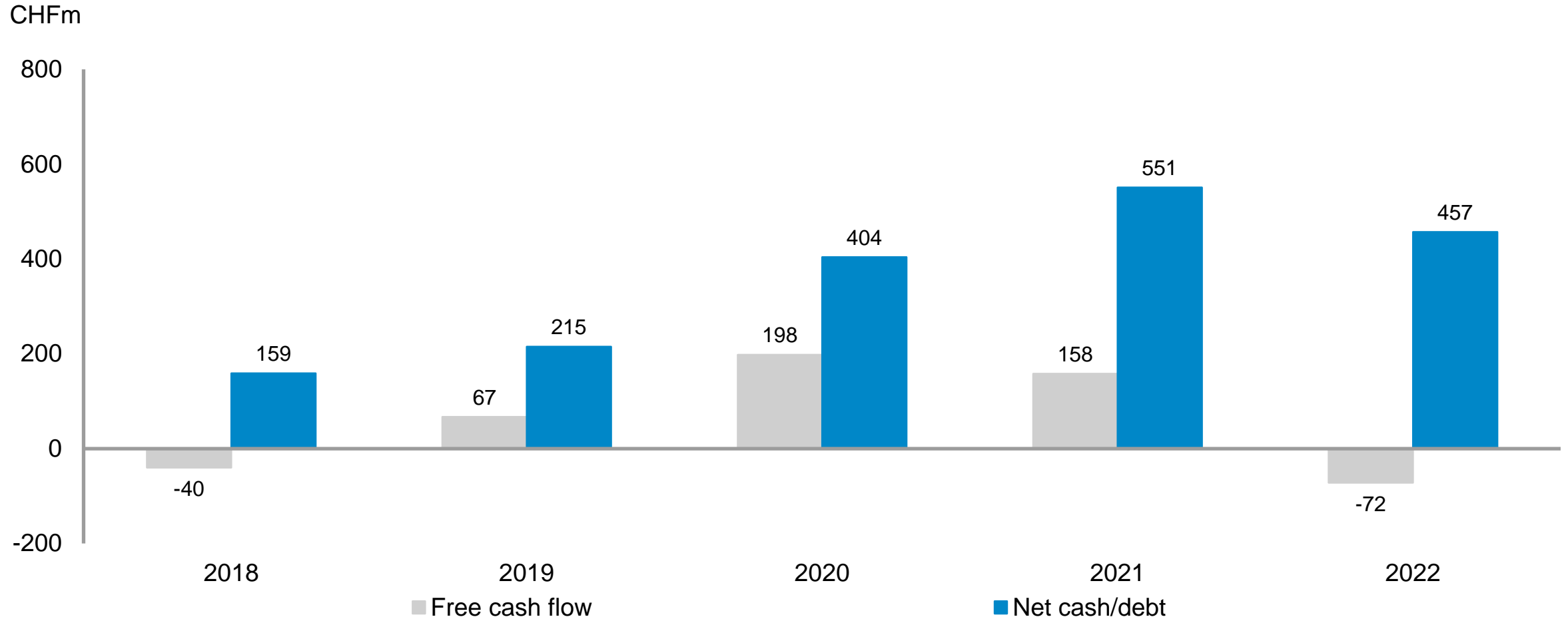
Increase in NOA and RONOAO

Invested capital: net operating assets (NOA)



Net cash still on a high level

Financing and risk management



Selected development projects

Research and development (R&D) project

Kuhn Group

Supporting agricultural producers with “KUHN Connect”

Telematics service helping farmers to monitor the usage of their self-propelled mixer fleet, its performance and fuel efficiency



Bucher Municipal

Electrified models in all product groups

4-cubic-metre compact sweeper “CityCat VR50e” (pictured) and sewer cleaning vehicle “CityFlex C40e”: the new fully electric models



Bucher Specials

Bucher Unipektin’s multiple MVR technology for vapour recompression

Vapour that is extracted from the juice is reused to heat the same evaporator, reducing the energy consumption by up to two thirds



Reduced energy consumption compared to prior year

Non-financial key figures: overview

			Change
	2022	2021	%
Employees at 31 December	14'876	13'835	7.5
Regulars covered by collective agreements	7'291	6'945	5.0
Turnover rate	11.0%	13.9%	
Resignation rate	7.2%	7.1%	
Average hours of training per regular employee	20	19	3.6
Energy consumption in MWh	387'430	403'862	-4.1
CO ₂ emissions in tCO ₂ e	89'672	93'317	-3.9

Efficient use of resources in production: reduce CO₂ emissions



Target: to reduce Scope 1 and 2 CO₂ intensity by at least 10% by 2026 compared to 2021

Optimised buildings

Higher energy efficiency through insulation, temperature regulation and lighting



Bucher Municipal, Dorking, England

Energy efficiency in production

Heat recovery, alternative cooling processes, modern equipment



Kuhn Group, Saverne, France

Self-generated solar power

Nine business units with a total of 3'842 kWp installed solar capacity



Bucher Emhart Glass, Zibo, China

Divisions: our activities

Kuhn Group

Specialised agricultural machinery

Arable farming



Ploughing



Tillage



Seeding



Fertilisation



Crop protection

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 and contractors
- Digital solutions for precision farming and customer retention
- Close to customers: new distribution centres

Complete product range under the Kuhn brand

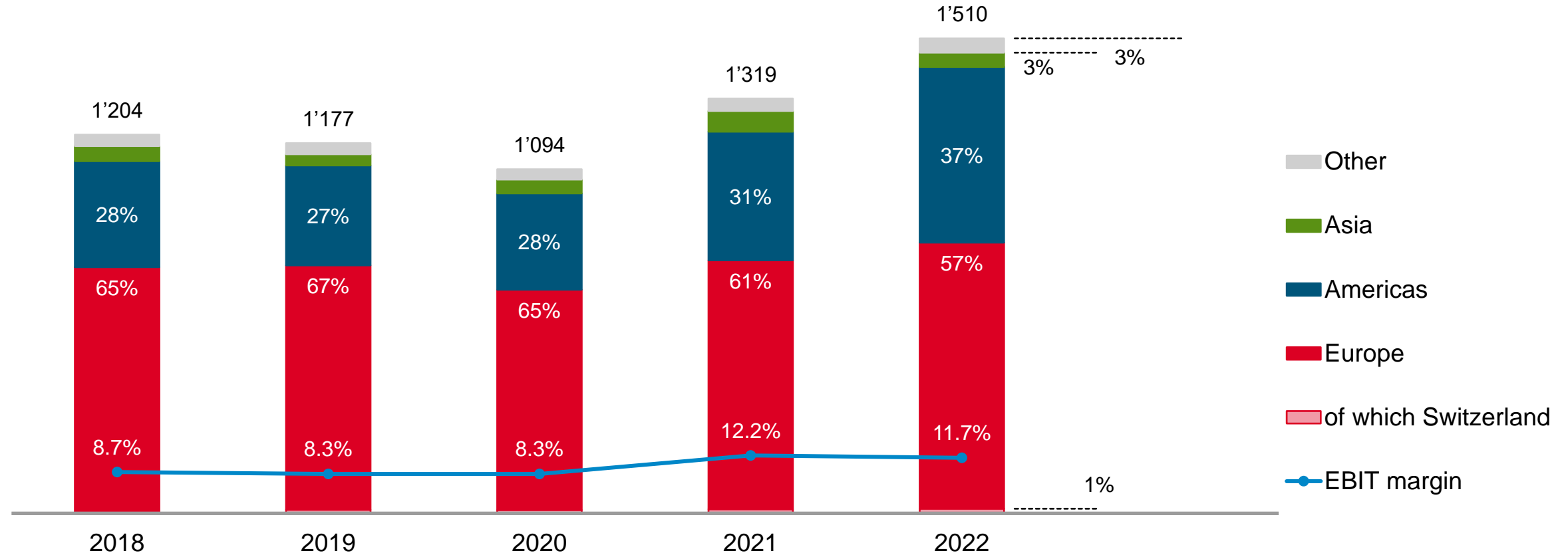
Kuhn Group

Competitors	Hay and forage harvesting machinery				Hedge cutters	Feed mixers	Tillage machinery		Seeding	Planting	Spreaders	Sprayers	Tractors	Harvesters self-propelled
	Mowers	Tedders	Rakes	Balers			powered	non-powered						
Kuhn Group														
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

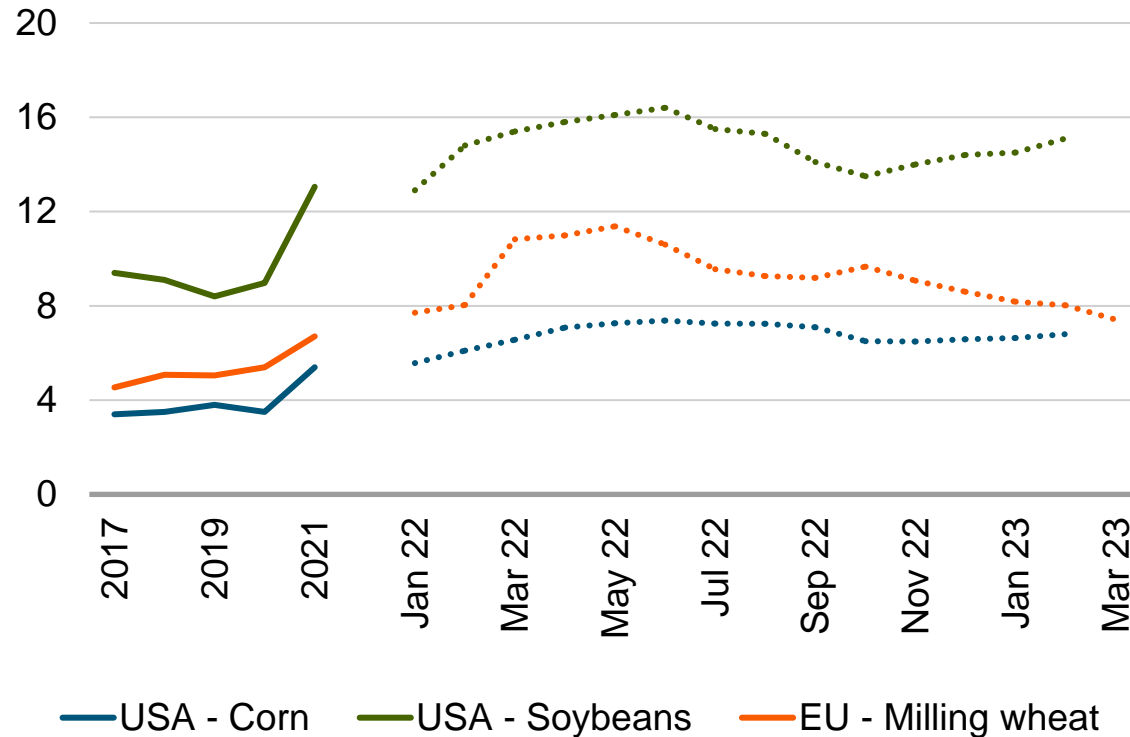


Price development soybeans, corn, wheat, milk

(average prices until March 2023, if available)

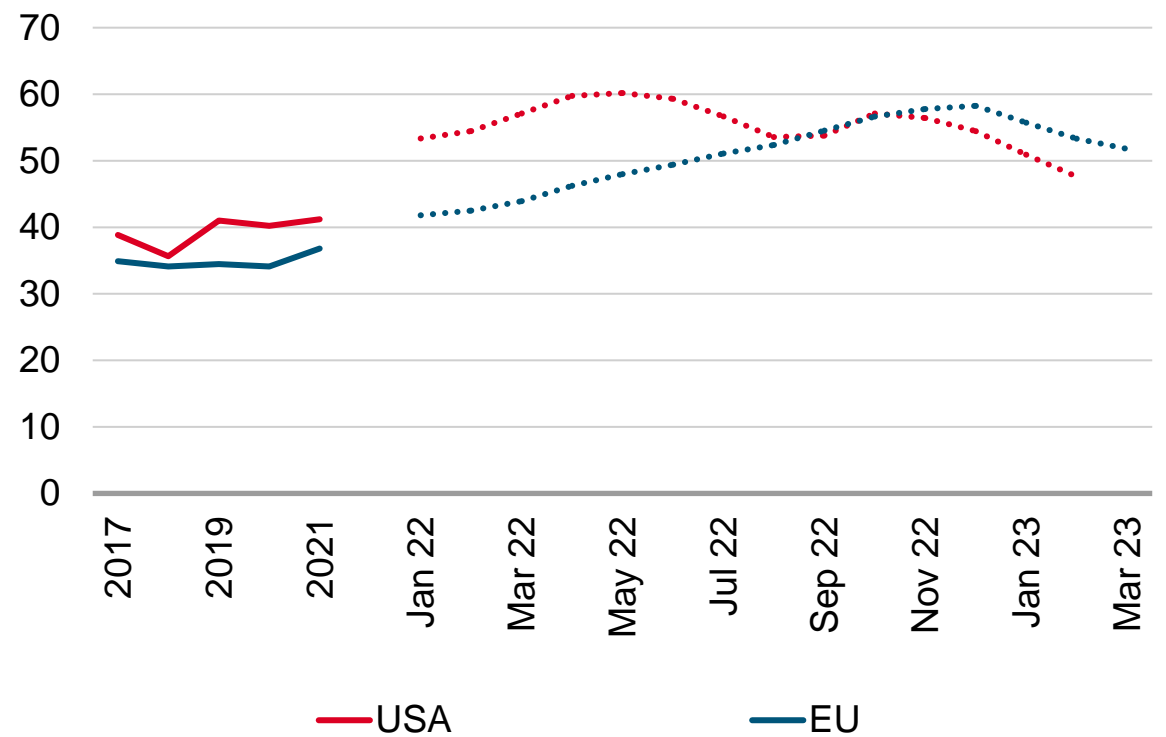
Crop price

EUR and USD / bushel



Milk price

EUR and USD / 100 kg

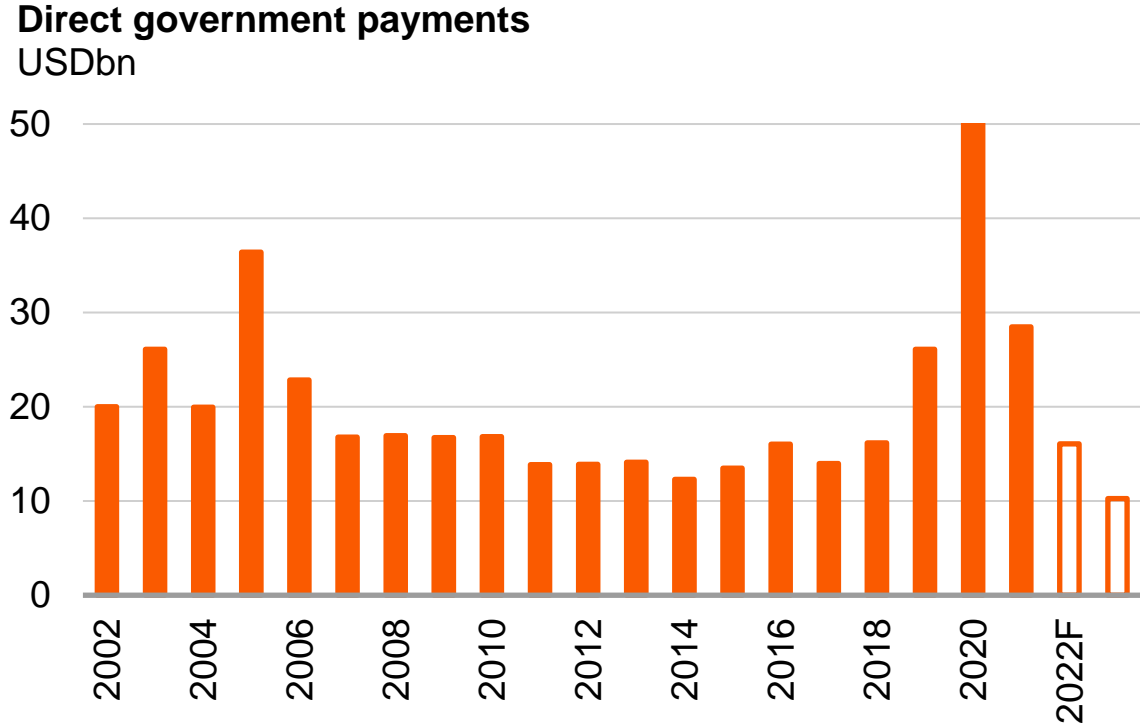
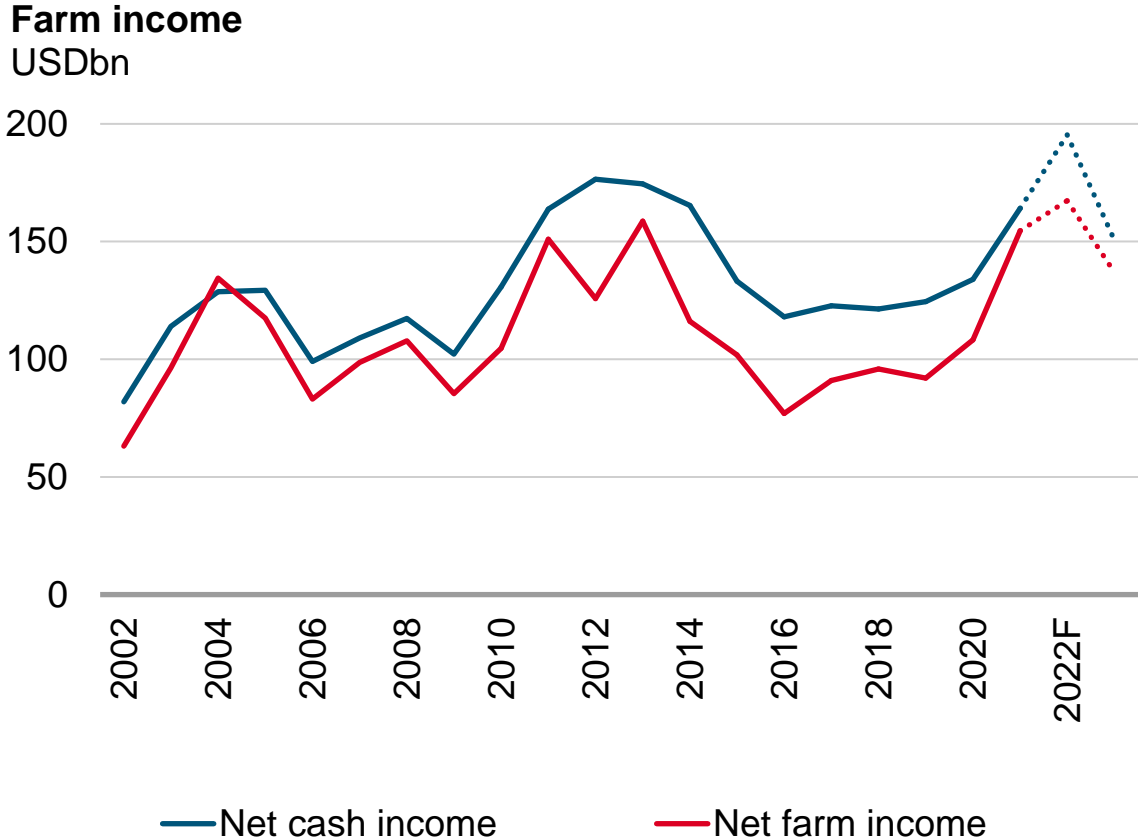


Note: EU milling wheat prices for Rouen (France)
Source: USDA, European Commission

Note: after Dec 2019, prices for EU without UK. EU price for March 2023 provisional
Source: USDA, www.claal.it/en/?section=latte_europa_mmo

US farm income (USDA)

(latest estimates as of February 2023; inflation adjusted)



Source: USDA; values in 2023 dollars (inflation adjusted)

Key figures

Kuhn Group

CHFm				Change
First quarter	2023	2022	%	%¹⁾
Order intake	297	337	-11.6	-9.9
Net sales	440	359	22.5	26.0
Order book	855	844	1.3	3.3
Average number of FTEs	6'205	6'005	3.3	
Full year	2022	2021	%	%¹⁾
Order book	1'019	941	8.3	12.1
Net sales	1'510	1'319	14.5	17.6
Operating profit (EBIT)	176	161	9.6	
% of net sales	11.7%	12.2%		

¹⁾ Adjusted for currency effects

Weakening of the strong market momentum

Kuhn Group: outlook for 2023

Slight weakening of sales volumes in agricultural machinery while at a high level, but inventory levels in the distribution networks still on the lower side

- Europe: uncertainties regarding input costs and due to drought in the south
- North America: stable development
- Brazil: correction after record-high, overheated demand in recent years

Delivery bottlenecks are likely to persist for the time being

For 2023: sales and operating profit margin roughly in line with the previous year, in part due to the strong order book

Bucher Municipal

Municipal vehicles and winter maintenance equipment

Compact sweepers



Truck-mounted sweepers



Sewer cleaning equipment



Winter equipment



Refuse equipment

Electrify and digitalise offering, industrialise production

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 electric-powered sweepers, winter maintenance equipment as well as refuse collection and sewer cleaning vehicles
- Greater efficiency due to modularisation

Complete product range under one brand

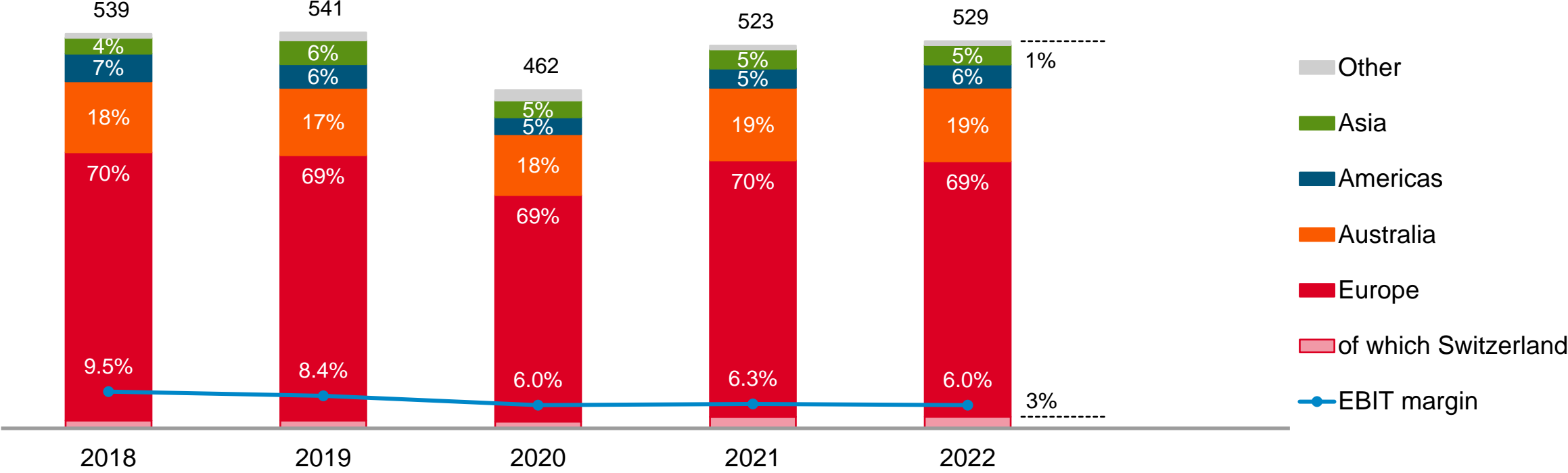
Bucher Municipal

Competitors	Sweepers				Refuse vehicles			Winter maintenance			Sewer cleaning equipment	
	Vacuum		Mechanical		Front	Rear	Side	Spreaders	Ploughs	Snow blowers	Municipal	Industry
	Compact	Truck mounted	Compact	Truck mounted								
Bucher Municipal												
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
First quarter	2023	2022	%	%¹⁾	%²⁾
Order intake	159	192	-17.2	-13.2	-13.5
Net sales	129	116	11.9	16.7	16.0
Order book	340	301	12.9	18.2	14.9
Average number of FTEs	2'490	2'344	6.2		5.4
Full year	2022	2021	%	%¹⁾	%²⁾
Order book	310	237	30.9	37.1	
Net sales	529	523	1.3	5.9	
Operating profit (EBIT)	32	33	-3.7		
% of net sales	6.0%	6.3%			

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Persistent difficulties in the supply chain

Bucher Municipal: outlook for 2023

Demand at a high level but declining

- Stable to declining development in Europe, but positive trend in USA
- Strong demand for electric models

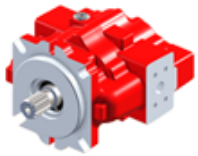
Persistently challenging production environment

Difficulties with procurement

For 2023: slight sales growth due to the strong order book and electric products; increase in operating profit margin as a result of improved production efficiency

Bucher Hydraulics

Customised drive systems



Pumps/motors



Valves/manifold
block solutions



Cylinders



Compact
power units



Inverters/
converters



Electrohydraulic
subsystems

Agricultural machinery



Construction equipment



Materials handling



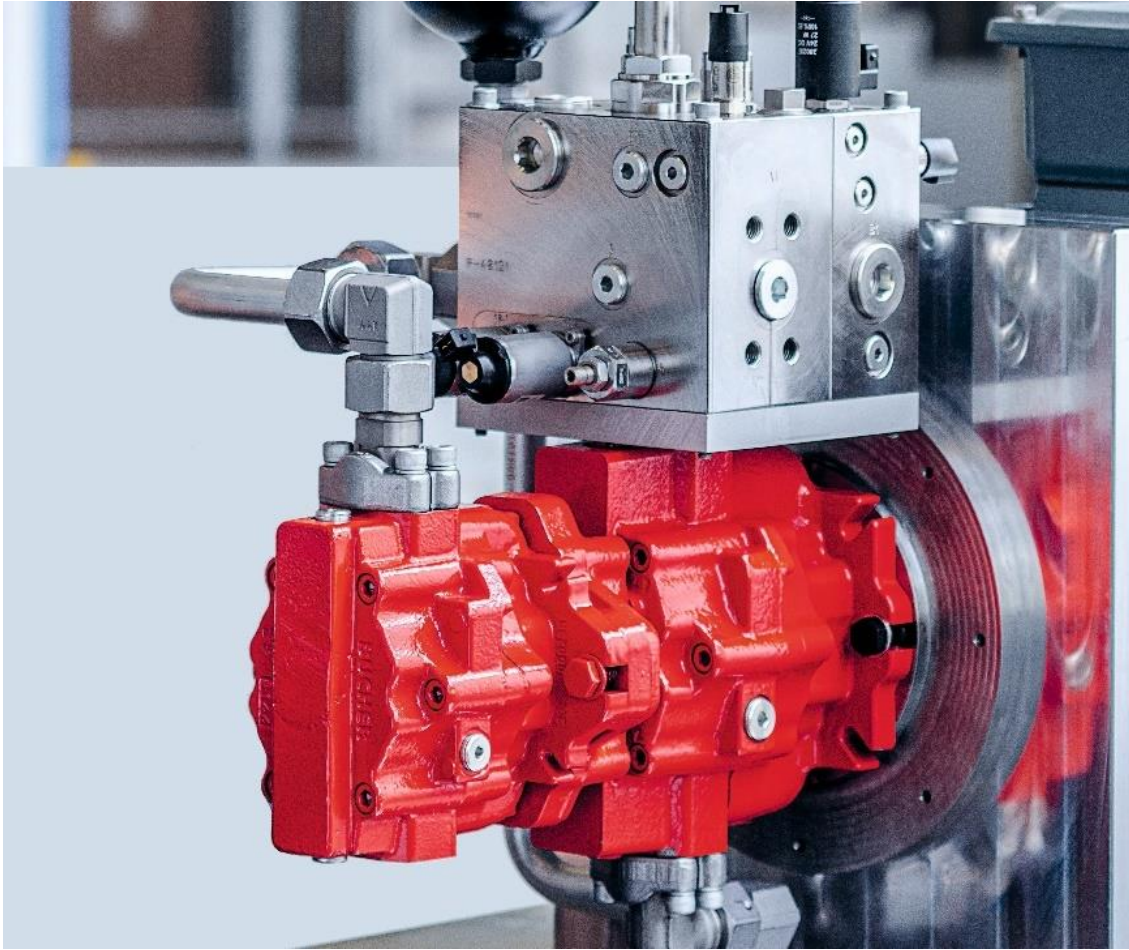
Industry



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 lines in the lower price segment

Leading manufacturer with wide range of products

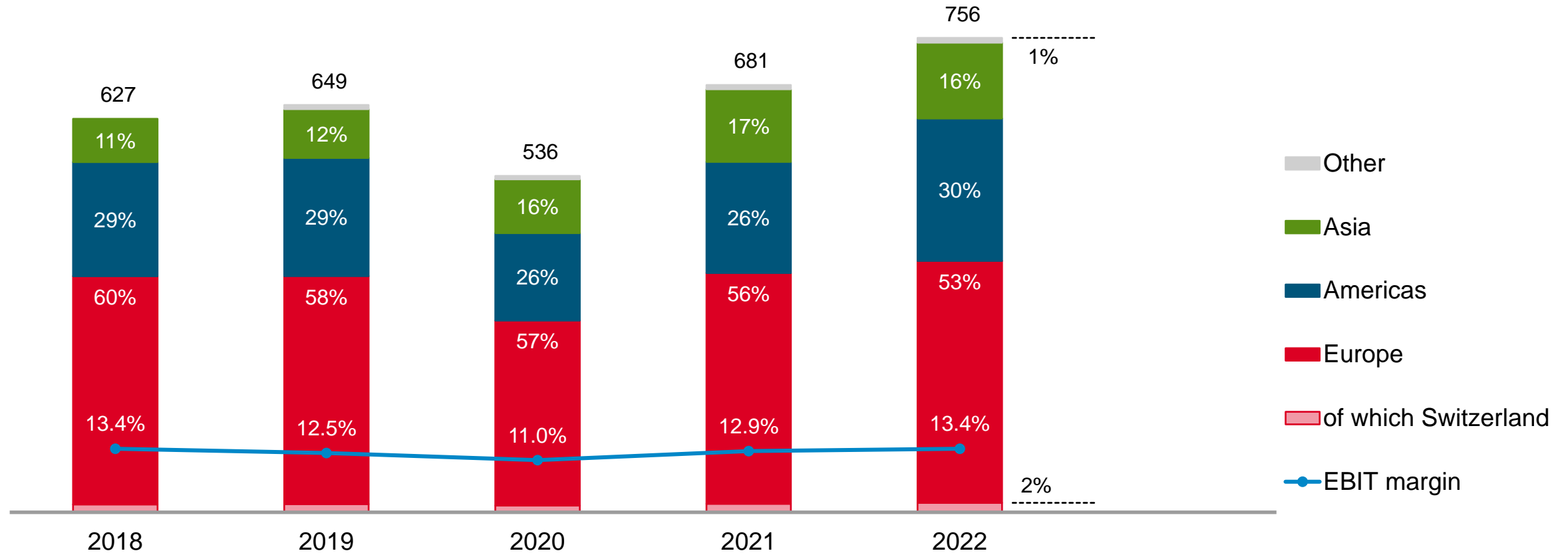
Bucher Hydraulics

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
Bucher Hydraulics																		
Parker (USA)																		
Rexroth (DE)																		
Danfoss (DK)																		
Hydac (DE)																		
HAWE (DE)																		
Dana (IT)																		
Interpump (IT)																		
Voith (DE)																		
Moog (USA)																		
Concentric (SE)																		
Husco (USA)																		
Sun Hydraulics (USA)																		

Net sales by region

Bucher Hydraulics

CHFm



Key figures

Bucher Hydraulics

CHFm					Change
First quarter	2023	2022	%	%¹⁾	
Order intake	194	216	-10.0	-7.4	
Net sales	206	200	3.3	6.3	
Order book	298	332	-10.2	-7.6	
Average number of FTEs	2'996	2'873	4.3		
Full year	2022	2021	%	%¹⁾	%²⁾
Order book	316	320	-1.2	1.9	1.9
Net sales	756	681	11.0	13.5	12.0
Operating profit (EBIT)	101	88	15.2		
% of net sales	13.4%	12.9%			

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Slight decline in market development

Bucher Hydraulics: outlook for 2023

Demand at a high level but weakening further

- Continuation of normalisation in Europe and North America
- Normalisation in the agricultural machinery segment, demand tending to be weaker in construction machinery and materials handling segments

Challenges in production

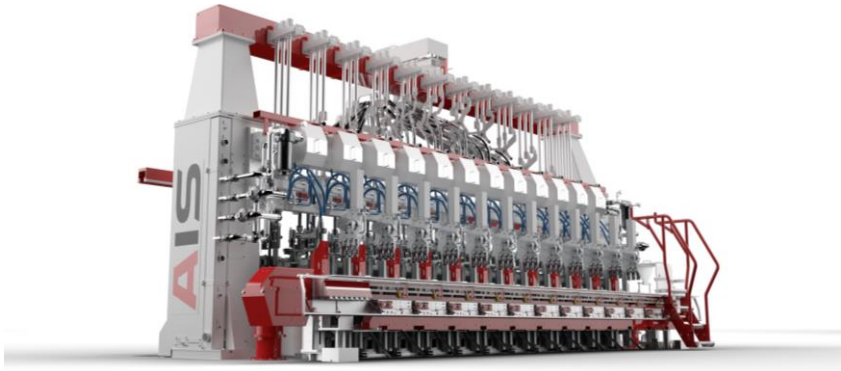
- Highly utilised capacities at some sites in the first half of the year
- Persistent difficulties in attracting and retaining skilled labour

For 2023: sales similar to 2022 due to the very strong order book; operating profit margin slightly below 2022's level mainly due to rising personnel costs

Bucher Emhart Glass

Glass container manufacturing equipment

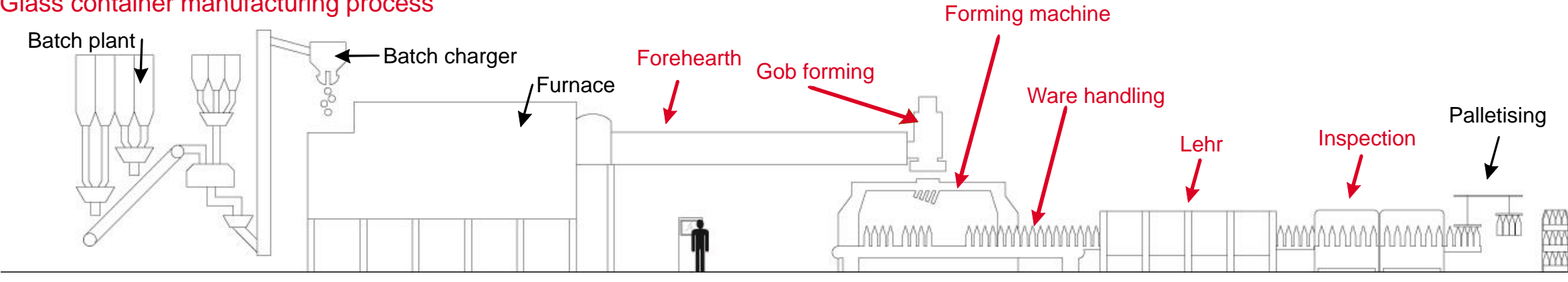
Forming machine



Inspection

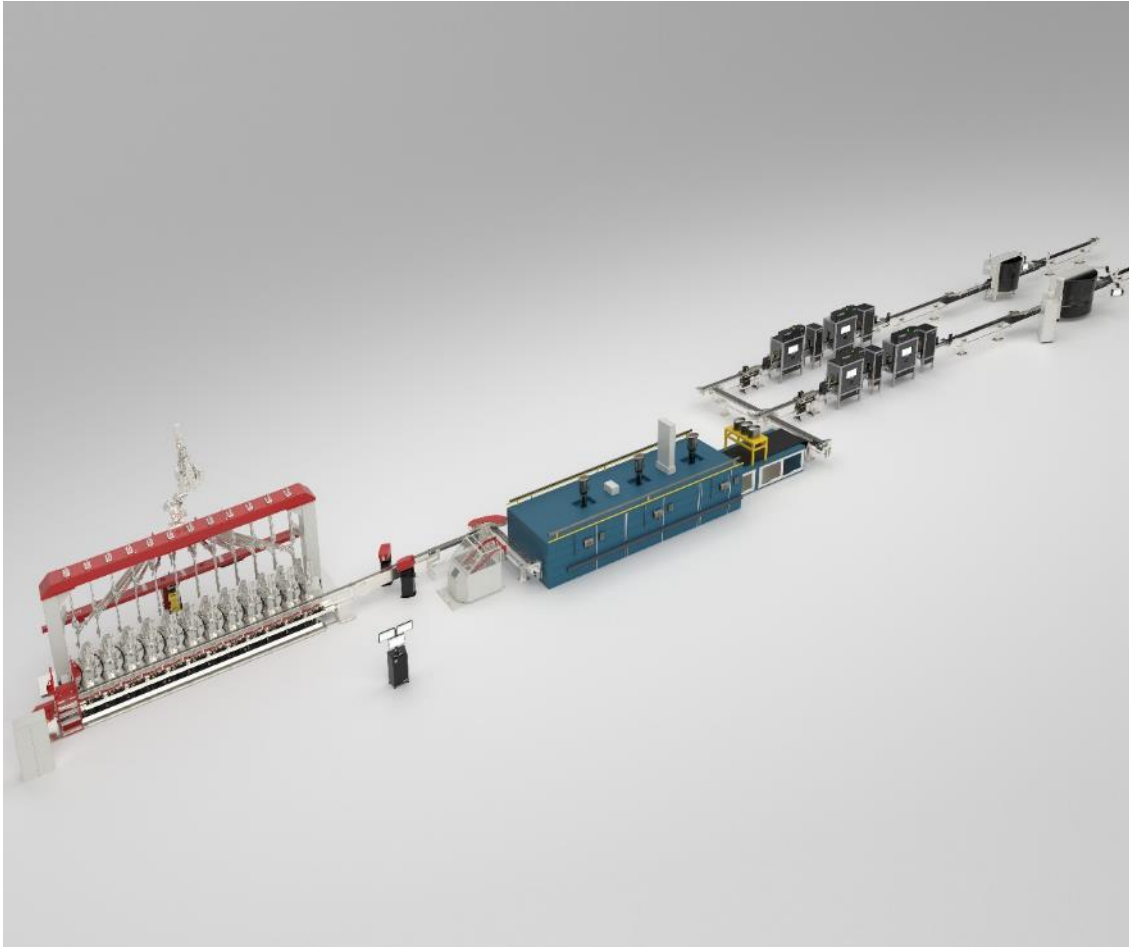


Glass container manufacturing process



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 forming (hot end) and inspection (cold end)
- Expand services, e.g. “Training under glass”
- Develop inspection machine business

World's leading manufacturer for glass container machinery

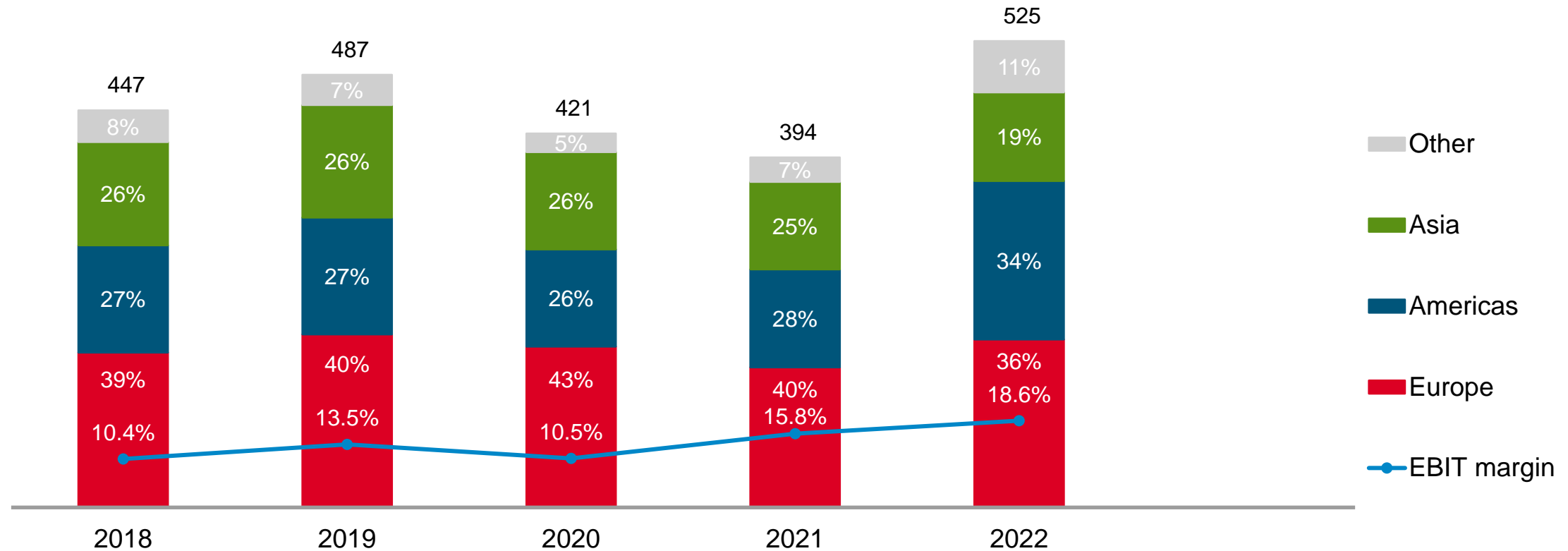
Bucher Emhart Glass

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

Net sales by region

Bucher Emhart Glass

CHFm



Key figures

Bucher Emhart Glass

CHFm				Change
First quarter	2023	2022	%	%¹⁾
Order intake	124	151	-17.7	-14.0
Net sales	133	102	30.2	36.2
Order book	306	325	-5.7	-1.4
Average number of FTEs	1'640	1'588	3.3	
Full year	2022	2021	%	%¹⁾
Order book	319	285	11.8	19.5
Net sales	525	394	33.2	42.2
Operating profit (EBIT)	98	62	56.8	
% of net sales	18.6%	15.8%		

¹⁾ Adjusted for currency effects

Normalisation of demand at high level

Bucher Emhart Glass: outlook for 2023

Continued high demand for machines and equipment for manufacturing glass containers

- Continued high demand for glass containers and shortage of production capacities among manufacturers
- Customers to modernise and expand plant, also at entirely new production sites
- Higher energy prices and interest rates

Very high utilisation of production capacities

For 2023: sales at 2022's very high level; operating profit margin declining to be in the range of the 2021 figure due to higher personnel, material and other costs

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

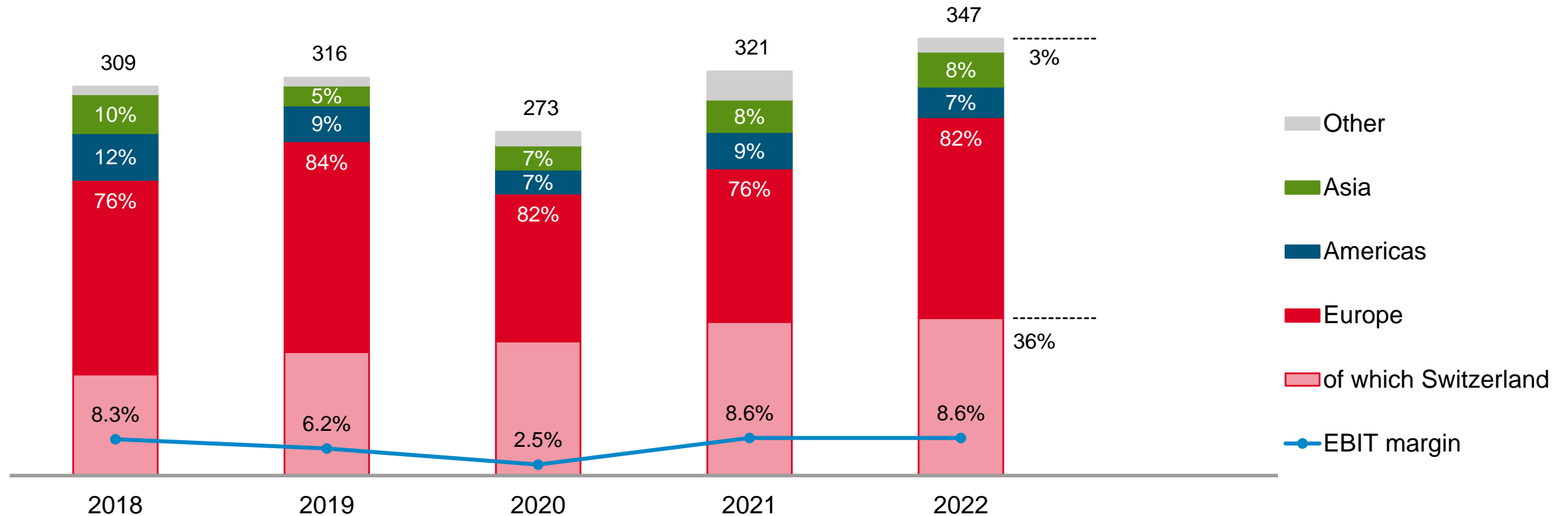


Automation solutions

Net sales by region

Bucher Specials

CHFm



Key figures

Bucher Specials

CHFm					Change
First quarter	2023	2022	%	%¹⁾	%²⁾
Order intake	100	102	-1.5	1.0	-3.3
Net sales	85	71	20.0	22.8	13.7
Order book	168	153	9.9	12.7	2.4
Average number of FTEs	1'495	1'017	47.0		8.2
Full year	2022	2021	%	%¹⁾	%²⁾
Order book	154	121	27.6	34.4	8.6
Net sales	347	321	8.0	12.1	8.8
Operating profit (EBIT)	30	28	8.7		
% of net sales	8.6%	8.6%			

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Solid development

Bucher Specials: outlook for 2023

Overall positive market environment

- Persistent shortage of electronic components
- Swiss agricultural market dampened by strong cost inflation

For 2023: higher sales partly due to the acquisition of a Polish company (B&P Engineering) at Bucher Unipektin; operating profit margin roughly in line with 2022

Outlook and trends

Normalisation of demand at very high level

Group: outlook for 2023

High capacity utilisation in the next few months due to the exceptionally strong order book; increasing pressure on margins, because higher personnel and other operating costs can only be absorbed in part through price increases

- **Kuhn Group:** sales and operating profit margin roughly in line with 2022
- **Bucher Municipal:** slight sales growth, and operating profit margin recovery
- **Bucher Hydraulics:** sales similar to 2022, and operating profit margin slightly lower
- **Bucher Emhart Glass:** sales at 2022's very high level, and operating profit margin in the range of the 2021 value
- **Bucher Specials:** higher sales, and operating profit margin roughly in line with 2022

For 2023: sales roughly in line with 2022, with offsetting price and currency effects; operating profit margin slightly below 2022 due to higher personnel costs; as a result, profit for the year slightly lower

Margin and return targets over an economic cycle

EBIT margin %	2018	2019	2020	2021	2022	Targets
Kuhn Group	8.7	8.3	8.3	12.2	11.7	12
Bucher Municipal	9.5	8.4	6.0	6.3	6.0	9
Bucher Hydraulics	13.4	12.5	11.0	12.9	13.4	12
Bucher Emhart Glass	10.4	13.5	10.5	15.8	18.6	10
Bucher Specials	8.3	6.2	2.5	8.6	8.6	10
Bucher Industries	9.5	9.2	7.4	11.1	11.8	>10
Group and divisions	2018	2019	2020	2021	2022	Target
RONOA after tax	19.6	19.0	13.5	25.6	28.6	>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 vehicles
- Electrohydraulic system solutions
- “End to End” glass forming

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

Growth ambition by aligning with trends

In line with historical growth rate of 3-4% p.a.¹⁾

Major trends

Population growth

Urbanisation

Growing middle class

Climate change

Selected initiatives with largest sales impact on Bucher Industries



Larger and more productive agricultural machinery and solutions for precision farming and conservation agriculture



Electrified mobile machines



Electrohydraulics



Automation and intelligence

¹⁾ Average historical growth rates last ten years

Key attractions Bucher Industries

Operating in cyclical, but structurally growing markets

Diversification across divisions mitigates cycles

Trusted solutions with leading market positions, established brands

Sustainable business practices, with long-term orientation

Good cash generation based on flexible cost structures, financial independence

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