

Third quarter 2023

BUCHER

Investor relations handout – autumn 2023





BUCHER CityCat V20e

The most quiet
cat in town

Zero Emission

BUCHER

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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

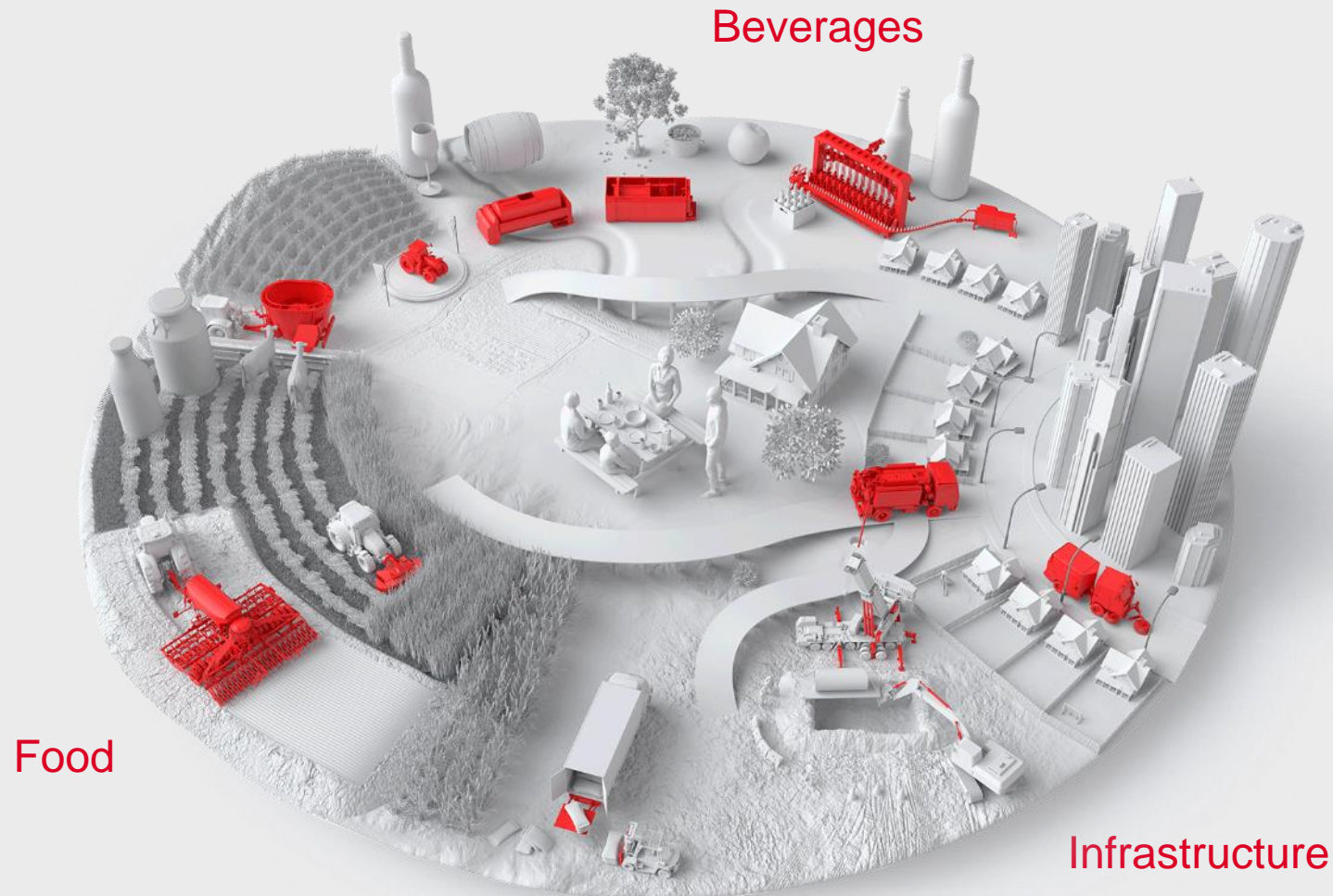
Origins

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

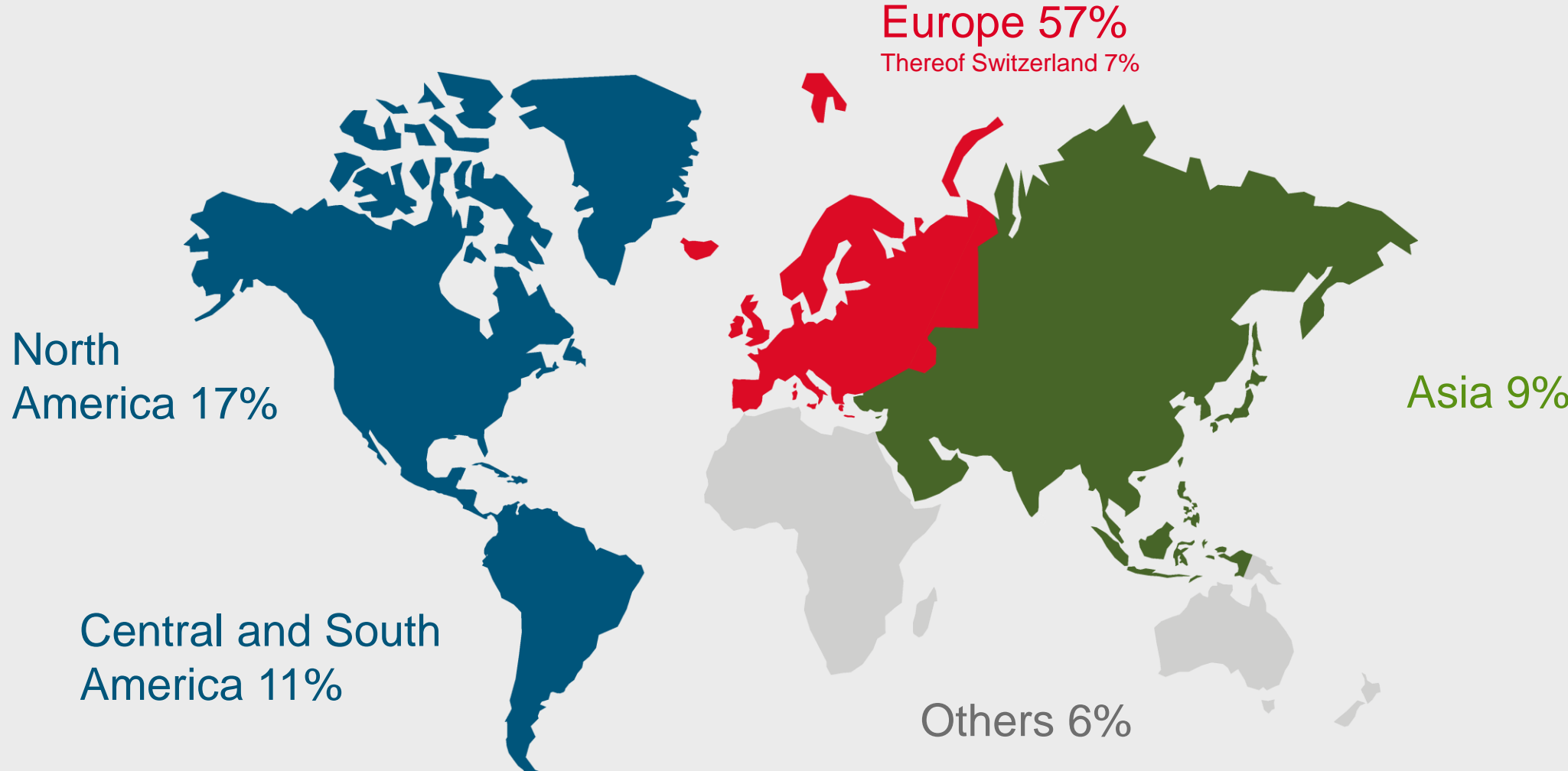
- Weather extremes
- Finite arable land



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



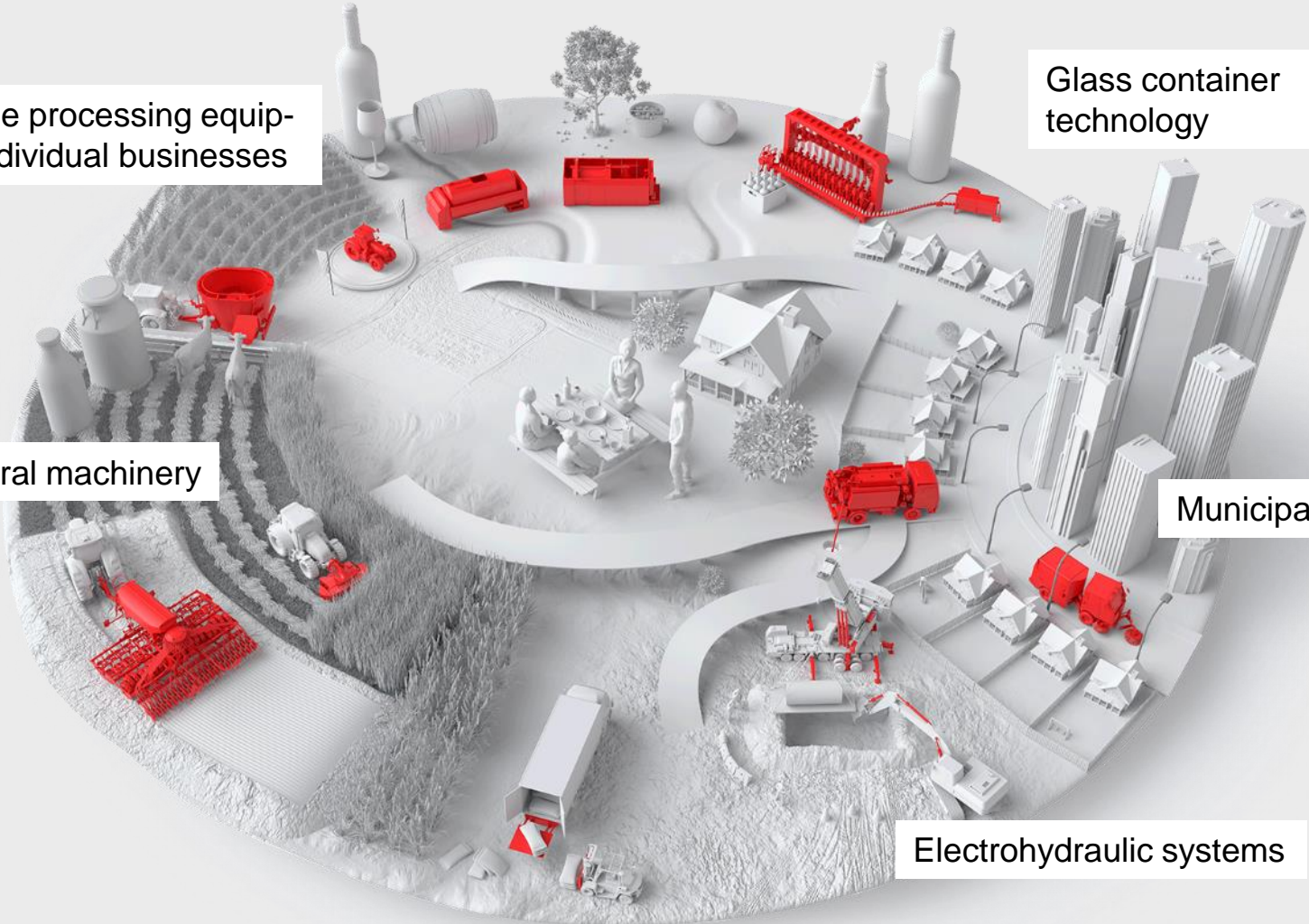
Agricultural machinery

Municipal vehicles

BUCHER
municipal

Electrohydraulic systems

BUCHER
hydraulics



Sales by division



Bucher Specials

CHF 350 million sales
1'500 employees



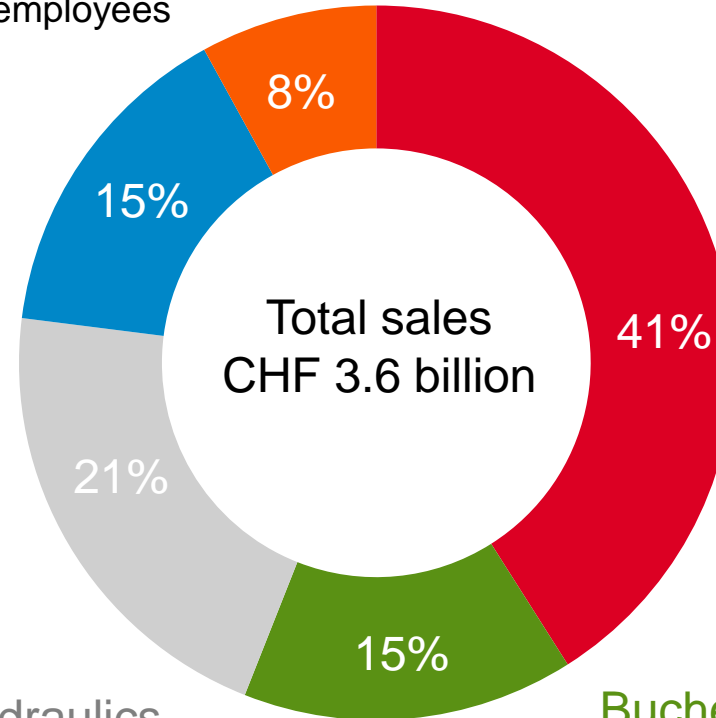
Kuhn Group

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



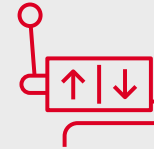
Kuhn Group

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

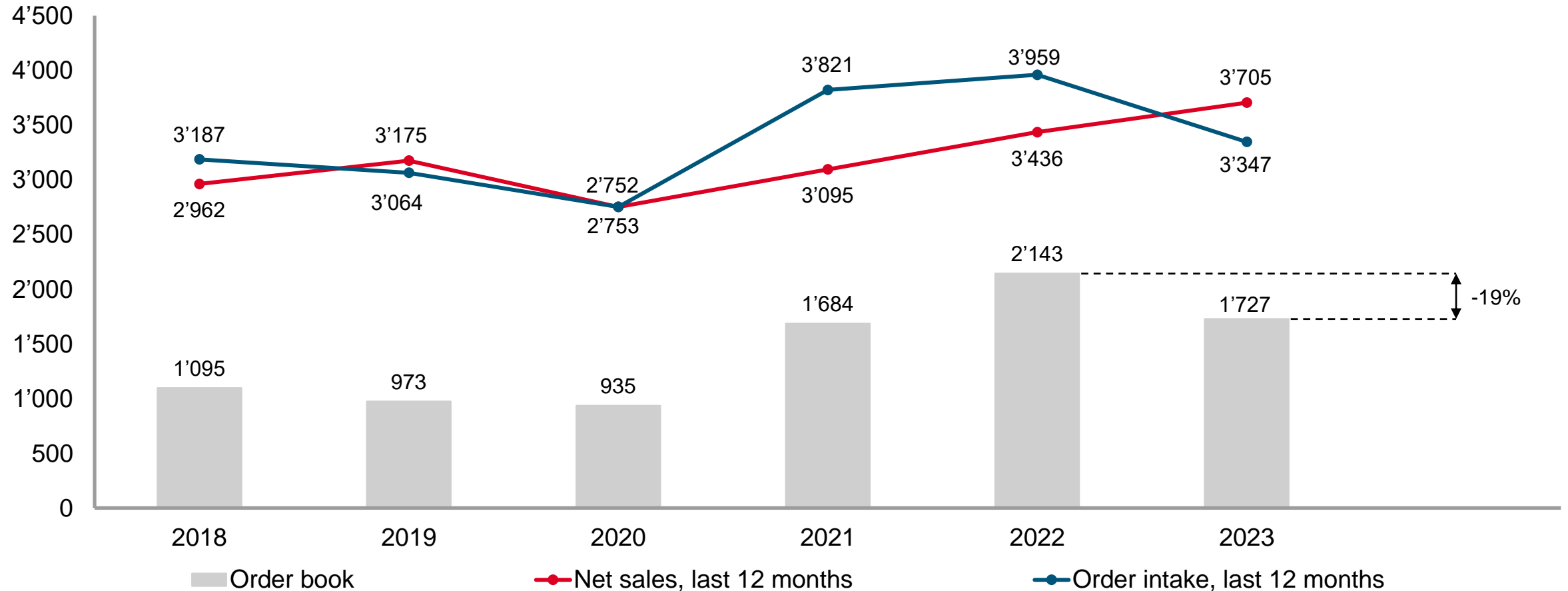
World market leader in wine
making and fruit juice equipment

Group: sustainable value creation

Order book normalising on a high level

Performance: order book – Q3

CHFm, Q3 view (30 Sept)



Key figures – third quarter 2023

Performance

CHFm	January – September				Change % ²⁾	Full year 2022
	2023	2022	%	% ¹⁾		
Order intake	2'443	2'954	-17.3	-14.0	-14.6	3'858
Net sales	2'732	2'624	4.1	8.3	7.4	3'597
Order book	1'727	2'143	-19.4	-16.1	-17.2	2'081
Average number of FTEs	14'836	13'928	6.5		3.5	14'053

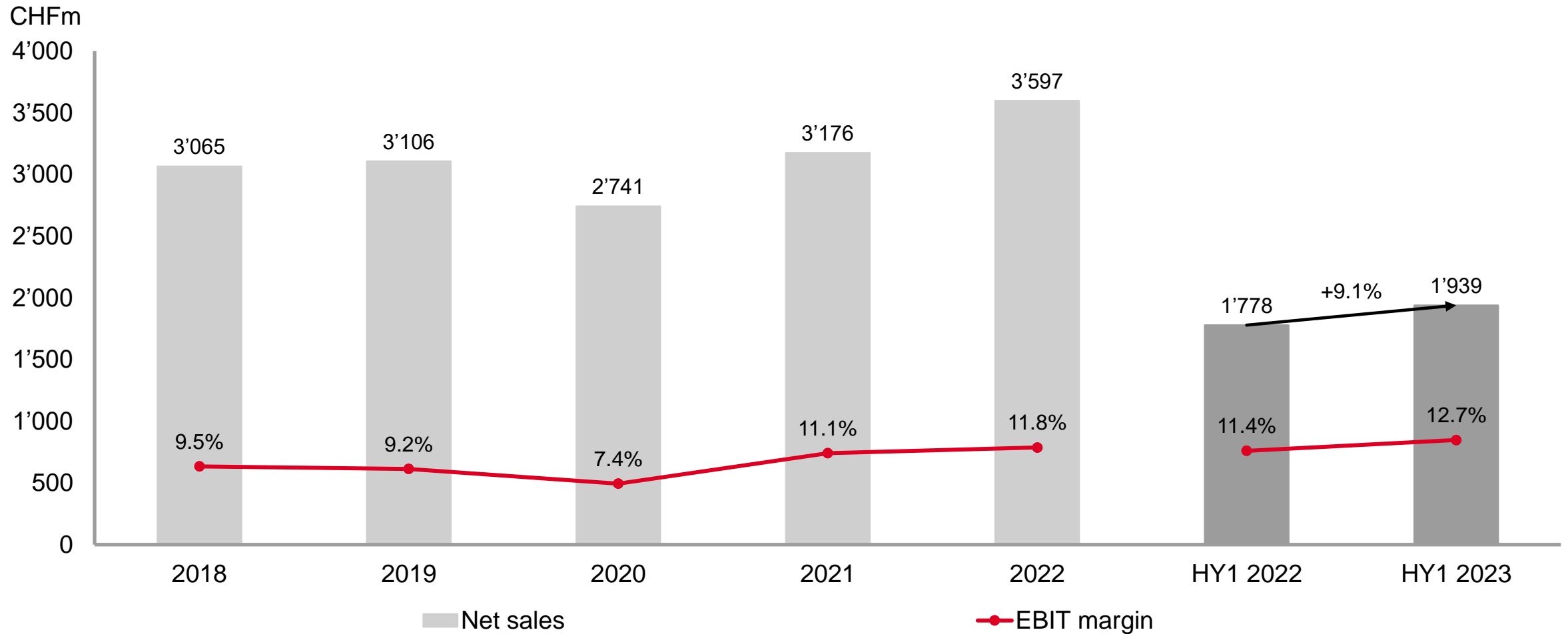
CHFm	January – June		Change %	Full year 2022
	2023	2022		
Operating profit (EBIT)	246	203	21.3	425
% of net sales	12.7%	11.4%		11.8%
Profit for the period	199	154	29.4	335
% of net sales	10.3%	8.7%		9.3%

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Strong increase in sales and profitability

Performance: net sales and EBIT margin – first half



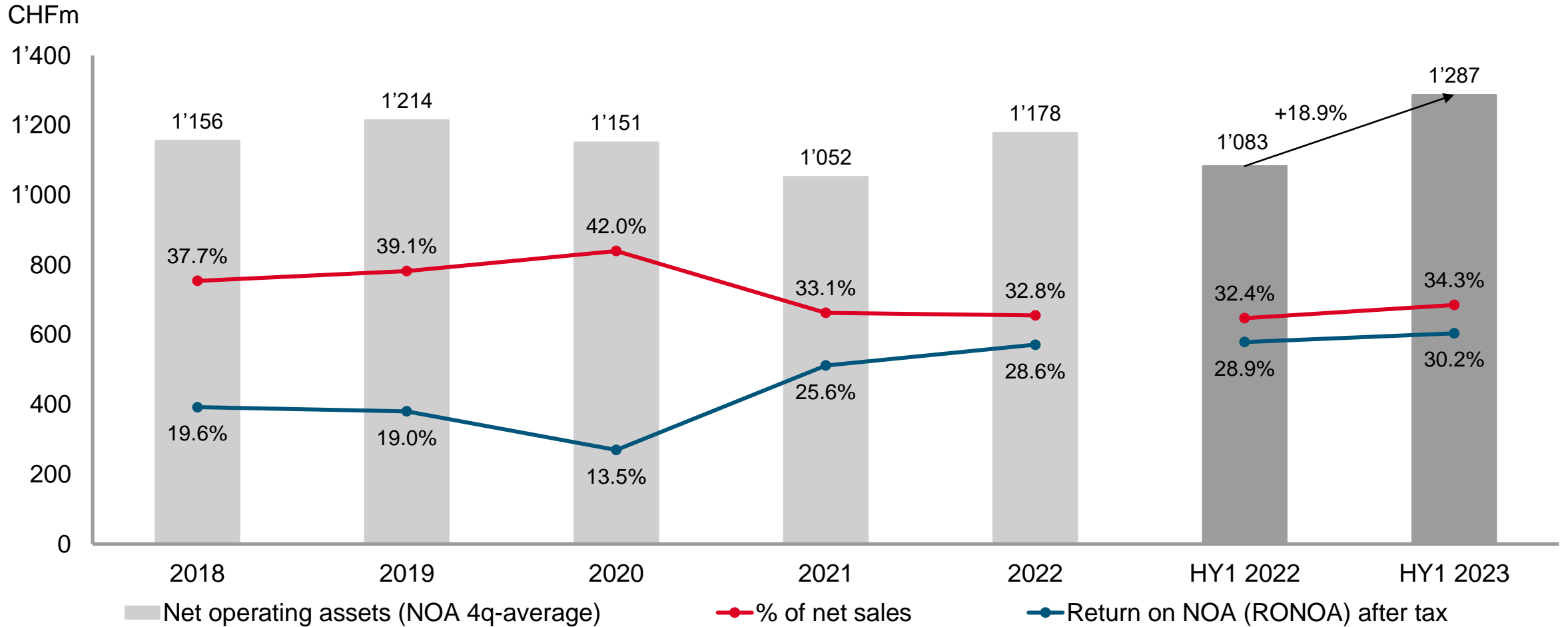
Key figures – first half

Performance, invested capital





CHFm	January – June		Change	Full year
	2023	2022	%	2022
Profit for the period	199	154	29.4	335
% of net sales	10.3%	8.7%		9.3%
Earnings per share in CHF	19.35	14.97	29.3	32.36
Capital expenditure	61	35	77.0	97
Operating free cash flow	-77	-162	52.3	69
Net cash/debt	226	281	-19.6	457
Equity	1'742	1'571	10.8	1'702
% of total assets (equity ratio)	59.2%	56.3%		57.1%
Net operating assets (NOA) average	1'287	1'083	18.9	1'178
Return (RONOA) after tax %	30.2%	28.9%		28.6%

Increase in NOA and RONOAO

Invested capital: net operating assets (NOA) – first half



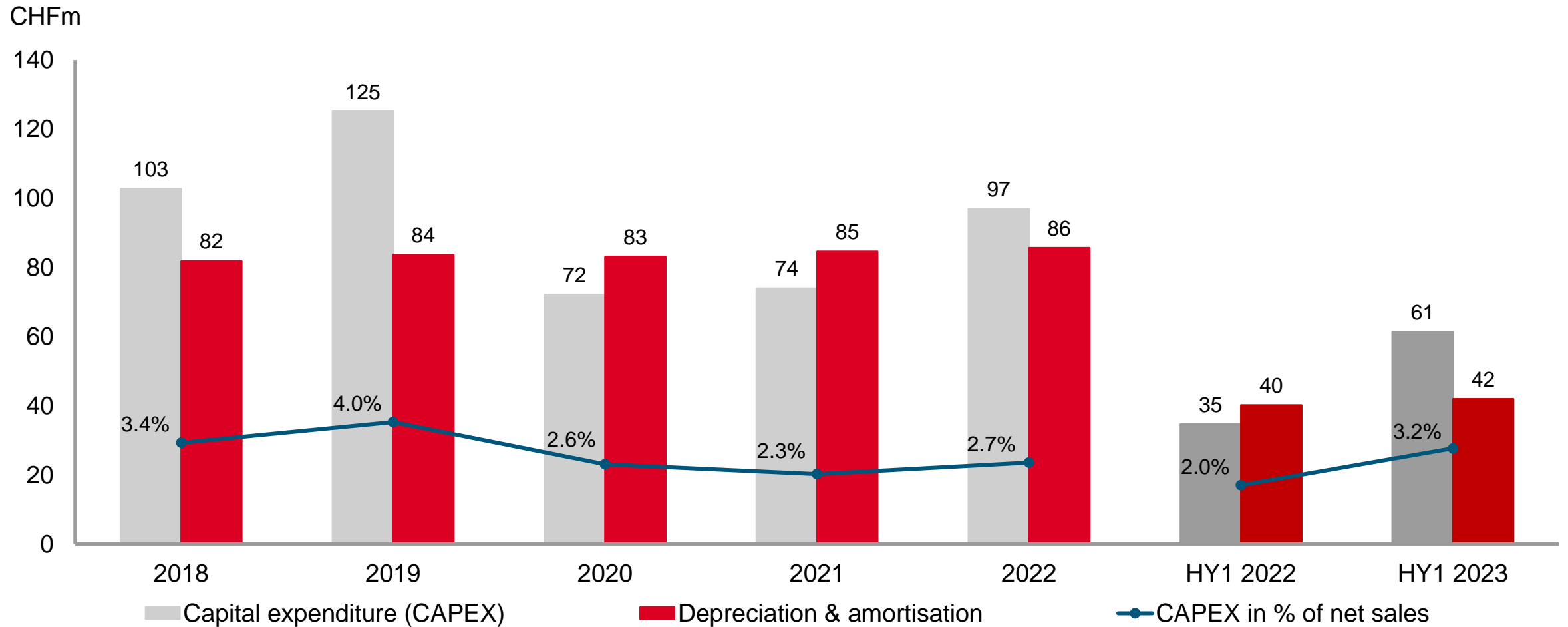
Acquisitions 2022 – 2023

2022			2023
Bucher Specials	Bucher Municipal	Bucher Specials	Bucher Municipal
Denwel, Czech Republic	Enway, Germany/Singapore	B&P Engineering Poland	SSV Environnement France
			
Net sales ¹⁾	Start-up	Net sales ¹⁾	Net sales ¹⁾
CHF 7 million		CHF 40 million	CHF 11 million
Employees	Employees	Employees	Employees
40	15	400	30

¹⁾ before acquisition

High investment activity

Invested capital: capital expenditure – first half



Key investment projects

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

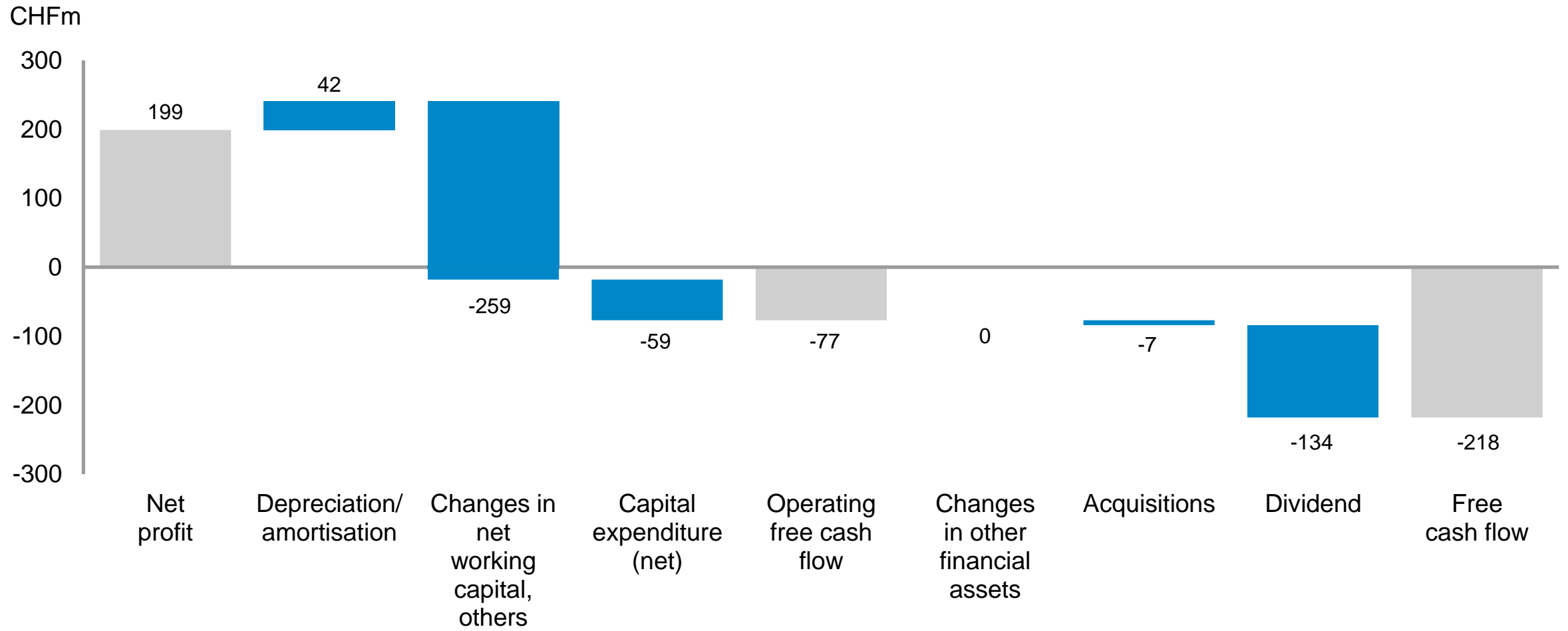
New-generation air compressor,
Zibo, China

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



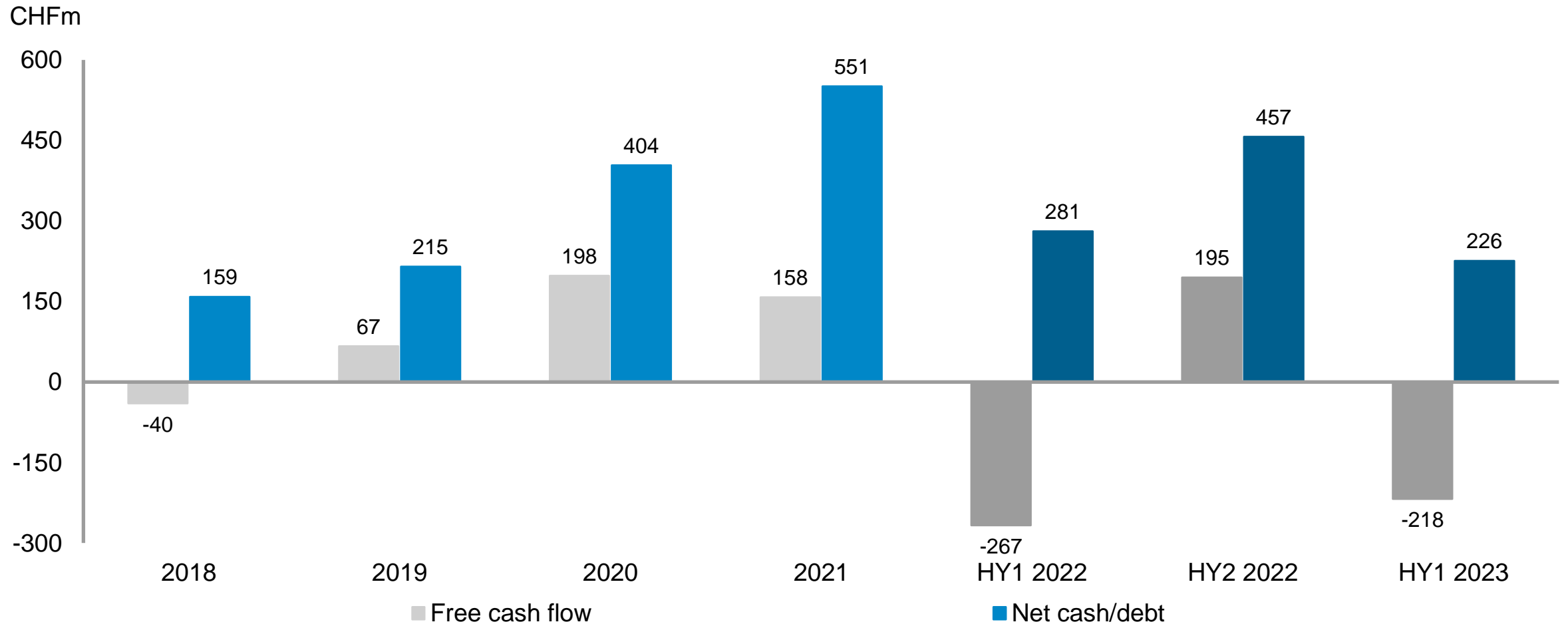
Negative free cash flow due to seasonal factors

Financing and risk management – first half



Net cash still on a high level

Financing and risk management – first half



Selected development projects

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

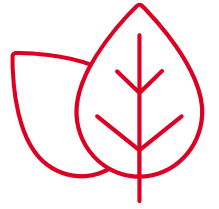


Reduced energy consumption compared to prior year

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

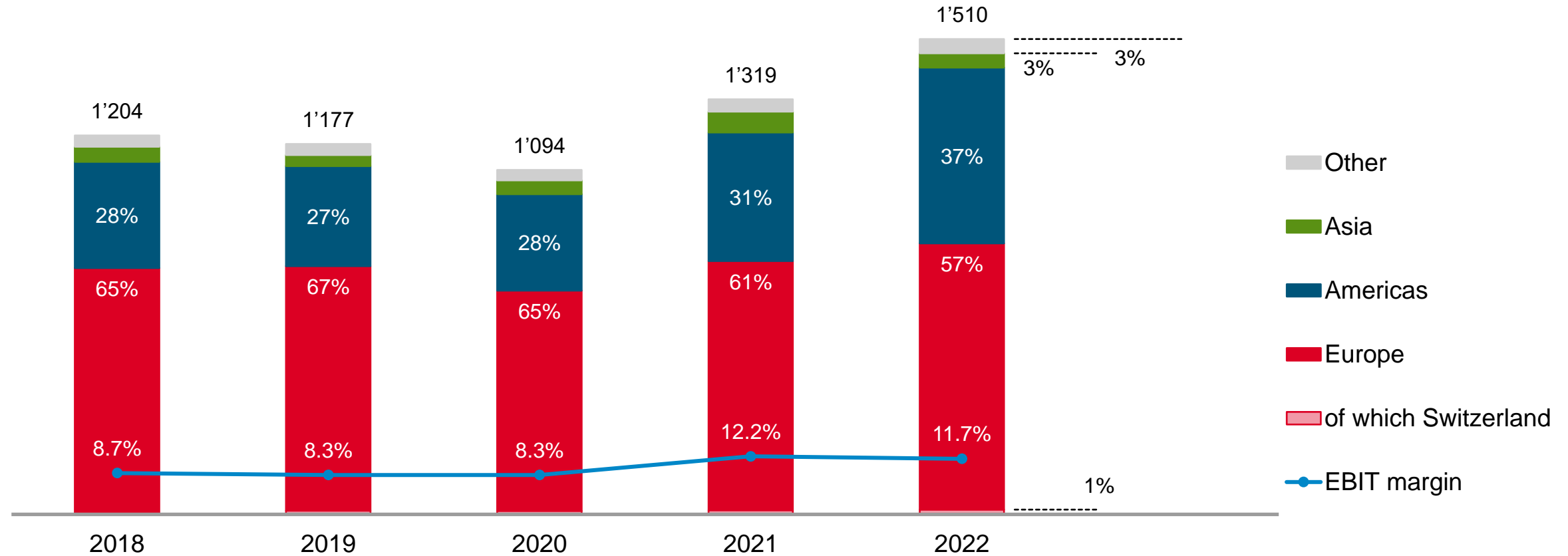
Kuhn Group

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

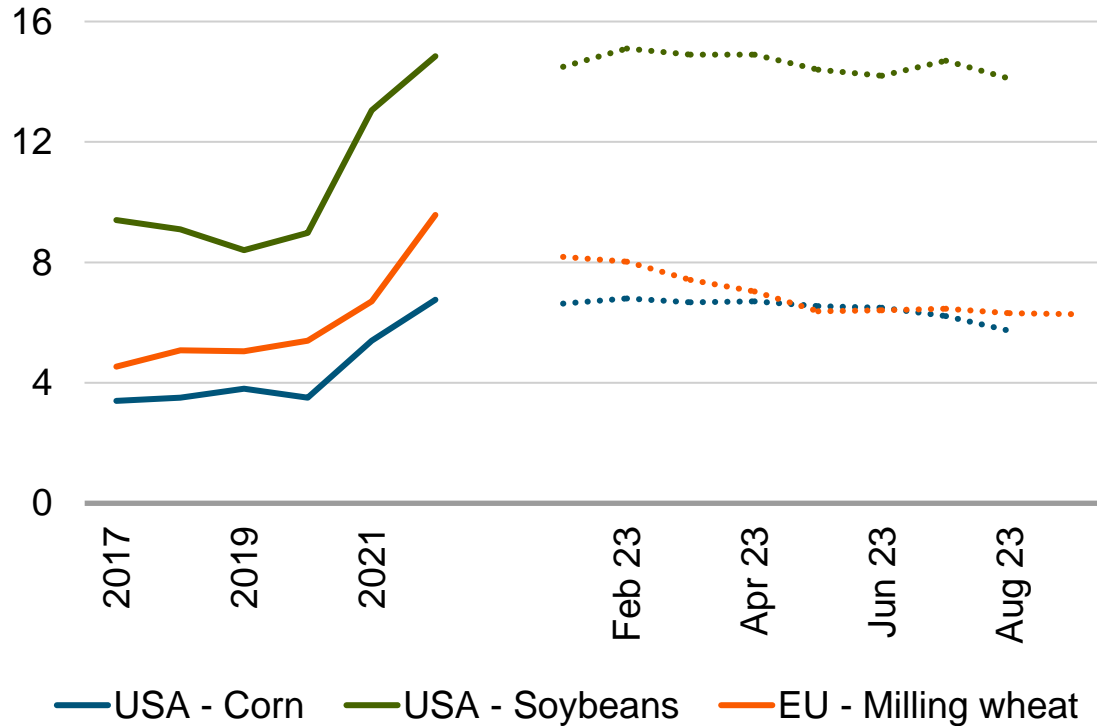


Price development soybeans, corn, wheat, milk

(average prices until September 2023, if available)

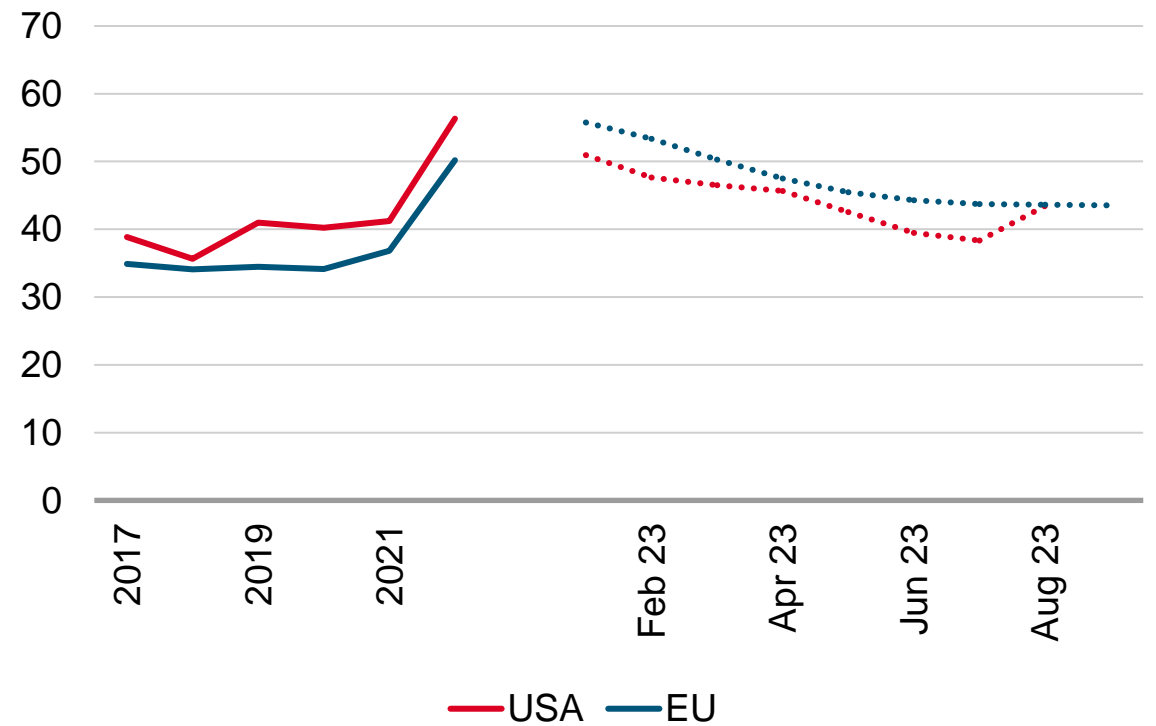
Crop price

EUR and USD / bushel



Milk price

EUR and USD / 100 kg

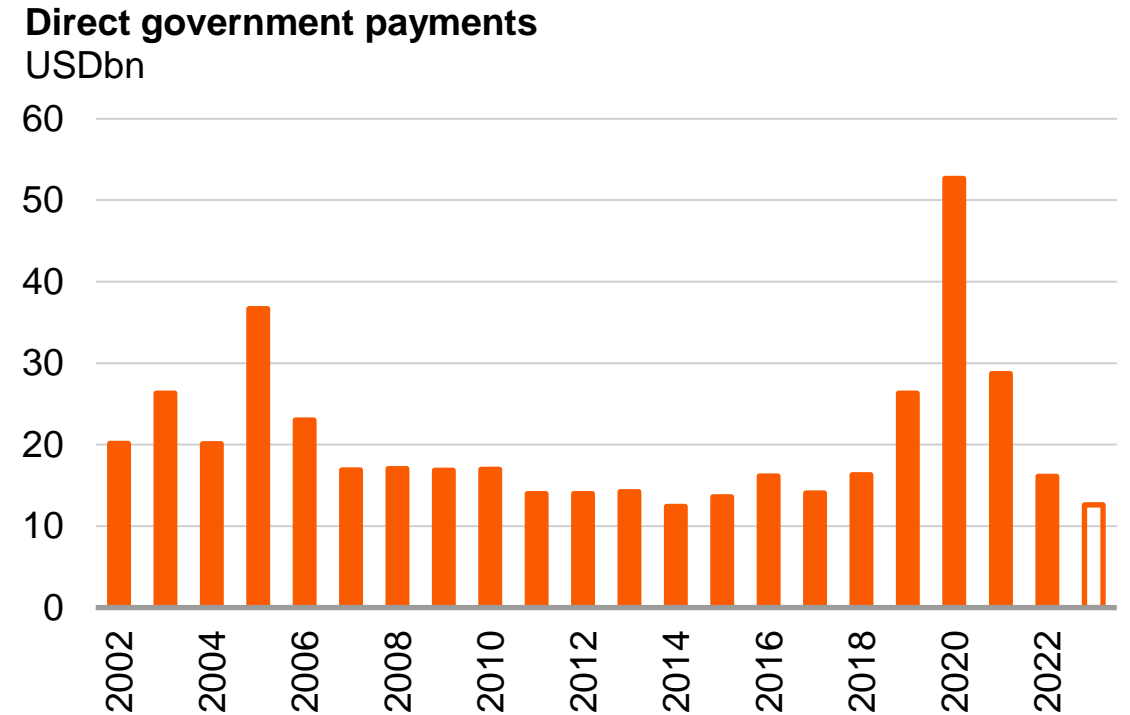
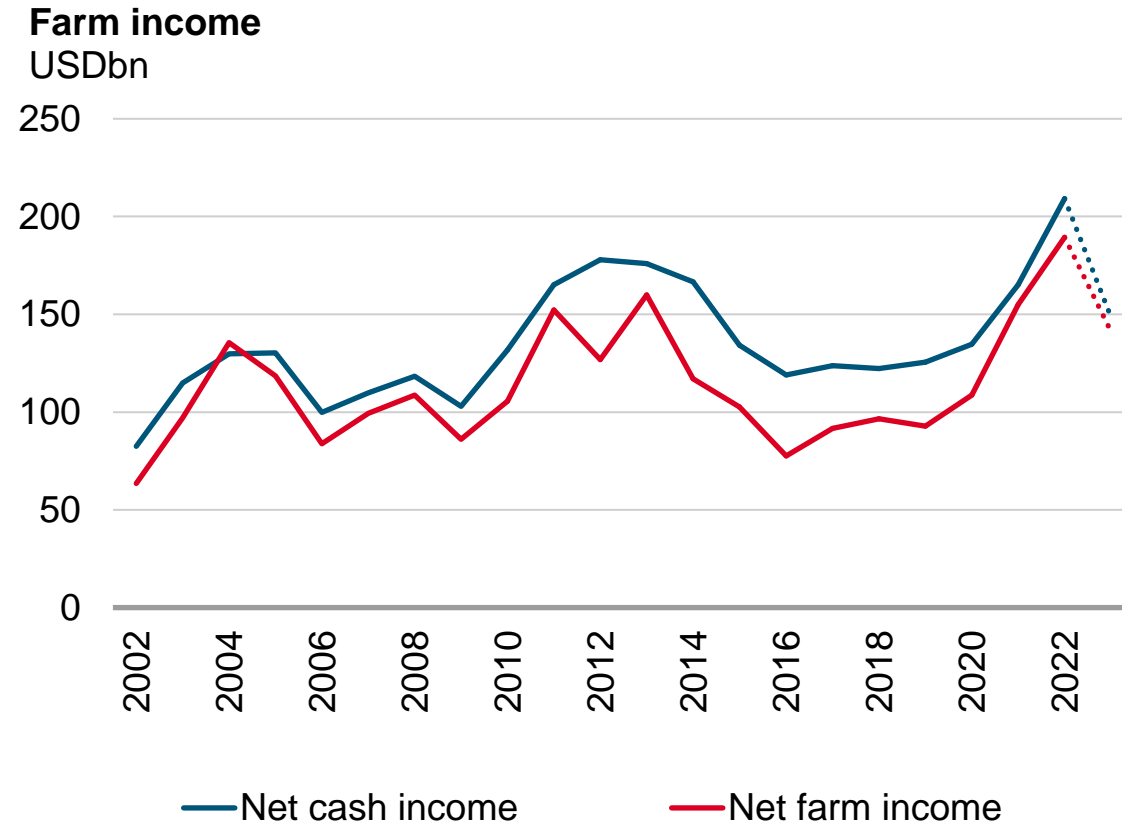


Note: EU milling wheat prices for Rouen (France)
Source: USDA, European Commission

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

US farm income (USDA)

(latest estimates as of end of August 2023; inflation adjusted)



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

Key figures

Kuhn Group

CHFm	January – September			Change	Full year
	2023	2022	%		
				% ¹⁾	2022
Order intake	850	1'225	-30.6	-28.1	1'613
Net sales	1'132	1'141	-0.8	3.2	1'510
Order book	697	1'004	-30.5	-27.8	1'019
Average number of FTEs	6'043	5'930	1.9		5'994

CHFm	January – June		Change	Full year
	2023	2022		
			%	2022
Operating profit (EBIT)	114	98	16.5	176
% of net sales	13.4%	12.2%		11.7%

¹⁾ Adjusted for currency effects

Globally lower willingness to invest

Kuhn Group: Outlook for 2023

Global reduction of the demand at high level; declining retail sales result in higher inventories in the dealer network

- Farm incomes remained at a decent level compared with past years
- Globally lower willingness to invest due to lower agricultural commodity prices, drought conditions in several areas, and high interest rates and machinery prices
- Brazil: significant correction after very high, overheated demand in recent years

For 2023: sales and operating profit margin in line with the previous year despite downturn in the third quarter

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

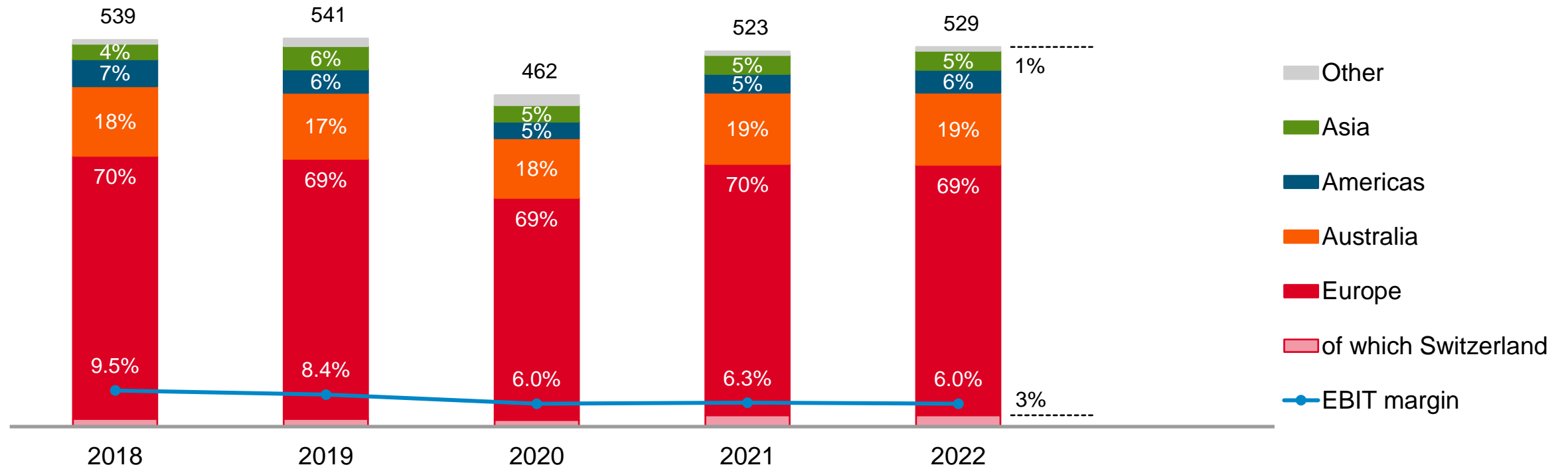
Bucher Municipal

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	January – September				Change % ²⁾	Full year 2022
	2023	2022	%	% ¹⁾		
Order intake	429	505	-15.1	-10.0	-10.8	619
Net sales	402	367	9.5	15.3	14.3	529
Order book	333	359	-7.3	-1.9	-4.7	310
Average number of FTEs	2'536	2'386	6.3		5.0	2'421

CHFm	January – June		Change %	Full year 2022
	2023	2022		
Operating profit (EBIT)	14	8	83.1	32
% of net sales	5.3%	3.2%		6.0%

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Sales growth despite challenges

Bucher Municipal: Outlook for 2023

Stable market situation, normalisation of demand

- Positive demand for refuse collection vehicles, winter equipment as well as maintenance services and spare parts
- Sweepers and sewer cleaning vehicles with significantly lower orders
- Growth of electrified solutions slowing down

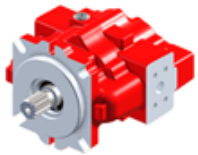
Improvement of production efficiency, supply chain for chassis and electronic components eased but remained challenging

Preparations for gradual introduction of new ERP solution

For 2023: slight sales growth due to the strong order book and electrified products; increase in operating profit margin as a result of partially improved supply chain and 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



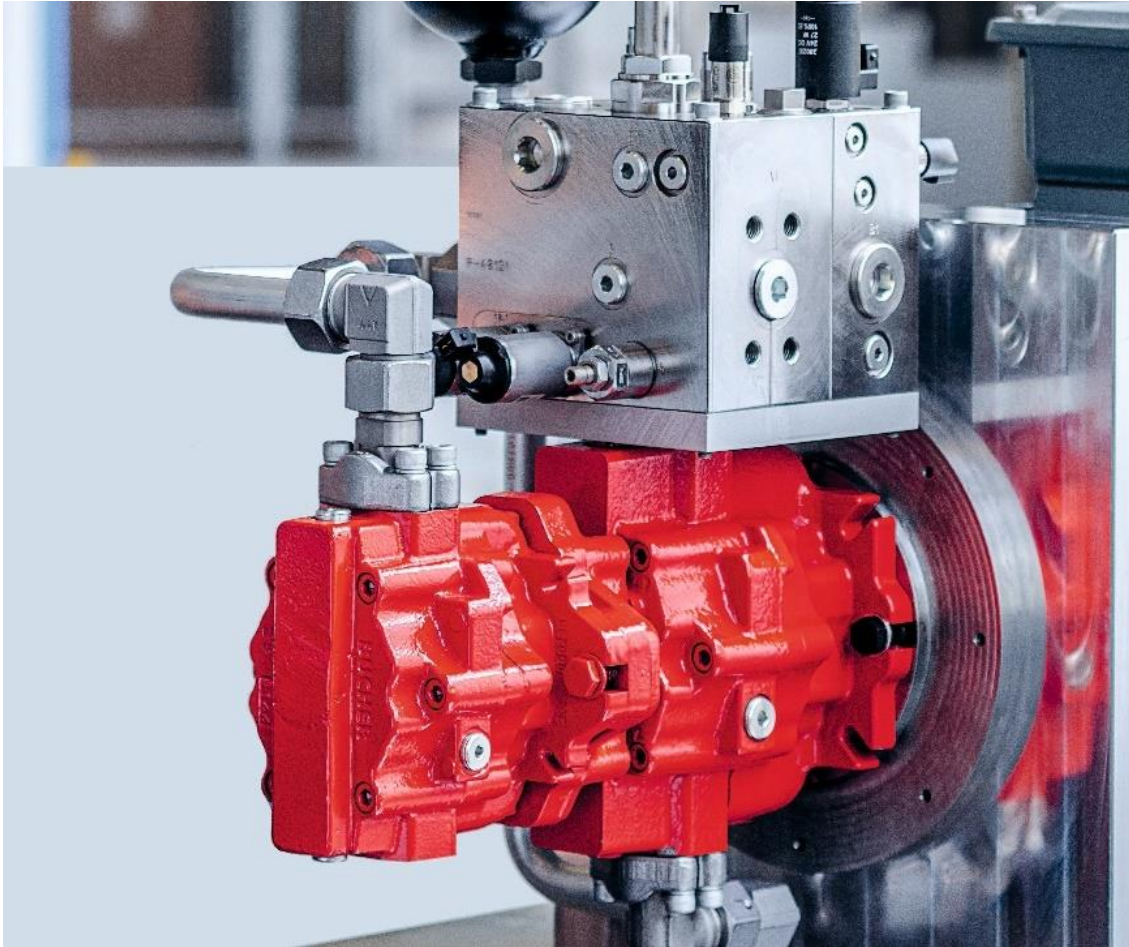
Industry



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

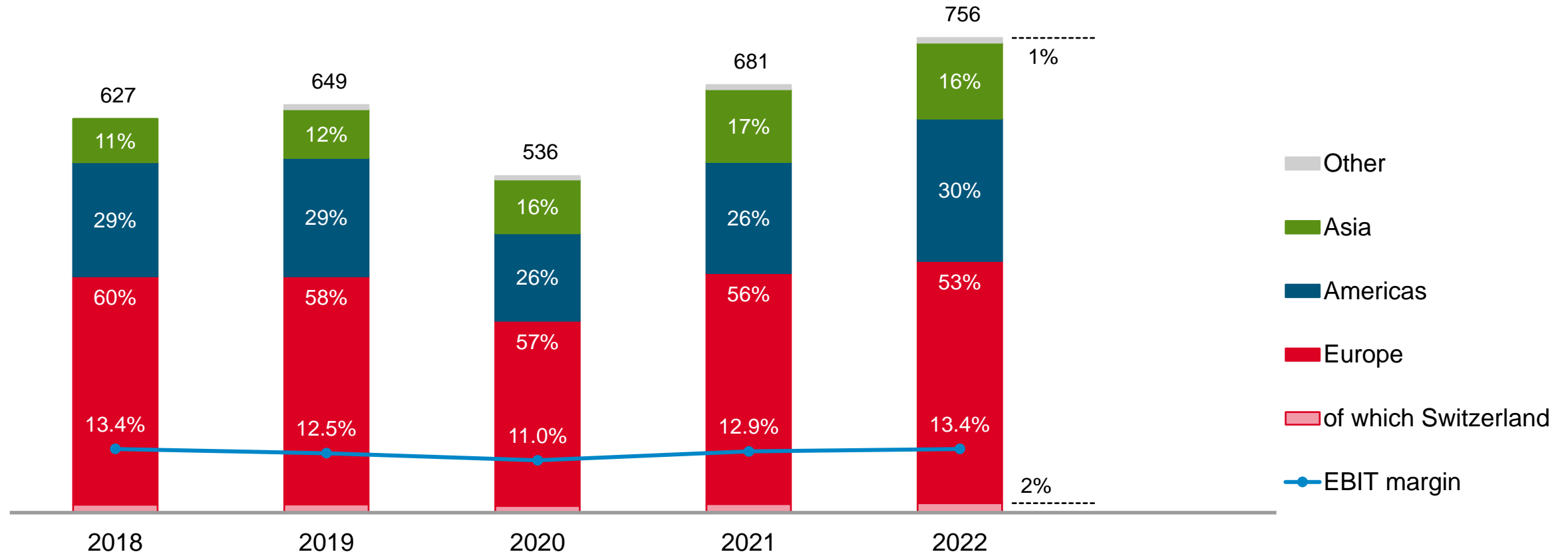
Bucher Hydraulics

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	January – September			Change	Full year
	2023	2022	%		
Order intake	511	591	-13.7	-10.2	764
Net sales	578	575	0.6	4.5	756
Order book	238	328	-27.5	-24.6	316
Average number of FTEs	3'040	2'906	4.6		2'921

CHFm	January – June		Change	Full year
	2023	2022		
Operating profit (EBIT)	60	53	13.0	101
% of net sales	14.9%	13.7%		13.4%

¹⁾ Adjusted for currency effects

Declining market

Bucher Hydraulics: Outlook for 2023

Demand weakened at a high level

- In North America and Europe order intake weakening, more recently also in the agricultural machinery sector
- Low level in China
- Demand for mobile electric drives still very pleasing

Challenges in production

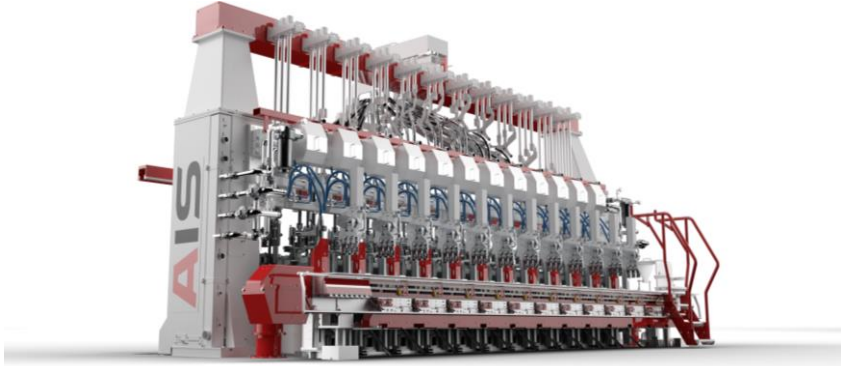
- Capacity utilisation remains high at some sites, others adjusting to lower volumes

For 2023: sales and operating profit margin on a par with 2022, despite significantly higher personnel costs

Bucher Emhart Glass

Glass container manufacturing equipment

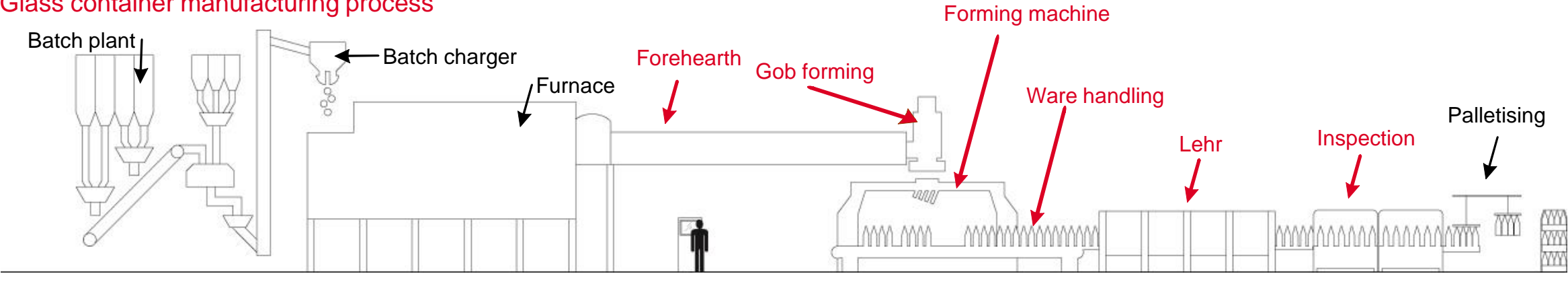
Forming machine



Inspection

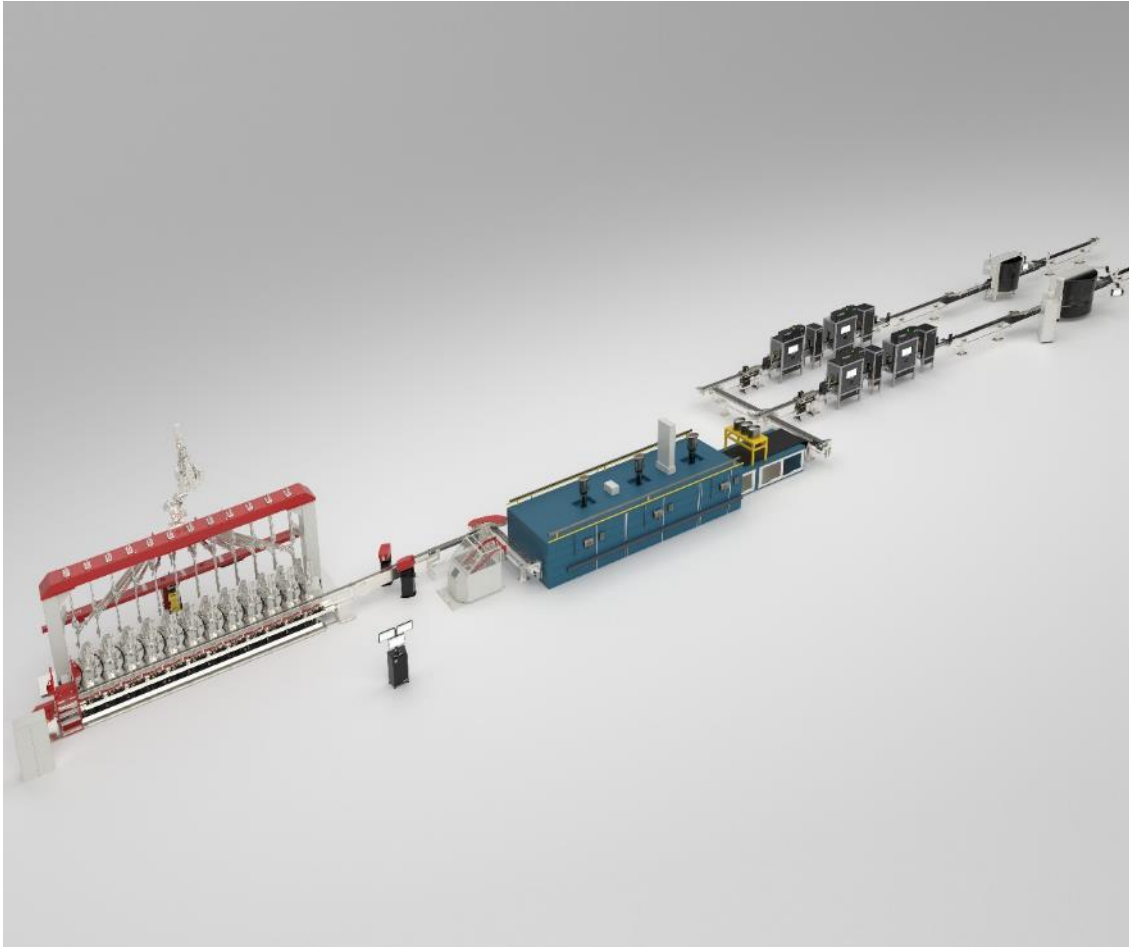


Glass container manufacturing process



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

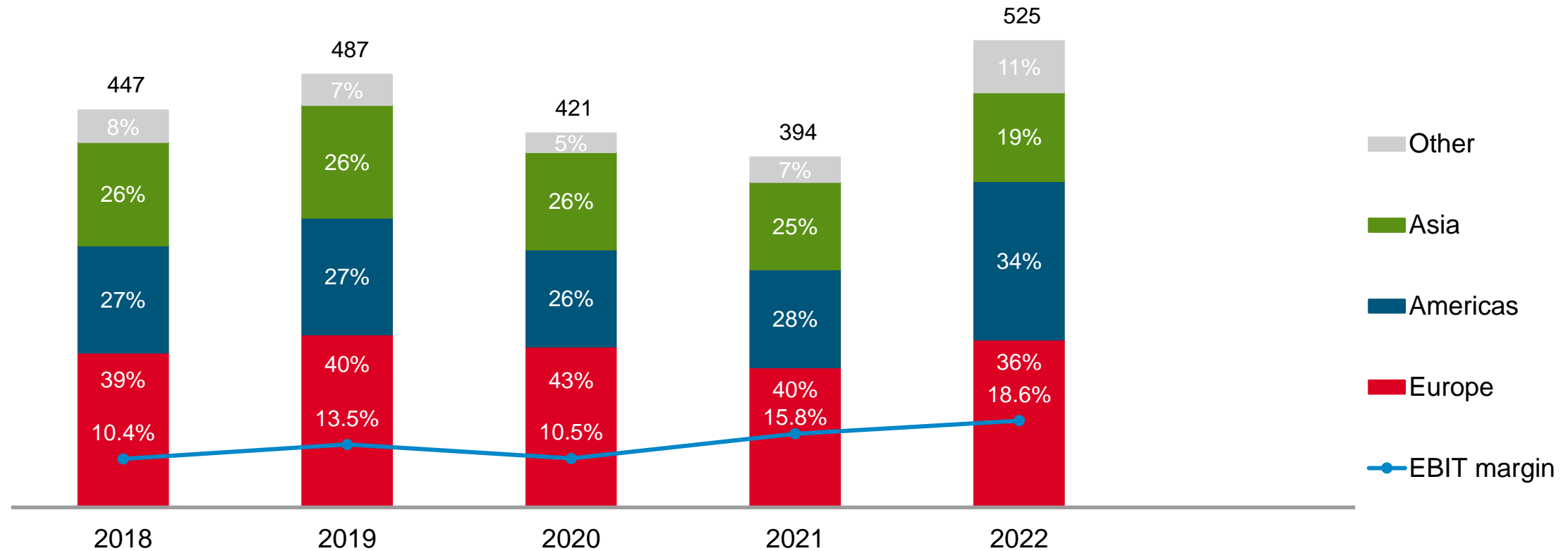
Bucher Emhart Glass

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	January – September			Change	Full year
	2023	2022	%		
Order intake	453	437	3.8	7.9	578
Net sales	385	342	12.5	17.4	525
Order book	377	362	3.9	7.8	319
Average number of FTEs	1'654	1'593	3.8		1'600

CHFm	January – June		Change	Full year
	2023	2022		
Operating profit (EBIT)	54	40	33.7	98
% of net sales	20.0%	17.5%		18.6%

¹⁾ Adjusted for currency effects

Utilisation remains high

Bucher Emhart Glass: Outlook for 2023

High demand for machinery and equipment for the production of glass containers, levelling out over the course of the year

- Customers modernising and expanding their plant
- Energy efficiency considerations and skilled labour shortage trigger investments in innovative technologies
- Easing capacities for glass containers production

For 2023: sales and operating profit margin slightly higher than the very high level of 2022, thanks to high capacity utilisation, favourable product mix and positive currency effects

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



Bucher Automation



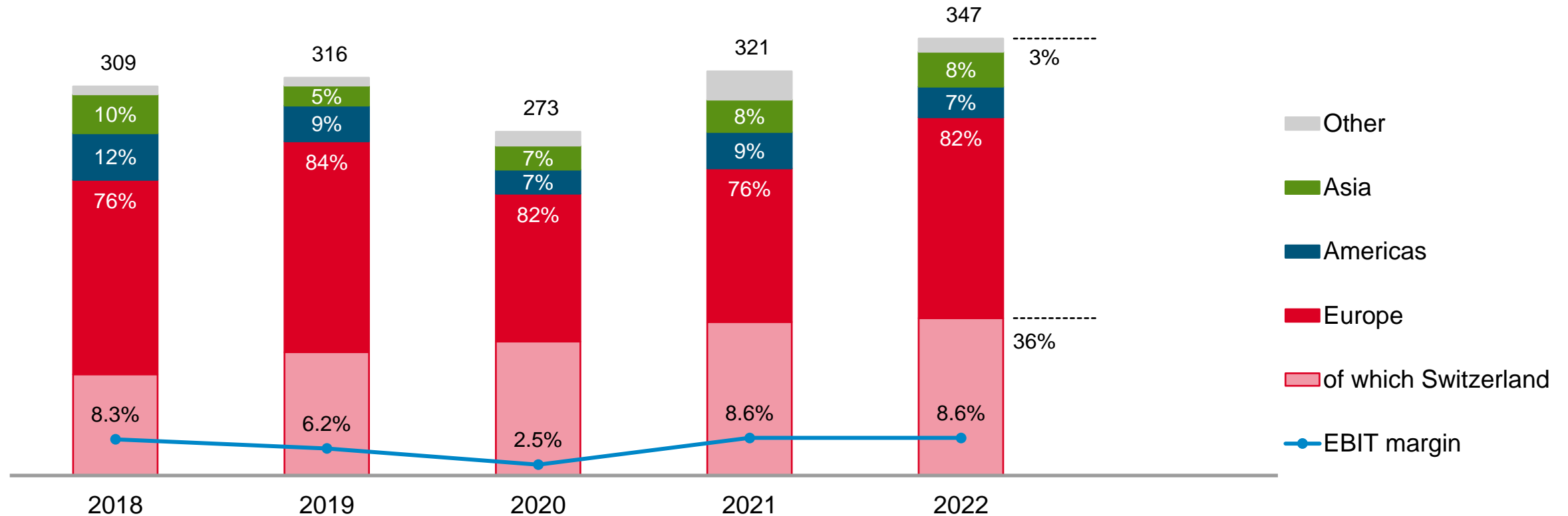
Automation solutions



Net sales by region

Bucher Specials

CHFm



Key figures

Bucher Specials

CHFm	January – September				Change	Full year
	2023	2022	%	% ¹⁾		
Order intake	263	255	3.3	5.5	-0.5	363
Net sales	300	251	19.7	22.0	13.9	347
Order book	115	124	-7.8	-6.0	-15.8	154
Average number of FTEs	1'502	1'053	42.6		5.9	1'057

CHFm	January – June		Change	Full year
	2023	2022		
Operating profit (EBIT)	16	12	37.8	30
% of net sales	8.4%	7.5%		8.6%

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Diverging market development

Bucher Specials: Outlook for 2023

Markets present mixed picture

- Overall favourable market environment for Bucher Vaslin, Bucher Unipektin and Bucher Automation
- Cautious market for Bucher Landtechnik

For 2023: higher sales partly due to the acquisition of a Polish company of Bucher Unipektin; operating profit margin in line with 2022

Outlook and trends

Slowdown in business momentum

Group: Outlook for 2023

Normalisation of the demand in line with general economic slowdown

Capacity utilisation remains high thanks to order backlog, but is weakening; production planning is being adjusted selectively

Increasing pressure on margins in the second half of the year, because of higher personnel and other operating costs

- **Kuhn Group:** sales and operating profit margin in line with 2022
- **Bucher Municipal:** slight sales growth, and operating profit margin recovery
- **Bucher Hydraulics:** sales and operating profit margin similar to 2022
- **Bucher Emhart Glass:** sales and operating profit margin slightly above the very high level of 2022
- **Bucher Specials:** higher sales, and operating profit margin in line with 2022

For 2023: sales roughly in line with 2022, slightly higher operating profit margin and profit for the year slightly above the very high level of 2022

Margin and return targets over an economic cycle

Outlook and trends

	Full year					January - June		
EBIT margin %	2018	2019	2020	2021	2022	2022	2023	Targets
Kuhn Group	8.7	8.3	8.3	12.2	11.7	12.2	13.4	12
Bucher Municipal	9.5	8.4	6.0	6.3	6.0	3.2	5.3	9
Bucher Hydraulics	13.4	12.5	11.0	12.9	13.4	13.7	14.9	12
Bucher Emhart Glass	10.4	13.5	10.5	15.8	18.6	17.5	20.0	12
Bucher Specials	8.3	6.2	2.5	8.6	8.6	7.5	8.4	10
Bucher Industries	9.5	9.2	7.4	11.1	11.8	11.4	12.7	>10
Group and divisions	2018	2019	2020	2021	2022	2022	2023	Target
RONOA after tax	19.6	19.0	13.5	25.6	28.6	28.9	30.2	>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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