

Financial year 2021

BUCHER

Investor relations handout – spring 2022
Public



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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 contribution to a safe, healthy and sustainable living environment

Our contribution to a safe, healthy and sustainable living environment



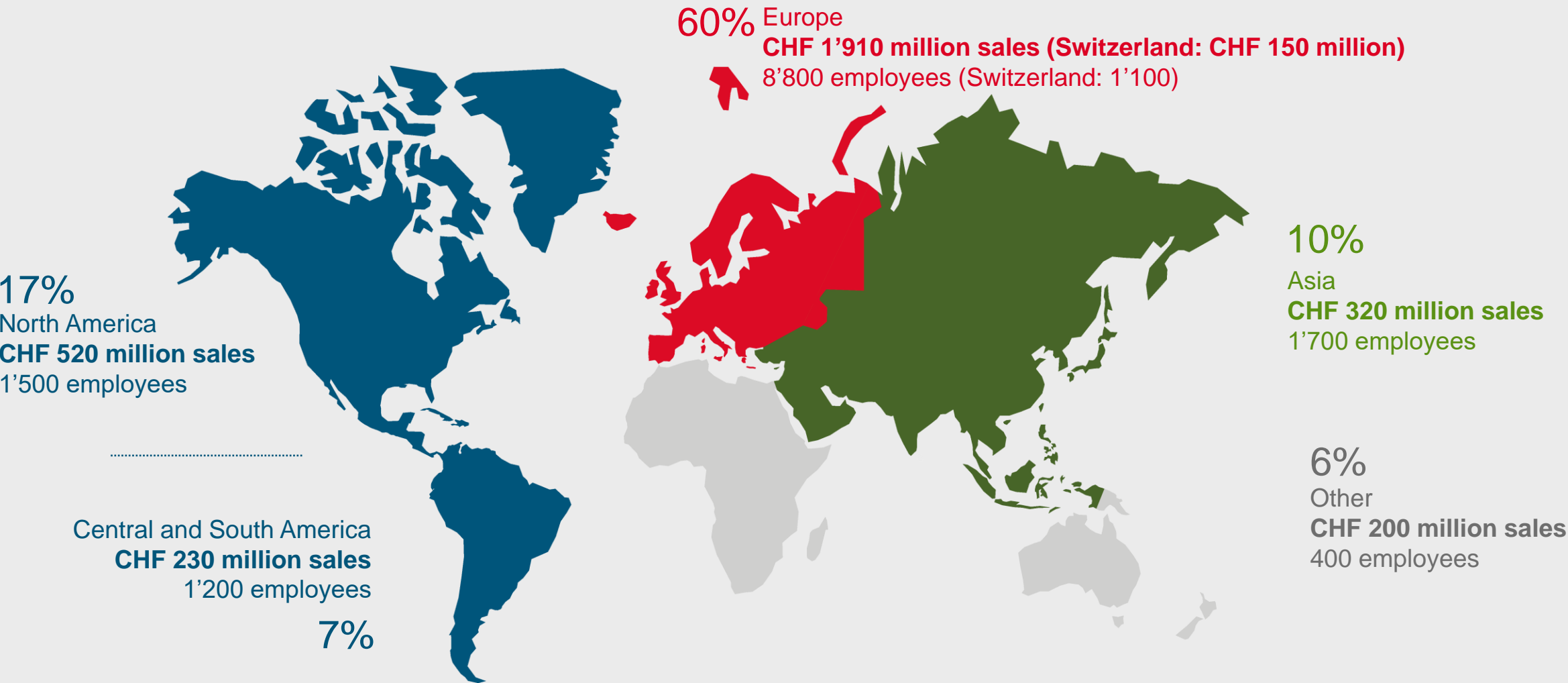
Our mission is to...

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

... provide hydraulic drive systems for high-performance equipment,

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

International Group



Our goals



Achieve

- Technological leadership for a strong market position
- Sustainable profitable growth
- Superior profitability, $RONOA > WACC$
- Solid balance sheet

Strengthen our divisions

- Organic growth and innovation
- Acquiring complementary businesses

Invest

to reduce the ecological footprint

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

Individual businesses

Agricultural machinery

Glass container industry

BUCHER
emhart glass

Municipal vehicles

BUCHER
municipal

Hydraulic systems

BUCHER
hydraulics

Sales by division



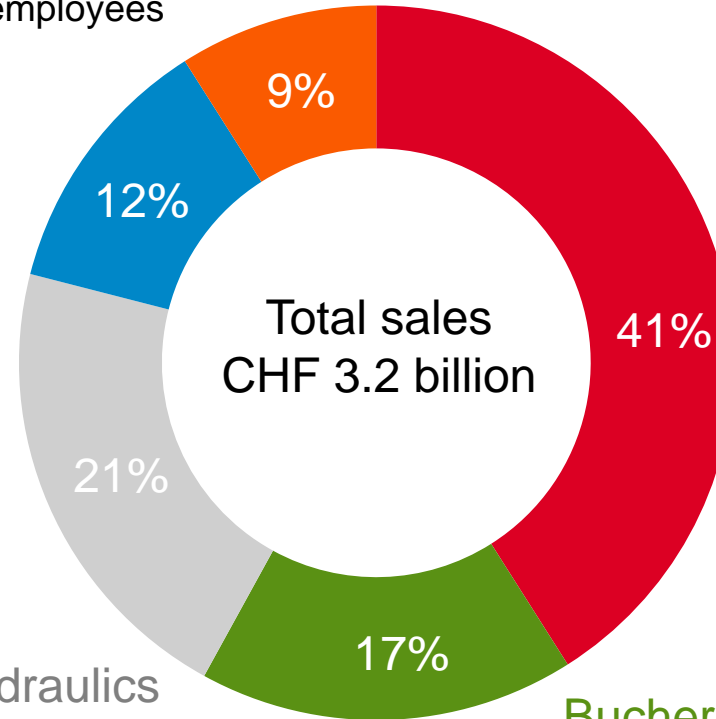
Bucher Specials
CHF 320 million sales
1'000 employees



Bucher Emhart Glass
CHF 390 million sales
1'600 employees



Bucher Hydraulics
CHF 680 million sales
2'800 employees

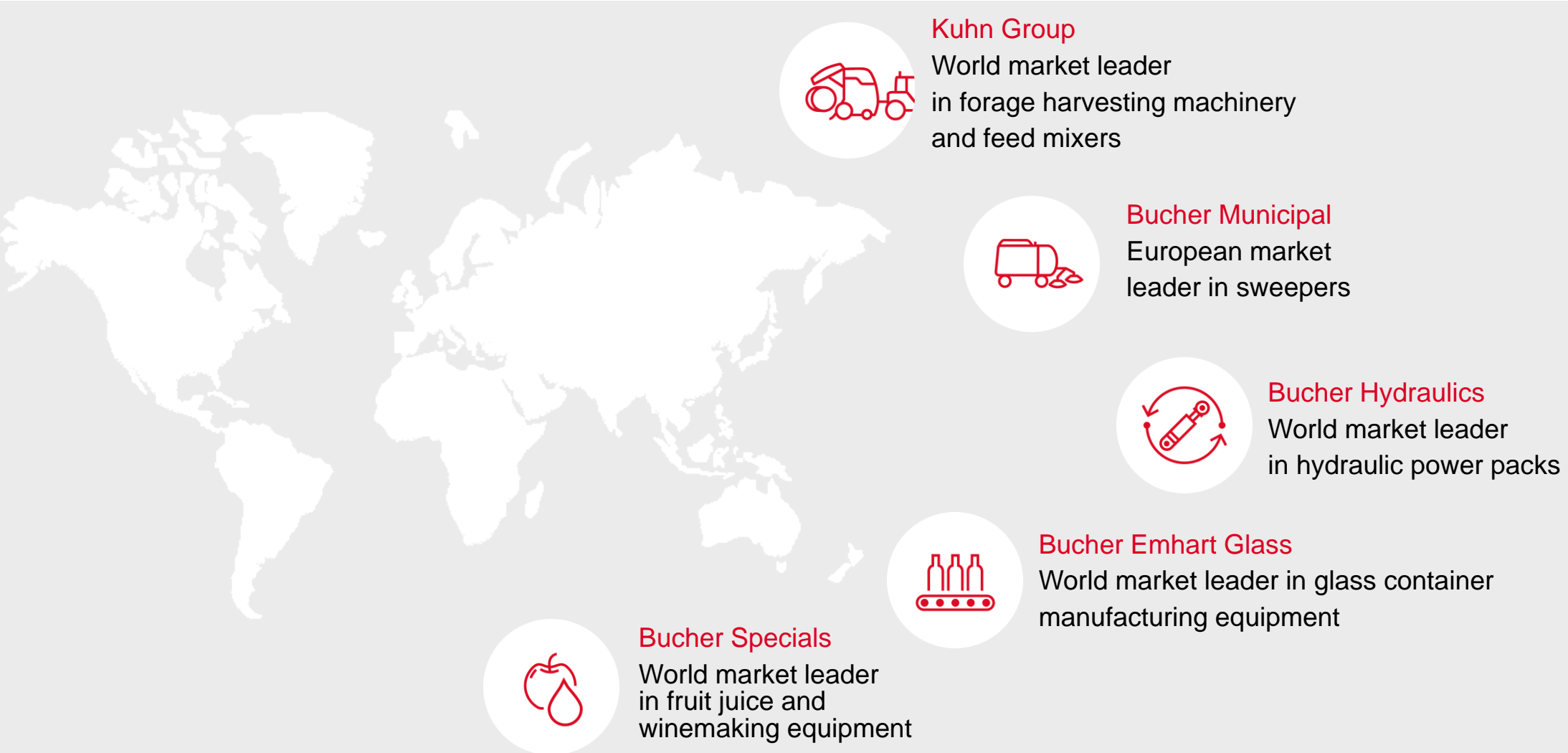


Kuhn Group
CHF 1'320 million sales
5'800 employees



Bucher Municipal
CHF 520 million sales
2'300 employees

Number 1 in selected markets

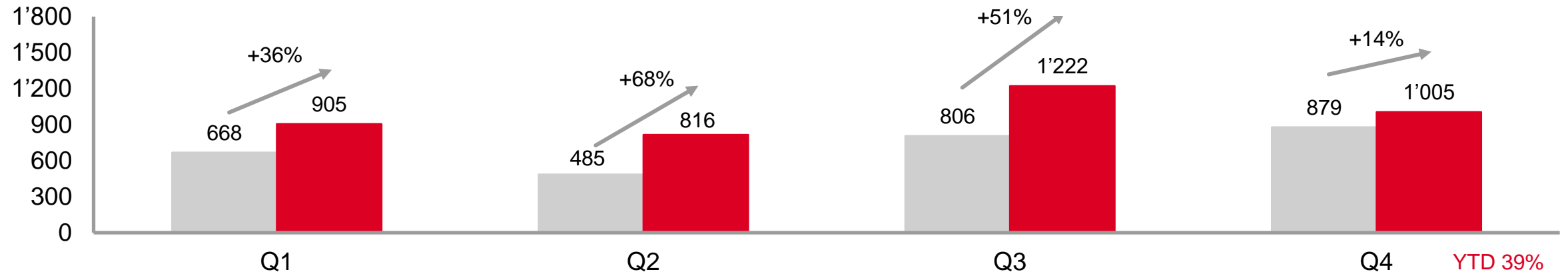


Group: financial review

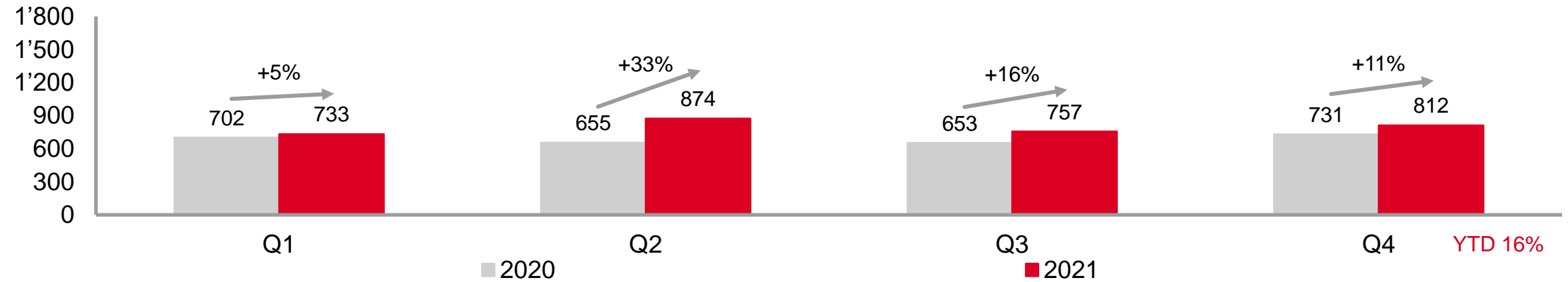
Very good order intake

Performance

Order intake, CHFm



Net sales, CHFm



Key figures

Performance

CHFm					Change
	2021	2020	%	% ¹⁾	% ²⁾
Order intake	3'948	2'838	39.1	39.3	37.5
Net sales	3'176	2'741	15.9	15.9	14.2
Order book	1'873	1'081	73.2	73.5	71.3
Operating profit (EBITDA) % of net sales	437 13.7%	287 10.5%	52.0		
Operating profit (EBIT) % of net sales	352 11.1%	204 7.4%	72.4		
Employees at 31 December	13'562	12'598 ³⁾	7.7		6.7
Average employees ⁴⁾	13'375	12'515	6.9		5.7

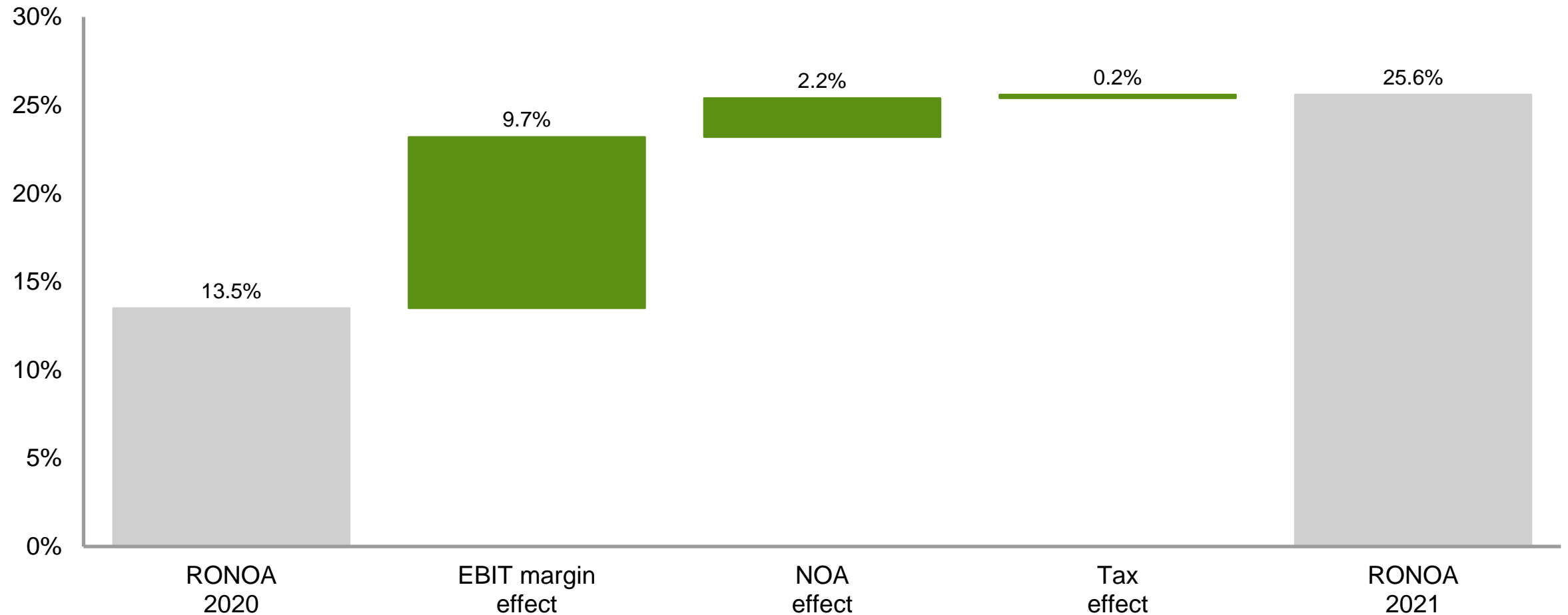
¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

³⁾ 2020: 12'727 employees (FTEs), of whom 129 on short-time work

⁴⁾ Average 13'401 employees (FTEs), of whom 26 on short-time work (2020: 12'868 employees, of whom 353 on short-time work)

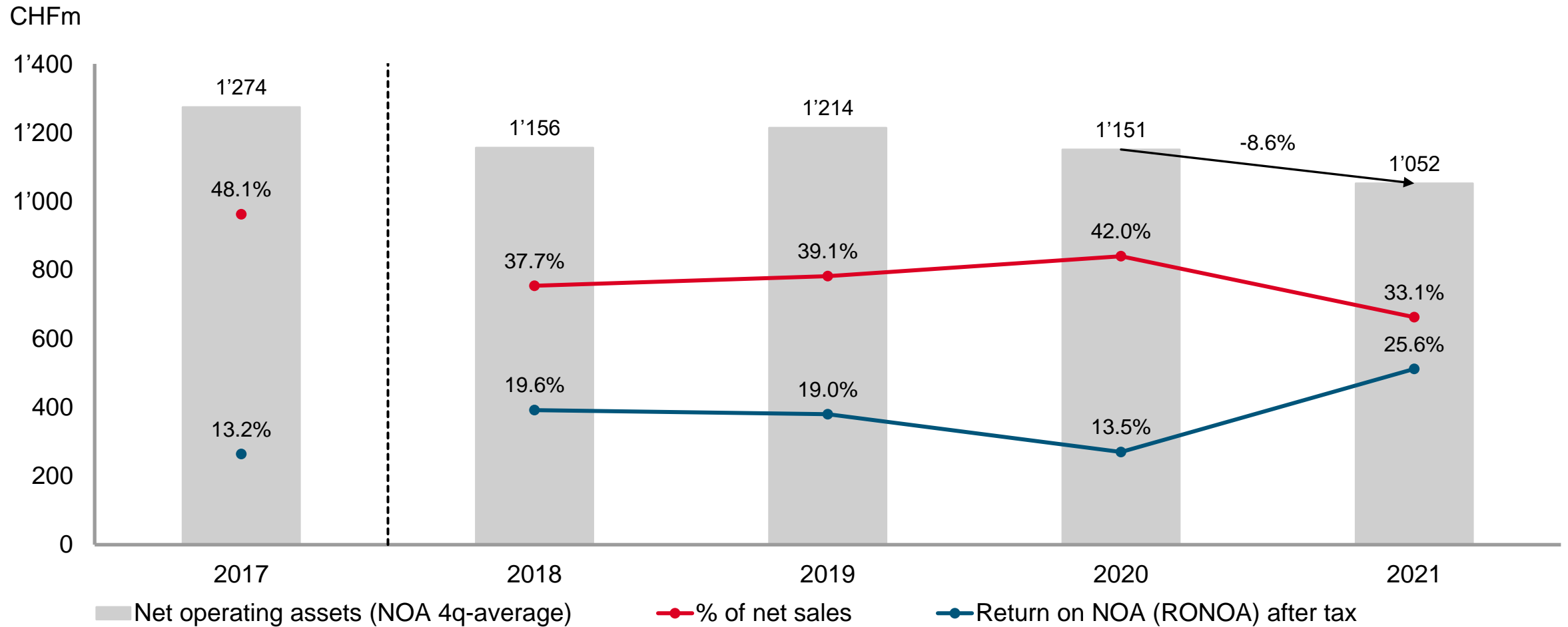
RONOA continues to exceed the cost of capital

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 sales¹⁾
CHF 34 million²⁾

Employees
75

Bucher
Specials

Luzzysa,
Spain



Net sales¹⁾
CHF 4 million

Employees
20

Bucher
Municipal

Spoutvac,
Australia



Asset Deal

Net sales¹⁾
CHF 16 million

Employees
35

Bucher
Municipal

Richards Coach Works,
Australia



Asset Deal

Net sales¹⁾
CHF 1 million

Employees
20

¹⁾ before acquisition

²⁾ of which more than half with Bucher Municipal equipment

Acquisitions 2021 – 2022

Invested capital

2021

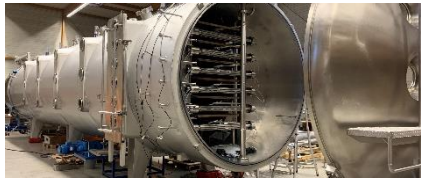
Kuhn Group

Khor,
Brazil



Bucher
Specials

Merk Process,
Germany



Bucher
Hydraulics

Lenze Mobile Drives,
Switzerland



Asset deal (carve-out)

Net sales¹⁾
CHF 5 million

Employees
80

Net sales¹⁾
CHF 5 million

Employees
20

Net sales²⁾
CHF 15 million

Employees
30, mainly in engineering
and sales

2022

Bucher
Specials

Denwel,
Czech Republic



Net sales¹⁾
CHF 7 million

Employees
40

¹⁾ before acquisition

²⁾ 12 months following acquisition date

Selected development projects

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

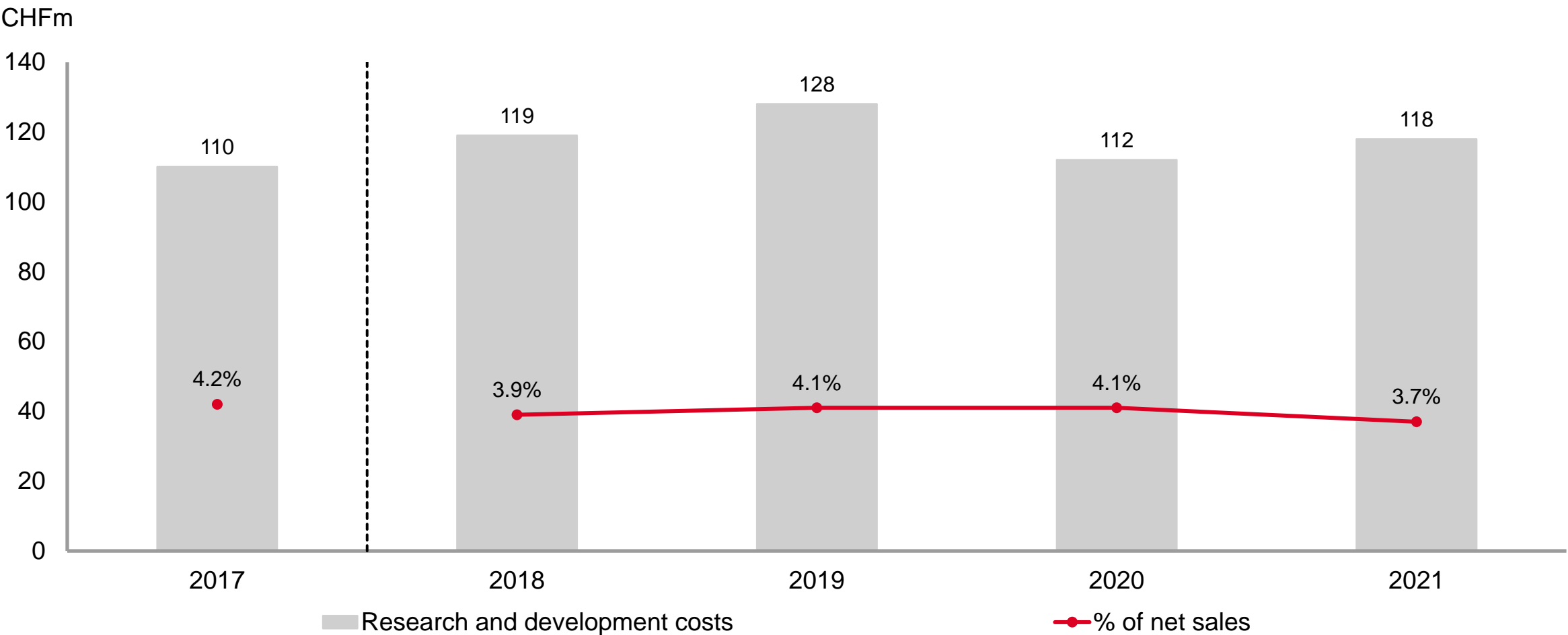
“CERINOX” filter solution with
“Crossflow” technology

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



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

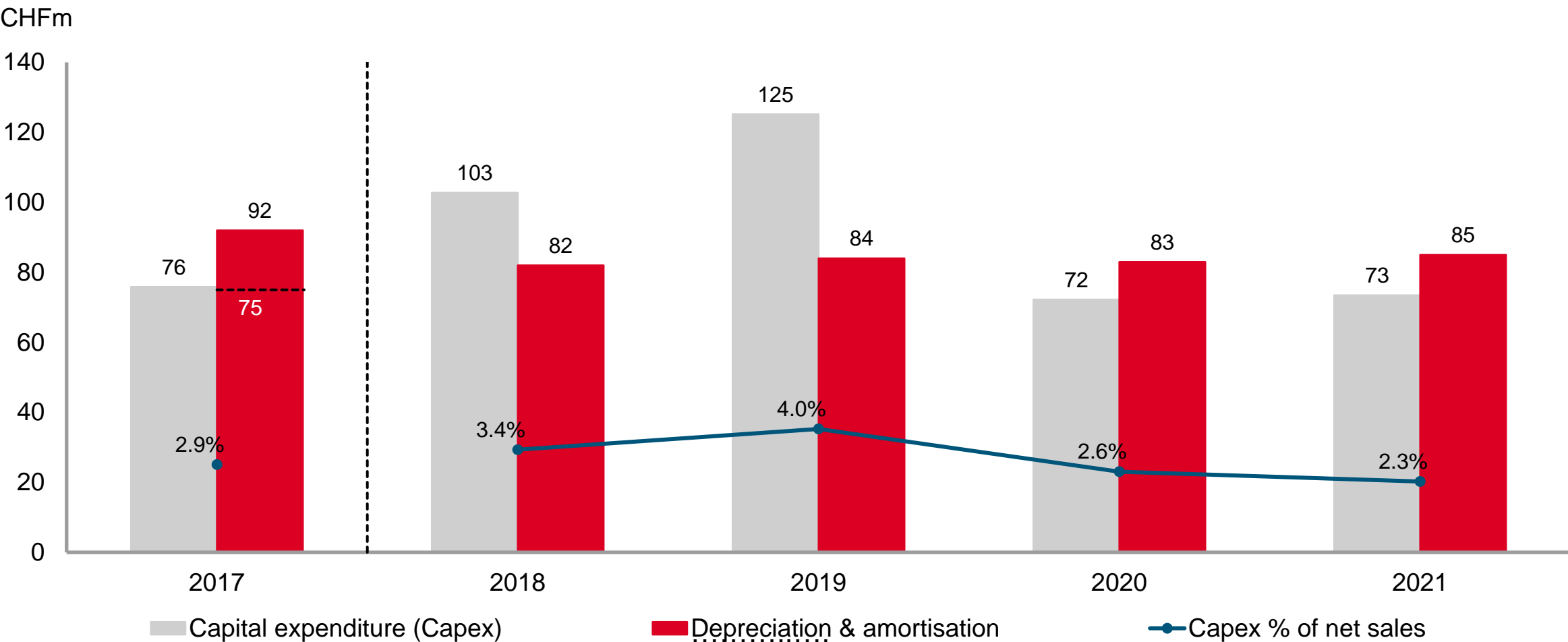
Fully automatic high-bay warehouse in Klettgau, Germany

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



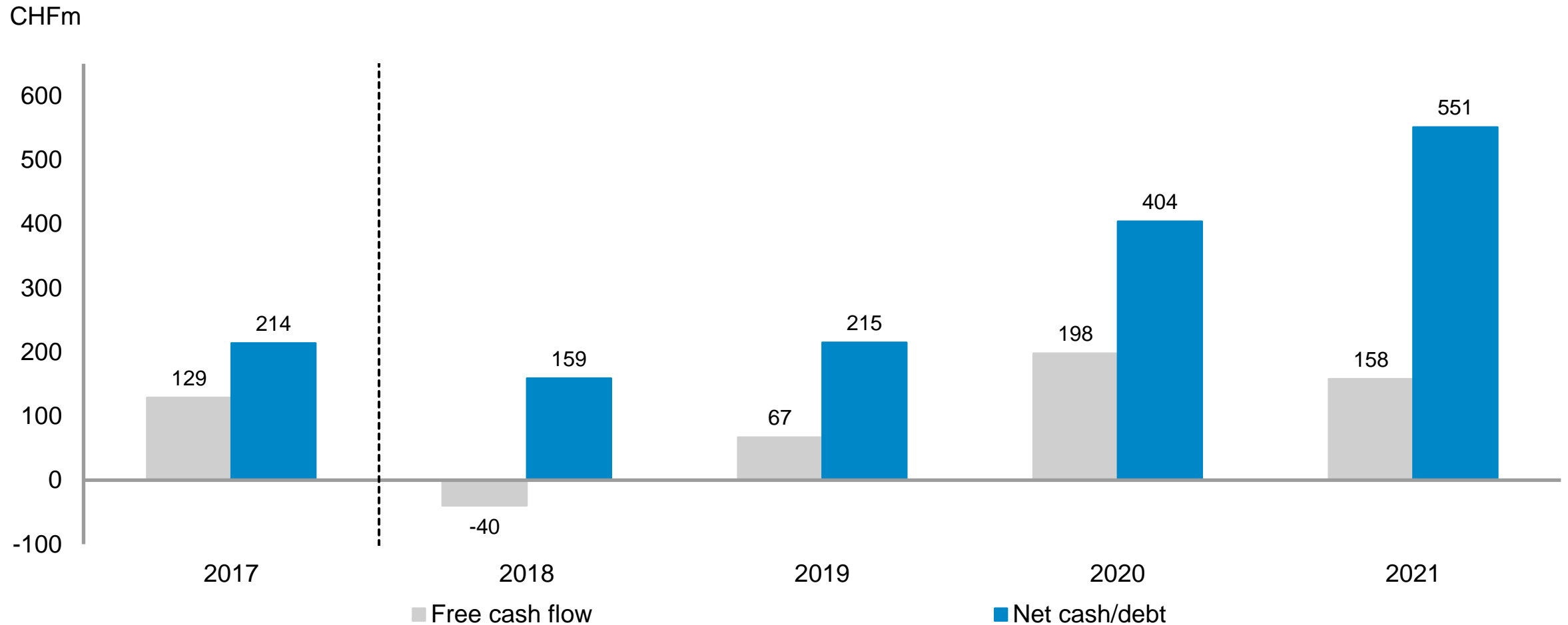
Investment activity continued at reduced level

Invested capital: Capital expenditure



Higher net cash

Financing and risk management



Divisions: Our activities

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

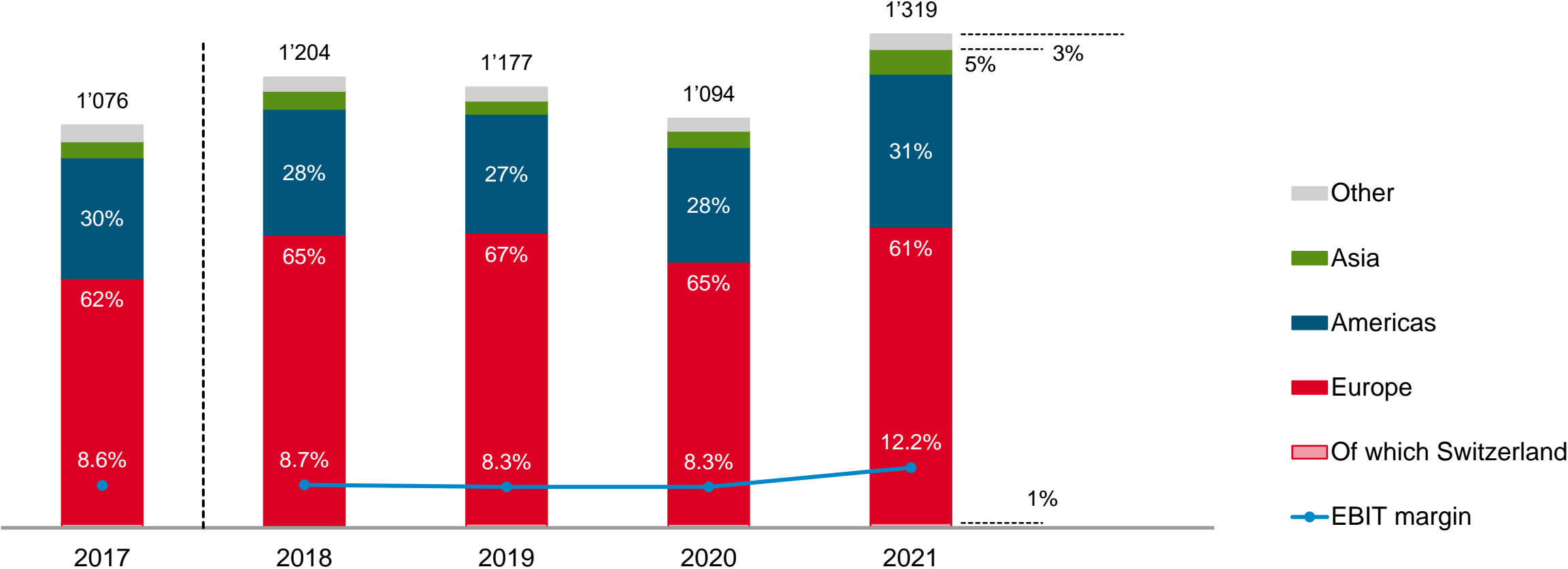
Kuhn Group

	Mowers	Hay and forage Tedders	Rakes	Balers	Hedge cutters	Feed mixers	Tillage equipment powered	non- powered	Seeding	Planting	Spreaders	Sprayers	Tractors	Harvesters self-propelled
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

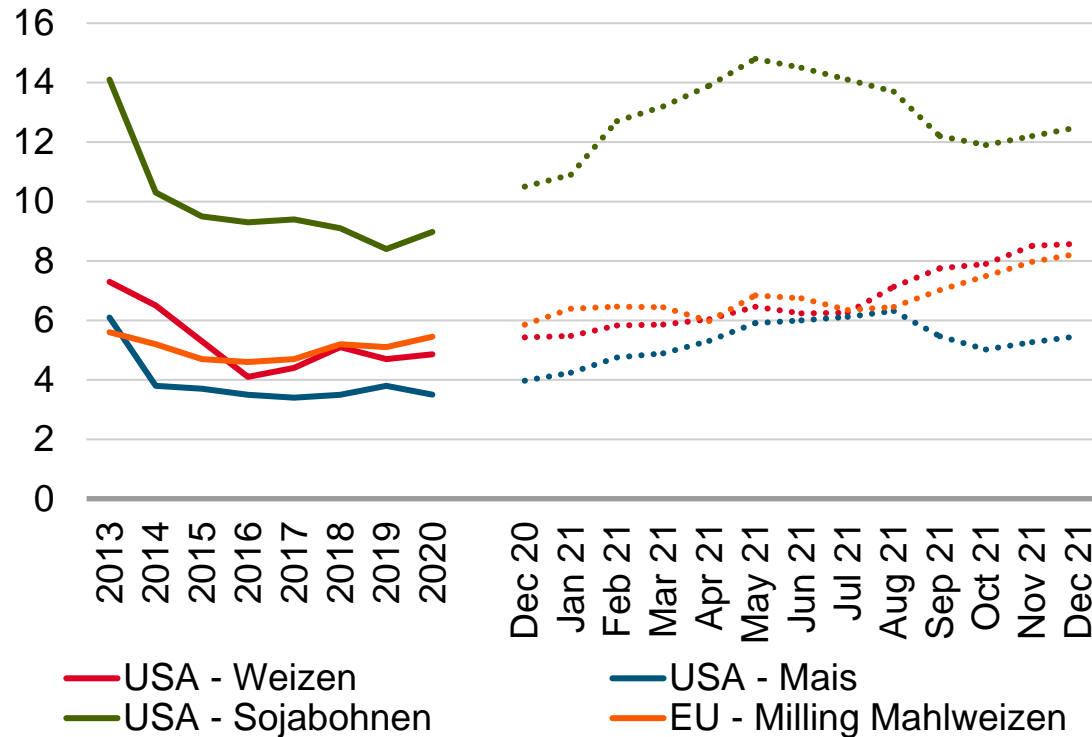


Price development soybeans, corn, wheat, milk

(average prices until December 2021)

Crop price

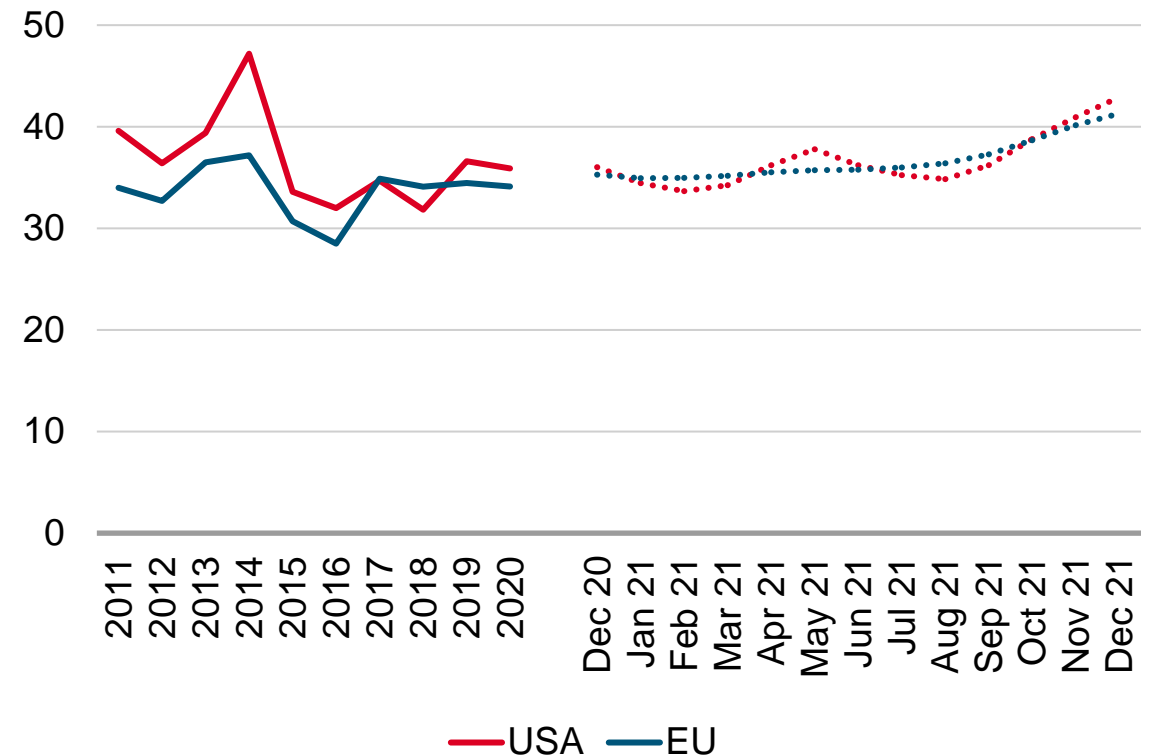
EUR and USD / bushel



Source: USDA, AHDB / European Commission

Milk price

EUR and USD / 100 kg



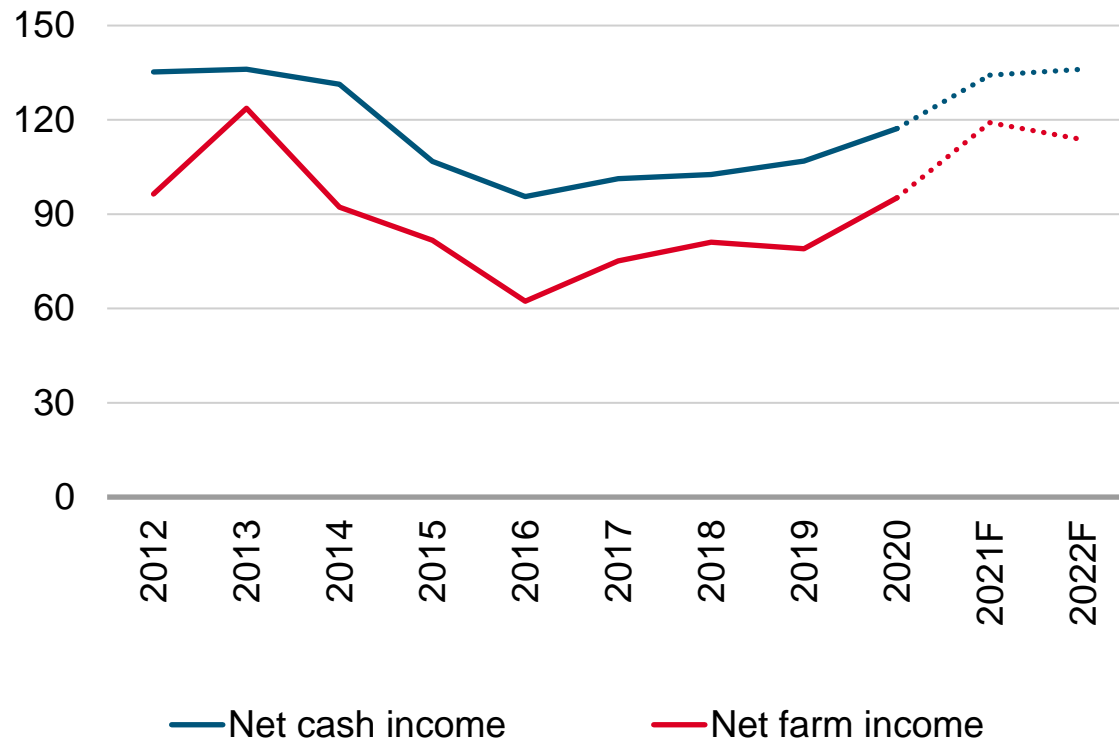
Note: After Dec 2019, prices for EU without UK

Source: www.clal.it/en/?section=latte_europa_mmo, USDA

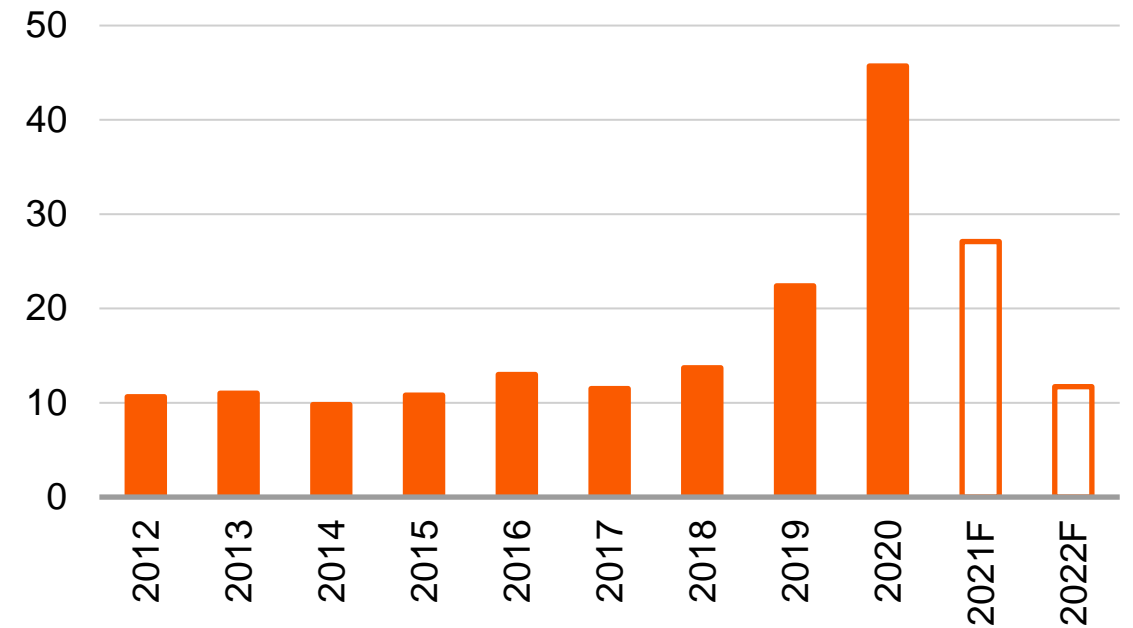
US farm income (USDA)

(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
	2021	2020	%	% ¹⁾	% ²⁾
Order intake	1'676	1'290	29.9	31.8	30.9
Net sales	1'319	1'094	20.5	22.1	21.4
Order book	941	587	60.3	62.4	61.4
Operating profit (EBITDA) % of net sales	196 14.8%	125 11.4%	56.4		
Operating profit (EBIT) % of net sales	161 12.2%	91 8.3%	76.9		
Employees at 31 December	5'832	5'194	12.3		10.8
Average employees	5'740	5'019 ³⁾	14.4		12.9

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

³⁾ 2020: Average 5'168 employees (FTEs), of whom 149 on short-time work

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

Ongoing difficulties in the supply chain and logistics, at least in the first half of the year

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 equipment



Sewer cleaning



Refuse collection

“Driven by better”

Strategic focus of Bucher Municipal



Industrialise production and strengthen service presence

- “One company – one brand” for optimised sales and service
- 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

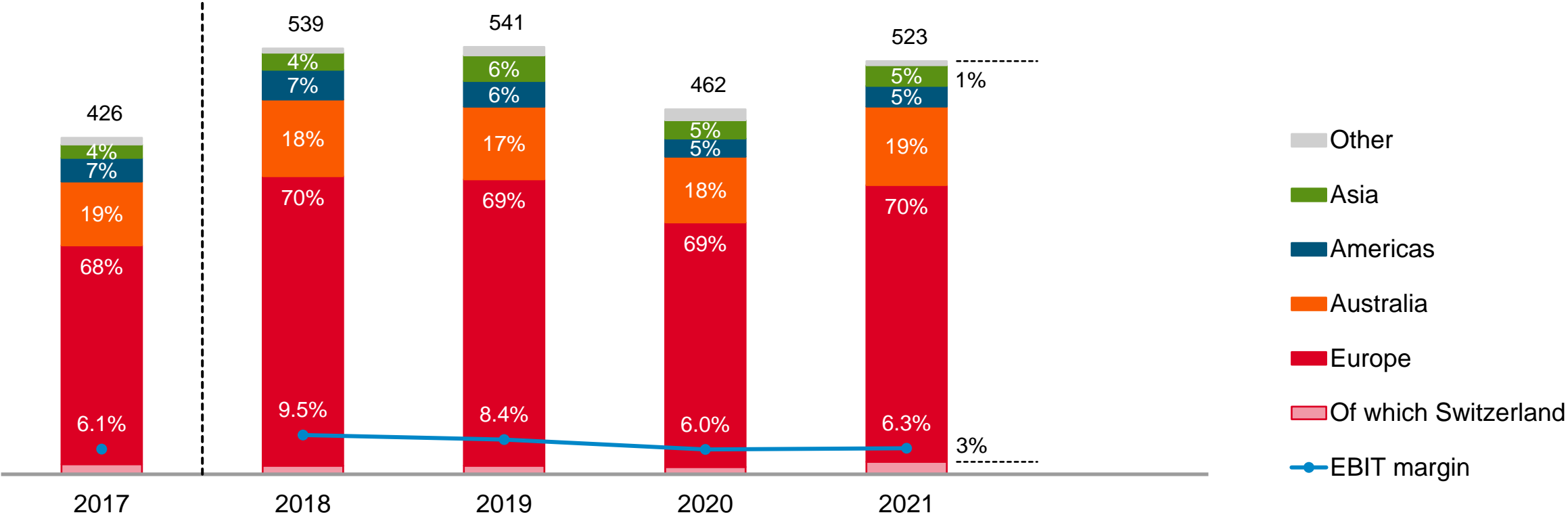
Bucher Municipal

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								
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
	2021	2020	%	% ¹⁾	% ²⁾
Order intake	599	460	30.1	27.5	24.9
Net sales	523	462	13.0	10.6	8.1
Order book	237	157	50.6	47.9	47.9
Operating profit (EBITDA) % of net sales	44 8.4%	38 8.1%	16.5		
Operating profit (EBIT) % of net sales	33 6.3%	28 6.0%	18.5		
Employees at 31 December	2'329	2'327 ³⁾	0.1		0.1
Average employees ⁴⁾	2'355	2'322	1.4		-0.4

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

³⁾ 2020: 2'334 employees (FTEs), of whom 7 on short-time work

⁴⁾ Average 2'359 employees (FTEs), of whom 4 on short-time work (2020: 2'364 employees, of whom 42 on short-time work)

Increase in operating profit margin

Bucher Municipal: outlook for 2022

Persistently strong demand for municipal vehicles

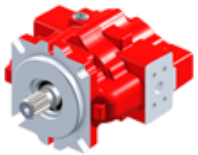
- Development in Europe stable at a high level, slight increase in Australia and the USA
- Electrified products, particularly in the sweeper and winter maintenance equipment businesses

Supply chain challenges continuing, in particular delays for chassis

For 2022: sales on a par with 2021; increase in operating profit margin thanks to improved production efficiency

Bucher Hydraulics

Customised drive systems



Pumps/motors



Valves



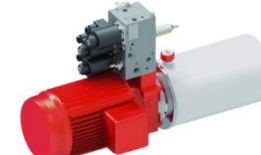
Subsystems



Tailor-made
customer solutions



Cylinders



Power packs



Inverters/converters

Agricultural machinery



Construction equipment



Materials handling



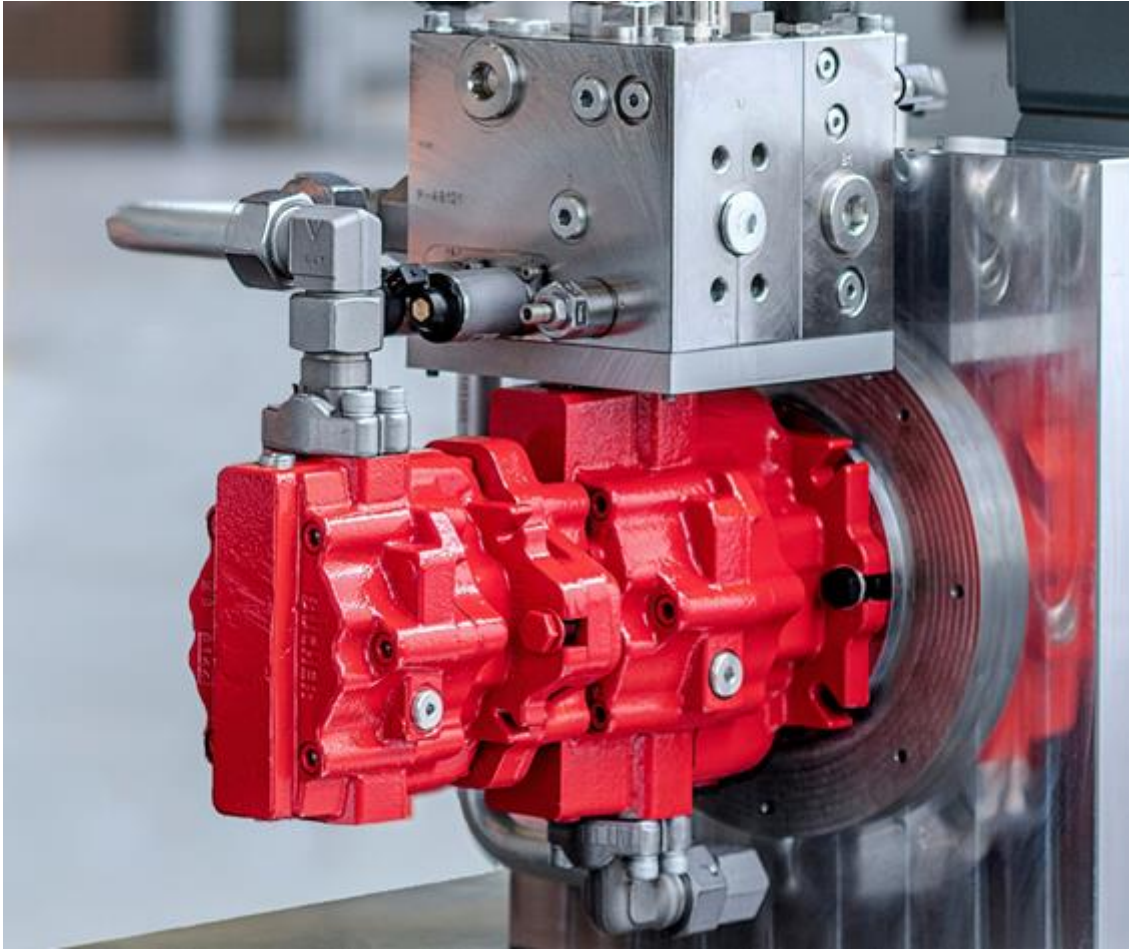
Industry



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

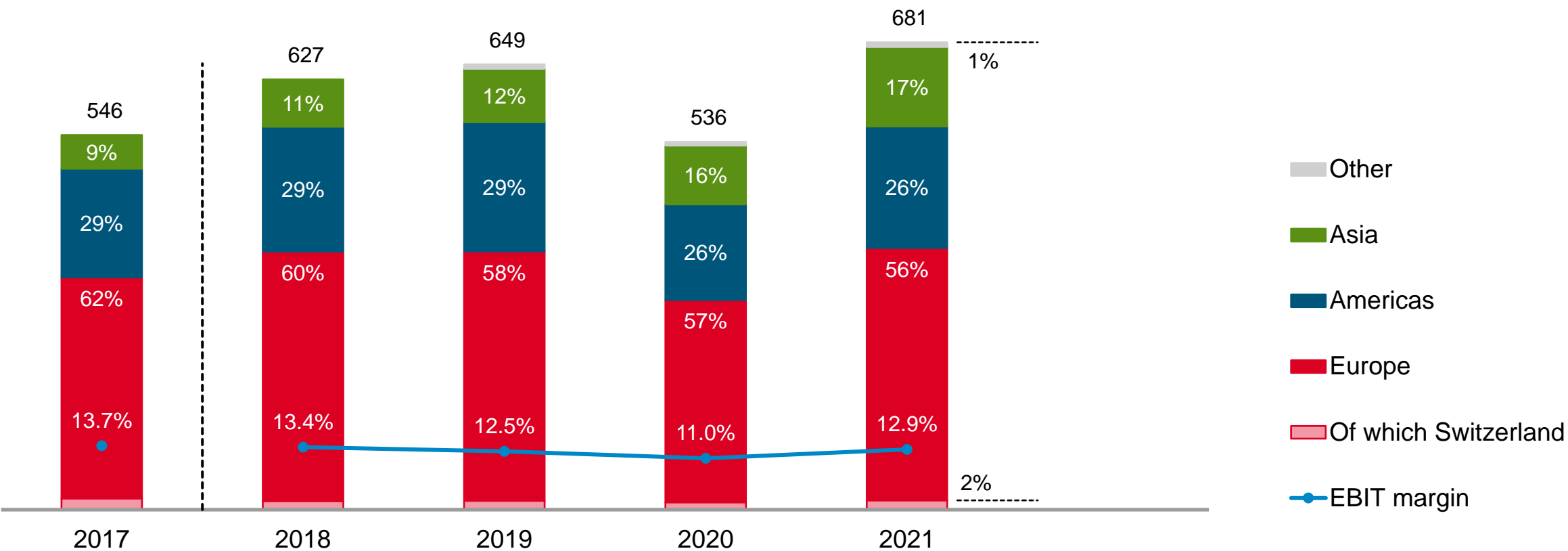
Bucher Hydraulics

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
Bucher Hydraulics																		
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
	2021	2020	%	% ¹⁾	% ²⁾
Order intake	856	561	52.5	52.4	49.4
Net sales	681	536	26.9	26.8	25.0
Order book	320	134	139.2	138.8	125.7
Operating profit (EBITDA) % of net sales	111 16.3%	81 15.1%	36.7		
Operating profit (EBIT) % of net sales	88 12.9%	59 11.0%	48.9		
Employees at 31 December	2'825	2'537 ³⁾	11.4		10.3
Average employees ⁴⁾	2'704	2'530	6.9		6.3

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

³⁾ 2020: 2'602 employees (FTEs), of whom 65 on short-time work

⁴⁾ Average 2'712 employees (FTEs), of whom 8 on short-time work (2020: 2'634 employees, of whom 104 on short-time work)

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
- Flattening of 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

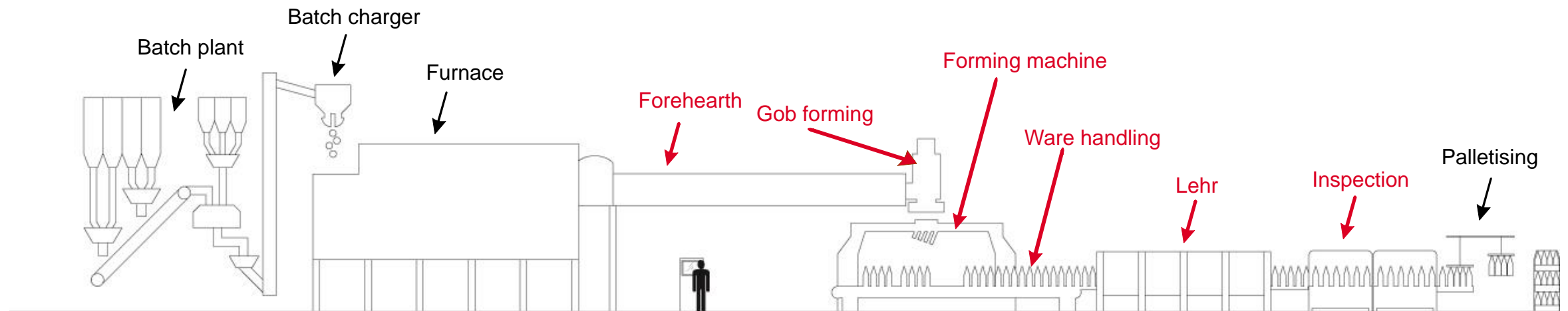


Glass-forming machine

Cold end



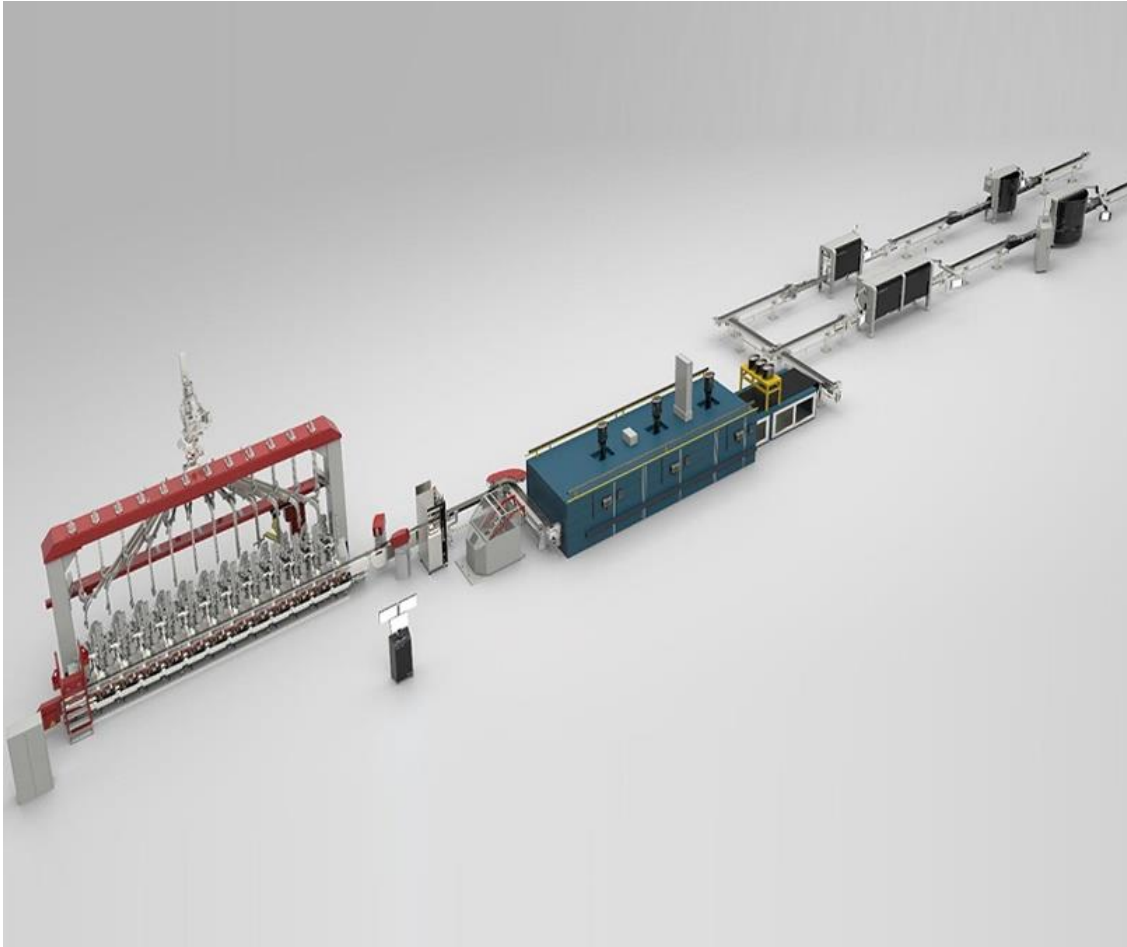
Inspection



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

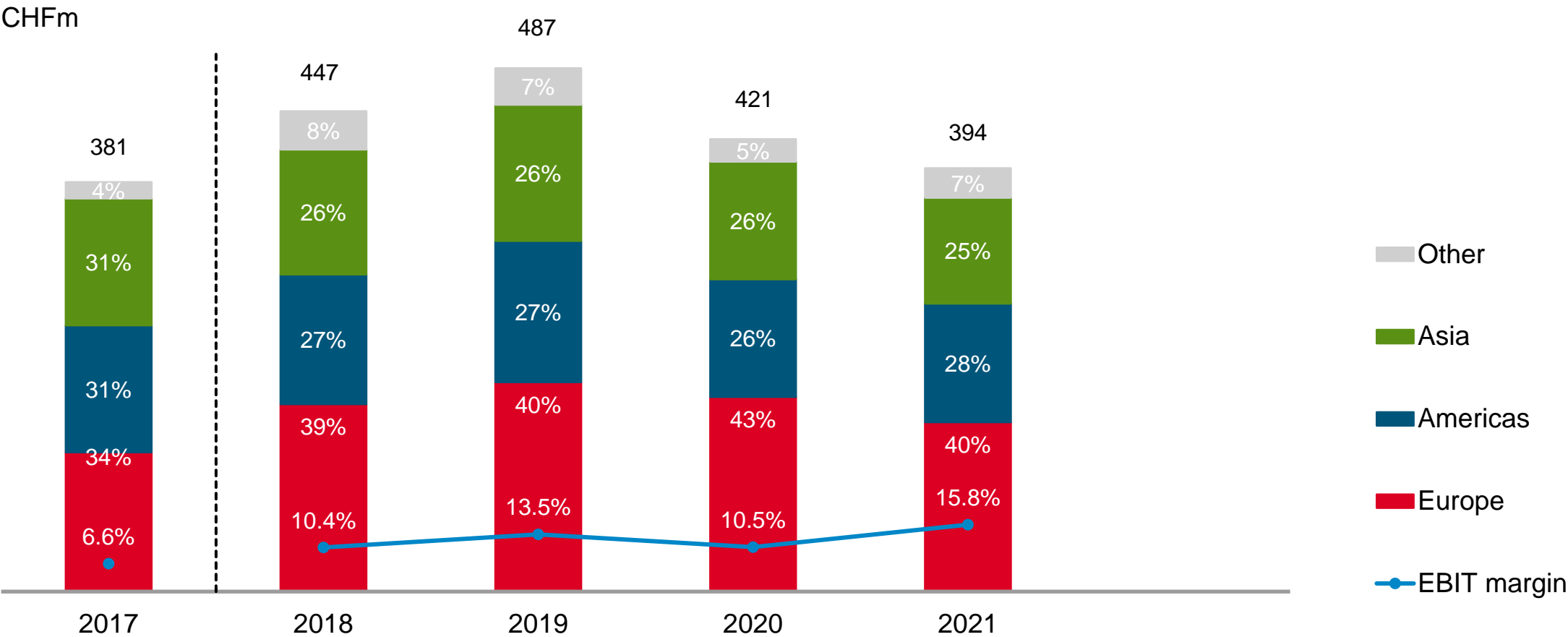
World's leading manufacturer for glass container machinery

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
Bucher Emhart Glass											
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
	2021	2020	%	% ¹⁾
Order intake	522	317	64.7	62.6
Net sales	394	421	-6.4	-7.7
Order book	285	155	83.8	81.4
Operating profit (EBITDA) % of net sales	71 18.1%	53 12.7%	33.6	
Operating profit (EBIT) % of net sales	62 15.8%	44 10.5%	40.4	
Employees at 31 December	1'563	1'611	-3.0	
Average employees	1'577	1'688	-6.6	

¹⁾ 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 plants, increasingly at completely new production sites

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

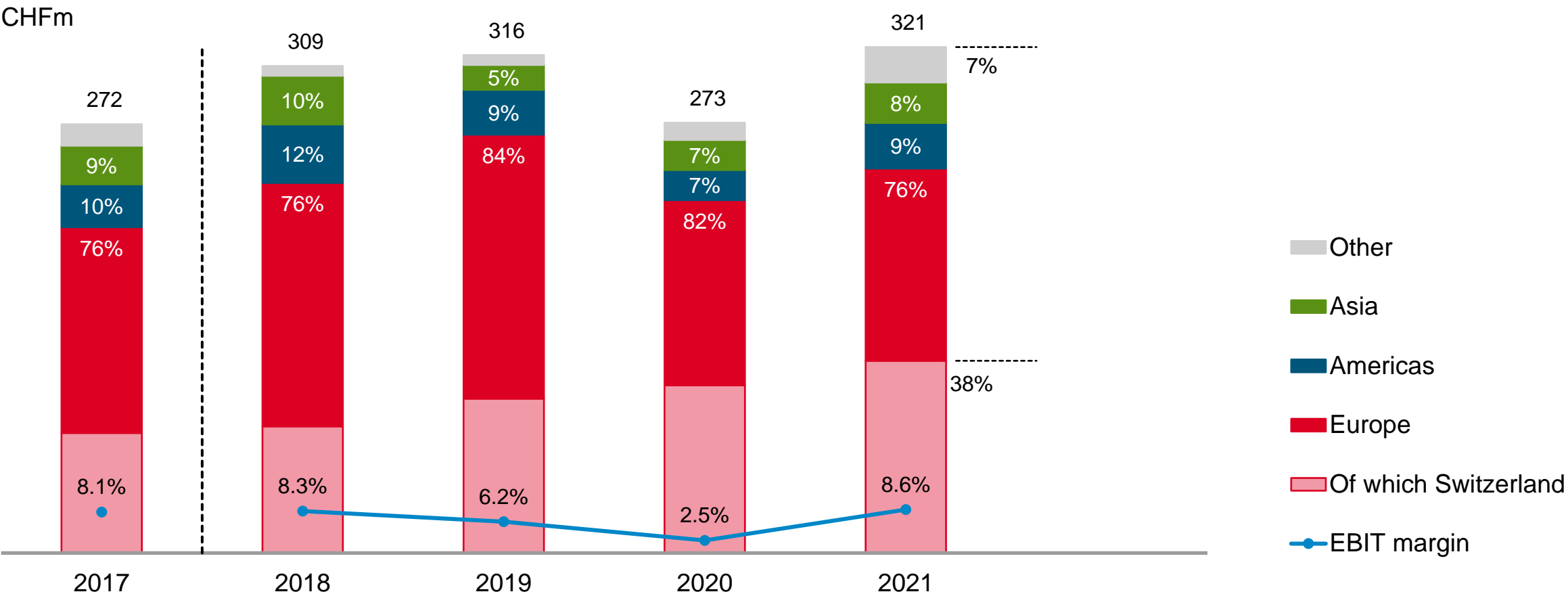
Jetter



Automation solutions

Net sales by region

Bucher Specials



Key figures

Bucher Specials

CHFm					Change
	2021	2020	%	% ¹⁾	% ²⁾
Order intake	366	261	40.3	39.9	35.2
Net sales	321	273	17.6	17.2	11.3
Order book	121	70	72.1	71.4	69.7
Operating profit (EBITDA) % of net sales	32 10.0%	12 4.4%	168.3		
Operating profit (EBIT) % of net sales	28 8.6%	7 2.5%	298.6		
Employees at 31 December	953	868 ³⁾	9.8		7.5
Average employees ⁴⁾	937	893	4.9		3.1

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

³⁾ 2020: 925 employees (FTEs), of whom 57 on short-time work

⁴⁾ Average 951 employees (FTEs), of whom 14 on short-time work (2020: 951 employees, of whom 58 on short-time work)

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

Outlook and trends

Positive outlook for 2022 overall

Group: outlook for 2022

Demand weaker, 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

- **Kuhn Group:** slight increase in sales, operating profit margin will remain 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

Long-term earnings targets

Outlook and trends

		IFRS					FER
EBIT margin %	2017	2018	2018	2019	2020	2021	Targets
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
Bucher Industries	8.6	9.1	9.5	9.2	7.4	11.1	>10
Group and divisions	2017	2018	2018	2019	2020	2021	Target
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

Sustainability strategy

Objectives



Customers

- Keep customers happy
- Develop innovative products and optimal solutions
- Customer health and safety



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 CO₂ emissions in production



Compliance

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

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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