

# Group presentation

**BUCHER**

February 2023



# 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

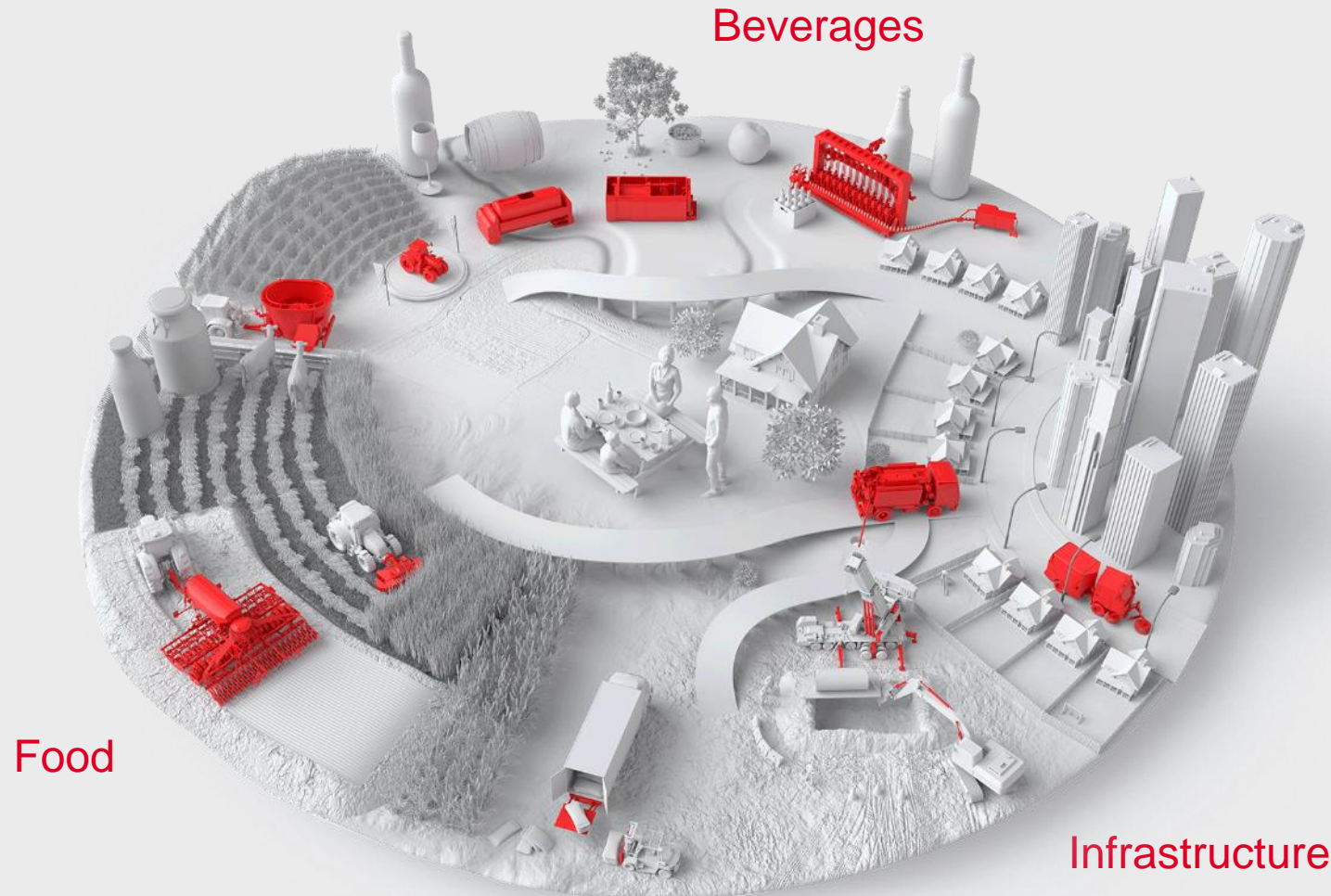
headquartered in Switzerland

## 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 growth<sup>1)</sup>

- +2 billion people
- +50% food production



## Urbanisation<sup>1)</sup>

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



## Growing middle class

- More high-value proteins
- Higher standard of living

## Climate change

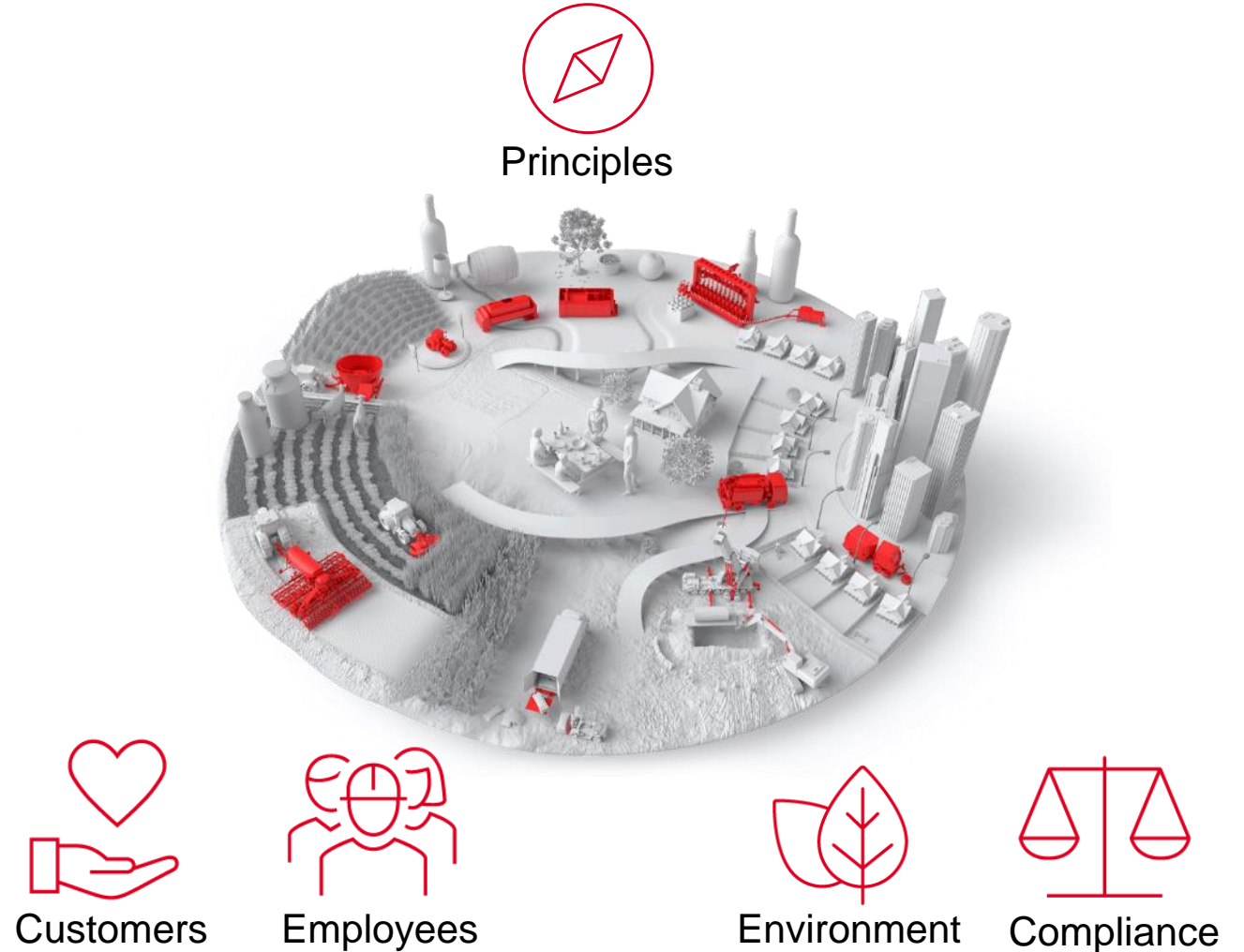
- Weather extremes
- Finite arable land



<sup>1)</sup> Source: FAO, UN; projections until 2050, rounded figures

# Sustainable corporate development

- Extension of the sustainable orientation of the core business
- Principles: solutions with a purpose, good corporate governance and economic value creation
- Sustainability strategy incorporates social, environmental and governance considerations



# Customers, Employees and Compliance

## Selected examples



### Customers

- Close to customers: decentralised, regional set-up with more than 100 locations on five continents
- Steady investments in research and development in the range of 4–5% of sales
- Digital solutions and services



### Employees

- Nurturing employees: Group-wide, divisional and site-specific training
- Ensuring continuity: two thirds of upper management positions appointed from within the company
- Local hiring, also for leadership positions



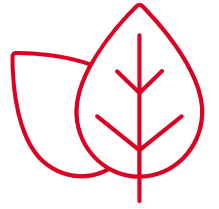
### Compliance

- Group-wide Code of Conduct and directives (incl. training)
- Bucher Internal Control System (BICS)



# Reducing the environmental impact of products and services

## Selected initiatives



Solutions for precision farming  
and conservation agriculture



"AUROCK" seed drill

Electrified mobile machines



"CityCat" VR50e

Electrohydraulic components  
and solutions



Electric inverter

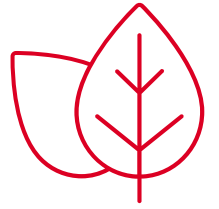
Automation and intelligence in  
glass container production



Controls for glass production



# Efficient use of resources in production: reduce CO<sub>2</sub> emissions



Target: to reduce Scope 1 and 2 CO<sub>2</sub> intensity by at least 10% by 2026 compared to 2021

## Optimised buildings

Higher energy efficiency through insulation, temperature regulation and lighting



Bucher Municipal's new hall in Dorking

## Energy efficiency in production

Heat recovery, alternative cooling processes, modern equipment



Industrial chiller at Kuhn Group in Saverne

## Self-generated solar power

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



Solar cells at Bucher Emhart Glass in Zibo

# The five divisions of Bucher Industries

**BUCHER**  
specials

Beverage processing equipment,  
individual businesses

Glass container  
technology

**BUCHER**  
emhart glass



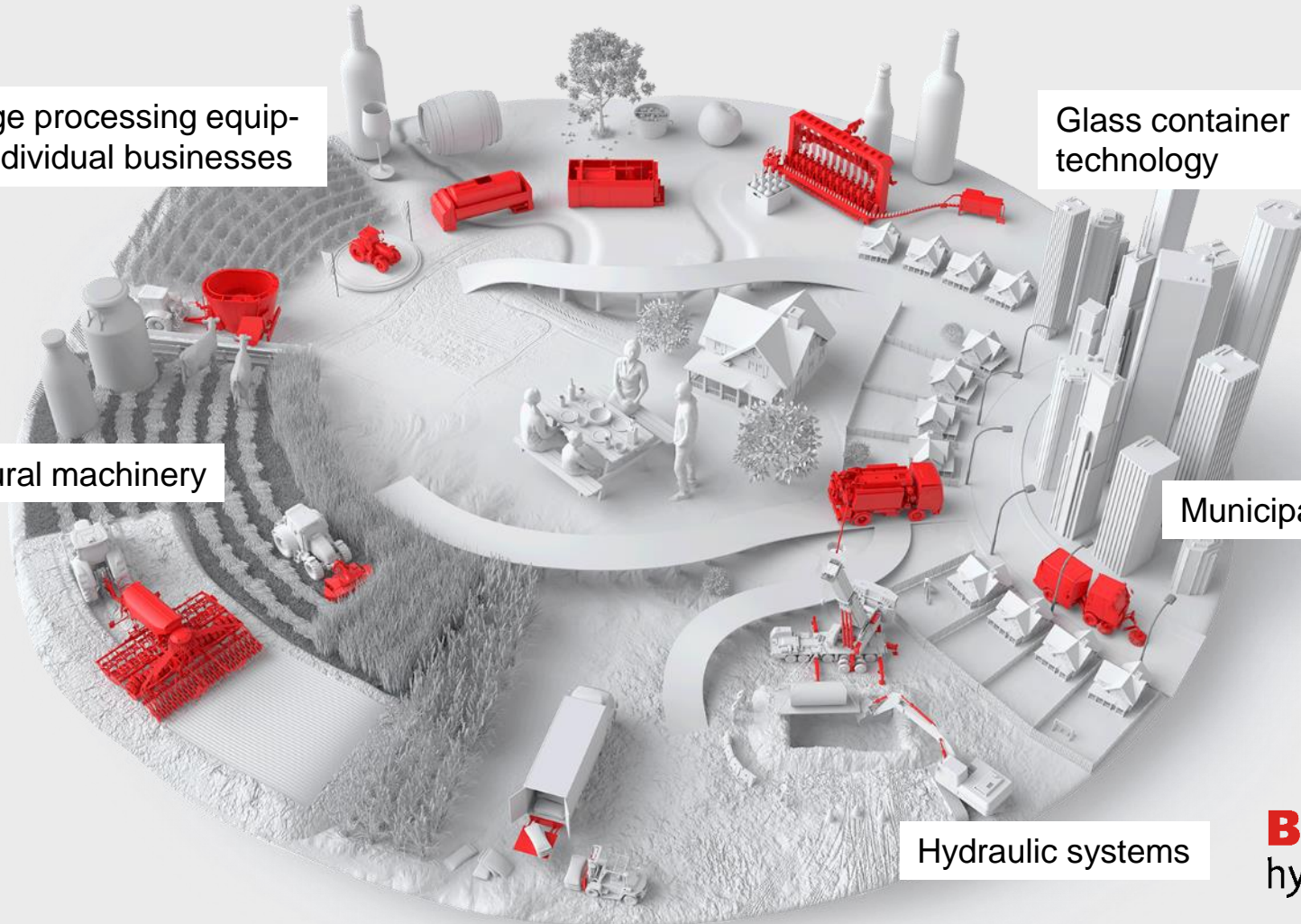
Agricultural machinery

Municipal vehicles

**BUCHER**  
municipal

Hydraulic systems

**BUCHER**  
hydraulics





# Sales by division



## Bucher Specials

CHF 350 million sales  
1'500 employees



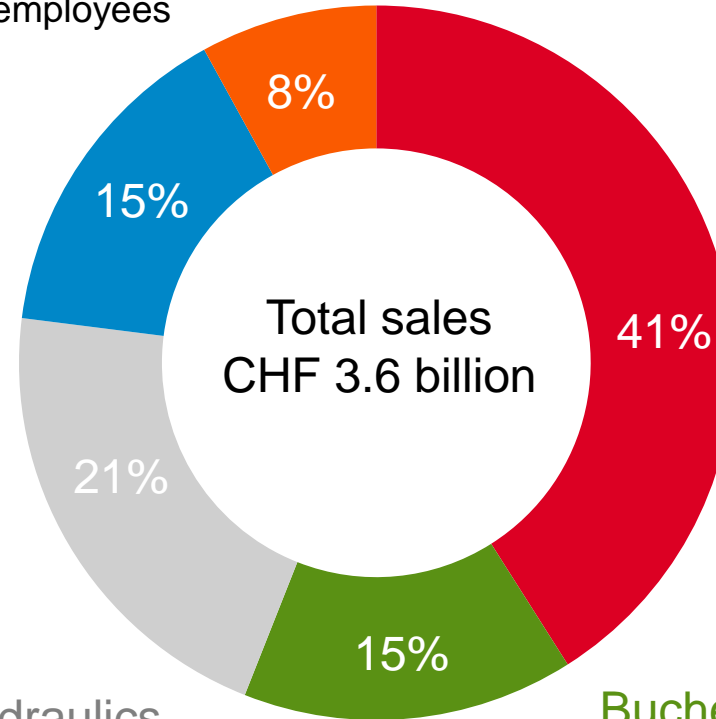
## Bucher Emhart Glass

CHF 530 million sales  
1'700 employees



## Bucher Hydraulics

CHF 760 million sales  
3'100 employees



## Kuhn Group

CHF 1'510 million sales  
6'000 employees



## Bucher Municipal

CHF 530 million sales  
2'500 employees

# Leader in selected markets



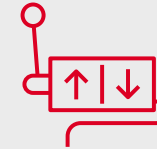
## Kuhn Group

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

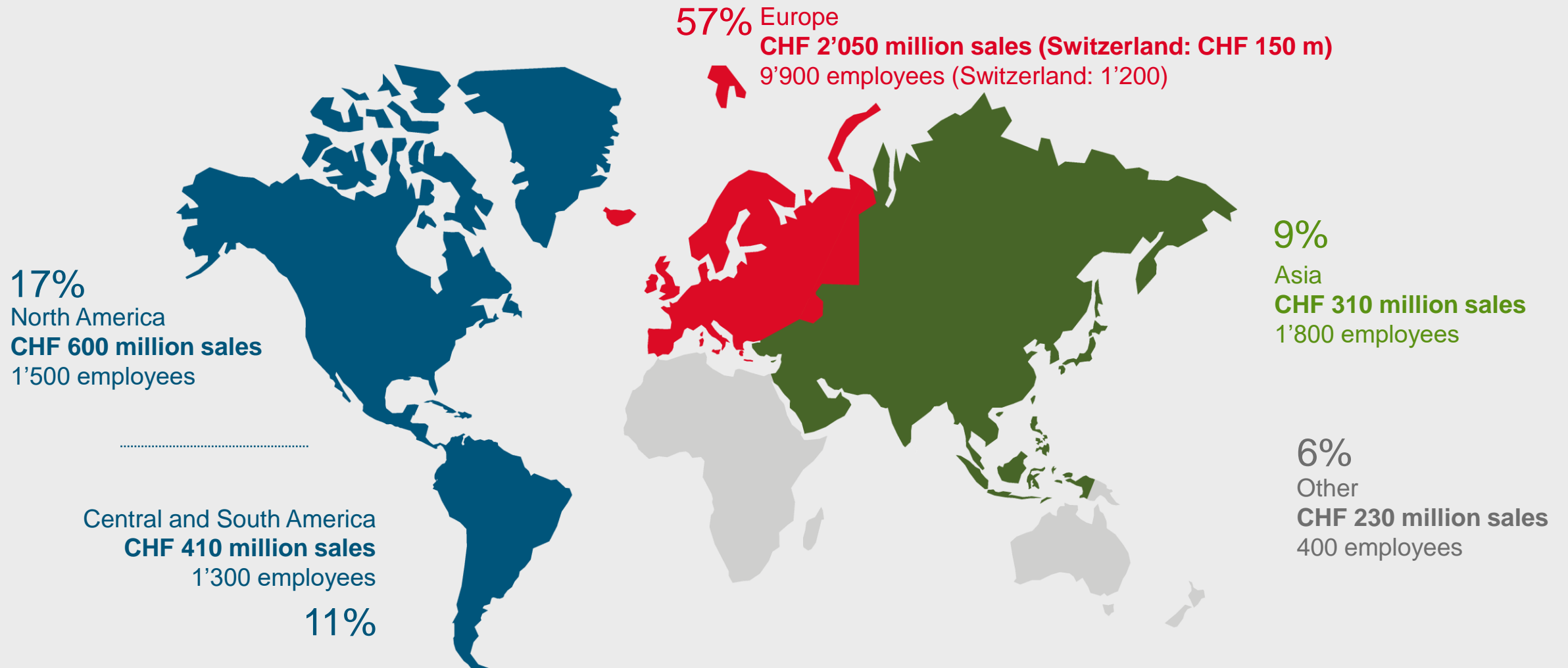


# Global presence

More than 50 manufacturing locations and development sites on five continents



# International Group





# 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

# Increase in sales and operating profit margin

Group: 2022 at a glance

Sales up by 13% and increase in operating profit margin to a very good 11.8%

- **Kuhn Group:** continued strong demand for agricultural machines; increase in sales, and operating profit margin only slightly below the previous year's high level
- **Bucher Municipal:** normalisation of demand for municipal vehicles; sales at the previous year's level and operating profit margin slightly lower
- **Bucher Hydraulics:** weakening of the strong momentum in the hydraulics markets; increase in sales and operating profit margin
- **Bucher Emhart Glass:** continued high demand for glass containers; significant increase in sales and operating profit margin
- **Bucher Specials:** diverging market developments; increase in sales, overall, and stable operating profit margin

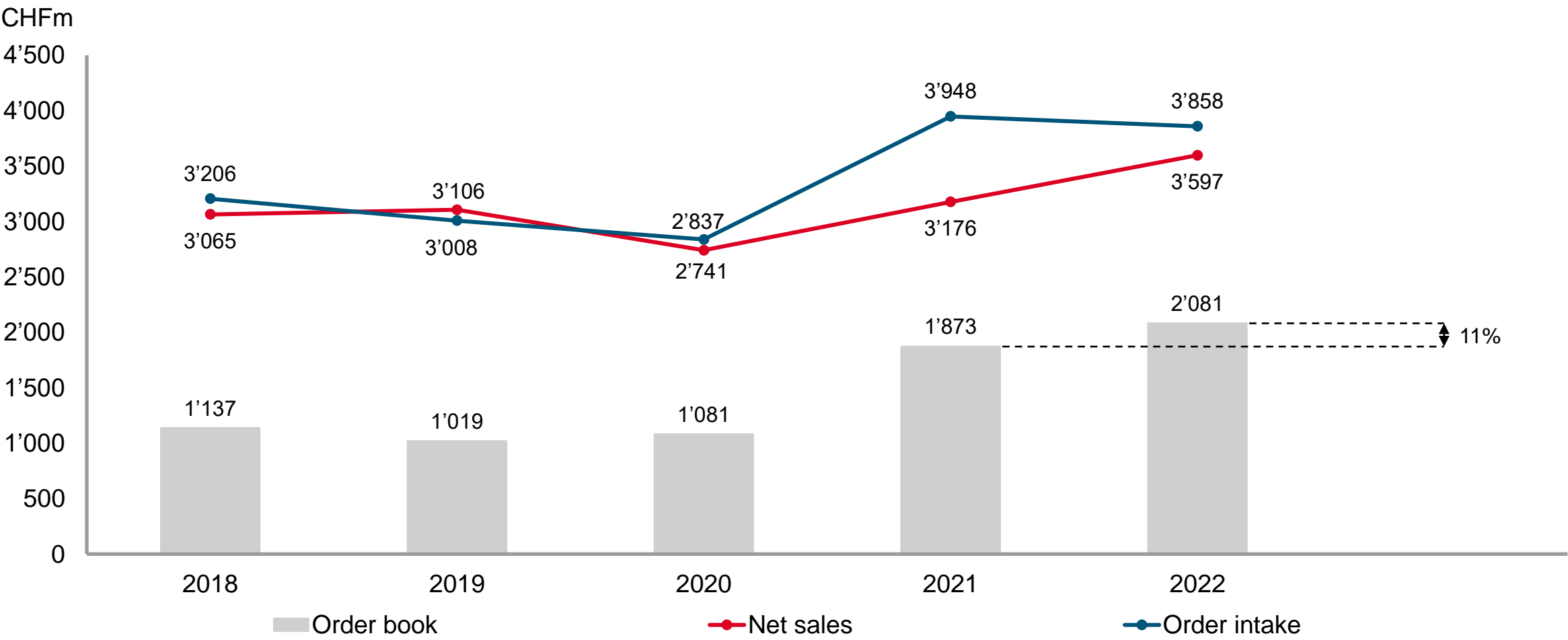


# Operating profit by division

CHFm	EBIT	EBIT margin	EBIT	EBIT margin
	2022	2022	2021	2021
Kuhn Group	176	11.7%	161	12.2%
Bucher Municipal	32	6.0%	33	6.3%
Bucher Hydraulics	101	13.4%	88	12.9%
Bucher Emhart Glass	98	18.6%	62	15.8%
Bucher Specials	30	8.6%	28	8.6%
Other/consolidation	-12		-20	
<b>Bucher Industries</b>	<b>425</b>	<b>11.8%</b>	<b>352</b>	<b>11.1%</b>

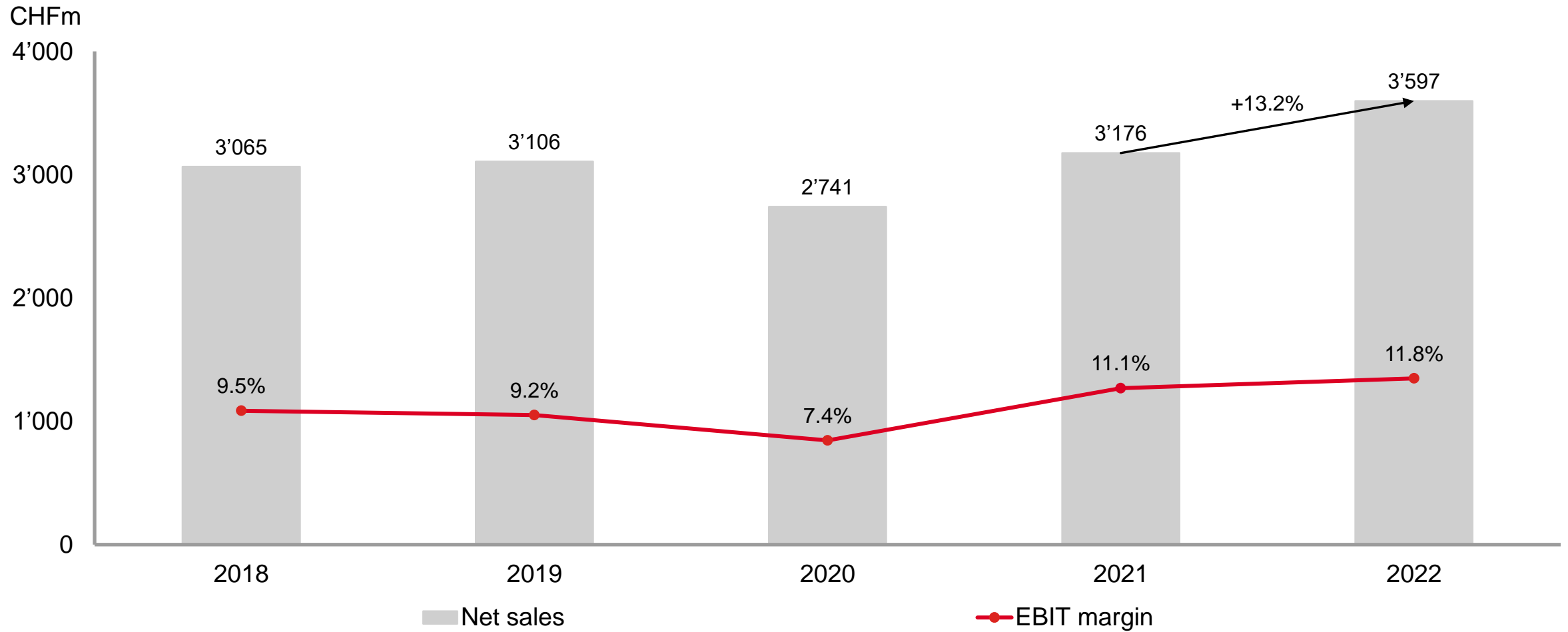
# Order book increased

Performance: order book



# Strong increase in sales and profitability

Performance: net sales and EBIT margin





# Strong increase in sales and profitability

Performance: overview

CHFm					Change
	2022	2021	%	% <sup>1)</sup>	% <sup>2)</sup>
Order intake	3'858	3'948	-2.3	1.5	0.7
Net sales	3'597	3'176	13.2	17.2	16.5
Order book	2'081	1'873	11.1	15.9	14.2
Operating profit (EBITDA) % of net sales	511 14.2%	437 13.7%	17.0		
Operating profit (EBIT) % of net sales	425 11.8%	352 11.1%	20.8		
Average number of FTEs	14'053	13'375	5.1		4.6
Employees at 31 December	14'876	13'835	7.5		4.2

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

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

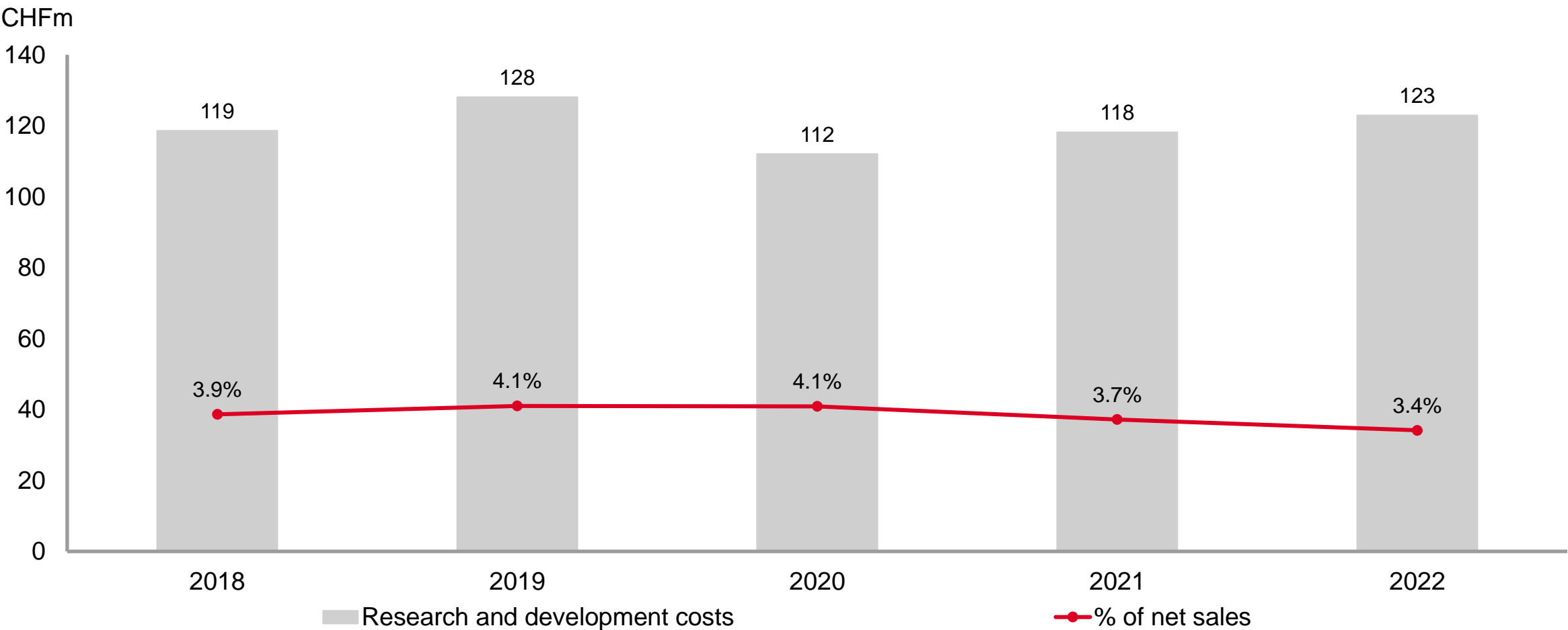
# Higher earnings per share and RONOA

Performance: overview

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%	

# Continued investment in innovation

Invested capital: research and development costs





# 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

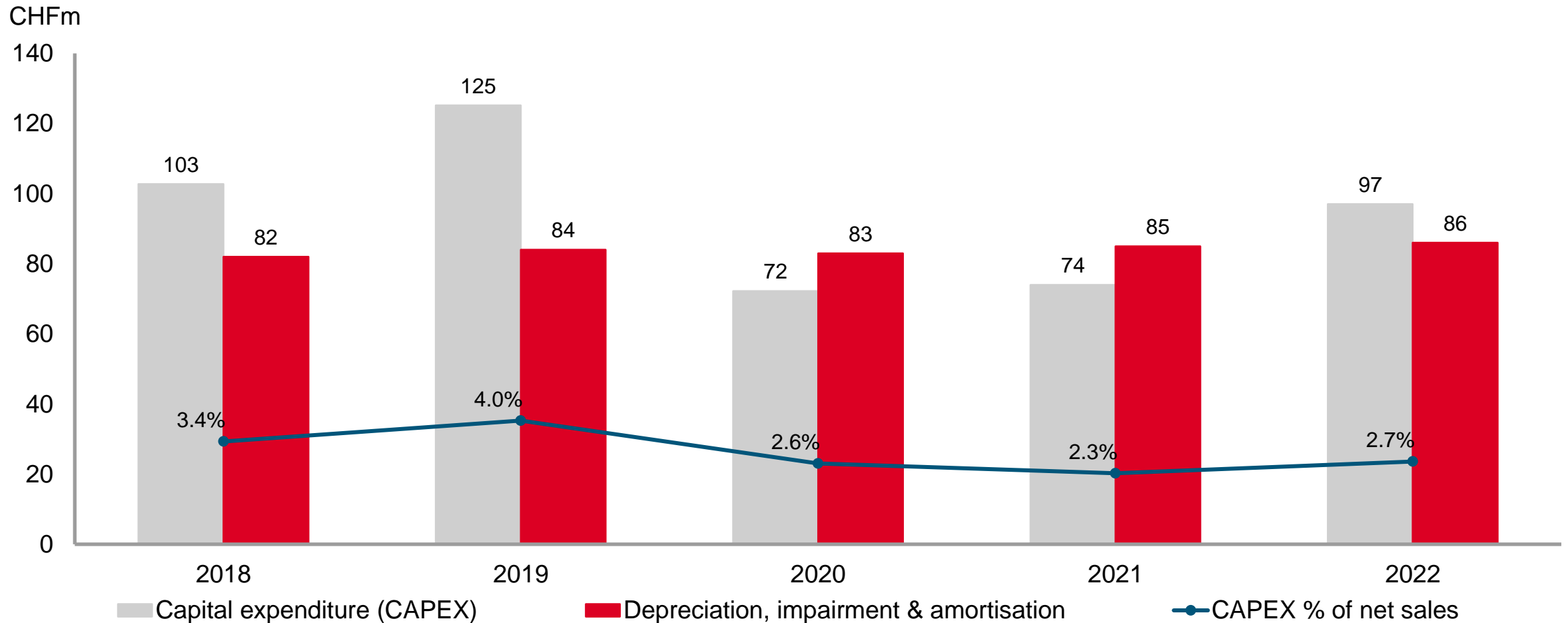
Bucher Unipektin’s multiple MVR technology for vapour recompression

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



# Investment activity started to increase again

Invested capital: capital expenditure



# 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



# Acquisitions 2021

2021

Kuhn Group

Khor,  
Brazil



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

Employees  
80

Bucher  
Specials

Merk Process,  
Germany



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

Employees  
20

Bucher  
Hydraulics

Lenze Mobile Drives,  
Switzerland



Asset Deal (Carve-out)

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


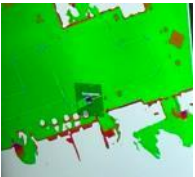



Employees  
30, mainly in engineering  
and sales

<sup>1)</sup> before acquisition

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



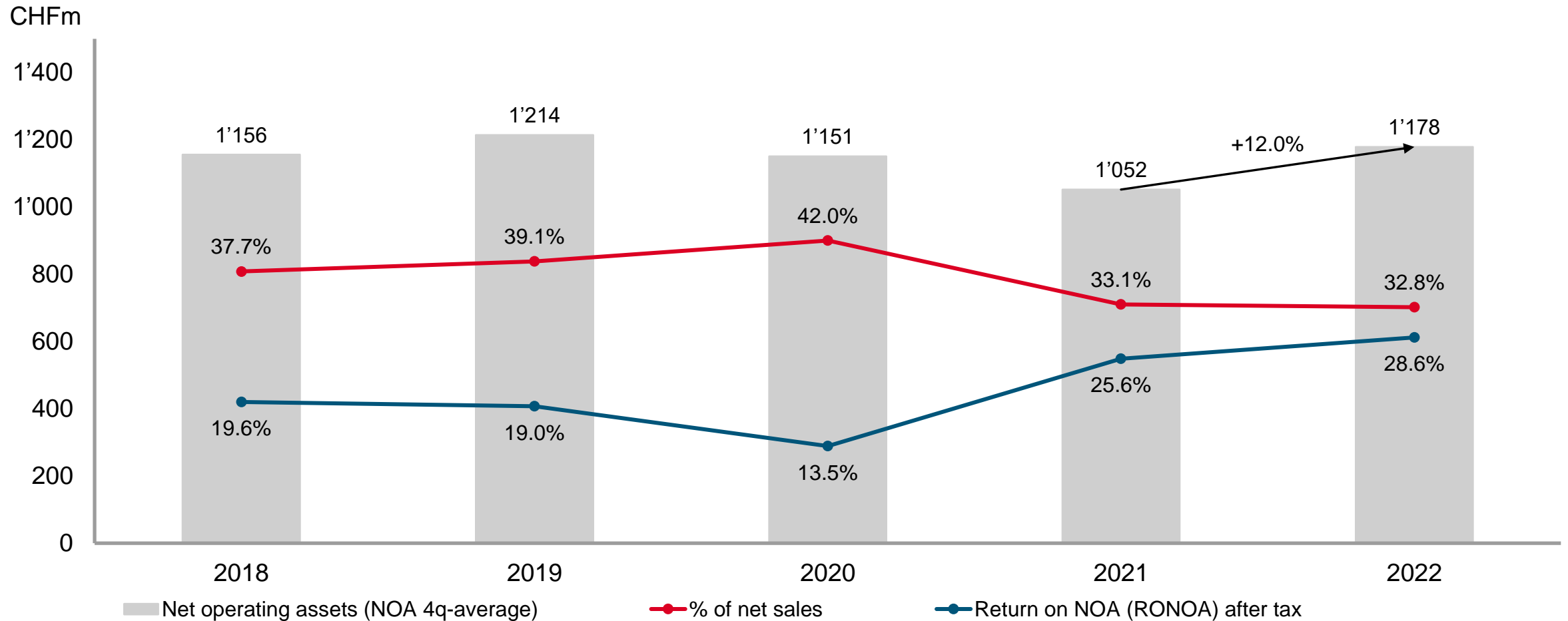
# Acquisitions 2022 – 2023

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 <sup>1)</sup> CHF 7 million	Start-up	Net sales <sup>1)</sup> CHF 40 million	Net sales <sup>1)</sup> CHF 11 million
Employees 40	Employees 15	Employees 400	Employees 30

<sup>1)</sup> before acquisition

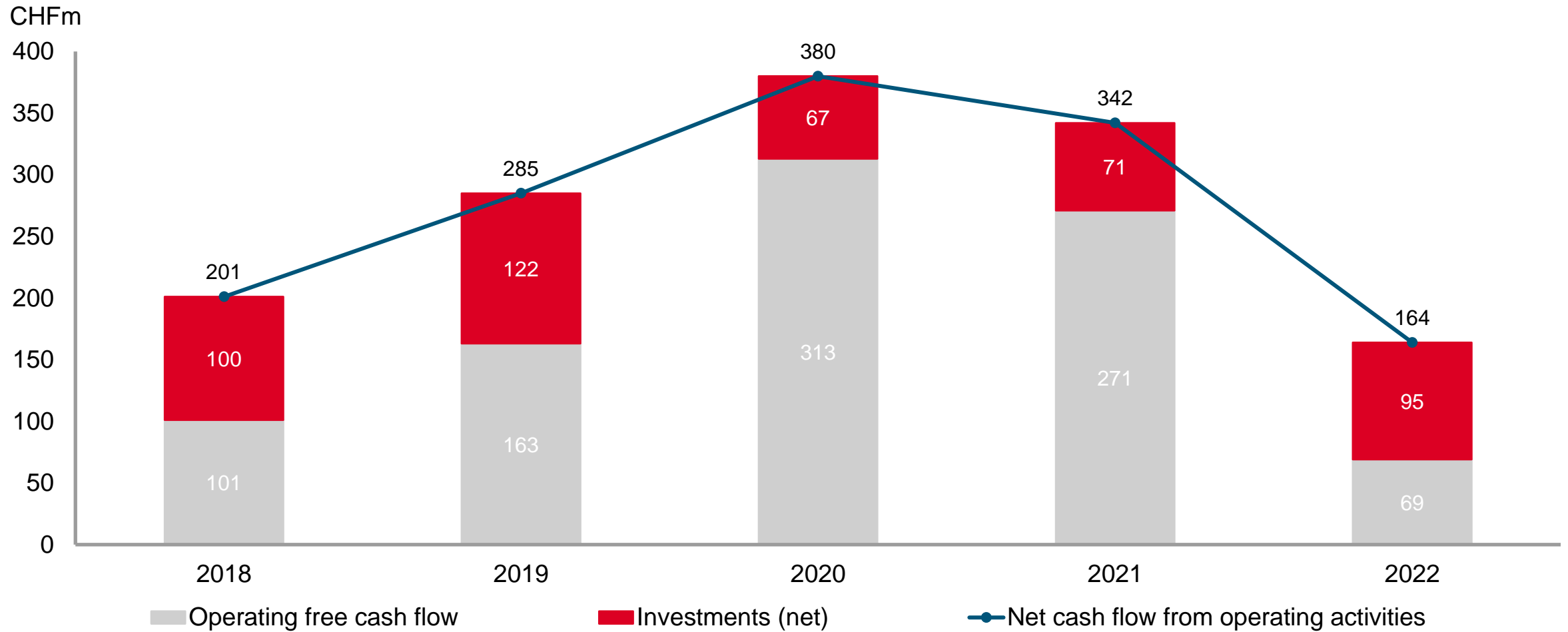
# Increase in NOA and RONO

Invested capital: net operating assets (NOA)



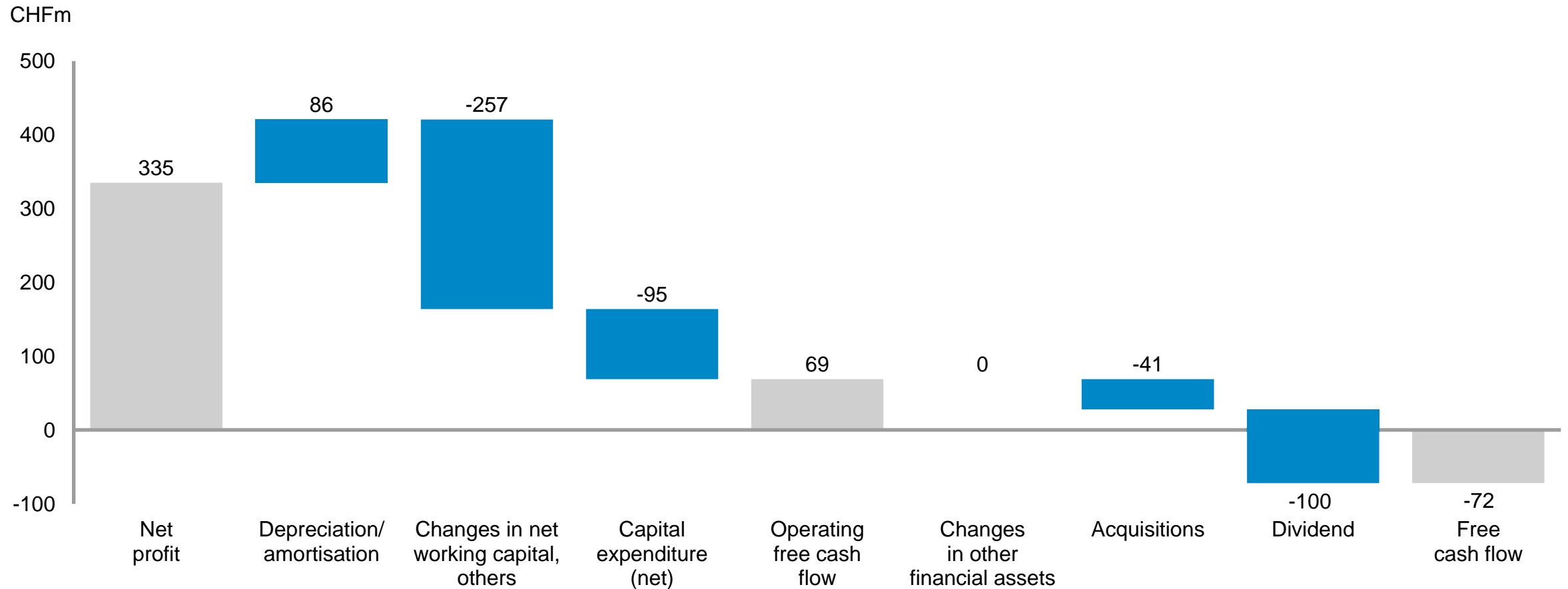
# Lower operating free cash flow

## Financing and risk management



# Negative free cash flow

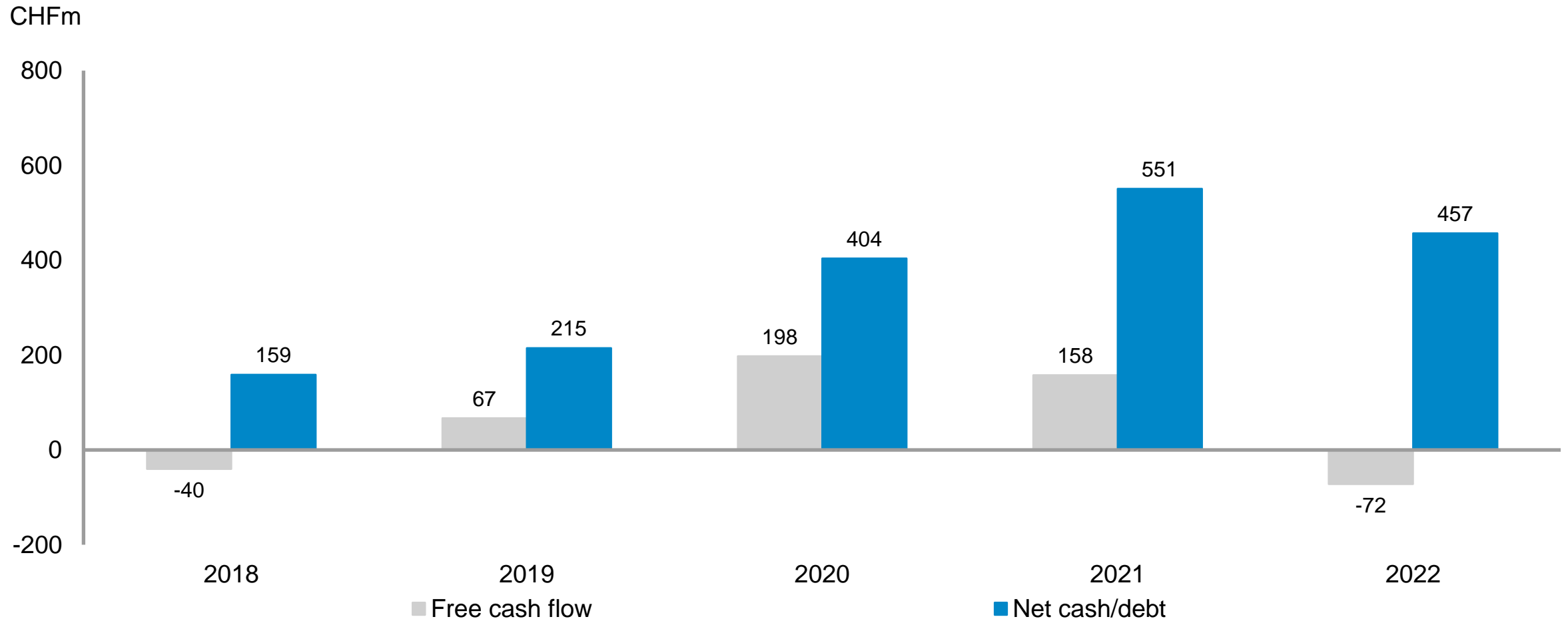
## Financing and risk management





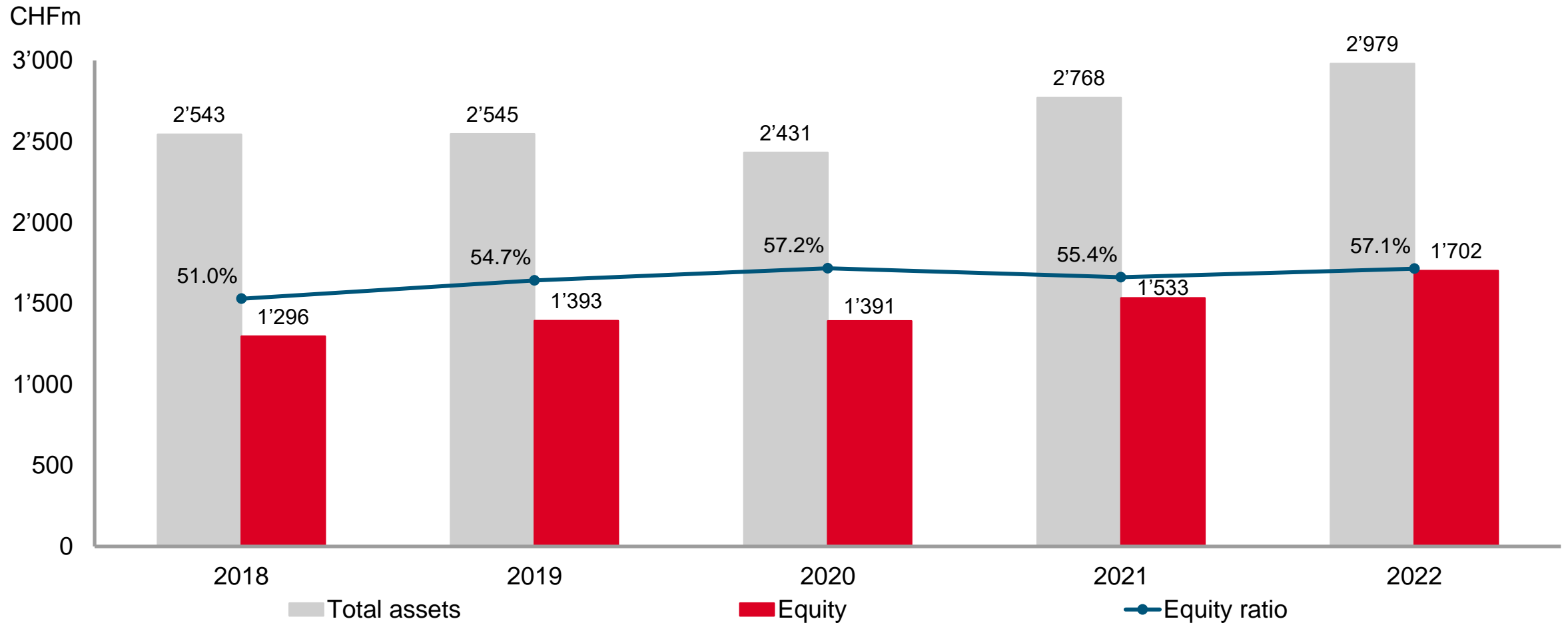
# Net cash still on a high level

## Financing and risk management



# Solid balance sheet with an equity ratio of 57%

## Financing and risk management



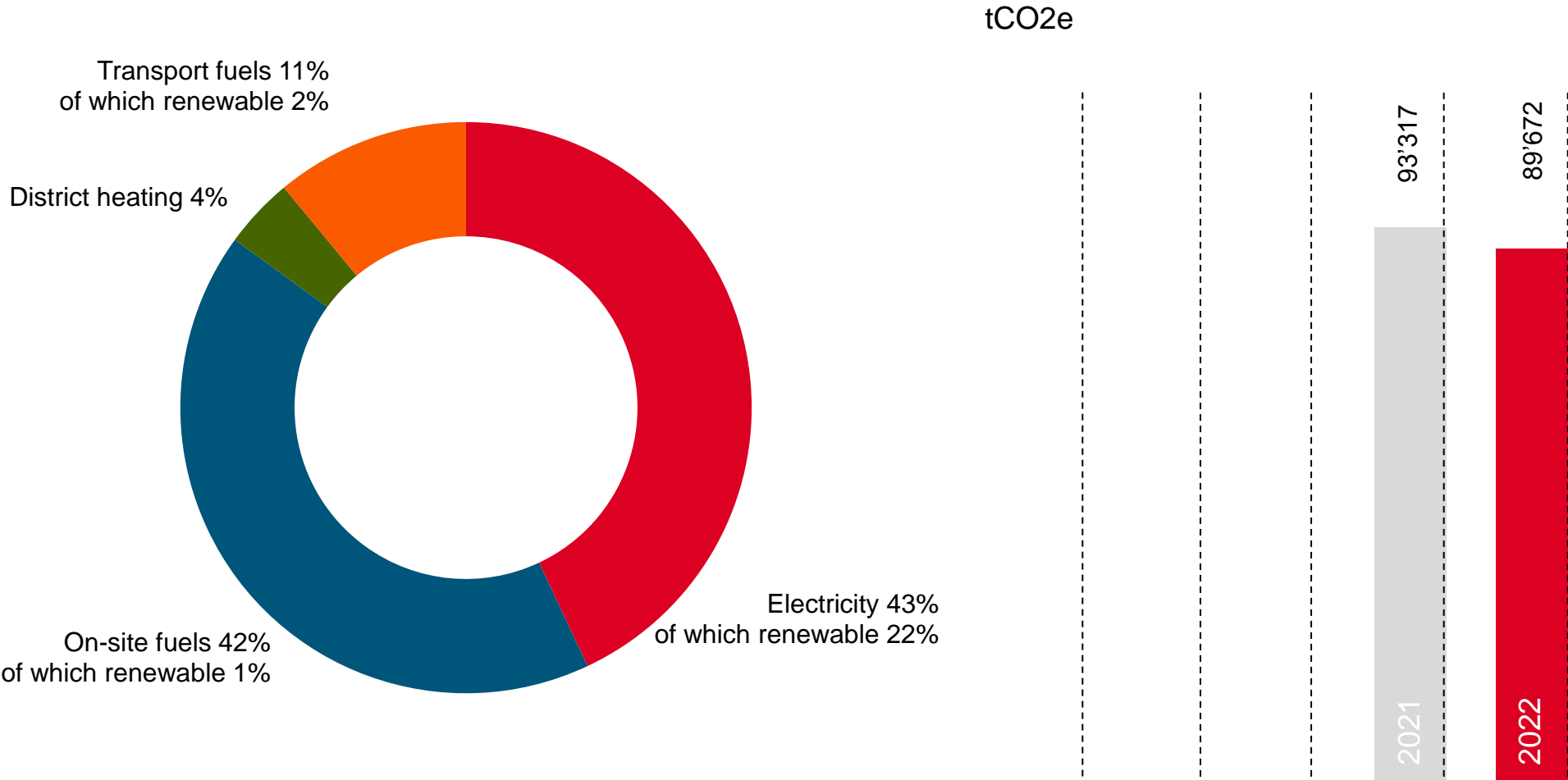
# Reduced energy consumption compared to prior year

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 <sub>2</sub> emissions in tCO <sub>2</sub> e	89'672	93'317	-3.9

# Decrease in CO<sub>2</sub> emissions

Non-financial key figures: energy consumption and CO<sub>2</sub> emissions





## Divisions

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# 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

# Market position

Kuhn Group



World's leading manufacturer of specialised farm implements and self-propelled machinery

- Comprehensive range of agricultural machinery
- World market leader in hay and forage harvesting machinery and feed mixers
- Leader in tillage, planting and seeding, fertilisation and crop protection equipment
- Strong market positions in Europe and in North and South America
- Extensive network of independent dealers and distributors
- Products and services marketed worldwide under the Kuhn brand

● Production and development sites  
● Distribution centres



# 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



# Very high production volumes

Kuhn Group: 2022 at a glance

Continued strong demand for agricultural machines; slightly lower order intake compared to the previous year's high level, mainly due to currency effects

- Good prices for agricultural products kept farm incomes at high levels despite increasing cost pressures
- Demand boosted by problems faced by agricultural machinery manufacturers to deliver goods, customers' expectations that prices will continue to increase, and generally low inventory levels in the distribution network
- From mid-2022 onwards, increasing caution among farmers, more pronounced in the dairy and livestock business than in the crop production sector

15% increase in sales, partly due to price increases; further increase in the order book

- Above-average sales growth in Brazil
- Persistent difficulties with the supply chain and recruitment caused delays and inefficiencies
- Very high capacity utilisation throughout the whole year

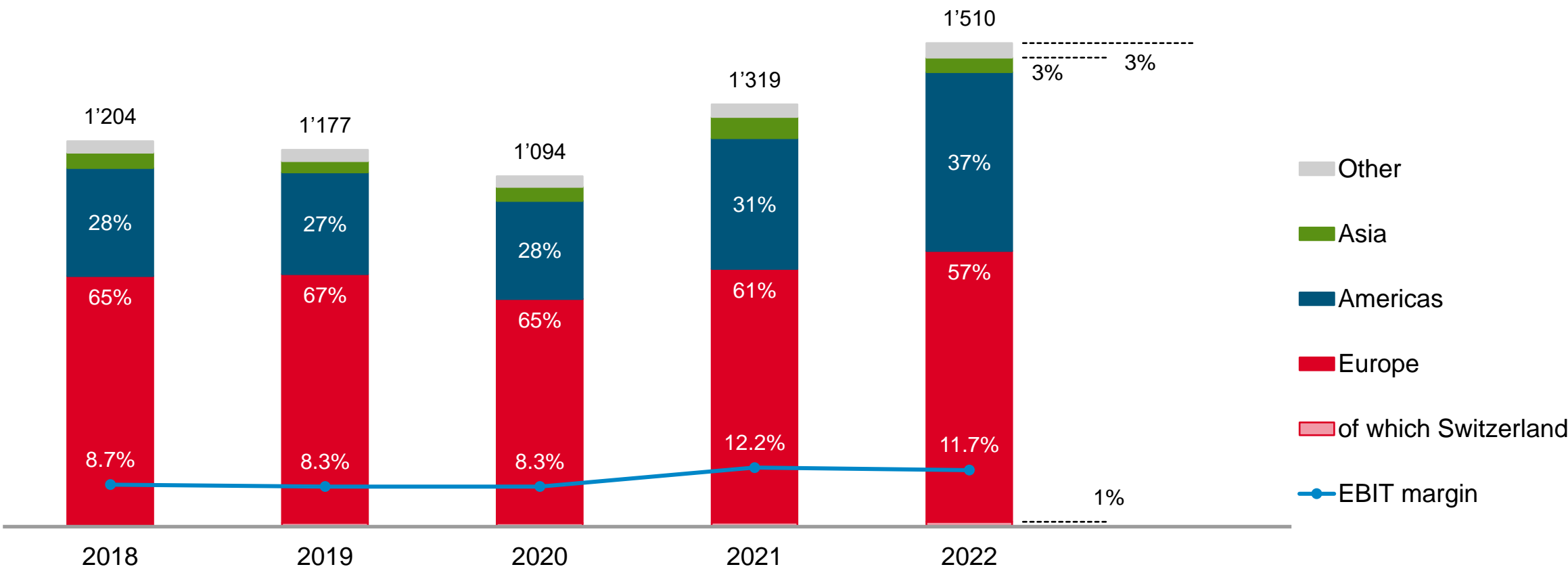
Operating profit margin of 11.7% only slightly below the previous year's high level

Includes CHF 6 million impairments of assets for the business activities in Russia

# Net sales by region

Kuhn Group

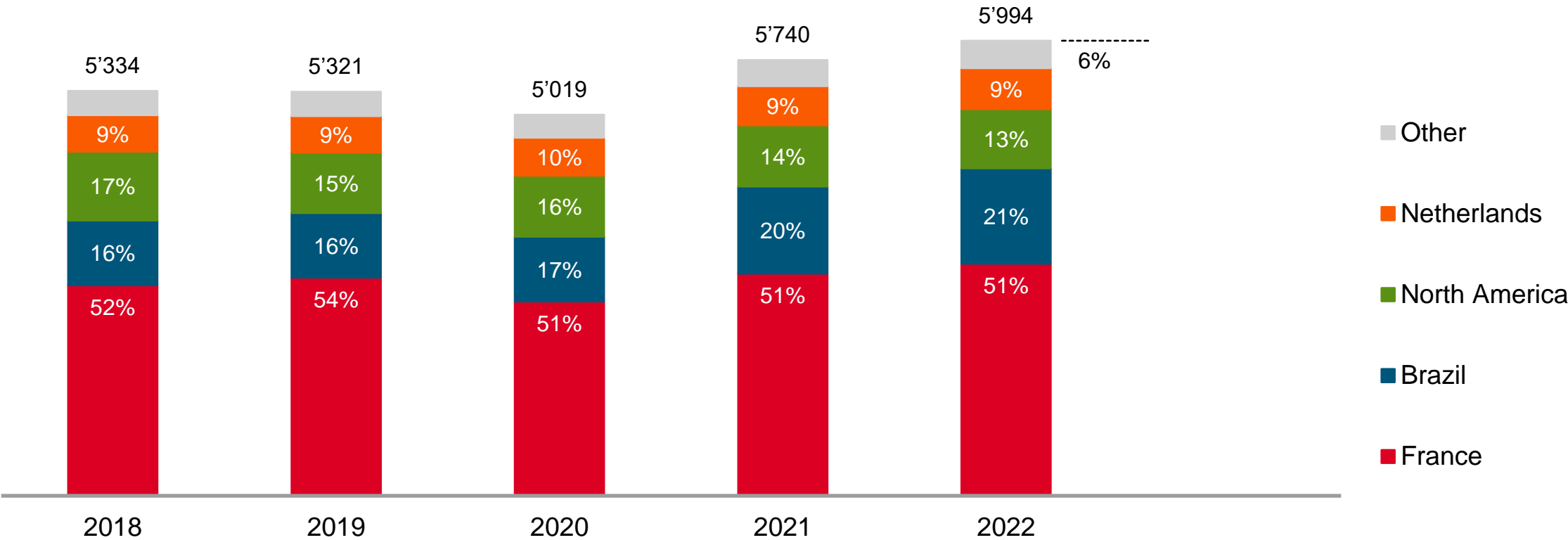
CHFm



# Number of employees by region

Kuhn Group

Employees<sup>1)</sup>









<sup>1)</sup> Expressed in full-time equivalents; average

# World market for agricultural machinery

Kuhn Group

Market served by Kuhn Group

World agricultural machinery market volume: Approx. EUR 125 billion (KG's estimate based on VDMA 2021 data)		Farm tractors	44%	28
		Harvesting machinery		16
		Hay and forage harvesting machinery	56%	7
		Tillage machinery		8
		Planting and seeding, fertilising and crop protection machinery		11
		Other agricultural machinery and attachments and parts		30

Source: Freedonia, VDMA, and estimates by KUHN Group

# 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						
<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														



# Bucher Municipal

Municipal vehicles and winter maintenance equipment

Compact sweepers



Truck-mounted sweepers



Sewer cleaning equipment



Winter equipment



Refuse equipment

# Market position

Bucher Municipal



Leading supplier of municipal vehicles for use in cleaning and clearance work in public and private traffic areas

- Comprehensive product range for the municipal vehicles market
- European market leader in sweepers
- Market leader in refuse collection vehicles and sweepers in Australia
- Market leader in sewer cleaning vehicles in Scandinavia and the UK

- Production and development sites
- Sales and service locations



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

# Negatively impacted production efficiency

Bucher Municipal: 2022 at a glance

Normalisation of demand from mid-year, order intake on previous year's level overall

- Compact sweepers including electric models as positive drivers
- Decline in sewer cleaning vehicles due to a shortage of truck chassis

Sales at previous year's level; 31% increase in order book

- Persistent difficulties in procuring truck chassis, batteries, hydraulic components and electronics
- Staff shortages, especially in Australia

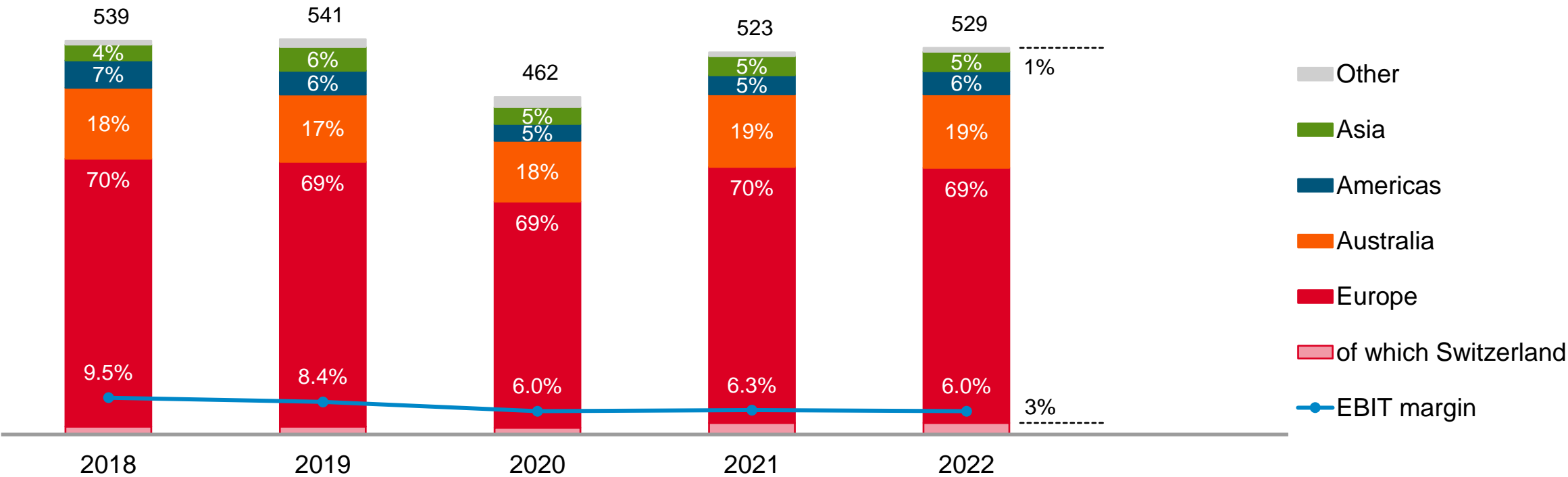
Slight decline in operating profit margin to 6.0%

Difficulties in the supply chain, reduction of operations in Russia and challenging business environment in China

# Net sales by region

Bucher Municipal

CHFm

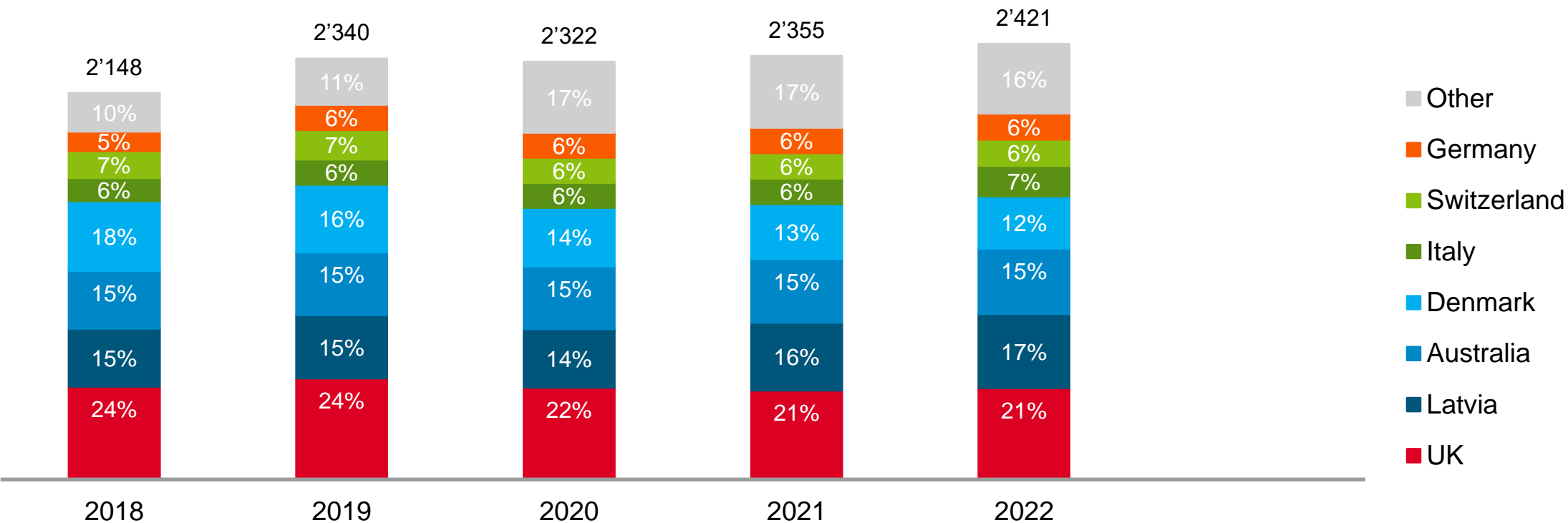




# Number of employees by region

Bucher Municipal

Employees<sup>1)</sup>



<sup>1)</sup> Expressed in full-time equivalents; average

# Global municipal equipment market

Bucher Municipal

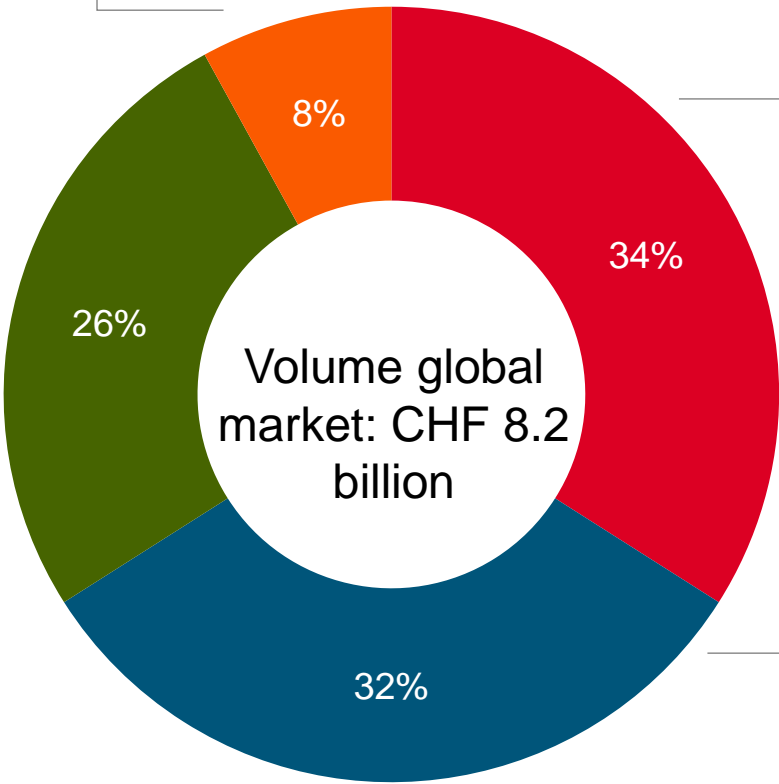
Winter maintenance equipment



Refuse equipment



Sweepers



Sewer cleaning equipment

Source: Bucher Municipal Analysis, machine volumes only, estimate 2020

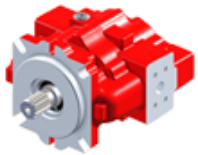
# Complete product range under one brand

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								
<b>Bucher Municipal</b>												
Federal Signal												
Alamo												
Douglas Dynamics												
Terberg-RosRoca												
Aebi-Schmidt												
Faun												
Fayat												
Hako												
Boschung												
Cappellotto												
Kaiser												
Zoomlion												

# 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



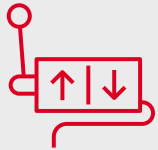
## Industry



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

# Market position

Bucher Hydraulics



Leading international manufacturer of sophisticated hydraulic systems

- European market leader in mobile and elevator hydraulics
- World's leading manufacturer of compact hydraulic power units
- Strong presence in the USA, India and China
- Creation of sustainable customer-specific electrohydraulic solutions

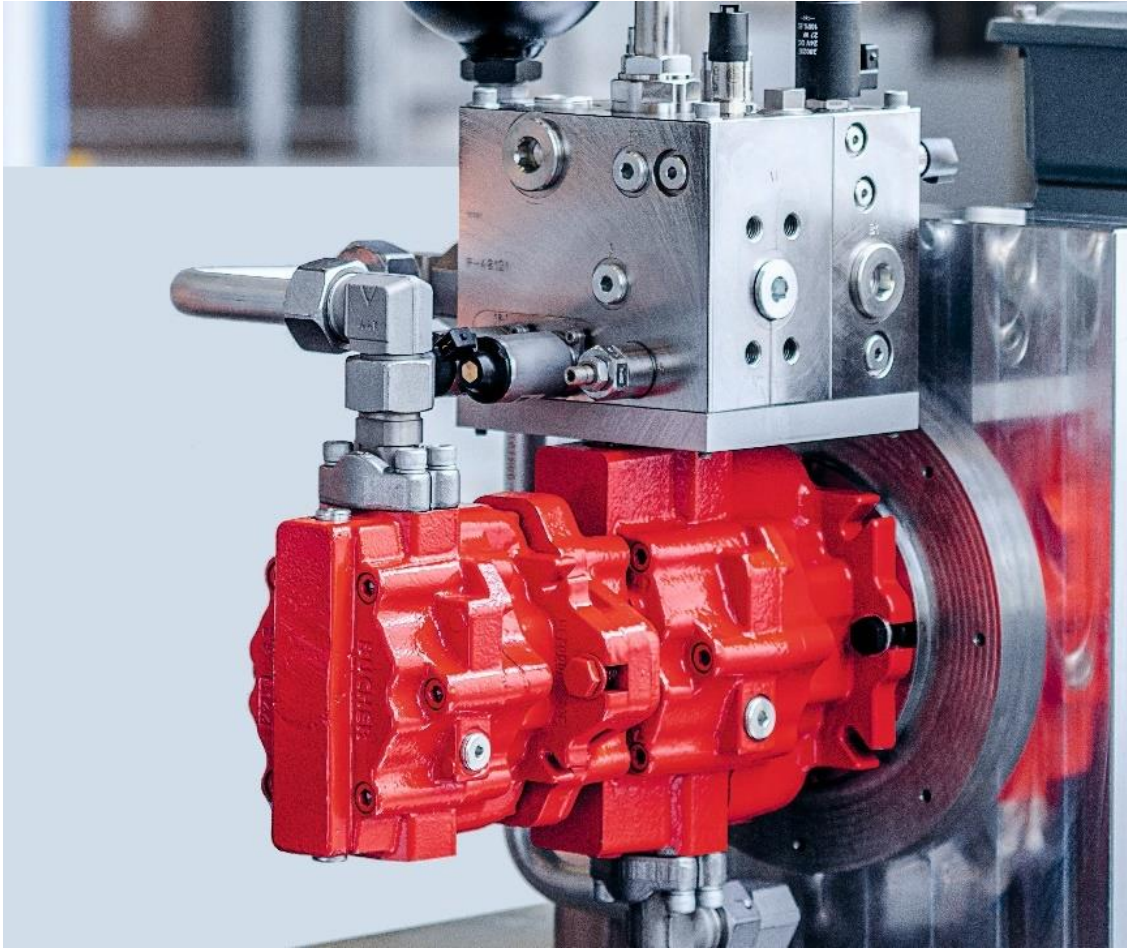
● Production and development sites  
● Sales locations





# 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

# Very high capacity utilisation

Bucher Hydraulics: 2022 at a glance

Normalisation of demand at exceptionally high level; order intake 11% lower than in the previous year

- Pronounced decline in China, normalisation also in parts of Europe and North America from mid-year onwards
- Clear decline in materials handling and construction machines, but demand for agricultural machinery remained high

Sales up 11%, partly due to price increases

- Very high utilisation of production capacities throughout the whole year
- Shortage of qualified personnel, especially in USA but also in Europe
- Particularly strong sales growth in North America

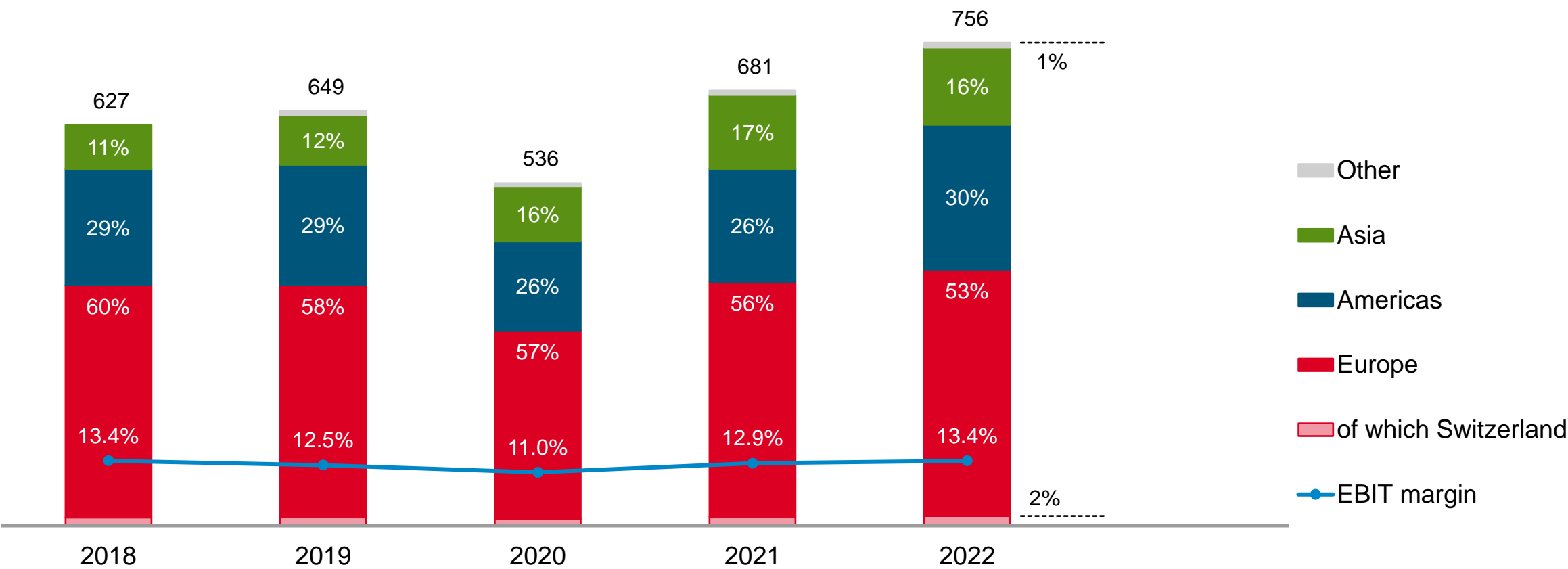
Operating profit margin increased to 13.4%

Higher sales, good cost structure and price adjustments

# Net sales by region

Bucher Hydraulics

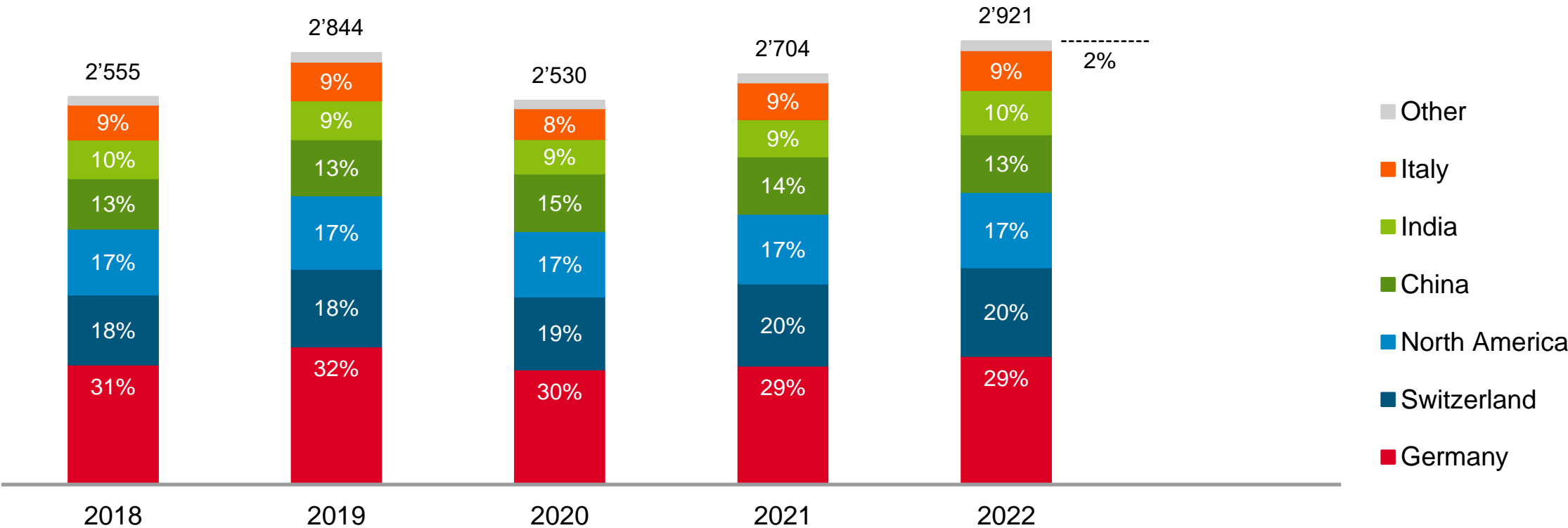
CHFm



# Number of employees by region

Bucher Hydraulics

Employees<sup>1)</sup>

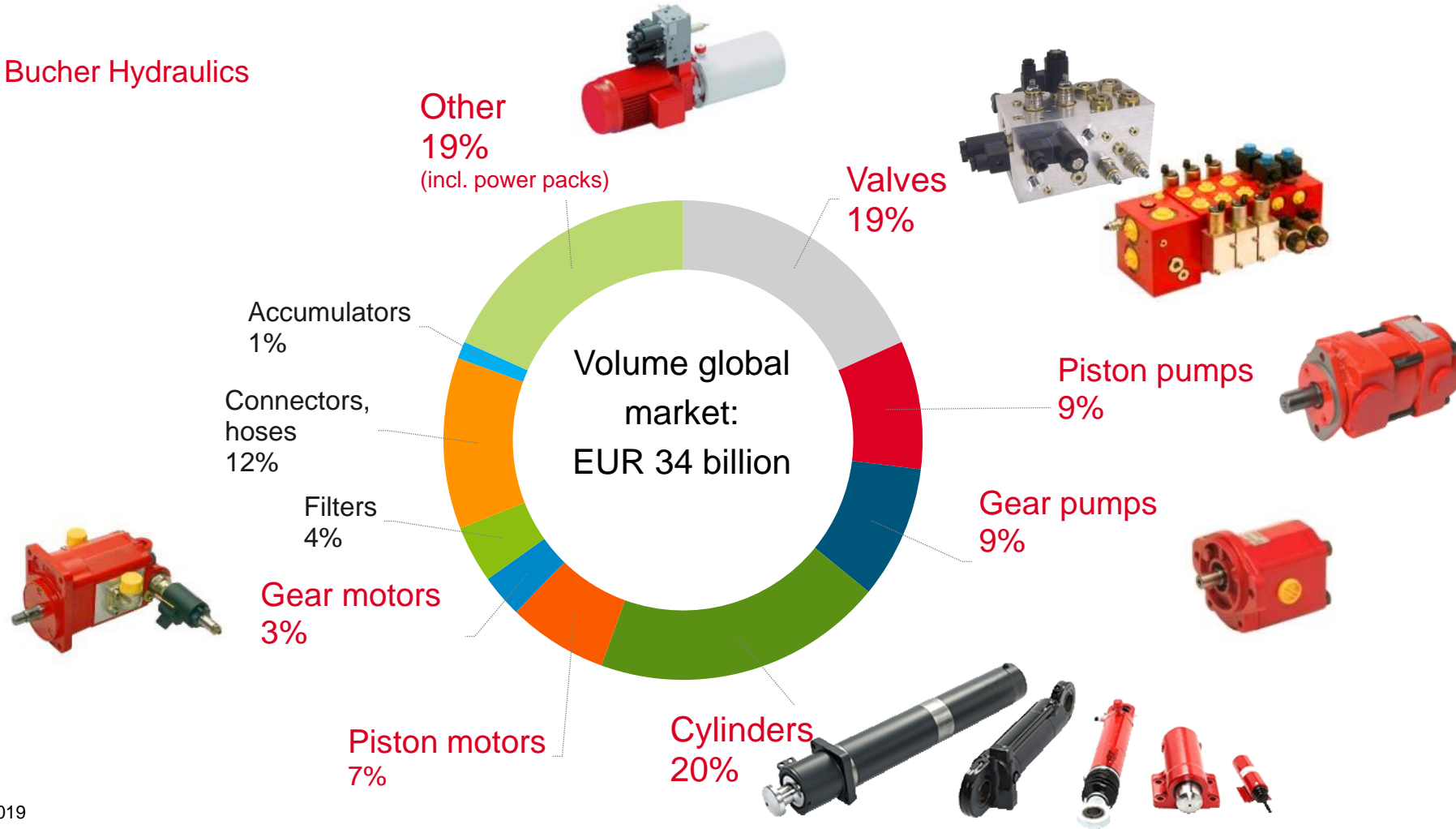


<sup>1)</sup> Expressed in full-time equivalents; average

# World hydraulics component market

Bucher Hydraulics

Market served by Bucher Hydraulics



Source: CETOP Statistics, 2019



# 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)																		

# Bucher Emhart Glass

## Glass container manufacturing equipment

Hot end



Gob forming

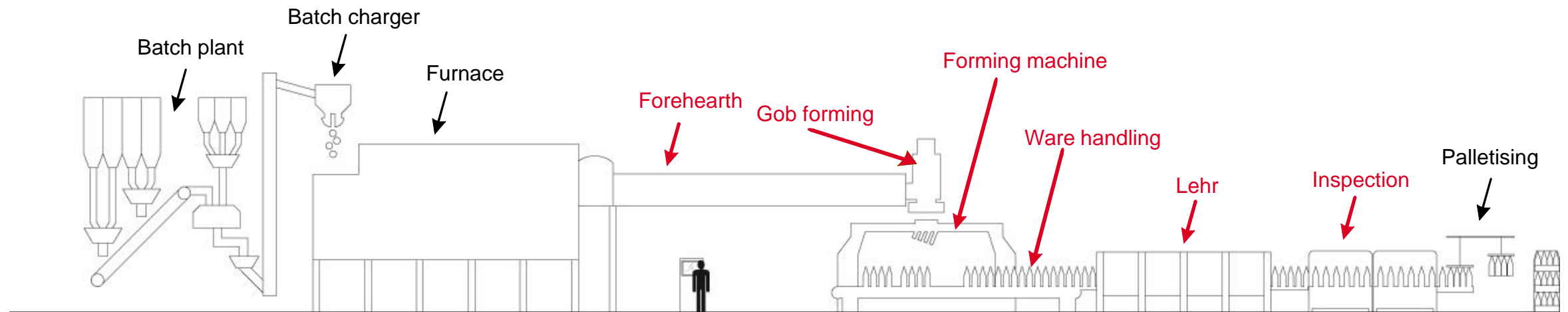


Glass-forming machine

Cold end



Inspection



Glass container manufacturing process

# Market position

Bucher Emhart Glass



World's leading supplier of machinery, equipment and services for glass container manufacturing

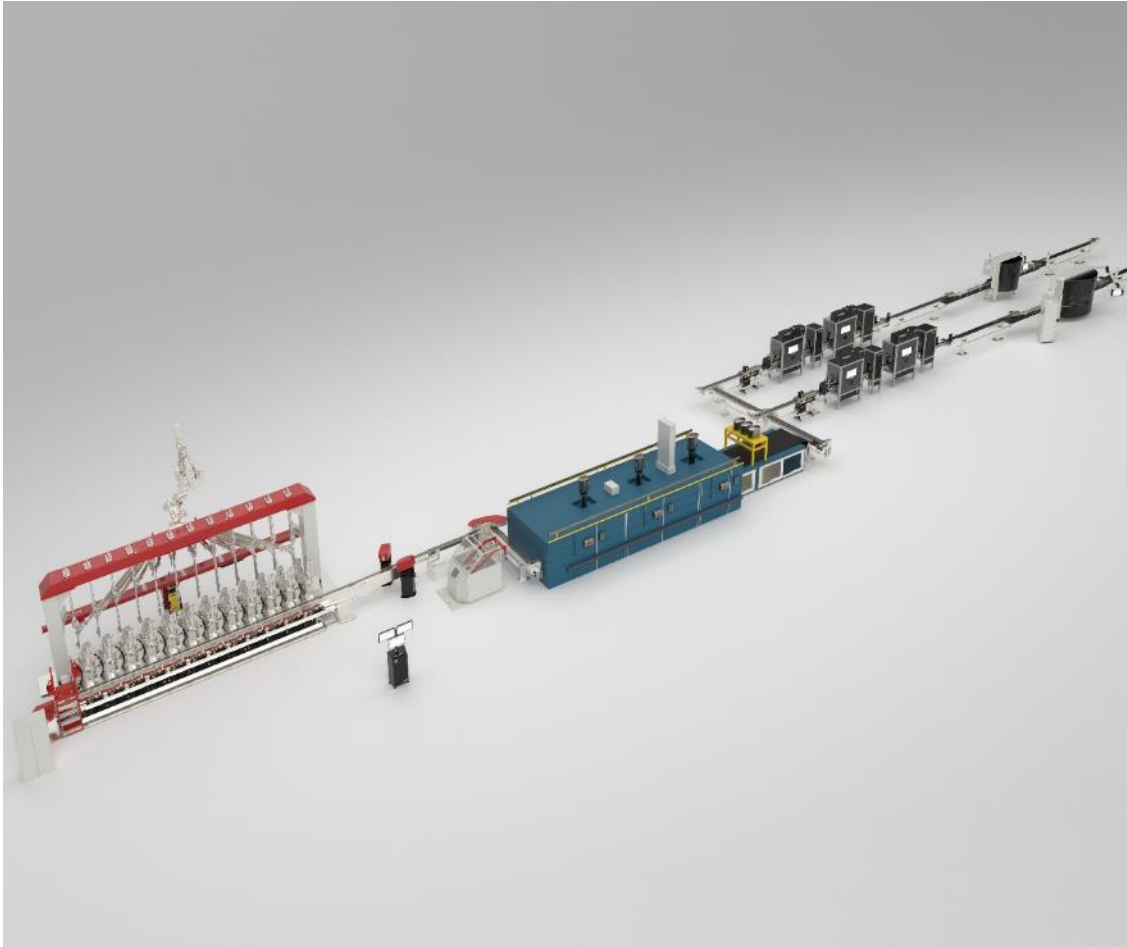
- World market leader for glass-forming machinery
- Solid market position in inspection machines



- Production and development sites
- Sales locations

# 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

# Significant increase in sales and operating profit margin

Bucher Emhart Glass: 2022 at a glance

Continued strong demand for glass containers; order intake up by 11%

- Catch-up effect and trend toward increased use of glass instead of plastic containers
- Tight production capacities on the customer side leading to investments in modernisation and expansion despite high energy prices in Europe in particular

Sales up by 33% compared to the low level of the previous year

- Very good utilisation of production capacities at all sites
- Successful continuation of capacity adjustments in order to increase production

Further increase in operating profit margin to an excellent 18.6%

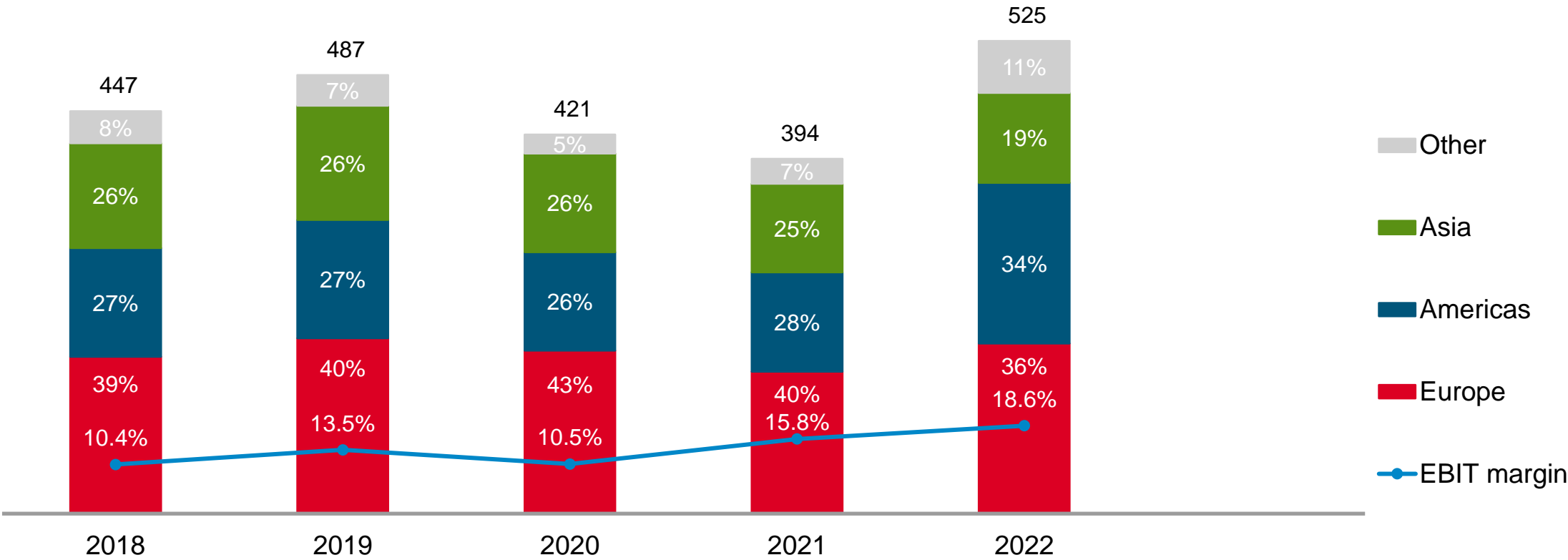
High sales volume, continued low cost base, improved efficiency and positive currency effects



# Net sales by region

Bucher Emhart Glass

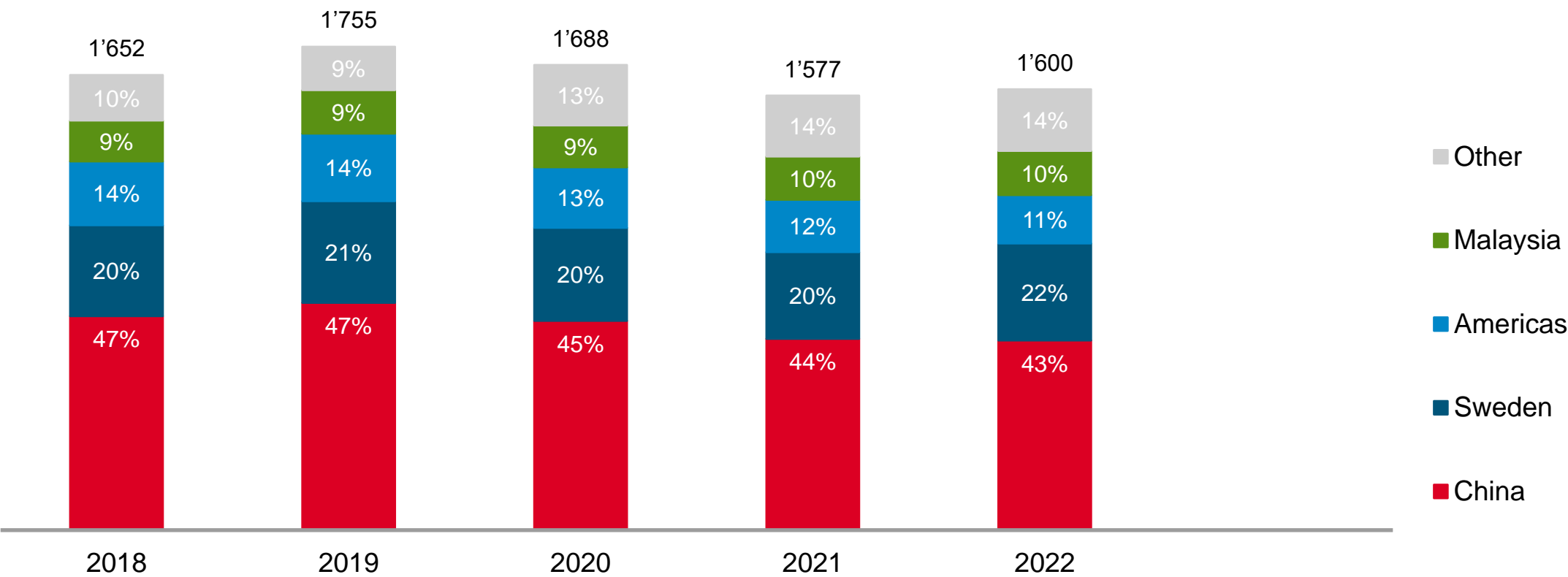
CHFm



# Number of employees by region

Bucher Emhart Glass

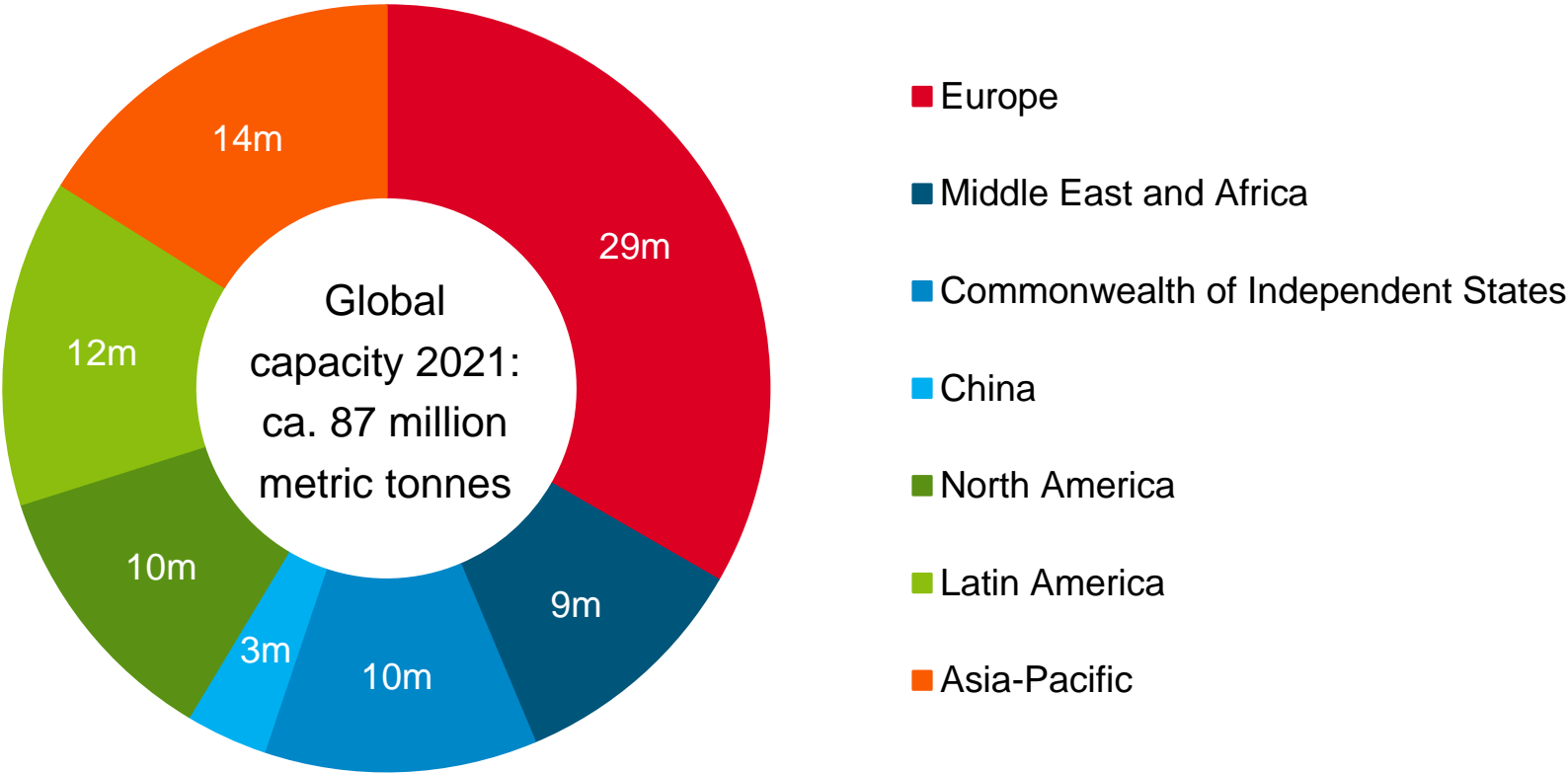
Employees<sup>1)</sup>



<sup>1)</sup> Expressed in full-time equivalents; average

# Capacity for production of glass containers

Bucher Emhart Glass



Source: own estimates

# 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 (DE)											
Horn (DE)											

# 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



# Market position

Bucher Specials



World market leader in winemaking  
and fruit juice equipment

- **Bucher Vaslin:** world market leader in winemaking equipment
- **Bucher Unipektin:** world market leader in fruit juice processing equipment

- Production and development sites
- Sales locations



# Stable business performance overall

Bucher Specials: 2022 at a glance

Order intake at the previous year's level and 8% increase in sales

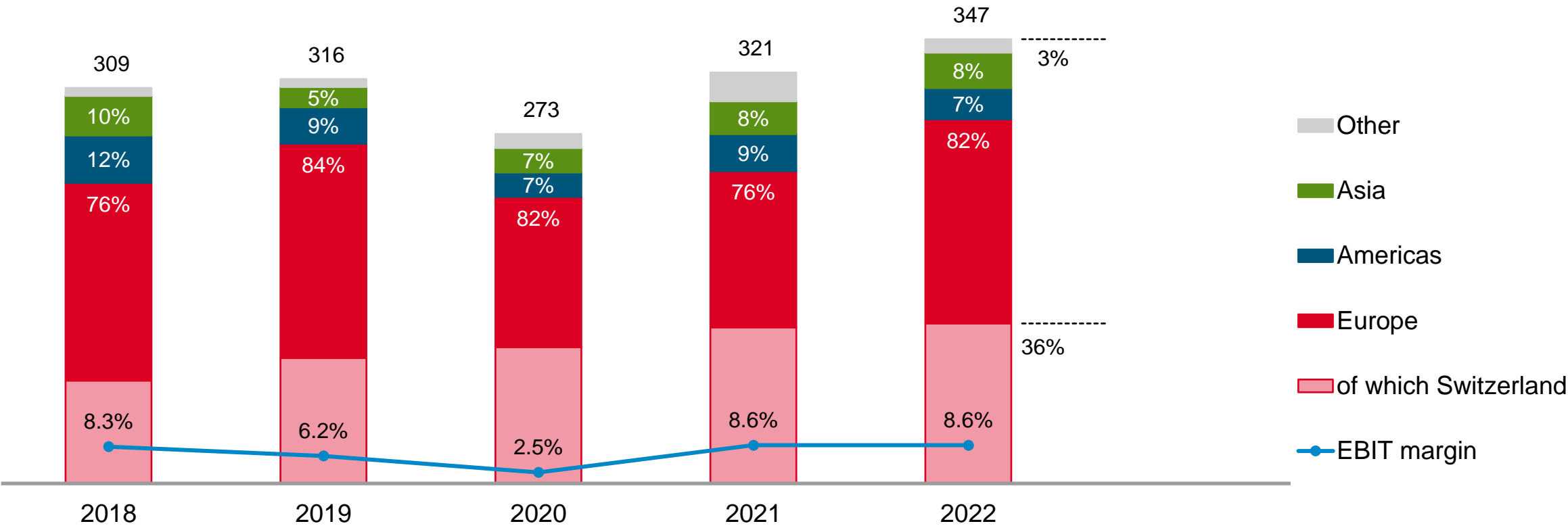
- **Bucher Vaslin:** increase in sales at a high level in a dynamic environment
- **Bucher Unipektin:** significant increase in sales, partly due to the good order book and the acquisition of Denwel
- **Bucher Landtechnik:** slight decline in business performance at a high level after several very good years
- **Jetter:** continued positive trend, still strongly driven by the dynamic development at Bucher Emhart Glass

Operating profit margin stable at 8.6%, despite the significant increase in material costs and the expenditure on acquisitions

# Net sales by region

Bucher Specials

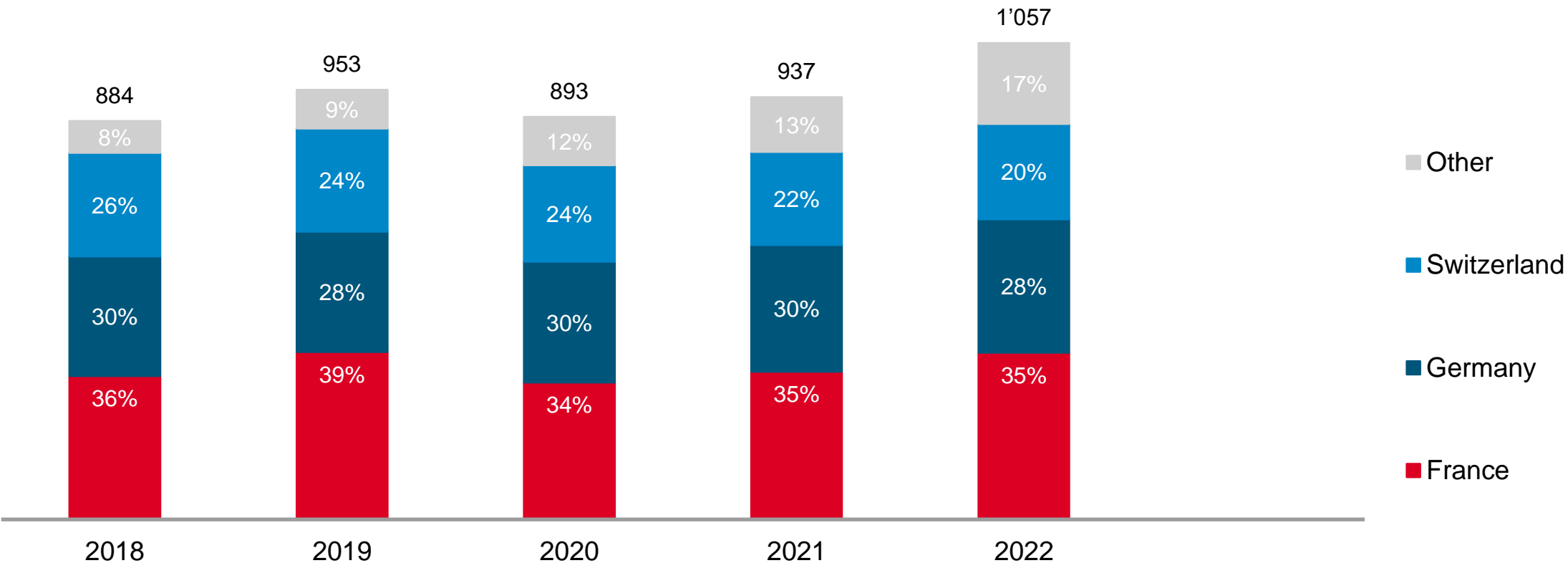
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# Number of employees by region

Bucher Specials

Employees<sup>1)</sup>



<sup>1)</sup> Expressed in full-time equivalents; average

# Bucher Vaslin

World market leader in winemaking equipment

Competitors	Reception	Crushing	Pressing	Fermentation	Filtration	Filling
<b>Bucher Vaslin</b>						
Diemme (IT)						
Della Toffola (IT)						
Pellenc/Pera (FR)						
Willmes (DE)						
Gai (IT)						



# Bucher Unipektin

World market leader in fruit juice production equipment

Competitors	Reception	Milling	Mash heating	Dejuicing	Evaporation	Filtration	Adsorption	Pasteurisation	Storage
<b>Bucher Unipektin</b>									
Flottweg (DE)									
GEA Group (DE)									
Alfa Laval (SE)									
Schmidt-Bretten (DE)									
Bellmer (DE)									
Kaimi (CN)									

# Bucher Landtechnik

Market leader in Switzerland

Competitors	Hay and forage harvesting machinery				Hedge cutters	Feed mixers	Tillage machinery		Seeders		Spreaders	Sprayers	Loader wagon	Tractors	Harvesters self-propelled	Wheel-loaders	Smart farming
	Mowers	Tedders	Rakes	Balers			driven	non-driven	drilling	precision							
Bucher Landtechnik	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn		Kuhn	Pronar	New Holland Case Steyr	New Holland Case	Weide-mann, Merlo	Precision Center
Robert Aebi (John Deere)																	
GVS (AGCO)	Krone	Krone	Krone	Krone			Rabe	Rabe	Rabe	Rabe				AGCO	AGCO	Bichon	
Serco (Claas)																InTrac	
Ott Landmaschinen	Kv	Kv	Kv	Kv		Kv	Amazone Kv	Amazone Kv	Amazone Kv	Amazone Kv	Amazone Rauch / Kv	Amazone Kv					
Pöttinger CH																	

Kv: Kverneland

# Jetter

## Market position in Europe

Competitors	Field level		Control level	Diagnostic level	Enterprise level
Industrial automation	Sensors	Actuators (amplifiers, motors, field devices)	Control systems	HMI's and visualisation	Enterprise and manufacturing control (MES)
<b>Jetter</b>					
Siemens (DE)					
Schneider (FR)					
Beckhoff (DE)					
B&R (AT)					
Mobile automation	Sensors	Actuators (amplifiers, motors, field devices)	Control systems	HMI's and visualisation	Enterprise and manufacturing control (MES)
<b>Jetter</b>		Cooperation with Bucher Hydraulics			
ifm (DE)					
Müller Elektronik (DE)					
Moba (DE)					

## Outlook for 2023

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# 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 or slightly better development
- Brazil: substantial 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



# Persistent difficulties in the supply chain

Bucher Municipal: Outlook for 2023

## Demand at a high level but declining

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

## Persistently challenging production environment

Difficulties with procurement, Russia and China likely to persist

**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

# 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

# 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
- Increasing uncertainties caused by high energy prices and rising interest rates

Very high utilisation of production capacities, but some risks due to difficulties in procuring electronic components

**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

# Solid development

## Bucher Specials: Outlook for 2023

### Overall positive market environment

Persistent shortage of electronic components, and delivery difficulties for agricultural machinery manufacturers

**For 2023:** higher sales partly due to acquisition of B&P Engineering; operating profit margin roughly in line with 2022

# Normalisation of demand at very high level

## Group: Outlook for 2023

High capacity utilisation, especially in the first half of the year, due to the exceptionally strong order book at the end of 2022; 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

Trends

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# Margin and return targets over an economic cycle

<b>EBIT margin %</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Targets</b>
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
<b>Bucher Industries</b>	<b>9.5</b>	<b>9.2</b>	<b>7.4</b>	<b>11.1</b>	<b>11.8</b>	<b>&gt;10</b>
<b>Group and divisions</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Target</b>
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.<sup>1)</sup>

## 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

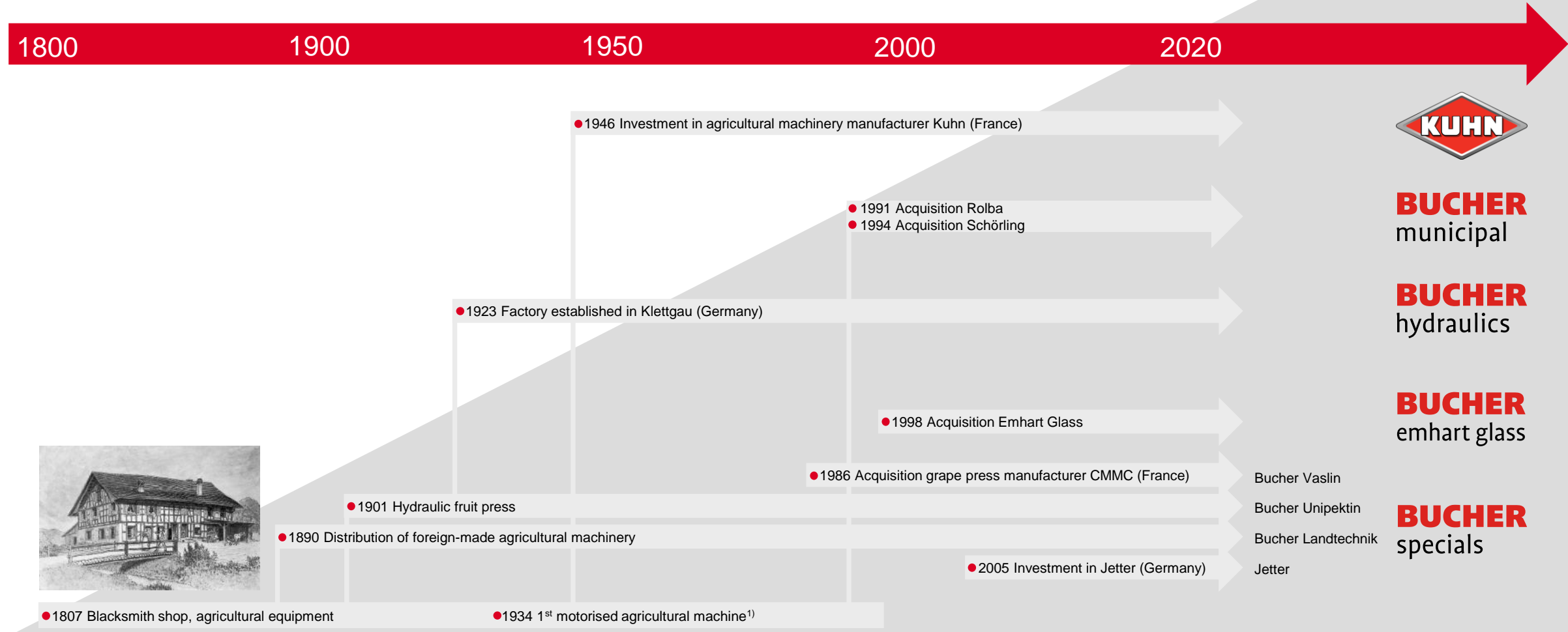


Automation and intelligence

<sup>1)</sup> Average historical growth rates last ten years

# Investments in internal and external growth ...

... for more than 200 years



<sup>1)</sup> Mower; later also included Bucher tractor (1954-1964) as well as agricultural and municipal transporters (after 1966)

# 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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