

BUCHER

Interim report

2023



Cover picture The Bucher Xpert 450 IT press can process up to 27 tonnes of grapes into juice at a time and is designed for high-performance wine production plants. Since 2022, Bucher Vaslin has also been offering the optional “Extra-flow” extraction process, allowing the winery to benefit from even faster filling and pressing. For optimum results and to avoid downtime, the pressing process can be monitored via smartphone.

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Report to shareholders

Dear Shareholders,

In the first half of 2023, demand for the products and services of Bucher Industries declined from an extremely high level in line with the general economic slowdown, although it remained good. The Group's order intake declined in all divisions except Bucher Emhart Glass and Bucher Specials, which maintained the level of the prior year. Sales again rose significantly, despite negative currency effects, due to price increases and an expansion of production capacity. The increase in volume was also due to improvements in the supply chain and consequently in production efficiency. The order book decreased compared to the prior year. However, it remained high with a range of more than five months, which



Philip Mosimann,
Chairman of the Board of Directors,
and Jacques Sanche,
Chief Executive Officer

provides valuable visibility in an increasingly uncertain environment. The operating profit margin exceeded the prior year's very good level. This was due to strong capacity utilisation and passing on price increases. It is encouraging that all of the divisions contributed to this margin increase. The Group's profit for the period also increased significantly.

CHF million	January – June		Change			Full year 2022
	2023	2022	%	% ¹⁾	% ²⁾	
Order intake	1'586.5	1'881.5	-15.7	-12.0	-12.7	3'858.3
Net sales	1'938.8	1'777.7	9.1	13.7	12.8	3'596.8
Order book	1'681.0	1'900.3	-11.5	-7.7	-8.9	2'081.2
Operating profit before depreciation and amortisation (EBITDA)	288.3	243.4	18.4			511.0
% of net sales	14.9%	13.7%				14.2%
Operating profit (EBIT)	246.4	203.2	21.3			425.2
% of net sales	12.7%	11.4%				11.8%
Profit for the period	199.1	153.9	29.4			334.6
% of net sales	10.3%	8.7%				9.3%
Earnings per share in CHF	19.35	14.97	29.3			32.36
Operating free cash flow	-77.2	-162.0	52.3			68.6
Net cash/debt	226.2	281.3	-19.6			457.2
Total assets	2'943.5	2'793.4	5.4			2'978.7
Equity	1'741.6	1'571.4	10.8			1'701.8
Equity ratio	59.2%	56.3%				57.1%
Return on equity (ROE)	22.9%	18.6%				20.7%
Net operating assets (NOA) average	1'287.2	1'082.8	18.9			1'178.1
Return on net operating assets (RONOA) after tax	30.2%	28.9%				28.6%
Average number of FTEs	14'920	13'948	7.0		4.0	14'053

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

Another increase in return on net operating assets

The return on net operating assets (RONOA) was 30.2%, significantly above the long-term target of 20% and therefore far above the cost of capital of 8%. This further increase in RONOA compared to the prior-year period is attributable to the significant sales growth and the related increase in operating profit. Average net operating assets rose compared to the prior-year period due to volume-related factors and projects that allow further growth. The main focus was on the construction projects of Bucher Hydraulics and Bucher Automation in Germany as well as Bucher Emhart Glass in Malaysia. In addition, the Group made further investments in strengthening its IT infrastructure and security. The seasonal increase in net working capital, higher investments and payment of the dividend had a negative impact on free cash flow. Net liquidity was correspondingly lower and will increase again by the end of the year. The equity ratio grew to 59%.

The divisions' business performance

Kuhn Group

Demand for agricultural machinery decreased in the first half of 2023 after two very strong financial years. Kuhn Group's order intake declined especially in the seasonally weakest second quarter and fell by 27%. This was due to high production costs for farmers, combined with lower prices for agricultural commodities and lower yield expectations in some areas due to the droughts in Europe and North America. In addition, interest rates and machinery prices remained high. This put pressure on farm incomes and discouraged new investments. Lower retail sales led to a rebuilding of inventories in the dealer network. Overall, the division achieved 7% higher sales in the first half of the year than in the prior-year period. Thanks to good capacity utilisation, improved production efficiency and price increases, the operating profit margin reached 13.4%, which exceeded the good result achieved in the prior-year period.

Bucher Municipal

In the first half of 2023, demand for municipal vehicles was characterised by a decline at a high level. Bucher Municipal's order intake fell by 21% compared to the prior-year period, which included several large orders. The situation in the supply chain eased, and sales significantly exceeded the prior-year period with an increase of 12%. The operating profit margin recovered from the low prior-year period and reached 5.3%. This was due in part to improved production efficiency and strong growth in sweepers and maintenance services, as well as price increases.

Bucher Hydraulics

The hydraulics markets declined at a high level during the first half of 2023. Bucher Hydraulics' order intake did not escape this general trend and fell by 10% compared to the prior-year period. Demand in the agricultural machinery market segment remained at a high level, as did demand in the mobile electric drive technology business. The division's capacity utilisation remained very high. The shortages in staff and machine hours still caused delays in delivery for some products. Despite this, the division increased its sales by 3%. This was driven in particular by significant growth in Europe and India. The division's operating profit margin increased to 14.9% thanks to its higher sales, its good cost structure and its ability to pass on some of the increases in its material prices.

Bucher Emhart Glass

Demand for glass containers remained very high in the first half of 2023, not least due to environmental considerations. Order intake stayed on a par with the prior year's high level. Capacity utilisation remained very good. Sales increased by a significant 18%. The operating profit margin rose to 20.0% from the already very high level of the prior year.

Bucher Specials

Bucher Specials' markets presented a mixed picture in the first half of 2023 but remained at a good level overall. In total, Bucher Specials' 1% increase in order intake was on a par with the prior-year period. Sales grew by 23% and the operating profit margin increased significantly compared to the prior-year period to 8.4%.

Board of directors

On 19 April 2023, the annual general meeting confirmed all members of the board of directors and the compensation committee standing for election and re-elected Philip Mosimann as chairman. Urs Kaufmann was elected to the board of directors as proposed, while Valentin Vogt did not stand for re-election and stepped down from the board of directors.

Sustainability

Bucher Industries continued to pursue its sustainability strategy systematically during the reporting period. It intends to make not only its products but also its manufacturing sites more energy efficient and environmentally friendly. The important decisions that it has taken during the past six months include its investments in a photovoltaic system with a planned production of 0.9 GWh as well as in heat pumps at Bucher Unipektin's recently acquired site in Poland. These should be in operation by the end of the year. It has also been planned to renovate several buildings and a built-up area of almost 26'000 square metres at Kuhn's site in Saverne, France. Its goal is to achieve energy-efficiency and technical improvements as well as process optimisations. This project is due to be completed by 2027.

Outlook for 2023

We expect demand to normalise further in the second half of the year, starting from a good level in an increasingly uncertain environment. Thanks to the high order book, capacity utilisation will also remain good in the second half of the year, although weaker than in the strong prior-year period. The procurement challenges are likely to persist. Increased personnel and other operating costs will increase pressure on margins in the second half of the year, which will also be weaker due to seasonal factors. Negative currency translation effects should be offset by price increases of a similar size. In this environment, the Group expects sales in the range of 2022 as well as a slightly higher operating profit margin. Accordingly, the Group's profit for the year should be slightly higher than the prior-year period's high level.

Niederweningen, 27 July 2023



Philip Mosimann
Chairman of the Board of Directors



Jacques Sanche
Chief Executive Officer

Divisional reports

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.

Kuhn Group

CHF million	January – June		Change		Full year
	2023	2022	%	% ¹⁾	
Order intake	467.0	635.3	-26.5	-23.6	1'612.5
Net sales	851.9	799.0	6.6	11.0	1'510.3
Order book	603.5	730.3	-17.4	-14.1	1'018.9
Operating profit (EBITDA)	130.3	114.5	13.8		215.3
% of net sales	15.3%	14.3%			14.3%
Operating profit (EBIT)	114.1	97.9	16.5		176.3
% of net sales	13.4%	12.2%			11.7%
Average number of FTEs	6'185	6'030	2.6		5'994

¹⁾ Adjusted for currency effects

Good sales development

Demand for agricultural machinery decreased in the first half of 2023 after two very strong financial years. Kuhn Group's order intake declined significantly, especially in the seasonally weakest second quarter. This was due to high production costs for farmers, combined with lower prices for agricultural commodities and lower yield expectations in some areas due to the droughts in Europe and North America. In addition, interest rates and machinery prices remained high. This put pressure on farm incomes and discouraged new investments. Lower retail sales led to a rebuilding of inventories in the dealer network. Overall, the division achieved higher sales in the first half of the year than in the prior-year period due to its continued strong order book and the improved production conditions. The expected start of a downturn in Brazil was more than offset by increases in Europe and North America. The shortage of skilled labour continues to be a problem, especially in North America. Thanks to good capacity utilisation, improved production efficiency and price increases, the operating profit margin exceeded the good result achieved in the prior-year period.

Outlook for 2023

The division expects sales volumes in agricultural machinery to weaken at a high level in the second half of the year. In Brazil, a significant market adjustment seems to be in progress after a period of record-high, overheated demand. North America should see stable development or improve. In Europe, lower agricultural commodity prices, reduced producer margins and severe drought in some key regions are having an adverse effect. Thanks to the strong first half, Kuhn Group expects its sales and operating profit margin to be in line with 2022, despite the downturn in Brazil and the current challenges facing its supply chain.

Bucher Municipal

CHF million	January – June		Change			Full year
	2023	2022	%	% ¹⁾	% ²⁾	
Order intake	301.2	382.1	-21.2	-16.4	-16.6	619.1
Net sales	266.6	238.2	11.9	18.3	17.5	529.3
Order book	343.1	367.9	-6.7	-1.4	-3.8	309.7
Operating profit (EBITDA)	20.8	13.1	58.8			42.2
% of net sales	7.8%	5.5%				8.0%
Operating profit (EBIT)	14.1	7.7	83.1			31.5
% of net sales	5.3%	3.2%				6.0%
Average number of FTEs	2'524	2'351	7.4		6.2	2'421

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

Significant increase in sales thanks to improved delivery situation

In the first half of 2023, demand for municipal vehicles was characterised by a decline at a high level. Bucher Municipal's order intake fell compared to the prior-year period, which included several large orders. Significantly fewer orders were recorded for sweepers and sewer cleaning vehicles. Demand for refuse collection vehicles clearly exceeded the prior year's level, and demand for winter maintenance equipment as well as maintenance services and spare parts also developed positively. The situation in the supply chain eased, and sales significantly exceeded the prior-year period. The order book consequently decreased at a high level and still has a range of more than seven months. Preparations for the gradual introduction of a new ERP solution at all sites are progressing well. The operating profit margin recovered from the low prior-year period. This was due in part to improved production efficiency and strong growth in sweepers and maintenance services, as well as price increases.

Outlook for 2023

Bucher Municipal expects demand to decline at a high level in financial year 2023. Its procurement-related challenges are likely to persist. Thanks to the division's exceptionally strong order book, it expects sales to grow slightly, with electrical products contributing to this growth. The operating profit margin is likely to recover as a result of an improved supply chain and production efficiency.

Bucher Hydraulics

CHF million	January – June		Change		Full year
	2023	2022	%	% ¹⁾	
Order intake	360.5	400.6	-10.0	-6.5	763.5
Net sales	400.4	387.1	3.4	7.4	755.5
Order book	267.9	327.0	-18.1	-14.9	315.9
Operating profit (EBITDA)	69.9	63.3	10.4		121.7
% of net sales	17.4%	16.3%			16.1%
Operating profit (EBIT)	59.8	52.9	13.0		101.4
% of net sales	14.9%	13.7%			13.4%
Average number of FTEs	3'007	2'880	4.4		2'921

¹⁾ Adjusted for currency effects

Downturn in the markets

The hydraulics markets declined at a high level during the first half of 2023. Bucher Hydraulics' order intake did not escape this general trend and fell somewhat compared to the prior-year period. Demand in the agricultural machinery market segment remained at a high level, as did demand in the mobile electric drive technology business. The decrease in order intake was mainly due to China and North America. Demand varied in Europe but remained satisfactory overall. The division's capacity utilisation remained very high. The very high order book at the end of 2022 fell somewhat in the first half of the year but remained high at the end of the reporting period. The shortages in staff and machine hours still caused delays in delivery for some products. Despite this, the division increased its sales. This was driven in particular by significant growth in Europe and India. The division's operating profit margin rose compared to the prior-year period thanks to higher sales, its good cost structure and its ability to pass on some of the material price increases.

Outlook for 2023

Bucher Hydraulics expects China to recover only slowly. Demand in Europe is likely to remain at a high level, while the situation in North America could stabilise in the second half of the year. Total annual sales will be on a par with those of 2022. The good operating profit margin achieved in the prior year should be achieved again, despite a significant increase in personnel costs.

Bucher Emhart Glass

CHF million	January – June		Change		Full year
	2023	2022	%	% ¹⁾	
Order intake	313.7	315.0	-0.4	4.4	577.9
Net sales	270.1	229.6	17.6	23.6	525.2
Order book	354.8	357.7	-0.8	3.8	318.9
Operating profit (EBITDA)	58.4	44.6	30.9		106.2
% of net sales	21.6%	19.4%			20.2%
Operating profit (EBIT)	53.9	40.3	33.7		97.5
% of net sales	20.0%	17.5%			18.6%
Average number of FTEs	1'647	1'590	3.6		1'600

¹⁾ Adjusted for currency effects

Utilisation remains exceptionally high

Demand for glass containers remained very high in the first half of 2023, not least due to environmental considerations. Order intake remained on a par with the prior year's level. Despite a slight easing in recent months, global capacity for glass container manufacturing remained tight, and this prompted customers of Bucher Emhart Glass to modernise and expand their existing plant. New production facilities were also planned, especially in South America. Energy-efficiency considerations and the shortage of skilled labour are also relevant. Both of these factors are encouraging plant operators to equip their glass container forming plant with innovative technologies from Bucher Emhart Glass. Capacity utilisation remained very good. Sales again increased significantly. The order book remained at the prior year's high level. The operating profit margin exceeded the prior year's already very high level. This was driven by the high capacity utilisation, the favourable product mix and positive currency effects. The encouraging business result in China also contributed to this.

Outlook for 2023

Bucher Emhart Glass expects the demand for glass container manufacturing equipment to normalise. However, it should remain high despite increasing macroeconomic uncertainty and rising interest rates. Capacity utilisation should remain very good, but there are some risks due to persistent difficulties in procuring electronic components. The division anticipates a slight increase in sales and operating profit margin compared to 2022's very high levels.

Bucher Specials

CHF million	January – June		Change			Full year
	2023	2022	%	% ¹⁾	% ²⁾	
Order intake	182.4	181.0	0.8	3.5	-2.9	363.4
Net sales	194.6	158.6	22.7	25.5	16.3	347.1
Order book	140.4	144.2	-2.6	-	-10.1	153.7
Operating profit (EBITDA)	19.8	14.2	39.4			34.5
% of net sales	10.2%	9.0%				9.9%
Operating profit (EBIT)	16.4	11.9	37.8			29.9
% of net sales	8.4%	7.5%				8.6%
Average number of FTEs	1'497	1'037	44.4		6.8	1'057

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

Varied developments

Bucher Specials' markets presented a mixed picture in the first half of 2023 but remained at a good level overall. Bucher Vaslin's order intake remained at the prior year's high level, although the markets were less dynamic. Sales grew significantly once again. Bucher Unipektin recorded a positive result for the first half of the year. This was mainly due to its good order book at the beginning of the year and its consolidation of the Polish company since the end of 2022. Order intake and sales increased significantly. For Bucher Landtechnik, the market was down overall. Farmers' willingness to invest remained low in the first half of the year. This was due to the high investment volumes in recent years and the uncertainty caused by significantly increased prices for machinery at a time of mounting pressure on farm income. As of 1 July, Jetter was renamed Bucher Automation in order to benefit from the strong Bucher brand. The positive trend from the prior year remained intact in this business unit. This continued to be driven by the dynamic development at Bucher Emhart Glass and cooperation with Bucher Hydraulics. Overall, Bucher Specials' increase in order intake was on a par with the prior-year period. Its sales and operating profit margin showed encouraging growth over the prior year.

Outlook for 2023

The market environment for Bucher Vaslin, Bucher Unipektin and Bucher Automation is expected to remain favourable in the second half of the year. For Bucher Landtechnik, however, it is likely to remain rather cautious. The division expects its sales to increase, partly as a result of its consolidation of the Bucher Unipektin's Polish company since the end of 2022, and its operating profit margin to be in line with 2022.

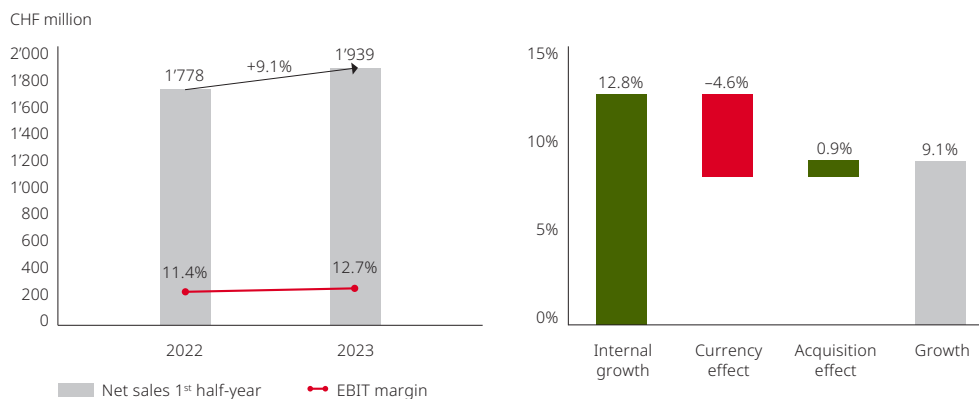
Financial report

In the first half of 2023, the Group achieved an exceptionally high return on net operating assets. This is due to the marked increase in net sales and the resulting increase in operating profit. The financial position remained very solid.

Financial review

Performance

Good margin with a marked upturn in sales



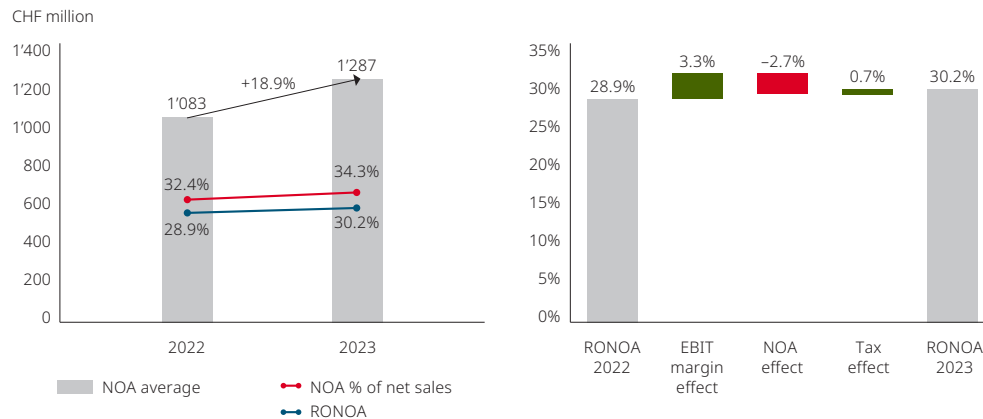
Capacity utilisation remained good In the course of the first half-year, demand for our products and services weakened after the exceptionally dynamic first half of 2022, and the order intake decreased by 15.7%. Once again, we were able to increase net sales significantly, as a result of price increases and an expansion of production capacity. The order book was still at a very high level and at the end of the reporting period corresponded to 5.4 months' sales. The negative currency effects of 5 percentage points in net sales were mainly a result of the weaker euro. Compared to the first half of 2022, the changes in the average exchange rates against the Swiss franc were as follows: EUR -3.9%, USD -2.8%, GBP -7.6%, SEK -10.9% and BRL -2.7%.

Improvement of operating profit margin The operating profit margin was 12.7%, 1.3 percentage points above the high figure of the prior-year period. This was the result of good capacity utilisation, higher production efficiency due to improvements in the supply chain and price increases initiated in the prior year. The strong operating results of the agricultural machinery business and the glass container industry also helped. The number of full-time equivalents increased mainly in Europe and Australia, and the average FTEs increased by 4.0%, adjusted for acquisitions. However, the shortage of skilled employees, especially in the USA, continued to be a problem.

Significant increase in profit for the period Compared with the first half of 2022, the profit for the period increased by CHF 45.2 million to CHF 199.1 million, or 10.3% of net sales. The financial result amounted to CHF 6.0 million. The change compared with the prior year period was mainly influenced by higher interest income, the result of short-term financial investments, especially in Brazil, and negative currency effects from unhedged financial items in foreign currencies. The income tax expense was accrued on the basis of the expected effective tax rates for the current financial year and amounted to CHF 53.3 million. The effective tax rate of 21.1% was in line with full-year 2022.

Invested capital

Significant increase in return on net operating assets (NOA)

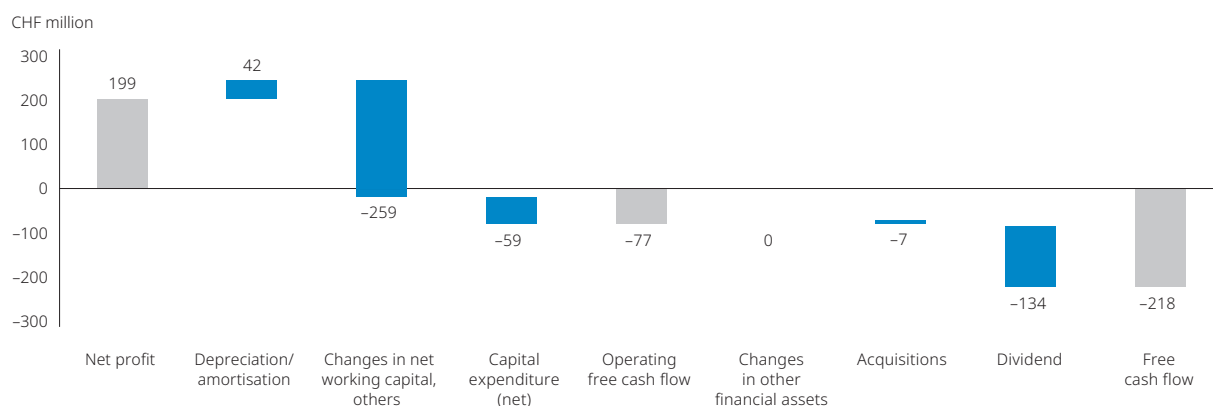


High return on net operating assets The return on net operating assets (RONOA) after tax was an exceptionally high 30.2%, above the long-term target of 20% and thus also well above the cost of capital of 8%. This further increase in the return compared to the prior-year period is due to the strong growth in sales and the further increase in the operating profit. Compared with the prior year, average net operating assets increased by 18.9%. The volume-related increase in net working capital was amplified by investments in internal and external growth. The inventory turnover stabilised, but remained at a high level because of persistent challenges in the supply chain.

Strategic investments in internal and external growth Investments in the expansion of the production infrastructure and in the modernisation of production facilities amounted to CHF 61.4 million. The main focus was on the construction projects of Bucher Hydraulics and Bucher Automation in Germany, as well as Bucher Emhart Glass in Malaysia. The Group also made further investments to strengthen the IT infrastructure and security. Expenditure for research and development amounted to CHF 66.0 million, an increase of 4.2%. It included the development of digital solutions for precision farming, the electrification of municipal vehicles, the development of innovative electrohydraulic subsystems and “End to End” glass forming. At the beginning of the reporting period, the remaining shares in SSV Environnement in France were acquired by Bucher Municipal. The consideration amounted to CHF 6.9 million, and the cash outflow was CHF 5.1 million. The acquired company has generated net sales of CHF 3.6 million since the acquisition date.

Financing and risk management

Free cash flow



Negative free cash flow due to seasonal factors The high outflow of cash results mainly from the increase in net working capital due to seasonal factors: higher investments in property, plant and equipment and the higher dividend. The cash used for acquisitions was in line with the first half of 2022.

CHF million	January - June 2023	January - June 2022	Full year 2022
Profit for the period	199.1	153.9	334.6
Depreciation, impairment and amortisation	41.9	40.2	85.8
Changes in net working capital	-272.9	-327.9	-262.3
Other changes	13.6	5.6	5.6
Net investments in property, plant and equipment and intangible assets	-58.9	-33.8	-95.1
Operating free cash flow	-77.2	-162.0	68.6
Changes in other non-current financial assets	0.1	0.2	0.4
Acquisitions	-6.4	-5.5	-41.0
Dividend paid/received	-134.1	-99.3	-99.6
Free cash flow	-217.6	-266.6	-71.6
Net cash/debt at closing date	226.2	281.3	457.2
Net cash/debt average	351.5	404.9	396.2

Solid financial position At mid-year, the Group held cash and liquid assets of CHF 365.9 million compared with financial liabilities of CHF 139.7 million. Net cash thus amounted to CHF 226.2 million and will increase again until the end of the year as a result of seasonal factors. At mid-year the unused committed credit facilities amounted to CHF 40.0 million. The financial covenants are reviewed every six months. All credit terms were complied with on the reporting date of 30 June 2023. The equity ratio rose to 59.2%. This solid financial position continues to secure Bucher Industries' flexibility and to lay the foundation for further growth.

Consolidated financial statements

Consolidated income statement

CHF million	January – June		January – June		Full year	
	2023	%	2022	%	2022	%
Net sales	1'938.8	100.0	1'777.7	100.0	3'596.8	100.0
Changes in inventories of finished goods and work in progress	54.5		69.2		100.8	
Raw materials and consumables used	-1'023.6		-988.1		-1'970.2	
Employment costs	-460.9		-431.2		-832.8	
Other operating income	13.6		12.8		27.6	
Other operating expenses	-234.1		-197.0		-411.2	
Operating profit before depreciation and amortisation (EBITDA)	288.3	14.9	243.4	13.7	511.0	14.2
Depreciation, impairment	-40.4		-38.1		-82.0	
Amortisation	-1.5		-2.1		-3.8	
Operating profit (EBIT)	246.4	12.7	203.2	11.4	425.2	11.8
Share of profit/(loss) of associates	2.3		1.5		2.0	
Finance costs	-2.3		-6.1		-9.6	
Finance income	6.0		1.1		5.2	
Profit before tax	252.4	13.0	199.7	11.2	422.8	11.8
Income taxes	-53.3		-45.8		-88.2	
Profit for the period	199.1	10.3	153.9	8.7	334.6	9.3
Attributable to owners of Bucher Industries AG	198.1		153.1		331.2	
Attributable to minority interests	1.0		0.8		3.4	
Basic and diluted earnings per share (CHF)	19.35		14.97		32.36	

Consolidated balance sheet

CHF million

	30 June 2023	30 June 2022	31 December 2022
Cash and cash equivalents	324.4	417.2	536.9
Other financial assets	41.5	32.6	42.4
Trade receivables	646.1	560.3	568.6
Other receivables, prepayments and accrued income	110.7	112.2	99.7
Inventories	1'084.8	982.7	1'022.4
Current assets	2'207.5	2'105.0	2'270.0
Receivables	5.1	7.7	6.5
Property, plant and equipment	631.6	591.8	609.6
Intangible assets	12.7	11.2	11.3
Other financial assets	2.8	3.3	2.9
Investments in associates	14.8	13.5	13.8
Deferred income tax assets	69.0	60.9	64.6
Non-current assets	736.0	688.4	708.7
Assets	2'943.5	2'793.4	2'978.7
Financial liabilities	20.4	52.5	7.7
Trade payables	361.3	372.6	348.6
Advances from customers	187.9	192.8	358.1
Provisions	84.3	77.0	80.5
Other liabilities, accruals and deferred income	352.8	329.6	289.3
Current liabilities	1'006.7	1'024.5	1'084.2
Financial liabilities	119.3	116.0	114.4
Provisions	9.6	11.3	10.7
Other liabilities	13.2	13.9	12.8
Deferred income tax liabilities	28.8	27.6	30.5
Pension benefit obligations	24.3	28.7	24.3
Non-current liabilities	195.2	197.5	192.7
Total liabilities	1'201.9	1'222.0	1'276.9
Share capital	2.1	2.1	2.1
Treasury shares	-1.6	-3.5	-3.4
Retained earnings	1'721.8	1'553.4	1'682.7
Attributable to owners of Bucher Industries AG	1'722.3	1'552.0	1'681.4
Attributable to minority interests	19.3	19.4	20.4
Equity	1'741.6	1'571.4	1'701.8
Liabilities and equity	2'943.5	2'793.4	2'978.7

Consolidated cash flow statement

CHF million	January - June	January - June	Full year
	2023	2022	2022
Profit for the period	199.1	153.9	334.6
Income tax expense	53.3	45.8	88.2
Share of (profit)/loss of associates	-2.3	-1.5	-2.0
Other net financial result	-3.7	5.0	4.4
Depreciation, impairment and amortisation	41.9	40.2	85.8
Other operating cash flow items	3.0	-3.3	0.6
Gain on sale of property, plant and equipment	-0.6	-0.6	-1.1
Interest received	2.6	0.6	1.8
Interest paid	-0.4	-0.4	-2.1
Income tax paid	-41.2	-28.2	-72.8
Change in provisions and pension benefit obligations	2.9	-11.8	-11.4
Change in trade receivables	-80.0	-127.3	-141.8
Change in other receivables, prepayments and accrued income	-2.5	-15.2	-5.4
Change in inventories	-83.9	-145.9	-204.8
Change in advances from customers	-167.3	-139.7	31.6
Change in trade payables	16.4	78.3	56.3
Change in other liabilities, accruals and deferred income	39.9	28.2	9.9
Other changes in net working capital	4.5	-6.3	-8.1
Net cash flow from operating activities	-18.3	-128.2	163.7
Purchases of property, plant and equipment	-58.6	-33.6	-94.2
Proceeds on disposal of non-current assets	2.5	0.9	1.9
Purchases of intangible assets	-2.8	-1.1	-2.8
Purchases of other financial assets	-0.1	-0.9	-11.2
Disposal of other financial assets	0.2	0.5	0.7
Acquisitions	-6.4	-5.5	-41.0
Dividend received	0.4	0.3	0.5
Net cash flow from investing activities	-64.8	-39.4	-146.1
Proceeds from/(repayment of) non-current financial liabilities	-0.5	1.6	-0.5
Proceeds from/(repayment of) current financial liabilities	8.7	13.9	-32.2
Dividend paid	-134.5	-99.6	-100.1
Net cash flow from financing activities	-126.3	-84.1	-132.8
Effect of exchange rate changes	-3.1	-3.3	-20.1
Net change in cash and cash equivalents	-212.5	-255.0	-135.3
Cash and cash equivalents at 1 January	536.9	672.2	672.2
Cash and cash equivalents at closing date	324.4	417.2	536.9

Consolidated statement of changes in equity

CHF million	Share capital	Treasury shares	Retained earnings			Other retained earnings	Attributable to owners of Bucher Industries AG	Minority interests	Total equity
			Offset goodwill	Currency translation reserve	Cash flow hedge reserve				
Balance at 1 January 2023	2.1	-3.4	-311.4	-203.1	-0.6	2'197.8	1'681.4	20.4	1'701.8
Profit for the period						198.1	198.1	1.0	199.1
Change in currency translation reserve				-19.6			-19.6	-0.8	-20.4
Change in cash flow hedge reserve					-2.2		-2.2	-	-2.2
Share-based payments		1.8				-0.7	1.1		1.1
Goodwill offset			-3.8				-3.8		-3.8
Gain of control of an associate ¹⁾						0.5	0.5		0.5
Dividend						-133.2	-133.2	-1.3	-134.5
Balance at 30 June 2023	2.1	-1.6	-315.2	-222.7	-2.8	2'262.5	1'722.3	19.3	1'741.6
Balance at 1 January 2022	2.1	-5.9	-296.0	-151.1	-0.8	1'963.4	1'511.7	20.9	1'532.6
Profit for the period						153.1	153.1	0.8	153.9
Change in currency translation reserve				-10.4			-10.4	-	-10.4
Change in cash flow hedge reserve					-1.0		-1.0	-	-1.0
Share-based payments		2.4				-1.2	1.2		1.2
Goodwill offset			-5.3				-5.3		-5.3
Dividend						-97.3	-97.3	-2.3	-99.6
Balance at 30 June 2022	2.1	-3.5	-301.3	-161.5	-1.8	2'018.0	1'552.0	19.4	1'571.4

¹⁾ Difference between share of fair value and equity value upon gain of control of SSV Environnement SAS, which was previously recognised as an associate.

Notes to the consolidated financial statements

1. Information on this report

General information Bucher Industries AG is a public limited company incorporated in Switzerland whose shares are publicly traded on SIX Swiss Exchange. Its registered office is in Niederweningen, Switzerland. The Group comprises five divisions in industrially related areas of mechanical and vehicle engineering.

Basis of preparation The unaudited condensed financial statements for the six months ended 30 June 2023 have been prepared in accordance with the entire Swiss GAAP FER accounting and reporting recommendations in general and Swiss GAAP FER 31 "Complementary recommendation for listed companies" in particular. As the interim consolidated financial statements do not include all the disclosures contained in the annual consolidated financial statements, this interim report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022.

Significant management assumptions and estimates The preparation of the interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of income, expenses, assets, liabilities and contingent assets and liabilities at the date of the financial statements. All estimates and judgements are reviewed regularly. They are based on historical experience and assumptions about future events. Actual outcomes may differ from these estimates. The consolidated financial statements are adjusted in the reporting period in which the circumstances change. The assumptions underlying the evaluation of the economic benefits or economic obligations of the pension plans were reassessed. Income tax is accrued using the expected average effective tax rates for the current financial year. Apart from these, management made no new assumptions or estimates in the interim consolidated financial statements compared with the consolidated financial statements for the year ended 31 December 2022.

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

2. Segment reporting

The Group comprises five divisions: agricultural machinery (Kuhn Group), municipal vehicles (Bucher Municipal), hydraulic components and electrohydraulic systems (Bucher Hydraulics), manufacturing equipment for the glass container industry (Bucher Emhart Glass), equipment for processing beverages, as well as automation solutions (Bucher Specials).

Segment information

CHF million	Net sales			Operating profit (EBIT)			Net operating assets (NOA)		
	January - June			January - June			30 June	31 December	
	2023	2022	%	2023	2022	%	2023	2022	%
Kuhn Group	851.9	799.0	6.6	114.1	97.9	16.5	436.0	250.9	73.8
Bucher Municipal	266.6	238.2	11.9	14.1	7.7	83.1	322.1	274.7	17.3
Bucher Hydraulics	400.4	387.1	3.4	59.8	52.9	13.0	329.3	321.0	2.6
Bucher Emhart Glass	270.1	229.6	17.6	53.9	40.3	33.7	211.1	203.5	3.7
Bucher Specials	194.6	158.6	22.7	16.4	11.9	37.8	162.1	136.1	19.1
Reportable segments	1'983.6	1'812.5	9.4	258.3	210.7	22.6	1'460.6	1'186.2	23.1
Other/consolidation	-44.8	-34.8	-28.7	-11.9	-7.5	-58.7	23.5	27.3	-13.9
Group	1'938.8	1'777.7	9.1	246.4	203.2	21.3	1'484.1	1'213.5	22.3

The performance of each of the divisions is evaluated on the basis of operating profit, which is measured in the same way for management reporting as in the consolidated financial statements. The figures reported in "Other/consolidation" comprise the results of the holding, finance and management companies, the economic effects of the pension plans of foreign subsidiaries as well as consolidation adjustments for intersegment transactions. Intersegment sales of the divisions were not significant.

Reconciliation of segment results

CHF million	2023	2022
January - June		
Segment operating profit (EBIT)	258.3	210.7
Other/consolidation	-11.9	-7.5
Operating profit (EBIT)	246.4	203.2
Share of profit/(loss) of associates	2.3	1.5
Finance costs	-2.3	-6.1
Finance income	6.0	1.1
Profit before tax	252.4	199.7

3. Changes in the group structure

Acquisitions In February 2023, Bucher Industries acquired the remaining 80% of the shares in SSV Environnement SAS, Goussainville, France, a provider of service and leasing solutions for the municipal machinery market in France. The company was integrated into the Bucher Municipal division. The purchase consideration amounted to CHF 6.9 million, the cash flow from the acquisition CHF 5.1 million and the goodwill CHF 3.8 million. This was offset with equity. Including payments for contingent and deferred consideration from previous acquisitions, the cash flow from acquisitions amounted to CHF 6.4 million.

4. Events occurring after the balance sheet date

Publication of the interim consolidated financial statements The interim consolidated financial statements were authorised for issue by the board of directors on 25 July 2023. When the consolidated financial statements were finalised on 25 July 2023, neither the board of directors nor the group management was aware of any events that would have a material impact on the financial statements presented.

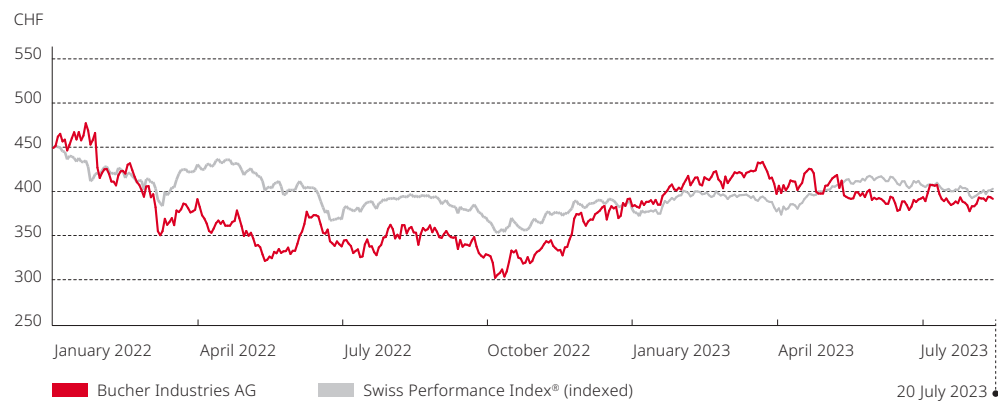
Information for investors

Stock exchange listing

The registered shares of CHF 0.20 each are listed in the main segment of SIX Swiss Exchange:

Security No.	243217
ISIN	CH0002432174
SIX Swiss Exchange	BUCN
Reuters	BUCN.S
Bloomberg	BUCN SW

Share price performance



Financial calendar

Release of third-quarter 2023 group sales	26 October 2023	6.00 a.m.
Release of 2023 group sales	25 January 2024	6.00 a.m.
Annual report 2023	1 March 2024	6.00 a.m.
Annual press conference	1 March 2024	9.00 a.m.
Annual analysts' conference	1 March 2024	2.00 p.m.
Annual general meeting (Mövenpick Hotel, Regensdorf)	18 April 2024	3.30 p.m.
First trading date ex-dividend	22 April 2024	
Dividend payment	24 April 2024	
Release of first-quarter 2024 sales	25 April 2024	6.00 a.m.
Interim report 2024	25 July 2024	6.00 a.m.
Conference call on the interim results 2024	25 July 2024	10.00 a.m.
Release of third-quarter 2024 results	24 October 2024	6.00 a.m.

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In cases of doubt, the German version of this
interim report is authoritative.

27 July 2023

Interim report 2023

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