

Press release

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Increase in sales despite a slowdown in business momentum

Demand for Bucher Industries' products and services declined in the first nine months of 2023 in line with the general economic slowdown. Order intake normalised from its peak in 2022. Sales increased, but business momentum slowed towards the end of the reporting period.

Group

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

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Overall, demand remained at a good level during the reporting period, but momentum weakened in the last few months. The increasing economic uncertainties were particularly noticeable in the agricultural machinery market. Kuhn Group, Bucher Municipal and Bucher Hydraulics each reported a downward trend in their order intake. Bucher Emhart Glass and Bucher Specials, on the other hand, each recorded growth in their orders. Sales increased overall due to the price increases introduced during the previous year, despite negative currency effects and a decline in the third quarter. The order book normalised while remaining high with a range of more than five months. Production planning was adjusted to the lower volumes on a case-by-case basis.

Kuhn Group

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

¹⁾ Adjusted for currency effects

Further slowdown Demand for agricultural machinery declined globally. Farm incomes came under increasing pressure, although they remained at a decent level compared with the last few years. Lower agricultural commodity prices, drought conditions in several areas, and high interest rates and machinery prices together led to a lower willingness to invest in agricultural machinery and declining retail sales. This resulted in higher inventories in the dealer network. Kuhn Group's sales were maintained at the prior year's high level, despite a substantial decline in Brazil. Production planning was adjusted to the lower, but still solid, order book on a case-by-case basis.

Bucher Municipal

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

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Sales growth despite challenges In a stable market situation the division experienced a normalisation in demand. As expected, order intake remained below the high of the prior-year period, which included some large orders. Demand for refuse collection vehicles, winter equipment as well as maintenance services and spare parts developed positively. Significantly fewer orders were recorded for sweepers and sewer cleaning vehicles. The supply chain situation eased but remained challenging, especially for chassis and electronic components. A significant increase in sales was achieved thanks to improved production efficiency. The order book decreased but remained at a high level at the end of the reporting period, with a range of seven months.

Bucher Hydraulics

CHF million	January – September		Change		Full year
	2023	2022	%	% ¹⁾	2022
Order intake	511	591	-13.7	-10.2	764
Net sales	578	575	0.6	4.5	756
Order book	238	328	-27.5	-24.6	316
Average number of FTEs	3'040	2'906	4.6		2'921

¹⁾ Adjusted for currency effects

Downturn in the markets Demand weakened in the hydraulics markets, although it remained at a high level, and Bucher Hydraulics' order intake declined compared with the strong prior-year period. In China, the downward trend continued. In Europe, order intake weakened significantly in the third quarter, especially in the agricultural machinery sector. The mobile electric drive technology business continued to perform well. The very high level of sales of the prior-year period was maintained, despite declines in China and North America. The order book normalised overall but remained still very high for some products.

Bucher Emhart Glass

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

¹⁾ Adjusted for currency effects

Utilisation remains high Demand for glass containers increased again. Customers invested in modernising and expanding their plant. It was only towards the end of the reporting period that signs appeared of an easing in global capacity utilisation for glass container production. New production facilities are being also planned, but the momentum has levelled off. Order intake increased again, thanks primarily to a pleasing development with the inspection machines. Using artificial intelligence, these innovative machines enable a fully automated setup of sidewall inspection, more reliable classification of defects and excellent detection

rates. The division's capacity utilisation remained very high due to its strong order book. Consequently, its sales once again increased significantly, helped especially by its good spare parts business.

Bucher Specials

CHF million	January – September		Change			Full year
	2023	2022	%	% ¹⁾	% ²⁾	2022
Order intake	263	255	3.3	5.5	-0.5	363
Net sales	300	251	19.7	22.0	13.9	347
Order book	115	124	-7.8	-6.0	-15.8	154
Average number of FTEs	1'502	1'053	42.6		5.9	1'057

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Diverging market developments Bucher Vaslin showed stable development during the reporting period, as did Bucher Unipektin. Bucher Landtechnik had to report weakening business performance. Manufacturers' price increases and lower agricultural incomes caused problems for the Swiss agricultural market. Bucher Automation benefited from growth at Bucher Emhart Glass and from its cooperation with Bucher Hydraulics. Bucher Specials' order intake was slightly above the prior-year period overall. Sales increased significantly, helped by the Polish company of Bucher Unipektin, which has been consolidated since the end of 2022.

Outlook for 2023

The Group expects demand to normalise further in the fourth quarter of the year as well, starting from a good level in an increasingly uncertain environment. Thanks to the order book, capacity utilisation will remain good. Increased personnel and other operating costs are putting greater pressure on margins in the second half, which is also weaker due to seasonal factors. **Kuhn Group** expects sales and an operating profit margin on a par with 2022, despite the decline in the third quarter. Thanks to **Bucher Municipal's** exceptionally strong order book, it expects sales to grow slightly, with electrified products contributing to this growth. The operating profit margin is likely to recover as a result of a partially improved supply chain and production efficiency. **Bucher Hydraulics'** 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** expects a slight increase in sales and operating profit margin over the very high level that it achieved in 2022. **Bucher Specials** expects its sales to increase, partly as a result of its consolidation of the Polish company of Bucher Unipektin since the end of 2022, and its operating profit

margin to be on a par with 2022. The **Group** expects, despite a slowdown in business momentum, sales on a par with 2022 and a slightly higher operating profit margin. Accordingly, the Group's profit for the year is expected to be slightly above the prior year's very high level.

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Simply great machines

Bucher Industries is a global technology group with leading market positions in speciality areas of mechanical and vehicle engineering. The company's operations include agricultural machinery, municipal vehicles, hydraulic components and electrohydraulic systems, manufacturing equipment for the glass container industry, equipment for processing beverages, as well as automation solutions. The company's shares are traded on the SIX Swiss Exchange (SIX: BUCN). Further information is available at bucherindustries.com.

Additional performance measures: Internally and externally Bucher Industries uses key figures 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