

Ad hoc announcement

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Strong business result for 2023

Over the course of the reporting period, demand for Bucher Industries' products and services declined in line with the general economic slowdown, and order intake normalised. Sales remained on a par with the prior-year level, with capacity utilisation lower in the second half of the year. The operating profit margin reached a very good 11.9%. The profit for the year was CHF 356 million, once again above the high figure of the previous year. Earnings per share were CHF 34.38, exceeding the prior year. The board of directors proposes a dividend of CHF 13.50 per share.

Group

CHF million	Change				
	2023	2022	%	% ¹⁾	% ²⁾
Order intake	3'170	3'858	-17.8	-14.2	-15.0
Net sales	3'575	3'597	-0.6	3.7	2.8
Order book	1'600	2'081	-23.1	-19.6	-20.2
Operating profit (EBIT)	424	425	-0.2		
% of net sales	11.9%	11.8%			
Profit for the year	356	335	6.3		
% of net sales	9.9%	9.3%			
Earnings per share in CHF	34.38	32.36	6.2		
Operating free cash flow	123	69	79.2		
Net cash/debt	396	457	-13.5		
Total assets	2'958	2'979	-0.7		
Equity	1'816	1'702	6.7		
Equity ratio	61.4%	57.1%			
Return on equity (ROE)	20.2%	20.7%			
Net operating assets (NOA) average	1'398	1'178	18.7		
Return on net operating assets (RONOA) after tax	24.7%	28.6%			
Average number of FTEs	14'795	14'053	5.3		2.3
Employees at 31 December	14'858	14'876	-0.1		-0.3
CO ₂ emissions in tCO ₂ e	81'510	89'672	-9.1		

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Over the course of 2023, demand for Bucher Industries' products and services declined in line with the general economic slowdown, and order intake normalised from its high prior-year figure. The increasing economic uncertainties were particularly noticeable in the agricultural machinery market. Kuhn Group, Bucher Municipal, Bucher Hydraulics and Bucher Emhart Glass each reported a downward trend in their order intake, albeit to varying degrees. Bucher Specials recorded an increase in orders as a result of an acquisition. Group sales remained on a par with the prior-year level, with price increases largely compensating the negative currency effects. Production capacity utilisation was lower in the second half of the year, and production planning was adjusted to the lower volumes on a case-by-case basis. The order book normalised while remaining high with a range of more than five months. The operating profit margin reached a very good 11.9%. The profit for the year was CHF 356 million, once again above the high figure of the previous year. Earnings per share were CHF 34.38, exceeding the prior year.

Pleasing return on assets The return on net operating assets (RONOA) after tax was a high 24.7%, above the long-term target of 20% and thus also well above the cost of capital of 8%. The pleasing return is attributable to the good sales level and the resulting operating profit. Average net operating assets increased significantly year on year, due mainly to higher inventories in response to supply chain challenges, significantly lower advances from customers, and higher investments. The increase in net working capital, higher level of investment and payment of the dividend had a negative impact on free cash flow. The financial position remains very solid, with net liquidity of CHF 396 million at the end of the year and an equity ratio of 61%.

Kuhn Group

CHF million	2023	2022	Change	
			%	% ¹⁾
Order intake	1'121	1'613	-30.5	-27.5
Net sales	1'422	1'510	-5.9	-1.7
Order book	670	1'019	-34.2	-31.0
Operating profit (EBIT)	163	176	-7.8	
% of net sales	11.4%	11.7%		
Average number of FTEs	5'991	5'994	-0.1	
Employees at 31 December	5'791	6'011	-3.7	

¹⁾ Adjusted for currency effects

Decline in demand after a prolonged strong cycle After two very strong financial years, demand for agricultural machinery weakened during the reporting period. Lower prices for agricultural commodities, a decline in income due to unfavourable weather conditions and high interest rates made farmers less willing

to invest. This, along with the improved delivery capacity for agricultural machinery, led to a rise in inventories in the dealer network and consequently a decline in demand. Kuhn Group's order intake was down by 31% compared with the high prior-year level, while sales fell by 6%. The operating profit margin of 11.4% was only slightly below the high level of the previous year.

Bucher Municipal

CHF million	2023	2022	Change		
			%	% ¹⁾	% ²⁾
Order intake	576	619	-7.0	-1.4	-2.3
Net sales	573	529	8.2	14.2	13.0
Order book	311	310	0.5	6.3	2.1
Operating profit (EBIT)	36	32	14.3		
% of net sales	6.3%	6.0%			
Average number of FTEs	2'545	2'421	5.1		3.9
Employees at 31 December	2'572	2'523	1.9		0.9

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Order intake still at a high level Bucher Municipal continued to experience high demand in a stable market situation. Order intake fell by 7% overall compared with the high prior-year level. The situation in the supply chain improved, and sales exceeded the prior year by 8%. The order book reached the same high level as in 2022, with a range of more than six months. The operating profit margin was 6.3% and included additional inventory write-downs at a site in Australia and expenses for the implementation of a new ERP system.

Bucher Hydraulics

CHF million	2023	2022	Change	
			%	% ¹⁾
Order intake	670	764	-12.2	-8.5
Net sales	744	756	-1.6	2.6
Order book	230	316	-27.2	-24.2
Operating profit (EBIT)	104	101	2.1	
% of net sales	13.9%	13.4%		
Average number of FTEs	3'042	2'921	4.1	
Employees at 31 December	3'198	3'092	3.4	

¹⁾ Adjusted for currency effects

Demand down but still at a high level Demand in the hydraulics markets weakened during the reporting period but remained at a high level, while Bucher Hydraulics' order intake was down 12% on the strong prior year. The construction machinery segment declined, with agricultural machinery also declining in the second half of the year. Materials handling was stable. The mobile electric drive technology solutions business continued to perform well. The division's sales remained on a par with the previous year due to the full order book at the end of 2022, falling by 2%. The operating profit margin improved slightly compared with 2022 to 13.9% thanks to the division's good cost structure and its ability to pass on some of the material price increases.

Bucher Emhart Glass

CHF million	2023	2022	Change	
			%	% ¹⁾
Order intake	520	578	-10.1	-6.2
Net sales	524	525	-0.3	4.1
Order book	302	319	-5.3	-1.5
Operating profit (EBIT)	102	98	4.6	
% of net sales	19.5%	18.6%		
Average number of FTEs	1'655	1'600	3.4	
Employees at 31 December	1'693	1'678	0.9	

¹⁾ Adjusted for currency effects

Market momentum weakening Demand for glass forming machinery and inspection machinery remained strong throughout much of the reporting period. Towards the end of 2023, however, a slowdown became apparent. Bucher Emhart Glass's order intake fell by 10% but was still at a very high level. Capacity utilisation continued to be very strong, and sales were maintained at the same high level as in the previous year. The operating profit margin increased further and reached a very good 19.5%. This was driven by the high capacity utilisation, the favourable product mix and positive currency effects.

Bucher Specials

CHF million	Change				
	2023	2022	%	% ¹⁾	% ²⁾
Order intake	369	363	1.5	3.7	-3.4
Net sales	398	347	14.7	17.1	9.3
Order book	122	154	-20.8	-19.2	-19.2
Operating profit (EBIT)	33	30	10.4		
% of net sales	8.3%	8.6%			
Average number of FTEs	1'500	1'057	41.9		5.4
Employees at 31 December	1'532	1'503	1.9		1.9

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Diverging market developments Bucher Specials' markets were subject to varying developments during the reporting period. Demand at Bucher Vaslin developed negatively, while business at Bucher Unipektin remained stable. Bucher Landtechnik reported weakening business performance. Bucher Automation benefited from a positive market development. Order intake was up 2% on the high level recorded in the previous year. Sales rose by 15%, attributable in part to the Polish company of Bucher Unipektin, which has been consolidated since the end of 2022. The operating profit margin was 8.3%.

For a better environment

Bucher strives to develop products that will allow customers to reduce their ecological footprint in business operations. With that in mind, Kuhn Group introduced an entirely new product range for mechanical weeding, so that cereals and row crops can be freed from weeds without the use of chemicals. Bucher Municipal approved for all markets the electrified 4m³ compact sweeper in the "CityCat" line that was launched on the market for the first time last year. With this latest model, Bucher Municipal has now completed its range of electrified compact sweepers. In addition, the production sites are being made more energy-efficient and environmentally friendly. Not only was energy consumption reduced in the reporting period, but the volume of self-generated solar power was more than doubled. Scope 1 and 2 CO₂ emissions have been cut by 8'000 tonnes, corresponding to a decrease of 9%.

Outlook for 2024

The Group anticipates that demand will continue to soften slightly in 2024 against an environment increasingly characterised by uncertainties. **Kuhn Group** expects sales to decrease and the operating profit margin to be lower but remaining in the double digits. **Bucher Municipal** forecasts sales in line with prior-year

figures. The operating profit margin is likely to increase. Due to weakening market momentum, **Bucher Hydraulics** expects both sales and the operating profit margin to decline slightly. **Bucher Emhart Glass** anticipates slightly weaker sales compared with the very high sales of 2023. Accordingly, the operating profit margin is expected to be somewhat lower than in 2023. **Bucher Specials** assumes its sales and the operating profit margin will be on a par with the previous year. The **Group** expects a slight decline in sales as a result of the slowdown in business momentum for 2024. Due to the lower capacity utilisation as well as rising employment costs, the operating profit margin is also expected to decline, but still remaining in the double digits. Accordingly, the Group's profit for the year is expected to be lower than the high level recorded in the previous year.

Consistent dividend policy

The board of directors proposes a dividend of CHF 13.50 per share to the annual general meeting on 18 April 2024. The dividend paid in the previous year was CHF 13.00 per share. The proposal takes into account a consistent dividend policy, the profit for the year 2023, the solid financial position, the outlook for the current year as well as further internal and external investment opportunities.

Changes to the board of directors and group management

On 19 April 2023, the annual general meeting elected Urs Kaufmann as a new member of the board of directors. The board of directors proposes to the annual general meeting on 18 April 2024 the re-election of Urs Kaufmann as a member of the board of directors and proposes that he be elected as successor to Philip Mosimann as chairman of the board. The board of directors would like to take this opportunity to thank Philip Mosimann for his many years of dedicated service from 2002 to 2016 as CEO and from 2016 to 2024 as chairman of the board. As published in the press release on 10 January 2024, Frank Mühlön will take over the division management of Bucher Hydraulics from Daniel Waller effective 1 July 2024 and join group management. Both changes ensure long-term succession planning.

Annual general meeting

The annual general meeting of Bucher Industries AG will be held on 18 April 2024 at the Hotel Mövenpick in Regensdorf, starting at 3.30 p.m. The proposals can be found in the invitation to the annual general meeting, which will be sent out to shareholders on 26 March 2024. Shareholders registered in the company's share register on 12 April 2024 will be entitled to vote at the annual general meeting. From 13 to 18 April 2024, the share register will be closed for entries. Shares purchased on or after 22 April 2024 are not entitled to a dividend. The dividend will be paid on 24 April 2024. The 2023 annual report will be available for download from 1 March 2024, and the invitation to the annual general meeting from 26 March 2024, at bucherindustries.com.

The annual report, the annual press and analysts' conference presentation as well as the investor relations handout on the results for the financial year 2023 are available on [bucherindustries.com](https://www.bucherindustries.com) under "Media dossiers".



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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 and electronic components as well as electrohydraulic systems, manufacturing equipment for the glass container industry, equipment for processing beverages and automation solutions. The company's shares are traded on the SIX Swiss Exchange (SIX: BUCN). Further information is available at [bucherindustries.com](https://www.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](https://www.bucherindustries.com/en/additional-performance-measures)

In cases of doubt, the German version of this press release is authoritative.