

Bucher Industries Equity story

BUCHER

February 2025



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- 01 Simply great machines
- 02 Agile operating model with long-term perspective
- 03 Strong cash generation reinvested at attractive returns
- 04 Divisional strategies aligned with structural growth trends
- 05 Bucher Industries: a healthy investment

01 Simply great machines

Our purpose statement

“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.”

Agriculture



Infrastructure



Beverages



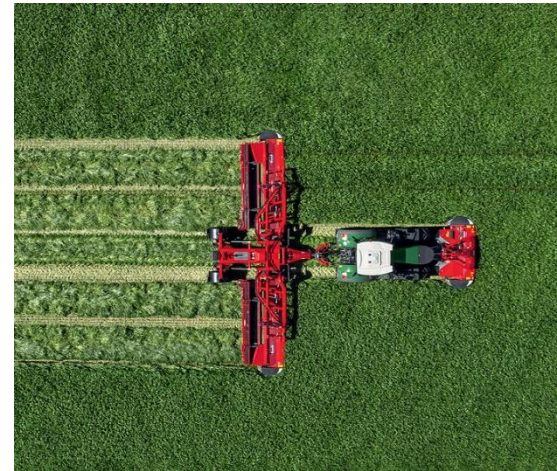
01 Simply great machines

What we stand for

Technology leadership

Manufacturer of high-quality machines and solutions that combine durability with great efficiency

Drive for innovation in the areas of **energy-efficiency** and **automation**



Trusted by customers


Long-term relationships and proximity to customers and dealers, underpinned by outstanding service and parts offering with a local footprint

Strong market positions

Market leadership in attractive machinery niches, allowing for economies of scale

01 Simply great machines

Market leadership positions in niches within each division

| | Global leadership | Pushing into adjacent domains |
|---|---|----------------------------------|
|  | Hay and forage harvesting machinery and feed mixers | Crop production machinery |
| BUCHER municipal | Sweepers (Europe) | Sewer cleaning equipment |
| BUCHER hydraulics | Compact hydraulic power units | Electrohydraulic systems |
| BUCHER emhart glass | Glass forming machines | Glass inspection machines |
| BUCHER specials | Winemaking and fruit presses | Beverage processing (filtration) |



Profitable growth from

- structural growth trends
- product range expansion
- more valuable machines

02 Agile operating model with long-term perspective

Close to customers all over the world

Decentralised with global presence

- 5 divisions
- on 5 continents
- over 100 sites,
- of which over 50 manufacturing and development

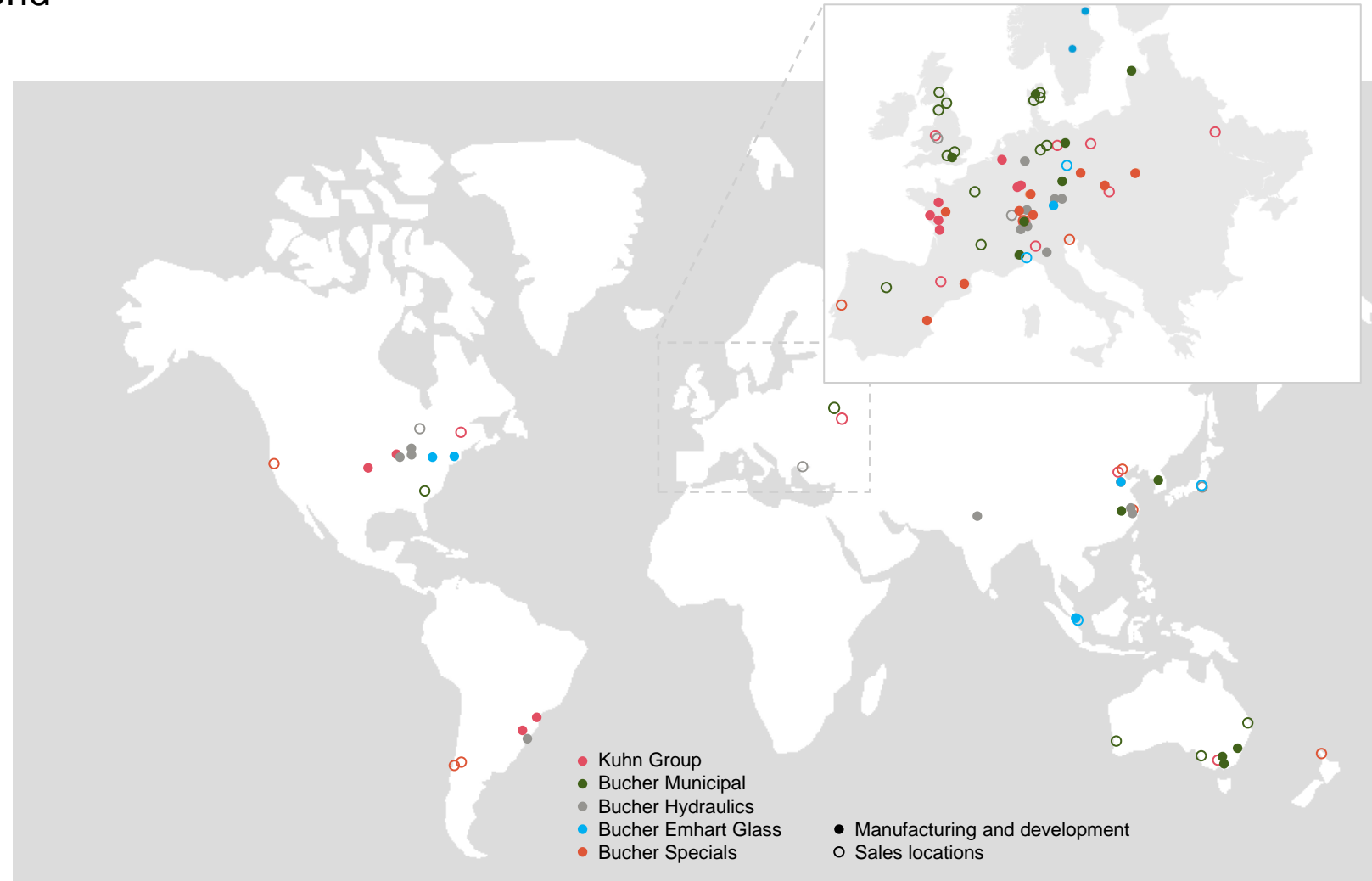
Advantages

- Decisions better aligned with customer needs
- Flexible and efficient structures
- Clear roles of responsibility

Corporate center

Lean corporate center

(~0.25% of global workforce)



02 Agile operating model with long-term perspective

Organisation grown over time with a successful buy-and-build strategy

Acquisition criteria

Complementary and reinforcing

- Add adjacent technologies
- Gain additional application know-how
- Expand geographies and channels

Manageable

- Strong, committed management team
- Similar culture and values
- Capacity to integrate

Profitable

Support acquiring division to achieve RONOA target

Selected acquisitions



2019
Bucher Emhart Glass
Simplex, Germany



2020
Bucher Municipal
Eurovoirie, France



2021
Bucher Hydraulics
Lenze Mobile Drives,
Switzerland



2022
Bucher Specials
B&P Engineering, Poland

02 Agile operating model with long-term perspective

Benefits of the Group

Passion for engineering

Committed and highly skilled employees who are passionate about developing machines and solutions

Credibility

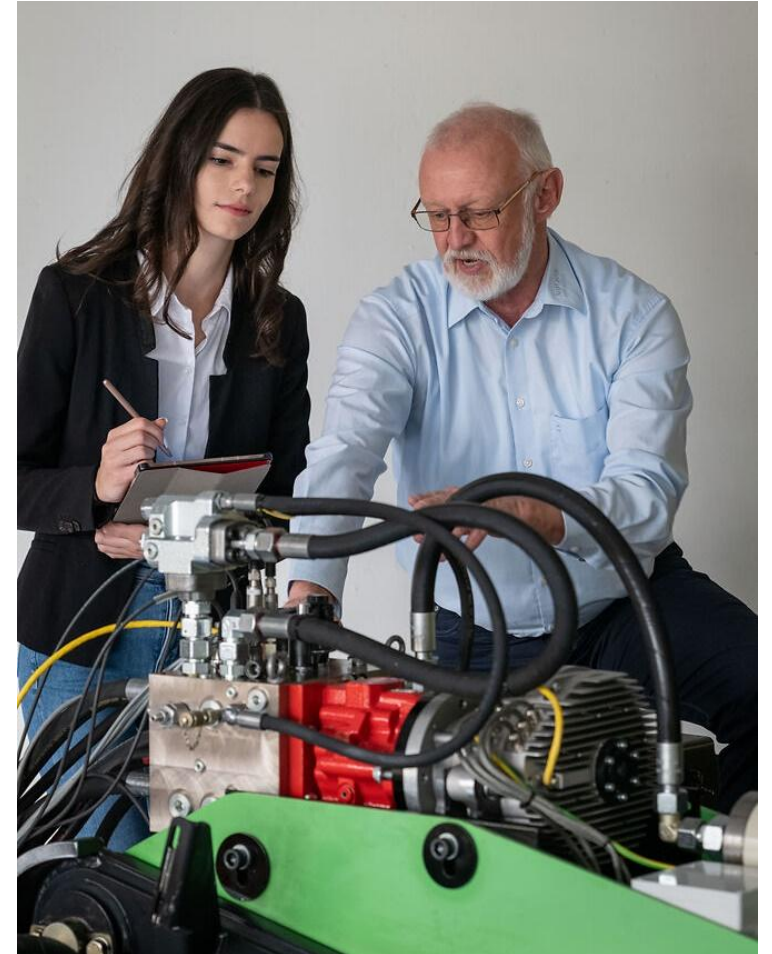
Strong brand fosters trust among customers as well as suppliers and increases employer attractiveness

Strategic industrial know-how

Strong in-depth knowledge and understanding of machinery manufacturing

Long-term development

Accustomed to cyclical, focus lies on long-term development and value-creation driven by stable ownership

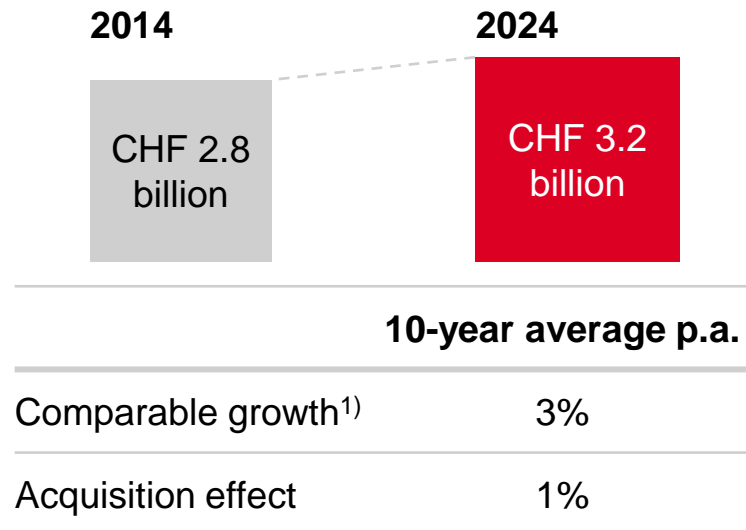


03 Strong cash generation reinvested at attractive returns

Profitable growth

Net sales

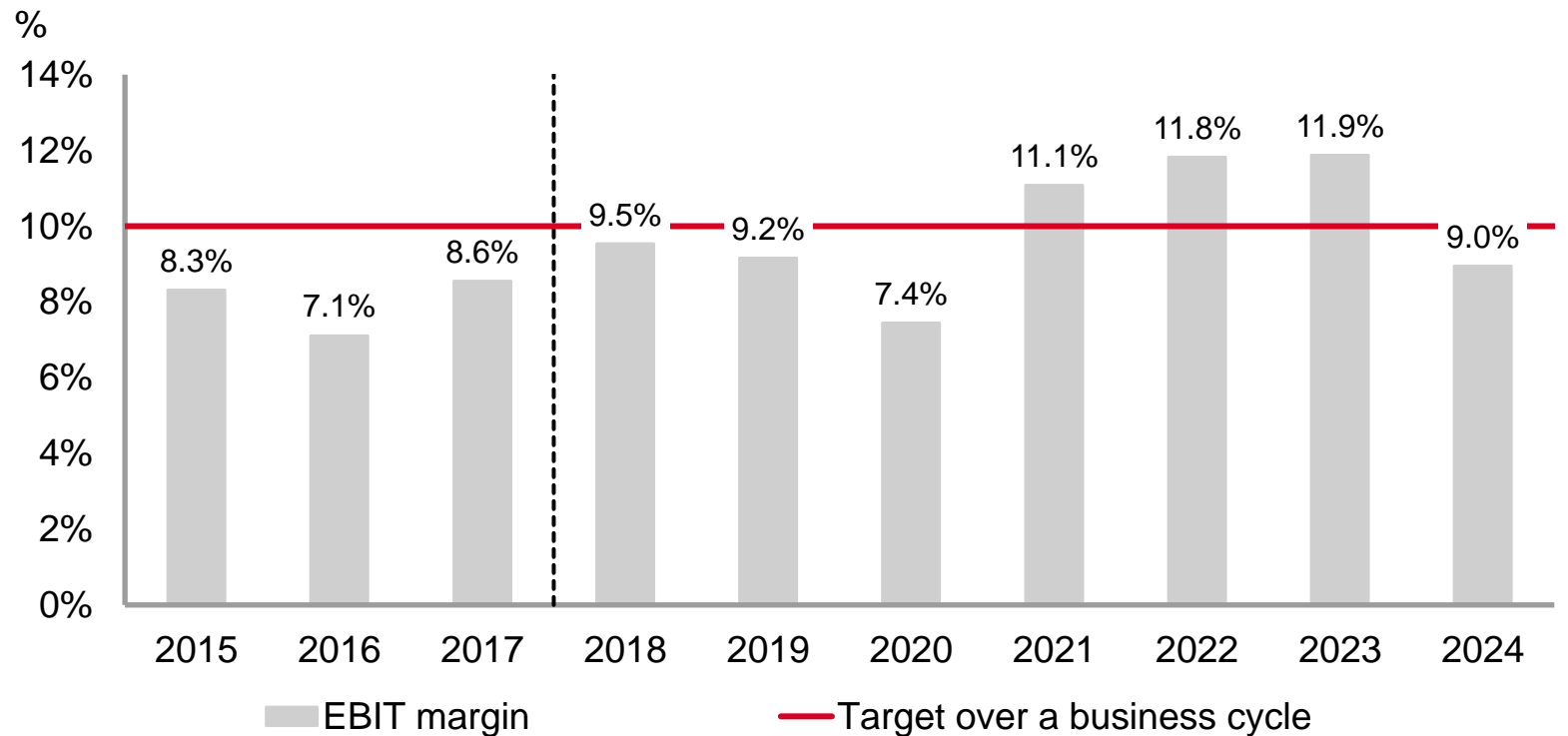
Innovation and market penetration resulting in structural organic growth in cyclical markets augmented by acquisitions of complementary businesses



¹⁾ Adjusted for currency and acquisition effects

EBIT margin

Structural margin improvement over time resulting from profitable growth, improvement of underperforming businesses and focus on technology leadership



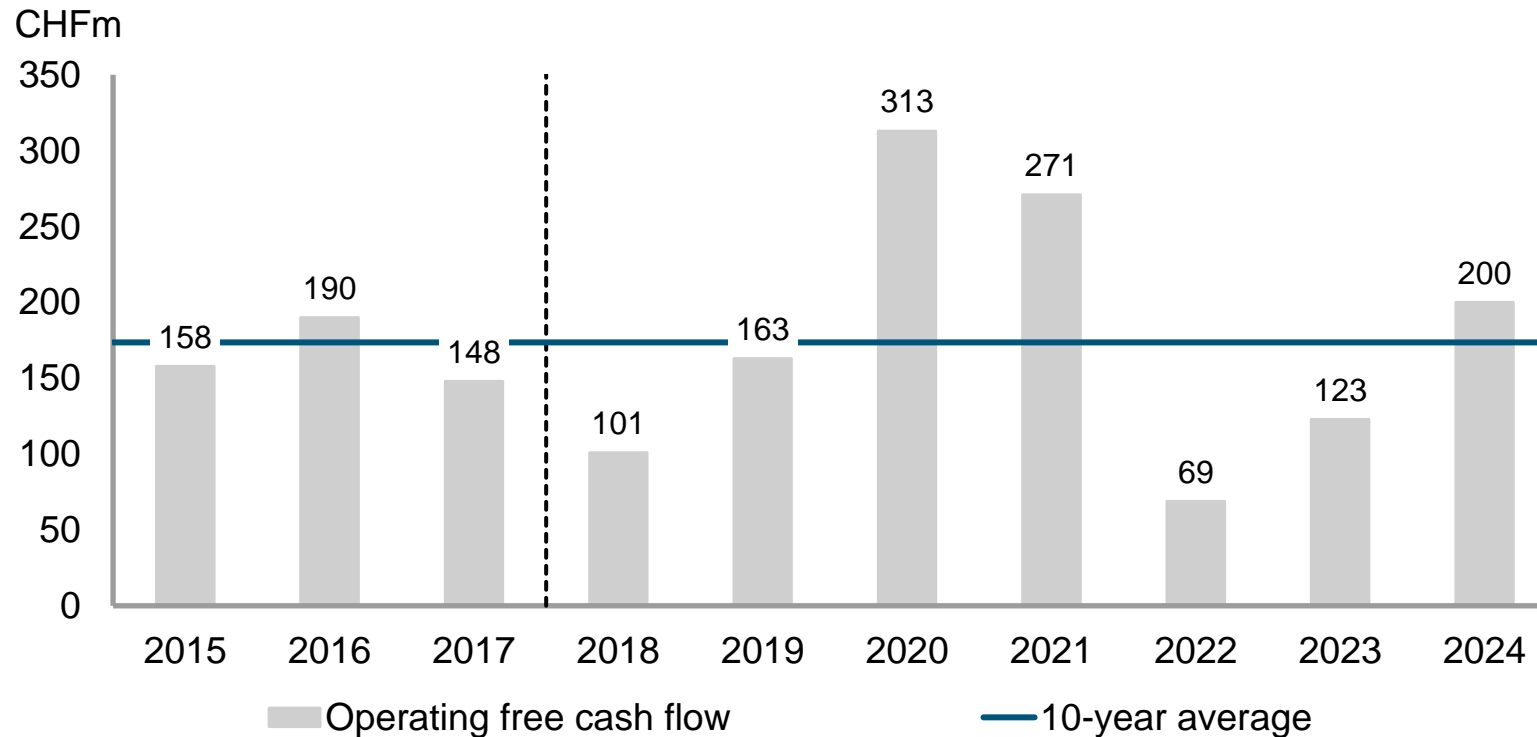
Note: all data before 2018 reported under IFRS

03 Strong cash generation reinvested at attractive returns

Strong cash generation and clear capital allocation priorities

Operating free cash flow

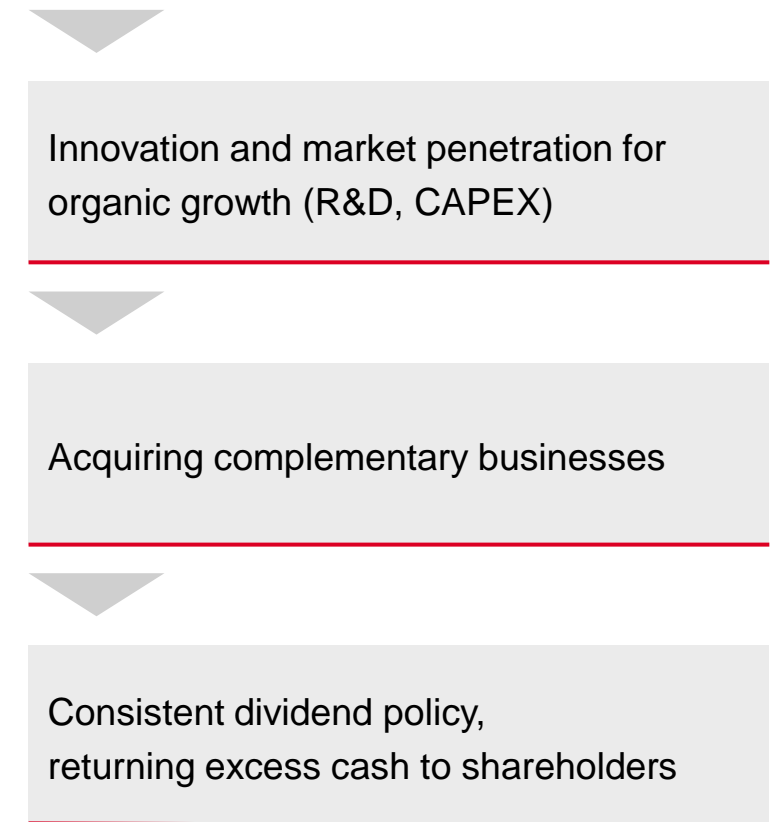
Good cash conversion at businesses resulting in strong cash generation over time with volatility mainly coming from temporary changes in net working capital



Note: all data before 2018 reported under IFRS

Capital allocation priorities

Generated cash



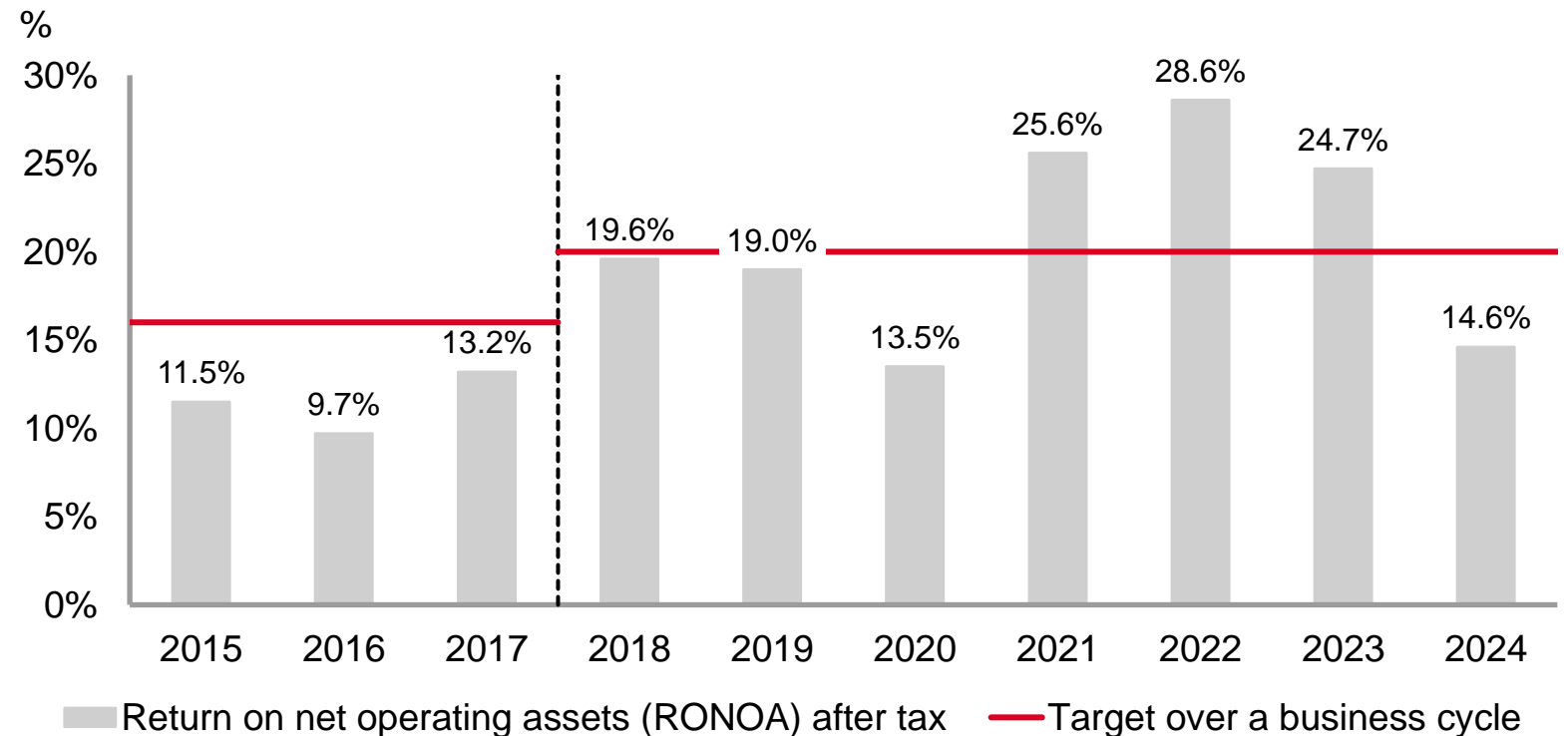
03 Strong cash generation reinvested at attractive returns

Investing at attractive returns

Return on net operating assets (RONOA) after tax

Strong profitability and a low capital intensity resulting in high and sustainable RONOA over time, well above the cost of capital of 8%

“RONOA is the **most important performance indicator** at Bucher Industries that is used throughout the organisation to evaluate investment decisions and measure value creation”



Note: all data before 2018 reported under IFRS

03 Strong cash generation reinvested at attractive returns

Solid financial position and attractive shareholder returns

Net cash/debt

CHF 402m

Financial flexibility

Equity ratio

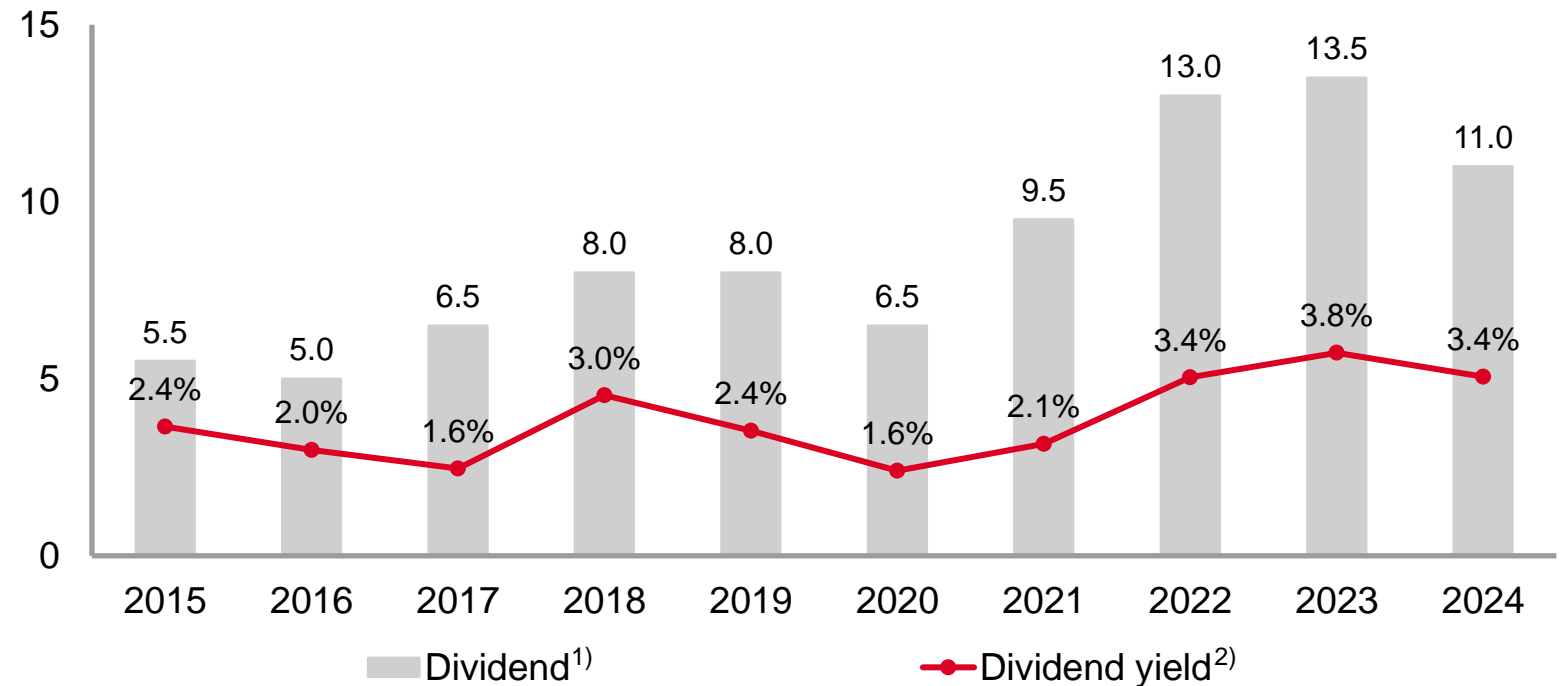
68%

Sound balance sheet

Dividend policy

Consistent dividend policy, returning excess cash to shareholders, resulting in attractive shareholder returns

CHFm



Note: numbers above for 2024

¹⁾ Proposal of the board of directors for 2024; ²⁾ relative to year-end share price

04 Divisional strategies aligned with structural trends

Kuhn Group: world market leader in hay and forage harvesting machinery and feed mixers



Support modern agriculture and yield increases

Climate change affecting yields and water availability

Growing population and middle-class demanding high-value proteins

Need for more sustainable agriculture on finite arable land

Labour shortage and farm consolidation

- Strong portfolio to serve all farms and to increase attractiveness for dealers
- Special focus on large machines for large farms
- Expand solutions for crop protection
- Digital solutions for precision and automation
- Best-in-class end-customer portals, services and extensive field support



04 Divisional strategies aligned with structural trends

Bucher Municipal: European market leader in sweepers

Urbanisation
increasing
pressure on
infrastructure

Electrify and digitalise offering,
industrialise production



Climate change
driving weather
extremes

Increasing
**environmental
responsibility**

**Technology
development**
driving
electrification
and digitalisation

- Expand electrified product offering
- Develop (semi-)autonomous solutions
- Expand support and services based on digital solution “Bucher Connect”
- Increase market penetration with sewer cleaning, winter maintenance and refuse collection vehicles
- Industrialise production through greater efficiency due to modularisation



04 Divisional strategies aligned with structural trends

Bucher Hydraulics: world market leader in compact hydraulic power units

Need for more **energy efficient** hydraulic solutions



Leverage electrification and broaden product offering

Increased functionality for intelligent systems

Demand for **cost efficient** applications besides high-end solutions

Products with lower **ecological footprint**

- Develop innovative electrohydraulic subsystems based on new AX axial piston pump line
- Support electrification with state-of-the-art inverters and converters
- Ongoing expansion of product lines in the lower price segment, leveraging production in India



04 Divisional strategies aligned with structural trends

Bucher Emhart Glass: world market leader in glass container manufacturing equipment

Demand for **premium, sustainable, healthy** packaging

Strengthen technology and market leadership

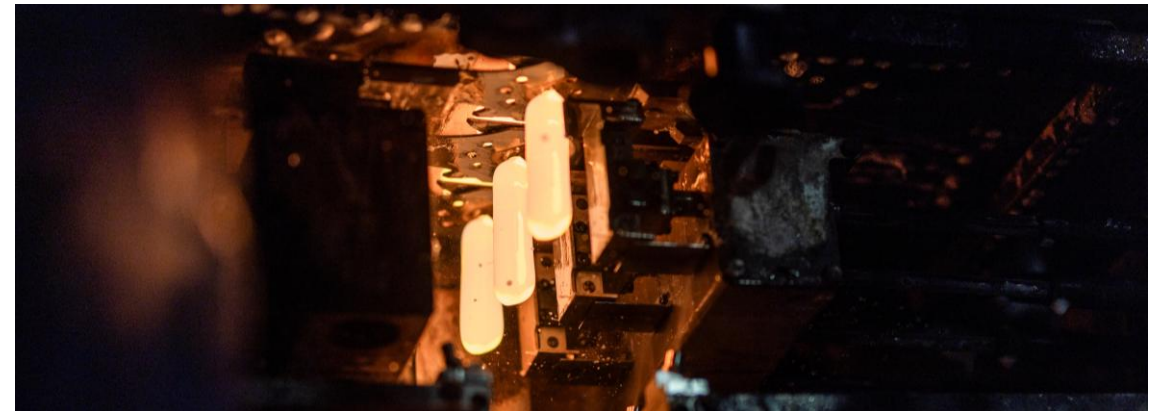
Labour shortage in glass industry

Increasing focus on **energy intensity**

Market growth in **emerging markets**



- Drive more efficient and autonomous glass production, increasing customers' pack-to-melt ratio
- Gain market share in inspection business with new AI-based technology
- Expand parts, upgrade and service business, e.g. "Training under glass" to help customers operate and optimise their equipment



04 Divisional strategies aligned with structural trends

Bucher Specials: world market leader in winemaking and fruit juice processing equipment

Shift in consumption towards white and sparkling wines

Strengthen competitive positioning in applications

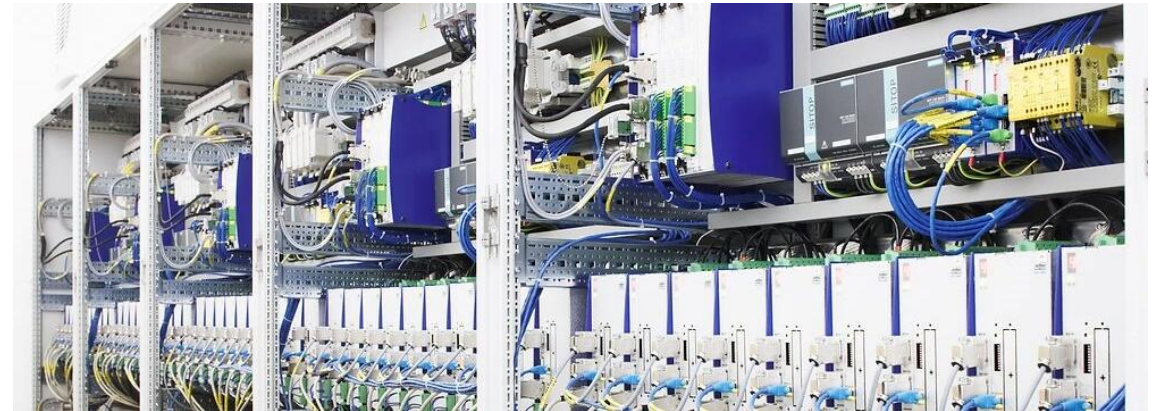
Higher demand for sustainably farmed products

Health-conscious consumers, premiumisation, sustainability focus

Increased automation and digitalisation for industry

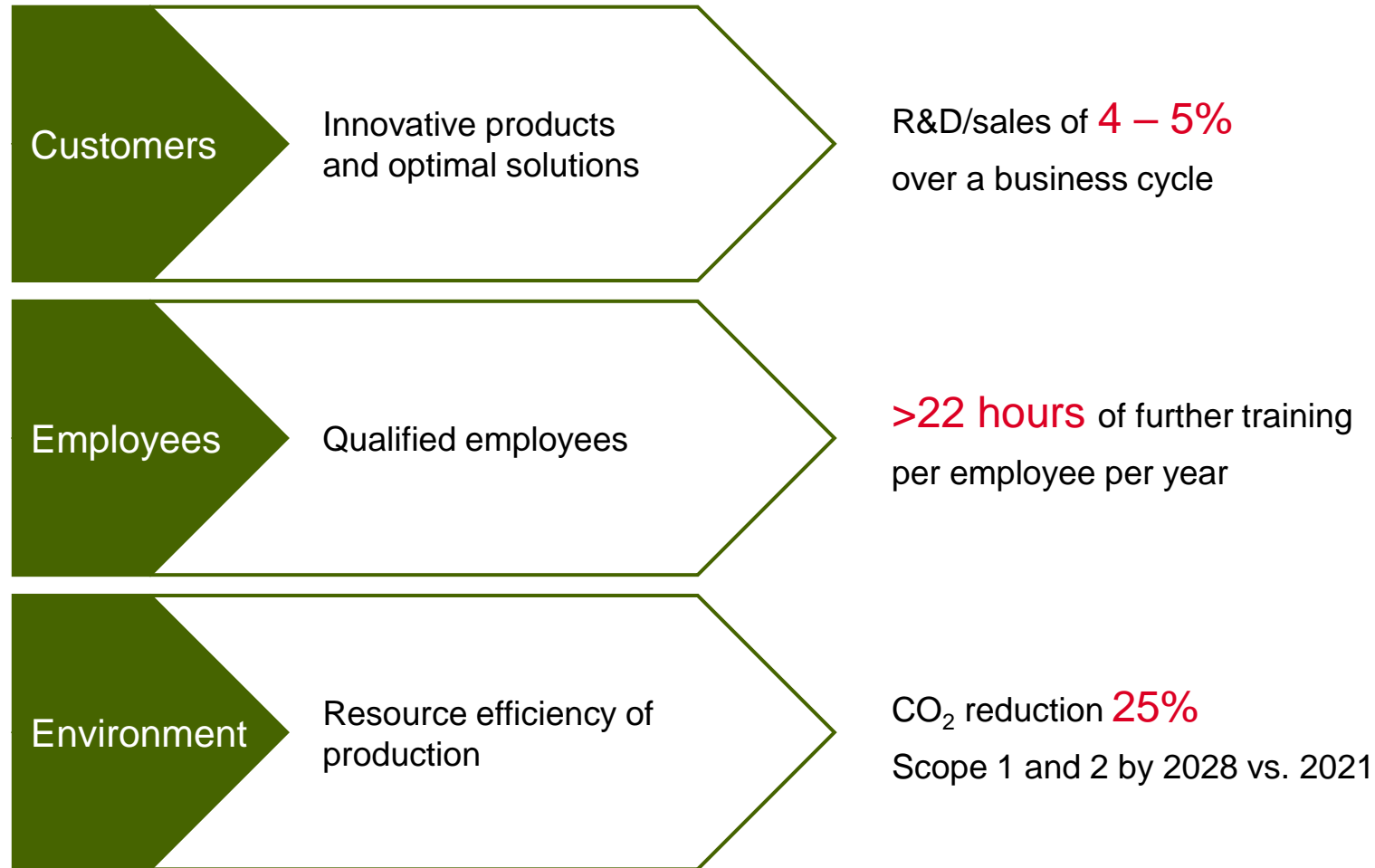


- Improve efficiency in production of fruit presses
- Provide solutions for dealcoholisation trend and develop vacuum-freeze-drying
- Promote precision farming technologies in Switzerland
- Extend motion control software offering and integration of mobile drives business



05 Bucher Industries: a healthy investment

Non-financial topics and selected targets



05 Bucher Industries: a healthy investment

Financial ambition and targets



Growth

Net sales
growth ambition

3 – 4% p.a.

for the Group,
in line with historical growth rate

Profit

EBIT margin target
over a business cycle

>10% for the Group

Kuhn Group: **12%**

Bucher Municipal: **9%**

Bucher Hydraulics: **12%**

Bucher Emhart Glass: **12%**

Bucher Specials: **10%**

Return

RONOA after tax target
over a business cycle

>20%

for the Group and each division

05 Bucher Industries: a healthy investment

Our priorities over the next years



Continue to develop our workforce

Employees



Reduce our ecologic footprint

Environment



Continue to innovate

electrified machines and electrohydraulics

larger, more productive farm machines

automation and intelligence

Customers

Growth



Improve operational efficiency at under-performing businesses

Profit

Sustainable long-term value creation: $RONOA > WACC$
Solid financial position securing flexibility and laying foundation for further growth

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