

Shareholder Letter

Burckhardt Compression Holding AG
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About Burckhardt Compression

Burckhardt Compression creates leading compression solutions for a sustainable energy future and the longterm success of its customers. Together with its brands Burckhardt Compression, PROGNOST, SAMR Métal Rouge and Shenyang Yuanda Compressor, the Group is the only global manufacturer that covers a full range of reciprocating compressor technologies and services. Its customized and modularized compressor systems are used in the Chemical/Petrochemical, Gas Transport & Storage, Hydrogen Mobility & Energy and Industrial Gas sectors as well as for applications in Refinery and Gas Gathering & Processing. Since 1844, its passionate, customer-oriented and solution-driven workforce has set the benchmark in the gas compression industry.

Dear Shareholders,

Burckhardt Compression reinforces its leadership position and delivers strong profitability in a challenging market environment

Fiscal year 2025 unfolded amid geopolitical uncertainties and global market disruptions. Despite these headwinds, we maintained near-record sales thanks to our strong opening order backlog and achieved a new record operating income. This performance underscores the strength of our delivery capabilities and integrated business model. Strategically, we reinforced our leadership position in the global reciprocating compressor market by acquiring ACT to enhance local service capabilities in the USA and by signing an agreement to acquire Fornovo Gas in Italy. Looking ahead, the current market disruptions are delaying the achievement of our Mid-Range guidance of CHF 1.2 bn sales at 12% to 15% operating margin. We remain, however, confident in the positive impact of the prevailing energy megatrends and continue to focus on cost discipline, Service expansion, and innovation.

New equipment market disrupted by global geopolitics and US tariffs

In fiscal year 2025, the global new equipment market was characterized by global disruptions. The announcement of US tariffs on April 2, 2025, led customers to postpone large investment projects, as companies carefully evaluated the potential impact of new trade dynamics. Despite a visible recovery in the second quarter, the anticipated normalization did not occur in the second half of the fiscal year, and the conflict in the Middle East heightened market uncertainty during the final month of the fiscal year. Amid this backdrop, the Systems Division achieved an order intake of CHF 476.1 mn, representing a 42.3% decrease (–38.2% net of currency translation effects).

Service market stable in local currencies, with strong regional variations

The global service market was also disrupted by global uncertainty from US tariffs and, in the last month of the fiscal year, by the conflict in the Middle East. Many cus-

tomers delayed the procurement of spare parts and the realization of compressor upgrade projects. On the positive side, our strategy to support customers with their digitalization and sustainability journeys continued to generate additional orders, and the Services Division continued to grow our activities in the Marine segment, supported by our growing installed base. Overall, order intake for the Services Division was 5.4% lower at CHF 308.2 mn. Adjusted for currency translation effects and the ACT acquisition, order intake was down –0.5%.

Stable sales and profitability increase in a challenging market environment; dividend proposal of CHF 18.00

Order intake for the Group reached CHF 784.3 mn, a decrease of 31.9% (respectively –27.2% net of currency translation effects), leading to a normalization of our order backlog, following five years of book-to-bill ratio clearly above 1. Sales were down 3.5% (+1.3% net of currency translation effects), at CHF 1'057.1 mn. Gross profit margin reached 28.8%, up 0.8 percentage points (pp) year-on-year, mainly due to a more favorable product mix in the Systems Division. Research & Development expenses amounted to CHF 29.8 mn (2.8% of sales), at a similar level to the previous year. Selling, marketing, and general administrative expenses amounted to 12.1% of sales, slightly below the previous year in absolute terms, highlighting continued cost discipline and effectiveness of SG&A spend. Other operating income and expenses amounted to CHF –5.8 mn (net), mainly driven by negative FX effects. The consolidated operating income (EBIT) recorded a slight increase of 0.2% to CHF 141.0 mn. The Systems Division increased its EBIT margin by 1.6 pp, achieving double-digit profitability for the first time, whereas the profitability of the Services Division slightly decreased by 0.3 pp, resulting in an overall Group EBIT margin of 13.3%, up from 12.9% in the previous year.

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Lower financial expenses compared to the previous year and a lower tax rate of 20.3% resulted in a net income of CHF 110.1 mn, which exceeded the previous year's figure by 4.3%. Accordingly, earnings per share attributable to Burckhardt Compression Holding AG shareholders rose from CHF 31.20 to CHF 32.60.

Value creation was further enhanced, with Return on Net Operating Assets (RONOA) increasing from 32.6% to 40.4%, driven by CAPEX discipline and strong net working capital management. Total equity increased to CHF 361.6 mn (CHF +21.4 mn), while the equity ratio increased to 30.7%.

Based on these results, the Board of Directors will propose to the Annual General Meeting a dividend of CHF 18.00 per share, at the same level as in the previous year. This is within the Group's attractive dividend policy of a 50% to 70% payout ratio.

Ongoing progress in the company's transformation

Our Mid-Range Plan continues to target CHF 1.2 bn in sales and an EBIT margin range of 12% to 15%. It is based on four pillars: strengthening the core business, transforming and building new growth avenues, operational excellence, and further enhancing our business foundations. We continue to make tangible progress across these pillars.

For instance, to strengthen our core business, we acquired and successfully integrated the company ACT to bolster our US-based spare parts manufacturing capabilities. The Services Division has also expanded its global footprint with nine new locations. With focus on transforming and building new growth avenues, we signed the Share Purchase Agreement for Fornovo Gas, a European leader for biogas compression, providing us with a platform for future growth in configured compressors. We have also launched new digital services based on artificial intelligence to proactively identify compressor failures and support customers in implementing predictive maintenance concepts. With regards to operational excellence, we further improved our competitiveness by adapting our structure in Switzerland and growing our Global Service Center in India. To further enhance our business foundations, we re-

duced our greenhouse gas emission intensity (Scope 1 and 2) by 32% versus the previous year and we are well on track to reach net zero (Scope 1 and 2) in 2035. We also successfully rolled out a new ERP System in a first wave of Service legal entities.

Our people are at the core of our strategy. The high participation rate of 92% in the employee survey and a strong engagement score of 4.2 indicate that we are on the right track with our transformation. Our Lost Time Injury Rate (LTIR) further improved notably to 0.3, reflecting the consistent progress in our safety culture.

Leadership transitions in the Board of Directors and Executive Management

In December 2025, Ton Büchner stepped down as Chairman of the Board of Directors after more than five years of dedicated service, during which he played a key role in strengthening the company's governance, strategic focus and long-term value creation. Jacques Sanche was elected as his successor, ensuring continuity in leadership and deep industry and governance expertise. At the operational level, Rainer Dübi handed over the role of President Services Division to Martin Zingg, who brings long-standing service experience and a strong focus on customer proximity and execution excellence. We would like to thank Ton Büchner and Rainer Dübi for their significant contributions, and are confident that the new leadership constellation will further support Burckhardt Compression in reaching its ambitions.

Fiscal year 2026 guidance – Sales between CHF 900 - 1'000 mn and EBIT margin around 12%

We entered fiscal year 2026 amid significant global disruptions driven by the ongoing conflict in the Middle East, which could lead certain customers to further defer investment decisions and maintenance activities. However, we remain confident in our strategy and our ability to navigate evolving market conditions. Our robust order backlog, coupled with a solid balance sheet and strong customer relationships, continues to provide a stabilizing foundation. Mitigating actions have

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been implemented and are underway to adapt to current market conditions. Assuming disruptions in the petrochemical value chain linked to the conflict in the Middle East subside in the first part of the fiscal year 2026, that there is no further escalation in trade disputes, and that macroeconomic conditions remain relatively stable, we expect sales to reach between CHF 900 mn and 1'000 mn at the Group level and an EBIT margin of around 12%. Within the fiscal year, we expect stronger sales in the second half due to the timing of project deliveries. We will continue to actively monitor the macro environment and any potential impact it may have on our business.

Global megatrends underpin our mid-term ambition

Beyond short-term uncertainties, our strategy remains supported by global megatrends. A growing global population, especially the middle class in Asia, drives demand for essential products like fertilizers and polymers, triggering investment in energy infrastructure. As demonstrated again by the conflict in the Middle East, ensuring a stable and secure energy supply in an unstable geopolitical landscape requires significant investments in energy storage, gas pipelines, and transportation infrastructure, for example for LNG or LPG. In addition, the Middle East conflict has once again highlighted for energy-importing countries the strategic importance of transitioning to locally sourced energies. We therefore expect significant investment in renewable energy infrastructure in the coming years, including solar panels, biogas and low-carbon fuels. All these applications require compressors. With our ability to develop innovative solutions in partnership with customers, we stand at the forefront of these developments.

Looking ahead with a clear goal in sight

We remain confident in the positive impact of prevailing megatrends, which continue to underpin the attainment of CHF 1.2 bn in sales and 12% to 15% operating margin over the coming years. However, the business environment has experienced considerable disruptions



Dr. Jacques Sanche, Chair of the Board of Directors and Fabrice Billard, CEO

over the past twelve months, compounded by the strengthening of the Swiss Franc. These factors will continue to affect the market in the coming months and are delaying the achievement of our Mid-Range Plan guidance. We will communicate the revised timing once the market visibility improves.

With this clear goal in sight, we would like to thank our employees around the world who have demonstrated remarkable resilience and dedication in the past fiscal year. Their commitment is instrumental in our ability to adapt to and succeed in the prevailing market conditions. We would also like to thank our customers and shareholders worldwide for their continued trust and support.

Kind regards

Handwritten signature of Dr. Jacques Sanche in black ink.

Dr. Jacques Sanche
Chair of the Board of Directors

Handwritten signature of Fabrice Billard in black ink.

Fabrice Billard
CEO

Winterthur, June 4, 2026

Key figures

in CHF mn	2025	2024	Change 2025/2024
Total			
Order intake	784.3	1'151.2	-31.9%
Sales	1'057.1	1'095.6	-3.5%
Operating income (EBIT)	141.0	140.8	0.2%
in % of sales	13.3	12.9	
Net income	110.1	105.6	4.3%
in % of sales	10.4	9.6	
Return on net operating assets (RONOA) in %	40.4	32.6	
Systems Division			
Order intake	476.1	825.4	-42.3%
Sales	738.6	748.8	-1.4%
Operating income (EBIT)	79.2	67.9	16.6%
in % of sales	10.7	9.1	
Services Division			
Order intake	308.2	325.8	-5.4%
Sales	318.5	346.8	-8.2%
Operating income (EBIT)	77.7	85.7	-9.3%
in % of sales	24.4	24.7	
Balance sheet			
Balance sheet total	1'176.6	1'167.3	0.8%
Shareholders' equity in %	30.7	29.1	
Net financial position	110.8	69.6	
Share			
Net income per share (in CHF)	32.60	31.20	4.5%
Dividend per share (in CHF)	18.00	18.00	-
Payout ratio in % of net income	55.2	57.7	
Market capitalization	1'604.8	2'016.2	-20.4%
Employees			
Employees as per end of fiscal year (FTE)	3'305	3'336	-0.9%
Turnover rate in %	10.1	11.1	
Average company affiliation (years)	8.5	8.1	6.1%
Environment			
Energy use (MWh)	49'153	52'566	-6.5%
Greenhouse gas emissions Scope 1 (tCO2e)	3'022	4'170	-27.5%
Greenhouse gas emissions Scope 2 (tCO2e)	4'888	7'551	-35.3%
Water (m3)	75'414	65'297	15.5%

Consolidated income statement

in CHF 1'000	2025	2024 (restated)
Sales	1'057'089	1'095'600
Cost of goods sold	-752'162	-789'306
Gross profit	304'927	306'294
Selling and marketing expenses	-73'701	-75'010
General and administrative expenses	-54'622	-54'846
Research and development expenses	-29'755	-30'055
Other operating income / expenses (net)*	-5'801	-5'575
Operating income	141'048	140'808
Financial income and expenses	-2'876	-3'346
Earnings before taxes	138'172	137'462
Income tax expenses	-28'028	-31'838
Net income	110'144	105'624
Share of net income attributable to shareholders of Burckhardt Compression Holding AG	110'108	105'585
Share of net income attributable to non-controlling interests	36	39
Basic earnings per share (in CHF)	32.60	31.20
Diluted earnings per share (in CHF)	32.60	31.20

* Prior period disclosure for Other operating income and Other operating expenses (net) have been restated.

Consolidated balance sheet

in CHF 1'000	31.03.2026	31.03.2025
Non-current assets		
Intangible assets	9'312	11'310
Property, plant and equipment	172'627	172'815
Deferred tax assets	16'856	17'526
Other assets	7'932	3'979
Total non-current assets	206'727	205'630
Current assets		
Inventories	385'051	301'565
Trade receivables	253'716	356'051
Other current receivables	61'875	73'497
Prepaid expenses and accrued income	6'206	7'699
Cash and cash equivalents	263'040	222'903
Total current assets	969'888	961'715
Total assets	1'176'615	1'167'345
Equity		
Share capital	8'500	8'500
Capital reserves	1'398	1'378
Treasury shares	-15'046	-11'254
Retained earnings and other reserves	366'338	341'139
Equity attributable to shareholders of Burckhardt Compression Holding AG	361'190	339'763
Non-controlling interests	374	401
Total equity	361'564	340'164
Liabilities		
Non-current liabilities		
Non-current financial liabilities	152'203	152'497
Deferred tax liabilities	21'202	18'118
Non-current provisions	13'675	15'679
Other non-current liabilities	1'666	1'739
Total non-current liabilities	188'746	188'033
Current liabilities		
Current financial liabilities	-	801
Trade payables	170'301	148'456
Customers' advance payments	284'887	252'837
Other current liabilities	57'433	72'286
Accrued liabilities and deferred income	83'075	128'788
Current provisions	30'609	35'980
Total current liabilities	626'305	639'148
Total liabilities	815'051	827'181
Total equity and liabilities	1'176'615	1'167'345

Consolidated cash flow statement

in CHF 1'000	2025	2024
Cash flow from operating activities		
Net income	110'144	105'624
Income tax expenses	28'028	31'838
Financial income and expenses	2'876	3'346
Depreciation	18'520	18'400
Amortization	3'272	4'167
Change in inventories	-48'294	-11'115
Change in trade receivables	85'580	-4'883
Change in other current assets	31	-10'144
Change in trade payables	26'777	8'486
Change in customers' advance payments	-1'060	68'153
Change in provisions	-4'081	-810
Change in other liabilities	-52'121	24'732
Change in share based payments	5'474	4'784
Adjustment for non-cash items	-877	155
Gain on sale of assets	-628	-2'091
Interest received	1'844	1'506
Interest paid	-2'523	-3'039
Income taxes paid	-23'537	-26'300
Total cash flow from operating activities	149'425	212'809
Cash flow from investing activities		
Purchase of property, plant and equipment	-21'672	-22'259
Sale of property, plant and equipment	1'360	7'302
Purchase of intangible assets	-1'237	-3'179
Purchase of other assets	-574	-
Sale of other assets	376	964
Acquisition of Group companies net of cash acquired	-8'078	-
Total cash flow from investing activities	-29'825	-17'172
Cash flow from financing activities		
Increase in financial liabilities	253	150'000
Decrease in financial liabilities	-1'348	-166'206
Purchase of treasury shares	-3'902	-4'802
Dividends paid	-60'869	-52'535
Total cash flow from financing activities	-65'866	-73'543
Currency translation differences on cash and cash equivalents	-13'597	-6'438
Net change in cash and cash equivalents	40'137	115'656
Cash and cash equivalents at beginning of period	222'903	107'247
Cash and cash equivalents at end of period	263'040	222'903
Net change in cash and cash equivalents	40'137	115'656

Consolidated statement of changes in equity

in CHF 1'000	Share capital	Capital reserves	Treasury shares	Hedge reserve	Translation reserve	Goodwill offset	Other retained earnings	Equity attributable to shareholders of Burckhardt Compression Holding AG	Non-controlling interests	Total equity
Balance at 01.04.2024	8'500	1'354	-6'553	-2'721	-30'935	-156'005	482'337	295'977	424	296'401
Result for the period							105'585	105'585	39	105'624
Currency translation differences					-8'955			-8'955	-13	-8'968
Changes of cash flow hedges				-340				-340		-340
Dividends paid							-52'486	-52'486	-49	-52'535
Changes in treasury shares			-4'802					-4'802		-4'802
Share-based payments (distributed)		24	101				-125	-		-
Share-based payments (provision in equity)							4'784	4'784		4'784
Balance at 31.03.2025	8'500	1'378	-11'254	-3'061	-39'890	-156'005	540'095	339'763	401	340'164
Balance at 01.04.2025	8'500	1'378	-11'254	-3'061	-39'890	-156'005	540'095	339'763	401	340'164
Result for the period							110'108	110'108	36	110'144
Currency translation differences					-23'068			-23'068	-18	-23'086
Changes of cash flow hedges				2'368				2'368		2'368
Dividends paid							-60'824	-60'824	-45	-60'869
Changes in treasury shares			-3'902					-3'902		-3'902
Share-based payments (distributed)		20	110				-130	-		-
Share-based payments (provision in equity)							5'474	5'474		5'474
Goodwill on acquisition						-8'729		-8'729		-8'729
Balance at 31.03.2026	8'500	1'398	-15'046	-693	-62'958	-164'734	594'723	361'190	374	361'564

Segment reporting

in CHF 1'000	Systems Division		Services Division		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Sales	738'638	748'837	318'451	346'763	-	-	1'057'089	1'095'600
Cost of goods sold	-582'576	-606'022	-169'586	-183'284	-	-	-752'162	-789'306
Gross profit	156'062	142'815	148'865	163'479	-	-	304'927	306'294
Gross profit as % of sales	21.1%	19.1%	46.7%	47.1%	-	-	28.8%	28.0%
Operating income	79'203	67'926	77'678	85'670	-15'833	-12'788	141'048	140'808
Operating income as % of sales	10.7%	9.1%	24.4%	24.7%	-	-	13.3%	12.9%

The notes as published in the financial section of our Annual Report are integral part of the consolidated financial statements (www.burckhardtcompression.com/report).

Key dates for 2026 and 2027

July 3, 2026

Annual General Meeting

November 3, 2026

Results for the first half of 2026 (closing September 30, 2026)

June 3, 2027

2026 Annual Report (closing March 31, 2027)

July 3, 2027

Annual General Meeting



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