

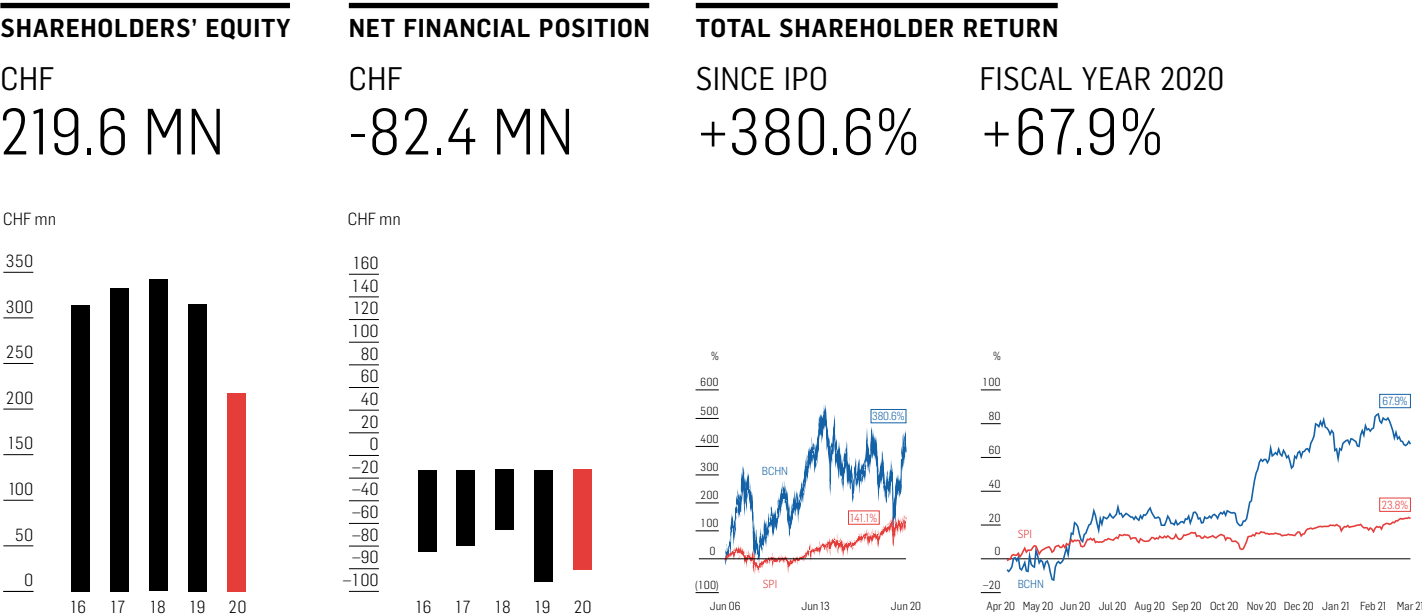
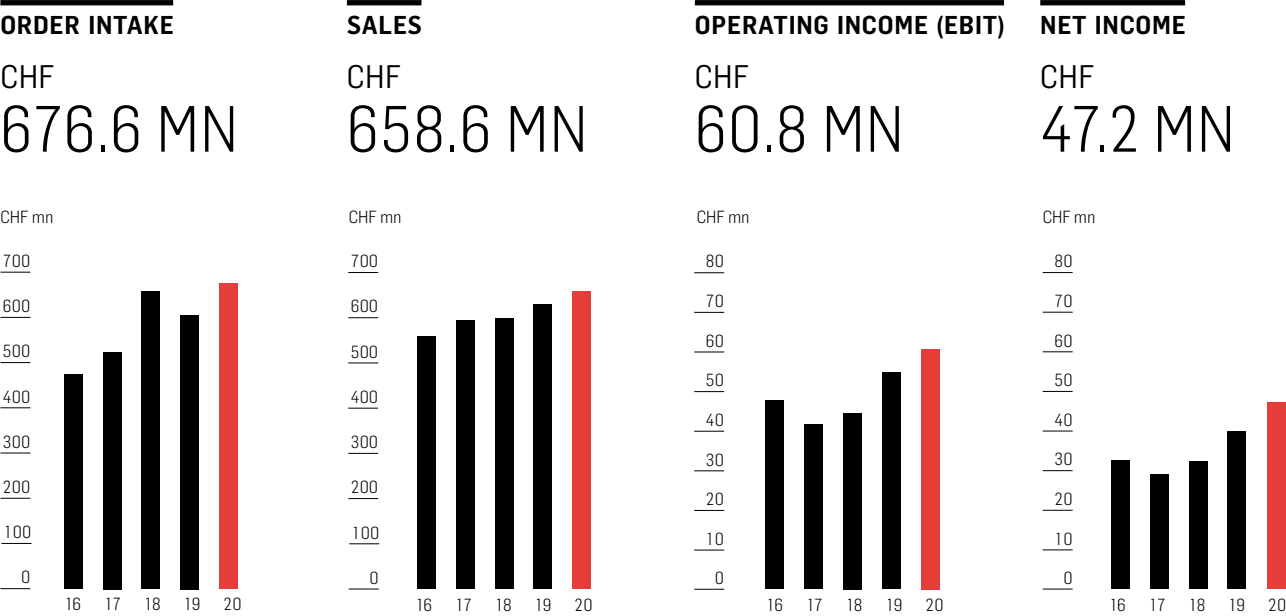


EXECUTIVE REPORT 2020

Compressors for a Lifetime™

FURTHER IMPROVEMENT IN PROFITABILITY

Despite the coronavirus pandemic, 2020 was characterized by higher sales, a further improvement in operating income, and a clear year-on-year increase in net income. Order intake also went up in spite of the challenges.



MILESTONES IN 2020



COMPLETE TAKEOVER OF SHENYANG YUANDA COMPRESSOR

On March 2016, Burckhardt Compression took a 60% stake in Shenyang Yuanda Compressor, based in Shenyang, China. In February 2021 it acquired the remaining 40% as planned. The leading Chinese manufacturer of reciprocating compressors has extended Burckhardt Compression's local presence to new market segments, has broadened its product portfolio so it can address a wider range of market needs, and has been providing immediate access to a well-established local supply chain.



10-YEAR SERVICE CONTRACT FOR 9 LNG TANKERS

International company BW LNG has signed a ten-year service contract with Burckhardt Compression for nine liquefied natural gas (LNG) tankers with Laby®-GI compressors. This marks a real milestone for Burckhardt Compression as it seeks to offer life-cycle solutions tailored to customer needs. The contract covers on-board services that will add value to the operation of the vessels, including lower life cycle costs, operational efficiency and preventive maintenance.



NEW SERVICE CENTER IN SWEDEN

The Service Center in Sweden, which was originally opened in partnership with Kompressorteknik is now a Burckhardt Compression-owned subsidiary. This allows us to provide faster and better service to customers in Sweden and the other Nordic countries.



HYDROGEN LIQUEFACTION PLANT IN SOUTH KOREA

Burckhardt Compression won the order to build compressors for a new hydrogen liquefaction plant in South Korea. The two BCS API 618 process gas compressors will be used to compress hydrogen as part of the liquefaction process. The new liquefaction plant is part of South Korea's strategy to maintain its position as a world leader in the development of hydrogen as a clean energy source. Scheduled to start production in 2023, the plant will be able to produce five tons of liquefied hydrogen per day to supply the country's hydrogen filling stations.



BOIL-OFF GAS COMPRESSORS REDUCE SULFUR DIOXIDE AND CO2 EMISSIONS FROM CONTAINER SHIPS

Burckhardt Compression received an order for eight low-pressure compressor systems for the management of boil-off gas (BOG). The systems are destined for two container ships, each with a capacity of 14,000 TEU (20-foot standard containers) and two container ships, each with 690 FEU (40-foot standard containers). All these ships are equipped with low-pressure systems and are being built at a Chinese shipyard, with an option for a further 16 ships.



COMPRESSOR SYSTEM FOR NETWORK OF HYDROGEN FILLING STATIONS IN CALIFORNIA

US company First Element Fuel Inc. is developing a network of hydrogen filling stations in collaboration with the state of California and various industry partners. To this end, the company placed an order with Burckhardt Compression to supply a compressor system for a hydrogen refilling plant in Northern California, which will extend periods between service intervals. The system is being built in Pune, India, with a shortened delivery time to fit with the overall project timetable.

TO OUR SHAREHOLDERS

DEAR SHAREHOLDERS

Despite the coronavirus pandemic, 2020 was characterized by higher sales, a further improvement in operating income and a clear year-on-year increase in net income. Order intake also went up in spite of the challenges. The company was quick to activate a comprehensive crisis management program, allowing it to counter the effects of the coronavirus pandemic effectively. Its highest priority at all times has been to safeguard the health of its employees and their families, as well as that of its customers and business partners.

Markets recover at different speeds

Temporary lockdowns in all parts of the world dominated the entire 2020 fiscal year. Asian markets, especially China, but also Central Asia, recovered the fastest. European business also regained ground and produced interesting contracts for us. The USA was comparatively hard hit by the pandemic-related economic downturn and only slowly began to recover toward the end of the 2020 fiscal year.

Group: further improvement in profitability

Despite the coronavirus pandemic, Group order intake in 2020 rose 11.4% year-on-year to CHF 676.6 mn – or 8.5% before the acquisitions of Arkos Field Services (Arkos) and the compressor business of The Japan Steel Works (JSW). Sales for the 2020 fiscal year amounted to CHF 658.6 mn, an increase of 4.6% on the previous year (1.6% before acquisitions). Gross profit increased by 10.9% to CHF 166.2 mn, giving a higher gross profit margin of 25.2% (previous year 23.8%).

Consolidated operating profit (EBIT) rose to CHF 60.8 mn (previous year CHF 54.8 mn), representing an EBIT margin of 9.2% (previous year 8.7%). Group net income came to CHF 47.2 mn, beating the prior-year figure of CHF 39.9 mn by a substantial 18.4%. Owing to the improved financial results and the acquisition of all the remaining shares of Shenyang Yuanda Compressor in January 2021, earnings per share for shareholders in Burckhardt Compression Group increased significantly from CHF 9.56 to CHF 13.00.

Selling, marketing and general administrative expenses amounted to CHF 93.1 mn (14.1% of sales). Despite the inclusion of a full year of Arkos Field Services (previous year only four months), this is CHF 0.1 mn less than in fiscal year 2019. Research and development expenses rose by CHF 4.8 mn to CHF 15.4 mn due to the higher number of ongoing projects, including those involving innovative applications such as new marine solutions and H₂ mobility and energy. Other operating income came to CHF 3.1 mn. This reduction of CHF 5.6 mn compared to the previous year is largely attributable to currency translation effects and lower state subsidies in China.

Total assets at the end of March 2021 amounted to CHF 797.5 mn, which is 9.7% lower than at the end of March 2020 (close of the 2019 fiscal year). This reduction was mainly due to a reduction of property, plant and equipment as well as inventories.

The net financial position at the end of the 2020 fiscal year amounted to CHF –82.4 mn (CHF –91.7 mn at the close of the 2019 fiscal year). Work in progress pre-financed by customer advance payments improved to CHF 11.5 mn from CHF –47.0 mn at the end of March 2020. The equity ratio lowered to 27.5% (previous year: 36.0%) mainly as a result of the derecognition of minorities from the acquisition of the remaining 40% of Shenyang Yuanda and the goodwill offset from the acquisition of the JSW compressor business.

Systems Division: Higher order intake, increased sales and significantly higher EBIT

After a weak first half, order intake at the Systems Division increased significantly in the second half of the year to reach CHF 404.6 mn (+12.0%, no impact from acquisitions). This will lead to much higher capacity utilization in the second half of the 2021 fiscal year. Owing to the high backlog in recent years, sales during the 2020 fiscal year increased by 5.5% (no impact from acquisitions) to CHF 409.8 mn. Gross profit went up 38.1% to CHF 59.1 mn, resulting in a gross profit margin of 14.4% (previous year 11.0%, incl. final additional costs incurred in the LNGM business). The division more than doubled its EBIT margin from 1.7% in the previous year to 3.9% for the 2020 fiscal year. As expected, the figure was much lower in the second half of the year than in the first.

Services Division: Higher order intake and sales, slightly lower EBIT

Order intake at the Services Division rose to CHF 272.1 mn, which is 10.5% higher compared to the previous year (increase of 3.1% before acquisitions). The prior-year figure does not include the compressor business of JSW and only includes four months of Arkos. As already mentioned in the half-year report, the order intake figure includes several major orders in the engineering/revamp/repair sector, as well as one order for a 10-year service partnership in the marine business. Pandemic-related travel restrictions had a significant impact, especially in the first quarter of the financial year. They had a particularly strong effect on the field services business and on the Service Centers, some of which had to be closed temporarily. In the USA, the unfavorable business environment was made even worse by the coronavirus, leading to a significant drop in demand in segments traditionally targeted by Arkos. Their downstream business, by contrast, expanded slightly.

Sales in the Services Division grew by 3.1% (–5.1% before acquisitions) to CHF 248.8 mn. As expected, profit margins in the second half of 2020 were higher than in the first half but could not match the previous year's figures. Gross profit remained almost unchanged at CHF 107.1 mn (previous year CHF 107.0 mn). The division's gross profit margin slipped from 44.3% to 43.0%, mainly because of margin dilution resulting from the Arkos consolidation. EBIT fell by CHF 3.5 mn and includes a negative contribution from Arkos of CHF –2.0 mn. The EBIT margin decreased from 22.7% to 20.6%, mainly due to

lower sales in the wake of the coronavirus pandemic, especially in Field Services, and to the temporary closure of some Service Centers. This inevitably led to lower gross profit as well as reduced capacity utilization.

Acquisitions

The organizational integration of Arkos Field Services is on track despite corona-related restrictions. In addition to structural adjustments, two underutilized and unprofitable sites were closed. Arkos will continue to expand its downstream business in order to improve profitability. The results of the subsidiaries in the US include a contribution from corona-related government support programs.

Following the completion on schedule at the end of September 2020 of Shenyang Yuanda Compressor's new factory in Shenyang, China, we acquired the remaining shares of Shenyang Yuanda Compressor in February 2021, so the company is now a wholly-owned subsidiary. The change of management went smoothly, as did further operational integration of the business into the Chinese and global management structures.

On April 21, 2020 we completed the acquisition of JSW's global compressor business, and we are now in the final phase of its integration.

Main application areas and innovations

Business with the petrochemical/chemical industry, gas transport and storage, and industrial gas has recovered and returned to pre-pandemic levels. We also took further orders in the LNGM and LPGM maritime sector and achieved initial successes with our newly developed compact marine compressor.

Hydrogen Mobility and Energy – an application area that is growing in importance for us – saw a substantial increase in activity during the 2020 fiscal year. Some orders have already been taken for H₂ mobility and energy applications.

Accelerated digitalization

The pandemic has given further impetus to the process of digitalization. Customer acceptance test for example took place over video for the first time. Owing to the travel restrictions, our engineers conducted all the required tests on compressors in the workshop. Acceptance inspectors then assessed the results over video. Burckhardt Compression also developed Remote Support service that was put into practice with a first customer. The service will be fully integrated into the service portfolio from 2021. It allows customers to request support from our experts via Hololens – augmented reality smart-glasses – or tablets, and is ATEX-compliant in environments where there is a risk of explosion. The experts direct local maintenance crews and issue precise instructions for each subsequent stage in the process. This is another facility that helps us provide customers with access to our expert knowledge any-time and from anywhere. Demand for digital services is growing all the time, and we will continue to expand these.

Expanded focus on sustainability and ESG

Burckhardt Compression has a consistent and comprehensive commitment to sustainability, which is reflected in its strategic objectives as well as in its operating business. We are aware of our economic, social, and environmental responsibilities. We are further developing a sustainability strategy for the coming years. Based on a materiality analysis, we have augmented and expanded our previous goals, which focused mainly on improving the product portfolio, services, and our attractiveness as an employer. The next annual report will be the first to include a Sustainability Report that will be revised and structured in accordance with international standards and that takes account of various ESG (environmental, social and governance) ratings.

Outlook for the 2021 fiscal year as a whole

Based on expected delivery dates for orders received in fiscal years 2019 and 2020, we currently expect group sales of between CHF 620 mn and CHF 650 mn for fiscal year 2021 as a whole, as well as slightly higher profit margins compared with the previous year. This is based on the assumptions that there is no further major outbreak of the coronavirus in markets relevant to Burckhardt Compression and that the economic recovery continues.

Due to the distribution of order intake in the Systems Division in fiscal year 2020, sales in 2021 will be second-half loaded. Since the coronavirus impacted the order intake in the first half of fiscal year 2020 significantly, sales for the same period in 2021 will be lower.

We expect the Services Division to record greater order intake as well as higher sales in the 2021 fiscal year following the easing of travel restrictions. The field service business and our Service Centers in particular will see better capacity utilization, while profitability at Arkos will continue to improve.

Mid-Range Plan 2018–2022

Under the assumptions that there is no further major outbreak of the coronavirus in markets relevant to Burckhardt Compression and that the economy will continue to recover, Burckhardt Compression is confirming its sales target for the 2022 fiscal year of CHF 700 mn and its EBIT margin target of between 10% and 15%. We expect the sales split between the two divisions to shift from our original expectation, with the proportion contributed by the Systems Division overtaking that of the Services Division.

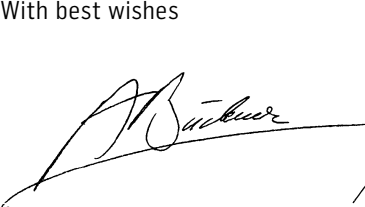
Dividend


The Board of Directors will propose a dividend of CHF 6.50 per share (CHF 6.00 in the previous year) at the annual general meeting. This corresponds to a payout ratio of 50.0% of net income per share (previous year: 62.8%). Due to the desire to strengthen the future equity ratio the payout ratio is at the lower end of the target range of 50% to 70%.

Thanks

Above all we would like to say a big thank you to our employees around the world. The coronavirus pandemic meant that the 2020 fiscal year presented exceptional challenges over and above our normal day-to-day business. Our employees had to show great flexibility as they continued to serve our customers with the least possible disruption. We would also like to thank all of our shareholders and customers for their continued trust.

With best wishes





Ton Büchner
Chairman of the Board of
Directors

Marcel Pawlicek
CEO

Winterthur, June 1, 2021



Ton Büchner



Marcel Pawlicek

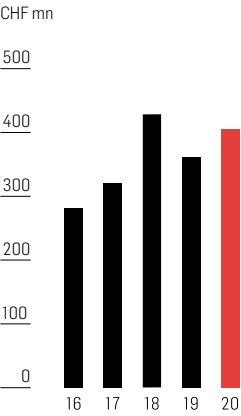
FIGURES

		2019	2020	Change 2019/2020
in CHF mn				
Order intake:				
– Systems Division		361.2	404.6	12.0%
– Services Division		246.1	272.1	10.5%
Total		607.3	676.6	11.4%
Sales and gross profit:				
– Systems Division	Sales	388.3	409.8	5.5%
	Gross profit	42.8	59.1	38.1%
	in % of sales	11.0%	14.4%	
– Services Division	Sales	241.3	248.8	3.1%
	Gross profit	107.0	107.1	0.1%
	in % of sales	44.3%	43.0%	
Total	Sales	629.6	658.6	4.6%
	Gross profit	149.8	166.2	10.9%
	in % of sales	23.8%	25.2%	
Operating income (EBIT):				
– Systems Division	Operating income (EBIT)	6.4	16.2	151.2%
	in % of sales	1.7%	3.9%	
– Services Division	Operating income (EBIT)	54.7	51.2	–6.3%
	in % of sales	22.7%	20.6%	
Total	Operating income (EBIT)	54.8	60.8	11.0%
	in % of sales	8.7%	9.2%	
Net income		39.9	47.2	18.4%
in % of sales		6.3%	7.2%	
Depreciation and amortization		20.5	21.1	2.7%
Cash flow:				
– from operating activities		50.7	132.2	160.7%
– from investing activities		–49.7	–40.4	
– from financing activities (incl. translation differences)		6.3	–106.7	
Total		7.3	–14.9	
Total balance sheet assets		883.0	797.5	–9.7%
Non-current assets		234.1	211.0	–9.9%
Current assets		648.9	586.5	–9.6%
Shareholders' equity		317.5	219.6	–30.8%
in % of total balance sheet assets		36.0%	27.5%	
Net financial position (in CHF mn)		–91.7	–82.4	
Headcount as per end of fiscal year (full-time equivalents)		2'621	2'538	–3.2%
Total remuneration Board of Directors (in TCHF)		573	610	6.5%
Total remuneration Executive Management (in TCHF)		2'893	3'147	8.8%
Share price as per end of fiscal year (in CHF)		192.40	315.00	63.7%
Market capitalization (in CHF mn)		654.2	1'071.0	63.7%
Market capitalization/shareholders' equity (ratio)		2.1	4.9	136.7%
Net income per share (EPS) (in CHF)		9.56	13.00	36.0%
Dividend per share (in CHF)		6.00	6.50 ¹	8.3%
Number of issued shares		3'400'000	3'400'000	

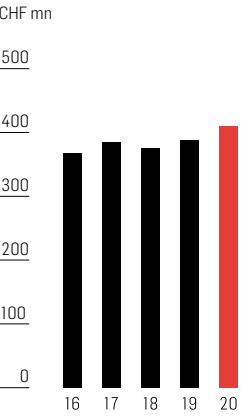
¹ Motion to the Annual General Meeting

SYSTEMS DIVISION REVIEW OF THE FISCAL YEAR

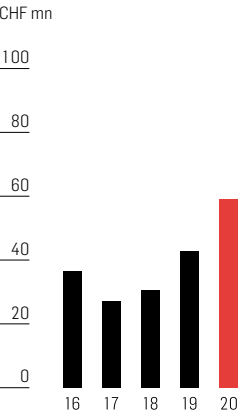
ORDER INTAKE



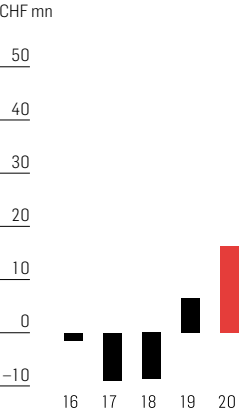
SALES



GROSS PROFIT



OPERATING INCOME (EBIT)



FIGURES

	2018	2019	2020	Change 2019/2020
in CHF mn				
Order intake	428.0	361.2	404.6	12.0%
Sales and gross profit				
Sales	375.4	388.3	409.8	5.5%
Gross profit	30.5	42.8	59.1	38.1%
in % of sales	8.1%	11.0%	14.4%	
Operating income (EBIT)	-8.7	+6.4	+16.2	151.2%
in % of sales	-2.3%	+1.7%	+3.9%	
Headcount at end of fiscal year (full-time equivalents)	1'506	1'517	1'429	-5.8%

After a weak first half, order intake at the Systems Division increased significantly in the second half of the year, resulting in a clear year-on-year rise for 2020 as a whole. This is mainly due to the strong recovery of the Chinese market, as well as the performance of the Petrochemical/Chemical Industry and Gas Transport and Storage sectors. Despite the significantly lower capacity utilization resulting from the temporary drop in order intake, the overall gross profit margin increased more than 3 percentage points compared to the previous year. Sales increased for the year as a whole and the EBIT margin more than doubled. This improved profitability is the result of operational improvements, a favorable product mix with higher margin projects, and the fact that the final additional costs incurred in the LNGM business were lower than in the previous year.

MARKETS

Burckhardt Compression offers compressor system solutions in the following application areas:

- Gas gathering and processing
- Gas transport and storage
- Marine
- Refinery
- Petrochemical/chemical industry
- Industrial gases/H₂ mobility and energy

Despite continued tough competition and the impact of the coronavirus pandemic, Burckhardt Compression kept its leading market position in the 2020 fiscal year. The company won major orders for LDPE lines and LNG terminals in China. In South Korea, we gained a large contract for a hydrogen liquefaction plant. A customer from Singapore ordered eight low-pressure compressor systems for new container ships in order to reduce its sulfur dioxide and CO₂ emissions. In the refinery sector an order was acquired for a hydrocracking plant in North Africa.

Gas gathering and processing

Investment levels continued to fall in this application area owing to lower crude oil and natural gas prices.

Gas transport and storage

The LNG (liquefied natural gas) market continued its positive trend, opening up further potential market opportunities for Burckhardt Compression. The increasing importance of large LNG tankers reflects growing global demand for cleaner and cost-efficient energy. Operators of both freight and cruise ships are having to meet ever more stringent environmental standards. Much stricter limits were introduced last year on emissions of nitric oxide and sulfur, for example. Burckhardt Compression has carved out a large market share in the LNG-fueled ship sector in recent years: alongside solutions for ME-GI engines, the company has been providing products for X-DF engines for some time now. Both systems allow ship operators to switch between diesel fuel injection, and injection of the boil-

off gas that is already produced on board. The new products we launched for marine applications during the 2020 fiscal year – for LNG tankers as well as for commercial and cruise ships – were very well received by the market.

Refinery

Lower oil consumption prompted numerous companies in this sector to review expansion plans and postpone previously announced projects. Towards the end of the year, however, some companies launched projects to help them comply with stricter environmental standards. The pressure on margins among refinery operators is favoring the trend towards integrated production concepts along the whole value chain. Major nations are also planning to reduce their dependency on imported refinery products by increasing the proportion of local value creation. This will benefit the compressor business.

Chemical and petrochemical industry

The dominant factor in this application area is the growing worldwide demand for products made of industrial plastic, which is driving an expansion of production capacities, combined with a trend towards greater local value creation, not least in China. This should mean that order intake will rise in coming years. The lower consumption resulting from increased recycling of everyday products is more than offset by greater demand for high-end plastic products.

Industrial gas/H₂ mobility and energy

Experience shows that the various client industries in this sector grow more or less in line with global GDP. Plans to reduce CO₂ emissions and the desire to switch to greener energy led to growing interest in the use of hydrogen as a fuel. Hydrogen could potentially make a large contribution to the decarbonization of the economy, impacting everything from transport to steel production. Accordingly, researchers and practitioners have launched numerous initiatives and specific projects aimed at the further development of this energy carrier. Compressors play a key role in the hydrogen logistics chain. Burckhardt Compression has decades of experience in hydrogen compression and has been offering specific solutions for this type of application since 2019. It is not yet a mature market, but the long-term potential is enormous.

DISTRIBUTION

The switch three years ago to selling new machines through a decentralized structure with regional responsibility for customer relationships and project negotiations (Front Sales), combined with regional centers for the preparation of technical offers (Application Engineering), has continued to prove successful. With growing interest in solutions for H₂ mobility, Burckhardt Compression significantly intensified its sales activities during the 2020 fiscal year, particularly in Western Europe and North America.

INFRASTRUCTURE

Shenyang Yuanda Compressor's new factory in Shenyang, China, was completed as planned at the end of September 2020 despite a six-week break prompted by the coronavirus pandemic. It replaces the two previous sites and is around 60% larger. The new factory is an investment in the future of our systems business. It allows us to structure our workflows and processes in accordance with the latest standards, thus making our operations even more efficient.

OUTLOOK

The Systems Division defended its leading market position in the 2020 fiscal year. There were various new compressor developments – including an oil-free high pressure Laby compressor for LNG tankers with high pressure systems, and a new compact Laby compressor for low pressure systems on LNG tankers, freighters, and cruise ships – which helped us to improve our leading position in the marine sector still further. The increasing standardization and modularization of different products allows us to further optimize costs. Thanks to its many years of experience with hydrogen and its wide range of products, Burckhardt Compression is able to take a leading role in the rapidly growing market for H₂ mobility and energy.

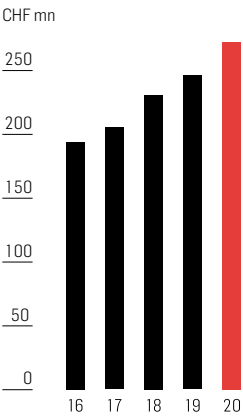
Viewed by area of application, the Gas Gathering and Processing sector should see somewhat higher levels of investment now that crude oil and natural gas prices are up again and consumption is rising. Within the Gas Transport and Storage sector, the continuing, and recently even stronger, trend toward more environmentally friendly and cost-effective energy should ensure a positive performance. With projects deferred in the fiscal year 2020, the Refinery business is likely to experience some catch-up demand this year, supported by efforts to comply with stricter environmental standards. Turning to the Petrochemical/Chemical Industry, order intake is expected to rise over the coming years as demand grows for industrial plastic products. The Industrial Gases/H₂ Mobility and Energy sector is diverse, but ultimately it is heavily influenced by global economic growth, which should rise again once the coronavirus pandemic is under control. Hydrogen solutions for mobility and

energy, which Burckhardt Compression also offers, are set to become increasingly important.

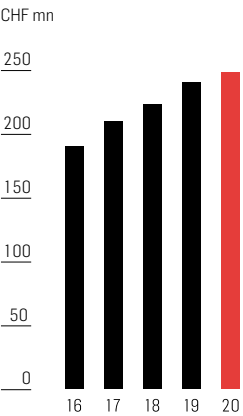
The lower order intake of the Systems Division in the first half of fiscal year 2020 will create significantly weaker first half-year sales in fiscal year 2021. The higher second-half order intake in the fiscal year 2020 of the Systems Division will only materialize in sales for the second-half of fiscal year 2021 and beyond.

SERVICES DIVISION
REVIEW OF THE FISCAL YEAR

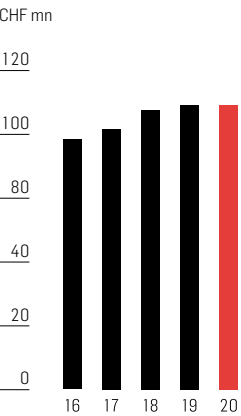
ORDER INTAKE



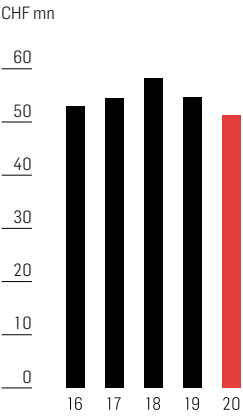
SALES



GROSS PROFIT



OPERATING INCOME (EBIT)



FIGURES

	2018	2019	2020	Change 2019/2020
in CHF mn				
Order intake	230.7	246.1	272.1	10.5%
Sales and gross profit				
Sales	223.9	241.3	248.8	3.1%
Gross profit	105.2	107.0	107.1	0.1%
in % of sales	47.0%	44.3%	43.0%	
Operating income (EBIT)	58.2	54.7	51.2	-6.3%
in % of sales	26.0%	22.7%	20.6%	
Headcount at end of fiscal year (full-time equivalents)	830	1'093	1'095	0.2%

Order intake was up significantly at the Services Division during the 2020 fiscal year, primarily as a result of the Arkos acquisition, while sales were at the same level as the prior year. The EBIT margin was slightly lower, mainly because of reduced capacity utilization in the Field Services sector in the wake of the coronavirus, and the partial closure of various Service Centers because of the pandemic, as well as the dilutive effect from the Arkos acquisition.

MARKETS

The acquisition of the global compressor business of The Japan Steel Works Ltd. (JSW) was completed in April, and integration is currently in the final phase. The acquisition significantly strengthens Burckhardt Compression's market presence in Japan and reinforces its global leadership position. Several orders were gained in Japan and neighboring regions.

Despite the great challenges created by the coronavirus, the integration of Arkos Field Services and the structural and organizational changes are on track. Arkos will continue to optimize its mid-stream business and grow the downstream business, thus improving profitability. Results in the USA include a contribution from corona-related government support programs.

Some more new long-term service contracts were won during the 2020 fiscal year; these will impact positively on sales in the years to come and increase planning certainty. Particular mention should be made of a contract signed with BW LNG for a 10-year service partnership covering nine LNG tankers. Burckhardt Compression is benefiting here from a clear trend among customers to seek out not just a supplier but a competent partner that can offer a full range of services. Our service portfolio and customer care offering were further optimized to meet customer requirements, resulting in a positive order intake.

Spare Parts

The Spare Parts business posted further growth, with demand increasing for spare parts for compressors made by Burckhardt Compression as well other brands. One trend seen for some time now is certainly good news for Burckhardt Compression: spare parts for its own compressors as well as those made by other manufacturers are increasingly purchased together with service packages. The market continues to respond favorably to the strengthening of our business with third-party products, especially when this is combined with the offer of additional services.

Engineering/Revamp/Repair

Burckhardt Compression won several major orders, leading to a significant rise in order intake. However, pandemic-related travel restrictions had a clear negative impact on capacity utilization. Long-term service orders, which provide a solid platform for the further strengthening of the entire service business, are increasingly significant in this sector, as are complex engineering solutions for turnaround (TAR) projects. The repair business in our Service Centers around the world will also benefit from the recently completed standardization of repair standards across the group.

Field Service

Inevitably, this area also suffered from coronavirus-related mobility restrictions, resulting in underutilization of capacity. In the USA, the unfavorable business environment caused by the pandemic, allied with marked price falls in the energy sector, led to significantly reduced demand in the traditional midstream business at Arkos, though it slightly expanded its downstream business.

Monitoring/Diagnostics

2020 saw the launch of new monitoring systems that allow preventive service interventions based on the condition of the system rather than on time intervals. The Monitoring/Diagnostics sector of Prognost also saw orders deferred because of the pandemic.

SALES FURTHER STRENGTHENED

As in 2019, the ongoing drive to increase the efficiency of marketing processes by developing regional marketing structures remained a priority in 2020. The highly qualified local Field Service Representatives and local Repair Centers are responsible both for customer care and for evaluating local market opportunities.

The aim of the partnership model introduced in the previous year is to offer service capabilities close to customers, especially in small but fast-growing markets, while limiting the amount of investment required. Regional and global Engineering Services offer substantial support for local service provision, which allows Burckhardt Compression to be a service partner for the entire service portfolio.

NEW SERVICE CENTERS

In Sweden, the Service Center originally developed together with Kompressorteknik has been a subsidiary of Burckhardt Compression since the 2020 fiscal year. The planned official opening of a new site in Indonesia had to be postponed owing to the coronavirus. The site in Japan was expanded while component manufacture was strengthened in Shanghai and Canada.

OUTLOOK

The Services Division continued to expand its service capabilities as well as reducing its response times for service provision even further by improving processes and focusing rigorously on customers. This was confirmed during the fiscal year 2020 by our latest customer survey, which also indicated that customer satisfaction in general continues to rise. In 2020, the Services Division was also able to sign new long-term service agreements for ships, thus further expanding its service business in the marine sector.

The underlying attractive growth prospects for the Service business remain unchanged:

- more and more customers are outsourcing their service operations. Suppliers are increasingly becoming service partners.
- The inventory of installed compressor systems made by Burckhardt Compression continues to grow.
- Customers are seeking efficiency gains to make themselves more competitive. This requires retrofitting and conversions, not least driven by the need to comply with environmental regulations (efficiency improvements and emissions reduction)
- Preventive maintenance based on continuous monitoring of systems is growing in importance.

We believe, therefore, that demand for comprehensive services from a single source will grow more strongly than the direct spare parts business. Customers increasingly expect engineering solutions, competent advice on site and tailor-made maintenance strategies, even for older installations.

Our focus for organic growth are the increasing installed base of own equipment and the service business for compressors made by other manufacturers, primarily of manufacturers that have left the market.

The large number of LNG ships commissioned in recent years now require increasing amounts of servicing and spare parts, which creates additional potential business for Burckhardt Compression. The most interesting potential lies in the provision of long-term service agreements tailored to the whole compressor life cycle. Geographically, the best growth opportunities are in the Asia-Pacific region, but also in Europe thanks to the large number of marine customers domiciled there. In North America, Burckhardt Compression will benefit from the expansion in service activities brought by the integration of Arkos.

Preventive maintenance combined with monitoring solutions will also generate promising growth opportunities. New impetus is also expected to come from support solutions in the natural gas and hydrogen sector. Digitalization will be harnessed systematically for new services and applications. The main aims here are to make further progress on the availability and use of operational and customer data, to make communication more transparent, and to optimize business processes. During the year under review, for example, the range of services was successfully enhanced by a "Remote Assist Service". Thanks to state-of-the-art technology, customers can use this service to request support from Burckhardt Compression experts, who will analyze the issue and give instructions to our local crew. The electronic customer portal was also improved during the year under review.

The successes achieved so far show that the Services Division is on the right track. The expansion of our service presence, engineering, and project management capabilities has been particularly well received.

We expect the Services Division to record greater order intake as well as higher sales in the 2021 fiscal year following the easing of travel restrictions. The field service business and our Service Centers in particular will see better capacity utilization, while profitability at Arkos will continue to improve.

EXTRACT FROM THE SUSTAINABILITY REPORT

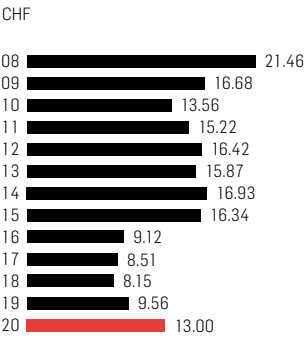
COMMITMENT

Burckhardt Compression has made a long-term commitment to the economy, society, and the environment. The aim is to create the framework at all levels to continue the company's 177-year history of success. This can only be achieved if a balance is found between the different interests of individual stakeholders. For Burckhardt Compression, the 2020 fiscal year marked the start of a systematic evolution in its sustainability approach. Sustainability activities are being expanded and focused more strategically. A materiality analysis involving the most important stakeholders was conducted as part of this process. The results and an outlook are presented at the end of this Sustainability Report. One milestone in this evolution will be a more comprehensive Sustainability Report that follows international standards and will be published for the first time alongside the 2021 Annual Report. Burckhardt Compression adjusted and recertified its health and safety system while also evolving its environmental management system. In addition, findings from the employee survey were translated into workshops, initiatives and projects designed to further improve employee satisfaction.

ECONOMIC SUSTAINABILITY

The Group's ultimate goal is the long-term success of Burckhardt Compression. This requires a stable operating environment and the achievement of financial goals. As part of the effort to maintain economic sustainability, Burckhardt Compression regularly produces a Mid-Range Plan, usually covering a period of five financial years. This is periodically reviewed and adjusted in line with the economic, political and technological environment.

NET INCOME PER SHARE



SOCIAL SUSTAINABILITY

Only satisfied employees will go the extra mile to meet the needs of our customers, so Burckhardt Compression is committed to a sustainable personnel policy, as well as diversity in workforce and structures. High levels of employee loyalty and identification with the company are confirmed by the fact that the typical employee has been with the company for 8.5 years. Employment conditions at Burckhardt Compression are always being adapted to the latest requirements, and the coronavirus pandemic lent even more impetus to this process during the 2020 fiscal year. The health of employees and their families has always been a priority during this time. The company has always ensured that the workforce at production plants could rely on appropriate protective measures. A strategy was quickly developed for office-based workers so that they could work from home with all the necessary infrastructure. Regular communication through various channels ensured that the most pressing issues could be sorted out quickly at any time.

Burckhardt Compression ranked as one of the most attractive Swiss employers in 2021. In the mechanical engineering sector the company ranked third.

Occupational safety is a high priority at Burckhardt Compression. Every employee should be made aware of potential workplace risks and accident prevention measures, so regular training sessions are held on these topics, supplemented by annual audits conducted by external experts. Internal safety inspections are performed to identify and mitigate hazards. Action is taken on the basis of the inspections' findings.

ENVIRONMENTAL SUSTAINABILITY

"We are a company that cares about the environment and that strongly supports responsible and prudent consumption of energy and our planet's finite natural resources. By exercising foresight and prudence, we help to minimize the use of energy, water, and chemicals of all kinds, and reduce harmful emissions." (Code of Conduct)

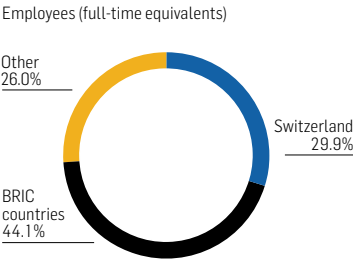
Environmental protection starts with product design and development. Here, the focus is on sustainable and efficient development, taking into account the entire life cycle of a product. This is indispensable since Burckhardt Compression's compressor systems have an average service life of 30 to 50 years. Whenever it makes sense, customers are included early on in the development stage of new products, in order to find joint innovative solutions and verify ideas.

The high functionality of the products made by Burckhardt Compression allows optimal operation of compressor systems in many different processes. In numerous application areas, compressors play a critical role in reducing environmental damage and facilitating sustainable energy provision, for example with renewable fuels.

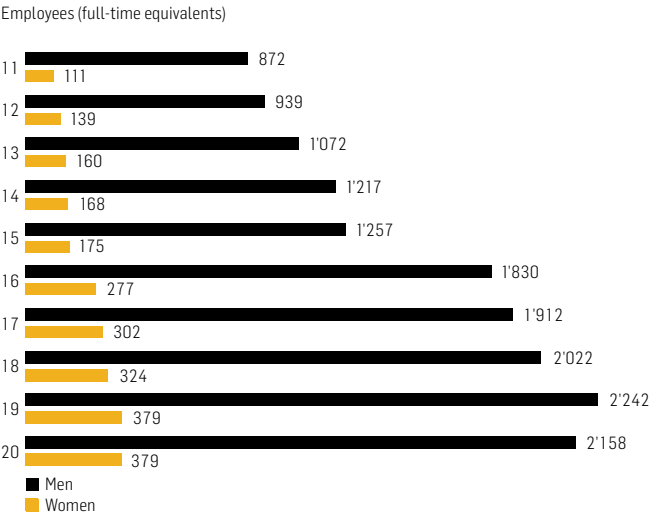
In fiscal year 2018, all Burckhardt Compression locations were certified in accordance with ISO 14001, with the exception of the SAMR, Prognost, Arkos, and Shenyang Yuanda subsidiaries, which have their own environmental management systems. In addition to compliance with the applicable standards, activities here were primarily focused on environmentally relevant aspects, with the aim of reducing energy consumption. A comprehensive chemicals concept was also developed; harmful chemicals were substituted by less harmful ones, and their storage was optimized.

The dual-fuel propulsion system developed for LNG carriers can be powered by environmentally friendly natural gas instead of marine diesel oil. When the system is powered by natural gas the emissions of CO₂, SO_x and NO_x were reduced by up to 30%.

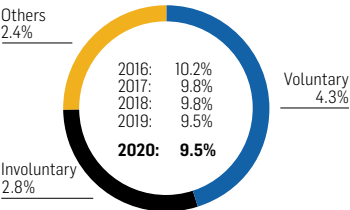
GEOGRAPHIC BREAKDOWN OF THE WORKFORCE, 2020 100% = 2'538



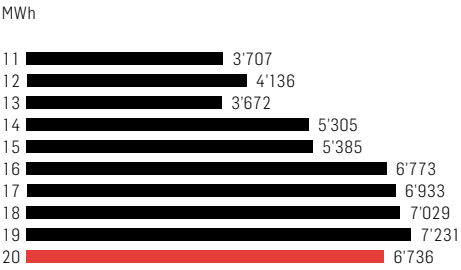
GLOBAL WORKFORCE BY GENDER



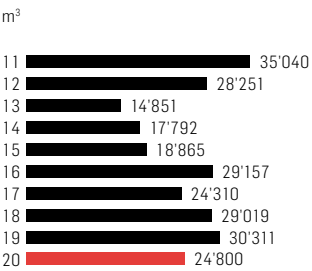
EMPLOYEE TURNOVER RATIO



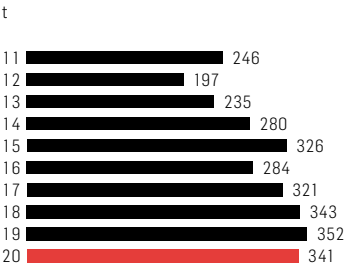
ELECTRICITY CONSUMPTION



WATER CONSUMPTION



WASTE



Figures without Shenyang Yuanda Compressor

ENHANCED FOCUS ON SUSTAINABILITY

During the 2020 fiscal year, Burckhardt Compression carried out a materiality assessment to underpin its commitment to sustainability and take its strategy forward. The aim was to identify the most important sustainability topics for the Burckhardt Compression Group as a whole.

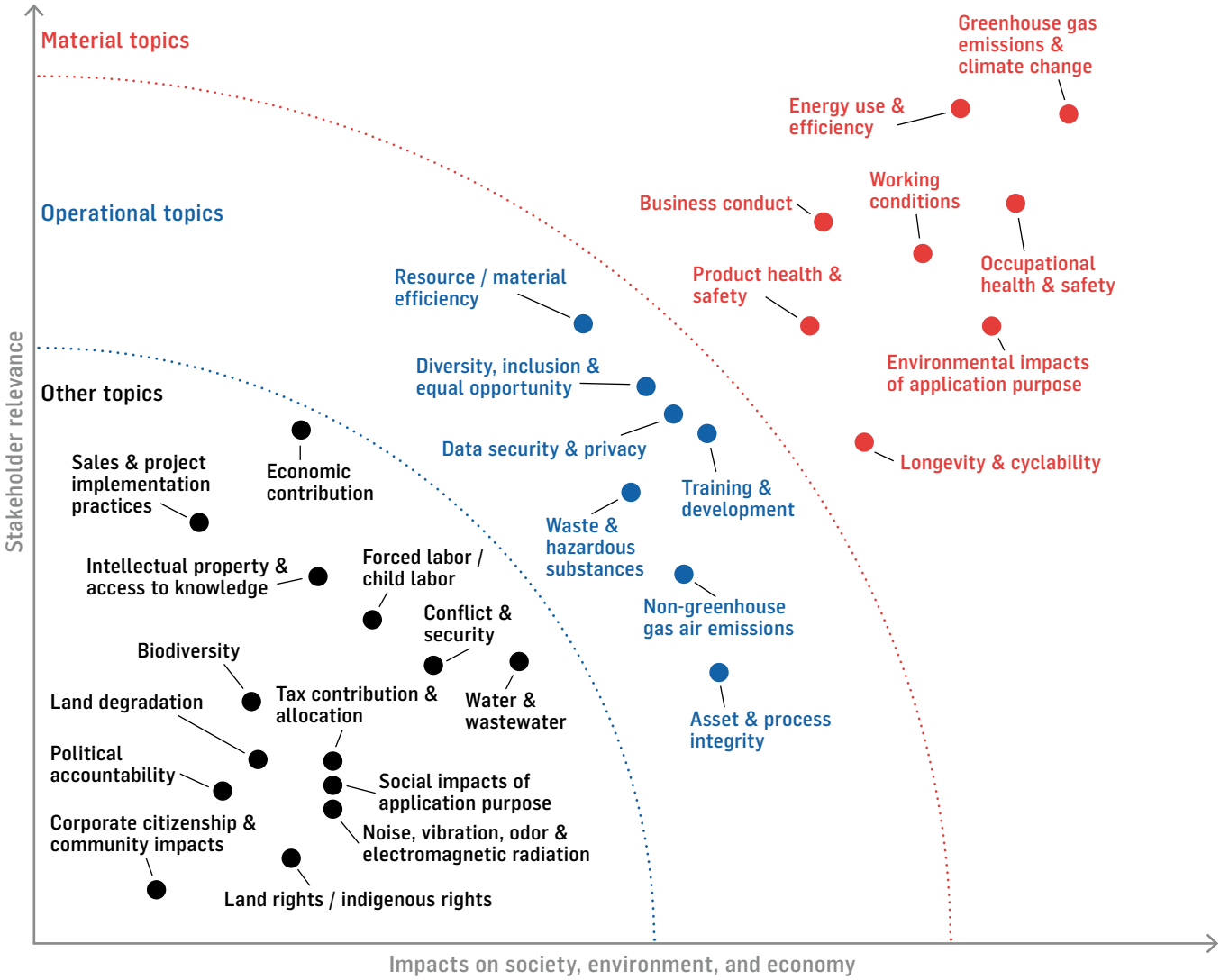
Materiality assessment

The standards set out in the Global Reporting Initiative (GRI) served as a framework for identifying these issues. The first step was to consolidate potentially relevant topics in an expanded list. This list was compiled after analyzing selected sustainability standards, investor assessments (ESG ratings), competitors, customers, and other relevant companies in the industrial sector. The second step was to evaluate these topics from the perspective of stakeholders and from an impact perspective. Burckhardt Compression did this by surveying the assessments and expectations of the various stakeholder groups online and in personal conversations. Impact on the environment, society, and the economy was determined by means of a structured assessment based on OECD due diligence guidance for responsible business conduct.

Results

The analysis resulted in a materiality matrix in which 8 of 29 topics were identified as material to Burckhardt Compression. This materiality matrix helps to guide and focus decisions on the further integration of sustainability into Burckhardt Compression's business activities. It is reviewed at regular intervals and adjusted if required. Topics identified as material form the strategic core of Burckhardt Compression's future approach to sustainability. More relevant topics are continuously integrated into operational business activities. The remaining topics are dealt with as part of the normal course of business, taking stakeholder expectations into account. From fiscal year 2021, Burckhardt Compression will gradually integrate key sustainability topics into its business activities and align them more closely with the Sustainable Development Goals. Future reporting will also be updated to include key figures that meaningfully document progress made on sustainability.

BURCKHARDT COMPRESSION MATERIALITY MATRIX



MATERIAL TOPICS

			value chain impacts		
			supply chain	own operations	use / end-of-life
Environment	Greenhouse gas emissions & climate change	Impacts on climate change, including greenhouse gas emissions along the value chain, and mitigation of climate change risks.	●	●	●
	Energy use & efficiency	Energy consumption, efficiency, and sources for the production, provision, and operation of Burckhardt Compression's products and services.	●	●	●
	Longevity & cyclability	Fostering a long life cycle and the circularity of materials and products in Burckhardt Compression's business activities, including maintenance and repair services.	●	●	●
	Environmental impacts of application purpose	Environmental impacts of the use case of Burckhardt Compression's products and services, including contributing towards a sustainable energy transition.	○	○	●
Society	Working conditions	Employment terms including working hours, compensation, and labor-management relations as well as the satisfaction of employees with those terms.	●	●	○
	Occupational health & safety	Maintaining and promoting a safe and healthy working environment for workers involved in the production and provision of Burckhardt Compression products and services.	●	●	●
	Product health & safety	Maintaining and promoting the safe and healthy operation of Burckhardt Compression products and maintained products of other brands.	○	○	●
Economy	Business conduct	Ensuring and promoting that Burckhardt Compression's business activities are conducted in compliance with regulations, standards, and ethical principles.	●	●	●

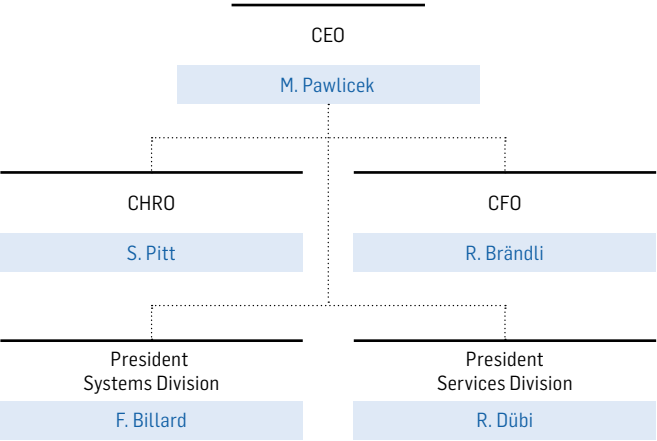
EXTRACT FROM THE CORPORATE GOVERNANCE REPORT

Burckhardt Compression is committed to responsible corporate governance. The company adheres to the Directive on Information Relating to Corporate Governance (DCG) issued by SIX Swiss Exchange, where applicable to Burckhardt Compression, and the “Swiss Code of Best Practice for Corporate Governance” issued by economiesuisse.

GROUP STRUCTURE AND SHAREHOLDERS

Group structure

Burckhardt Compression is managed through a divisional organizational structure consisting of two divisions, the Systems Division (compressor manufacturing business) and the Services Division (compressor services and components). The management structure of the Burckhardt Compression Group is given in the organizational chart below:



Significant shareholders

According to information available to the company from the disclosure notifications of the SIX Swiss Exchange AG, the shareholders listed in the following table reported shareholdings of at least 3% of the voting rights as per March 31, 2021. In accordance with the company's Bylaws, the voting rights of NN Group N.V. and Atlantic Value General Partner Limited (Mondrian) are limited in each case to 5.0% of the total number of BCHN registered shares recorded in the share register:

Name	Country	% of shares
MBO Aktionärsgruppe (Valentin Vogt, Harry Otz, Leonhard Keller, Martin Heller, Ursula Heller, Marcel Pawlicek)	CH	12.4
NN Group N.V.	NL	10.3
Atlantic Value General Partner Limited (Mondrian)	GB	5.0
BlackRock, Inc.	US	3.0
UBS Fund Management (Switzerland) AG	CH	3.0
FEDERATED HERMES, INC.	US	3.0

More detailed information on the disclosure notifications is available on the website of the SIX Swiss Exchange's Disclosure Office (<https://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html>).

BOARD OF DIRECTORS

The Bylaws stipulate that the Board of Directors consists of a minimum of three and a maximum of seven members. Since the Annual Shareholder Meeting 2020, all members are non-executive and independent members of the Board of Directors in the context of the Swiss Code of best Practice for Corporate Governance from economiesuisse. The composition of the Board of Directors is as follows:

Name	Nationality	Function	First elected	Term expires
Ton Büchner ¹	CH/NL	Chairman, non-executive; Chairman SSC	2020	2021
Urs Leinhäuser	CH	Member, non-executive; member AC	2007	2021
Dr. Monika Krüsi	CH/IT	Member, non-executive; member SSC, Chair NCC	2012	2021
Dr. Stephan Bross	DE	Member, non-executive; member NCC	2014	2021
David Dean ¹	CH	Member, non-executive; Chairman AC	2019	2021
Valentin Vogt ²	CH	Chairman, non-executive; Chairman SSC	2002	2020

¹ From July 4, 2020

² Until July 3, 2020

AC = Audit Committee

NCC = Nomination and Compensation Committee

SSC = Strategy and Sustainability Committee

EXTRACT FROM THE COMPENSATION REPORT

Compensation paid to the Board of Directors

The following aggregate compensation was paid to the members of the Board of Directors for the fiscal years 2020 and 2019:

in CHF 1'000				2020
Name	Function	Fees	Social insurance contributions and other benefits	Total
Members of the Board of Directors				
Ton Büchner ¹	Chairman	145	14	159
Valentin Vogt ²	Chairman	36	5	41
Urs Leinhäuser	Member	91	10	101
Dr. Monika Krüsi	Member	101	10	111
Dr. Stephan Bross	Member	91	4	95
David Dean	Member	91	12	103
Total		555	55	610
Approved by the 2020 AGM for FY 2020				640 ⁵

in CHF 1'000				2019
Name	Function	Fees	Social insurance contributions and other benefits	Total
Members of the Board of Directors				
Valentin Vogt	Chairman	144	18	162
Urs Leinhäuser	Member	91	10	101
Dr. Monika Krüsi	Member	101	11	112
Dr. Stephan Bross	Member	91	4	95
David Dean ³	Member	68	9	77
Hans Hess ⁴	Deputy Chairman	23	3	26
Total		518	55	573
Approved by the 2018 AGM for FY 2019				580 ⁶

¹ From July 4, 2020

² Until July 3, 2020

³ From July 7, 2019

⁴ Until July 6, 2019

⁵ This amount includes a contingency reserve of CHF 15,000.

⁶ This amount includes a contingency reserve of CHF 11,000.

The total fixed compensation in the fiscal year under review is CHF 37,000 above the previous fiscal year. This increase is due to the adjustment of the fixed component paid to the Chairman of the Board of Directors. The Annual General Meeting of July 3, 2020 approved aggregate fixed compensation in the amount of CHF 640,000 (gross, incl. social insurance contributions) for the Board of Directors (5 persons) for fiscal year 2020. The amount of compensation actually paid was CHF 30,000 less than the approved amount.

Compensation paid to the Executive Management

The following compensation was paid to the members of the Executive Management for the fiscal years 2020 and 2019:

in CHF 1'000									2020
Name	Function	Fixed base salary, cash	Social insurance contributions and other benefits	Total fixed compensation (gross)	Variable annual bonus, cash	Share-based long-term incentive pay	Social insurance contributions and other benefits	Total variable compensation (gross)	Total
Executive Management									
Marcel Pawlicek	CEO	438	115	553	125	150	88	363	916
Other members of the Executive Management		1'127	263	1'390	267	375	199	841	2'231
Total		1'565	378	1'943	392	525	287	1'204	3'147
Approved by the 2019 AGM for FY 2020				2'120¹					

in CHF 1'000									2019
Name	Function	Fixed base salary, cash	Social insurance contributions and other benefits	Total fixed compensation (gross)	Variable annual bonus, cash	Share-based long-term incentive pay	Social insurance contributions and other benefits	Total variable compensation (gross)	Total
Executive Management									
Marcel Pawlicek	CEO	431	111	542	107	98	45	250	792
Other members of the Executive Management		1'210	271	1'481	285	231	104	620	2'101 ²
Total		1'641	382	2'023	392	329	149	870	2'893
Approved by the 2018 AGM for FY 2019				2'120³					

¹ This amount includes a contingency reserve of CHF 200'000.
² This amount includes Rainer Dübi's compensation for the 2019 fiscal year and pro rata compensation for Martin Wendel until August 31, 2019.
³ This amount includes a contingency reserve of CHF 250'000.

The CEO's fixed compensation for the period under review is comparable to the level from the previous fiscal year. The total amount of fixed compensation for the other members of the Executive Management is CHF 91'000 less than in the prior-year period. This is because fixed compensation was paid to 5 persons during the reporting period, whereas in the previous year compensation was paid to 6 persons over 5 months. The Annual General Meeting of July 6, 2019 approved a total sum of CHF 2'120'000 (gross, including social insurance contributions) for the fixed compensation of the entire Executive Management for the fiscal year 2020. The amount of fixed compensation actually paid (gross, including social insurance contributions) was CHF 177'000 less than the approved amount.

The annual bonus for the Executive Management in fiscal year 2020 was the same as in the previous year. Personnel expenses for the Executive Management's long-term incentive pay rose by CHF 196'000 from the previous year. The provision made for the long-term incentive pay has been adjusted based on the assessment of business performance over a multi-year period. Such an adjustment is in accordance with Swiss GAAP FER, requiring that the related expenses must be allocated over the program's vesting period, which can lead to adjustments within individual fiscal years.

The total variable compensation for the individual members of the Executive Management for the period under review ranged from 36% to 40% of total compensation.

Detailed overview of shareholdings

As of March 31, 2021, the members of the Executive Management, and the Board of Directors (and related persons) owned the following numbers of shares of Burckhardt Compression Holding AG:

		31/03/2021	31/03/2020
Name	Function	Total shares	Total shares
Members of the Board of Directors			
Ton Büchner ¹	Chairman	5'000	n/a
Valentin Vogt ²	Chairman	n/a	203'392
Urs Leinhäuser	Member	1'714	1'643
Dr. Monika Krüsi	Member	1'119	1'048
Dr. Stephan Bross	Member	349	278
David Dean	Member	408	355
Total		8'590	206'716
Executive Management			
Marcel Pawlicek	CEO	41'937	42'111
Rolf Brändli	CFO	2'423	1'702
Sandra Pitt	CHRO	908	278
Fabrice Billard	President Systems Division	1'300	600
Rainer Dübi	President Services Division	824	600
Total		47'392	45'291
Total Board of Directors and Executive Management		55'982	252'007
As a % of all outstanding shares		1.7%	7.4%

¹ From July 4, 2020
² Until July 3, 2020

EXTRACT FROM THE FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT

	2020	2019
in CHF 1'000		
Sales	658'580	629'585
Cost of goods sold	-492'423	-479'800
Gross Profit	166'157	149'785
Selling and marketing expenses	-47'997	-50'455
General and administrative expenses	-45'064	-42'753
Research and development expenses	-15'358	-10'513
Other operating income	21'055	41'955
Other operating expenses	-17'977	-33'224
Operating income	60'816	54'795
Share of results of associates	-	-2'494
Financial income and expenses	-1'616	-4'741
Earnings before taxes	59'200	47'560
Income tax expenses	-11'999	-7'689
Net income	47'201	39'871
Share of net income attributable to shareholders of Burckhardt Compression Holding AG	44'034	32'390
Share of net income attributable to non-controlling interests	3'167	7'481
Basic earnings per share (in CHF)	13.00	9.56
Diluted earnings per share (in CHF)	13.00	9.56

CONSOLIDATED BALANCE SHEET

	03/31/2021	03/31/2020
in CHF 1'000		
Non-current assets		
Intangible assets	12'351	12'943
Property, plant and equipment	180'080	202'632
Investment in associates	-	-
Deferred tax assets	14'514	14'513
Other financial assets	4'005	4'034
Total non-current assets	210'950	234'122
Current assets		
Inventories	190'435	264'479
Trade receivables	260'395	256'121
Other current receivables	56'981	33'377
Prepaid expenses and accrued income	3'366	4'584
Cash and cash equivalents	75'370	90'319
Total current assets	586'547	648'880
Total assets	797'497	883'002
Equity		
Share capital	8'500	8'500
Capital reserves	486	435
Treasury shares	-2'206	-5'216
Retained earnings and other reserves	212'324	269'763
Equity attributable to shareholders of Burckhardt Compression Holding AG	219'104	273'482
Non-controlling interests	499	44'024
Total equity	219'603	317'506
Liabilities		
Non-current liabilities		
Non-current financial liabilities	133'070	88'713
Deferred tax liabilities	11'097	13'620
Non-current provisions	14'485	14'311
Other non-current liabilities	3'916	7'616
Total non-current liabilities	162'568	124'260
Current liabilities		
Current financial liabilities	24'726	93'259
Trade payables	92'474	91'337
Customers' advance payments	131'677	145'297
Other current liabilities	73'817	13'895
Accrued liabilities and deferred income	66'065	77'122
Current provisions	26'567	20'326
Total current liabilities	415'326	441'236
Total liabilities	577'894	565'496
Total equity and liabilities	797'497	883'002

CONSOLIDATED CASH FLOW STATEMENT

	2020	2019
in CHF 1'000		
Cash flow from operating activities		
Net income	47'201	39'871
Income tax expenses	11'999	7'689
Financial income and expenses	1'616	4'741
Share of results of associates	–	2'494
Depreciation	17'476	17'416
Amortization	3'632	3'133
Change in inventories	77'305	–36'129
Change in trade receivables	3'906	5'331
Change in other current assets	10'902	–6'544
Change in trade payables	–1'448	1'180
Change in customers' advance payments	–17'977	23'494
Change in provisions	4'045	–70
Change in other liabilities	–20'517	1'947
Adjustment for non-cash items	6'435	2'455
Interest received	449	227
Interest paid	–2'365	–2'865
Income taxes paid	–10'464	–13'627
Total cash flow from operating activities	132'195	50'743
Cash flow from investing activities		
Purchase of property, plant and equipment	–17'425	–29'484
Sale of property, plant and equipment	1'226	2'555
Purchase of intangible assets	–2'938	–4'851
Increase in financial assets	–	–2'100
Acquisition of group companies net of cash acquired	–21'227	–15'783
Total cash flow from investing activities	–40'364	–49'663
Cash flow from financing activities		
Increase in financial liabilities	100'154	43'010
Decrease in financial liabilities	–126'109	–5'710
Purchase of treasury shares	–3'153	–3'735
Acquisition of non-controlling interests	–50'400	–
Dividends paid	–29'954	–22'289
Total cash flow from financing activities	–109'462	11'276
Currency translation differences on cash and cash equivalents	2'682	–5'047
Net change in cash and cash equivalents	–14'949	7'309
Cash and cash equivalents at beginning of period	90'319	83'010
Cash and cash equivalents at end of period	75'370	90'319
Net change in cash and cash equivalents	–14'949	7'309

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	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
in CHF 1'000										
Balance at 04/01/2019	8'500	446	–1'582	–1'405	367	–103'830	399'968	302'464	42'570	345'034
Result for the period							32'390	32'390	7'481	39'871
Currency translation differences					–13'682			–13'682	–4'101	–17'783
Changes of cash flow hedges				789				789		789
Dividends paid							–20'363	–20'363	–1'926	–22'289
Changes in treasury shares			–3'735					–3'735		–3'735
Share-based payments (distributed)		–11	101				–90	–		–
Share-based payments (provision in equity)							2'948	2'948		2'948
Revaluation of 40% Investment Arkos							–9'324	–9'324		–9'324
Goodwill on acquisition						–18'005		–18'005		–18'005
Balance at 03/31/2020	8'500	435	–5'216	–616	–13'315	–121'835	405'529	273'482	44'024	317'506
Balance at 04/01/2020	8'500	435	–5'216	–616	–13'315	–121'835	405'529	273'482	44'024	317'506
Result for the period							44'034	44'034	3'167	47'201
Currency translation differences					10'186			10'186	308	10'494
Changes of cash flow hedges				374				374		374
Dividends paid							–20'180	–20'180	–9'774	–29'954
Changes in treasury shares			–3'153					–3'153		–3'153
Share-based payments (distributed)		51	6'163				–6'214	–		–
Share-based payments (provision in equity)							3'907	3'907		3'907
Goodwill on acquisition						–24'872		–24'872		–24'872
Acquisition of non-controlling interests							–64'674	–64'674	–37'226	–101'900
Balance at 03/31/2021	8'500	486	–2'206	–242	–3'129	–146'707	362'402	219'104	499	219'603

GROUP COMPANIES AND ASSOCIATES

Company	Registered office	Registered capital	Interest in capital	Research & development	Manufacturing & engineering	Contracting	Sales	Service
Burckhardt Compression AG ¹	Winterthur, Switzerland	CHF 2'000'000	100%	•	•	•	•	•
Burckhardt Compression Immobilien AG ¹	Winterthur, Switzerland	CHF 5'000'000	100%					
Burckhardt Compression (Deutschland) GmbH	Neuss, Germany	EUR 30'000	100%				•	•
Burckhardt Compression (Italia) S.r.l.	Milan, Italy	EUR 400'000	100%			•	•	•
Burckhardt Compression (France) S.A.S.	Cergy Saint Christophe, France	EUR 300'000	100%				•	•
Burckhardt Compression (España) S.A.	Madrid, Spain	EUR 550'000	100%				•	•
Burckhardt Compression (UK) Ltd.	Bicester, United Kingdom	GBP 250'000	100%				•	•
Burckhardt Compression (US) Inc.	Houston, USA	USD 18'250'000	100%		•	•	•	
Burckhardt Compression (Canada) Inc.	Mississauga, Canada	CAD 200'000	100%			•	•	•
Burckhardt Compression (Japan) Ltd.	Tokyo, Japan	JPY 50'000'000	100%				•	•
Burckhardt Compression (Shanghai) Co. Ltd.	Shanghai, China	CNY 14'238'000	100%		•	•	•	•
Burckhardt Compression (India) Private Ltd.	Pune, India	INR 331'140'000	100%	•	•	•	•	•
Burckhardt Compression (Brasil) Ltda.	São Paulo, Brazil	BRL 5'803'000	100%				•	•
Burckhardt Compression (Middle East) FZE	Dubai, United Arab Emirates	AED 2'000'000	100%				•	•
Burckhardt Compression Korea Ltd.	Seoul, South Korea	KRW 250'000'000	100%				•	•
Burckhardt Kompresör San. ve Tic. Ltd.	Istanbul, Turkey	TRY 800'000	100%				•	•
Burckhardt Compression Singapore Pte Ltd.	Singapore, Singapore	SGD 700'000	100%				•	•
Burckhardt Compression South Africa (Pty) Ltd.	Sunnyrock, South Africa	ZAR 3'000'000	100%				•	•
Burckhardt Compression Korea Busan Ltd.	Busan, South Korea	KRW 7'000'000'000	100%		•	•	•	
Burckhardt Compression (Saudi Arabia) LLC	Dammam, Saudi Arabia	SAR 1'000'000	100%				•	•
Burckhardt Compression North America Service LLC	Wilmington, USA	USD 1'800'000	100%					
CSM Compressor Inc.	Edmonton, Canada	CAD 10'000	100%				•	•

Company	Registered office	Registered capital	Interest in capital	Research & development	Manufacturing & engineering	Contracting	Sales	Service
Shenyang Yuanda Compressor Co. Ltd. ¹	Shenyang, China	CNY 100'000'000	100%	•	•	•	•	•
Liaoning Yuanyu Industrial Machinery Co. Ltd.	Kaiyuan, China	CNY 39'000'000	100%	•	•			
Shenyang Yuanda Compressor Automatic Control System Co. Ltd.	Shenyang, China	CNY 5'000'000	60%			•	•	•
Shunyuan Resources Recycling Equipment Industry (Liaoning) Co. Ltd. ²	Shenyang, China	CNY 65'000'000	40%				•	•
Compressor Tech Holding AG ¹	Zug, Switzerland	CHF 200'000	100%					
PROGNOST Systems GmbH	Rheine, Germany	EUR 200'000	100%	•	•	•	•	•
PROGNOST Systems Inc.	Houston, USA	USD 240'000	100%		•		•	•
PROGNOST Machinery Diagnostics Equipment and Services LLC	Abu Dhabi, United Arab Emirates	AED 300'000	100%				•	•
Société d'Application du Métal Rouge SAS	Pont Sainte Marie Cedex, France	EUR 501'000	100%	•	•		•	•
Arkos Group LLC	Houston, USA	USD 11'752'000	100%					
Arkos Field Services, LP	Houston, USA	–	100%	•	•	•	•	•
Arkos Realty & Investments, LP	Houston, USA	–	100%					

¹ Company is directly held by Burckhardt Compression Holding AG.
All other companies are indirectly held by Burckhardt Compression Holding AG.
² Company is accounted for using the equity method.
All other companies are fully consolidated.

KEY DATES FOR 2021 AND 2022

July 2, 2021

Annual General Meeting (virtual)

November 2, 2021

Results for the first half of 2021 (closing September 30, 2021)

June 8, 2022

2021 Annual Report (closing March 31, 2022)

July 1, 2022

Annual General Meeting

The statements in this review relating to matters that are not historical facts are forward-looking statements that are not guarantees of future performance and involve risks and uncertainties, including but not limited to: future global economic conditions, foreign exchange rates, regulatory rules, market conditions, the actions of competitors, and other factors beyond the control of the company.

The Executive Report is published in German and English and is together with the Annual Report available on the internet under www.burckhardtcompression.com/financial-reports.

Publisher Burckhardt Compression Holding AG, Winterthur

Concept/Layout Source Associates AG, Zurich

Photography Scanderbeg Sauer Photography, Zurich

PR consultant PEPR, Oetwil am See

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