

# Atlas Copco Kompressortechnik A/S

Djursvang 5B  
2620 Albertslund  
Denmark

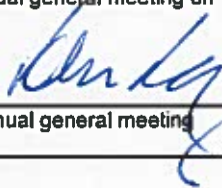
CVR no. 15 16 44 17

## Annual report 2021

The annual report was presented and approved at  
the Company's annual general meeting on

27 April 2022

Kenneth Lagerborg  
Chairman of the annual general meeting



**Atlas Copco Kompressortechnik A/S**  
Annual report 2021  
CVR no. 15 16 44 17

## **Contents**

<b>Statement by the Board of Directors and the Executive Board</b>	<b>2</b>
<b>Independent auditor's report</b>	<b>3</b>
<b>Management's review</b>	<b>5</b>
Company details	5
Financial highlights	6
Operating review	7
<b>Financial statements 1 January – 31 December</b>	<b>8</b>
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes	12

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Atlas Copco Kompressortechnik A/S for the financial year 1 January – 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

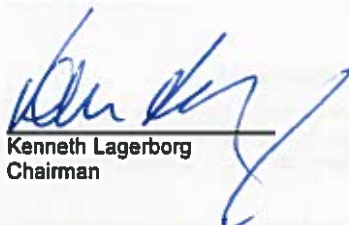
Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Albertslund, 27 April 2022  
Executive Board:

  
Dalila Assous

Board of Directors:

  
Kenneth Lagerborg  
Chairman

  
Lars Siemen

  
Dalila Assous

  
Thomas Dahlgren

  
Pernille Jensen

  
Jesper Hering Hansen

## Independent auditor's report

### To the shareholder of Atlas Copco Kompressorteknik A/S

#### Opinion

We have audited the financial statements of Atlas Copco Kompressorteknik A/S for the financial year 1 January – 31 December 2021, which comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

## Independent auditor's report

involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 27 April 2022  
EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Claus Hammer-Pedersen  
State Authorised  
Public Accountant  
mne21334



Jonas Busk  
State Authorised  
Public Accountant  
mne42771

**Atlas Copco Kompressorteknik A/S**  
Annual report 2021  
CVR no. 15 16 44 17

## Management's review

### Company details

Atlas Copco Kompressorteknik A/S  
Djursvang 5B  
2620 Albertslund  
Denmark

Telephone: 43454611  
Fax: 43632120  
Website: [www.atlascopco.dk](http://www.atlascopco.dk)  
E-mail: [ndapost@atlascopco.com](mailto:ndapost@atlascopco.com)

CVR no.: 15 16 44 17  
Established: 14 March 1955  
Registered office: Albertslund  
Financial year: 1 January – 31 December

### Board of Directors

Kenneth Lagerborg, Chairman  
Lars Siemen  
Dalia Assous  
Thomas Dahlgren  
Pernille Jensen  
Jesper Hering Hansen

### Executive Board

Dalia Assous

### Auditor

EY Godkendt Revisionspartnerselskab  
Værkmestervej 25  
8000 Aarhus C  
Denmark  
CVR.no 30700228



## Management's review

### Financial highlights

DKK'000	2021	2020	2019	2018	2017
<b>Key figures</b>					
Gross profit	51,940	51,511	53,866	51,994	43,821
Ordinary operating profit	8,335	7,045	8,503	7,087	5,647
Net financials	-113	-60	-94	69	-16
Profit for the year	6,346	5,614	6,405	7,062	4,378
<b>Total assets</b>					
Equity	23,346	27,000	27,386	28,981	14,635
Investment in property, plant and equipment	965	1,720	2,303	940	29
<b>Ratios</b>					
Return on equity	25.2%	20.6%	22.7%	39.3%	31.4%
Solvency ratio	36.3%	31.2%	36.2%	47.1%	26.2%

The financial ratios have been calculated as follows:

Return on equity  $\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$

Solvency ratio  $\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$

JD

JD

## Management's review

### Operating review

#### Primary activities

As in previous years, the primary activity consisted of selling and servicing compressors. The Company's products are manufactured mainly at two sister subsidiaries in Belgium.

#### Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK 6,346 thousand as against DKK 5,614 thousand in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 23,346 thousand as against DKK 27,000 thousand at 31 December 2020.

#### Unusual matters

During the year 2021, purchase prices and transportation costs have been increasing. In line with that we have adjusted the prices and costs where needed and intensified initiatives to secure our long-term competitiveness, so we were able to present a strong result in 2021.

Next year, the Company looks forward to further expand its market position, with some bigger projects. Based on measures taken compared with the general market development, a modest growth is expected in the 3 divisions. Management expects a profit for the coming years somewhat better than in 2021.

#### Events after the balance sheet date

No event have occurred after the balance sheet date which would influence the evaluation of this annual report.

JD

X



## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2021	2020
<b>Gross profit</b>		51,940	51,511
Staff costs	2	-40,111	-41,017
Depreciation, amortisation and impairment losses	3	-3,494	-3,449
<b>Profit before financial income and expenses</b>		8,335	7,045
Other financial income		8	12
Other financial expenses	4	-121	-72
<b>Profit before tax</b>		8,222	6,985
Tax on profit/loss for the year	5	-1,876	-1,371
<b>Profit for the year</b>	6	6,346	5,614

HD

IK

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Property, plant and equipment</b>	7		
Land and buildings		3,369	4,080
Fixtures and fittings, tools and equipment		<u>3,943</u>	<u>5,901</u>
		<u>7,312</u>	<u>9,981</u>
<b>Investments</b>	8		
Deposits		<u>532</u>	<u>589</u>
<b>Total fixed assets</b>		<u>7,844</u>	<u>10,570</u>
<b>Current assets</b>			
<b>Inventories</b>			
Work in progress		8,384	1,793
Finished goods and goods for resale		<u>1,234</u>	<u>2,492</u>
		<u>9,618</u>	<u>4,285</u>
<b>Receivables</b>			
Trade receivables		30,527	21,183
Receivables from group entities		15,269	48,882
Other receivables		0	35
Deferred tax asset	9	194	322
Prepayments		<u>908</u>	<u>1,280</u>
		<u>46,898</u>	<u>71,702</u>
<b>Total current assets</b>		<u>56,516</u>	<u>75,987</u>
<b>TOTAL ASSETS</b>		<u>64,360</u>	<u>86,557</u>

FD

FD

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital	10	4,500	4,500
Retained earnings		5,846	12,500
Proposed dividends for the financial year		13,000	10,000
<b>Total equity</b>		<b>23,346</b>	<b>27,000</b>
<b>Provisions</b>			
Other provisions	11	984	1,421
<b>Total provisions</b>		<b>984</b>	<b>1,421</b>
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Lease obligations		3,321	4,996
<b>Current liabilities other than provisions</b>			
Current portion of non-current liabilities		2,137	2,816
Prepayments received from customers		13,460	12,678
Trade payables		2,166	3,414
Payables to group entities		5,766	18,814
Corporation tax		1,280	848
Other payables		11,900	14,570
		36,709	53,140
<b>Total liabilities other than provisions</b>		<b>40,030</b>	<b>58,136</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>64,360</b>	<b>86,557</b>
<b>Contractual obligations, contingencies, etc.</b>	12		
<b>Mortgages and collateral</b>	13		
<b>Related party disclosures</b>	14		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2021	4,500	12,500	10,000	27,000
Ordinary dividends paid	0	0	-10,000	-10,000
Transferred over the profit appropriation	0	-6,654	13,000	6,346
<b>Equity at 31 December 2021</b>	<b>4,500</b>	<b>5,846</b>	<b>13,000</b>	<b>23,346</b>

MD

AK

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Atlas Copco Kompressorteknik A/S for 2021 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Atlas Copco AB.

#### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

#### Foreign currency translation

On initial recognition, foreign currency transaction are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Income statement

###### Gross profit

Gross profit comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and other external costs.

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

###### Revenue

The Company has chosen IFRS 15 as interpretation for revenue recognition. Income from the sale of goods for resale is recognised in revenue when control over the individual identifiable performance obligations under the sales agreement is transferred to the customer, which is at the delivery date according to the sales terms. Even though a sales agreement regarding sale of finished goods and goods for resale often contains several performance obligations, they are treated as one performance obligation as delivery typically takes place at the same time. Income from the distribution of finished goods for third parties is measured at the total gain on the sale. Services typically comprise a performance obligation, which is recognised in revenue on a straight-line basis as the services are rendered.

This means that the Company applies a 5-step model for revenue recognition. According to the model, the contract with the customer is identified (step 1). The separate performance obligations of the contract are identified (step 2). The total transaction price is determined (step 3) and allocated to the separate performance obligations (step 4). Finally, revenue is recognised when the Company satisfies each performance obligation (step 5). Revenue is recognised either at a certain date or over time when control of a good or service is transferred to the customer.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

###### Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress.

This item includes ordinary writedowns of such inventories. Changes in inventories of raw materials are included in costs of raw materials and consumables.

###### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

##### Other external costs

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

##### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

##### Amortisation, depreciation and impairment losses

Depreciation and impairment losses relating to property, plant and equipment comprise depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

##### Financial income

Other financial income comprises dividends etc received on interest income, interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

##### Financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

15

14

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Tax on profit for the year

The Company is covered by the Danish rules on compulsory joint taxation of Atlas Copco Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Company is the administration company in respect of the joint taxation arrangement and accordingly settles all corporation taxes to the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity

##### Balance sheet

##### Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Fixtures and fittings, tools and equipment	3-7 years
--	-----------

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement as adjustment to depreciation and impairment losses, or under other operating income if the selling price exceeds original cost.



## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Leased assets and lease liabilities

The Company has chosen to use IFRS 16 Leases as the basis of interpretation for recognising and measurement of leases to which the Company is the lessee.

When entering into a contract, the Company assesses whether the contract is a lease or contains a lease component. A lease is defined as a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When assessing whether a contract contains a lease component, it must be considered whether, during the period of use, the lessee has the right to substantiate all economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

The Company recognises a right-of-use asset and a lease liability at the commencement date.

The Company leases cars including a service component in the payments to the lessor. This service is separated from the lease payment when measuring the lease liability. If the Company is unable to reliably separate lease components and non-lease components, it is considered a single lease component.

Lease liabilities recognised as "Credit institutions and interest-bearing liabilities" are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease payments consist of fixed and variable lease payments that depend on an index or a rate, guaranteed residual values, purchase options and extension options if the Company is reasonably certain to exercise the option and termination penalties if the lease term reflects the Company exercising an option to terminate the lease. The lease liability is subsequently adjusted as follows if:

- The value of the index or rate on which the lease payments are based is changed.
- The exercise of options is changed in order to extend or terminate the lease due to significant events or a significant change in circumstances within the Company's control.
- The lease term is changed if the option is exercised in order to extend or terminate the lease.
- Estimated residual value guarantee is changed.
- The contract is renegotiated or modified.

Any subsequent adjustment of the future lease liability is recognised as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is DKK 0, a negative adjustment to the right-of-use asset is, however, recognised in the income statement.

The right-of-use asset is initially measured at cost comprising amount of initial measurement of the lease liability plus any initial direct costs and any estimated costs of dismantling and removal of the asset at the end of the lease term which the Company is under an obligation to incur and any prepaid lease payments and less any lease incentives received.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-of-use asset.

Short-term leases with a maximum lease term of 12 months and leases for low-value assets are not recognised in the balance sheet.

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured at the lower of cost using the standard cost method and net realisable value.

Cost of finished goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Parent Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate of the individual receivable or portfolio is used as discount rate.

##### Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

#### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### Cash

Cash comprises cash in hand and bank deposits.

#### Equity

##### *Dividends*

The expected dividends payment for the year is disclosed as a separate item under equity.

#### Other provisions

Other provisions comprise anticipated costs of nonrecourse guarantee commitments and service contracts.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Provisions are measured and recognized based on the experience with non-recourse guarantee work and service contracts.

#### Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

#### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

## Financial statements 1 January – 31 December

### Notes

DKK'000	<u>2021</u>	<u>2020</u>
<b>2 Staff costs</b>		
Wages and salaries	36,599	37,564
Pensions	3,141	3,139
Other social security costs	<u>371</u>	<u>314</u>
	<u>40,111</u>	<u>41,017</u>
Average number of full-time employees	<u>56</u>	<u>58</u>
According to section 98b(3)(ii) of the Danish Financial Statements Act, remuneration to Management is not disclosed.		
<b>3 Depreciation, amortisation and impairment losses</b>		
Land and buildings	789	766
Fixtures and fittings, tool and equipment	<u>2,705</u>	<u>2,683</u>
	<u>3,494</u>	<u>3,449</u>
<b>4 Other financial expenses</b>		
Interest expense to group entities	6	0
Other financial costs	30	32
Foreign exchange losses	<u>85</u>	<u>40</u>
	<u>121</u>	<u>72</u>
<b>5 Tax on profit for the year</b>		
Current tax for the year	1,748	1,254
Change in deferred tax	<u>128</u>	<u>117</u>
	<u>1,876</u>	<u>1,371</u>





## Financial statements 1 January – 31 December

### Notes

DKK'000	2021	2020
<b>6 Proposed profit appropriation</b>		
Proposed dividends for the year	13,000	10,000
Retained earnings	<u>-6,654</u>	<u>-4,386</u>
	<u>6,346</u>	<u>5,614</u>

### 7 Property, plant and equipment

DKK'000	Land and buildings	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2021	5,378	11,921	17,299
Adjustment to 1 January 2021	0	-1,278	-1,278
Additions for the year	78	887	965
Disposals for the year	0	-577	-577
Cost at 31 December 2021	<u>5,456</u>	<u>10,953</u>	<u>16,409</u>
Depreciation and impairment losses at 1 January 2021	-1,298	-6,020	-7,318
Adjustment to 1 January 2021	0	1,278	1,278
Depreciation for the year	-789	-2,705	-3,494
Reversed depreciation and impairment losses on assets sold	0	437	437
Depreciation and impairment losses at 31 December 2021	<u>-2,087</u>	<u>-7,010</u>	<u>-9,097</u>
Carrying amount at 31 December 2021	<u>3,369</u>	<u>3,943</u>	<u>7,312</u>
Assets held under finance leases	<u>3,369</u>	<u>2,180</u>	<u>5,549</u>

### 8 Investments

DKK'000	Deposits
Cost at 1 January 2021	589
Disposals for the year	<u>-57</u>
Cost at 31 December 2021	<u>532</u>
Carrying amount at 31 December 2021	<u>532</u>

## Financial statements 1 January – 31 December

### Notes

DKK'000	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>9 Deferred tax asset</b>		
Deferred tax at 1 January	322	440
Deferred tax adjustment for the year in the income statement	<u>-128</u>	<u>-118</u>
	<u>194</u>	<u>322</u>
recognised as follows:		
Property, plant and equipment	-33	-27
Receivables	11	37
Other provisions	<u>216</u>	<u>312</u>
	<u>194</u>	<u>322</u>
<b>10 Equity</b>		
The contributed capital consists of 4,500 shares of a nominal value of DKK 1,000 each.		
All shares rank equally.		
There have been no changes in the share capital in the last 5 years.		
<b>11 Provisions</b>		
Other provisions comprise anticipated costs of non-recourse guarantee commitments not utilised. Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.		
<b>12 Contractual obligations, contingencies, etc.</b>		
<b>Contingent liabilities</b>		
The Company is the administration company being party to a Danish joint taxation scheme. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefor liable for income taxes etc. for the jointly taxed companies and also obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these companies		
Commitments under rental agreements or leases until expiry	<u>82</u>	<u>443</u>
<b>13 Mortgages and collateral</b>		
At 31 December 2021, bank guarantees issued totals DKK 892 thousand.		

## Financial statements 1 January – 31 December

### Notes

#### 14 Related party disclosures

##### Control

Atlas Copco Kompressorteknik A/S is part of the consolidated financial statements of Atlas Copco AB, Sickla Industriväg 19, Sweden, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Atlas Copco AB, can be obtained by contacting the Company at the address above.

##### Related party transactions

Atlas Copco Kompressorteknik A/S has carried out the following related party transactions:

DKK'000	2021	2020
Purchase of goods from group entities	84,635	115,694
Purchase of services from group entities	63,459	7,227
Sale of services to group entities	19,870	18,121
Sale of goods to group entities	542	0
Receivables to group entities	15,269	48,882
Payables to group entities	5,766	18,814

No amount from opening balance was written down in 2021.

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding a minimum of 5% of the votes or a minimum of 5% of the contributed capital:

Atlas Copco AB, Sickla Industriväg 19, Sweden.