

**Grundfos Finance A/S**  
**Poul Due Jensens Vej 7**  
**DK - 8850 Bjerringbro**

**CVR no. 89 72 75 10**

**Annual Report 2024**

The Annual General Meeting adopted the annual report on 16 May 2025

**Chairman of the meeting**

Name: Andreas Ilum

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## **Company details**

### **Company**

Grundfos Finance A/S

Poul Due Jensens Vej 7

DK-8850 Bjerringbro, Denmark

CVR no. 89 72 75 10

Registered in the municipality of Viborg

Phone +45 87 50 14 00

Internet [www.grundfos.com](http://www.grundfos.com)

### **Board of Directors**

Chairman, Mikael Andreas Holm Geday

Board member, Andreas Ilum

Board member, Károly Gábor Nyári

### **Executive Board**

CEO, Torben Stride Vingaard

### **Auditors**

EY Godkendt Revisionspartnerselskab

Værkmestergade 25

DK – 8000 Aarhus C

## Management statement

The Board of Directors and the Executive Board have today discussed and approved the annual report of Grundfos Finance A/S for the financial year 1 January to 31 December 2024.

The annual report is presented 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 as of 31 December 2024 and of its financial performance for the financial year 1 January to 31 December 2024.

We believe that the Management's report contains a fair review of the matters covered by the report.

We recommend the annual report for adoption at the Annual General Meeting.

Bjerringbro, 16 May 2025

## Executive Board

Torben Stride Vingaard

## Board of Directors

Mikael Andreas Holm Geday  
Chairman

Andreas Illum

Károly Gábor Nyári

## **Independent auditor's report**

### **To the shareholder of Grundfos Finance A/S**

#### **Opinion**

We have audited the financial statements of Grundfos Finance A/S for the financial year 1 January – 31 December 2024, which comprise 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 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 responsibilities 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 additional requirements applicable 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 taken on the basis of the financial statements.

## Independent auditor's report

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

- Ž 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 involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Ž 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.
- Ž Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Ž 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.
- Ž 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 Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 16 May 2025

**EY Godkendt Revisionspartnerselskab**

CVR no. 30 70 02 28

Morten Friis  
State Authorised Public Accountant  
Identification No (MNE) mne32732

## **Management report**

### **Grundfos Group Purpose**

Grundfos is a global leader in advanced pump solutions and a trendsetter in water technology. We contribute to global sustainability by pioneering technologies that improve quality of life for people and care for the planet.

### **Main activities in Grundfos Finance A/S**

Grundfos Finance A/S is part of the Grundfos Group. Grundfos Finance A/S' purpose is to conduct business in financing and similar activities for the Grundfos Group companies.

### **Development in activities and finances**

Profit before tax for the year amounts to 48 mDKK compared with 29 mDKK last year.

### **Events after the balance sheet date**

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

## Accounting policies

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities.

The annual report has been presented in accordance with the same accounting policies as last year. This Annual Report is presented in Danish kroner (DKK).

### General information about recognition and measurement

Assets are recognised in the balance sheet when it is likely that future economic benefits accrue to the Company and the asset value can be measured reliably.

Liabilities are recognised in the balance sheet when they are probable and can be measured reliably.

Assets and liabilities are measured at cost at the initial recognition. Subsequently, assets and liabilities are measured for the individual items as described below.

At recognition and measurement, allowance is made for predictable losses and risks that appear before the annual report is presented and that confirm or deny conditions that were present on the balance sheet date.

Income is recognised in the profit and loss account when earned, whereas expenses are recognised by the amounts attributable to the financial year in question. Value adjustments of financial assets and liabilities are recognised in the profit and loss account as financial income or financial costs.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Exchange differences that arise between the exchange rate at the transaction date and the exchange rate at the payment date are recognised in the profit and loss account.

Accounts receivable and payable in foreign currency are translated into DKK at the exchange rate on the balance sheet date. Realised and unrealised exchange rate adjustments are included in the profit and loss account.

### Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost, and subsequently at fair value.

Positive and negative market values of derivative financial instruments are included in other accounts receivable and other liabilities, respectively.

## **Accounting policies (continued)**

Changes in the market value of derivative financial instruments that secure the market value of recognised assets or liabilities are recognised in the profit and loss account in the same item as changes in the value of the hedged asset or the hedged liability.

Changes in the market value of derivative financial instruments that secure highly probable future transactions are recognised directly in equity. When the hedged transactions are realised, the changes are recognised as part of the relevant items in the annual accounts.

As regards other derivative financial instruments, which are not hedging instruments, changes in fair value are continuously recognised in the profit and loss statement.

### **Income statement**

#### **Administrative expenses**

Administrative expenses comprise mainly of costs for the administration fee and auditors fee.

#### **Financial income and expenses**

Financial income and expenses comprise interest received and interest paid, realised and unrealised capital gains and capital losses on securities as well as exchange rate adjustments of financials in foreign currencies.

#### **Tax on profit for the year**

Tax on profit for the year comprises current tax for the year on expected taxable income and deferred tax adjustment for the year.

The tax expense for the year relating to the income statement for the year is recognised in the income statement and the tax expense relating to transactions recognised in equity.

### **Balance sheet**

#### **Financing debtors and accounts receivables**

IAS 39 has been chosen as interpretation for impairment-write down of financial receivables. Financing debtors are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

## Accounting policies (continued)

### Cash at bank

Cash at bank comprises bank deposits.

### Financial liabilities

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Other liabilities are measured at net realisable value.

### 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.

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.

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.

### Fair value

Fair value is determined based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability.

All assets and liabilities that are measured at fair value or whose fair is disclosed are classified based on the fair value hierarchy, see below:

- Level 1: Value based on the fair value of similar assets/liabilities in an active market.
- Level 2: Value based on generally accepted valuation methods on the basis of observable market information.
- Level 3: Value based on generally accepted valuation methods and reasonable estimates based on non-observable market information.

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

## Income statement for 2024

	<u>Note</u>	2024 1/1 - 31/12 DKK	2023 1/1 - 31/12 DKK
Administrative expenses	1	-401.232	-393.875
Operating profit (EBIT)		-401.232	-393.875
Financial income	2	77.189.804	92.295.581
Financial expenses	3	-28.584.706	-63.195.383
Result before tax		48.203.866	28.706.323
Tax on profit for the year	4	-15.116.800	-6.506.223
Result for the year	5	33.087.066	22.200.100

## Balance sheet at 31.12.202 4

	<u>Note</u>	2024 DKK	2023 DKK
Accounts receivable from affiliated companies	6	662.257.610	724.064.297
Total fixed assets		<u>662.257.610</u>	<u>724.064.297</u>
Accounts receivable from affiliated companies	6	387.134.611	427.833.097
Corporate income tax receivable		992.825	6.607.274
Other accounts receivable		7.985.407	0
Accounts receivables		<u>396.112.843</u>	<u>434.440.371</u>
Cash at bank		0	1.977.143
Total non-fixed assets		<u>396.112.843</u>	<u>436.417.514</u>
Total assets		<u><u>1.058.370.453</u></u>	<u><u>1.160.481.811</u></u>

## Balance sheet at 31.12.202 4

	<u>Note</u>	2024 DKK	2023 DKK
Equity			
Share capital	7	200.000.000	200.000.000
Retained profit		855.463.724	822.376.658
Total Equity		<u>1.055.463.724</u>	<u>1.022.376.658</u>
Debt to banks		2.793.670	0
Debt to affiliated companies	6	0	107.895.216
Other liabilities		113.059	30.209.937
Current liabilities		<u>2.906.729</u>	<u>138.105.153</u>
Total current liabilities		<u>2.906.729</u>	<u>138.105.153</u>
Total equity and liabilities		<u><u>1.058.370.453</u></u>	<u><u>1.160.481.811</u></u>
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## Statement of changes in equity

	Share Capital DKK	Retained profit DKK	Total DKK
Equity 01.01.2023	200.000.000	800.176.558	1.000.176.558
Result for the year	0	22.200.100	22.200.100
<b>Total Equity 31.12.2023</b>	<b>200.000.000</b>	<b>822.376.658</b>	<b>1.022.376.658</b>
Result for the year	0	33.087.066	33.087.066
<b>Total Equity 31.12.2024</b>	<b>200.000.000</b>	<b>855.463.724</b>	<b>1.055.463.724</b>

## Notes

	2024 1/1 - 31/12 DKK	2023 1/1 - 31/12 DKK
<b>1. Employees</b>		
There have been no employees in the company in the financial year as last year.		
<b>2. Financial income</b>		
Interest income from affiliated companies	76.949.650	91.990.253
Financial income from external parties	240.15 4	305.328
	<u>77.189.804</u>	<u>92.295.581</u>
<b>3. Financial expenses</b>		
Financial expenses to affiliated companies	4.264.701	15.310.203
Financial expenses to external parties	100.881	30.373
Currency adjustments and hedge contracts, net	24.219.12 4	47.854.80 7
	<u>28.584.706</u>	<u>63.195.383</u>
<b>4. Tax on profit for the year</b>		
Current income tax	10.587.879	6.242.791
Other taxes	3.634.767	1.148.506
Adjustment of corporate income tax, prior years	894.15 4	-885.074
Tax on profit for the year	<u>15.116.800</u>	<u>6.506.223</u>
Tax on profit for the year can be explained as:		
Profit before tax	48.203.866	28.706.323
	<u>48.203.866</u>	<u>28.706.323</u>
Tax calculated hereof	10.604.851	6.315.391
Tax effect of:		
Permanent differences	-16.972	-72.600
Adjustment of company tax, prior years	894.15 4	-885.074
Other taxes	3.634.767	1.148.506
Tax on profit for the year	<u>15.116.800</u>	<u>6.506.223</u>
<b>5. Profit for the year</b>		
Proposed profit distribution	33.087.066	22.200.100
Retained profit	<u>33.087.066</u>	<u>22.200.100</u>

## Notes

### 6. Group cash pool

Of the receivable from affiliated companies 51.608 kDKK is related to a Group cash pool arrangement.

### 7. Share capital

Share capital consist of 200.000 shares of each 1.000 DKK.  
The shares are not divided into classes.

No changes have been recorded in the last five years.

### 8. Pledge of assets, guarentees and other liabilities etc.

No pledge has been given in any of the assets.

No guarantees have been issued for the benefit of third parties.

The Danish group enterprises participate in a Danish joint taxation arrangement with Grundfos Holding A/S serving as the administration company and are therefore jointly and severally liable from the financial year 2013 for the total income tax and from 1 July 2012 also for obligations, if any, to withhold tax on interest, royalties and dividends for the jointly taxed enterprises. The total net liability to the Danish tax authorities is recognised in financial statements of Grundfos Holding A/S.

### 9. Related parties

Related parties with a controlling influence in Grundfos Finance A/S:

The company's parent foundation, the Poul Due Jensens Fond, the parent Grundfos Holding A/S, the Board of Directors and the registered Management.

Grundfos Finance A/S are included in the consolidated financial statements for Grundfos Holding A/S, 8850 Bjerringbro. The consolidated financial statements for Grundfos Holding A/S, 8850 Bjerringbro is available to the public at Erhvervsstyrelsen (Register of Commerce) under CVR no. 31 85 83 56.

Transactions with related parties are only disclosed in the annual report if they are not on arm's length terms. Transactions between Grundfos Finance A/S and related parties are on arm's length terms.

### 10. Shareholder

The following shareholder is registered as holding more than 5% of the Company's sharecapital:

GRUNDFOS Holding A/S, Poul Due Jensens Vej 7, 8850 Bjerringbro. 100 % of ownership.

The Poul Due Jensen Foundation (CVR no. 83 64 88 13) in Denmark, is the ultimate shareholder.

## Notes

### 11. Financial instruments

Grundfos Finance A/S is hedging expected currency risks with currency forward contracts. Financial instruments are classified as level 2 within the fair value hierarchy.

Deferred profit or loss on currency forward contracts is recognized in the balance sheet under other accounts receivable or other liabilities.

At 31 December 2024 there was a net currency forward contract gain amounting to 8.323 kDKK (against a net loss amounting to 30.172 kDKK at 31 December 2023).

These net gains and losses ultimo 2024 and 2023 are included in other accounts receivable and other liabilities and are due within the next 12 months.

The open currency contracts at year end 2024 and 2023 are:

	Volume Currency 2024	Volume kDKK 2024	Volume Currency 2023	Volume kDKK 2023
USD	29.850	213.780	39.200	265.600
AUD	23.920	107.276	23.920	109.653
IDR (currency in millions)	52.900	21.668	52.900	23.054
SGD	37.700	198.920	37.700	191.912
THB	70.000	14.532	100.000	19.518
MXN	500.000	183.906	500.000	166.300
SAR	8.000	15.232	0	0
ZAR	32.500	12.518	34.000	12.607
TOTALS		<b>767.832</b>		<b>788.644</b>