



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 957 043 496
Organisasjonsform: Aksjeselskap
Foretaksnavn: GRUNDFOS NORGE AS
Forretningsadresse: Alf Bjerckes vei 30
0596 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Truls Lystang
Dato for fastsettelse av årsregnskapet: 23.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 13.07.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue	2, 3	323 239 677	335 860 063
Sum inntekter		323 239 677	335 860 063
Kostnader			
Raw materials and consumables used	3	191 423 519	183 392 007
Employee benefits expense	4, 9	78 022 079	77 499 466
Depreciation and amortisation expenses	5	1 858 256	1 684 313
Nedskrivning av varige driftsmidler og immaterielle eiendeler	5		
Other expenses		33 208 552	38 254 565
Sum kostnader		304 512 406	300 830 350
Driftsresultat		18 727 271	35 029 713
Finansinntekter og finanskostnader			
Annen renteinntekt		179 748	172 950
Other financial income		363 585	647 619
Sum finansinntekter		543 333	820 568
Annen rentekostnad		842	31 287
Other financial expenses		467 717	769 189
Sum finanskostnader		468 558	800 475
Netto finans	14	74 775	20 093
Ordinært resultat før skattekostnad		18 802 045	35 049 806
Income tax expense	11	4 142 726	7 740 005
Ordinært resultat etter skattekostnad		14 659 319	27 309 801
Årsresultat	8	14 659 319	27 309 801
Årsresultat etter minoritetsinteresser		14 659 319	27 309 801
Totalresultat		14 659 319	27 309 801



Resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Ordinært utbytte		20 553 000	22 000 000
Udekket tap	8	-5 893 681	
Other equity			5 309 801
Sum overføringer og disponeringer		14 659 319	27 309 801



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11	427 986	347 623
Sum immaterielle eiendeler		427 986	347 623
Varige driftsmidler			
Equipment and other movables	5	6 727 522	7 332 819
Sum varige driftsmidler	5	6 727 522	7 332 819
Finansielle anleggsmidler			
Investering i datterselskap	9		
Sum anleggsmidler		7 155 508	7 680 442
Omløpsmidler			
Varer			
Sum varer	6	3 603 760	3 119 494
Fordringer			
Accounts receivables	10	64 882 274	79 221 363
Other short-term receivables	3, 10, 13	36 975 379	30 785 081
Sum fordringer		101 857 653	110 006 444
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	13	216 721	222 090
Sum bankinnskudd, kontanter og lignende		216 721	222 090
Sum omløpsmidler		105 678 133	113 348 028
SUM EIENDELER		112 833 641	121 028 469

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2021	2020
Egenkapital			
Innskutt egenkapital			
Share capital		15 150 000	15 150 000
Sum innskutt egenkapital	7, 8	15 150 000	15 150 000
Opptjent egenkapital			
Other equity	8		
Udekket tap	8	-5 568 471	-11 462 152
Sum opptjent egenkapital	8	5 568 471	11 462 152
Sum egenkapital	8	20 718 471	26 612 152
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Sertifikatlån	10	2 085 513	2 129 426
Leverandørgjeld	10	19 050 499	17 372 400
Tax payable	11	4 223 089	7 591 112
Public duties payable		16 242 452	14 561 130
Utbytte	8	20 553 000	22 000 000
Other current liabilities	10, 11, 13	29 960 617	30 762 250
Sum kortsiktig gjeld		92 115 170	94 416 318
Sum gjeld		92 115 170	94 416 318
SUM EGENKAPITAL OG GJELD		112 833 641	121 028 469



Financial Statement 2021 Grundfos Norge AS

**Director's report
Annual Accounts
Cash flow statement
Notes**

Penneo document key: 5E6F4-DC00B-CTJNT-DF063-L4MMK-YFE47

Org.nr.: 957 043 496



Directors' report 2021 for Grundfos Norge AS

Area of business

Grundfos Norge AS is a service and trading company located at Alna in Oslo. The company is engaged in sales and service of pumps in the Norwegian market, and is divided into three segments; Plumbing, water supply and sewage (WU) and industry. These three segments cover different customer groups. The company is nationwide, with its own sales and service departments in Oslo, Trondheim, Bergen, Larvik and Stavanger.

Continued operations

In accordance with section 3-3a of the Norwegian Accounting Act, it is confirmed that the assumption of continuity is present and that this assumption is based on the prepared accounts.

The annual performance

The turnover was NOK 323 239 677 for the 2021. An decrease from NOK 335 860 063 for the 2020. Lower sales to wholesalers is the main reason behind the decline.

The year result for 2021 was NOK 14 659 319. Similarly, annual results for 2020 were NOK 27 309 801. The main reason for the reduced profit was due to lower sales of high margin products to wholesalers and growth in WU projects with lower profitability.

The Board is therefore informed of a profit of NOK 14 659 319.

Total equity was NOK 20 718 471 at 31 December 2021. For 2020, the total equity was NOK 26 612 152. Equity at 31 December 2021 is 18 % of the assets. The company's financial position is therefore satisfactory.

Net cash flow from operating activities is NOK 23 291 502 (NOK 8 957 900 in 2020). Purchase of tangible assets equals NOK 1 252 959 (NOK 917 306 in 2020). In 2021 a dividend of NOK 22 000 000 was paid out (NOK 9 150 000 in 2020). Change in net cash and cash equivalents equals NOK -5 370 (NOK -31 257 in 2020).

The Board does not know about any matters of importance that will alter the company's position and results not shown in the accounts and the balance sheet with notes.

Work environment and personnel

The Board regards the working environment of the company as good. Analyzes have been conducted to reveal any deviations in health, safety and the environment. All employees are offered an annual health check with a company doctor. In 2021, the Working Environment Committee (AMU) conducted 4 meetings to focus on the working environment.

The absence due to sickness in 2021 for Grundfos Norge AS was 5,2%. For 2020, sickness was 5,4%.

There were 3 minor injuries in 2021. The company otherwise had no major damages to any of its equipment or goods.

Grundfos Norge AS aims to be a workplace where there is full equality between women and men, and has incorporated a staff policy considered to be gender neutral in all areas. At the end of the year, the company had 80 employees, 20 women and 60 men.

During 2021, we have had 4 temporary employees, 2 females and 2 men. There has not been any part-time positions. The average number of parental leave weeks (for women and men) was 12.7 weeks.

The company's board consists of 4 men. The reason that the majority are men are industry-dependent. There is no discrimination that violates the Gender Equality Act.

Human resources policy

Grundfos Norge AS has designated values and employee requirements for its personnel policy. The values are based on accountability, initiative and value creation. To achieve these goals, the company has a desire to attract and retain well-qualified employees both professionally and humanly. Personal policy includes recruitment, employment and training.

Gender equality and measures against discrimination

At the end of the year, Grundfos Norway, GNO, had a female share of 25%. The proportion of women in management positions with personnel / profit responsibility was 33% - this is above the group's stated target of at least 30%. We want to make visible the proportion of women in senior positions, as this is an important



prerequisite for increasing the proportion of women in the company and in line with guidelines from the group.

We work continuously to increase the proportion of women at all levels in the company. Women are employed on equal terms with men, and active efforts are being made to facilitate a higher proportion of women. There is an increasing proportion of women who study within our subject areas, and it is therefore expected that in the future there will be a greater basis for recruiting women to GNO.

With HR guidelines from the group, we work purposefully in all recruitment processes to attract and increase the proportion of women in the company. The company strives for flexible working hours and other schemes so that the combination of family and work is the best possible for both women and men.

GNO has formal and fixed routines for recruitment and wage determination that are intended to prevent discrimination.

Reporting in accordance with the activity and reporting obligation (ARP) has been implemented in GNO for 2021, and is reported as part of the annual report. No unreasonable wage differences have been identified in any groups. The salary differences are related to the fact that women and men have different roles and seniority in the company.

GNO as part of the Grundfos Group's "code of conduct" and ethical guidelines a clear goal of being an inclusive and attractive workplace with good working conditions, a safe working environment, diversity and a balanced gender distribution. All employees receive annual training in the group's "code of conduct" as part of the HR system Success Factor.

GNO does not accept any form of harassment, discrimination or other conduct that may be perceived as threatening or degrading, and leaders have a special responsibility to promote openness, loyalty and respect.

No systematic imbalances have been found in relation to equal pay, forms of employment and discrimination. We will continue to work focused in this area in 2022 to gain a clearer insight into how both women and men experience their everyday lives in GNO.

The purpose of the Discrimination Act is to promote equality, ensure equal opportunities and rights and prevent discrimination on grounds of ethnicity, national origin, origin, color, language, religion and philosophy of life. The group works actively, purposefully and in a plan to promote the purpose of the law within our business. The activities include recruitment, pay and working conditions, promotion, development opportunities and protection against harassment.

The group's goal is to be a workplace where there is no discrimination due to disability. The group works actively and purposefully to design and organize the physical conditions so that the various functions of the company can be used as widely as possible. For employees or jobseekers with disabilities, individual workplace and work tasks are organized.

Environment

Grundfos Norge AS is a wholly owned subsidiary of Grundfos Holding A/S domiciled in Denmark. In Norway, the company is a sales organization with delivery and service of a wide range of pumps. The pumps are used mainly in refrigeration and heating applications, construction, industry and water / drainage within the municipal sector. The company acts environmentally according to government requirements and does not affect the external environment beyond what is common for a sales company.

Financial risk

For 2021, 100% of the company's purchase of goods was in NOK. The company is therefore not exposed to currency risk.

The company does not have external loans at 31 December 2021, but uses the Group's group accounts. See also Note 10.

Trade receivables were NOK 64 064 950 at 31 December 2021. The largest part of the claims concerns wholesalers and municipalities that we consider to be safe payers. New customers will be credit assessed before credit is given, and buyers are continuously monitored. The company's credit risk is therefore considered to be low.

Research and development

On a group basis, extensive research and development activities are conducted in a broad range of areas. Continuous efforts are being made to improve products to maintain a leading position in the market.



Statement of future development

Grundfos Norge AS is well positioned for further positive development. In recent years, the company has had strong sales growth and a positive development of profitability based on strategic choices and focus on selected segments. As part of a new global organizational change towards a segment structure, GNO will be able to further strengthen its focus on selected segments and emerge as an even stronger alternative for the Norwegian market. The pipeline of projects is strong in all segments.

Insurance for board members and general manager

Board and management liability insurance has been taken out for their possible liability to Grundfos Norge AS and third parties. The sum insured is DKK 200 000 000, - per claim and in annual aggregate. The insurance covers claims made against the insured during the policy period. The insurance will pay on behalf of any insured person financial loss arising from a personal managerial liability.

Annual results and disposals

I 2021, the company had a profit after tax expense of NOK 14 659 319. The profit is proposed

Allocated to dividend	20 553 000
Loss brought forward	-5 893 681
Total allocated	14 659 319

The Board of Grundfos Norge AS
Date: 23.06.2022

Humphrey lau
Chairman of the board

Morten Bach Jensen
Member of the board

Henrik Kilsgaard
Member of the board

Truls Lystang
General Manager

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Revenue statement			
Grundfos Norge AS			
Operating income and operating expenses	Note	2021	2020
Revenue	2, 3	323 239 677	335 860 063
Total income		323 239 677	335 860 063
Raw materials and consumables used	3	191 423 519	183 392 007
Employee benefits expense	4, 9	78 022 079	77 499 466
Depreciation and amortisation expenses	5	1 858 256	1 684 313
Other expenses		33 208 552	38 254 565
Total expenses		304 512 406	300 830 350
Operating profit		18 727 271	35 029 713
Financial income and expenses			
Other interest income		179 748	172 950
Other financial income		363 585	647 619
Other interest expenses		842	31 287
Other financial expenses		467 717	769 189
Net financial items	14	74 775	20 093
Net profit before tax		18 802 045	35 049 806
Income tax expense	11	4 142 726	7 740 005
Net profit after tax		14 659 319	27 309 801
Net profit or loss	8	14 659 319	27 309 801
Attributable to			
Ordinary dividend		20 553 000	22 000 000
Other equity		0	5 309 801
Loss brought forward	8	-5 893 681	0
Total		14 659 319	27 309 801
Grundfos Norge AS		Side 5	

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Balance sheet			
Grundfos Norge AS			
Assets	Note	2021	2020
Non-current assets			
Intangible assets			
Deferred tax assets	11	427 986	347 623
Total intangible assets		427 986	347 623
Property, plant and equipment			
Equipment and other movables	5	6 727 522	7 332 819
Total property, plant and equipment	5	6 727 522	7 332 819
Finansielle driftsmidler			
Total non-current assets		7 155 508	7 680 442
Current assets			
Inventories	6	3 603 760	3 119 494
Debtors			
Accounts receivables	10	64 882 274	79 221 363
Other short-term receivables	3, 10, 13	36 975 379	30 785 081
Total receivables		101 857 653	110 006 444
Cash and cash equivalents	13	216 721	222 090
Total current assets		105 678 133	113 348 028
Total assets		112 833 641	121 028 469

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Balance sheet			
Grundfos Norge AS			
Equity and liabilities	Note	2021	2020
Paid-in capital			
Share capital		15 150 000	15 150 000
Total paid-up equity	7, 8	15 150 000	15 150 000
Retained earnings			
Retained earnings	8	5 568 471	11 462 152
Total retained earnings	8	5 568 471	11 462 152
Total equity	8	20 718 471	26 612 152
Liabilities		0	0
Provisions		0	0
Current liabilities			
Liabilities to group companies	10	2 085 513	2 129 426
Trade payables	10	19 050 499	17 372 400
Public duties payable		16 242 452	14 561 130
Tax payable	11	4 223 089	7 591 112
Dividends	8	20 553 000	22 000 000
Other current liabilities	10, 11, 13	29 960 617	30 762 250
Total current liabilities		92 115 170	94 416 318
Total liabilities		92 115 170	94 416 318
Total equity and liabilities		112 833 641	121 028 469

23.06.2022
The board of Grundfos Norge AS

<u>Hung Chung Humphrey Lau</u> Chairman of the board	<u>Morten Bach Jensen</u> Member of the board	<u>Henrik Kilsgaard</u> Member of the board
	<u>Truls Lystang</u> General Manager	

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Indirect cash flow			
Grundfos Norge AS			
	Note	2021	2020
Cash flows from operating activities			
Profit/loss before tax		18 802 045	35 049 806
Taxation paid		7 591 112	2 923 306
Ordinary depreciation		1 858 256	1 684 313
Change in inventory		-484 266	241 854
Change in accounts receivable		14 339 089	-981 054
Change in accounts payable		1 678 099	-145 717
Change in other accrual items		-5 310 609	-23 967 995
Net cash flows from operating activities		23 291 502	8 957 900
Cash flows from investment activities			
Payments to buy tangible assets	5	1 252 959	917 306
Net cash flows from investment activities		-1 252 959	-917 306
Cash flows from financing activities			
Net change cash pool	10	-43 913	1 078 149
Payment of dividend		22 000 000	9 150 000
Net cash flows from financing activities		-22 043 913	-8 071 851
Net change in cash and cash equivalents		-5 370	-31 257
Cash and cash equivalents at the start of the period		222 090	253 347
Cash and cash equivalents at the end of the period		216 720	222 090

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Note 1 Accounting principles

The financial statements have been prepared in accordance with the provisions of the Norwegian Accounting Act and generally accepted accounting principles.

General rule for assessment and classification of assets and liabilities

Fixed assets comprise of assets for permanent ownership and use. Other assets are classified as current assets. Receivables to be repaid within one year are classified as current assets. For the classification of short-term and long-term debt, corresponding criteria have been taken into account.

Fixed assets are valued at acquisition cost less depreciation and write-downs. Tangible fixed assets are capitalized and depreciated over the economic life of the asset. If the recoverable amount of fixed assets is lower than book value and the impairment is not expected to be temporary, write-downs have been made to the recoverable amount. Fixed assets with a limited economic life are depreciated according to plan.

Current assets are valued at the lower of acquisition cost and fair value.

Other long-term debt and current liabilities are valued at nominal amounts.

Assets and liabilities in foreign currency

Monetary items in foreign currency are translated into Norwegian kroner using the exchange rate at the balance sheet date.

Revenues

For sale:

Income is recognized when it is earned, ie when both risk and control are transferred to the customer. This will normally be the case when the item is delivered to the customer. Revenue is recognized using the value of the consideration at the transaction date.

For service sales:

Income is recognized when it is earned, ie when a claim for remuneration occurs. This occurs when the service is rendered as the work is done. Revenue is recognized using the value of the consideration at the transaction date.

Construction contracts

In the case of construction contracts, ongoing revenue is taken as a project progresses (ongoing settlement method). The completion rate is calculated as accrued expense on the balance sheet date as a percentage of the estimated total cost. For construction contracts that are expected to generate losses, provision is made for the net cost of remaining contractual production.

Bank deposits, cash, etc.

Bank deposits, cash and the like include cash, bank deposits and other payment instruments with maturity less than three months from the date of acquisition.

Goods

Goods are valued at the lower of cost and net sales value. Net sales value is the estimated selling price for ordinary operations less deduction of estimated expenses for completion of the sale. Acquisition cost includes expenses incurred in the acquisition of the goods and costs for bringing the goods to the current location and allocated using the FIFO principle..

Receivables

Trade receivables and other receivables are stated at face value after deduction of provisions for expected losses.

Pensions - Deposit Scheme

The cost of a defined contribution pension scheme corresponds to the period's premium to the insurance company.

Pension benefit scheme

The company transferred to a defined contribution plan as of the FY2016. Some obligations under the old benefit scheme remain. The change in this liability is recognized directly in the income statement. See also Note 9.

**Warranty and service**

Provisions are made for expected warranty costs. When sold, the full selling price, including the part relating to future warranty and service benefits, is included in the income at the time of the sale.

Cash Flow Statement

The cash flow statement is prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid placements.

Taxes

The tax expense is placed with the accounting result before tax. Taxes related to equity transactions are taken against equity. The tax expense consists of tax payable (tax on the year's direct taxable income) and change in net deferred tax. Deferred tax and deferred tax asset are presented net in the balance sheet.

Group matters

The company is part of the Grundfos Group Group, which has its head office in Denmark. The consolidated financial statements can be downloaded from www.grundfos.com.



Note 2 Sales revenues

The company's sales are made to VVS, VA and industry businesses in Norway.

	2021	2020
Geographical distribution		
Norway	323 239 677	335 860 063

Note 3 Construction contracts

	2021	2020
Revenue from current construction contracts	47 556 077	39 811 089
Costs related to earned income / loss provisions	31 215 217	23 357 702
Net income from current contracts	16 340 860	16 453 387
Billed unearned income on current value plant contracts - presented under other current liabilities	0	0
Earned non-billed project income - presented under other claim	-1 207 846	2 509 293

Note 4 Payroll costs

Payroll costs	2021	2020
Wages	59 913 667	60 106 529
Employer's social contribution	11 680 259	10 958 676
Pension costs	4 908 617	4 656 762
Other benefits	1 519 536	1 777 499
Sum	78 022 079	77 499 466

For 2021 the company employed 80 man-years at year-end. The equivalent for 2020 was also 80 man-years.

Pension obligations

The company is obliged to have an occupational pension scheme pursuant to the Act of Compulsory Occupational Pensions. The company's pension plans meet the requirements of this Act.

Benefit to senior executive	CEO	The Board
Wage	2 101 085	0
Pension costs	390 714	0
Other benefits	1 220 665	0
Sum	3 712 464	0

The Chief Executive Officer has an individual bonus agreement by virtue of his position. Other board members have no separate remuneration agreements. No loans / security permits have been granted to the CEO, the Chairman of the Board or other related parties.

Auditor

(amounts in 1k)

	2021	2020
Statutory audit	116	57
Certification services	153	90
Tax consultancy		
Accounting assistance		
Other assistance		

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Note 5 Assets

	Office space	Transport	EDB/SAP	Movables	Sum
Acquisition costs 01.01.2021		720 756	5 328 527	20 606 453	26 655 736
Additions		0	666 660	1 273 860	1 940 519
Disposals		0	-3 565 839	-4 128 065	-7 693 904
Acquisition costs 31.12.2021		720 756	2 429 348	17 752 247	20 902 351
Acc. depreciations 01.01.2021		639 909	5 305 734	14 064 834	20 010 478
This year's deprec.		25 852	115 384	1 717 019	1 858 256
Disposals		0	-3 565 839	-4 128 065	-7 693 904
Acc. depreciations 31.12.2021		665 762	1 855 279	11 653 788	14 174 829
Book value 31.12.2021		54 995	574 068	6 098 459	6 727 522
Economic life		5 years	3-10 years	8-10 years	
Depreciation plan		Linear	Linear	Linear	
Annual rent non-capitalized assets	6 624 394	4 378 029	0		11 002 423

Note 6 Goods

	2021	2020
Finished goods	3 634 255	3 145 647
Obsolescence write-down	-30 496	-26 152
Sum	3 603 760	3 119 494

Note 7 Share capital and shareholder information

The share capital of the company per. 31 December 2021 amounts to NOK 15 150 000 and consists of 15 000 shares with a nominal value of NOK 1 010.

Grundfos Holding A/S (GMA, CVR no. 318 583 56) domiciled in Denmark owns all 15 000 shares.

The adress of Grundfos Holding A/S is Poul Due Jensens Vej 7, 8850 Bjerringbro, Denmark.

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Note 8 Equity

	Share capital	Uncovered loss	Other equity	Total equity
Pr. 31.12.2020	15 150 000	0	11 462 151	26 612 151
Pr 01.01.2021	15 150 000	0		26 612 151
Annual result 2021			14 659 319	14 659 319
Dividend		0	-20 553 000	-20 553 000
Pr 31.12.2021	15 150 000	0	5 568 470	20 718 470

Note 9 Pension costs

The company is required to have service benefits under the Act on Compulsory Occupational Pensions. The company's pension scheme meets the requirements of this Act.

The company has a defined contribution scheme that is organized in accordance with the Act on Defined Benefit.

The company's capitalized pension scheme ceased in 2016. All employees of Grundfos are from 2017 only members of the defined contribution scheme.

	2021	2020
Pension costs	4 908 617	4 656 762

Note 10 Intercompany balances

	Account receivables		Other receivables	
	2021	2020	2021	2020
Group companies	817 324	905 075	32 628 010	29 323 595
Sum	817 324	905 075	32 628 010	29 323 595

	Account payable		Other short-term debt	
	2021	2020	2021	2020
Group companies	12 335 440	10 743 492	-168 898	1 857 494
Sum	12 335 440	10 743 492	-168 898	1 857 494

Other receivables and Other current liabilities apply to the company's group accounts. See also note 13.

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Note 11 Tax

	2021	2020
Payable tax	4 223 089	7 591 112
Change deferred tax	-80 363	148 893
Tax cost	4 142 726	7 740 005

Calculation taxable income	2021	2020
Profit/loss before tax	18 802 045	35 049 806
Permanent differences	28 529	132 034
Change temporary differences	365 285	-676 787
Loss carry forward		
Tax base of the year	19 195 859	34 505 054

Temporary differences and losses carried forward	2021	2020
Receivables	-43 715	-53 160
Goods	-30 496	-26 152
Assets	-357 270	-125 485
Provisions	-1 513 910	-1 375 308
Sum	-1 945 390	-1 580 105

Deferred tax gain (-) liability (+)	-427 986	-347 623
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Change deferred tax	2021	2020
	(22%)	(22%)
Change deferred tax	80 363	-148 893
Net change deferred tax	80 363	-148 893

From nominal to actual tax rate:

	2021	2020
Annual profit before taxes	18 802 045	35 049 806
Expected tax at nominal tax rate (22%)	4 136 450	7 710 957
Non-deductible costs	6 276	29 048
Tax costs	4 142 726	7 740 005
Effective tax rate	22,03 %	22,08 %

Deferred tax assets are capitalized on the basis of future income.



Note 12 Secured debt and guarantees

Guarantee liabilities	2021	2020
Projects	8 510 355,64	7 442 406
Tax deduction	3 000 000	3 000 000
Liability under guarantee	1 513 910	1 375 308

The company also provides a guarantee of MNOK 2.5 for rented buildings.

Grundfos Holding AG has secured collateral for the company's credit framework in Danske Bank up to MNOK 16.

Note 13 Bank deposits

The company has a credit grant of up to MNOK 16. The company has not used the credit grant at 31 December 2021. Grundfos Holding AG has provided guarantees for the credit grant.

Grundfos Norge AS' cash holdings are entered into in the Group's consolidated accounts from 2014. This means that the company's cash holdings formally constitute a receivable / debt on the group company Grundfos Holding AG.

Receivables are classified under other short-term receivables in the balance sheet and liabilities other short-term receivables. The company has a receivable of NOK 34 616 485 in the group accounts as of 31 December 2021. The amount is entered as other short-term payables.

The company has a restricted bank deposits of NOK 173 443. The amount is classified as a bank deposit.

The company's tax deductions are secured by bank guarantee.

Note 14 Specification of financial items

	2021	2020*
Interest income	179 748	172 950
Currency gains	262 921	459 157
Other finance income	100 664	188 461
Total finance income	543 333	820 568
Interest costs	842	31 287
Currency loss	255 249	556 501
Other finance cost	212 468	212 687
Total finance costs	468 558	800 475
Net finance result	74 775	20 093

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Note 15 Hedge accounting

For previous years Grundfos Norge AS has had a significant share of its costs in euro as a result of purchases of goods and services from group companies. From 2016 this has been settled in NOK and thus does not have a hedging strategy by buying euro on forward contracts.

Note 16 Subsequent events

Market outlook for 2022 is still good but with higher uncertainty coming from difficult market conditions with raw material shortage, delivery constraints and increased material prices. No direct impact from the conflict in Ukraine but indirectly the market situation described above is becoming even more uncertain.



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"By my signature I confirm all dates and content in this document."

Truls Lystang

General Manager

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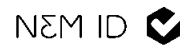
Morten Bach Jensen

Member of the board

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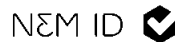
Henrik Kilsgaard

Member of the board

Serial number: PID:9208-2002-2-968043528497

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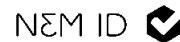
Hung Chung Humphrey Lau

Chairman of the board

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Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Grundfos Norge AS

Opinion

We have audited the financial statements of Grundfos Norge AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The financial statements for the year ended 31 December 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 18 June 2021.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, 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 other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the



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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 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 about 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 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors 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.



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Porsgrunn, 30 June 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Tone Mari Flatland
State Authorised Public Accountant (Norway)

Penneo DokumentInokkel: EM8GE-S85A1-3QAES-Z18FE-CD7XC-QQ7VE

Independent auditor's report - Grundfos Norge AS 2021

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Tone Mari Flatland

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Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Jeanette Munkvold Skovholt	04.04.2018	10.04.2018
Telefon	Deres referanse	Vår referanse
90076012	Njål T. Tyssing	2017/1281276

KPMG TAX AS
Postboks 7000 Majorstua
0306 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Grundfos Norge AS, org.nr. 957 043 496

Vi viser til deres brev av 4. april 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Grundfos Norge AS, samt senere e-post korrespondanse.

Skattedirektoratet gir på bakgrunn av en konkret vurdering Grundfos Norge AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Grundfos Norge AS er heleid av det sveitsiske selskapet Grundfos Holding AG. Alle styremedlemmene er danske, og konsernspråket er engelsk. Virksomheten består i salg og service av pumper på det norske markedet innen VVS, VA og industri. Hovedbrukerne av regnskapsinformasjonen anses å være konsernet, skattemyndigheter, kreditorer og konkurrenter.

Det er vurdert slik at det ikke finnes andre regnskapsbrukere som negativt vil påvirkes av at årsregnskap og årsberetning utarbeides på engelsk språk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan

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0134 Oslo	Org.nr: 996250318	Telefaks
	E-post:	22 17 08 60
	skatteetaten.no/sendepost	



foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er heleid av et utenlandsk selskap, og at alle styremedlemmene er utenlandske. Arbeidsspråket er engelsk, og eierkretsen er begrenset.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jeanette Munkvold Skovholt

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