



Annual Financial Statements 2024
KSB SE & Co. KGaA

2024 in Figures

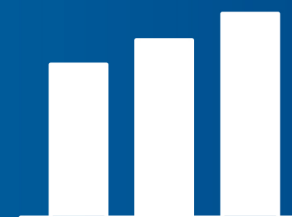
↗ Compared with 2023

Order intake



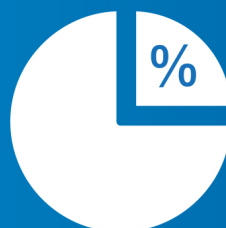
€ **889.7** million
+ € 25.9 million

Sales revenue



€ **963.8** million
– € 32.5 million

Net profit / loss for the year



€ **85.3** million
+ € 35.9 million

Employees



3,917

at 31 December 2024

Five-year Financial Summary

Business Development and Earnings

		2024	2023	2022	2021	2020
Order intake	€ m	889.7	863.8	858.1	800.5	729.6
Sales revenue	€ m	963.8	996.3	899.6	869.3	813.8
Net profit / loss for the year	€ m	85.3	49.4	53.9	3.6	-7.7

Balance Sheet

		2024	2023	2022	2021	2020
Balance sheet total	€ m	1,289.6	1,221.8	1,146.2	1,037.5	977.8
Equity	€ m	375.8	336.3	321.3	288.5	292.1
Equity ratio	%	29.1	27.5	28.0	27.8	29.9

Employees

		2024	2023	2022	2021	2020
Number of employees at 31 Dec.		3,917	3,839	3,826	3,820	3,826

Dividend

		2024	2023	2022	2021	2020
Dividend per ordinary no-par-value share	€	26.50	26.00	19.50	12.00	4.00
Dividend per preference no-par-value share	€	26.76	26.26	19.76	12.26	4.26

Contents

3	Five-year Financial Summary
5	Annual Financial Statements of KSB SE & Co. KGaA
5	Balance Sheet
6	Income Statement
7	Notes
12	Statement of Changes in Fixed Assets
13	List of Shareholdings
28	Supervisory Board
29	Legal Representatives
30	Proposal on the Appropriation of the Net Retained Earnings
31	General Information
31	Responsibility Statement
32	Independent Auditor's Report
37	Contacts
38	Financial Calendar

The management report combines the management reports of KSB SE & Co. KGaA and the Group and is published as part of the KSB Group's Annual Report 2024.

The annual financial statements and the combined management report of KSB SE & Co. KGaA and the KSB Group for the 2024 financial year are published in the *Bundesanzeiger* [German Federal Gazette].

The combined management report is available at:

ksb.com/management-report

Balance Sheet

Assets

€ thousands	Notes	31 Dec. 2024	31 Dec. 2023
Fixed assets			
Intangible assets	1	39,109	38,437
Property, plant and equipment	1	196,187	175,660
Financial assets	2	358,110	346,053
		593,406	560,150
Current assets			
Inventories	3	291,257	283,330
Advances received from customers	3	-83,522	-68,142
		207,735	215,188
Receivables and other assets	4	367,220	339,293
Cash and bank balances	5	113,960	102,868
		481,180	442,161
Prepaid expenses		7,236	4,258
		1,289,557	1,221,757

Equity and liabilities

€ thousands	Notes	31 Dec. 2024	31 Dec. 2023
Equity	6		
Subscribed capital		44,772	44,772
Capital reserve		66,663	66,663
Revenue reserves		136,180	136,180
Net retained profits		128,167	88,642
		375,782	336,257
Provisions	7		
Pensions and similar obligations		516,247	517,464
Miscellaneous other provisions		132,497	128,523
		648,744	645,987
Liabilities	8		
		265,031	239,513
		1,289,557	1,221,757

Income Statement

Income statement

€ thousands	Notes	2024	2023
Sales revenue	12	963,773	996,306
Changes in inventories		13,586	-16,118
Work performed and capitalised		1,888	1,683
Total output of operations	13	979,247	981,871
Other operating income	14	31,271	22,558
Cost of materials	15	-410,443	-418,203
Staff costs	16	-382,741	-379,718
Depreciation and amortisation on intangible fixed assets and property, plant and equipment	1	-23,297	-21,163
Other operating expenses	17	-197,388	-191,097
		-3,352	-5,751
Income from equity investments	18	104,553	61,613
Other finance income / expense	19	-2,079	1,791
		102,475	63,404
Taxes on income	20	-12,172	-6,889
Earnings after taxes		86,951	50,763
Other taxes		-1,666	-1,383
Net profit for the year		85,285	49,380
Profit / loss carried forward		42,882	39,262
Transfer to other revenue reserves		-	-
Net retained profits		128,167	88,642

Notes

General

KSB SE & Co. KGaA, with its registered office in Frankenthal / Pfalz and branches in Bremen, Halle and Pegnitz, is a large corporation as defined in Section 267(3) HGB [*Handelsgesetzbuch* – German Commercial Code] as at the reporting date 31 December 2024. The company is registered with the *Handelsregister* [German Commercial Register] of the *Amtsgericht* [Local Court] Ludwigshafen am Rhein, registration No. HRB 65657. The general partner is KSB Management SE, a European public limited company. The shares in this company are wholly owned by Klein, Schanzlin & Becker GmbH, Frankenthal / Pfalz. Klein, Schanzlin & Becker GmbH is jointly managed by its two shareholders, the non-profit KSB Stiftung [KSB Foundation], Stuttgart, and the non-profit Kühborth-Stiftung GmbH [Kühborth Foundation], Stuttgart.

The annual financial statements of KSB SE & Co. KGaA have been prepared in accordance with the provisions of the *Handelsgesetzbuch* (HGB) [German Commercial Code] and the *Aktiengesetz* (AktG) [German Public Companies Act] including the German principles of proper accounting.

For the sake of clarity, KSB has summarised individual items of the balance sheet and the income statement. The items are presented separately in these Notes to the financial statements. The Notes also contain the additional information required to be disclosed on individual items of the balance sheet and the income statement.

The financial statements have been prepared in euro (€). Amounts in these Notes to the financial statements are generally presented in thousands of euros (€ thousands) using standard commercial rounding rules. Due to rounding, there may be minor differences in the totals and percentages presented in this report. The previous year's figures are as a rule shown in brackets in the Notes.

Details on the changes in fixed assets and the list of shareholdings pursuant to Section 285 No. 11 HGB follow the explanations on fixed assets.

Geopolitical and macroeconomic developments

The business activities of KSB SE & Co. KGaA take place in a persistently complex and uncertain macroeconomic and geopolitical environment. The overall picture is characterised by the ongoing difficult economic situation in Europe and by global political tensions. The future global economic growth in important markets is, accordingly, subject to uncertainty.

Overall, a high degree of discretionary assessments and assumptions with regard to the future development of the macroeconomic and geopolitical environment and the impact on the single-entity financial statements of KSB is required. For instance, the continuation of global political conflicts might have future repercussions for KSB.

Accounting Policies

The income statement has been prepared using the nature of expense method.

For internally generated intangible assets, the option pursuant to Section 248(2) HGB is exercised. They are capitalised at production cost (development cost) if there is at least a high probability of the actual creation of an asset as at the reporting date. Production costs include the individually attributable costs from the consumption of goods and the utilisation of services as well as reasonable proportions of material and production overheads and write-downs of fixed asset items in the course of the development process. Internally generated industrial property rights and similar rights and assets are amortised on a straight-line basis pro rata temporis over their respective expected useful lives.

Research and development costs (excluding internally generated intangible assets as described) are expensed in the year incurred.

Intangible fixed assets acquired from third parties against payment and tangible fixed assets (property, plant and equipment) are capitalised at acquisition cost and own work capitalised at production cost (both directly attributable costs and reasonable proportions of overheads as well as depreciation / amortisation) and depreciated or amortised in accordance with their expected useful life on a straight-line basis, pro rata temporis in the year of acquisition. If the fair values of individual fixed assets fall below their carrying value,

write-downs are recognised in the event of expected permanent impairment. Borrowing costs are not recognised as part of the acquisition or production costs.

The following useful lives are applied:

Useful life

Intangible assets	3 to 15 years
Buildings	15 to 50 years
Plant and machinery	6 to 25 years
Other equipment, operating and office equipment	4 to 25 years

As far as the accounting of low-value assets is concerned, the tax law regulations of Sections 6(2) and (2a) EStG [*Einkommensteuergesetz* – German Income Tax Act] are also applied in commercial law for reasons of materiality. Acquisition or production costs of depreciable movable assets capable of independent use are recognised in full as operating expenses in the financial year of acquisition, production or contribution if the acquisition or production costs, less any input tax included therein, do not exceed € 800 for the individual asset. In the financial years prior to 2018, collective items as defined in Section 6(2a) EStG were recognised for low-value assets.

Financial assets include the shares in affiliates and equity investments measured at acquisition cost or, in the event of expected permanent impairment, at the lower fair value. Write-ups due to the requirement to reverse impairment losses are recognised up to the original acquisition cost if the reasons for permanent impairment no longer exist.

The fair value of affiliates and equity investments is determined using the discounted cash flow method. The detailed planning period of the underlying company data

generally extends over a planning horizon of five years from the reporting date. For the subsequent period, a constant is calculated using an expected growth rate per equity investment. The cost of capital rates used for discounting take into account the country risk as well as the individual debt level of the individual equity investments. If the calculated enterprise value adjusted for net debt exceeds the carrying amount of the equity investment as at the reporting date, there is generally no need for impairment. If required, the carrying amount of the equity investment is written down.

Advance payments are recognised at nominal value.

Inventories are measured at acquisition or production cost, taking into account the lower of cost or market principle. All identifiable risks in inventories resulting from above-average storage periods, reduced usability and/or lower replacement costs are recognised through appropriate write-downs. In all cases, measurement at the lower of cost or market value was applied, i.e. if the anticipated selling prices less the costs incurred until the sale resulted in a lower fair value, corresponding write-downs were recognised.

Apart from customary retention of title, the inventories are free from third-party rights.

The acquisition costs of raw materials, consumables and supplies as well as goods are determined using the average value method.

Finished goods and work in progress are measured at production cost. The production costs include the components that must be capitalised in accordance with Section 255(2) HGB. Interest charges for debt capital have not been capitalised.

Advances received from customers are recognised at nominal value and openly deducted from inventories in full.

Receivables and other assets are recognised at the lower of nominal value or fair value as at the reporting date; non-interest-bearing or low-interest-bearing receivables are discounted. Identifiable risks are taken into account through appropriate individual impairment allowances. In addition, the general credit risk is covered by a general impairment allowance, which is deducted directly from the net receivables that are not individually impaired.

Cash and cash equivalents are recognised at nominal value on the reporting date.

Expenses prior to the reporting date are recognised as prepaid expenses if they represent expenses for a certain period after this date.

Subscribed capital is recognised at nominal value.

Provisions were recognised at the settlement amount required according to reasonable commercial assessment, taking into account future price and cost increases.

Provisions with a remaining term of more than one year are discounted at the average market interest rate of the past seven financial years corresponding to their remaining term. Pension provisions are discounted taking into account the average market interest rate of the past ten financial years.

Provisions for pensions and similar obligations are calculated in accordance with actuarial principles using the projected unit credit method, taking into account the 2018 G mortality tables published by Prof. Dr. Klaus Heubeck. The actuarial assumptions are as follows: The market interest rate for the assumed remaining term of 15 years, as published by the Deutsche Bundesbank in accordance with the *Rückstellungsabzinsungsverordnung* [German Regulation on the Discounting of Provisions] as at 31 December 2024, fell from 1.8 % to 1.9 %. The rate of future salary and pension increases is assumed to be 2.7 % (previous year: 2.7 %) and 2.3 % (previous year: 2.3 %) respectively. In addition to the payment of a monthly pension for life, the pension plans provide for the full payment of the capital amount or a payment in monthly instalments. Every employee is entitled to apply at any time during the ongoing employment contract for payment in annual instalments, as a single lump-sum payment or as a pension for life. KSB has estimated how the specific workforce is likely to decide on exercising the lump-sum option and has taken this into account for the measurement of pension provisions. The estimates regarding the decision on exercising the lump-sum option were applied unchanged. All other measurement parameters are unchanged year on year. Average fluctuation is assumed.

Provisions for obligations from partial retirement schemes are recognised in accordance with the phased block model. Provisions for partial retirement are measured in accordance with actuarial principles using an interest rate of 1.5 % p.a. (previous year: 1.0 %), based on the 2018 G mortality tables published by Prof. Dr. Klaus Heubeck. As in the previous year, annual wage and salary increases of 2.7 % were used to determine the provisions for partial retirement obligations. The provisions for partial retirement were recognised for phased retirement agreements already concluded as at

the reporting date and for future potential agreements. They include top-up amounts and settlement obligations of the company accrued up to the reporting date.

Appropriate provisions were recognised at the respective settlement amount for future expenses from the fulfilment of guarantees and warranties, i.e. taking into account the cost ratios expected to apply at the time of fulfilment. Provisions are recognised for specific individual risks as well as in the form of a lump-sum provision based on the sales revenue of the last eighteen months.

Provisions for future expenses relating to penalty risks are calculated on the basis of individual contractual arrangements in accordance with the delay in the completion of the project. In addition, a lump-sum provision is recognised.

Liabilities are measured at their settlement amount.

Currency translation

Transactions denominated in foreign currencies are generally recorded at the historical exchange rate at the time of initial recognition.

Balance sheet items are measured as follows as at the reporting date:

Non-current foreign currency receivables are recognised at the selling rate when the receivable arises or at the lower fair value based on the average spot exchange rate on the reporting date (imparity principle). Current foreign currency receivables (remaining term of one year or less) as well as cash and cash equivalents or other current assets denominated in foreign currencies are translated at the average spot exchange rate on the reporting date. Non-current foreign currency liabilities

are recognised at the buying rate at the time the liability is incurred or at the higher closing rate at the reporting date based on the spot exchange rate on the reporting date (imparity principle). Current foreign currency liabilities (remaining term of one year or less) are translated at the average spot exchange rate on the reporting date.

Deferred taxes

Deferred taxes are recognised on the differences between the carrying amounts in the financial accounts and the tax accounts, if and to the extent that these are expected to decrease in later financial years. In addition, deferred tax assets are recognised on corporate and trade tax loss carryforwards to the extent that losses are expected to be offset within, as a rule, the next five years. According to the formal approach, the sole tax debtor is the company as the controlling company, i.e. actual and deferred taxes of the controlled companies must also be shown in full in the annual financial statements of the controlling company, as it alone is subject to the taxation consequences. Accordingly, the deferred taxes on temporary differences of the controlled companies are recognised in the financial statements of KSB SE & Co. KGaA. The calculation of deferred taxes is based on an effective tax rate of around 31 %, which is expected to apply when the differences are reduced. Deferred tax assets and liabilities are reported net. In the case of an asset surplus of deferred taxes as at the reporting date, no use is made of the capitalisation option provided for in Section 274(1) Sentence 2 HGB.

Derivative financial instruments and hedge accounting

The company is exposed to currency and interest rate risks in the course of its business activities. These are hedged mainly through the use of derivative financial instruments. These are instruments traded outside the stock exchange (OTC). Currently, only forward exchange transactions are used. They are applied to hedge the company's operating business as well as the related cash investments and financing transactions. The aim here is to reduce the volatility resulting from changes in exchange rates and interest rates in relation to earnings and cash flows.

KSB uses micro and portfolio hedges to hedge transactions already recognised and future highly probable cash flows from its operating business.

The hedging instruments used share the essential terms and conditions with the underlying transactions, i.e. with regard to amount, term and quality. They are deployed in accordance with uniform guidelines and are subject to strict internal controls. In addition, these transactions are subject to prospective and retrospective effectiveness testing and risk monitoring. The hedging instruments used are exclusively simple currency forwards entered into with prime-rated banks.

Assets and liabilities, pending transactions and transactions that are expected in the future with a high degree of probability (underlyings) are, within the scope of hedge accounting, grouped in micro and portfolio hedges to offset opposing changes in fair value and cash flows with derivative financial instruments (hedge transactions), provided the requirements of Section 254 HGB are met.

If hedge accounting in accordance with Section 254 HGB is applied to hedges and highly probable forecast transactions, the forward exchange transactions are not recognised in the balance sheet until the underlying transaction occurs (net hedge presentation method). After the underlying transaction has occurred, the underlying transaction and the hedge transaction are recognised in accordance with the gross hedge presentation method. The fair value of these hedges is reported in the other assets balance sheet item as well as in the other liabilities balance sheet item.

For derivatives, previously recognised exchange rate gains or losses from extended hedge transactions are accrued within the scope of micro-hedges, if and to the extent that they result in future offsetting effects.

The critical terms match method is used prospectively for hedge accounting with forward exchange transactions; retrospectively, the assessment is based on the dollar offset method. KSB assumes a high probability of occurrence of the hedged transactions, as they are generally routine transactions and the hedge is below the planned total volume.

Balance Sheet Disclosures

1. Intangible assets, property, plant and equipment

In the financial year under review, investment activity was higher than in the previous year. The focus continued to be on replacement investments in manufacturing facilities. Investments amounted to € 44,747 thousand (previous year: € 40,020 thousand) and depreciation / amortisation to € 23,297 thousand (previous year: € 21,162 thousand). There were no write-downs.

Disposals of assets with a carrying amount of € 251 thousand (previous year: € 104 thousand) resulted in book gains of € 179 thousand (previous year: € 49 thousand) and book losses of € 92 thousand (previous year: € 102 thousand).

KSB SE & Co. KGaA exercised the option of capitalising internally generated intangible fixed assets in accordance with Section 248(2) HGB and recognised internally generated intangible assets totalling € 31,941 thousand (previous year: € 32,788 thousand). These are mainly attributable to the KSBbase selection software for the standard pump range and the E2E e-sales software. Software in development accounted for € 6,702 thousand (previous year: € 5,466 thousand). In the financial year under review, research and development costs amounted to € 49,130 thousand (previous year: € 42,555 thousand).

2. Financial assets

In the 2024 financial year, essentially two capital increases were implemented; as a result, the carrying amounts of the equity investments in the following companies increased. Firstly, the equity of KSB Pumps Company Limited, Lahore, Pakistan, was increased by € 5,337 thousand. Secondly, the equity of Cerpadlá a Armatúry, s.r.o., Bratislava, Slovakia, was raised by € 1,000 thousand.

Moreover, following the positive business performance of KSB DAG GmbH, Wiener Neudorf, Austria (formerly DAG-Dieselanlagen Service GmbH, Oberwaltersdorf, Austria) an amount of € 420 thousand became due as a result of a retroactive purchase price adjustment in accordance with the earn-out clause. The value of the equity investment therefore increased to € 1,875 thousand.

Furthermore, additional shares with an overall value of € 440 thousand were acquired in KSB Pumps Co. Ltd., Bangkok, Thailand.

KSB also acquired shares in ai-omatic solutions GmbH, Hamburg, worth € 498 thousand.

In addition, the carrying amount of the equity investment in KSB REEL S.r.l., Ponte di Nanto, Italy, resulting from impairment testing in accordance with Section 253(3) Sentence 5 HGB increased by € 4,363 thousand in the 2024 financial year.

There were no further changes in the carrying amount of equity investments.

All additions and disposals, as well as impairment testing, resulted in a total addition to financial assets of € 12,057 thousand in the 2024 financial year.

Statement of changes in fixed assets in the 2024 financial year

€ thousands	Historical cost				Accumulated depreciation and amortisation					Net value		Prior-year balance
	Balance at 1 Jan..	Additions	Disposals	Reclassifications	Balance at 31 Dec..	Balance at 1 Jan.	Additions	Disposals	Write-ups	Balance at 31 Dec..	Balance at 31 Dec.	
Intangible assets												
Internally generated industrial property rights and similar rights and assets	46,408	2,085	–	–	48,493	13,620	2,932	–	–	16,552	31,941	32,788
Concessions, industrial property and similar rights and assets, as well as licences in such rights and assets, acquired against payment	53,184	3,683	2	2,719	59,584	50,580	2,521	2	–	53,099	6,485	2,604
Advances received from customers	3,045	357	–	-2,719	683	–	–	–	–	–	683	3,045
	102,637	6,125	2	–	108,760	64,200	5,453	2	–	69,651	39,109	38,437
Property, plant and equipment												
Land or land rights and buildings including buildings on third-party land	156,377	3,419	164	5,264	164,896	96,350	2,865	–	–	99,215	65,681	60,027
Plant and machinery	286,648	9,840	6,213	10,801	301,076	219,401	8,462	6,173	–	221,690	79,386	67,247
Other equipment, operating and office equipment	71,686	6,197	4,453	385	73,815	42,455	6,517	4,406	–	44,566	29,249	29,231
Advance payments and assets under construction	19,155	19,166	–	-16,450	21,871	–	–	–	–	–	21,871	19,155
	533,866	38,622	10,830	–	561,658	358,206	17,844	10,579	–	365,471	196,187	175,660
Financial assets												
Investments in affiliates	349,161	7,196	–	–	356,357	24,331	–	–	-4,363	19,968	336,389	324,830
Equity investments	19,423	498	–	–	19,921	–	–	–	–	–	19,921	19,423
Loans to affiliates	1,800	–	–	–	1,800	–	–	–	–	–	1,800	1,800
	370,384	7,694	–	–	378,078	24,331	–	–	-4,363	19,968	358,110	346,053
	1,006,887	52,441	10,832	–	1,048,496	446,737	23,297	10,581	-4,363	455,090	593,406	560,150

List of Shareholdings

The shares in affiliates and equity investments (interests held) reported under financial assets – i.e. the companies in which the company holds, directly or indirectly, at least 20 % of the share capital – are listed below.

The disclosures on equity and the net profit or loss for the year of affiliates are provided in accordance with IFRS.

Affiliates (national and international)

Cons. No.	Name and seat	Country	Activity ¹⁾	Capital share in %	Group share of capital in %	Held by No.	Equity ²⁾ € thousands	Net profit / loss for the year ²⁾ € thousands
1	Canadian Kay Pump Limited, Mississauga / Ontario	Canada	H	100.00	100.00		1,533	2,328
2	KSB Limited, Pimpri (Pune)	India	P	40.54	40.54	1	166,137	27,472
3	KSB MIL Controls Limited, Annamanada	India	P	49.00	19.86	2	19,563	3,128
				51.00	51.00			
4	Pofran Sales & Agency Limited, Pimpri (Pune)	India	S	100.00	40.54	2	19	0
5	Dynamik-Pumpen GmbH, Stuhr	Germany	SVC	100.00	100.00		676	1,294
6	Hydroskepi GmbH, Amaroussion (Athens)	Greece	H	100.00	100.00		135	-105
7	KAGEMA Industrieausrüstungen GmbH, Pattensen	Germany	P	100.00	100.00		2,861	525
8	KSB Armaturen Verwaltungs- und Beteiligungs-GmbH, Frankenthal	Germany	H	100.00	100.00		1,192	-115
9	OOO "KSB", Moscow	Russia	SVC	100.00	100.00	8	-215	-877
10	I000 "KSB BEL", Minsk	Belarus	S	99.72	99.72	9	97	-74
				0.28	0.28	8		
11	TOO "KSB Kazakhstan", Almaty	Kazakhstan	S	100.00	100.00	9	1,314	781
12	TOV "KSB Ukraine", Kyiv	Ukraine	S	100.00	100.00	9	101	-47
13	TOB "KSB Ukraine" LLC, Kyiv	Ukraine	S	100.00	100.00	8	582	149
14	KSB Belgium S.A., Bierges-lez-Wavre	Belgium	S	100.00	100.00		5,181	781
15	KSB Service Belgium S.A./N.V., Bierges-lez-Wavre	Belgium	SVC	100.00	100.00	14	-91	-132
				92.00	92.00			
16	KSB, Bombas e Válvulas, SA, Albarraque	Portugal	S	1.00	1.00	39	888	254
				1.00	1.00	60		
				1.00	1.00	22		
17	KSB Čerpadlá a Armatúry, s.r.o., Bratislava	Slovakia	S	100.00	100.00		1,586	51
18	KSB Chile S.A., Santiago	Chile	P	100.00	100.00		33,116	6,251
19	KSB Colombia S.A.S., Funza (Cundinamarca)	Colombia	S	100.00	100.00		778	44
20	KSB DAG GmbH, Vienna	Austria	P	100.00	100.00		2,126	134
21	KSB de Mexico, S.A. de C.V., Querétaro	Mexico	P	100.00	100.00		3,238	61

¹⁾ P = Production / assembly, S = Sales, SVC = Service, H = Holding, T = Technical service provider

²⁾ Data according to latest annual financial statements under IFRS

Cons. No.	Name and seat	Country	Activity ¹⁾	Capital share in %	Group share of capital in %	Held by No.	Equity ²⁾ € thousands	Net profit / loss for the year ²⁾ € thousands
22	KSB FINANZ GmbH, Frankenthal	Germany	H	100.00	100.00		79,778	24,045
23	Dalian KSB AMRI Valves Co., Ltd., Dalian	China	P	100.00	100.00	22	8,526	1,164
24	KSB Algérie Eurl, Bordj el Kifane (Alger)	Algeria	S	100.00	100.00	22	2,721	530
25	KSB Argentina S.A., Carapachay (Buenos Aires)	Argentina	P	95.00 5.00	95.00 5.00	22	19,467	-652
26	KSB Australia Pty Ltd, Bundamba QLD	Australia	P	100.00	100.00	22	14,429	1,230
27	KSB New Zealand Limited, Albany / Auckland	New Zealand	S	100.00	100.00	26	924	132
28	KSB BRASIL LTDA., Várzea Paulista	Brazil	P	100.00	100.00	22	53,415	17,760
29	KSB Middle East FZE, Dubai	U.A.E.	S	100.00	100.00	22	388	-1,550
30	KSB Pumps (S.A.) (Pty) Ltd., Germiston (Johannesburg)	South Africa	H	100.00	100.00	22	17,256	1,649
31	KSB Pumps and Valves (Pty) Ltd., Germiston (Johannesburg)	South Africa	P	70.00	70.00	30	29,437	5,537
32	KSB PUMPS AND VALVES LIMITED, Nairobi	Kenya	S	100.00	100.00	30	461	155
33	KSB Shanghai Pump Co., Ltd., Shanghai	China	P	80.00	80.00	22	48,302	10,949
34	KSB Finland Oy, Kerava	Finland	S	100.00	100.00		11,404	2,914
35	KSB Hungary Kft., Budapest	Hungary	S	100.00	100.00		1,802	1,284
36	KSB Industries B.V., Alphen aan den Rijn	Netherlands	H	100.00	100.00		45,615	2,500
37	Duijvelaar Pompen B.V., Alphen aan den Rijn	Netherlands	SVC	100.00	100.00	36	8,868	8,851
38	KSB Manufacutring B.V., Alphen aan den Rijn	Netherlands	P	100.00	100.00	36	6,882	6,860
39	KSB Nederland B.V., Zwanenburg	Netherlands	S	100.00	100.00	36	6,672	2,597
40	KSB Italia S.p.A., Milan	Italy	P	100.00	100.00		34,490	5,034
41	KSB ITUR Spain S.A., Zarautz	Spain	P	100.00	100.00		23,916	1,924
42	KSB Korea Ltd., Seoul	South Korea	P	100.00	100.00		3,915	1,339
43	KSB Limited, Hong Kong	China	S	100.00	100.00		3,339	1,133
44	KSB Pump & Valve Technology Service (Tianjin) Co., Ltd, Tianjin	China	P	100.00	100.00	43	6,446	811
45	KSB Limited, Loughborough	United Kingdom	S	100.00	100.00		6,470	2,060
46	KSB Ltd., Tokyo	Japan	S	100.00	100.00		-3,184	250
47	KSB Norge AS, Drøbak	Norway	P	100.00	100.00		2,207	419
48	KSB Österreich Gesellschaft mbH, Vienna	Austria	S	100.00	100.00		3,073	407
49	KSB Perú S.A., Lurin	Peru	S	100.00	100.00		2,655	353
50	KSB Polska Sp. z o.o., Ozarow Mazowiecki	Poland	S	100.00	100.00		8,466	2,024
51	KSB-Pompa, Armatür Sanayi ve Ticaret A.S., Ankara	Turkey	P	100.00	100.00		16,509	1,101
52	KSB Pumps and valves L.t.d., Domžale	Slovenia	S	100.00	100.00		6,026	926
53	KSB Pumps Co. Ltd., Bangkok	Thailand	P	49.00	49.00		4,243	-1,070
54	KSB Pumps Company Limited, Lahore	Pakistan	P	72.54	72.54		13,705	183
55	KSB Pumps Inc., Mississauga / Ontario	Canada	S	100.00	100.00		4,023	830

¹⁾ P = Production / assembly, S = Sales, SVC = Service, H = Holding, T = Technical service provider

²⁾ Data according to latest annual financial statements under IFRS

Cons. No.	Name and seat	Country	Activity ¹⁾	Capital share in %	Group share of capital in %	Held by No.	Equity ²⁾ € thousands	Net profit / loss for the year ²⁾ € thousands
56	KSB-Pumpy+Armatury s.r.o., concern, Prague	Czech Republic	S	100.00	100.00		4,393	444
57	KSB REEL S.r.l., Ponte di Nanto	Italy	P	100.00	100.00		4,639	2,038
58	KSB S.A.S., Gennevilliers (Paris)	France	P	100.00	100.00		98,739	12,597
59	KSB POMPES ET ROBINETTERIES S.à.r.l. d'Associé unique, Casablanca	Morocco	S	100.00	100.00	58	2,351	345
60	KSB (Schweiz) AG, Oftringen	Switzerland	S	100.00	100.00		2,977	808
61	KSB Seil Co., Ltd., Busan	South Korea	P	100.00	100.00		7,942	948
62	KSB Service GmbH, Frankenthal	Germany	SVC	100.00	100.00		16,031	17,241
63	KSB Service GmbH, Schwedt	Germany	SVC	100.00	100.00		3,485	5,146
64	KSB Singapore (Asia Pacific) Pte Ltd, Singapore	Singapore	P	100.00	100.00		7,685	1,695
65	KSB Malaysia Pumps & Valves Sdn. Bhd., Shah Alam	Malaysia	P	100.00	100.00	64	1,730	1,094
66	KSB PHILIPPINES, INC., Makati City	Philippines	S	100.00	100.00	64	1,165	499
67	KSB Vietnam Co., Ltd, Long Thanh District	Vietnam	S	100.00	100.00	64	-193	-53
68	KSB Sverige Aktiebolag, Gothenburg	Sweden	S	100.00	100.00		8,227	1,886
69	KSB Sverige Fastighets AB, Gothenburg	Sweden	S	100.00	100.00	68	1,185	-9
70	PUMPHUSET Sverige AB, Sollentuna	Sweden	SVC	100.00	100.00	68	2,204	340
71	KSB Taiwan Co., Ltd., New Taipei City	Taiwan	S	100.00	100.00		3,805	2,073
72	KSB Tech Pvt. Ltd., Pimpri (Pune)	India	T	100.00	100.00		4,409	896
73	KSB Valves (Changzhou) Co., Ltd., Jiangsu	China	P	100.00	100.00		15,881	2,552
74	KSB Valves Spain S.A., Burgos	Spain	P	100.00	100.00		5,624	517
75	PAB Pumpen- und Armaturen-Beteiligungsges. mbH, Frankenthal	Germany	H	51.00	51.00		17,116	14,968
76	KSB America Corporation, Richmond / Virginia	USA	H	100.00	51.00	75	55,398	7,692
77	KSB Dubric, Inc., Comstock Park / Michigan	USA	SVC	100.00	51.00	76	-3,612	-2,016
78	KSB GIW, Inc., Grovetown / Georgia	USA	P	100.00	51.00	76	179,266	16,963
79	KSB, Inc., Richmond / Virginia	USA	P	100.00	51.00	76	14,745	1,085
80	KSB, Inc. – Western Division, Bakersfield / California	USA	SVC	100.00	51.00	76	2,886	133
81	Standard Alloys Incorporated, Port Arthur / Texas	USA	SVC	100.00	51.00	76	3,039	-3,107
82	PMS-BERCHEM GmbH, Neuss	Germany	SVC	100.00	100.00		687	877
83	PT. KSB Indonesia, Cibitung	Indonesia	P	94.06 5.94	94.06 5.94	22	20,142	2,552
84	PT. KSB Sales Indonesia, Cibitung	Indonesien	V	99.00 1.00	99.00 1.00	83	2,991	338
85	Pumpen-Service Bentz GmbH, Reinbek	Germany	SVC	100.00	100.00		723	1,389
86	SISTO Armaturen S.A., Echternach	Luxembourg	P	52.85	52.85		28,913	5,204
87	Uder Elektromechanik GmbH, Friedrichsthal	Germany	SVC	100.00	100.00		15	1,252

¹⁾ P = Production / assembly, S = Sales, SVC = Service, H = Holding, T = Technical service provider

²⁾ Data according to latest annual financial statements under IFRS

Joint ventures (international)

Cons. No.	Name and seat	Country	Activity ¹⁾	Capital share in %	Group share of capital in %	Held by No.	Equity ²⁾ € thousands	Net profit / loss for the year ²⁾ € thousands
88	KSB MOTOR TEKNOLOJİLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ, Ankara	Turkey	P	55.00	55.00	51	92	34
89	KSB Pumps Arabia Ltd., Riyadh	Saudi Arabia	P	50.00	50.00	22	17,739	3,348
90	KSB Service LLC, Abu Dhabi	U.A.E.	SVC	49.00	49.00		11,318	1,360
91	Shanghai Electric-KSB Nuclear Pumps and Valves Co., Ltd., Shanghai	China	P	45.00	45.00		47,959	3,139
92	1637534 Alberta Ltd., Edmonton	Canada	P	41.14	41.14	78	2,995	–
93	PIP360 Inc., Edmonton	Canada	SVC	100.00	41.14	92	135	–

Associates (international)

Cons. No.	Name and seat	Country	Activity ¹⁾	Capital share in %	Group share of capital in %	Held by No.	Equity ²⁾ € thousands	Net profit / loss for the year ²⁾ € thousands
94	Motori Sommersi Riavvolgibili S.r.l., Cedegolo	Italy		25.00	25.00		8,908	6,109

¹⁾ P = Production / assembly, S = Sales, SVC = Service, H = Holding, T = Technical service provider

²⁾ Data according to latest annual financial statements under IFRS

Companies not consolidated because of immateriality – Affiliates (national and international)

Cons. No.	Name and seat	Country	Activity ¹⁾	Capital share in %	Group share of capital in %	Held by No.	Equity ²⁾ € thousands	Net profit / loss for the year ²⁾ € thousands
95	Geheimrat Dr. Jacob Klein-Unterstützungseinrichtung e.V., Frankenthal	Germany		100.00	100.00		131	2
96	KSB Bolivia S.R.L., La Paz	Bolivia	SVC	99.00 1.00	99.00 1.00	28	199	-85
97	KSB BOMBAS E VÁLVULAS (Angola), LDA, Belas	Angola	S	65.00	65.00		-55	-283
98	KSB (CAMBODIA) PUMPS & VALVES CO., LTD., Phnom Penh	Cambodia	S	100.00	100.00	64	98	-
99	KSB Ecuador S.A., Samborondón	Ecuador	S	100.00	100.00	28	1,370	75
100	KSB Egypt SOC, Cairo	Egypt	H	100.00	100.00		49	-8
101	KSB Panama S.A., Panamá	Panama	S	100.00	100.00	28	798	99
102	KSB Pumpe i Armature d.o.o. Belgrade	Serbia	S	100.00	100.00	52	357	96
103	KSB pompe i armature d.o.o., Rakov Potok	Croatia	S	100.00	100.00	52	205	-1
104	KSB PUMPS AND VALVES (NAMIBIA) (PROPRIETARY) LIMITED, Klein Windhoek	Namibia	S	100.00	100.00	30	10	99
105	KSB Pumps and Valves Nigeria Ltd, Lagos	Nigeria	S	60.00 48.00	60.00 48.00		83	9
106	KSB Service Egypt LLC, Cairo	Egypt	SVC	11.00 1.00	11.00 1.00	100 22	1,039	525
107	KSB ZAMBIA LIMITED, Kitwe	Zambia	S	100.00	100.00	30	536	39
108	Vari.Co. GmbH, Karlsruhe	Germany	T	51.00	51.00		234	29

¹⁾ P = Production / assembly, S = Sales, SVC = Service, H = Holding, T = Technical service provider

²⁾ Data according to latest annual financial statements under IFRS

3. Inventories and advances received

Inventories and advances received		
€ thousands	31 Dec. 2024	31 Dec. 2023
Raw materials, consumables and supplies	114,677	119,703
Work in progress	122,106	117,260
Finished goods and goods purchased and held for resale	50,877	42,999
Advance payments	3,597	3,369
Advances received from customers	-83,522	-68,142
	207,735	215,188

€ 2,623 thousand (previous year: € 576 thousand) of the advance payments made are attributable to affiliates and equity investments. The advances received from customers, at € 28,579 thousand (previous year: € 27,526 thousand), relate to affiliates and equity investments.

The carrying amount of inventories includes impairments of € 18,363 thousand (previous year: € 20,987 thousand), measured at the lower of cost or market value. The decrease in these impairments compared with the previous year was due to the invoicing of a major project.

At € 8,439 thousand, projects related to Russia accounted for the largest share of the impairment measured at the lower of cost or market value.

4. Receivables and other assets

Receivables and other current assets		
€ thousands	31 Dec. 2024	31 Dec. 2023
Trade receivables	46,916	47,527
Of which with a remaining term of more than 1 year	627	1,845
Receivables from affiliates	254,532	228,850
Of which with a remaining term of more than 1 year	2,144	566
Receivables from non-controlling interests	33,079	39,502
Of which with a remaining term of more than 1 year	1,570	1,613
Other assets	32,694	23,414
Total	367,220	339,293
Of which with a remaining term of more than 1 year	4,341	4,024

Unless otherwise stated, the receivables are due within one year. € 179,867 thousand (previous year: € 156,452 thousand) of the receivables from affiliates are inter-company trade receivables. Loans and cash investments in the Group accounted for € 65,813 thousand (previous year: € 63,677 thousand). This item also includes receivables from profit and loss transfer agreements in the amount of € 8,852 thousand (previous year: € 8,721 thousand). € 29,678 thousand (previous year: € 35,497 thousand) of the receivables from non-controlling interests relate to intercompany trade receivables. Loans and cash investments in the Group accounted for € 3,400 thousand (previous year: € 4,005 thousand).

Other assets amounted to € 32,694 thousand (previous year: € 23,414 thousand). They include receivables from credit balances for partial retirement agreements and

long-term working time accounts amounting to € 13,010 thousand (previous year: € 15,810 thousand), which are secured against insolvency in accordance with the statutory provisions. Other assets also include receivables from credit institutions amounting to € 9,349 thousand (previous year: € 0 thousand), which relate to a cash deposit for guarantees issued by a credit institution. In addition, the item includes receivables from tax authorities in the amount of € 4,785 thousand (previous year: € 3,379 thousand). These relate to receivables from income and excise tax credits in the amount of € 3,534 thousand and from electricity tax in the amount of € 1,251 thousand. The other assets all have a remaining term of up to one year.

5. Cash and bank balances

A portion of the cash and cash equivalents amounting to € 10,979 thousand (previous year: € 1 thousand) was accounted for by short-term call deposits and fixed-term deposits. The remaining € 102,981 thousand (previous year: € 102,867 thousand) resulted from current account balances at banks and from cash assets.

6. Equity

There was no change in the share capital of KSB SE & Co. KGaA as against the previous year; it totals € 44,771,963.82 in accordance with the Articles of Association. It is divided into 886,615 no-par-value ordinary shares (€ 22,665,952.56) and 864,712 preference no-par-value shares (€ 22,106,011.26).

Each no-par-value share represents an equal notional amount of the share capital. The preference shares carry separate cumulative preferred dividend rights and progressive additional dividend rights.

The capital reserve results from the appropriation of premiums from capital increases in previous years.

Out of the 2023 net retained earnings of € 88,642 thousand, dividends totalling € 45,759 thousand (dividend of € 26.00 per ordinary share and € 26.26 per preference share) were distributed by resolution of the Annual General Meeting on 8 May 2024. The remaining amount of € 42,882 thousand was carried forward to new account. The revenue reserves exclusively comprise other revenue reserves.

As at the reporting date of 31 December 2024, the distributable capital, consisting of the net profit / loss for the year plus the retained earnings carried forward and the freely available reserves in the total amount of € 259,870 thousand, exceeded the total amount of the non-distributable amounts of € 31,941 thousand by € 227,929 thousand. Therefore, no dividend payout restriction was adopted with regard to the net retained earnings of the financial year in the amount of € 128,167 thousand.

7. Provisions

Provisions		
€ thousands	31 Dec. 2024	31 Dec. 2023
Provisions for pensions and similar obligations	516,247	517,464
Provisions for taxes	12,080	6,992
Other provisions	120,417	121,531
	648,744	645,987

The provisions for pensions and similar obligations decreased slightly in 2024. The recognition of provisions for pensions based on either a seven-year or a ten-year average interest rate results in a negative difference of € -5,293 thousand (previous year: € +5,599 thousand).

The tax provisions of € 12,080 thousand (previous year: € 6,992 thousand) cover provisions for corporate income tax of € 3,092 thousand (previous year: € 3,249 thousand), trade tax of € 8,258 thousand (previous year: € 3,036 thousand) and foreign tax risks in the amount of € 730 thousand from previous years that have not yet been assessed or finally audited and determined (previous year: € 706 thousand). Income tax provisions relate to the reporting year and previous years not yet finally assessed; prepayments and tax credit balances are offset. If these exceed the provision amounts, they are reported under other assets.

Of the other provisions, the largest portion of € 53,124 thousand (previous year: € 55,851 thousand) relates to personnel obligations. The main increase was in obligations from bonus payments (€ +779 thousand). In contrast, obligations from partial retirement arrangements (€ -2,796 thousand) and time credits (€ -501 thousand) decreased.

In total, provisions of € 12,908 thousand (previous year: € 15,704 thousand) were recognised for obligations from partial retirement schemes.

In addition, other provisions include risks arising from warranty claims of € 33,009 thousand (previous year: € 32,480 thousand), penalties of € 9,666 thousand (previous year: € 6,658 thousand), expected losses from uncompleted transactions of € 2,055 thousand (previous year: € 3,650 thousand) and for other uncertain obligations.

8. Liabilities

Liabilities		
€ thousands	31 Dec. 2024	31 Dec. 2023
Trade payables	71,764	68,487
Remaining term of up to 1 year	71,764	68,487
Liabilities to affiliates	182,403	161,717
Remaining term of up to 1 year	182,403	161,717
Liabilities to non-controlling interests	387	702
Remaining term of up to 1 year	387	702
Other liabilities	10,477	8,607
Remaining term of up to 1 year	10,357	8,508
Remaining term of more than 1 year	42	41
Of which remaining term of more than 5 years	78	58
Of which tax liabilities	6,048	4,479
Of which social security liabilities	131	202
Total liabilities	265,031	239,513
Remaining term of up to 1 year	264,910	239,414
Remaining term of more than 1 year	42	41
Of which remaining term of more than 5 years	78	58

Liabilities to affiliates include trade payables of € 28,389 thousand (previous year: € 29,016 thousand) and inter-company loans of € 108,980 thousand (previous year: € 132,701 thousand). Liabilities from intercompany loans and cash investments were offset with receivables from profit and loss transfer agreements in the amount of € 45,033 thousand (previous year: € 10,239 thousand). Liabilities to non-controlling interests include trade payables of € 387 thousand (previous year: € 702 thousand).

9. Derivative financial instruments and hedge accounting

The major share of exchange rate risks from receivables and liabilities was hedged by forward exchange transactions with external contractual partners; their fair value amounted to € +1,731 thousand (nominal value: € 51,148 thousand) and € -1,772 thousand (nominal value: € 7,209 thousand) for receivables and liabilities respectively.

Forward exchange transactions with a positive fair value of € +284 thousand (nominal value: € 134,858 thousand) and a negative fair value of € -2,542 thousand (nominal value: € 36,962 thousand) were used to hedge highly probable transactions in foreign currencies.

There were no uncompleted transactions in foreign currencies.

Foreign currency items denominated in USD, AUD, USD, SEK and CNY account for the major volume hedged by forwards. The terms to maturity of the derivatives used are mostly one to three years.

Any exchange rate losses or gains that are later offset by corresponding hedge transactions are accrued in other assets in the amount of € 759 thousand (previous year: € 715 thousand) and in other provisions in the amount of € 59 thousand (previous year: € 209 thousand).

Foreign exchange risk hedged within the scope of group hedging amounted to € 6,045 thousand (previous year: € 2,900 thousand).

10. Contingent liabilities

KSB SE & Co. KGaA issued bonds and guarantees to banks in favour of equity investments amounting to € 17,769 thousand (previous year: € 18,860 thousand). There were also bonds and guarantee commitments to third parties in the amount of € 21,060 thousand (previous year: € 38,501 thousand).

Based on the information available at the time of preparation, KSB SE & Co. KGaA currently assumes that the obligations underlying the above-mentioned contingent liabilities can be met in all cases by the respective principal debtors on the basis of their economic capacity. The company therefore estimates the probability of a claim to be very low.

11. Other financial obligations and off-balance sheet transactions

Other financial obligations and off-balance sheet transactions

€ thousands

The following obligations from rental agreements and leases will fall due in subsequent years:

2025	3,185
2026 – 2029	4,514
	7,699

The rental agreements and leases relate to the vehicle fleet, buildings and warehouses, and office and business equipment (copiers, printers). In all cases, these are operating leases, which means the leased assets are not recognised in the company's balance sheet. The advantage of these agreements lies in the reduced amount of capital tied up compared with acquisition and the elimination of the utilisation risk. Risks can arise from

the term of the agreement if and to the extent that the assets can no longer be fully used, for which there are currently no indications.

The obligations from IT services agreements amounted to € 99,062 thousand (previous year: € 89,238 thousand). Of this amount, € 33,032 thousand is attributable to 2025 and € 66,030 thousand to subsequent years up to 2029.

The aggregate purchase commitments for fixed assets amounted to € 17,101 thousand (previous year: € 13,667 thousand).

The total amount of other financial obligations as at the reporting date was € 123,863 thousand (previous year: € 108,040 thousand).

Unsecured credit lines were agreed with affiliates for borrowing within the framework of cash pooling. The utilisation of these credit lines by Group companies is significantly more favourable for them than comparable borrowing from banks. In principle, there is a default risk involved, which KSB considers to be very low due to the financial position of the companies. As at the reporting date, an amount of € 30,831 thousand (previous year: € 30,672 thousand) of the total volume of credit lines granted of € 59,600 thousand (previous year: € 56,550 thousand) had not been utilised.

The credit and guarantee lines include amounts from a syndicated loan agreement originally signed in December 2018 and extended on 19 November 2024 as part of an amendment and restatement agreement. The associated credit line of € 300.0 million can be used at any time and increased by KSB by a further € 250.0 million through the exercise of an option to increase the credit line.

The guarantee line from the syndicated loan agreement comes to € 250.0 million. The fixed five-year term of the agreement until 19 November 2029 additionally gives KSB the option to renew twice by one year each time.

Income Statement Disclosures

12. Sales revenue

Sales revenue

€ thousands	2024	2023
Sales revenue from the sale of pumps	585,843	641,772
Sales revenue from the sale of valves	89,481	85,805
Sales revenue from KSB SupremeServ	187,832	188,765
Subtotal	863,156	916,342
Other sales revenue	100,617	79,964
Sales revenue recognised in income statement	963,773	996,306

Sales revenue from the new business with Pumps and Valves and from KSB SupremeServ, which comprises all the service and spare parts business, includes charges for deliveries and services billed to customers plus licence income and income from foundry products, less sales reductions. At € 963,773 thousand, the sales revenue generated in 2024 decreased by € 32,533 thousand (– 3.3 %) year on year. The breakdown of sales revenue by Region changed slightly compared with the previous year. The domestic market accounted for 39 % (previous year: 39 %). The other European countries achieved 31 % (previous year: 29 %) overall. The Region Asia / Pacific accounted for 16 % (previous year: 17 %), the Region Middle East / Africa for 7 % (previous year: 9 %) and the Region Americas for 7 % (previous year: 6 %) of sales revenue.

Other sales revenue in the amount of € 100,617 thousand (previous year: € 79,964 thousand) mainly comprised services for Group companies of € 95,322 thousand (previous year: € 75,053 thousand), subsidies

and grants of € 3,068 thousand (previous year: € 2,800 thousand), and income from rentals and leases of € 1,399 thousand (previous year: € 1,353 thousand). The increase relating to services for Group companies essentially results from recharging expenses for the migration of the SAP R/3 system to SAP S/4HANA.

13. Total output of operations

In addition to the decline in sales revenue, the increase in inventories of finished goods and work in progress as well as the slight increase in own work capitalised had an impact on the total output of operations. The total output of operations was € 2,624 thousand below the prior-year figure; this equates to a decline of 0.3 %.

14. Other operating income

The main component of other operating income in the amount of € 31,271 thousand (previous year: € 22,558 thousand) was income from currency translation gains. At € 16,478 thousand, this was € 1,905 thousand higher than the previous year's figure of € 14,573 thousand.

Other operating income also included prior-period income, mainly from the reversal of provisions in the amount of € 10,457 thousand (previous year: € 3,910 thousand). This primarily relates to the reversal of warranty provisions.

15. Cost of materials

Cost of materials

€ thousands	2024	2023
Cost of raw materials, production supplies and of goods purchased and held for resale	321,988	343,344
Cost of purchased services	88,455	74,859
	410,443	418,203

The cost of materials declined as a result of the drop in sales, and was € 7,760 thousand lower than the prior-year figure. The cost of materials as a percentage of total output of operations was 41.9 % in the 2024 financial year (previous year: 42.6 %). This is attributable in particular to the change in product mix in the project business.

16. Staff costs

Staff costs

€ thousands	2024	2023
Wages and salaries	320,268	305,554
Social security contributions and employee assistance costs	57,732	54,540
Pension costs	4,741	19,624
	382,741	379,718

Staff costs as a percentage of total output of operations increased year on year to 39.1 % (previous year: 38.7 %), mainly due to the collectively agreed pay adjustments.

By contrast, pension costs decreased by € 14,883 thousand as a result of inflation-related adjustments.

The average number of employees over the year, excluding trainees, was 3,894. Of these, 2,152 were

allocated to production, 1,233 to sales and products and 509 to corporate functions.

17. Other operating expenses

Other operating expenses mainly include purchased services, maintenance and general selling costs and, at € 197,388 thousand, were higher than in the previous year (€ 191,097 thousand).

The increase in other operating expenses is essentially attributable to Group expenses of € 25,225 thousand (previous year: € 21,856 thousand) and travel, entertainment and hospitality expenses of € 12,854 thousand (previous year: € 10,354 thousand).

Further changes were reported in expenses for auditing and consulting (€ 16,574 thousand; previous year: € 14,668 thousand) and in losses and impairments on trade receivables (€ 24 thousand; previous year: € 2,763 thousand).

Expenses for currency and exchange rate losses rose from € 14,871 thousand in the previous year to € 16,025 thousand.

As a percentage of total output of operations, other operating expenses increased by 70 basis points to 20.2 % (previous year: 19.5 %).

18. Income from equity investments

Income from equity investments		
€ thousands	2024	2023
Income from affiliates and equity investments	50,669	42,653
Of which from affiliates	49,744	41,878
Income from profit transfers	53,884	18,960
	104,553	61,613

Fiscal unity agreements (control and profit and loss transfer agreements) are in place with the following companies: KSB Service GmbH, Frankenthal, KSB Service GmbH, Schwedt, KSB Finanz GmbH, Frankenthal, Uder Elektromechanik GmbH, Friedrichsthal, Dynamik-Pumpen GmbH, Stuhr, PMS Berchem GmbH, Neuss, Pumpen Service Bentz GmbH, Reinbek, and Kagema Industrieausrüstungen GmbH, Pattensen. The agreements are registered in the *Handelsregister* [German Commercial Register]. In accordance with the agreements, the annual earnings of the individual companies are transferred to KSB SE & Co. KGaA.

19. Other finance income / expense

Other finance income / expense		
€ thousands	2024	2023
Other interest and similar income	7,509	5,650
Of which from affiliates	4,157	4,024
Of which from the discounting of provisions	34	109
Write-ups of financial assets	4,363	9,021
Write-downs of financial assets	0	-1,640
Interest and similar expenses	-13,951	-11,240
Of which to affiliates	-6,828	-4,632
Of which from the addition of accrued interest to provisions	-4,664	-6,037
	-2,079	1,791

In the 2024 financial year, financial assets totalling € 4,363 thousand were written up as they were no longer deemed to be permanently impaired. The write-up related to KSB REEL s.r.l., Ponte di Nanto, Italy. In 2024, no write-downs of financial assets due to expected permanent impairment took place.

The change in interest and similar expenses is primarily attributable to the increase in expenses for interest paid to affiliates and equity investments of € 6,828 thousand (previous year: € 4,632 thousand).

20. Taxes on income

Domestic income taxes of € 7,794 thousand (previous year: € 2,802 thousand) were recorded in the 2024 financial year. In addition, the tax expense included € 4,378 thousand (previous year: € 4,087 thousand) for foreign taxes deducted at source relating to income from equity investments, licences and technical services.

Global minimum tax

KSE SE & Co. KGaA falls within the scope of the OECD Pillar Two model rules. The Pillar Two legislation has been applicable in Germany since 1 January 2024.

In the reporting year, KSB for the first time recognised a current tax expense of € 800 thousand for the top-up tax in connection with the global minimum tax, which is payable by KSB SE & Co. KGaA as the ultimate parent company. This minimum tax essentially refers to KSB's business operations in China.

KSB makes use of the exemption from recognising deferred taxes in connection with Pillar Two income taxes, which was the subject of the amendments to IAS 12 published in May 2023.

21. Non-distributable amounts (Sections 253(6), 268(8) HGB)

As at the reporting date, an amount of € 31,941 thousand from the capitalisation of internally generated industrial property rights and similar assets is subject to dividend payout restrictions. The recognition of provisions for pensions based on either a seven-year or a ten-year average interest rate results in a negative difference of € -5,293 thousand, which is not subject to dividend payout restrictions. This also applies to deferred taxes, as KSB does not make use of the option regarding the capitalisation of surplus assets (Section 274(1) Sentence 2 HGB).

Other Disclosures

The disclosures on deferred taxes are made taking into account the controlled companies. As at the reporting date, lower carrying amounts were recognised in the tax balance sheet for fixed assets (excluding financial assets) of € 34,365 thousand (previous year: € 31,261 thousand), pension provisions of € 257,667 thousand (previous year: € 268,496 thousand) and other provisions of € 15,667 thousand (previous year: € 20,796 thousand). Higher carrying amounts were recognised for financial assets of € 258,444 thousand (previous year: € 238,706 thousand) and for other assets of € 2,057 thousand (previous year: € 2,125 thousand). Based on a tax rate of 30.4 %, this results in a total future tax reduction of € 72,336 thousand (previous year: € 79,234 thousand), which was not capitalised. There are corporate tax loss carryforwards of € 15,332 thousand (previous year: € 60,472 thousand) and trade tax loss carryforwards of € 0 thousand (previous year: € 32,234 thousand).

KSB SE & Co. KGaA, as a capital market-oriented parent company, is required to prepare consolidated financial statements and a Group management report in accordance with Section 290 HGB in conjunction with Section 291(3) No. 1 HGB. KSB SE & Co. KGaA is therefore the ultimate and immediate parent company whose consolidated financial statements include the single-entity financial statements of KSB SE & Co. KGaA. The consolidated financial statements of KSB SE & Co. KGaA prepared in accordance with International Financial Reporting Standards as adopted by the EU are published in the *Bundesanzeiger* [German Federal Gazette].

Expenses for services of the auditors

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, based in Frankfurt am Main with an office in Mannheim, were appointed as auditors and group auditors for the 2024 financial year at the Annual General Meeting of KSB SE & Co. KGaA on 8 May 2024. Overall, fees (including expenses) amounting to € 1,021 thousand were recognised as expenses. Of this, € 652 thousand related to audit services, € 240 thousand to other certification services and € 129 thousand to other consultancy services.

The audit fees include expenses for the audit of the consolidated financial statements and of the statutory annual financial statements of KSB SE & Co. KGaA. The fees for other certification services primarily include attestation services outside of the audit of the annual financial statements. The fees for other services result in particular from consultancy services in connection with compliance matters and the tender due to the upcoming mandatory rotation of the auditor of the consolidated financial statements and the single-entity financial statements of KSB SE & Co. KGaA.

Statement of Compliance pursuant to Section 161 AktG

The Managing Directors and the Supervisory Board of KSB SE & Co. KGaA issued the current Statement of Compliance with the recommendations of the Government Commission on the German Corporate Governance Code in accordance with Section 161 AktG [Aktengesetz – German Public Companies Act] on 12 December 2024. The Statement is accessible to the public at KSB's web site: ksb.com/en-global under Investor Relations > Corporate Governance > Statement

and Report > Statement of Compliance with the German Corporate Governance Code.

Related party disclosures

Related parties are legal or natural persons that have influence over KSB SE & Co. KGaA or are subject to control, joint control or significant influence by KSB SE & Co. KGaA.

In order to determine the entirety of related parties, the organisational and shareholding structure of KSB SE & Co. KGaA must be taken into account. Johannes und Jacob Klein GmbH, Frankenthal / Pfalz, holds an unchanged voting interest of 83.94 % in KSB SE & Co. KGaA. The voting rights in this company are held, again unchanged, by KSB Stiftung [KSB Foundation], Stuttgart, with 74.93 %, and by Kühborth-Stiftung GmbH [Kühborth Foundation], Stuttgart, with 25.07 %.

Transactions with related parties are performed at arm's length and are explained in more detail below.

Related parties (entities)

In view of the above explanations, related parties of the KSB Group are, on the one hand, KSB Stiftung [KSB Foundation], Stuttgart, and Kühborth Stiftung GmbH [Kühborth Foundation], Stuttgart, each with their direct and indirect interests, joint ventures and associates. This includes Klein, Schanzlin & Becker GmbH, Frankenthal / Pfalz, which in turn holds 100 % of the voting rights in KSB Management SE, Frankenthal / Pfalz. KSB Management SE, as the general partner, is also a related party. Similarly, Johannes und Jacob Klein GmbH, Frankenthal / Pfalz, and its direct and indirect interests, joint ventures and associates are to be classified as related parties of KSB SE & Co. KGaA. This includes in particular Palatina Versicherungsservice

GmbH, Frankenthal / Pfalz, and the companies of Abacus alpha GmbH, Frankenthal / Pfalz.

Furthermore, related parties include entities controlled or jointly controlled by the Managing Directors of Johannes und Jacob Klein GmbH, the Managing Directors or members of the Administrative Board of KSB Management SE or the Managing Directors or members of the Advisory Board of Klein, Schanzlin & Becker GmbH.

As part of normal business activities, KSB SE & Co. KGaA maintains business relationships with related parties in the following areas:

- Buying / selling assets
- Sourcing / providing services
- Usage / transferring usage of assets
- Granting of loans

Related parties (persons)

The members of the Supervisory Board, the Managing Directors of KSB Management SE and the members of the Administrative Board of KSB Management SE, as well as their close family members, are deemed to be related parties of KSB SE & Co. KGaA.

In the reporting year, three members of the Administrative Board and one member of the Supervisory Board held an immaterial share of interests in KSB SE & Co. KGaA.

The remuneration paid to key management personnel of KSB SE & Co. KGaA, i.e. the Managing Directors and the members of the Administrative Board of KSB Management SE, is presented in the following table. The amounts are paid by KSB under an expense reimbursement agreement.

Management remuneration

€ thousands	2024	2023
Short-term benefits*	4,146	3,930
Post-employment benefits	1,778	1,439
Other long-term benefits*	1,505	1,185
Total	7,430	6,554

* Other long-term benefits include the amounts that form part of the long-term variable remuneration from the perspective of the Managing Directors.

The remuneration system for the Managing Directors of KSB Management SE consists of components that are not performance-related, in the form of fixed sum plus benefits and pension commitments, as well as short-term and long-term variable remuneration components. In this context, 60 % of the regular annual salary, i.e. the sum of fixed and variable remuneration, is accounted for by the fixed component. The variable remuneration accounts for 40 % of the regular annual salary, with about two thirds of this being part of the long-term variable remuneration. The majority of the variable remuneration is thus linked to the long-term performance of the company.

The short-term variable remuneration with an assessment period of one year is designed as a target bonus model and is awarded annually. The target amount, i.e. the amount paid out if 100 % of the target is achieved, corresponds to 15 % of the respective regular annual salary. The Administrative Board of KSB Management SE has set the performance targets of EBIT margin, sales revenue and the overall assessment of the personal performance of the Managing Directors in equal parts as the basis for assessment.

The long-term variable remuneration is structured as an annually granted plan with a three-year, forward-looking assessment period. The target amount corresponds to

25 % of the respective regular annual salary. The Administrative Board has defined the performance targets as the equally weighted average of the earnings per share (EPS) over three years with a weighting of 80 % and the achievement of the Environmental, Social and Governance (ESG) sustainability goals with a weighting of 20 %. By considering earnings per share, a focus is placed on the long-term successful performance of the company as well as linking the interests of the Managing Directors with the interests of the shareholders.

The final payment of the long-term variable remuneration is made after the end of the assessment period. For the 2021 and 2023 financial years, a one-time payment on account amounting to 40 % of the target value in the event of 100 % target achievement was agreed and paid. At the end of the assessment period, it will be offset against any amount paid out in excess of this; no repayment has been agreed in the event that the sum falls short of this amount.

Provisions of € 768 thousand (previous year: € 763 thousand) were recognised for pension obligations to active Managing Directors. Provisions of € 34,337 thousand (previous year: € 35,638 thousand) were recognised for pension obligations to former members of the Board of Management (excluding Managing Directors) and their surviving dependants. Pension payments to former members of the Board of Management and their surviving dependants amounted to € 2,648 thousand in the financial year under review (previous year: € 2,761 thousand).

In accordance with Section 7(3) of the Articles of Association, KSB Management SE receives an annual remuneration not based on profit and loss in the amount of 4 % of the share capital for the management of the company and assumption of statutory liability. The remuneration is recognised as an expense at KSB in the amount of € 20 thousand.

In the financial year, KSB Management SE received from KSB SE & Co. KGaA reimbursed expenses of € 234 thousand (previous year: € 137 thousand) for managing KSB's business in addition to the above-mentioned reimbursement of expenses for the remuneration of the members of the governing bodies of KSB Management SE.

The members of the Supervisory Board receive a fixed remuneration, attendance fees and reimbursement of expenses. In addition, they receive remuneration for activities that require them to devote special time to the tasks of the Supervisory Board that go beyond preparing and holding meetings of the Supervisory Board and its committees. The short-term benefits paid to members of the Supervisory Board amount to € 996 thousand for the 2024 financial year (previous year: € 851 thousand). At the end of the financial year, liabilities of € 554 thousand (previous year: € 472 thousand) were recognised towards the members of the Supervisory Board.

Furthermore, in the financial year under review KSB concluded a settlement agreement with key management personnel of the company, its general partner and the general partner's parent company on the termination of a rental and lease agreement and on the handling of and purchase of various objects in connection with the termination of the rental and lease agreement. The agreement provides for a one-off payment of € 107 thousand by the company to the relevant key management personnel, its general partner and the general partner's parent company. The settlement agreement does not include any further obligations for the company. Like all legal transactions with related parties, this transaction was performed at arm's length.

Supervisory Board

Dr. Bernd Flohr, Dipl.-Kfm., Dipl.-Soz., Geislingen
(Chair)
Former Executive Board Member of WMF AG

Claudia Augustin, Office Management Assistant,
Pegnitz
(Deputy Chair)
Chair of the Pegnitz Works Council of
KSB SE & Co. KGaA

Klaus Burchards, Dipl.-Kfm., Stuttgart
Independent Auditor

Arturo Esquinca, Dipl.-Chemieing., MBA, Forch,
Switzerland
Head of Business Development,
Glas Trösch Holding AG

René Klotz, NC Programmer, Heßheim
(Member since 8 May 2024)
Chair of the Frankenthal Works Council of
KSB SE & Co. KGaA /
Chair of the General Works Council of
KSB SE & Co. KGaA and KSB Service GmbH

Klaus Kühborth, Dipl.-Wirtsch.-Ing., Frankenthal
Managing Director of Johannes und Jacob Klein GmbH

Birgit Mohme, Industrial Business Management
Assistant, Frankenthal
1st Delegate and Managing Director of
IG Metall Ludwigshafen/Frankenthal

Thomas Pabst, Dipl.-Ing., Freinsheim ¹⁾
Head of the Energy Market Area of KSB SE & Co. KGaA

Prof. Dr.-Ing. Corinna Salander, Dipl.-Physikerin, Berlin
Head of the Railways Department of the Federal Ministry
for Digital and Transport (BMDV)

Harald Schöberl, Industrial Business Management
Assistant, Plech
Full-time Member of the Pegnitz Works Council / Chair
of the Group Works Council of KSB SE & Co. KGaA

Volker Seidel, Electrical and Electronics Installer,
Münchberg
(Member until 31 December 2024)
1st. Delegate and Treasurer of IG Metall Ostoberfranken

Gabriele Sommer, Dipl.-Geol., Berlin ²⁾
Head of Business Development,
Management Systems & Certification, TÜV SÜD AG

Jürgen Walther, IT Coordinator, Offstein
(Member until 8 May 2024)
Deputy Chair of the Frankenthal Works Council of
KSB SE & Co. KGaA

Stefan Winnerlein, Industrial Mechanic, Nuremberg
(Member since 1 January 2025)
1st. Delegate and Managing Director of
IG Metall Ostoberfranken

Mandates of KSB Supervisory Board members on the Supervisory Board / Board of Directors of other companies

- 1) Shanghai Electric-KSB Nuclear Pumps and Valves Co., Ltd., Shanghai, China
- 2) TÜV SÜD Industrie Service GmbH, Munich
TÜV SÜD Auto Service GmbH, Stuttgart (until 31 March 2024)

Legal Representatives

Managing Directors of KSB Management SE

Dr. Stephan Jörg Timmermann,
CEO, Augsburg¹⁾

Strategy, Human Resources, Communications,
Internal Audits, Legal & Compliance, Patents &
Trademarks, Service

Dr. Stephan Bross, Weinheim²⁾

Global Operations, Research and Development,
Innovation and Complexity Management,
Digital Transformation, Committees and Associations

Ralf Kannefass, Regensburg³⁾

Sales and Marketing

Dr. Matthias Schmitz, Frankenthal⁴⁾

Taxes, Controlling KSB Group, Finance, Accounting,
Information Technology and Procurement

Mandates of the Managing Directors on the Board of Directors of KSB companies

- 1) KSB America Corporation, Richmond / Virginia, USA
KSB GIW, Inc., Grovetown / Georgia, USA
- 2) KSB Limited, Pimpri (Pune), India
KSB MOTOR TEKNOLOJİLERİ SANAYİ VE TİCARET ANONİM ŞİKETİ, Ankara, Turkey
KSB MIL Controls Limited, Annamanada, India
- 3) KSB Shanghai Pump Co., Ltd., Shanghai, China
Shanghai Electric-KSB Nuclear Pumps and Valves Co., Ltd., Shanghai, China
KSB Pumps (S.A.) (Pty) Ltd., Germiston (Johannesburg), South Africa
KSB Pumps and Valves (Pty) Ltd., Germiston (Johannesburg), South Africa
- 4) KSB Industries B.V., Alphen aan den Rijn, Netherlands
Canadian Kay Pump Limited, Mississauga / Ontario, Canada
KSB Limited, Pimpri (Pune), India
KSB Shanghai Pump Co., Ltd., Shanghai, China
KSB Pumps Arabia Ltd., Riyadh, Saudi Arabia
KSB Österreich Gesellschaft mbH, Vienna, Austria

Members of the Administrative Board of KSB Management SE

Oswald Bubel, Chair, Saarbrücken

Monika Kühborth, Deputy Chair, Homburg
Managing Director of Klein, Schanzlin & Becker GmbH

Michael Eckert, Hamburg (since 17 June 2024)

Günther Koch, Ludwigshafen (until 17 June 2024)

Dr. Harald Schwager, Speyer¹⁾
Deputy Chairman of the Executive Board of
Evonik Industries AG

Andrea Teutenberg, Kaarst²⁾

Mandates on statutory Supervisory Boards

- 1) Evonik Operations GmbH, Essen
(Chair of the Supervisory Board)
Currenta GmbH & Co. OHG, Leverkusen

Mandates in comparable supervisory bodies

- 1) Member of the Presidential Board of DEKRA e.V., Stuttgart, Germany
- 2) Member of the Advisory Board, EJOT Holding GmbH & Co. KG, Bad Berleburg
Member of the Advisory Board, Talbot Holding GmbH, Aachen

Appropriation of the Net Retained Earnings of KSB SE & Co. KGaA

The following proposal on the appropriation of the net retained earnings of € 128,166,856.12 of KSB SE & Co. KGaA will be submitted to the Annual General Meeting on 08. Mai 2025:

Proposal for the appropriation of net retained earnings

€	
Dividend of € 26.50 per ordinary no-par-value share	23,495,297.50
Dividend of € 26.76 per preference no-par-value share	23,139,693.12
Total dividends	46,634,990.62
Carried forward to new account	81,531,865.50
	128,166,856.12

Frankenthal, 12 March 2025

KSB Management SE

The Managing Directors

The annual financial statements of KSB SE & Co. KGaA were prepared in accordance with German accounting principles. They are published in the *Bundesanzeiger* [German Federal Gazette]. These annual financial statements are also available online: ksb.com/financialstatements

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and the combined management report for KSB SE & Co. KGaA and the Group includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Frankenthal, 12 March 2025

KSB Management SE

The Managing Directors

Independent Auditor's Report

To KSB SE & Co. KGaA, Frankenthal

Report on the Audit of the Annual Financial Statements and of the Management Report

Audit Opinions

We have audited the annual financial statements of KSB SE & Co. KGaA, Frankenthal, which comprise the balance sheet as at 31 December 2024, and the statement of profit and loss for the financial year from 1 January to 31 December 2024 and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of KSB SE & Co. KGaA, which is combined with the group management report, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the section "Corporate Governance Systems" of the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its financial performance for the financial

year from 1 January to 31 December 2024 in compliance with German Legally Required Accounting Principles and

- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the section referred to above.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of

the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

- ① Measurement of shares in affiliated companies and other equity investments

Our presentation of this key audit matter has been structured as follows:

- ① Matter and issue
- ② Audit approach and findings
- ③ Reference to further information

Hereinafter we present the key audit matter:

① Measurement of shares in affiliated companies and other equity investments

① In the annual financial statements of the Company shares in affiliated companies and other equity investments amounting to € 356.3 million are reported under the "Financial assets" balance sheet item. Shares in affiliated companies and other equity investments are measured in accordance with German commercial law at the lower of cost and fair value. The fair values are calculated using discounted cash flow models as the present values of the expected future cash flows according to the planning projections prepared by the executive directors. Expectations relating to future market developments and assumptions about the development of macroeconomic factors on the business activities of the affiliated companies and the companies which are other equity investments are also taken into account. The discount rate used is the individually determined cost of capital for the relevant financial investment. On the basis of the values determined and further documentation, there was a need to reverse impairment losses of € 4.4 million for the financial year. The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors of the future cash flows, and on the respective discount rates and rates of growth used. The valuation is therefore subject to material uncertainties. Against this back-ground and due to the highly complex nature of the valuation and its material significance for the

Company's assets and financial performance, this matter was of particular significance in the context of our audit.

② As part of our audit, we assessed the methodology used for the purposes of the valuation, among other things. In particular, we assessed whether the fair values had been appropriately determined using discounted cash flow models in compliance with the relevant measurement standards. We based our assessment, among other things, on a comparison with general and sector-specific market expectations as well as on the executive directors' detailed explanations regarding the key value drivers underlying the expected cash flows. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we focused our testing in particular on the parameters used to determine the discount rate applied, and assessed the calculation model. In our view, taking into consideration the information available, the valuation parameters and underlying assumptions used by the executive directors are appropriate overall for the purpose of appropriately measuring the shares in affiliated companies and other equity investments.

③ The Company's disclosures relating to the financial investment are contained section "Balance sheet disclosures" note 2 "Financial Assets" of the notes to the financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the section "Corporate Governance Systems" of the management report as an unaudited part of the management report.

The other information comprises further

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- the separate non-financial report to comply with §§ 289b to 289e HGB and §§ 315b to 315c HGB
- all remaining parts of the publication "Annual Financial Statements 2024" – excluding cross-references to external information – with the exception of the audited annual financial statements, the audited management report and our auditor's report

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of

German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements

and of the management report, 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 audit opinions. 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 controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control of the Company and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are

inadequate, to modify our respective audit opinions. 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 be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the electronic file ksbsecokgaa_JA_LB_ESEF-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for

the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the

ESEF Documents” section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF-documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those

risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the annual financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 8 May 2024. We were engaged by the supervisory board on 30 September 2024. We have been the auditor of the KSB SE & Co. KGaA, Frankenthal, without interruption since the financial year 2015.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Reference to An Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the “Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB” and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Dirk Wolfgang Fischer.

Mannheim, 12 March 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Dirk Wolfgang Fischer
Wirtschaftsprüfer

[German Public Auditor]

Matthias Böhm
Wirtschaftsprüfer

[German Public Auditor]

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KSB Communications, Frankenthal, Germany

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Air Creative, Getty Images (Title)

Financial Calendar

6 May 2025

Quarterly financial report
January – March 2025

8 May 2025

Annual General Meeting

30 July 2025

Half-year financial report
January – June 2025

12 November 2025

Quarterly financial report
January – September 2025

3 February 2026

Preliminary report on the
2025 financial year

26 March 2026

Report on the 2025 financial year
Financial press conference

You will find the latest information on
the 2025 Annual General Meeting at:
ksb.com/agm



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