



# KSB GROUP

## Investor Presentation

# FORWARD-LOOKING STATEMENTS

## Disclaimer

This investor presentation contains forward-looking statements that are based on current estimates, forecasts and assumptions made by KSB management to the best of its knowledge and other information currently available to KSB.

By their very nature, the forward-looking statements of this presentation are subject to various known and unknown risks, uncertainties and other factors, the non-occurrence or occurrence of which could cause material differences in future results of operations, financial situation, development or performance of KSB. Factors that could cause such differences include but are not limited to changes in political, business, economic and competitive environment, effects of future legal and legislative issues, fiscal, and other regulatory measures, foreign exchange rate fluctuations, interest rates, developments in raw material and personnel costs, launches of competing products or services, poor acceptance of new products or services, and changes in business strategy.

KSB does not intend and does not assume any liability whatsoever to publicly update or revise any forward-looking statements or other information contained in this presentation as a result of new information, future events or otherwise. No representation or warranty, express or implied, is made by KSB and/or its management with respect to the completeness, fairness, correctness, reasonableness or accuracy of any information, facts, expectations or opinions contained herein. Neither KSB nor any of its affiliates or representatives shall have any liability whatsoever (in negligence or otherwise) for any losses or damages arising from any use of this presentation or its content or otherwise arising in connection with the statements given herein. This presentation includes percentage and number rounding.

# Agenda

**1 Introduction**

**2 Core Information and Messages**

**3 Strategy**

**4 Environmental, Social and Governance (ESG)**

**5 Appendix**

# Management Board

CEO	CFO	CSO	CTO
<b>Dr. Stephan Timmermann</b>	<b>Dr. Matthias Schmitz</b>	<b>Ralf Kannefuss</b>	<b>Dr. Stephan Bross</b>
			
Member of the Executive Board since November 13, 2017	Member of the Executive Board since June 1, 2017	Member of the Executive Board since July 1, 2017	Member of the Executive Board since September 15, 2017
Appointed until 30 November 2026	Appointed until 31 May 2026	Appointed until 30 June 2026	Appointed until 14 September 2025

# Agenda

1 Introduction



**2 Core Information and Messages**

3 Strategy

4 Environmental, Social and Governance (ESG)

5 Appendix

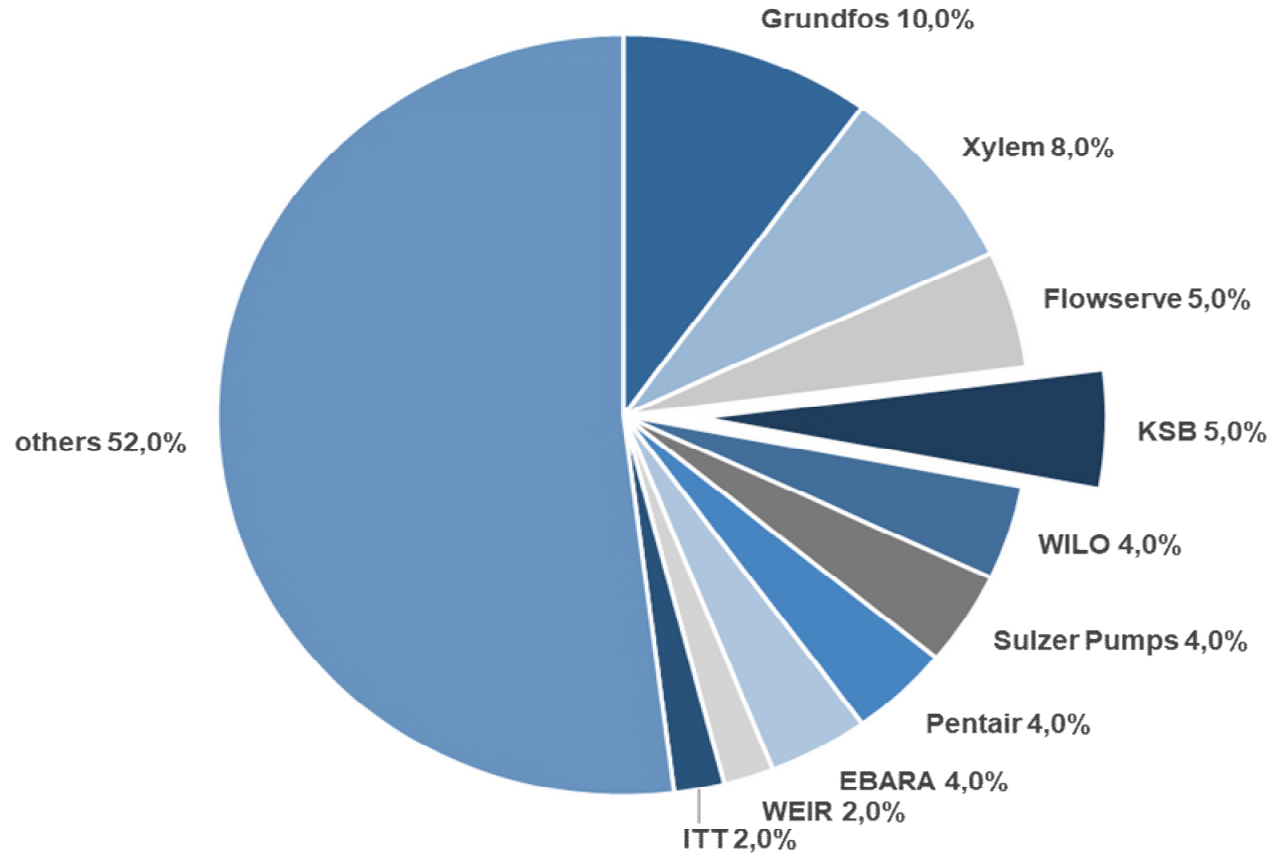
# A global flow control innovation leader – in transition

PUMPS, VALVES AND KSB SupremeServ	IN FIGURES		
 <p>ENGINEERED PUMPS CUSTOMIZED STANDARD PUMPS &amp; VALVES ENERGY, WATER, MINING, PETROCHEMICALS/CHEMICALS, BUILDING AND GENERAL INDUSTRY KSB SupremeServ</p>	<p><b>1871</b> FOUNDED</p>	<p><b>#3</b> GLOBALLY BY REVENUES</p>	<p><b>€2.8bn</b> 2023A REVENUES</p>
	<p><b>33%</b> SPARES &amp; SERVICE REV.</p>	<p><b>170</b> GLOBAL SERVICES SITES</p>	<p><b>&gt; 10 %<sup>1</sup></b> EBIT MARGIN</p>
	<p><b>16,000+</b> EMPLOYEES</p>	<p><b>€30bn</b> INSTALLED VALUE</p>	<p><b>450k</b> # OF CUSTOMERS</p>
SELECTED CLIENTS			
			

Note:  
1 Profitability goal 2030

# The 10 largest pump manufacturers in the world – 2022

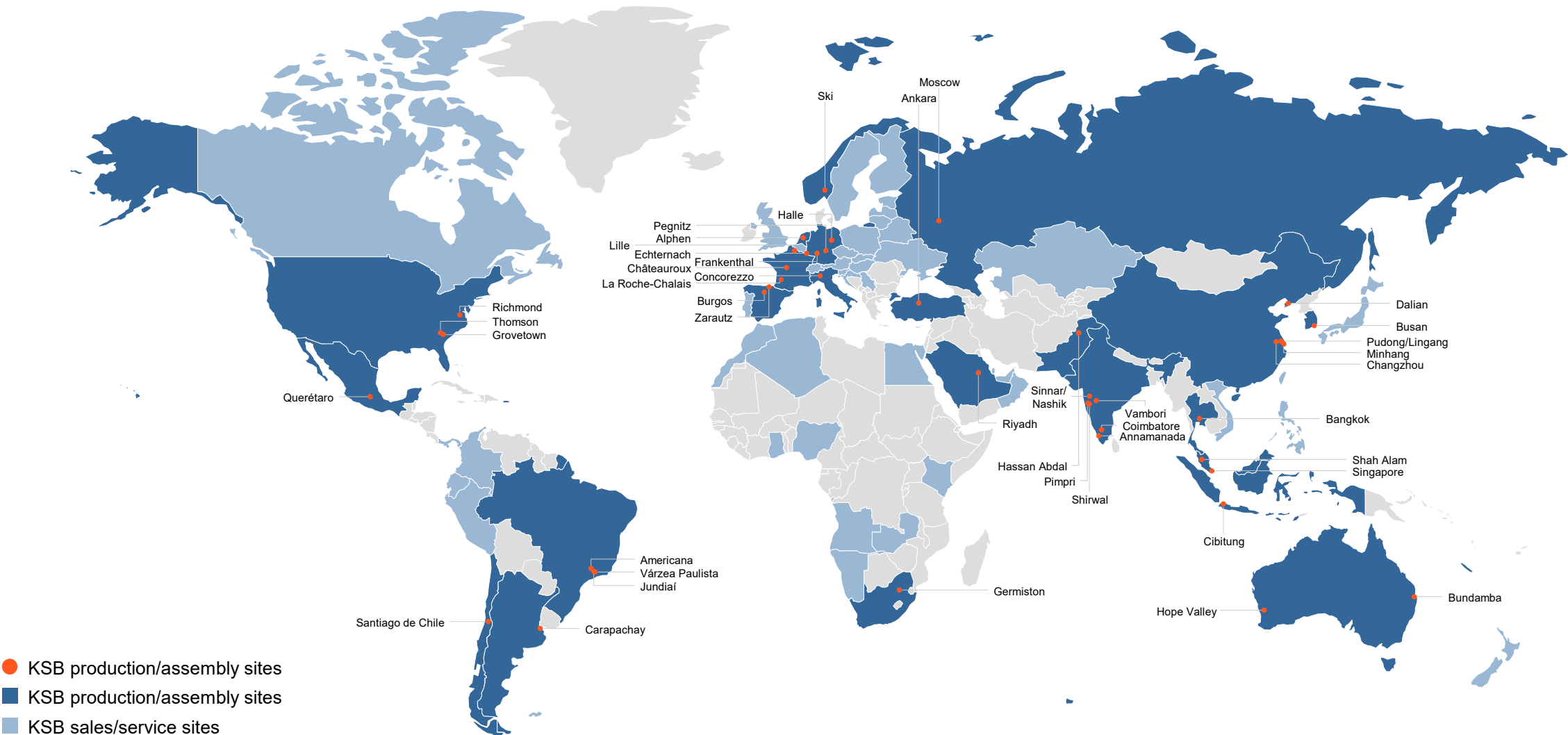
**Market volume  
€ 45.9 billions**



Note: Source Annual Reports

# Global presence






## Some 300 locations around the world







© Copyright KSB SE & Co. KGaA



# Driving growth through cycles and enhancing margins

	<p><b>PROCESS CRITICAL PRODUCTS AND SOLUTIONS</b></p>	<p>Solid <b>service and replacement</b> business, <b>significant further growth</b> potential</p> <p><b>Long standing</b> client <b>relationships</b>, <b>large installed base</b> worldwide</p>
	<p><b>GLOBAL LEADER IN FLOW CONTROL SYSTEMS</b></p>	<p><b>German engineering</b>, reputation for quality and innovation <b>since 1871</b></p> <p><b>Leading market positions</b> in industrial machinery, municipal water, energy applications, mining and chemicals</p>
	<p><b>DIVERSIFIED MARKETS, GROWING MARKETS</b></p>	<p><b>Diversified focus markets to limit cyclicity</b></p> <p><b>Target to outgrow global GDP</b> by 1% p.a.</p>
	<p><b>Mission TEN 30 - LIFTING KSB TO THE NEXT LEVEL</b></p>	<p><b>New organizational structure</b> with clear focus on selected end markets and increasing services and spare parts share</p> <p><b>Portfolio pruning for growth and profitability</b> in process – new strategy Mission TEN 30</p>
	<p><b>ATTRACTIVE FINANCIAL IMPROVEMENT TRAJECTORY</b></p>	<p>Foundation for solid <b>sales growth in all segments</b>, <b>service share</b> to grow to 40%</p> <p>Sustainable <b>profitability goal</b> in excess of <b>10% EBIT margin from 2030</b></p>

# Optimal energy and operational efficiency drive customer value

Product	PUMPS				KSB SupremeServ				VALVES	
	Customised standard		Engineered							
										
Description	<ul style="list-style-type: none"> <li>Portfolio of standard and engineered centrifugal pumps, also available online</li> <li>Standard pumps with various customization options</li> <li>Several types of pumps (single stage pumps, multi stage pumps and submersible pumps)</li> <li>Engineered pumps for use in Mining and especially Energy industries</li> </ul>				<ul style="list-style-type: none"> <li>Services for pumps and valves including inspection, servicing, maintenance, repairs and consultancy offered under the KSB SupremeServ brand</li> <li>Strong focus on spare parts</li> <li>Online availability</li> </ul>				<ul style="list-style-type: none"> <li>Used in power stations, buildings, on ships and in process and water engineering systems</li> <li>Alongside globe valves, gate valves, butterfly valves, ball valves, diaphragm valves and check valves, the product range also includes actuators and positioners</li> </ul>	
Sales share	<b>€1,514m<sup>1</sup></b> 54%				<b>€944m<sup>2</sup></b> 33%				<b>€361m<sup>1</sup></b> 13%	
Parameters	<b>0.7 – 65,000</b> QUANTITY (m <sup>3</sup> /h)	<b>10 – 560</b> PRESSURE (bar)	<b>(90) – 450</b> TEMP (°C)	<b>1 – 5,300</b> HEIGHT (m)	LARGE INSTALLED BASE	DIGITAL SERVICES	HIGHLY QUALIFIED STAFF	SPARE PARTS BUSINESS	<b>(196) – 816</b> TEMP (°C)	
Online sales	<b>&gt; €175m</b> 2023									

Note:  
 1 2023 actual, new business only  
 2 2023 actual, services and spare parts

## Leading market positions in focus markets, secular growth and diversification benefit KSB



Note:

- 1 Relevant addressable market within pumps segment (new business, spare parts and service)
- 2 In core focus markets
- 3 Conventional energy primary process pumps (e.g. faced water)
- 4 Slurry pumps
- 5 New business excluding spare parts

## CASE STUDY: BASF-YPC



### THE CHALLENGE

- Based on BASF's main plant in Ludwigshafen, one of the largest contiguous chemical sites in China was planned to be build in Nanjing
- Safety as top priority in an environment of toxic media

### THE SOLUTION

- Our chemical and refinery experts were already involved in the design and planning of the plant
- Use of standard chemical pump CPKN, HPK as well as RDLO pumps
- Plant expansions followed at short intervals where KSB Group has won the tender

- A well-functioning service was one of the decisive factors to award the contract to the KSB Group

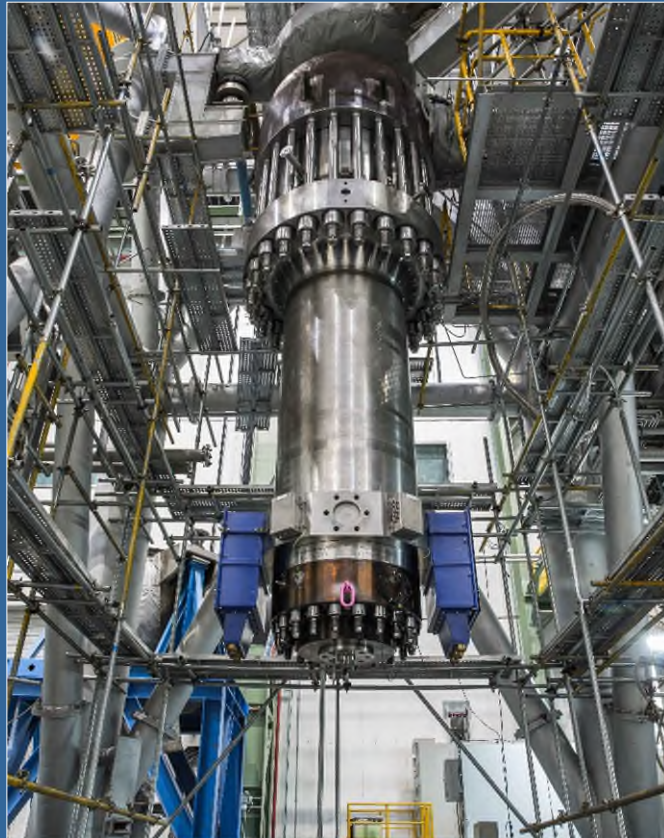
- High power density and very low energy consumption
- Maximum of operational safety and low maintenance

### SPECIFICS

### CUSTOMER BENEFITS

# FIRST MOVER – CERTIFIED FOR MODERN NUCLEAR POWER PLANTS FOR HIGHEST SAFETY

## CASE STUDY: NUCLEAR POWER PLANT



### THE CHALLENGE

- Develop a reactor coolant pump for nuclear power plants that meets the highest quality, reliability and safety requirements

### THE SOLUTION

- KSB Group has been awarded the certificate for its RUV reactor coolant pump allowing it to be used in the latest generation 3+ of Chinese nuclear power stations
- Prototype of the RUV pump has successfully passed demanding tests in Lingang (China)
- KSB Group already received first orders for supplying five pumps to Shidaowan nuclear power station

- Development period of close to ten years
- Successful certification underlines KSB Groups position as technology leader in nuclear market

- For pumps and valves in nuclear power stations, we are certified according to German and US nuclear engineering codes
- Highest safety standards

### SPECIFICS

### CUSTOMER BENEFITS

# ANCIENT WALLS WITH MODERN ENERGY SAVING TECHNOLOGY

## CASE STUDY: PALAZZO GRASSI



### THE CHALLENGE

- The Palazzo Grassi, an 18th century city palace in Venice
- An energy analysis of the palace showed that consumption was immense and energy optimization was absolutely essential

### THE SOLUTION

- Shut-off and control valves, non-return valves, strainers, pipeline expansion joints and **Etabloc pumps**
- The high efficiency of the pumps, which were equipped with the KSB SupremE -IE5\* motor, was the decisive factor



- Modern technology for the heating, cooling, water and sanitary systems was to be installed behind the ancient brickwork

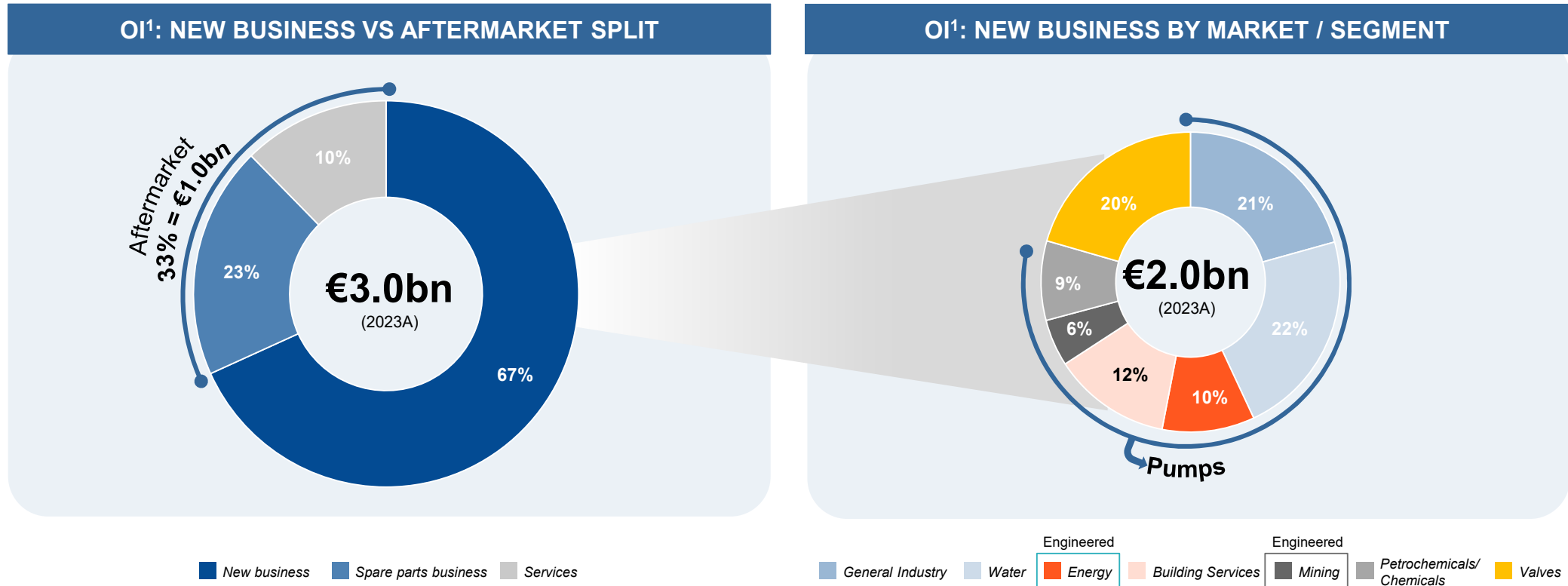
- KSB's solution achieves a 30 % reduction in energy consumption
- Fast completion within 8 months from project start to completion

### SPECIFICS

### CUSTOMER BENEFITS

# Driving the installed base across a wide range of markets

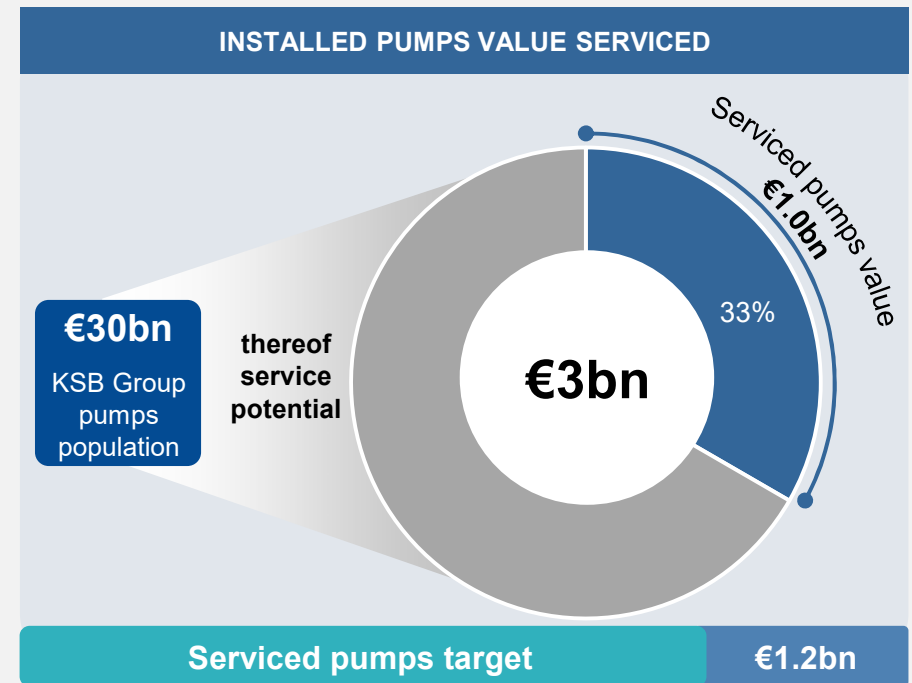
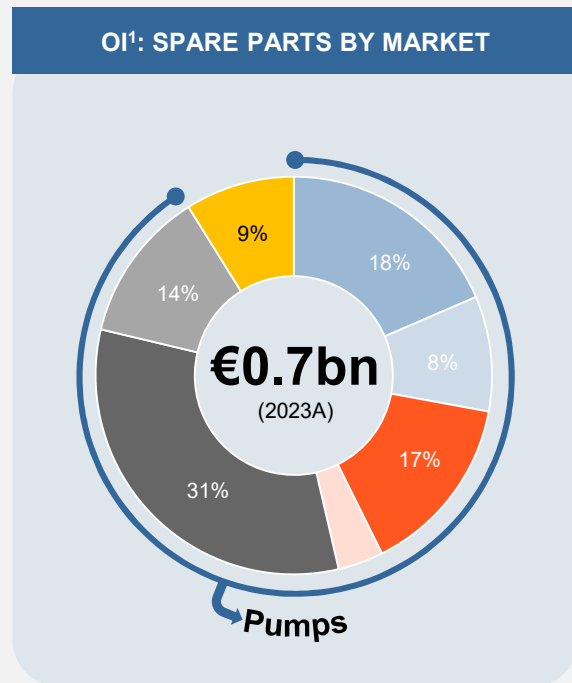
Out of €3.0bn OI<sup>1</sup>, €2.0bn is related to new business<sup>2</sup>



Note:  
 1 Order intake (2023A)  
 2 Pumps € 1.6bn, Valves € 0.4bn

# Coverage set to grow from 20 % to 40 % of Installed Base

€1.0bn Service and replacement business driven by pumps



■ General Industry 
 ■ Water 
 ■ Energy 
 ■ Building Services 
 ■ Mining 
 ■ Petrochemicals/Chemicals 
 ■ Valves

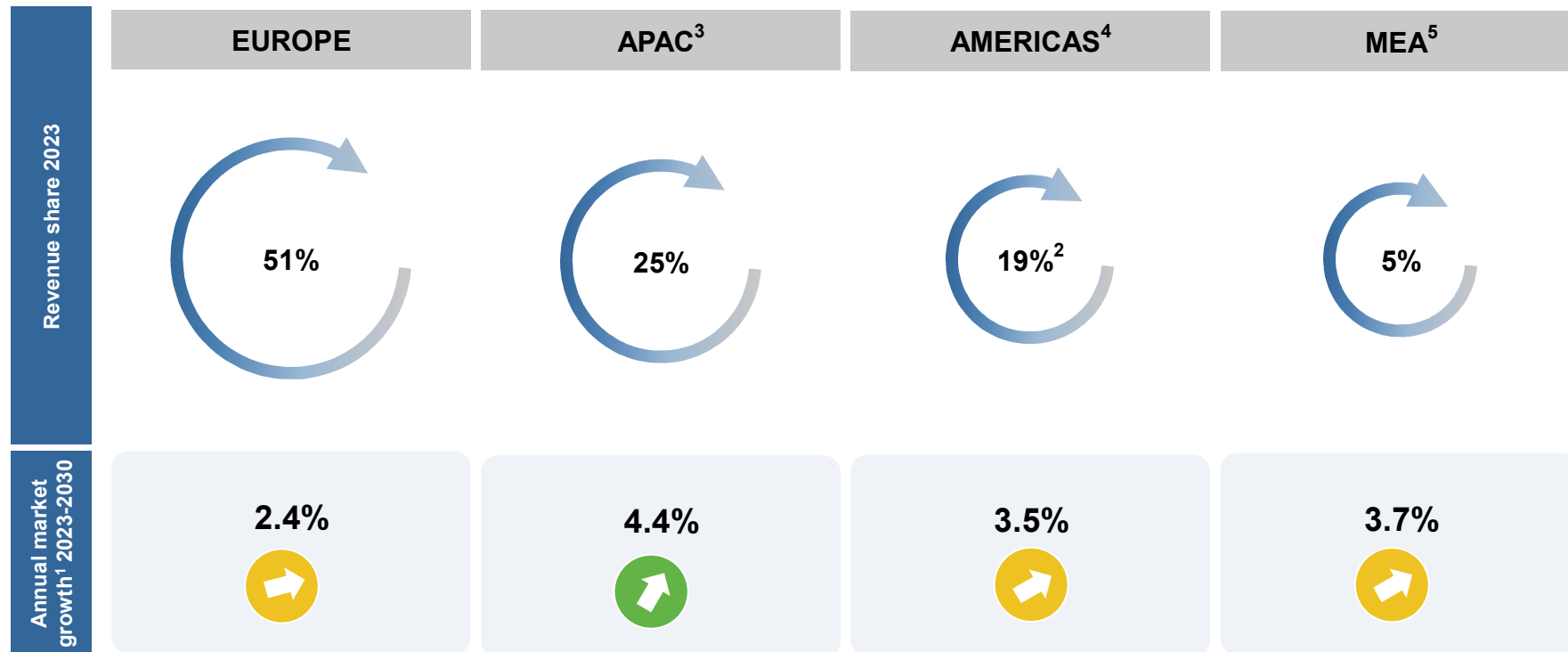
■ Share of KSB pumps services

Note:  
1 Order intake (2023A)



# Expansion strategy ...

...with diversification from Europe into higher growth regions with strong regional hubs



Note:  
1 Growth rate set up in 2023  
2 Strong footprint for mining operations  
3 Asia / Pacific  
4 North + South America  
5 Middle East / Africa / Russia

# Agenda

**1 Introduction**

**2 Core Information and Messages**

**3 Strategy**

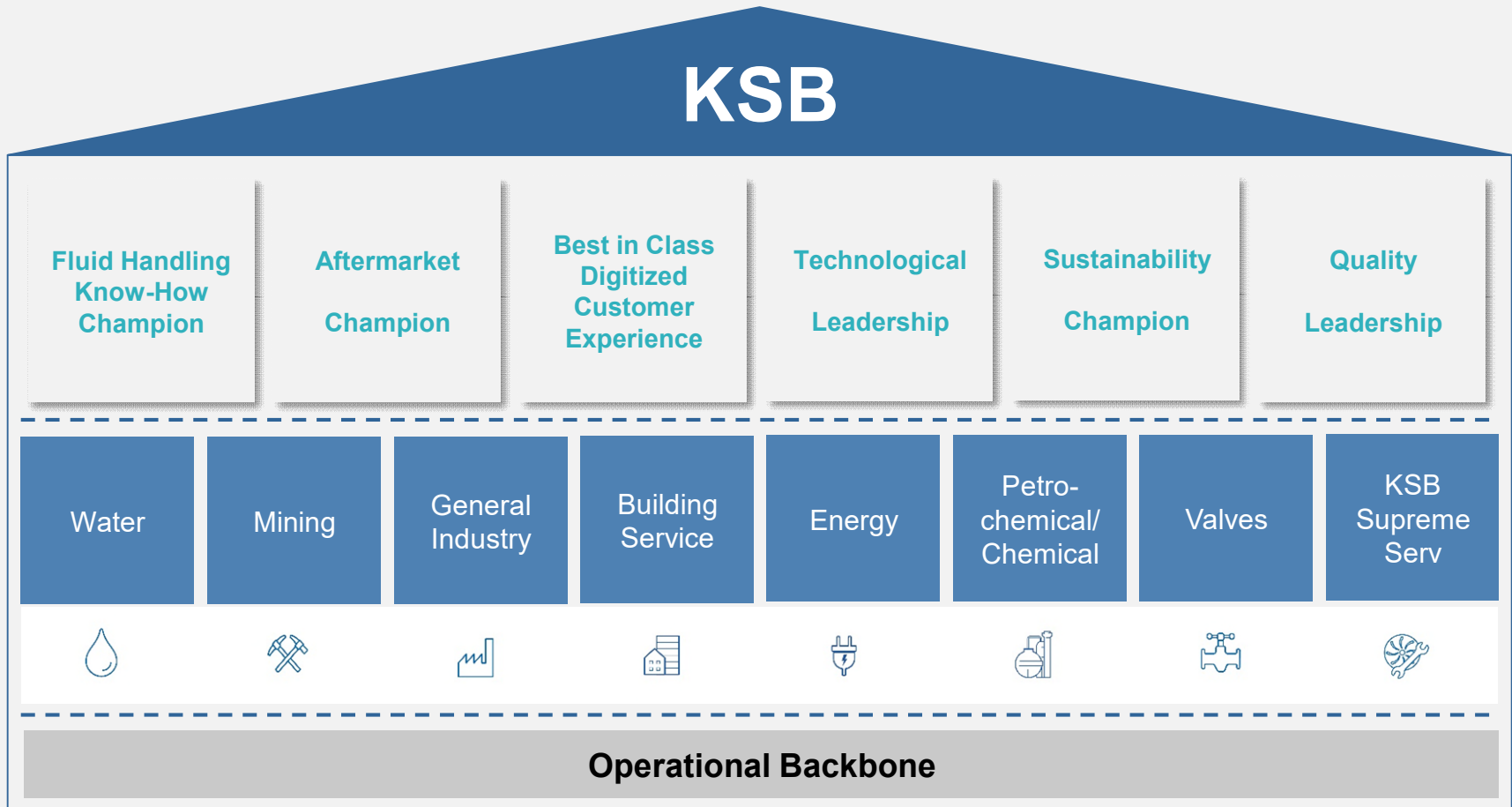
**4 Environmental, Social and Governance (ESG)**

**5 Appendix**

# KSB milestones in the company's development

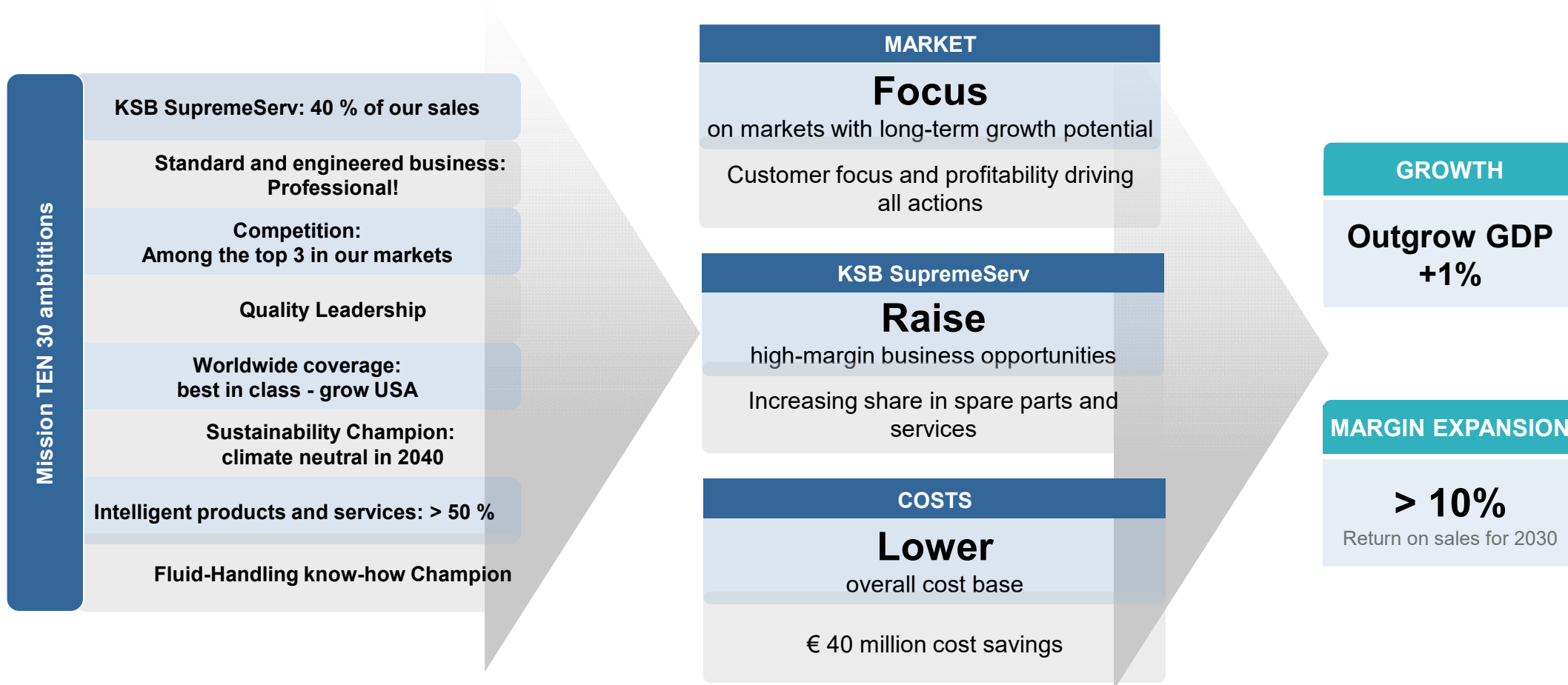


# House of Strategy – main focus clusters



# Unlocking KSB Group's full potential

Path to clear value creation for KSB Group Shareholders



# KSB is going to establish a recognizable footprint in the US besides mining

**Our goal**  
in line with „Mission TEN 30“

**Our action plan to achieve this:**



Establishing a **recognizable footprint** in the US, the biggest economy in the world, and strengthening the resilience of KSB through better balancing



Extend product portfolio (ANSI) and offerings (reverse engineering)



Extend dealer network

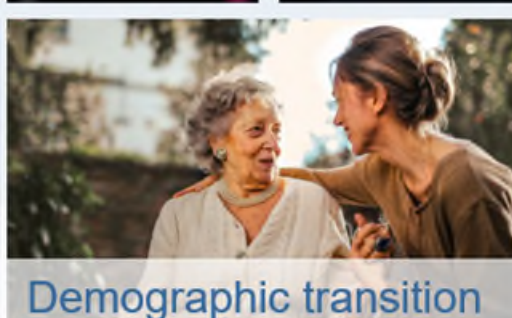


Establish best in class supply chain by extending warehouse capacity and a center of gravity in Houston



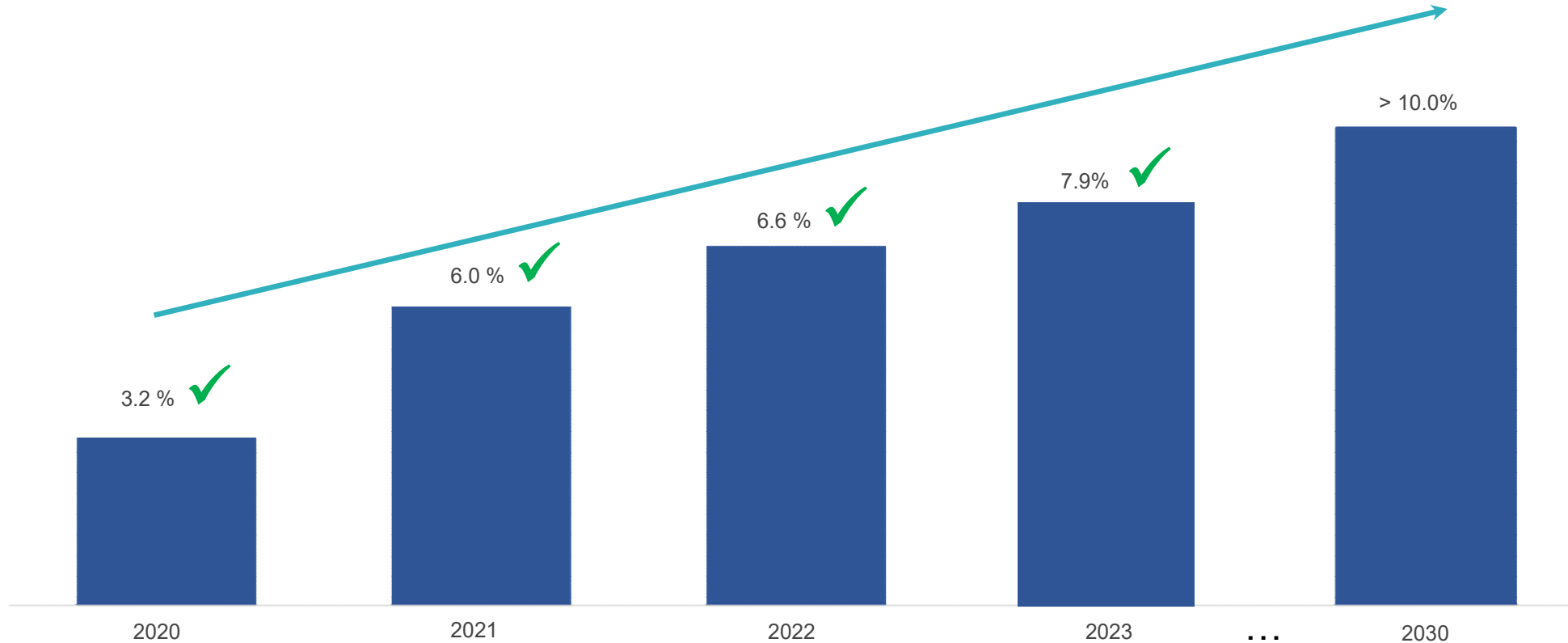
Staying tuned in the core markets of Water, General Industry, Petrochemicals & Chemicals, Energy and KSB SupremeServ

# Boundary conditions for all: Megatrends



# Corporate objective: Sustainable, profitable growth

## Return on Sales





# Financial Outlook 2024

€m	2023	Outlook 2024
Order intake	2,960	2,800 – 3,150
Sales revenue	2,819	2,700 – 3,050
EBIT	224	210 – 245

The continuing uncertainties relating to increasing geopolitical tension may have a negative impact on the forecasts made. Moreover, bottlenecks in the supply chains and price increases on the procurement markets can also have a negative impact on the forecast. In addition, the acts of wars between Russia/Ukraine and Hamas/Israel/Iran resulting in considerable further uncertainties for the 2024 financial year, the impact of which KSB cannot currently estimate.

# Agenda

1 Introduction

2 Core Information and Messages

3 Strategy

**4 Environmental, Social and Governance (ESG)**

5 Appendix

# Sustainable development goals

**SUSTAINABLE DEVELOPMENT GOALS**

**1 NO POVERTY**  
Icon: Family of four

**2 ZERO HUNGER**  
Icon: Bowl with steam

**3 GOOD HEALTH AND WELL-BEING**  
Icon: Heart rate line

**4 QUALITY EDUCATION**  
Icon: Open book and pencil

**5 GENDER EQUALITY**  
Icon: Gender symbols with equals sign

**6 CLEAN WATER AND SANITATION**  
Icon: Water tap with drop

**7 AFFORDABLE AND CLEAN ENERGY**  
Icon: Sun with power button

**8 DECENT WORK AND ECONOMIC GROWTH**  
Icon: Bar chart with upward arrow

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**  
Icon: Three stacked cubes

**10 REDUCED INEQUALITIES**  
Icon: Four arrows pointing outwards

**11 SUSTAINABLE CITIES AND COMMUNITIES**  
Icon: Buildings

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
Icon: Infinite loop

**13 CLIMATE ACTION**  
Icon: Eye with Earth globe

**14 LIFE BELOW WATER**  
Icon: Fish and waves

**15 LIFE ON LAND**  
Icon: Tree and birds

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**  
Icon: Dove and scales

**17 PARTNERSHIPS FOR THE GOALS**  
Icon: Interlocking circles

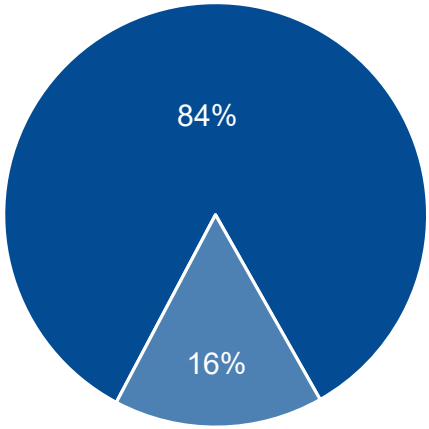
**KSB joined the UN Global Compact in 2010.**

# KSB Environmental, Social and Governance (ESG)

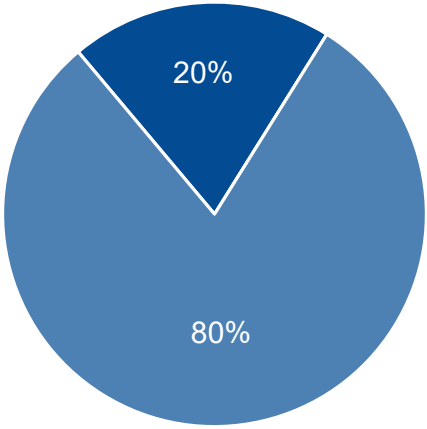
## Shareholding Structure

ORDINARY SHARES	
# SHARES	% OF SHARE CAPITAL
886,615	51%

PREFERENCE SHARES	
# SHARES	% OF SHARE CAPITAL
864,712	49%



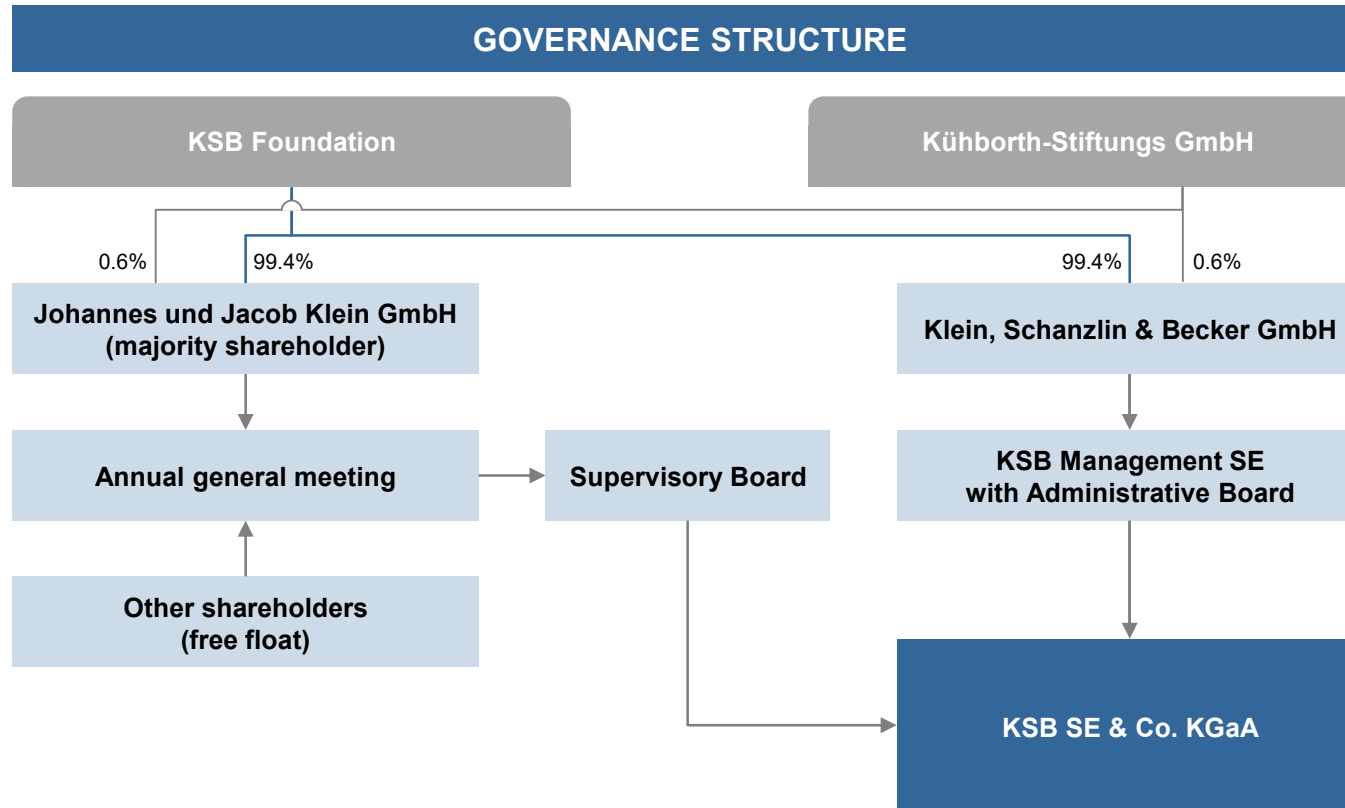
■ Johannes & Jacob Klein GmbH    ■ Free Float



■ Johannes & Jacob Klein GmbH    ■ Free Float

© Copyright KSB SE & Co. KGaA

# Governance Structure



### COMMENTARY

- **Legal form:** KGaA, Kommanditgesellschaft auf Aktien / limited partnership by shares
- KSB SE & Co. KGaA is managed by the general partner KSB Management SE (with Non-executives and Executive Directors)

# Agenda

**1 Introduction**

**2 Core Information and Messages**

**3 Strategy**

**4 Environmental, Social and Governance (ESG)**

**5 Appendix**

## Balance sheet

<b>Assets in € millions</b>	<b>31 Dec. 2023</b>	<b>31 Dec. 2022</b>
Non-current assets	852	758
Current assets	1,818	1,720
	2,670	2,478
<b>Equity and liabilities in € millions</b>	<b>31 Dec. 2023</b>	<b>31 Dec. 2022</b>
Equity	1,217	1,126
Non-current liabilities	551	504
Current liabilities	902	848
	2,670	2,478

# Income Statement

<b>Income Statement in € millions</b>	<b>2023</b>	<b>2022</b>
Sales revenue	2,819	2,573
Total output of operations	2,845	2,675
Cost of materials	-1,154	-1,156
Staff costs	-961	-902
Depreciation and amortisation	-88	-90
Other income/expenses	-419	-358
<b>E B I T</b>	<b>224</b>	<b>169</b>
Financial result	-31	-17
<b>E B T</b>	<b>209</b>	<b>161</b>
Taxes on income	-32	-33
<b>NET PROFIT</b>	<b>177</b>	<b>127</b>





Thank you.

## AN EFFICIENCY ANALYSIS YIELDING ENERGY SAVINGS OF 50%



### THE CHALLENGE

- Customer requires increased availability of coolant supply
- Customer suspected inefficient pump operation and therefore too high Energy consumption

- Customer implemented KSB solution
- KSB awarded for full upgrade package
- KSB Guard as long term monitoring

### SPECIFICS

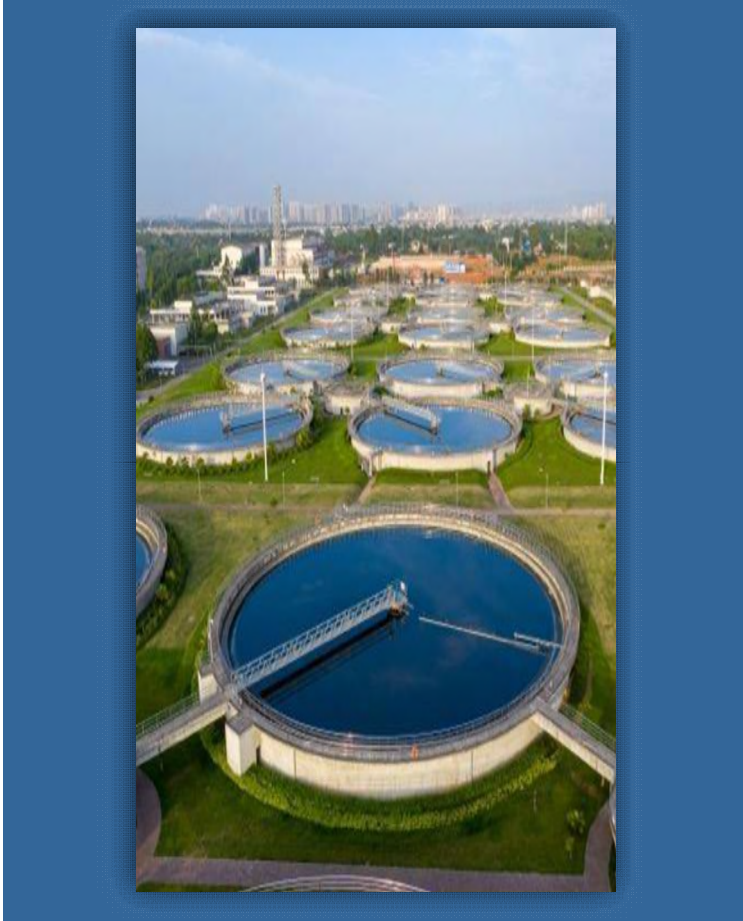
### THE SOLUTION

- Performed a comprehensive energy efficiency analysis on five volute casing pumps which revealed:
  - Control of pumps not according to plant needs
  - High pressure loss in valves
  - Matching of coolant supply and demand of process
- Adapt pump hydraulics
- Installation of variable frequency drives incl. control system

- Energy savings of ~50%
- Decreased operation costs
- Increased operational reliability

### CUSTOMER BENEFITS

# SUCCESSFUL OVERHAUL OF THIRD-PARTY PRODUCTS



## THE CHALLENGE

- As an important drainage hub of Chengdu drainage Group, Zhonghe Pumping Station in Chengdu, is located in downtown Chengdu. If multiple pumps fail in the pumping station, the water level will overflow and affect the environment of downtown. The customer needs urgent repair and will contact a third party to participate in the repair work.

- There are a total of 8 KRTK401-713H850 6UNG-S pumps on site, and a service order of 600W (RMB) has been signed.
- At present, according to the customer's process, six pumps have been completed, and the remaining two will be completed by the end of 2023;
- Customers are very satisfied and trust the service of KSB Chengdu Service Center

## SPECIFICS

## THE SOLUTION

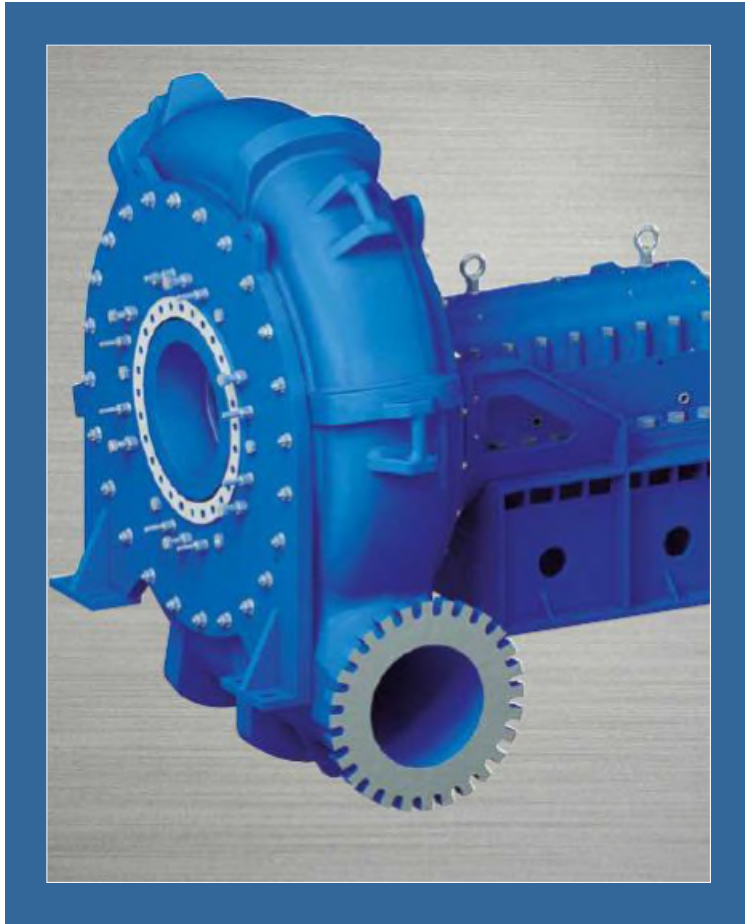
- KSB Group Company decided to invest in Chengdu Service Center in 2022, close to the customer site;
- Modern workshop, equipment, tools, etc.
- Pre-cast spare parts and cooperate with local suppliers;
- 24 hours service, short maintenance cycle

- Get a quick response from the KSB service and avoid penalties for pump failures that affect the urban environment
- To lay a solid foundation for continued cooperation with KSB Chengdu Service Center

## CUSTOMER BENEFITS

# EXTENDING SERVICE LIFE OF WEAR PARTS THROUGH OWN ALLOY MATERIAL COMPETENCES

## CASE STUDY: QUELLAVECO-MINE, PERU



### THE CHALLENGE

- Extreme conditions
- Reliability

### THE SOLUTION

- Delivery of MDX 600 cyclone feed pumps
- KSB Group has been selected based on its excellent reputation for its sludge pumps and globally successful use of the MDX 600 pumps in copper and gold applications

- Pumps for Quellaveco are specially designed for operation under the most extreme operating conditions

- Increased output through highest pump reliability and lifetime based on own material competences
- Reduction of total operating costs

### SPECIFICS

### CUSTOMER BENEFITS

## CASE STUDY: REVERSE ENGINEERING



### THE CHALLENGE

- A customer operating a paper mill requested KSB SupremeServ to repair a fan with a diameter of 3 m. The OEM could not offer the service.
- The shaft was heavily damaged and a new shaft had to be produced quickly to keep the time schedule.

- Excellent cooperation between the customer, KSB Service Center and Reverse Engineering production hub.

### SPECIFICS

### THE SOLUTION

- Dismantling of the fan
- Measuring and production of the shaft with a length of 3,5 m and diameter of 670 mm within 8 days using Reverse Engineering process.
- Assembly of all parts
- Complete repair in 3 weeks

- Customer could keep the time schedule to overhaul and run-up the boiler.

### CUSTOMER BENEFITS

# SUCCESSFUL REWINDING OF A NON-KSB BOILER CIRCULATION PUMP

## CASE STUDY: REWINDING A THIRD PARTY PRODUCT



Existing damaged winding



Rewinding in progress



Completed rewinding



No load test

### THE CHALLENGE

- Gathering accurate winding details for non-KSB BCP.
- Developing an optimal winding scheme considering the accurate collected data to execute the designed scheme without error.
- Development of required spare parts.

- Pump Type: LUV
- Motor: 400 KW

### SPECIFICS

### THE SOLUTION

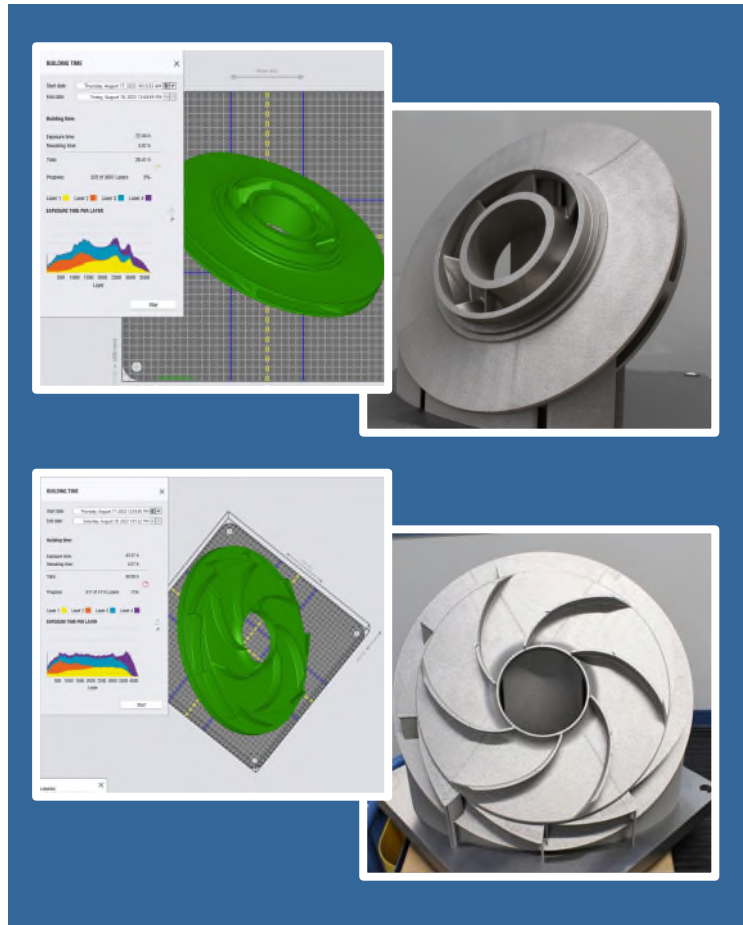
- Determining and developing winding data by Reverse Engineering.
- Defining re-winding procedure.
- Re-designing & assembly of spare parts and cable gland assembly.
- Modifying test bed to suite non-KSB BCP.

- End to end solution for non-KSB BCP rewinding including overhauling & spare parts.
- Repair validation by performance test and warranty on service.
- Time and Cost effective non-KSB BCP repair.

### CUSTOMER BENEFITS

# MATERIAL ADJUSTMENT LEADING TO INCREASED WEAR RESISTANCE

## CASE STUDY: 3D PRINTING (ENERGY COMPANY, GERMANY)



### THE CHALLENGE

- Worn and irreparable guide wheel and impeller of a pump which was built in 1964 – casting would have delayed the delivery date and casting models were not available
- Drawings from 1959 need to be obtained with great effort

### THE SOLUTION

- Transforming the 2D drawings into 3D models
- 3D printing process selected
- Material adjustment compared to the required leading to higher resistance to corrosion and acids

- The delivery took place only within 22 working days from request to delivery
- In case 3D model available – delivery time can be reduced to < 2 weeks

- Quick availability of the critical pump and the improvement of the impellers wear resistance

### SPECIFICS

### CUSTOMER BENEFITS