FLSmidth Finans A/S

Vigerslev Allé 77
2500 Valby
CVR No. 31610761

Annual report 2024

The Annual General Meeting adopted the annual report on 27.06.2025

Torben Oddershede Skovsted
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2024	9
Balance sheet at 31.12.2024	10
Statement of changes in equity for 2024	12
Notes	13
Accounting policies	16

Entity details

Entity
FLSmidth Finans A/S
Vigerslev Allé 77
2500 Valby

Business Registration No.: 31610761
Registered office: Copenhagen
Financial year: 01.01.2024 - 31.12.2024

Board of Directors
Torben Oddershede Skovsted, Chair
Camilla Winther
Dennis Erdman Dupont

Executive Board
Camilla Winther

Auditors
EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg
CVR No.: 30700228

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of FLSmidth Finans A/S for the financial year 01.01.2024 - 31.12.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Valby, 27.06.2025

Executive Board

Camilla Winther

Board of Directors

Torben Oddershede Skovsted
Chair

Camilla Winther

Dennis Erdman Dupont

Independent auditor's report

To the shareholders of FLSmidth Finans A/S

Opinion
We have audited the financial statements of FLSmidth Finans A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31.12.2024 and of the results of the Company's operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary
Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 27.06.2025

EY Godkendt Revisionspartnerselskab
CVR No. 30700228



Claus Kronbak
State Authorised Public Accountant
Identification No (MNE) mne28675



Tommy Borggaard Nielsen
State Authorised Public Accountant
Identification No (MNE) mne34340

Management commentary

Financial highlights

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Key figures					
Operating profit/loss	(18)	(73)	(30)	(1)	(36)
Net financials	26,729	13,901	5,700	12,960	11,618
Profit/loss for the year	20,821	9,984	4,381	10,036	9,019
Total assets	648,389	887,715	1,029,073	616,551	603,247
Equity	647,932	627,111	617,127	612,746	602,710
Ratios					
Return on equity (%)	3.27	1.60	0.71	1.65	1.51
Equity ratio (%)	99.93	70.64	59.97	99.38	99.91

Return on equity (%):

$$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$$

Equity ratio (%):

$$\frac{\text{Equity} * 100}{\text{Total assets}}$$

Primary activities
The company is part of FLSmidth Group and fully owned by FLSmidth & Co. A/S. The purpose of the Company is to provide capital via loans to entities within the FLSmidth Group or entities associated with the FLSmidth Group.

Development in activities and finances
The company's income statement for the year ended 31 December 2024 shows a profit of TDKK 20,821, and the balance sheet at 31 December 2024 shows equity of TDKK 647,932.

Profit/loss for the year in relation to expected developments
The Profit for the year has exceeded the expectations at the beginning of the year primarily due to higher financial income.

Uncertainty relating to recognition and measurement
Special risks apart from generally occurring risks in industry
Currency risks
The Company's currency risk derives from the impact of exchange rates on future commercial payments and financial payments. Furthermore, the Company hedges loans in foreign currencies provided to entities within the FLSmidth Group in order to reduce fluctuations in FX prices as described in note 9 to the financial statements. Funding is done in the Company's own currency.

Interest-rate risks
The Company reduces interest risk by only using short-term floating rates on its funding and loan agreements. No hedging of interest rate risk is applied.

Credit risks
The Company's financial assets are mainly managed or approved by Management and Treasury department. The credit risk is limited to only FLSmidth Group counterparties where there is continuously assessment of operational performance and profitability.

Outlook
It's our assumptions that market conditions in 2025 will be similar to that of 2024. Management expects a positive net result for 2025 in line with 2024, however depending on the level of loan balances, currency fluctuations and interest rate levels, which may change during the year.

Events after the balance sheet date
No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2024

	Notes	2024 DKK'000	2023 DKK'000
Administrative expenses		(18)	(73)
Operating profit/loss		**(18)**	**(73)**
Other financial income	3	113,863	216,512
Impairment losses on financial assets		0	(3,635)
Other financial expenses	4	(87,134)	(198,976)
Profit/loss before tax		**26,711**	**13,828**
Tax on profit/loss for the year	5	(5,890)	(3,844)
Profit/loss for the year	6	**20,821**	**9,984**

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK'000	2023 DKK'000
Deferred tax	7	3,751	6,040
Financial assets		**3,751**	**6,040**
Fixed assets		**3,751**	**6,040**
Receivables from group enterprises		628,160	880,264
Other receivables		14,517	50
Joint taxation contribution receivable		1,961	1,361
Receivables		**644,638**	**881,675**
Current assets		**644,638**	**881,675**
Assets		**648,389**	**887,715**

Equity and liabilities

	Notes	2024 DKK'000	2023 DKK'000
Contributed capital		10,000	10,000
Retained earnings		637,932	617,111
Equity		**647,932**	**627,111**
Payables to group enterprises	8	0	252,483
Other payables		457	8,121
Current liabilities other than provisions		**457**	**260,604**
Liabilities other than provisions		**457**	**260,604**
Equity and liabilities		**648,389**	**887,715**

Events after the balance sheet date	1
Staff costs	2
Financial instruments	9
Contingent liabilities	10
Related parties with controlling interest	11
Transactions with related parties	12
Group relations	13

Statement of changes in equity for 2024

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	10,000	617,111	627,111
Profit/loss for the year	0	20,821	20,821
Equity end of year	**10,000**	**637,932**	**647,932**

The share capital consists of 1 share of a nominal value of DKK'000 10,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes

1 Events after the balance sheet date

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

2 Staff costs

	2024 DKK'000	2023 DKK'000
Average number of full-time employees	0	0

	Remuneration of Management 2024 DKK'000	Remuneration of Management 2023 DKK'000
Executive Board	10	10
Board of Directors	20	20
	30	**30**

No direct remuneration is paid by the Company to Executive Management and the Board of Directors for their management duties, as they are employed by other Group companies to perform other functions. The estimated remuneration for management duties amounts to TDKK 30 in total for Executive Management and the Board of Directors.

3 Other financial income

	2024 DKK'000	2023 DKK'000
Financial income from group enterprises	40,702	56,133
Exchange rate adjustments	42,829	79,667
Fair value adjustments	30,332	80,712
	113,863	**216,512**

4 Other financial expenses

	2024 DKK'000	2023 DKK'000
Financial expenses from group enterprises	7,350	28,364
Exchange rate adjustments	55,628	119,729
Fair value adjustments	24,155	50,881
Other financial expenses	1	2
	87,134	**198,976**

5 Tax on profit/loss for the year

	2024 DKK'000	2023 DKK'000
Current tax	5,876	3,843
Adjustment concerning previous years	14	1
	5,890	**3,844**

6 Proposed distribution of profit and loss

	2024 DKK'000	2023 DKK'000
Retained earnings	20,821	9,984
	20,821	**9,984**

7 Deferred tax

Changes during the year	2024 DKK'000	2023 DKK'000
Beginning of year	6,040	2,051
Adjustment deferred tax prior year	(2,289)	3,989
End of year	**3,751**	**6,040**

Deferred tax assets
Deferred tax asset relates to tax losses carried forward recognised in the balance sheet, and will be recovered through earnings as well as through joint taxation.

8 Payables to group enterprises

In prior years, the payable relate to a group internal cash pool account with FLSmidt & Co A/S. In the financial year the payable was reduced due to repayments from loans.

9 Financial instruments

Foreign exchange contracts amount to a net gain of DKK 6.2 million for 2024 (2023: net gain of DKK 29.8 million) of which unrealised value adjustments amount to DKK 22.1 million. (2023: DKK 7.3 million). As of 31 December 2024 the fair value amounts to positive DKK 14.1 million (2023: negative DKK 8.1 million) (level 2 in the fair value hierarchy) are presented within other receivables and other payables. Foreign exchange contracts are used for economic hedging of loans in foreign currency. The notional of the contracts for significant currencies are AUD -428.7 million, EUR -170.1 million and USD -9.6 million. All contracts are internal against FLSmidth & Co A/S and mature within 1 year.

10 Contingent liabilities

The company is part of a Danish joint taxation scheme for which FLSmidth & Co. A/S is the administrator. As part of the joint taxation, FLSmidth Finans A/S is liable with other companies in the joint taxation scheme for Danish corporate taxes on dividend, interest and royalties within the joint taxation group.

11 Related parties with controlling interest

FLSmidth & Co. A/S, Denmark owns 100% of the shares of FLSmidth Finans A/S.

12 Transactions with related parties

	2024 DKK'000	2023 DKK'000
Financial income from Group companies	113.863	216.512
Financial expenses to Group companies	(87.134)	(202.611)
Receivable from Group companies	628.160	880.264
Payables to group enterprises	0	(252.483)
Derivatives (positive), presented in other receivables.	14.517	50
Derivatives (negative), presented in other payables.	(438)	(8.101)

13 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group: FLSmidt & Co. A/S, Valby Copenhagen, CVR no. 58180912

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: FLSmidt & Co. A/S, Valby Copenhagen, CVR no. 58180912

Accounting policies

Reporting class
This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

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

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

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

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

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

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments
On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in 'Other receivables' or 'Other payables', respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in the fair value reserve under 'Equity'. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in

which the hedged item affects the income statement.

Derivative financial instruments that do not qualify for hedge accounting, fair value adjustments are recognised as financial items in the income statement.

The derivatives are forward exchange contracts not traded on an active market. The fair value is therefore estimated using a valuation technique, where all significant inputs are based on observable market data such as exchange rates, interest rates, credit risk and volatilities (level 2).

Income statement
Administrative expenses
Administration costs include expenses to audit fee and other costs.

Other financial income
Financial income are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and costs, exchange gains and losses on foreign currency transactions, derivative gains/ losses, surcharges and allowances under the advance-payment-of-tax scheme, etc.

Impairment losses on financial assets
Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses
Financial costs are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and costs, exchange gains and losses on foreign currency transactions, derivative gains/ losses, surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

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

Balance sheet
Deferred tax
Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against

deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less write downs for bad and doubtful debts.

The company has chosen IAS 39 as interpretation for impairment of financial assets.

Joint taxation contributions receivable or payable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Other financial liabilities
Debt is measured at amortised cost, which for cash loans corresponds to the outstanding debt. For loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Cash flow statement
Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of FLSmidth & Co. A/S, Business Reg. No. 58180912