HALF-YEAR FINANCIAL REPORT

1 January to 30 June 2024

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- Consolidated revenue of € 647.3 million in the first half of the year, up 47.9 % on the previous year due to acquisitions.
- Operating EBIT of € 46.3 million, up 20.6 % on the previous year (€ 38.4 million).
- One-off acquisition-related non-recurring effects in non-operating EBIT (€ -31.9 million).

THE GROUP - AT A GLANCE	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023	Change	Change
	in € million	in € million	in € million	in %
Revenue	647.3	437.8	209.5	47.9
Revenue – Germany	150.9	125.5	25.4	20.2
Revenue – Abroad	496.4	312.3	184.1	58.9
Operating EBIT	46.3	38.4	7.9	20.6
Operating EBITDA	77.1	58.1	19.0	32.7
EBIT	14.4(1)	38.7	-24.3	-
EBT	5.5(1)	36.8	-31.3	-
Group result	3.8(1)	25.8	-22.0	-
Return on net operating assets (rolling)	20.6 %	24.8 %(2)	-	-4.2 PP
Investments (without leasing)	16.7	16.1	0.6	3.7
Investments „Leases“– IFRS 16	6.0	4.4	1.6	36.4
Employees (FTEs as at end of period)	12,556 FTE	6,099 FTE	6,457 FTE	105.9

(1) Influenced by one-time special effects in connection with the first-time consolidation of Ideal Standard; see notes to the management report.
(2) Return on net operating assets as at 31 December 2023

The half-year financial report includes condensed interim consolidated financial statements and an interim group management report.

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INTERIM GROUP MANAGEMENT REPORT

GENERAL CONDITIONS OF THE GROUP

With regard to our Group structure, strategy and management, please see the explanations in the 2023 Group management report (2023 annual report). From the Group's perspective, the acquisition of Ideal Standard is the most significant event in the history of Villeroy & Boch and therefore the key event in the first half of 2024. The effects on the Villeroy & Boch Group are explained in more detail in the following interim group management report and in the selected explanatory notes to the financial statements, in particular under consolidated companies.

Villeroy & Boch's operating business and its management are divided into two divisions: Bathroom & Wellness and Dining & Lifestyle. The business activities of the Ideal Standard companies complement the activities of the Bathroom & Wellness Division perfectly. For this reason, reporting for it will be summarised in the Bathroom & Wellness Division in the future.

SIGNIFICANT TRANSACTIONS— ACQUISITION OF IDEAL STANDARD

On 18 September 2023, Villeroy & Boch signed binding agreements regarding the acquisition of the operational companies of the Ideal Standard Group.

The takeover was completed on 29 February 2024 with the submission of all merger clearance approvals. In this half-year financial report, the business activities of the Ideal Standard companies are therefore included in the consolidated income statement of the Villeroy & Boch Group from 1 March. All assets and liabilities are taken into account in the consolidated statement of financial position.

The transaction was financed using existing cash and cash equivalents and a promissory note loan that was issued.

Due to the Ideal Standard acquisition, which is significant for the Villeroy & Boch Group in terms of its volume, the figures are only comparable with the previous year to a limited extent. The main changes are described in the following sections of the interim group management report. Please also see the explanations in the selected notes to the financial statements.

ECONOMIC REPORT

General economic conditions

The moderate development of the global economy continued in the first half of the current financial year 2024, although the momentum in the individual regions continued to vary. In China, the development of the economic situation, influenced by the ongoing property crisis, was at a low but still positive level. Following a period of stagnation, a slight economic upturn was observed in the eurozone.
In contrast, there were still no signs of a noticeable economic upturn in the German economy.
The risks from the ongoing conflicts in Ukraine and the Middle East continue to weigh on the global economy. However, the slowdown in inflation has continued due to the anti-inflationary measures that were introduced and are now taking effect.

Course of business and position of the Villeroy & Boch Group

Based on the first six months of the current financial year, the Management Board of Villeroy & Boch AG still considers the Group's economic situation to be positive overall.

We generated consolidated revenue (including licence income) of € 647.3 million in the first half-year of 2024 and were thus up € 209.5 million or 47.9 % to the same period of the previous year due to acquisitions. In this context, Ideal

Standard contributed sales of € 217.6 million to consolidated revenue from 1 March 2024.

In our main region EMEA (Europe, Middle East, Africa), we achieved an increase in sales of 60.0 % or € 208.5 million. We were able to achieve this primarily in the Southern Europe and Western Europe regions, where we more than doubled our sales. We also achieved significant sales growth in the Eastern Europe region (+68.2 %). In the APAC (Asia-Pacific) and Americas re-gions, we recorded a moderate increase in sales (+1.2 %).

At € 197.3 million, orders on hand for the first half of 2024 were significantly higher than orders on hand as at 31 December 2023 (€ 109.9 million). This includes Ideal Standard at € 51.1 million. Orders on hand in the Bathroom & Wellness Division totalled € 153.7 million (including Ideal Standard) compared to € 96.6 million on 31 December 2023. Orders on hand in the Dining & Lifestyle Division totalled € 43.6 million (31 December 2023: € 13.3 million) and increased in particular due to the orders already placed for our Christmas range.

In the first half of 2024, we achieved an operating EBIT (earnings before interest and taxes) of € 46.3 million, which was 20.6 % higher than the previous year (€ 38.4 million).

The non-operating result of € -31.9 million (previous year: € +0.3 million) in particular includes two one-off non-recurring effects in connection with the Ideal Standard acquisition. These relate to the realisation of fair values allocated to the acquired inventories during the purchase price allocation (€ -18.2 million) and transaction and integration costs incurred (€ -11.0 million). These non-recurring effects also influence the other key earnings figures up to consolidated profit or loss (consolidated net income for the year). The non-operating result in the previous year included income from the partial realisation of proceeds from the sale of our former factory property in Luxembourg, which was offset primarily by expenses relating to the write-down of an investment and project expenses of the same amount.

The Group’s rolling return on net operating assets fell as at 30 June 2024 to 20.6 % (31 December 2023: 24.8 %). This was due to the acquisition-related increase in rolling net operating assets and the disproportionately low increase in the rolling operating result.

COURSE OF BUSINESS AND POSITION OF THE DIVISIONS

Bathroom & Wellness

The Bathroom & Wellness Division generated revenue of € 513.5 million in the first half-year of 2024, 71.8 % up on the previous year (€ 298,9 million) due to acquisitions. In the first four months of belonging to the Group, the Ideal Standard companies generated revenue of € 217.6 million. Due to the subdued development in the construction sector, we had to accept a slight decline in sales, adjusted for acquisitions, of 1.0 %. We continue to see a positive market response to our new products with TwistFlush flushing technology.

Overall sales growth was strongest in the fittings business area (€ +89.9 million) and the ceramic sanitary ware business area (€ +86.8 million).

From a regional perspective, our main geographical region EMEA (Europe, Middle East, Africa) benefited from the acquisition in par-ticular, with an increase in sales of 87.3 % or € 209.2 million. We also achieved organic growth of 9.1 % in the APAC/Americas regions.

The Bathroom & Wellness Division achieved an-operating result (EBIT) of € 41.5 million (previous year: € 33.3 million) in the first half of 2024, up 24.6 % on the previous year. The sales-related downturn in earnings was only partially offset by falling purchase prices, particularly in the area of energy costs.

The rolling return on net operating assets decreased due to the acquisition-related increase in net assets and the disproportionately low increase in the rolling operating result to 21.0 % (24.9 % as at 31 December 2023).

Dining & Lifestyle

In the first half of 2024, the Dining & Lifestyle Division generated revenue of € 132.4 million which was 3.5% or € 4.8 million less than in the previous year (€ 137.2 million).

We were able to achieve good sales growth in e-commerce (+2.6 %) and in our own retail stores (+3.8 %). In contrast, we suffered a downturn in revenue with our retail outlet partners (€ -6.7 million or -14.9 %), although we were able to make up for the downturn in revenue in the first quarter somewhat in the second quarter due to economic recovery in Korea and the USA.

The Dining & Lifestyle Division recorded an operating result (EBIT) of € 4.8 million and was 5.9 % below the previous year (€ 5.1 million). The sales-related decline in earnings was only partially offset by the cost savings achieved.

The rolling return on net operating assets decreased to 32.9 % (33.3 % as at 31 December 2023) due to the slightly lower financial result.

Capital structure

Our equity decreased by € 24.4 million compared to the end of 2023, to € 363,8 million as at 30 June 2024. The main contributors to the change were the net income for the first half of the year (€ +3,8 million) and the distribution of the 2023 dividend (€ -27,2 million).
Due to the significant increase in total equity and liabilities resulting from the Ideal Standard acquisition, the equity ratio (including minority interests) fell from 35.4 % at the end of 2023 to 20.8 % as at 30 June 2024.

Investments

In the first half of 2024, we made investments in intangible assets and property, plant and equipment totalling € 16.7 million (previous year: € 16.1 million). The Bathroom & Wellness Division accounted for € 14.2 million of this and the Dining & Lifestyle Division for € 2.5 million. The additions in connection with the Ideal Standard acquisition at the time of initial consolidation (29 February 2024) are not included in the above figures.
In the Bathroom & Wellness Division, work continued on a new factory building in Thailand and investments were also made in a pressure casting system there. In addition, a further pressure casting system was purchased in Hungary. We also invested in expanding the capacity of our furniture plant in Treuchtlingen.
In the Dining & Lifestyle Division, we mainly invested in the modernisation and acquisition of new production facilities and pressing tools in Merzig and Torgau and in the modernisation of our own retail stores.

The Group had obligations to acquire property, plant and equipment and intangible assets in the amount of € 14.3 million as at the end of the reporting period (previous year: € 21.3 million).

Net liquidity

Taking into account our financial liabilities of € 455.9 million, the cash and bank balances at 30 June 2024 of € 96,6 million resulted in net liquidity of € -359.3 million (31 December 2023: € 164.9 million). The large change is due to the acquisition of Ideal Standard and the associated purchase price payment, which was partly financed by the issuing of a promissory note loan. In addition, the distribution of the dividend for the previous financial year (€ 27.2 million) also contributed to the reduction in our net liquidity. We also have unused credit facilities of € 313.5 million at our disposal.

Balance sheet structure

At the reporting date, our total equity and liabilities amounted to € 1,746.6 million compared to € 1,096.2 million at 31 December 2023. The significant increase in total equity and liabilities of € 650.4 million was mainly due to the acquisition of Ideal Standard. Further details can be found under consolidated companies in the selected explanatory notes to the financial statements.

The share of total assets attributable to non-current assets increased to 51.8 % (31 December 2023: 26.2 %). This is reflected in particular in the increase in intangible assets, which include the acquired brand rights and goodwill from the Ideal Standard acquisition. The purchase price allocation shown in the current financial statements reflects the current status of information and has not yet been finalised. We continue to assume that the provisional purchase price allocation will be finalised by the end of September 2024.

Current assets decreased by € 59.1 million compared to 31 December 2023. This was mainly due to the acquisition-related purchase price payment and the associated reduction in cash and cash equivalents and short-term deposits (€ -277.8 million). This was partly offset by the increase in inventories (€ +123.3 million) and trade receivables (€ +89.1 million).

On the equity and liabilities side, the biggest changes compared to the end of 2023 were also acquisition-related.

With regard to current liabilities (€ +288.1 million), the main increases were in current financial liabilities (€ +92.0 million), trade payables (€ +78.9 million) and other current liabilities (€ +70.8 million).

Non-current liabilities increased by a total of € 386.7 million, in particular due to an increase in non-current financial liabilities (€ +154.4 million) and pension provisions (€ +107.1 million).

REPORT ON RISKS AND OPPORTUNITIES

With the acquisition of Ideal Standard, the risk and opportunity situation for the Villeroy & Boch Group has not changed significantly compared to the situation presented in the 2023 Group management report. The complementary strengths of both companies in terms of regional presence, sales strategies and product and brand portfolio will increase the competitiveness of the Villeroy & Boch Group. On the other hand, the higher sales volume in the Bathroom & Wellness Division increases dependence on the construction industry, particularly in Europe.

Nevertheless, the risks and opportunities remain as described in the 2023 annual report.

As previously, a focused review of all risk areas is performed regularly. There is currently no evidenceof any individual risks that could endanger the continued existence of the Group at this time.

OUTLOOK FOR THE CURRENT FINANCIAL YEAR

The market environment remains characterised by a high level of uncertainty. This primarily relates to the further development of the construction industry. Another risk factor continues to be the possible further escalation of the conflicts in Ukraine and the Middle East.

The Management Board of Villeroy & Boch AG continues to expect a significant increase in revenue, the operating result (EBIT) and investments as a result of acquisitions and therefore confirms the forecast for 2024 as a whole made in connection with the annual financial statements.

OTHER INFORMATION

On 12 April 2024, the General Meeting of Shareholders approved the remuneration system, which was expanded to include an integration incentive for the members of the Management Board in connection with the historically unique acquisition of the Ideal Standard Group by Villeroy & Boch AG. This applies for the years 2024 to 2026. The integration incentive is intended to incentivise the successful integration of Ideal Standard into the Villeroy & Boch Group and thus have a sustainable effect on the value creation of Villeroy & Boch AG. This integration incentive reflects the fact that the integration of Ideal Standard is one of the main tasks of the Management Board of Villeroy & Boch AG for the coming years.

Mettlach 29 July 2024

Gabriele Schupp　　Dr Peter Domma　　Esther Jehle

Georg Lörz　　Dr Markus Warncke

CONSOLIDATED BALANCE SHEET

as of 30 June 2024

in € million

Assets	Notes	30/6/2024	31/12/2023
Non-current assets			
Intangible assets		408.1	33.4
Property, plant and equipment	1	364.7	188.8
Right-of-use assets	2	78.4	44.2
Investment property		5.2	4.8
Investment accounted for using the equity method		17.0	2.7
Other financial assets	3	31.8	13.2
		905.2	**287.1**
Other non-current assets	6	38.7	0.1
Deferred tax assets		82.2	29.4
		1,026.1	**316.6**
Current assets			
Inventories	4	352.4	229.1
Trade receivables	5	212.8	123.7
Other current financial assets	3	12.2	23.0
Other current assets	6	28.6	12.3
Income tax receivables		17.9	17.1
Cash and cash equivalents	7	96.6	374.4
		720.5	**779.6**
Total assets		**1,746.6**	**1,096.2**

Equity and liabilities	Notes	30/6/2024	31/12/2023
Equity attributable to Villeroy & Boch AG shareholders			
Issued capital		71.9	71.9
Capital surplus		194.8	194.7
Treasury shares		-13.9	-13.9
Retained earnings		201.7	225.4
Revaluation surplus	8	-94.7	-93.7
		359.8	**384.4**
Equity attributable to minority interests		**4.0**	**3.8**
Total equity		**363.8**	**388.2**
Non-current liabilities			
Provisions for pensions	9	254.8	147.7
Non-current provisions for personnel	9	12.2	11.4
Other non-current provisions	10	50.4	29.0
Non-current financial liabilities	11	305.6	151.2
Non-current lease liabilities	12	62.6	31.9
Other non-current liabilities	13	6.3	4.2
Deferred tax liabilities		76.7	6.5
		768.6	**381.9**
Current liabilities			
Current provisions for personnel	9	11.9	17.1
Other current provisions	10	39.7	30.5
Current financial liabilities	11	150.3	58.3
Current lease liabilities	12	24.4	13.5
Other current liabilities	13	170.5	99.7
Trade payables		170.9	92.0
Income tax liabilities		46.5	15.0
		614.2	**326.1**
Total liabilities		**1,382.8**	**708.0**
Total equity and liabilities		**1,746.6**	**1,096.2**

CONSOLIDATED INCOME STATEMENT

for the period 1 January to 30 June 2024
in € million

	Notes	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023
Revenue	14	**647.3**	**437.8**
Costs of sales		-408.0	-246.4
Gross profit		**239.3**	**191.4**
Selling, marketing and development costs	15	-168.7	-132.5
General administrative expenses		-38.1	-22.5
Other operating income and expenses		-18.3	2.2
Result of associates accounted for using the equity method		0.2	0.1
Operating result (EBIT)		**14.4**	**38.7**
Financial result	16	-8.9	-1.9
Earnings before taxes		**5.5**	**36.8**
Income taxes	17	-1.7	-11.0
Group result		**3.8**	**25.8**
Thereof attributable to:			
Villeroy & Boch AG shareholders		3.5	25.7
Minority interests		0.3	0.1
		3.8	**25.8**
EARNINGS PER SHARE			
Earnings per ordinary share		0.11	0.95
Earnings per preference share		0.16	1.00

During the reporting period, there were no share dilution effects.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 1 January to 30 June 2024
in € million

	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023
Group result	**3.8**	**25.8**
Other comprehensive income		
Items to be reclassified to profit or loss:		
Cash flow hedge	3.4	3.6
Gains or losses on translations of exchange differences	-4.5	-3.7
Deferred income tax effect on items to be reclassified to profit or loss	0.9	-1.4
Items not to be reclassified to profit or loss:		
Actuarial gains or losses on defined benefit plans	-1.2	-0.1
Other valuation results	0.1	0.7
Deferred income tax effect on items not to be reclassified to profit or loss	0.3	0.0
Total other comprehensive income	**-1.0**	-0.9
Total comprehensive income net of tax	**2.8**	**24.9**
Thereof attributable to:		
Villeroy & Boch AG shareholders	2.4	25.0
Minority interests	0.4	-0.1
Total comprehensive income net of tax	**2.8**	**24.9**

CONSOLIDATED INCOME STATEMENT

for the period 1 April to 30 June 2024
in € million

	Notes	1/4/2024 - 30/6/2024	1/4/2023 - 30/6/2023
Revenue	14	**370.2**	**208.5**
Costs of sales		-246.1	-116.7
Gross profit		**124.1**	**91.8**
Selling, marketing and development costs	15	-95.5	-65.3
General administrative expenses		-23.1	-11.3
Other operating income and expenses		-5.0	3.8
Result of associates accounted for using the equity method		0.2	0.1
Operating result (EBIT)		**0.7**	**19.1**
Financial result	16	-5.7	-0.6
Earnings before taxes		**-5.0**	**18.5**
Income taxes	17	1.6	-5.5
Group result		**-3.4**	**13.0**
Thereof attributable to:			
Villeroy & Boch AG shareholders		-3.6	12.9
Minority interests		0.2	0.1
		-3.4	**13.0**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 1 April to 30 June 2024
in € million

	1/4/2024 - 30/6/2024	1/4/2023 - 30/6/2023
Group result	**-3.4**	**13.0**
Other comprehensive income		
Items to be reclassified to profit or loss:		
Cash flow hedge	2.7	1.0
Gains or losses on translations of exchange differences	-0.7	-3.3
Deferred income tax effect on items to be reclassified to profit or loss	-0.2	-0.6
Items not to be reclassified to profit or loss:		
Actuarial gains or losses on defined benefit plans	-1.3	-0.1
Other valuation results	0.0	0.1
Deferred income tax effect on items not to be reclassified to profit or loss	0.3	0.0
Total other comprehensive income	**0.8**	**-2.9**
Total comprehensive income net of tax	**-2.6**	**10.1**
Thereof attributable to:		
Villeroy & Boch AG shareholders	-2.9	10.0
Minority interests	0.3	0.1
Total comprehensive income net of tax	**-2.6**	**10.1**

CONSOLIDATED CASH FLOW STATEMENT

for the period 1 January to 30 June 2024

in € million

	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023
Group result	3.8	25.8
Depreciation and attribution of non-current assets	25.9	23.4
Change in non-current provisions	-8.8	-4.6
Profit from disposal of fixed assets	-1.4	-10.6
Change in inventories, receivables and other assets	-4.1	-1.3
Change in liabilities, current provisions and other liabilities	-48.8	-43.0
Other non-cash income/expenses	34.5	1.1
Cash flow from operating activities	**1.1**	**-9.2**
Purchase of intangible assets, property, plant and equipment	-16.7	-16.1
Investment in non-current financial assets	-1.1	-2.5
Expenditure for acquisitions less cash and cash equivalents acquired	-414.6	-
Expenses for the acquisition of associated companies	-12.7	-
Proceeds from the disposal of financial assets	-0.1	25.2
Proceeds from the sale of subsidiary companies and other business divisions	9.5	-
Proceeds from disposals of fixed assets	8.0	3.6
Cash flow from investing activities	**-427.7**	**10.2**
Proceeds from the issue of promissory note loans	153.1	-
Proceeds/Payments for the issue/repayment of financial liabilities	34.1	-0.5
Cash repayments of lease liabilities	-11.3	-9.3
Proceeds from the issue of treasury shares	0.2	-
Dividend paid to minority shareholders	-0.1	-0.2
Dividend paid to shareholders of Villeroy & Boch AG	-27.2	-31.1
Cash flow from financing activities	**148.8**	**-41.1**
Sum of cash flows	**-277.8**	**-40.1**
Balance of cash and cash equivalents as at 1 Jan	374.4	226.6
Net increase in cash and cash equivalents	-277.8	-40.1
Balance of cash and cash equivalents as at 30 June	**96.6**	**186.5**

CONSOLIDATED STATEMENT OF EQUITY

for the period 1 January to 30 June 2024

in € million

	Equity attributable to Villeroy & Boch AG shareholders							
	Issued capital	Capital surplus	Treasury shares	Retained earnings	Revaluation surplus	**Total**	Equity attributable to minority interests	**Total equity**
Notes					8			
As of 1/1/2023	**71.9**	**194.2**	**-14.5**	**195.8**	**-78.7**	**368.7**	**3.8**	**372.5**
Group result				25.7		25.7	0.1	25.8
Other comprehensive income					-0.7	-0.7	-0.2	-0.9
Total comprehensive income net of tax				**25.7**	**-0.7**	**25.0**	**-0.1**	**24.9**
Dividend payments				-31.1		-31.1	-0.2	-31.3
As of 30/6/2023	**71.9**	**194.2**	**-14.5**	**190.4**	**-79.4**	**362.6**	**3.5**	**366.1**
As of 1/1/2024	**71.9**	**194.7**	**-13.9**	**225.4**	**-93.7**	**384.4**	**3.8**	**388.2**
Group result				3.5		3.5	0.3	3.8
Other comprehensive income					-1.0	-1.0	0.1	-0.9
Total comprehensive income net of tax				**3.5**	**-1.0**	**2.5**	**0.4**	**2.9**
Issue of Treasury shares		0.1	0.0			0.1		0.1
Dividend payments				-27.2		-27.2	-0.2	**-27.4**
As of 30/6/2024	**71.9**	**194.8**	**-13.9**	**201.7**	**-94.7**	**359.8**	**4.0**	**363.8**

CONSOLIDATED SEGMENT REPORT

for the period 1 January to 30 June 2024

in € million

	Bathroom & Wellness		Dining & Lifestyle		Transition/Other		Villeroy & Boch Group	
	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023	1/1/2024 - 30/6/2024	1/1/2023 - 30/6/2023
Revenue								
Segment revenue from sales of goods to external customers	**513.5**	299.0	**129.1**	136.2	**-**	-	**642.6**	435.2
Segment revenue from transactions with other segments	**-**	-	**-**	-	**-**	-	**-**	-
Segment revenue from licence business	**0.0**	-0.1	**3.3**	1.0	**1.4**	1.7	**4.7**	2.6
Revenue	**513.5**	298.9	**132.4**	137.2	**1.4**	1.7	**647.3**	437.8
Result								
Segment result	**41.5**	33.3	**4.8**	5.1	**-31.9**	0.3	**14.4**	38.7
Financial result	**-**	-	**-**	-	**-8.9**	-1.9	**-8.9**	-1.9
Investments and depreciations								
Investments of intangible assets, property, plant and equipment	**14.2**	11.8	**2.5**	4.3	**-**	-	**16.7**	16.1
Investments of right-of-use assets on leases	**4.0**	2.4	**2.0**	2.0	**-**	-	**6.0**	4.4
Scheduled depreciation of intangible assets, property, plant and equipment	**16.6**	9.6	**2.7**	2.6	**-**	-	**19.3**	12.2
Scheduled depreciation of right-of-use assets on leases	**6.6**	2.8	**4.8**	4.7	**-**	-	**11.4**	7.5

Assets and liabilities	30/6/2024	31/12/2023	30/6/2024	31/12/2023	30/6/2024	31/12/2023	30/6/2024	31/12/2023
Segment assets	**1,238.2**	400.7	**177.4**	200.5	**331.0**	495.0	**1,746.6**	1,096.2
Segment liabilities	**376.6**	152.3	**77.7**	91.0	**928.5**	464.7	**1,382.8**	708.0
Rolling net operating assets								
Rolling operating assets	**579.5**	400.0	**188.2**	191.8	**-**	-	**767.7**	591.8
Rolling operating liabilities	**216.5**	151.6	**82.7**	82.6	**-**	-	**299.2**	234.2
Rolling net operation assets	**363.0**	248.4	**105.5**	109.2	**-**	-	**468.5**	357.6
Rolling operating result (EBIT) *								
Rolling operating result (EBIT) *	**76.1**	61.9	**34.7**	36.4	**-14.2**	-9.6	**96.6**	88.7

* Central function earnings components that cannot be influenced by the division are not taken into account in calculating the operating result of both divisions.

CONSOLIDATED SEGMENT REPORT

for the period 1 April to 30 June 2024

in € million

	Bathroom & Wellness		Dining & Lifestyle		Transition/Other		Villeroy & Boch Group	
	1/4/2024 - 30/6/2024	1/4/2023 - 30/6/2023	1/4/2024 - 30/6/2024	1/4/2023 - 30/6/2023	1/4/2024 - 30/6/2024	1/4/2023 - 30/6/2023	1/4/2024 - 30/6/2024	1/4/2023 - 30/6/2023
Revenue								
Segment revenue from sales of goods to external customers	309.4	148.2	58.4	59.0	-	-	367.8	207.2
Segment revenue from transactions with other segments	-	-	-	-	-	-	-	-
Segment revenue from licence business	0.0	-0.1	1.7	0.5	0.7	0.9	2.4	1.3
Revenue	309.4	148.1	60.1	59.5	0.7	0.9	370.2	208.5
Result								
Segment result	24.1	15.9	-0.9	-0.5	-22.5	3.1	0.7	18.5
Financial result	-	-	-	-	-5.7	-0.6	-5.7	-0.6
Investments and depreciations								
Investments of intangible assets, property, plant and equipment	11.1	7.5	1.6	2.6	-	-	12.7	10.1
Investments of right-of-use assets on leases	2.0	1.1	-0.7	0.3	-	-	1.3	1.4
Scheduled depreciation of intangible assets, property, plant and equipment	10.4	4.9	1.3	1.3	-	-	11.7	6.2
Scheduled depreciation of right-of-use assets on leases	4.2	1.3	2.4	2.4	-	-	6.6	3.7

SELECTED EXPLANATORY NOTES OF THE VILLEROY & BOCH GROUP FOR THE FIRST HALF OF THE YEAR 2024

GENERAL INFORMATION

Villeroy & Boch Aktiengesellschaft, domiciled in Mettlach, Saaruferstrasse 1 – 3, is a listed stock corporation under German law. It is entered in the Commercial Register B of the Saarbrücken Local Court under 63610. Villeroy & Boch Aktiengesellschaft (AG) is the parent company of the Villeroy & Boch Group. The Villeroy & Boch Group is a leading international ceramic manufacturer. As a full-service provider for the bathroom and for high-quality tableware and living accessories, our operating business is divided into two divisions: Bathroom & Wellness, and Dining & Lifestyle. Villeroy & Boch AG is listed in the Prime Standard operated by Deutsche Börse AG.

This half-year financial report covers the period from 1 January 2024 to 30 June 2024. It was approved for publication on 25 July 2024 after the Management Board discussed the half-year financial report with the Audit Committee of the Supervisory Board. It was prepared in accordance with the International Financial Reporting Standards (IFRS) for interim fi-nancial reporting as applicable in the EU as at the reporting date. The half year Group management report was prepared in compliance with the German Securities Trading Act. This condensed half-year financial report has been audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft. In the opinion of the Management Board, these interim financial statements provide a true and fair view of the net assets, financial position and results of operations of the Group. The half-year financial report includes condensed consoli-dated financial statements with selected explanatory notes. For this reason, it should be read in conjunction with the consolidated financial statements as at 31 December 2023. These can be downloaded from the Investor Relations section of the website at www.villeroyboch-group.com.

In the period under review, the accounting and consolidation methods described in the 2023 annual report were extended to include the accounting standards endorsed by the EU and effective for reporting periods beginning on or after 1 January 2024. Overall, this did not have a material impact on this half-year financial report. Further information on performance in the first half year of 2024 can be found in the above economic report.

Basis of consolidation

The basis of consolidation of the Villeroy & Boch Group consists of 92 companies (31 December 2023: 51 companies).

Three companies were treated as non-consolidated companies on account of their insignificant impact on the financial position and financial performance of the Villeroy & Boch Group.

On 29 February 2024, Villeroy & Boch acquired 100 % of the shares in the following four companies and thus acquired control over a total of 42 companies (directly and indirectly) of the Ideal Standard Group.

- Ideal Standard International NV (Belgium)
- Ideal Standard Holdings (BC) Germany GmbH (Germany)
- Ideal Standard Holdings (BC) Italy S.r.l. (Italy)
- Ideal Standard MENA MidCo Limited (Gibraltar)

The acquisition of the Ideal Standard Group means Villeroy & Boch joins the ranks of Europe's top-selling manufacturers of bathroom products. Ideal Standard is a great fit for Villeroy & Boch's business model. The complementary strengths of the two companies in terms of regional presence, sales strategies and product and brand portfolios will increase the Group's competitiveness.
Geographically, for example, Villeroy & Boch has a very strong base primarily in Central and Northern Europe as well as in Asia, while Ideal Standard enjoys an excellent reputation with its brand portfolio especially in the United Kingdom, Italy and the Middle East/North Africa region. While Villeroy & Boch focuses its sales activities primarily on the high-end retail customer business, Ideal Standard has extensive expertise in the project business, including in the public and healthcare sectors and in cooperation with developers of major residential, hotel and commercial properties. In addition to bathroom ceramics, Ideal Standard has a very profitable fittings business.

The assets and liabilities recognised as at the acquisition date (29 February 2024) are presented in the table below:

in € million	**29/02/2024**
Fixed assets	172.4
Inventory	106.8
Other receivables and assets	223.3
Cash and cash equivalents	36.3
Total assets acquired	**538.8**
Minority interests	0.2
Pension provisions	111.6
Other provisions and liabilities	254.8
Financial liabilities	59.2
Lease liabilities	45.2
Total liabilities acquired	**471.0**
Net assets acquired	**67.8**
Acquired intangible assets incl.goodwill	383.1
Costs of acquisition (purchase price payment)	450.9

The assets and liabilities recognised as at 30 June 2024 are presented in the table below:

in € million	**30/6/2024**
Fixed assets	164.2
Inventory	110.5
Other receivables and assets	224.2
Cash and cash equivalents	39.7
Total assets	**538.6**
Minority interests	0.2
Pension provisions	110.3
Other provisions and liabilities	245.0
Financial liabilities	55.9
Lease liabilities	44.8
Total liabilities	**456.2**
Net assets	**82.4**

The payment of the purchase price of € 450.9 million was performed in the form of cash and cash equivalents. In addition to the purchase price that has already been paid, the purchase agreement includes a variable purchase price component that is coupled to Ideal Standard's future economic performance. The value currently expected of € 3.5 million has been calculated as a provisional value on the basis of the information available at the moment and recognised accordingly.

Based on the information currently available, the provisional difference from the initial consolidation amounts to € 383.1 million. This amount was mainly divided between brand rights with an indefinite term (€ 168.8 million), fixed assets (€ 66.6 million), inventories (€ 19.3 million) and brand rights and customer relationships with a limited term. After taking into account deferred taxes, goodwill totalling € 171.0 million remains. Goodwill was allocated in full to the Bathroom & Wellness Division and is not deductible for income tax purposes.

The identified assets and liabilities acquired were measured at fair value on the basis of the information currently available. This measurement has not yet been finalised. Hidden reserves and liabilities were covered on the basis of the information currently available. If new information becomes known within one year of the acquisition date about facts and circumstances that existed at the acquisition date and which would have led to adjustments or additional provisions or assets, the accounting for the business combination is adjusted accordingly.

The costs related to the acquisition amount to € 14.1 million. € 6.4 million of this is recognised as an expense in the current financial year. In the current financial year, the Ideal Standard Group contributed € 217.6 million to revenue and € -5.4 million to the consolidated net profit for the period between the acquisition date and the end of the reporting period. If the acquisition had been concluded on the first day of the financial year, the Ideal Standard Group would have contributed € 380.8 million to the consolidated revenue. It was not feasible to calculate the contribution that the Ideal Standard Group made to earnings for the first six months, as the information required for the four acquired companies was not available.

V AND B SOUTH AFRICA PTE LTD., Claremont, South Africa, was liquidated in order to optimise the Group structure. The dissolution of the company was confirmed to us in the first quarter of 2024.

On 21 February 2024, Villeroy & Boch acquired 49 % of the shares in Azura Egypt for Manufacture of Sanitary Ware S.A.E by participating in a capital increase. The purpose of the company, which has its registered office in Cairo, Egypt, is the production of Bathroom & Wellness products.

In addition, Villeroy & Boch founded a new company, V & B Trading Egypt S.A.E, on 22 February 2024. Villeroy & Boch holds an interest of 49 % in the company, which has its registered office in Cairo, Egypt. The purpose of the company is the sale of Bathroom & Wellness products. The Villeroy & Boch Group recognises the shares in these two companies using the equity method in accordance with IAS 28. The remaining shares are in free float.

Annual General Meeting of Villeroy & Boch AG for the 2023 financial year

The General Meeting of Shareholders on 12 April 2024 resolved the dividend of € 1.00 per ordinary share and € 1.05 per preference share as proposed by the Supervisory Board and the Management Board of Villeroy & Boch AG. The distribution corresponds to a dividend payment of € 14.0 million (previous year: € 16.1 million) for the ordinary share capital and € 13.1 million (previous year: € 15.0 million) for the preference share capital. The dividend was paid on 17 April 2024. The Villeroy & Boch Group held 1,555,820 treasury preference shares (previous year: 1,627,199) as at the distribution date. These shares are not entitled to dividends.

Seasonal influences on business activities

Owing to Christmas business, the Dining & Lifestyle Division habitually expects to generate a higher level of revenue and operating result in the fourth quarter than in the other quarters of the year.

NOTES ON SELECTED ITEMS OF THE CONSOLIDATED BALANCE SHEET

1. Property, plant and equipment

Property, plant and equipment increased by € 175.9 million to € 364.7 million in the reporting period. The main reason for this was the acquisition of Ideal Standard. In addition, property, plant and equipment totalling € 16.0 million was acquired (previous year: € 15.6 million).
The investment focus of the Bathroom & Wellness Division was abroad. The construction of a new factory building in Thailand continued. Investments were also made in a washbasin pressure casting press in Thailand. A toilet pressure casting system was purchased in Hungary. In addition, investments were made in expanding capacity by means of a pallet warehouse and cutting saw in Treuchtlingen.
The Dining & Lifestyle Division invested primarily in the modernisation of the production facilities in Merzig and Torgau. In addition, new pressing tools were purchased and a new kiln was put into operation at the Lugoj production site. We also invested in the modernisation of our own retail stores in Belgium, France, Switzerland and Italy.
In addition, € 2.3 million (previous year: € 2.6 million) was invested in the continuation of the "Mettlach 2.0" project.
Depreciation amounts to € 17.4 million (previous year: € 11.2 million). As at the end of the reporting period, the Villeroy & Boch Group had obligations to acquire property, plant and equipment in the amount of € 13.8 million (31 December 2023: € 12.7 million).

2. Right-of-use assets

Capitalized right-of-use assets increased by € 34.2 million to € 78.4 million in the reporting period. This change was mainly due to the acquisition of Ideal Standard amounting to € 40.1 million. Furthermore, additions amounting to € 6.0 million (previous year: € 4.4 million), offsetting depreciations amounting to € 11.4 million (previous year: € 7.5 million) and disposals at carrying amounts of € 1.4 million (previous year: € 0.2 million) contributed to the change. Expenses for short-term property leases totalled € 1.9 million (previous year: € 2.3 million) and € 3.1 million (previous year: € 3.5 million) from variable rental payments for property leases. Expenses for other short-term leases and leases for low-value assets amounted to € 3.0 million (previous year: € 1.4 million).

3. Other financial assets

Other financial assets include:

in € million	30/6/2024	31/12/2023
Deposits	0.8	1.2
Fair values of hedging instruments	2.6	1.9
Other financial assets	8.8	19.9
Short-term financial assets	**12.2**	**23.0**
Deposits	4.6	1.8
Fair values of hedging instruments	3.8	3.9
Other financial assets	16.1	0.0
Securities	1.5	1.7
Equity investments	2.1	2.1
Loans	1.3	1.3
Shares in non-consolidated subsidiaries	2.4	2.4
Long-term financial assets	**31.8**	**13.2**

Current financial assets declined by € 10.8 million to € 12.2 million in the reporting period. The main cause of the decline is the partial payment of the purchase price arising from the sale of the bathroom furniture site in Mondsee, Austria. Non-current financial assets increased by € 18.6 million to € 31.8 million in the reporting period, mainly due to the acquisition of the Ideal Standard group.

4. Inventories

Inventories were composed as follows as at the end of the reporting period:

in € million	30/6/2024	31/12/2023
Raw materials and supplies	49.8	37.0
Work in progress	57.0	19.2
Finished goods and goods for resale	245.6	172.9
Inventories (total)	**352.4**	**229.1**

Write-downs of inventories increased by € 14.6 million to a total of € 53.5 million in the reporting period. Of this increase, € 14.8 million is attributable to Ideal Standard, of which € 13.7 million had already been recognised at the time of initial consolidation.

5. Trade receivables

Trade receivables are broken down as follows:

by customer domicile/in € million	30/6/2024	31/12/2023
Germany	26.2	27.1
Rest of euro zone	52.4	25.5
Rest of world	146.3	76.4
Gross carrying amount of trade	**224.9**	**129.0**
Impairment due to expected losses (level 1)	-0.6	-0.6
Impairment due to objective indications (level 2)	-11.5	-4.7
Impairment losses	**-12.1**	**-5.3**
Total trade receivables	**212.8**	**123.7**

€ 105.6 million of the increase in trade receivables is attributable to Ideal Standard.

6. Other non-current and current assets

Other non-current and current assets developed as follows in the period under review:

in € million	30/6/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Other tax receivables	7.5	-	7.3	-
Advance payments	6.4	0.1	2.4	0.1
Net defined benefit assets	-	38.6	-	-
Contract assets	1.6	-	0.1	-
Prepaid expenses	13.1	-	2.5	-
Other assets (total)	**28.6**	**38.7**	**12.3**	**0.1**

Non-current assets increased by € 38.6 million to € 38.7 million. The reason for this is the net pension asset of € 38.6 million taken over in the course of the acquisition of Ideal Standard. Current financial assets increased by € 16.3 million to € 28.6 million.

7. Cash and cash equivalents

Cash and cash equivalents are composed as follows:

in € million	30/6/2024	31/12/2023
Cash on hand incl. cheques	0.3	0.5
Current bank balances	79.2	76.3
Cash equivalents	17.1	297.6
Total cash and cash equivalents	**96.6**	**374.4**

The € 277.8 million decrease in cash and cash equivalents and short-term deposits is mainly due to the purchase price payment for the acquisition of the Ideal Standard Group and the dividend payment of € 27.2 million made by Villeroy & Boch AG. The decline in cash and cash equivalents is partly offset by the proceeds from the second tranche of the promissory note loan that was issued. Cash is held solely in the short term and at banks of good credit standing that are predominantly members of a deposit protection system.

8. Revaluation surplus

The revaluation surplus comprises the reserves contained in “other comprehensive income”:

in € million	30/6/2024	31/12/2023
Items to be reclassified to profit or loss:		
Currency translation of financial statements of foreign group companies	-27.0	-24.5
Currency translation of long-term loans classified as net investments in foreign group companies	-4.0	-2.0
Reserve for cash flow hedges	3.1	-0.3
Miscellaneous gains and losses on measurement	0.1	-
Deferred taxes for this category	-1.1	-2.0
Sub-total (a)	**-28.9**	**-28.8**
Items not to be reclassified to profit or loss:		
Actuarial gains and losses on defined benefit obligations	-96.2	-95.0
Miscellaneous gains and losses on measurement	0.7	0.7
Deferred taxes for this category	29.7	29.4
Sub-total (b)	**-65.8**	**-64.9**
Total revaluation surplus [(a)+(b)]	**-94.7**	**-93.7**

9. Pension provisions, non-current and current provisions for personnel

Pension provisions increased by € 107.1 million to € 254.8 million (previous year: € 147.7 million), mainly as a result of the Ideal Standard acquisition.

Non-current provisions for personnel changed to only a minor extent in the reporting period. Current provisions for personnel decreased mainly due to the payment of variable remuneration for 2023.

10. Other non-current and current provisions

Other non-current and current provisions increased from € 30.6 million to € 90.1 million in the reporting period. This was mainly due to the provisions for environmental risks assumed as a result of the acquisition of Ideal Standard.

11. Non-current and current financial liabilities

The increase in non-current financial liabilities by € 154.4 million to € 305.6 million is mainly due to the payment of the second tranche of promissory note loans as part of the purchase price financing. The increase in current financial liabilities by € 92.0 million to € 150.3 million is also related to the acquisition of the Ideal Standard Group.

12. Non-current and current lease liabilities

Non-current and current lease liabilities decreased by € 41.6 million to € 87.0 million in the reporting period. The change is mainly due to the acquisition of Ideal Standard. In addition, a decline in repayments of principal of € 3.6 million (previous year: € 9.3 million) was offset by additions from newly concluded lease agreements totalling € 6.0 million (previous year: € 4.4 million). Interest expenses for leased right-of-use assets amounted to € 1.7 million in the reporting period.

13. Other non-current and current liabilities

Other non-current and current liabilities are composed as follows:

in € million	30/6/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Bonus liabilities (a)	85.2	-	51.0	-
Fair values of hedging instruments	2.4	0.9	3.8	2.3
Liabilities to affiliated, non-consolidated companies	2.9	-	0.2	-
Miscellaneous other liabilities	11.0	5.1	6.6	1.6
Total financial liabilities	**101.5**	**6.0**	**61.6**	**3.9**
Personnel liabilities (a)	43.1	-	18.7	-
Other tax liabilities	20.5	-	13.6	-
Contractual liabilities	4.4	-	4.6	-
Deferred income	1.0	0.3	1.2	0.3
Total other liabilities	**69.0**	**0.3**	**38.1**	**0.3**
Total book value	**170.5**	**6.3**	**99.7**	**4.2**

(a) The usual seasonal decline in these items is more than compensated for by an increase from the acquisition of the Ideal Standard Group.

Other current liabilities increased by € 70.8 million to € 170.5 million in the reporting period. The main reason for this was the acquisition of Ideal Standard. Other non-current liabilities changed only to a minor extent in the reporting period.

NOTES ON SELECTED ITEMS OF THE CONSOLIDATED INCOME STATEMENT

14. Revenue

Revenue is broken down in the segment reporting.

15. Selling, marketing and development costs

This item includes the following expenses for research and development in the period under review:

in € million	2024		2023	
	H1	Q2	H1	Q2
Bathroom & Wellness	-8.9	-4.6	-7.3	-3.6
Dining & Lifestyle	-2.2	-0.9	-2.5	-1.2
Research and development costs (total)	**-11.1**	**-5.5**	**-9.8**	**-4.8**

16. Financial result

The financial result is broken down as follows:

in € million	2024		2023	
	H1	Q2	H1	Q2
Financial expenses	-7.5	-3.2	-2.1	-1.1
Interest expense on lease liabilities	-1.7	-1.0	-0.6	-0.3
Interest expenses for provisions (pensions)	-2.9	-1.8	-2.5	-1.2
Financial income	3.2	0.3	3.3	2.0
Net finance expense (total)	**-8.9**	**-5.7**	**-1.9**	**-0.6**

Finance costs increased by € 5.4 million to € 7.5 million compared to the first half of 2023. This is due to the higher financing interest from the increase in financial liabilities.

17. Income taxes

The main components of income tax expense are as follows:

in € million	2024		2023	
	H1	Q2	H1	Q2
Current income taxes	-3.3	-0.1	-12.5	-6.8
Deferred taxes	1.6	1.7	1.5	1.3
Income taxes (total)	**-1.7**	**1.6**	**-11.0**	**-5.5**

OTHER NOTES

18. Human resources

Personnel expenses and the number of employees are broken down as follows:

in € million	2024		2023	
	H1 Staff costs in € million	30/6/ Employees (FTEs)	H1 Staff costs in € million	30/6/ Employees (FTEs)
Bathroom & Wellness	-149.0	10,495	-83.9	4,022
Dining & Lifestyle	-45.4	1,577	-43.7	1,614
Other	-19.3	484	-17.7	463
Total	**-213.7**	**12,556**	**-145.3**	**6,099**

The increase in personnel expenses and the number of employees is related to the Ideal Standard acquisition.

19. Contingent liabilities, commitments, and financial obligations

Contingent liabilities, commitments and financial obligations developed as follows in the period under review:

in € million	30/6/2024	31/12/2023
Obligations to acquire property, plant and equipment	13.8	12.7
Obligations to acquire right-of-use assets	0.0	0.6
Obligations to acquire intangible assets	0.5	0.4
Guarantees	0.8	0.8
Total	**15.1**	**14.5**

20. Financial instruments

Primary and derivative financial instruments are reported in a wide range of items in the Villeroy & Boch consolidated statement of financial position. The shares measured in accordance with IFRS 9 for each statement of financial position item are shown at their methodical carrying amount in the following overview:

in € million	30/6/2024			31/12/2023		
Asset-side items containing financial instruments:	Carrying amount	Carrying amount at		Carrying amount	Carrying amount at	
		Cost	Fair value		Cost	Fair value
Assets						
Cash and cash equivalents (note 7)	96.6	96.6	-	374.4	374.4	-
Trade receivables (note 5)	212.8	212.8	-	123.7	123.7	-
Other financial assets (note 3)	44.0	31.6	12.4	36.2	24.2	12.0
Total asset-side instruments	**353.4**	**341.0**	**12.4**	**534.3**	**522.3**	**12.0**

Financial liabilities are also reported as follows in accordance with IFRS 9:

in € million	30/6/2024			31/12/2023		
Liability-side items containing financial instruments:	Carrying amount	**Carrying amount at**		Carrying amount	**Carrying amount at**	
		Cost	Fair value		Cost	Fair value
Equity and liabilities						
Trade payables	170.9	170.9	-	92.0	92.0	-
Financial liabilities (note 11)	455.9	455.9	-	209.5	209.5	-
Other liabilities (note 13)	107.5	104.2	3.3	65.5	59.4	6.1
Total liability-side instruments	**734.3**	**731.0**	**3.3**	**367.0**	**360.9**	**6.1**

The input parameters within the meaning of the fair value hierarchy of IFRS 13 have not changed since 31 December 2023. The classification of financial instruments in the fair value hierarchy has therefore remained unchanged.

21. Related party disclosures

No material contracts were entered into with related parties and non-consolidated affiliated companies in the period under review. The pro rata temporis transaction volume with related parties and non-consolidated affiliated companies is at virtually the same level as in the 2023 consolidated financial statements. All transactions are conducted at arm's-length conditions.

22. Events after the end of the reporting period

No further significant events occurred by the time the half-year financial report was approved for publication.

Mettlach 29 July 2024

The Management Board

This half-year financial report is available in English and German. In the event of variances, the German version shall take precedence over the translation. Due to rounding differences, there may be slight discrepancies in the totals and percentages contained in this report. Percentages are generally shown as rounded numbers. This half-year financial report and further information can also be downloaded at www.villeroyboch-group.com.

ADDITIONAL INFORMATIONEN

REVIEW REPORT

To Villeroy & Boch Aktiengesellschaft, Mettlach/Germany

We have reviewed the condensed interim consolidated financial statements, which comprise the balance sheet, the statement of profit and loss and other comprehensive income, the statement of cash flows and the statement of changes in equity as well as selected explanatory disclosures in the notes to the consolidated financial statements, and the interim group management report of Villeroy & Boch Aktiengesellschaft, Mettlach/Germany, for the period from 1 January to 30 June 2024, that are part of the half-yearly financial information under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in ac-cordance with the IFRS applicable to interim financial reporting, as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the executive directors. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in compliance with the German Generally Accepted Standards for Reviews of Annual Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Those standards require that we plan and perform the review to obtain a certain level of assurance to preclude through critical evaluation that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting, as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and other persons responsible for financial accounting and analytical procedures applied to financial data and thus provides less assurance than an audit. Since, in accordance with our engagement, we have not performed an audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the con-densed interim consolidated financial statements of Villeroy & Boch Aktiengesellschaft, Mettlach/Germany, have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting, as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Stuttgart/Germany, 29 July 2024

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Marco Koch Wirtschaftsprüfer	Wilhelm Röscheisen Wirtschaftsprüfer

COMBINED RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in line with the German generally accepted standards for the audit of financial statements, and the half-year financial management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group over the remainder of the financial year.

Mettlach 29 July 2024

Gabriele Schupp	Dr Peter Domma	Esther Jehle
Georg Lörz	Dr Markus Warncke	