Villeroy & Boch
1748

HALF-YEAR FINANCIAL REPORT

1 January to 30 June 2025

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1 January to 30 June 2025

- Group revenue for the first half-year of € 725.8 million, up 12.1 % on the previous year due to acquisitions.
- Operating EBIT of € 47.8 million, up 3.2 % on the previous year (€ 46.3 million).
- Forecast adjusted following divestment of Gustavsberg and current economic developments.

THE GROUP - AT A GLANCE	1/1/2025 - 30/6/2025 in € million	1/1/2024 - 30/6/2024 in € million	Change in € million	Change in %
Revenue	725.8	647.3	78.5	12.1
Revenue – Germany	158.8	150.9	7.9	5.2
Revenue – Abroad	567.0	496.4	70.6	14.2
Operating EBIT	47.8	46.3	1.5	3.2
Operating EBITDA	84.6	77.1	7.5	9.7
EBIT	38.5	14.4	24.1	-
EBT	23.4	5.5	17.9	-
Group result	13.8	3.8	10.0	-
Return on net operating assets (rolling)	9.9 %	11.2 %(1)	-	-1.3 PP
Investments (without leasing)	15.1	16.7	-1.6	-9.6
Investments “Leases“– IFRS 16	16.8	6.0	10.8	180.0
Employees (FTEs as at end of period)	12,065 FTE	12,556 FTE	-491 FTE	-3.9

(1) Return on net operating assets as at 31 December 2024

The half-year financial report includes condensed interim consolidated financial statements and an interim Group management report as well as a combined responsibility statement.

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INTERIM GROUP MANAGEMENT REPORT

GENERAL CONDITIONS OF THE GROUP

The basic information on the Group as presented in the 2024 Group management report remains unchanged.

ECONOMIC REPORT

General economic conditions

The weaker development of the global economy discernible at the end of the first quarter of 2025 continued in the second quarter, which is being exacerbated primarily by the currently unforeseeable, lasting effects of American tariff policy as well as the expected countermeasures in the affected countries. In addition, the existing geopolitical conflicts continue to influence the development of the global economy.
In the United States, the economy lost significant momentum, whilst in China it has failed to gain traction given the dimmed prospects for exports despite the now clear economic policy stimuli. In the eurozone, an economic upturn is being observed, albeit only a slight one.

Course of business and position of the Villeroy & Boch Group

Based on the first six months of the 2025 financial year, the Management Board of Villeroy & Boch AG still considers the economic position of the Group to be positive on the whole.

We generated consolidated revenue (including licence income) of € 725.8 million in the first half-year of 2025 and were thus up € 78.5 million or 12.1 % higher than the previous year (€ 647.3 million) as a result of the acquisition. It should be noted that in the previous year period, revenue contributions from the acquired companies of Ideal Standard were only included from 1 March 2024. On the other hand, the previous year still included revenue from Argent Australia Pty. Ltd., which was deconsolidated on 31 December 2024.
As a result of the Ideal Standard acquisition and the associated increase in the internationalisation of the Villeroy & Boch Group, we achieved strong revenue growth of 17.0 % year-on-year to € 94.7 million, particularly in EMEA (Europe, Middle East, Africa). We were able to achieve this primarily in Western Europe (€ +31.4 million/+18.4 %), Southern Europe (€ +26.6 million/+40.7 %) and Near-Middle-East/Africa (€ +16.6 million/+46.2 %).
In APAC (Asia-Pacific) and Americas, we had to accept a revenue decline of -17.6 %, which is primarily due to the loss of revenue from the deconsolidated company Argent Australia Pty. Ltd. and the economic downturn of the Chinese market.

At € 189.6 million, orders on hand for the first half of 2025 were higher than orders on hand as at 31 December 2024 (€ 172.0 million).
Orders on hand in the Bathroom & Wellness Division totalled € 147.7 million compared to € 150.5 million on 31 December 2024.
Orders on hand in the Dining & Lifestyle Division totalled € 41.9 million (31 December 2024: € 21.5 million) and increased in particular due to the orders already placed by our business customers for the Christmas season.

In the first half of 2025, we achieved an operating EBIT (earnings before interest and taxes) of € 47.8 million, which was 3.2 % higher than the previous year (€ 46.3 million).
Due to a significantly improved non-operating result compared with the previous year of € -9.3 million (previous year: € -31.9 million), Group EBIT at € 38.5 million was considerably above the previous year, which closed with € 14.4 million.

The non-operating result mainly includes special expenses in connection with the Ideal Standard integration, as in the previous year. In the previous year, the one-off expense from allocated market values on the acquired inventory assets (€ -18.2 million) was included.

The financial result of € -15.1 million was significantly lower year-on-year by € -6.2 million (previous year: € -8.9 million). The main driver for this was the higher financing interest from the increased short-term financial liabilities. In addition, it should be noted that the financial expenses of the Ideal Standard companies were only included into the income statement for four months in the previous year.

Earnings before taxes (EBT) could be increased considerably and amounted to € 23.4 million (previous year: € 5.5 million).

The Group's rolling return on net operating assets fell as at 30 June 2025 to 9.9 % (31 December 2024: 11.2 %).
This was primarily due to the increase in rolling operating net assets, which is mainly reflected in the non-current assets.

COURSE OF BUSINESS AND POSITION OF THE DIVISIONS

Bathroom & Wellness

The Bathroom & Wellness Division generated revenue of € 594.0 million in the first six months of 2025, 15.7 % up on the previous year (€ 513.5 million) due to acquisitions.
In the same period of the previous year, the revenue contributions of the acquired Ideal Standard companies were included from 1 March 2024, and the revenue contributions of the Australian subsidiary, which was deconsolidated as of 31 December 2024, were still included.
We were able to achieve revenue growth in almost all business areas, which was particularly evident in the fittings business area (€ +41.8 million). This strong increase in revenue is primarily due to the revenue contributions of Ideal Standard, in particular with the new ALU+ and Universal collections (fittings and shower systems). We also achieved a significant increase in revenue in the sanitary ceramics business segment (€ +28.8 million), which is attributable to the positive development of the new Antao product in the high-end price segment, the i.life collection from Ideal Standard as well as the Architectura collection from Villeroy & Boch.
From a regional perspective, the revenue growth is particularly evident in our main region EMEA (Europe, Middle East, Africa), where we were able to achieve a revenue increase of 21.7 % or € 97.4 million. By contrast, we had to accept a decline in revenue of -26.0 % in the APAC (Asia-Pacific) and Americas regions, which is mainly related to the economic slowdown in China.

The Bathroom & Wellness Division generated an operating profit (EBIT) of € 47.0 million (previous year: € 41.5 million) in the first half-year of 2025 and was thus 3.6 % above the previous year.

The rolling operating return on net assets decreased despite the slightly improved operating result, particularly due to the increase in rolling operating net assets, to 9.3 % (10.2 % as at 31 December 2024).

Dining & Lifestyle

The Dining & Lifestyle Division generated revenue of € 130.4 million in the first half-year of 2025 and was slightly below the previous year due to economic conditions (previous year: € 132.4 million).
In terms of our sales channels, the revenue performance in the project business for the hotel and restaurant sector, where we have focused strongly on the upmarket segment, is particularly noteworthy, with revenue increasing by € 4.0 million or 23.5 %. Furthermore, we were able to achieve a revenue increase of € 3.7 million or 9.6 % with our stationary retail partners, although consumer reluctance to purchase continues to be felt.
A contrary revenue development was evident in our e-commerce business (€ -4.3 million or

-13.0 %) as well as in our own retail stores (€ -2.6 million or -6.4 %).

In our main region EMEA (Europe, Middle East, Africa), we had to accept a revenue decline of € 2.7 million or 2.6 %. We were able to partially compensate for this through increased revenue in the APAC (Asia-Pacific) and Americas regions.

The Dining & Lifestyle Division closed with an operating result (EBIT) of € 4.8 million and was thus at the level of the previous year (previous year: € 4.8 million).

The rolling operating return on net assets increased primarily as a result of the increased rolling operating result to 34.9 % (32.1 % as at 31 December 2024).

Capital structure

As at 30 June 2025, our equity decreased by € 21.1 million compared with the year-end 2024 to € 343.6 million. The change was mainly attributable to the achieved half-year surplus (€ +13.8 million), the currency-related decrease in revaluation reserves (€ -11.8 million) and the distribution of the 2024 dividend (€ -23.3 million).

The equity ratio (including non-controlling interests) consequently fell from 20.9 % at the year-end 2024 to 20.0 % as at 30 June 2025.

Investments

In the first half of 2025, we made investments in intangible assets and property, plant and equipment totalling € 15.1 million (previous year: € 16.7 million). The Bathroom & Wellness Division accounted for € 11.8 million of this (previous year: € 14.2 million) and the Dining & Lifestyle Division for € 3.3 million (previous year: € 2.5 million).

In the Bathroom & Wellness Division, the investment focus was abroad, particularly at our production sites in Bulgaria, Thailand and the Netherlands.

In the Dining & Lifestyle Division, we invested primarily in the production plants in Merzig and Torgau as well as 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 € 25.3 million as at the end of the reporting period (previous year: € 14.3 million). The increase compared with the previous year results from the order commitment in connection with the SAP S/4 HANA implementation project.

Net liquidity

Taking into account our financial liabilities of € 489.5 million, the cash and bank balances of € 60.7 million resulted in net liquidity of € -428.8 million as at 31 June 2025 (31 December 2024: € -370.2 million).

The increase in liquidity requirements is due to the dividend payment and seasonal financing requirements for net operating assets.

At 30 June 2025, the Group had unutilised credit facilities totalling € 275.6 million.

Balance sheet structure

At the reporting date, our total equity and liabilities amounted to € 1,722.4 million compared to € 1,747.9 million at 31 December 2024, representing a decrease of € 25.5 million.

The share of total assets attributable to non-current assets remained at the previous year's level of 52.6 % (31 December 2024: 52.6 %). The reduction in fixed assets due to depreciation and currency effects developed in line with the decline in total assets.

Current assets decreased by € 13.7 million compared to 31 December 2024.

This is mainly due to the reduction of cash and cash equivalents (€ -21.6 million) and trade receivables (€ -11.3 million) as well as the increase in inventories (€ +22.3 million).

On the equity and liabilities side, the largest changes compared to the end of 2024 were in short-term liabilities (€ -3.6 million), particularly due to the reduction in trade payables (€ -23.4 million) and short-term personnel provisions (€ -9.9 million), which is primarily offset by an increase in short-term financial liabilities (€ +37.0 million).The slight decrease in long-term liabilities (€ -0.8 million) is mainly due to the reduction in pension provisions (€ -4.4 million) and the increase in long-term lease liabilities (€ +3.2 million).

REPORT ON RISKS AND OPPORTUNITIES

The risks and opportunities described in the 2024 Group management report remain unchanged overall. In addition, it is to be expected that the effects from US tariff policy on global trade will continue to intensify. As a result, industry-specific risks for Villeroy & Boch in particular may arise, the scope of which cannot be validly assessed due to the currently unclear situation. Nevertheless, we will continue to monitor developments closely. As before, all risk areas are subjected to a continuous, focused review.

There is no evidence of 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 high uncertainty. This is exacerbated by the ongoing trade conflicts as well as the erratic tariff policy of the USA.

Based on the agreement reached on 11 July 2025 regarding the takeover of the Northern European business of the Gustavsberg and Vatette brands by the Finnish sanitary fittings manufacturer Oras Group, and against the backdrop of the current situation and the associated uncertainties in the markets, the Management Board of Villeroy & Boch AG is adjusting the forecast for the 2025 financial year and expects an increase in Group revenue in the low to mid single-digit percentage range as well as operating EBIT on the level of the previous year for the current financial year.

In the 2024 annual financial statements, an increase in Group revenue in the higher single-digit percentage range as well as a moderate increase in operating EBIT was forecast.

The forecasts for the rolling operating return on net assets (at the previous year's level) as well as investments in property, plant and equipment, and intangible assets (slightly below the previous year's level) remain unchanged.

Mettlach 29 July 2025

Gabriele Schupp　　Dr Peter Domma　　Esther Jehle

Georg Lörz　　Dr Markus Warncke

CONSOLIDATED BALANCE SHEET

as of 30 June 2025
in € million

Assets	Notes	30/6/2025	31/12/2024
Non-current assets			
Intangible assets		399.2	404.8
Property, plant and equipment	1	378.7	386.4
Right-of-use assets	2	77.6	74.5
Investment property		2.9	2.3
Investment accounted for using the equity method		21.2	22.7
Other financial assets	3	27.2	28.3
		906.8	**919.0**
Other non-current assets	6	37.7	37.9
Deferred tax assets		93.4	92.8
		1,037.9	**1,049.7**
Current assets			
Inventories	4	364.4	342.1
Trade receivables	5	207.5	218.8
Other current financial assets	3	9.7	12.3
Other current assets	6	27.3	23.0
Income tax receivables		14.9	19.7
Cash and cash equivalents	7	60.7	82.3
		684.5	**698.2**
Total assets		**1,722.4**	**1,747.9**

Equity and liabilities	Notes	30/6/2025	31/12/2024
Equity attributable to Villeroy & Boch AG shareholders			
Issued capital		71.9	71.9
Capital surplus		195.7	195.6
Treasury shares		-12.7	-12.8
Retained earnings		193.5	203.0
Revaluation surplus	8	-105.0	-93.2
		343.4	**364.5**
Equity attributable to minority interests		**0.2**	**0.2**
Total equity		**343.6**	**364.7**
Non-current liabilities			
Provisions for pensions	9	246.9	251.3
Non-current provisions for personnel	9	11.7	11.9
Other non-current provisions	10	49.3	49.6
Non-current financial liabilities	11	330.3	330.3
Non-current lease liabilities	12	60.9	57.7
Other non-current liabilities	13	6.7	5.9
Deferred tax liabilities		79.3	79.2
		785.1	**785.9**
Current liabilities			
Current provisions for personnel	9	11.3	21.2
Other current provisions	10	45.3	47.3
Current financial liabilities	11	159.2	122.2
Current lease liabilities	12	22.6	20.7
Other current liabilities	13	162.4	170.7
Trade payables		141.5	164.9
Income tax liabilities		51.4	50.3
		593.7	**597.3**
Total liabilities		**1,378.8**	**1,383.2**
Total equity and liabilities		**1,722.4**	**1,747.9**

CONSOLIDATED INCOME STATEMENT

for the period 1 January to 30 June 2025
in € million

	Notes	1/1/2025 - 30/6/2025	1/1/2024 - 30/6/2024
Revenue	14	**725.8**	**647.3**
Costs of sales		-449.3	-408.0
Gross profit		**276.5**	**239.3**
Selling, marketing and development costs	15	-178.5	-168.7
General administrative expenses		-47.6	-38.1
Other operating income and expenses		-11.9	-18.3
Result of associates accounted for using the equity method		-	0.2
Operating result (EBIT)		**38.5**	**14.4**
Financial result	16	-15.1	-8.9
Earnings before taxes		**23.4**	**5.5**
Income taxes	17	-9.6	-1.7
Group result		**13.8**	**3.8**
Thereof attributable to:			
Villeroy & Boch AG shareholders		13.8	3.5
Minority interests		0.0	0.3
		13.8	**3.8**
Earnings per share			
Earnings per ordinary share		0.49	0.11
Earnings per preference share		0.54	0.16

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 1 January to 30 June 2025
in € million

	1/1/2025 - 30/6/2025	1/1/2024 - 30/6/2024
Group result	**13.8**	**3.8**
Other comprehensive income		
Items to be reclassified to profit or loss:		
Changes in fair value from cash flow hedges	-2.5	3.4
Gains or losses on translations of exchange differences	-8.2	-4.5
Deferred income tax effect on items to be reclassified to profit or loss	-0.4	0.9
Items not to be reclassified to profit or loss:		
Actuarial gains or losses on defined benefit plans	0.4	-1.2
Gains and losses from other changes in value	-0.1	0.1
Deferred income tax effect on items not to be reclassified to profit or loss	-1.0	0.3
Total other comprehensive income	**-11.8**	-1.0
Total comprehensive income net of tax	**2.0**	**2.8**
Thereof attributable to:		
Villeroy & Boch AG shareholders	2.0	2.4
Minority interests	0.0	0.4
Total comprehensive income net of tax	**2.0**	**2.8**

CONSOLIDATED INCOME STATEMENT

for the period 1 April to 30 June 2025

in € million

	Notes	1/4/2025 - 30/6/2025	1/4/2024 - 30/6/2024
Revenue	14	**356.7**	**370.2**
Costs of sales		-220.5	-246.1
Gross profit		**136.2**	**124.1**
Selling, marketing and development costs	15	-87.9	-95.5
General administrative expenses		-24.3	-23.1
Other operating income and expenses		-2.9	-5.0
Result of associates accounted for using the equity method		0.1	0.2
Operating result (EBIT)		**21.2**	**0.7**
Financial result	16	-9.0	-5.7
Earnings before taxes		**12.2**	**-5.0**
Income taxes	17	-5.0	1.6
Group result		**7.2**	**-3.4**
Thereof attributable to:			
Villeroy & Boch AG shareholders		7.2	-3.6
Minority interests		0.0	0.2
		7.2	**-3.4**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 1 April to 30 June 2025

in € million

	1/4/2025 - 30/6/2025	1/4/2024 - 30/6/2024
Group result	**7.2**	**-3.4**
Other comprehensive income		
Items to be reclassified to profit or loss:		
Changes in fair value from cash flow hedges	-0.7	2.7
Gains or losses on translations of exchange differences	-8.4	-0.7
Deferred income tax effect on items to be reclassified to profit or loss	-0.4	-0.2
Items not to be reclassified to profit or loss:		
Actuarial gains or losses on defined benefit plans	0.1	-1.3
Gains and losses from other changes in value	-0.1	0.0
Deferred income tax effect on items not to be reclassified to profit or loss	-0.6	0.3
Total other comprehensive income	**-10.1**	**0.8**
Total comprehensive income net of tax	**-2.9**	**-2.6**
Thereof attributable to:		
Villeroy & Boch AG shareholders	-2.8	-2.9
Minority interests	-0.1	0.3
Total comprehensive income net of tax	**-2.9**	**-2.6**

CONSOLIDATED CASH FLOW STATEMENT

for the period 1 January to 30 June 2025

in € million

	1/1/2025 - 30/6/2025	1/1/2024 - 30/6/2024
Group result	13.8	3.8
Depreciation and attribution of non-current assets	36.8	30.7(1)
Change in non-current provisions	-7.7	-8.8
Profit from disposal of fixed assets	-0.1	-1.4
Change in inventories, receivables and other assets	-12.2	-4.1
Change in liabilities, current provisions and other liabilities	-40.4	-48.8
Other non-cash income/expenses	2.0	34.5
Cash flow from operating activities	**-7.8**	**5.9**
Purchase of intangible assets, property, plant and equipment	-15.1	-16.7
Investment in non-current financial assets	-0.1	-1.1
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	0.5	-0.1
Proceeds from the sale of subsidiary companies and other business divisions	-	9.5
Proceeds from disposals of fixed assets	0.3	3.2(1)
Cash flow from investing activities	**-14.4**	**-432.5**
Proceeds from the issue of promissory note loans	-	153.1
Proceeds/payments for the issue/repayment of financial liabilities	37.1	34.1
Cash repayments of lease liabilities	-13.3	-11.3
Proceeds from the issue of treasury shares	0.1	0.2
Dividend paid to minority shareholders	-	-0.1
Dividend paid to shareholders of Villeroy & Boch AG	-23.3	-27.2
Cash flow from financing activities	**0.6**	**148.8**
Sum of cash flows	**-21.6**	**-277.8**
Balance of cash and cash equivalents as at 1 Jan	82.3	374.4
Net increase in cash and cash equivalents	-21.6	-277.8
Balance of cash and cash equivalents as at 30 June	**60.7**	**96.6**

(1) Change of prior year

CONSOLIDATED STATEMENT OF EQUITY

for the period 1 January to 30 June 2025

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
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**
Employee share program		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**
As of 1/1/2025	**71.9**	**195.6**	**-12.8**	**203.0**	**-93.2**	**364.5**	**0.2**	**364.7**
Group result				13.8		13.8	0.0	13.8
Other comprehensive income					-11.8	-11.8		-11.8
Total comprehensive income net of tax				**13.8**	**-11.8**	**2.0**	**0.0**	**2.0**
Employee share program		0.1	0.1			0.2		**0.2**
Dividend payments				-23.3		-23.3		**-23.3**
As of 30/6/2025	**71.9**	**195.7**	**-12.7**	**193.5**	**-105.0**	**343.4**	**0.2**	**343.6**

CONSOLIDATED SEGMENT REPORT

for the period 1 January to 30 June 2025
in € million

	Bathroom & Wellness		Dining & Lifestyle		Transition/Other		Villeroy & Boch Group	
	1/1/2025 - 30/6/2025	**1/1/2024 - 30/6/2024**	**1/1/2025 - 30/6/2025**	**1/1/2024 - 30/6/2024**	**1/1/2025 - 30/6/2025**	**1/1/2024 - 30/6/2024**	**1/1/2025 - 30/6/2025**	**1/1/2024 - 30/6/2024**
Revenue								
Segment revenue from sales of goods to external customers	**594.0**	513.5	**129.9**	129.1	**-**	-	**723.9**	642.6
Segment revenue from transactions with other segments	**-**	-	**-**	-	**-**	-	**-**	-
Segment revenue from licence business	**0.0**	0.0	**0.5**	3.3	**1.4**	1.4	**1.9**	4.7
Revenue	**594.0**	513.5	**130.4**	132.4	**1.4**	1.4	**725.8**	647.3
Result								
Segment result	**47.0**	41.5	**4.8**	4.8	**-13.3**	-31.9	**38.5**	14.4
Financial result	**-**	-	**-**	-	**-15.1**	-8.9	**-15.1**	-8.9
Earnings before taxes	**-**	-	**-**	-	**-**	-	**23.4**	5.5
Investments and depreciations								
Investments of intangible assets, property, plant and equipment	**11.8**	14.2	**3.3**	2.5	**-**	-	**15.1**	16.7
Investments of right-of-use assets on leases	**8.7**	4.0	**8.1**	2.0	**-**	-	**16.8**	6.0
Scheduled depreciation of intangible assets, property, plant and equipment	**21.5**	16.6	**2.6**	2.7	**-**	-	**24.1**	19.3
Scheduled depreciation of right-of-use assets on leases	**7.9**	6.6	**4.8**	4.8	**-**	-	**12.7**	11.4

Assets and liabilities	**30/6/2025**	**31/12/2024**	**30/6/2025**	**31/12/2024**	**30/6/2025**	**31/12/2024**	**30/6/2025**	**31/12/2024**
Segment assets	**1,234.5**	1,215.5	**180.5**	195.9	**307.4**	336.5	**1,722.4**	1,747.9
Segment liabilities	**331.2**	352.0	**86.1**	95.9	**961.5**	935.3	**1,378.8**	1,383.2
Rolling net operating assets								
Rolling operating assets	**1,245.2**	1,122.2	**184.8**	186.1	**-**	-	**1,430.0**	1,308.3
Rolling operating liabilities	**343.7**	356.9	**85.8**	83.2	**-**	-	**429.5**	440.1
Rolling net operation assets	**901.5**	765.3	**99.0**	102.9	**-**	-	**1,000.5**	868.2
Rolling operating result (EBIT) *								
Rolling operating result (EBIT) *	**83.8**	78.2	**34.6**	33.0	**-19.4**	-13.6	**99.0**	97.6

* 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 2025

in € million

	Bathroom & Wellness		Dining & Lifestyle		Transition/Other		Villeroy & Boch Group	
	1/4/2025 - 30/6/2025	1/4/2024 - 30/6/2024	1/4/2025 - 30/6/2025	1/4/2024 - 30/6/2024	1/4/2025 - 30/6/2025	1/4/2024 - 30/6/2024	1/4/2025 - 30/6/2025	1/4/2024 - 30/6/2024
Revenue								
Segment revenue from sales of goods to external customers	298.5	309.4	57.4	58.4	-	-	355.9	367.8
Segment revenue from transactions with other segments	-	-	-	-	-	-	-	-
Segment revenue from licence business	0.0	0.0	0.1	1.7	0.7	0.7	0.8	2.4
Revenue	298.5	309.4	57.5	60.1	0.7	0.7	356.7	370.2
Result								
Segment result	27.0	24.1	0.7	-0.9	-6.5	-22.5	21.2	0.7
Financial result	-	-	-	-	-9.0	-5.7	-9.0	-5.7
Earnings before taxes	-	-	-	-	-	-	12.2	-5.0
Investments and depreciations								
Investments of intangible assets, property, plant and equipment	6.8	11.1	1.8	1.6	-	-	8.6	12.7
Investments of right-of-use assets on leases	4.8	2.0	4.0	-0.7	-	-	8.8	1.3
Scheduled depreciation of intangible assets, property, plant and equipment	10.6	10.4	1.3	1.3	-	-	11.9	11.7
Scheduled depreciation of right-of-use assets on leases	4.0	4.2	2.4	2.4	-	-	6.4	6.6

SELECTED EXPLANATORY NOTES OF THE VILLEROY & BOCH GROUP FOR THE FIRST HALF OF THE YEAR 2025

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 comprehensive lifestyle provider, 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 2025 to 30 June 2025. It was approved for publication on 29 July 2025 after the Management Board discussed the half-year financial report with the Audit Committee of the Supervisory Board. Its preparation was carried out in compliance with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") for interim reporting (IAS 34), as they are to be applied in the EU. The half year Group management report was prepared in compliance with the German Securities Trading Act. A review of the present condensed interim consolidated financial statements and the interim consolidated management report has been carried out 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 consolidated financial statements with selected explanatory notes. For this reason, it should be read in conjunction with the consolidated financial statements as at 31 December 2024. 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 2024 annual report were extended to include the accounting standards endorsed by the EU and effective for reporting periods beginning on or after 1 January 2025. Overall, this did not have a material impact on this half-year financial report. Further information on performance in the first half year of 2025 can be found in the above economic report.

Basis of consolidation

The scope of consolidation of the Villeroy & Boch Group comprises a total of 90 companies as at 30 June 2025 (31.12.2024: 92 companies). To optimise the Group structure, Villeroy & Boch OOO, Russia, was liquidated on 6 May 2025 and Villeroy & Boch Asia Pacific Pte. Ltd., Singapore, on 5 June 2025.

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

Annual General Meeting of Villeroy & Boch AG for the 2024 financial year

The General Meeting of Shareholders on 9 May 2025 resolved the dividend of € 0.85 per ordinary share and € 0.90 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 € 12.0 million (previous year: € 14.0 million) for the ordinary share capital and € 11.3 million (previous year: € 13.1 million) for the preference share capital. The dividend was paid on 14 May 2025. The Villeroy & Boch Group held

1,429,614 treasury preference shares (previous year: 1,555,820) 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 in the amount of € 14.9 million was acquired in the period under review (previous year: € 16.0 million).
The investment focus of the Bathroom & Wellness Division was abroad, particularly at the sites in Bulgaria, Thailand and the Netherlands.
The Dining & Lifestyle Division invested primarily in the modernisation of the production facilities in Merzig and Torgau. In addition, investments were made in modernising our own retail stores.
Depreciation amounts to € 19.8 million (previous year: € 17.4 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 € 8.8 million (31 December 2024: € 7.5 million).

2. Right-of-use assets

Capitalized right-of-use assets increased by € 3.1 million to € 77.6 million in the reporting period. This change is mainly due to additions of € 16.8 million (previous year: € 6.0 million) and, offsetting this, depreciation of € 12.7 million (previous year: € 11.4 million) and disposals at carrying amounts of € 0.5 million (previous year: € 1.4 million). Expenses for short-term property leases totalled € 2.7 million (previous year: € 1.9 million) and € 2.7 million (previous year: € 3.1 million) from variable rental payments for property leases. Expenses for other short-term leases and leases for low-value assets amounted to € 2.5 million (previous year: € 3.0 million).

3. Other financial assets

Other financial assets include:

in € million	30/6/2025	31/12/2024
Deposits	0.2	0.3
Fair values of hedging instruments	2.3	3.2
Other financial assets	7.2	8.8
Short-term financial assets	**9.7**	**12.3**
Deposits	4.8	4.9
Fair values of hedging instruments	1.4	2.3
Other financial assets	13.8	13.9
Securities	1.6	1.6
Equity investments	2.1	2.1
Loans	1.1	1.1
Shares in non-consolidated subsidiaries	2.4	2.4
Long-term financial assets	**27.2**	**28.3**

Current financial assets declined by € 2.6 million to € 9.7 million in the reporting period. Likewise, non-current financial assets decreased by € 1.1 million to € 27.2 million in the reporting period. The main reason for the decline in non-current and current financial assets is the decrease in the market values of hedging instruments.

4. Inventories

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

in € million	30/6/2025	31/12/2024
Raw materials and supplies	49.2	50.9
Work in progress	63.9	54.8
Finished goods and goods for resale	251.3	236.4
Inventories (total)	**364.4**	**342.1**

Write-downs of inventories increased by € 3.5 million to a total of € 55.9 million in the reporting period. The reason for this is primarily an increase in inventories.

5. Trade receivables

Trade receivables are broken down as follows:

by customer domicile/in € million	30/6/2025	31/12/2024
Germany	29.9	29.8
Rest of euro zone	51.1	79.5
Rest of world	137.7	120.9
Gross carrying amount of trade	**218.7**	**230.2**
Impairment due to expected losses (level 1)	-2.8	-2.0
Impairment due to objective indications (level 2)	-8.4	-9.4
Impairment losses	**-11.2**	**-11.4**
Total trade receivables	**207.5**	**218.8**

6. Other non-current and current assets

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

in € million	30/6/2025		31/12/2024	
	Current	Non-current	Current	Non-current
Other tax receivables	6.7	-	6.2	-
Advance payments	3.5	-	4.1	-
Net defined benefit assets	-	37.7	-	37.9
Contract assets	-	-	0.3	-
Prepaid expenses	17.1	-	12.4	-
Other assets (total)	**27.3**	**37.7**	**23.0**	**37.9**

Current assets increased by € 4.3 million to € 27.3 million. This is primarily due to the increased prepaid expenses for insurance and IT costs. Non-current financial assets decreased by € 0.2 million to € 37.7 million.

7. Cash and cash equivalents

Cash and cash equivalents are composed as follows:

in € million	30/6/2025	31/12/2024
Cash on hand incl. cheques	0.2	0.3
Current bank balances	31.5	52.5
Cash equivalents	29.0	29.5
Total cash and cash equivalents	**60.7**	**82.3**

The decrease in cash and cash equivalents by € 21.6 million is primarily based on the dividend payment of Villeroy & Boch AG of € 23.3 million. 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	30/6/2025	31/12/2024
Items to be reclassified to profit or loss:		
Currency translation of financial statements of foreign group companies	-21.8	-26.3
Currency translation of long-term loans classified as net investments in foreign group companies	-19.9	-7.1
Reserve for cash flow hedges	0.5	3.1
Miscellaneous gains and losses on measurement	0.2	-
Deferred taxes for this category	-0.9	-0.6
Sub-total (a)	**-41.9**	**-30.9**
Items not to be reclassified to profit or loss:		
Actuarial gains and losses on defined benefit obligations	-92.6	-93.0
Miscellaneous gains and losses on measurement	0.7	0.9
Deferred taxes for this category	28.8	29.8
Sub-total (b)	**-63.1**	**-62.3**
Total revaluation surplus [(a)+(b)]	**-105.0**	**-93.2**

The change in revaluation reserves results primarily from currency effects not affecting profit or loss from various currencies, with the main effects resulting from the British pound, US dollar and Mexican peso.

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

The pension provisions decreased overall by € 4.4 million because the usual payments exceed the necessary additions. The 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 2024. In addition, current provisions for personnel amounting to € 2.2 million (previous year: € 1.1 million) could be reversed.

10. Other non-current and current provisions

The miscellaneous non-current and current provisions changed only insignificantly in the reporting period.

11. Non-current and current financial liabilities

Non-current financial liabilities remained unchanged in the reporting period. Current financial liabilities increased by €37.0 million to €159.2 million due to the seasonal financing requirements of net working capital, through short-term borrowing which are typical in the first half of the year.

12. Non-current and current lease liabilities

Non-current and current lease liabilities increased by € 5.1 million to € 83.5 million in the reporting period. Lease payments of € -13.3 million (previous year: € -11.3 million) were offset by additions from newly concluded lease agreements totalling € 16.8 million (previous year: € 6.0 million). The interest expenses for leased right-of-use assets amounted to € 1.7 million in the reporting period as in the comparative period.

13. Other non-current and current liabilities

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

in € million	30/6/2025		31/12/2024	
	Current	Non-current	Current	Non-current
Bonus liabilities (a)	79.4	-	98.5	-
Fair values of hedging instruments	1.9	1.4	2.0	0.4
Liabilities to affiliated, non-consolidated companies	2.9	-	2.9	-
Miscellaneous other liabilities	11.1	5.0	10.9	5.2
Total financial liabilities	**95.3**	**6.4**	**114.3**	**5.6**
Personnel liabilities (a)	43.5	-	37.4	-
Other tax liabilities	19.3	-	14.3	-
Contractual liabilities	3.7	-	4.1	-
Deferred income	0.6	0.3	0.6	0.3
Total other liabilities	**67.1**	**0.3**	**56.4**	**0.3**
Total book value	**162.4**	**6.7**	**170.7**	**5.9**

(a) Seasonal change

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	2025		2024	
	H1	Q2	H1	Q2
Bathroom & Wellness	-10.6	-5.2	-8.9	-4.6
Dining & Lifestyle	-2.4	-1.2	-2.2	-0.9
Research and development costs (total)	**-13.0**	**-6.4**	**-11.1**	**-5.5**

16. Financial result

The financial result is broken down as follows:

in € million	2025		2024	
	H1	Q2	H1	Q2
Financial expenses	-15.1	-7.6	-7.5	-3.2
Interest expense on lease liabilities	-1.7	-0.8	-1.7	-1.0
Interest expenses for provisions (pensions)	-3.2	-1.6	-2.9	-1.8
Financial income	4.9	1.0	3.2	0.3
Net finance expense (total)	**-15.1**	**-9.0**	**-8.9**	**-5.7**

Finance costs increased by € 7.6 million to € 15.1 million compared to the first half of 2024. The reason for this is primarily the higher financing interest from the increased short-term financial liabilities. In addition, it should be noted that the financial expenses of the Ideal Standard companies were only included in the income statement for four months in the previous year.

17. Income taxes

The main components of income tax expense are as follows:

in € million	2025		2024	
	H1	Q2	H1	Q2
Current income taxes	-10.3	-4.5	-3.3	-0.1
Deferred taxes	0.7	-0.5	1.6	1.7
Income taxes (total)	**-9.6**	**-5.0**	**-1.7**	**1.6**

OTHER NOTES

18. Human resources

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

in € million	2025		2024	
	H1 Staff costs in € million	30/6/ Employees (FTEs)	H1 Staff costs in € million	30/6/ Employees (FTEs)
Bathroom & Wellness	-176.5	10,028	-149.0	10,495
Dining & Lifestyle	-45.5	1,539	-45.4	1,577
Other	-21.0	498	-19.3	484
Total	**-243.0**	**12,065**	**-213.7**	**12,556**

Personnel expenses increased compared to the first half of 2024, as only four months of personnel expenses for employees of the Ideal Standard companies had to be considered in the previous year. The initial consolidation took place on February 29, 2024.

19. Contingent liabilities, commitments, and financial obligations

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

in € million	30/6/2025	31/12/2024
Obligations to acquire property, plant and equipment	8.8	7.5
Obligations to acquire right-of-use assets	0.0	0.3
Obligations to acquire intangible assets	16.5	0.5
Guarantees	0.8	0.8
Trustee obligations	0.0	0.1
Total	**26.1**	**9.2**

20. Financial instruments

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

in € million	30/6/2025			31/12/2024		
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)	60.7	60.7	-	82.3	82.3	-
Trade receivables (note 5)	207.5	207.5	-	218.8	218.8	-
Other financial assets (note 3)	36.9	26.0	10.9	40.6	29.0	11.6
Total asset-side instruments	**305.1**	**294.2**	**10.9**	**341.7**	**330.1**	**11.6**

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

in € million	30/6/2025			31/12/2024		
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	141.5	141.5	-	164.9	164.9	-
Financial liabilities (note 11)	489.5	489.5	-	452.5	452.5	-
Other liabilities (note 13)	106.9	103.8	3.1	119.9	117.5	2.4
Total liability-side instruments	**737.9**	**734.8**	**3.1**	**737.3**	**734.9**	**2.4**

The input parameters within the meaning of the fair value hierarchy of IFRS 13 have not changed since 31 December 2024. The classification of financial instruments in the fair value hierarchy has therefore remained unchanged (see detailed information in the 2024 consolidated financial statements).

21. Related party disclosures

No material contracts were entered into with related parties 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 2024 consolidated financial statements. All transactions are conducted at arm's-length conditions.

22. Personnel changes in the Supervisory Board of Villeroy & Boch AG

Ms Anna Engfer has resigned from her position as a member of the Supervisory Board of Villeroy & Boch AG with effect from 31 January 2025. Ms Alexandra Krieger succeeded her as a court-appointed member of the Supervisory Board with effect from 26 February 2025.

23. Events after the end of the reporting period

The Villeroy & Boch Group and the Finnish sanitary fittings manufacturer Oras Group signed an agreement on 11 July 2025 regarding the takeover of the Northern European business of the Gustavsberg and Vatette brands by the Oras Group. The transaction comprises both brands and all activities connected with them in Northern Europe in the Bathroom & Wellness segment, including the production facility and logistics centre in Sweden. The completion of the transaction (closing) is expected in the 2nd half-year of 2025. For the Villeroy & Boch Group, the sale represents an important step towards streamlining its brand portfolio and its business in order to focus specifically on its two global brands Villeroy & Boch and Ideal Standard.

Villeroy & Boch AG has taken note of the investment stimulus programme passed by the German federal government on 11 July 2025, which provides for, among other things, a gradual reduction of the corporate tax rate from 15 % to 10 % by 2032, as well as the US "Big Beautiful Bill" initiative. Both measures had not yet entered into force as at the reporting date of 30 June 2025 and are therefore not yet considered in the present half-year financial report. Effects on deferred taxes and tax expenses will be taken into account accordingly in future reporting periods.

Mettlach 29 July 2025

The Management Board

ADDITIONAL INFORMATIONEN

REVIEW REPORT

To Villeroy & Boch Aktiengesellschaft, Mettlach/Germany

We have reviewed the condensed interim consolidated financial statements, which comprise the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of cash flows, the statement of changes in equity as well as selected explanatory notes, and the interim group management report of Villeroy & Boch Aktiengesellschaft, Mettlach/Germany, for the period from 1 January to 30 June 2025, that are part of the half-year financial information under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in accordance with the IFRS® Accounting Standards (hereafter referred to as: “IFRS Accounting Standards“) issued by the International Accounting Standards Board (IASB) 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 of the Company. 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 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 and accounting matters and to 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 accompanying condensed 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, 30 July 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Marco Koch Wirtschaftsprüfer	Wilhelm Röscheisen Wirtschaftsprüfer

FINANCIAL CALENDAR

23 October 2025	Report on the first nine months of 2025
19 March 2026	Annual press conference for the 2025 year
8 May 2026	General Meeting of shareholders of Villeroy & Boch AG

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 2025

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