

GEBERIT GROUP

# **HALF-YEAR REPORT**

2023

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NET SALES

**-9.2%**

currency-adjusted growth

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OPERATING CASHFLOW MARGIN  
(EBITDA MARGIN)

**31.7%**

versus 29.0% in the prior year

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EARNINGS PER SHARE

**+2.2%**

currency-adjusted versus  
prior year

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CAPEX  
(IN CHF)

**81 million**

+27 million versus prior year

# KEY FIGURES

## FIRST HALF OF 2023

MCHF	1.1.–30.6.2023
<b>Net sales</b>	<b>1,662</b>
Change in %	-14.1
<b>Operating cashflow (EBITDA)</b>	<b>526</b>
Change in %	-6.2
Margin in % of net sales	31.7
<b>Operating profit (EBIT)</b>	<b>453</b>
Change in %	-6.3
Margin in % of net sales	27.2
<b>Net income</b>	<b>369</b>
Change in %	-8.4
Margin in % of net sales	22.2
<b>Earnings per share (CHF)</b>	<b>10.93</b>
Change in %	-5.4
<b>Free cashflow</b>	<b>186</b>
Change in %	-2.9
<b>Investments in property, plant and equipment and intangible assets (CAPEX)</b>	<b>81</b>
	30.6.2023
<b>Net debt</b>	<b>1,284</b>
<b>Equity</b>	<b>1,227</b>
Equity ratio in %	35.1
<b>Number of employees (FTE)</b>	<b>11,183</b>
<b>Development relative CO<sub>2</sub> emissions in %</b>	<b>-5.5</b>

# THE HIGHLIGHTS

## IN THE FIRST HALF OF 2023

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- Convincing results in spite of an extraordinarily difficult environment with a declining construction industry in Europe
- Decrease in currency-adjusted net sales compared to the strong prior-year period driven by significant volume decline, the shift in demand from sanitary to heating solutions and a positive price effect
- Increased profitability despite significantly lower volumes and considerable wage inflation
- Significantly increased operating margins due to consistent price management, lower energy prices and high operational flexibility
- Slight year-on-year increase in currency-adjusted earnings per share
- Significantly higher investments in property, plant and equipment due to strategic plant expansions

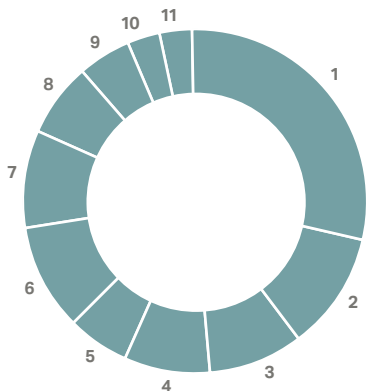
## OUTLOOK

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- Inflation and higher interest rates are leading to a decline in demand in both new construction and renovations
- Strategic stability and operational flexibility are intended to meet the challenges of the volume decline without affecting medium-term potential
- Management is convinced that it will emerge stronger from this challenging and declining market environment and gain further market shares
- Outlook for financial results for the full year 2023:
  - Mid-single-digit decline in net sales growth in local currencies
  - EBITDA margin of around 29%

# AT A GLANCE

## NET SALES BY MARKETS/REGIONS FIRST HALF-YEAR 2023

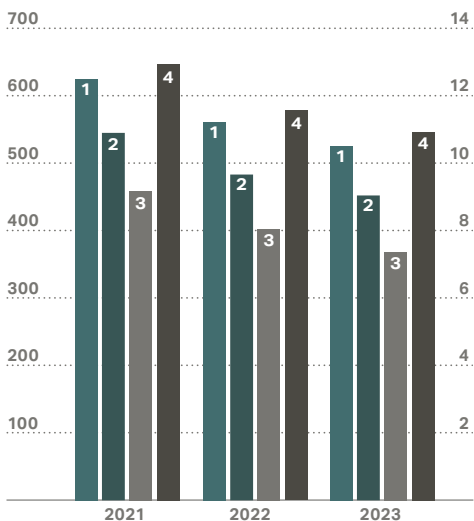


- 1 Germany (29%)
- 2 Switzerland (11%)
- 3 Benelux (9%)
- 4 Italy (8%)
- 5 Austria (6%)
- 6 Western Europe (10%)
- 7 Northern Europe (9%)
- 8 Eastern Europe (7%)
- 9 Middle East/Africa (5%)
- 10 Far East/Pacific (3%)
- 11 America (3%)

## KEY FIGURES FIRST HALF-YEAR 2021–2023

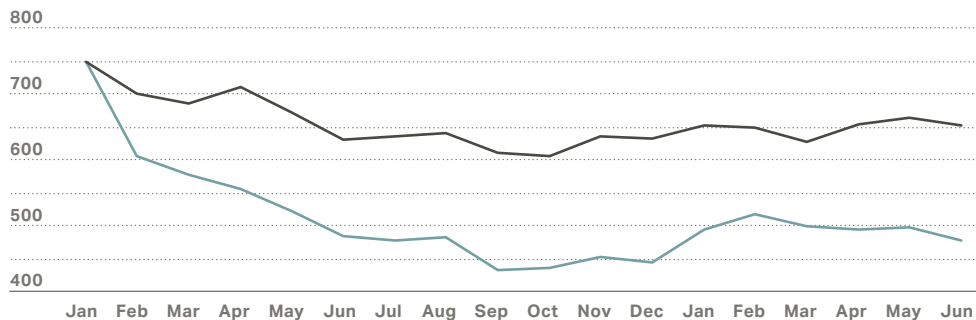
(in CHF million)

(EPS: in CHF)



1 EBITDA 2 EBIT 3 Net income 4 EPS

## SHARE PRICE DEVELOPMENT 1 JANUARY 2022 UNTIL 30 JUNE 2023



■ Geberit share ■ Swiss Market Index (SMI), indexed

Source: Refinitiv

# TO OUR SHAREHOLDERS

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In the first half of 2023, the Geberit Group posted convincing results in an extraordinary difficult environment with a declining construction industry in Europe. This was possible due to consistent price management, lower energy prices and, above all, high operational flexibility. Although volumes declined significantly from the record levels of the previous year, profitability increased and growth in earnings per share in local currencies was achieved. Net sales decreased by 14.1% to CHF 1,662 million, or by 9.2% after currency adjustments. Operating cashflow (EBITDA) reached CHF 526 million, which corresponds to an increase in the EBITDA margin of 270 basis points to 31.7%. Earnings per share fell by 5.4% to CHF 10.93, while in local currencies an increase of 2.2% was recorded. For 2023 as a whole, Management expects a mid-single-digit decline in net sales in local currencies and an EBITDA margin of around 29%.

## CONSOLIDATED NET SALES

In the first half of 2023, net sales for the Geberit Group decreased by 14.1% to CHF 1,662 million. This decline was heavily influenced by negative currency effects of CHF 94 million. In local currencies, this resulted in a decline of 9.2%. These figures were positively impacted by price increases of around 11%. Volumes were significantly lower due to the record-high prior-year period and the declining construction industry in Europe. In addition, the sanitary industry in some countries was negatively impacted by the shift in demand from sanitary to heating solutions.

Net sales in the second quarter reached CHF 769 million, which corresponds to a decline of 19.4% compared to the very strong same quarter in the previous year. Adjusted for currency effects, this resulted in a decline of 14.3% driven by the sharp volume drop and a positive price effect of around 11%.

## NET SALES BY MARKET AND PRODUCT AREA

The European markets suffered the most from the extraordinarily difficult conditions for the sanitary industry. Currency-adjusted net sales in Europe decreased by 10.9% overall. Only Italy (+1.2%) recorded positive growth. Net sales in Western Europe (United Kingdom/Ireland, France, Iberian Peninsula) were down slightly year-on-year at -0.9%. In contrast, Switzerland (-3.4%), Benelux (-5.4%) and Northern Europe (-9.3%) sustained more pronounced declines. Double-digit decreases were recorded in Germany (-14.9%), Austria (-18.1%) and Eastern Europe (-27.2%). Following a very strong first quarter, net sales in local currencies in the Far East/Pacific region also declined (-0.7%) whereas growth was recorded in the Middle East/Africa (+16.0%) and America (+0.8%) regions.

In the product areas, currency-adjusted net sales decreased by 8.2% each in Piping Systems and Bathroom Systems and by 10.9% in Installation and Flushing Systems.

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## RESULTS

Despite the very difficult market environment with significantly lower volumes and considerable wage inflation, profitability could be increased. Operating margins increased significantly, while operating cashflow and earnings per share rose slightly in local currencies. This strong performance was made possible by consistent price management, lower energy prices and, above all, the high level of operational flexibility, especially in the plants and logistics. Raw material prices remained at the high level of the previous year on average in the first half of the year and therefore had no material impact on profitability.

In Swiss francs, all results were heavily impacted by the negative currency performance. In total, operating cashflow (EBITDA) fell by 6.2% to CHF 526 million. However, after currency adjustments this corresponded to an increase of 0.5%. The EBITDA margin increased by 270 basis points to 31.7% compared to the same period in the previous year. Operating profit (EBIT) declined by 6.3% to CHF 453 million (currency-adjusted +0.7%), corresponding to an EBIT margin of 27.2% (previous year 25.0%). Impacted by a more negative financial result compared with the previous year, net income declined by 8.4% to CHF 369 million, corresponding to a return on net sales of 22.2% (previous year 20.8%). The positive effects of the share buyback programme led to a less than proportional decrease in earnings per share of 5.4% to CHF 10.93 (previous year CHF 11.56). Adjusted for currency effects, however, this corresponded to an increase of 2.2%. Despite the very difficult market environment and significantly higher investments,

free cashflow only decreased slightly by 2.9% to CHF 186 million.

## FINANCIAL SITUATION

The Geberit Group's financial situation remains very solid. The share buyback programme accelerated in the second half of 2022 led to an increase in net debt (debt less liquid funds). Compared to the figure after the first six months of the previous year, net debt increased by CHF 377 million to CHF 1,284 million. The equity ratio decreased accordingly to 35.1% (previous year 42.4%).

The share buyback programme started in June 2022 was continued. By 30 June 2023, 875,000 shares had been repurchased as part of the programme at a sum of CHF 410 million. In the first half of 2023, 247,000 shares were acquired at a sum of CHF 123 million.

The Annual General Meeting of 19 April 2023 approved a dividend of CHF 12.60, a 0.8% increase over that of 2022. The payout ratio of 62% of net income is in the middle range of the 50% to 70% corridor defined by the Board of Directors, thus continuing the shareholder-friendly distribution policy.

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## NUMBER OF EMPLOYEES

The Geberit Group employed 11,183 people (FTE) worldwide at the end of June 2023 (end of 2022: 11,514). The decrease is due to capacity adjustments in production and logistics in order to cope with the significant decline in volume.

## INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

CHF 81 million (previous year CHF 54 million) was invested in property, plant and equipment and intangible assets in the first six months of 2023, which equals 4.9% of net sales (previous year 2.8%). The significantly higher investments compared to the previous year were attributable to strategic plant expansions and the construction of a new customer centre in Germany.

## R&D EXPENDITURE

Research and development (R&D) expenses amounted to CHF 36 million (previous year CHF 37 million), which equals 2.2% of net sales (previous year 1.9%).

## OUTLOOK FOR THE FULL YEAR 2023

The general conditions for the construction industry have deteriorated significantly in 2023. Inflation and higher interest rates are leading to a decline in demand in both new construction and renovations. There are also specific challenges for the sanitary industry:

- pull-forward effects from the COVID-19-induced home improvement trend of recent years, and
- the shift from sanitary to heating solutions – primarily heat pumps – in some European countries.

Positive factors for the sanitary industry result from:

- the fundamental demand for renovations and new buildings in residential construction in various European markets,
- the structural trend towards higher sanitary standards, and
- the positive market environment in several countries outside Europe, such as India and the Gulf Region.

In light of the very difficult market environment, Management has defined two guiding principles for 2023: 1) strategic stability and 2) operational flexibility. The objective here is to overcome the challenges related to volume decline without affecting medium-term potential.



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For 2023 as a whole, Management expects a mid-single-digit decline in net sales in local currencies and an EBITDA margin of around 29%. The EBITDA margin in the second half of the year is always lower than in the first half due to seasonal factors.

Management is convinced that Geberit will emerge stronger from this challenging and declining market environment and gain further market shares. This assessment is based on the stable and long-term strategy, the proven business model with strong customer relationships and the industry-leading financial stability.

17 August 2023



**Albert M. Baehny**  
Chairman



**Christian Buhl**  
CEO

# CONSOLIDATED BALANCE SHEET

MCHF	Note	30.6.2023	31.12.2022	30.6.2022
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents		137.5	205.7	199.4
Trade accounts receivable		270.3	160.3	321.2
Other current assets and current financial assets		154.9	122.4	171.8
Inventories		391.9	393.9	372.0
<b>Total current assets</b>		<b>954.6</b>	<b>882.3</b>	<b>1,064.4</b>
<b>Non-current assets</b>				
Property, plant and equipment	<b>10</b>	962.9	948.3	922.9
Deferred tax assets		146.1	149.5	69.2
Other non-current assets and non-current financial assets		38.2	39.5	45.0
Goodwill and intangible assets		1,392.9	1,409.6	1,436.4
<b>Total non-current assets</b>		<b>2,540.1</b>	<b>2,546.9</b>	<b>2,473.5</b>
<b>Total assets</b>		<b>3,494.7</b>	<b>3,429.2</b>	<b>3,537.9</b>

MCHF	Note	30.6.2023	31.12.2022	30.6.2022
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Short-term debt		17.5	169.3	316.4
Trade accounts payable		107.5	98.3	131.8
Tax liabilities		125.7	128.7	125.7
Other current liabilities		275.0	334.2	308.4
Current provisions		6.1	6.9	7.3
<b>Total current liabilities</b>		<b>531.8</b>	<b>737.4</b>	<b>889.6</b>
<b>Non-current liabilities</b>				
Long-term debt		1,403.6	860.3	790.1
Accrued pension obligations	4	221.8	226.0	246.4
Deferred tax liabilities		41.4	42.4	43.3
Other non-current liabilities		24.0	21.7	21.0
Non-current provisions		45.6	44.4	49.0
<b>Total non-current liabilities</b>		<b>1,736.4</b>	<b>1,194.8</b>	<b>1,149.8</b>
<b>Equity</b>				
Share capital	7	3.5	3.6	3.6
Reserves	7	1,926.0	2,175.8	2,130.9
Cumulative translation adjustments		-703.0	-682.4	-636.0
<b>Total equity</b>		<b>1,226.5</b>	<b>1,497.0</b>	<b>1,498.5</b>
<b>Total liabilities and equity</b>		<b>3,494.7</b>	<b>3,429.2</b>	<b>3,537.9</b>

The accompanying notes are an integral part of the consolidated financial statements.

# CONSOLIDATED INCOME STATEMENT

MCHF		1.1.–30.6.	
	Note	2023	2022
<b>Net sales</b>	<b>10</b>	<b>1,661.8</b>	<b>1,934.1</b>
Cost of materials		474.1	628.6
Personnel expenses		389.8	416.9
Depreciation		63.3	64.1
Amortisation of intangible assets	<b>3</b>	10.2	13.8
Other operating expenses, net	<b>8</b>	271.8	327.8
Total operating expenses, net		1,209.2	1,451.2
<b>Operating profit (EBIT)</b>		<b>452.6</b>	<b>482.9</b>
Financial expenses		-11.9	-4.8
Financial income		3.4	2.2
Foreign exchange loss (-)/gain		-5.0	-3.1
Financial result, net		-13.5	-5.7
<b>Profit before income tax expenses</b>		<b>439.1</b>	<b>477.2</b>
Income tax expenses		70.6	75.1
<b>Net income</b>		<b>368.5</b>	<b>402.1</b>
EPS (CHF)	<b>9</b>	10.93	11.56
EPS diluted (CHF)	<b>9</b>	10.90	11.52

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MCHF		1.1.–30.6.	
	Note	2023	2022
<b>Net income according to the income statement</b>		<b>368.5</b>	<b>402.1</b>
Cumulative translation adjustments		-20.6	-64.6
Income tax expenses		0.0	0.0
<b>Cumulative translation adjustments, net of tax</b>		<b>-20.6</b>	<b>-64.6</b>
<b>Total other comprehensive income to be reclassified to the income statement in subsequent periods, net of tax</b>		<b>-20.6</b>	<b>-64.6</b>
Remeasurements of pension plans	4	-2.3	-8.5
Income tax expenses		0.1	-3.8
<b>Remeasurements of pension plans, net of tax</b>		<b>-2.2</b>	<b>-12.3</b>
<b>Total other comprehensive income not to be reclassified to the income statement in subsequent periods, net of tax</b>		<b>-2.2</b>	<b>-12.3</b>
<b>Total other comprehensive income, net of tax</b>		<b>-22.8</b>	<b>-76.9</b>
<b>Total comprehensive income</b>		<b>345.7</b>	<b>325.2</b>

The accompanying notes are an integral part of the consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASHFLOWS

MCHF		1.1.–30.6.	
	Note	2023	2022
<b>Cash provided by operating activities</b>			
Net income		368.5	402.1
Depreciation and amortisation		73.5	77.9
Financial result, net		13.5	5.7
Income tax expenses		70.6	75.1
Changes in provisions		5.6	5.4
Other non-cash expenses and income		13.8	20.6
Operating cashflow before changes in net working capital and income taxes		545.5	586.8
Income taxes paid		-67.6	-71.5
Changes in trade accounts receivable		-275.0	-326.3
Changes in inventories		-2.6	-21.8
Changes in trade accounts payable		10.8	16.7
Changes in other positions of net working capital		68.1	69.9
<b>Net cash from/used in (-) operating activities</b>		<b>279.2</b>	<b>253.8</b>
<b>Cash from/used in (-) investing activities</b>			
Purchase of property, plant and equipment and intangible assets		-81.2	-53.9
Sale of property, plant and equipment and intangible assets		1.1	3.7
Interest received		2.0	1.9
Other, net		-0.8	-0.7
<b>Net cash from/used in (-) investing activities</b>		<b>-78.9</b>	<b>-49.0</b>

MCHF		1.1.–30.6.	
	Note	2023	2022
<b>Cash from/used in (-) financing activities</b>			
Proceeds from borrowings		806.9 <sup>1</sup>	550.1 <sup>2</sup>
Repayments of borrowings		-414.9 <sup>1</sup>	-226.0 <sup>2</sup>
Repayments of lease liabilities		-8.9	-9.5
Interest paid		-2.7	-1.8
Distribution		-423.7	-433.1
Share buyback programmes		-124.1	-296.6
Purchase (-)/sale of treasury shares		-93.0	-99.6
Other, net		-2.0	-1.2
<b>Net cash from/used in (-) financing activities</b>		<b>-262.4</b>	<b>-517.7</b>
Effects of exchange rates on cash and cash equivalents		-6.1	1.3
<b>Net increase/decrease (-) in cash and cash equivalents</b>		<b>-68.2</b>	<b>-311.6</b>
Cash and cash equivalents at beginning of year		205.7	511.0
<b>Cash and cash equivalents at end of year</b>		<b>137.5</b>	<b>199.4</b>

<sup>1</sup> Issue of bonds of MCHF 225 (interest rate 2.25%, duration 2.5 years) and of MCHF 225 (interest rate 2.30%, duration 9.5 years) in March 2023. Utilisation of MCHF 357 / repayment of MCHF 258 of the existing credit facility. Repayment of bond in the amount of MCHF 150.

<sup>2</sup> Issue of bond of MCHF 150 (interest rate 0.75%, duration 5.5 years) in March 2022 and utilisation of MCHF 280 / repayment of MCHF 100 of the existing credit facility.

The accompanying notes are an integral part of the consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MCHF	Share capital	Reserves	Treasury shares	Pension plans	Cum. translation adjustments	Total equity
<b>Balance at 31.12.2021</b>	<b>3.6</b>	<b>3,069.3</b>	<b>-434.4</b>	<b>-79.4</b>	<b>-571.4</b>	<b>1,987.7</b>
Net income		402.1				402.1
Other comprehensive income				-12.3	-64.6	-76.9
Distribution		-433.1				-433.1
Share buyback programmes			-294.3			-294.3
Purchase (-)/sale of treasury shares		-0.9	-72.6			-73.5
Management option plans		-13.5				-13.5
<b>Balance at 30.6.2022</b>	<b>3.6</b>	<b>3,023.9</b>	<b>-801.3</b>	<b>-91.7</b>	<b>-636.0</b>	<b>1,498.5</b>
<b>Balance at 31.12.2022</b>	<b>3.6</b>	<b>3,331.3</b>	<b>-1,075.7</b>	<b>-79.8</b>	<b>-682.4</b>	<b>1,497.0</b>
Net income		368.5				368.5
Other comprehensive income				-2.2	-20.6	-22.8
Distribution		-423.7				-423.7
Share buyback programme			-123.2			-123.2
Purchase (-)/sale of treasury shares		-3.4	-71.6			-75.0
Capital reduction	-0.1	-423.3	423.4			0.0
Management option plans		5.7				5.7
<b>Balance at 30.6.2023</b>	<b>3.5</b>	<b>2,855.1</b>	<b>-847.1</b>	<b>-82.0</b>	<b>-703.0</b>	<b>1,226.5</b>

The accompanying notes are an integral part of the consolidated financial statements.



# NOTES TO THE HALF-YEAR REPORT

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## 1. GENERAL INFORMATION

The unaudited consolidated interim report for the first half-year 2023 was prepared according to IAS 34. The financial figures were determined in accordance with the same valuation principles as the audited financial statements as at 31 December 2022. The consolidated interim report for the first half-year does not include all disclosures as stated in the consolidated annual financial report and therefore this report should be read in connection with the consolidated annual financial report as at 31 December 2022.

## 2. UKRAINE

The war in Ukraine is leading to a high degree of uncertainty regarding local operations from Geberit. Geberit's first priority is the safety of its employees and their families. The ceramics plant in Slavuta in western Ukraine is running close to its pre-war capacity. The power supply is currently stable.

## 3. IMPAIRMENT TESTING OF TRADEMARKS AND GOODWILL

The impairment testing of trademarks and goodwill was carried out in June 2023 due to prevailing interest rate trends. These tests did not produce evidence of any material impairment. The sensitivity analysis shows that changes to the key assumptions (discount rate +1.0 percentage point, growth rate -1.0 percentage point and operating margin -1.0 percentage point) that are realistically possible from today's perspective would not result in any need to impair the goodwill. Regarding two trademarks, this would lead to an unfavourable impairment of approximately MCHF 4.0.

## 4. RETIREMENT BENEFIT PLANS

The actuarial calculations at 31 December 2022 were extrapolated as per 30 June 2023. Thereby, the discount rate for Swiss pension plans was reduced from 2.3% to 1.95%, the discount rate for German pension plans was increased from 3.4% to 3.5% and the rate for the British pension plan from 4.55% to 4.8% compared to 31 December 2022. The other parameters remained unchanged. The resulting adjustment of the pension obligation is shown in the "Consolidated Statement of Comprehensive Income".

## 5. DISTRIBUTION

The General Meeting approved a dividend of CHF 12.60 per share for the year 2022. The distribution took place in April 2023.

## 6. CHANGES IN GROUP ORGANISATION

In the first half-year 2023 there were no material changes in Group organisation.

## 7. CAPITAL STOCK AND TREASURY SHARES

As at 30 June 2023, the share capital of Geberit AG consists of 35,189,082 ordinary shares with a par value of CHF 0.10 each.

pcs.	2023	2022
<b>Issued shares</b>		
1 January	35,874,333	35,874,333
Capital reduction	-685,251	0
<b>Total issued shares as per 30 June</b>	<b>35,189,082</b>	<b>35,874,333</b>

On 16 June 2022, Geberit AG terminated its share buyback programme, which was started on 17 September 2020. By 16 June 2022, 826,251 registered shares in the amount of MCHF 500.0 – corresponding to 2.3% of the share capital entered in the Commercial Register – had been repurchased under this programme. The share buyback was conducted via a separate trading line on the SIX Swiss Exchange for the purpose of a capital reduction. 141,000 of the repurchased shares were already cancelled in 2021. The General Meeting of 19 April 2023 approved a capital reduction matching the remaining number of shares repurchased under this programme. Consequently, 685,251 shares were cancelled at the end of April 2023.

On 20 June 2022, a new share buyback programme was launched. Shares amounting to a maximum of MCHF 650.0 will be repurchased over a maximum period of two years. Based on the closing price of Geberit registered shares on 30 June 2023, this corresponds to around 1,400,000 registered shares or 4.0% of the share capital currently entered in the Commercial Register. The shares will be repurchased via a separate trading line on the SIX Swiss Exchange for the purpose of a capital reduction. By 30 June 2023, 874,600 shares had been repurchased for a total value of MCHF 409.6 under this programme.

pcs.	30.6.2023	30.6.2022
<b>Stock of treasury shares</b>		
From share buyback programme 2020–2022	0	685,251
From share buyback programme 2022–2024	874,600	24,000
<b>Total from share buyback programmes</b>	<b>874,600</b>	<b>709,251</b>
Other treasury shares	780,556	634,011
<b>Total treasury shares</b>	<b>1,655,156</b>	<b>1,343,262</b>

The entire stock of treasury shares on 30 June 2023 amounted to 1,655,156 (PY: 1,343,262) with a carrying amount of MCHF 847.1

(PY: MCHF 801.3). Treasury shares are deducted from equity at historical cost.

## 8. OTHER OPERATING EXPENSES, NET

MCHF	1.1.–30.6.	
	2023	2022
Outbound freight cost and duties	55.1	69.8
Energy and maintenance expenses	67.4	97.4
Marketing expenses	42.5	47.2
Administration expenses	38.2	37.1
Other operating expenses	75.3	85.3
Other operating income	-6.7	-9.0
<b>Total other operating expenses, net</b>	<b>271.8</b>	<b>327.8</b>

The reduction in "Total other operating expenses, net" is mainly due to the significant price decrease for energy and in general to the lower sales volumes.

## 9. EARNINGS PER SHARE

Earnings per share are calculated by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares issued and outstanding during the year, excluding the weighted average number of ordinary shares purchased by the Group and held as treasury shares.

	1.1.–30.6.	
	2023	2022
Attributable net income according to income statement (MCHF)	368.5	402.1
Weighted average number of ordinary shares (thousands)	33,712	34,783
<b>Total earnings per share (CHF)</b>	<b>10.93</b>	<b>11.56</b>

For diluted earnings per share, the weighted average number of ordinary shares issued is adjusted to assume conversion of all potentially dilutive ordinary shares. The Group has consid-

ered the share options granted to the management to calculate the potentially dilutive ordinary shares.

	1.1.–30.6.	
	2023	2022
Attributable net income according to income statement (MCHF)	368.5	402.1
Weighted average number of ordinary shares (thousands)	33,712	34,783
Adjustments for share options (thousands)	93	119
Weighted average number of ordinary shares (thousands)	33,805	34,902
<b>Total diluted earnings per share (CHF)</b>	<b>10.90</b>	<b>11.52</b>

## 10. SEGMENT REPORTING

The Geberit Group consists of one single business unit, the purpose of which is to develop, produce and distribute sanitary products and systems for the residential and commercial construction industry. The major part of the products is generally distributed through the wholesale channel to plumbers, who resell the products to end users. Products are manufactured by plants that specialise in particular production processes. As a general rule, one specific article is produced at only one location. Distribution is carried out by country or regional distribution subsidiaries, which sell to wholesalers. A distribution subsidiary is always responsible for the distribution of the whole range of products in its sales area. The main task of the distribution companies is local market development, which primarily focuses on the support of installers, sanitary planners, architects, wholesalers and other distributors. Research and development of the whole range of products is carried out centrally by Geberit International AG. All corporate tasks are also centralised at Geberit International AG.

Due to the unity and focus of the business, the top management (Group Executive Board) and the management structure of the Geberit Group are organised by function (Overall Management, Sales Europe, Sales International, Marketing & Brands, Operations, Products, Finance). The financial management of the Group by the Board of Directors and the Group Executive Board is based on net sales by markets and product areas and on the consolidated income statement, balance sheet and statement of cashflows.

Segment reporting is therefore prepared according to IFRS 8.31 et seq. (one single reportable segment), and the valuation is made in accordance with the same principles as the consolidated financial statements. The basis for revenue recognition is the same for all markets and product areas. The geographical allocation of net sales is based on the domicile of the customers.

The information is as follows:

MCHF	1.1.–30.6.	
	2023	2022
<b>Net sales by product areas</b>		
Installation and Flushing Systems	626.5	743.2
Piping Systems	535.7	614.4
Bathroom Systems	499.6	576.5
<b>Total net sales</b>	<b>1,661.8</b>	<b>1,934.1</b>

MCHF	1.1.–30.6.	
	2023	2022
<b>Net sales by markets</b>		
Germany	484.9	596.5
Switzerland	173.0	179.1
Benelux	147.3	163.0
Italy	138.8	143.6
Austria	96.3	123.1
Central Europe	1,040.3	1,205.3
Western Europe	170.6	182.7
Northern Europe	145.3	175.6
Eastern Europe <sup>1</sup>	121.6	178.1
<b>Europe<sup>1</sup></b>	<b>1,477.8</b>	<b>1,741.7</b>
Middle East/Africa <sup>1</sup>	76.2	77.0
Far East/Pacific	54.8	60.9
America	53.0	54.5
<b>Total net sales</b>	<b>1,661.8</b>	<b>1,934.1</b>

<sup>1</sup> Turkey and a few other smaller countries reclassified from Europe (Eastern Europe) to Middle East/Africa region, previous year adjusted.

MCHF	1.1.–30.6.	
	2023	2022
<b>Share of net sales by customers</b>		
Customers with more than 10% of net sales: customer A	284.5	343.8
<b>Total &gt; 10%</b>	<b>284.5</b>	<b>343.8</b>
Remaining customers with less than 10% of net sales	1,377.3	1,590.3
<b>Total net sales</b>	<b>1,661.8</b>	<b>1,934.1</b>

MCHF	30.6.2023	30.6.2022
<b>Property, plant and equipment by markets</b>		
Germany	368.3	330.9
Switzerland	204.2	205.4
Benelux	12.9	13.5
Italy	57.6	58.1
Austria	39.8	39.2
Central Europe	682.8	647.1
Western Europe	38.5	36.9
Northern Europe	62.7	54.2
Eastern Europe <sup>1</sup>	129.7	131.2
<b>Europe<sup>1</sup></b>	<b>913.7</b>	<b>869.4</b>
Middle East/Africa <sup>1</sup>	8.6	7.3
Far East/Pacific	29.2	33.6
America	11.4	12.6
<b>Total property, plant and equipment</b>	<b>962.9</b>	<b>922.9</b>

<sup>1</sup> Turkey and a few other smaller countries reclassified from Europe (Eastern Europe) to Middle East/Africa region, previous year adjusted.

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## 11. NEW OR REVISED IFRS STANDARDS AND INTERPRETATIONS 2023 AND THEIR ADOPTION BY THE GROUP

Standard/ Interpretation	Enact- ment	Relevance for Geberit	Adop- tion
Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current	1.1.2023	This amendment will not have a material impact on the consolidated financial statements.	1.1.2023
Amendments to IAS 1 Presentation of Financial Statements – Disclosure of Accounting Policies	1.1.2023	This amendment will not have a material impact on the consolidated financial statements.	1.1.2023
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1.1.2023	This amendment will not have a material impact on the consolidated financial statements.	1.1.2023
Amendment to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1.1.2023	This amendment will not have a material impact on the consolidated financial statements.	1.1.2023

## 12. SUBSEQUENT EVENTS

There were no material events after the balance sheet date.

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# TIME SCHEDULE

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2023

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Interim report 3 <sup>rd</sup> quarter	2 November
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2024

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First information on the year 2023	17 January
Results full year 2023	13 March
Annual General Meeting	17 April
Dividend payment	23 April
Interim report 1 <sup>st</sup> quarter 2024	7 May
Half-year report 2024	15 August
Interim report 3 <sup>rd</sup> quarter 2024	31 October

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(Subject to minor changes)

This half-year report is published in German and English. The German version (with English notes) is binding. Please find further information on the half-year results 2023 at [www.geberit.com](http://www.geberit.com).

The annual report 2022 is available online in German and English at [www.geberit.com/annualreport](http://www.geberit.com/annualreport).

The statements in this review relating to matters that are not historical facts are forward-looking statements that are not guarantees of future performance and involve risks and uncertainties, including, but not limited to: future global economic conditions, foreign exchange rates, regulatory rules, market conditions, the actions of competitors and other factors beyond the control of the company.

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