2023 | Consolidated Financial Statements & Consolidated Management Report

world of wienerberger

MANAGEMENT REPORT

Economic Environment and Capital Markets

Economic environment in 2023

Compared to 2022, a year marked by uncertainties and challenges, 2023 was clearly more positive, both for the economy and the financial markets. However, the global recovery from the consequences of the corona pandemic, the ongoing war in Ukraine and the significant rise in the cost of living varied from region to region. Overall, compared to the previous year, the world economy stabilized to a certain extent and inflation trended downward after further noticeable interest rate hikes and peaks recorded in 2022. The tightening of monetary policy as a prerequisite for bringing inflation down from its persistently high level, as well as restraint shown in terms of fiscal policy led to a slowdown of global recovery in 2023. Given this difficult environment, the International Monetary Fund (IMF) again anticipates global economic growth in 2023 to fall short of the previous year's level and projects a growth rate of 3.1% (2022: 3.5%).

In Europe and North America, wienerberger's core regions, diverging developments were seen in 2023. In the US, economic momentum was stronger than expected, while the euro zone recorded weaker growth. The earlier turnaround in interest-rate policy in the US triggered a significant slowdown of GDP growth in 2022. The IMF therefore does not anticipate a further downturn of the US economy and expects a growth rate of 2.5% (2022: 1.9%). In contrast, the euro zone, where monetary tightening was initiated later, recorded 3.4% growth in 2022, but only a moderate rate of 0.5% in 2023. Germany, one of the largest economies of the euro zone, was sliding into recession in 2023, recording a negative growth rate of -0.3 % (2022: 1.8%) and falling below the level of the euro zone. Economic growth in France, at a rate of 0.8% (2022: 2.5%), was slightly above the euro zone average. In the United Kingdom, the economy grew at a rate of 0.5% in 2023, compared to 4.3% in the previous year. According to Euroconstruct, the Eastern European economies, which count among wienerberger's core markets, grew at a rate of 0.2% (2022: 4.2%).

Monetary policy

In 2022, in view of significantly increased inflation rates, central banks departed from their policy of monetary easing pursued in previous years. Monetary tightening was continued in 2023 and helped to curb inflation. According to the IMF, global inflation was brought down from 8.7% in 2022 to 6.8% in 2023. This development was supported by a reduction of energy prices and food prices, the latter albeit to a lesser extent. The US Federal Reserve System (Fed) initiated the turnaround in interest-rate policy in March 2022 and has since increased the federal funds rate in a total of eleven steps to 5.25%-5.50%, the last rate hike dating from July 2023. The interest-rate turnaround, which set in earlier in the US than in Europe, eased the pressure on prices there and resulted in a rate of inflation below the global level. Given the downward trend in inflation, the Fed has refrained from further interest-rate hikes since July 2023. In July 2022, the European Central Bank (ECB) raised its key interest rate for the first time since 2016 and continued with further steps that brought the interest rate to 4.50% by the end of 2023. The deposit rate, which was still negative in 2021, came to 4.00% as at the end of 2023. Against the backdrop of declining inflation rates, the ECB has not implemented any further rate hikes since September 2023. The Bank of England (BoE) also took several interest-rate steps, its base rate standing at a year-end value of 5.25% since the last increase in August 2023. Central banks in Eastern and Southern Europe continued to react strongly to rising consumer prices by increasing interest rates to 5.75% (Poland), 7.00% (Romania) and even 10.75% (Hungary) as at the end of December 2023.

Stock markets

2023 was an eventful but ultimately successful year for the global stock markets. After a highly positive start, the events in connection with the Silicon Valley Bank and Credit Suisse led to a crisis of confidence in banks and a steep, short-term drop in share prices, which was, however, soon followed by a swift recovery. Declining inflation rates and first signs of central banks ending their sequence of interest-rate hikes kept markets in motion and had a largely positive impact on the global stock-market climate.

The US stock market performed notably better than the European one. However, during the last quarter share prices finally picked up significantly in all markets, and the majority of market participants benefited from extremely positive market sentiment. In this environment, relevant lead indices closed the past stock-exchange year with notable price gains. At the end of December 2023, the Dow Jones 30 Industrial Average closed at +13.7% above the 2022 year-end value, while the S&P 500 recorded an even higher price gain of +24.2%. Fueled by hopes of a turnaround in interest-rate policy, the Nasdaq 100 surged in 2023 and closed the year with a gain of 53.8%. The EURO STOXX 50, the European lead index, underwent a year of ups and downs. After a strong start, it recorded losses in March, but rebounded over the summer months. A further downward trend was finally brought to a halt by the year-end rally and the index gained +19.2% compared to the previous year, while the French CAC 40 gained +16.5% over the same period. The British FTSE performed well at the beginning of the year, but was unable to sustain the trend and closed the year with a gain of +3.8%. The German DAX closed the year with a price gain of

+20.3% above the 2022 year-end value. The Austrian ATX, with its heavily weighted bank and energy stocks, closed at +9.9% year on year.

The European housing market

The following analysis is based on the most recent country forecasts published by Euroconstruct, Europe's leading construction market forecasting network. The most important indicators of residential construction activity are the numbers of building permits issued, housing starts, and housing completions.

Given the further increase in key interest rates in 2023 and the resultant increase in mortgage rates, housing loans became more expensive, which in turn made home ownership less affordable. After a significant downturn already in the previous year, this effect was clearly reflected in the lower number of building permits issued in 2023 for single- and two-family homes. Most of the countries in both Region Europe East and Region Europe West recorded extremely steep reductions by as much as 50%. Our experience shows that in volatile times, the period between the issue of a building permit and the actual start of construction is getting longer and longer. The number of new housing starts was negative as well, declining by percentages in the mid double-digit range in our European core markets of Europe West and Europe East. Housing completions, as a lagging indicator, also were on a downward trend in 2023.

Within the residential construction sector, renovation activity is continuously gaining in importance for wienerberger's business performance. Despite European and national initiatives and stricter regulations aimed at enhancing energy efficiency and supporting the attainment of climate-related targets, the segment recorded a decline in our core regions of Europe West and Europe East, although the downturn was less pronounced than in new build.

The European infrastructure market

In the infrastructure segment, high inflation and rising costs had a negative impact on the award of public contracts and resulted in projects being postponed. An analysis based on Euroconstruct as the industry benchmark shows the following growth forecast for Regions Europe West and Europe East:

The development of infrastructure expenditure varied greatly in some of the countries of our regions Europe West and Europe East. Although the decline in capital expenditure for infrastructure was far less severe than in new build, Region Europe West reported a drop by up to 5% in some countries. Europe East performed better and recorded an increase in capital expenditure for infrastructure in most countries compared to 2022.

This trend was also seen in water management, which accounts for roughly 10% of infrastructure expenditure and comprises potable-water and wastewater systems, an important market for our pipe business. Countries in Region Europe West, in particular, were confronted with a drop in infrastructure investments of up to 5%, whereas infrastructure spending increased in Region Europe East. Investments in the energy sector developed slightly better in both regions. Investments in transport infrastructure remained stable, with Region Europe East doing better that Region Europe West, where some countries saw a downturn in investments. A similar situation prevailed in telecommunications and road construction in many countries of Region Europe West, while Region Europe East developed significantly better.

The US housing market

In 2023, the development of the housing market in the US was similar to that in Europe, although the slowdown set in earlier and was notably more pronounced on account of the earlier turnaround in interest-rate policy in the USA. According to the U.S. Census Bureau, the downturn of the previous year continued in 2023, with the number of building permits issued reduced by 11.7% year on year. Compared to the previous year, building permits for single-family homes decreased by 6.9%, whereas building permits for multi-family homes dropped by 19.9% over the same period. The number of housing starts declined by 9.0% to 1.413 million units year on year. A 6.0% reduction was recorded in the single-family-home segment, while the number of newly built multi-family homes dropped by 14.2%. Building completions, as a lagging indicator, increased by 4.5% to 1.453 million units. While 1.9% fewer single-family homes were completed in 2023, the multi-family home segment reported a 22.1% increase year on year.

After a reduction in the number of housing starts in 2022, the National Association of Home Builders (NAHB), one of the largest organizations representing the interests of principals, developers and building contractors in the USA, foresees another 8.6% reduction to 1.420 million units in 2023. While a 5.8% reduction was reported for the single-family-home segment, the multi-family-home segment suffered a double-digit decline by 14.4%.

The NAHB/Wells Fargo Housing Market Index, which is based on monthly surveys among NAHB members, reflects the general assessment of market conditions and estimates of house sales for the next six months. A value below 50 indicates that the majority of those surveyed see the outlook as negative. With a value of 37 in December 2023, the index was above the previous year's score of 31, reflecting improved but still sluggish macro-economic development. The S&P/Case Shiller 20-City Composite Home Price Index reflects the development of the value of residential real estate in 20 large US agglomerations. After a rise of 4.7% in the previous year, the upward trend continued in 2023 with a 6.1% rise. At year end, the fixed interest rate on 30-year mortgage loans was 6.82%. Compared to the previous year's value, this corresponds to a rise of 45 basis points, reflecting the increase of the federal funds rate by the Fed in 2023.

Economic outlook for 2024

After the slowdown in growth momentum to 3.1% in 2023, the IMF forecasts stable global economic growth at the same level for 2024. The economic output of the US is projected to cool down slightly from 2.5% in the previous year to 2.1% in 2023, while the euro zone is expected to grow at a moderate rate of 0.9% compared to 0.5% in the previous year. For the United Kingdom, economic output is forecast to remain stable with a mere 0.6% increase over the previous year's value. The Eastern European economies are expected to grow at a rate of 2.8% (Euroconstruct). The IMF's assumptions are based on a global inflation rate of 5.8% in 2024. A significantly lower inflation rate of 2.8% is expected for the eurozone countries and 2.2% for the US. In general, it is assumed that the inflation rate will not return to the desired target levels until 2025 in most cases. Nevertheless, the downward trend of inflation seen in the second half of 2023 induced central banks to halt their interest-rate hikes and fueled speculations that interest rates might be lowered in 2024.

Quellen: IMF (World Economic Outlook October and January 2024), U.S. Census Bureau, Euroconstruct, Freddie Mac Primary Mortgage Market Survey, NAHB, NAHB/Wells Fargo Housing Market Index, S&P/Case-Shiller 20-City Composite Home Price

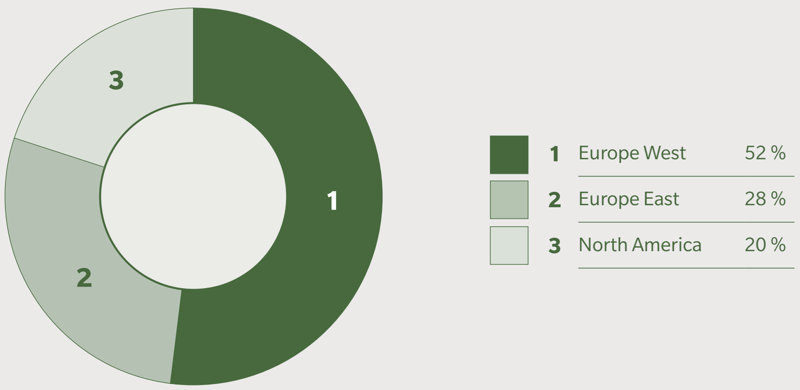
Financial Review

Earnings

The 2023 financial year was characterized by lower demand due to persistently high inflation and higher interest rates. Despite this challenging environment, wienerberger generated group-wide revenues of € 4,224 million (2022: € 4,977 million).

Revenues include consolidation effects amounting to € 59.2 million. Foreign-exchange effects accounted for a decrease in revenues by € -97.8 million, with the negative effects primarily due to the steep devaluation of the Turkish lira, as well as the Norwegian crown and the US dollar.

External Revenues by Segment



Thanks to wienerberger's focus on efficient price and cost management, profitability remained high despite the difficult market environment, as is reflected in the operating EBITDA margin of 19.2% (2022: 20.5%).

EBITDA of € 783.3 million (2022: € 1,026.2 million) include contributions from the consolidation of acquired companies of € 5.6 million and negative foreign-currency effects of € -18.5 million. Operating EBITDA came to € 810.8 million (2022: 1,020.9 million).

To calculate operating EBITDA, income from the sale of non-operating assets of € 10.6 million was deducted and costs for structural adjustments of € -38.0 million were excluded.

EBITDA in MEUR	**2023**	**2022**	**Chg. in %**
Europe West	347.0	425.3	–18
Europe East	216.6	373.7	–42
North America	219.8	227.3	–3
wienerberger	**783.3**	**1,026.2**	**–24**

EBITDA Bridge
in MEUR

	2023	2022	Chg. in %
EBITDA	**783.3**	**1,026.2**	**–24**
Result from the sale of non-core assets	–10.6	–19.4	+45
Structural adjustments	38.0	14.1	>100
Operating EBITDA	**810.8**	**1,020.9**	**–21**

Scheduled depreciation and amortization on non-current assets amounted to € 287.0 million (2022: € 276.3 million). Impairment charges to assets and special write-downs of assets added up to a total of € 19.2 million (2022: 28.8 million). The challenging market environment was also reflected in the earnings before interest and tax (EBIT) reported for the 2023 business year, which at € 477.3 million fell short of the previous year's value of €721.2 million by 34%.

Profitability Ratios
in %

	2023	2022
Gross profit to revenues	38.2	39.1
Administrative expenses to revenues	7.8	6.6
Costs of sales to revenues	18.5	17.3
EBITDA margin	18.5	20.6
Operating EBITDA margin	19.2	20.5

Financial Result and Taxes

The financial result decreased from € -32.8 million in 2022 to € -53.0 million in the reporting year. The increase in relevant key interest rates resulted in higher interest expenses, which were compensated only in part by rising interest income.

Profit before tax dropped from € 688.3 million in the previous year to € 424.3 million in the reporting period. The group's income tax expense was reduced to € 89.2 million (2022: € 119.8 million), which corresponds to an effective tax rate of 21.0% (2022: 17.4%). The higher effective tax rate reflects the relatively greater decline in earnings in Eastern European countries, which are generally taxed at a lower rate.

The resultant profit after tax amounted to € 335.1 million (2022: € 568.5 million). After the deduction of € 0.8 million in income attributable to non-controlling interests (2022: € 0.6 million), the net profit amounted to € 334.4 million (2022: € 567.9 million). Earnings per share came to € 3.17 (2022: € 5.17).

Assets and Financial Position

As at 31/12/2023, wienerberger's total assets amounted to € 5,468.6 million, corresponding to a 5% increase over the previous year's value (31/12/2022: € 5,199.3 million). Non-current assets increased by 3% to € 3,368.2 million (31/12/2022: € 3,259.1 million), primarily as a result of additions from corporate acquisitions and strategic financial investments. Investments in non-current assets (maintenance & special capex) came to € 271.6 million (31/12/2022: 352.6 million).

Working capital (inventories + net trade receivables - net payables) increased by 24% to € 975.7 million (31/12/2022: € 789.6 million). The ratio of working capital to revenues rose to 23.1% (31/12/2022: 15.9%). The main drivers were the business-related decline in trade payables and the higher level of raw materials as at the reporting date.

In the reporting year, inventories increased by 11% from € 1,036.2 million to € 1,153.8 million, this being due to changes in both quantity (7%) and value (3%). In some regions, a comfortable level of inventories is being aimed at to ensure that customer requirements can be met at any time without interruption. Trade receivables decreased by 18% to € 306.8 million (31/12/2022: € 374.5 million).

The high level of cash and cash equivalents of € 414.1 million (up by 38% from 31/12/2022) is due, among other factors, to lower trade receivables and positive cash flow from financing activities.

Compared to 31/12/2022, the group's equity improved by 8% from € 2,450.4 million to € 2,657.7 million. Dividends of € 94.8 million were paid out in the reporting year. The group's equity was reduced by €16.4 million (31/12/2022: € 213.4 million) through the buyback and sale of own shares. Other comprehensive income had a negative impact of € 23.7 million on Group equity and includes significant effects from currency translation of € -16.6 million, changes in the valuation of the hedging reserve of € -9.1 million and actuarial gains of € 2.0 million.

Non-current employee-related provisions, particularly pension provisions, declined due to plan settlements by 6% to € 69.5 million (31/12/2022: € 73.9 million). In general, wienerberger does not enter into any new defined-benefit pension commitments and, if possible, converts existing commitments into defined-contribution commitments. As a result, pension provisions carried on the balance sheet show a steady downward trend, as commitments are either expiring or paid out. Other long-term provisions, mainly for warranties and the recultivation of depleted clay pits, did not change significantly compared to the previous year and came to € 103.5 million (31/12/2022: € 103.3 million).

Current provisions increased by 27% to a total of € 77.0 million (31/12/2022: € 60.8 million) primarily as a result of provisions set up for restructuring measures.

Interest-bearing debt (long-term and short-term financial liabilities) rose by € 249.0 million to € 1,701.2 million (31/12/2022: € 1,452.2 million), which was primarily attributable to the issuance of a sustainability-linked bond in the fourth quarter of 2023 (nominal value: € 350.0 million). Interest-bearing financial liabilities include liabilities to banks, bond holders, and other third parties in the amount of € 1,433.3 million (31/12/2022: € 1,198.4 million), derivatives to hedge foreign-currency risks with negative market values of € 2.4 million (31/12/2022: € 6.2 million), and lease liabilities of € 265.4 million (31/12/2022: € 247.6 million). These interest-bearing liabilities were offset by cash and cash equivalents, securities, and Intercompany receivables of € 486.5 million (31/12/2022: € 372.9 million), as well as committed but undrawn credit lines of € 950.0 million.

Calculation of Net Debt in MEUR	2023	2022	Chg. in %
Long-term interest-bearing financial liabilities	1,071.8	1,052.9	+2
Short-term interest-bearing financial liabilities	363.9	151.6	>100
Lease liabilities	265.4	247.6	+7
- Intercompany receivables and payables from financing	–26.2	–21.1	+24
- Securities and other financial assets	–46.2	–51.8	–11
- Cash and cash equivalents	–414.1	–300.0	–38
Net debt	**1,214.7**	**1,079.3**	**+13**

Of the total amount of € 1,435.7 million in financial liabilities (excluding lease liabilities), 75% (31/12/2022: 87%) was of a long-term and 25% (31/12/2022: 13%) of a short-term nature.

As at 31/12/2023, the group's net debt came to € 1,214.7 million, up by 13% from the previous year (31/12/2022: € 1,079.3 million). This corresponds to a gearing ratio of 45.7%, which is slightly above the previous year's value of 44.0%.

Balance Sheet Ratios		2023	2022
Capital employed	in MEUR	3,822.5	3,492.9
Net debt	in MEUR	1,214.7	1,079.3
Equity ratio	in %	48.6	47.1
Gearing	in %	45.7	44.0
Asset coverage	in %	80.5	76.8
Working capital to revenues	in %	**23.1**	15.9

Treasury

With a view to upcoming maturities in 2024 and to safeguard the financing of acquisition projects, significant financing steps were taken in 2023: The syndicated revolving credit line was increased from € 400.0 million to € 600.0 million, a bridge facility of € 350.0 million, undrawn as of the balance-sheet date, was established, and a sustainability-linked bond with a volume of € 350.0 million was placed on the capital market.

The acquisition projects and financial investments in a total of € 84.9 million and the share buyback program worth € 26.0 million were financed from current cash inflows. At the end of the business year, a solid liquidity reserve of € 1,364.1 million was available (comprising cash and cash equivalents of € 414.1 million and committed but undrawn credit lines of € 950.0 million).

Owing to the aforementioned financing steps and the higher level of interest, the group's (negative) net interest result increased by € 13.8 million from € -42.3 million in the previous year to € -56.1 million in the 2023 financial year.

Compared to the previous year, the debt repayment period (ratio of net debt to EBITDA) increased moderately from 1.1 to 1.6 years. This means that the ratio was within the target range of 1.5 to 2.0 as at the reporting date. After Moody's Rating Agency had already set the rating outlook for wienerberger to positive in May 2022, it upgraded the group's rating from Ba1 positive to Baa3 stable, i.e. to investment grade, in March 2023.

Treasury Ratios	31/12/2023	31/12/2022
Net debt/EBITDA	1.6	1.1
EBITDA/interest result	14.0	24.3

As at the balance-sheet date, 64% (2022: 76%) of the group's financial liabilities were fixed-interest-bearing, but without financial liabilities according to IFRS 16 Leases taken into account. Given the local character of wienerberger's business, foreign-exchange fluctuations are reflected primarily as translation risks and to a lesser extent as transaction risks. Subject to economic restrictions, translation risks (above-all from inter-group loans in foreign currencies) are hedged against exchange-rate fluctuations by means of interest-rate and cross-currency swaps. Most of the group's transaction risks are hedged through currency forwards.

Cashflow

Compared to the previous year, cash flow from operating activities decreased to € 410.0 million (2022: € 723.8 million). The main drivers are the € 269.9 million reduction in gross cash flow and the € 186.1 million build-up of working capital.

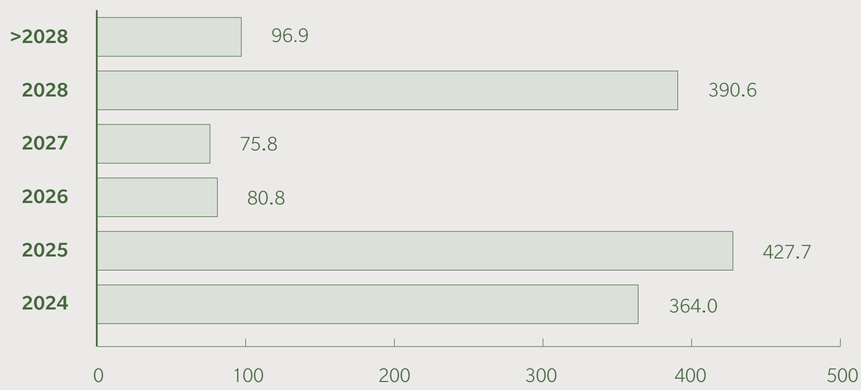
In the reporting year, cash flow from investing activities was primarily influenced by cash outflows for maintenance capex of € 126.2 million (2022: € 134.7 million) as well as discretionary growth investments and investments in ESG (special capex) in the amount of € 145.4 million (2022: € 217.9 million). A total of € 84.9 million (2022: € 52.4 million) was spent on acquisitions and strategic investments. Proceeds from the sale of assets were reduced by € 30.2 million compared to previous year. These effects resulted in a cash outflow for investing activities of € -323.0 million (2022: € 332.8 million).

Free cash flow was below the previous year's level and amounted to € 257.5 million (2022: € 597.7 million).

Cash flow from financing activities improved significantly from € -448.8 million in the previous year to € 38.8 million in 2023. The improvement was due, above all, to newly contracted long-term financial liabilities of € 346.2 million, net cash outflows in short-term financial liabilities in the amount of € -126.9 million, dividend payments of € -94.8 million as well as a significant decrease in share buy-back activities (€ -26.0 million compared to € -213.4 million in the same period of the previous year).

Altogether, cash flow was positive at € 125.8 million (2022: € -57.8 million), resulting in year-end cash and cash equivalents of € 423.5 million (31/12/2022: € 306.5 million), after foreign-exchange effects.

Maturity structure of interest-bearing financial liabilities (excl. leases) in MEUR

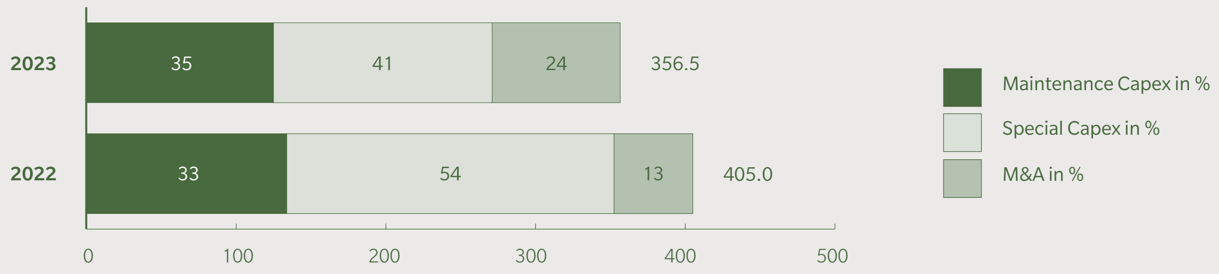


Cash Flow Statement in MEUR	**2023**	**2022**	**Chg. in %**
Gross cash flow	**608.5**	**878.4**	**–31**
Change in working capital and other	–198.5	–154.6	–28
Cash flow from operating activities	**410.0**	**723.8**	**–43**
Maintenance capex	–126.2	–134.7	+6
Special capex	–145.4	–217.9	+33
M&A	–84.9	–52.4	–62
Divestments and other	33.5	72.2	–54
Cash flow from investing activities	**–323.0**	**–332.8**	**+3**
Special capex and M&A	230.3	270.3	–15
Lease payments	–59.7	–63.6	+6
Free cash flow	**257.5**	**597.7**	**–57**

Investments

In 2023, maintenance investments required to keep the company's operations running accounted for € 126.2 million (2022: € 134.7 million). Discretionary growth investments (e.g. plant enlargements and optimization measures aimed at enhanced production efficiency) and investments in ESG (e.g. environment and sustainability projects, such as decarbonization, biodiversity, or circular economy) came to a total of € 145.4 million (2022: € 217.9 million).

Total investments and M&A in MEUR



A total of € 63.4 million (2022: € 52.4 million) was spent on corporate acquisitions. Through the acquisition of the Steinheim brick plant of Otto Bergmann GmbH, wienerberger's business in Poroton clay blocks with particularly high thermal insulation was further expanded. The acquisitions of the Kompronent ApS Group and the Strøjer Group in Denmark contributed to a strategy of further growth in the facade segment in Region Europe West. By acquiring the Swedish technology specialist Wideco Sweden AG, wienerberger took yet another step toward enlarging its portfolio of energy and water management solutions. An additional amount of € 21.5 million (2022: € 0 million) was invested in other strategic participations, which brought the total of M&A capex in the reporting year up to € 84.9 million (2022: € 52.4 million).

Development of Non-current Assets in MEUR	Intangible	Tangible	Financial	Total
31/12/2022	**846.8**	**2,306.8**	**36.8**	**3,190.4**
Capital expenditure	13.3	258.3	21.5	293.1
Change in the scope of consolidation	43.6	45.5	0.0	89.1
Depreciation, amortization, and impairment charges	–43.4	–262.6	–2.2	–308.2
Disposals	–10.6	–28.0	–6.1	–44.7
Currency translation and other	5.3	89.7	–0.2	94.8
31/12/2023	**854.9**	**2,409.6**	**49.9**	**3,314.4**

Total Investments in MEUR	2023	2022	Chg. in %
Europe West	122.4	183.6	–33
Europe East	103.9	117.6	–12
North America	45.2	51.4	–12
wienerberger	**271.6**	**352.6**	**–23**

Of the total amount of investments in tangible and intangible assets in the reporting year, 45% was accounted for by Region Europe West, 38% by Region Europe East, and 17% by North America.

Value Management

Wienerberger's value management focuses not only on long-term, sustainable creation of shareholder value, but also on ESG aspects with a special focus on the well-being of our employees, whose contributions are essential for the company's long-term success.

The key indicator of Wienerberger's value-oriented corporate governance is the return on capital employed (ROCE after tax). This indicator measures the after-tax return on capital currently employed in the company and reflects the value creation by the individual business units and by the Group as a whole. It is calculated by relating the net operating profit after tax (NOPAT) to the average interest-bearing total capital employed. Wienerberger's medium-term target is to sustainably exceed a ROCE of 10%. In addition to ROCE, other important performance indicators, such as EBITDA, free cash flow, efficiency-enhancing measures, total shareholder return, and the attainment of certain environmental, social, and governance (ESG) targets, are regularly analyzed as part of the company's value management. They are taken into account in the calculation of top management bonuses.

In 2023, we again exceeded our medium-term ROCE target (> 10%). wienerberger generated a strong operating EBIT of € 494.7 million (2022: € 739.6 million). NOPAT amounted to € 412.7 million, compared to € 609.9 million in the previous year. Average capital employed increased from € 3,370.5 million to € 3,657.7 million in the same period. Overall, wienerberger thus achieved a ROCE of 11.3% (2022: 18.1%)

Calculation of Operating EBIT and NOPAT		2023	2022
EBIT	**in MEUR**	**477.3**	**721.2**
Impairments/ Reversal of impairment charges to assets	in MEUR	17.3	18.4
Impairment charges to goodwill	in MEUR	0.0	0.0
Operating EBIT	**in MEUR**	**494.7**	**739.6**
Income taxes	in MEUR	–89.2	–119.8
Adjusted taxes and other effects	in MEUR	7.2	–9.9
NOPAT	**in MEUR**	**412.7**	**609.9**

Calculation of Average Capital Employed		2023	2022
Equity and non-controlling interests	in MEUR	2,657.7	2,450.4
Financial liabilities	in MEUR	1,701.2	1,452.2
Intercompany receivables and payables from financing	in MEUR	–26.2	–21.1
Cash and financial assets	in MEUR	–510.2	–388.6
Capital employed at reporting date	**in MEUR**	**3,822.5**	**3,492.9**
Average capital employed	**in MEUR**	**3,657.7**	**3,370.5**

Calculation of ROCE		2023	2022
NOPAT	in MEUR	412.7	609.9
Average capital employed	in MEUR	3,657.7	3,370.5
ROCE	**in %**	**11.3**	**18.1**

Operating Segments

Europe West

Europe West		2023	2022	Chg. in %
External Revenues	in MEUR	2,193.1	2,522.0	–13
Operating EBITDA	in MEUR	377.9	426.0	–11
EBITDA	in MEUR	347.0	425.3	–18
Operating EBITDA margin	in %	**17.2**	16.9	–

Region Europe West, which reports on our markets in Northern and Western Europe, provides system solutions for the entire building envelope (wall, façade, and roof), as well as for pavers, wastewater and rainwater disposal, sanitation, heating and cooling installations, and energy and water management. External revenues decreased by 13% from the previous year's level to € 2,193.1 million (2022: € 2,522.0 million). Operating EBITDA came to € 377.9 million (2022: € 426.0 million). In this difficult market environment, wienerberger succeeded in increasing its EBITDA margin by 0.3 percentage points to 17.2%.

2023 was marked by persistently high inflation and rising interest rates, which have stabilized at a high level since fall 2023. Given these macro-economic conditions, with several countries going into recession, construction activity slowed down in all sectors. In particular, demand weakened in the new build segment, most notably in Germany, whereas France, Belgium, and the Netherlands still recorded a satisfactory level of demand in the first half of the year. Our business in in-house pipes for energy and water management was not entirely immune to the negative trend in new build, but benefited from our enlarged product and customer portfolios, which generated higher added value and profitable growth in this segment. Demand for housing is higher now than it has been during the past 15 years. Owing to sluggish construction activity, an enormous backlog has built up in residential new build.

The renovation segment had a stabilizing effect across all regions. Supported by the growing importance of energy-efficient renovation, demand for our roofing solutions remained at a satisfactory level. In Belgium and France, in particular, legal provisions and government support for energy-efficient renovation had a positive impact on our performance.

In Great Britain and Ireland, synergies between the rainwater and drainage business of FloPlast and Cork Plastics, two companies taken over in 2021, helped to compensate for the challenges in the existing roofing business. In fact, the pipe business in Ireland and Great Britain even generated higher revenues and earnings than in the previous year. In infrastructure, high inflation had a dampening effect on the award of public contracts in almost all countries. At the same time, however, our growing market share in wastewater systems and our profitable growth in renovation had a positive impact on our performance. In Norway, the main contribution to profitable growth came from our international project business.

Confronted with fluctuating levels of demand in all our markets, we reacted swiftly with targeted cost management and capacity adjustments focused on a reduction in the number of shifts worked at our plants. Inflation-related increases in personnel and maintenance costs were only partly offset by lower raw material prices, but our efficiency-enhancement program again delivered satisfactory contributions to earnings. Thanks to these measures, we managed to maintain a high level of profitability.

The takeover of the Danish Strøjer Group in the second quarter of 2023, following the acquisition of Komproment ApS in the first quarter of the year, further broadened our sustainable range of innovative façade solutions and thus increased our market shares in the Nordic countries. The acquisition of Wideco Sweden, another transaction closed in the second quarter, enlarged our portfolio of energy and water management solutions in Scandinavia to include smart mobile applications and expertise in developing innovative Internet of Things (IoT) solutions. All our acquisitions delivered satisfactory contributions to earnings in the second half of the year.

Europe East[1]

Europe East		2023	2022	Chg. in %
External Revenues	in MEUR	1,192.6	1,508.6	–21
Operating EBITDA	in MEUR	219.7	371.8	–41
EBITDA	in MEUR	216.6	373.7	–42
Operating EBITDA margin	in %	**18.4**	24.6	–

Region Europe East provides solutions for the building envelope (wall and roof), wastewater and rainwater disposal, for sanitation, heating, and cooling installations, for energy, gas, and drinking water supply systems, as well as for pavers. In 2023, external revenues dropped by 21% to € 1,192.6 million (2022: € 1,508.6 million); operating EBITDA amounted to € 219.7 million (2022: € 371.8 million).

During the 2023 business year, our Eastern European core markets were marked by high inflation and high mortgage rates. Despite evidence of a slight downward trend in inflation and interest rates as of the second half of the year, the significantly diminished real purchasing power of the public sector and of private households had a negative impact on our end markets, with new build being hit most severely. Markets in South-Eastern Europe, with both revenues and earnings on the increase, were the only ones that did not follow the general trend. Given the growing need for housing, renovation, and the expansion of water networks, measures were taken to stimulate construction activities in individual countries, such as the Czech Republic and Poland. In the Czech Republic, for example, we set ourselves apart from our competitors in that we not only provide our various solutions, but also assist clients in their applications for government grants. Moreover, we successfully entered new fields of business with our photovoltaic solutions.

Demand in the infrastructure segment remained stable overall, but the implementation of numerous projects continued to be delayed because funding from the public budget was insufficient and commercial investment projects could not be financed. In Poland and Hungary, the disbursement of EU funding was partly delayed or denied altogether, which led to a notable drop in the number of infrastructure projects implemented in these markets. In contrast, however, we recorded consistently high demand for our innovative irrigation systems.

Our pipe business in the region Europe East was equally affected by weakening demand due to a lack of finance in both the private and public sectors. Many projects were postponed, most recently on account of the early onset of harsh winter weather. At the same time, the lower raw material prices had a beneficial effect on margins.

Confronted with weakening demand, we reacted swiftly with proactive cost management measures. We adjusted the production capacity of our plants by reducing the number of shifts and requiring workers to consume their unused vacations and take time off in lieu of accumulated hours of overtime. In production planning and the scheduling of mothballing, optimized capacity utilization of the remaining plants as well as their CO_2 emissions were taken into account. Thanks to the measures taken, wienerberger succeeded in maintaining a high level of profitability and keeping its market shares stable.

1) Including our business in the emerging markets

North America

North America		2023	2022	Chg. in %
External Revenues	in MEUR	837.7	944.8	–11
Operating EBITDA	in MEUR	213.2	223.1	–4
EBITDA	in MEUR	219.8	227.3	–3
Operating EBITDA margin	in %	**25.5**	23.6	–

The region North America provides ceramic façade as well as piping solutions on both residential and commercial construction projects. The pipe business offers solutions for sustainable water supply, rainwater sewage, and environmentally conscious wastewater disposal. In 2023, we recorded external revenues of € 837.7 million (2022: € 944.8 million) while operating EBITDA amounts to € 213.2 million (2022: € 223.1 million).

In this sluggish market environment wienerberger successfully increased market shares and operating EBITDA margin from 23.6% in 2022 to 25.5% in 2023, due to proactive cost and price management. In Canada we managed to significantly increase revenues and results.

The long-term demand for housing remains at a high level. Nevertheless, demand in new build was dampened by high interest rate levels throughout 2023. This was particularly evident in the case of new residential construction, where projects have slowed, due to affordability constraints.

The successful integration of Meridian Brick allowed for a quick realization of synergies, exceeding expectations. Overall, Meridian Brick made a significant contribution to strong earnings growth in our North American façade business. Increases in manufacturing costs due to inflation were offset by forward-looking cost and price management.

In the plastic pipe business, we saw significant improvement in demand in the second half of 2023. Strong margins were supported by a disciplined approach to pricing and project selection.

Financials of the Fourth Quarter of 2023

External revenues in MEUR	**10–12/2023**	**10–12/2022**	**Chg. in %**
Europe West	487.4	599.3	–19
Europe East	259.0	321.5	–19
North America	191.9	207.6	–8
wienerberger	**938.3**	**1,128.4**	**–17**

Operating EBITDA in MEUR	**10–12/2023**	**10–12/2022**	**Chg. in %**
Europe West	59.2	98.0	–40
Europe East	41.5	60.7	–32
North America	44.9	42.6	+5
wienerberger	**145.7**	**201.3**	**–28**

Europe West

In the fourth quarter of 2023, region Europe West generated external revenues of € 487.4 million (10-12/2022: € 599.3 million) and recorded operating EBITDA of € 59.2 million (10-12/2022: € 98.0 million). Most of our Western and Northern European markets saw a stabilization of inflation due to interest rate increases by the federal banks. Additionally, fourth-quarter demand in new build was further depressed by the early onset of unusually harsh winter weather in November. Although the downturn in renovation continued, demand for our products and solutions was relatively high. We therefore continued our focus on targeted cost management and capacity adjustments throughout the fourth quarter. In infrastructure, the fourth quarter continued to be marked by a stable demand curve. Nevertheless, thanks to cost-cutting measures and the further enlargement of our product portfolio we succeeded in maintaining a stable level of profitability.

Europe East

Compared to the previous year, external revenues of region Europe East declined to € 259.0 million (10-12/2022: € 321.5 million). At € 41.5 million, operating EBITDA fell short of the previous year's value (10-12/2022: € 60.7 million). Business performance in the fourth quarter of 2023 varied from country to country. Interest rates and inflation stabilized or began to trend downward, especially in the non-euro countries of Hungary and the Czech Republic. Although demand weakened under the impact of persistently high interest rates and high inflation throughout the region, it countinues to stabilize in the fourth quarter at a lower level. The early onset of harsh winter weather, especially in Poland, meant that construction activities had to be suspended relatively early this winter. In the countries of South-Eastern Europe we successfully generated growth in revenues and earnings in both building construction and the pipe business, outperforming the results achieved in the fourth quarter of the previous year. In response to the persistently unfavorable economic environment in the fourth quarter, we continued to adjust our production capacities and adopted stringent cost management measures.

North America

In the fourth quarter of the financial year, Region North America reported external revenues of € 191.9 million (10-12/2022: € 207.6 million) and an even increased operating EBITDA compared to the fourth quarter of € 44.9 million (10-12/2022: € 42.6 million). As interest rates remained elevated, seasonal demand remained soft in the fourth quarter of 2023 for façade business. Texas continued to outperform eastern markets. As in the third quarter, the pipe solutions business saw significant improving project demand in the US resulting in very satisfying profit contribution.

Outlook 2024

2024 will again be marked by geopolitical instability and major political changes, the impact of which on our end markets in Europe and North America is extremely difficult to assess. The fact that the central banks have not raised their key lending rates since the late fall of 2023 and the noticeably lower rates of inflation are grounds for a certain degree of optimism regarding a change of trend in our European end markets, particularly in the second half of 2024.

We expect the low level of construction activity seen in the fourth quarter of 2023 to persist in the first half of 2024, and therefore project that the performance of our end markets will be below the 2023 level in the first half of the year. Demand for housing remains high in all the countries we operate in. With sluggish new-build activity, this will lead to delays in execution and a backlog of projects. Looking ahead to the second half of 2024, we anticipate a stabilization of the situation or even a slight upswing in the residential new-build markets.

Compared to new build, we expect to see a more stable development in renovation and infrastructure. In the infrastructure segment, in particular, this assumption is supported by a further slight upturn of activities in 2024.

Success with Terreal

After receiving all approvals, the acquisition of Terreal was completed on February 29, 2024. The takeover of this successful European provider of innovative roofing and solar solutions will significantly expand our footprint in repair and renovation and position us as the leading European pitched-roof expert. Overall, the transaction covers almost 3,000 employees and 28 production sites and is expected to generate annual revenues of approximately € 740 million. Thanks to the preparatory measures already taken, we have now begun the rapid and efficient integration of Terreal and are creating a strong platform for further growth.

Measures in 2024

In the field of ESG, we have set ourselves ambitious targets for the 2026 Sustainability Program and will start working on their achievement in 2024. Measures aimed at reducing CO_2 emissions, lowering our energy input, and developing further innovative and energy-efficient product solutions have already been initiated. Our cost-saving and optimization programs will be stepped up and are set to continue contributing to earnings growth in the future. Price increases in the range of 1 to 2% are to cover the anticipated cost inflation of 2 to 3%, and maintain our EBITDA margin at a high level of around 19%.

Based on these assumptions, we expect to generate EBITDA of between EUR 860 to 890 million in 2024, including contributions from the Terreal Group.

Additional Information about the Company

Research and Development

Research and Development (R&D) are of central strategic importance for wienerberger, as they enable us to take the lead in terms of costs and technology and strengthen our position in the long term through product innovations. Our primary focus is on creating benefit for the users of our products and on meeting all requirements in terms of sustainability. Our R&D activities are fundamental to the achievement of our ambitious targets regarding decarbonization, biodiversity, and the circular economy. Moreover, the development of new materials, products, and innovative, ecological system solutions, the optimization of existing production technologies and the development of new ones, the digitalization of processes, and the continued transition to Industry 4.0 are among our central action areas.

Strategic R&D projects are managed centrally, but generally implemented at the local level. To this end, wienerberger operates several research centers in a number of countries, each of them specializing in a specific product group. Within the framework of demonstration projects, new technologies are first tested for their potential benefit and their added value for customers. Successful ideas are then quickly rolled out across the entire Group via our platforms.

Innovations, system solutions, and efficient use of resources

One of the priorities of our research activities is to continuously optimize the properties of building materials and the use of resources, combined with the development of new solutions, in order to meet the steadily increasing demands on building materials in terms of energy efficiency, their CO_2 footprint, earthquake resistance, and structural properties. Moreover, we focus on enhancing existing and new products by adding smart and/or digital functionalities. Our goal is to develop solutions that enable environment-friendly, fast, and easy installation of our products on the construction site, contribute to climate protection and the energy efficiency of buildings, and create added value for our customers. It goes without saying that all our R&D activities are completely in line with our ambitious ESG targets.

Becoming a CO_2-neutral provider of building materials

In pursuit of the goal of circularity, our new products are designed for reuse or recycling. Moreover, we are making every effort to ensure that all our products advance the target of decarbonization throughout their life cycle and thus reduce the entire Group's CO_2 footprint. With their positive properties as a natural, energy-efficient building material, our bricks contribute to environmental protection and ensure a pleasant and healthy indoor climate in summer as well as in winter.

Our research priorities in ceramic production include the use of alternative energy sources (electrification of processes, possible use of hydrogen or "green" gas), the reduction of energy consumption in the drying and firing processes, and the optimized use of raw material resources through product developments and new formulations.

Additionally, we are continuously investing in the automation of production processes and the introduction of novel production technologies. As a technology and innovation leader, wienerberger is developing building materials and services for the future, including solutions for the entire building envelope. By reducing the weight of our products, enhancing the efficiency of our production processes, and optimizing the physical properties of our products, we have succeeded in improving thermal insulation by almost one third, reducing energy consumption in production, and enabling the construction of substantially thinner walls.

In the course of our ongoing innovation efforts, we are intensively exploring the possibilities of mobile masonry robots and prefabrication. In times of digitalization, high demand for affordable housing, and the growing shortage of skilled labor, the entire construction sector is confronted with major challenges. As the innovation leader of our industry, we see great potential for automation in both prefabrication and the execution of construction projects. We want to offer our customers product solutions that not only accelerate and facilitate construction work, but also reduce costs and, at the same time, offer the advantage of increased safety, efficiency and quality. To this end, we are cooperating with well-established businesses, start-ups, and universities. Among other solutions, the first prototype of an innovative masonry robot for use on construction sites has been designed on this basis. The objective is to develop this solution to market maturity in response to the increasing shortage of skilled labor on construction sites.
In the plastic pipe segment, we have continuously optimized our products and further increased the share of recycled raw materials used in production. With this development, we are actively contributing toward improving the CO_2 balance across the entire product life cycle and ensuring full circularity. This

process was accompanied by regular quality control measures and numerous tests of the composition of the pipe material to ensure a consistently high level of product quality. Moreover, we are continuously working on our infrastructure solutions in the field of water management to prevent a shortage of this invaluable resource. In the field of energy, we are making every effort to promote the use of renewable energy sources. The smart rainwater management system developed by Pipelife, our wholly- owned subsidiary, is a noteworthy example: It is made entirely from secondary raw materials and optimizes rainwater management on sealed surfaces. Another example is our Preflex Spider, a prefabricated, tailor-made electrical installation ideally suited to increase the efficiency of construction site work.

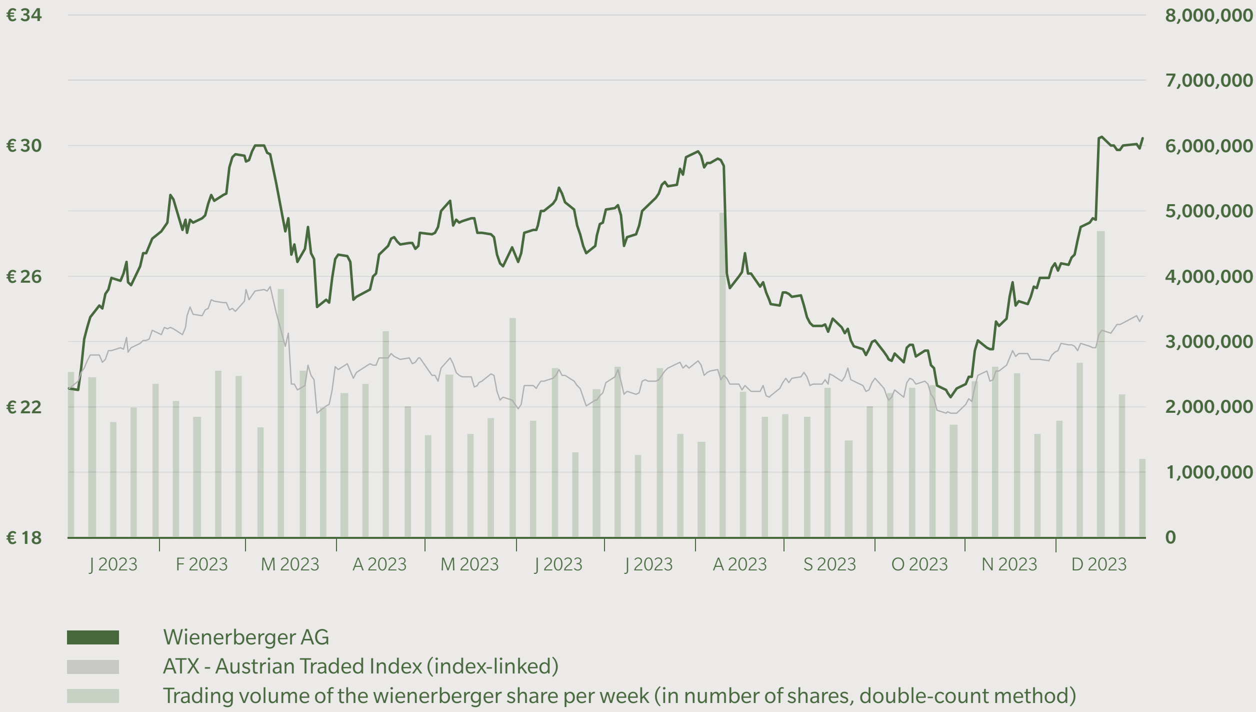
Ceramic pipe production is another area where we are continuously improving our processes. Pipes of the Steinzeug-Keramo brand, produced exclusively from natural, reusable raw materials, are 100% recyclable at the end of their useful life.

Our response to current challenges – be it climate change, the shortage of skilled labor or the scarcity of resources – is innovation. Our vision is to improve people's quality of life with our smart building and infrastructure solutions. One third of wienerberger's revenues are already accounted for by innovative products and services. Our goal for the future is to maintain this share at such high level throughout the Group. Regular information on current topics in the field of research and development is provided on our website.

wienerberger Share and Shareholders

Wienerberger AG is listed in the Prime Market segment of the Vienna Stock Exchange with no-par-value bearer shares. There are neither preferred shares or registered shares nor any restrictions on common stock. The "one share – one vote" principle therefore applies in full. In the USA, Wienerberger AG trades on the OTC market via an ADR Level 1 Program of the Bank of New York. With a market capitalization of € 3,377 million and a weighting of 6.0% in the ATX at the end of 2023, wienerberger is one of the seven largest listed companies in Austria.

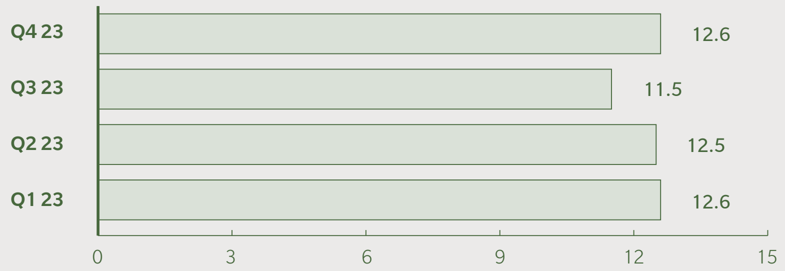
Development of the share price



The wienerberger share opened the 2023 trading year at a share price of € 22.56, i.e. the closing price of a volatile prior year. The ongoing war in Ukraine, massive price increases, especially for fuels such as oil and gas, as well as further interest rate hikes depressed stock market sentiment in 2022. However, the downward trend seen in the final weeks of 2022 came to an end at the beginning of 2023 and the wienerberger share performed well in a friendly market environment. With price gains during the first months of trading, the share reached its first annual high of € 29.98 on March 3, 2023. However, starting in mid-March, the loss of confidence in banks due to events concerning the Silicon Valley Bank and Credit Suisse, alongside persistently high inflation rates and expectations of further interest rate hikes, led to share price drops on the global stock markets. The wienerberger share was not immune to this negative trend, but its price recovered during the following months, soaring to € 29.82 at the end of July and almost matching its previous annual high. However, owing to the muted economic mood increasingly seen in wienerberger's end markets, a massive downward trend set in before long and the wienerberger share price fell to its annual low of € 22.30 on October 25. During the final months of the year, expectations of economic recovery and an associated end to interest rate hikes had a positive impact on the stock market climate. Friendly market sentiment combined with wienerberger's strong third-quarter results led a notable uptick in the share price. The wienerberger share, trading at € 30.22, reached another annual high at year end and closed the year with a price gain of 34%. A comparison with the ATX, the lead index of the Vienna Stock Exchange, which gained 9.9% in the reporting year, shows that the wienerberger share outperformed the index by 24.1 percentage points.

Based on the current forecast for the development of business, the Managing Board will propose to the 155th Annual General Meeting on May 7, 2024, that a dividend of € 0.90 per share be paid out. The dividend payout of € 100.3 million corresponds to a payout ratio of 37% of the free cash flow. Based on the year-end share price of € 30.22, this represents a dividend yield of 3.0%.

Liquidity in MEUR[1)]



1) ø Stock exchange turnover of the wienerberger share per day (double-count method)

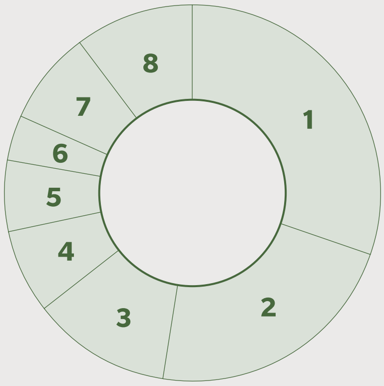
Key Data per Share		**2023**	**2022**	**Chg. in %**
Earnings	in EUR	3,17	5.17	–39
Adjusted earnings	in EUR	3.33	5.34	–38
Dividend	in EUR	0.90	0.90	0
Free cash flow [1)]	in EUR	2.44	5.44	–55
Equity [2)]	in EUR	25.17	22.30	+13
Share price high	in EUR	30.26	34.04	–11
Share price low	in EUR	22.30	18.98	+17
Share price at year-end	in EUR	30.22	22.56	+34
P/E ratio high		9.55	6.58	–
P/E ratio low		7.03	3.67	–
P/E ratio at year-end		9.53	4.36	–
Shares outstanding (weighted) [3)]	in 1,000	105,582	109,884	–4
Market capitalization at year-end	in MEUR	3,376.6	2,520.7	+34
Ø Stock exchange turnover/day [4)]	in MEUR	**12.3**	15.9	–23

1) Cash flow from operating activities less cash flow from investing activities and outflow from the redemption of liabilities from leases plus special capex and net outflow for acquisitions // 2) Equity including non-controlling interests, excluding hybrid capital // 3) Adjusted for treasury shares // 4) Double-count method

Shareholder structure

wienerberger is a pure free float company and has no core shareholder. 100% of its shares are publicly traded. The group's widely diversified shareholder structure is typical of a publicly traded company with international operations. The most recent survey of the shareholder structure performed in November 2023 showed that 15% of wienerberger shares are held by private investors. The large majority is held by institutional investors, more than half of them based in the Anglo-Saxon region, i.e. North America (35%) and Great Britain (22%). The remaining shares are held mainly by Continental European investors.

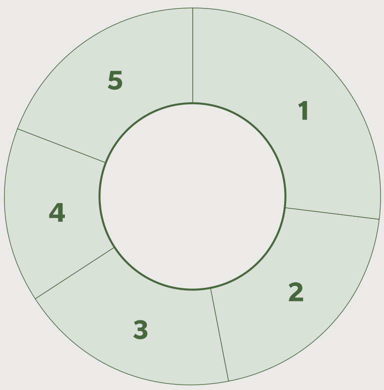
Shareholder Structure by Country (Institutional Investors)



1	USA	30%
2	Great Britain	22%
3	France	12%
4	Austria	7%
5	Germany	6%
6	Scandinavia	4%
7	Rest of Europe	8%
8	Rest of the World	10%

An analysis of the various strategies pursued by institutional investors shows that value-oriented investors dominate at a rate of 27%, followed by GARP investors and growth-oriented investors (20% and 19% respectively).

Shareholder Structure by Investor Type (Institutional Investors)



1	Value	27%
2	GARP	20%
3	Growth	19%
4	Index	15%
5	Other	19%

Pursuant to sections 130 to 134 of the Austrian Stock Exchange Act, which provides for mandatory reporting of significant holdings, the following notifications were received from shareholders as at the end of 2023: More than 5% of wienerberger shares have been held by FMR LLC (Fidelity), based in the USA, since August 22, 2022. Each of the following shareholders own more than 4% of wienerberger shares: Impax Asset Management Group plc, based in Great Britain, since February 27, 2023; Marathon Asset Management Limited, based in Great Britain, since November 28, 2023; Klaus Umek, Petrus Advisers Investments Rund L.P., based in Great Britain, since December 7, 2023. The share capital of Wienerberger AG is comprises of 111,732,343 no-par-value and 6,339,332 treasury shares (= approx. 5.7% of the share capital).

Investor Relations

In the course of our intensive investor relations activities, we are making every effort to establish long-term relations and engage in continuous exchanges with investors, analysts, and banks. The crucial goalin investor relations is to ensure the highest possible degree of transparency through ongoing, open, and active communication. To meet these demanding requirements in an era marked by geopolitical crises, wienerberger relies not only on personal contacts, but also on digital communication channels to respond to enquiries quickly and to inform the financial market about current developments in our markets through regular conference calls. We also participated in numerous roadshows and investor conferences, both virtually and within the framework of on-site meetings. In the year under review, the Managing Board and the Investor Relations team were in direct contact with investors and analysts from all over the world more than 600 times, informing them about our key financials, the company's operational and strategic developments, and current ESG (environmental, social, governance) topics.

The fact that Wienerberger is covered by a number of renowned Austrian and international investment banks ensures the visibility of the wienerberger stock among the financial community. As of February 2024, the wienerberger share is being covered by 13 analysts.

Disclosures on capital, shares, voting rights, and rights of control

The 153rd Annual General Meeting held on May 3, 2022, authorized the Managing Board to buy back own shares of up to 8% of the share capital during a period of 30 months, without further resolution by the Annual General Meeting.

The Managing Board made use of this authorization and carried out a share buyback programme of up to 1,000,000 treasury shares (= 0.9% of the share capital) in the period from 31 March 2023 to 3 May 2023. A total of 976,600 treasury shares (= approx. 0.87% of the share capital) with a total value of € 26 million were bought back at a weighted average price of € 26.62 per share.

The 153rd Annual General Meeting held on May 3, 2022, authorized the Managing Board for a period of five years, with the approval of the Supervisory Board and without further resolution by the Annual General Meeting, to sell or use treasury shares other than over the stock exchange or through a public offering, subject to the provisions, mutatis mutandis, regarding the exclusion of shareholders' subscription rights, and to set the terms and conditions of the sale.

On 3 April 2023, the Managing Board made use of this authorization and used 387,440 treasury shares (= 0.35% of the share capital) at an agreed equivalent value of € 26 per share (= € 10,073,440 total value) as an additional non-cash transaction currency for the acquisition of the Danish Strøjer Group. In addition, a further 6,099 treasury shares (= approx. 0.005% of the share capital) were used on 27 December 2023 at a transaction price of € 29.98 (= € 182,848 total value) to implement an employee share participation program in North America.

The 150th Annual General Meeting held on May 6, 2019, resolved on an authorized capital of € 17,452,724 million (=15% of the share capital) through the issue of up to 17,452,724 new no-par-value shares over a period of five years. The shareholders' statutory subscription rights can be excluded under certain conditions. However, the total number of shares issued subject to the exclusion of subscription rights must not exceed 5,817,574 (=5% of the share capital). The Managing Board has not made use of this authorization to date.

Change of control clauses are included in the employee contracts of the members of the Managing Board, the terms of the 2018, 2020 and 2023 corporate bonds, and several syndicated loans and other loans.

Further disclosures on the composition of wienerberger's capital, the types of shares, rights and restrictions, as well as the powers of the Managing Board to issue, buy back or sell shares are contained in the Notes to the Consolidated Financial Statements under Note 28 (Group Equity) starting on page 265.

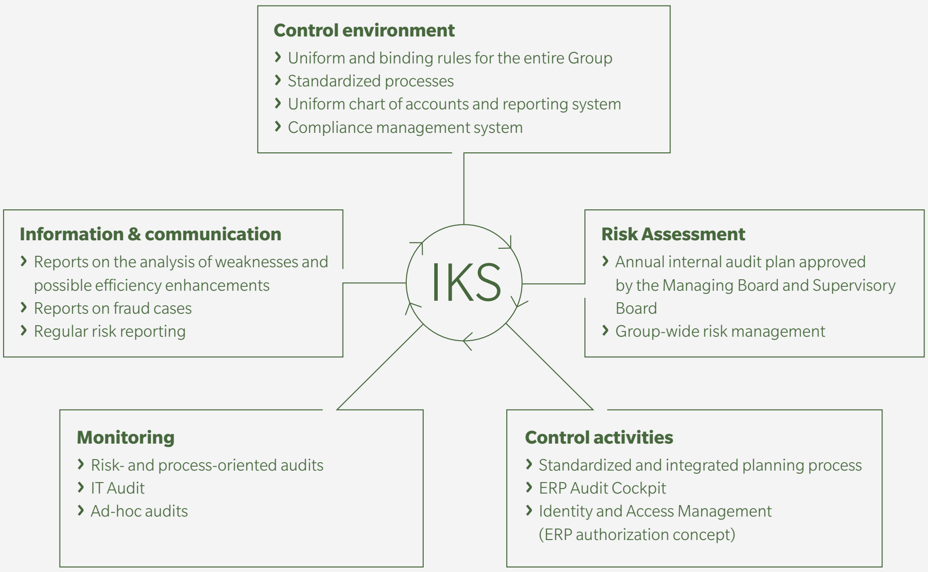
Risk Management and the Internal Control System

Our international operations not only offer great opportunities, but are also associated with short-, medium-, and long-term risks. wienerberger has therefore established an effective risk management system, which identifies existing risks and counters them in a structured process through prevention, reduction and transfer. Our risk awareness is taken into account in all strategic decisions. Purely operational risks are considered acceptable, whereas taking risks beyond the scope of operational business is not permitted.

As a leading provider of innovative and ecological solutions for the entire building envelope, we voluntarily undertake to present a transparent overview not only of climate-related opportunities, but also of the associated risks. The identification and analysis of climate-related risks is part of Wienerberger Group's comprehensive risk management approach. Since 2020, we have therefore supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as regards the identification, analysis, and assessment of physical and transitional risks in connection with the impact of the transition to a low-carbon economy (e.g. reputational risks, regulatory risks, market risks, and technology risks). For a detailed disclosure of our TCFD-related risk management, please refer to pages 130-142 in the annual report.

The internal control system (ICS) of Wienerberger AG plays a special role in risk management. Based on the standards of the internationally recognized framework for internal control systems (issued by COSO), the ICS provides the management with a comprehensive tool for the analysis and/or prevention of uncertainties and risks arising from the company's essential business activities. Rules and controls applicable throughout the Group and across its operating segments are set by the Managing Board. In accordance with the decentralized structure of wienerberger, responsibility for implementing the ICS lies with the respective local management. Internal Audit assumes a steering, communication, and monitoring function. To provide reasonable assurance regular audits are performed at the local sites.

The ICS comprises a system of measures and processes covering the following areas:



Control environment

- Uniform and binding rules for the entire Group
- Standardized processes
- Uniform chart of accoutns and reporting system
- Compliance management system

The control environment forms the basis for standardization and harmonization processes across the Group. As regards accounting, the Managing Board has established a group-wide policy with uniform and binding rules to be followed in the preparation of annual and interim financial statements. Business transactions are recorded by means of standardized processes based on a uniform Group chart of accounts. wienerberger's consolidated annual financial statements as well as its interim financial statements are prepared in accordance with IFRS in a fast-close process. The financial statements of all subsidiaries are audited by the finance and controlling departments, consolidated, and finally approved by the Managing Board of Wienerberger AG for submission to the Supervisory Board.

wienerberger's compliance management system consists of a set of rules designed to support employees in complying with the Group's ethical and legal standards. It applies to all employees working for Wienerberger. If national legislation provides for stricter rules, the latter take precedence. As clear rules are indispensable for the prevention of misconduct, Wienerberger implemented anti-bribery and anti-corruption policies, a policy regarding compliance with anti-trust law, export controls (lists of sanctions), as well as capital market and data privacy rules. The compliance management system is continuously adapted to changes in legislation. The policies are communicated to all relevant employees on a regular basis. Training sessions are organized and documented. Additional controls have been introduced at Group level to inform and support the local management in matters of compliance. Internal Audit regularly verifies compliance with the rules and policies in effect.

In accordance with its ESG strategy, wienerberger established its own Code of Conduct. The Code of Conduct is designed as a binding guideline setting out clear and uniform rules for employees, business partners, and suppliers. It also refers to the aforementioned internal corporate policies.

Risk assessment

- Annual internal audit plan approved by the Managing Board and the Supervisory Board
- Group-wide risk management

To manage the group-wide risks, we aim to identify risks as early as possible and counteract them through appropriate measures in order to minimize deviations from our goals. The respective risk owners within our experienced international teams are in charge of the

- identification
- analysis
- assessment
- management
- monitoring

of risks. To this end, surveys are conducted twice a year at top and senior management level, involving the members of the Managing Board, the regional managers and the heads of Corporate Functions, in order to update existing risks and identify new ones. Risks are identified and assessed proactively through interviews, workshops, and scenario analyses. Subsequently, the risks identified are analyzed and broken down into strategic and operational risks along the entire value chain and assigned to the risk owners. Risks are assessed on the basis of their probability of occurrence and the potential impact on the free cash flow. Different time horizons are taken into consideration for risk assessment, ranging from short-term (up to one year) to medium-term (one to five years) to long-term (five to 25 years) periods. These horizons were determined by the management and correspond to the annual planning process.

The effects on the free cash flow are classified in four categories – negligible (<€ 5 million), marginal (€ 5-50 million), significant (€ 50-100 million), and critical (>€ 100 million) – which are adapted to the business performance of the respective year and approved by the Managing Board.

Besides strategic risks, the major risks for the wienerberger are procurement, production, market and price risks, financial and legal risks, and climate-related risks. The risks identified are compared with the materiality matrix in order to ensure consistency of the internal risk assessment and alignment with the expectations of external stakeholder groups. For a detailed information on all types of risk, please refer to the Risk Report starting on page 285.

The most important instruments for risk monitoring and risk management are the planning and controlling processes, Group policies, regular reporting of financial and non-financial indicators, and the diversification of risks through our portfolio approach.

Most of the risks identified are addressed and monitored within the framework of established internal processes of corporate management. In particular, local companies only take on risks arising from their operational business, which are analyzed by the respective risk owners within the business unit concerned and weighed against the potential gains. In addition, operational risks, financial risks and legal and compliance risks are managed, monitored and mitigated not only by the regional managers, but also centrally by the holding company. Another risk class includes material risks with a low probability of occurrence. These are continually monitored, assessed, and addressed through predefined defensive measures on a timely basis, whenever need arises.

Internal Audit draws up an annual, risk-oriented audit plan, which is approved by the Managing Board and the Audit and Risk Committee of the Supervisory Board. The risk indicators used as a basis for the audit plan include financial indicators, such as revenues, EBITDA, ROCE, internal indicators, such as the number of employees, whistleblower statistics, the findings of earlier internal audit reports, as well as the corruption perception index (CPI). The IT audit plan is based on a risk assessment process for the identification of risks in connection with the loss of confidentiality, integrity, and availability of information within the framework of relevant information systems. In the course of the year, Internal Audit regularly reports to the Managing Board and the Audit and Risk Committee on the audits performed, the results obtained, and the degree of implementation of the findings.

The Group auditor annually evaluates the functionality of the wienerberger risk management system and reports the outcome to the Managing Board and Supervisory Board. The functionality of the risk management system was reviewed and confirmed by the Group auditor in 2023. In addition, the Group auditor includes individual internal controls in sub-areas of the accounting process in the audit to the extent that he considers this necessary for his audit opinion.

Control activities

- Standardized and integrated planning process
- Risk and control matrix
- Identity and Access Management (ERP – authorization concept)

The controlling activities include an annual planning process that is based on an integrated bottom-up planning approach. The planning process covers the budgeting of profit and loss, the balance sheet, and the cash flows as well as industry specific KPIs of the following business year, as well as a medium-term plan for a horizon of four years. The monthly comparison of actual results with the forecasts for the respective period is an essential element of the internal control and risk management system. In addition, all subsidiaries prepare updated forecasts of their expected annual results three times a year.

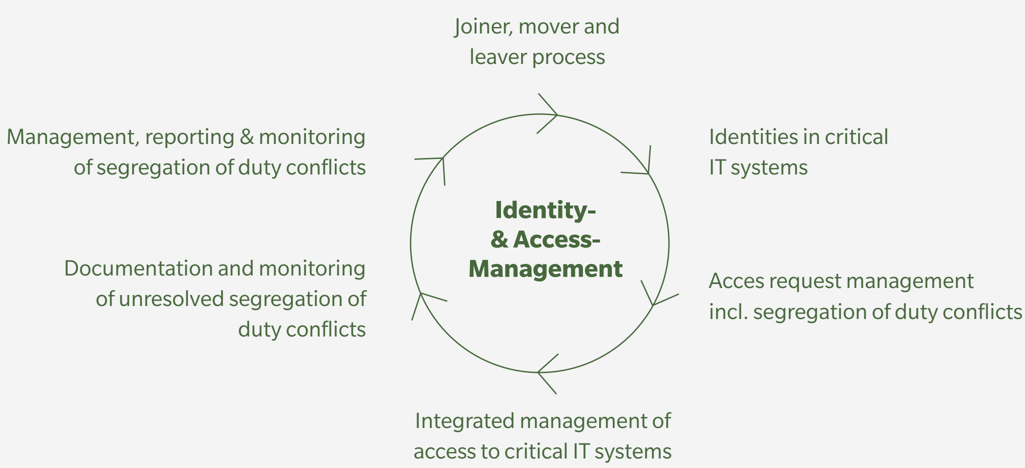
In order to strengthen, formalize, and document the internal control system, a risk and control matrix with more than 580 controls, therof 35 key controls, broken down into about 12 main processes and over 178 sub-processes, was designed and introduced. Once every six months, the local management evaluates and documents the status of implementation of selected key controls. Internal Audit regularly reviews this self-evaluation and assesses the degree of maturity of the respective key controls.

As a further control instrument, a fully integrated governance, risk and compliance (GRC) system has been established. At its core, there is an identity and access management system. It comprises a complete joiner, mover and leaver process, which ensures that all identities and their assigned critical IT access rights within the organization are always up to date. The system has been integrated throughout the Group.

Through the identification of segregation of duty conflicts beyond the ERP system, excessive IT access rights as well as segregation of duty breaches across different applications can be restricted already at the stage of access request management.

If segregation of duty conflicts are nevertheless permitted for operational necessary reasons, they require approval and must be monitored by subsequent inspections. Such mitigating controls are performed by and documented in the identity and access management system. Additionally, the system provides for reporting options for the management to verify the controls performed.

Based on this governance, risk and compliance solution, an integrated process has been established. It ranges from the identification and communication of critical single access rights and segregation of duty conflicts to their control and documentation



Monitoring

- Risk and process oriented audit
- IT audit
- Ad-hoc audit

The organizational and management structures of Wienerberger AG and its companies are clearly defined. Responsibilities for the process of monitoring risk management are determined and clearly segregated. A detailed description of the internal organizational structure can be found starting on page 42.

The risk-oriented audit plan is based on regularly updated key financial figures, internal KPIs such as the number of employees, occupational accidents and whistleblower statistics, as well as external information such as the Corruption Perception Index. At predefined intervals - every three to five years, depending on the risk assessment - Internal Audit not only reviews compliance with the ICS in each Group company, but also analyzes operational processes with regard to their risk propensity and potential efficiency improvements. Depending on a revolving risk assessment, such audits are performed every three to five years. Moreover, Internal Audit verifies compliance with legal provisions and internal policies, thus acting as the central monitoring body of the internal control system. The information systems and the IT controls performed are checked against the IT / security requirements of the organization laid down in its information security management system.

In addition to its risk- and process-oriented audits, Internal Audit also performs ad-hoc and special audits if so requested by the management.

Information and Communication

- Reports on the analysis of weaknesses and efficiency enhancements
- Report on fraud cases
- Regular risk reporting

Twice a year, a structured risk management process takes place. In the course of this process, the risk management team supports the individual business areas through proactive interviews and workshops aimed at identifying and assessing their respective risks. The results and the related recommendations and measures are summarized and transmitted to the Managing Board, the Supervisory Board, and the external auditor of the Group. The most significant risks and mitigating measures are also explained and discussed before the Audit and Risk Committee.

Risk reports are submitted as follows:

- Standardized – structured risk management process in the form of interviews and workshops
- Regular – embedded in the Group's existing reporting channels
- Ad hoc – for instant communication of changing or new risks

Within the framework of the other information and communication duties of the ICS, Internal Audit and Group Reporting regularly report to the Audit and Risk Committee on material accounting and valuation procedures, the impact of newly adopted IFRS rules on the consolidated financial statements, major changes in the accounting process, and findings from risk management. Moreover, the Audit and Risk Committee is regularly informed of audit findings by the Internal Audit department, relevant implementation activities, and measures to eliminate weaknesses identified in the ICS.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

Notes	in TEUR	2023	2022
(8)	Revenues	4,224,340	4,976,732
(9–11, 13–15)	Cost of goods sold	–2,611,733	–3,029,434
	Gross Profit	**1,612,607**	**1,947,298**
(9–11, 13–15)	Selling expenses	–783,222	–859,018
(9–11, 13–15)	Administrative expenses	–330,594	–327,795
(10, 14, 15)	Other operating income		
	Other	88,961	66,753
(10, 13, 15)	Other operating expenses		
(10)	Impairment charges to assets	**–17,342**	–18,389
	Other	**–93,101**	–87,656
	Operating profit/loss (EBIT)	**477,309**	**721,193**
(2)	Income from investments in associates and joint ventures	–337	6,563
(16)	Interest and similar income	20,172	6,234
(16)	Interest and similar expenses	–76,304	–48,495
(16)	Other financial result	3,483	2,851
	Financial result	**–52,986**	**–32,847**
	Profit/loss before tax	**424,323**	**688,346**
(17)	Income taxes	–89,208	–119,800
	Profit/loss after tax	**335,115**	**568,546**
	Thereof attributable to non-controlling interests	755	635
	Thereof attributable to equity holders of the parent company	**334,360**	**567,911**
(18)	Earnings per share (in EUR)	3,17	5,17
(18)	**Diluted earnings per share (in EUR)**	**3,17**	**5,17**

Consolidated Statement of Comprehensive Income

Notes	in TEUR	2023	2022
	Profit/loss after tax	**335,115**	**568,546**
	Foreign exchange adjustments	–16,590	–14,478
	Foreign exchange adjustments to investments in associates and joint ventures	–45	46
	Changes in hedging reserves	–9,058	29,871
	Items to be reclassified to profit or loss	**–25,693**	**15,439**
(30)	Actuarial gains/losses	1,781	8,354
	Actuarial gains/losses from investments of associates and joint ventures	177	301
	Items not to be reclassified to profit or loss	**1,958**	**8,655**
	Other comprehensive income	**–23,735**	**24,094**
	Total comprehensive income after tax	**311,380**	**592,640**
	Thereof comprehensive income attributable to non-controlling interests	696	671
	Thereof comprehensive income attributable to equity holders of the parent company	**310,684**	**591,969**

Consolidated Balance Sheet

Notes	in TEUR	2023	2022
	Assets		
(22)	Intangible assets and goodwill	854,891	846,770
(22)	Property, plant and equipment	2,365,369	2,268,885
(22)	Investment property	44,233	37,921
(23)	Investments in associates and joint ventures	15,773	20,420
(23, 26)	Other financial investments and non-current receivables	43,013	23,371
(31)	Deferred tax assets	44,919	61,754
	Non-current assets	**3,368,198**	**3,259,121**
(24)	Inventories	1,153,763	1,036,211
(25)	Trade receivables	306,780	374,514
(26)	Receivables from current taxes	29,097	12,488
(26)	Other current receivables	98,631	120,865
(25, 35)	Securities and other financial assets	72,406	72,896
(19–21)	Cash and cash equivalents	414,106	300,031
	Current assets	**2,074,783**	**1,917,005**
(27)	**Non-current assets held for sale**	**25,605**	**23,131**
	Total assets	**5,468,586**	**5,199,257**
	Equity and liabilities		
	Issued capital	111,732	111,732
	Share premium	987,031	983,995
	Retained earnings	1,921,571	1,677,900
	Other reserves	–218,652	–194,977
	Treasury shares	–146,247	–129,799
	Controlling interests	**2,655,435**	**2,448,851**
	Non-controlling interests	2,266	1,571
(28)	**Equity**	**2,657,701**	**2,450,422**
(31)	Deferred taxes	100,537	100,674
(30)	Employee-related provisions	69,468	73,869
(29)	Other non-current provisions	103,509	103,264
(32, 35)	Long-term financial liabilities	1,274,574	1,245,062
(32)	Other non-current liabilities	23,313	15,508
	Non-current provisions and liabilities	**1,571,401**	**1,538,377**
(29)	Current provisions	76,989	60,801
(32)	Payables for current taxes	30,593	49,636
(32, 35)	Short-term financial liabilities	426,644	207,157
(32)	Trade payables	330,074	439,567
(32)	Other current liabilities	363,671	438,537
	Current provisions and liabilities	**1,227,971**	**1,195,698**
	Liabilities directly associated with assets held for sale	**11,513**	**14,760**
	Total equity and liabilities	**5,468,586**	**5,199,257**

Consolidated Statement of Cash Flows

Notes	in TEUR	2023	2022
	Profit/loss before tax	424,323	688,346
(10)	Depreciation and amortization	286,791	276,257
(10)	Impairment charges to assets and other valuation effects	33,850	49,508
(29, 30)	Increase/decrease in non-current provisions	–5,245	–18,245
(2)	Income from investments in associates and joint ventures	337	–6,563
	Gains/losses from the disposal of fixed and financial assets	–13,194	–26,145
(16)	Interest result	56,132	42,261
	Interest paid	–63,442	–42,222
	Interest received	15,159	2,776
	Income taxes paid	–115,370	–91,364
	Other non-cash income and expenses	–10,887	3,753
	Gross cash flow	**608,454**	**878,362**
	Increase/decrease in inventories	–119,895	–171,285
	Increase/decrease in trade receivables	69,895	–34,242
	Increase/decrease in trade payables	–115,237	19,934
	Increase/decrease in other net current assets	–33,264	31,035
(19)	**Cash flow from operating activities**	**409,953**	**723,804**
	Proceeds from the sale of assets (including financial assets)	35,162	65,428
	Payments made for property, plant and equipment and intangible assets	–271,590	–352,573
	Payments made for investments in financial assets	–21,478	0
	Dividend payments from associates and joint ventures	2,194	3,216
	Increase/decrease in securities and other financial assets	–3,828	–8,521
	Net payments made for the acquisition of companies	–63,415	–52,447
	Net proceeds from the sale of companies	0	12,100
(20)	**Cash flow from investing activities**	**–322,955**	**–332,797**
(21)	Cash inflows from the increase in short-term financial liabilities	534,441	116,732
(21)	Cash outflows from the repayment of short-term financial liabilities	–661,315	–220,016
(21)	Cash inflows from the increase in long-term financial liabilities	346,229	15,434
(21)	Cash outflows from the repayment of lease liabilities	–59,731	–63,627
(28)	Dividends paid by Wienerberger AG	–94,848	–83,871
(28)	Purchase of treasury shares	–26,018	–213,445
(21)	**Cash flow from financing activities**	**38,758**	**–448,793**
	Change in cash and cash equivalents	**125,756**	**–57,786**
	Effects of exchange rate fluctuations on cash held	–8,720	–64
	Cash and cash equivalents at the beginning of the period	306,457	364,307
	Cash and cash equivalents at the end of the period [1]	**423,493**	**306,457**

1) Cash and cash equivalents of TEUR 9,387 were recognized in the consolidated balance sheet as non-current assets held for sale

Consolidated Statement of Changes in Equity

Notes	in TEUR	Issued capital	Share premium	Retained earnings	Other reserves: Actuarial gains/ losses	Other reserves: Hedging reserve	Other reserves: Currency translation	Treasury shares	Controlling interests	Non-controlling interests	Total
	Balance on 31/12/2021	**115,188**	**1,069,751**	**1,189,703**	**–62,910**	**77,778**	**–233,903**	**–7,439**	**2,148,168**	**900**	**2,149,068**
	Profit/loss after tax			567,911					567,911	635	568,546
	Foreign exchange adjustments						–14,514		–14,514	36	**–14,478**
	Foreign exchange adjustments to investments in associates and joint ventures						46		46		**46**
	Changes in hedging reserves					29,871			29,871		**29,871**
	Changes in other reserves				8,655				8,655		**8,655**
	Other comprehensive income				8,655	29,871	–14,468		24,058	36	24,094
	Total comprehensive income			**567,911**	**8,655**	**29,871**	**–14,468**		**591,969**	**671**	**592,640**
(28)	Dividend/hybrid coupon payment			–83,871					–83,871		–83,871
	Effects from hyperinflation (IAS 29)			4,679					4,679		4,679
(11, 28)	Changes in stock option plan		1,351						1,351		1,351
(11, 28)	Purchase of treasury shares							–213,445	–213,445		–213,445
	Retirement of treasury shares	–3,456	–87,107	–522				91,085	0		0
	Balance on 31/12/2022	**111,732**	**983,995**	**1,677,900**	**–54,255**	**107,649**	**–248,371**	**–129,799**	**2,448,851**	**1,571**	**2,450,422**
	Profit/loss after tax			334,360					334,360	755	335,115
	Foreign exchange adjustments						–16,530		–16,530	–60	**–16,590**
	Foreign exchange adjustments to investments in associates and joint ventures						–45		–45		**–45**
	Changes in hedging reserves					–9,058			–9,058		**–9,058**
	Changes in other reserves				1,958				1,958		**1,958**
	Other comprehensive income				1,958	–9,058	–16,575		–23,675	–60	–23,735
	Total comprehensive income	**0**	**0**	**334,360**	**1,958**	**–9,058**	**–16,575**	**0**	**310,685**	**695**	**311,380**
(28)	Dividend payment			–94,848					–94,848		–94,848
	Effects from hyperinflation (IAS 29)			4,218					4,218		4,218
(11, 28)	Changes in stock option plan		2,059						2,059		2,059
(11, 28)	Purchase of treasury shares							–26,018	–26,018		–26,018
(11, 28)	Sale of treasury shares		977	–59				9,570	10,488		10,488
	Balance on 31/12/2023	**111,732**	**987,031**	**1,921,571**	**–52,297**	**98,591**	**–264,946**	**–146,247**	**2,655,435**	**2,266**	**2,657,701**

Notes to the Consolidated Financial Statements

General Information

1. Basis for the preparation of the consolidated financial statements

Wienerberger AG, which is headquartered in Vienna, Austria, is the parent company of an international group of companies providing innovative, ecological solutions for the entire building envelope, in the fields of new buildings and renovations, as well as infrastructure in water and energy management whose business activities are categorized into three segments according to management responsibilities: Europe West, Europe East, and North America. The address of Wienerberger AG is Wienerbergerplatz 1, 1100 Vienna, Austria.

The consolidated financial statements were prepared pursuant to § 245a of the Austrian Commercial Code and in accordance with the International Financial Reporting Standards (IFRS) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) published by the International Accounting Standard Board (IASB) as of the balance sheet date and adopted by the European Union (EU). Independent auditors have audited the annual financial statements of all major Austrian and foreign Group companies to confirm their compliance with the International Financial Reporting Standards as applicable within the EU.

In principle, the annual financial statements are based on historical acquisition and production costs and were prepared as of the balance sheet date, the only exception being certain financial instruments, such as derivatives and equity instruments, which are accounted for at fair value. Deferred taxes are determined based on the concept of temporary differences and re-evaluated on every balance sheet date. In addition, defined benefit pension and severance compensation plans are recognized and measured according to the projected unit credit method. The income statement is prepared in accordance with the cost of sales method; the reconciliation to the total cost method is provided in the Notes.

With few marked exceptions, the consolidated financial statements are presented in thousand euros.

2. Consolidated companies

The list of companies enclosed at the end of the Notes provides an overview of the fully consolidated subsidiaries, joint ventures and associates included at equity, and investments that are not consolidated for materiality reasons. The following table shows the changes in the scope of consolidation of wienerberger during the reporting year and comprises subsidiaries as well as associates and joint ventures accounted for at equity:

Consolidated companies	Full Consolidation	Equity consolidation and Quota consolida-tion
Balance on 31/12/2022	**158**	**6**
Change in consolidation method	0	0
Included during reporting year for the first time	10	2
Merged/ liquidated during the reporting period	-12	0
Divested during the reporting period	0	0
Balance on 31/12/2023	**156**	**8**
Thereof foreign companies	131	6
Thereof domestic companies	**25**	**2**

Subsidiaries
In addition to Wienerberger AG, the 2023 consolidated financial statements include 25 (2022: 24) Austrian and 131 (2022: 134) foreign subsidiaries over which Wienerberger AG exercises control. In the fourth quarter, Pipelife France SNC a fully consolidated company, was liquidated and deleted. Subsidiaries are fully consolidated as of the date control is obtained and deconsolidated when control ceases to exist. According to IFRS 10, control is considered to exist when wienerberger has power over the subsidiary and can

use this power to influence the company's financial and operating policies. Five subsidiaries were not consolidated in 2023 (2022: 4) because their impact on the Group's assets, liabilities, financial position and profit or loss is immaterial for a true and fair view thereof.

Investments in associates and joint ventures

All material Austrian and foreign companies in which Wienerberger AG directly or indirectly holds the majority of voting rights are included in the consolidated financial statements. According to the criteria of IFRS 11, Schlagmann Poroton GmbH und Co KG, Silike keramika, spol. s.r.o. and EXA IP B.V. are to be classified as joint ventures, because these companies are controlled jointly with a partner of equal rights. 50% is therefore accounted for at-equity. Maatschap Vanheede - Wienerberger (civil-law partnership) is a joint operation and included in the consolidated financial statements through pro-rata consolidation. WiTa Social Business Venture Holding is an associate in which the Group holds 49%. Moreover, wienerberger holds 30% of Fornaci Giuliane S.r.l, which is also managed jointly with the joint venture partners and therefore classified as a joint venture. In the reporting year, shares in TMBP Technologies GmbH were acquired, the company being included as an associate with a 31% participation. Moreover, Green Build s.r.o. was founded as a joint venture with a 50% participation. The following table shows the aggregated financial information of joint ventures and associates without taking account of wienerberger's equity share in these companies:

in TEUR	2023	2022
Revenues	87,976	131,599
EBITDA	10,097	26,688
EBIT	2,995	19,926
Profit/ loss after tax	–671	13,344
Total comprehensive income after tax	**–317**	**13,947**

Assets in TEUR	31/12/2023	31/12/2022	**Equity and liabilities** in TEUR	31/12/2023	31/12/2022
Non-current assets	67,132	61,751	Equity	29,776	42,114
Current assets	53,094	52,040	Non-current provisions and liabilities	8,583	8,680
			Current provisions and liabilities	81,867	62,997
	120,226	**113,791**		**120,226**	**113,791**

3. Acquisitions and disposals of companies

In January 2023, wienerberger took over 100% of the Steinheim plant of Otto Bergmann GmbH in order to expand its regional footprint in the field of Poroton high-thermal-insulation clay blocks. No material goodwill resulted from purchase price allocation. Since the date of first-time consolidation, revenues of TEUR 2,466 and EBITDA of TEUR -20 have been generated. No material acquisition-related costs were incurred for this transaction.

In February and April of the reporting year, the portfolio for façade solutions in Northern Europe was enlarged through the acquisition of 100% of the Komproment Group and the Strojer Group. With their innovative and sustainable solutions, these acquisitions will contribute to wienerberger's long-term growth strategy. For the Kompromemt Group, goodwill was identified in the amount of TEUR 7,384. From 01/01/2023 to 31/12/2023, the Group generated revenues of TEUR 12,127 and EBITDA of TEUR 333. Since the acquisition date revenues of TEUR 10,954 and EBITDA of TEUR 478 have been reported. For the Strojer Group, goodwill has been identified at a preliminary amount of TEUR 10,190. From 01/01/2023 to 31/12/2023, revenues amounted to TEUR 26,002 and EBITDA to TEUR 449. Since the date of first-time consolidation, revenues of TEUR 18,067 and EBITDA of TEUR 1,991 have been generated. Acquisition-related costs of the transaction came to TEUR 1,444, which are recognized in other operating expenses. Goodwill for the acquired companies is recognized in the Europe West reporting segment.

In April 2023, 85% of Wideco Sweden AG, a Swedish technology company, was acquired. Shareholder Kawipe Consulting AB has the option to transfer the remaining 15% of the capital to wienerberger in 2025. As the risks and opportunities associated with the minority share are assumed by wienerberger, no non-controlling interests are recognized. According to IFRS 9, the liability for the call option is reported as a financial liability at fair value (see Note 35. Financial liabilities). With this transaction, wienerberger is taking a further step toward enlarging its portfolio of solutions in energy and water management. Goodwill acquired amounts to TEUR 1,510 and is recognized in the Europe West reporting segment. No material acquisition-related costs were incurred for this transaction. Between 01/01/2023 and 31/12/2023, the company generated revenues of TEUR 3,557 and EBITDA of TEUR 445. Since the acquisition date, the company has generated revenues of TEUR 2,687 and EBITDA of TEUR 436.

Net cash outflows for the acquisition of companies in the reporting year amounted to a total of TEUR 62,380. As of 31/12/2023, purchase price liabilities of TEUR 14,865 were recognized in other liabilities. Furthermore, payments for purchase price liabilities for acquisitions made in the previous year amounted to TEUR 1,035.

The reconciliation of assets acquired and liabilities assumed is shown in the following table:

in TEUR	Strojer	Komproment	Other	Total
Intangible assets	12,896	4,756	6,530	24,182
Property, plant and equipment and financial assets	28,881	977	15,606	45,464
Non-current assets	**41,777**	**5,733.0**	**22,136.0**	**69,646**
Inventories	6,679	3,003	1,539	11,221
Trade receivables	5,744	1,860	609	8,213
Other current receivables	1,621	722	1,857	4,200
Current assets	**14,044**	**5,585**	**4,005**	**23,634**
Deferred taxes	6,046	1,151	4,627	11,824
Non-current provisions	24	40	701	765
Non-current provisions and liabilities	**6,070**	**1,191**	**5,328**	**12,589**
Current provisions	1,618	480	208	2,306
Short-term financial liabilities	11,352	1,727	715	13,794
Trade payables	4,246	817	356	5,419
Other current liabilities	923	673	458	2,054
Current provisions and liabilities	**18,139**	**3,697**	**1,737**	**23,573**
Net assets acquired	**31,612**	**6,430**	**19,076**	**57,118**
Goodwill	10,193	7,384	1,830	19,407
Cash and cash equivalents taken over	–227	–10	–710	–947
Purchase price liabilities	–787	–375	–1,730	–2,892
Payments made for companies acquired in previous periods				1,035
Sale of treasury stock for acquisitions	–10,306			–10,306
Net payments made for acquisitions	**30,485**	**13,429**	**18,466**	**63,415**

4. Methods of consolidation

The consolidation of associates is subject to the principles of IFRS 10. According to the acquisition method applicable within the framework of a corporate acquisition, the compensation transferred in exchange for the investment is compared with the revalued net assets (shareholders' equity) of the acquired company on the date of acquisition. All identifiable assets, liabilities and contingent liabilities are initially recognized at fair value in accordance with IFRS 3; any remaining positive difference between the purchase price and the revalued stake in equity is recognized in local currency as goodwill in the relevant segment. Negative differences are recognized in the income statement in other operating income. Goodwill and intangible assets with an indefinite useful life are subjected to an impairment test at least annually together with the cash-generating unit to which they are allocated and reduced to the lower recoverable

amount in the event of impairment. Impairment tests are also performed more frequently if there are indications of impairment of a cash-generating unit during the financial year (see Note 22. Non-current assets).
Revenues, income and expenses as well as receivables and liabilities arising between consolidated companies are eliminated.

Intercompany gains and losses from the sale of goods or services between Group companies that affect current or non-current assets are eliminated, unless they are immaterial.

Associates and joint ventures are consolidated at equity. The Group's accounting and valuation principles are applied, unless deviations under local GAAP have an immaterial effect on the Group's financial statements.

5. Estimates and judgements

In preparing the consolidated financial statements, management must make estimates and judgements that impact the recognition and measurement of assets, liabilities and contingent liabilities, the disclosure of other obligations as of the balance sheet date, and the recognition of income and expenses during the reporting period. The actual figures may deviate from management estimates.

For example, the valuation of pension plans and severance claims by actuaries include assumptions concerning the expected discount rate, increases in salaries and pensions, employee turnover rates, and the development of the costs of medical care. Detailed information on the parameters used is provided in Note 30. Employee benefits. This Note also includes a sensitivity analysis of the defined benefit obligations.

The useful life of property, plant and equipment is also determined on the basis of estimates which, in this case, are derived from experience with the operation of comparable equipment. Information on the useful lives of these assets is disclosed in Note 22. Non-current assets.

Provisions for site restorations are based on the best estimate of the expected costs for the recultivation of clay pits as well as long-term discount rates, considering the respective country-specific inflation rates. The calculation of provisions is based on estimates with a considerable degree of uncertainty. Cost estimates may vary on account of numerous factors, such as changes in relevant legislation or the development of new recultivation techniques and requirements. The impacts of climate-related risks on the most important assumptions considered in forecasting and the disclosure of such obligations are still too uncertain to allow for a more specific estimate of the provisions required. The ascertainment of such risks and their impacts on the Group will be an area of increased management attention in the coming reporting periods.

The measurement of deferred tax assets requires assumptions regarding the future taxable income and the time of utilization of the deferred tax assets. However, given the fact that the future business development cannot be predicted with certainty and is not entirely within wienerberger's control, the valuation of deferred taxes is uncertain.

wienerberger issues various types of product warranties, depending on the respective product category and on market conditions. In principle, the recognition and measurement of provisions for warranties/guarantees relate to estimates of the frequency and amount of losses. These estimates are based on historical records of the occurrence and scope of warranty claims as well as the best possible management estimates of payments to be made in warranty cases. The provisions are adjusted regularly to reflect new information becoming available.

In particular, impairment testing of goodwill and other assets involves estimates and forward-looking assumptions by management concerning the expected cash surpluses and the cost of capital for the Group and its cash-generating units during the planning period. On account of economic developments, the prevailing uncertainty regarding the pace of transition to low-emission technologies, and the environmental-policy measures taken to achieve the targets of CO_2 reduction, the company's assumptions of the climate-related effects included in the calculations of recoverable amounts (e.g. capital expenditure, CO_2 emission costs, and other assumptions) are by nature uncertain and may ultimately deviate from the actual amounts. The estimates made during the preparation of these consolidated financial statements reflect the best knowledge of management on a going-concern basis. They draw on past experience and take account of the remaining degree of uncertainty.

6. Effects of new and revised standards

The following table provides an overview of the new standards and interpretations published by the IASB as of the balance sheet date:

Standards/Interpretations		**Published by IASB**	**Mandatory first-time adoption**	
IFRS 17	Insurance Contracts	May 2017	1/1/2023	1)
IAS 8	Definition of Accounting Estimates - Amendments	February 2021	1/1/2023	1)
IAS 1	Disclosure of Accounting policies - Amendments	February 2021	1/1/2023	1)
IAS 12	Deferred Tax related to leases and decommissioning obligations - Amendments	May 2021	1/1/2023	1)
IFRS 17	Insurance Contracts - Amendments	June 2020	1/1/2023	1)
IAS 12	International Tax Reform—Pillar Two Model Rules	May 2023	1/1/2023	1)
IFRS 17 and IFRS 9	Insurance Contracts, deferral of IFRS 9 - Amendments	December 2021	1/1/2023	1)
IFRS 16	Lease Liability in a Sale and Leaseback - Amendments	September 2022	1/1/2024	1)
IAS 1	Classification of Liabilities as Current or Non-current - Amendments	January 2020	1/1/2024	1)
IAS 1	Non-current Liabilities with Covenants – Amendments	October 2022	1/1/2024	1)
IAS 7/ IFRS 7	Supplier Finance Arrangements	May 2023	1/1/2024	
IAS 21	Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	August 2023	1/1/2025	

1) Mandatory effective date according to European Union directive

New and amended standards and interpretations published and adopted by the EU
In May 2017, the IASB published the new standard IFRS 17 Insurance Contracts, which replaces IFRS 4 and regulates the accounting of insurance and re-insurance contracts. Moreover, the IASB published amendments to IFRS 17 in June 2020 and amendments to IFRS 17 and IFRS 9 in December 2021. The amendments enable entities for the first time to apply IFRS 17 and IFRS 9 at the same time, disclosing comparative information on a financial asset as if the classification and measurement rules of IRFS 9 had already been previously applied to the financial asset concerned. Application of the standard and the amendments has been mandatory since January 1, 2023. The new standard is of no relevance to wienerberger's consolidated financial statements, as the company holds neither insurance nor re-insurance contracts as an insurance provider.

In February 2021, amendments to IAS 1 and IAS 8 were published. Through the amendments to IAS 1 the term "significant accounting policies" was replaced by the term "material accounting policy information" wherever it occurs. The amendments to IAS 8 contain clarifications on changes in accounting estimates in order to improve the distinction from changes in accounting methods. Application of the amendments has been mandatory since January 1, 2023. The amendments have no material impact on wienerberger's consolidated financial statements.

Amendments to IAS 12 were published in May 2021. The amendments regulate how entities account for deferred taxes relating to assets and liabilities arising from a single transaction (e.g. leases). Application of the amendments has been mandatory since January 1, 2023. The amendment has no material impact on wienerberger's consolidated financial statements.

Further amendments to IAS 12 were published in May 2023. The amendments provide for a temporary exception to the requirements regarding the recognition and disclosure of deferred tax assets and liabilities related to global minimum taxation (Pillar II). Regarding the expected impacts on group accounts see note 31.Deferred taxes.

The amendments to IFRS 16 specify the subsequent measurement requirements to be met by a seller-lessee in a sale-and-leaseback transaction. Application of the amendments has been mandatory since January 1, 2024. No material impacts on wienerberger's consolidated financial statements are expected.

Amendments to IAS 1 were published in January 2020 and October 2022. The amendments aim at a more general approach to the classification of liabilities as current liabilities, which is based on agreed covenants. Moreover, it is clarified that only those covenants that must be complied with by an entity on or before the reporting date affect the classification of a liability. Application of the amendment is mandatory as of January 1, 2024. No material impact on wienerberger's consolidated financial statements is expected.

New and amended standards and interpretations published but not yet adopted by the EU
In May 2023, amendments to IAS 7 and IFRS 7 were published. The amendments require the disclosure of information that enables users of financial statements to assess how financing arrangements with suppliers affect the liabilities and cash flows of an entity as well as its liquidity risk, and how the company might be affected if the arrangements were no longer available. Application of the amendments is expected to be mandatory as of January 1, 2024. wienerberger is currently analyzing the impacts on its consolidated financial statements.

Amendments to IAS 21 were published in August 2023. The amendments require that entities apply a consistent approach to assessing whether a currency is exchangeable into another currency and, in the event of lack of exchangeability, identify the exchange rate to be applied as well as the required disclosures. Application of the amendments is expected to be mandatory as of January 1, 2025. wienerberger is currently analyzing the impact on its consolidated financial statements.

7. Operating segments

The definition of operating segments and the presentation of segment results are based on the management approach required by IFRS 8 and follow internal reports to the Managing Board of Wienerberger AG as the chief operating decision maker, i.e. the body that decides on the allocation of resources to the individual segments.

Since 01/01/2023, wienerberger's strategy has been targeted at the regions Europe West, Europe East, and North America. wienerberger has therefore adjusted its segment reporting accordingly, including that of prior periods.

Region Europe West reports on Northern and Western Europe and encompasses system solutions for the entire building envelope (wall, roof, and façade) as well as pavers, wastewater and rainwater disposal, sanitation, heating and cooling installations, and energy, gas, and potable-water supply.

Region Europe East provides solutions for the building envelope (wall, facade and roof), as well as pavers, wastewater and rainwater disposal systems, sanitation, heating and cooling installations, and energy, gas, and potable-water supply.

Region North America provides ceramic façade and pipe solutions for residential and commercial construction projects. The pipe business comprises solutions for sustainable water supply, rainwater drainage, and ecological wastewater disposal.

The activities of the holding companies are allocated to the segments on the basis of the capital employed of the regions.

Reports to the responsible chief operating decision maker include operating EBITDA as the key indicator for the management of the operating segments as well as revenues, EBIT, operating EBIT, interest result and profit/loss after tax. Accordingly, these indicators are also presented in the segment reports. The split of these KPIs is based on the country of the individual companies' registered offices.

Investments for maintenance of the industrial base are shown as “maintenance capex”, while investments in the expansion and optimization of plants, the development of new products, environmental and/or sustainability projects, and digitalization are summarized under “special capex”.

The reconciliation of segment results to Group results considers only the elimination of revenues, income and expenses as well as receivables and liabilities arising between the operating segments.

wienerberger does not generate more than 10% of its revenues with any single external customer.

	Europe West		Europe East		North America [3]		Group eliminations		wienerberger	
in TEUR	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External revenues	2,193,076	2,521,972	1,192,641	1,508,592	837,714	944,767			4,223,431	4,975,331
Intercompany revenues [1]	27,347	40,780	34,808	38,809	5,416	5,326	–66,662	–83,514	909	1,401
Total revenues	2,220,423	2,562,752	1,227,449	1,547,401	843,130	950,093	–66,662	–83,514	4,224,340	4,976,732
EBITDA	346,955	425,260	216,554	373,689	219,836	227,300			783,345	1,026,249
Operating EBITDA	377,862	426,039	219,671	371,761	213,222	223,072			810,755	1,020,872
Depreciation and amortization [2]	–160,897	–163,847	–89,093	–81,406	–38,703	–41,414			–288,693	–286,667
Impairment charges/reversal of impairment charges to assets	–17,342	–5,138	0	–13,251	0	0			–17,342	–18,389
EBIT	168,715	256,275	127,461	279,032	181,133	185,886			477,309	721,193
Income from investments in associates and joint ventures	–637	6,708	300	–145	0	0			–337	6,563
Interest result	–41,765	–24,329	–6,942	–3,738	–7,425	–14,194			–56,132	–42,261
Income taxes	–38,825	–58,651	–13,873	–40,707	–36,510	–20,442			–89,208	–119,800
Profit/ loss after tax	93,801	185,024	104,916	234,203	136,398	149,319		0	335,115	568,546
Liabilities	1,692,655	1,743,936	962,643	989,972	462,222	385,820	–306,635	–370,893	2,810,885	2,748,835
Capital employed	2,216,750	1,993,637	1,060,463	929,552	545,282	569,751			3,822,495	3,492,940
Assets	3,228,654	3,131,906	1,704,475	1,619,212	842,093	819,032	–306,636	–370,893	5,468,586	5,199,257
Investments in associates and joint ventures	12,528	18,861	2,922	1,559	323	0			15,773	20,420
Non-current assets held for sale	221	0	25,384	23,131	0	0			25,605	23,131
Maintenance capex	58,546	67,200	43,601	44,153	24,065	23,369			126,212	134,722
Special capex	63,871	116,381	60,348	73,465	21,159	28,005			145,378	217,851
Ø Employees (in FTE)	9,059	9,162	7,503	7,487	2,351	2,429			18,913	19,078

1) Intercompany revenues represent the revenues between fully consolidated, at-equity consolidated and unconsolidated Group companies. // 2) Including special write-downs // 3) deviations from the former product-centric structure are due to the adjustment of the allocation of holding costs and employees to the new structure

Assets	**Wienerberger Group**	
in TEUR	**2023**	**2022**
Austria	389,726	332,414
United Kingdom	439,483	437,340
USA	338,226	360,360
Belgium	328,056	330,111
Netherlands	300,582	299,215
Germany	199,364	213,522
France	192,511	199,907
Poland	185,675	179,913
Czech Republic	148,647	143,989
Denmark	99,097	39,615
Ireland	98,728	99,591
Sweden	95,265	83,936
Hungary	89,574	79,052
Canada	74,342	77,142
Other countries	388,922	383,014
Wienerberger Group	**3,368,198**	**3,259,121**

Revenues	**Wienerberger Group**	
in TEUR	**2023**	**2022**
Austria	213,443	291,067
USA	746,196	864,903
Great Britain	510,616	600,194
Belgium	385,197	420,401
Netherlands	376,606	397,970
Germany	203,362	300,345
Poland	202,170	267,940
France	193,194	247,482
Czech Republic	163,435	230,043
Norway	157,104	166,570
Sweden	114,678	132,374
Hungary	102,960	161,757
Croatia	96,233	71,018
Romania	93,844	121,485
Other countries	665,302	703,183
Wienerberger Group	**4,224,340**	**4,976,732**

Products	**EBITDA**		**Total investments**	
in TEUR	**2023**	**2022**	**2023**	**2022**
Wall	123,624	271,223	59,755	82,777
Facade	245,288	308,417	66,300	93,729
Roof	183,093	218,043	30,940	41,169
Pavers	9,274	21,538	10,087	9,705
Pipes	272,585	263,777	71,576	110,326
Other	–50,519	–56,749	32,932	14,867
wienerberger	**783,345**	**1,026,249**	**271,590**	**352,573**

Notes to the Consolidated Income Statement

8. Revenues

Revenues: Income from products delivered and services provided is recognized at the time of transfer of control of the product to the buyer. At wienerberger, this usually corresponds to the time of delivery to the customer.

In individual cases, revenue is recognized during production if an asset is produced according to customer specifications with no alternative use, and if there is an enforceable right acc. to IFRS 15 to payment against the customer. In the case of construction contracts, revenue is recognized on the basis of the stage of completion and is generally calculated using output-oriented methods (e.g. based on the quantity produced in relation to the total quantity). Revenue from services, on the other hand, is recognized using an input-oriented method based on the costs incurred as at the reporting date compared to the expected total costs of order execution (cost-to-cost method). This relates, for example, to 3D models for building design created as part of building information modeling. If there is a likelihood of the costs of order execution exceeding the amount agreed upon with the customers, a provision for contingent losses is to be set up.

Variable consideration is recognized in revenues subject to it being highly probable that significant cancellation of these amounts will not occur in the future. Revenue is reported net of rebates, discounts, bonuses, penalties and rights of return. The recognition of variable consideration is essentially based on historical data. Payments to customers are also deducted from revenues, provided they do not represent payments for separately identifiable goods and services.

In the reporting year, consolidated revenues decreased by 15% to TEUR 4,224,340, including a negative effect from currency translation in the amount of TEUR 97,761. The most significant negative foreign-exchange effects resulted from the steep devaluation of the Turkish lira, the Norwegian crown, and the US dollar. Revenues include results from construction contracts in the amount of TEUR -3,610 (2022: TEUR +9,546). Detailed information on revenues by region is provided in the presentation of operating segments on pages 236 and 237.

wienerberger generates revenues from the sale of building material and infrastructure solutions for a broad variety of application. As a rule, revenue is recognized at the time of delivery and, consequently, the transfer of control of the product to the buyer, which usually corresponds to the time of delivery agreed upon in the delivery terms. The goods are delivered to the customer by wienerberger's own means of transport or by contracted carriers. Transport revenues are recognized as part of external revenues, while transport-related expenses are recognized in selling costs (in gross amounts).

Revenues are adjusted for expected returns and customer bonuses or discounts. Return obligations arise primarily from returnable packaging material, such as pallets. Expected returns are estimated mainly on the basis of historical data of recent years.

In international project business with LLLD (long-length large-diameter) pipes, revenue is recognized over a period of time. In the brick business as well, revenue from individual contracts is recognized over a period of time. This applies, for instance, to customer-specific production or so-called "heritage" products. However, the period of production for such contracts usually does not extend beyond a few days or weeks. Progress made in contract execution during the reporting period is calculated by means of output-oriented methods, for instance on the basis of the volume produced relative to the total volume ordered.

Alongside the sale of products and system solutions, wienerberger also provides services to customers in the form of digitalized products and services. The current contributions to revenues from such services are immaterial.

The period of time between the transfer of goods and/or services to the buyer and the due date of the receivable is usually less than one year. wienerberger therefore makes use of the practical expedient not to adjust revenues for a significant financing component. The time of settlement of the receivables depends on the agreed payment terms.

External revenues broken down by the most important product categories, reconciled to reporting segments, are as follows:

1–12/2023 in TEUR	**Europe West**	**Europe East**	**North America**	**wienerberger**
Wall	246,679	447,328	33,792	727,799
Façade	667,310	7,882	602,930	1,278,122
Roof	468,263	211,584	0	679,847
Pavers	108	119,158	177	119,443
Pipes	810,546	406,612	200,765	1,417,922
Other	170	77	51	298
Total	**2,193,076**	**1,192,641**	**837,714**	**4,223,431**

1–12/2022 in TEUR	**Europe West**	**Europe East**	**North America**	**wienerberger**
Wall	328,534	645,274	31,436	1,005,244
Façade	806,241	15,286	684,604	1,506,131
Roof	493,215	268,970	0	762,185
Pavers	71	127,196	418	127,685
Pipes	893,805	451,824	228,278	1,573,907
Other	106	42	31	179
Total	**2,521,972**	**1,508,592**	**944,767**	**4,975,331**

Information on future revenues from contractual performance obligations not yet fulfilled on the balance sheet date is not disclosed, as customer contracts are generally fulfilled within one year. For the same reason, wienerberger makes use of the practical expedient not to capitalize contract costs, but to recognize them in expenses as incurred.

9. Material expenses

The cost of goods sold, selling and administrative expenses and other operating income and expenses include expenses for materials, maintenance, merchandise and energy as follows:

in TEUR	**2023**	**2022**
Cost of materials	805,147	1,142,010
Maintenance expenses	198,434	199,753
Cost of merchandise	406,554	435,388
Cost of energy	331,564	372,927
Total	**1,741,699**	**2,150,078**

The reported expenses were reduced by a change in inventories of semi-finished and finished goods of TEUR 47,839 (2022: TEUR 28,268). This includes adjustments to the cost of goods sold resulting from the recognition of assets for the right to recover products returned from customers. The capitalization of own work and a proportional share of borrowing costs relating to the construction of qualified assets amounted to TEUR 3,201 (2022: TEUR 1,092).

Cost of materials consist mainly of expenses for clay, sand, plastics, sawdust and other additives, as well as expenses for pallets and other packaging materials. Maintenance expenses comprise the use of maintenance materials and other low-value spare parts as well as third-party services.

10. Depreciation, amortization, impairment charges and reversal of impairment charges

The cost of goods sold, selling and administrative expenses and other operating expenses for the reporting year include TEUR 286,791 (2022: TEUR 276,257) of scheduled depreciation and amortization as well as special write-downs in accordance with IAS 36 of TEUR 1,902 (2022: TEUR 10,410) from the mothballing of plants and/or lines. The impairment tests carried out according to IAS 36 (see Note 22. Non-current assets) resulted in impairment charges to property, plant and equipment and intangible assets in a total amount of TEUR 17,342 (2022: TEUR18,389).

in TEUR	2023	2022
Depreciation	**286,791**	**276,257**
Special write-downs	1,902	10,410
Depreciation and special write-downs	**288,693**	**286,667**
Impairment charges to property, plant and equipment and intangible assets	17,342	18,389
Impairment charges	**17,342**	**18,389**
Depreciation, amortization, impairment charges and reversal of impairment charges	**306,035**	**305,056**

11. Personnel expenses

The cost of goods sold, selling and administrative expenses include the following personnel expenses:

in TEUR	2023	2022
Wages	407,965	409,499
Salaries	427,478	412,210
Temporary personnel	53,090	63,370
Expenses for long-term incentive programs	7,419	3,947
Expenses for severance payments (incl. voluntary severance payments)	5,249	4,345
Expenses for pensions	26,347	23,754
Expenses for statutory social security and payroll-related taxes and contributions	183,242	175,718
Other employee benefits (incl. anniversary bonuses)	38,159	45,654
Personnel expenses	**1,148,949**	**1,138,497**

For the business year 2023, the wienerberger employees were granted a vested right to receive a certain number of shares in Wienerberger AG under the Employee Share Participation Program. In the reporting year, vested rights to receive a total of 223,264 shares (2022: 218,335 shares) were granted to wienerberger employees. According to IFRS 2, the program was accounted for as a cash-settled share-based payment. The obligation of the Group arising from the Employee Share Participation Program was transferred to Mitarbeiterbeteiligungs-Privatstiftung on the basis of individual agreements with all participating Group companies without compensatory payment (2022: TEUR 5,131 in other social expenses).

In the reporting year, the fixed remuneration component of the Managing Board members amounted to TEUR 2,540 (2022: TEUR 2,325). The variable components comprise a short-term (STI Short-Term Incentive) and a long-term remuneration component (LTI Long-Term Incentive). The final entitlements to the short-term remuneration component earned in 2023 amounted to TEUR 2,576, including fringe benefits (2022: TEUR 2,325), and will be paid out in 2024.

Since 2021, the LTI program for the long-term remuneration component of the Managing Board has been structured as a share-based remuneration program with a performance period of three years and a holding period of another two years for the allocated shares. The actual fixed salary of the Managing Board member concerned in 2023 is taken as the base amount for 100% target attainment. Maximum target attainment is capped at 150% for Managing Board members and 175% for the CEO.

In accordance with the Remuneration Policy, the following target parameters apply for all members of the Managing Board:

- RTSR (relative total shareholder return), measured against the performance of the peer group
- Return on capital employed after tax (ROCE)
- ESG-target: Reduction of group-wide CO2 emissions (Scope 1+2) compared to 2020

For 2023, the relevant targets and degrees of target attainment for these three categories are as follows:

Target	Weighting	Minimum target performance	100 % Target	Maximum target performance	Actual target achievement 2023	
2023						
RTSR	33.0%	25.0%	50.0%	≥75%	> 50%	132%
ROCE	33.0%	11.0%	11.5%	12.0%	11.3%	60%
CO_2 emission reduction	33.0%	14.5%	15.0%	15.5%	15.6%	> 150%
2022						
RTSR	33.0%	25.0%	50.0%	≥75%	> 50%	132%
ROCE	33.0%	11.0%	11.5%	12.0%	11.3%	60%
CO_2 emission reduction	33.0%	10.0%	11.7%	12.3%	15.6%	> 150%
2022						
RTSR	33.0%	25.0%	50.0%	≥75%	> 50%	132%
ROCE	33.0%	10.2%	10.6%	11.1%	11.3%	> 150%
CO_2 emission reduction	33.0%	5.0%	6.7%	7.2%	15.6%	> 150%

The LTI entitlement for 2023, determined on the basis of target attainment, amounts to TEUR 1,721 for the LTI 2021, TEUR 1,088 for the LTI 2022, and TEUR 976 for the LTI 2023 (2022: TEUR 2,172). Depending on the attainment of the targets of the three-year plan, the entitlement from the LTI 2021 will be paid out in 2024; the entitlement from the LTI 2022 will be paid out in 2025, and the entitlement from the LTI 2023 in 2026. In accordance with the agreement on the LTI, the latter will be paid out at the end of the term, with at least 50% granted in shares and not more than 50% in cash. As target attainment was determined on the basis of a cash amount and the exchange ratio for the share component will be defined at a later date, the fair value of the cash amount was used as a basis for measurement. For the LTI 2021, 2022, and 2023, an expense including incidental costs of TEUR 4,119 was recognized in the reporting year (2022: TEUR 2,701), of which 50% was recognized in equity for the share portion and 50% as a provision for the cash portion.

In 2020, it was decided to grant a long-term share-based remuneration for the CEO. PSUs (performance share units) could be earned during an observation period from 2021 to 2023. The criteria and the definition of the target parameters for the PSUs for the CEO are shown in the following table:

Parameters	Explanation
Amount granted	2,500 TEUR
Period of performance	3 years with a holding period of another 2 years (vesting period 5 years)
Weighting of targets (PSUs)	70 % EBITDA growth in accordance with the Strategy 2023 30 % ESG targets (see table below)
Basic prerequisite	Annual payout of at least 50 % of the short-term variable bonus (STI); if this target is not met, the allocation of PSUs will be reduced by one third each year
Target achievement	Target achievement is determined linearly between the defined upper and lower limits (PSUs)
Maximum entitlement	Maximum 300 % (max. EUR 4,500 TEUR)
Allocation	Once in 3 years (+ 2 years holding period)
Claw-back, malus, leaver regulation	The provisions of the 2020–2024 Remuneration Policy apply

Based on the increase in EBITDA and the ESG targets achieved in 2023, a total of 116,035 PSUs was determined for the long-term share-based remuneration plan. The number of PSUs was multiplied by the fair value per PSU and the percentage of the vesting period (5 years).

On this basis, an expense of TEUR 1,193, plus incidental costs of TEUR 105, i.e. a total of TEUR 1.298 was booked in the reporting year and recognized as a provision. Owing to the higher share price, the fair value of the PSUs increased, so that the expense booked in 2023 also contains the increase in value of entitlements earned in 2021 and 2022.

For the Managing Board members in office in the reporting year, TEUR 724 (2022: TEUR 709) in pension expenses in the form of contributions to pension funds (defined-contribution commitments) were booked in the reporting year. In 2023, a provision of TEUR 502 for severance pay was released (2022: contribution of TEUR 1,062). Moreover, payments in the amount of TEUR 991 (2022: TEUR 919) were made to former members of the Managing Board and their survivors. In 2023, Supervisory Board remuneration (to be paid out in 2024) came to a total of TEUR 890 (2022: TEUR 963 paid out in 2023).

12. Employees

The average number of employees is shown in the following table:

in FTE	2023	2022
Production	11,975	12,291
Sales	4,877	4,832
Administration	2,061	1,955
Total	**18,913**	**19,078**

13. Other operating expenses

The following other operating expenses (including freight expenses) are recognized in the income statement:

in TEUR	2023	2022
Transportation costs for deliveries	243,462	309,068
Purchased services	165,105	166,290
Internal transport expenses	55,834	66,480
License and patent expenses	37,369	36,572
Non income-based taxes	38,275	34,858
Restructuring expenses	22,880	8,197
Rental and leasing charges	21,507	17,499
Expenses for consumables, office materials and literature	11,717	16,171
Expenses for employee education and training	10,888	11,853
Expenses for environmental protection measures	10,443	10,067
Expenses for commissions	6,046	8,188
Expenses to economic associations	6,497	6,319
Expenses for expected credit losses	2,685	5,107
Losses on the disposal of fixed assets, excluding financial assets	1,892	2,221
Miscellaneous	63,783	66,659
Other operating expenses	**698,383**	**765,549**

Restructuring expenses primarily comprise personnel-related expenses of TEUR 18,947. Purchased services primarily include expenses for legal advisory and miscellaneous consulting services, advertising, insurance, business trips and travel as well as telecommunications. Expenses for the external auditor and members of the auditor's network totaled TEUR 3,206 (2022: TEUR 2,775) for the audit of the consolidated financial statements in the year under review, TEUR 1,322 (2022: TEUR 131) for other assurance services, TEUR 89 (2022: TEUR 77) for tax consulting services and TEUR 35 (2022: TEUR 23) for other services.

In miscellaneous other expenses research and development expenses in the amount of TEUR 19,542 (2022: TEUR 19,576) are included for 2023.

Expenses for rent and leases, shown under other operating expenses, comprise the following:

in TEUR	2023	2022
Expenses for short-term leases	5,808	7,857
Expenses for leases of low-value assets	3,542	2,356
Expenses for variable lease payments	544	405
Expenses for other lease payments	11,613	6,881
Rental and leasing charges	**21,507**	**17,499**

Expenses for other lease payments primarily comprise non-lease components of contracts for land and buildings and other rent and lease payments not within the scope of IFRS 16.

14. Other operating income

The following other operating income is shown in the income statement:

in TEUR	2023	2022
Income from the disposal of tangible assets, excluding financial assets	15,339	31,788
Income from the disposal of emission certificates	16,141	0
Income from rental and lease contracts	5,306	5,930
Subsidies	2,027	1,476
Income from insurance claims	3,619	404
Income from the release of previously provided for obligations	5,240	1,929
Miscellaneous	49,321	32,754
Other operating income	**96,993**	**74,281**

Other operating income includes revenue-like proceeds that are not part of the Group's principal business activity of TEUR 4,743 (2022: TEUR 4,350). In the business year 2023, it also included a credit for research and development expenses of TEUR 1,033 (2022: TEUR 800).

15.Reconciliation of results according to the cost-of-sales and the total-cost method

In the income statement prepared according to the cost-of-sales method, expenses are classified by functional area. Under the total-cost method, the amounts are shown for each individual category of expenses and adjusted to reflect the increase or decrease of finished and semi-finished goods within the framework of inventory changes, and own work capitalized. The reconciliation of expenses under these two methods is explained below; changes in inventories and the capitalization of costs relating to the construction of qualified non-current assets are included in the cost of materials:

2023 in TEUR	**Cost of freight**	**Cost of materials**	**Cost of merchandise**	**Appreciation/ depreciation**	**Cost of energy**	**Personnel expenses**	**Other operat-ing Income**	**Other operating expenses**	**Total**
Cost of goods sold	0	919,665	406,554	192,617	323,336	647,479	–4,104	126,186	2,611,733
Selling expenses	243,462	30,633	0	44,229	6,262	301,025	–4,210	161,821	783,222
Administrative expenses	0	2,243	0	31,956	954	200,445	–6,172	101,168	330,594
Other operating expenses	0	0	0	37,233	1,012	0	0	72,198	110,443
Other operating income	0	0	0	0	0	0	–82,509	–6,452	–88,961
	243,462	**952,541**	**406,554**	**306,035**	**331,564**	**1,148,949**	**–96,995**	**454,921**	**3,747,031**

2022 in TEUR	**Cost of freight**	**Cost of materials**	**Cost of merchandise**	**Appreciation/ depreciation**	**Cost of energy**	**Personnel expenses**	**Other Income**	**Other expenses**	**Total**
Cost of goods sold	0	1,271,444	435,388	182,258	363,553	652,448	–3,431	127,774	3,029,434
Selling expenses	309,068	37,424	0	45,163	6,853	296,993	–4,687	168,204	859,018
Administrative expenses	0	3,535	0	26,127	1,725	189,056	–6,135	113,487	327,795
Other operating expenses	0	0	0	51,508	796	0	0	53,741	106,045
Other operating income	0	0	0	0	0	0	–60,028	–6,725	–66,753
	309,068	**1,312,403**	**435,388**	**305,056**	**372,927**	**1,138,497**	**–74,281**	**456,481**	**4,255,539**

16. Interest result and other financial result

In accordance with the classes of financial instruments defined by IFRS 9, the following items are included in the interest result and other financial result:

2023 in TEUR	**Total**	**Loans and receivables AC** [1)]	**FLAC** [2)]	**FVtPL** [3)]	**Derivatives**
Interest and similar income	20,172	13,769			6,403
Interest and similar expenses	–66,353		–62,210		–4,143
Interest expense on lease liabilities	–7,128		-7 128		
Net interest result from defined benefit pension and severance obligations as well as anniversary bonuses	–2,823				
Interest result	**–56,132**	**13,769**	**–69,339**	**0**	**2,260**
Income from third parties (dividends)	1,017			1,017	
Income from investments	**1,017**	**0**	**0**	**1,017**	**0**
Result from the disposal of investments	–253				
Valuation of derivative financial instruments	–739				–739
Impairment of financial instruments	–349	–43		–306	
write-ups on financial instruments	558	4		554	
Valuation of other investments	–2,165			–2,165	
Foreign exchange differences	9,333				
Net result	**6,386**	**–39**	**0**	**-1 918**	**–739**
Bank charges	–4,467				
Other	547				
Other financial result	**3,483**	**–39**	**0**	**–901**	**–739**
Total	**–52,649**	**13,731**	**–69,339**	**–901**	**1,521**

1) loans and receivables carried at amortized cost// 2) financial liabilities carried at fair value through profit and loss // 3) financial assets carried at fair value through profit or loss

Impairments of receivables from loans in the amount of TEUR 43 (2022: TEUR 24) and write-ups on financial instruments of TEUR 4 (2022: TEUR 309) are recognized in the financial result. The market valuation of derivatives contributed a negative amount of TEUR 739 (2022: negative amount of TEUR 2,546) to the result of the period.

2022 in TEUR	**Total**	**Loans and receivables AC** [1]	**FLAC** [2]	**FVtPL** [3]	**Derivatives**
Interest and similar income	6,234	4,600			1,634
Interest and similar expenses	–42,683		–35,769		–6,914
Interest expense on lease liabilities	–4,535		–4,535		
Net interest result from defined benefit pension and severance obligations as well as anniversary bonuses	–1,277				
Interest result	**–42,261**	**4,600**	**–40,304**	**0**	**–5,280**
Income from third parties (dividends)	993			993	
Income from investments	**993**	**0**	**0**	**993**	**0**
Result from the disposal of investments	–1,534				
Valuation of derivative financial instruments	–2,546				–2,546
Impairment of financial instruments	–937	–24		–913	
Write-ups on financial instruments	486	309		177	
Valuation of financial instruments held for trading	–2,756			–2,756	
Foreign exchange differences	10,733				
Net result	**3,446**	**285**	**0**	**–3,492**	**–2,546**
Bank charges	–5,171				
Other financial result	**2,850**	**285**	**0**	**–2,499**	**–2,546**
Total	**–39,411**	**4,885**	**–40,304**	**–2,499**	**–7,826**

1) loans and receivables carried at amortized cost// 2) financial liabilities carried at fair value through profit and loss // 3) financial assets carried at fair value through profit or loss

Hyperinflationary economies

IAS 29 is to be applied where an entity's functional currency is that of a hyperinflationary economy. In this Annual Report, the standard applies to a subsidiary in Turkey, where the cumulative three-year inflation rate has resulted in Turkey being classified as a hyperinflationary economy within the scope of IAS 29.

IAS 29 requires that financial statements concerned be restated by applying a general price index:

- Monetary balance sheet items are not restated.
- Non-monetary balance sheet items measured at cost or amortized cost are restated prior to translation into the Group currency on the basis of a price index used to measure the purchasing power in order to account for price changes that have occurred during the business year.
- All positions of the statement of comprehensive income as well as all components of equity are also adjusted on the basis of suitable price indices.
- Gains and losses from net monetary items are recognized in the financial result in the consolidated income statement.
- The individual income statement items were translated on the basis of the mid-market exchange rate on the balance sheet date.

The financial statements of the Turkish subsidiary – previously based on the concept of historical acquisition and construction costs – were restated as of January 1, 2022, according to the criteria of IAS 29. The price index used was the CPI 2003 consumer price index published by the Turkish Statistical Institute.
As at 31/12/2023, the price index stood at 1,859.4 (2022: 1,128.5).

For the 2023 business year, the other financial result comprises, among other items, gains from the net position of monetary items according to IAS 29 in the amount of TEUR 1,115 (2022: TEUR 672).

17. Income taxes

This item includes income taxes paid and owed by Group companies as well as deferred tax charges.

in TEUR	2023	2022
Current tax expense	82,336	120,742
Deferred tax expense/income	6,872	–942
Income taxes	**89,208**	**119,800**

The difference between the Austrian corporate tax rate of 24 % applicable in 2023 (2022: 25 %) and the Group effective tax rate arises on account of the following factors:

in TEUR	2023	2022
Profit/loss before tax	**424,323**	**688,346**
Tax expense at tax rate of 24 % (Previous year: 25 %)	–101,838	–172,087
Deviating foreign tax rates	4,018	6,192
Tax income and expense from prior periods	2,516	–2,142
Effect of non-taxable income from investments in associates and joint ventures	–38	1,007
Change in unrecognized deferred tax assets [1)]	25,197	87,520
Permanent differences [1)]	–19,219	–39,072
Changes in tax rates	156	–1,218
Effective tax expense	**–89,208**	**–119,800**
Effective tax rate in %	**21.0%**	**17.4%**

1) Prior year was adjusted by the tax impact on not recognized interest carryforward in amount of TEUR 371

Details on deferred taxes are disclosed in Note 31: Deferred taxes.

18. Earnings per share, proposal for profit distribution

As of the balance sheet date, the number of shares issued totaled 111,732,343 (2022: 111,732,343). As at 31/12/2023, wienerberger held 6,339,332 (2022: 5,756,271) treasury shares, which were deducted for the calculation of earnings per share. In the reporting year, wienerberger bought back 976,600 own shares for TEUR 26,018. In the 2023 business year, in the course of the acquisition of the Strojer Group, 387,440 shares presenting a total value of TEUR 10,306 were transferred to the sellers. 6,099 shares representing a total value of TEUR 146 were transferred to employees in North America within the framework of the Employee Share Participation Program (ESPP). This resulted in a weighted average number of 105,582,376 shares outstanding as a basis for the calculation of earnings per share in 2023.

Number of shares	2023	2022
Outstanding	111,732,343	111,732,343
Treasury shares	6,339,332	5,756,271
Weighted average	**105,582,376**	109,883,711

Earnings per share of EUR 3.17 were calculated by dividing the profit/loss after tax attributable to equity holders of the parent by the weighted average number of shares outstanding.

In accordance with the provisions of the Austrian Stock Corporation Act, the dividend payout is based on the separate financial statements of Wienerberger AG as of December 31, 2023, prepared in accordance with Austrian accounting rules.

These financial statements show a net profit of EUR 109,066,523.81. The Managing Board proposes to the Annual General Meeting a dividend of EUR 0.90 per share to be paid out from the net profit.

Notes to the Consolidated Statement of Comprehensive Income

The Consolidated Statement of Comprehensive Income provides a reconciliation of profit/loss after tax to total comprehensive income as defined in IAS 1. Total comprehensive income comprises, in particular, currency translation differences, actuarial gains and losses from the measurement of defined-benefit pension plans and similar post-employment benefits and the change in the hedging reserve. The components of comprehensive income are presented after tax.

In the reporting year, pre-tax currency translation differences of TEUR -17,742 (2022: TEUR -16,571) resulted primarily from the US dollar, the Turkish lira, the Polish zloty, and the British pound. Differences in the amount of TEUR 11,984 (2022: TEUR 2,868) previously recognized in the currency translation reserve were recycled to the income statement and primarily resulted from the redemption of Group loans in foreign currencies in the course of the reporting year.

The fair value measurement of hedging instruments and reclassifications decreased the hedging reserve before deferred taxes by TEUR -10,453 (2022: TEUR 38,816). Of this, a total of TEUR 1.408 (2022: TEUR 8,359) was accounted for by hedges of net investments in foreign operations and TEUR -11,860 (2022: TEUR 30,457) by hedges for future transactions (cash flow hedges).
Overall, changes in fair value measurement of hedging instruments designated in hedges of net investments in foreign operations (net investment hedges) in the amount of TEUR -157 (2022: TEUR -913) previously recognized in the hedging reserve, were recycled to the income statement in the reporting year. Ineffective components of TEUR 103 (2022: TEUR -1,751) were recognized in the income statement in the reporting year. For disclosures on hedge accounting, please refer to Note 34. Derivative financial instruments and hedge accounting.

Deferred taxes in a total amount of TEUR 2,585 (2022: TEUR -7,781) were recognized in other comprehensive income. The following table shows the allocation of deferred taxes to the components of other comprehensive income:

in TEUR	2023	2022
Deferred taxes on foreign exchange translation	1,106	2,141
Deferred taxed on changes in hedging reserves	1,395	–8,945
Deferred taxes on actuarial gains/losses	84	–977
Deferred taxes in other comprehensive income	**2,585**	**–7,781**

Overall, comprehensive income after tax increased the Group's equity attributable to equity holders of the parent company by a total of TEUR 310,684 (2022: TEUR 591.969) in the reporting year.

Notes to the Consolidated Statement of Cash Flows

The consolidated statement of cash flows shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. Cash and cash equivalents (liquid funds) include cash on hand and demand deposits with banks. Liquid funds and cash equivalents comprise cash on hand, checks received, sight deposits, short-term investments, and term deposits with financial institutions with a maturity of up to three months. Securities and current liabilities to banks do not qualify as cash and cash equivalents. Inflows and outflows from corporate acquisitions are netted and shown under net payments made for the acquisition of companies. The amounts reported by foreign Group companies are generally translated at the average exchange rate for the year. Deviating from this principle, cash and cash equivalents are translated at the exchange rate in effect on the balance sheet date.

As of 31/12/2023, an amount of TEUR 0 was put up as cash collateral (2022: TEUR 17,912).

19. Cash flow from operating activities

Cash flow from operating activities declined from the previous year's level to TEUR 409,953 (2022: TEUR 723,804). The change is primarily due to the lower result.

20. Cash flow from investing activities

The acquisition of property, plant and equipment and intangible assets resulted in an outflow of funds totaling TEUR 271,590 (2022: TEUR 352,573). This amount includes TEUR 126,212 (2022: TEUR 134,722) in maintenance capex. A total of TEUR 145,378 (2022: TEUR 217,851) was spent on the expansion and optimization of plants, the development of new products, environmental and/or sustainability projects, and digitalization (special capex). A total of TEUR 84,893 (2022: TEUR 52,447) was paid out for acquisitions (M&A) and investments in financial assets.

Non-cash additions to non-current assets in the amount of TEUR 95,755 (2022: TEUR 80,315) mainly result from the capitalization of right-of-use assets and obligations for site restorations.

Cash inflows from the sale of non-current assets amounted to TEUR 35,162 (2022: TEUR 65,428) and comprise the sale of property, plant and equipment and intangible assets.

The reconciliation of total investments in maintenance and special capex as well as payments made for corporate acquisitions (M&A) by wienerberger is as follows:

in TEUR	2023	2022
Maintenance capex	126,212	134,722
Special capex	145,378	217,851
Payments made for investments in tangible and intangible assets	**271,590**	**352,573**
Net payments made for the acquisition of companies	63,415	52,447
Payments made for investments in financial assets	21,478	0
M&A capex	**84,893**	**52,447**
Total investments including financial assets	**356,483**	**405,020**

21. Cash flow from financing activities

The change in financial liabilities, as shown on the balance sheet, results from cash inflows and outflows recognized in cash flow from financing activities on the one hand, and from non-cash changes on the other hand:

in TEUR	Short-term financial liabilities	Long-term financial liabilities	Total financial liabilities
Balance on 1/1/2023	**207,157**	**1,245,062**	**1,452,219**
Cash inflows	534,441	346,229	880,670
Cash outflows	–661,315	0	–661,315
Repayment of lease liabilities	–59,731	0	–59,731
New and amended lease contracts	0	74,651	74,651
Change in scope of consolidation	13,794	0	13,794
Market value changes in derivatives	–3,739	0	–3,739
Currency translation differences and other effects	2,972	1,697	4,669
Reclassifications	393,065	–393,065	0
Balance on 31/12/2023	**426,644**	**1,274,574**	**1,701,218**

in TEUR	Short-term financial liabilities	Long-term financial liabilities	Total financial liabilities
Balance on 1/1/2022	**212,995**	**1,326,108**	**1,539,103**
Cash inflows	116,732	15,434	132,166
Cash outflows	–220,016	0	–220,016
Repayment of lease liabilities	–63,627	0	–63,627
New and amended lease contracts	0	64,935	64,935
Change in scope of consolidation	1,135	5,270	6,405
Market value changes in derivatives	–2,543	0	–2,543
Currency translation differences and other effects	–4,072	–132	–4,204
Reclassifications	166,553	–166,553	0
Balance on 31/12/2022	**207,157**	**1,245,062**	**1,452,219**

Notes to the Consolidated Balance Sheet

22. Non-current assets and impairment test

Impairment test
As of the beginning of the 2023 business year, it was decided to transform the groups of CGUs in Europe from a product-centered structure – with Wienerberger Building Solutions and Wienerberger Piping Solutions – into a regional structure based on Region Europe West and Region Europe East. wienerberger defines its cash-generating units (CGUs) as plants, which are aggregated into groups of CGUs. Intangible assets with an indefinite useful life, such as goodwill and trademarks that are not amortized on a scheduled basis, are subjected to an impairment test at least once a year in accordance with IAS 36. These intangible assets are allocated to groups of CGUs for the purpose of impairment testing. The carrying amounts are shown in the following tables, in which the current regional segment structure is compared to the previous product-centered structure:

	Goodwill		Trademarks	
in TEUR	2023	2022	2023	2022
Europe East	**65,874**	**64,573**	**27,024**	**26,244**
Region East WBS	60,595	59,603	12,402	11,622
Region East WPS	5,279	4,970	14,622	14,622
Emerging Markets	0	0	0	0
Europe West	**446,059**	**424,486**	**29,107**	**37,983**
Region West - Western Europe	222,049	217,926	10,147	19,098
Region West - Northern Europe	43,158	25,293	12,644	12,644
Region West - UK/Ireland	180,852	181,267	6,316	6,241
North America	**0**	**0**	**1,809**	**1,875**
Brick North America	0	0	1,809	1,875
Pipes North America	0	0	0	0
wienerberger	**511,933**	**489,059**	**57,940**	**66,102**

in TEUR	Goodwill 2023	Goodwill 2022	Trademarks 2023	Trademarks 2022
Wienerberger Building Solutions	**435,295**	**415,085**	**17,984**	**17,129**
Building Solutions Central & East	60,595	59,603	12,402	11,622
Building Solutions North & West	374,700	355,482	5,582	5,507
Wienerberger Piping Solutions	**76,638**	**73,973**	**38,147**	**47,098**
WPS Eastern Europe	5,279	4,970	15,909	15,909
WPS Western Europe	20,182	20,182	9,938	18,889
WPS Northern Europe	25,955	25,029	11,478	11,478
WPS UK/ Ireland	25,222	23,792	822	822
North America	**0**	**0**	**1,809**	**1,875**
WBS NOAM	0	0	1,809	1,875
WPS NOAM	0	0	0	0
wienerberger	**511,933**	**489,059**	**57,940**	**66,102**

Other intangible assets consist primarily of acquired customer bases totaling TEUR 147,184 (2022: TEUR 154,377), acquired trademarks in the amount of TEUR 81,473 (2022: TEUR 83,714), of which TEUR 57,940 (2022: TEUR 66,102) with an indefinite useful life, as well as CO2 certificates, patents and licenses. Internally generated intangible assets of TEUR 892 (2022: TEUR 1,261) were capitalized during the reporting year.

wienerberger monitors its goodwill on the basis of 8 CGU groups (2022: 9 CGU groups).

In the Europe West segment, which comprises Northern and Western Europe, the CGU groups are broken down by region. The CGU groups are characterized by the fact that the market is provided with system solutions for the entire building envelope (wall, roof, façade) as well as wastewater and rainwater disposal systems, sanitation, heating and cooling installations, and energy, gas and potable-water supply systems. In particular, the production and the product portfolio of roof tiles, facing bricks and pipes are optimized for an entire region. This also applies to the optimization of the network of clay block plants, although for reasons of efficiency deliveries of these products are generally made over shorter distances than in the roof tile and facing brick business. The regions are therefore broken down into Western Europe, Northern Europe, and Great Britain and Ireland. Goodwill is allocation to the regions.

In the Europe East segment, the CGU groups continue to be distinguished by product group, i.e. wall, roof and façade, and the plastic pipe business. The segment comprises the CGU groups Region East WBS, Region East WPS, and Emerging Markets.

In the North America segment, the CGU groups are distinguished by product group: Brick North America comprises the North American brick business, and Pipes North America comprises the entire American plastic piping business.

The carrying amounts of the goodwill and operating assets allocated to the CGU groups were compared to their recoverable amounts and, if necessary, written down to the lower value in use or, as the case may be, the fair value less cost of disposal. In principle, the recoverability of the tested assets of the CGU groups is determined on the basis of their value in use. If the value in use is lower than the carrying amount of the tested assets, the fair value less cost of disposal is determined additionally. The values in use of a CGU group are generally determined using an income approach by discounting the expected free cash flows at the weighted average cost of capital after tax (WACC) to arrive at the present value.

For the determination of the value in use, the post-tax weighted average cost of capital is derived from external sources on the basis of generally accepted financial methods. The currency translation of the values in use was performed at the exchange rate on the day of the impairment test. An average weighted post-tax WACC of 8.19% (2022: 7.77%) was used for impairment testing at wienerberger, but specific cost of capital rates deviating therefrom were applied to all markets. In accordance with IAS 36, all cost of capital rates were reconciled to their pre-tax value for disclosure.

For the purpose of impairment testing, the following pre-tax cost of capital rates and growth rates were used:

in %	Pre-tax WACC 2023	Growth rate 2023
Europe East		
Region East WBS	12.83	2.04
Region East WPS	14.99	2.08
Emerging Markets	17.47	6.31
Europe West		
Region West - Western Europe	11.59	1.24
Region West - Northern Europe	10.68	1.57
Region West - UK/Ireland	11.86	1.48
North America		
Brick North America	13.35	1.89
Pipes North America	13.63	1.93
wienerberger	**12.39**	**1.68**

In 2022, the following pre-tax cost of capital rates and growth rates were used, based on the then relevant CGU structure:

in %	Pre-tax WACC 2022	Growth rate 2022
Wienerberger Building Solutions		
Building Solutions Central & East	12.25	2.63
Building Solutions North & West	10.88	1.18
Building Solutions Emerging Markets	15.75	6.54
Wienerberger Piping Solutions		
WPS Eastern Europe	13.87	2.24
WPS Western Europe	10.86	1.31
WPS Northern Europe	10.12	1.84
WPS UK/ Ireland	10.65	1.98
Building Materials North America		
WBS NOAM	12.30	1.51
WPS USA	13.70	1.44
wienerberger	**11.81**	**1.84**

The expectation of future cash surpluses is based on the latest internal plans prepared by the top management for the period from 2024-2027. These mid-term plans do not include the earnings potential of future strategic growth investments, such as potential corporate acquisitions. Planned investments for expansions and innovations concerning individual production lines and the related contributions to earnings are eliminated for the determination of the value in use.

The quality of these mid-term plans is reviewed on a regular basis by way of a variance analysis comparing the projected data with actual results, which are then incorporated into the subsequent planning process in the form of corrections. The calculation is based on four detailed planning periods (2024-2027). Based on the going-concern assumption, the surplus cash inflows in the following planning period are assumed to be sustainable over the long term and used as the basis for determining the present value of the terminal value. These perpetual cash flows are based on the assumption of country-specific growth rates derived from an external source (IMF, October 2023, World Economic Outlook Database). In the interest of long-term growth, profits are deemed to be fully retained to be used in future for the provision of production capacities. wienerberger tests its assets for impairment at least annually in connection with the corporate planning process. If interim forecasts or analyses indicate a significant negative variance from the original plan, the cash-generating unit concerned is again tested for impairment. In such cases, the impairment tests are recalculated on the basis of updated planning data and extended by a sensitivity analysis to include stress tests. Similarly, impairment tests are updated in the event that any external factors change significantly.

Assumptions regarding the future development of local markets, sales and prices constitute the decisive factors for determining the value in use. Therefore, the value in use is determined on the basis of forecasts published by statistical agencies and international organizations as well as management’s experience. The estimates for cost structures are based primarily on the extrapolation of historical values and incorporate macroeconomic forecasts for the most important production factors, such as energy prices, plastic granulate prices, and wage and salary trends.

Of impairment charges to intangible assets and property, plant and equipment booked in a total amount of TEUR 17,342, TEUR 9,608 were accounted for by the CGU Germany in Region West Western Europe, as the value in use calculated for the CGU was lower than the carrying amount of assets. The impairment concerned a factory building as well as technical facilities and machinery. In the CGU Steinzeug in Region West Western Europe, intangible assets were impaired by TEUR 7,734 on account of a lower value in use.

An additional sensitivity analysis shows when the value in use would correspond to the carrying amount of the tested asset, assuming that individual elements are changed while the other parameters are kept constant. To this end, the post-tax WACC, as the central component of payment flows relevant to the value in use, was modified.

Sensitivity analysis	WACC + 25 BP		WACC + 50 BP		WACC + 100 BP		WACC - 25 BP		WACC - 50 BP		WACC - 100 BP	
in TEUR	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Region East WBS	710,542	1,197,297	673,769	1,149,714	605,143	1,061,227	789,630	1,300,030	832,231	1,355,594	924,383	1,476,337
Region East WPS	–10,206	75,461	–17,180	65,646	–30,223	47,400	4,758	96,663	12,799	108,136	30,152	133,087
Emerging Markets [1]	–1,954	–1,837	–2,083	–1,991	–2,327	–2,282	–1,682	–1,510	–1,539	–1,336	–1,234	–967
Europe East	**698,382**	**1,270,922**	**654,506**	**1,213,369**	**572,594**	**1,106,345**	**792,705**	**1,395,183**	**843,491**	**1,462,394**	**953,301**	**1,608,457**
Region West Western Europe	245,733	617,362	201,456	568,840	119,718	479,695	342,109	723,539	394,683	781,781	510,020	910,341
Region West Northern Europe	201,890	183,141	185,392	167,810	154,985	139,699	237,863	216,761	257,523	235,244	300,741	276,149
Region West UK/Ireland	284,961	359,181	257,836	333,143	207,583	285,171	343,759	415,971	375,689	447,012	445,374	515,248
Europe West	**732,584**	**1,159,684**	**644,684**	**1,069,793**	**482,286**	**904,565**	**923,731**	**1,356,271**	**1,027,895**	**1,464,037**	**1,256,135**	**1,701,738**
Brick North America	79,325	39,875	63,884	24,712	35,115	–3,425	112,593	72,690	130,542	90,480	169,433	129,235
Pipes North America	627,484	65,740	610,949	63,042	580,092	58,014	663,046	71,551	682,201	74,688	723,632	81,492
North America	**706,810**	**105,615**	**674,833**	**87,754**	**615,207**	**54,589**	**775,639**	**144,241**	**812,743**	**165,168**	**893,065**	**210,726**
wienerberger	**2,137,776**	**2,536,222**	**1,974,023**	**2,370,916**	**1,670,087**	**2,065,499**	**2,492,075**	**2,895,695**	**2,684,129**	**3,091,599**	**3,102,502**	**3,520,921**

1) In CGU-Group "Emerging Markets" the recoverable amount was determined as Fair Value Less Cost of Disposal (FVLCD), which was higher than the book value of the tested assets.

Investment property

Investment property is measured at amortized cost and, except for land, subject to straight-line depreciation/amortization. Investment property shown on the balance sheet includes real estate and buildings with a carrying amount of TEUR 44,233 (2022: TEUR 37,921) that are not used in current business operations. These assets are scheduled for sale over the medium to long term and are therefore classified as investment property. The fair values of these assets derived from comparable transactions are measured at level 2 in the fair value hierarchy according to IFRS 13 and estimated at TEUR 97,564 (2022: TEUR 86,078). The fair value was determined mainly on the basis of purchase offers from third parties for the properties concerned or on the basis of prices observable in the market for similar properties. In 2023, these properties generated rental and other income of TEUR 1,331 (2022: TEUR 1,423). Expenses for investment property that generated rental income in the year under review amounted to TEUR 114 (2022: TEUR 276); expenses in the amount of TEUR 3,135 (2022: TEUR 3,076) were incurred for investment property that did not generate rental income. Investment property with a carrying amount of TEUR 13,907 (2022: TEUR 9,629) was sold during the reporting year.

Non-current assets

The development of non-current assets (intangible assets and goodwill as well as property, plant and equipment) is shown in the following table. The amounts resulting from the translation of assets of subsidiaries reporting in foreign currencies at the exchange rates applicable at the beginning and the end of the year are reported as exchange-rate changes.

Items of property, plant and equipment are recognized at acquisition cost less straight-line depreciation or usage-based depletion (clay pits). The recognition of internally produced plant or equipment includes an appropriate component of material and production overheads, but excludes general administrative and selling expenses. In accordance with IAS 23, borrowing costs incurred during the production of qualified assets are capitalized as part of acquisition cost and depreciated over their useful life. Research and development expenses at wienerberger also include the costs of product development, process technology, the improvement of environmental standards and laboratory activities. Development costs are capitalized as part of the related asset category provided they meet the criteria for recognition of IAS 38.

wienerberger recognizes government grants at their fair value under liabilities. Their reversal is reported under other income during the relevant accounting period, provided there is reasonable assurance that all conditions attached to the grant have been met.

Non-current assets include land with a value of TEUR 410,883 (2022: TEUR 413,009).

The depreciation/amortization rates are based on the useful economic lives of the respective assets (component approach). Across the Group, the following useful lives are assumed:

Production plants (incl. warehouses)	10–40 years	Other machinery	4–30 years
Administrative and residential buildings	40 years	Fittings, furniture and office equipment	4–15 years
Building infrastructure	4–40 years	Customer base	5–15 years
Kilns and dryers	5–30 years	Other intangible assets	4–10 years

Repairs that do not increase the useful life of assets are expensed as incurred. In accordance with IFRS 5, scheduled depreciation is discontinued when assets are classified as held for sale.

When plant or equipment is sold or retired, the gain or loss arising from the difference between the net proceeds on sale and the remaining carrying amount or impairment charge is reported in other operating income or expenses.

Intangible assets purchased by the Group, provided they are identifiable, are reported at acquisition cost less straight-line amortization and any impairment charges. Capitalized trademarks that have been established for a long time at the date of purchase and continue in use may be counted as intangible assets with an indefinite period of use and are therefore subject to annual impairment tests.

In accordance with IAS 20 and IAS 38, wienerberger measures emission certificates allocated free of charge based on the EU Emissions Trading Directive at zero acquisition cost. If actual emissions exceed the free certificates, a liability is recognized. Purchased certificates are recognized at cost or the lower market price on the balance sheet date.

As at the balance sheet date, obligations to purchase property, plant and equipment came to a total of TEUR 34,615 (2022: TEUR 57,082).

Asset table

in TEUR	Acquisition or construction costs: Balance on 1/1/2023	Change in scope of con-solidation	Foreign exchange incr./decr.	Additions	Disposals	Transfers	Balance on 31/12/2023	Depreciation and amortization: Balance on 1/1/2023	Foreign exchange incr./decr.	Depreciation/ amortization	Special write-downs and Impairments	Disposals	Transfers	Balance on 31/12/2023	Carrying amount 31/12/2023
Goodwill	926,032	19,407	–4,548	0	0	0	940,891	436,973	–8,015	0	0	0	0	428,958	511,933
Other intangible assets	607,998	24,182	–814	13,265	17,428	1,668	628,871	250,287	–1,199	35,417	7,988	6,833	253	285,913	342,958
Intangible assets and goodwill	**1,534,030**	**43,589**	**–5,362**	**13,265**	**17,428**	**1,668**	**1,569,762**	**687,260**	**–9,214**	**35,417**	**7,988**	**6,833**	**253**	**714,871**	**854,891**
Land and buildings	1,741,263	30,044	2,680	63,271	14,517	20,500	1,843,241	708,924	3,938	64,820	778	6,979	–634	770,847	1,072,394
Machinery and equipment	2,906,736	10,259	2,847	92,674	63,822	93,840	3,042,534	2,048,651	4,855	131,469	10,224	62,447	–2,556	2,130,196	912,338
Fixtures, fittings, tools and equipment	332,836	2,929	–5	67,025	38,681	3,851	367,955	207,526	258	54,225	0	34,144	–1,738	226,127	141,828
Assets under construction	254,588	317	–2,954	131,110	803	–141,852	240,406	1,437	45	0	254	126	–13	1,597	238,809
Property, plant and equipment	**5,235,423**	**43,549**	**2,568**	**354,080**	**117,823**	**–23,661**	**5,494,136**	**2,966,538**	**9,096**	**250,514**	**11,256**	**103,696**	**–4,941**	**3,128,767**	**2,365,369**
	0							0							
Investment property	**78,646**	**1,915**	**654**	**0**	**23,974**	**23,669**	**80,910**	**40,725**	**844**	**860**	**0**	**10,067**	**4,315**	**36,677**	**44,233**
	0							0							
Intangible assets and property, plant and equipment	**6,848,099**	**89,053**	**–2,140**	**367,345**	**159,225**	**1,676**	**7,144,808**	**3,694,523**	**726**	**286,791**	**19,244**	**120,596**	**–373**	**3,880,315**	**3,264,493**

Asset table

in TEUR	Acquisition or construction costs: Balance on 1/1/2022	Change in scope of con-solidation	Foreign exchange incr./decr.	Additions	Depreciation	Transfers	Balance on 1/1/2022	Depreciation and amortization: Balance on 1/1/2022	Foreign exchange incr./decr.	Depreciation/ amortization	Special write-downs and Impairments	Disposals	Transfers	Balance on 1/1/2022	Carrying amount 31/12/2022
Goodwill [1]	923,133	10,310	1,862	0	9,540	267	926,032	434,812	11,701	0	0	9,540	0	436,973	489,059
Other intangible assets	590,168	15,187	–8,947	26,326	6,818	–7,918	607,998	221,118	–3,834	39,532	5,308	2,804	–9,033	250,287	357,711
Intangible assets and goodwill	**1,513,301**	**25,497**	**–7,085**	**26,326**	**16,358**	**–7,651**	**1,534,030**	**655,930**	**7,867**	**39,532**	**5,308**	**12,344**	**–9,033**	**687,260**	**846,770**
Land and buildings	1,672,642	15,516	2,640	80,889	17,747	–12,677	1,741,263	667,081	967	52,104	12,319	4,438	–19,109	708,924	1,032,339
Machinery and equipment	2,835,844	8,670	8,796	78,171	75,873	51,128	2,906,736	2,025,195	8,929	129,079	8,379	76,498	–46,433	2,048,651	858,085
Fixtures, fittings, tools and equipment	296,538	662	456	51,514	15,901	–433	332,836	172,416	–153	54,211	1,639	15,325	–5,262	207,526	125,310
Assets under construction	177,708	2,959	–3,343	195,252	821	–117,167	254,588	1,887	–90	0	899	225	–1,034	1,437	253,151
Property, plant and equipment	**4,982,732**	**27,807**	**8,549**	**405,826**	**110,342**	**–79,149**	**5,235,423**	**2,866,579**	**9,653**	**235,394**	**23,236**	**96,486**	**–71,838**	**2,966,538**	**2,268,885**
Investment property	**89,824**	**36**	**161**	**736**	**16,730**	**4,619**	**78,646**	**45,919**	**–91**	**1,331**	**255**	**7,100**	**411**	**40,725**	**37,921**
Intangible assets and property, plant and equipment	**6,585,857**	**53,340**	**1,625**	**432,888**	**143,430**	**–82,181**	**6,848,099**	**3,568,428**	**17,429**	**276,257**	**28,799**	**115,930**	**–80,460**	**3,694,523**	**3,153,576**

1) Disposal of previously impaired goodwill of IGM Ciglana d.o.o. (deconsolidated in 2022)

Leases

wienerberger recognizes rights of use in non-current assets within the relevant asset classes. wienerberger primarily rents vehicles, office space, storage facilities, production sites and showrooms. Lease contracts are negotiated individually under different terms and conditions. Plant and equipment include rented vehicles.

The change in rights of use for leases, reported as part of property, plant and equipment, is recognized as follows:

in TEUR	1/1/2023	Foreign exchange incr./decr.	Change in scope of consolidation	Additions	Deprecia-tion	Disposals	31/12/2023
Land and buildings	157,548	1,145	1,072	26,163	21,949	4,713	159,265
Machinery and equipment	4,874	–89	0	3,049	2,280	291	5,262
Fixtures, fittings, tools and equipment	76,914	–113	258	55,687	38,199	4,027	90,521
Right-of-use asset leases	**239,336**	**943**	**1,330**	**84,899**	**62,428**	**9,031**	**255,048**

in TEUR	1/1/2022	Foreign exchange incr./decr.	Change in scope of consolidation	Additions	Deprecia-tion	Disposals	31/12/2022
Land and buildings	153,058	–866	1,616	30,514	19,864	6,910	157,548
Machinery and equipment	7,118	–158	57	1,315	2,936	522	4,874
Fixtures, fittings, tools and equipment	75,114	167	108	41,027	38,961	543	76,914
Right-of-use asset leases	**235,290**	**–857**	**1,781**	**72,856**	**61,761**	**7,975**	**239,336**

In the interest of operational flexibility, contracts for real estate, in particular, frequently include extension and termination options. In individual cases, unlimited contract terms with termination options are agreed upon. In principle, long contract terms are assumed, with due consideration given to contractual and economic factors. In the majority of cases, the exercise of extension options and/or the non-exercise of termination rights are assumed. The group's material lease contracts according to IFRS 16 do not contain purchase options.

Details on lease liabilities, including an analysis of maturities, are disclosed in Note 32. Liabilities. Interest payable during the reporting period is disclosed in Note 16. Interest result and other financial result.

In accordance with the practical expedient, payments for short-term leases with a maturity of not more than twelve months and leases of low-value assets are recognized on a linear basis as rental and leasing expenses over the term of the lease concerned. For a breakdown of other rental and lease expenses, see Note 13. Other operating expenses.

The entire cash outflow for leases amounted to TEUR 59.731 (2022: TEUR 63,627).

23. Investments

Investments in associates and joint ventures as well as other investments comprise the following:

in TEUR	2023	2022
Investments in associates and joint ventures	15,773	20,420
Investments in subsidiaries	57	58
Other investments	34,082	16,297
Financial Investments	**49,912**	**36,775**

24. Inventories

Inventories are carried at the lower of acquisition and/or production cost and net realizable value, with valuation based on the moving average price method. Cost includes direct expenses as well as allocated overhead and depreciation based on normal capacity usage (between 85 % and 100 % of capacity). Interest on borrowed capital and selling and administrative expenses are not included in the production cost of current assets. Risks resulting from the length of storage or other impairments in value are reflected through appropriate write-downs.

In the following table, inventories are broken down by material category as at the balance sheet date:

in TEUR	2023	2022
Raw materials and consumables	271,840	258,614
Semi-finished goods	145,543	139,873
Finished goods and merchandise	733,802	631,613
Prepayments	2,578	6,111
Inventories	**1,153,763**	**1,036,211**

Pallets are included in raw materials and consumables. Clay purchased from third parties, together with clay extracted at wienerberger’s own extraction sites, is reported under semi-finished goods. Write-downs of inventories of TEUR 7,383 (2022: TEUR 9,857) were recognized for products with a net realizable value (selling price less selling and administrative expenses) lower than their acquisition or production costs.

25. Receivables, securities and other financial assets

Financial assets at amortized cost

	2023			2022		
in TEUR	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Trade receivables from third parties	306,670	306,670	0	373,645	373,645	0
Trade receivables from subsidiaries [1)]	110	110	0	869	869	0
Trade receivables	**306,780**	**306,780**	**0**	**374,514**	**374,514**	**0**
Financial receivables from subsidiaries [1)]	26,255	26,255	0	21,145	21,145	0
Receivables arising from loans	12,354	12,354	0	6,483	6,483	0
Loans granted	**38,609**	**38,609**	**0**	**27,628**	**27,628**	**0**
Loans and receivables AC [2)]	**345,389**	**345,389**	**0**	**402,142**	**402,142**	**0**

1) includes intercompany receivables against at-equity consolidated and unconsolidated Group companies // 2) z financial assets at amortized cost

Trade receivables include contract assets of TEUR 1,635 (2022: TEUR 1,603) from customer-specific production orders. They represent a conditional right to consideration for complete performance of the contractual obligations by wienerberger.

Loans and receivables are recognized at amortized cost and adjusted to reflect weighted expected credit losses. Valuation allowances are deducted directly from receivables and other assets. In accordance with the derecognition criteria of IFRS 9, receivables sold (factoring) are derecognized. As of December 31, 2023, trade receivables in the amount of TEUR 116,523 (2022: TEUR 124,954) had been sold to third parties. Trade receivables in a total amount of TEUR 1,291 (2022: TEUR 2,271) are secured by notes payable.

Spot transactions in financial assets are recognized on the transaction date. A financial asset is derecognized when the contractual rights to cash flows from that asset expire.

Financial receivables from subsidiaries result from loans granted to Group companies consolidated at equity and other investments.

Financial assets measured at fair value through profit or loss in a total amount of TEUR 40,745 (2022: TEUR 22,453) include securities of TEUR 6,088 (2022: TEUR 5,554) recognized in current assets, derivatives of TEUR 575 (2022: TEUR 602) and other investments recognized in non-current assets amounting to TEUR 34,081 (2022: TEUR 16,355). For further details, see Note 35. Disclosures on financial instruments.

Securities at fair value through profit or loss

2023 in TEUR	Carrying amount	Market value	Market value changes recog. in financial result
Shares in funds	5,585	5,585	511
Stock	224	224	0
Other	279	279	0
Securities	**6,088**	**6,088**	**511**

2022 in TEUR	Carrying amount	Market value	Market value changes recog. in financial result
Shares in funds	5,146	5,146	153
Stock	76	76	0
Other	332	332	0
Securities	**5,554**	**5,554**	**153**

Securities are held for short-term investment of excess liquidity and to cover pension and severance obligations; they primarily include mutual fund units and shares, which are accounted for at fair value. Market value changes are recognized in the financial result. As of the balance sheet date, no debt instruments measured at fair value through other comprehensive income were held.

Derivatives

in TEUR	2023		2022	
	Carrying amount	Market value	Carrying amount	Market value
Derivatives designated in cash flow hedges	18,260	18,260	31,086	31,086
Derivatives designated in net investment hedges	8,874	8,874	8,026	8,026
Other derivatives	575	575	602	602
Derivatives with positive market value	**27,709**	**27,709**	**39,714**	**39,714**

Securities and other financial assets carried on the balance sheet can be broken down as follows:

in TEUR	2023	2022
Loans granted	38,609	27,628
Securities	6,088	5,554
Derivatives hedge accounting	27,134	39,112
Other derivatives	575	602
Securities and other financial assets	**72,406**	**72,896**

26. Other receivables

in TEUR	2023			2022		
	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Receivables from current taxes	**29,097**	**29,097**	**0**	**12,488**	**12,488**	**0**
Right-of-return asset	15,699	15,699	0	26,551	26,551	0
Prepaid expenses and deferred charges	20,999	19,043	1,956	16,586	13,928	2,658
Miscellaneous receivables	70,807	63,889	6,918	84,744	80,386	4,358
Other receivables	**107,505**	**98,631**	**8,874**	**127,881**	**120,865**	**7,016**

Assets derived from the right to recover products from customers (right-of-return assets) result from the accounting of rights of return, such as returnable pallets. The remaining other receivables mainly include receivables from tax authorities and social security institutions.

27. Assets held for sale

wienerberger owns land and buildings as non-core assets from which income is to be derived through their sale. According to IFRS 5, non-current assets held for sale must be reported separately, provided they are available for immediate sale in their current condition and transaction of the sale is highly probable within one year. If these prerequisites are met, they are reported separately on the balance sheet, measured at the lowest of carrying amount and fair value less costs of sale. Assets classified as held for sale are no longer depreciated. Liabilities to be disposed of together with the assets in a single transaction are part of the disposal group.

Since the second quarter of 2022, wienerberger has reported assets and liabilities associated with business activities in Russia separately on the balance sheet, as required by IFRS 5. Having obtained the necessary official approvals, wienerberger sold its Russian activities as of 05/02/2024. As at the balance sheet date, assets of TEUR 25,605 (2022: TEUR 23,121) were reported under "non-current assets held for sale", comprising mainly inventories and cash and cash equivalents. These were booked against trade payables, other liabilities and provisions of TEUR 11,514 (2022: TEUR 14,760) recognized in connection with assets held for sale. Reserves included in equity amounting to TEUR -42,415 (2022: TEUR -40,059) primarily result from currency translation and long-term intercompany financing, which are linked to the Russian disposal group.

28. Group equity

The development of Group equity in 2023 and 2022 is shown the Consolidated Statement of Changes in Equity.

The 153rd Annual General Meeting of Wienerberger AG on May 3, 2022, authorized the Managing Board for a period of 30 months to buy back own shares of up to 8% of the share capital at a price of no less than one euro and no more than twice the stock exchange price of May 3, 2022 per share. Moreover, the Managing Board was authorized, subject to approval by the Supervisory Board, but without further resolution by the Annual General Meeting, to cancel own shares (authorization valid for a period of 30 months) or to resolve to sell and/or use them other than on the stock exchange or by public offering (authorization valid for a period of five years). This authorization replaces the authorization to buy back or sell own shares granted by the Annual General Meeting on May 5, 2020.

The 150th Annual General Meeting held on May 6, 2019, approved authorized capital of EUR 17,452,724. This authorization covers an ordinary capital increase by contributions in cash or in kind within a period of five years, subject to approval by the Supervisory Board. The share capital can be increased by a maximum of EUR 17,452,724 through the issue of up to 17,452,724 new bearer shares with the possibility of excluding subscription rights for fractional amounts. The capital increase can be carried out in several tranches, if necessary. The type of shares, the issue price and the issue conditions are to be determined by the Managing Board, subject to approval by the Supervisory Board. In principle, the shareholders have statutory subscription rights. However, the Managing Board was authorized to exclude the shareholders' statutory subscription rights in two special cases: first, for a capital increase in case of a contribution in kind for the granting of shares as currency for the acquisition of companies, parts of companies or participations in companies, and second, for multiple allotments in connection with the placement of new shares by the company (greenshoe). The number of shares issued subject to the exclusion of subscription rights must not exceed 5,817,574.

As at 31/12/2023, wienerberger's group equity amounted to TEUR 2,657,701 compared to TEUR 2,450,422 in the previous year. Profit after tax increased equity by TEUR 335,115 (2022: TEUR 568,546). The other components of comprehensive income led to a decrease in equity by TEUR 23,735 (2022: increase by TEUR 24,094) net of deferred taxes. In addition, an amount of TEUR 2,059 (2022: TEUR 1,351) resulting from the change in the stock option plan was recognized in capital reserves (see details in Note 12. Personnel expenses) and retained earnings were increased by the effect of the first-time application of IAS 29 in the amount of TEUR 4,218 (2022: TEUR 4,679). As at 31/12/2023, the share of equity in total assets amounted to 48.6% (2022: 47.1%), and net debt increased from TEUR 1,079,292 in 2022 to TEUR 1,214,706.

Non-controlling interests amounted to TEUR 2,266 compared to TEUR 1,571 in the previous year.

As at 31/12/2023, the share capital of Wienerberger AG totaled EUR 111,732,343, divided into 111,732,343 no-par value shares that all carry the same rights. All shares are fully paid in. A dividend of EUR 0.90 per share was paid out in 2023, i.e. TEUR 100,559 less TEUR 5,711 for treasury shares, or TEUR 94,848 in total.

In the reporting year, wienerberger bought back 976,600 own shares for a price of TEUR 26,018, including transaction costs of TEUR 18. In the course of the acquisition of the Strøjer Group in the 2023 business year, 387,440 shares with a value of TEUR 10,306 were transferred to the sellers; another 6,099 shares with a value of TEUR 183 were transferred to employees within the framework of the Employee Share Participation Program in North America.

Retained earnings of TEUR 1,921,571 (2022: TEUR 1,677,900) include the retained earnings of Wienerberger AG and all retained earnings of subsidiaries not eliminated in the course of capital consolidation. Group results for 2023, excluding the share of profit or loss attributable to non-controlling interests, are included in retained earnings.

Other reserves include the components of other comprehensive income. These include actuarial gains and losses from pension and severance pay plans, which are not subsequently reclassified to profit or loss. The remaining other reserves include those components of other comprehensive income which, as a matter of principle, must be reclassified to profit or loss. The currency translation reserve includes all differences from foreign currency translation after tax, recognized in other comprehensive income, with the differences from companies consolidated at equity shown separately. The hedging reserve reflects fair value changes of hedges. These hedges comprise hedges of net investments in foreign operations (net investment hedges) as well as hedges for foreign currency transactions (cash flow hedges).

Change-of-control clauses are included in the employment contracts of the members of the Managing Board, the terms and conditions of the 2018, 2020 and 2023 corporate bonds, and in several syndicated term loans and other loans.

29. Provisions

in TEUR	1/1/2023	Foreign exchange incr./decr.	Change in scope of consolidation	Reversal	Use	Addition	31/12/2023
Provisions for warranties	32,030	261	64	2,963	10,334	11,761	30,819
Provisions for site restoration	49,774	50	302	4,865	11,046	10,191	44,406
Miscellaneous non-current provisions	21,461	–96	0	334	4,337	11,591	28,285
Other non-current provisions	**103,264**	**215**	**366**	**8,162**	**25,717**	**33,543**	**103,509**
Taxes provision	1,743	9	0	252	0	251	1,751
Other current provisions	59,058	–670	2,307	6,038	74,959	95,540	75,238
Current provisions	**60,801**	**–661**	**2,307**	**6,290**	**74,959**	**95,791**	**76,989**
Other provisions	**164,065**	**–446**	**2,673**	**14,452**	**100,676**	**129,334**	**180,498**

In accordance with IAS 37, provisions for obligatory site restoration are set up when clay pits are purchased and reported as additions to non-current assets according to IAS 16. The underlying assumptions for these obligations are generally based on the regulations applicable in the respective countries. Non-current provisions that are expected to be used after 12 months are discounted and reported at their present value. Other non-current provisions primarily comprise other non-current personnel provisions and other environment provisions. Other current provisions mainly comprise provisions for restructuring and other current personnel provisions.

30. Employee benefits

in TEUR	2023	2022
Provisions for severance payments	22,958	22,041
Provisions for pensions	35,215	41,597
Provisions for anniversary bonuses	11,295	10,231
Employee-related provisions	**69,468**	**73,869**

The company is exposed to various risks in connection with the plans for post-employment benefits. In addition to general actuarial risks, such as an increase in life expectancy for retirement benefits or interest rate risks, the company is also exposed to foreign exchange risks or investment risks on the capital markets.

Pension obligations

The length of service forms the basis for retirement benefits under pension plans. The obligations for pensions are netted against plan assets held to cover pension obligations. According to IAS 19, actuarial gains and losses are recognized in other comprehensive income in the year in which they are incurred. The interest component of post-employment benefits is recognized separately in the financial result. Expenses for the appropriation to pension provisions are allocated to the respective functional areas.

wienerberger has undertaken pension commitments to employees in the Netherlands, Great Britain, Scandinavia, the USA, Canada, Germany and Belgium as well as to individual members of senior management in Austria. Future pension agreements are granted to employees in the form of defined-contribution plans. As far as possible, defined-benefit pension agreements are converted into defined-contribution pension models through the transfer of previously earned entitlements to pension funds. wienerberger has also undertaken a number of defined-benefit pension commitments, mainly to former managers, based on unfunded pension plans.

In the 2023 business year, the pension regime for the employees of General Shale Brick Inc. (USA), which was based on a funded defined-benefit pension plan, was assigned to an insurance company and the pension plan was thus settled. In the reporting year, the expense resulting from the pension claims being settled and assigned amounted to TEUR 1,205 and was recognized in personnel expenses. In total, obligations amounting to TEUR 55,692 and plan assets of TEUR 56,898 were transferred. The employees of General Shale Brick Inc. (USA) are still covered by an unfunded (retirement) health insurance scheme.

Entitlements earned by Dutch employees are satisfied through a defined-contribution pension plan, primarily through contributions to an industry-wide Dutch pension fund. In Great Britain, a defined-contribution pension plan covers all employees. thebrickbusiness, a company acquired in 2004, and Baggeridge, acquired in 2007, had defined-benefit models. Claims were frozen and provisions were set up for the resultant obligations. The employees of the Steinzeug-Keramo Group are also covered by defined-benefit pension models. The Pipelife Group has defined-benefit pension plans for individual members of the management in the Netherlands, Belgium, Austria and Germany.

The calculations are based on the following weighted average parameters:

Parameters	2023	2022
Discount rate	4.4%	4.5%
Expected salary increases	0.2%	0.2%
Expected pension increases	1.4%	1.1%
Average employee turnover	0.3%	0.2%
Mortality tables		
Austria	AVÖ 2018-P ANG	AVÖ 2018-P ANG
Germany	Heubeck 2018 G	Heubeck 2018 G
USA	Pri.A-2012 Fully Generational with Scale MP 2021	Pri.A-2012 Fully Generational with Scale MP 2021
Great Britain	105% of SAPS "S2" Combined / CMI 2022	105% of SAPS "S2" Combined / CMI 2021
Belgium	MR-3/FR-3	MR-3/FR-3
Sweden	DUS14/DUS21	DUS14/DUS21
Canada	CPM Improvement Scale B	CPM Improvement Scale B
Netherlands	AG Prognosetafel 2020	AG Prognosetafel 2020

The country-specific discount rate is based on the average return on senior, fixed-interest industrial bonds with a term to maturity that reflects the average maturity of the obligations to employees.

Total pension expenses for 2023 cover both defined-contribution and defined-benefit pension plans. The current and past service cost and the effects of plan settlements are recognized in the operating result; the net interest effect is recognized in the financial result.

in TEUR	2023	2022
Defined contribution plans	**21,669**	**20,998**
Defined benefit plans		
Service cost for defined benefit plans	3,363	2,756
Impact of plan curtailments and settlements	1,189	0
Net interest cost	1,558	912
Expenses for defined benefit plans	**6,110**	**3,668**
Total expenses for pensions	**27,779**	**24,666**

The gross pension obligations are reconciled to net obligations as shown on the balance sheet by deducting the fair value of plan assets. Of the total net obligations, an amount of TEUR 6,610 (2022: TEUR 6,870) is related to the US (retirement) health insurance program. A change in the trend medical service costs does not have a material impact on the interest expense or the defined-benefit pension obligations.

The components of pension obligations and their coverage by plan assets are shown below:

	Defined benefit pension obligations		Fair Value of plan assets	
in TEUR	2023	2022	2023	2022
Value as of 1/1	**237,156**	**336,707**	**195,559**	**275,082**
Change in scope of consolidation	0	0	0	321
Reclassifications	0	369	0	0
Foreign exchange increase/decrease	–767	1,412	780	–1,099
Service cost for defined benefit pension plans	3,363	2,756	0	0
Interest cost	10,288	5,780	0	0
Expected income from plan assets	0	0	8,730	4,873
Effects of plan curtailments	1,189	0	0	0
Actuarial gains/losses	–4,786	–93,605	147	–87,895
Payments to retirees	–16,604	–15,029	–16,606	–15,149
Payments received from employees	160	143	160	143
Settlements	–55,692	305	–56,898	287
Payments received from employers	–449	–1,682	8,726	18,996
Value as of 31/12	**173,858**	**237,156**	**140,598**	**195,559**
Fair value of plan assets	–140,598	–195,559		
Net pension obligations	**33,260**	**41,597**		
Thereof provision for pensions	35,215	41,597		
thereof: market value of plan assets in excess of pension obligations	–1,955			
Actuarial gains/losses resulting from pension plans				
Actuarial gains/losses from changes in demographic assumptions	–4,776	–2,218		
Actuarial gains/losses from changes in financial assumptions	2,380	–64,123		
Actuarial gains/losses from experience adjustments	–2,390	–27,264		
Deviation of return on plan assets	–147	87,895		
Actuarial gains (-)/losses (+) in other comprehensive income	**–4,933**	**–5,710**		

Pension plan assets consist mainly of the assets of funded defined-benefit pension plans in Great Britain and Pipelife's plan in the Netherlands. The plan assets are invested in equities (34%; 2022: 31%), bonds (25%; 2022: 37%) and other assets (41%; 2022: 32%).

The sensitivity of the gross pension obligation was tested by modifying the major actuarial assumptions individually while keeping all other conditions constant. A negative amount represents a reduction of the obligation, while a positive amount indicates an increase.

Sensitivity of the gross pension obligation	Change of parameter in basis points (bp)/years	Increase of parameter in TEUR	Decrease of parameter in TEUR
Discount rate	+/- 25 BP	–4,770	4,990
Salary increases	+/- 100 BP	246	–239
Employee turnover	+/- 100 BP	–59	53
life expectancy	+/- 1 J	5,813	–6,012

The payments to defined-benefit pension plans are expected to total TEUR 9,524 in 2024. As at 31/12/2023, the weighted average duration of the pension obligations was 12.1 years (2022: 11.7 years).

Severance obligations

According to Austrian law, Austrian employees are entitled to a lump-sum payment upon retirement or termination by the employer, the amount being dependent on the length of service. Provisions for severance pay are set up for these future obligations. Similar provisions apply, for instance, in France, Italy, Poland and Turkey. The provisions for severance pay are calculated according to actuarial principles using the projected unit credit method. For Austrian employees whose employment started after 31/12/2002, the employer contributes 1.53% of the gross wage or salary each month to an employee severance fund. According to IAS 19, this is classified as a defined-contribution plan, and the related employer contributions are reported under severance expense.

The country-specific discount rate used to calculate the severance obligations under the projected unit credit method is based on the same yield curve used to calculate the pension obligations. The calculations are based on the following weighted average parameters:

Parameters	2023	2022
Discount rate	4.6%	4.4%
Expected salary increases	3.5%	3.9%
Average employee turnover	**2.0%**	2.0%

The current and past service cost and the effects of settlement payments from defined-benefit severance plans are included in the operating result, while the net interest effect is recognized in the financial result.

in TEUR	2023	2022
Defined contribution plans	**1,783**	**1,726**
Defined benefit plans		
Service cost for defined benefit plans	819	891
Past service cost	–688	75
Effects of settlements	–18	–791
Net interest cost	941	262
Expenses for defined benefit plans	**1,054**	**437**
Expenses for severance payments	**2,837**	**2,163**

Severance obligations in France are covered by plan assets, which are held in shares (14%; 2022: 14%), bonds (78%; 2022: 76%) and other assets (8%; 2022: 10%).

The following table shows the composition of severance obligations and their coverage through plan assets:

in TEUR	Defined benefit severance obligation 2023	2022	Fair value of plan assets 2023	2022
Value as of 1/1	**24,380**	**29,390**	**2,857**	**2,628**
Change in scope of consolidation	188	33		0
Foreign exchange increase/decrease	–117	–145		0
Service cost for defined benefit severance obligations	819	891		0
Interest cost	1,050	282		0
Expected income from plan assets	0	0	109	19
Effects of settlements	–18	–519		0
Actuarial gains/losses	3,268	–3,411	20	210
Past service cost	–688	75		0
Payments	–2,282	–1,899		0
Payments received from employers	–657	–317		0
Value as of 31/12	**25,943**	**24,380**	**2,986**	**2,857**
Fair value of plan assets	–2,986	–2,857		
Net severance compensation obligations	**22,957**	**21,523**		
Thereof provision for severance	22,957	22,041		
thereof: market value of plan assets in excess of severance obligations	0	–518		
Actuarial gains/losses resulting from severance payment plans				
Actuarial gains/losses from changes in demographic assumptions	2,651	–103		
Actuarial gains/losses from changes in financial assumptions	471	–1,766		
Actuarial gains/losses from experience adjustments	147	–1,542		
Deviation of return on plan assets	–20	–210		
Actuarial gains (-)/losses (+) in other comprehensive income	**3,249**	**–3,621**		

The sensitivity of the gross severance obligation was tested by modifying the major actuarial assumptions individually while keeping all other conditions constant. A negative amount represents a reduction of the obligation, while a positive amount indicates an increase.

Sensitivity of the gross severance obligation	Change of parameter in basis points (bp)	Increase of parameter in TEUR	Decrease of parameter in TEUR
Discount rate	+/- 25 BP	–517	535
Salary increases	+/- 100 BP	2,059	–1,845
Employee turnover	+/- 100 BP	–458	480

The payments to severance plans are expected to total TEUR1,086 in 2024. As of 31/12/2023, the weighted average duration of the severance obligations was 10.1 years (2022: 10.2 years).

31. Deferred taxes

In accordance with IAS 12, the calculation of deferred taxes includes all temporary valuation and accounting differences between the tax balance sheet and the balance sheet according to IFRS. Deferred tax assets also include tax credit entitlements which arise from the expected use of existing loss carryforwards in future years and whose realization is probable. These entitlements are calculated on the basis of planned operating results and the earnings effects from the reversal of taxable temporary differences. Deferred taxes are calculated using the tax rate expected to be in effect when these differences are reversed in the future and are based on the local tax rate applicable to the individual Group companies. Future changes in tax rates are applied if the relevant legal amendment has been substantially enacted as of the balance sheet date.

The following deferred tax assets and liabilities as of 31/12/2023 result from temporary valuation and accounting differences between the carrying amounts of the consolidated financial statements and the corresponding tax bases:

in TEUR	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Intangible assets	3,212	–61,063	1,834	–63,306
Property, plant and equipment and financial assets	4,856	–134,626	11,704	–147,255
Inventories	7,915	–7,941	5,133	–4,668
Receivables	18,167	–11,829	17,264	–13,075
Miscellaneous receivables	4,061	–30	32,880	–47
	38,211	–215,489	68,815	–228,351
Provisions	16,685	–2,908	19,883	–10,460
Liabilities	67,393	–6,216	63,195	–4,408
Prepayments received	328	–347	998	–1,132
	84,406	–9,471	84,076	–16,000
Tax losses carried forward [1]	241,139	0	274,703	
Deferred tax assets/liabilities	**363,756**	**–224,960**	**427,594**	**–244,351**
Unrecognized deferred tax assets [1]	–194,414		–222,162	
Offset within legal tax units and jurisdictions	–124,423	124,423	–143,677	143,677
Recognized tax assets/liabilities	**44,919**	**–100,537**	**61,754**	**–100,674**

1) Prior year figures were adjusted for unrecognized interest carryforwards in the amount of TEUR 12.148

Deferred taxes are calculated on the basis of the tax rates applied or announced to be applied in the individual countries pursuant to tax legislation currently in effect or substantially enacted. In Austria, the Eco-Social Tax Reform Act was published in the Federal Law Gazette on February 14, 2022. It provides for a step-by-step reduction of the corporate income tax rate to 23% as of January 1, 2024.

For the foreign companies, deferred taxes are calculated on the basis of the respective country-specific tax rates, which in the 2023 business year ranged from 0% to 30%.

Deferred tax assets include an amount of TEUR 5,549 (2022: TEUR 4,544) for companies with a negative tax result for the reporting year. Given the underlying mid-term planning, their recoverability is justified.

At Group level, deductible temporary differences and tax loss carryforwards (including interest carryforwards and pro-rata depreciation and amortization) amounted to TEUR 728.375 (2022: TEUR 857.312[2]). Thereof, TEUR 36,698 (2022: TEUR 75,479) relate to deductible temporary differences and TEUR 691.677 (2022: TEUR 781.834[2]) to tax loss carryforwards (including interest carryforwards pro-rata depreciation and amortization).

2) Prior year figures were adjusted for unrecognized interest carryforwards in the gross amount of TEUR 40.495 (TEUR 12.148 net)

No deferred tax assets were recognized for these amounts, as their recoverability is not fully evidenced by mid-term planning. This corresponds to unrecognized deferred tax assets of TEUR 194.414 (2022: TEUR 222.162[2]) for temporary differences and tax loss carryforwards (including pro-rata depreciation and amortization). Thereof, TEUR 7.002 (2022: TEUR 17.334) relate to deductible temporary differences and TEUR 187.412 (2022: TEUR 204.828[2]) to tax loss carryforwards (including interest carryforwards and pro-rata depreciation).

The following table shows when unused tax loss carryforwards expire:

in TEUR	2023	2022
Expiry date of unused tax losses ≤ 5 years	7,724	8,167
Expiry date of unused tax losses 6–10 years	3,403	1,605
Unlimited carryforward of unused tax losses	626,237	731,567
Total of unused tax losses	**637,363**	**741,339**

Temporary pro-rata tax depreciation (over 7 years), which is tax-deductible under Austrian law, amounted to TEUR 46,280 (2022: TEUR 56,710) for Wienerberger AG. As in the previous year, no deferred tax assets were recognized for this amount.

As at 31/12/2023, taxable temporary differences relating to investments in subsidiaries amounted to TEUR 351.195 (2022: TEUR 334.217), for which no deferred tax liabilities were recognized in accordance with IAS 12.39 (outside basis differences).

wienerberger has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the group neither recognizes nor discloses information about deferred tax assets and liabilities to Pillar 2 income taxes.

On December 30, 2023, the Pillar 2 income taxes legislation was enacted in Austria, being effective as from January 1, 2024 (Mindest-besteuerungsreformgesetz, Min-BestRefG). Under the legislation, the parent company will be required to pay in Austria top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15%. We are in the implementation phase of Pillar 2 and have carried out a temporary safe harbor calculation for the reporting year. Based on our preliminary analysis, we assume that exposure to this tax may exist in Ireland, Hungary, Bulgaria, Serbia and Romania, but we don't expect a material impact.

2) Prior year figures were adjusted for unrecognized interest carryforwards in the gross amount of TEUR 40.495 (TEUR 12.148 net)

Below table shows the amount by country of deferred tax assets at the beginning of the transition year 2024 in the meaning of article 9.1.1 of the OECD guidelines attributable to tax loss carryforwards, interest carryforwards and pro-rata depreciation and amortization:

in TEUR		2023	
Country	**Tax rate**	**Gross**	**Net**
Germany	30.0%	399,962	119,989
Austria	23.0%	157,270	36,172
Netherlands	25.8%	48,004	12,385
Denmark	22.0%	27,496	6,049
Russia	20.0%	17,469	3,494
Belgium	25.0%	15,516	3,879
Poland	19.0%	7,028	1,335
Others		18,932	4,109
Total		**691,677**	**187,412**

32. Liabilities

Financial liabilities are recognized at amortized costs and subsequently measured under the effective interest rate method. The only exception being derivatives with negative market values, which are measured at fair value. Foreign currency liabilities are translated at the exchange rate in effect on the balance sheet date. To date, wienerberger has not elected to use the option provided by IFRS 9, which permits the initial recognition of a financial liability at fair value through profit or loss.

The remaining terms of the various classes of liabilities are shown in the following tables:

2023 in TEUR	**Total**	**Remaining term < 1 year**	**Remaining term 1–5 years**	**Remaining term > 5 years**
Interest-bearing loans	1,435,735	363,923	974,881	96,931
Lease liabilities	265,448	62,688	109,806	92,954
Financial liabilities owed to subsidiaries [1]	35	35	0	0
Financial liabilities	**1,701,218**	**426,646**	**1,084,687**	**189,885**
Trade payables owed to third parties	329,488	329,488	0	0
Trade payables owed to subsidiaries [1]	586	586	0	0
Trade payables	**330,074**	**330,074**	**0**	**0**
Payables for current taxes	**30,593**	**30,593**	**0**	**0**
Contract liability	9,672	9,672	0	0
Amounts owed to tax authorities and social security institutions	72,419	72,419	0	0
Refund liabilities	18,891	18,891	0	0
Deferred income	11,078	4,178	1,459	5,441
Miscellaneous liabilities	274,924	258,511	4,258	12,155
Other liabilities	**386,984**	**363,671**	**5,717**	**17,596**
Total liabilities	**2,448,869**	**1,150,984**	**1,090,404**	**207,481**

1) includes intercompany liabilities against at-equity consolidated and unconsolidated Group companies

2022 in TEUR	**Total**	**Remaining term < 1 year**	**Remaining term 1–5 years**	**Remaining term > 5 years**
Interest-bearing loans	1,204,554	151,643	904,594	148,317
Lease liabilities	247,633	55,482	97,547	94,604
Financial liabilities owed to subsidiaries	32	32	0	0
Financial liabilities	**1,452,219**	**207,158**	**1,002,140**	**242,921**
Trade payables owed to third parties	438,481	438,481	0	0
Trade payables owed to subsidiaries	1,086	1,086	0	0
Trade payables	**439,567**	**439,567**	**0**	**0**
Payables for current taxes	**49,636**	**49,636**	**0**	**0**
Contract liability	7,876	7,876	0	0
Amounts owed to tax authorities and social security institutions	80,071	80,071	0	0
Refund liabilities	33,872	33,872	0	0
Deferred income	13,631	11,677	288	1,666
Miscellaneous liabilities	318,595	305,041	1,762	11,792
Other liabilities	**454,045**	**438,537**	**2,050**	**13,458**
Total liabilities	**2,395,467**	**1,134,898**	**1,004,190**	**256,379**

Leases already concluded but not yet commenced on the balance sheet date have not been taken into account in the valuation of lease liabilities. On the basis of information available on the balance sheet date, such arrangements will result in an increase in right-of-use assets and lease liabilities in the following year by TEUR 3,695 (2022: TEUR 9,453).

Refund liabilities primarily comprise rights of return recognized for returnable pallets.

Contract liabilities comprise advance payments received from customers and are recognized on the balance sheet in other liabilities. On the balance sheet date, they amounted to TEUR 9,672 (2022: TEUR 7,876). Revenues generated from these orders are recognized at the time of transfer of the goods/services to the customer.

Miscellaneous other liabilities include TEUR 77,985 (2022: TEUR 85,231) due to employees and TEUR 145,570 (2022: TEUR 173,940) from accruals for bonuses and other sales deductions due to customers. Prepayments received include TEUR 8,740 (2022: TEUR 7,410) in subsidies and investment grants from third parties, which are reversed to income over the useful life of the related items of property, plant and equipment. In addition to liabilities from current taxes, amounts owed to tax authorities and social security institutions also include tax liabilities of TEUR 41,508 (2022: TEUR 50,902).

Financial liabilities include the following derivatives with negative market values:

Derivatives

in TEUR	**2023**	**2022**
Derivatives designated in cash flow hedges	313	1,278
Derivatives designated in net investment hedges	0	3,899
Other derivatives	2,117	992
Derivatives with negative market value	**2,430**	**6,169**

Total liabilities include TEUR 2,432,589 (2022: TEUR 2,377,831) in financial liabilities measured at amortized cost, TEUR 13,850 (2022: TEUR 11,467) in other liabilities measured at fair value, TEUR 313 (2022: TEUR 5,177) in derivatives designated as hedging instruments, and TEUR 2,117 (2022: TEUR 992) in other derivatives measured at fair value through profit or loss.

Financial liabilities are expected to result in the following cash flows:

Analysis of contractual cash flows

2023 in TEUR	Carrying amount as at 31/12/2023	Total	< 6 months	6–12 months	1–2 years	2–5 years	> 5 years
Bonds	1,005,350	–1,112,314	–266,000	–17,063	–428,063	–401,188	
Liabilities to banks	427,020	–519,056	–50,088	–79,920	–45,385	–239,093	–104,570
Lease liabilities	265,448	–279,068	–31,671	–28,564	–47,677	–77,424	–93,732
Liabilities to non-banks	970	–1,194	–268	–83	–7	–836	0
Financial instruments	**1,698,788**	**–1,911,632**	**–348,027**	**–125,630**	**–521,132**	**–718,541**	**–198,302**
Forward exchange contracts and swaps	2,430	–2,684	–2,504	–180	0	0	0
Derivative financial instruments	**2,430**	**–2,684**	**–2,504**	**–180**	**0**	**0**	**0**
Carrying amounts/ Contractual cash flows	**1,701,218**	**–1,914,316**	**–350,531**	**–125,810**	**–521,132**	**–718,541**	**–198,302**

2022 in TEUR	**Carrying amount as at 31/12/2022**	**Total**	**< 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**> 5 years**
Bonds	656,833	–693,000	–16,000	0	–266,000	–411,000	0
Liabilities to banks	540,306	–612,511	–57,849	–104,863	–82,195	–210,673	–156,931
Lease liabilities	247,633	–282,881	–29,520	–25,330	–42,286	–79,641	–106,104
Liabilities to non-banks	1,278	–1,294	–384	–3	–86	–821	0
Financial instruments	**1,446,050**	**–1,589,686**	**–103,753**	**–130,196**	**–390,567**	**–702,135**	**–263,035**
Interest rate derivatives	3,899	–4,583	–4,583	0	0	0	0
Forward exchange contracts and swaps	2,270	–2,918	–2,208	–710	0	0	0
Derivative financial instruments	**6,169**	**–7,501**	**–6,791**	**–710**	**0**	**0**	**0**
Carrying amounts/ Contractual cash flows	**1,452,219**	**–1,597,187**	**–110,544**	**–130,906**	**–390,567**	**–702,135**	**–263,035**

The cash flows shown in the above tables include interest paid on both fixed-interest and floating-rate financial liabilities. These were determined on the basis of the interest rates established at the end of the reporting period.

33. Contingent liabilities and guarantees

Contingent liabilities result from obligations to third parties, and include the following:

in TEUR	31.12.2023	31/12/2023
Guarantees	22,583	15,050
Other contractual obligations	211	2,079
Contingent liabilities	**22,794**	**17,129**

All events reported under contingent liabilities reflect possible future obligations that are contingent upon the occurrence of a future event that is completely uncertain as of the balance sheet date.

34. Derivative financial instruments and hedge accounting

The market value of derivative financial instruments represents the value the company would receive or be required to pay upon settlement as of the balance sheet date. Current market conditions – above all current interest rates, foreign exchange rates and the credit standing of the counterparty – are taken into account. These valuation parameters are observable on the market and are available to all relevant market participants. The fair value of the respective derivative instruments corresponds to the net present value determined by means of recognized mathematical methods, including adjustments according to IFRS 13 (credit value and debit value adjustments – CVA/DVA).

As of the balance sheet date, wienerberger held foreign exchange forward contracts that were concluded to hedge transactional risks for a period of up to 12 months. The risk positions covered by these hedges are documented in the Group's foreign-currency-based liquidity planning. These derivatives are designated as hedging instruments in cash flow hedges of future transactions, and changes in their market value during the term are recognized in the hedging reserve. The ineffective portion of the change in market value is recognized through profit or loss and consists primarily of the CVA/DVA adjustments as defined in IFRS 13. On the maturity date of the hedge, the cumulative, effective market value differences are reclassified from other comprehensive income to profit or loss.

wienerberger also holds currency swaps that are used to hedge cash pool and bank account balances in foreign currencies. The foreign currency differences on the bank account balances that are hedged with these instruments are recognized through profit or loss and, consequently, the market value differences of the hedges are also recognized through profit or loss. As these are natural hedges, hedge accounting is not applied.

As of the balance sheet date, two interest rate swaps to partially hedge the interest expense were in effect, which are designated as hedging instruments in cash flow hedges and for which the effective portion of the market value changes were recorded in the hedging reserve. The ineffective part of the market value change is determined by means of the hypothetical derivative method and recognized in profit or loss.

The cross-currency swaps are derivatives that hedge the Group's net investments in various currencies (US dollar, British pound, Canadian dollar) and are therefore classified as hedges of a net investment in a foreign operation. The effectiveness of these hedges is measured at least quarterly by comparing the cumulative market value changes with the cumulative currency differences of the hedged position, which is represented by a hypothetical derivative. The effective portion of the hedge is recognized in the hedging reserve, and the ineffective portion is recognized in the statement of profit or loss.

Hedging Instruments 31/12/2023 in TEUR	**Nominal Value**	**positive market values** **Book Value**	**negative market values**
Interest rate hedging instruments	187,834	17,724	-
Foreign currency hedging instruments	601,676	1,111	–2,430
Interest rate and foreign currency hedging instruments	193,597	8,874	-
	983,107	**27,709**	**–2,430**

1) The disclosure of nominal values is made in the functional currency of the Wienerberger Group. In the previous year, the disclosure of nominal values was made in the local currency // 2) In the balance sheet in the item Securities and other financial assets // 3) In the balance sheet in the item short-term financial liabilities

Hedging Instruments 31/12/2022 in TEUR	**Nominal Value [1]**	**Positive market values [2]** **Book Value**	**Negative market values [3]**
Interest rate hedging instruments	206,667	27,100	-
Foreign currency hedging instruments	463,860	4,588	–2,270
Interest rate and foreign currency hedging instruments	242,120	8,026	–3,899
	912,647	**39,714**	**–6,169**

1) The disclosure of nominal values is made in the functional currency of the Wienerberger Group. In the previous year, the disclosure of nominal values was made in the local currency // 2) In the balance sheet in the item Securities and other financial assets // 3) In the balance sheet in the item short-term financial liabilities

35. Disclosures on financial instruments

Financial instruments are classified in three levels that reflect the degree of valuation certainty. wienerberger uses the following hierarchy to classify financial instruments measured at fair value according to the valuation method used:

- Level 1: Valuation based on the market price for a specific financial instrument
- Level 2: Valuation based on the market prices for similar instruments or on valuation models that only use parameters that can be monitored on the market
- Level 3: Valuation based on models with significant parameters that cannot be monitored on the market

The financial instruments carried at fair value by wienerberger are generally classified as level 1 (units in mutual funds, corporate bonds and shares, see Note 25. Receivables, securities and other financial assets) or level 2 (other financial assets and derivative financial instruments; see Note 34. Derivative financial instruments and hedge accounting). No items were reclassified between hierarchy levels during the reporting year.

Other securities recognized as financial instruments at fair value through profit or loss are partly classified as level 3 of the valuation hierarchy. They serve as reinsurance for pension obligations for which netting against the provision is not permitted.

Investments in associates and other investments are recognized at fair value, which is determined on the basis of the underlying planning by means of a DCF method. They are therefore classified as level 3 of the valuation hierarchy.

Other liabilities accounted for at fair value are contingent purchase price liabilities in connection with the acquisition of companies referring primarily to a liability of TEUR 11,250 for 20.33% of the outstanding shares in Vargon d.o.o. The put option was discounted on the basis of the agreed purchase price up to the option's exercise date. Therefore, the liability is classified at level 3 of the fair valuation hierarchy. Furthermore, a contingent purchase price liability of TEUR 2,600 results from other acquisitions. A further amount of TEUR 1,015 results from non-contingent liabilities from acquisitions.

The following table shows the financial assets and financial liabilities carried at fair value:

Financial assets and financial liabilities carried at fair value

in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2023
Assets				
Investments in subsidiaries and other investments	4,641		29,498	34,139
Stock	224			224
Shares in funds	5,585			5,585
Other			279	279
At fair value through profit or loss	**10,450**		**29,777**	**40,227**
Derivatives designated in cash flow hedges		18,260		18,260
Derivatives designated in net investment hedges		8,874		8,874
Other derivatives		575		575
Derivatives with positive market value		**27,709**		**27,709**
Liabilities				
Derivatives designated in cash flow hedges		313		313
Other derivatives		2,117		2,117
Derivatives with negative market value		**2,430**		**2,430**
Contingent purchase price liability			**13,850**	**13,850**

in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2022
Assets				
Investments in subsidiaries and other investments			16,355	16,355
Stock	76			76
Shares in funds	5,146			5,146
Other			332	332
At fair value through profit or loss	**5,222**		**16,687**	**21,909**
Derivatives designated in cash flow hedges		31,086		31,086
Derivatives designated in net investment hedges		8,026		8,026
Other derivatives		602		602
Derivatives with positive market value		**39,714**		**39,714**
Liabilities				
Derivatives designated in cash flow hedges		1,278		1,278
Derivatives designated in net investment hedges		3,899		3,899
Other derivatives		992		992
Derivatives with negative market value		**6,169**		**6,169**
Contingent purchase price liability			**11,467**	**11,467**

The development of financial instruments classified as level 3 is shown in the following table:

	Investments		Other securities		Contingent purchase price liability	
in TEUR	2023	2022	2023	2022	2023	2022
Balance on 1/1	**16,355**	**17,319**	**332**	**340**	**11,467**	**13,945**
Additions [1)]	15,566	1,781	133	0	3,285	10,812
Change in scope of consolidation	0	13	0	0	0	
Results from valuation in income statement	–2,172	–2,758	–186	–8	–902	–3,964
Disposals	–251	0	0	0	0	–9,326
Balance on 31/12	**29,498**	**16,355**	**279**	**332**	**13,850**	**11,467**

1) The representation of the movement types in purchase price liabilities has been changed compared to the previous year. New purchase price liabilities resulting from acquisitions are now presented as additions and not as change in scope of consolidation, as these are held by the acquiring companies

In principle, wienerberger carries financial receivables as well as liabilities at amortized cost, with a provision for expected credit losses on financial receivables being deducted in the amount of the weighted expected defaults. The fair value of bonds is determined on the basis of market prices (level 1), whereas the fair value of loans is derived by means of an income approach valuation, which permits classification under level 2.

Trade receivables and trade payables, refund liabilities, loans granted, and other receivables and liabilities mostly have a term of less than one year. The respective carrying amounts generally correspond to fair values and are therefore not reported separately.

Financial assets and financial liabilities at amortized cost

	Fair Value			
in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2023
Assets				
Other receivables		**12,354**		**12,354**
Liabilities				
Long-term loans		327,088		329,433
Roll-over		14,901		14,971
Short-term loans		81,758		82,616
Financial liabilities owed to financial institutions		**423,747**		**427,020**
Bonds	1,019,137			1,005,350
Long-term loans		549		592
Short-term loans		341		343
Lease liabilities		265,448		265,448
Financial liabilities owed to subsidiaries		35		35
Financial liabilities owed to non-banks	**1,019,137**	**266,373**		**1,271,768**
Purchase price liability		**1,015**		**1,015**

	Fair Value			
in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2022
Assets				
Other receivables		**6,483**		**6,483**
Liabilities				
Long-term loans		401,782		404,839
Roll-over		26,235		26,133
Short-term loans		108,632		109,334
Financial liabilities owed to financial institutions		**536,649**		**540,306**
Bonds	636,243			656,833
Long-term loans		848		898
Short-term loans		348		348
Lease liabilities		247,633		247,633
Financial liabilities owed to non-banks	**636,243**	**248,861**		**905,744**
Purchase price liability		**1,036**		**1,036**

Risk Report

Principles of risk management

The conduct of global operations exposes wienerberger to a variety of risks that are inseparable from entrepreneurial activities. These risks have an effect on the business segments of the Group and on its assets, liabilities and planned commercial decisions.

Throughout the Group, wienerberger focuses on the early identification and active management of risks in its operating environment. To this end, regular surveys are being performed by the Managing Board in cooperation with the Chief Operating Officers of the regions and Corporate Function heads in order to update the existing risk catalogue and to identify new risks. In the course of this process, strategic and operational risks are identified along the entire value chain. The impact of these risks on cash flow is assessed and appropriate risk mitigation strategies and measures are adopted and implemented.

Risk situation and operating risks relating to the Group's markets

wienerberger is operating as a well-diversified and resilient provider of innovative, ecological solutions for the entire building envelope, in the fields of new buildings and renovations, as well as infrastructure in water and energy management. The Group is dependent on macro-economic parameters in the countries it operates in, which include, in particular, general economic developments and building activities in new build and renovation as well as the public construction sector. Consumer confidence, the unemployment rate, long-term interest rates, the availability of finance, tax legislation, building regulations and subsidies for housing construction, the availability of labor for construction sites, as well as other factors beyond the Group's sphere of influence also have an impact on the level of business activity. The economic cycles of the construction industry that influence wienerberger's business are notably longer than in other sectors and vary in timing from market to market.

Unfavorable developments of any or all of these factors can have a negative impact on demand for wienerberger products and system solutions, sales volumes, and the price level. Cyclical fluctuations in demand harbor the risk of excess capacity, which in turn may result in increased pressure on prices, lower margins, and revenues that fail to cover production costs. With regard to cost allocation, a distinction must be made at wienerberger between the ceramics business and the piping business. The share of fixed costs in the ceramics business is higher than that of the plastic piping business due to the comparatively greater intensity of fixed assets. Production capacities are therefore analyzed on an ongoing basis and adjusted to market conditions through respective measures.

In the long term, wienerberger regards the Central and Eastern European markets with their pent-up demand for new residential construction and infrastructure as growth markets. Experience shows that these markets are more volatile and can entail risks from weaker demand and higher price pressure.

Moreover, wienerberger products compete with other building materials, such as concrete, timber, calcium silicate, glass, steel, or aluminum, which exposes the Group to a substitution risk. This also applies to the piping business. Based on our strong position as an industry leader in terms of quality and the development of innovative products, we are making every effort to minimize this risk. Our innovations primarily aim at improving the physical properties of building materials and their cost-efficiency.

Developments in the plastic piping business are largely influenced by raw material prices, which usually correlate with the crude oil price. Synthetic polymers account for a substantial part of plastic pipe production costs. The volatility of raw material prices has increased significantly in recent years. Major fluctuations within a single month call for a flexible pricing policy to keep such price fluctuations under control or adjust to the market. In price management, fast reactions are crucial in order to secure sustainable profitability. Alongside the price risk, this business segment is also exposed to a supply risk. Any interruption of supply invariably leads to disruption in production. With few exceptions, alternative raw material suppliers are available to counter the supply risk.

Building material and infrastructure activities are subject to seasonal fluctuations, with quantities sold between April and October being substantially above those sold during the rest of the year. Like the building material and infrastructure sectors as a whole, wienerberger is partly dependent on weather conditions for its earnings, as long periods of frost and rain slow down construction work and may have a notable impact on demand.

To avoid fluctuations in earnings wherever possible, wienerberger has adopted a strategy of diversification in terms of geography and end markets, while at the same time concentrating on its core business of providing solutions for walls, roofs and façades as well as pavers and piping systems. wienerberger has positioned itself as a provider of innovative, ecological solutions for the entire building envelope. Our activities are subject to the usual local market risks. We have to continuously defend our positions against competitors and substitute products. We expect to see a growing degree of concentration among our customers, with trading companies playing an important role, and a resultant increase of the pressure on prices. Specific market situations can also have a negative impact on the price level and may force wienerberger to adapt its pricing strategy if necessary.

As a multinational corporation, wienerberger operates in countries that are in different stages of economic and social development. Unfavorable changes in the political, legal, and economic framework therefore represent additional sources of risk. Risks arising from changes in the tax law governing the markets concerned, risks from changes in the taxation of energy sources, risks from amendments to labor law, risks from linguistic and cultural differences encountered in international activities demanding an effort of coordination, restrictions on the repatriation of profits, and risks arising from increasingly stringent legal provisions on the use of raw materials, product standards, and product liability, as well as environmental and safety standards, may also have a significant impact on wienerberger's activities. Additionally, in certain markets, such as India, there is a risk of expropriation of production facilities without any guarantee of adequate compensation. In these markets, in particular, wienerberger is exposed to potential tax risks resulting from changes in tax law or the interpretation of tax law in effect. From today's perspective, wienerberger is not able to quantify the probability of occurrence or the extent of such potential risks.

wienerberger does not operate in Ukraine. Its business in Russia was sold on February 5, 2024. As of the balance sheet date, the assets and liabilities are recognized as assets and liabilities held for sale in accordance with IFRS 5.

Procurement, production, investment and acquisition risks

wienerberger has a modern and regional plant network. Therefore, the risk of operating breakdowns or a longer loss of production due to technical problems is low. Supplies of clay as a material or synthetic polymers for our plants are guaranteed on a lasting basis by sufficient deposits and long-term supply contracts.

The cost of energy for the firing of bricks represents a significant percentage of wienerberger's cost structure. In 2023 wienerberger's energy costs totaled TEUR 331,564 (2022: TEUR 372,927) or 7.8 % (2022: 7.5 %) of revenues. These expenses comprise 56% for natural gas, 41% for electricity and 3% for other energy sources. Energy prices are dependent on international and local market developments and are subject to fluctuations. wienerberger minimizes the risk connected with rising energy prices in liberalized markets (in total, roughly 90% of energy costs) by concluding futures contracts or fixed-price agreements with national and international suppliers. These prices and volumes are usually fixed on a long-term or medium-term basis. In a limited number of Eastern European countries (in total, roughly 10% of energy costs) the prices for natural gas are regulated by the government and contracts with local suppliers are negotiated annually. In 2014, wienerberger was granted carbon leakage status for its ceramic activities in the EU. Based on a further qualitative evaluation performed in 2018, the brick industry was included in the new carbon leakage list for the fourth trading period. This means that wienerberger retains its carbon leakage status and will continue to be allocated a major part of the required CO2 certificates free of charge, although free allocation will be subject to tougher competition in the future. wienerberger therefore established the ETS Strategy Task Force to prepare for these changes. Investments in decarbonization currently in the process of implementation are expected to offset the negative impact of fewer CO2 certificates being allocated free of charge.

In addition to price risk, wienerberger is also exposed to energy supply risk (natural gas and electricity), in particular with respect to the current conflict between Russia and Ukraine. A disruption in supply inevitably results in a loss of production and can therefore have a negative effect on operating results if demand cannot be met from inventories or through the use of alternative energy sources.

Continuing optimization (operational excellence) and product innovations as well as internal and external growth projects are implemented to increase the enterprise value of wienerberger. The future profitability of these projects is dependent to a large degree on the investment volume and the prices of acquisition targets, as well as market developments. For this reason, all growth projects must meet the defined return on investment criteria for the Group's bolt-on and strategic projects. The entry into new markets is also connected with risks involving competition, planning certainty and the assessment of the political situation as well as the establishment of a successful and profitable organizational structure. New projects are therefore analyzed extensively in advance, both from a qualitative and quantitative standpoint.

Financial risks

In addition to the financing risk, operating activities expose wienerberger to interest-rate and currency risks. Derivative financial instruments, in particular forward exchange contracts and interest rate swaps, as well as operational measures are used to limit and manage these risks. All cash flow hedges and hedges of investments in foreign operations are classified as highly effective as a means of offsetting the hedged risks in keeping with risk management objectives. No derivatives are held for speculative purposes.

The refinancing sources open to wienerberger are determined by numerous financial, macroeconomic and other factors beyond the control of management. These factors include covenants in the existing and future debt arrangements as well as the development of the current rating. According to these covenants, the ratio of net debt to EBITDA must not exceed 3.9 years; this ratio came to 1.6 years as of December 31, 2023. Part of wienerberger's earnings is used to pay interest and is therefore not available for other purposes. If the general level of interest were to increase, or if the Group's rating deteriorated or covenants were not met, additional interest expense could arise due to an increase in the credit risk premium and lead to higher financing costs and lower cash flow. The failure to comply with covenants could also result in a loan becoming due immediately.

Currency risks
A significant portion of wienerberger's revenues and earnings is generated by subsidiaries whose headquarters are not located in the euro zone. In the reporting year, wienerberger generated 58% of its revenues in currencies other than the euro, predominately Eastern European currencies (16%), the US dollar (18%) and the British pound (12%). The currency risk inherent in cash flows is immaterial due to the local nature of the building materials business. Cash flows into or out of the euro region are primarily related to dividends or loans and the sale of goods and services. These intercompany cash flows depend on the exchange rates applicable and are managed by the holding company.

Given the decentralized structure of the Group, finance for the purchase of current assets and the settlement of incoming invoices is raised in the currency of the local organization. As a result, currency risks are reduced to a minimum, since the Group companies generally issue their invoices in local currency and these transactions form a natural hedge. Non-realized currency translation differences from long-term intercompany loans are recognized under foreign exchange adjustments. Likewise, currency translation differences between the exchange rate on the cut-off date within the balance sheet and the average exchange rate within the income statement are recognized in other comprehensive income. The currency-related translation risk from US, Canadian, British and certain Eastern European business activities is reduced by means of cross-currency swaps. A cross-currency swap is concluded in the amount of the part of the foreign-denominated assets to be hedged.

In accordance with the principle of the functional currency, the annual financial statements of foreign companies are translated into the euro. The functional currency for all companies is the local currency, as the companies conduct their business independently in financial, economic and organizational terms. All balance sheet items, except for equity, are translated at the mid-market rate as at 31/12/2023. Goodwill is accounted for as an asset in local currency and translated at the mid-market rate on the cut-off date for the consolidated financial statements. Income and expense items are translated at annual average exchange rates. The only exception from this principle are income and expense items of subsidiaries in hyperinflationary economies, which are translated at the mid-market rate on the cut-off date for the consolidated financial statements.

However, the translation of foreign company financial statements into the euro results in currency translation differences (translation risk), which are recognized in other comprehensive income under foreign exchange adjustments. The revenues, earnings, and balance sheet items of companies not headquartered in the euro region are therefore dependent on the respective euro exchange rate. Since June 30, 2022, according to IAS 29, Turkey has been classified as a hyperinflationary economy. From January 1, 2022, the annual financial statements of the Turkish subsidiary have therefore been restated on the basis of the price index published by the Turkish Statistical Institute (see Note 16. Interest result and other financial result – Hyperinflationary economies).

The wienerberger risk strategy calls for reducing the translation risk arising from net investments in foreign subsidiaries to a certain extent through hedging. The following table shows Group revenues and capital employed by currency, with the calculation of capital employed including the effects of forward exchange contracts and cross-currency swaps:

Revenues	**2023**		**2022**	
	in MEUR	Share in %	in MEUR	Share in %
Euro	1,772	41.9	2,015	40.5
Eastern European currencies	687	16.3	988	19.9
British pound	511	12.1	600	12.1
US dollar	746	17.7	865	17.4
Other	509	12.0	509	10.2
Group revenues	**4,224**	**100**	**4,977**	**100**

Capital employed	**2023**		**2022**	
	in MEUR	Share in %	in MEUR	Share in %
Euro	2,352	61.5	2,085	56.5
Eastern European currencies	549	14.4	569	16.3
US dollar	383	10.0	352	13.3
British pound	267	7.0	233	6.7
Other	272	7.1	252	7.2
Capital employed after hedging effect	**3,823**	**100**	**3,491**	**100**

The effects of a hypothetical change in foreign exchange rates on the consolidated income statement and the consolidated statement of comprehensive income are calculated by means of sensitivity analyses. For the purpose of this presentation, an annual volatility is assumed as of the balance sheet date. This volatility is calculated on the basis of the daily change in the respective exchange rate against the euro. In accordance with IFRS 7, currency risks result from monetary financial instruments not denominated in the functional currency of the reporting entity. Consequently, receivables, liabilities, cash and cash equivalents as well as derivative foreign-currency financial instruments form the basis for the calculation of the sensitivity of the consolidated income statement. The sensitivity of the consolidated statement of comprehensive income reflects the differences of long-term loans to subsidiaries as well as valuation effects of cash flow hedges for currency risks reported in other comprehensive income. Translation differences arising from the translation of financial statements prepared in a currency other than the euro were not included in the calculation.

A change in the annual volatility of the euro against the most relevant currencies as of the reporting date would affect the consolidated income statement and the consolidated statement of comprehensive income as follows (presented in order of materiality):

Sensitivity of the consolidated income statement

in TEUR	2023			2022		
	Annual volatility	if the euro depreciates	if the euro appreciates	Annual volatility	if the euro depreciates	if the euro appreciates
EUR/GBP	4.79%	1,043	–1,043	7.74%	4,431	–4,431
EUR/NOK	9.39%	709	–709	10.31%	369	–369
EUR/SEK	7.43%	643	–643	7.30%	1,336	–1,336
EUR/USD	7.49%	202	–202	9.99%	293	–293
EUR/HUF	9.44%	128	–128	13.51%	791	–791
EUR/PLN	6.26%	118	–118	9.03%	1,617	–1,617
EUR/CZK	4.49%	110	–110	5.92%	19	–19

Sensitivity of the consolidated statement of comprehensive income

in TEUR	2023			2022		
	Annual volatility	if the euro depreciates	if the euro appreciates	Annual volatility	if the euro depreciates	if the euro appreciates
EUR/PLN	6.26%	3,128	–3,128	9.03 %	2,747	–2,747
EUR/TRY	14.68%	2,424	–2,424	12.55 %	1,958	–1,958
EUR/NOK	9.39%	2,048	–2,048	10.31 %	2,506	–2,506
EUR/SEK	7.43%	2,023	–2,023	7.30 %	1,569	–1,569
EUR/CZK	4.49%	1,928	–1,928	5.92 %	718	–718
EUR/GBP	4.79%	–1,271	1,271	7.74 %	–1,686	1,686

Interest-rate risk

The interest-rate risk comprises two components: the relevant value of the average maturity for the Group's financing, and interest payable. The risk associated with fixed interest rates lies in a possible decline in the level of interest, while the risk associated with variable interest rates arises from the possibility of an increase in interest rates. A parallel upward shift of the yield curve by 100 basis points would lead to an increase in profit after tax by TEUR 1,510 (2022: reduction by TEUR 587) and, through this change in the income statement, also a change in equity by the same amount. A corresponding decrease of the level of interest would have led to an increase in profit after tax and in equity by the same amount.

The risk positions of Wienerberger AG with respect to the risk of interest-rate changes arising from liabilities with fixed and variable interest rates are shown in the breakdown following.

In order to analyze the interest-rate risk (fixed and variable interest rates), financial liabilities are adjusted for the effects of derivative instruments (hedging), and short-term fixed-interest financial liabilities are treated as variable-interest items. Sensitivity analyses were carried out on fixed-interest and variable-interest financial liabilities to estimate the impact on earnings and equity.

in TEUR	2023		2022	
	Fixed interest rate	Variable interest rate	Fixed interest rate	Variable interest rate
Interest-bearing loans	1,326,255	374,963	1,022,403	429,816
Reclassification of short-term fixed interest rate loans	–313,426	313,426	–77,024	77,024
Effects of derivative instruments (hedging)	187,834	–187,834	206,667	–206,667
Financial liabilities after hedging effects	**1,200,663**	**500,555**	**1,152,046**	**300,173**

Credit risk

For its financial transactions, wienerberger has established strict requirements as regards the credit standing of its financial partners, which are defined in internal financial and treasury policies. The credit risk inherent in the investment of liquid funds and securities is limited because wienerberger works only with financing partners whose credit rating leads to expectations of a sound financial standing and sets counterparty limits based on this credit rating. However, even counterparties with an excellent rating may pose a credit risk and wienerberger therefore continuously monitors developments on the financial markets and adjusts credit limits accordingly. The following table shows the maximum exposure of trade receivables and miscellaneous receivables (including receivables from current taxes) to credit risks as of December 31, 2023, broken down by region:

Credit risk	2023		2022	
	in MEUR	Share in %	in MEUR	Share in %
Western Europe	238.5	56	295.5	59
Central-Eastern Europe	88.6	21	98.0	20
North America	88.7	21	93.9	19
Other	6.7	2	10.9	2
Total trade receivables and miscellaneous receivables	**422.4**	**100**	**498.3**	**100**
thereof insured against default	**266.1**		**290.0**	

Trade receivables consist primarily of receivables due from building material dealers and large customers. If an amount is overdue for more than 360 days, default is assumed, and the receivable is written off in its entirety. Receivables are derecognized when there is a legal basis for the assumption that no more payments will be received.

The following table shows the age of overdue trade receivables and impairment charges to trade receivables:

	2023			2022		
in MEUR	Gross receivable	Loss - allowance	Carrying amount	Gross receivable	Loss - allowance	Carrying amount
Not due	229.2	–3.0	226.2	296.9	–1.4	295.5
Up to 30 days overdue	71.0	–0.8	70.2	64.4	–1.6	62.8
31 to 60 days overdue	6.7	–0.2	6.5	11.2	–0.8	10.4
61 to 90 days overdue	2.2	–0.5	1.7	3.6	–1.1	2.5
More than 90 days overdue	17.2	–15.0	2.2	20.0	–16.7	3.3
Trade receivables	**326.3**	**–19.5**	**306.8**	**396.1**	**–21.6**	**374.5**

Loans granted and other long-term receivables primarily comprise receivables from financing activities as well as receivables in respect of companies included at equity and non-consolidated companies. In the reporting year, credit losses were calculated mainly for defaults expected to occur in the following 12 months, as the assessment of the counterparties' solvency has not changed materially. As a matter of principle, default is defined on the basis of generally recognized rating classes as well as externally available or internally calculated ratings. Additional information available internally is also used to assess the risk of default. As of the balance sheet date, there were no receivables (2022: 0) for which an expected credit loss was assumed over the residual term.

Allowances for impairment losses on trade receivables as well as loans granted can be reconciled as follows:

Loss allowance	2023		2022	
in MEUR	Trade receivables	Loans and other non-current receivables	Trade receivables	Loans and other non-current receivables
Balance on 1/1	**21.6**	**0.8**	**16.3**	**1.1**
Foreign exchange translation	–0.2	0.0	0.2	0.0
Provision for expected credit losses	2.7	0.0	5.0	0.0
Change in scope of consolidation	–2.8	0.0	0.8	0.0
Disposals	–1.8	–0.8	–0.7	–0.3
Balance on 31/12	**19.5**	**0.0**	**21.6**	**0.8**

Liquidity risks

Preserving liquidity and safeguarding a healthy financial base represent the focal points of wienerberger's strategy. The most important instruments in this respect are the maximization of free cash flow through original growth measures and cost reduction, active working capital management, and a cutback in investments to the necessary minimum.

Liquidity risks arise, above all, when cash flows from revenues fall below expectations on account of weakening demand and the measures to reduce working capital and cash outflows for fixed-cost items (active capacity management) are not sufficient or can only be implemented with a certain delay.

Liquidity is managed regularly through rolling quarterly liquidity planning as well as regular analyses of the cash conversion cycle, which is based on average accounts payable turnover, inventory turnover and receivables conversion, and came to 91 days in 2023 (2022: 62 days). The increase was mainly due to a longer storage period of inventories. As at the balance sheet date, the number of days of outstanding receivables improved from 27 to 24 days compared to previous year. For a disclosure of liquidity risk arising from financial liabilities, refer to the analysis of contractual cash flows in Note 32. Liabilities.

As of the balance sheet date, credit lines in the amount of TEUR 950,000 (2022: TEUR 400,000) were committed, all of which were undrawn.

Legal risks

Depending on the market position in individual countries and the size of planned acquisitions, transactions are subject to approval by the anti-trust authorities. These approval procedures can lead to delays or, in individual cases, to the prohibition of specific acquisitions or mergers. wienerberger evaluates the anti-trust risk associated with an acquisition together with national and international legal and business experts during the early stages of work on a project in order to minimize this risk. No acquisitions planned by the Group have ever been prohibited.

In connection with real estate transactions, Wienerberger AG is liable for possible contamination and any consequential damage incurred as long as the property is owned by wienerberger.

In various countries the Group is subject to local tax law, the further development of which may have financial implications in the form of changes in charges and taxes.

Other risks

In many countries, wienerberger is subject to extensive and increasingly strict environmental, health and safety regulations (ESG - Environment, Social, Governance). Hence, investments are required to comply with these regulations. Failure to comply with these regulations could result in administrative fines, claims for damages or the withdrawal of operating permits.

wienerberger plants are doing more to prevent damage to the environment than is currently required by law, but the increasingly strict environmental standards confront the Group with a range of new challenges. wienerberger cooperates with experts and external consultants in order to be fully aware of any legislative changes and to comply with all legal and contractual obligations in effect. Risks arising from the restoration of clay pits are part of the company's operations and are continuously monitored.

As a leading provider of building material and infrastructure solutions, we are voluntarily committed to the transparent disclosure of climate-related opportunities and risks. The identification and analysis of climate-related risks is part of wienerberger's overall approach to risk management. Since 2020, we have therefore supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as regards the identification, analysis and assessment of physical and transition risks.

The risks associated with a breakdown of our centralized Group data processing system as a result of natural disasters have been minimized through the installation of redundant systems at facilities in different locations and cloud solutions.

A number of building materials companies with operations in the USA are subject of class action suits filed by patients with asbestos-related diseases. Having scrutinized our US activities, we have classified this risk as minimal, as none of our American subsidiaries has ever produced or sold asbestos products.

A limited number of older wienerberger buildings contain a low percentage of asbestos products. The company takes utmost care to ensure that such products do not constitute a direct threat to its staff and utilizes specialized services when removing such asbestos products.

wienerberger competes with other companies in the labor market. In order to train future managers and prepare them for management positions, wienerberger has developed curricula such as the Sales Academy, the Plant Manager Program and the Ready4Excellence Program. wienerberger uses these programs and personalized training measures to optimally train its employees and to strengthen their loyalty to the company (see the Wienerberger Sustainability Report for additional information).

Other Disclosures

36. Related-party transactions

The following companies and persons are considered to be related parties of wienerberger's: the members of the Supervisory Board and the Managing Board and their close family members, associated companies, joint ventures, non-consolidated subsidiaries of Wienerberger AG as well as ANC Privatstiftung and its affiliates. Transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are conducted at arm's length. Business relations between the company and related parties, in particular members of the Managing Board and the Supervisory Board of Wienerberger AG, are disclosed in Note 11. Personnel expenses, as far as payments under Managing Board contracts and Supervisory Board mandates are concerned.

ANC Privatstiftung and its affiliates operate the landfill business in Austria that was transferred by Wienerberger AG in 2001 and own a limited amount of assets (in particular real estate and securities). The managing board of ANC Privatstiftung consists of three members, one of them a member of wienerberger's top management. As the annual financial statements of ANC-Privatstiftung are presented after publication of the Annual Report, the previous year's figures are shown here. As of 31/12/2022, the total assets of ANC Privatstiftung amounted to TEUR 34,178 (31/12/2021: TEUR 32,853), consisting primarily of land and buildings totaling TEUR 6,920 (31/12/2021: TEUR 7,350) and securities and liquid funds in the amount of TEUR 23,562 (31/12/2021: TEUR 21,189). As at 31/12/2022, ANC Privatstiftung reported provisions of TEUR 10,264 (31/12/2021: TEUR 11,071) and no financial liabilities.

Wienerberger AG and its subsidiaries grant loans to associates, joint ventures and non-consolidated subsidiaries on arm's length conditions. As at 31/12/2023, the outstanding non-interest-bearing loans to joint ventures amounted to TEUR 22,162 (2022: TEUR 17,079), while interest-bearing loans to non-consolidated associates amounted to TEUR 4,071 (2022: TEUR 4,043). In addition, trade receivables due from joint ventures in the amount of TEUR 102 (2022: TEUR 204), including the sale of plant and equipment, and trade receivables due from non-consolidated associates of TEUR 0 (2022: TEUR 559) were recognized as of the balance sheet date. Revenues of TEUR 853 (2022: TEUR 1,308) were generated with joint ventures in 2023.

Other related party transactions relate to clay supplies received in the amount of TEUR 565 (2022: TEUR 1,044) as well as rental services of TEUR 404 (2022: TEUR 320) for non-consolidated associates. In addition, products in the amount of TEUR 991 (2022: TEUR 956) were sold to a related party in 2023. Transactions with natural persons as related parties amounted to TEUR 258 in 2023 (2022: TEUR 257).

37. Events after the balance sheet date

In January 2024, 100% of the British supplier of underfloor heating systems, Maincor Ltd. was acquired. In the same month, wienerberger acquired 100% of the Dutch company I-Real B.V., a solution provider for smart water management. In February 2024, wienerberger acquired 100% of Summitville Tiles, Inc., a renowned provider of prefabricated facade solutions in North America. The transactions will be consolidated for the first time in the first quarter of 2024, whereby the purchase price allocations are provisional in each case.

Following receipt of all approvals, the acquisition of 100% of the shares in the French Terreal Group was completed on February 29, 2024. Terreal is a successful provider of innovative roof and solar solutions, with which wienerberger is significantly expanding its presence in the renovation and refurbishment market developing into the leading expert for pitched-roofs. The acquisition includes 28 production sites in Europe and North America and expected annual revenues of around EUR 740 million. The purchase price consists of a cash component and the transfer of 6 million treasury shares. The purchase price was transferred at the time of closing on the basis of a preliminary purchase price calculation. The final purchase price must be determined within 90 days of the closing. The purchase price allocation is not final at the time of preparation of these consolidated financial statements. The first-time consolidation will take place as part of the first quarterly financial statements for 2024.

The Russian activities were sold in February 2024 following receipt of the final governmental approval. The parties agreed not to disclose the selling price. The assets and liabilities were reported separately as at December 31, 2023 in accordance with IFRS 5. Deconsolidation will take place in the first quarter of 2024, resulting in an expected gain from the disposal of around EUR 8.5 million and a reclassification of cumulative FX effects from other comprehensive income of around EUR -42.4 million.

The consolidated financial statements were prepared by the Managing Board of Wienerberger AG on March 13, 2024 and submitted to the Supervisory Board on March 22, 2024 for authorisation for issue.

Vienna, March 13, 2024

The Managing Board of Wienerberger AG

Heimo Scheuch
Chairman of the Managing Board of Wienerberger AG
CEO

Gerhard Hanke
Member of the Managing Board of Wienerberger AG
CFO

Solveig Menard-Galli
Member of the Managing Board of Wienerberger AG
COO Europe East

Harald Schwarzmayr
Member of the Managing Board of Wienerberger AG
COO Europe West

Statement by the Managing Board

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, March 13, 2024

The Managing Board of Wienerberger AG

Heimo Scheuch
Chairman of the Managing Board of Wienerberger AG
CEO

Gerhard Hanke
Member of the Managing Board of Wienerberger AG
CFO

Solveig Menard-Galli
Member of the Managing Board of Wienerberger AG
COO Europe East

Harald Schwarzmayr
Member of the Managing Board of Wienerberger AG
COO Europe West

Group companies

Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Wienerberger International N.V.	**Zaltbommel**	**50,001**	**EUR**	**100.00%**	**VK**	
Handel Ceramika Budowlana Sp. z o.o.	Warszawa	50,000	PLN	100.00%	OK	1)
Wienerberger Roof Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Österreich GmbH	Wien	5,000,000	EUR	100.00%	VK	
Wienerberger Bausysteme GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger TOV ("in liquidation")	Kyiv	3,000,000	UAH	100.00%	VK	
Wienerberger Ceramika Budowlana Sp. z o.o.	Warszawa	374,324,808	PLN	100.00%	VK	
Wienerberger d.o.o.	Sarajevo	2,000	BAM	100.00%	VK	
Wienerberger Backa d.o.o	Kanjiza	651,652	EUR	100.00%	VK	
Wienerberger Opekarna Ormož d.o.o.	Križevci pri Ljutomeru	951,986	EUR	100.00%	VK	
Opekarna Pragersko d.o.o.	Pragersko	1,022,743	EUR	100.00%	VK	
Semmelrock International GmbH	**Wien**	**3,000,000**	**EUR**	**100.00%**	**VK**	
Semmelrock Baustoffindustrie GmbH	Wien	1,000,000	EUR	100.00%	VK	
Semmelrock Stein + Design GmbH	Wien	35,000	EUR	100.00%	VK	
Semmelrock Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
SEMMELROCK STEIN + DESIGN Dlazby s.r.o.	Sered	3,027,286	EUR	100.00%	VK	
Semmelrock Stein & Design d.o.o.	Ogulin	22,870,000	HRK	100.00%	VK	
Semmelrock Stein & Design Sp. z o.o.	Warsaw	46,000,000	PLN	100.00%	VK	
Semmelrock Stein + Design S.R.L.	Bolintin-Vale	1,328,400	RON	100.00%	VK	
Semmelrock Stein und Design EOOD	Sofia	11,500,000	BGN	100.00%	VK	
Wienerberger GmbH	**Hannover**	**9,500,000**	**EUR**	**100.00%**	**VK**	
Schlagmann Beteiligungs GmbH	Zeilarn	26,000	EUR	50.00%	OK	1)
Schlagmann Poroton GmbH & Co KG	Zeilarn	10,300,000	EUR	50.00%	EQ	
Schlagmann Poroton Vertriebs GmbH	Zeilarn	25,000	EUR	50.00%	EQ	4)
Tongruben Verwaltungs GmbH	Hannover	26,000	EUR	100.00%	OK	1)
Argeton GmbH	Hannover	100,000	EUR	100.00%	VK	
Wienerberger Deutschland Service GmbH	Hannover	1,000,000	EUR	100.00%	VK	
RM 2964 Vermögensverwaltungs GmbH	Zeilarn	25,000	EUR	50.00%	EQ	4)
MR Erwerbs GmbH & Co. KG	Zeilarn	50,000	EUR	50.00%	EQ	4)
Redbloc Elemente GmbH	Zeilarn	25,000	EUR	50.00%	EQ	4)
Redbloc Systems Deutschland GmbH	Zeilarn	25,000	EUR	25.00%	EQ	4)
Mayr Dachkeramik GmbH	Salching	25,565	EUR	100.00%	VK	
Ammonit Vermögensverwaltungs GmbH	Hannover	25,000	EUR	100.00%	VK	
Ammonit GmbH. & Co. KG	Hannover	2,500,000	EUR	100.00%	VK	
Wienerberger S.p.A.	**Mordano**	**10,000,000**	**EUR**	**100.00%**	**VK**	
Fornaci Giuliane S.r.l.	Cormons	100,000	EUR	30.00%	EQ	
Wienerberger NV	**Kortrijk**	**52,797,798**	**EUR**	**100.00%**	**VK**	

Company	Headquarters	Share capital	Cur-rency	Interest in %	Type of consolida-tion	Notes
Deva-Kort NV	Kortemark	247,894	EUR	100.00%	VK	
TV Vanheede-Wienerberger	Kortrijk	0	EUR	50.00%	QU	
Struxura BV	Poperinge	20,000	EUR	100.00%	VK	
Struxys BV	Poperinge	18,600	EUR	100.00%	VK	
Preflexibel NV	Ninove	312,000	EUR	100.00%	VK	
Preflexibel France SAS	Salindres	370,000	EUR	100.00%	VK	
Preflex France SAS	Salindres	46,500	EUR	100.00%	VK	
Wienerberger B.V.	**Zaltbommel**	**36,778,680**	**EUR**	**100.00%**	**VK**	
Van Hesteren & Janssens B.V.	Zaltbommel	363,024	EUR	100.00%	VK	
BrickTrading Holland B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
German Brick Trading B.V.	Zaltbommel	249,700	EUR	100.00%	VK	
Aberson B.V.	Zwolle	60,000	EUR	100.00%	VK	
Aberson SmartBuild BV	Zwolle	1	EUR	100.00%	VK	
DEKO Beheer BV	Elst	18,000	EUR	100.00%	VK	
Bricks BV	Elst	15,750	EUR	100.00%	VK	
Bricks GBMH	Rhede	25,000	EUR	100.00%	VK	
Deko Produkten BV	Elst	18,000	EUR	100.00%	VK	
Deko Steenzagerij BV	Elst	18,000	EUR	100.00%	VK	
Steinzentrale Nord Leeuwis GmbH	Rellingen	52,500	EUR	100.00%	VK	
EXA IP B.V.	The Hague	100.00	EUR	50%	EQ	
Wienerberger Limited	**Cheadle**	**81,120,552**	**GBP**	**100.00%**	**VK**	
Galileo Brick Limited (in Liquidation)	Cheadle	2,000,000	GBP	100.00%	VK	
Chelwood Group Unlimited (in Liquidation)	Cheadle	1	GBP	100.00%	VK	
The Brick Business Limited (in Liquidation)	Cheadle	900,002	GBP	100.00%	VK	
Sandtoft Roof Tiles Limited	Cheadle	11,029	GBP	100.00%	VK	
Building Product Design Limited	Sale	612,720	GBP	100.00%	VK	
Richmond GmbH	Königswinter	25,000	EUR	100.00%	VK	
WIENERBERGER PARTICIPATIONS SAS	**Achenheim**	**36,000,000**	**EUR**	**100.00%**	**VK**	
WIENERBERGER SAS	Achenheim	63,000,000	EUR	100.00%	VK	
Briqueterie de Rouffach SAS	Achenheim	336,120	EUR	100.00%	VK	
Egernsund Wienerberger A/S	**Helsinge**	**11,765,882**	**DKK**	**100.00%**	**VK**	
Wienerberger AS	Oslo	43,546,575	NOK	100.00%	VK	
Komproment Holding ApS	Støvring	126,000	DKK	100.00%	VKE	
Komproment ApS	Støvring	125,000	DKK	100.00%	VKE	
Komproment Danish Building Design ApS	Støvring	50,000	DKK	100.00%	VKE	
Wienerberger AB	Malmö	17,550,000	SEK	100.00%	VK	
Egernsund Wienerberger Production A/S	Sonderborg	1,602,000	DKK	100.00%	VK	

Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Egernsund Tegl a.m.b.a.	Egernsund	9,000,000	DKK	100.00%	VK	
General Shale Brick Inc.	**Johnson City**	**1,000**	**USD**	**100.00%**	**VK**	
General Shale Building Materials, Inc.	Johnson City	1,000	USD	100.00%	VK	
Watsontown Brick Company	Watsontown	72,050	USD	100.00%	VK	
Pipelife Jet Stream, Inc.	Siloam Springs	0	USD	100.00%	VK	
Meridian Brick LLC	Alpharetta	0	USD	100.00%	VK	
Arriscraft Canada Inc.	**Halifax**	**42,300,000**	**CAD**	**100.00%**	**VK**	
Meridian Brick Canada Ltd	Vancouver	1	CAD	100.00%	VK	
Wienerberger EOOD	**Sofia**	**12,500,000**	**BGN**	**100.00%**	**VK**	
Uspeh AD	Sofia	2,141,220	BGN	99.66%	VK	
OOO "Wienerberger Kirpitsch"	**Kiprevo**	**612,694,577**	**RUB**	**100.00%**	**VK**	
OOO "Wienerberger Kurkachi"	Kurkachi	568,418,785	RUB	100.00%	VK	
Wienerberger OY AB	**Helsinki**	**1,000,000**	**EUR**	**100.00%**	**VK**	
Wienerberger AS	**Aseri**	**1,540,736**	**EUR**	**100.00%**	**VK**	
UAB Wienerberger Statybine Keramika	**Vilnius**	**2,925**	**EUR**	**100.00%**	**VK**	
Wienerberger India Private Limited	**Bangalore**	**990,000,000**	**INR**	**100.00%**	**VK**	
WBI Industries Private Limited	Chennai	1,000,000	INR	100.00%	VK	
PIPELIFE International GmbH	**Wien**	**29,000,000**	**EUR**	**100.00%**	**VK**	**2)**
PIPELIFE Austria GmbH & Co KG	Wien	4,360,370	EUR	100.00%	VK	
Pipelife Logistik GmbH	Wien	35,000	EUR	100.00%	VKE	
PIPELIFE Austria GmbH	Wien	36,337	EUR	100.00%	VK	
Pipelife Always Part of your Life GmbH	Wien	35,000	EUR	100.00%	VK	
Pipelife Pipes for Life GmbH	Wien	35,000	EUR	100.00%	VK	
Pipelife Belgium NV	Kalmthout	510,926	EUR	100.00%	VK	
Pipelife Bulgaria EOOD	Botevgrad	30,000	BGN	100.00%	VK	
Pipelife Czech s r.o.	Otrokovice	202,971,000	CZK	100.00%	VK	
PIPELIFE Deutschland Asset Management GmbH	Bad Zwischenahn	26,000	EUR	100.00%	VK	
PIPELIFE Deutschland GmbH & Co. KG Bad Zwischenahn	Bad Zwischenahn	5,000	EUR	100.00%	VK	
PIPELIFE Deutschland Verwaltungs-GmbH Bad Zwischenahn	Bad Zwischenahn	5,726,469	EUR	100.00%	VK	
Pipelife Eesti AS	Harjumaa	25,024	EUR	100.00%	VK	
Pipelife Finland OY	Oulu	33,637	EUR	100.00%	VK	

Company	Headquarters	Share capital	Cur-rency	Interest in %	Type of consolida-tion	Notes
Talokaivo Oy	Vantaa	2,000,000	EUR	100.00%	VK	
PIPELIFE-HRVATSKA cijevni sustavi d.o.o.	Sveta Nedelja	47,171,500	HRK	100.00%	VK	
Vargon d.o.o	Kukuljanovo	8,210,100	HRK	79.67%	VK	
Pipelife Hungaria Kft.	Debrecen	3,123,520,000	HUF	100.00%	VK	
QUALITY PLASTICS HOLDINGS LTD	Cork	635,000	EUR	100.00%	VK	
Cherry Blossom Avenue Limited	Cork	343,503	EUR	100.00%	VK	
Pipelife Ireland Solutions Limited	Cork	487,500	EUR	100.00%	VK	
Kenfern Investments Ltd (in Liquidation)	Cork	447	EUR	100.00%	OK	1)
Pipelife UK Ltd	Corby	244,001	GBP	100.00%	VK	
FloPlast Limited	Sittingbourne	30,000	GBP	100.00%	VK	
Pipelife Latvia SIA	Riga	426,600	EUR	100.00%	VK	
Soluforce B.V.	Enkhuizen	10,000	EUR	100.00%	VK	
Pipelife Nederland B.V.	Enkhuizen	11,344,505	EUR	100.00%	VK	
Pipelife Finance B.V.	Enkhuizen	18,000	EUR	100.00%	VK	
Inter Act B.V.	Apeldoorn	1	EUR	100.00%	VK	
Inter ACT industrial automation B.V.	Apeldoorn	20,000	EUR	100.00%	VK	
TeleControlNet B.V.	Apeldoorn	20,000	EUR	100.00%	VK	
Inter Act GmbH.	Nordhorn	25,000	EUR	100.00%	VK	
Pipelife Norge AS	Surnadal	50,000,000	NOK	100.00%	VK	
QPS AS	Levanger	400,000	NOK	100.00%	VK	
Pipelife Polska S.A.	Krokowa	112,243,963	PLN	100.00%	VK	
Pipelife Romania S.R.L.	Bucuresti	7,323,115	RON	100.00%	VK	
Pipelife Serbia d.o.o.	Beograd	168,493,895	RSD	100.00%	VK	
Pipelife RUS LLC	Zhukov	104,458,072	RUB	100.00%	VK	
Pipelife Hafab AB	Haparanda	3,000,000	SEK	100.00%	VK	
Pipelife Nordic AB	Ölsremma	167,000,000	SEK	100.00%	VK	
Pipelife Sverige AB	Ljung	3,600,000	SEK	100.00%	VK	
Isoterm AB	Stenkullen	200,000	SEK	100.00%	VK	
Wideco Sweden AB	Borås	100,000	SEK	85.00%	VKE	
Wideco France SAS	Lyon	21,000	EUR	66.00%	OKE	1)
Pipelife Slovenija d.o.o.	Trzin	843,258	EUR	100.00%	VK	
Pipelife Slovakia s r.o.	Piestany	6,700	EUR	100.00%	VK	
Arili Plastik Sanayii A.S.	Pendik/Istanbul	39,616,800	TRY	100.00%	VK	
Preflexibel Invest NV	Ninove	1,200,000	EUR	100.00%	VK	
Wienerberger Dach Beteiligungs GmbH	**Wien**	**500,000**	**ATS**	**100.00%**	**VK**	
WIBRA Tondachziegel Beteiligungs-GmbH	Wien	500,000	ATS	100.00%	VK	
Tondach Beteiligungs GmbH	**Wien**	**200,000**	**EUR**	**100.00%**	**VK**	
Tondach Gleinstätten GmbH	Gleinstätten	500,000	EUR	100.00%	VK	3)
Wienerberger zRt.	Budapest	5,000,000	HUF	100.00%	VK	

Company	Headquarters	Share capital	Cur-rency	Interest in %	Type of consolida-tion	Notes
TONDACH Ingatlanhasznosító Zrt.	Budapest	5,000,000	HUF	100.00%	VK	
TONDACH ROMANIA SRL	Sibiu	36,137,155	RON	100.00%	VK	
Wienerberger s.r.o.	České Budějovice 1	50,000,000	CZK	100.00%	VK	
Cihelna Kinský, spol. s r. o.	Kostelec nad Orlicí	2,000,000	CZK	68.80%	VK	
Wienerberger eurostroj, spol. s r. o.	České Budějovice 1	32,100,000	CZK	100.00%	VK	
Silike keramika, spol. s r.o	České Budějovice 1	100,000	CZK	50.00%	EQ	
Wienerberger s.r.o.	Zlaté Moravce	3,319,392	EUR	100.00%	VK	
Wienerberger d.o.o.	Karlovac	1,192,900	EUR	100.00%	VK	
WIENERBERGER S.R.L.	Bucuresti	39,147,100	RON	100.00%	VK	
Wienerberger doo Kanjiza	Kanjiza	605,394,000	RSD	100.00%	VK	
Wienerberger DOOEL Vinica	Vinica	349,460,010	MKD	100.00%	VK	
Wienerberger Anteilsverwaltung GmbH	**Wien**	**35,000**	**EUR**	**100.00%**	**VK**	
Tondach Holding GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
TMBP Technologies GmbH	Walbersdorf	11,159	EUR	31.00%	EQE	
GreenBuild s.r.o.	České Budějovice 1	500,000	CZK	50.00%	EQE	
Wienerberger Finance Service B.V.	Zaltbommel	18,151	EUR	100.00%	VK	
Wienerberger Finanz Service GmbH	Wien	25,435,492	EUR	100.00%	VK	
Wienerberger West European Holding GmbH	Wien	35,000	EUR	100.00%	VK	
WiTa Social Business Venture Holding GmbH	Wien	35,000	EUR	49.00%	EQ	
Dryfix GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Gamma Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
Steinzeug-Keramo GmbH	**Frechen**	**18,408,000**	**EUR**	**100.00%**	**VK**	
Steinzeug - Keramo NV	Hasselt	9,400,000	EUR	100.00%	VK	
Keramo-Wienerberger Immo NV	Hasselt	14,068,558	EUR	100.00%	VK	
SOCIETA DEL GRES S.p.A.	Sorisole	2,000,000	EUR	100.00%	VK	
Steinzeug Keramo s.r.o.	České Budějovice	40,000,000	CZK	100.00%	VK	
Steinzeug - Keramo SARL	Marolles-en-Hurepoix	38,125	EUR	100.00%	VK	
Steinzeug-Keramo Sp. z.o.o.	Piekary Slaskie	2,000,000	PLN	100.00%	VK	

VK = Full consolidation
VKE = first time full consolidation
QU = Quota comsolidation
EQ = At equity consolidation
EQE = First time at equity consolidation
OK = No consolidation
OKE = First time no consolidation

1) Immaterial
2) Holding Company of the Pipelife Group
3) Holding company of the Gleinstätten Group
4) Subsidiary of Schlagmann Poroton GmbH & Co KG

Auditor’s report

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Wienerberger AG, Vienna, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements under section 245a UGB.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 and with the Austrian Generally Accepted Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with laws and regulations applicable in Austria, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of our report is sufficient and appropriate to provide a basis for our opinion as of that date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following matters were of most significance for our audit:

1. Assessment of the carrying value of goodwill
2. Assessment of the carrying value of property, plant and equipment

1. Assessment of the carrying value of goodwill

Description and Issue

Goodwill represents a significant amount on the balance sheet (EUR 512 million). The carrying amounts of the assets of the respective cash generating units are compared to their recoverable amount, which represents the higher of fair value less costs of disposal or the value in use. An impairment loss is recognized when the recoverable amount is lower than the carrying amount. The value in use calculation involves significant estimates and forward-looking assumptions by management concerning the expected cash surpluses and the cost of capital. Small changes in the assumptions used in determining the value in use can result in materially different outcomes of the impairment tests.

Management describes the approach to assess the carrying value of goodwill and allocation of the goodwill to the respective cash generating units as well as the assumptions and valuation results in Note 22 “Non-current assets and impairment test”.

The valuation model used for the impairment test necessitates a large number of input factors for the assessment of the market. In case of negative changes in the future development of the assumptions there is a risk that the goodwill is overstated. Due to the complexity of the valuation model and the dependence of the outcome of the impairment test on the management's assessment of the input factors this matter was of particular importance for our audit.

Our Response
We have challenged the parameters used for the impairment testing with entity and industry specific information as well as market expectations from internal and external sources and have assessed the appropriateness of the valuation model. Furthermore, we gained an overview of the planning process and have critically reviewed the back testing performed by the management. We have assessed the consistency of the future cash flows used in the calculation by comparing them to the budgets approved by the supervisory board.

For the verification of the capital costs by the means of a comparative analysis, we have used internal experts.

2. Assessment of the carrying value of property, plant and equipment

Description and Issue
The carrying value of property, plant and equipment amounts to EUR 2.365 million, representing 43% of the total assets shown on the consolidated balance sheet of Wienerberger AG. Management assesses on an annual basis, or whenever triggering events are identified, whether the carrying value of property, plant and equipment is impaired. For purposes of the impairment testing within a division plants are aggregated to groups of cash generating units. The carrying amount of the assets is compared to the recoverable amount, which represents the higher of fair value less costs of disposal and the value in use. An impairment loss is recognized when the recoverable amount is lower than the carrying amount.

Management describes the approach to assess the carrying value of goodwill and allocation of the goodwill to the respective cash generating units as well as the assumptions and valuation results in Note 22 "Non-current assets and impairment test".

The impairment tests involve complex calculations and the assumptions include a degree of uncertainty regarding the future development of cash flows and discount rates. Minor changes in the assumptions can have a significant effect on the outcome of the impairment tests. Therefore, this matter was of particular importance for our audit.

Our Response
We performed similar procedures to those described above in relation to property, plant and equipment impairment testing in respect of the key assumptions used in the impairment model. Therefore, we refer to the section above for further details.

Other Information

Management is responsible for the other information. The other information comprises all information in the annual report, but does not include the consolidated financial statements, the consolidated management report and our auditor's report thereon. We obtained the consolidated corporate governance report and the consolidated non-financial report prior to the date of this auditor's report, the other parts of the annual report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the additional requirements under section 245a UGB and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis on these consolidated financial statements.

As part of an audit in accordance with Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Consolidated Management Report

Pursuant to statutory provisions, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

Opinion
In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, includes appropriate disclosures according to section 243a UGB and is consistent with the consolidated financial statements.

Statement
In the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit of the consolidated financial statements, we have not identified material misstatements in the consolidated management report.

Other Matters which we are required to address according to Article 10 of Regulation (EU) No 537/2014

We were appointed as auditors by the annual general meeting on May 5, 2023 and commissioned by the supervisory board on August 9, 2023 to audit the consolidated financial statements for the financial year ending December 31, 2023. We have been auditing the Group since the financial year ending December 31, 2017.

We confirm that our opinion expressed in the section "Report on the Audit of the Consolidated Financial Statements" is consistent with the additional report to the audit committee referred to in Article 11 of Regulation (EU) No 537/2014.

We declare that we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 and that we remained independent of the Group in conducting the audit.

Engagement Partner
The engagement partner responsible for the audit is Gerhard Marterbauer.

Vienna
March 14, 2024

Deloitte Audit Wirtschaftsprüfungs GmbH

(signed by:)
Mag. Gerhard Marterbauer m.p.
Certified Public Accountant

This report is a translation of the audit report according to section 273 of the Austrian Commercial Code (UGB). The translation is presented for the convenience of the reader only. The German wording of the audit report is solely valid and is the only legally binding version. Section 281(2) UGB applies