

Free Space



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**Your own reality is
sometimes too real?**

Then take your cell phone, scan the QR code
with the camera app and step into Vorwerk's
augmented reality. Enjoy!





Dear readers,

Lean Back. Breathe deeply. Even deeper! And now think for a moment: What would you do if you had a lot of free space? Would you pack your suitcase and head off to the Bahamas? Or learn to play guitar, get your upper arms tattooed and start a rock career? What? Actually, you just want a little more time at work – time to pursue that one teeny idea that's been on your mind for years?

Imaginations of free space can vary greatly, but one thing is clear: Everyone wants it. And everyone needs it, whether for personal or professional reasons.

The people in our new Annual Report tell us how immensely important it is. Sometimes it's about room to maneuver to achieve a work-life balance, sometimes it's about development space for technological progress, sometimes it's about the most important room in every home: the kitchen. And it's always about passion, inspiration and a thirst for knowledge.

Enjoy browsing through this and clicking inside!

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Space for **Delicatessen**

Meal time!

There are more than 90,000 recipes worldwide on Cookidoo®, the official recipe platform of the Thermomix®. And each and every one of them incorporates the nutritional knowledge and cooking expertise, the heart and soul, and the passion of so many international developers – coordinated by the Global Recipe Center in Switzerland. Want to pay us a visit?





It all started with her love of Italian ice cream: In this video, the British photographer Diana Moschitz talks about how she came to join Vorwerk's Global Recipe Center and what is most important to the team when it comes to food photography.



Appetite for more? Here, our experts explain the process of recipe creation – garnished with lots of photos, videos and a recipe quiz.



What inspires Benjamin Fleczo, Senior Product Owner of the Kobold VK7, and Acoustics Engineer Amin Nezami? Quite clearly the open exchange of ideas in interdisciplinary teams. And sometimes a good cheesecake.

Space for **Ideas**

Wrong turn? That's good!

Have you ever seen a room like this? Looks like a cross between a spaceship and an art installation, doesn't it? This is an acoustic room and the two men are engineers: There's Benjamin Fleczonek on the left and Amin Nezami on the right. Together with their highly dedicated colleagues, they have ensured that our new Kobold VK7 vacuum cleaner is not only particularly powerful in terms of suction, but also pleasantly quiet. In this double interview, they talk about system limitations, simulations and dead ends – and about the importance of free space for progress.



When you use this QR code, you're guaranteed not to take a wrong turn, but to land right in the room for ideas. Look no further than our Kobold record collection!



Space for **Magical Moments**

Come in, please

Gelati, pasta, bolognese, caprese, pizza, lasagna, tiramisù... is your stomach growling yet? Italians love their country's cuisine and celebrate good food full of passion and pleasure – which is precisely why they see the Thermomix® not as a kitchen appliance, but as a friend for life. It is available exclusively through direct sales. This home visit shows the direct, personal contact from person to person.

"Empathy and a friendly demeanor right at the front door are the basis for a great demonstration."

Carmela Ferraro is a self-employed Thermomix® advisor and knows the benefits of the smart kitchen helper.



Self-employed advisor Carmela Ferraro demonstrates the benefits of the Thermomix® to interested parties in their homes. Step over the threshold of the front door with her.

Space for **Optimization**

7 facts about the Kobold VK7

What is the lasting connection between our Kobold VK7 vacuum cleaner and a bikini? And to old plastic bottles? And why does this one actually vacuum right around a gramophone? Answers to these questions and other exciting facts about our latest model are available online.



Come along on
a suction tour!





80%

Recycled materials account for
80% of the total weight of the bag
in the Kobold VK7



Space for **Lust for Life**

Heart

What room in your home do you love most? The kitchen? You're probably like a lot of people in that the kitchen is often the beating heart of the home. We asked some of our Thermomix® Community Stars from Germany, Poland, Italy and Portugal what they love most about this room.



This is Wojciech Siudowski. The 43-year-old Pole loves dumplings, old cook-books and his kitchen as a place to relax.



"I love my kitchen because time flies here – while cooking, experimenting, living."

Lorena Cabriolu, 40, from Italy



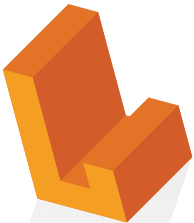
"I love my kitchen because it's our family gathering place."

Daniela Di Nardo, 49, from Germany



"I love my kitchen because I can take care of my family here with healthy delicacies and with love in the form of food."

Ana Luísa Barbosa Fernandes, 33, from Portugal



Please follow us now to our virtual home visits including a Thermomix® time travel quiz.

Space for **Financial Freedom**

Free space on four wheels

Want to go on a road trip? Then let's go: Two friends had an idea and founded Indie Campers in 2013. The company grows, goes international, and is now the market leader for RV rentals in Europe. But, Indie Campers has not reached its destination yet because akf Bank, a subsidiary of the Vorwerk Group, is getting in on the act: by providing financial support, know-how and contacts, it is creating scope for further growth through akf servicelease, its company that specializes in mobility solutions. Holger Büscher, Managing Director of akf servicelease, and Alexandre Prata, Chief Business Development Officer of Indie Campers, explain why this joint journey is worthwhile...



Not afraid of
wanderlust?
Then follow the
QR code!

... and you'll learn why a road trip is always worthwhile from Stella (photo) and Greg, who fulfilled a dream in 2022 and traveled the western USA in a campervan from Indie Campers.



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Dr. Thomas Stoffmehl
(Speaker of the
Executive Board)



Hauke Paasch
(Member of the
Executive Board)



Dr. Thomas Rodemann
(Member of the
Executive Board)

Foreword by the Executive Board

Dear ladies and gentlemen, dear Vorwerk Community,

The year 2022, which we look back on in this Annual Report, was also characterized by major challenges. The ongoing effects of the corona pandemic, Russia's war in Ukraine, rising energy costs and disruptions in the supply chain led to an unusual situation for practically every company.

The Vorwerk Group has coped with this unique situation extremely well. In our core business, the direct sale of high-quality household appliances, we once again managed to increase our sales and achieved another record year with Thermomix, while also increasing the number of our advisers. Many large direct selling companies have been unable to do this.

We invested heavily in new products, launched our new Kobold VK7 cordless vacuum cleaner in the reporting year, and are rounding off the VK7 system this year with a new vacuum robot – despite the fact that the substantial cost increases for upstream products and the disappointing result from Neato Robotics weighed heavily on our net profit for the year.

The positive development of the Group overall in recent years is closely linked to the implementation of our Strategy 2025. There are three core elements that continue to be the focus: expansion and maintenance of the Vorwerk Community of advisers, customers and employees, the further development of the people-based direct sales approach using three interrelated channels with the focus on the sales advisers as well as innovative products and services.

We continue to view Russia's war in Ukraine with deep sympathy. Our sympathy goes out to the people in the affected regions. The Vorwerk Community has shown solidarity and supported the people on the ground, but also at the locations of our national companies, in a variety of ways.

Despite all the imponderables, the Vorwerk Group looks to the future with confidence – and this is mainly due to the strength of our core business with the growth in the number of advisers - they and our employees prove every day through their tireless efforts the passion that unites them with Vorwerk. This is something we are particularly proud of and for this you all deserve our thanks and recognition.

Wuppertal, March 15, 2023

On behalf of Vorwerk SE & Co. KG



Dr. Thomas Stoffmehl
(Speaker of the
Executive Board)



Hauke Paasch
(Member of the
Executive Board)



Dr. Thomas Rodemann
(Member of the
Executive Board)

Passion since **1883**

The Vorwerk Group is a family-owned company founded in 1883 that has its headquarters in Wuppertal, Germany. The courage to implement innovations and the demand for the very highest quality have made Vorwerk an internationally successful company with a 140-year tradition. Vorwerk is the number 1 direct sales company in Europe and the world's leading direct seller of premium-quality household appliances. Its employees and sales advisors as well as its outstanding products and services are at the heart of the company. Vorwerk stands for nearness to people – as a direct selling company, Vorwerk always seeks direct contact to its customers. The sales advisors are at the focus of its activities and serve as the main points of contact.

Vorwerk Group

Vorwerk SE & Co. KG
Mühlenweg 17 – 37
42270 Wuppertal
Germany
Phone: +49 202 564-0
Email: vorwerk@vorwerk.de
www.vorwerk-group.com

Executive Board

Dr. Thomas Stoffmehl

(Speaker of the Executive Board)

Hauke Paasch

(Member of the Executive Board)

Dr. Thomas Rodemann

(Member of the Executive Board)

Supervisory Board

Dr. Jörg Mittelsten Scheid

(Honorary Chairman)

Dr. Rainer Hillebrand

(Chairman)

Daniel Klüser

(Vice Chairman)

Dr. Hildegard Bison

Rainer Genes

(until December 31, 2022)

Frank Losem

Dr. Stefan Nöken

Wolfgang Kölker

Dr. Timm Mittelsten Scheid

International Presence

Our Markets

Austria
Canada
China
Czech Republic
France
Germany
Indonesia
Italy
Japan
Mexico
Poland
Portugal
Spain
Sweden
Switzerland
Taiwan
The Netherlands
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

Major Export Countries (excerpt)

Argentina
Australia
Belgium
Brazil
Bulgaria
Chile
Columbia
Croatia
Cyprus
Denmark
Estonia
Greece
Guatemala
Hungary
Iceland
Israel
Kazakhstan
Malaysia
Malta
Morocco
New Zealand
Norway
Panama
Paraguay
Peru
Romania
Singapore
Slovakia
Slovenia
South Africa
Thailand
United Arab Emirates
Uruguay
Vietnam

The Vorwerk Group was active in the following business segments in financial year 2022:

Thermomix / Bimby
Kobold / Folletto
Vorwerk Engineering
Neato Robotics
JAFRA Cosmetics
Vorwerk Ventures
akf group

Key Figures of the Vorwerk Group

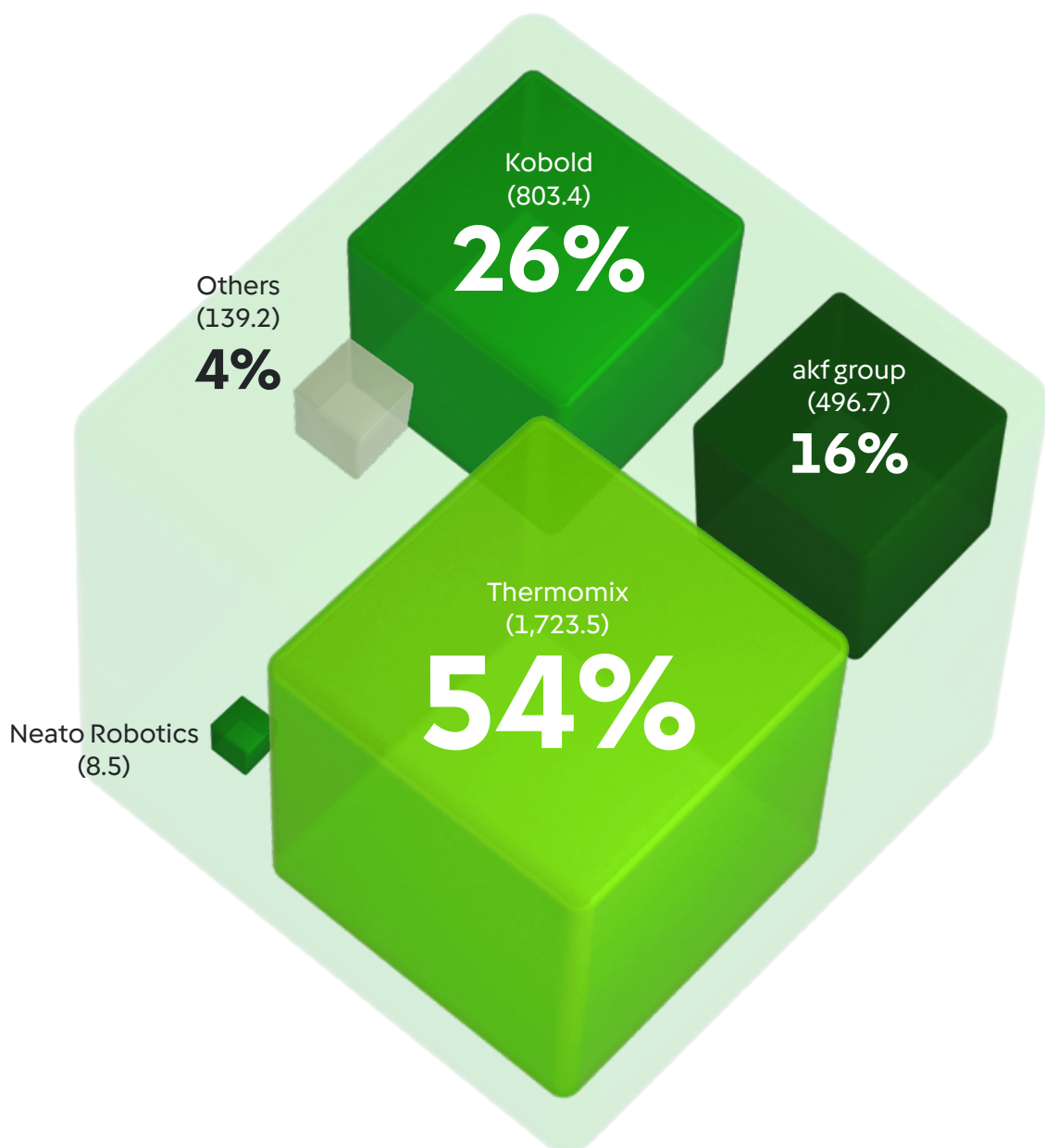
in EUR million	2019	2020	2021	2022
Group sales	2,928	3,181	3,383	3,171
New business, akf group	1,324	1,239	1,026	1,178
Balance sheet total	5,332	5,507	5,486	5,313
Partners' equity	1,378	1,473	1,475	1,405
Partners' equity in % (akf fully consolidated)	26	27	27	26
Financial assets	1,213	1,249	1,372	1,380
Other fixed assets	1,508	1,433	1,355	1,230
Current assets	2,546	2,737	2,669	2,636
Cash and cash equivalents*	902	1,178	1,360	1,294
Capital expenditure**	472	391	395	446
Depreciation**	304	304	336	300
Personnel costs	633	636	656	624
Number of employees	12,319	12,260	11,698	9,394
Self-employed advisors***	599,072	577,993	577,092	213,447

* Including short-term realizable assets

** Excluding financial assets

*** Including JAFRA Mexico and USA until 03/31/2022

Sales by Division 2022
in EUR million



Total

EUR 3,171.3 million

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General Section on Business Development

Vorwerk SE & Co. KG is a family-owned company that was founded in 1883 and is headquartered in Wuppertal, Germany. In terms of sales, Vorwerk is the number 1 direct sales company in Europe and the world's leading direct seller of high-quality household appliances. The core business of the Group is the development, production and sale of innovative, premium household appliances. The most important products from Vorwerk are, on the one hand, cleaning devices, from vacuum wipers to vacuum robots, which Vorwerk manufactures and sells under the Kobold/Folletto brand, and, on the other hand, the Thermomix®/Bimby with its digital recipe platform Cookidoo®, which around four million customers are now active on.

In terms of sales, Vorwerk is the number 1 direct sales company in Europe and the world's leading direct seller of high-quality household appliances.

Today, the Vorwerk Group is active in direct sales in 60 countries with a focus on Europe, but also in Asia and North and South America. The strong international orientation of the Wuppertal-based, family-owned company is also clearly reflected in the distribution of its sales. The share of sales generated outside the company's domestic market of Germany has now reached 61.5 percent. This share amounted to 71.9 percent in the direct sales segment.

The diversified product and service portfolio also includes financing solutions from the akf group and the venture capital company Vorwerk Ventures.

Vorwerk stands for an active and ever-growing community comprising advisors, customers and employees as well as a modern direct sales approach involving three inter-related channels with outstanding products and services. These main elements of the Strategy 2025 form the foundation for the sustainable and successful development of the Group. Vorwerk can look back on a 140-year history this year, in 2023.

Research & Development, app and software development, quality management and the administrative units are located in the immediate vicinity of the engine and equipment plant at the main production and development site of Vorwerk Engineering in Wuppertal-Laaken. Vorwerk develops and designs its products at its largest site in Wuppertal. The company manufactures according to uniform specifications and strict quality standards via the company's international string of factories located in Germany (Wuppertal), France (Cloyes-les-trois-Rivières) and China (Shanghai).

Vorwerk works hand in hand with a network of specialized production partners where this makes sense.

The Vorwerk Group was active in the following fields of business at the end of 2022: Culinary (Thermomix®/Bimby), Cleaning (Kobold/Folletto) as well as Vorwerk Engineering, Neato Robotics and the akf group. Furthermore, Vorwerk Ventures is the Vorwerk Group's venture capital company. Activities related to JAFRA Cosmetics (with the exception of JAFRA Indonesia) and Temial were sold or discontinued as planned in 2022 and are therefore included only proportionately in the consolidated sales of the reporting year. JAFRA Indonesia was also sold at the beginning of 2023.

Russia's attacks on Ukraine in February changed the framework conditions and required continuous crisis management, especially in the areas of material procurement and energy security. The greatest challenge was to remain capable of taking action despite the lack of planning security and to adapt quickly to any changes in the situation. Significantly rising energy costs, disrupted international supply chains, rising transport costs and significant cost increases in material purchasing quickly made the previous year's forecasts obsolete. Vorwerk has coped with this difficult situation extremely well.

Overall, the Vorwerk Group's sales of EUR 3.2 billion were 6.3 percent down on the previous year due to the companies sold or closed during the year. Expectations were missed by 1.3 percent due to the challenges already mentioned. The sales generated, excluding the discontinued operations in the reporting year, were maintained at the high level of the previous year.

The Group achieved net profit for the year of EUR 45.2 million, while the operating result of the Group was EUR 194.5 million and thus significantly* below the previous year and planning. This is due to the cost increases in the supply chain, which were not expected at this

high level, the increased energy costs and thus, above all, the burden on the earnings of Vorwerk Engineering, as well as the disappointing earnings of Neato Robotics, which declined again. Basically, the financial result, management results not directly related to sales or production activities and costs attributable to the holding company were deducted from the consolidated net income in order to arrive at the operating result.

The new business of the akf group amounting to EUR 1.2 billion was 14.8 percent above last year's level and 4.3 percent above expectations.

The overall business volume** of the Vorwerk Group amounted to EUR 3.9 billion, a decrease of 1.6 percent, taking the EUR 1.2 billion in new business*** at akf into account, due to the companies that were sold or closed during the year.

The overall business volume of the Vorwerk Group amounted to EUR 3.9 billion

* To help the reader to better understand the company's development, percentage changes compared with the previous year are described in this report using the following adjectives: insignificant/minor (1 – 2 percent), moderate/slight (3 – 5 percent), considerable/severe (6 – 10 percent), major/significant (11 – 15 percent), substantial (16 – 24 percent), more than significant (over 25 percent).

** Group sales less akf plus the new business of the akf group

***Volume of new financing and rental agreements concluded in the fiscal year

The equity capital ratio of the Vorwerk Group, including the fully consolidated akf group that is active in the area of financial services, amounted to 26.4 percent. Liquid funds are mainly invested in special funds, reported under long-term securities, and other short-term realizable current assets and totaled EUR 1,294 million as of balance sheet date.

The Group's strategic leadership is in the hands of Vorwerk SE & Co. KG in Wuppertal. The Group's Executive Board is comprised of Dr. Thomas Stoffmehl (Speaker of the Executive Board), Hauke Paasch (Member of the Executive Board) and Dr. Thomas Rodemann (Member of the Executive Board).

Half of the Vorwerk Group's Supervisory Board is comprised of members from the entrepreneurial family Mittelsten Scheid while the other half consists of external experts. Dr. Rainer Hillebrand is Chairman of the Supervisory Board. Dr. Jörg Mittelsten Scheid, the head of the family that owns Vorwerk, is Honorary Chairman of the Supervisory Board. Daniel Klüser (Deputy Chairman of the Supervisory Board), Wolfgang Kölker and Dr. Timm Mittelsten Scheid are the other members of the Supervisory Board from the entrepreneurial family.

Management of the company is based on detailed annual planning, regular reporting and deviation analyses. For this purpose, sales revenues at the divisional level and the operating result are used as key financial performance indicators.

In the case of specific divisions in the area of direct sales, Vorwerk applies non-pecuniary performance indicators for the purposes of foresighted and sustainable management of the company. They relate to the productivity (= sales per active advisor) and the activity – in other words the proportion of active sales advisors in relation to the total number.

The Vorwerk Group had already defined its future alignment in 2019 as part of its Strategy 2025. Its goal is to become more powerful and modern and to further optimize efficiency in the global Vorwerk organization as well as the specialized and successful direct sales approach. Distinct growth and earnings targets are important elements of this strategy.

In 2021, the Vorwerk Group implemented or prepared to make changes to the structure of the company to create synergies and improve efficiency. The objective is to focus even more on the fields and markets with high potential for success and growth.

Among other topics, these decisions relate to the sale of the American and Mexican company JAFRA Cosmetics to the Mexican company Betterware de Mexico, which was completed in the first quarter of the reporting year. Sales in Europe were discontinued in mid-2022, and the remaining sales in Indonesia were sold at the beginning of 2023.

Another decision related to the business unit Temial. It has not been able to establish a stable and promising market position for the tea machine it launched in 2018. Temial will therefore be gradually withdrawn from active marketing by mid-2022. Of course, customers will continue to be provided with the respective spare parts, service and consumables over the next few years.

Markets and customer needs are currently changing rapidly; this poses major challenges for companies worldwide. Now, more than ever, efficient processes, agile working methods and clear structures are preconditions for entrepreneurial success. In this context, Vorwerk continues to consistently focus on three core elements: its active community of advisors, customers and employees, direct sales comprising three interrelated channels as well as innovative products and services.

Vorwerk's power of innovation is also reflected in the number of patent registrations: the company had several national and international patents or patent applications to report in 2022.

Vorwerk has been systematically addressing the aspect of sustainability since 2016. The sustainability organization created that same year identifies the main sustainability topics for the entire Group, coordinates programs already in progress and develops new projects.

Vorwerk has been systematically addressing the aspect of sustainability since 2016

The Vorwerk Group is a participant in the UN Global Compact (UNGC), the world's largest and most important initiative for sustainable and responsible corporate management. By signing it, the company commits itself to implementing ten universal sustainability principles on the topics of "Human Rights and Labor Standards," "Environmental and Climate Protection" and "Fighting Corruption" and to promoting the United Nations Sustainable Development Goals (SDGs). Together with over 16,000 other companies and organizations, Vorwerk wants to move closer to the vision of a sustainable and more inclusive economy, step by step, across industries and national borders.

Vorwerk places great importance on the considerate and sustainable use of natural resources. As a family-owned company, it has always thought across generations. The conversion to renewable energies is one of the most important levers in the implementation of the climate protection goal. Photovoltaic systems have been installed at properties where this was structurally possible. Vorwerk also invests in electromobility for its company car fleet. Furthermore, all Vorwerk Group products are developed with a focus on longevity and reparability.

Vorwerk places great importance on the considerate and sustainable use of natural resources.

In addition, Vorwerk is socially committed. Acting sustainably also means supporting the disadvantaged people of the world. Accordingly, the company supports many social projects at the international and local level, such as the SOS Children's Villages or the RTL Foundation "We help children."

The Group is on its way to making products more sustainable in all phases of its value chain. This includes low energy consumption in production and later during a product's service life, as well as the use of recyclable materials. Durable technology and a quality finish are equally important.

Among other objectives, the Vorwerk Group has set itself the goal of reducing CO₂ emissions and compensating for the remaining emissions. The reduction share is to be increased to two-thirds by 2025.

Summary of the Development of the Individual Divisions

Thermomix remains the division of the Vorwerk Group with the highest revenue. This division achieved record sales of EUR 1.7 billion, an increase of 1.6 percent.

The akf group's sales of EUR 497 million were slightly higher than in the previous year. New business rose considerably to EUR 1.2 billion.

The Kobold division recorded sales of EUR 803 million, a 1.9 percent decline.

The individual divisions are described in detail on the following pages.

Sales by Division

in EUR million	2019	2020	2021	2022
Home	2,070.1	2,331.7	2,541.2	2,535.4
Thermomix	1,268.4	1,583.8	1,696.3	1,723.5
Kobold	708.4	703.2	819.0	803.4
Vorwerk flooring*	41.3	17.5	0.0	0.0
Neato Robotics	52.0	27.2	25.9	8.5
Diversification	824.0	814.6	806.9	585.9
JAFRA Cosmetics**	351.7	319.0	313.0	89.2
akf group	472.3	495.6	493.9	496.7
Others	33.9	34.3	34.7	50.0
Group sales	2,928.0	3,180.6	3,382.8	3,171.3

* Including Vorwerk flooring until 07/31/2020

** Including JAFRA Mexico and USA until 03/31/2022



Thermomix/ Bimby

Since its invention in 1971, the Thermomix® has matured from being a multifunctional kitchen machine to a digital all-rounder that brings millions of people together worldwide when it comes to cooking.

The Thermomix® TM6 is easy and intuitive to use. The integrated recipe platform Cookidoo® allows direct access to carefully developed and proven Thermomix® recipes. The Thermomix® TM6 with its Guided Cooking function takes users through the recipes step by step. Today, more than 90,000 Guided Cooking-enabled recipes are available for the Thermomix® worldwide. This means that the Thermomix is a highly modern, digital kitchen appliance. At the beginning of the year, Thermomix® caused a stir with its "Black Edition": for the first time in the company's history, the kitchen machine was available in glossy black for a limited time and in a limited edition.

The Thermomix division is active via its subsidiaries in a total of 16 countries in Europe, Asia and North America. In addition, Thermomix has more than 40 distributors.

More than 90,000 recipes are available in Cookidoo

The multifunctional kitchen machine is sold worldwide via a direct selling system. Advisors demonstrate the Thermomix® at potential customers' homes by providing a cooking experience. They also benefit from the individual, personal service available locally even after the purchase. In some countries, the advisors also have "MySites," which they can use to contact customers online, make appointments and sell products. Moreover, Thermomix® is

presented and occasionally also sold in conventional stores in a few countries. Further, Thermomix® accessories are available worldwide in an online shop.

In the reporting year, the division once again achieved record sales of EUR 1.7 billion, an increase of 1.6 percent over the previous year and thus slightly above expectations. This growth in sales is due in particular to the significant increase in new advisors since the end of 2021. The operating result was slightly below the previous year, but slightly above expectations.

On the other hand, Thermomix experienced a decline in sales in France (sales of EUR 196 million, down 9.8 percent), Spain (sales of EUR 120 million, down 16.2 percent), the UK and Northern Ireland (sales of EUR 44 million, down 4.1 percent) and China (sales of EUR 55 million, down 36.9 percent). In China, there was a persistent reluctance on the part of customers to visit shopping malls and Thermomix® cooking studios throughout the year. The export business – i.e. sales via so-called distributors – recorded a drop in sales of 4.6 percent to EUR 105 million.

Significant increase in the number of new advisors

The number of advisors increased by 12.4 percent compared to the previous year. Average productivity was considerably and activity substantially below the previous year's level. On average, more than 83,200 advisors were working for the division in 2022.

2022 was another successful year for most Thermomix markets: Germany was the strongest sales country; the company achieved sales of EUR 480 million here, an increase of 3.0 percent. The Polish sales company once again achieved a significant increase, with sales up 13.8 percent to EUR 262 million. Developments in Italy were also clearly positive (EUR 203 million in sales, up 19.2 percent). As in Portugal, the Thermomix® is sold there under the brand name Bimby.

The picture was also positive for the other larger national subsidiaries: Austria (sales of EUR 65 million, up 18.6 percent), Portugal (sales of EUR 54 million, up 3.2 percent), Switzerland (sales of EUR 40 million, up 12.9 percent) Mexico (sales of EUR 30 million, up 9.5 percent), Czech Republic (sales of EUR 17 million, up 23.6 percent), USA (sales of EUR 28 million, up 28.7 percent) and Canada (sales of EUR 13 million, up 17.9 percent).

Kobold / Folletto

The Kobold VK7 cordless vacuum cleaner system (marketed under the brand name Folletto in Italy), which was newly launched on the market in the reporting year, offers up to 19 cleaning functions with a main unit and various attachments and nozzles. Whether it's vacuuming with the EB7 electric brush, vacuuming and wiping with the SP7 suction wiper attachment, dusting or cleaning upholstery and mattresses: with one click, the VK7 can be transformed into a new device and be individually adapted to the respective needs at home. Kobold markets its products through direct sales, Vorwerk stores in some countries and online.

The Kobold division is represented with its own subsidiaries in a total of twelve countries in Europe and Asia. In addition, more than 29 distributors sell its products.

The Kobold division achieved sales of EUR 803 million in the reporting year, a slight decrease of 1.9 percent compared to the previous year. Expectations were undercut by a considerable margin. The operating result was significantly below the previous year and below expectations. When looking at the figures, it should be taken into consideration that, due to disruptions in the supply chain, not all devices ordered in 2022 could be delivered to customers. This catch-up effect will come into play in the current financial year. The positive effect of the introduction of the new VK7 vacuum cleaner system could clearly be seen in the reporting year.

On average, more than 11,100 advisors worked for the division in the year under review, a marginal decrease compared to the previous year. Activity was considerably and productivity moderately below that of the previous year.

The Italian Kobold company achieved sales of EUR 390 million, an increase of 4.4 percent. The Kobold is sold under the brand name Folletto in Italy. Italy was the first country to introduce the new VK7 vacuum cleaner system in the reporting year and was thus able to benefit from the positive effects of this product impetus.

The German Kobold company recorded a 7.2 percent drop in sales to EUR 254 million. The reason here is mainly the availability of devices due to disruptions in the supply chain. Vacuum cleaners that had already been ordered could only be delivered to customers with a delay.

The positive effect of the new vacuum cleaner system can be clearly seen.

Of the larger Kobold countries, Vorwerk France also reported lower sales (EUR 51 million, down 6.8 percent), as did the Chinese Kobold company (EUR 29 million, down 12.9 percent), the company in Austria (EUR 23 million, down 4.4 percent), Kobold in Spain (EUR 18 million, down 1.4 percent) as well as the distributor business (EUR 14 million, down 16.9 percent) and the company in the Czech Republic (EUR 9 million in sales, down 4.2 percent).



Vorwerk Engineering

The Vorwerk Engineering division manufactures its products as commissioned by the "Home" divisions that have successfully conceptualized them over many years now by applying the experience they have gained from the sales organizations and direct customer contacts. The Engineering division is therefore very dependent on and steered by the development of business at the Vorwerk sales companies and their business development.

In the company's own international string of factories located in Germany (Wuppertal), France (Cloyes-les-trois-Rivières) and China (Shanghai), the company manufactures according to uniform specifications and strict quality standards.

The largest production site is located in Wuppertal and has more than 1,200 employees. The Research & Development department is also mainly located there.

Towards the end of the reporting year, the division presented a limited edition model of the Thermomix® – the "Black Edition." This product was received extremely positively internationally.

With the new Kobold VK7 vacuum cleaner, the Engineering division has also successfully brought a powerful cordless vacuum cleaner system to market maturity.

In the first half of the year, the Engineering production facilities struggled with component shortages for both the Thermomix® TM6 and the VK7 system, which at times led to significant backlogs and delivery delays. These shortfalls were resolved over the course of the year.

The development of sales of the Vorwerk Engineering division in 2022 was in line with the development of the sales of the sales divisions. The multiple crises and resulting cost increases prompted the Engineering division to set up a cost-cutting program very early in the year to counteract the negative price trend. Despite the savings, the operating result was significantly below the previous year and expectations. This was entirely due to the high increases in expenses for energy, materials and transportation throughout the course of the year, which could not be fully compensated for.



As part of the bundling of robotics expertise in Wuppertal Laaken, the Vorwerk Group will further strengthen its commitment in Germany and its competitive position in the growth market of vacuum cleaner robotics, both in the consumer and B2B sectors. A robotics competence center is being built at the largest plant in Laaken, where developers and engineers will work centrally and develop both commercial and consumer robot systems. With the Kobold VR7 vacuum robot, the latest product in the Vorwerk vacuum cleaner family will celebrate its market launch in 2023.

Research & Development is also mainly based in Wuppertal, Germany.



Neato Robotics

Founded in 2005, Neato Robotics, Inc. with its registered offices in Silicon Valley launched its first series of robot vacuum cleaners in 2010. It was Neato that introduced an intelligent laser navigation system for robotic cleaners, for example.

Vorwerk has been a shareholder in the US-based company since 2010. Vorwerk finally increased its stake in the company to 100 percent in 2017.

The focus of the Vorwerk Group's Strategy 2025 is on strengthening the key brands Kobold and Thermomix and further developing the Group portfolio in order to be able to optimally develop growth potential.

Vorwerk invests in fields and markets that have this potential, but is also consistently withdrawing from areas in which it has not been able to achieve growth.

The company is now taking a further step towards concentration and strengthening its robotics expertise within the Vorwerk Group by bundling the development capacities centrally at its Research & Development location in Wuppertal-Laaken. In the future, the motto "Engineered in Germany" will apply to its entire vacuum cleaner robotics area.

As part of this bundling of competencies, the Vorwerk Group will be closing its US company Neato Robotics in June 2023. Neato's development team was an important source of inspiration for product development at Vorwerk and contributed valuable experience. Nevertheless, the independent sales department has not been able to develop successfully, therefore the company has been behind the goals it has set for itself for several years.

In 2022, Neato achieved sales of EUR 9 million (– 67.1 percent). Sales were therefore significantly below the previous year and expectations, the operating result significantly below the previous year and significantly below expectations.

During the year under review, Neato made every effort to achieve profitability as part of restructuring. Unfortunately, this has not been as successful as necessary. This step affected 98 employees worldwide – mostly engineers and software developers. A 14-member team in Milan that provides the cloud services for its current products will be taken over by Vorwerk.

The Vorwerk Group intends to guarantee infrastructure security for the Neato cloud for at least five years for all Neato customers. This also applies to the supply of spare and wearing parts as well as the necessary repairs, the availability of which will also be ensured for at least five years.

Vorwerk Ventures

Through Vorwerk Ventures, the Vorwerk Group makes use of various investment vehicles to invest in companies that are working on novel and promising sales concepts. The venture capital entity makes its investment decisions without any direct connection to the strategy of the Vorwerk Group and thus has the freedom to invest in completely new areas that have the potential for strong growth and high profitability.

Several portfolio companies are already among the leading providers in their specific markets and offer great opportunities for an increase in value. The investment portfolio is managed with a view to the exit potential.

The investment vehicle Vorwerk Direct Selling Ventures has invested in a total of 23 companies since this activity was founded in 2007. Of these, 7 companies were still in the portfolio at the end of 2022. The Vorwerk Direct Selling Ventures portfolio includes the companies Dinner-for-Dogs, CrossEngage, LILLYDOO, Mädchenflohmarkt, OTTONova, smartfrog and Thermondo. Certain investments were made in the current portfolio in 2022 as part of larger external financing consortia.

As part of implementing its own growth strategy, the venture capital unit adopted a customary, asset management organizational structure at the end of 2019 and established a new venture capital fund called Vorwerk Ventures III with a volume of EUR 150 million. The initial investment period of Vorwerk Ventures III ended in mid-2022. Since it was launched, the investment vehicle Vorwerk Ventures III has invested in a total of 20 companies. Since the investment fund is in an early stage of maturity, there have not been any exits worth mentioning yet. From now on, only follow-up investments in companies already in the portfolio will be made from the investment fund. In the financial year that just ended, a few substantial follow-up financing transactions were carried out in the portfolio with the participation of other investors.

Another investment fund called Vorwerk Ventures IV with a target volume of EUR 150 million was set up in mid-2022 to continue with investing. One investment was made by this investment vehicle in 2022.

Heat pump from
Thermondo



The Wuppertal-based akf group is positioned as a traditional financing partner for small and medium-sized companies. On the market now for more than five decades, akf bank, akf leasing and akf servicelease offer a product portfolio tailored to the funding requirements of these clients. The commercial customers come from the metal, plastics, wood-processing and graphics industries as well as the agricultural sector. Financing is also available for private customers interested in purchasing a car or other consumer goods.

Most areas of sales of the akf group were able to benefit from the increasing investment propensity of companies and private consumers in the financial year. Against this backdrop, new business in the banking and leasing sector increased significantly to EUR 1,178 million (previous year: EUR 1,026 million), an increase of 14.8 percent compared to the previous year.

The share of vehicle financing in the auto and marine finance sales area, with a volume of EUR 312 million (previous year: EUR 292 million), amounted to 26.5 percent (previous year: 28.5 percent) of its total business and thus continues to occupy a notable position despite the considerably lower share.

Funding of machinery and other equipment in the industrial finance sales area was much higher than in the previous year, with a volume of EUR 282 million (previous year: EUR 226 million) and accounted for 23.9 percent of its total business (previous year: 22.1 percent).

At EUR 217 million, the financing volume in the product finance sales area changed only slightly compared to the previous year (EUR 216 million). EUR 154 million (previous year: EUR 153 million) are included in this figure from consumer financing activities as part of financing the sale of high-quality household appliances from the Vorwerk Group.

Financing of agricultural vehicles and mobile agricultural equipment in the agriculture finance sales area increased strongly by 20.0 percent to EUR 214 million, thus accounting for 18.1 percent of the total volume (previous year: 17.4 percent).

In the fleet finance area, which primarily offers full-service leasing and short to medium-term rental of passenger cars, the volume increased significantly from EUR 113 million to EUR 153 million.

The volume of purchased receivables in the factoring business area increased moderately from EUR 1,124 million to EUR 1,166 million.

The Wuppertal-based akf group positions itself as a classic financing partner for medium-sized companies.

At EUR 497 million (previous year: EUR 494 million), akf group's revenue increased slightly and was thus moderately above expectations. With regard to financing services, revenue is calculated on the basis of the interest and leasing income as well as the payments for other services that are received as compensation for the relinquishment of capital or assets.

The volume of new business has developed significantly compared to the previous year and moderately exceeded expectations. The operating result developed much more positively than in the previous year and significantly exceeded expectations.



The interest rate margin – the difference between the lending and the refinancing interest rates – is of the greatest importance to the earnings situation of akf group. Despite a slight increase in the interest rate margin of 37 basis points on a year-on-year comparison, interest income at akf bank only improved slightly by 1.7 percent. The reason for this was the lower than expected development of the average business volume.

As in previous years, the refinancing of akf group was performed mainly with matching maturities through interbank transactions, two revolving ABCP programs, one open-ended revolving ABS bond as well as the deposit-taking arm of the business. A total of around 22,700 investors (previous year: around 22,400) had entrusted deposits of EUR 1,368 million (previous year:

EUR 1,488 million) at the end of the year. As in past years, business was only transacted on an online basis. Despite the challenging environment in the deposit-taking business, akf group fundamentally handles all private investors in the same manner with regard to interest payments for the various products and refrains from making any special offers or promotions to attract new clients.

Personnel Development/People & Culture

The strategic priorities in the area of "People & Culture" were already defined in 2020 and are part of the implementation of Strategy 2025.

A special focus is on attracting and developing talented people, as well as strong succession planning to ensure stability and provide opportunities. Parallel to this, the focus is on building leadership skills and developing management personnel with the goal of combining the growth of the Group with the continuous advancement of employees. The training platform "VORyou" is one

example of this path and the further expansion of digital offerings. The system enables the "People & Culture" division to provide internally created learning content and link it to external content to make learning exciting, relevant and available to all employees, anytime and anywhere.

An average of 222,841 people worked for the Vorwerk Group worldwide in 2022. There were 9,394 permanent employees and 213,447 self-employed sales advisors (including JAFRA Cosmetics US and Mexico until March 31, 2022).

Average number of employees during the year

	2019	2020	2021	2022
Home				
Thermomix*	5,665	5,914	5,256	4,210
Kobold*	1,963	1,881	1,908	1,884
Vorwerk flooring**	313	180	0	0
Vorwerk Engineering	1,615	1,603	1,748	1,791
Neato Robotics	115	125	151	148
Diversification				
JAFRA Cosmetics***	1,806	1,696	1,760	465
akf group	499	504	512	507
Others	343	357	363	389
Total employees*	12,319	12,260	11,698	9,394

* Including employed advisors

** Vorwerk flooring included until 07/31/2020

*** Jafra US and Mexico included until 03/31/2022

Average number of self-employed advisors during the year

	2019	2020	2021	2022
Thermomix	48,231	59,890	74,066	83,267
Kobold	9,623	9,581	11,365	11,116
Others	180	236	510	171
Self-employed advisors with "Home"	58,034	69,707	85,941	94,554
Self-employed advisors with JAFRA Cosmetics**	541,038	508,286	491,151	118,893
Self-employed advisors in total	599,072	577,993	577,092	213,447
Total employees at Vorwerk	611,391	590,253	588,790	222,841
Of which advisors*	603,977	583,044	581,202	216,511

* Including employed advisors

** Including Jafra US and Mexico until 03/31/2022

Assets and Earnings Situation

The consolidated balance sheet total of the Vorwerk Group fell by EUR 172.1 million to EUR 5,313.4 million as of the balance sheet date December 31, 2022. This was caused, among other developments, by the decline in goodwill and bank balances on the assets side and the lower other provisions and liabilities from the deposit business on the liabilities side.

Fixed assets declined by EUR 116.5 million overall.

Intangible assets declined by EUR –138.9 million, primarily due to the derecognition of goodwill in connection with the JAFRA companies in Mexico and the United States, which were sold in April 2022. Tangible assets, on the other hand, increased by EUR 14.5 million, and amounted to EUR 37.2 million, related to rental assets in particular. The investment ratio increased by 2.4 percentage points to 19.6 percent with a lower opening balance and considerably higher investments compared to the previous year. The tangible assets ratio of 24.3 percent was 1.4 percentage points below the level of the previous year with a minor decrease in total capital.

Under the financial assets item, shareholdings increased by EUR 33.0 million, mainly due to the first-time inclusion of a venture capital fund in the Group figures. Other loans and other financial assets were EUR 21.9 million below the previous year due to a loan repayment and the sale of financial investments.

Current assets recorded a slight decrease overall, which is mainly due to the considerable drop in cash and cash equivalents, which include bank balances and marketable securities.

Inventories increased by EUR 2.1 million, whereby the changes in the individual business areas varied. The sale of the main JAFRA companies led to a reduction in inventories of EUR 46.9 million. The Home business division recorded an increase of EUR 53.2 million, primarily to counteract delivery bottlenecks. The inventory turnover rate fell due to the significantly lower cost of materials – excluding the banking and leasing business – accompanied by a significant increase in the average inventory level by 19.3 percent to 2.06.

Overall, trade receivables increased by 10.0 percent. While the disposal of receivables from the JAFRA companies led to a decrease of EUR 20.8 million and Neato also recorded a decrease of EUR 8.5 million due to sales, trade receivables in the Home division increased by EUR 56.6 million due to the strong sales in December of the reporting year. Write-downs were adapted to reflect the payment behavior of customers. The value adjustment ratio declined significantly to 36.9 percent.

The massively disrupted supply chains caused by the pandemic, with drastically extended delivery times for the financed property classes, also led to a slight decline in net receivables from customers from the banking and leasing business by EUR 19.8 million in this reporting year. All discernible risks in the financing business are adequately accounted for by the formation of valuation adjustments.

At 49.6 percent, the current intensity as the ratio of current assets including all liquid funds to total assets, was slightly above the level of the previous year.

The cash ratio – defined as the cash resources available at short notice against current liabilities – amounted to 41.2 percent in the reporting year (previous year: 42.2 percent).

The liabilities side reflected partners' equity of EUR 1,405.0 million. The partners' equity capital ratio was at 26.4 percent (previous year: 26.9 percent). The asset coverage ratio was 53.8 percent and was nearly at the previous year's level (54.1 percent) because equity and fixed assets decreased in the same proportions.

Provisions declined by 8.8 percent compared to the previous year. Provisions for pensions and similar obligations remained at around the same level as the previous year. Provisions to cover tax risks increased by 2.1 percent. The significant decrease in other provisions mainly related to the provisions of the JAFRA companies sold that were removed from the Consolidated Financial Statements, as well as provisions for consultant commissions and outstanding supplier invoices. On the other hand, provisions were made for expenses in connection with the closure of the Neato Robotics division.

Liabilities decreased moderately by 3.0 percent overall. The individual items developed in various directions, however.

Liabilities to banks were mainly attributable to akf group and fell by EUR 11.5 million. The liabilities of the akf group increased by EUR 58.4 million, while loans in other areas of the business of the Vorwerk Group in the amount of EUR 69.9 million were repaid.

Liabilities from the deposit business were solely related to akf group. The online-based deposit business of akf bank fell by EUR 120.4 million in the reporting year due to the difficult environment caused by the massive rise in interest rates. Other customer deposits increased by EUR 9.3 million.

As a result of the slight overall decrease of EUR 148.8 million in borrowed capital and an approximately equal decrease in equity, the gearing ratio of 259.8 percent was 0.8 percent higher than in the previous year.

The deferred income item on the liabilities side of the balance sheet in the amount of EUR 257.8 million included – besides year-end-related income deferrals – deferred net present values for the leasing receivables sold to third party banks and subject to scheduled reversal. Income deferrals in an amount of EUR 39.0 million resulted in an increase in this item in the year under review.

In financial year 2022, the Vorwerk Group achieved 6.3 percent lower Group sales of EUR 3,171.3 million; the return on sales showed a minus of 3.0 percentage points compared to the previous year. The decline in sales is mainly due to the sale of the companies of the JAFRA division in Mexico and the US in April 2022.

Reference is made to the respective comments on the divisions for detailed explanations on the development of sales.

The JAFRA companies that have left the Group account for EUR 36.7 million of the significant decrease in changes in inventories.

Other operating income fell significantly, mainly due to lower reversals of provisions. On the other hand, income in connection with the sale of the JAFRA companies led to an increase of EUR 22.5 million.

Cost of materials (excluding the banking and leasing operations) declined by 8.6 percent compared to the previous year. This decline is mainly related to the sale or discontinuation of JAFRA's business activities. In addition, cost of materials declined due to sales. At 26.9 percent, the cost of materials ratio was nearly at the previous year's level.

Expenses from the lending and leasing business were at the level of the previous year.

Despite general wage and salary increases, the decline in personnel expenses by EUR 31.5 million is largely due to the departure of key companies from JAFRA Cosmetics and the lower number of sales employees in China due to the lockdown situation.

Scheduled depreciation was slightly below the level of the previous year at minus 3.8 percent. In addition, unscheduled depreciation of EUR 13.6 million (previous year: EUR 37.9 million) related to the planned discontinuation of the Neato division.

Other operating expenses declined slightly by EUR 67.2 million, mainly due to the sale of the main JAFRA companies. The decline in various expenses, primarily commissions, sales motivation and delivery costs, is offset by an increase due to the creation of provisions for expenses in connection with the closure of the Neato division.

The increase in the financial result by EUR 3.1 million is due in particular to EUR 8.5 million higher income from financial investments and EUR 4.0 million higher interest income. Depreciation on financial assets accounted for as fixed assets also increased by EUR 8.8 million, however.

The operating result and the development of earnings were below the original plan in most divisions. The forecasts at the beginning of the financial year could not be maintained, mainly due to the increased costs in the area of material and energy procurement and the renewed decline in earnings at Neato Robotics. Due to the partly external influences described above, the overall earnings situation of the Vorwerk Group was not satisfactory.

Financial Situation and Development of Financial Assets

2022 on the capital markets was marked by the effects of the war in Ukraine and the inflation shock, the severity of which surprised market participants. Linked to the development of inflation is the end of a monetary policy era of extremely low or even negative central bank interest rates. This shift was prompted by central banks' adjustment of their outlook away from a more temporary rise in inflation towards a picture of structurally rising producer and consumer prices including a trend towards deglobalization of the economy.

The stock markets developed negatively to a large extent in 2022. Shares in the developed markets lost around 12.8 percent year-on-year in euro. Shares from the emerging markets lost close to 14.9 percent in currency-adjusted terms over the same period. Interest rates rose significantly worldwide. Euro swaps rose by 376 basis points for one-year maturities and by 290 basis points for ten-year maturities. At +2.57 percent, 10-year German government bonds were 275 basis points higher at the end of the year than a year earlier (–0.18 percent).

The strategic alignment of Vorwerk's investment policy remained virtually unchanged in 2022. The asymmetric instruments to avoid tail risks were also retained, however the effect of these instruments was weakened by the price losses from interest rates. In the realized area, the expectations of the investment portfolio were met and the contributions to the company result were achieved, but there were significant impairments in the unrealized area.

Investments and other operative activities of the Vorwerk Group (excluding akf group) could be financed by the cash flow from the operating business and sales proceeds from divestments. Of the medium-term financing totaling EUR 80 million taken out in 2019 and 2020, EUR 50 million was repaid as planned by the end of 2022. The company only used money trading lines temporarily over the course of the year.

As part of its investment policy, Vorwerk has decided to structure investments in instruments that can be liquidated easily, such as stocks and bonds, and investments with a longer investment horizon, such as real estate, infrastructure and private equity, in separate portfolios. The share of liquid assets at the end of the year was just over 70 percent.

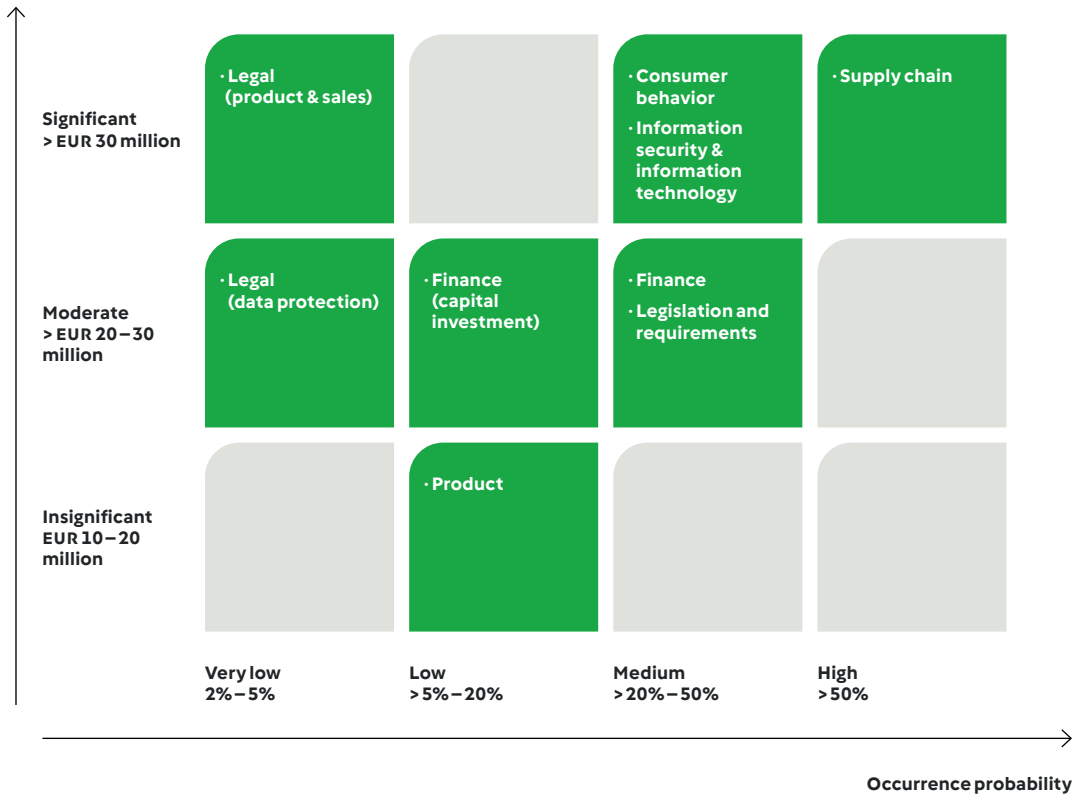
Gross liquidity in the Group (excluding akf) declined by around EUR 99 million in 2022. The main portion of this is due to the decline in market values from investments.

Risk Management System, Opportunities and Risks

The risk management process comprises the identification, assessment, communication as well as the steering and control of risks. Risk management is a continual process with risks being identified and quantified at least twice a year.

Risk management matrix

Possible financial impact



The year 2022 was dominated by the many global challenges and uncertainties, such as the ongoing Ukraine-Russia conflict, ongoing interruptions in the supply chain, the uncertainties that have arisen with regard to energy supply and sharply rising energy prices in Europe, inflation and the rapid rise in interest rates. This had an impact on the business activities of the Vorwerk Group in 2022, especially with regard to the continuous availability of the products and the change in consumer behavior. Under these conditions, the Vorwerk Group has pooled its strengths and concentrated on stabilizing direct sales and production. At the end of 2022, the Vorwerk Group achieved excellent sales results thanks to the consistently high quality of its products, the loyalty of its advisors and customers, and the commitment of its employees.

Overall, the structure and assessment of the top 3 risks changed partly compared to the previous year. The risks related to supply chain disruptions and information security remain of major concern. Consumer behavior has also become a risk for the business success of the Vorwerk Group.

Supply chain disruption remains at the top of the list of global business risks with a high probability of occurrence. Several events have coincided with the pandemic that impacted the supply chain: e.g. drastic price increases or unavailability of vital components and logistical capacity problems (e.g. bottlenecks in container shipping). Although this risk is a top risk for the Vorwerk Group for the third year in a row, the effective measures implemented were able to keep the risk at a stable level.

The risk of being hit by cyber-attacks is increasing worldwide. Ransomware and other types of cyber-attacks are still very relevant, and there are also potential risks and challenges from ongoing digitization and the shift to working from home/mobile working. The measures to reduce the information security risk of the Vorwerk Group will continue to be implemented with high priority. In order to counter the threat scenarios, the internal structures and processes are being further expanded and external specialist expertise is also being consulted. Individual risk reduction measures in terms of prevention have already

been achieved through the ISAVE project in the Vorwerk Group. This includes increasing employee safety awareness, numerous sensitization measures, publications, recorded podcasts, videos and a training platform, for example. The Vorwerk Group continues to work on the implementation of protective and defensive measures for the early detection and effective containment and elimination of cyber security incidents. With an efficient use of resources and the effective cooperation of all stakeholders, a continuous improvement of information security is possible, so that the risks can be continuously reduced within the framework of a medium probability of occurrence.

The risk of consumer behavior is a new risk at Vorwerk that was identified in 2022. As a result of economic and political uncertainties and the aftermath of the pandemic, this was assessed as having a medium probability of occurrence and a high impact on the Vorwerk Group. On the one hand, there is a risk that consumers' lower disposable income due to energy price increases, inflation, interest rate hikes and fears of recession could result in a re-prioritization or reduction in consumption. On the other hand, catch-up effects could occur and consumer projects that have been postponed or cannot be carried out (e.g. long-distance trips) could be given preference over other consumer spending. It is therefore important to continuously monitor this risk and to react in good time. Therefore, various risk mitigation measures have been implemented to maintain or increase sales.

Other risks were also reassessed and therefore repositioned in the matrix. This is based on the current global political and economic situation affecting the company's goals and results.

The sustainability risk was no longer listed as a top business risk in the Vorwerk Matrix in 2022 due to the assessment, but remains the focus of the Vorwerk Group. The responsible sustainability manager records legal requirements, evaluates them together with a Group-wide team and takes all necessary measures with high priority in order to further develop the Vorwerk Group in this regard.

The legal risk (product and sales) is rated as "very low." This is primarily due to the increased monitoring of ongoing legal cases in direct sales and the implementation of best practices for Vorwerk. These risks are related to the legal qualification of the sales force in direct sales, legal product safety regulations and warranty or guarantee claims.

Product risk has been reclassified and its impact has been reduced to immaterial financial impact. The reclassification is related to the remedied risks for non-destructive replacement of batteries.

The impact of other risks (such as Legal (Data Protection), Finance and Legislation & Regulations) has not changed compared to 2021 and the positioning in the matrix remains stable for 2022.

In Vorwerk's business environment, it is necessary to anticipate the risks that occur worldwide and have a negative impact on the company. In principle, these risks also include natural disasters, a shortage of skilled workers and new, disruptive competitors. We counter these risks with a clear Company Strategy 2025. In particular, our continuous product and service innovations deserve to be mentioned here. In addition, other risk-minimizing measures are continuously evaluated in order to minimize the effects of these risks in advance and to keep their probability of occurrence as low as possible.

Due to the continuing dynamic developments surrounding the Ukraine-Russia conflict and the corresponding macroeconomic risk factors described (energy prices, inflation, etc.), the Group-wide "Risk Committee Ukraine" convened regularly to discuss potential direct or indirect effects. As of the reporting date, there was still no direct exposure for a partner based in Russia or Belarus.

The investment strategy at the Vorwerk Group primarily pursues the target of securing assets long-term. The Financial Committee instituted regularly scrutinizes the investment strategy with the objective of optimizing the opportunity/risk profile. Risks from changes in exchange rates are similarly determined and hedged in accordance with treasury guidelines and in agreement with the individual companies. The risks from investments and foreign currencies are expressed in terms of the "Conditional Value at Risk" (CVaR) and "Cash Flow at Risk" (CFaR). The CVaR for investment management was EUR 21.4 million and the CFaR for foreign exchange management was EUR 12.96 million (excluding the akf group) at the close of the financial year. Derivative financial instruments are exclusively used to hedge underlying transactions in the areas of foreign exchange and raw material management. The basis for the use of such instruments is the systematic ascertainment and verification of the exposure and the financial risks thus resulting. The objective of applying financial derivatives is to reduce the risks identified.

The akf group primarily runs an asset-backed business and therefore has a low-risk operation in principle. Besides the secured asset itself, there are additional buy-back guarantees from dealers or manufacturers for some of the funded transactions to reduce the risk of default.

The assumption of risks is an inherent component and significant performance factor for the banking sector. The professional management of these risks allows an appropriate balance of opportunities and risks. From a risk perspective, the year 2022 saw a slight economic recovery despite the ongoing Russia-Ukraine conflict (gross domestic product of the Federal Republic of Germany in 2022: +1.9 percent). The "Jour Fixe interest rate control" was held regularly to discuss the implications of the extreme changes in the interest rate markets. After the costs of risk rose again to the level of the long-term average in 2020 due to the corona crisis, contrary to the downward trend observed since 2010, a slight decrease in the costs of risk compared to the previous year was seen again in 2022 for the second year in a row. In addition, a distinct reduction in the number of non-performing loans was achieved in the course of 2022.

The akf group meets the high requirements demanded for the management of these risks by permanently upgrading its systems. They help in identifying, measuring, monitoring and steering expected and unexpected risks. The risk management project to introduce new state-of-the-art software for the overall management of the bank is running according to plan and will be completed in the course of 2023. The functional separation defined in the clear organizational structure ensures regulatory compliance and the effectiveness of the risk management process.

The risk inventory that is compiled annually identifies default, market price, operational and liquidity risks as being significant risks.

The default risk of the akf group mainly comprises the lending risk incurred when a customer cannot fulfil his contractual obligations either fully or partially. As part of the scope of the annually-reviewed risk strategy, business is conducted across a diverse group of borrowers and business sectors with high credit standing requirements being demanded. The current credit risk management system encompasses a detailed and structured credit approval process with credit standing analysis as well as an effective dunning procedure and escalation process.

Market price risks are understood as being potential losses from adverse changes to market prices or price-influencing parameters. The relevant market risks are subdivided according to influencing factors into interest rate change risks and the residual value risk (akf leasing group). The akf group is not subject to any currency risks or market price risks from shares or precious metals. Interest rate derivatives are only used to hedge the interest rate change risks.

The interest rate change risk describes the danger of having to accept a lower than planned or expected level of interest income or interest rate margin or loss in the present value of the portfolio. Those items that cannot be adapted at any time to modified market interest rates are subject to such risk. The period for the fixed term interest rate and the number of transactions linked to this interest rate are decisive for the level of risk.

The residual value risk describes the danger of having to accept a reduced level of income or even a loss from the sale of used leasing assets as a result of future changes to the calculated prices. These risks are steered in the full-service business division through constant monitoring of the used vehicle market and the implementation of adjustment measures as they become necessary in calculating the residual values. The residual value risk is fundamentally reduced at akf leasing GmbH & Co KG and additionally at akf servicelease GmbH thanks to the conclusion of take-back or residual value guarantees provided by dealers or manufacturers.

The liquidity risk at the akf group comprises the insolvency risk, the maturity transformation risk and the refinancing risk. The insolvency risk is understood to be the risk that present or future payment obligations cannot be met to the full extent or are not rendered punctually. The maturity transformation risk emerges when the refinancing of the lending business is not effected with matching maturities, meaning that there is a liquidity requirement or a surplus at some point in the future. In the case of a positive maturity transformation risk – in other words a future liquidity requirement – there is the necessity of having to refinance this additional demand. The refinancing risk is therefore understood as meaning an inability to raise adequate liquid funds from the market when needed and/or at conditions contrary to those expected.

Refinancing is effected through loans from third-party banks or through the revolving sale of receivables as part of two ABCP programs. Moreover, the akf group refinances itself through the open-ended sale of loan, hire purchase and leasing receivables within the framework of an ABS bond (KMU). Besides this, the deposit-taking activities serve as a notable refinancing instrument. The main purpose is to have a more or less congruent refinancing of the lending and leasing operations.

Like any other company, the akf group is also exposed to operational risks. The significant operational risks have been identified in a risk inventory on the basis of a self-assessment approach. They exist in the form of legal, operational, technological and personnel risks. Moreover, external events (e.g. fraud) are also relevant.

The preconditions for flexible and reliable working procedures have been created in the IT department thanks to the software currently in use and the hardware that is constantly updated to correspond to the latest technical standards. A complete back-up computer center with organizational and spatial separation is operated in addition to the in-house solution, thus ensuring maximum protection against the effects of any acts of God.

To reduce the risk of fraud, a working group deals with customer and dealer-side cases in order to prevent further fraud. In principle, there are early-warning systems in place for the general prevention of operational risks. They determine how information that may point to the incidence of a fraud risk can be relayed bank-internally and the measures that are to be initiated. In this respect, every department in the process chain relating to the automotive vendor business and mobile assets is involved.

To monitor operational risks, the cases of damage are reported to Risk Management quarterly and documented in a loss database.

Business risk represents a negative impairment of business success resulting from unexpected changes in the business environment – e.g. in economic, political, social or technological terms – and which is not already covered by other types of risk. It primarily affects the earnings situation; there is only a negative impact on the asset situation if the business risk exceeds the planned income in the period under review. Business risk is quantified using a VaR calculation based on historical plan/actual differences.

Stress tests are performed regularly for all types of significant risks. Quarterly stress tests are carried out for default, market price and operational risks and monthly tests for liquidity risks. Stress tests are carried out monthly for liquidity risks.

The entire risk management process at the akf group, including the methods used and responsibilities, is documented in the risk manual and checked regularly by internal audit as well as by the external auditors as part of their annual closing procedure.

Given the identified risks and countermeasures, the Executive Board believes the Company to be in an adequate position. There are no recognizable risks endangering the Company's continued existence as a going concern.

Outlook Report

The Vorwerk Group has already defined its future company alignment as part of its Strategy 2025. The goal is to become more powerful and modern and to further optimize efficiency in the global Vorwerk organization as well as the successful direct sales approach. In particular, distinct growth and earnings targets are important aspects of this. The strategic focus will continue to be on the area of consumer households. The elements of the strategy have been successfully implemented in recent years.

As a family-owned company that thinks and acts long-term, the Vorwerk Group will overcome the future challenges with self-financed, organic growth or even consider acquisitions, should the right opportunity present itself. In this respect, the Group attaches great importance to a broadly diversified portfolio while at the same time wishing to intensify and internationally extend its high degree of expertise in the development, manufacture and sale of high-quality household products.

In its current economic outlook, the EU Commission estimates that the outlook for Europe as a whole is more optimistic than forecast in the fourth quarter of 2022. The economy in the euro zone is expected to grow by 0.7 percent, while Germany's gross domestic product is expected to rise by a modest 0.2 percent. According to the IMF, China's economy is expected to grow stronger and its gross domestic product by 5.2 percent, while the gross domestic product in Taiwan is expected to grow by 2.1 percent, according to estimates from government circles.

External influences such as inflation, the energy crisis, the armed conflict in Ukraine and problems in the supply chain make it extremely difficult to plan the development of sales and earnings with great precision, so that the Vorwerk Group has defined a planning corridor for both sales and the operating result for the forecast for financial year 2023.

In light of the current economic expectations, akf bank is assuming a slight increase in new business and thus a slight increase in the business volume, so that a slight increase in net interest income is expected with a constant interest margin. New business at akf group is budgeted at EUR 1.2 billion.

The development of risk provisioning at akf bank is heavily dependent on further economic developments. Against the backdrop, it is assumed that risk provisions will be below the level of financial year 2022. Overall, net profit for financial year 2023 is expected to be slightly below the level of the previous year.

However, in view of the current framework conditions, especially with regard to the development of energy prices and the resulting effects on inflation and interest rates, a forecast for further business development is subject to significant uncertainties.

As a result, akf bank's business development could also fall significantly short of expectations. In this case, the expected earnings situation could also be adversely affected by the fact that net interest income is below forecast and, at the same time, provisions for losses on loans and advances increase appreciably.

Moderately falling to slightly increasing turnover is planned for the Thermomix area. The number of advisors will increase significantly. As a result, productivity can be expected to be significantly below last year's level. Activity, on the other hand, will increase significantly. The operating result will be considerably to significantly lower than in the previous year, mainly due to the planned expansion of the sales structure. The Kobold division expects a significant increase in sales in 2023. The number of advisors is expected to increase significantly in financial year 2023. Activity will slightly exceed that of last year, with a notable increase in productivity expected. Consequently, the operating result will increase significantly.

Within this planning corridor, the Vorwerk Group expects overall sales for financial year 2023 to be at least at the level of the previous year, up to a moderate increase. This will be mainly driven by the "Home" business division. The focus of sales activities continues to be person-supported direct sales. The operating result is expected to be in a corridor between a clear and significant increase. Taking the management result into account, which will be significantly higher than that of financial year 2022, consolidated net income will increase significantly.

Consolidated Financial Statements 2022

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Consolidated Balance Sheet

As of December 31, 2022

Assets

in EUR thousand	12/31/2022	12/31/2021
A. Fixed assets		
I. Intangible assets		
1. Concessions, industrial and similar rights and assets, licenses to such rights and assets	46,011	75,268
2. Goodwill	989	110,649
3. Prepayments	1,147	1,133
	48,147	187,050
II. Property, plant and equipment		
1. Land, land rights and buildings including buildings on land owned by others	207,818	187,382
2. Technical equipment and machinery	90,546	99,264
3. Other equipment, plant and office equipment	34,932	40,162
4. Leased assets	811,691	774,487
5. Advance payments made and assets under construction	37,174	66,327
	1,182,161	1,167,622
III. Financial assets		
1. Shares in affiliates	22,310	22,291
2. Shareholding investments in associates	35	35
3. Other shareholding investments	155,802	122,767
4. Loans to companies in which a participating interest is held	8,169	11,691
5. Securities held as fixed assets	1,149,338	1,149,109
6. Other loans and other financial assets	44,058	65,924
	1,379,712	1,371,817
	2,610,020	2,726,489
B. Current assets		
I. Inventories		
1. Raw materials and supplies	93,770	88,976
2. Work in progress	9,308	10,042
3. Finished goods and merchandise	245,234	247,704
4. Advance payments made	993	499
	349,305	347,221
II. Receivables and other assets		
1. Trade receivables	405,240	368,442
2. Receivables from customers arising from banking and leasing business (thereof with a remaining term of more than one year)	1,140,830 (697,448)	1,160,623 (751,337)
3. Receivables from companies in which participations are held	612	372
4. Other assets (of which with a remaining term of more than one year)	179,546 (4,433)	165,114 (4,549)
	1,726,228	1,694,551
III. Other securities	119,649	76,578
IV. Checks, cash on hand, cash at banks	440,930	550,747
	2,636,112	2,669,097
C. Prepaid expenses	22,146	24,546
D. Deferred tax assets	45,150	65,421
	5,313,428	5,485,553

Equity and Liabilities

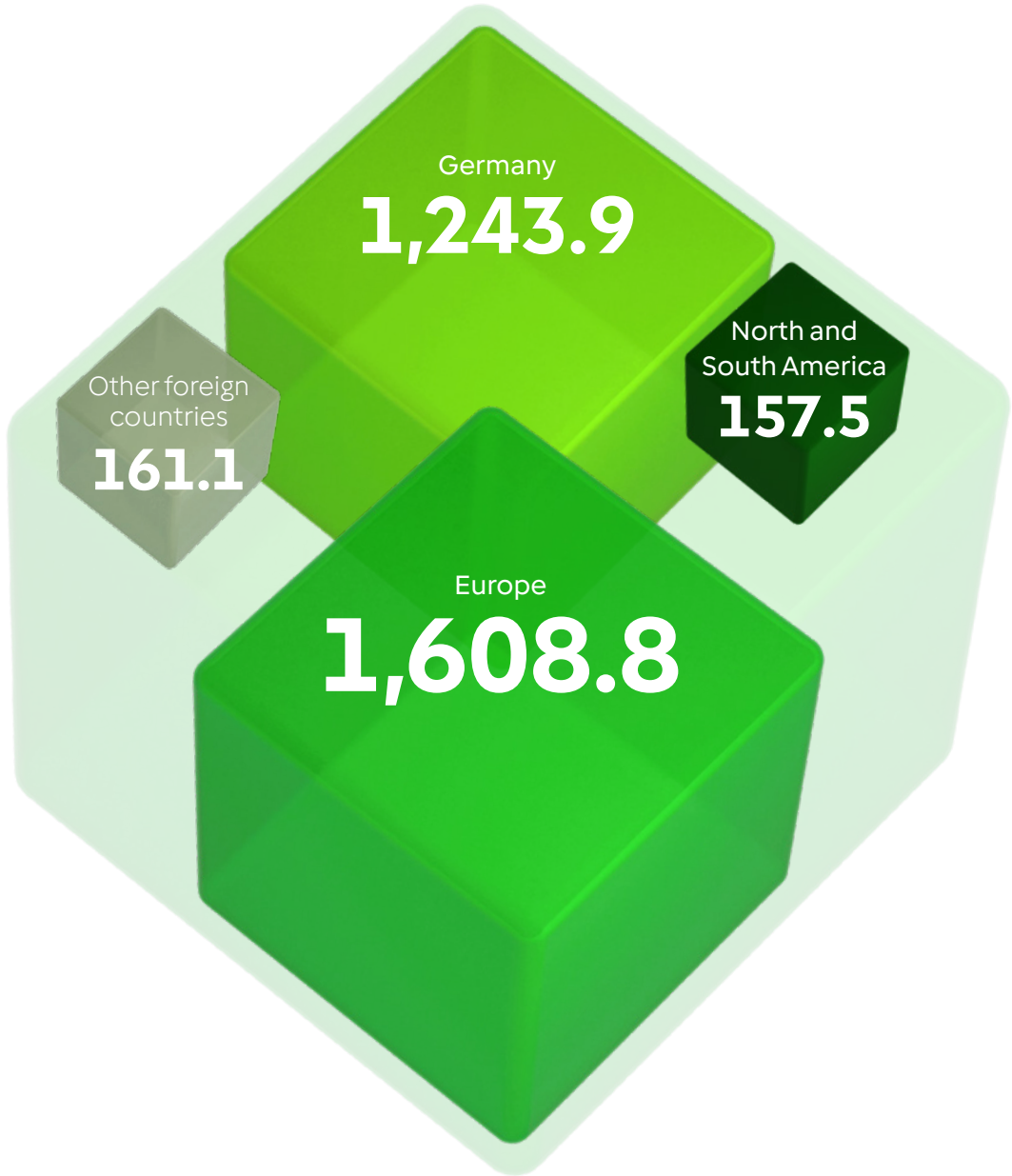
in EUR thousand	12/31/2022	12/31/2021
A. Equity		
I. Capital shares of the limited partners	26,300	26,300
II. Capital of the silent partner	23,950	23,950
III. Statutory retained earnings of the parent company	595,995	646,257
IV. Equity difference from currency translation	43,740	11,843
V. Consolidated net profit	702,296	753,820
	1,392,281	1,462,170
VI. Non-controlling interests		
1. in capital and reserves	13,519	10,063
2. in earnings	-791	2,373
	12,728	12,436
	1,405,009	1,474,606
B. Provisions		
1. Provisions for pensions and similar commitments	178,854	180,047
2. Provisions for taxes	69,200	67,807
3. Other provisions	312,647	367,038
	560,701	614,892
C. Liabilities		
1. Liabilities to banks	673,064	684,572
2. Liabilities from deposit business	1,423,242	1,534,302
3. Advance payments received on orders	11,161	11,940
4. Trade receivables	145,560	166,373
5. Liabilities to companies with which a participation relationship exists	0	6,918
6. Other liabilities	836,939	780,481
(of which taxes)	(60,692)	(47,234)
(of which social security payables)	(20,153)	(20,834)
	3,089,966	3,184,586
D. Deferred income	257,752	211,469
	5,313,428	5,485,553

Consolidated Statement of Income

for the period from January 1 to December 31, 2022

in EUR thousand	2022	2021
1. Sales revenue		
a) External sales revenue	2,674,569	2,888,936
b) Income from lending and leasing transactions	496,716	493,861
	3,171,285	3,382,797
2. Change in inventories of finished goods and work in progress	-8,615	69,135
3. Other own work capitalized	3,721	1,345
	3,166,391	3,453,277
4. Other operating income	130,555	148,996
(of which income from foreign currency translation)	(16,940)	(12,930)
5. Cost of materials		
a) Cost of raw materials, consumables and supplies and of merchandise purchased	638,799	701,890
b) Cost of services purchased	79,580	83,715
	718,379	785,605
6. Expenses from lending and leasing transactions	188,061	188,914
	2,390,506	2,627,754
7. Personnel expenses		
a) Wages and salaries	499,456	525,546
b) Social Security, pension and other benefit and support costs	124,981	130,410
(of which for pensions)	(32,525)	(29,089)
	624,437	655,956
8. Amortization of intangible assets and depreciation of property, plant and equipment	299,808	335,554
9. Other operating expenses	1,344,885	1,412,065
(of which expenses from foreign currency translation)	(22,612)	(14,301)
10. Income from investments	707	2,048
11. Income from other securities and loans held as financial assets	20,419	11,955
12. Other interest and similar income	14,334	10,380
13. Write-downs of financial assets and of marketable securities	15,128	6,351
14. Interest and similar expenses	21,881	22,720
(of which expenses from compounding of accruals)	(5,756)	(11,443)
15. Income taxes	67,762	63,027
(of which income (previous year: expenses) from the change in deferred taxes)	(3,665)	(-204)
16. Income after taxes	52,065	156,464
17. Other taxes	6,886	6,989
18. Consolidated net loss/income	45,179	149,475
19. Credit to shareholder accounts in borrowed capital	-147,756	-161,611
20. Withdrawals from/ allocation to statutory reserves	50,262	175,984
21. Minority interests in net income/loss for the year		
a) Profit attributable	0	-2,373
b) Loss attributable	791	0
	791	-2,373
22. Consolidated retained earnings carried forward	753,820	592,345
23. Consolidated retained earnings	702,296	753,820

Group Sales by Region
in EUR million



Total
EUR 3,171.3 million

Notes to the Consolidated Financial Statements

As of December 31, 2022

I. General preliminary remarks

Vorwerk SE & Co. KG is preparing Consolidated Financial Statements and a Group Management Report for the first time for fiscal year 2022 in accordance with Sections 290 et seq. HGB in conjunction with the Ordinance on Accounting for Banks and Financial Services Institutions (RechKredV) (previous year: in accordance with the provisions of the German Disclosure Act). The previous year's figures have been adjusted to allow for comparability. The Consolidated Statement of Income has been prepared using the nature of expense method. The company, which has its registered office in Wuppertal, Germany, is entered in the register of the Local Court of Wuppertal under number HRA 14658. The Consolidated Financial Statements are published in the company register.

The following companies make use of the exemption from disclosure and, where there is an obligation to prepare a Management Report and Notes to the Financial Statements, also of the exemption from this obligation pursuant to Section 264 (3) and Section 264b of the German Commercial Code (HGB):

- Vorwerk Elektrowerke GmbH & Co. KG, Wuppertal
- Vorwerk Germany Foundation & Co. KG, Wuppertal
- Vorwerk SE & Co. KG, Wuppertal
- Vorwerk & Co. Interholding GmbH, Wuppertal
- Vorwerk & Co. neun GmbH, Wuppertal
- Vorwerk Services GmbH, Wuppertal
- Vorwerk Verwaltung SE, Wuppertal
- Vorwerk Temial GmbH, Wuppertal
- Nexaro GmbH, Wuppertal

II. Scope of consolidation

The parent company is Vorwerk SE & Co. KG, Wuppertal. The Group companies were active in the following business segments in the fiscal year: Production and direct sales of high-quality household appliances, cosmetics, facial and body care products, and banking and leasing.

Vorwerk Asia GmbH, Taiwan Branch™, Taipei/Taiwan, which was not included in the Consolidated Financial Statements in the previous year in accordance with Section 296 (2) of the German Commercial Code (HGB), was included in the Consolidated Financial Statements for the first time in fiscal year 2022. Vorwerk Ventures IV GmbH & Co. KG, Berlin, was newly founded in the reporting year and included in the Consolidated Financial Statements for the first time.

The following companies were deconsolidated due to their liquidation:

- Vorwerk Fin B.V. in liquidatie, Duiven/Netherlands
- Vorwerk Management B.V. in liquidatie, Duiven/Netherlands
- Jafra International (Thailand) Ltd., Bangkok/Thailand
- Vorwerk Malaysia SDN BHD, Kuala Lumpur/Malaysia

The following companies were removed from the scope of consolidation due to their sale:

- Jafra Cosmetics International, Inc., Westlake Village/USA
- Jafra Mexico Holding Company B.V., Duiven/Netherlands
- Jafra Cosmetics International S.A. de C.V., Mexico City/Mexico
- Distribuidora Comercial Jafra S.A. de C.V., Mexico City/Mexico
- Distribuidora Venus S.A. de C.V., Mexico City/Mexico
- Serviday S.A. de C.V., Mexico City/Mexico
- Jafra Cosmetics S.A. de C.V., Mexico City/Mexico
- JafraFin, S.A. de C.V., Mexico City/Mexico

The following companies were merged in the reporting year and thus departed from the scope of consolidation:

- Jafra Cosmetics AG, Wollerau/Switzerland, to Vorwerk Asia GmbH, Wollerau/Switzerland
- Jafra Cosmetics Handelsgesellschaft mbH, Vienna/Austria, to Vorwerk Holding Ges. m. b. H., Vienna/Austria
- Jafra Germany Holding GmbH i.L., Wuppertal, to Jafra Germany Management GmbH i.L., Wuppertal
- Jafra Cosmetic GmbH & Co. KG, Wuppertal, to Jafra Germany Management GmbH i.L., Wuppertal

This change in the companies included in the Consolidated Financial Statements is immaterial both in total and individually, except for the items explained below. Comparability with the Consolidated Financial Statements of the previous year is thus still possible.

Six (previous year: six) associated companies are not included in the Consolidated Financial Statements using the equity method due to their minor importance in accordance with Section 311 (2) of the German Commercial Code (HGB), but are accounted for at cost instead.

Twelve (previous year: nine) companies are not included in the Consolidated Financial Statements due to their minor significance in accordance with Section 296 (2) of the German Commercial Code (HGB). Total assets and the sales of the companies not included in the Consolidated Financial Statements, both in total and individually, account for less than 2 percent of the consolidated total assets and 1 percent of consolidated sales.

The list of shareholdings can be found in the list of companies belonging to the Group as of December 31, 2022.

III. Structure, accounting and valuation methods

The structure of the Consolidated Statement of Financial Position and Consolidated Statement of Income for preparation purposes is based on the layout prescribed for corporations in Sections 290 ff., 266 and 275 of the German Commercial Code (HGB).

Due to the full consolidation of akf group, the Consolidated Statement of Financial Position and Consolidated Statement of Income contain items specific to banking and leasing to the extent that the assets, liabilities, expenses and income of akf group could not be allocated to the existing items or allow for more transparent reporting.

Besides loans, other loans and other financial assets include non-securitized minority interests in closed-end real estate funds.

The contributions of silent partners are included in equity due to their equity-like nature, as they are subordinated.

The accounting and valuation principles applied to the Annual Financial Statements of Vorwerk SE & Co. KG and the domestic subsidiaries also apply to the Consolidated Financial Statements. The valuations of akf group have been adopted unchanged in accordance with Section 308 (2) sentence 2 of the German Commercial Code (HGB). The financial statements of the foreign subsidiaries prepared in accordance with deviating national regulations have been adjusted by means of the so-called commercial balance sheet II. The valuation methods correspond to a uniform valuation within the meaning of Section 308 par. 1 of the German Commercial Code (HGB). They have remained unchanged from the previous year.

Acquired intangible assets are capitalized at cost and amortized on a straight-line basis over their expected useful lives, pro rata temporis in the year of acquisition. The main useful lives are three to five years.

The period of scheduled straight-line amortization for goodwill acquired for consideration is five or 30 years.

The useful lives of the intangible assets capitalized in 2017 as part of the initial consolidation of Neato Robotics, Inc. are six years for development know-how, eight years for patents and applications, and 18 years for trademark rights.

In the case of property, plant and equipment and leased assets (taking contractual terms and remaining carrying amounts into account) whose use is limited in time, the acquisition or production costs are reduced by scheduled straight-line depreciation corresponding to the expected useful life. Borrowing costs are not recognized. Production costs include the individually attributable costs incurred through the consumption of goods and the utilization of services, as well as appropriate portions of the necessary

material and production overheads. Depreciation on additions to property, plant and equipment is generally charged on a pro rata temporis basis. If the fair values of individual assets fall below their carrying amounts, additional impairment losses are recognized if the impairment in value is expected to be permanent.

The main useful lives are between ten and 33 years for buildings and outdoor facilities, between three and 17 years for technical equipment and machinery, between six and eight years for vehicles, and between three and 13 years for operating and office equipment.

Additions to property, plant and equipment are capitalized at cost. Borrowing costs are not recognized. Production costs include the individually allocable costs incurred through the consumption of goods and the utilization of services, as well as appropriate portions of the necessary material and production overheads.

Additions to low-value assets of up to EUR 250 are recognized directly as other operating expenses. Low-value assets with an acquisition cost of between EUR 250 and EUR 800 are capitalized and written off in full immediately in the month they were acquired in and reported as disposals in the Statement of Changes in Non-current Assets in the year of acquisition.

Advance payments on intangible assets and property, plant and equipment are recognized at nominal value.

Financial assets (excluding loans) are measured at cost and loans at nominal value. Write-downs to the lower fair value are made if there is an impairment that is expected to be permanent.

The development of fixed assets is shown in the Consolidated Statement of Changes in Fixed Assets.

Inventories are valued at the lower of acquisition or production cost and net realizable value. Borrowing costs are not recognized. The cost of raw materials, supplies and merchandise is determined using the average cost method. In addition to direct costs, the cost of finished goods and work in progress includes only an appropriate

share of the necessary material and production overheads and depreciation of fixed assets to the extent that this is attributable to production. Advance payments on inventories are recognized at nominal value.

Receivables and other assets are stated at nominal value less adequate allowances. Receivables from customers arising from factoring and hire-purchase transactions are carried at present value less specific and general allowances.

Marketable securities are measured at the lower of acquisition cost or fair value as of the balance sheet date. Cash and cash equivalents are stated at nominal value.

Prepaid expenses recognize payments that represent expense after December 31, 2022, for a certain period.

Transactions in foreign currencies are generally recorded at the historical exchange rate at the time of initial recognition. Receivables, other assets, liabilities and cash and cash equivalents denominated in foreign currencies are measured at the mean spot exchange rate on the balance sheet date. The historical cost principle and the realization principle are applied for foreign currency items with a remaining term of more than one year. In the case of assets and liabilities of the companies of the akf group, foreign currency translation is carried out in accordance with the provisions of Section 340 h of the German Commercial Code (HGB).

Reversals of impairment losses pursuant to Section 253 (5) of the German Commercial Code (HGB) are generally recognized.

Provisions are recognized at the settlement amount deemed necessary in accordance with prudent business judgment.

Provisions for pensions and similar obligations take surviving dependents' benefits into account in addition to benefits based on individual and collective commitments. They are recognized based on actuarial calculations taking the 2018G mortality tables of Prof. Dr. Klaus Heubeck into account, which take a generation-dependent life expectancy into consideration, using the projected unit credit method. As part of the Act Implementing the Residential Mortgage Credit Directive, the legislator decided to base pension provisions from 2016 on an average market interest rate for the past ten years published by the Deutsche Bundesbank, based on an assumed remaining term of 15 years. The interest rate in December 2022 was 1.78 percent (previous year: 1.87 percent). A 7-year average interest rate published by the Deutsche Bundesbank was used until December 31, 2015. Based on a 7-year average interest rate, this resulted in a difference of EUR 5.9 million as of December 31, 2022.

The calculation is based on expected pension increases of 2.30 percent (previous year: 1.80 percent) and annual fluctuation depending on the length of service and age that is basically between 1.00 percent and 5.00 percent. In accordance with the pension commitment, the pension beneficiary receives annual modules from which a direct allocation of future benefits to the employee's period of service is derived. As the earned portion of the obligation thus corresponds to the accrued account balance at the balance sheet date, it is not necessary to take a salary trend into account.

Provisions for anniversary bonuses are measured using the same valuation parameters as for pension obligations, except for the dynamic of eligible remuneration, which is between 2.50 percent and 3.50 percent, and the average market interest rate of the last seven years of 1.44 percent. In the case of provisions for partial retirement (ATZ), additional term-specific interest rates of 0.42 percent to 0.66 percent are applied to the ATZ obligations.

An exception is made for obligations arising from fair value accounts, which are considered to be retirement benefit obligations with comparable long-term maturities and to which the rules for security-linked pension commitments apply. In this case, in accordance with Section 253 (1) sentence 3 of the German Commercial Code (HGB), they are recognized at the fair value of the plan assets.

Insofar as plan assets exist in accordance with Section 246 (2) sentence 2 of the German Commercial Code (HGB), the provision recognized for fair value accounts generally corresponds to the balance of the settlement amount required in accordance with prudent business judgment and the fair value of the plan assets. The fair value of the netted reinsurance claims corresponds to the amortized cost (actuarial reserve plus surplus participation) as reported by the insurer.

Other provisions with a remaining term of more than one year are discounted at the average market interest rate of the past seven financial years corresponding to their remaining term.

Other provisions are measured to take account of identifiable risks and uncertain obligations. Future price and cost increases are taken into account if there is sufficient objective evidence that they will occur.

Liabilities are recognized at their settlement amount. The profit participation rights included in other liabilities are carried at their nominal value. Advance payments received on orders are recognized at their nominal value.

Deferred income mainly includes special lease payments and advance lease payments attributable to future financial years, deferred income relating to the reporting date, and deferred present values of lease receivables sold to banks, which are reversed on a straight-line basis in accordance with the underlying term and, where applicable, following the principle of loss-free measurement.

To offset offsetting cash flows and changes in value, assets, liabilities and highly probable forecast transactions in financial instruments are combined (valuation unit). The freezing method is used to account for the effective portions of the valuation units formed. If the requirements for the formation of valuation units are not met, the accounting is based on general valuation principles.

IV. Currency translation

For the foreign subsidiaries outside the euro area included in the Consolidated Financial Statements, the financial statements are translated from the respective local currency into euros using the modified closing rate method. With the exception of equity, which is translated into euros at historical rates, balance sheet items are translated at the average spot exchange rate on the balance sheet date.

The expenses and income of the respective income statements are translated at the average exchange rates for the year 2022 (average of the daily determined average exchange rates from January 1, 2022 – December 31, 2022, published by the information and financial services company Bloomberg L.P.). The resulting difference between net income translated at the average and closing rates of EUR 1.6 million is recognized directly in equity within consolidated equity after reserves in the item "Equity difference from currency translation." The translation differences resulting from currency fluctuations increased the item "Equity difference from currency translation" by EUR 42.1 million without affecting income. Exchange rate differences arising on the consolidation of receivables and liabilities denominated in foreign currencies are recognized in profit or loss under other operating expenses. Exchange rate differences arising on the elimination of intercompany profits have been recognized directly in equity.

V. Balance sheet date and consolidation principles

The subsidiaries included in the Consolidated Financial Statements have a uniform balance sheet date of December 31. The following principles are applied in consolidating the balance sheets and income statements of the consolidated subsidiaries:

1. Capital consolidation

For acquisitions up until December 31, 2009, capital consolidation was performed using the book value method. For first-time consolidations as of January 1, 2010, capital consolidation is performed using the revaluation method. Under this method, the carrying amounts of the investments are offset against the amount of equity of the subsidiaries attributable to these investments, including reserves and the profit/loss carryforward at the date of acquisition, following a revaluation of the individual balance sheet items to disclose hidden reserves and liabilities.

Differences on the assets side arising from the initial consolidation of the JAFRA Group in financial year 2004 were shown as goodwill on the assets side after the release of hidden reserves in the assets.

The goodwill recognized under non-current assets from the acquisition of the JAFRA Group in 2004 was derecognized in full (EUR 105.7 million) in the reporting year as a result of the sale of the main JAFRA companies.

The remaining goodwill from first-time consolidations prior to 2010 was recognized separately in equity. To the extent that these first-time consolidations resulted in negative goodwill, this was already combined with the reserves in previous years due to their reserve character. The debit difference arising in connection with the first-time consolidation of Vorwerk Schweiz AG in fiscal year 2019 was capitalized as goodwill. Amortization is scheduled over five years due to the use of the customer base and brand name.

The initial consolidation of Neato Robotics, Inc. in fiscal year 2017 led to the disclosure of hidden reserves. These relate to know-how in the area of development, patents and applications, and trademark rights. The valuation of the know-how was based on the residual value method and that of the patents and applications as well as the trademark rights on the basis of the relief-from-royalty method. The carrying amount of the trademark rights was written down in the reporting year.

Minority interests in capital and reserves, and in the earnings of consolidated subsidiaries, are shown under the item "Non-controlling interests."

2. Debt consolidation

With regard to the consolidation of liabilities (Section 303 of the German Commercial Code (HGB)), receivables from and payables to Group companies within the scope of consolidation are offset against each other.

3. Profit consolidation

The consolidation of income and expense items in the Consolidated Statement of Income is performed in accordance with Section 305 of the German Commercial Code (HGB). Intercompany sales and the corresponding expenses, as well as other reciprocal expenses and income, from the income statements of the Group companies are offset against each other.

4. Deferred taxes

Deferred taxes are recognized for differences between the carrying amounts of assets and liabilities in the commercial and tax balance sheets to the extent that these will lead to a future tax charge or relief. Deferred taxes are also recognized on any loss and interest carryforwards to the extent that they are expected to be utilized within the next five years.

In the Consolidated Financial Statements, use is made of the option to recognize the excess of deferred tax assets over deferred tax liabilities in accordance with Section 274 (1) sentence 2 in conjunction with Section 300 (2) sentence 2 of the German Commercial Code (HGB). Deferred tax assets and liabilities are netted if the requirements are met. For the Consolidated Financial Statements, deferred tax assets and liabilities are reported together with the items pursuant to Section 274 of the German Commercial Code (HGB) (Section 306 sentence 6 HGB).

Deferred taxes are not recognized for tax and commercial law differences arising from the initial recognition of goodwill. In addition, no deferred taxes are recognized on differences between the tax base of an investment in a subsidiary or associate and the carrying amount of the net assets recognized in the Consolidated Financial Statements.

As of December 31, 2022, future tax charges and tax credits will result from differences between the carrying amounts in the commercial balance sheet and the tax balance sheet, mainly in respect of receivables from and payables to affiliated companies, inventories, provisions for pensions and other provisions, and loss carryforwards. When calculating taxes for consolidation entries affecting net income in accordance with Section 306 of the German Commercial Code (HGB), a uniform Group average tax rate of 30 percent is generally applied for debt consolidation and the elimination of intercompany profits; otherwise, company-specific tax rates are applied. Deferred taxes in the individual financial statements are calculated on the basis of individual company tax rates of between 13 percent and 32 percent.

VI. Other mandatory disclosures pursuant to Section 314 of the German Commercial Code (HGB) and Notes to individual items of the Consolidated Statement of Financial Position and the Consolidated Statement of Income

in EUR thousand	12/31/2022	12/31/2021
Settlement amount from time value accounts	-18,745.46	-15,254.13
Fair value of plan assets	18,745.46	15,254.13
Net value of obligations from the time value accounts	0.00	0.00
Acquisition cost of plan assets	18,745.46	15,254.13

In the previous year, EUR 104.1 million in provisions were attributable to the companies of the JAFRA Cosmetics division that were sold or merged in fiscal year 2022.

1. Inventories

In the previous year, EUR 47.6 million in inventories were attributable to the companies of the JAFRA Cosmetics division that were sold or merged in fiscal year 2022.

2. Cash and cash equivalents

The items "other securities," "cash on hand, bank balances and checks," and the shares in the VWUC fund represent the cash and cash equivalents in the cash flow statement (EUR 1,293.7 million).

3. Provisions

Other provisions include the obligation to employees of the companies arising from working time accounts. The salary components converted under the Group company agreement on the establishment of working time accounts are invested in a reinsurance policy that serves solely to cover the obligation arising from this and is not accessible to other creditors. These cover assets, with a fair value as of December 31, 2022, of EUR 18.7 million (which corresponds to amortized cost), are therefore offset against the obligations from fair value accounts. As the obligation is treated as a security-linked cover obligation, the obligation from fair value accounts corresponds to the fair value of the cover assets. The result after netting is a balance sheet carrying amount of zero.

4. Liabilities

Remaining Terms of Liabilities (RTL)

in EUR thousand	12/31/2022			
	thereof			Total
	RTL < 1 Y	RTL > 1 Y	RTL > 5 Y	
Liabilities to banks	460,849	212,215	896	673,064
Liabilities from the deposit business	1,416,280	6,962	3,722	1,423,242
Advance payments received on orders	10,078	1,083	0	11,161
Trade payables	145,560	0	0	145,560
Liabilities to companies in which an equity investment is held	0	0	0	0
Other liabilities	809,955	26,984	16,323	836,939
Liabilities	2,842,722	247,244	20,941	3,089,966

	12/31/2021			
	RTL < 1 Y	RTL > 1 Y	RTL > 5 Y	Total
Liabilities to banks	198,054	486,518	19,274	684,572
Liabilities from the deposit business	1,526,527	7,775	2,873	1,534,302
Advance payments received on orders	10,622	1,318	0	11,940
Trade payables	166,373	0	0	166,373
Liabilities to companies in which an equity investment is held	6,918	0	0	0
Other liabilities	757,911	22,569	3,782	780,480
Liabilities	2,666,405	518,180	25,929	3,184,585

Other liabilities include liabilities to shareholders amounting to EUR 625.3 million (previous year: EUR 582.9 million).

5. Contingent liabilities, other financial commitments and off-balance-sheet transactions

The following contingent liabilities existed on the reporting date:

Contingent liabilities

in EUR thousand	Total 2022	Total 2021
Contingent liabilities from guarantees;	16,117.0	6,104.8
thereof in favor of affiliated companies	0.0	0.0
Joint liability for the pension obligations transferred to the provident fund	45,187.3	38,026.4

The risk of a claim arising from joint liability for the pension obligations transferred to the provident fund can be virtually ruled out, as the provident fund is very likely to be able to meet its obligations from its fund assets in the long term.

The risk of utilization from guarantees in favor of third parties is also considered to be low, as this mainly relates to a payment guarantee for the settlement of corporate credit cards and a guarantee in connection with the sale of the hectas Group in 2021, which is secured internally.

Other financial obligations

Commitments under rental and lease agreements as of the balance sheet date amounted to EUR 70.9 million for the following years, EUR 23.7 million of which are due in 2023. Purchase commitments for capital expenditure and repairs to property, plant and equipment amounted to EUR 43.2 million (previous year: EUR 23.6 million). Long-term obligations from contracts with suppliers amounted to EUR 14.0 million on the balance sheet date.

Irrevocable loan commitments at akf bank amounted to EUR 222.4 million (previous year: EUR 225.9 million).

Off-balance sheet transactions

Among other instruments, akf bank uses an asset-backed commercial paper (ABCP) program to refinance its customer receivables and, in this context, sells customer receivables and thereby transfers all risks and rewards. The receivables sold are removed from the balance sheet at this time. The program will run until further notice and has a volume of EUR 508.2 million, of which all but EUR 17.9 thousand had been utilized as of the balance sheet date.

6. Profit and loss account

Sales including income from lending and leasing transactions

Breakdown by regions in EUR million	2022	2021
Germany	1,243.9	1,220.2
Europe	1,608.8	1,578.0
North and South America	157.5	368.0
Other foreign countries	161.1	216.6
Total	3,171.3	3,382.8

Breakdown by divisions in EUR million	2022	2021
Home	2,535.4	2,541.2
Thermomix	1,723.5	1,696.3
Kobold	803.4	819.0
Neato Robotics	8.5	25.9
Diversification	585.9	806.9
JAFRA Cosmetics	89.2	313.0
akf group	496.7	493.9
Other	50.0	34.7
Total	3,171.3	3,382.8

Other operating income

Other operating income includes income relating to other periods from the reversal of provisions and allowances for doubtful accounts amounting to EUR 45.8 million, and from the disposal of non-current assets and write-ups of non-current assets amounting to EUR 35.3 million.

Cost of materials

In the previous year, EUR 58.4 million of the cost of materials was attributable to the companies of the JAFRA Cosmetics division that were sold or merged in fiscal year 2022.

Income from investments

Income from investments does not include any income from investments in affiliated companies (previous year: EUR 1.2 million).

Amortization of intangible assets and depreciation of property, plant and equipment

Due to expected permanent impairment, intangible assets and property, plant and equipment amounting to EUR 13.6 million were written down to the lower fair value. This mainly relates to the impairment of trademark rights at Neato Robotics, Inc. in the amount of EUR 13.2 million.

Write-downs of financial assets and marketable securities

Due to expected permanent impairment, financial assets amounting to EUR 15.1 million were written down to the lower fair value in the reporting year.

7. Derivative financial instruments and valuation units

At the Vorwerk Group, commodity swaps and forward exchange transactions are used for hedging purposes both in the operating business and in connection with foreign currency financing. The fair value of a derivative financial instrument is the price at which one party would assume the rights and/or obligations from this financial instrument from another party. At the Vorwerk Group (excluding akf group), all derivative financial instruments are included in valuation units as of December 31, 2022, in accordance with Section 285 (19) of the German Commercial Code (HGB).

The nominal values of derivative financial instruments are measured at the closing rates on the reporting date. The fair values of forward exchange contracts and foreign exchange swaps are determined on the basis of closing rates, taking forward premiums or discounts into account. The fair values of foreign currency options are measured using option pricing models according to Black & Scholes. The fair values of interest rate hedging instruments (interest rate swaps and options) and commodity hedging instruments (commodity swaps) are determined on the basis of discounted expected future cash flows using the market interest rates or market rates for commodities applicable for the remaining term of the financial instruments.

The Vorwerk Group uses portfolio hedges to hedge currency risks of assets, liabilities and highly probable recurring standard transactions and in this context forms valuation units in accordance with Section 254 of the German Commercial Code (HGB).

As of the balance sheet date, Vorwerk had 62 forward exchange transactions with six banks with a total nominal volume of EUR 232.6 million. The net total of the fair values of the forward exchange transactions is derived using the mark-to-market method and amounted to EUR – 6.7 million as of the balance sheet date.

In total, the currency risks hedged with valuation units (avoided provisions for impending losses, avoided devaluation of foreign currency receivables and avoided revaluation of foreign currency liabilities) from assets, liabilities and highly probable forecast transactions amounted to EUR 7.3 million.

The carrying amount of the hedged assets and liabilities denominated in foreign currencies was EUR 34.4 million in total and can be broken down as follows:

Trade receivables	EUR 21.0 million
Trade payables	EUR 13.4 million

The volume of highly probable forecast transactions in foreign currencies amounted to EUR 198.2 million. The hedged forecast transactions have a high probability of occurrence due to reliable sales, production and purchasing planning.

The changes in value of the hedged items and hedging instruments are not recognized over a period until December 2023 using the freezing method. The effectiveness of the valuation units is assessed using the critical term match method.

As of the balance sheet date, akf group had a total of ten interest rate swaps with three banks with a total nominal volume of EUR 815.0 million. The transactions are allocated to the banking book and serve to hedge interest rates in the banking book. The credit equivalent amount calculated using the market valuation method for derivatives at akf bank amounted to EUR 23.0 million. The total fair values of all derivative transactions are derived using the mark-to-market method and amounted to EUR 7.1 million as of the balance sheet date.

akf bank applies the requirements of the IDW statement on individual issues relating to the loss-free valuation of interest-related transactions in the banking book (IDW RS BFA 3 n.F.). The P&L-oriented valuation of interest-related transactions in the banking book, taking administrative expenses, risk costs and fictitious refinancing costs into account, did not result in the need to form a provision for impending losses pursuant to Section 340 a of the German Commercial Code (HGB) in conjunction with Section 249 (1) HGB.

8. Information on shares in investment funds

The Vorwerk Group holds 100 percent of the shares in the VWUC Fund. The VWUC Fund is a mixed investment fund under German investment law.

As part of its financial investment strategy, the Vorwerk Group mainly pursues the objective of securing its assets in the long term. The VWUC fund contributes to this objective with its investments. In order to achieve the investment objective of the fund under risk diversification aspects, the assets are invested in direct investments or investment funds from the areas of shares, interest-bearing securities and liquidity. In addition, shares can be acquired in open-end and closed-end investment funds "Alternative Investments." These include Real Estate, Infrastructure, Absolute Return and Commodities. The fund can also use securities derivatives and currency instruments to manage and hedge the fund's assets.

Value of shares and differences at the carrying amount

in EUR thousand	Carrying amount	Market value	Difference
VWUC Fund	733,153	688,877	– 44,276

A gross distribution of EUR 14,366 thousand (EUR 2.1985 per unit) was received from Vorwerk for the fiscal year of the fund (December 1, 2021 – November 30, 2022).

As no permanent impairment is assumed, no impairment loss was recognized in the VWUC fund.

Fund shares can be redeemed on any trading day throughout the year.

Furthermore, the Vorwerk Group holds 50,860 shares in the Aachener Grund-Invest-Fonds. This is a special real estate fund with a conservative, long-term investment strategy geared towards sustainability. The focus is on real estate in traditional shopping locations.

Value of shares and differences at the carrying amount

in EUR thousand	Carrying amount	Market value	Difference
Aachener Grund-Invest-Fonds	5,229	5,299	70

Income of EUR 92 thousand was received for the fiscal year.

The fund shares can be sold subject to a one-year notice period.

The Vorwerk Group also participates in the private equity fund GF Capital Private Equity Fund II with a maximum contribution of 15 million US dollars. This private equity fund invests in medium-sized companies in the consumer goods industry and media companies with an enterprise value of between 20 and 150 million US dollars. The term of the fund is designed for ten years. At present, the Vorwerk Group's share in this fund is as follows:

Value of shares and differences at the carrying amount

in EUR thousand	Carrying amount	Market value	Difference
GF Capital Private Equity Fund II	8,274	9,106	832

The invested capital is tied up in the fund until the sale of all investments made.

GF Capital Private Equity Funds II specializes in the media, consumer and sports sectors. Essentially, marketing and the staging of events with a high public appeal are covered by company investments (sports/theater/television). The investments held in the fund were and are particularly affected by the impact of the pandemic, which is still being felt. As there was no significant improvement in the value of the shareholdings in the course of the reporting year compared to the previous year, an impairment loss of EUR 3.8 million was recognized.

Furthermore, the Vorwerk Group participates in the private equity fund Euroknights VII No 4 Limited Partnerships with a maximum commitment of EUR 10 million. This private equity fund invests in European companies, primarily in the Benelux countries, France, Germany, Italy, Austria and Switzerland. The investment phase is ten years. At present, the Vorwerk Group's share in this fund is as follows:

Value of shares and differences at the carrying amount

in EUR thousand	Carrying amount	Market value	Difference
Euroknights VII No 4	7,694	9,231	1,537

Income of EUR 890 thousand was received for the fiscal year.

The invested capital is tied up in the fund through 2027.

The Vorwerk Group has held an interest in the DIC Office Balance V real estate fund since 2019. The fund invests in office properties from B locations in A cities or 1A locations in B and C cities. The investment phase is ten years.

The shares held by the Vorwerk Group are as follows:

Value of shares and differences at the carrying amount

in EUR thousand	Carrying amount	Market value	Difference
DIC Office Balance V	5,885	6,640	755

Income of EUR 1,015 thousand was received for the fiscal year.

The fund units can be redeemed subject to a five-month notice period.

All fund units are valued at the lower of cost or market throughout the year.

9. Other information

Expenses for auditor's fees in the Group amounted to EUR 714 thousand. For the fiscal year, EUR 418 thousand was charged for audit services and EUR 296 thousand for other services.

External influences such as inflation, the energy crisis, the armed conflict in Ukraine, and supply chain problems make it very difficult to accurately plan the development of sales and earnings for fiscal year 2023.

PT Jafra Cosmetics Indonesia, Jakarta/Indonesia, was sold at the beginning of fiscal year 2023.

Beyond this, no events occurred after the balance sheet date worthy of mention that are relevant for assessing the net assets, financial position and results of operations of the Group.

Average number of employees during the year

	2022	2021
Employees*	9,394	11,698
Advisors in direct sales	213,447	577,092
Thermomix	83,267	74,066
Kobold	11,116	11,365
JAFRA Cosmetics	118,893	491,151
Other	171	510

* Including employed advisors

The Executive Board members of the general partner Vorwerk Verwaltung SE, which is entitled and obliged to manage the parent company Vorwerk SE & Co KG, are:

- Dr. Thomas Stoffmehl, Düsseldorf, Chief Sales Officer and Spokesman of the Executive Board,
- Hauke Paasch, Wuppertal, Chief Financial Officer,
- Dr. Thomas Rodemann, Essen, Chief Operating Officer, (from Jan. 11, 2022)

The personally liable partner Reiner Strecker, Wuppertal, was another member of the Executive Board of the parent company Vorwerk SE & Co. KG in the year under review (until January 12, 2022).

In accordance with Section 314 (3) sentence 2 HGB in conjunction with Section 286 (4) of the German Commercial Code (HGB), the total remuneration of the Executive Board in the reporting year is not disclosed.

The remuneration of former board members and their surviving dependents amounted to EUR 355.1 thousand in the reporting year (previous year: EUR 349.2 thousand). Provisions for current pensions of former board members amounted to EUR 4,815 thousand (previous year: EUR 4,632 thousand).

The Supervisory Board of Vorwerk SE & Co. KG is composed as follows:

- Dr. Rainer Hillebrand, Chairman, former Vice Chairman of the Executive Board, Hamburg
- Daniel Christopher Klüser, Vice Chairman, Entrepreneur, Pullach im Isartal
- Dr. Hildegard Bison, member of the Supervisory Board, Düsseldorf
- Rainer Christian Genes, graduate engineer, Stuttgart (until December 31, 2022)
- Frank Losem, Managing Director Finance, Baldham
- Dr. Jörg Mittelsten Scheid, Honorary Chairman of the Supervisory Board, Wuppertal
- Dr. Timm Christian Mittelsten Scheid, Geographer, Munich
- Dr. Stefan Nöken, Supervisory/Administrative Board, Mörschwil / Switzerland
- Wolfgang Roberto Kölker, Executive Director of Human Resources & Corporate Services, Wuppertal

The remuneration granted for the activities of the Supervisory Board amounts to EUR 700 thousand.

Wuppertal, March 15, 2023



Dr. Thomas Stoffmehl



Hauke Paasch



Dr. Thomas Rodemann

Development of fixed assets

From January 1 to December 31, 2022

	Gross amounts						
	Balance on 01/01/2022	Currency differences and effects of changes in the scope of consoli- dation	Additions*	Additions	Disposals	Transfers	Balance on 12/31/2022
in EUR thousand							
I. Intangible assets							
1. Concessions acquired against payment, industrial property rights and licenses to such rights and assets	204,983	2,813	0	9,383	8,833	3,055	211,401
2. Goodwill	342,389	0	0	1	335,039	0	7,351
3. Prepayments made on intangible assets	1,133	-2	0	812	27	-769	1,147
	548,505	2,811	0	10,196	343,899	2,286	219,899
II. Property, plant and equipment							
1. Plots of land, leasehold rights and buildings, including buildings on another party's property	284,083	3,084	0	9,547	37,644	36,392	295,462
2. Technical equipment and machinery	472,134	1,774	0	17,369	35,614	16,297	471,960
3. Other equipment, office and operating equipment	157,574	3,390	0	10,761	32,626	866	139,965
4. Rental assets	1,234,986	-55	0	368,496	315,567	4,236	1,292,096
5. Prepayments made and assets under construction	69,143	3,564	0	29,483	3,435	-60,077	38,678
	2,217,920	11,757	0	435,656	424,886	-2,286	2,238,161
III. Financial assets							
1. Shares in affiliated companies	22,291	0	6,329	0	0	0	28,620
2. Shareholdings in associates	35	0	0	0	0	0	35
3. Other investments	131,522	0	0	35,174	4,245	7,887	170,338
4. Loans to companies with which a shareholding relationship exists	12,625	0	0	3,875	0	-6,177	10,323
5. Securities held as fixed assets	1,150,176	0	0	5,731	1,595	0	1,154,312
6. Other loans and other financial assets	66,137	0	0	2,250	22,619	-1,710	44,058
	1,382,786	0	6,329	47,030	28,459	0	1,407,686
	4,149,211	14,568	6,329	492,882	797,244	0	3,865,746

* Companies no longer fully consolidated in the Consolidated Financial Statements

	Accumulated depreciation							Net amounts	
	Balance on 01/01/2022	Currency differences and effects of changes in the scope of consoli- dation	Additions*	Additions	Disposals	Balance on 12/31/2022		Balance on 12/31/2022	Balance on 12/31/2021
	129,715	1,117	0	41,347	6,789	165,390		46,011	75,268
	231,740	0	0	3,957	229,335	6,362		989	110,649
	0	0	0	0	0	0		1,147	1,133
	361,455	1,117	0	45,304	236,124	171,752		48,147	187,050
	96,701	657	0	9,961	19,675	87,644		207,818	187,382
	372,870	876	0	33,072	25,404	381,414		90,546	99,264
	117,412	2,608	0	12,654	27,641	105,033		34,932	40,162
	460,499	-25	0	198,792	178,861	480,405		811,691	774,487
	2,816	-45	0	25	1,292	1,504		37,174	66,327
	1,050,298	4,071	0	254,504	252,873	1,056,000		1,182,161	1,167,622
	0	0	6,310	0	0	6,310		22,310	22,291
	0	0	0	0	0	0		35	35
	8,755	0	0	10,001	4,220	14,536		155,802	122,767
	934	0	0	1,220	0	2,154		8,169	11,691
	1,067	0	0	3,907	0	4,974		1,149,338	1,149,109
	213	0	0	0	213	0		44,058	65,924
	10,969	0	6,310	15,128	4,433	27,974		1,379,712	1,371,817
	1,422,722	5,188	6,310	314,936	493,430	1,255,726		2,610,020	2,726,489

List of companies belonging to the Group

as of Dec. 31, 2022

				12/31/22
	Local currency	Subscribed capital	Equity	Direct or indirect shareholding of the parent company in %
1. Companies included in the Consolidated Financial Statements according to the principles of full consolidation				
a) Domestic companies				
Vorwerk Elektrowerke GmbH & Co. KG, Wuppertal	EUR	DEM 18,000,000.00	103,186,737.63	100.0
Vorwerk Deutschland Stiftung & Co. KG, Wuppertal	EUR	DEM 7,100,000.00	22,773,489.09	100.0
Vorwerk Professional GmbH, Wuppertal	EUR	25,000.00	11,024,975.00	100.0
Vorwerk Temial GmbH, Wuppertal	EUR	500,000.00	10,725,342.64	100.0
Vorwerk Elektrowerke Verwaltungs GmbH, Wuppertal	EUR	DEM 250,000.00	374,507.25	100.0 ^{*16}
Vorwerk Direct Selling Ventures GmbH, Wuppertal	EUR	100,000.00	177,433,087.51	100.0
VDSV one GmbH, Wuppertal	EUR	25,000.00	5,226,971.10	100.0
Vorwerk & Co. Interholding GmbH, Wuppertal	EUR	DEM 6,000,000.00	477,699,788.18	100.0
Vorwerk & Co. Vermietungs GmbH, Wuppertal	EUR	DEM 30,000,000.00	55,941,866.88	100.0
Grundstücksgesellschaft BWR mbH, Wuppertal	EUR	DEM 50,000.00	41,823.56	100.0
akf bank Beteiligungs GmbH, Wuppertal	EUR	52,000.00	54,672.66	100.0 ^{*17}
akf bank GmbH & Co KG, Wuppertal	EUR	11,000,000.00	192,000,000.00	100.0
akf leasing GmbH & Co KG, Wuppertal	EUR	1,100,000.00	10,600,000.00	100.0
akf leasing Beteiligungs GmbH, Wuppertal	EUR	26,000.00	29,048.08	100.0 ^{*18}
Vorwerk & Co. eins GmbH, Wuppertal	EUR	10,000,000.00	360,274,885.06	100.0
Vorwerk Europe GmbH, Wuppertal	EUR	25,000.00	22,032.19	100.0
Aug. Mittelsten Scheid & Söhne GmbH, Wuppertal	EUR	100,000.00	408,344,830.93	100.0
akf servicelease GmbH, Wuppertal	EUR	4,000,000.00	4,000,000.00	100.0
Vorwerk & Co. vier GmbH, Wuppertal	EUR	25,000.00	13,419,955.48	100.0
Vorwerk & Co. vierzehn GmbH, Wuppertal	EUR	25,000.00	16,310,601.02	100.0
Vorwerk & Co. neun GmbH, Wuppertal	EUR	25,000.00	23,640,440.73	100.0
Vorwerk Services GmbH, Wuppertal	EUR	1,001,000.00	22,668,640.48	100.0
Vorwerk & Co. zehn GmbH, Wuppertal	EUR	500,000.00	627,708.60	100.0
Vorwerk & Co. elf GmbH, Wuppertal	EUR	25,000.00	17,871.12	100.0 ^{*19}
Vorwerk & Co. zwölf GmbH, Wuppertal	EUR	25,000.00	190,583.81	100.0
Vorwerk & Co. elf Immobilien-Verwaltungsgesellschaft mbH & Co. KG, Wuppertal	EUR	1,000.00	9,762,953.02	100.0
Vorwerk & Co. dreizehn GmbH, Wuppertal	EUR	25,000.00	15,953.61	100.0
Vorwerk & Co. fünfzehn GmbH, Wuppertal	EUR	25,000.00	15,098.79	100.0
Vorwerk & Co. sechzehn GmbH, Wuppertal	EUR	25,000.00	15,010.77	100.0
Vorwerk Verwaltung SE, Wuppertal	EUR	120,000.00	144,000.00	100.0
Neato Robotics Europe GmbH, Berlin	EUR	25,000.00	-1,826,860.91	100.0
Jafra Germany Holding GmbH i.L., Wuppertal	USD	0.00	0.00	0.0 ^{*3}
Jafra Cosmetics GmbH & Co. KG, Wuppertal	EUR	0.00	0.00	0.0 ^{*4}
Jafra Germany Management GmbH i.L., Wuppertal	USD	EUR 26,000.00	9,278,620.67	100.0
Vorwerk Ventures III GmbH & Co. KG, Berlin	EUR	1,400.00	91,023,676.99	86.9
Vorwerk Ventures IV GmbH & Co. KG, Berlin	EUR	2,100.00	2,531,554.18	82.0 ^{*1,2}

12/31/22

	Local currency	Subscribed capital	Equity	Direct or indirect shareholding of the parent company in %
b) Foreign companies				
akfequiprent S.A.U., Madrid/Spain	EUR	1,005,000.00	169,532.06	100.0
akfleasing Polska S.A., Warsaw/Poland	PLN	31,000,000.00	-26,774,976.47	100.0
Vorwerk France soc.com.s., Nantes/France	EUR	1,635,200.00	8,415,616.07	100.0
Vorwerk Semco S.A.S., Cloyes/France	EUR	520,000.00	79,533,272.02	100.0
Vorwerk Espana M.S.L., S.C., Madrid/Spain	EUR	240,404.84	2,781,479.34	100.0
Vorwerk Italia s.a.s. di Vorwerk Management s.r.l., Milan/Italy	EUR	3,821,000.00	34,450,341.00	100.0
Vorwerk Austria GmbH & Co. KG, Vienna/Austria	EUR	726,728.34	13,208,480.78	100.0
Vorwerk Premium L.da, Carnaxide/Lisbon/Portugal	EUR	250,000.00	1,451,793.21	100.0
Vorwerk CS správní spol. s.r.o., Prague/Czech Republic	CZK	5,000,000.00	32,431,750.76	100 ^{*20}
Vorwerk Polska Sp.z o.o.Sp.k., Wroclaw/Poland	PLN	360,379.57	50,552,001.04	100.0
Vorwerk Gérance SARL, Nantes/France	EUR	7,500.00	12,712.61	100 ^{*21}
Vorwerk Holding Ges.m.b.H., Vienna/Austria	EUR	36,336.42	127,625.61	100 ^{*22}
Vorwerk Espana Management S.L.U., Madrid/Spain	EUR	3,010.00	997,674.43	100 ^{*23}
Vorwerk CS k.s., Prague/Czech Republic	CZK	1,000,000.00	133,624,560.92	100.0
Vorwerk Household Appliances Co. Ltd., Shanghai/China	CNY	USD 10,500,000.00	217,103,559.16	100.0
Vorwerk Household Appliances Manufacturing Co. Ltd., Shanghai/China	CNY	84,230,870.43	138,531,086.13	100.0
Vorwerk Polska Sp. z o.o., Wroclaw/Poland	PLN	140,000.00	1,053,944.08	100.0
Vorwerk Asia GmbH, Taiwan Branch, Taipei/Taiwan	TWD	52,000,000.00	63,988,286.00	100.0
Vorwerk Manufacturing Co., Ltd., Shanghai/China	CNY	16,000,000.00	154,495,633.78	100.0
Vorwerk México S. de R.L. de C.V., Mexico City/Mexico	MXN	1,268,990,000.00	1,368,511,361.34	100.0
Vorwerk UK Limited, Sunninghill, Ascot/United Kingdom	GBP	6,000,000.00	4,486,215.83	100.0
Vorwerk (US), Inc., Camden/DE/USA	USD	50,000.00	41,030,593.17	100.0
Vorwerk, LLC, Camden/DE/USA	USD	25,000.00	9,045,309.28	100.0
Vorwerk Turkey Ev Aletleri Limited Sirketi, Istanbul/Turkey	TRL	53,000,000.00	56,260,354.92	100.0
Vorwerk Canada, Ltd, Vancouver/Canada	CAD	100.00	6,162,175.14	100.0
Vorwerk Schweiz AG, Dierikon/Switzerland	CHF	100,000.00	3,351,782.02	100.0
Neato Robotics, Inc., San Jose, CA/USA	USD	6.00	5,785,170.63	100.0
Neato Robotics Co., Ltd., Tokyo/Japan	JPY	7,770,000.00	-281,633,223.00	100.0
Dongguan Neato Robotics Trading Limited, Dongguan/China	USD	280,000.00	-6,358,060.01	100.0
Neato Limited, Reading/United Kingdom	GBP	1,000.00	-276,866.53	100.0
Neato AB, San Jose, CA/USA	SEK	50,000.00	199,372.00	100.0
Neato s.r.l., Milan/Italy	EUR	10,000.00	46,465.94	100.0
Neato B.V., Schiphol/The Netherlands	EUR	1.00	-1,994,968.92	100.0

12/31/22

	Local currency	Subscribed capital	Equity	Direct or indirect shareholding of the parent company in %
Vorestate Corp., Delaware/USA	USD	1.00	260,567.72	100.0
Vorwerk Lux (Far East) Ltd., Taiwan Branch, Taipei/Taiwan (Branch of Vorwerk Lux (Far East) Ltd.)	TWD	52,000,000.00	108,520,894.00	100.0
Vorwerk Lux (Far East) Ltd., Hong Kong/Hong Kong	HKD	5,120,000.00	-83,233,529.91	100.0
Jafra S.A. Luxemburg/Luxembourg	USD	1,663,778.00	109,959,334.51	100.0
Jafra Worldwide Holdings (Lux) S.a.R.l. Luxemburg/Luxembourg	USD	31,642,000.00	82,784,409.58	100.0
Jafra Cosmetics International, Inc., Westlake Village, CA/USA	USD	0.00	0.00	0.0 ^{*5}
CDRJ Europe Holding Company B.V., Duiven/The Netherlands	EUR	NLG 40,000.00	95,137.87	100.0
Jafra Cosmetics Handelsgesellschaft mbH, Vienna/Austria	EUR	0.00	0.00	0.0 ^{*3}
Jafra Cosmetics AG, Wollerau/Switzerland	CHF	0.00	0.00	0.0 ^{*3}
Jafra Cosmetics International B.V., Duiven/The Netherlands	EUR	204,201.10	30,710.30	100.0
PT Jafra Cosmetics Indonesia, Jakarta/Indonesia	IDR	11,000,000,000.00	72,182,059,987.54	100.0
Jafra Holding Company B.V., Duiven/The Netherlands	EUR	36,669,000.00	361,075,252.68	100.0
Jafra Mexico Holding Company B.V., Duiven/The Netherlands	EUR	0.00	0.00	0.0 ^{*5}
Jafra Cosmetics International S.A. de C.V., Mexico City/Mexico	MXN	0.00	0.00	0.0 ^{*5}
Distribuidora Comercial Jafra S.A. de C.V., Mexico City/Mexico	MXN	0.00	0.00	0.0 ^{*5,6}
Distribuidora Venus S.A. de C.V., Mexico City/Mexico	MXN	0.00	0.00	0.0 ^{*5,6}
Serviday, S.A. de C.V., Mexico City/Mexico	MXN	0.00	0.00	0.0 ^{*5,6}
Jafra Cosmetics S.A. de C.V., Mexico City/Mexico	MXN	0.00	0.00	0.0 ^{*5,6}
JafraFin, S.A. de C.V., Mexico City/Mexico	MXN	0.00	0.00	0.0 ^{*5,6}
Jafra Cosméticos do Brasil Ltda., Sao Paulo/Brazil	BRL	10,441,416.00	-24,545.20	100.0
Vorwerk International AG, Wollerau/Switzerland	CHF	1,000,000.00	7,485,535.79	100.0
Vorwerk International & Co. KMG, Wollerau/Switzerland	EUR	CHF 50,000,000.00	372,590,049.64	100.0
Vorwerk Asia GmbH, Wollerau/Switzerland	EUR	CHF 240,000	2,270,650.06	100.0
Vorwerk Management s.r.l., Milan/Italy	EUR	1,000,000.00	7,849,097.34	100.0 ^{*24}
CLOSe Logistics s.r.l., Milan/Italy	EUR	90,000.00	964,808.69	100.0
Vorwerk Services Pte. Ltd., Singapore/Singapore	SGD	1,300,000.00	2,009,152.68	100.0
Vorwerk IT Services Iberica, S.L., Madrid	EUR	23,000.00	17,845.45	100.0
Vorwerk IT Services Iberica, S.L.S. Com., Madrid	EUR	97,000.00	610,837.96	100.0

12/31/22

Direct or indirect
shareholding of
the parent
company in %Local
currencySubscribed
capital

Equity

**2. Companies not included in the Consolidated Financial Statements
(pursuant to Section 296 para. 2 German Commercial Code (HGB))**

Mobil Vermietungs GmbH & Co. KG, Wuppertal	EUR	52,000.00	44,510.01	100.0
akf servicelease Espana S.L., Madrid/Spain	EUR	100,000.00	-147,390.52	100 ^{*7}
akf rent GmbH, Wuppertal	EUR	25,000.00	25,000.00	100.0
akf abo GmbH, Wuppertal	EUR	24,022.53	23,201.53	100.0
Vorwerk (Malaysia) SDN BHD i.L., Kuala Lumpur/Malaysia	MYR	500,000.00	2,479.00	100.0
Vorwerk Fin B.V. i.L., Duiven/The Netherlands	EUR	18,605.00	10,897.09	100.0
Jafra International (Thailand) Ltd. i.L., Bangkok/Thailand	THB	139,620,000.00	0.00	100.0
Vorwerk Management B.V. i.L., Duiven/The Netherlands	EUR	18,000.00	14,748.18	100.0
Vorwerk Netherlands B.V. i.L., Duiven/The Netherlands	EUR	18,000.00	0.00	100.0
Competo Development Fonds No. 7 Verwaltungs GmbH, Wuppertal	EUR	25,000.00	26,584.23	100 ^{*25}
Competo Development Fonds No. 7 GmbH & Co. KG, Wuppertal	EUR	1,000.00	22,506,468.57	100.0
HT Löwentorstudios Objekt Stuttgart GmbH & Co. KG, Hamburg	EUR	12,001,000.00	10,076,929.17	80.8 ^{*8}

3. Other investments not included in the Consolidated Financial Statements

CenturyBiz GmbH, Nuremberg	EUR	50,000.00	-24,125.30	32.5 ^{*10}
Century-License HKV GbR, Rückersdorf	EUR	3.00	1,348,836.83	33.3 ^{*10}
Mädchenflohmarkt GmbH, Stuttgart	EUR	165,414.00	0.00	35.7 ^{*11}
Horizn Studios GmbH, Berlin	EUR	260,872.00	5,717,035.03	27.4 ^{*12}
AGRI TEC LEASING (ATL) Vermietungs- & Leasing GmbH, Wuppertal	EUR	25,000.00	51,163.96	40.0 ^{*13/15}
Agrar Service Renting GmbH, Leinfelden/Echterdingen	EUR	25,000.00	41,270.98	40.0 ^{*13/15}
AMS Agrar Miet Service GmbH, Wuppertal	EUR	25,000.00	35,869.26	20.0 ^{*13/15}
LMS Landtechnik Miet Service GmbH, Wuppertal	EUR	25,000.00	33,542.79	40.0 ^{*13/15}
DEGRENNÉ S.A.S., Vire/France	EUR	23,627,000.00	60,847,000.00	30.0 ^{*9/15}
Family Value Real Estate GmbH, Leipzig	EUR	25,000.00	11,757.17	40.0 ^{*10/15}

	12/31/22			
	Local currency	Subscribed capital	Equity	Direct or indirect shareholding of the parent company in %
4. Other financial assets not included in the Consolidated Financial Statements				
Hamburg Trust HTG Deutschland 18 GmbH & Co. geschlossene Investment KG, Hamburg	EUR	14,550,500.00	20,643,418.36	27.5 ^{*10}
MIB MP Leipzig S.à.r.l., Luxemburg/Luxembourg	EUR	15,000.00	835,606.93	36.7 ^{*11}
CONREN Land Cuatro Beteiligungs GmbH, Frankfurt/Main	EUR	25,000.00	5,959,694.41	28.0 ^{*11}
Park Side Oberbilker Allee Verwaltungs GmbH, Dusseldorf	EUR	25,000.00	25,956.73	27.5 ^{*11/26}
Park Side Oberbilker Allee GmbH & Co. KG, Dusseldorf	EUR	25,000.00	5,074,882.00	27.5 ^{*14}

^{*1} Company was founded in 2022

^{*2} Company was first consolidated in 2022

^{*3} Company merged in 2022

^{*4} Company was liquidated in 2022

^{*5} Company was sold in 2022

^{*6} Companies are pre-consolidated

^{*7} Figures according to 2014 annual financial statements

^{*8} Figures according to quarterly financial statements as of Sept. 30, 2022

^{*9} Figures according to annual financial statements as of March 31, 2022

^{*10} Figures according to annual financial statements for 2021

^{*11} Figures according to annual financial statements for 2020

^{*12} Figures according to annual financial statements for 2019

^{*13} Figures according to preliminary financial statements for 2022

^{*14} Figures according to preliminary financial statements for 2021

^{*15} Associates are accounted for at acquisition cost

^{*16} Company is the personally liable partner of Vorwerk Elekrowerke GmbH & Co. KG, Wuppertal

^{*17} Company is the personally liable partner of akf bank GmbH & Co. KG, Wuppertal

^{*18} Company is the personally liable partner of akf leasing GmbH & Co. KG, Wuppertal

^{*19} Company is the personally liable partner of Vorwerk & Co. elf Immobilien-Verwaltungsgesellschaft mbH & Co. KG, Wuppertal

^{*20} Company is the personally liable partner of Vorwerk CS k.s., Prague / Czech Republic

^{*21} Company is the personally liable partner of Vorwerk France soc.com.s., Nantes / France

^{*22} Company is the personally liable partner of Vorwerk Austria GmbH & Co. KG, Vienna / Austria

^{*23} Company is the personally liable partner of Vorwerk Espana M.S.L., S.C., Madrid / Spain

^{*24} Company is the personally liable partner of Vorwerk Italia s.a.s. di Vorwerk Management s.r.l., Milan / Italy

^{*25} Company is the personally liable partner of Competo Development Fonds No. 7 GmbH & Co. KG, Wuppertal

^{*26} Company is the personally liable partner of Park Side Oberbilker Allee GmbH & Co. KG, Dusseldorf

Consolidated Statement of Cash Flows

for the Fiscal Year from January 1 to December 31, 2022

T€	2022	2021
Consolidated net income	45,179	149,475
+ Depreciation and amortization of non-current assets	314,936	341,905
+/- Increase/decrease in provisions	-15,716	-4,699
+/- Other non-cash-effective expenses/income	31,936	-1,187
-/+ Increase/decrease in inventories, trade receivables and other assets not attributable to investing or financing activities	-109,982	176,940
-/+ Increase in trade payables and other liabilities not attributable to investing or financing activities	-62,077	34,576
-/+ Gain/loss on the disposal of fixed assets	-26,372	-1,391
+/- Interest expense/income	7,547	12,340
- Income from other securities and loans held as financial assets	-20,419	-11,955
- Other income from investments	-707	-2,048
+ Income tax expense	67,762	63,027
- Income tax payments	-62,704	-70,159
Cash flows from operating activities	169,383	686,824
+ Proceeds from disposals of intangible assets	1,494	181
- Cash outflows for investments in intangible assets	-10,196	-18,670
+ Proceeds from disposals of property, plant and equipment	141,244	143,253
- Cash outflows for investments in property, plant and equipment	-435,656	-376,150
+ Proceeds from disposals of financial assets	25,097	33,267
- Payments for investments in financial assets	-47,030	-80,869
+ Payments from disposals from the scope of consolidation	219,820	0
+ Income received from other securities and loans held as financial assets	20,419	11,955
+ Interest received	14,333	10,378
+ Dividends received	707	2,048
Cash flows from investing activities	-69,768	-274,607
+/- Capital shares of limited partners	0	-900
- Payments to the shareholders of the parent company	-115,461	-98,637
+ Proceeds from (financial) loans taken out	57,132	6,383
- Cash outflow from repayment of (financial) loans	-70,474	-131,006
- Interest paid	-16,125	-11,278
Cash flow from financing activities	-144,928	-235,438
Cash-effective changes in cash and cash equivalents	-45,313	176,779
+/- Effect of exchange rate changes on cash and cash equivalents	-5,541	5,294
+/- Change in cash and cash equivalents due to changes in the scope of consolidation	-15,892	0
+ Cash and cash equivalents as of 01/01	1,360,478	1,178,405
Cash and cash equivalents as of Dec. 31*	1,293,732	1,360,478

* Cash and cash equivalents comprise the items "other securities," "cash on hand, bank balances and checks" and shares in the VWUC fund.

Development of equity

from January 1 to December 31, 2022

	Equity of the parent company						
	Capital shares		Statutory reserves of Vorwerk SE & Co. KG	Equity difference from currency translation	Consolidated net profit	Total	
	Capital shares of the limited partners	Capital share of the silent partner					
Consolidated total comprehensive income							
Balance on 12/31/2021/01/01/2022	26,300	23,950	646,257	11,843	753,820	1,462,170	
Appropriation of earnings							
Increase/reduction in capital shares							
Credit to shareholder accounts in borrowed capital			-100,000		-47,756	-147,756	
Transfers to/withdrawals from reserves			49,738		-49,738	0	
Currency translation				20,431		20,431	
Other changes							
Changes to the scope of consolidation				11,466	0	11,466	
Consolidated net income					45,970	45,970	
Consolidated total comprehensive income							
Balance on 12/31/2022	26,300	23,950	595,995	43,740	702,296	1,392,281	

Non-controlling interests			Groupequity
Non-controlling interests before profit for the year	Gains/losses attributable to non-controlling interests	Total	Total
10,063	2,373	12,436	1,474,606
	- 3,537	- 3,537	- 3,537
4,620		4,620	4,620
			-147,756
-1,164	1,164	0	0
			20,431
			11,466
	-791	-791	45,179
13,519	-791	12,728	1,405,009

Independent Auditor's Report*

To Vorwerk SE & Co. KG, Wuppertal

Audit Opinions

We have audited the consolidated financial statements of Vorwerk SE & Co. KG, Wuppertal, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from 1 January to 31 December 2022, and notes to the consolidated financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the group management report of Vorwerk SE & Co. KG for the financial year from 1 January to 31 December 2022.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2022 and of its financial performance for the financial year from 1 January to 31 December 2022 in compliance with German Legally Required Accounting Principles, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Other Information

The executive directors are responsible for the other information.

The other information comprises the report on the 139th fiscal year – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

* Translation of the auditor's report issued in German language on the consolidated financial statements prepared in German language by the management of Vorwerk SE & Co. KG.

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law, and that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

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 whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, 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 audit opinions. 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 controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive 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 the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able 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 present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Essen, March 15, 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sign. **Uwe Rittmann**
Certified Public
Accountant

sign. **Heike Böhle**
Certified Public
Accountant

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Vorwerk SE & Co. KG
Mühlenweg 17 – 37
42270 Wuppertal
Germany
Telephone: +49 202 564-1247
www.vorwerk.de
annual.report@vorwerk.de

Editorial Staff

Michael Weber, Nicole Herbolt,
Corporate Communications of the Vorwerk Group

Concept, Design and Realization

3st kommunikation, Mainz

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Konstantin Eckert, Patric Eigermann, Antonio Sorace,
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