Quarterly Statement
Q1/2024

BayWa Group

Contents

Quarterly Statement	**2**
Overview of Business Performance of the BayWa Group	2
Asset Development from 1 January to 31 March 2024	3
Earnings Development from 1 January to 31 March 2024	3
Business Performance of the Segments from 1 January to 31 March 2024	4
Outlook	7
Selected Financial Information	**8**
Consolidated Balance Sheet as at 31 March 2024	8
Consolidated Income Statement from 1 January to 31 March 2024	10
Financial Calender	**11**

Note
Amounts are stated in millions of euros and rounded to one decimal place, unless otherwise stated. This may result in minor discrepancies in sum totals and when calculating percentages.

For reasons of readability, gender-specific wording and formal reference to all gender identities are not used. The selected form stands for all genders (m/f/other).

This statement is available in German and English. Only the German version is legally binding.

Quarterly Statement[1]

Overview of Business Performance of the BayWa Group

Seasonally typical opening quarter – expectations remain positive for 2024

- Consolidated result (EBIT) typically negative for the season, but in line with quarterly planning
- Agriculture business unit: Mild weather favours agricultural input trade; Agricultural Equipment Segment remains in the fast lane
- Energy business unit: Solar trade still under pressure, but with an upturn; project and plant construction in full swing; commercialisation phase scheduled for the second half of 2024
- Construction business unit: Recovery in the construction industry is a long time coming, operating measures initiated to reduce costs
- First signs positive effects from programme of measures

The BayWa Group reported a 17.3% decline in revenues for the first three months of the current financial year 2024 compared to the same quarter of the previous year. The decline is mainly due to the sharp fall in raw material and solar module prices. As expected, EBIT (earnings before interest and tax) declined from €91.8 million to minus €61.3 million. The development in the energy business unit was the main reason for the decline in the consolidated result. Photovoltaics and energy trading in the Renewable Energies Segment in particular were unable to match the previous year's strong results due to falling electricity prices and the extreme drop in the price of solar modules. In addition, no wind farms or solar parks with significant output were sold in the reporting period. The lion's share of project sales are scheduled for the second half of the year, when they will make a substantial contribution to earnings performance. The Energy Segment is characterised by a typical seasonal pattern, with falling wood pellet prices leading to lower trading margins. The development of the agriculture business unit was mixed. While the previous year's result was exceeded in the Agricultural Equipment Segment and demand for agricultural machinery remains high, the situation in the Global Produce Segment remained below expectations, particularly in the marketing of vegetable fruits in the southern hemisphere. The Agri Trade & Service and Cefetra Group Segments developed positively. Demand for agricultural inputs increased by a clear margin compared to the previous year and trade in products remained at almost the same high level as the previous year, particularly in international trade. However, falling grain prices put pressure on margins, particularly in Germany. There is still no noticeable recovery in the construction business unit, but interest in residential property is rising and could increase in the second half of the year if key interest rates are lowered. The programme of measures introduced in the previous year, which aims to optimise inventory management in the Group, among other things, is already showing initial successes in the agriculture business unit. As a result, interest expenses are also gradually declining and should reach the planned level by the end of the year.

Owing to seasonal factors, the first quarter is of limited informative value for revenues and earnings over the course of the year as a whole. Management is optimistic that the Group will be able to achieve its targets for the year, provided that no negative influences are exerted on business by exceptional weather conditions or market developments.

1 This quarterly statement was prepared in accordance with IFRS principles. It is not an interim financial report in accordance with IAS 34 or a financial statement in accordance with IAS 1.

Asset Development from 1 January to 31 March 2024

At €12,936.3 million, the BayWa Group's total assets were €417.6 million, or 3.3%, higher than at the end of the financial year 2023, but around €500 million below the previous year's figure. This development was primarily due to the typical seasonal increase in current receivables by €469.2 million to €2,674.0 million and an increase in property, plant and equipment by €96.5 million to €3,535.6 million. The main drivers for the development of property, plant and equipment are the payments on account and assets under construction contained therein. These primarily relate to wind farms and solar parks that are being built for the Renewable Energies Segment's IPP business entity. In contrast, inventories totalling €136.5 million were reduced.

At the end of the first quarter of the financial year 2024, equity was €128.0 million below the figure as at 31 December 2023, of which €48.4 million was attributable to minority interests. This was primarily due to the current consolidated net loss for the year of €108.1 million.

At €5,122.8 million, non-current liabilities are slightly above the level at the end of the financial year 2023, increasing by €73.4 million. In the first quarter, current liabilities climbed by €472.2 million, or 8.2%, to €6.228.5 million. The increase is due in particular to trade payables (up €316.0 million), which, like receivables, are subject to typical seasonal fluctuations. In addition, current financial liabilities (up €99.5 million) and other current non-financial liabilities (up €71.7 million) increased.

Earnings Development from 1 January to 31 March 2024

At the end of the first quarter of 2024, the BayWa Group's revenues totalled €5,194.5 million, down €1,086.0 million on the previous year's figure of €6,280.4 million. The main driver for this decline was the fall in energy and commodity prices in the trading business compared to the previous year, which led to a drop in revenues in the Renewable Energies (down €595.3 million), Agri Trade & Service (down €252.0 million), Cefetra Group (down €194.9 million) and Energy (down €56.0 million) Segments. By contrast, the Agricultural Equipment (up €50.7 million) and Global Produce (up €12.1 million) Segments recorded revenue growth.

The increase in other operating income by €20.7 million to €105.6 million is due to higher foreign currency effects compared to the same period of the previous year.

The BayWa Group's gross revenues fell by €1,051.4 million to €5,354.7 million in the first quarter.

At €4,699.0 million, the cost of materials is €965.5 million below the previous year's figure. The BayWa Group's gross profit at the end of the first quarter of 2024 was €655.7 million, down €85.9 million on the figure as at 31 March 2023.

Personnel expenses rose by €28.0 million to €401.7 million (Q1/2023: €373.7 million), which is attributable to voluntary collective wage adjustments in addition to an increase in the number of employees – particularly in the Renewable Energies Segment.

Other operating expenses increased by €30.7 million in the reporting period and totalled €241.4 million. In addition to higher other operating expenses and increased effects from foreign currency translation, this development is due in particular to an increase in value adjustments for irrecoverable trade receivables compared to the same period of the previous year.

Depreciation and amortisation on non-current assets amounted to €72.3 million and remained at the previous year's level.

At the end of the first quarter of the financial year 2024, the result of operating activities was minus €59.6 million and therefore €149.9 million below the previous year's figure (plus €90.3 million).

The result from participating interests recognised at equity totalled minus €1.7 million (Q1/2023: plus €1.6 million). At €0.0 million, the result of participating interests is on par with the first quarter of 2023.

The BayWa Group's earnings before interest and tax (EBIT) totalled minus €61.3 million in the reporting period. This is €153.1 million below the EBIT of €91.8 million in the same period of the previous year.

Due to the persistently high level of interest rates, the BayWa Group's net interest fell by €14.3 million and totalled minus €91.5 million (Q1/2023: minus €77.2 million). Compared to the fourth quarter of 2023, however, the interest burden has already been reduced by almost €10 million.

Taking into account tax income of €44.7 million, the consolidated net loss for the first quarter of 2024 amounts to €108.1 million, while a consolidated net result of €10.4 million was achieved in the same period of the previous year.

Business Performance of the Segments from 1 January to 31 March 2024

Energy business unit

	Revenues			EBIT		
In € million	**Q1/2024**	Q1/2023	Change in %	**Q1/2024**	Q1/2023	Change in %
Renewable Energies Segment	904.2	1,499.5	- 39.7	- 65.2	53.0	> - 100
Energy Segment	577.2	633.2	- 8.8	- 1.6	4.5	> - 100
Energy business unit	**1,481.4**	**2,132.7**	**- 30.5**	**- 66.8**	**57.5**	**> - 100**

The BayWa Group's **energy business unit** consists of the Renewable Energies and Energy Segments. The **Renewable Energies Segment** covers significant parts of the renewable energies value chain. The **Energy Segment** comprises trading activities in heating oil, fuels and lubricants, and also provides heating and mobility solutions.

The **Renewable Energies Segment** continued to face challenging market conditions in the first quarter of 2024. As planned, earnings before interest and tax (EBIT) fell significantly compared to the same period of the previous year. This development is primarily attributable to trading in photovoltaic (PV) components. Due to the ongoing oversupply in the market, prices for PV modules again fell by a clear margin in the first quarter of 2024. This development led to lower trading margins and further inventory write-downs in the Solar Trade business entity. Energy trading, on the other hand, performed above average, albeit substantially below the earnings level of the comparable periods in 2022 and 2023. In the project business, almost only project rights with a total output of around 230 megawatts were sold at the beginning of the year. In the second half of the year, the number of project sales, particularly in the field of solar, will rise sharply as planned and make a considerable contribution to earnings development. Around 950 megawatts of projects and 1.2 gigawatts of project rights are scheduled to be sold in the current financial year, the majority of which in Europe and the US.

As expected, EBIT in the **Energy Segment** after the first three months of the current financial year is below the level of the same period in the previous year. Demand for heating energy sources was lower due to the mild winter. In addition, the CO_2 price increase, which has been in force since January 2024, is likely to have already led to anticipatory effects for heating oil in the fourth quarter of 2023. Reduced demand in the prefabricated house segment and in conventional new builds due to the weak construction sector resulted in a noticeable drop in demand in the field of heating construction. This also had an impact on sales of pellet heating systems. At the same time, prices for wood pellets in the first quarter of 2024 were almost 30% lower on average than in the same period of the previous year due to an oversupply in the market, reducing BayWa's trading margins. The current low price level and the low fill levels among end consumers could trigger new purchasing impulses in the following quarters. By contrast, trading in fuels and lubricants developed favourably in the reporting period and achieved a slight increase in sales. This development is likely to be due in particular to the earlier start of operations for customers in the agricultural and construction sectors as a result of the weather.

Agriculture business unit

In € million	Revenues Q1/2024	Revenues Q1/2023	Revenues Change in %	EBIT Q1/2024	EBIT Q1/2023	EBIT Change in %
Cefetra Group Segment	1,251.0	1,445.9	- 13.5	14.9	17.1	- 12.9
Agri Trade & Service Segment	1,232.8	1,484.8	- 17.0	18.1	31.0	- 41.6
Agricultural Equipment Segment	592.3	539.9	9.7	24.0	22.4	12.6
Global Produce Segment	269.2	257.1	4.7	- 9.9	- 12.6	21.4
Agriculture business unit	**3,345.3**	**3,727.7**	**- 10.3**	**47.1**	**57.9**	**- 18.7**

The **agriculture business unit** is divided into four segments: Cefetra Group, Agri Trade & Service, Agricultural Equipment and Global Produce. The **Cefetra Group** and **Agri Trade & Service Segments** cover international and national trade in agricultural products and agricultural inputs. The **Agricultural Equipment Segment** trades in agricultural machinery and plants and offers a wide range of services. The **Global Produce Segment** encompasses worldwide trade with fruit and vegetable fruits.

The **Cefetra Group Segment** got off to a positive start in the first three months of the financial year. Although the result is below the strong first quarter of the previous year, the general conditions on the grain markets have normalised compared to the previous year. The previous-year quarter benefited from more volatile and generally higher grain prices due to the ongoing uncertainties caused by the war against Ukraine. Prices fell again in the reporting period due to positive harvest reports, reaching their lowest point in March of the current financial year. Despite the limited trading opportunities overall compared to the previous year, international trade in grain and oilseed meal almost reached the previous year's sales and earnings level. The development in the food ingredients business was weaker than in the previous year. As expected, trading margins here have normalised following the two previous exceptional years. In addition, trade in dried fruit and nut kernels was impacted by lower demand and higher logistical processing costs for packaging the products. Nevertheless, the Cefetra Group Segment recorded above-average earnings growth, which is likely to continue in the following quarters.

The first quarter in the **Agri Trade & Service Segment** was bolstered by mild weather conditions. The early start to the season led to increased demand for agricultural inputs. Fertilizer prices have stabilised after falling in the previous year. Farmers' stocks are likely to have been depleted, meaning that fertilizer sales increased significantly compared to the previous year. BayWa's ability to deliver was secured throughout amid adjusted inventory management, which also streamlined the capital committed. Sales increases were also achieved in trade in seed. The optimisation of handling and sales processes, which has largely been completed for seeds and fertilizers, will be extended to other product areas. Sales volumes in the trade with products were slightly higher than in the previous year. However, there are signs of irregular purchasing behaviour, which is partly due to geopolitical risks and, in turn, is posing a challenge to product trade. The Austrian subsidiary RWA continued its feedstuff expansion in Eastern Europe and acquired another feedstuff plant in Croatia at the end of the reporting period. As expected, the segment was unable to match the strong result of the same quarter in the previous year. The forecast for the 2024/25 harvest is positive so far. Planned efficiency measures in the current financial year should have a favourable effect on the segment's earnings level.

Following a record year in 2023, the **Agricultural Equipment Segment** once again recorded a strong opening quarter, benefiting from a high order backlog and mild weather conditions. The high order backlog is partly due to Agritechnica in Hanover, the world's largest trade fair for agricultural equipment, which was held in autumn 2023 for the first time since the coronavirus pandemic and led to higher orders. The early cultivation of the fields meant that more maintenance work and services were required in the workshops in the first quarter than usual at this time. Farmers' high willingness to invest is likely to continue, as incoming orders at the end of the reporting period are at the previous year's level and the German Growth Opportunities Act (WCG) could provide purchasing impetus. Overall, the first quarter of 2024 was a strong start for the Agricultural Equipment Segment and marks a sound basis for the subsequent quarters.

Developments in the **Global Produce Segment** followed the typical seasonal pattern. Sales of the 2023 German apple harvest are still in full swing in the reporting period and are expected to continue into early summer. Higher sales prices were achieved in Europe against a backdrop of lower harvest volumes compared to the previous year. This price trend is also likely to have a positive impact on the export business of the New Zealand subsidiary T&G. Even if the first-quarter apple harvest in New Zealand has not yet been fully collected, there are already indications that the quality is good, pointing toward a successful sales season. The good price development as well as below-average inventory levels, particularly in Germany, offer stable sales potential for the following quarters. T&G recorded weak demand in the wholesale of fruit vegetables in the southern hemisphere. The tomato business in particular was marked by an unexpectedly high level of consumer restraint and a price-sensitive competitive environment. In the trade with tropical fruit, the pricing of fruit such as mangoes was influenced by extreme weather conditions, particularly in South America. An extreme rise in prices at the beginning of the calendar year was followed by a decline. The supply situation for avocados was temporarily tight on the back of a poor harvest in Peru. Overall, the typical seasonal loss in the Global Produce Segment was reduced compared to the previous year. The insurance reimbursement for the cyclone damage in 2023 is expected to be recognised in the subsequent quarters of the current financial year.

Construction business unit

	Revenues			EBIT		
In € million	**Q1/2024**	Q1/2023	Change in %	**Q1/2024**	Q1/2023	Change in %
Construction Segment	**363.7**	**414.4**	**- 12.2**	**- 21.5**	**- 9.1**	**> - 100**

The **Construction Segment** mainly comprises the BayWa Group’s trading activities involving building materials in Germany and Austria. In the first three months of the current financial year 2024, business development was subdued as expected. Although this represents a typical seasonal development in the winter months, interest rates for mortgage loans also remain high and are slowing demand for new builds and renovations, particularly in residential construction. Order volumes in the construction industry actually fell by 8.5% in real terms in the first two months of 2024. As a result, BayWa’s building materials trade activities are also experiencing a noticeable slowdown in spending. Although prices for building materials already dropped by a clear margin in 2023, which could stimulate demand, this effect is offset by the continued high prices for energy-intensive materials such as cement, concrete and roof tiles. The development of BayWa’s drop shipping business, in which BayWa delivers building materials directly from manufacturer to buyer without having to stock the products in its own inventory, was encouraging. BayWa Bau Projekt GmbH, which sold its first residential units in 2024, is also experiencing positive stimuli from the market. Cost optimisation, such as in personnel, will also have a positive impact on the result of the BayWa Group’s Construction Segment in the current year. Subsidy programmes for refurbishments, investments in the rail network in commercial civil engineering and catching up on deferred projects from previous years in public construction, such as the construction of social housing by municipal housing associations, should also have a positive effect on the market.

Other Activities

EBIT resulting from **Other Activities**, including reconciliation, mainly comprises Group administration costs as well as consolidation effects and stood at minus €20.1 million as at 31 March 2024 (Q1/2023: minus €14.5 million).

Outlook

Owing to seasonal factors, the first quarter is of limited informative value for revenues and earnings over the course of the year as a whole. Unless exceptional weather and market developments have a negative impact on business development, management is optimistic that the Group EBIT forecast for the current financial year 2024 will be in the range of €365 million to €385 million. The measures, which are also part of the adopted Strategy 2030, should have a positive impact on the planned result.

Selected Financial Information

Consolidated Balance Sheet as at 31 March 2024

Assets

In € million		31/03/2024	31/12/2023
Non-current assets			
Intangible assets		518.1	529.8
Property, plant and equipment		3,535.6	3,439.1
Participating interests recognised at equity		314.6	315.4
Investments		248.7	248.4
Investment property		36.9	37.1
Income tax assets		8.9	8.5
Assets from derivatives		73.0	61.1
Other receivables and other non-current financial assets		97.0	95.7
Other non-current non-financial assets		10.0	8.1
Deferred tax assets		174.2	174.4
		5,017.0	**4,917.6**
Current assets			
Securities		1.1	1.0
Inventories		4,187.0	4,323.5
Biological assets		4.2	16.2
Income tax assets		85.5	69.2
Assets from derivatives		313.1	285.3
Other receivables and other current financial assets		2,674.0	2,204.8
Other current non-financial assets		396.2	464.5
Cash and cash equivalents		255.0	233.3
		7,916.1	**7,597.8**
Non-current assets held for sale/disposal groups		**3.2**	**3.3**
Total assets		**12,936.3**	**12,518.7**

Shareholders’ equity and liabilities

In € million		31/03/2024	31/12/2023
Equity			
Subscribed capital		92.5	92.5
Capital reserve		146.7	146.7
Hybrid capital		99.3	99.3
Revenue reserves		663.7	662.4
Other reserves		- 205.1	- 124.2
Equity net of minority interest		**797.1**	**876.7**
Minority interest		787.9	836.3
		1,585.0	**1,713.0**
Non-current liabilities			
Pension provisions		548.6	551.3
Other non-current provisions		93.9	92.0
Long-term debt		3,101.3	3,030.8
Lease liabilities		961.8	972.3
Trade payables and liabilities from inter-group business relationships		5.4	4.0
Income tax liabilities		0.2	0.2
Liabilities from derivatives		69.0	56.7
Other non-current liabilities		27.4	30.0
Other non-financial liabilities		184.1	182.5
Deferred tax liabilities		131.1	129.6
		5,122.8	**5,049.4**
Current liabilities			
Pension provisions		33.0	33.0
Other current provisions		431.9	436.1
Short-term debt		2,492.7	2,393.2
Lease liabilities		93.2	90.8
Trade payables and liabilities from inter-group business relationships		1,899.0	1,583.0
Income tax liabilities		42.4	100.0
Liabilities from derivatives		223.4	222.8
Other financial liabilities		279.2	235.4
Other non-financial liabilities		733.7	662.0
		6,228.5	**5,756.3**
Liabilities from disposal groups		**–**	**–**
Total shareholders’ equity and liabilities		**12,936.3**	**12,518.7**

Consolidated Income Statement from 1 January to 31 March 2024

Continued operations

In € million		Q1/2024	Q1/2023
Revenues		**5,194.5**	**6,280.4**
Inventory changes		44.7	37.4
Other own work capitalised		9.9	3.4
Other operating income		105.6	84.9
Cost of materials		- 4,699.0	- 5,664.5
Gross profit		**655.7**	**741.6**
Personnel expenses		- 401.7	- 373.7
Depreciation/amortisation		- 72.3	- 67.0
Other operating expenses		- 241.4	- 210.6
Result of operating activities		**- 59.6**	**90.3**
Income from participating interests recognised at equity		- 1.7	1.6
Other income from shareholdings		0.0	- 0.1
Interest income		5.7	3.3
Interest expense		- 97.2	- 80.5
Financial result		**- 93.2**	**- 75.7**
Earnings before tax (EBT)		**- 152.8**	**14.6**
Income tax		44.7	- 4.2
Consolidated net result for the period		**- 108.1**	**10.4**
thereof: profit share of minority interest		- 38.3	5.9
thereof: profit share of shareholders of the parent company		- 69.8	4.5
Basic earnings per share (in €)		**- 1.98**	**0.13**
Diluted earnings per share (in €)		**- 1.98**	**0.13**

Munich, 6 May 2024

BayWa Aktiengesellschaft

Board of Management
Marcus Pöllinger
Andreas Helber
Dr. Marlen Wienert
Reinhard Wolf

Financial Calendar

Dates in 2024

Annual General Meeting 2024 (in person)
11 June 2024, 10.00 am – ICM, Munich

Publication of figures for the first half of 2024
8 August 2024, 8.30 am – Analysts' Conference Call
8 August 2024, 10.30 am – Half-Year Press Conference

Publication of figures for the third quarter of 2024
14 November 2024, 8.30 am – Analysts' Conference Call

Contact
BayWa AG
Investor Relations
Arabellastr. 4
81925 Munich
Germany
investorrelations@baywa.de
www.baywa.com