Quarterly Statement
Q1–3/2024

BayWa Group

Contents

Notes

- 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

Preliminary remarks on the Quarterly Statement Q1–3/2024

In this Quarterly Statement, the BayWa Group reports on its business performance in the first three quarters of 2024 and its earnings as at 30 September 2024. As already explained in detail in the half-year financial statements for 2024, the figures continue to be influenced by the impairment test and the resulting impairment losses in accordance with IAS 36. The BayWa Group's announcement in July 2024 that it had commissioned a restructuring report in accordance with IDW S 6 led to a substantial fall in the BayWa share price. As a result of the decline in the share price, market capitalisation fell below the carrying amount of equity, meaning that extensive impairment tests had to be carried out for all of the BayWa Group's assets. These impairment tests resulted in non-cash impairments totalling €222.2 million, which were described and taken into account for the first time in the figures for the first half of 2024.

To ensure comparability with the same period of the previous year, the following management report first presents the operating business performance in the first nine months of the 2024 financial year by segment and shows earnings before interest and tax (EBIT) excluding impairment losses in accordance with IAS 36. The results, including the impairment losses collected, are described in the tables in the overview and in the respective segment.

The announcement of the need for restructuring and the subsequent commissioning of the restructuring report in July 2024 led to substantial uncertainty and reactions among suppliers and customers. Changes in delivery conditions on the part of manufacturers and increased customer demands with regard to product-related requirements led to a change in delivery and ordering behaviour in almost all segments, with negative effects on earnings. Against this background, the result is only comparable with that of the previous year to a limited extent.

BayWa has reached an agreement with its key financiers on a key points paper for the restructuring of the company up to 2027 and will receive additional capital totalling around €500 million. The BayWa Group's ability to restructure was confirmed in the first draft of the restructuring report. Restructuring over a period of several years is the prerequisite for reorganisation. The draft of the report provides for considerable restructuring measures, including numerous operational cost-cutting measures and the sale of individual business divisions. This is expected to have substantial effects on earnings in the coming years, the amount of which cannot yet be estimated at the time of publication of this quarterly statement. Based on the current information available, the Board of Management is therefore unable to provide an earnings forecast for the 2024 financial year.

Significant events after the reporting date

Changes to the Board of Management
In an ad hoc announcement on 17 October 2024, the company announced the following changes to the Board of Management: The Supervisory Board of BayWa AG and Chief Executive Officer Marcus Pöllinger have mutually agreed that Mr Pöllinger will step down from the Board of Management of BayWa AG with effect from 31 October 2024. In addition, the Supervisory Board of BayWa AG and Chief Financial Officer Andreas Helber have mutually agreed on the termination of Mr Helber's term of office with effect from the end of 31 March 2025. Michael Baur, Chief Restructuring Officer (CRO) and Senior Executive Vice President of the Company, was appointed as an additional member of the Board of Management. The process for appointing their successors has been initiated.

At the time of publication of this report, the Board of Management of BayWa AG consisted of Michael Baur, Andreas Helber, Dr. Marlen Wienert and Reinhard Wolf.

BaFin orders a special audit
The German Federal Financial Supervisory Authority (BaFin) has ordered a special audit of the accounting of BayWa AG's published

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.**

consolidated financial statements as at the reporting date of 31 December 2023 and the associated Group management report for the financial year 2023. The scope of the audit includes the description of the financial position and the risks arising from the Group's financing as well as the outlining of the risk management objectives and methods in the consolidated financial statements and the Group management report.

BayWa Group: Burden on business development due to restructuring announcement

- Announcement of the restructuring report led to uncertainties among customers and suppliers – Adjustment of business processes in all segments due to changed delivery conditions and changes in ordering behaviour
- Energy business unit: Postponement of project sales, ongoing price collapse for photovoltaic modules and falling electricity prices led to high losses
- Agriculture business unit: Securing liquidity through special sales in trading with products at the expense of the trading margin; Agricultural Equipment Segment benefited from the strong first half of the year
- Construction business unit: Building materials trade activities continue to be impacted by the weak order situation in residential construction

The economic situation in Germany has deteriorated again compared to the previous year. Declining order backlogs and a generally weak order situation are dampening the export-orientated industry. The situation in the retail, transport and hospitality service sectors also remains unfavourable. Despite falling inflation and a clear increase in purchasing power as a result of higher real wages, consumer sentiment has deteriorated. Even a slight economic recovery is not expected until the end of the year at the earliest. These developments are reflected above all in the BayWa Group's Energy and Construction business units and are exacerbated by the uncertainties and operational impairments in connection with the restructuring report commissioned for BayWa AG.

The following management report of the BayWa Group initially presents the operating performance of the segments in the first nine months of the financial year 2024, without taking into account the impairment losses recognised in the first half of the year (IAS 36). The results, including the impairment losses collected, are described in the tables in the overview and in the respective segment.

After the first nine months of the current financial year, the BayWa Group reported a foreseeable decrease in revenues of 11.9% year on year to around €16.0 billion. The considerable decline in sales was due to significantly lower sales prices for products and photovoltaic components as well as a decline in sales in the trade with heating energy sources and building materials.

	Revenues			EBIT		
In € million	**Q1-3/2024**	Q1-3/2023	Change in %	**Q1-3/2024**	Q1-3/2023	Change in %
Before consideration of impairments in accordance with IAS 36						
Group level	16,018.4	18,191.8	- 11.9	- 77.6	214.6	> - 100.0
After consideration of impairments in accordance with IAS 36						
Group level				- 299.8	214.6	> - 100.0

Earnings before interest and tax (EBIT) decreased from €214.6 million in the previous year to minus €77.6 million as at 30 September 2024. The sharp decline in earnings is primarily due to developments in the Renewable Energies Segment. The continuing fall in prices for photovoltaic modules has led to high inventory devaluations for solar modules. Furthermore, discount campaigns in the photovoltaic components trade had to be implemented at the expense of the trading margin in order to secure the business division's liquidity. In addition to falling electricity prices, which had a negative impact on energy trading, delays in the sale of three large-scale solar projects in the US led to further revenue shortfalls in the third quarter of 2024. In addition to the difficult operating performance, the result was burdened by restructuring measures and additional consultancy costs. It is pleasing to note that the first draft of the Boston Consulting Group restructuring report commissioned by BayWa r.e. AG is positive. Earnings in the Energy Segment were significantly down on the same period of the previous year. Due to the mild weather and good stockpiling by consumers, demand for heating energy sources such as wood pellets and heating oil fell substantially, despite falling prices.

The Agri Trade & Service Segment and Cefetra Group Segment faced substantial challenges in the trade in products. BayWa's strained financial situation in the third quarter led some trading partners to restrict their grain contracts with BayWa. This temporary loss of confidence, which was caused by the commissioning of the restructuring report in the quarter under review, led to a lack of volumes and trading opportunities. In addition, processing costs have increased due to changes in the flow of goods and trading margins have narrowed accordingly. The limited flexibility in logistics is due to the lower number of suppliers and logistics companies that were still available to BayWa. Sales in agricultural inputs trading increased compared to the previous year, but there was no benefit from the market price effects of the previous year. In addition, it was not possible to realise price advantages for large purchase quantities, as stocks were deliberately not held in order to reduce the amount of capital tied up. Due to its exceptional financial situation, BayWa was unable to adjust inventories in line with demand. While demand for seed and feedstuff developed better than in the previous year, demand for crop protection products declined due to weather conditions, particularly in the third quarter. Overall, the Agri Trade & Service Segment recorded a sharp decline in earnings. This was primarily due to BayWa's special situation and the associated liquidity measures.

In the Cefetra Group Segment, EBIT was also below the previous year's figure, but in line with expectations. While trading in standard products developed solidly, the speciality business was unable to match the previous year's strong performance. The trade in nuts and dried fruit was characterised by logistical and operational challenges. At Cefetra Dairy, unexpectedly high price increases for dairy products had a negative impact on earnings. The Agricultural Equipment Segment and the Global Produce Segment recorded year-on-year growth. Sales of agricultural machinery exceeded the previous year's already high level and recorded consistently strong service business. Fruit trading in the Global Produce Segment recovered compared to the previous year. In the previous year, the segment result was impacted by Cyclone Gabrielle in New Zealand and the associated costs of repairing the damage to apple orchards. Although the after-effects of the cyclone are still noticeable in the reporting period, better marketing prices were achieved for apples in both the southern and northern hemispheres, partially compensating for the lower marketing volume.

In the Construction Segment, high interest rates and construction costs remain the key reasons for the weak order situation, which is having the expected impact on building materials trade activities. Due to BayWa's special situation, which led to uncertainty among buyers, demand for product groups with longer delivery times suffered in the third quarter in particular. It is pleasing to note that BayWa Bau Projekt GmbH was able to make a positive contribution to earnings, despite liquidity measures.

However, based on constructive discussions with banks, other financing partners and key stakeholders, the Board of Management assumes that sustainable restructuring and a new financing arrangement for the BayWa Group can be achieved on the basis of the present draft of the restructuring report. This should already help the BayWa Group achieve greater stability in the individual segments in the final quarter, although the final result is not expected until December 2024. Based on the current information available, the Board of Management is unable to provide an earnings forecast for the 2024 financial year.

Asset Development from 1 January to 30 September 2024

As at the end of the third quarter, the BayWa Group's total assets amounted to €12,017.6 million, down €501.1 million on the figure of €12,518.7 million at the end of the financial year 2023. The BayWa Group's non-current assets have fallen by €21.1 million to €4,896.5 million since the start of the year. The decline is attributable to two considerable opposing effects: Intangible assets decreased by a total of €121.3 million and totalled €408.5 million at the end of the third quarter. At €101.2 million, the largest share of the decline is attributable to the impairment losses for company-specific software applications and goodwill recognised in the second quarter, which resulted from the impairment tests that became necessary in accordance with IAS 36. In addition, the investments accounted for using the equity method fell to €191.6 million (minus €123.8 million) in the 2024 financial year due to the impairment losses recognised in the second quarter and the deconsolidation of companies in the Renewable Energies Segment, the Cefetra Group Segment and Other Activities. In contrast, property, plant and equipment increased to €3,671.7 million (up €232.6 million) compared to the end of the 2023 financial year. This was mainly driven by further investments in the Independent Power Producer (IPP) business entity in the Renewable Energies Segment.

The BayWa Group's current assets fell by €480.0 million to €7,121.1 million in the financial year 2024. As a result of inventory management measures aimed at procuring liquidity, the BayWa Group's inventories in the Agri Trade & Service Segment, the Agricultural Equipment Segment and solar trading business were reduced by €409.9 million to €3,913.6 million in the first three quarters of 2024. The balance sheet item “Other non-financial assets” decreased from €464.5 million to €366.7 million (minus €97.8 million) from the end of the 2023 financial year. The decrease is due to the advance payments on inventories and other tax receivables included in this item. In contrast, cash and cash equivalents increased to €296.3 million (up €63.0 million).

Equity stood at €1,017.4 million and was €695.6 million lower than the figure reported as at 31 December 2023. This decline essentially consists of the consolidated net loss of €640.8 million at the end of the third quarter of 2024, which was additionally burdened by the impairment losses. Negative valuation effects of minus €25.7 million resulted from hedging future cash flows as at the reporting date. By contrast, actuarial gains from pension and severance pay obligations had a positive effect on the BayWa Group's equity due to a slight increase in the pension discount rate totalling €18.5 million.

The BayWa Group's non-current liabilities totalled €3,683.1 million at the end of the third quarter of 2024, down €1,366.3 million on the comparable figure at the end of the financial year 2023 (€5,049.4 million). The considerable driver of this development is the reclassification of the syndicated financing from non-current to current short-term debt due to the repayment date in September 2025.

This was offset by an increase in current liabilities totalling €1,560.8 million. The short-term debt included in this figure increased from €1,163.1 million to €3,556.2 million, which is mainly due to the aforementioned reclassification of syndicated financing. In addition, trade payables and intercompany liabilities increased by €205.9 million to €1,788.9 million. In addition to seasonal developments, this change is due in particular to the two largest shareholders of BayWa AG, Bayerische Raiffeisen-Beteiligungs-Aktiengesellschaft, Beilngries, Germany, and Raiffeisen Agrar Invest AG, Vienna, Austria, as well as Energy Infrastructure Partners AG, Zurich, Switzerland, as a minority shareholder of BayWa r.e. AG, which provided the BayWa Group with additional monetary funds totalling €157.0 million as at the reporting date of 30 September 2024. Other current financial liabilities increased by €166.2 million and totalled €401.6 million at the end of the third quarter. This is, to a considerable extent, attributable to the utilisation of reverse factoring agreements in the Renewable Energies Segment.

Earnings Development from 1 January to 30 September 2024

The BayWa Group's revenues stood at €16,018.4 million as at the end of the third quarter of 2024. Compared to the previous year 2023, sales are therefore €2,173.4 million below the previous year's figure of €18,191.8 million. Declining sales figures were recorded in the Renewable Energies Segment (minus €1,357.9 million to €2,916.9 million), Cefetra Group (minus €371.0 million to €3,576.4 million), Agri Trade & Service (minus €317.1 million to €3,613.8 million) and Energy (minus €141.5 million to €1,898.2 million). By contrast, the Agricultural Equipment Segment (up €129.2 million to €1,832.9 million) and Global Produce Segment (up €31.4 million to €781.1 million) recorded year-on-year sales growth.

The drop in other operating income of €304.3 million to €290.3 million year-on-year was primarily due to lower foreign currency effects. In consideration of the decrease in inventories by €52.1 million to €55.0 million, the BayWa Group's gross revenues fell from €18,631.4 million by €2.244.2 million to €16.387.2 million in the first three quarters of the financial year 2024.

At €14,333.1 million, the cost of materials was €1,960.6 million lower than the previous year's figure of €16,293.7 million. The BayWa Group's gross profit at the end of the third quarter amounts to €2,054.1 million, which is €283.6 million below the figure for the same period last year. Personnel expenses of minus €1,202.2 million and other operating expenses of minus €728.4 million were on par with the previous year.

Depreciation and amortisation recorded a considerable increase of €201.3 million to €406.5 million (Q1–3/2023: €205.2 million). This is attributable to the considerable impairment losses in connection with the impairment test required as at 30 June 2024 in accordance with IAS 36.

The result of operating activities amounted to minus €283.0 million as at 30 September 2024. This corresponds to a change of minus €500.5 million compared to the same period of the previous year (plus €217.5 million).

The investment result totalled minus €16.8 million and was therefore lower than the investment result of minus €3.0 million in the same period of the previous year. The considerable driver of this development is the collecting of impairment losses in connection with the impairment test in accordance with IAS 36 on companies accounted for using the equity method in the Renewable Energies Segment.

The BayWa Group's EBIT stood at minus €299.8 million at the end of the third quarter of 2024. This is €514.5 million below the comparable figure of €214.6 million for the same period of the previous year.

The BayWa Group's net interest income fell by €53.8 million to minus €292.4 million compared to the end of the third quarter of 2023 due to persistently high interest rates and the realignment of the financing structure with financing conditions adjusted to the situation.

Taking into account tax expenses of €48.6 million, the consolidated net loss for the first nine months of 2024 totalled minus €640.8 million (Q1–3/2023: minus €17.0 million).

Business Performance of the Segments from 1 January to 30 September 2024

Energy business unit

	Revenues			EBIT		
In € million	**Q1-3/2024**	Q1-3/2023	Change in %	**Q1-3/2024**	Q1-3/2023	Change in %
Before consideration of impairments in accordance with IAS 36						
Renewable Energies Segment	2,916.9	4,274.8	- 31.8	- 164.8	105.8	> - 100.0
Energy Segment	1,898.2	2,039.7	- 6.9	4.3	13.5	- 68.1
Energy business unit before impairments	**4,815.1**	**6,314.5**	**- 23.7**	**- 160.5**	**119.3**	**> - 100.0**
After consideration of impairments in accordance with IAS 36						
Renewable Energies Segment				- 336.3	105.8	> - 100.0
Energy Segment				- 0.2	13.5	> - 100.0
Energy business unit after impairments				**- 336.5**	**119.3**	**> - 100.0**

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 fossil and renewable heating oil, fuels and lubricants, and also provides heating and mobility solutions.

The **Renewable Energies Segment** continues to suffer under the difficult general conditions, which are having a negative impact on all business divisions in the segment. The fall in prices for solar components continued in the third quarter of 2024 – a trend reversal is not yet discernible. The market continues to struggle with massive overcapacities, which is also reflected in the solar module trade of the subsidiary BayWa r.e. AG. In addition, there were inventory write-downs in the first half of 2024, particularly due to falling prices for solar modules. Although gross revenues from solar modules sold increased slightly in the reporting period, this was at the expense of the trading margin. In order to improve the strained liquidity situation and reduce the amount of capital tied up as quickly as possible, solar modules were sold with discount campaigns and large price reductions. In the project business, the number of wind and solar project sales increased sharply in the third quarter, but is below target for three large solar projects in the US with gross revenues of 517 megawatts (MW) due to project delays. In total, 11 solar and wind projects with gross revenues of just under 450 MW and four project rights with gross revenues of just under 150 MW were sold in the first nine months of the current financial year. There are plans to conclude further project sales worldwide with a total output of around 1.1 gigawatts and sell project rights for a total output of just under 780 MW by the end of the year. The decline in earnings in energy trading is mainly due to the expiry of short-term power purchase agreements (PPAs), which were concluded at attractive conditions at the beginning of the war against Ukraine. Against this backdrop, EBIT in the Renewable Energies Segment amounted to minus €164.8 million as at 30 September 2024. The segment result includes expenses incurred as part of the restructuring report commissioned by BayWa r.e. AG and the ongoing restructuring process at this subsidiary. The first draft of the restructuring report prepared by the Boston Consulting Group for BayWa r.e. AG shows positive future prospects for the company, which can be achieved through targeted restructuring measures. The strategic goal is to create a focused project developer in the fields of renewable energies with its own IPP portfolio.

Business performance in the **Energy Segment** continued to be affected by the challenging market conditions in the heating business in the third quarter. At €4.3 million, EBIT after the first nine months of 2024 were around 68% lower than in the same period of the previous year. This development is due in particular to the collapse of the German heating market. According to the Federation of German Heating Industry (BDH), the market continues to be characterised by uncertainty due to the protracted debates surrounding the German Buildings Energy Act (GEG) and the future of municipal heating planning. As a result, sales of heat generators on the market fell by almost 50% across all technologies in the reporting period compared to the same period of the previous year. Demand for heating energy sources also remains low despite falling prices. In addition to still well-filled storage facilities due to the mild winter of 2023/24, the lower number of newly commissioned sites is also likely to have led to a decline in demand for wood pellets, for example. The majority of consumers expect heating oil prices to continue to fall and are holding off on purchases. As a result, BayWa’s sales of wood pellets also fell by 15% and heating oil by just under 14% in the reporting period. At the same time, falling prices for heating energy sources limited the earnings margins in the Energy Segment. By contrast, trading in fuels and lubricants developed positively, recording a slight increase in sales compared to the same period of the previous year. The charging infrastructure business division of BayWa Mobility Solutions GmbH (BMS) has opened and commissioned two charging parks with quick charging stations in Augsburg and Manching in Bavaria as part of the Deutschlandnetz initiative of the Federal Ministry for Digital and Transport (BMDV). Four more charging parks are to follow by the end of the year. BMS will construct and operate a total of 20 BayWa charging parks in Bavaria by the end of 2026 on behalf of the BMDV.

Agriculture business unit

	Revenues			EBIT		
In € million	**Q1-3/2024**	Q1-3/2023	Change in %	**Q1-3/2024**	Q1-3/2023	Change in %
Before consideration of impairments in accordance with IAS 36						
Cefetra Group Segment	3,576.4	3,947.4	- 9.4	33.4	50.6	- 34.0
Agri Trade & Service Segment	3,613.8	3,930.9	- 8.1	16.4	46.5	- 64.7
Agricultural Equipment Segment	1,832.9	1,703.7	7.6	68.0	52.6	29.3
Global Produce Segment	781.1	749.7	4.2	1.1	- 4.7	> 100,0
Agriculture business unit before impairments	**9,804.2**	**10,331.7**	**- 5.1**	**118.9**	**145.0**	**- 18.0**
After consideration of impairments in accordance with IAS 36						
Cefetra Group Segment				19.6	50.6	- 61.3
Agri Trade & Service Segment				5.6	46.5	- 88.0
Agricultural Equipment Segment				66.5	52.6	26.4
Global Produce Segment				1.1	- 4.7	> 100,0
Agriculture business unit after impairments				**92.8**	**145.0**	**- 36.0**

The agriculture business unit is divided into the 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. BayWa's Agricultural Equipment Segment trades in agricultural machinery and plants and offers a wide range of services. The Global Produce Segment encompasses global trade with fruit and fruiting vegetables.

Despite the challenging initial conditions, the **Cefetra Group Segment** achieved an above-average EBIT of €33.4 million in the reporting period, which was primarily driven by the stable business development in trading with standard products such as grain and oilseed. However, the BayWa Group's difficult financial position, with its focus on securing liquidity, led to individual suppliers restricting business with the Cefetra Group in the third quarter. As a result, the Cefetra Group was unable to utilise all trading opportunities and was unable to fully meet the high demand on the market. However, low grain prices revived trade in standard products and also favoured demand for soya: due to the EU Deforestation Regulation (EUDR), which was to be applied to supply chains from the end of the current year and has since been postponed, market participants feared that the availability of soya from deforestation-free supply chains could become scarce in 2025, which offered the Cefetra Group very good business in the current year. At the same time, lower freight costs had a positive effect on trade margins for soya. By contrast, the speciality business was weaker than in the same period last year and had a negative impact on earnings. Operational challenges led to higher costs in the packaging process in the nuts and dried fruit trade. In addition, products had to be purchased on the spot market at more expensive prices in order to bridge supply interruptions. At Cefetra Dairy, the result at the end of the first nine months of the current year was still burdened by the unexpectedly high price increases for dairy products in the first half of the year. By contrast, one subsidiary, Tracomex, benefited from good demand for organic food ingredients and the expansion of the product portfolio, while another, Sedaco, benefited from high demand from Asia and efficient supply chains.

Adverse weather conditions, a small grain harvest in Germany, and lower average prices on the agricultural commodity markets characterised the **Agri Trade & Service Segment**'s business performance in the first nine months of 2024. In addition, the BayWa Group's difficult financial position had a significant negative impact on the Agri Trade & Service Segment's produce trading, particularly in the third quarter. Against this backdrop, EBIT at the end of the third quarter of 2024 was down on the same period of the previous year at €16.4 million (Q1–3/2023: €46.5 million). In addition to the smaller grain harvest in Germany, the restructuring at BayWa led to some business partners being less willing to supply grain to BayWa, resulting in a year-on-year decline in the volume collected. At the same time, BayWa's focusing on securing its liquidity in the second half of the year meant that grain contracts had to be realised earlier than planned, some at lower profit margins. Alternative flows of goods also had to be utilised, which led to a significant increase in logistics expenses and handling costs, and an additional negative impact on earnings in the third quarter. The agricultural input business was more stable, although the previous year's result was positively influenced by higher prices in the first half of 2023. Sales of fertilizers in the current financial year benefited from low storage levels among farmers in 2023 at the beginning of the fertilisation period. After buoyant demand in the first half of 2024, sales of crop protection products weakened clearly in the third quarter due to unfavourable weather conditions.

The **Agricultural Equipment Segment** recorded strong business performance in the reporting period and, with an EBIT of €68.0 million, once again exceeded the earnings level of the same period in the previous year. Trade in agricultural machinery benefited from the high order backlog at the end of 2023, which was mainly realised in the first half of 2024. The German federal government’s Growth Opportunities Act, which has been in force since April 2024, is also likely to have provided buying impetus. Accordingly, incoming orders for the first nine months of the current financial year are almost 5% higher than in the same period of the previous year. Overall, sales of new machines rose by 6% and sales of used machines by over 30%. The high level of sales of used machinery was driven by numerous sales campaigns organised by BayWa through various sales channels. The associated company CLAAS Canada also made a positive contribution to the Group result and benefited from high demand in after-sales business. The service business in the Agricultural Equipment Segment recorded stable demand for maintenance and services. Both capacity utilisation and productivity at BayWa’s workshops remained on par with the previous year.

Business in the **Global Produce Segment** recovered strongly in the first nine months of 2024 compared to the same period of the previous year: The segment closed the reporting period with an EBIT of €1.1 million, thereby increasing its earnings by €5.8 million (Q1–3/2023: minus €4.7 million). Nevertheless, the after-effects of Cyclone Gabrielle on the plantations in New Zealand are still noticeable and led to lower marketing volumes due to smaller size profiles, although this was partially offset by higher price levels. The wholesale business in New Zealand was weaker than expected. While Global Produce benefited from positive demand and price effects in wholesale trade in the previous year due to lower harvest volumes as a result of the cyclone, the segment recorded lower demand in the third quarter of 2024, particularly in the tomato product group. In Germany, demand for pome fruit was typically good for the season and benefited from a good price level on the market. Sales of exotic fruits were typically weak in the summer months. After a difficult first half of 2024 due to the weather (El Niño), the availability of products in the main product groups mangoes and avocados at the Dutch subsidiary TFC Holland (TFC) is on its way up again, which is likely to be reflected in earnings, particularly in the final quarter. TFC is also continuously working on cost savings in the areas of packaging, logistics and energy. The adaptation and automation of internal processes in the packaging area should also contribute to efficiency improvements at the sites.

Construction business unit

	Revenues			EBIT		
In € million	**Q1-3/2024**	Q1-3/2023	Change in %	**Q1-3/2024**	Q1-3/2023	Change in %
Before consideration of impairments in accordance with IAS 36						
Construction Segment before impairments	1,384.6	1,528.7	- 9.4	- 8.2	5.8	> - 100.0
After consideration of impairments in accordance with IAS 36						
Construction Segment after impairments				- 9.5	5.8	> - 100.0

In the **Construction Segment**, the BayWa Group combines its trade in building materials in Germany and Austria as well as the project development of real estate in Germany. The construction industry will continue to be affected by the sharp decline in residential construction at the start of the second half of 2024, with the market still in crisis mode. From January to August 2024, core construction business recorded a substantive decline in turnover of 12.3% in residential construction. Even though construction interest rates have fallen slightly, they remain high and make construction costs expensive. Although prices for building materials have eased overall, prices for energy-intensive building materials such as cement and bitumen have remained at a high level. The development of residential construction is a key indicator for BayWa’s building materials trade activities. At BayWa, the building materials category for civil engineering is suffering the most. The crisis in the construction industry, which continues to put the market and thus also BayWa under high price and margin pressure, as well as the BayWa Group’s difficult financial position, to which many of BayWa’s building materials suppliers reacted with more stringent delivery conditions or initially even cessations of deliveries, are reflected in the segment’s earnings: at the end of the third quarter of 2024, EBIT in the Construction Segment stood at minus €8.2 million. This represents a sharp decline compared to the same period in the previous year (Q1–3/2023: €5.8 million). In the first nine months of 2024, BayWa’s property development company, BayWa Bau Projekt GmbH, sold 88 units, i.e. building plots, flats and a student residence with 60 residential units. The income from the projects is allocated to the respective reporting periods according to the stage of completion. BayWa Bau Projekt GmbH was forced to react to the BayWa Group’s tight liquidity situation in the third quarter, making unexpected sales of its majority stake in two project companies.

Other Activities

EBIT resulting from Other Activities, including reconciliation, mainly comprises the Group's administrative costs and consolidation effects and amounted to minus €27.8 million as at 30 September 2024 before taking IAS 36 impairment losses into account (Q1–3/2023: minus €55.5 million). Despite increased consultancy costs as a result of the restructuring measures, the result improved compared to the previous year. The improvement is attributable to a considerable extent to the sale of the shares in BRB Holding. The previous year's result was also negatively impacted by the Innovation & Digitalisation Segment. After taking into account IAS 36 impairment losses, EBIT totalled minus €46.6 million.

Opportunity and Risk Report

No further significant opportunities and risks were identified in the reporting period that go beyond the opportunities and risks described in the management report of the consolidated financial statements 2023 and the half-year financial statements 2024. Other opportunities or risks of which we are currently unaware or which we currently consider to be immaterial could also affect our business activities.

Outlook

BayWa has reached an agreement with its key financiers on a key points paper for the restructuring of the company up to 2027 and will receive additional capital totalling around €500 million. The BayWa Group’s ability to restructure was confirmed in the first draft of the restructuring report. Restructuring over a period of several years is the prerequisite for reorganisation. The draft of the report considers numerous operating-level cost-cutting measures as necessary in restructuring and also envisions the sale of individual business divisions. Against this background, substantial effects on earnings are to be expected in the coming years, the amount of which cannot yet be estimated at the time of publication of this quarterly statement. Based on the current information available, the Board of Management is therefore unable to provide an earnings forecast for the 2024 financial year.

However, based on constructive discussions with banks, other financing partners and key stakeholders, the Board of Management assumes that sustainable restructuring and a new financing arrangement for the BayWa Group can be achieved on the basis of the present draft of the restructuring report. The final report is expected in December 2024. The company will provide information on key developments in due course.

Note: The statements and figures forecast in this document are based on assumptions and are subject to unforeseeable risk. In as much as the assumptions of the company should prove to be inaccurate, or should other unforeseeable risks occur, the possibility of the actual assets, financial position and earnings position of the Group diverging negatively from the forecast target figures cited in this report should not be discounted.

Selected Financial Information of BayWa AG as at 30 September 2024

Consolidated Balance Sheet

Assets

In € million		30/09/2024	31/12/2023
Non-current assets			
Intangible assets		408.5	529.8
Property, plant and equipment		3,671.7	3,439.1
Participating interests recognised at equity		191.6	315.4
Investments		245.5	248.4
Investment property		35.0	37.1
Income tax assets		7.9	8.5
Assets from derivatives		57.6	61.1
Other receivables and other non-current financial assets		100.6	95.7
Other non-current non-financial assets		9.0	8.1
Deferred tax assets		169.1	174.4
		4,896.5	**4,917.6**
Current assets			
Securities		1.1	1.0
Inventories		3,913.6	4,323.5
Biological assets		9.1	16.2
Income tax assets		45.7	69.2
Assets from derivatives		300.3	285.3
Other receivables and other current financial assets		2,188.1	2,204.8
Other current non-financial assets		366.7	464.5
Cash and cash equivalents		296.3	233.3
		7,120.8	7,597.8
Non-current assets held for sale/disposal groups		0.3	3.3
Total assets		**12,017.6**	**12,518.7**

Shareholders' equity and liabilities

In € million		**30/09/2024**	31/12/2023
Equity			
Subscribed capital		92.5	92.5
Capital reserve		146.7	146.7
Hybrid capital		99.3	99.3
Revenue reserves		663.9	662.4
Other reserves		- 610.3	- 124.2
Equity net of minority interest		**392.1**	**876.7**
Minority interest		625.3	836.3
		1,017.4	**1,713.0**
Non-current liabilities			
Pension provisions		516.4	551.3
Other non-current provisions		91.7	92.0
Long-term debt		1,711.7	3,030.8
Lease liabilities		967.4	972.3
Trade payables and liabilities from inter-group business relationships		6.0	4.0
Income tax liabilities		0.2	0.2
Liabilities from derivatives		62.4	56.7
Other non-current liabilities		26.8	30.0
Other non-financial liabilities		175.6	182.5
Deferred tax liabilities		124.9	129.6
		3,683.1	**5,049.4**
Current liabilities			
Pension provisions		33.0	33.0
Other current provisions		384.2	436.1
Short-term debt		3,556.2	2,393.2
Lease liabilities		92.9	90.8
Trade payables and liabilities from inter-group business relationships		1,788.9	1,583.0
Income tax liabilities		78.5	100.0
Liabilities from derivatives		257.8	222.8
Other financial liabilities		401.6	235.4
Other non-financial liabilities		724.0	662.0
		7,317.1	5,756.3
Liabilities from disposal groups		–	–
Total shareholders' equity and liabilities		**12,017.6**	**12,518.7**

Consolidated Income Statement

Continued operations

In € million		Q1-3/2024	Q1-3/2023
Revenues		**16,018.4**	**18,191.8**
Inventory changes		55.0	107.1
Other own work capitalised		23.5	28.2
Other operating income		290.3	304.3
Cost of materials		- 14,333.1	- 16,293.7
Gross profit		**2,054.1**	**2,337.7**
Personnel expenses		- 1,202.2	- 1,185.3
Depreciation/amortisation		- 406.5	- 205.2
Other operating expenses		- 728.4	- 729.7
Result of operating activities		**- 283.0**	**217.5**
Income from participating interests recognised at equity		- 26.0	7.1
Other income from shareholdings		9.2	- 10.0
Interest income		17.8	13.8
Interest expense		- 310.2	- 252.4
Financial result		**- 309.2**	**- 241.5**
Earnings before tax (EBT)		**- 592.2**	**- 24.0**
Income tax		- 48.6	7.0
Consolidated net result for the period		**- 640.8**	**- 17.1**
thereof: due to minority interest		- 159.5	4.7
thereof: due to shareholders of the parent company		- 481.3	- 21.7
Basic earnings per share (in €)		**- 13.44**	**- 0.66**
Diluted earnings per share (in €)		**- 13.44**	**- 0.66**

Munich, 11 November 2024

BayWa Aktiengesellschaft

The Board of Management
Michael Baur
Andreas Helber
Dr. Marlen Wienert
Reinhard Wolf

Financial Calendar

Dates in 2025

Consolidated financial statements for 2024
27 March 2025

Publication of figures for the first quarter of 2025
8 May 2025

Annual General Meeting 2025
27 May 2025

Subject to change.
The financial calendar of BayWa AG is updated on an ongoing basis on the website www.baywa.com (Investor Relations).

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