Half-Year Financial Statements **2023**

BayWa Group

Contents

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).

Interim Management Report

Overview of Business Performance of the BayWa Group

BayWa Group remains on course; Renewable Energies and Agricultural Equipment Segments exceed expectations

Consolidated revenues stood at roughly €12.6 billion after six months of the current financial year 2023, down 2.7% year on year. Considerably lower sales prices for raw materials and operating resources were the main reason for the drop in turnover. Earnings before interest and tax (EBIT) declined by €141.6 million to a total of €186.9 million. The previous year was buoyed by anticipatory effects and was marked by an unprecedented shortage of products as well as extreme price spikes and occasional irrational behaviour by many market participants. The results of the 2022 financial year can therefore only be compared to the current financial year to a limited extent. Despite some difficult market conditions, the BayWa Group recorded its second-strongest half-year result in the company's history and is likely to achieve the planned EBIT target of €320 million to €370 million in the financial year 2023.

While all segments posted growth in the previous year, the Renewable Energies and Agricultural Equipment segments were the main revenue drivers in the BayWa Group during the reporting period. Both segments profited from robust demand and good trading opportunities. The Building Materials Segment's result reflects the sharp decline in residential construction. The earnings of previous years could not be achieved here. The Global Produce Segment also recorded a drop in earnings particularly due to substantial expenses connected with the clean-up costs following Cyclone Gabrielle in New Zealand. The Agri Trade & Service, Cefetra Group and Energy Segments developed in line with expectations, although – as expected – the record results of the previous year were not achieved. In a multi-year comparison, however, the results are clearly above average. It is important to bear in mind that BayWa AG, as well as the majority of German subsidiaries, incurred additional personnel expenses of around €27 million for a special bonus paid to employees to mark the BayWa Group's centenary.

Overall, the BayWa Group recorded a strong first half for 2023, despite the geopolitical uncertainty and ongoing economic pressures on businesses and consumers. The BayWa Group's diversified business model, which has stood the test of time for 100 years, remains a key factor in dealing with unexpected situations in a complex market environment. The second half of the year is also likely to remain challenging. High production costs, lower purchasing power due to inflation, and high interest rates will discourage consumers and businesses. These factors will have a particularly severe impact on the construction industry. Moreover, the end of the Ukrainian grain export agreement along with ongoing geopolitical conflicts could lead to extremely volatile prices on the commodity markets. Despite turbulent market developments, BayWa will continue to seize any opportunities that arise on the path to greater food and energy security in the world.

In € million	**Q2/2023**	Q2/2022	Change in %	**Q1–2/2023**	Q1–2/2022	Change in %
Revenues	**6,278.8**	6,656.9	- 5.7	**12,559.2**	12,913.9	- 2.7
EBIT	**95.1**	183.6	- 48.2	**186.9**	328.5	- 43.1

At €107.7 million, EBIT in the Energy business unit rose by 2% year on year. This positive development can be exclusively attributed to the Renewable Energies Segment: In the first half of the year, it posted project sales with a total output of around 120 megawatts (MW) and the photovoltaic (PV) components business also recorded sustained high demand. Energy trading also benefited from the electricity contracts entered into during the previous year and from electricity income from proprietary energy generation plants. In the Energy Segment, the operating result was down on the high previous-year figure as at 30 June 2023, as expected. This development is largely due to a lower trading margin in wood pellets as a result of sharply declining prices. Trading in fuels and lubricants also saw a decline due to the economic development. Sales of heating oil showed an opposite trend, with a slight increase in sales volumes over the previous year. At the end of June 2023, BayWa Power Liquids GmbH opened its liquefied natural gas (LNG) filling station in Zwickau, expanding its range of CO_2-optimised solutions. In total, the BayWa subsidiary operates 12 LNG filling stations in Germany.

As expected, the agriculture business unit was unable to increase EBIT over the previous year in the reporting period. The Agricultural Equipment Segment was the only unit to post a year-on-year increase in earnings, with the previous year's large order backlog having a positive impact on the result. The Cefetra Group and Agri Trade & Service Segments benefited from price volatility in a generally falling market. Despite sharply declining prices there were major price fluctuations, primarily due to pessimistic forecasts and uncertainty about the expansion of the grain agreement between Russia and Ukraine. In this regard, the Agri Trade & Service Segment was able to conclude good terms for the previous year's grain contracts. Margins in trading with agricultural inputs, on the other hand, came under pressure. Earnings in the Agri Trade & Service Segment were depressed by falling agricultural input prices, particularly for fertilizers, and subdued demand caused by the weather and a number of other factors. In the Cefetra Group Segment, trade involving specialities was the main contributor to the positive earnings trend with a steadily growing share. The exceptional situation in the Global Produce Segment caused by Cyclone Gabrielle in New Zealand and the associated costs for repairing damage to apple orchards will continue to negatively affect business development beyond the financial year 2023 until trees can produce their full harvest yields again. Price changes are likely to only partially compensate for the lower trading volume of apples.

In the Building Materials Segment, both internal and external factors have led to a low EBIT. Externally, the main cause is the slump in residential construction. Rising construction and financing costs have discouraged investment. Up to the end of April, about one third fewer residential building permits were issued in Germany compared to the same period last year. The second quarter was also affected by above-average rainfall, especially at the beginning of April. This led to some restrictions on outdoor construction work. BayWa was unable to avoid these developments. Sales have fallen almost across the entire product range. Internally, the segment also had to pay out the special employee bonus of around €7 million. The overall situation is not expected to change significantly in the current financial year 2023, and it can be assumed that EBIT development in the Building Materials Segment will decline significantly compared to previous boom years in the construction industry. However, the need for housing remains high and many existing properties are likely to be renovated to make them more energy-efficient.

Based on the segment results achieved in the first half of 2023, the Board of Management is confirming its forecast of achieving the BayWa Group's planned EBIT target of €320 million to €370 million in the financial year 2023.

Business Performance by Segment in the First Half of 2023

Energy business unit

Market and industry development

Development of renewable energies

For 2023 as a whole, the global expansion of wind turbine capacities is expected to reach just under 109 gigawatts (GW), which equates to a year-on-year increase of roughly 25%. Onshore wind energy is expected to account for around 93 GW, and offshore wind energy for just under 16 GW. Alongside China as the largest single market, growth is likely to be driven primarily by the EMEA region (Europe, Middle East, Africa). According to global forecasts, the field of solar energy can expect to see a capacity expansion of almost 344 GW in 2023. This corresponds to a year-on-year rise of 36%. Alongside the growth drivers of China, the US, India and Brazil, some 16% of PV capacity expansion will likely be attributable to the EMEA region. The main driver for an increase in the construction of new solar and wind plants, apart from meeting the ambitious climate targets, is the war against Ukraine; this will allow us to ultimately become less dependent on imports of fossil fuels such as gas and oil.

In the first half of 2023, renewable energies provided 57.7% of the electricity generated in Germany, a year-on-year increase of almost 6%. However, the higher share of renewable energies is due to lower electricity generation overall than in the previous year: While electricity generation from fossil fuels and nuclear energy was down, electricity generation from renewable energies remained stable. In total, just under 130 terawatt-hours (TWh) were supplied to the grid in the first half of 2023, almost the same amount of green electricity as in the same period of 2022. The volume in the first quarter, which was weaker due to weather conditions, was offset by new plants coming into service. The onshore wind energy sector produced the largest share of renewable energy with just under 56 TWh, followed by solar energy with around 30 TWh. Offshore wind energy contributed around 11 TWh to the total amount of electricity generated. In Germany, the expansion of wind and solar energy is gathering momentum. At 6.5 GW, solar energy capacity expansion in Germany surpassed the previous year's figure by around 71% in the first six months of 2023. Capacity expansion of onshore wind turbines came to just under 1.7 GW in the same period, almost 77% higher year on year. Onshore wind energy plants accounted for around 1.5 GW and offshore wind energy plants for 0.2 GW. While the expansion of solar power is likely to develop as planned within the 9 GW target range of the German climate protection goals by the end of the year, onshore wind energy still has some catching up to do in order to reach the goal of 4 GW by the end of 2023. As before, available land and public acceptance continue to pose a challenge to the expansion of wind energy. Individual German states are attempting to boost public support through various participation models, such as offering discounted electricity tariffs to residents living near wind farms. The German Onshore Wind Energy Act (WaLG), which has been in force since 1 February 2023, is intended to further promote the expansion of onshore wind farms. Under the act, German states must make 1.4% of their land available for wind turbines by 2027 and a total of 2% by 2032. Furthermore, the German government wants to simplify planning and approval procedures with the new land use planning amendment. The amendment states, among other things, that in designated areas that have already undergone a Strategic Environmental Assessment (SEA), there will be no requirement for a further environmental impact assessment and species protection assessment. The German government anticipates that the new regulations will shorten the approval process for onshore wind farms, which on average takes five years, by about a year.

In May 2023, the average electricity price for Germany on the EPEX spot market was around €82 per megawatt-hour, down by about 54% year on year. The sharp price decrease is mainly due to lower gross electricity consumption along with declining natural gas prices and therefore lower production costs for electricity. In Germany, gas accounts for around 15% of electricity generation, making it a significant factor in the pricing of electricity.

Development of energy

The crude oil price continued on its downward trajectory in the first half of 2023. Following a sharp rise in prices on the energy markets in the previous year as a result of the war against Ukraine, by the second half of 2022 the price of crude oil had already recorded an almost continuous decline from USD124 per barrel to just under USD86 per barrel by the end of 2022 amid growing concerns about a global recession. In the first quarter of 2023, the price of crude oil ranged from USD78 to USD86 per barrel. The banking crisis in the US and emergency takeover of the Credit Suisse bank in mid-March caused another significant setback on the crude oil market. At just under USD73 per barrel, crude oil was trading at its lowest level since December 2021. As a result, OPEC+ cut production by 1.6 million barrels per day from May 2023 and announced that it would reduce production by a further 1.4 million barrels per day from January 2024. This led to a short-term price surge from around USD73 per barrel to more than USD86 per barrel. Despite the reduced supply, crude oil prices fell again during the second quarter of 2023 and at the end of June were about 35% below the previous year's level at just under USD75 per barrel. This is probably due to China's economy, among other things, but also to other major economies recovering more slowly than expected. A similar price trend was observed for heating oil in Germany. At the end of the first half of 2023, the price of heating oil was around 92 euro cents per litre, almost 36% below the previous year's level. Consumers interpreted this price trend as a signal to buy. Consequently, heating oil sales rose from January to April 2023 by 6.2%. The lower price level compared to the previous year is also likely to have boosted demand for Otto fuels, which climbed by 3.7%. In contrast, diesel sales were down by almost 6% year on year. As a result of the economic situation, demand for lubricants declined compared to the previous year. Prices for wood pellets have almost halved compared to September 2022, standing at €382 per tonne at the end of the first half of 2023. Alongside falling energy and raw material prices, high customer inventories and thus lower demand are also likely to have caused the declining prices.

Business performance

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 provides heating and mobility solutions.

	Revenues			EBIT		
In € million	**Q1–2/2023**	Q1–2/2022	Change in %	**Q1–2/2023**	Q1–2/2022	Change in %
Renewable Energies Segment	3,046.1	2,733.8	11.4	98.4	85.0	15.8
Energy Segment	1,329.2	1,477.2	- 10.0	9.3	20.6	- 54.9
Energy business unit	**4,375.3**	**4,211.0**	**3.9**	**107.7**	**105.6**	**2.0**

Renewable Energies Segment

In the Renewable Energies Segment, EBIT was up considerably on the previous-year figure as at 30 June 2023. This increase is largely due to the Independent Power Producer (IPP) business entity, which also includes the Energy Trading division. Business is benefiting from the steady increase in the number of assets in the IPP portfolio. In this context, continuing above-average energy price levels combined with the high level of production at the plants have had a positive impact on the result. In addition, Energy Trading was able to make a decisive contribution to earnings thanks to new products in the field of power purchase agreements.

The Solar Trade business entity recorded increased demand for PV components. Sales of PV components increased significantly once again in the first six months of 2023. Compared to the same period in the previous year, total output of PV modules sold rose by 25.3%. Sales of inverters also rose accordingly and were up 68.0% on the previous year's figure. This positive development was due to the increased efficiency of PV components, the resulting improvement in competitiveness compared to conventional energy carriers and the improved supply capacity for PV trading activities compared to the previous year. The progressive easing of global supply chains coupled with higher production volumes has boosted trade, however at the expense of margins. Declining freight rates for shipments from China and a recovery in the exchange rate between the euro and the dollar have resulted in lower prices for PV modules. A new strategic course was embarked on in the US, where BayWa r.e. AG signed an offtake agreement with the Swiss solar technology company, Meyer Burger Technology AG. As part of this partnership, BayWa r.e. is committed to procuring 1.25 GW of high-performance solar modules over a span of five years from Meyer Burger's new cutting-edge facility in Goodyear, Arizona (USA). Following the adoption of the Inflation Reduction Act, this collaborative effort aims to drive ongoing manufacturing in the US and make an active contribution to the growth, sustainability and diversification of the global solar supply chain.

As in previous years, the first half of 2023 in the project business was characterised by the planning and commencement of construction work on a large number of wind farms and solar parks. Overall, project sales amounting to a total output of around 500 megawatts (MW) are planned for the financial year 2023. In addition, it is planned to sell project rights comprising an output of approximately 650 MW and to transfer a further 200 MW of completed projects to the company's own IPP business entity. The following projects were already sold to third parties in the first half of the year: a wind farm project in Italy with an output of approximately 51 MW as well as two wind farms in the Austrian province of Carinthia totalling 26 MW. The turbines located in the Carinthian Alps are part of the first wind farm to be constructed there and have the capacity to supply electricity to around 13,000 households. The Dalquhandy wind farm in the UK, which has a total output of 42 MW, has been sold. Around 80% of the electricity generated is supplied to the British telecommunications group BT via a long-term power purchase agreement (PPA). Towards the end of the reporting period, BayWa r.e. began construction work on Europe's biggest "Fruitvoltaic project" in cooperation with its subsidiary GroenLeven. The plant, in which PV modules are installed over raspberry bushes, comprises around 24,200 solar modules and generates an output of 8.7 megawatt-peak (MWp). By using farmland to produce both crops and renewable energy at the same time, agrivoltaics (Agri-PV) is a prime example of how to use land sustainably and with a high degree of efficiency.

Energy Segment

As expected, EBIT in the Energy Segment in the first half of 2023 fell short of the figure for the same period in 2022. Following the volatile crude oil price developments in the previous year, crude oil prices on the global market have now settled at a price level that is down by an average of 30% on the previous year. Although prices have fallen, the sales volumes of heating oil and fuels have remained more or less unchanged. With regard to heating oil, this is due to a mild winter, a prudent approach to heating and consumers stocking up on adequate supplies. The slight decline in fuel sales is likely to have been caused by increasing new registrations of electric vehicles and a faltering economy. The slowdown in economic development is most clearly reflected in the lubricant business, where trading volumes are down by just under 15% on the same period in 2022. In addition, a high level of stocking up on supplies at the end of last year is also likely to have contributed to ongoing consumer reticence in the first half of 2023. In this context, there are signs that customers are increasingly basing their purchase decisions on promotional prices and are keeping smaller quantities in stock. Slight increases in sales were recorded in trade involving wood pellets. BayWa is expanding its leading market position in this area via commissioned production. A cooperation agreement was concluded with Danpower GmbH in Heidegrund in Saxony-Anhalt at the end of 2022. The total volume of wood pellets produced on behalf of BayWa is around 360,000 tonnes, of which around 60,000 tonnes are produced in Heidegrund each year. BayWa is responsible for procuring the raw materials and for sales. These strategic moves helped to lift sales slightly in the first half of the year. However, trade margins have been gradually declining because prices have fallen sharply since the beginning of 2023, most notably in the first quarter, and have now settled back down to the normal levels seen before the outbreak of the war against Ukraine. In the second quarter of this financial year, BayWa Mobility Solutions GmbH successfully completed one of Germany's largest fast-charging parks for EnBW in the Lower Saxony town of Grossburgwedel: the site features 16 charging stations, each of which is equipped with 32 rapid charging points and a charging capacity of up to 300 kilowatts. BayWa is playing an active role in shaping the expansion of the charging infrastructure. According to the Bundesnetzagentur (German federal network agency), BayWa Mobility Solutions GmbH had installed around 10% of the 13,250 rapid charging points that were in operation at the beginning of 2023.

Agriculture business unit

Market and industry development

Development of grain and oilseed

According to a forecast by the US Department of Agriculture (USDA), grain production (excluding rice) is expected to grow worldwide by just under 3.5% year on year to around 2.31 billion tonnes in grain year 2023/24. Wheat production is set to increase by 0.8%, while coarse grain production (mainly corn) is forecast to grow by 4.9%. This is mainly due to the expansion of growing areas for wheat and corn in the US. In addition, rainfall and milder temperatures at the start of July may have eased the effects of the prolonged drought in the previous month slightly, in particular for corn. In keeping with the higher yield forecast, a slight rise in inventory stocks is expected in grain year 2023/24 to just under 606 million tonnes (2022: 593 million tonnes). Grain consumption is expected to increase by 2.1%. Therefore, supply and demand for grain is still to be expected to be tight. The USDA is expecting global oilseed harvest volume of 667 million tonnes, which consequently equates to an increase of 6% compared to the previous year. Current forecasts indicate that the soybean harvest in Argentina is likely to rise again after last year's poor harvest. The European Union's grain harvest is likely to grow by almost 5% to roughly 281 million tonnes. However, due to the drought, the outlook for harvests is expected to be poorer in some areas, particularly in France, Italy, Spain and Germany. In the wake of extreme water shortages in large grain-producing regions, at 14.5 million tonnes, the European Commission is expecting Spain's grain harvest to be the lowest it has been in at least 18 years. Experts at the German Raiffeisen Federation (Deutscher Raiffeisenverband) expect Germany's grain harvest to be below average with major regional fluctuations following a prolonged drought in May and June. Regions in northern and eastern Germany have been particularly hard hit by drought. The drought is also likely to have a detrimental effect on grain quality. The overall harvest is expected to reach 41.9 million tonnes – down almost 4% year on year and almost 1% lower than the average for the period 2018 to 2020. At 4.1 million tonnes, the rapeseed harvest should be roughly 4% lower than in 2022. In the reporting period, grain prices overall were clearly lower than in the same period last year after logistical bottlenecks and uncertainties around supply resulting from the war against Ukraine had triggered a price rally on the grain markets in 2022. The grain deal between Russia and Ukraine and an improved balance in global supply and demand led to prices falling steadily as early as the second half of 2022. At the end of the first half of 2023, for instance, prices for rapeseed were down 35% year on year, wheat was down 34%, corn was 29% lower and soya meal had fallen by 14%. However, there is still major uncertainty on the grain markets due to the extreme weather conditions, which has led to massive price fluctuations in the first half of 2023. Moreover, after barely one year, Russia suspended the extension of the grain deal between Russia and Ukraine on 17 July 2023. Russia is only prepared to consider renewing the grain agreement when Western sanctions are eased and Russia is able to export its own grain and fertilizer without any restrictions. Russia's renewed blockade of Ukraine's Black Sea ports along with ongoing conflicts could once again exacerbate the situation on the international grain markets and trigger price increases.

Development in fruit trading

The start of the 2022/23 apple season was marked by challenging general conditions. Consumer sentiment was hampered by economic uncertainty as a result of declining purchasing power caused by higher inflation and increasing energy costs. Demand for premium fruit and vegetables fell in particular. At the same time, at 12.2 million tonnes, Europe's apple harvest in 2022 was around 1% higher year on year, thus leading to an oversupply in the market. Supplies of apples not suitable for long-term storage from other EU growing regions also pushed prices down. Implementing price increases was difficult until March 2023. Various special offers and promotions by food retailers eventually led to a large quantity of apples being sold to clear at the end of the first quarter of 2023. This trend continued in the months that followed, most notably in Western Europe. Moreover, some of the poorer quality fruit ended up being sold to industrial consumers at lower prices. In June 2023, apple stocks in Europe were 26% lower than in the previous year, with Germany recording a decline of 28% year on year. As a result of declining stocks, apple prices recovered and at 0.85 euros per kilogramme, were around 18% higher year on year in the EU in June, while they were up by just under 15% in Germany at 0.63 euros per kilogramme. In New Zealand, the apple harvest in 2023 was down by just under 12% year on year at 453,000 tonnes. Cyclone Gabrielle caused damage to key growing areas in New Zealand in mid-February. Export volumes are also expected to fall by around 21% as a result of the smaller harvest volumes. The EU signed a free trade agreement with New Zealand in June. It will come into force in 2024 and is expected to have a positive impact on trade between both partners. The free trade agreement will, among other things, abolish tariffs on EU exports. The EU Commission estimates that trade between the EU and New Zealand should grow by 30%.

Development of agricultural inputs

Compared to the same period last year, in the first half of 2023, the agricultural inputs sector in Germany benefited from an improvement in the availability of goods and lower production costs. A number of nitrogen producers are currently making the most of the low gas prices and producing at levels close to those recorded prior to the outbreak of the war in Ukraine. However, at the same time, demand by farmers remains subdued and contracts for the new fertilizer season are only being concluded here and there. The willingness on the part of farmers to stockpile fertilizer is low and is most likely linked to their experience in the past year: price volatility and uncertainty around supply resulted in farmers making fertilizer purchases that were not always cost-effective. Also, this year's harvest is coming to an end, while fertilizer sales usually peak in the spring. This trend towards restraint is also reflected in the development of fertilizer prices. At the end of the first half of 2023, potash, nitrogen and phosphate fertilizers were trading between 30% and 60% lower than in the previous year. In addition, a number of customers are likely to speculate on prices falling further. Demand for crop protection was lower because of the weather conditions. Due to the wet and cold weather conditions that lasted until April, and the subsequent prolonged drought in May, the time frame for using herbicides and fungicides was too short for all applications to be carried out in full.

Development of agricultural equipment
The overall economic mood among German farmers had improved starting in June 2022, but has deteriorated again slightly since the beginning of 2023. The agricultural industry's economic barometer stood at 13.2 points in June 2023, and was therefore down 1.7 points on the December 2022 level. Sentiment is being weighed on in particular by lower producer prices, higher interest rates on borrowed capital, and also by Germany's national agricultural policy, which is causing uncertainty. In the second half of the year, farmers in Germany plan to increase their investments by €0.9 billion year on year to €5.8 billion despite ongoing uncertainty. Investments in machinery and equipment in particular are likely to undergo a clear increase. However, given the increased interest rates on borrowed capital, new investments are likely to be financed with a higher share of equity. By contrast, plans to invest in the acquisition of land are on the decline. The number of newly registered tractors in Germany increased year on year between January and June 2023 by 5.5% to 16,597 vehicles. This is most likely due to manufacturers' improved ability to deliver. The same period last year saw deliveries being delayed because of a shortage of parts.

Business performance

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 global trade with fruit and vegetable fruits.

	Revenues			EBIT		
In € million	**Q1–2/2023**	Q1–2/2022	Change in %	**Q1–2/2023**	Q1–2/2022	Change in %
Cefetra Group Segment	2,703.7	3,054.6	- 11.5	30.3	36.6	- 17.2
Agri Trade & Service Segment	2,790.2	2,982.3	- 6.4	39.8	134.2	- 70.3
Agricultural Equipment Segment	1,182.2	1,033.9	14.3	43.9	35.1	25.1
Global Produce Segment	518.1	458.8	12.9	- 2.1	16.4	> - 100
Agriculture business unit	**7,194.2**	**7,529.6**	**- 4.5**	**111.9**	**222.3**	**- 49.7**

Cefetra Group Segment
An above average result was achieved in trading with agricultural products and specialities in the Cefetra Group Segment, but figures failed to match the high level recorded in the previous year. The slight decline in marketing volume compared to the previous year was particularly reflected in the Benelux countries with a declining trade dynamic. By contrast, growth was achieved by companies in southern Europe on account of the appearance of alternative procurement markets after corn was only able to be sourced from Ukraine to a limited extent in the previous year due to the grain corridor as a result of the outbreak of war there. Markets remained under significant pressure due to ongoing geopolitical tensions and uncertainty, but trading opportunities were still available in spite of the significant decline in prices. Specialities business was significantly more stable, but not all subsidiaries were able to match the strong results from the previous year. Trade in organic ingredients at subsidiary Tracomex declined. Sedaco, a subsidiary based in Dubai trading in special crops such as seed, nuts and legumes from Africa, performed well. Cefetra Dairy was also able to make positive contributions to dairy product and dairy alternatives trading for the food industry.

Agri Trade & Service Segment
The performance of the Agri Trade & Service Segment was varied in the first half of 2023. While product trading benefited from a volatile price trend on the grain market and succeeded in generating above-average earnings margins due to a variety of factors, particularly grain contracts from the previous year, agricultural input trade had to contend with subdued demand despite decreasing prices. Sales of fertilizer fell by approximately 12% compared to the previous-year period. Falling production costs and excess supply on the market – leading to improved availability compared to the previous year – resulted in competition heating up and fertilizer prices coming under pressure, impacting trading margins in the segment. Sales of plant protection products were down year on year on account of weather conditions. Wet and cold weather in April, and dry conditions in May, prevented some farmers from taking measures to protect plants. Declining seed sales were also mainly due to the weather. Against this backdrop, EBIT in the Agri Trade & Service Segment fell considerably year on year but remained up on the average income level recorded in the years prior to 2022.

Agricultural Equipment Segment
In the first half of 2023, the Agricultural Equipment Segment benefited from the high order backlog at the end of the previous year. Business reached new record levels following substantial improvements to the supply situation year on year. Sales of new machinery in the first six months of 2023 increased 6.6%, although demand has shifted towards other product areas such as attachments. Price increases imposed by manufacturers were able to be passed on to customers, improving trading margins. Service business was stable thanks to high demand

for maintenance services and spare parts. Higher service rates were also able to be achieved. Against this backdrop, EBIT in the Agricultural Equipment Segment climbed by €8.8 million year on year to €43.9 million.

Global Produce Segment
The performance of the Global Produce Segment was affected by challenging conditions in the first half of 2023. Events were dominated by the effects of Cyclone Gabrielle on the land and harvests of both New Zealand subsidiary T&G Global Limited (T&G Global) and other producer partners in New Zealand. The storm significantly impacted the solid starting point for harvest volumes. The apple harvest volume (including producer partners) is expected to fall by up to 30%. Besides lower marketing volumes, a decline in income from licensing fees from third-party producers and a lack of packaging fees, additional costs were also incurred for cleaning up the damage caused by the cyclone. The full extent of the damage is yet to be assessed by insurers, and so the amount of compensation is still unclear. The remaining harvest was still of good quality, particularly in the case of Envy apples, which generate above-average prices as a premium product. All in all, export volume was down by around 40% year on year, but the limited supply also resulted in positive price effects on the markets. The main target markets for fruit sales are the US and Europe, with a particular focus on the UK. In May, the BayWa subsidiary also opened its new packaging facility in Hawke's Bay, New Zealand. It is one of the largest such facilities in the southern hemisphere, featuring world-leading automation and packaging output of 125,000 tonnes of apples per season once the second packaging line is installed. In the wake of a weak first quarter, BayWa's Dutch subsidiary TFC Holland B.V. (TFC) continued to be impacted in 2023 by subdued demand among consumers for more-expensive exotic fruit due to inflationary pressures. In addition, poor weather restricted the supply of avocados and mangoes from the main procurement regions. In some cases, products had to be purchased at higher prices on the spot market to meet obligations to food retailers, which had a noticeable impact on trading margins. The expansion of the customer base, on the other hand, had a positive effect, with TFC being awarded a contract to supply a major new customer with mangoes in the second quarter of the year. In May 2023, the property at the old TFC location was sold as planned, and the resulting accounting profit recorded in the half-year results. In Germany, strong apple sales, which featured a large number of sales promotions at food retailers in the lower price segment, continued in the second quarter of 2023. The first price increases were only able to be applied from March onwards. After some drastic interventions up to the end of the first half of 2023, prices have since stabilised after the backlog in apple stocks was eased. Meanwhile, consumer interest for premium products remained weak. The Global Produce Segment closed the first half of 2023 with EBIT of around minus €2.1 million.

Building materials business unit

Market and industry development

Development of building materials
With construction activity remaining subdued at the beginning of the year due to the weather conditions, it was the steady rise in interest rates and the cost of materials, coupled with uncertainty over the subsidy parameters in the revised German Buildings Energy Act (GEG), that led to a slump in investment in the construction industry in the first half of 2023. Debate surrounding the Buildings Energy Act, which implements the EU's Energy Performance of Buildings Directive implemented in 2020 with the aim of taking greater climate action in Germany and is set to come into force in revised form in 2024, is holding many consumers and commercial stakeholders back from investing in planned construction projects. Legislators will only decide on the revised structure of subsidies for heating systems powered by renewable energies under the Buildings Energy Act, as well as on exemptions and transitional periods, once they return from their summer recess. The draft version of the law requires all new building heating systems to use 65% renewable energies from 2024, with the government providing corresponding subsidies. The aim is to replace all heating systems running on fossil fuels such as natural gas and heating oil by 2045. The consistent rise in interest rates, making borrowing for construction considerably more expensive, is causing financial headaches for potential home-builders. In turn, the loss of purchasing power through inflation is also restricting potential profits from the construction of rental apartments. In May 2023, the price of building materials declined year on year due to lower demand, an improved supply situation and declining energy prices. Energy-intensive products such as bitumen and cement bucked the general trend, with prices continuing to rise. All in all, building materials prices are still noticeably up on those recorded in 2021 before the outbreak of war against Ukraine. Approvals of new homes declined by around 30% year on year in the first four months of 2023 due to the poor sentiment in the construction industry; in non-residential construction, approvals were down by around 20%. Incoming orders in residential construction slipped by approximately 35% in real terms between January and May 2023, but only by around 4% in commercial construction with commercial civil engineering orders from Deutsche Bahn having a stabilising effect. In public construction, the German construction sector reported a real-terms decline in orders of approximately 12%, Revenues in the construction industry fell by around 9% between January and May 2023 after adjustment for price changes.

The Confederation of the German Construction Industry (HDB – Hauptverband der Deutschen Bauindustrie) and the Central Association of the German Construction Sector (ZDB – Zentralverband des Deutschen Baugewerbes) anticipate that 250,000 new homes will be built in 2023 (2022: 295,000) in the best-case scenario. This would mark another significant shortfall on the target formulated in the German federal government's coalition agreement of 400,000 new homes per year.

Business performance

In € million	Revenues			EBIT		
	Q1–2/2023	Q1–2/2022	Change in %	**Q1–2/2023**	Q1–2/2022	Change in %
Building Materials Segment	978.8	1,160.7	- 15.7	0.7	43.5	- 98.4

Building Materials Segment
The BayWa Group pools its trading activities involving building materials in Germany and Austria in the Building Materials Segment. In the reporting period, the first half of 2023, rising interest rates and an associated tightening of lending guidelines led to a sharp decrease in construction investment and, as a result, in demand for building materials. This trend was predominantly reflected in BayWa's structural engineering, roofing and gardening segments, which are relevant to residential construction. Besides interest rates, increasing prices for energy-intensive building materials dampened demand even further, affecting BayWa's business in the process. Underlying regulatory conditions in terms of the structure of the German Buildings Energy Act are also likely to have led to further uncertainty and impacted investment propensity. BayWa Projekt GmbH performed according to schedule and was able to sell a total of nine units (residential and commercial properties). The infrastructure segment was a source of increasing growth momentum in the second quarter as it benefited from greater scope for public-sector investment. Commercial construction also had a positive impact on sales in the BayWa Building Materials Segment. However, robust demand in these areas wasn't enough to match the strong previous-year figures, which profited both from high demand and from price trends. With around 3,200 people employed at the parent company, the Building Materials segment has the most employees of any BayWa segment. As a result, it incurred the highest one-off expenses of around €7 million for special bonuses. Against this backdrop, EBIT in the Building Materials Segment decreased sharply year on year in the first six months of the current financial year to stand at just under €0.7 million. Faced by such a dramatic decline, the BayWa Group took a number of immediate measures, which should have a positive effect on earnings in the current financial year 2023. Alongside imposing a halt on new recruitment, four to six strategically non-relevant locations are currently under review with regard to their efficiency, with the possibility of closure or sale. BayWa will also be concentrating its sales activities more strongly on civil engineering and public-sector construction. This is expected to lead to a rise in earnings in the second half of the year, although the revenue and earnings shortfalls compared to the previous year will not be able to be made up before the end of 2023.

Innovation & Digitalisation Segment

Market and industry development

Digitalisation of agriculture is continuing at an unbroken pace. According to the latest studies, over 80% of farmers already use digital technologies at their farms. Precision farming for process automation and smart farming for connected farm management have become the standard. New developments, such as the use of satellite data, AI-supported decision-making and robotics are also pushing digitalisation forward, with optimized processes, resource efficiency and documentation requirements the main driving forces. For software developers, this is translating to unabated market growth. At the same time, competition is increasing as new providers and solutions enter the market. For software specialists, partnerships with established market stakeholders like manufacturers of agricultural equipment are an important part of enjoying long-term success.

Business performance

In € million	Revenues			EBIT		
	Q1–2/2023	Q1–2/2022	Change in %	**Q1–2/2023**	Q1–2/2022	Change in %
Innovation & Digitalisation Segment	5.1	4.8	6.3	- 3.2	- 5.0	36.0

The Innovation & Digitalisation Segment pools all activities of the BayWa Group in its Digital Farming division. The year-on-year revenue growth in the reporting period was mainly due to the expansion of the core software and geodata business. Earnings before interest and tax (EBIT) were negative due to investments in the development of Digital Farming solutions, but still improved strongly compared to the previous-year period. This uptick came primarily as a result of the direct allocation of material costs from the eBusiness division to the respective operating segments, which began on 1 January 2023.

Other Activities

EBIT resulting from Other Activities encompasses, in addition to earnings contributions from peripheral activities, a major part of the Group's administrative costs and consolidation effects and amounted to minus €30.2 million as at 30 June 2023 (Q1–2/2022: minus €37.9 million). The year-on-year improvement was primarily due to the increase in income from LWM Austria GmbH and earnings from the sale of properties.

Assets, Financial Position and Earnings Position of the BayWa Group

Asset position as at 30 June 2023

The BayWa Group's total assets stood at €12,787.1 million as at 30 June 2023 and were therefore €189.3 million lower than at the end of the financial year 2022. The decline in total assets came as a result of two opposing trends: The non-current assets of the BayWa Group rose by €316.2 million to €4,707.1 million, mainly as a result of investment in property, plant and equipment (up €256.5 million to €3,314.6 million) and intangible assets (up €36.7 million to €496.0 million) as well as an increase in participating interests recognised at equity (up €28.4 million to €307.1 million). By contrast, the BayWa Group's current assets decreased by €492.4 million and amounted to €8,076.7 million as at 30 June 2023. This was primarily due to the €606.9 million fall in inventories to €4,149.9 million. Both other current receivables and other non-current financial assets (up €279.2 million to €2,620.3 million) and cash and cash equivalents (up €37.0 million to €258.8 million) increased. Decreases in other current non-financial assets and current assets from derivatives were reported, by €142.0 million to €415.5 million and by €50.3 million to €560.9 million respectively.

The BayWa Group's equity declined by €18.6 million to €1,890.4 million in the first half of 2023. This was due to a decrease in other reserves by €52.8 million to minus €19.0 million, which was mainly caused by the BayWa AG dividend payment of €42.8 million and negative currency translation effects from subsidiaries operating in foreign currencies of minus €7.1 million. Shares in equity attributable to other shareholders fell by €20.2 million to €889.1 million. These negative effects were partially compensated for by a hybrid bond issued on 5 May 2023, which is classified as equity, with a volume of €60.0 million.

As at the end of the first half of 2023, the BayWa Group's non-current liabilities amounted to €4,915.7 million, €581.4 million under the figure reported on 31 December 2022. This decrease was mainly due to long-term debt (down €596.7 million to €2,963.4 million) as a consequence of the reclassification of the green bond of €500.0 million into short-term debt. In addition, non-current liabilities from derivatives declined by €39.0 million to €68.4 million. This was offset by an increase in non-current lease liabilities by €45.3 million to €971.6 million.

The BayWa Group's current liabilities climbed by €410.7 million in the first half of financial year 2023 to €5,981.0 million. This was mainly due to the rise in short-term debt (up €497.9 million to €2,216.6 million – reclassification of the green bond) and the increase in other current financial liabilities (up €38.0 million to €208.7 million). Other current provisions (down €51.5 million to €463.1 million), current trade payables and liabilities from inter-group business relationships (down €34.4 million to €1,801.3 million) and other current non-current non-financial liabilities (down €20.6 million to €739.1 million) all developed in the opposite direction.

Financial position in the first half of 2023

Based on a €23.2 million net result for the period as at 30 June 2023, cash earnings fell year on year by €121.0 million to €265.7 million. The decline in inventory levels, trade receivables and other assets not allocable to investment and financing activities resulted in cash inflows of €321.9 million in the first half of 2023. By contrast, the decline in trade payables and other liabilities not allocable to investing and financing activities resulted in cash outflows of €15.0 million. Cash flow from operating activities therefore stood at €517.3 million after the first six months of the financial year 2023, a year-on-year uptick of €575.0 million.

In the first six months of the financial year 2023, the BayWa Group's investment activity resulted in cash outflows of €203.0 million. Of this amount, €15.7 million was attributable to the acquisitions of BayWa r.e. Solar Systems SIA, Riga, Latvia; Cefetra Premium Oils B.V., Spijkenisse, Netherlands; Emmeringer Heizungsbau GmbH, Emmering, Germany; and Uwe Körner GmbH, Lachendorf, Germany, each of which was made as part of a share deal. Funds of €234.1 million were also used for the acquisition of intangible assets and property, plant and equipment. By contrast, cash inflows of €51.1 million resulted from the disposal of intangible assets and property, plant and equipment.

The disposal of investments resulted in cash inflows of €2.7 million in the first half of the year, whereas the addition of investments led to cash outflows of €16.3 million.

Cash flows from financing activities amounted to minus €274.2 million. Besides the repayment of debt, dividend payments of BayWa AG and other Group companies of €79.2 million, payments for lease obligations of €72.2 million and interest payments of €141.2 million all led to cash outflows. These were offset by the issue of another hybrid bond in May 2023, which generated cash inflows of €59.5 million.

In total, cash and cash equivalents have risen by €40.0 million since 31 December 2022 to €258.8 million due to cash inflows and outflows from operating, investment and financing activities.

Earnings position in the first half of 2023

In the first half of 2023, the BayWa Group's revenues came to €12,559.2 million, €354.7 million down on the comparison period in 2022. There was a particularly strong increase in revenues from the Renewable Energies Segment, by €312.3 million to €3,046.1 million, due to the ongoing positive business performance. Further rises in revenues came from the Agricultural Equipment Segment (up €148.3 million to €1,182.2 million) and the Global Produce Segment (up €59.3 million to €518.1 million). Revenues declined in the Cefetra Group Segment (down €350.9 million to €2,703.7 million), the Agri Trade & Service Segment (down €192.1 million to €2,790.2 million) and the Energy Segment (down €148.0 million to €1,329.2 million). In the Innovation & Digitalisation Segment (up €0.3 million to €5.1 million) and in Other Activities (down €2.0 million to €5.8 million), revenues were roughly on a par with the previous year.

In consideration of the increase in inventories of €36.7 million and other own work capitalised of €10.5 million as well as other operating income of €197.6 million – primarily driven by positive effects from foreign currency translation (up €63.6 million) – the BayWa Group generated gross revenues of €12,804.0 million in the first half of financial year 2023 (Q1–2/2022: €13,220.0 million).

Less cost of materials of €11,212.7 million (Q1–2/2022: €11,608.5 million), the BayWa Group's gross profit as at 30 June 2023 stood at €1,591.3 million, slightly below the previous year's figure by a margin of €20.2 million. Personnel expenses were up by €95.6 million to €797.3 million due to the increase in the number of employees, particularly in the Renewable Energies Segment. At €135.2 million, depreciation and amortisation of property, plant and equipment and intangible assets rose slightly compared to the previous year (Q1–2/2022: €126.5 million). Compared to the first half of 2022, other operating expenses climbed by €11.9 million to €478.2 million.

Due to the effects presented, the result of operating activities declined by €136.4 million to €180.6 million in the first half of 2023 (Q1–2/2022: €317.0 million).

Income from participating interests in the first six months of 2023 stood at €6.3 million, €5.2 million down on the figure reported in the previous-year period. This was predominantly the result of the €3.6 million decline in earnings from interests measured at equity to €5.8 million.

In the first half of 2023, the BayWa Group was able to generate operating earnings before interest and tax (EBIT) of €186.9 million. This figure was €141.6 million, or 43.1%, below the EBIT of the previous-year period of €328.5 million, which was characterised by special items and extraordinary economic conditions. Compared to the first half of financial year 2021 (EBIT: €144.6 million), EBIT rose by €42.2 million, or 29.3%, as at 30 June 2023.

Due to persistently high interest rates, the BayWa Group's net interest amounted to minus €154.2 million as at 30 June 2023, lower by €76.3 million than the figure of minus €77.9 million reported in the first half of 2022. Including tax expenses of €9.5 million, this resulted in a consolidated net result for the period of €23.2 million in the first half of 2023, down from the €177.6 million reported in the first half of 2022.

Employees

In the first half of 2023, the number of employees climbed by 787 to 23,037 compared to the end of 2022. This growth is mainly due to the increase in the average number of employees by 913 to 4,374 in the Renewable Energies Segment.

Outlook

The BayWa Group performed well in the first half of 2023 despite the noticeable weakening of purchasing power and therefore demand in some segments due to high inflation. Economic institutions expect income growth to increase at a greater rate than prices in the second half of the year, and that consumer spending will gain momentum as a result. This could have a positive effect in some segments in the agriculture and energy business units. This possible trend is likely to have less of an impact on the building materials business unit, as no reduction in interest rates is expected in the near future.

In the energy business unit, the positive business performance looks set to continue in the second half of 2023. The global trend towards reducing dependency on fossil energies will gain further momentum in light of the energy crisis and the current record-breaking temperatures in many regions around the world. All business divisions in the Renewable Energies Segment should benefit from this trend and generate the highest levels of growth across the Group in the second half of the year. Overall, project sales amounting to a total output of around 500 MW are planned for the financial year 2023. In addition, the company plans to sell project rights comprising an output of approximately 650 MW and to transfer a further 200 MW of completed projects to the company's own IPP business entity. The core regions in which the majority of projects are built or sold are in Europe. Projects featuring large-scale solar parks with a total output of more than 220 MW, most of which located in Spain, are currently up for sale along with a solar project in Japan, which has a total output of around 50 MW. The consistent expansion of the IPP portfolio will also contribute to the increase in earnings. In the second half of the year, sales from trading in PV components should be able to match the strong development seen in the first six months of the current financial year. This trend should continue unabated. Material shortages in the production of solar modules are also slowly being resolved and relieving supply-side issues.

In the Energy Segment, heating fuels trading could gain ground for seasonal reasons in the second half of 2023, but also on account of the planned increase in the CO_2 levy for fossil fuels effective from 1 January 2024, which could lead consumers to bring their orders forward. After skyrocketing in the first half of the year, wood pellet prices are likely to normalise and increase consumers' propensity to buy. Growth is also expected in the sale of lubricants, as slight economic recovery is anticipated. After the expansion of the network of LNG filling stations to 12, and with gas prices declining, recovery is also expected in this area of business. A major order from energy provider Vattenfall to equip around 200 locations with semi-public rapid charging points will generate further growth for BayWa Mobility Solutions GmbH.

Ongoing price fluctuations are forecast in international trade with grain and oilseed. After Russia terminated the deal for the grain agreement with Ukraine, the situation there remains tense. Possible disruptions in the delivery of the Russia grain harvest would further destabilise the overall food security situation. In addition, demand from China is likely to remain high. Furthermore, the forecasts for the grain harvest in some regions of the European Union are being successively lowered due to the extremely hot and dry weather. Against this backdrop, high price volatility continues to be expected and may be exacerbated by speculation on the markets. The complex market situation opens the door to opportunities in domestic and international product trading. Specialities business has proven to be relatively crisis-resistant, and so further growth is anticipated here. Against this backdrop, the Cefetra Group will be able to continue its positive performance in the first half of the year.

In Germany, the prospects for the grain harvest have taken a turn for the worse due to a period of hot weather. The harvest is expected to amount to around 42 million tonnes, approximately 4% down on the previous year. As in 2022, there are some major differences between individual regions of Germany when it comes to precipitation and soil conditions, which could lead to differences in grain harvest quality that could be advantageous to the Agri Trade & Service Segment's domestic product trading activities. Sales in the agricultural input business are expected to fall. The dryness experienced over the past few weeks should curb demand for crop protection and fertilizers. In addition, fertilizer prices are expected to stagnate or decline due to lower production costs. Improved product availability compared to the extraordinary situation in the previous year has ramped up competition and transformed what was a seller's market into a buyer's market.

The positive trend in the Agricultural Equipment Segment should continue in the second half of 2023, but not at the level seen in the very strong first half of the year. In particular, demand for agricultural machinery is expected to normalise, after BayWa was able to benefit from a higher order backlog from the previous year in the first half of 2023. Agritechnica, the world's largest agricultural equipment trade fair, and the rising level of digitalisation in agriculture could provide additional incentives to buy. Service business should continue seeing stable development.

In the Global Produce Segment, earnings will continue to be affected in the second half of the year by the effects of Cyclone Gabrielle. Aside from the loss of income due to the partial harvest failure and the need to write-off trees and other facilities destroyed by the natural disaster, working with insurers to ascertain total compensation will be of key importance. Measures to cut costs have also been taken to at least partially compensate for the harvest losses. In operating terms, fruit trading is likely to gain momentum as demand recovers, particularly in Asia (after the coronavirus pandemic). Prompt deliveries to core markets facilitated by logistic chains that are, in most cases, back to full strength, will support this development. The “Christmas quarter” is particularly significant to exotic fruit trading, as it is usually the time of year when the highest sales are reported. Limited apple inventories are likely to result in positive marketing – excluding old stocks – in the second half of the year in Germany, too. Incoming summer apples should therefore be met by a receptive market with the prospect of good prices. The full-year earnings of the Global Produce Segment in 2023 will strongly depend on compensation provided by insurers and when payouts are made. At the moment, the segment is expected to report a positive result, albeit significantly short of previous-year figures, which benefited from the sale of a majority share in the climate-controlled greenhouse in the United Arab Emirates (UAE), which had a positive earnings effect of around €3 million.

The boom in construction activity observed over the past few years has come to an abrupt end. Rising interest rates and high inflation mean that investment in residential construction projects has fallen by a clear margin. Uncertainty surrounding future government subsidies for energy-efficient construction from through the German Buildings Energy Act is another factor, too. This downward trend will only have a limited impact on public-sector and commercial construction, where the Building Materials Segment should unlock further potential but not to an extent that will make up for the slump in residential construction. Planned earnings contributions from BayWa Bau Projekt GmbH construction projects won’t be affected by the weak market development and will reach their projected earnings in financial year 2023. The management of the Building Materials Segment has initiated cost-cutting measures that should take effect in the second half of the year. The measures will allow the segment to grow in the final two quarters of the year, but will not be enough to compensate for the shortfall in earnings compared to the strong previous year.

The negative result generated by Other Activities is likely decline by up to 10% thanks to active cost management – particularly at administrative units –, marking a significant improvement compared to the previous year.

All in all, the operating business units of the BayWa Group will develop in different directions but reach the planned EBIT target of € 320 million to €370 million in financial year 2023.

Please 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.

Condensed Interim Consolidated Financial Statements of BayWa AG as at 30 June 2023

Consolidated Balance Sheet

Assets

In € million		30/06/2023	31/12/2022
Non-current assets			
Intangible assets		496.0	459.3
Property, plant and equipment		3,314.6	3,058.1
Participating interests recognised at equity		307.1	278.7
Investments		234.3	229.0
Investment property		37.3	42.1
Income tax assets		5.6	4.7
Assets from derivatives		90.7	97.9
Other receivables and other non-current financial assets		48.9	51.7
Other non-financial assets		11.0	7.5
Deferred tax assets		161.6	161.9
		4,707.1	**4,390.9**
Current assets			
Securities		0.9	0.9
Inventories		4,149.9	4,756.8
Biological assets		5.6	16.5
Income tax assets		64.8	63.3
Assets from derivatives		560.9	611.2
Other receivables and other current financial assets		2,620.3	2,341.1
Other non-financial assets		415.5	557.5
Cash and cash equivalents		258.8	221.8
		8,076.7	**8,569.1**
Non-current assets held for sale/disposal groups		**3.3**	**16.4**
Total assets		**12,787.1**	**12,976.4**

Shareholders' equity and liabilities

In € million		30/06/2023	31/12/2022
Equity			
Subscribed capital		91.8	91.8
Capital reserve		138.2	138.2
Hybrid capital		59.5	0.0
Revenue reserves		730.8	735.9
Other reserves		- 19.0	33.8
Equity net of minority interest		**1,001.3**	**999.7**
Minority interest		889.1	909.3
		1,890.4	**1,909.0**
Non-current liabilities			
Pension provisions		517.6	519.8
Other non-current provisions		83.2	86.9
Long-term debt		2,963.4	3,560.1
Lease liabilities		971.6	926.3
Trade payables and liabilities from inter-group business relationships		5.6	4.6
Income tax liabilities		0.0	0.0
Liabilities from derivatives		68.4	107.4
Other non-current liabilities		12.8	0.3
Other non-financial liabilities		89.5	86.8
Deferred tax liabilities		203.6	204.9
		4,915.7	**5,497.1**
Current liabilities			
Pension provisions		32.2	32.4
Other current provisions		463.1	514.6
Long-term debt		2,216.6	1,718.7
Lease liabilities		82.7	75.6
Trade payables and liabilities from inter-group business relationships		1,801.3	1,835.7
Income tax liabilities		82.8	98.7
Liabilities from derivatives		354.5	364.3
Other current liabilities		208.7	170.7
Other non-financial liabilities		739.1	759.7
		5,981.0	**5,570.3**
Liabilities from disposal groups		–	–
Total shareholders' equity and liabilities		**12,787.1**	**12,976.4**

Consolidated Income Statement

Continued operations

In € million		Q1–2/2023	Q1–2/2022
Revenues		**12,559.2**	**12,913.9**
Inventory changes		36.7	62.7
Other own work capitalised		10.5	7.8
Other operating income		197.6	235.6
Cost of materials		- 11,212.7	- 11,608.5
Gross profit		**1,591.3**	**1,611.5**
Personnel expenses		- 797.3	- 701.7
Depreciation/amortisation		- 135.2	- 126.5
Other operating expenses		- 478.2	- 466.3
Result of operating activities		**180.6**	**317.0**
Income from participating interests recognised at equity		5.8	9.4
Other income from shareholdings		0.5	2.1
Interest income		8.1	5.7
Interest expenses		- 162.3	- 83.6
Financial result		**- 147.9**	**- 66.4**
Earnings before tax (EBT)		**32.7**	**250.6**
Income tax		- 9.5	- 73.0
Consolidated net result for the period		**23.2**	**177.6**
thereof: profit share of minority interest		22.7	53.2
thereof: profit share of shareholders of the parent company		0.5	124.4
Basic earnings per share (in €)		**- 0.01**	**3.33**
Diluted earnings per share (in €)		**- 0.01**	**3.33**

Consolidated Income Statement by Quarter

Continued operations

In € million	Q1/2023	Q2/2023	Q1/2022	Q2/2022
Revenues	**6,280.4**	**6,278.8**	**6,257.0**	**6,656.9**
Inventory changes	37.4	- 0.7	- 121.6	184.3
Other own work capitalised	3.4	7.1	3.8	4.0
Other operating income	84.9	112.7	97.2	138.4
Cost of materials	- 5,664.5	- 5,548.2	- 5,491.0	- 6,117.5
Gross profit	**741.6**	**849.7**	**745.4**	**866.1**
Personnel expenses	- 373.7	- 423.6	- 338.0	- 363.7
Depreciation/amortisation	- 67.0	- 68.2	- 61.6	- 64.9
Other operating expenses	- 210.6	- 267.6	- 202.3	- 264.0
Result of operating activities	**90.3**	**90.3**	**143.5**	**173.5**
Income from participating interests recognised at equity	1.6	4.2	1.2	8.2
Other income from shareholdings	- 0.1	0.6	0.2	1.9
Interest income	3.3	4.8	3.1	2.6
Interest expenses	- 80.5	- 81.8	- 40.9	- 42.7
Financial result	**- 75.7**	**- 72.2**	**- 36.4**	**- 30.0**
Earnings before tax (EBT)	**14.6**	**18.1**	**107.1**	**143.5**
Income tax	- 4.2	- 5.3	- 30.5	- 42.5
Consolidated net result for the period	**10.4**	**12.8**	**76.6**	**101.0**
thereof: profit share of minority interest	5.9	16.8	34.8	18.4
thereof: profit share of shareholders of the parent company	4.5	- 4.0	41.7	82.7

Consolidated Statement of Comprehensive Income – Transition

In € million	Q1–2/2023	Q1–2/2022
Consolidated net result for the period	**23.2**	**177.6**
Other income from participating interests recognised at equity that is not reclassified retroactively to profit or loss	0.1	0.0
Reclassification of measurement effects recognised in OCI to revenue reserves (without recycling)	–	–
Net gain/loss from other current financial assets attributed to the fair value through other comprehensive income category (OCI option – without recycling)	- 2.5	- 44.8
Actuarial gains/losses from pension obligations and severance pay obligations	- 2.8	182.2
Sum of items not subsequently reclassified in the income statement	**- 5.2**	**137.4**
Other income from participating interests recognised at equity	–	–
Reclassifications to the income statement due to the disposal of participating interests recognised at equity	–	–
Differences from currency translation	- 5.9	- 4.5
Reclassifications of differences from currency translation in the income statement	- 0.1	5.4
Cash flow hedges	- 24.2	- 75.3
Reclassifications of net gains/losses from cash flow hedges to the income statement	10.2	2.5
Sum of items subsequently reclassified in the income statement	**- 20.0**	**- 72.0**
Gains and losses recognised directly in equity	**- 25.2**	**65.4**
thereof: due to minority interest	- 20.5	- 73.2
thereof: due to shareholders of the parent company	- 4.7	138.6
Consolidated total result for the period	**- 2.1**	**243.0**
thereof: due to minority interest	2.1	- 20.0
thereof: due to shareholders of the parent company	- 4.2	263.0

Condensed Consolidated Cash Flow Statement

In € million	**Q1–2/2023**	Q1–2/2022
Cash earnings	**265.7**	**386.7**
Cash flow from operating activities	517.3	- 57.7
Cash flow from investment activities	- 203.0	- 183.4
Cash flow from financing activities	- 274.2	76.9
Payment-related changes in cash and cash equivalents	40.0	- 164.2
Cash and cash equivalents at the start of the period	**221.8**	**399.1**
Inflow/outflow of funds due to changes in the group of consolidated companies and in exchange rates	- 3.1	- 1.4
Cash and cash equivalents at the end of the period	**258.8**	**233.5**

Condensed Consolidated Statement of Changes in Equity

In € million	Subscribed capital	Capital reserve
As at 01/01/2023	**91.8**	**138.2**
Differences resulting from changes in the group of consolidated companies and other effects	–	–
Capital increase against cash contribution/share-based payments	–	–
Raising of hybrid capital	–	–
Change in other current financial assets measured at fair value through other comprehensive income (FVTOCI option) and income from participating interests included under the equity method	–	–
Change in actuarial gains/losses from pension and severance pay obligations	–	–
Dividend distribution	–	–
Differences from currency translation	–	–
Cash flow hedges	–	–
Hybrid capital dividends	–	–
Transfer to/withdrawal from revenue reserve	–	–
Consolidated net result for the period 01/01 – 30/06/2023	–	–
As at 30/06/2023	**91.8**	**138.2**
As at 01/01/2022	**91.2**	**129.5**
Differences resulting from changes in the group of consolidated companies and other effects	–	–
Capital increase against cash contribution/share-based payments	–	–
Change in other current financial assets measured at fair value through other comprehensive income (FVTOCI option) and income from participating interests included under the equity method	–	–
Change in actuarial gains/losses from pension and severance pay obligations	–	–
Dividend distribution	–	–
Differences from currency translation	–	–
Cash flow hedges	–	–
Hybrid capital dividends	–	–
Transfer to/withdrawal from revenue reserve	–	–
Consolidated net result for the period 01/01 – 30/06/2022	–	–
As at 30/06/2022	**91.2**	**129.5**

Hybrid capital	Valuation reserve	Other revenue reserves	Other reserves	Equity net of minority interest	Minority interest	Equity
–	**63.7**	**672.2**	**33.8**	**999.7**	**909.3**	**1,909.0**
–	- 13.0	4.5	- 2.2	- 10.7	- 6.8	- 17.4
–	–	–	–	–	20.8	20.8
59.5	–	–	–	59.5	–	59.5
–	- 1.2	0.0	–	- 1.2	- 1.2	- 2.4
–	–	- 2.9	–	- 2.9	0.1	- 2.8
–	–	–	- 42.8	- 42.8	- 36.4	- 79.2
–	–	–	- 7.1	- 7.1	1.1	- 6.0
–	6.5	–	–	6.5	- 20.5	- 14.0
–	–	–	–	–	–	–
–	–	0.9	- 0.9	–	–	–
–	–	–	0.5	0.5	22.7	23.2
59.5	**56.1**	**674.8**	**- 19.0**	**1,001.3**	**889.1**	**1,890.4**
296.3	**2.7**	**482.4**	**12.3**	**1,014.4**	**801.7**	**1,816.1**
–	0.2	- 48.5	13.4	- 34.9	- 8.1	- 43.0
–	–	–	–	–	16.5	16.5
–	- 21.9	0.0	–	- 21.9	- 22.9	- 44.8
–	–	182.2	–	182.2	- 0.0	182.2
–	–	–	- 37.2	- 37.2	- 22.6	- 59.8
–	–	–	3.4	3.4	- 2.6	0.8
–	- 25.1	–	–	- 25.1	- 47.7	- 72.8
–	–	–	–	–	–	–
–	–	- 1.6	1.6	0.0	–	0.0
–	–	–	124.4	124.4	53.2	177.6
296.3	**- 44.1**	**614.5**	**117.9**	**1,205.4**	**767.4**	**1,972.8**

Selected Explanatory Notes to the Consolidated Financial Statements

Accounting policies and valuation methods

These Half-Year Financial Statements of the BayWa Group as at 30 June 2023 were drawn up in compliance with the International Financial Reporting Standards (IFRS) as applicable within the European Union. In accordance with IAS 34, the interim consolidated financial statements are published in a condensed form compared to the annual consolidated financial statements and are therefore to be read together with the BayWa AG Consolidated Financial Statements for the financial year 2022. All new or amended IFRS and interpretations by the IFRS Interpretations Committee that were applicable for the BayWa Group for the first time as at 1 January 2023 were observed. For pre-existing or unamended IFRS, the accounting, measurement, consolidation and disclosure principles, with the exception of the changes listed below, comply with those that were applied when preparing the consolidated financial statements as at 31 December 2022. In this regard, reference is made to the consolidated financial statements of BayWa AG as at 31 December 2022. BayWa AG's reporting currency is the euro. 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.

Assumptions and estimates

In as much as assumptions and estimates were made in the context of reporting, they have remained unchanged as to the methodology used during the financial year and between financial years. There are no reportable changes which have had a material impact on the current reporting period.

Seasonal and economic influences on business activity

Seasonal influences typical to the business have an impact on almost all the core activities of the Group. Over the year, these lead to fluctuations in revenues and profit which partly offset one another. In the Agri Trade & Service and Global Produce Segments, the main activities take place in the first three quarters of the financial year, with the focus on the second quarter. The Energy Segment is impacted more by economic influences which cause fluctuations in business. The price trend exerts a major impact on consumer behaviour and therefore on the development of the business unit's revenues. Backlogs in demand subsequently even out over a number of years. The Renewable Energies Segment is subject to fluctuations depending on project sales. Business development may also be impacted by political factors as a result of changes in promotion measures. In the Building Materials Segment, business picks up after the first quarter and slows in the fourth quarter due to the weather.

Changes in the group of consolidated companies

Along with BayWa AG, the consolidated financial statements include all major companies over which it can exercise direct or indirect control via subsidiaries.

As at 30 June 2023, a total of 569 companies were included in the consolidated financial statements in accordance with the standards applicable to full consolidation; as at 31 December 2022, 541 companies were included in the consolidated financial statements. In addition, 30 associated companies and joint ventures were included in the consolidated financial statements in accordance with the equity method set out under IAS 28 (30 June 2022: 27 companies).

The group of consolidated companies changed as follows in the first half of 2023:

Affiliated companies so far not included in the consolidated financial statements for reasons of materiality

In %	Share in capital	Previous year's share in capital	Comment
BayWa r.e. Class B Holdings LLC, Irvine, USA	100.0	100.0	Initial consolidation on 01/01/2023
BayWa r.e. Development Portfolio I LLC, Irvine, USA	100.0	100.0	Initial consolidation on 01/04/2023
BayWa r.e. Solar Systems GmbH, Poggersdorf, Austria	100.0	100.0	Initial consolidation on 01/01/2023
brüderl Projekt Dachau Hochstraße GmbH & Co. KG, Traunreut, Germany	100.0	100.0	Initial consolidation on 01/01/2023
Capital Fruit Ltd, Tzaneen, South Africa	50.0	50.0	Initial consolidation on 01/01/2023
Cloud Hill Windfarm Limited, London, United Kingdom	100.0	100.0	Initial consolidation on 01/01/2023
Hübnerstraße Grundbesitz GmbH, Kemnath, Germany	100.0	100.0	Initial consolidation on 01/01/2023
JPB Holding GmbH, Kemnath, Germany	51.0	51.0	Initial consolidation on 01/01/2023
Maqueda Solar S.L.U., Barcelona, Spain	100.0	100.0	Initial consolidation on 01/01/2023
Oaklands Farm Solar Limited, London, United Kingdom	100.0	100.0	Initial consolidation on 01/01/2023
Piccola ma carina Projekt GmbH, Munich, Germany	51.0	51.0	Initial consolidation on 01/01/2023
Profruit Investments Ltd, Politsi, South Africa	100.0	100.0	Initial consolidation on 01/01/2023
Projekt Baierbrunn W13 GmbH, Augsburg, Germany	51.0	51.0	Initial consolidation on 01/01/2023
Putlitzstraße Grundbesitz GmbH, Kemnath, Germany	100.0	100.0	Initial consolidation on 01/01/2023
Regolo Rinnovabili S.r.l., Milan, Italy	100.0	100.0	Initial consolidation on 01/01/2023
Saintonge Energies SAS, Paris, France	100.0	80.00	Initial consolidation on 01/01/2023
Seosan Iljo Bit Solar Co., Ltd., Seoul, South Korea	100.0	100.0	Initial consolidation on 01/01/2023
SOLAR CASTUERA, S.L., Madrid, Spain	80.0	80.0	Initial consolidation on 01/01/2023
Solar-Planit Software GmbH, Tübingen, Germany	100.0	100.0	Initial consolidation on 01/01/2023
Windpark Desloch GmbH & Co. KG, Gräfelfing, Germany	100.0	100.0	Initial consolidation on 01/01/2023
Zonlocatie 4 B.V., Leeuwarden, Netherlands	100.0	100.0	Initial consolidation on 01/01/2023
Zonnedak F3 B.V., Heerenveen, Netherlands	100.0	100.0	Initial consolidation on 01/01/2023
Zonnepark PV27 B.V., Leeuwarden, Netherlands	100.0	100.0	Initial consolidation on 01/01/2023

Acquired companies included in the consolidated financial statements for the first time owing to attainment of control [1]

In %	Share in capital	Comment
BayWa r.e. Solar Systems SIA, Riga, Latvia	100.0	Initial consolidation on 02/02/2023
Cefetra Premium Oils B.V., Spijkenisse, Netherlands	100.0	Initial consolidation on 30/01/2023
ChaeGwang Energy Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Emmeringer Heizungsbau GmbH, Emmering, Germany	100.0	Initial consolidation on 01/01/2023
Haneul Bit Energy Co., Ltd., Yogin, South Korea	100.0	Initial consolidation on 20/04/2023
Iljo Bit Energy 1 Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Iljo Bit Energy 2 Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Iljo Bit Energy 3 Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Jigok Bit Energy Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Mirae Bit Energy Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
RIGI PV d.o.o., Zagreb, Croatia	100.0	Initial consolidation on 23/06/2023
Solar Tech Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Solar Wood Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Solarcell Energy Co., Ltd., Seoul, South Korea	100.0	Initial consolidation on 20/04/2023
Uwe Körner GmbH, Lachendorf, Germany	100.0	Initial consolidation on 20/03/2023

1 No shares were held in these companies in the previous year.

Established company included in the consolidated financial statements for the first time[1]

In %	Share in capital	Comment
BayWa r.e. Solar Systems Single Member SA, Marousi, Greece	100.0	Initial consolidation on 08/03/2023

1 No shares were held in this company in the previous year.

Companies no longer included in the consolidated financial statements for reasons of materiality

In %	Share in capital	Previous year's share in capital	Comment
BayWa r.e. Operation Services, S. de R.L. de C.V., Mexico City, Mexico	100.0	100.0	Deconsolidation on 01/01/2023
EVN-ECOWIND Sonnenstromerzeugungs GmbH, Maria Enzersdorf, Austria	50.0	50.0	Change to at-equity on 31/03/2023
Wessex Grain Ltd., Henstridge, United Kingdom	100.0	100.0	Deconsolidation on 01/01/2023

Companies no longer included in the consolidated financial statements owing to loss of control[1]

In %	Previous year's share in capital	Comment
Airies 2 Windfarm Ltd., Edinburgh, United Kingdom	100.0	Liquidated on 30/05/2023
Blue Solar LLC, Irvine, USA	100.0	Sold on 01/01/2023
brandpower S1 GmbH, Kilb, Austria	100.0	Sold on 23/05/2023
brandpower S2 GmbH, Kilb, Austria	100.0	Sold on 23/05/2023
Dalquhandy Wind Farm Ltd., Edinburgh, United Kingdom	100.0	Sold on 06/06/2023
Eko-En Skibno Sp. z o.o., Warsaw, Poland	100.0	Sold on 24/01/2023
Notch Peak Solar, LLC, Irvine, USA	100.0	Sold on 24/05/2023
Serralonga Energia S.r.l., Turin, Italy	52.0	Sold on 24/05/2023

1 No shares were held in these companies at the end of the first half of 2023.

Additions due to acquisitions in the first half of 2023

Addition: Uwe Körner GmbH, Lachendorf, Germany
With effect from 20 March 2023, BayWa AG acquired 100% of the shares in Uwe Körner GmbH, Lachendorf, Germany, through BayWa Agrar Beteiligungs GmbH, Munich, Germany, as part of a share deal. Uwe Körner GmbH is a project developer and distributor in the field of irrigation technology with a focus on drip and sprinkler irrigation in northern Germany and represents a regional expansion for BayWa in this sector. BayWa Agrar Beteiligungs GmbH has had a controlling influence since 20 March 2023. The initial inclusion in the consolidated financial statements as part of full consolidation took place on 1 April 2023 for reasons of simplicity. The cost of acquiring the shares amounted to €7.3 million. According to the preliminary purchase price allocation, goodwill amounted to €4.4 million. The transaction costs incurred in relation to the acquisition amounted to €0.1 million.

In summary, additions to assets (excluding goodwill) and liabilities from the acquisition of Uwe Körner GmbH, measured at fair value (broken down by major category), are as follows (preliminary amounts):

In € million	Uwe Körner GmbH (preliminary amounts)
Assets	
Intangible assets	1.5
Property, plant and equipment	1.0
Investments	0.0
Inventories	1.6
Financial assets	–
Receivables and other assets	0.8
thereof: receivables (gross)	0.6
thereof: receivables considered recoverable	0.6
Deferred tax assets	0.0
Cash and cash equivalents	0.5
Shareholders' equity and liabilities	
Long-term debt	–
Other non-current liabilities	0.0
Short-term debt	0.1
Current trade payables and liabilities from inter-group business relationships	1.1
Current income tax liabilities	–
Other current liabilities	0.7
Deferred tax liabilities	0.6
Acquired net assets at the point of initial consolidation	**2.9**
Share attributable to shareholders of the parent company	2.9
Share attributable to minority shareholders	–

The goodwill reconciliation at the time of initial consolidation is as follows:

In € million	Uwe Körner GmbH (preliminary amounts)
Contribution transferred in return for the acquisition of shares	7.3
Non-controlling interests in the acquired company	–
Acquired net assets at the point of initial consolidation	2.9
Goodwill	**4.4**

Capitalised goodwill includes non-separable intangible assets such as employee expertise and expected synergy effects.

Revenue and earnings contribution of the company consolidated for the first time in the reporting period

In € million	Uwe Körner GmbH (preliminary amounts)
Revenues from the point of initial consolidation	1.5
Profit/loss from the point of initial consolidation	0.2
Pro forma revenues for the period from 01/01 to 30/06/2023	3.0
Pro forma profit/loss for the period from 01/01 to 30/06/2023	0.3

Other acquisitions in the first half of 2023

BayWa AG acquired 100% of the shares in Cefetra Premium Oils B.V., Spijkenisse, Netherlands, through the Group company Tracomex B.V., Oosterhout, Netherlands. Tracomex B.V. has had a controlling influence since 30 January 2023. Cefetra Premium Oils B.V. has been fully consolidated in the consolidated financial statements of BayWa AG since that date. The purchase price amounted to €1.5 million.

BayWa AG acquired 100% of the shares in Proelektro SIA, Riga, Latvia, now named BayWa r.e. Solar Systems SIA, Riga, Latvia, through the Group company BayWa r.e. AG, Munich, Germany. The controlling influence of BayWa r.e. AG has existed since 2 February 2023. Since this date, BayWa r.e. Solar Systems SIA has been fully consolidated in the consolidated financial statements of BayWa AG. The purchase price amounted to €2.2 million.

Supplementary information on company acquisitions in the previous year

Sol in one GmbH, Kaiserslautern, Germany
The purchase price allocation of Sol in one GmbH, Kaiserslautern, which had already been acquired in January 2022, was included in the 2022 consolidated financial statements as preliminary. This was adjusted to the final status of the valuation process within the one-year valuation period. The effects of the changed purchase price allocation on the consolidated balance sheet are as follows:

In € million	Preliminary fair values at initial consolidation	Adjustments	**Fair values at initial consolidation**
Assets			
Intangible assets	4.5	- 1.5	3.0
Property, plant and equipment	1.0	–	1.0
Investments	–	–	–
Inventories	1.0	- 0.5	0.5
Receivables and other assets	8.8	- 5.7	3.1
thereof: receivables (gross)	2.8	–	2.8
thereof: receivables considered recoverable	2.7	- 1.2	1.5
Deferred tax assets	0.1	0.1	0.2
Cash and cash equivalents	0.5	–	0.5
	15.9	**- 7.6**	**8.3**
Shareholders' equity and liabilities			
Long-term debt	–	–	–
Other non-current liabilities	–	–	–
Short-term debt	3.9	–	3.9
Current trade payables and liabilities from inter-group business relationships	–	–	–
Current income tax liabilities	0.3	- 0.3	–
Other current liabilities	4.2	2.7	6.9
Deferred tax liabilities	1.9	- 0.8	1.1
	10.3	**1.6**	**11.9**
Acquired net assets at the point of initial consolidation	**5.7**	**- 9.3**	**- 3.6**
Share attributable to shareholders of the parent company	4.6	- 7.4	- 2.9
Share attributable to minority shareholders	1.1	- 1.9	- 0.7

The goodwill reconciliation at the time of initial consolidation, separated into preliminary and final purchase price allocation, is as follows:

In € million	Preliminary fair values at initial consolidation	Adjustments	**Fair values at initial consolidation**
Contribution transferred in return for the acquisition of shares	12.0	- 4.2	7.8
Non-controlling interests in the acquired companies	1.1	- 1.9	- 0.7
Acquired net assets at the point of initial consolidation	4.6	- 7.4	- 2.9
Goodwill	**7.5**	**3.1**	**10.6**

Goodwill, which was still recognised in the financial statements as at 31 December 2022 as a preliminary amount, was adjusted from €7.5 million to €10.6 million.

Financial instruments

The financial assets and liabilities measured at fair value assigned to the three levels of the fair value hierarchy as at the reporting date, 30 June 2023, are as follows:

In € million **30/06/2023**	Level 1	Level 2	Level 3	Total
Financial assets				
Assets from derivatives, including derivatives designated as hedging instruments for cash flow hedge accounting (assets)	116.5	533.9	1.3	651.6
Securities	24.2	–	–	24.2
Securities (OCI option)	55.9	–	–	55.9
	196.6	**533.9**	**1.3**	**731.8**
Financial liabilities				
Liabilities from derivatives, including derivatives designated as hedging instruments for cash flow hedge accounting (liabilities)	115.1	260.4	47.5	422.9
	115.1	**260.4**	**47.5**	**422.9**

In € million **31/12/2022**	Level 1	Level 2	Level 3	Total
Financial assets				
Assets from derivatives, including derivatives designated as hedging instruments for cash flow hedge accounting (assets)	141.1	568.0	–	709.1
Securities	24.1	–	–	24.1
Securities (OCI option)	59.1	–	–	59.1
	224.3	**568.0**	**–**	**792.3**
Financial liabilities				
Liabilities from derivatives, including derivatives designated as hedging instruments for cash flow hedge accounting (liabilities)	113.4	288.9	69.3	471.6
	113.4	**288.9**	**69.3**	**471.6**

The fair value hierarchy levels and their application to the assets and liabilities are described below:
- **Level 1:** Prices are identical to those quoted in active markets for identical assets or liabilities.
- **Level 2:** Input factors which are not synonymous with the prices assumed at level 1 but which can be observed either directly (i.e. as prices) or indirectly (i.e. derived from prices) for the respective asset or liability.
- **Level 3:** Factors not based on observable market data for the measurement of the asset or a liability (non-observable input factors).

In the financial year 2022, a purchase contract in energy trading was concluded at the same time as a sale contract. As a result, both had to be recognised at fair value through profit or loss. In addition, the fair value option was exercised for purchase contracts concluded in the first half of 2023. The contracts are measured using an internal measurement model based on unobservable input factors using the present value method (level 3). Material unobservable inputs include basis risk, market value advantage and capture rate. Discounts on the basis risk are derived from the profit-at-risk method, which is based on historical market prices. The market value advantage and the capture rate are estimated by comparing the type of installed energy generation system with the average value of similar installed systems.

The effects on the fair value of a change in the aforementioned unobservable input factors are determined in a sensitivity analysis. A simultaneous change in the basis risk and the market value advantage of plus/minus 1% results in a deviating fair value of minus/plus 0.01%. A change in both factors of plus/minus 5% results in a change of minus/plus 0.03%. The reduced sensitivity compared to the previous year is due to the lower risk assessment of these factors resulting from the significant fall in the market price and volatility level. A change in the market value advantage alone, on the other hand, would barely cause any change in fair value. No changes to the capture rate are expected, as this input factor remains constant over the term of the contract. As a result, the capture rate does not lead to any sensitivity. This means the basis risk can be identified as the only significant driver of sensitivity, so that no further alternative assumptions are required for the remaining input factors. There is a direct correlation between basis risk and market price volatility. A change in the unobservable input factors – particularly basis risk – would have an immaterial effect on fair value. Under normal market conditions, volatility can change by plus/minus 10%.

The fair values of the level 3 contracts developed as follows:

In € million	Financial assets (level 3)	Financial liabilities (level 3)
As at 01/01/2023	**–**	**69.3**
Additions	1.3	1.2
Disposals	–	–
Change in fair value recognised in profit or loss	–	- 23.0
Change in fair value not recognised in profit or loss	–	–
As at 30/06/2023	**1.3**	**47.5**

Bonds/equity instruments

On 5 May 2023, a hybrid bond (ISIN DE000A351PD9) was issued with a volume of €60.0 million. The terms and conditions of the contract do not include any payment obligations on the part of BayWa AG that lead to the classification of the bond as a financial liability in whole or in part. The bond has therefore been classified as an equity instrument pursuant to IAS 32 and reported as a separate item under equity. It has an indefinite term and can only be terminated by BayWa on an ordinary or extraordinary basis if certain events occur. Repayment will then be made at this point in time. In terms of interest in the period between the issue and repayment, there are two distinct phases: In the phase up to the first possible repayment date in 2028, the interest rate is at a fixed rate of 7.750%. In the second phase up to the repayment of the bond, the rate of interest is variable with the margin determined in advance. The discount, bank fees and transaction costs, as well as deferred tax assets on these costs, were deducted directly from equity in accordance with IAS 32.37 et seq. No dividend-like payments have been made to date since the issue in May 2023.

No bonded loans fell due in the first half of the financial year 2023. However, two new promissory notes were issued with a total nominal volume of €11.0 million and a maturity date of 10 February 2033. The interest rate is fixed at 4.811%.

Appropriation of 2022 profit available for distribution

On 6 June 2023, the Annual General Meeting approved the following appropriation of BayWa AG's profit available for distribution in the financial year 2022:

In €	2022
Dividend of €1.10 per dividend-bearing share	39,209,069.90
Special dividend of €0.10 per dividend-bearing share to mark the 100th anniversary of BayWa AG	3,564,460.90
Carried forward to new account	122,970,910.22
Profit available for distribution	**165,744,441.02**

The dividend was paid on 9 June 2023. The amount distributed to the shareholders was reduced by the portion of the treasury shares owned by BayWa AG at the time when the resolution on profit appropriation was made, as these shares are not entitled to dividends pursuant to Section 71b German Stock Corporation Act (AktG). This portion was transferred to other revenue reserves.

Earnings per share

Earnings per share are calculated by dividing the portion of profit of BayWa AG's shareholders, accounting for the dividend on hybrid capital, by the average number of the shares issued in the financial year and dividend-bearing shares. There were no diluting effects, which means that diluted and basic earnings per share are the same.

Transactions and events to be reported

Interim reporting must contain information on transactions and events which affect the assets, debt, equity, result for the period under review or the cash flow, and which, due to their type, scope or frequency, are unusual.

There were no material transactions and events to be reported in the period from January to June 2023. In respect of effects from the acquisition and disposal of companies, reference is made to the explanations above.

Tax computation

Tax computation is carried out by using the weighted average annual income tax rate for each separate region. The deferred tax assets include tax-reducing claims which arise from the expected utilisation of loss carryforwards in the periods ahead, the realisation of which is assured with sufficient probability.

In December 2021, the OECD released technical guidance on a new global framework for an effective minimum tax in order to ensure that the profits of global multinational enterprises with total annual revenues of at least €750 million are taxed at a minimum rate of 15% per country. The European Union agreed unanimously in December 2022 to implement the framework in the form of a directive that is also to apply to purely domestic enterprises with certain minimum revenues. The EU directive must be transposed by member states into national law by 31 December 2023 to ensure that it applies to financial years starting after said date. Some countries have already released draft legislation pertaining to the framework. Germany is one of those countries, but its legislation has yet to enter into force.

The new legal framework will apply to the BayWa Group from the financial year 2024. The potential future impact of the regulations on the BayWa Group, including their impact on current taxes and tax payments, is currently being analysed.

The BayWa Group is making use of the temporary exemption resulting from the implementation of the global minimum taxation regulations, under which it does not have to recognise deferred taxes.

Contingent liabilities and contingent assets

There were no major changes in either contingent liabilities or contingent assets as against 31 December 2022.

Cash flow statement

The cash flow statement has been drawn up pursuant to IAS 7 by applying the indirect method, and broken down into cash flows from operating, investing and financing activities.

Other transactions and events to be reported after the reporting date

Since the reporting date, 30 June 2023, there have been no other reportable transactions or events that have had a material effect on the net assets, financial position and earnings position of the BayWa Group and should have been reported.

Audit of the Half-Year Financial Statements

The Half-Year Financial Statements were not subject to any audit review.

Segment report

Segment reporting remains unchanged year on year. Only the order of presentation has changed, with the Global Produce Segment now positioned between the Agricultural Equipment and Building Materials Segments. The presentation of the previous year has been adjusted accordingly for better comparability. In accordance with the operating business activities of the BayWa Group, the reportable segments according to IFRS 8 comprise the Renewable Energies, Energy, Cefetra Group, Agri Trade & Service, Agricultural Equipment, Global Produce and Building Materials Segments. The Innovation & Digitalisation Segment and Other Activities are still reported separately, as in the past.

The business activities of the Renewable Energies Segment, pooled in BayWa r.e. AG, are split up into three areas: Projects, Operations and Solutions. Projects encompasses international project planning, management and the construction of wind farms and solar parks as well as the sale of finished plants. Operations comprises planning and technical services, the provision of consumables, technical and commercial management, the maintenance of plants, energy trading and the marketing of electricity from own plants as an independent power producer (IPP). Solutions involves selling photovoltaic systems and components and tailored energy solutions to supply energy to commercial and industrial customers.

The Energy Segment comprises an extensive network, which ensures the supply of heating oil, fuels and lubricants, as well as AdBlue, wood pellets and heating solutions, to commercial and private customers. The segment also provides solutions in the fields of electromobility, liquefied natural gas (LNG) and digital mobility.

The Cefetra Group Segment specialises in the international trade of grain and oilseed. As a supply chain manager, it covers the entire value chain from purchasing through to logistics and sales. Its customers include local and international grain and oil mills, breweries and malt houses, manufacturers of starch and feedstuff, and producers of biofuels and ethanol. The Cefetra Group Segment is also busy expanding its business involving goods such as starch products, rice and legumes, as well as organic products. In doing so, the Cefetra Group Segment is catering to the food and feed industry's growing demand for these products.

The focus of the Agri Trade & Service Segment is the direct trading business with farmers. To this end, it supplies its agricultural customers in Germany all year round with agricultural inputs that are necessary for agricultural production, such as seed, fertilizers and crop protection products, as well as feedstuff and hygiene products for livestock farming. In addition, the segment collects agricultural products such as grain, oilseed and hops after they are harvested and markets them to local and regional processors, as well as in export markets. It therefore maintains high warehousing and logistics capacities that include a connection to the Baltic Sea at two ports. The Agri Trade & Service Segment is also represented across the whole of Austria through the Group company RWA Raiffeisen Ware Austria AG, which maintains close business relations with over 400 cooperative warehouses.

The sale of machinery, equipment and systems for agriculture, forestry and the public sector in Germany and Austria is pooled in the Agricultural Equipment Segment. The segment is responsible for the sale of new and used machinery, as well as maintenance and repair services, including spare parts. Worldwide, BayWa is the largest sales partner for the AGCO Group, with its brands Fendt, Massey Ferguson, Challenger and Valtra, and a leading player in global sales of CLAAS agricultural machinery. Its customers include farms and forestry operations, as well as vineyards, fruit farmers, municipalities and commercial enterprises. The product range also includes various brands of vehicles for sweeping, cleaning and winter services, as well as mowing and sporting venue technologies. Furthermore, the Agricultural Equipment Segment is expanding into international markets such as the Netherlands, South Africa and Canada.

The Global Produce Segment combines all activities of the Group in the business of fruit and vegetable growing and trading these products. In Germany, BayWa is the leading single seller of domestic dessert pome fruit for the food retail sector. The main collection region is the area around Lake Constance. In an international context, the T&G Global Group (Auckland, New Zealand) and the tropical fruit trading company TFC Holland B.V. (Maasdijk, Netherlands), which cover the entire fruit and vegetable marketing value chain on a global scale, are also part of the segment.

The Building Materials Segment covers the entire range of products and services – from structural engineering, civil engineering, the construction of new buildings, renovation and modernisation to gardening and landscaping to energy-efficient and healthy building packages of solutions. The key regions for the Building Materials Segment are southern Germany and Austria. The range of products is aimed at construction companies, municipalities, trades and commercial enterprises, as well as private consumers. In addition, the Building Materials Segment provides customers with a wide range of specialisations and a variety of services, as well as expertise and support when it comes to innovative topics such as healthy construction, energy efficiency and building information modeling (BIM).

BayWa has plotted a clear course into the digital future by establishing the Innovation & Digitalisation Segment. It is responsible for Digital Farming activities including, in particular, developing and marketing digital products and services for enhancing productivity in agriculture. Online sales at the BayWa Group are also pooled in the Innovation & Digitalisation Segment under the BayWa Portal.

Aside from peripheral activities, the Other Activities Segment mainly encompasses BayWa Group's real estate operations.

Apart from revenues generated through business with third parties that are disclosed in the segments, intra- and inter-segment revenues are also reported. Revenues are not broken down by individual product and service at Group level due to the heterogeneity of the products sold in the Group. Both intra- and inter-segment sales are conducted at arm's length terms and conditions. Any interim profits arising in this context are eliminated in the consolidated financial statements. Moreover, write-downs and write-ups are disclosed, along with earnings before interest, tax, depreciation and amortisation (EBITDA), earnings before interest and tax (EBIT) and earnings before tax (EBT). At the BayWa Group, earnings before interest and tax (EBIT) consist of the result of operating activities plus income from participating interests recognised at equity and other income from shareholdings. Earnings before interest, tax, depreciation and amortisation (EBITDA) are calculated in the same manner.

Assets, inventories and liabilities are still reported separately for each segment. To further increase the informative value of the segment information, the segmental liabilities of the Renewable Energies, Cefetra Group, Global Produce and Building Materials Segments are presented in consolidated form. As a result, reference is not made to the raw reported data as a whole, with the corresponding consolidation effects not being allocated to the transition.

Investments made (excluding financial assets) are also divided up among the segments. Such investments concern the addition of intangible assets and property, plant and equipment, as well as additions from company acquisitions. Moreover, the information in this segment report includes the annual average number of employees per segment.

The transition primarily includes amortisation of the hidden reserves and intangible assets revealed in purchase price allocations in previous years.

Segment information by region

	External sales		Non-current assets	
In € million	**Q1–2/2023**	Q1–2/2022	**30/06/2023**	31/12/2022
Germany	4,779.8	4,695.7	1,972.1	1,841.4
Austria	1,826.8	1,965.1	553.8	542.6
Netherlands	987.7	1,273.3	248.6	248.1
New Zealand	157.0	167.7	321.4	321.7
USA	429.3	623.0	631.5	612.8
Other international operations	4,378.6	4,189.1	979.6	824.3
thereof: rest of Europe	3,907.4	3,819.8	665.2	506.7
Group	**12,559.2**	**12,913.9**	**4,707.1**	**4,390.9**

Condensed segment information by business unit (income statement) for the first half of 2023

In € million **Q1–2/2023**	Renewable Energies	Energy	Cefetra Group	Agri Trade & Service	
Revenues generated through business with third parties	**3,046.1**	**1,329.2**	**2,703.7**	**2,790.2**	
Intra-segment revenues	236.2	160.8	354.1	301.9	
Inter-segment revenues	8.4	11.2	11.5	23.6	
Total revenues	**3,290.7**	**1,501.2**	**3,069.3**	**3,115.7**	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**128.3**	**17.1**	**34.7**	**60.9**	
Depreciation/amortisation	- 29.9	- 7.8	- 4.4	- 21.1	
Earnings before interest and tax (EBIT)	**98.4**	**9.3**	**30.3**	**39.8**	
Earnings before tax (EBT)	**34.4**	**7.6**	**14.0**	**9.1**	
Income tax					
Consolidated net result for the period					

Condensed segment information by business unit (income statement) for the first half of 2022

In € million Q1–2/2022	Renewable Energies	Energy	Cefetra Group	Agri Trade & Service	
Revenues generated through business with third parties	**2,733.8**	**1,477.2**	**3,054.6**	**2,982.3**	
Intra-segment revenues	207.5	213.1	337.8	339.8	
Inter-segment revenues	0.9	12.7	21.3	13.8	
Total revenues	**2,942.2**	**1,703.0**	**3,413.7**	**3,335.9**	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**115.0**	**28.3**	**40.5**	**154.4**	
Depreciation/amortisation	- 30.0	- 7.7	- 3.9	- 20.2	
Earnings before interest and tax (EBIT)	**85.0**	**20.6**	**36.6**	**134.2**	
Earnings before tax (EBT)	**44.8**	**19.8**	**31.3**	**120.6**	
Income tax					
Consolidated net result for the period					

	Agricultural Equipment	Global Produce	Building Materials	Innovation & Digitalisation	Other Activities	Transition	**Group**
	1,182.2	**518.1**	**978.8**	**5.1**	**5.8**	**–**	**12,559.2**
	21.5	71.4	31.5	0.3	11.0	–	1,188.7
	1.4	–	0.6	0.1	2.0	–	58.8
	1,205.1	**589.5**	**1,010.9**	**5.5**	**18.8**	**–**	**13,806.7**
	55.9	**15.2**	**19.0**	**- 1.6**	**- 13.2**	**5.8**	**322.1**
	- 12.0	- 17.3	- 18.3	- 1.6	- 16.8	- 6.0	- 135.2
	43.9	**- 2.1**	**0.7**	**- 3.2**	**- 30.0**	**- 0.2**	**186.9**
	28.0	**- 9.4**	**- 19.1**	**- 4.1**	**- 27.6**	**- 0.2**	**32.7**
							- 9.5
							23.2

	Agricultural Equipment	Global Produce	Building Materials	Innovation & Digitalisation	Other Activities	Transition	**Group**
	1,033.9	**458.8**	**1,160.7**	**4.8**	**7.8**	**–**	**12,913.9**
	23.7	70.1	32.4	0.6	9.1	–	1,234.1
	1.1	–	0.5	0.1	1.0	–	51.4
	1,058.7	**528.9**	**1,193.6**	**5.5**	**17.9**	**–**	**14,199.4**
	46.5	**34.3**	**59.7**	**- 2.4**	**- 21.3**	**–**	**455.0**
	- 11.4	- 17.9	- 16.2	- 2.6	- 15.4	- 1.2	- 126.5
	35.1	**16.4**	**43.5**	**- 5.0**	**- 36.7**	**- 1.2**	**328.5**
	28.0	**10.5**	**33.4**	**- 5.3**	**- 31.3**	**- 1.2**	**250.6**
							- 73.0
							177.6

Condensed segment information by business unit (balance sheet) as at 30 June 2023

In € million **30/06/2023**	Renewable Energies	Energy	Cefetra Group	Agri Trade & Service
Assets	5,010.1	521.2	1,242.5	1,849.6
thereof: participating interests recognised at equity	97.2	4.8	1.9	21.8
thereof: non-current assets held for sale	–	–	–	0.3
Inventories	1,604.3	81.9	503.9	581.6
thereof: non-current assets held for sale	–	–	–	–
Liabilities	3,823.6	479.4	1,056.6	1,733.4
thereof: liabilities from non-current assets held for sale	–	–	–	–
Investments in intangible assets, property, plant and equipment and investment property (including company acquisitions)	205.1	13.7	5.0	23.4
Employees (annual average)	4,374	1,441	705	3,748

Condensed segment information by business unit (balance sheet) as at 31 December 2022

In € million 31/12/2022	Renewable Energies	Energy	Cefetra Group	Agri Trade & Service
Assets	5,048.6	537.8	1,328.4	2,194.8
thereof: participating interests recognised at equity	77.4	0.7	1.9	21.4
thereof: non-current assets held for sale	–	–	–	0.3
Inventories	1,774.7	98.6	643.1	1,102.9
thereof: non-current assets held for sale	–	–	–	–
Liabilities	3,857.6	528.2	1,151.3	2,084.5
thereof: liabilities from non-current assets held for sale	–	–	–	–
Investments in intangible assets, property, plant and equipment and investment property (including company acquisitions)	176.1	19.9	31.6	124.7
Employees (annual average)	3,754	1,411	623	3,630

	Agricultural Equipment	Global Produce	Building Materials	Innovation & Digitalisation	Other Activities	Transition	**Group**
	1,335.2	765.0	1,216.8	36.4	6,007.9	- 5,197.6	12,787.1
	10.2	21.7	4.9	–	144.6	–	307.1
	–	3.0	–	–	–	–	3.3
	824.4	82.0	470.3	2.2	1.9	- 2.6	4,149.9
	–	–	–	–	–	–	–
	1,472.7	491.4	1,285.1	54.0	3,382.4	- 2,881.9	10,896.7
	–	–	–	–	–	–	–
	13.7	49.4	20.2	1.9	24.0	–	356.4
	3,943	2,920	4,700	150	1,056	–	23,037

	Agricultural Equipment	Global Produce	Building Materials	Innovation & Digitalisation	Other Activities	Transition	**Group**
	1,161.7	729.2	1,112.5	45.1	6,025.0	- 5,206.7	12,976.4
	11.3	21.6	4.5	–	139.9	–	278.7
	–	15.1	–	–	1.0	–	16.4
	686.5	37.8	414.3	1.2	0.5	- 2.8	4,756.8
	–	–	–	–	–	–	–
	1,293.3	423.4	1,202.1	58.0	3,370.6	- 2,901.6	11,067.4
	–	–	–	–	–	–	–
	41.8	112.8	65.1	3.9	42.5	–	618.4
	3,826	3,151	4,661	220	1,017	–	22,293

Condensed segment reporting by business unit (income statement) – by quarter

In € million	Q1/2023	Q2/2023	Q1–2/2023	Q1/2022	Q2/2022	Q1–2/2022	Change Q1–2 in %
Revenues generated through business with third parties							
Renewable Energies	1,499.5	1,546.6	3,046.1	1,593.5	1,140.3	2,733.8	11.4
Energy	633.2	696.0	1,329.2	649.2	828.0	1,477.2	- 10.0
Cefetra Group	1,445.9	1,257.8	2,703.7	1,434.1	1,620.5	3,054.6	- 11.5
Agri Trade & Service	1,484.8	1,305.4	2,790.2	1,397.9	1,584.4	2,982.3	- 6.4
Agricultural Equipment	539.9	642.3	1,182.2	476.0	557.9	1,033.9	14.3
Global Produce	257.1	261.0	518.1	224.3	234.5	458.8	12.9
Building Materials	414.4	564.4	978.8	477.4	683.3	1,160.7	- 15.7
Innovation & Digitalisation	2.7	2.4	5.1	2.4	2.4	4.8	6.3
Other Activities	2.9	2.9	5.8	2.2	5.6	7.8	- 25.6
Total	**6,280.4**	**6,278.8**	**12,559.2**	**6,257.0**	**6,656.9**	**12,913.9**	**- 2.7**
Earnings before interest, tax, depreciation and amortisation (EBITDA)							
Renewable Energies	70.8	57.5	128.3	78.4	36.6	115.0	11.6
Energy	8.3	8.8	17.1	12.2	16.1	28.3	- 39.6
Cefetra Group	18.9	15.8	34.7	19.0	21.5	40.5	- 14.3
Agri Trade & Service	41.5	19.4	60.9	68.1	86.3	154.4	- 60.6
Agricultural Equipment	28.3	27.6	55.9	16.9	29.6	46.5	20.2
Global Produce	- 3.9	19.1	15.2	15.9	18.4	34.3	- 55.7
Building Materials	0.0	19.0	19.0	6.8	52.9	59.7	- 68.2
Innovation & Digitalisation	- 0.3	- 1.3	- 1.6	- 1.5	- 0.9	- 2.4	33.3
Other Activities	- 4.8	- 8.4	- 13.2	- 9.3	- 12.0	- 21.3	38.0
Transition	0.0	5.8	5.8	0.0	0.0	0.0	> 100.0
Total	**158.8**	**163.3**	**322.1**	**206.5**	**248.5**	**455.0**	**- 29.2**
Earnings before interest and tax (EBIT)							
Renewable Energies	53.0	45.4	98.4	63.9	21.1	85.0	15.8
Energy	4.5	4.8	9.3	8.4	12.2	20.6	- 54.9
Cefetra Group	17.1	13.2	30.3	17.1	19.5	36.6	- 17.2
Agri Trade & Service	31.0	8.8	39.8	58.7	75.5	134.2	- 70.3
Agricultural Equipment	22.4	21.5	43.9	11.3	23.8	35.1	25.1
Global Produce	- 12.6	10.5	- 2.1	7.3	9.1	16.4	> - 100.0
Building Materials	- 9.1	9.8	0.7	- 1.2	44.7	43.5	- 98.4
Innovation & Digitalisation	- 1.1	- 2.1	- 3.2	- 2.8	- 2.2	- 5.0	36.0
Other Activities	- 13.3	- 16.7	- 30.0	- 16.8	- 19.9	- 36.7	- 18.3
Transition	- 0.1	- 0.1	- 0.2	- 1.0	- 0.2	- 1.2	- 83.3
Total	**91.8**	**95.1**	**186.9**	**144.9**	**183.6**	**328.5**	**- 43.1**
Earnings before tax (EBT)							
Renewable Energies	20.1	14.3	34.4	45.1	- 0.3	44.8	- 23.2
Energy	3.6	4.0	7.6	7.9	11.9	19.8	- 61.6
Cefetra Group	7.4	6.6	14.0	14.2	17.1	31.3	- 55.3
Agri Trade & Service	16.2	- 7.1	9.1	51.8	68.8	120.6	- 92.5
Agricultural Equipment	14.8	13.2	28.0	7.6	20.4	28.0	0.0
Global Produce	- 15.8	6.4	- 9.4	4.8	5.7	10.5	> - 100.0
Building Materials	- 18.2	- 0.9	- 19.1	- 6.6	40.0	33.4	> - 100.0
Innovation & Digitalisation	- 1.5	- 2.6	- 4.1	- 3.0	- 2.3	- 5.3	22.6
Other Activities	- 11.9	- 15.7	- 27.6	- 13.9	- 17.4	- 31.3	11.8
Transition	- 0.1	- 0.1	- 0.2	- 0.8	- 0.4	- 1.2	83.3
Total	**14.6**	**18.1**	**32.7**	**107.1**	**143.5**	**250.6**	**- 87.0**

Affirmation by the Legally Authorised Representatives

We hereby affirm that, to the best of our knowledge and in accordance with the generally accepted accounting principles applicable to interim reporting, the interim consolidated financial statements for the first half of the year give a true and fair view of the assets, financial position and earnings position of the Group, and the Interim Management Report of the BayWa Group presents a true and fair description of the development of the Group's business, including its performance, and of the material risks and opportunities inherent in the prospective development of the Group over the remainder of the financial year.

Munich, 1 August 2023

BayWa Aktiengesellschaft

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

Financial Calendar

Dates in 2023

Publication of figures for the third quarter of 2023
9 November 2023, 8.30 am – Analysts' Conference Call
9 November 2023, 10.30 am – Press Conference Call

Dates in 2024

Consolidated financial statements for 2023
28 March 2024, 10.30 am – Annual Results Press Conference, Munich
28 March 2024, 2.00 pm – Analysts' Conference, Munich

Publication of figures for the first quarter of 2024
8 May 2024 – Press Release
8 May 2024, 8.30 am – Analysts' Conference Call

Annual General Meeting 2024
11 June 2024, 10.00 am

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