



BayWa

**Interim Report
First Half 2023
Conference Call**

Munich, 3 August 2023
Marcus Pöllinger, CEO
Andreas Helber, CFO

Agenda

- 01** Highlights 1-6/2023
- 02** Business Development of the Segments in 1-6/2023 and Operational Outlook 2023
- 03** Group Financials 1-6/2023
- 04** Appendix

01

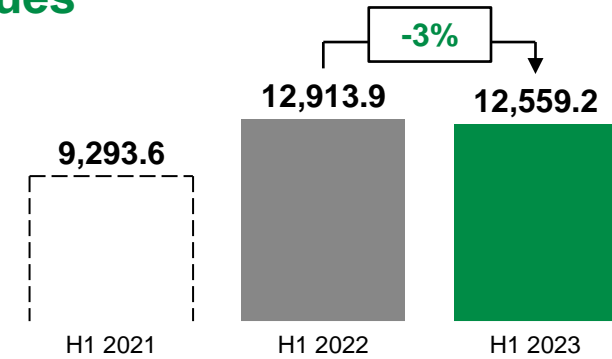
Highlights 1-6/2023
Marcus Pöllinger

Highlights

- **BayWa Group delivers strong first half year 2023**
 - Revenue and EBIT below year-earlier period, as expected, but significantly above the long-term average
 - Revenue down due to declining commodity prices
 - H1 EBIT burdened by **non-recurrent expenses** (anniversary bonus approx. EUR 27 million); in the previous year, boosted by special factors
 - **Renewable Energies** and **Agricultural Equipment** segments exceed expectations
 - **Global Produce** and **Building Materials** segments impacted by **external factors** (cyclone in New Zealand and a slump in residential construction)
 - BayWa distributes anniversary year **dividend of EUR 1.20 per share**
- **Management confirms EBIT forecast for the year 2023 of EUR 320 million to EUR 370 million**

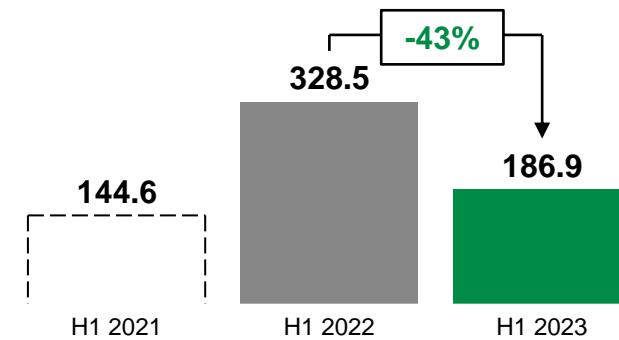
Revenues

In EUR m



EBIT

In EUR m

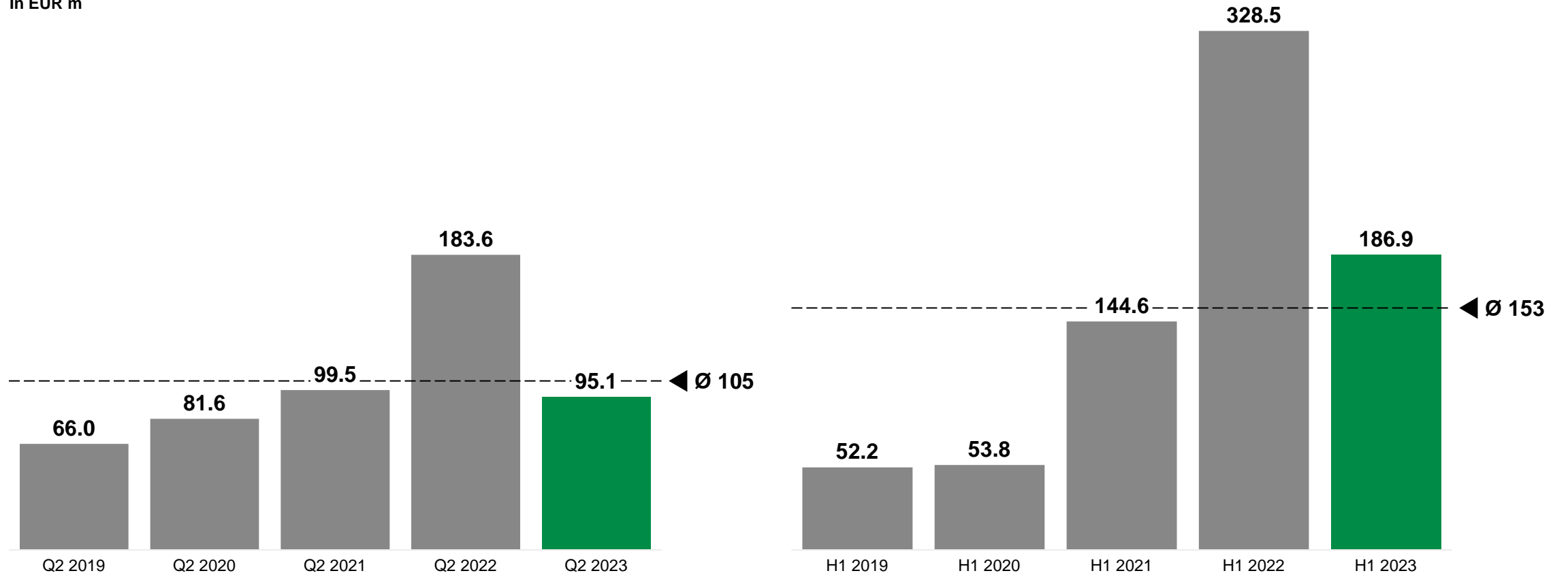


Development of the Group - Multi-year EBIT comparison

MULTI-YEAR EBIT COMPARISON - SECOND QUARTER OF 2023

MULTI-YEAR EBIT COMPARISON - FIRST HALF YEAR OF 2023

In EUR m



02

Business Development of the Segments in 1-6/2023 and Operational Outlook 2023

Marcus Pöllinger

**Business Unit
Energy**

Key Figures 1-6/2023

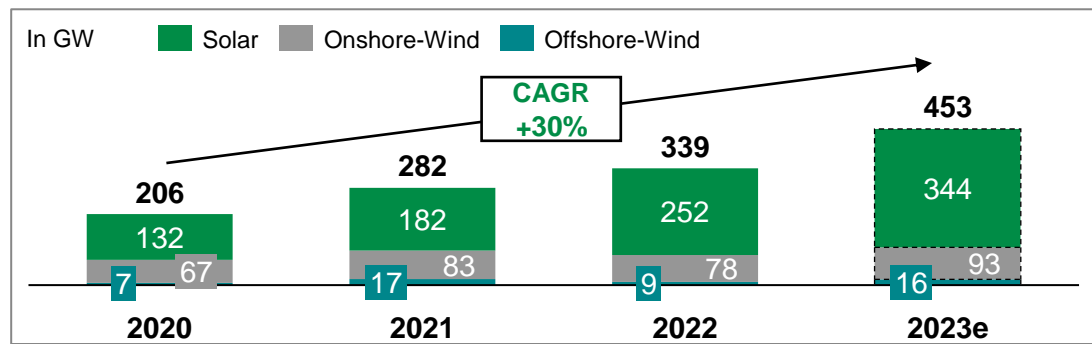
**Segment
Renewable
Energies**

**Segment
Energy**

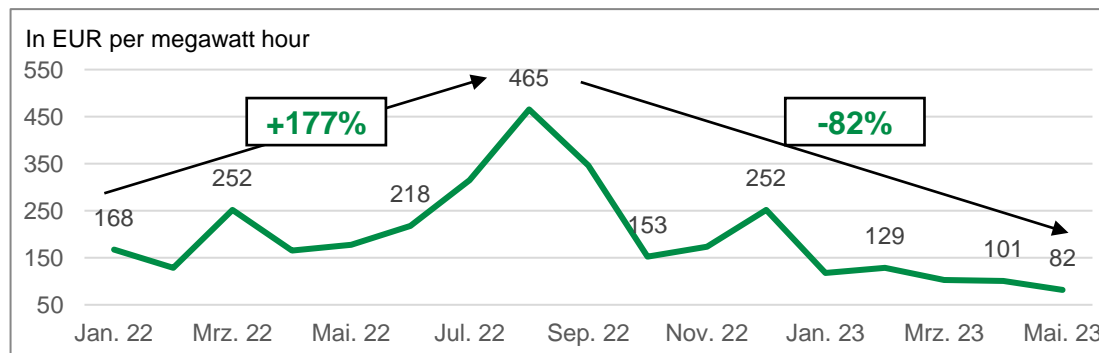
Market Development

RENEWABLE ENERGIES

Global capacity installation – forecast 2023¹

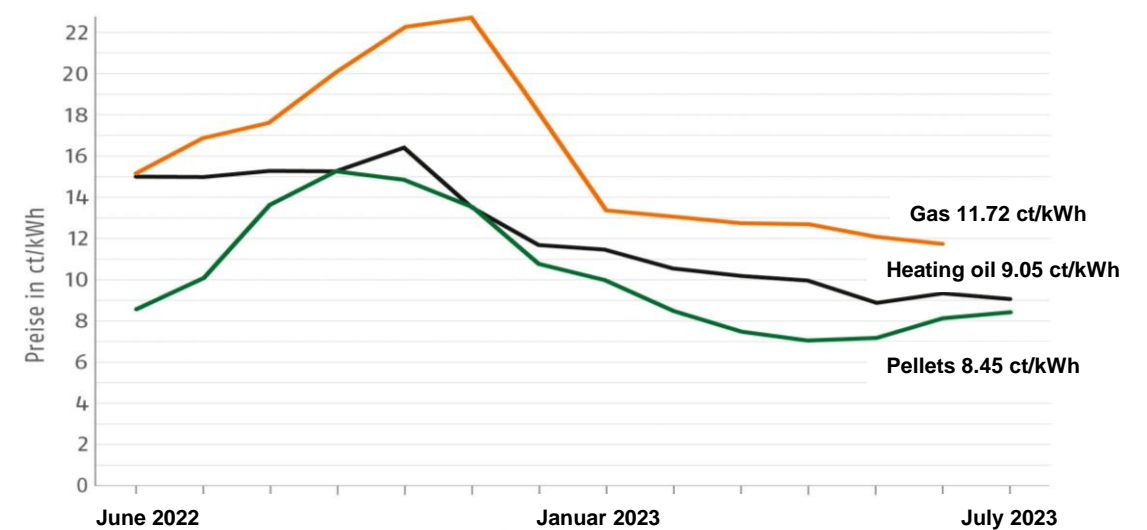


Development of electricity price in Germany²



ENERGY

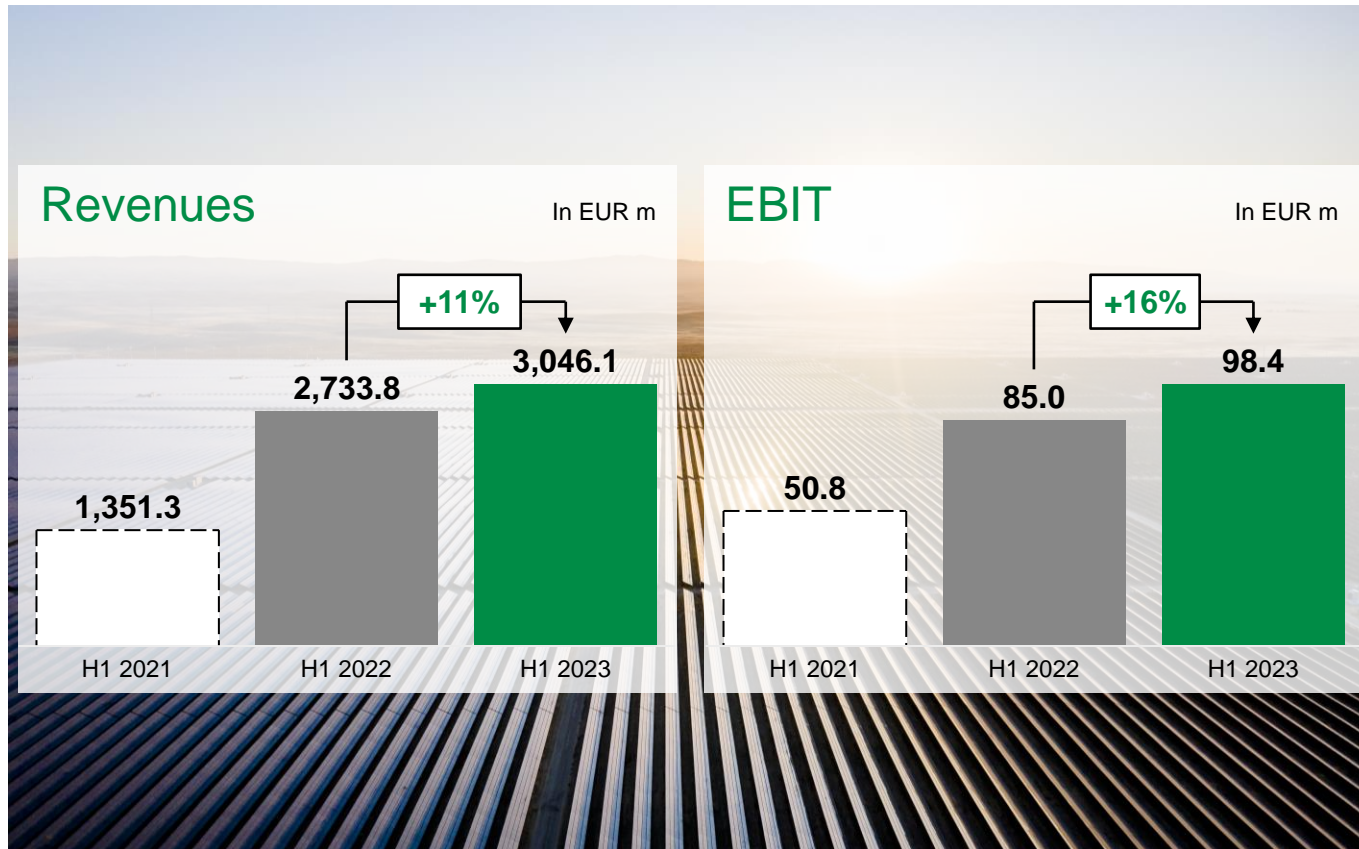
Energy costs in Germany³



- Commodity markets recovery sends energy prices down:
 - Price of crude oil at USD 82 per barrel at the end of July 2023, around 25% lower y/y
 - Fuel costs down almost 50% since the summer of 2022

Sources: 1) BNEF; 2) Spot electricity market on EPEX spot market; 3) DEP V

Renewable Energies Segment Revenues and EBIT vs previous year



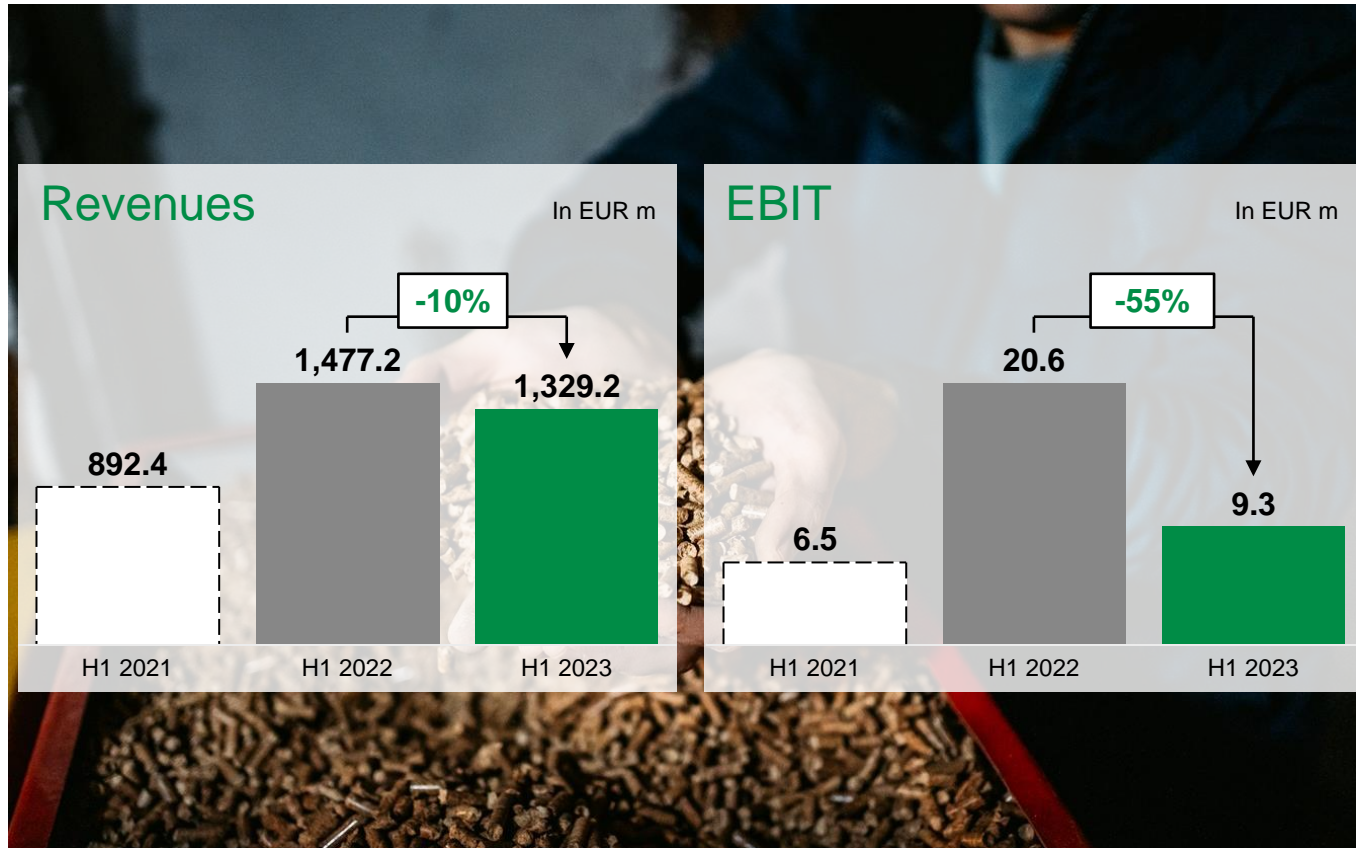
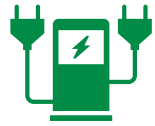
- Revenues: Δ 22/23 EUR +312.3 million
- EBIT: Δ 22/23 EUR +13.4 million

- Revenue growth from PV and energy trading
- EBIT benefits from high energy price level and high level of production at the plants
- Strong trading in PV components: PV modules (+25% y/y) and converters (+68% y/y)
- Wind farm project sales: Italy (50.5 MW), UK (42.0 MW) and two in Austria (19.8 MW & 6.6 MW)

OUTLOOK 2023

- Planned sales in H2 2023: 380 MW projects and 650 MW project rights
- Expansion of IPP portfolio by 200 MW to 1.2 GW
- High level of sales expected through trading in PV components

Energy Segment Sales and EBIT vs previous year



- Revenues: Δ 22/23 EUR -148.0 million
- EBIT: Δ 22/23 EUR +11.3 million

- Price-induced decline in revenue and profit
- The falling price of heat energy carriers reduces trade margins
- Positive sales trend for wood pellets (+4.1% y/y) through increased production capacities (Danpower GmbH)
- Cyclical downturn in fuels (-5.6% y/y) and lubricants (-15% y/y); moreover, high stock levels of lubricants at the end of the previous year

OUTLOOK 2023

- Upfront buying effects relating to heating energy carriers and fuels expected in H2 2023 in anticipation of the increase in the carbon levy as from 2024
- BMS: positive development in expanding the rapid charge infrastructure (major contract from Vattenfall; 2023: 200 charging points)
- LNG competitive again due to falling gas prices

Business Unit
Agriculture

Key Figures 1-6/2023

Segment
Cefetra
Group

Segment
Agri Trade
& Service

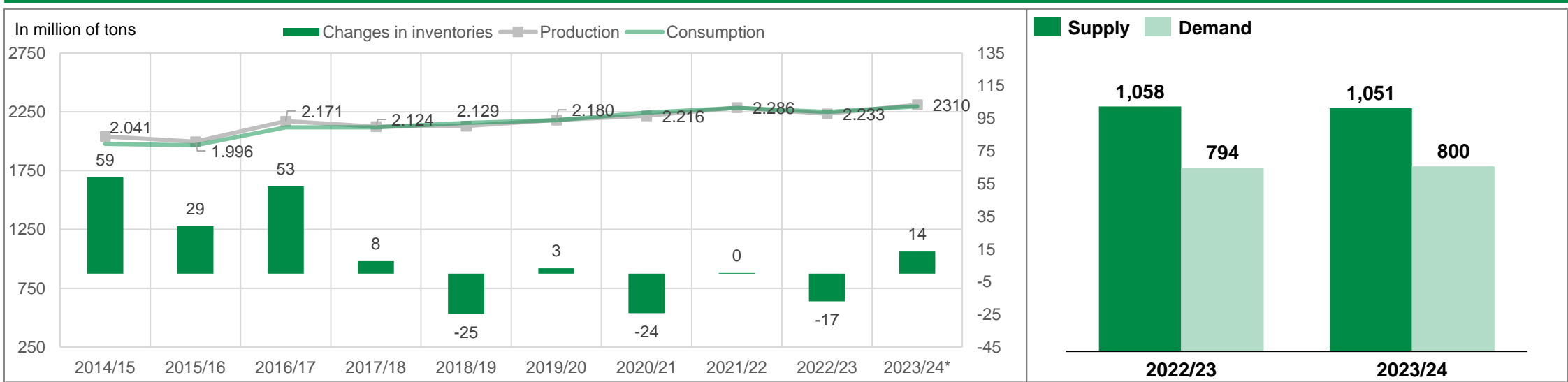
Segment
Agricultural
Equipment

Segment
Global
Produce

Market Development: Agricultural Products I

GLOBAL GRAIN BALANCE (EXCL. RICE; JULY 2023)¹

GLOBAL WHEAT MARKET IN MILLION TONS²

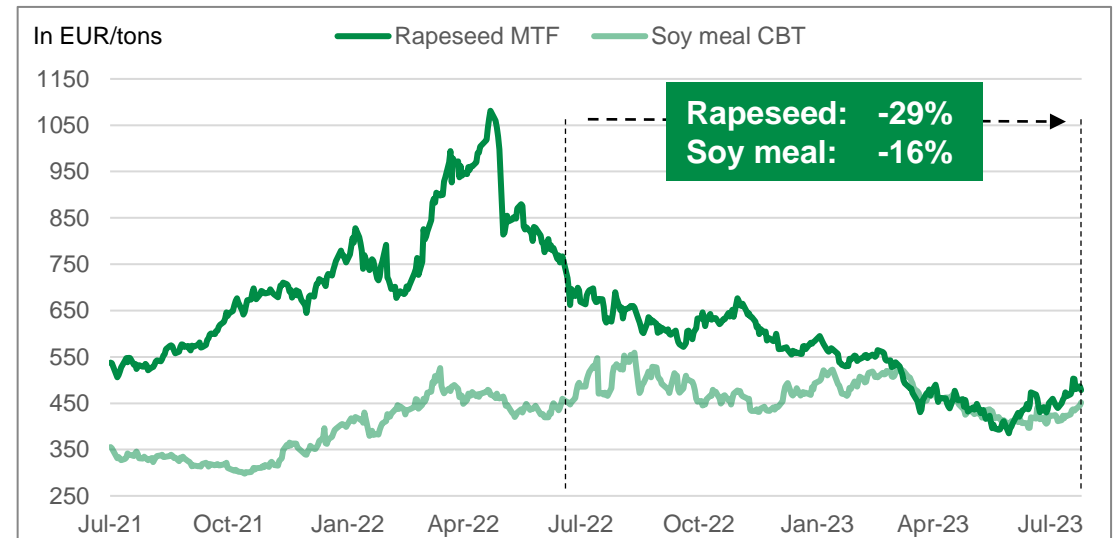
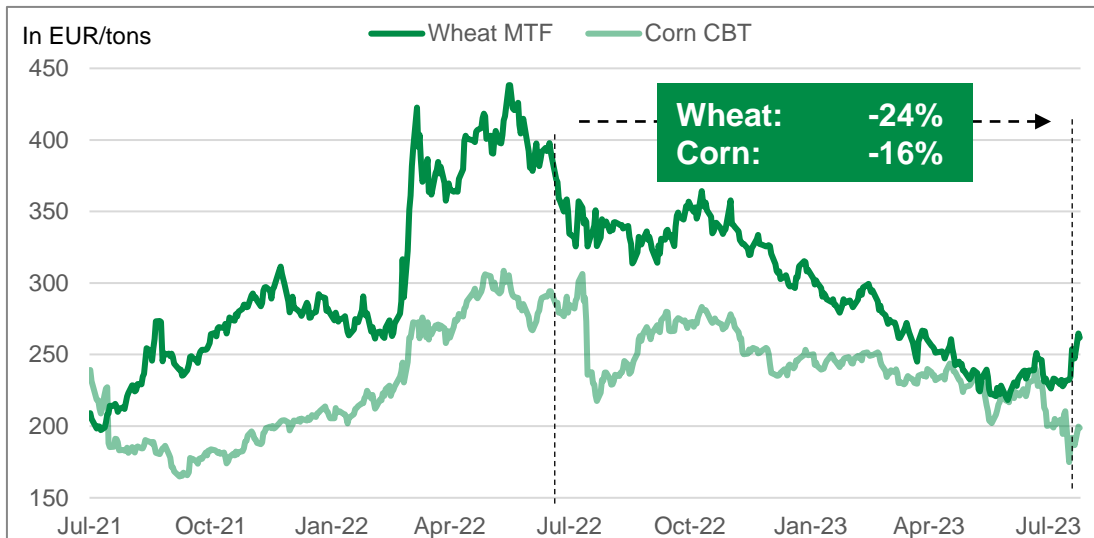


- Slight easing of grain balance, accompanied by increasing consumption (+2.1%)
- Global crop year 2023/24 anticipated at around 2,310 million tons (+3.5% y/y); higher harvest volumes due to the expanding areas reserved for cultivation in the US (especially corn)
- German grain harvest 2023/24 forecast at around 41.9 million tons (-4% y/y), with quality varying widely depending on the region
- Global oilseed production 2023/24 of 667 million tons likely to be +6% higher than the year-earlier level; greater soya harvest forecast in Argentina

Source: 1) USDA; *Forecast 2023/24, as of July 2023; 2) Refinitiv

Market Development: Agricultural Products II

AGRI COMMODITIES PRICE TREND¹



- Black Sea Grain Initiative between Ukraine and Russia and a slight easing so far of supply and consumption prompt a steady price downtrend on the agricultural commodity markets over the period from H2 2022 to June 2023, accompanied by strong price fluctuations
- Russia pulling out of the grain agreement at the start of H2 2023 (17 July 2023) triggers greater speculation on the futures exchanges despite the increase in global grain production
- Ukrainian grain largely transported overland to the Port of Constanța in Romania

Source: 1) MATIF and CBOT commodity markets

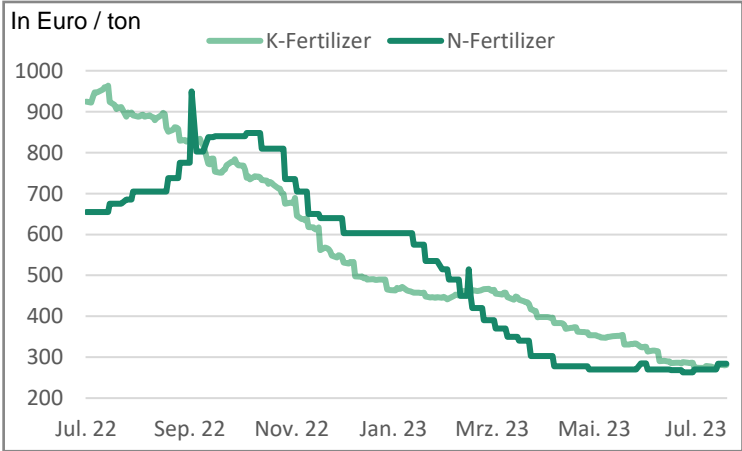
Market Development: Input resources, Equipment and Fruit

Input Resources	Agricultural Equipment	Fruit
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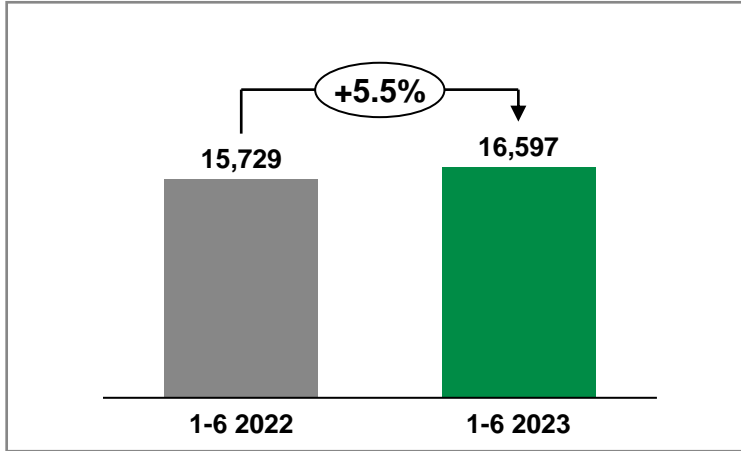
- Crop protection: less application due to the weather conditions
- Fertilizers: falling production costs and better product availability leads to significant price declines; low propensity of farmers to stock up as prices expected to drop further
- Fertilizer prices at the end of H1 2023: K-Fertilizer (-70% y/y); N-Fertilizer (-59% y/y)

- New tractor registrations in Germany up 5.5% y/y from January to June 2023
- Farmers: investments expected to rise in H2 2023, by 20% to EUR 5.9 billion y/y
- Investments mainly in machinery and attachments

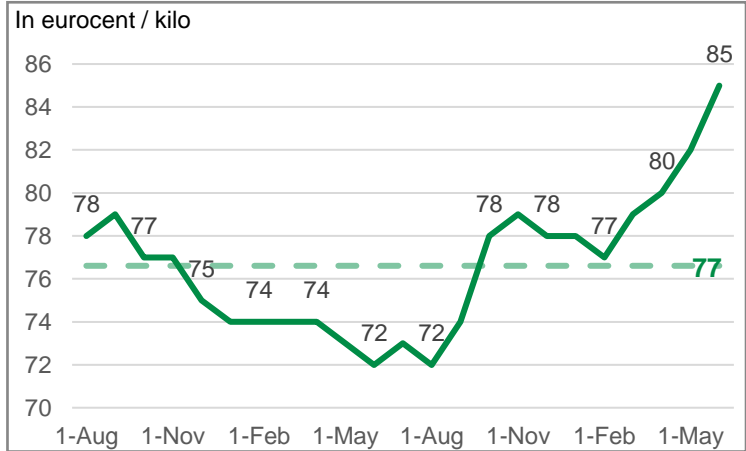
- New Zealand: crop losses due to Cyclone Gabrielle; 2023 apple harvest 12% below year-earlier level
- Europe: apple harvest 2022 with 12.2 million tons 1% y/y higher; selling off of old inventory through promotional measures; EU apple stocks down 28% y/y as of June 2023
- EU apple prices around 10% above the two-year average



Source: Commodity exchanges

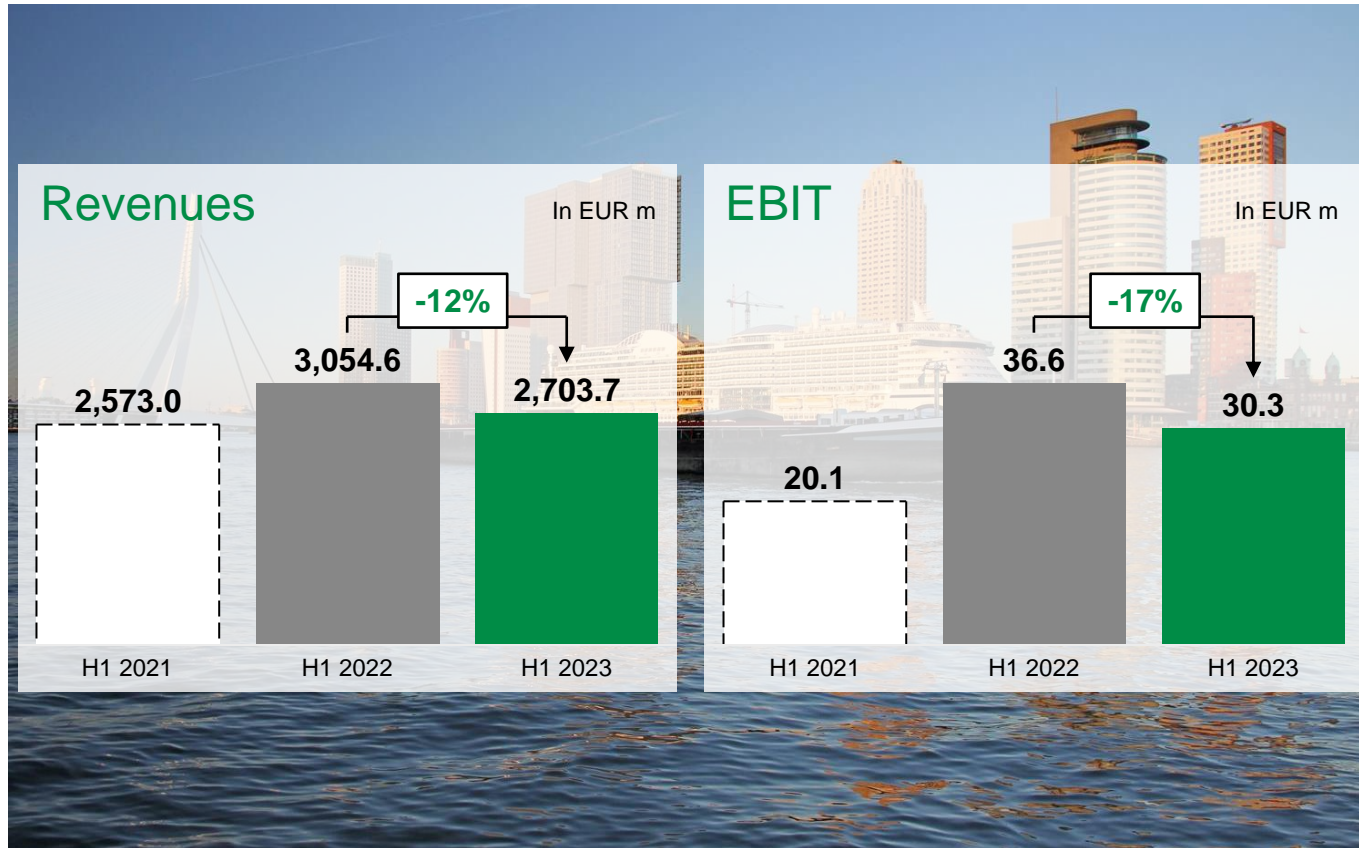


Source: VDMA



Source: EU apple dashboard

Cefetra Group Segment Revenues and EBIT vs previous year



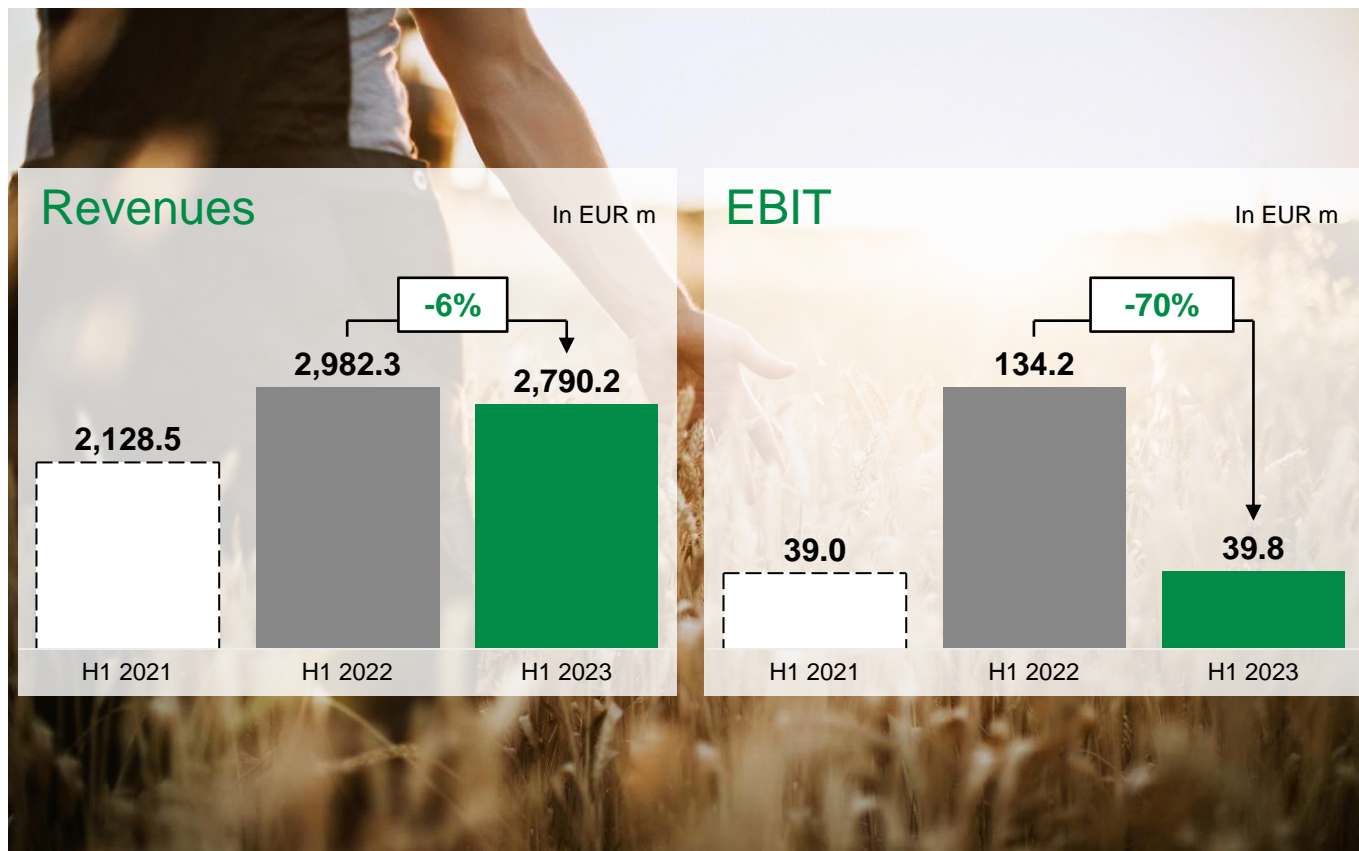
- Revenues: Δ 22/23 EUR -350.9 million
- EBIT: Δ 22/23 EUR -6.3 million

- Price- and volume-induced decline in revenues
- Standard produce:
 - decline in the volumes sold due to less demand for feedstuff from the Benelux countries
 - subsidiaries in Southern Europe benefit from alternative procurement markets for corn (previous year Ukraine)
- Stable development in the speciality business:
 - positive earnings contributions from Cefetra Dairy and Sedaco
 - decline in trading in organic ingredients (Tracomex)

OUTLOOK 2023

- Sustained price volatility on the commodity markets present opportunities in produce trading in H2 as well
- Speciality business: growth anticipated at Cefetra Dairy and Sedaco

Agri Trade & Service Segment Revenues and EBIT vs previous year



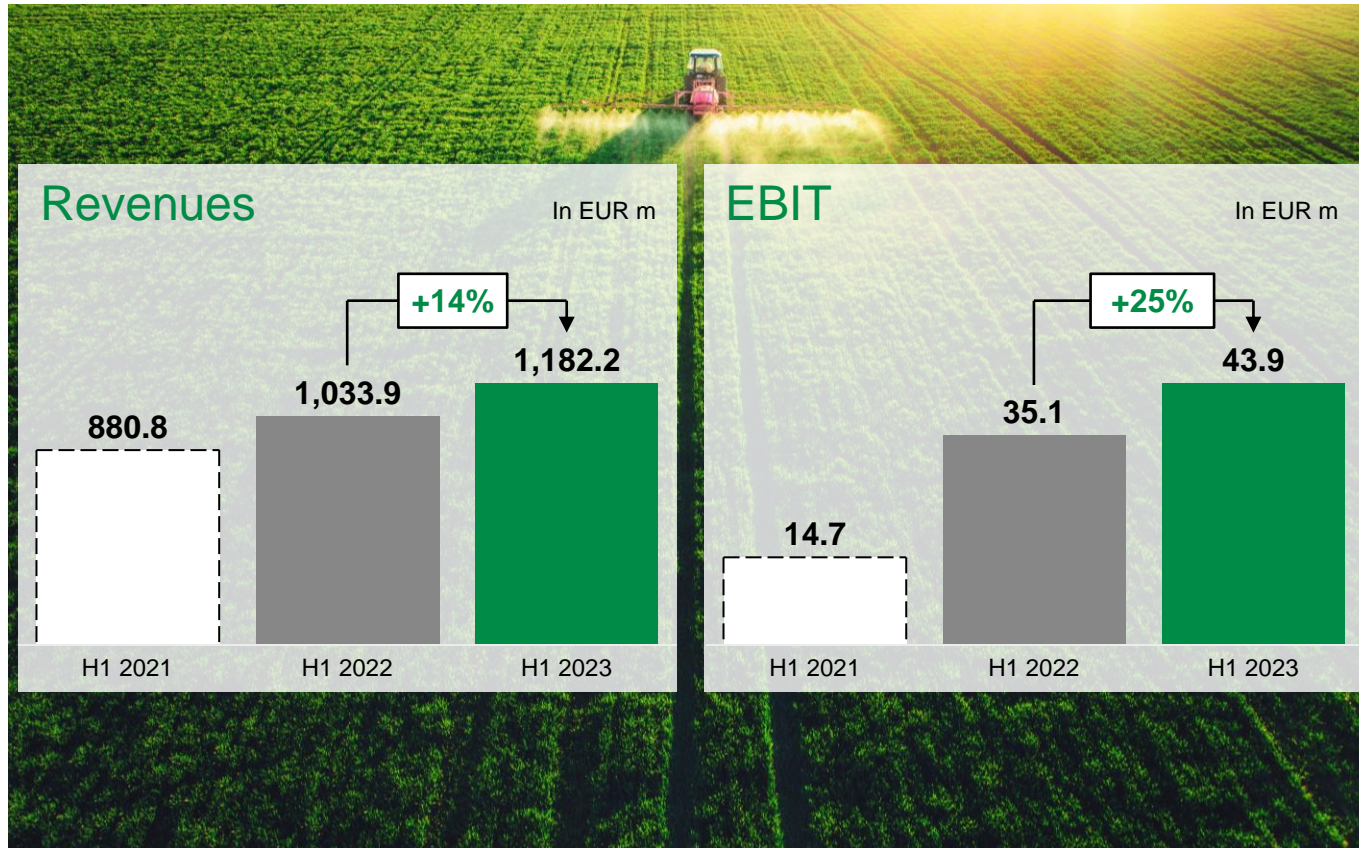
- Revenues: Δ 22/23 EUR -192.1 million
- EBIT: Δ 22/23 EUR -94.4 million

- Price- and volume-induced decline in revenues
- Produce: grain trade generates above-average trade margins based on grain contracts from the previous year
- Fertilizers: moderate demand accompanied by declining prices burden trade margins
- Crop protection: weather conditions partly prevent application of crop protection products, leading to sales declines

OUTLOOK 2023

- Demand for crop protection and fertilisers likely to pick up momentum
- Regional differences in crop quality offer opportunities
- Price volatilities for commodities are likely to persist

Agricultural Equipment Segment Revenues and EBIT vs previous year



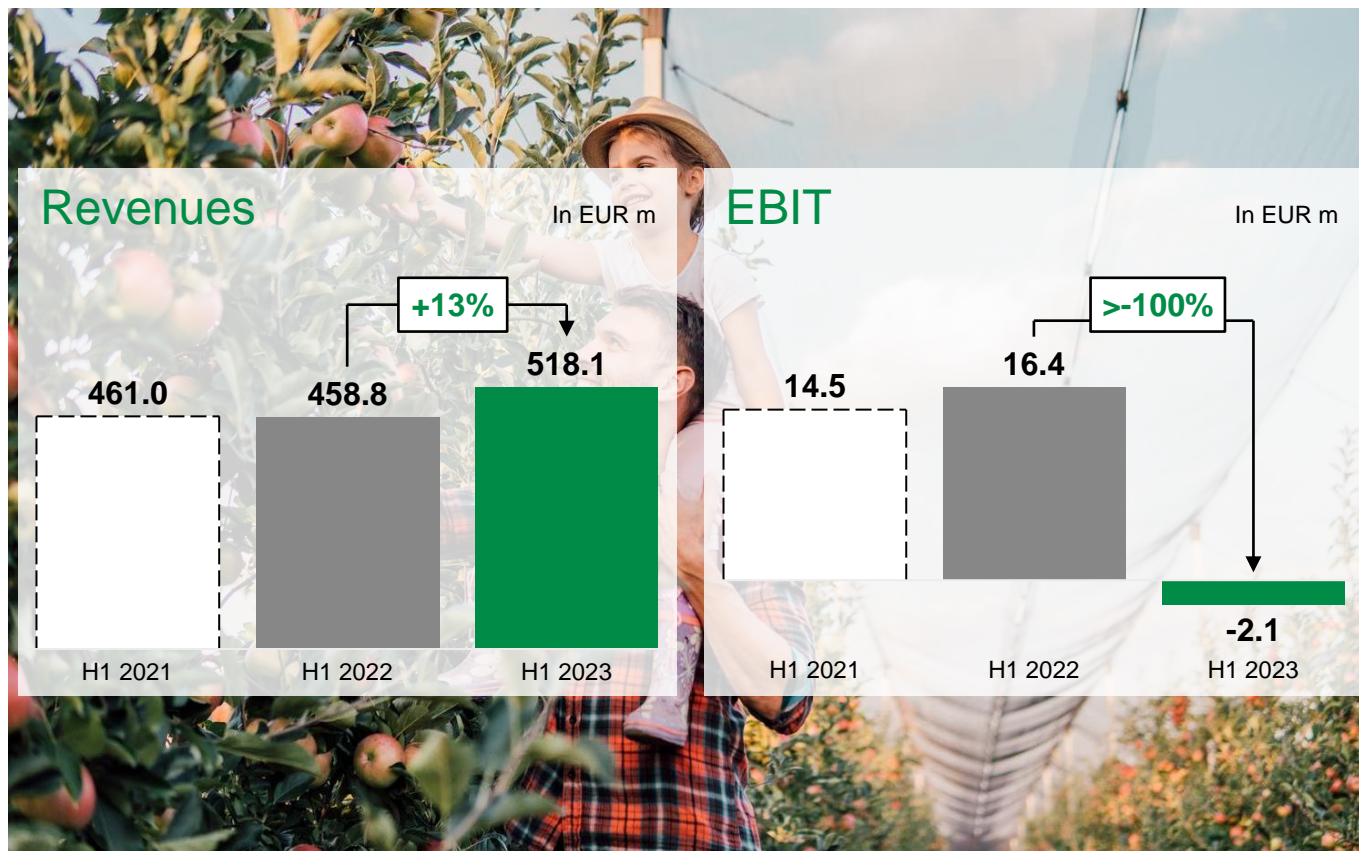
- Revenues: Δ 22/23 EUR +148.3 million
- EBIT: Δ 22/23 EUR +8.8 million

- Increase in revenues and earnings
- New machinery business benefits from high order backlog and improved delivery capacities (+6.6% y/y)
- Producer price increases enable better trade margins
- Service business benefiting from strong demand for maintenance and replacement parts

OUTLOOK 2023

- Shift in demand from large machinery to other product ranges, such as attachments
- Additional purchasing stimulus possible in H2 from Agritechnica agricultural machinery trade fair

Global Produce Segment Revenues and EBIT vs previous year



- Revenues: Δ 22/23 EUR +59.3 million
- EBIT: Δ 22/23 EUR -18.5 million
- Volume-induced revenue growth; sales increase in domestic fruit business from discount campaigns
- Less willingness to purchase premium fruit
- T&G: harvest shortfalls (up to 30%, including partner producers) as well as burdens from clean-up operations after the cyclone in New Zealand
- TFC: weaker harvest and qualities in BayWa reference areas; buying via spot markets to fulfil supply agreements reduces margins

OUTLOOK 2023

- Ongoing process to determine and assess the amount of compensation from insurance companies
- Enhancing efficiency by commissioning the new packaging building in Hawke’s Bay, New Zealand
- Earnings potential in H2 through selling the harvest from the southern hemisphere

Business Unit
Building
Materials

Key Figures 1-6/2023

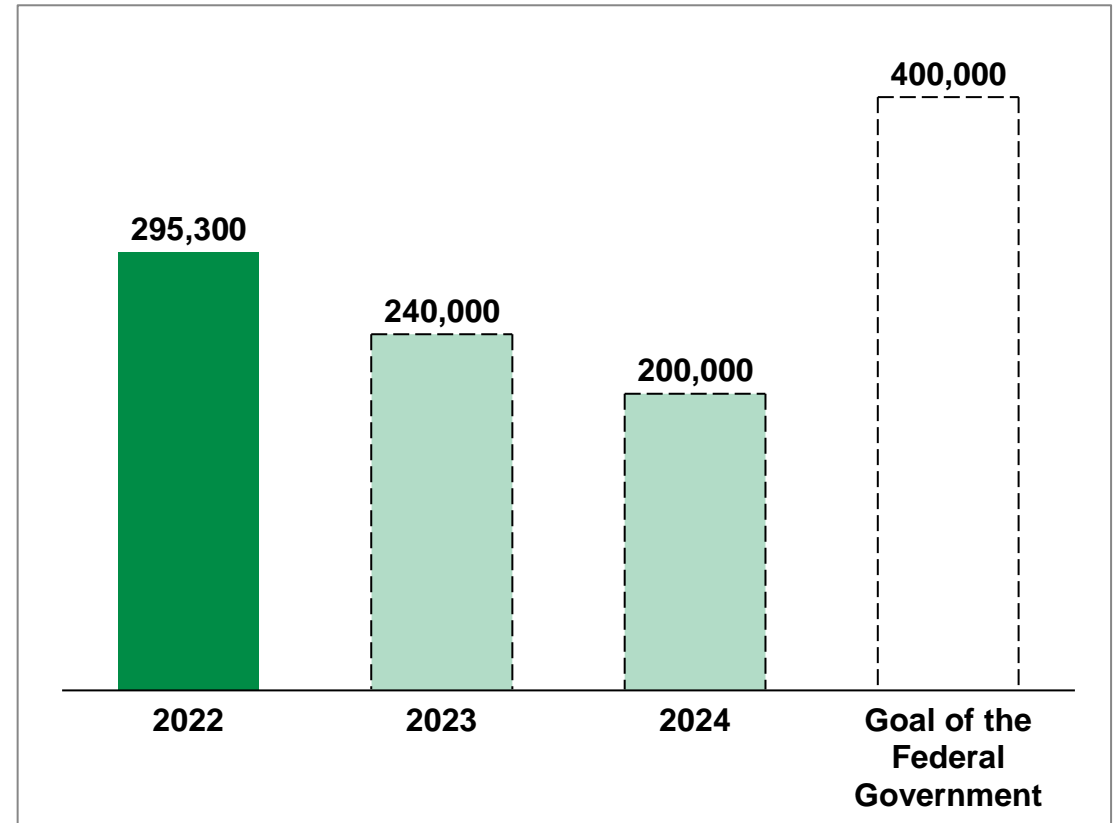
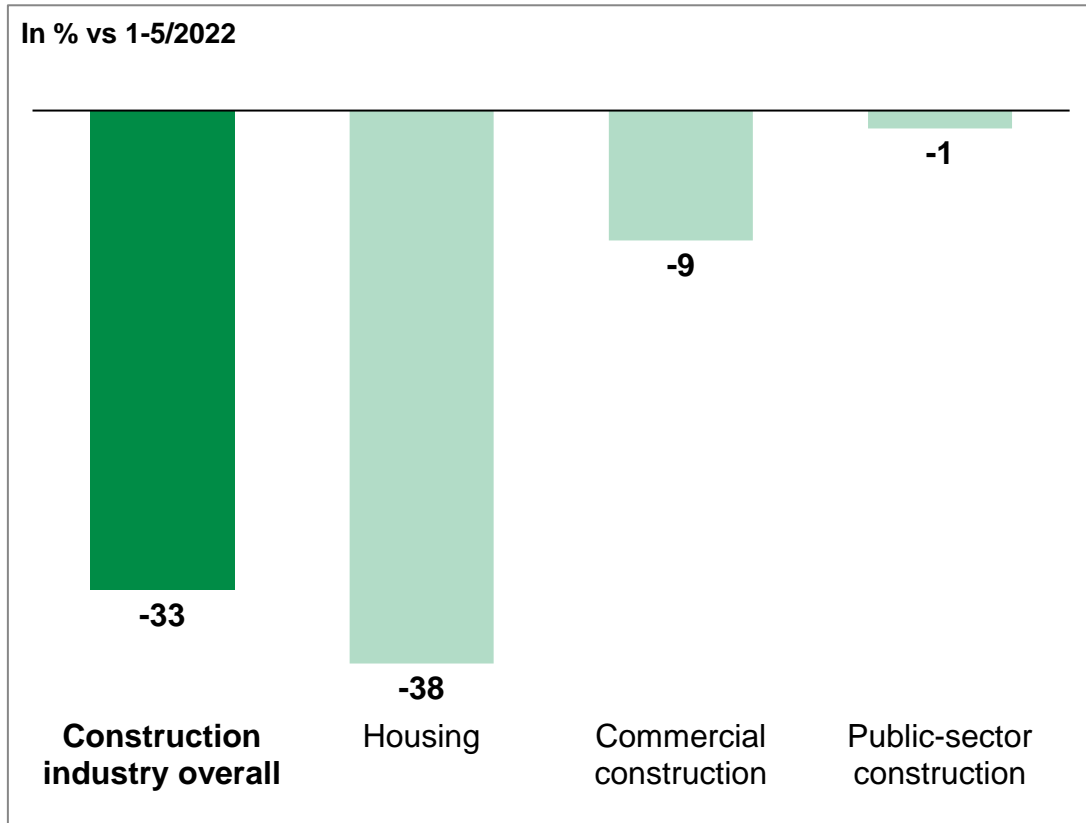
Segment
Building
Materials



Market Development

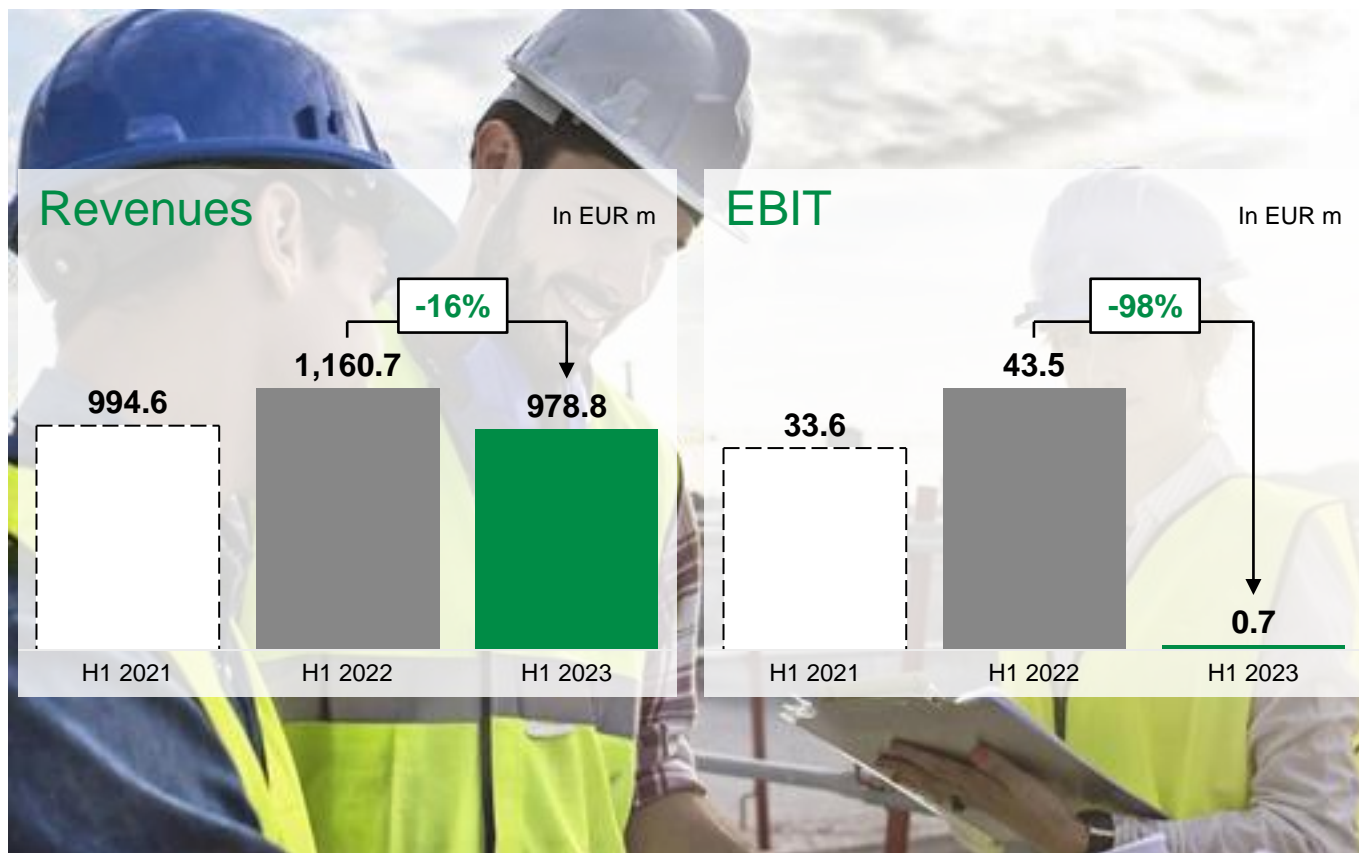
**BUILDING PERMITS IN THE GERMAN CONSTRUCTION INDUSTRY¹
1-5/2023**

**COMPLETIONS OF HOUSING IN GERMANY
FORECAST 2023 AND 2024²**



Sources: 1) Hauptverband der deutschen Bauindustrie; 2) Bundesverband Freier Immobilien- und Wohnungsunternehmen

Building Materials Segment Revenues and EBIT vs previous year



▪ Revenues: Δ 22/23 EUR -181.9 million

▪ EBIT: Δ 22/23 EUR -42.8 million

- Volume- and price-induced decline in revenues
- High level of uncertainty from changes in the law and rising interest rates have acted as a constraint on investments
- Easing of the supply situation causes price level to decline for non-energy-intensive building materials
- BayWa Bau Projekt GmbH: sale of nine units (residential and commercial properties)

OUTLOOK 2023

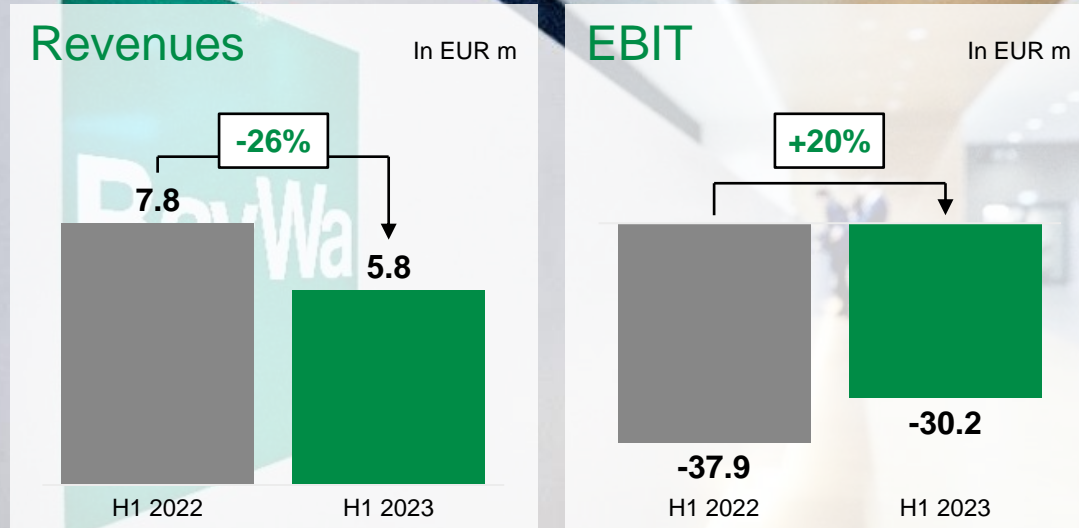
- No recovery anticipated in residential building
- Focusing on commercial and public sector construction
- Implementation of cost-cutting measures
- BayWa Bau Projekt GmbH's positive development likely to continue

03

Group Financials 1-6/2023

Andreas Helber

Other Activities 1-6/2023



- Revenues: Δ 22/23 EUR -2.0 million
- EBIT: Δ 22/23 EUR +7.7 million

- EBIT consists of administrative costs and consolidation effects
- Improvement compared with year-earlier period, driven by:
 - Proceeds from the sale of real estate (EUR +6.4 million)
 - Higher income from participating investments (LWM Austria GmbH EUR +3.2 million)

Financials Energy Business Unit

Income Statement

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	H1 2023	Δ22/23 (in %)
Revenues	1,926.8	1,750.8	2,243.7	4,211.0	4,375.3	3.9%
EBITDA	32.2	38.9	87.7	143.3	145.4	1.5%
<i>% of Revenues</i>	1.8%	2.2%	3.9%	3.4%	3.3%	
EBIT	12.1	16.7	57.3	105.6	107.7	2.0%
<i>% of Revenues</i>	0.6%	1.0%	2.6%	2.5%	2.5%	
EBT	-8.1	-10.4	33.7	64.6	42.0	-35.0%
<i>% of Revenues</i>	-0.4%	-0.6%	1.5%	1.5%	1.0%	

Financials Agriculture Business Unit

Income Statement

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	H1 2023	Δ22/23 (in %)
Revenues	5,696.3	5,553.8	6,043.3	7,529.6	7,194.2	-4.5%
EBITDA	97.6	109.0	139.1	275.7	166.7	-39.5%
<i>% of Revenues</i>	1.7%	2.0%	2.3%	3.7%	2.3%	
EBIT	53.6	61.6	88.3	222.3	111.9	-49.7%
<i>% of Revenues</i>	0.9%	1.1%	1.5%	3.0%	1.6%	
EBT	26.0	35.6	62.5	190.4	41.7	-78.1%
<i>% of Revenues</i>	0.5%	0.6%	1.0%	2.5%	0.6%	

Financials Building Materials Business Unit

Income Statement

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	H1 2023	Δ22/23 (in %)
Revenues	775.3	876.8	994.6	1,160.7	978.8	-15.7%
EBITDA	17.6	30.7	47.7	59.7	19.0	-68.2%
<i>% of Revenues</i>	2.3%	3.5%	4.8%	5.1%	1.9%	
EBIT	7.0	17.2	33.6	43.5	0.7	-98.4%
<i>% of Revenues</i>	0.9%	2.0%	3.4%	3.7%	0.1%	
EBT	1.0	10.9	24.7	33.4	-19.1	> -100%
<i>% of Revenues</i>	0.1%	1.2%	2.5%	2.9%	-2.0%	

Income Statement

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	H1 2023	Δ22/23 (in %)
Revenues	8,410.6	8,193.7	9,293.6	12,913.9	12,559.2	-2.7%
EBITDA	155.1	160.4	262.9	455.0	322.1	-29.2%
<i>% of Revenues</i>	1.8%	2.0%	2.8%	3.5%	2.6%	
EBIT	52.2	53.8	144.6	328.5	186.9	-43.1%
<i>% of Revenues</i>	0.6%	0.7%	1.6%	2.5%	1.5%	
EBT	2.6	0.6	94.0	250.6	32.7	-87.0%
<i>% of Revenues</i>	0,0%	0.0%	1.0%	1.9%	0.3%	
Consolidated net income	1.9	0.4	66.8	177.6	23.2	-86.9%
Share of minority interest	10.9	13.0	25.2	53.2	22.7	-57.3%
<i>% of net income</i>	> 100%	> 100%	37.7%	30.0%	97.8%	
Share of owners of parent company	-9.0	-12.6	41.5	124.4	0.5	-99.6%
<i>% of net income</i>	> -100%	> -100%	62.1%	70.0%	2.2%	
Earnings per share (EPS) (in EUR)	-0.44	-0.54	1.00	3.33	-0.01	>-100%

Balance Sheet

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	FY 2022	H1 2023	Δ22/23 (%)
Total assets	8,453.9	8,863.8	10,067.2	12,722.9	12,976.4	12,787.1	-1.5%
Equity	1,351.4	1,312.6	1,872.4	1,972.8	1,909.0	1,890.4	-1.0%
Equity ratio	16.0%	14.8%	18.6%	15.5%	14.7%	14.8%	

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	FY 2022	H1 2023	Δ22/23 (%)
Non-current assets	3,166.8	3,268.1	3,777.6	4,028.3	4,390.9	4,707.1	7.2%
Current assets	5,237.8	5,592.9	6,279.8	8,635.8	8,585.5	8,080.7	-5.9%
Provisions	942.5	1,076.0	1,137.4	1,130.9	1,153.7	1,096.1	-5.0%
Long-term debt (Ci ¹)	1,412.1	1,313.8	1,172.2	2,930.4	3,560.1	2,963.4	-16.8%
Long-term leasing liabilities	782.0	711.7	822.7	874.6	926.3	971.6	4.9%
Short-term debt (Ci ¹)	1,704.7	2,089.7	2,074.8	1,621.1	1,718.7	2,216.6	29.0%
Short-term leasing liabilities	22.2	61.8	73.1	76.7	75.6	82.7	9.4%

1) Ci = Credit institute

Cash Flow Statement

In EUR m	H1 2019	H1 2020	H1 2021	H1 2022	H1 2023	Δ22/23 (in %)
Cash Earnings	151.9	147.2	222.7	386.7	265.7	-31.3%
Cash flow from operating activities	217.6	232.3	-176.1	-57.7	517.3	> 100%
Cash flow from investing activities	-102.7	-81.3	-80.5	-183.4	-203.0	-10.7%
Cash flow from financing activities	-102.2	-219.3	284.2	76.9	-274.2	> -100%
Cash & cash equivalents at the start of the period	120.6	229.7	168.4	399.1	221.8	-44.4%
Cash & cash equivalents at the end of the period	133.4	159.5	196.3	233.5	258.8	10.8%

An aerial photograph of a winding river flowing through a lush green agricultural landscape. The river is dark and meanders through various shades of green fields, some of which show distinct patterns from farming machinery. The overall scene is vibrant and natural.

BayWa

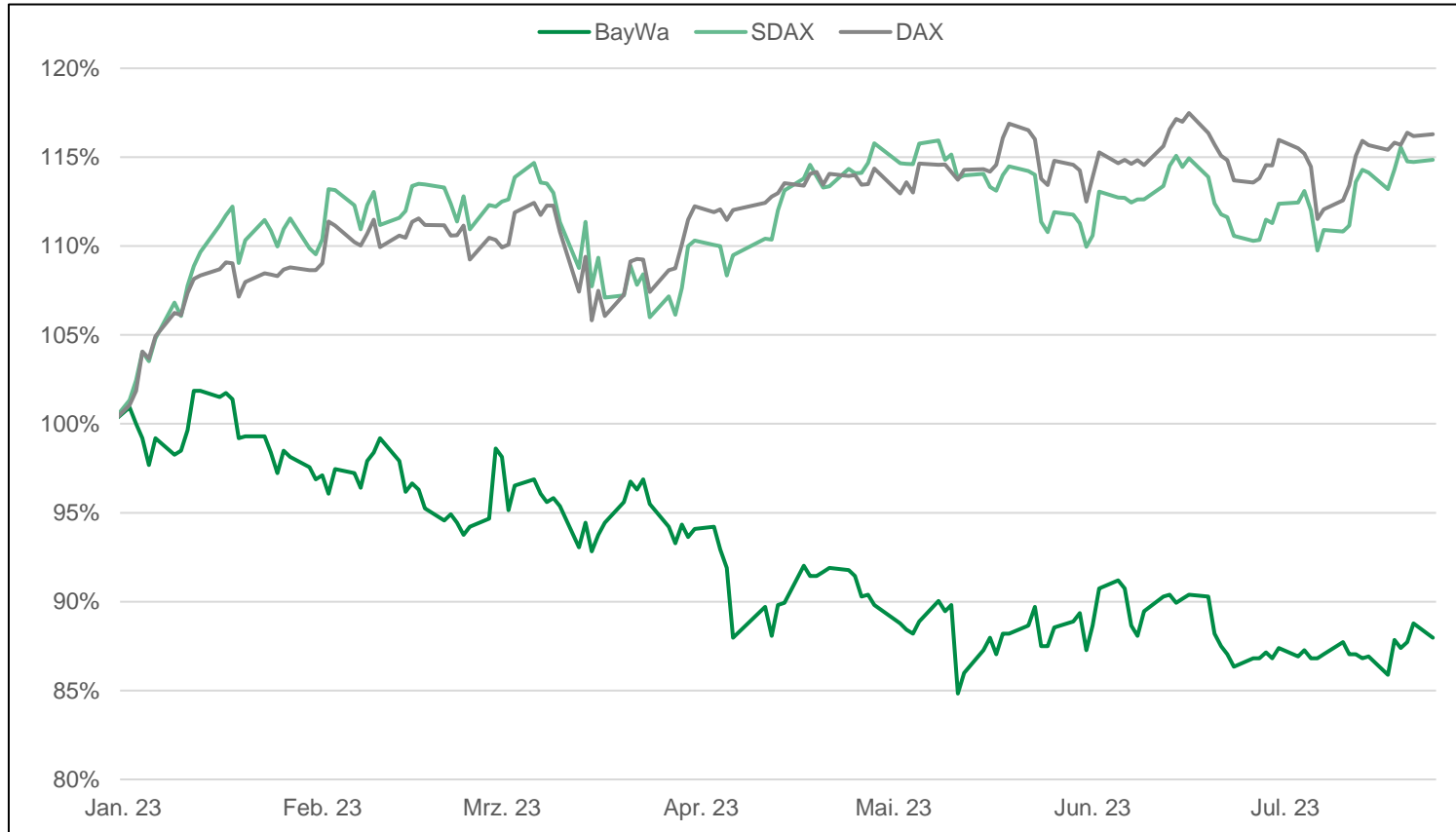
**Thank you for your
attention**

Munich, 3 August 2023
Marcus Pöllinger, CEO
Andreas Helber, CFO

04

Appendix

BayWa Share 2023: Price Performance compared with the SDAX and DAX



**1 January to 25 July 2023:
performance & closing price¹**

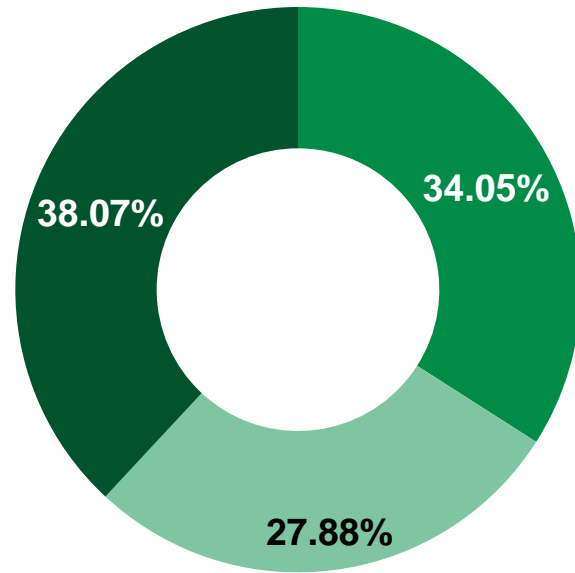
BayWa -12.0%	38.00€ closing price
SDAX 14.8%	13,695.95* closing price
DAX 16.3%	16,190.95* closing price

Source: 1) Frankfurt Stock Exchange

*Points

BayWa Share 2023

Shareholder structure (30/06/2023)



- Bayerische Raiffeisen-Beteiligungs AG
- Raiffeisen Agrar Invest AG
- Freefloat

BayWa share profile (30/06/2023)

Stock exchanges	Frankfurt, Munich, Xetra
Segment	Official Market / Prime Standard
Security code	no. 519406 and 519400
ISIN	DE0005194062 and DE0005194005
Share capital	EUR 91.807.715,84
Number of shares	35.862.389
Denomination	No-par value shares with an arithmetical portion of € 2.56 each in the share capital
Securitisation	In the form of a global certificate deposited with Clearstream Banking AG. Shareholders participate as co-owners corresponding to the number of shares held (collective custody account)

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Financial Calendar 2023/24



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Forward-looking statements and guidance

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