

Quarterly Statement

Q1/2025

BayWa Group

The BayWa logo consists of a solid green square with the text "BayWa" in white, sans-serif font positioned in the lower right corner of the square.

Quarterly Statement

Preliminary Remarks on this Quarterly Statement

Ongoing Reorganisation and Restructuring Process

As previously reported and published in the media, BayWa AG is in the midst of reorganisation. To meet the challenges this poses, a comprehensive transformation process was initiated under a new management and a reorganisation concept was drawn up. The reorganisation concept includes the elimination of the causes of the crisis jeopardising the Group's continued existence, the implementation of measures required to reduce the high level of debt to a sustainable level and to strengthen equity. This is intended to ensure that the operations of BayWa AG and its Group companies can be reorganised and continued. For overall strategic reasons, BayWa is endeavouring to refocus on its traditional core business.

For the purposes of implementing and executing this reorganisation concept, on 31 January 2025, the Board of Management of BayWa AG notified Munich Local Court as the competent restructuring court of a public restructuring project in accordance with the German Act on the Stabilisation and Restructuring Framework for Companies ("StaRUG"). The restructuring proceedings have not yet been legally concluded. This also has an impact on the finalisation and publication of the Group's financial reporting for the 2024 financial year. The audited consolidated financial statements as at 31 December 2024 and the Group management report of BayWa AG for the 2024 financial year, including a forecast for the 2025 financial year, cannot be published until the StaRUG proceedings have been legally concluded. For this reason, this quarterly statement for the first quarter of 2025 cannot be based on carryforward or comparative figures from the 2024 financial year in the form practised to date, nor can it provide specific key financial figures known from previous financial reporting. The present communication therefore differs from the previously known format and there are also special features in terms of content.

Change in Segment Reporting from the 2025 Financial Year onwards

In the course of preparing the reorganisation opinion, internal management and the corresponding external segment reporting were restructured with effect from the 2025 financial year. The Renewable Energies, Cefetra Group and Global Produce Segments remain unchanged; only the RWA Segment has been redefined and will be presented as a separate segment with effect from the 2025 financial year until the sale of the investment in Raiffeisen Ware Austria AG (RWA AG) is completed at the beginning of May 2025. RWA AG's earnings contributions were previously allocated to BayWa's operating segments. The remaining part of the Group is reported in the BayWa Agri Trade & Service, BayWa Agricultural Equipment, BayWa Heating & Mobility, BayWa Building Materials and BayWa Others Segments.

This means that starting in the 2025 financial year, the Group will present and report on nine segments instead of the previous eight. These nine segments are summarised and consolidated within the BayWa Group. This rearrangement takes account of the fact that individual areas of the Group are to be or have already been sold as part of the reorganisation measures. This new structure will ensure the comparability of business figures across future reporting periods.

Pools of Data and Comparability of the Carryforward or Previous Year's Figures

This financial information for the first quarter of 2025 includes comparative carryforward figures or figures from the first quarter of the 2024 financial year. At the time of publication of this quarterly statement, BayWa AG's audited consolidated financial statements and Group management report for the 2024 financial year were not yet available. Any adjustments or new findings from the ongoing audit may have an impact on the comparative figures and interpretation of the current results.

Notes

- Unless otherwise stated, amounts are stated in millions of euros and rounded to one decimal place. This may result in minor discrepancies in sum totals and when calculating percentages.
- For reasons of readability, gender-specific wording and formal reference to all gender identities are not used. The selected form stands for all genders (m/f/other).
- This statement is available in German and English. Only the German version is legally binding.

Reorganisation Progress Visible – Operational Business Development Heading towards Stabilisation

- Site closures and personnel reductions are proceeding according to plan
- Completion of the sale of RWA shares in May 2025
- BayWa Group: revenues in the first quarter of 2025 down on the previous year due to the ongoing transformation

The BayWa Group reported a 9.2% decline in revenues to €4.7 billion in the first three months of the 2025 financial year on the same quarter of the previous year (2024: €5.2 billion). The decline is mainly due to one-off effects related to the ongoing transformation. The personnel measures implemented since the start of the transformation process last year, including the reduction of around 700 positions, are making a significant contribution to a sustainable improvement in operations. In addition, the first site closures – particularly in the BayWa Building Materials Segment – have already been implemented, which is expected to result in a leaner and more efficient cost structure in future. At the same time, a targeted optimisation of the product range was begun, with a focus on higher-margin products. Adjusted for one-off special effects related to the transformation process, especially in connection with personnel measures and restructuring expenses, the quality of earnings is expected to improve significantly.

In addition to the operational measures, structural progress was also achieved in the period under review. The sale of the 47.53% stake in the Austrian company Raiffeisen Ware Austria AG (RWA AG) to an affiliated company of RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen for a purchase price of €176 million, which had been announced on 27 December 2024, was completed on 2 May 2025. The sale of the stake will reduce the BayWa Group's liabilities to banks by around €500 million.

Restructuring Proceedings in Accordance with StaRUG Are Progressing

Given that, despite repeated requests, a small number of the just under 300 lenders were unwilling to back the reorganisation solution worked out after intensive negotiations by the end of January 2025, the Board of Management of BayWa AG submitted a restructuring project in accordance with StaRUG to Munich Local Court as the competent restructuring court on 31 January 2025. The public restructuring matter is registered under file number 1501 RES 337/25. Further information is available on the BayWa AG website www.baywa.com. At the court hearing held on 15 May 2025 to discuss the restructuring plan and the voting rights of those affected by it and to vote on the restructuring plan (discussion and voting meeting), the restructuring plan was accepted with the required majorities. The confirmation of the restructuring plan by the Munich restructuring court, which is required for the plan to take effect, was still outstanding at the time of publication of this quarterly statement and is expected shortly. The restructuring court has announced its decision for 6 June 2025. This is a key milestone in the implementation of the reorganisation concept. The measures provided for in the reorganisation concept will be implemented in stages even before the court approves the restructuring plan, and will continue once the plan becomes legally effective.

The current standstill agreement with the lenders party to the standstill agreement runs until the end of 30 June 2025. By then, the company expects the implementation of the reorganisation concept to be successfully completed via the StaRUG proceedings and the reorganisation agreement to take effect. The term of the various financial receivables is to be extended uniformly until the end of 2028 via the restructuring plan and the reorganisation agreement.

Changes on the Board of Management of BayWa AG

With effect from 1 March 2025, the Supervisory Board appointed Dr. Frank Hiller as a member of the Board of Management and Chief Executive Officer, and Prof. Dr. Matthias J. Rapp as a member of the Board of Management. Dr. Frank Hiller succeeded Marcus Pöllinger, who left the Board of Management on 31 October 2024. Prof. Dr. Matthias J. Rapp took over the responsibilities of former CFO Andreas Helber, who left the Board of Management on 31 March 2025 following a brief handover. Therefore, at the time of publication of this quarterly statement, the Board of Management of BayWa AG is composed of Dr. Frank Hiller (Chief Executive Officer – CEO), Michael Baur (Chief Restructuring Officer – CRO), Prof. Dr. Matthias J. Rapp (Chief Financial Officer – CFO), Dr. Marlen Wienert and Reinhard Wolf.

Business Performance of the Segments from 1 January to 31 March 2025

BayWa Agri Trade & Service Segment

The Agri Trade & Service Segment mainly comprises trading of agricultural products and operating resources.

Prices for agricultural products remained flat with a slight upward trend compared to the same period in the previous year for cereals such as wheat and maize, and were up year on year for oilseeds such as rapeseed. The market for soya meal contracted owing to ample supply. At the same time, fertilizer prices rose significantly. The main driver of price rises for nitrogen fertilizers is higher production costs resulting from increased gas prices. The significant fall in gas prices from the middle of the first quarter of 2025 will have a delayed impact on fertilizer prices. Revenues in the BayWa Agri Trade & Service Segment fell by 9.8% year on year to €615.8 million. This was primarily due to a decline in grain and oilseed deliveries and lower invoiced sales in the agricultural input business. Market-related factors, such as the delayed onset of spring compared to the previous year, as well as measures to actively manage liquidity were the main drivers of the decline in revenues within the segment.

BayWa Agricultural Equipment Segment

The Agricultural Equipment Segment trades in agricultural machinery and facilities and offers a wide range of services.

Tractor registrations in Germany fell by 19.5% in the first quarter of 2025 compared to the same period of the previous year – a decline that had been expected following the strong unit sales of previous years. This development was also reflected in the reduced revenues in the BayWa Agricultural Equipment Segment, which recorded a decline in revenues from €521.7 million to €459.7 million (down 11.9%). The new machinery business was hit particularly hard, although the decline was largely offset by a targeted sales offensive, thanks in particular to strong demand in the used machinery market. Despite lower revenues overall, margins remained stable, while capacity utilisation at BayWa's workshops remained high. The accelerated stock turnover rate, which reduces capital commitment and makes inventory processes more efficient, is another positive aspect worth emphasising.

BayWa Heating & Mobility Segment

The Heating & Mobility Segment comprises trading activities in fossil and renewable heating oil, fuels and lubricants, and also provides heating and mobility solutions.

The first quarter was marked by price declines on the crude oil market, due mainly due to oversupply, which led to a corresponding fall in heating oil prices. Simultaneously, demand for fuels from the agricultural and construction industries remained subdued, owing in part to economic uncertainties and in part to seasonal effects. Trading in lubricating oils recorded a decline in sales following the temporary closure of the production plant of a major customer. This was countered by the wood pellet market, which recovered significantly following the slump in prices and demand in the previous year. Both prices and demand increased in the quarter under review. The positive development in the wood pellet business made a significant contribution to more or less offsetting declining revenues in other product areas. All in all, the BayWa Heating & Mobility Segment generated revenues of €309.2 million, which was thus almost at the previous year's level (2024: €323.2 million).

BayWa Building Materials Segment

The Building Materials Segment mainly comprises trade in building materials, supplemented by project-related activities in the context of construction and project development.

Incoming orders for the German construction industry recorded inflation-adjusted growth of 4.6% in the first two months of 2025. For most building materials, prices in March 2025 are lower by between 1% and 7% year on year. By contrast, energy-intensive materials remain above the price level of March 2024 owing to persistently high energy costs and remain significantly higher than in 2021. Amid continued strain in the construction industry, revenues in the BayWa Building Materials Segment fell by 20.8% from €276.7 million to €219.2 million. The main factors contributing to this downward trend were a reduced inventory and a noticeable loss of confidence on the market. The seasonally weak first quarter was utilised as an opportunity to implement operational measures. Both the reduction in personnel and site closures were completed ahead of schedule. Active management of the product mix, including the streamlining of more than half of the suppliers, and a shift towards the higher-margin warehousing business helped to offset the decline in revenues.

BayWa Others Segment

Revenues in the BayWa Others Segment mainly comprise the affiliated company "UNSER LAGERHAUS" WARENHANDELS-GESELLSCHAFT m.b.H (WHG) and amounted to €111.9 million as at 31 March 2025 (2024: €117.1 million).

Renewable Energies Segment

The Renewable Energies Segment covers significant parts of the renewable energies value chain.

In the period under review, three solar and two wind projects with a total output of around 178 megawatts (MW) were sold in Europe. In the previous year, the total output realised stood at 242 MW, largely through the sale of project rights. Sales of solar modules and inverters fell in the wake of lower demand and a persistent oversupply on the market. Sales volumes measured in installed output (MW) fell by 10.8% for solar modules and by 2.5% for inverters. Overall, revenues generated by the segment dropped 10.2% to €812.5 million (2024: €904.5 million).

Global Produce Segment

The Global Produce Segment combines all activities of the Group in the business of fruit and vegetable growing and trading these products.

The fruit and vegetable trade performed well, increasing revenues by 10.7% year on year to €298.0 million. The segment records stable demand in almost all areas. In the southern hemisphere, the apple harvest is expected to be 5.5% higher than in the previous year, along with improved quality. In addition, the Asian export markets are performing favourably, which is benefiting T&G Global, the subsidiary in New Zealand. In the Netherlands, the subsidiary TFC succeeded in strengthening its market position by setting up new sales channels, thereby resulting in a positive revenues trend. The domestic fruit trade recorded typical seasonal sales with above-average prices, which can be attributed to the smaller apple harvest in the previous year.

Cefetra Group Segment

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.

In addition to agricultural commodities, the company trades in food ingredients such as starch products, rice and pulses, as well as dairy and organic products. A separation from the Cefetra Group is also planned as part of the transformation of the BayWa Group. The measures in this regard have been initiated; a specific date for completion has not yet been set. In the first quarter, the Cefetra Group generated revenues of €1.1 billion, 13.2% lower year on year (2024: €1.3 billion). The decline in revenues is attributable to the following market conditions. Cefetra Iberica recorded lower imports from the Black Sea region as the domestic grain harvest improved. Market activity was weaker in the Benelux countries; farmers' reluctance to sell led to lower trading volumes. In the UK, revenues generated in the bioenergy sector fell, which had a direct impact on sales. There were delays in exports of soya from South America to Europe. These deliveries are expected to be made up in the second quarter of 2025. In addition, market uncertainty caused by tariff developments in the USA had the effect of dampening business activity.

RWA Segment

The RWA Segment operates as a producer, service provider and retailer in the business areas of agriculture, agricultural equipment, energy, construction and home and garden in Austria and selected Eastern European countries.

To all intents and purposes, these business areas mirror the segment structure of BayWa AG. For this reason, the contributions to revenues and earnings were not reported separately in the past, but rather within the segments of the BayWa sub-group. As part of the strategic transformation, the sale of the investment in the Austrian company RWA AG was successfully completed on 2 May 2025. Accordingly, the investment will only be fully consolidated in the first and on a pro rata basis in the second quarter of the 2025 financial year. In the first quarter, the Austrian subsidiary generated revenues totalling €840.0 million (2024: €890.8 million). The slight decline compared to the previous year is mainly due to a decline in trade in building materials and agricultural machinery. In addition, the mild winter weather led to lower demand for heating oil.

About BayWa AG

BayWa AG was established in 1923 and has its principal place of business in Munich. Through consistent growth and the continual expansion of its scope of services, BayWa has grown from its humble beginnings in agricultural cooperative trade activities into an international Group. The Group operates worldwide, with over 20,000 employees, its own subsidiaries and international holdings. The BayWa Group's business operations encompass activities such as planning, wholesale, retail and logistics, as well as extensive supporting services and consultancy. BayWa supplies a wide variety of customer groups with innovative products and services and fulfils essential human needs for food, energy, mobility and housing. Further information can be found at www.baywa.com.

Munich, 30 May 2025

BayWa Aktiengesellschaft

Board of Management

Dr. Frank Hiller

Michael Baur

Prof. Dr. Matthias J. Rapp

Dr. Marlen Wienert

Reinhard Wolf

Financial Calendar

Dates in 2025

Consolidated financial statements for 2024

10 July 2025

Annual General Meeting 2025 (in person)

26 August 2025, 10.00 am – ICM, Munich

Publication of figures for the first half of 2025

August 2025

Publication of figures for the third quarter of 2025

13 November 2025

Subject to change without notice.

BayWa AG's financial calendar is updated on an ongoing basis on the website www.baywa.com (Investor Relations).

Contact

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