Notes to the Consolidated Financial Statements[1]

A Background to the BayWa Consolidated Financial Statements

A.1 General information

BayWa Aktiengesellschaft (for short: BayWa AG) is the parent company of the German-based BayWa Group and is a publicly listed stock corporation under German law. Its principal place of business is located in Munich (Arabellastrasse 4, 81925 Munich, Germany). BayWa AG is entered in the Handelsregister (commercial register) of the Amtsgericht (local court) of Munich, Germany, under registration number HRB 4921. The BayWa Group's business activities – divided into the operating segments Renewable Energies, Energy, Cefetra Group, Agri Trade & Service, Agricultural Equipment, Global Produce and Building Materials, as well as the Innovation & Digitalisation Segment – encompass wholesale, retail and logistics, as well as extensive supporting services and consultancy.

There have been no material changes in the accounting policies and valuation methods applied to the consolidated financial statements as against 31 December 2022.

The consolidated financial statements as at 31 December 2023 were drawn up in compliance with the International Financial Reporting Standards (IFRS) as applicable within the European Union. The standards of the International Accounting Standards Board (IASB), London, UK, and the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) valid on the reporting date were fully taken into account. The consolidated financial statements therefore give a true and fair view of the assets, financial position and earnings position of the BayWa Group and were prepared under the assumption that the company will continue as a going concern.

Moreover, the consolidated financial statements comply with the supplementary provisions set out under Section 315e para. 1 of the German Commercial Code (HGB).

The financial year of the BayWa Group covers the period from 1 January to 31 December. The financial statements of BayWa AG and its Group companies are generally prepared in accordance with the balance sheet date of the consolidated financial statements. The financial statements of Deutsche Raiffeisen-Warenzentrale GmbH, Frankfurt am Main, Germany; BRB Holding GmbH, Munich, Germany; LWM Austria GmbH, Hollabrunn, Austria; AUSTRIA JUICE GmbH, Allhartsberg, Austria; Baltanás Cereales y Abonos, S.L., Baltanás, Spain; Transhispania Agraria, S.L., Torquemada, Spain; and Big Blue Agriculture Ltd, Tzaneen, South Africa, constitute an exception, as these companies are accounted for using the equity method. All of the above companies have different reporting dates, which are 31 January, 28 February, 31 March, 30 June, 31 July or 30 September, depending on the companies' respective seasonal business development. The interim financial statements of all companies as at 30 November or 31 December form the basis for consolidation.

The accounting implemented within the Group of BayWa AG is carried out in accordance with the accounting and valuation principles uniformly applied by the whole Group; they are described in Note A.3. Individual items have been disclosed separately in the balance sheet and in the income statement to enhance transparency. They are broken down and explained in the Notes to the Consolidated Financial Statements. The consolidated financial statements have been prepared in euros. Unless otherwise indicated, amounts are shown in millions of euros (€ million; rounded off to one decimal place). The consolidated financial statements are disclosed in the commercial register.

A.2 Impact of new accounting standards and other regulatory requirements

Standards applied for the first time, newly issued or revised in the financial year 2023

At the start of the financial year 2023, the following standards revised or issued by the International Accounting Standards Board (IASB) were applied for the first time by the BayWa Group:
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of material accounting policies;
- Amendments to IAS 8 – Definition of accounting estimates and disclosure of changes in accounting policies;
- Amendments to IAS 12 – Deferred taxes from transactions that give rise to equal taxable and deductible temporary differences on initial recognition.

These amendments had no impact on amounts recognised in previous years and are not expected to have a material effect on the current or future reporting periods. In addition, IFRS 17 Insurance Contracts, the relevant standard for insurance companies, has been applicable since 1 January 2023, but has no impact on accounting at the BayWa Group.

1 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.

Standards and interpretations that have been published but not yet applied

Various new accounting standards, amendments to standards and interpretations have been published but are not obligatory for periods ending on 31 December 2023 and have not been applied earlier by the BayWa Group. These include:

- Amendments to IAS 1 – Classification of liabilities as current or non-current depending on the (substantive) rights that the company has on the reporting date and the need to reclassify non-current liabilities as current liabilities in the event of breaches of financial covenants with possible maturity within 12 months;
- Amendments to IAS 21 – Addition to the standard of rules on currency translation to be applied when a currency is not exchangeable into another currency;
- Amendments to IAS 7 and IFRS 7 – Additional disclosure requirements for reverse factoring agreements, which are intended to make it possible to assess the effects on the liabilities, cash flows and liquidity risk arising from these agreements;
- Amendments to IFRS 16 – Minor amendments to the subsequent accounting of lease liabilities from sale and leaseback transactions.

According to initial analyses, these new requirements are not expected to have a material impact on current or future reporting periods or on foreseeable future transactions for the BayWa Group. Only the amendments to IAS 1 may lead to a change in the presentation of non-current liabilities, while the additional disclosure requirements from the amended IAS 7 and IFRS 7 will be reflected in the disclosures on reverse factoring agreements in the consolidated financial statements for 2024. According to current analysis, the IFRS IC's agenda decisions have no material impact on current and future reporting in the BayWa Group.

Expected impact of the planned minimum tax under the OECD agreement (Pillar II)

In December 2021, the Organisation for Economic Co-operation and Development (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 Pillar II framework). In December 2022, the European Union unanimously agreed on the implementation of this framework in the form of a directive. This directive had to be transposed into national law by the member states by 31 December 2023 at the latest in order to ensure its application for financial years beginning after 31 December 2023. The German law implementing the Pillar II concept was published in the German Federal Law Gazette on 27 December 2023 and came into force on 28 December 2023. It applies to financial years beginning on or after 30 December 2023.

Germany's new Minimum Taxation Directive Implementation Act (Minimum Tax Act – MinStG) will apply to the BayWa Group from the financial year 2024. As BayWa AG, the Group's ultimate parent company, is headquartered in Germany, the Pillar II framework will apply to the BayWa Group from 1 January 2024, regardless of which other countries also implement it. Under the law, the Group must pay a tax increase for each country with an effective tax rate of less than 15%. The law includes simplified rules in the form of temporary safe harbour regulations for each jurisdiction, which means that no tax increase is payable if certain conditions are met. As the Pillar II legislation was not yet applicable at the reporting date, the Group has no current tax burden from this regulation.

The BayWa Group is currently analysing the impact of the legislation, particularly with regard to the use of the safe harbour regulations. In this assessment, the Pillar II rules were applied to the results for the financial years 2022 and 2023 in order to provide an indication of possible future effects. These calculations showed that almost all countries met the conditions of eligibility as a safe harbour, which means that no taxes would have been incurred in these countries if the Pillar II framework had applied to these financial years. For those countries that would not have complied with the safe harbour, the impact on current taxes and tax payments based on a simplified calculation for the 2022 and 2023 financial years is likely to be insignificant. Due to the complexity of the regulations, it is not yet possible to estimate the specific quantitative impact on future current taxes and tax payments.

The BayWa Group is utilising the temporary exemption included in the implementation of the Pillar II regulations and contained in the amendment to IAS 12 published in May 2023 not to recognise deferred taxes as a result of Pillar II.

A.3 Accounting policies and valuation methods

Intangible assets

Intangible assets purchased against payment are capitalised at cost and, with the exception of goodwill, amortised on a straight-line basis over their useful lives (generally three to five years). Intangible assets which have been created in-house (self-created) have been capitalised in accordance with IAS 38 if it is likely that the future economic benefit will accrue from the use of the assets and if the cost of the assets can be reliably determined. These assets have been recognised at cost, with an appropriate portion of the overheads relating to their development, and amortised on a straight-line basis. The calculation of impairment losses has been carried out in consideration of IAS 36. The calculation of the recoverable amount is based on the value in use.

Goodwill is subject to an impairment test once a year. In the context of the impairment test, the residual book values of the goodwill allocated to the individual cash-generating unit are compared with fair value in use. Cash-generating units are essentially defined as legally independent organisation units directly assignable to the reporting segments within the BayWa Group. In the event of a merger of legally independent organisation units, the respective operating unit or the respective geographically defined segment of the incorporating organisation unit is viewed as the cash-generating unit. In some cases, groups of legally independent organisation units that were acquired at the same time and form a single unit are recognised as a cash-generating unit. Within the BayWa r.e. Group, impairment tests are carried out at the level of the business entities as cash-generating units.

The calculation of the value in use is based on the net present value of future cash flows anticipated from the ongoing use of the cash-generating unit. In this process, the forecast of the cash flows is derived on a regular basis from the current planning prepared by Management on a three-year horizon, as well as other assumptions which are based on the knowledge available at the time, market forecasts and empirical experience.

Property, plant and equipment

Property, plant and equipment are measured at cost, minus depreciation. If necessary, an impairment loss is recognised. The cost is made up of the purchase price, incidental purchase (transaction) costs and subsequent purchase costs, less any price reductions received. If there is an obligation to decommission an asset which is part of non-current assets at the end of its useful life, or to dismantle or rebuild a site, the estimated costs of these activities will raise the cost of purchasing the asset. Property, plant and equipment are depreciated on a straight-line basis over the course of their useful life. The units of production method was also used in exceptional cases where this provided a more accurate representation of the expected pattern of consumption of the future economic benefits.

Depreciation is based on the following periods of useful life applied uniformly throughout the Group:

	In years
Company premises and office buildings	25–33
Residential buildings	50
Land improvements	10–20
Technical facilities and machinery	4–30
Other facilities, fixtures and office equipment	3–15

The calculation of impairment losses has been carried out in consideration of IAS 36. Impairment requirements are calculated by comparing the book values of land and buildings and technical facilities with their recoverable amount. The calculation of the recoverable amount is based on the value in use.

Borrowing costs are expensed within the BayWa Group as incurred unless they can be directly attributed to the acquisition, construction or production of a qualifying asset in accordance with IAS 23 and are therefore included in the cost of that asset. The amortisation of capitalised borrowing costs is reported in the consolidated income statement under depreciation and amortisation.

Participating interests recognised at equity, investments and securities

Joint ventures and associated companies included in the consolidated financial statements are recognised using the equity method in proportion to their equity plus any goodwill generated from the acquisition process.

The BayWa Group’s investments comprise interests in non-consolidated affiliated companies, interest in other holdings, credit balances with cooperatives, loans and securities. In accordance with the measurement categories of IFRS 9, these financial assets are recognised at fair value through other comprehensive income with and without recycling or at fair value through profit or loss. IFRS 9 is also used for interests in non-consolidated affiliated companies and interest in other holdings. The interest in other holdings relates to associates that are not included under the equity method.

Securities and credit balances with cooperatives were attributed to the "fair value through profit or loss" category at the end of the reporting period. The fair value generally corresponds to the market or stock market value (level 1 of the fair value hierarchy). In the case of interests in non-consolidated affiliated companies and participations in other companies, which are recognised at fair value in accordance with IFRS 9, cost provides the best estimate of fair value, provided the company in question is not listed on a securities market or the earnings position of the affiliated company has not changed materially compared to the plan. The option to measure equity instruments at fair value through other comprehensive income as defined in IFRS 9 is only utilised for a small number of BayWa Group investment in order to recognise the changes in the statement of comprehensive income, for example due to a stock exchange listing. Consistent measurement is applied.

Loans to affiliated companies and holdings, as well as other loans, are attributed to the "amortised cost" category. These are measured at amortised cost using the effective interest method. Due to reasons of materiality, no risk provisions were formed for expected credit losses.

Investment property

Property is classified as investment property in accordance with IAS 40 if it is leased by third parties, if it is land or greenfield sites not built on and not expressly intended for development or use, and in the case of properties used for a number of purposes, if use by the Group is of minor significance.

In accordance with the option under IAS 40, investment property is recognised exclusively at amortised cost and depreciated as scheduled over its period of useful life as indicated under "Property, plant and equipment". The calculation of impairment losses has been carried out in consideration of IAS 36. The calculation of the recoverable amount is based on the value in use.

Financial instruments

Recognition, measurement and classification
Under IAS 32, a financial instrument is an agreement which gives rise simultaneously to a financial asset at one entity and a financial liability or equity instrument at another. Initial recognition is carried out at fair value; for subsequent measurements, the financial instruments are allocated to the measurement categories defined under IFRS 9 and treated accordingly. The BayWa Group's financial assets particularly include trade receivables, financial investments and positive fair values from currency and currency and interest rate hedges. In addition, the positive fair value of commodity futures classified as other current financial assets within the meaning of IFRS 9 would only be recognised for those scheduled for trading and not those scheduled to be utilised by the Group. Due to the application of the own-use exemption for fertilizer and hops, the financial assets resulting from such transactions are not recognised unless losses are expected as a result of said transactions and corresponding provisions are to be formed. Financial liabilities regularly constitute a right of repayment in funds or another other current financial asset. At the BayWa Group, these are especially liabilities due to banks and trade payables, as well as currency and interest rate hedges with negative fair values. The negative fair value of commodity futures classified as financial liabilities within the meaning of IFRS 9 continue to only be recognised for those scheduled for trading and not those scheduled to be utilised by the Group.

According to IFRS 9, financial assets relate to the following categories:

- Amortised cost (AC): If a company aims to hold a financial asset to collect the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding at a specified date, this financial asset is to be measured at amortised cost. Loans to affiliated companies, loans to Group companies and other loans fall into this category. This category also includes trade receivables, receivables from affiliated and Group companies and other assets, which mainly have short residual terms at the BayWa Group.
- Fair value through other comprehensive income (FVTOCI): A financial asset is to be measured at fair value through other comprehensive income if a company aims to hold or sell it while also collecting the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding at a specified date. This category also includes all equity instruments for which the fair value OCI option has been exercised. The changes in measurement recognised through OCI can no longer be recognised through profit or loss (without recycling) if the fair value through OCI option has been chosen for an equity instrument. For debt instruments recognised at fair value through other comprehensive income, the changes in measurement through OCI must be recognised through profit or loss in the event of their disposal (with recycling).
- Fair value through profit or loss (FVTPL): A financial asset that is not measured at amortised cost or at fair value through other comprehensive income is to be measured at fair value through profit or loss. In particular, securities and non-consolidated shares in affiliated companies and Group companies fall into this category. Measurement is based on the market or stock market value. Gains and losses from subsequent measurements are recorded through profit or loss. In addition, this category only includes the positive fair values of those commodity futures scheduled for trading, as well as currency and interest derivatives that are not included in hedge accounting.

Financial assets are reported in the balance sheet on the settlement date.

The financial liabilities cover the following categories:

- Financial liabilities measured at amortised cost (FLAC): These financial liabilities are measured at amortised cost after their initial recognition. Amortised cost is determined using the effective interest method, under which future payments are discounted at the book value of the financial liability. Gains and losses are recorded directly in the consolidated result.
- Financial liabilities measured at fair value through profit or loss (FVTPL): Derivative financial instruments that are not part of hedge accounting and whose market value from subsequent measurements has resulted in a negative attributable fair value are to be disclosed under this category. Market changes are recorded in the consolidated result through profit or loss. Measurement is made at fair value. This category primarily includes the negative fair values of those commodity futures scheduled for trading, as well as currency and interest derivatives that are not included in hedge accounting.

The option to measure certain financial instruments at fair value through profit or loss (FVTPL option) is exercised by the BayWa Group in energy trade activities for physical power purchase agreements (PPAs). The recognition of PPAs as own-use contracts would result in an accounting mismatch, as the associated offsetting transaction is recognised at fair value through profit or loss.

The interest rate benchmark reform (phase 1 and 2) did not result in any material effects.

Derivative financial instruments are used at the BayWa Group in particular to hedge the interest rate and currency risks arising from operating activities. Interest rate swaps and futures and currency futures are the main instruments used. Derivative financial instruments are carried at fair value upon their initial recognition and at the end of each subsequent reporting period. The fair value corresponds to the positive or negative market value.

The BayWa Group conducts its business mainly in the euro zone. However, business activities in foreign currencies are also conducted via consolidated Group companies. Due to the export activities, the majority of the business activities of the consolidated New Zealand companies are denominated in New Zealand dollars, as well as in US dollars, euros, pound sterling and Japanese yen. The business activities of the consolidated American companies and companies in the UK currency area pertain almost exclusively to their respective currency areas. Similarly, the business activities of the consolidated Hungarian companies are restricted almost without exception to the Hungarian currency area. A small volume of transactions in foreign currencies are also conducted in agricultural trade activities at the BayWa Group. If foreign currency futures are concluded, they are hedged by the respective currency future. For those currency futures for which there is a clear hedging relationship with an identifiable underlying transaction, the transaction is a hedge within the meaning of IFRS 9. In cases in which a hedge exists and is designated as such, changes in the market value of derivative financial instruments are recognised directly in other results. For those derivative financial instruments for which there is no clear hedging relationship with an identifiable underlying, the transaction is not a hedge within the meaning of IFRS 9. As a result, currency futures are measured at market value at the end of the reporting period separately from the underlying transactions. Market values are ascertained on the basis of market information available at the end of the reporting period. Hedges generally pertain to the following year's foreign currency futures. As at 31 December 2023, there were currency futures denominated in US dollars, pound sterling, Australian dollars, Polish złoty, Swiss francs and Canadian dollars to hedge currency risks.

In the context of financial management, the Group is active on the money market primarily in borrowing short-term term deposits. Outside of the euro zone, the procuring of funds is carried out in the currency area of the respective operating unit. The BayWa Group is therefore exposed to interest rate risk in particular. The Group counteracts this risk by using derivatives of financial instruments, mainly through interest rate swaps and futures. Volume-related hedging always comprises only a base amount of the borrowed funds. For those derivative financial instruments for which there is a clear hedging relationship with an identifiable underlying transaction, the transaction is a hedge within the meaning of IFRS 9. In cases in which a hedge exists and is designated as such, effective changes in the market value of derivative financial instruments are recognised directly in other results. If applicable, ineffective changes in the market value of derivative financial instruments are measured through profit or loss. For those derivative financial instruments for which there is no clear hedging relationship with an identifiable underlying, the transaction is not a hedge within the meaning of IFRS 9. As a result, interest derivatives are measured at market value at the end of the reporting period separately from the underlying transactions. Market values are ascertained on the basis of market information available at the end of the reporting period. Interest rate hedges relate to both non-current and current financings.

If they constitute financial instruments and therefore fall under the scope of IFRS 9, receivables and other assets are to be allocated to the "amortised cost" category and recognised accordingly. Receivables are recognised at their nominal amount as a general rule. Receivables which are non- or low-interest-bearing with terms of more than one year are discounted if the interest effect is material.

Impairment

Under IFRS 9, risk provisions for expected credit losses are to be formed for risks based in particular on the credit rating of the respective contractual party in the case of all financial instruments classified as debt instruments that are not measured at fair value through profit or loss.

Under the general model, risk provisions for expected credit losses resulting from a default event within the next 12 months are to be recognised at addition for all financial instruments classified as debt instruments (stage 1). If the risk of default increases significantly over time (such as payments being over 30 days past due), the expected credit loss period is to be extended to cover the remaining term of the financial instrument so that the risk provisions reflect expectations regarding defaults on payment for the remaining term (stage 2). If there is objective evidence of impairment, such as insolvency on the part of the debtor, a corresponding impairment is to be recognised (stage 3).

Besides the general model to calculate risk provisions, IFRS 9 also provides a simplified method for trade receivables and contract assets without a significant financing component. Under this method, risk provisions for expected credit losses are to be determined at addition for the remaining term (stage 2). The impairment to be recognised in stage 3 in the case of objective evidence of said impairment also applies to the same extent under the simplified method. By contrast, either the simplified approach or the general model can be chosen in the case of lease receivables, as well as for trade receivables and contract assets with a significant financing component.

As in the previous year, extensive analysis showed that risk provisions for stage 1 and stage 2 expected credit losses at the BayWa Group were of minor importance in relation to almost all financial assets at the point of initial application of IFRS 9. As a result, no risk provisions for stage 1 or stage 2 expected losses were formed for reasons of materiality in the case of non-current trade receivables, as well as financial assets included in other non-current assets, which fall under the scope of the general model. In addition, risk provisions also play a minor role, both individually and taken as a whole, in the simplified approach applied to current receivables from affiliated companies and Group companies and financial assets included in other current assets – as in the case of contract assets and lease receivables – meaning that no separate stage 2 provisions were recognised here either. Stage 3 risk provisions are formed if there is any objective evidence of impairment in relation to the aforementioned items.

Separate risk provisions for stage 2 expected credit losses are calculated and recognised for current trade receivables within the scope of an impairment matrix split into the periods by which the receivables are overdue pursuant to the simplified approach under IFRS 9. The primary influencing factors with regard to the value of the risk provisions are the parameters probability of default on the basis of historical defaults, complemented by an assessment of future development of the probability of default on the part of the management, and the underlying receivable amount. The probabilities of default based on historical default rates are also adjusted by a particular percentage that reflects the actual amount of the default on receivables in the event that they are not collectible. As in the previous year, this value was set throughout the Group at 60%. An adjustment of the probability of default due to macroeconomic developments was not necessary to any material extent in the financial year 2023 or in the previous year (see also C.6 Other receivables and other assets).

Derivatives and hedging relationships
Derivative financial instruments are used at the BayWa Group to hedge currency risks, interest rate risks and commodity futures. Measurement is made at fair value. To avoid fluctuations in earnings due to changes in market values, hedge accounting is used where possible and where deemed financially prudent. The Group designates cash flow hedges and fair value hedges depending on the nature of the underlying transaction and the risk to be hedged. The hedging relationships are recognised in accordance with IFRS 9.

In the case of cash flow hedge accounting, the net measurement result from derivative financial instruments is broken down into an effective portion and ineffective portion. The effective portion is part of the net measurement result which constitutes an effective hedge against cash flow risk and is recognised in a separate equity item (cash flow hedge reserves) without effect on income and in consideration of deferred taxes until the physical fulfilment of the underlying transaction. The ineffective portion, on the other hand, is recognised through profit or loss in the income statement.

If the hedging of an expected payment later results in a financial asset or financial liability being recognised, the aggregated gains and losses associated with the hedging of this transaction remain in a separate equity component (OCI) until initial recognition. These gains and losses recognised directly in equity are to be recognised in the income statement in accordance with the effects of the recognised financial asset or financial liability. This means that the amounts recognised directly in equity are to be recognised through profit or loss in the same reporting period or periods in which the hedged planned transaction influences the result for the period.

If the hedging of an expected transaction later leads to the recognition of a non-financial asset (such as inventories), the BayWa Group recognises the aggregated gains or losses previously recognised directly in equity in accordance with IFRS 9.6.5.11 d (i) either as part of the cost of the non-financial asset or otherwise as part of the book value at the initial recognition of the non-financial asset (basis adjustment).

Offsetting
Financial assets and liabilities are only offset on account of netting arrangements if, at the end of the reporting period, there is an enforceable right to set them off and there is an intent to settle on a net basis. If a claim is not enforceable in the ordinary course of business, the financial assets and liabilities are reported at the end of the reporting period in the balance sheet at their gross amounts.

Actual and deferred tax assets

Income tax expenses constitute the sum total of current tax expenses and deferred taxes. Current tax expenses are calculated on the basis of taxable income in the year. Taxable income differs from the consolidated result before tax due to expenses and income which are either taxable or tax deductible in subsequent years or never. The Group's liability in respect of current taxes is calculated on the basis of the prevailing tax rates or those that will be valid in the near future from the standpoint of the reporting date. Deferred taxes are recognised for the differences between the book values of the assets and liabilities in the consolidated financial statements and the corresponding tax valuations in the context of calculating taxable income. Deferred tax liabilities are generally reported for all taxable temporary differences; deferred tax assets are recognised if it is probable that there are taxable gains which can be used for deductible temporary differences. Deferred tax assets on loss carryforwards are recognised if future tax advantages are likely to be realised within the next five years (maximum). Such deferred tax assets and deferred tax liabilities are not recognised if the temporary differences arise from goodwill (separate consideration of tax-related goodwill) or from the initial recognition (except business combinations) of other assets and liabilities that result from transactions which have no effect on taxable income or the net result for the year. Deferred tax liabilities are formed for taxable temporary differences arising from shares held in subsidiaries or in associates, as well as interests in joint ventures, except where the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arise through temporary differences in the context of those investments and loans which are only recorded to the extent that it is probable that there will be sufficient taxable income available from which assets from temporary differences can be used and where the assumption can be made that they will reverse in the foreseeable future.

The book value of deferred tax assets is assessed every year at the end of the reporting period and lowered if it is unlikely that there will be sufficient taxable income for fully or partially realising the claim.

Deferred tax assets and liabilities are calculated on the basis of expected tax rates (and tax laws) which are likely to be valid at the time when liabilities are settled or assets realised. The measurement of deferred tax assets and liabilities reflects the fiscal consequences which would arise from the way in which, at the end of the reporting period, the Group expects the liabilities to be settled and the assets realised.

Deferred tax assets and liabilities are netted if there is an enforceable right for offsetting current tax assets against current tax liabilities and if they are subject to income tax levied by the same tax authority, and the Group has the intention of settling its current tax assets and current tax liabilities on a net basis. Current and deferred taxes are reported as expenses or income through profit or loss unless they are incurred in connection with items not reported in the income statement (either in other comprehensive income or directly in equity). In this case, the tax is also to be reported outside the income statement. Moreover, there is no recognition through profit or loss if tax effects arise from the initial recognition of a business combination. In the case of a business combination, the tax effect is to be included when the business combination is accounted for.

Inventories

Raw materials, consumables and supplies, and unfinished and finished goods, as well as services and merchandise, are disclosed under inventories.

Raw materials, consumables and supplies, as well as merchandise, are generally valued at cost, taking account of lower net realisable values. In most cases, however, the average-cost method is used. In some cases, the first-in, first-out (FIFO) method is applied. Unfinished and finished goods are recognised at their cost of production. They include all costs directly allocable to the production process and an appropriate portion of production-related overheads. Financing costs which can be directly assigned to the purchase, construction or production of a qualifying asset are capitalised as part of the cost of the asset. Agricultural products, harvested from biological assets, are recognised at fair value at the time of harvest less the expected selling costs. Inventory risks arising from the storage period or diminished marketability trigger impairment. Lower values on the reporting date due to lower realisable value are accounted for. One exception to this rule applies to the inventories of those Group companies whose inventories are held exclusively for trading and are therefore measured at fair value less selling costs.

In the case of lower net realisable value, write-downs are generally carried out in the form of specific value adjustments. Only in exceptional cases was a flat rate calculation applied.

The fair value of inventories is derived from prices quoted for comparable inventories in active markets at the end of the reporting period.

The calculation of inventories is carried out through an (upstream and downstream) end-of-period inventory or through continuous inventory.

Biological assets

The unharvested fruits of bearer plants of T&G Global Limited and its subsidiaries in New Zealand are recognised in biological assets. Biological assets are also measured at fair value depending on their location and the condition of the respective plants, less estimated selling costs. Gains or losses from the change in the fair value of biological assets are recognised in the income statement. Selling costs include all costs required to sell the assets.

The fair values of the BayWa Group's biological assets, which comprise the main categories of apples, tomatoes, citrus fruits and berries, are calculated annually on the basis of discounted cash flows.

Costs are based on current average costs and are in line with standard industry costs. The underlying costs vary depending on the location, the nature of cultivation and variety of the bearer plants. A suitable discount rate is determined to allow the fair value of future cash flows to be calculated. The market value of the biological assets before or during the harvest period is based on estimated harvest volumes and market prices, less harvesting and cultivation costs. Changes in the assumptions and estimates used to determine the market value may have a considerable impact on the carrying value of the biological assets and the reported result of the valuation.

Assets and liabilities from derivatives

The BayWa Group's assets and liabilities from derivatives comprise currency and interest rate hedges, as well commodity futures that are to be classified as financial instruments pursuant to IFRS 9. These assets and liabilities from derivatives are measured at fair value. In the case of FX and interest rate hedges, the fair value is calculated on the basis of the respective stock market or market values (level 1 of the fair value hierarchy) at the end of the reporting period or derived from observable market data (level 2 of the fair value hierarchy). Commodity futures are measured at fair value either directly at prices quoted in an active market at the end of the reporting period (level 1 of the fair value hierarchy) or values are calculated from prices quoted for the respective goods taking into account the term at the end of the reporting period (level 2 of the fair value hierarchy). Certain financial liabilities from derivatives in energy trade activities in the Renewable Energies Segment were measured on the basis of an internal measurement model using factors not based on observable market data (level 3 of the fair value hierarchy).

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cheques and deposits in banks with initial terms of no more than three months. They are recognised at their nominal value.

Non-current assets held for sale/disposal groups

Non-current assets and disposal groups of the BayWa Group are classified as held for sale if there is a Board of Management resolution on the sale and the sale is highly probable within the following year (2024).

IFRS 5 specifies that depreciation of the respective assets must be suspended and impairment losses must only be recognised owing to lower fair values less costs to sell.

Fair value is measured on the basis of ongoing purchase price negotiations taking into account possible costs to sell. In those cases in which it was not possible to derive a disposal price from ongoing purchase price negotiations, the fair value of real estate was measured on the basis of discounted cash flow calculations (level 3 of the fair value hierarchy). The value of land is calculated using current, official standard land values. Location-related advantages and disadvantages are suitably taken into account. In the case of buildings let, the income value of the buildings was calculated by taking into account the actual annual rental income generated, less standard management expenses and the residual useful life of the building.

The gains or losses from disposal realised in connection with non-current assets held for sale/disposal groups are reported in the income statement under other operating income and other operating expenses.

Pension provisions

In Germany, there is a defined benefit statutory basic care scheme for employees which undertakes pension payments depending on the contributions made. In addition, pension provisions are set up as part of the company pension scheme to cover obligations arising from accrued pension rights and from ongoing payments to employees in active service and former employees of the BayWa Group and their dependants. According to the legal, economic and fiscal circumstances of the respective countries, there are different systems of provisioning for retirement which are generally based on the length of service and the remuneration of the employees.

The BayWa Group's current pension commitments are based exclusively on defined benefit plans. They are based both on company agreements and commitments made on a case-by-case basis. For the most part, these are final salary plans. The obligation of the company consists in fulfilling the committed benefits to active and former employees (defined benefit plans). The benefit commitments undertaken by the Group are financed by allocations to provisions.

BayWa grants retirement benefits on the basis of the benefit commitments of benefit plans taken out; the amount paid out depends on the employees' wages or salary. These constitute traditional defined benefit obligations in the form of fixed-sum systems, benchmark systems or final salary based commitments granted in the form of old-age, invalidity, widow/widower or orphan's pensions. The Group bears the actuarial risks for these prior commitments; these risks include longevity and interest rate risks.

The Group's Austrian companies also grant benefit plans; the amount paid out also depends on the employees' wages or salary. These benefit plans are also granted in the form of old-age, invalidity, widow/widower or orphan's pensions. The Group also bears the actuarial risks for these commitments; these risks include longevity and interest rate risks.

In addition, the Austrian Group companies have statutory obligations to issue severance payments after the termination of an employment contract. These obligations are defined benefit plans and, as such, also fall within the scope of IAS 19. The Group also bears interest rate risks in these cases.

The provisions for pensions and severance pay have been formed according to the projected unit credit method in accordance with IAS 19. Pursuant to this method, not only the pension and pension rights at the end of the reporting period, but also future increases in pensions and salaries are accounted for applying a cautious assessment of the relevant variables. This calculation is derived from actuarial appraisals and based on a biometric calculation.

The amount of the pension obligations (known as a defined benefit obligation – DBO) has been calculated using actuarial methods where estimates are indispensable. In addition to the assumptions on life expectancy, the assumed discount factor, salary and pension trends and fluctuation, which were determined for the companies in Germany and Austria, also play a role. In the case of Group companies which are not located in Germany and Austria, benefit commitments only exist in exceptional cases.

Other provisions

Other provisions are formed when there is a present legal or factual obligation towards third parties resulting from an event in the past which is likely to be called upon and the probale amount of the required provision can be reliably estimated. Provisions are recognised in the amount of the anticipated utilisation. Provisions which were not drawn upon in the following year are recognised at the discounted settlement amount at the end of the reporting period. Discounting is based on market rates.

Provisions for restructuring measures are formed in consideration of the stated general recognition criteria, provided a detailed restructuring plan has been submitted and conveyed to the parties affected.

Debt

Within the BayWa Group, debt consists of liabilities to banks, bonds and commercial paper. Upon initial recognition, they are measured at fair value less transaction costs. Subsequently, debt is measured at amortised cost using the effective interest method.

Liabilities

Liabilities primarily relate to trade payables and liabilities from inter-group business relationships. Non-current liabilities are disclosed in the balance sheet at amortised cost. Differences between the historical cost and the repayment amount are taken account of using the effective interest method. Current liabilities are recognised in their repayment or settlement amount. The fair value of the liabilities approximately matches the carrying amount.

Liabilities due to payment providers pertain to the assignment of trade payables to financing partners that are arranged by a service provider. The service provider handles the payment to the supplier and is reimbursed by BayWa two months later. From the point of transfer, the trade payable is reclassified to liabilities due to payment providers, as there is a substantial modification to the contractual terms. The recognition of these liabilities is presented separately in Note C.19. Cash inflows and outflows are reported under cash flow from financing activities.

Leases

A lease exists if a contract grants the right to control use of an identified asset up to a certain point in time in exchange for the payment of remuneration.

IFRS 16 differentiates between lease and service contracts, depending on whether the lessee has the right to control the use of the identified asset. If the lessee has the right to control such use and enjoys all economic benefits during the term of the contract, then it is assumed that the lessee controls the asset.

Lease contracts are recognised as the right of use arising from the lease at the time the asset is made available. A lease liability is simultaneously recognised in the amount of the present value of the remaining lease payments at that point in time.

The right of use is initially measured at cost and then amortised on a straight-line basis over the period of contract. It includes the amount resulting from the initial valuation of the lease obligation, all initial direct costs less any incentives paid by the lessor and all estimated costs that would result from the dismantling, disposal or the return of the leased object to the condition required by the lease.

The lease payments are discounted at the underlying interest rate for the lease. If that interest rate cannot be determined, then the incremental borrowing rate is used. The incremental borrowing rate is determined based on the currency-specific mid-swap adjusted by the creditworthiness-dependent credit spread. The term of the swap depends on the term of the lease. The credit spreads are based on non-subordinated, unsecured bonded loans. At the time of the initial valuation of the lease obligation, fixed lease payments less lease incentive payments, variable payments depending on an index or price, and payments for residual value guarantees are included in the valuation. Further, the exercise price of a purchase option, insofar as it is considered sufficiently certain that it will be exercised, and penalty payments, if it is sufficiently certain that they will be exercised, are taken into account in the valuation.

Extension and termination options are included throughout the Group in many lease contracts. Local management is responsible for managing lease contracts and the associated lease contract terms. Lease contracts are therefore negotiated individually and include a broad range of different terms and conditions. Extension options are considered to be exercised, meaning that the periods resulting from the options are taken into account if the lessee is sufficiently certain that it will exercise the option. Termination options are not taken into account if the lessee is sufficiently certain that it will not exercise the option. In most cases, extension and termination options can be exercised only by the lessee. By contrast, an option that can only be exercised by the lessor is not taken into account, meaning that the payments in the period covered by the option are taken into account when determining the lease liability.

In the case of leases with a contractual period of less than 12 months, and those relating to low-value assets with a nominal value not exceeding €5,000, BayWa makes use of the simplification options under IFRS 16. Consequently, short-term leases or leases concerning an asset of low value are not recognised according to the provisions of IFRS 16. Instead, the resulting lease payments are recognised in the income statement.

The provisions of IFRS 16 are also not applied to rights of use to intangible leased objects. Like operating leases according to IAS 17, internal Group leases will continue to be presented only in the segment report according to IAS 8. Leases with variable lease payments are immaterial at the BayWa Group. Lease and non-lease components are recognised separately.

Leases already in existence at the time of the initial application of IFRS 16 on 1 January 2019 were not revalued and remeasured. Instead, they continued to be recognised according to IAS 17. Contracts newly concluded since 1 January 2019 are recognised and valued according to IFRS 16.

Sub-leases that were classed as operating leases according to IAS 17 and still existed upon the initial application of IFRS 16 were recognised and valued at the time by the sub-lessor to determine whether the lease agreement met the criteria of IFRS 16 and consequently had to be accounted for in accordance with said standard. The BayWa Group carries out the valuation of the sub-lease as at the first-time application based on the applicable term and conditions of the main lease at that time.

Revenues

Revenues and income are generally recognised at the point at which the power over the sold goods or products or rendered services is transferred to the buyer and a transfer of control has taken place. Revenues and earnings are reported minus discounts, rebates and bonuses granted.

Control can be transferred at a point in time or over a certain period. For the most part, performance obligations resulting from contracts with BayWa customers are performed at a particular point in time. In such cases, revenue is recognised when control of the goods is passed on to the customer; usually this is the case when the goods or services are provided to the customer.

Performance obligations resulting from contracts with BayWa customers performed over a period of time are particularly attributable to the Agricultural Equipment Segment (e.g. newly constructed animal equipment), the Building Materials Segment (e.g. turnkey house construction and project business in multi-storey housing construction) and the Renewable Energies Segment (e.g. construction of wind farms and solar parks). Pursuant to IFRS 15, revenue recognition over time in accordance with the percentage of completion is mandatory for these kinds of projects and similar projects, with percentage of completion defined according to costs incurred (known as the cost-to-cost method). Percentage of completion is calculated on the basis of contract costs incurred for performed work compared to expected total contract costs.

Under IFRS 15, income for performance obligations that are met over a certain period of time are to be recognised only if the project progress with regard to the fulfilment of the performance obligation can be appropriately and reliably determined on the basis of the information necessary for the cost-to-cost method. If BayWa is unable to appropriately measure the outcome of a performance obligation but still expects to be able to recover the costs incurred while meeting the performance obligation, income is recognised only in the amount of the incurred costs until such time as it becomes possible to appropriately measure the outcome of the performance obligation. However, an appropriate onerous contract provision in accordance with IAS 37 should be reported on the liabilities side if there is no expectation that it will be possible to recover the costs incurred while meeting the performance obligation. Estimated variable remuneration components should only be included in the transaction price, either in whole or in part, if it is highly probable that the recognised aggregated income will not be affected by significant cancellations once the uncertainty associated with the variable consideration has been resolved.

The BayWa Group recognises amounts received before construction work is performed in the consolidated balance sheet as contract liabilities. All invoiced amounts that have not yet been paid by customers are presented in the balance sheet as part of trade receivables. All amounts for which goods or services have already been provided but have not yet been invoiced are presented in the balance sheet as contract assets.

Related party disclosures

Subsidiaries, associates and joint ventures that individually are not included in the consolidated financial statements of BayWa AG within the scope of full consolidation or recognition at equity are referred to as related parties, as are persons who are capable of exerting significant influence over the financial and business policies of the BayWa Group.

A significant influence within the meaning of IAS 24 is constituted by participation in the financial and operating policies of the company, but not the control of these policies. Significant influence may be exercised in several ways, usually by representation on the management board or on the management and/or supervisory bodies, but also by participation, for instance, in the policy-making process through material intra-Group transactions, by interchange of managerial personnel or by dependence on technical information. Significant influence may be gained by share ownership, statute or contractual agreement. With share ownership, significant influence is presumed in accordance with the definition under IAS 28 (Investments in Associates and Joint Ventures [2011]) if a shareholder owns 20% or more of the voting rights, either directly or indirectly, unless this supposition can be clearly refuted. Significant influence can be deemed irrefutable if the policy of the company can be influenced, for instance, by the corresponding appointment of the members to the supervisory bodies.

In addition to the subsidiaries not included in the consolidated financial statements of BayWa AG as fully consolidated entities, related parties in the BayWa Group are specifically considered to be associates and joint ventures, as well as the two shareholders – Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany, and Raiffeisen Agrar Invest AG, Vienna, Austria.

Natural persons that are considered to be related parties at the BayWa Group are the members of the Management Board and the Supervisory Board, who are the key management personnel.

Subsidies received/government grants

Public subsidies are amounts granted by public-sector authorities in connection with new investments. These subsidies are released through profit or loss over the probable useful life of the respective asset.

A.4 Assumptions and estimates by management

The preparation of the consolidated financial statements necessitates that, to a certain extent, assumptions are made and estimates used which have an impact on the amount and disclosure of assets and liabilities, the income and expenses and the contingent liabilities. Estimates are necessary, particularly in respect of the measurement of property, plant and equipment and intangible assets, as well as inventories, in connection with purchase price allocation, the recognition and measurement of deferred tax assets, the recognition and measurement of pension provisions and other reserves, as well as the carrying out of impairment tests in accordance with IAS 36.

In the case of pension provisions, the discount factor, along with wage and salary and pension trends, is an important parameter for estimates. An increase or decrease in the discount factor affects the net present value of the obligations arising from pension plans. Likewise, changes to anticipated wage, salary and pension trends and expected employee fluctuation also impact the defined benefit obligation (DBO).

In terms of the recognition and measurement of other provisions, assumptions are to be made to a significant extent on the probability of occurrence, maturity and level of risk. The assessment as to whether a present obligation exists is usually based on evaluations by internal and external appraisers. The amount of the provisions is based on anticipated expenses that are calculated on the basis of a case-by-case assessment of the circumstances drawing on empirical figures, the results of similar estimates and ranges of potential utilisations. They can also be calculated by appraisers. Due to the uncertainty associated with such assessments, actual expenses can deviate from estimated expenses.

Impairment tests on goodwill are based on future-oriented assumptions. Justifiable changes in these assumptions could result in the book values of the cash-generating unit exceeding their recoverable amount, thereby triggering impairment. The underlying assumptions are influenced primarily by the market situation of the cash-generating unit. Please refer to Note C.1 for information on the extent to which justifiable changes to the underlying assumptions for material goodwill could result in the book value of the respective cash-generating unit exceeding the recoverable amount.

Deferred tax assets on loss carryforwards are recognised, provided that future tax advantages are likely to be realised within the next five years (maximum). The actual taxable profits in future periods, and thus the actual usability of deferred tax assets, may differ from the estimate at the time when the deferred tax is capitalised.

In respect of property, plant and equipment and lease accounting, assumptions were made with regard to the determination of useful economic lives. In addition, assumptions were also made in relation to leases concerning the expected exercising of extension and termination options. Deviations from the actual useful life are therefore possible, but are estimated to be fairly low. Assumptions made in relation to the definition of useful economic lives are reviewed at regular intervals and, if necessary, modified.

Estimates of the future revenues, growth and the inflation-adjusted margins, as well as the location and variety, are required for determining the fair value of biological assets.

Estimates have been made in respect of inventories, especially in the context of write-downs to the net realisable value. Estimates of the net realisable value are based on the substantive information available at the time when the likely recoverable amounts of inventories were estimated. These estimates take account of changes in prices and costs which are directly associated with events after the reporting period if these events serve to elucidate the conditions already prevailing at the end of the reporting period.

The assessment of the recoverability of receivables is also subject to assumptions which are based in particular on empirical values on recoverability.

Operating expenses of investment property are also subject to estimates based on empirical values from the past.

Estimates and uncertainties can also arise with regard to the recognition of revenues. BayWa AG recognises revenues when control over distinct goods or services is passed to the customer. Revenue realisation is subject to a number of conditions, including the existence of a contract with enforceable rights and obligations and the likely receipt of a consideration – taking into account the creditworthiness of the customer. Revenues are equal to the transaction price that BayWa AG expects to receive. Variable considerations are included in the transaction price if it is highly probable that their inclusion will not result in a significant revenue reversal in the future once the uncertainty associated with the variable consideration has been subsequently resolved. The amount of the variable consideration is calculated either using the expected value method or at the most probable amount, depending on which method provides the most accurate result. If a contract includes a significant financing arrangement, the transaction price is adjusted for the time value of money. If a contract comprises multiple distinct goods or services, the transaction price is allocated to the performance obligations on the basis of the relative standalone selling prices. If these relative standalone selling prices are not directly observable, BayWa AG makes an appropriate estimate. Revenues are recognised for each performance obligation either at a specific point in time or over time. If revenues are recognised over time, it may be necessary to make estimates regarding degrees of completion.

All assumptions and estimates are based on the conditions prevailing and judgements made on the reporting date. In addition, particular consideration is given to economic developments and the business environment of the BayWa Group. There may be differences between actual and estimated amounts should framework conditions develop differently in future business periods. In such cases, the assumptions and, if necessary, the book values of the assets and liabilities affected will be adjusted on subsequent reporting dates. At the time at which the consolidated financial statements were prepared, there were no indications to suggest a material change in the underlying assumptions and estimates.

A.5 Other discretionary decisions and accounting policies

Project business in the Renewable Energies Segment

The BayWa Group engages in project business – particularly in the Renewable Energies Segment, where it plans, constructs and sells wind farms and solar parks. In addition, the Renewable Energies Segment also operates certain wind farms and solar parks. These development, planning and construction activities are usually conducted through Group companies, which in turn render development, planning and construction services for fully consolidated project companies or special purpose vehicles (projects), which have been set up specifically to be sold at a later date. The assets recognised as part of the projects are reported in the consolidated financial statements under inventories due to the fact that they are items held for sale in the normal course of business. Once sold, these assets are derecognised through profit or loss as revenues and through changes in inventories. At Group level, the transaction is akin to the sale of goods that serves to realise the sale of the special purpose vehicle which is also a subsidiary. In addition, the sale of projects is regarded as part of the ordinary activities in the Renewable Energies Segment due to the frequency and significance of this type of business.

Sales of shares in subsidiaries generally fall within the scope of IFRS 10. Due to the differences in accounting approaches (known as diversity in practice), both the IFRS Interpretations Committee (IFRS IC) and the International Accounting Standards Board (IASB) looked into the question of whether the sale of a special purpose vehicle (also known as a corporate wrapper) that primarily serves the purpose of transferring an asset should be reported in accordance with the provisions of IFRS 10 or the provisions of IFRS 15 in June 2020. However, no formal conclusion has been published to date.

Based on the current state of discussions, the BayWa Group has chosen to recognise and report the sale of such project companies in accordance with the provisions of IFRS 15 insofar as the sale constitutes a revenue-like transaction or, in other words, a transaction that forms part of ordinary activities. Given that the economic substance of these types of project sales is similar to that of a sale of inventory, and that project sales are realised in the manner described above as part of ordinary activities, income from such sales is recognised and reported in revenues in accordance with IFRS 15. Recognising these transactions in accordance with IFRS 10 would primarily affect the reporting of revenues from project sales, which would be calculated under IFRS 10 as net disposal proceeds. In the financial year 2023, revenues and changes in inventories would have been lower, at €221.9 million (2022: €408.5 million) and €216.7 million (2022: €418.8 million) respectively, had project sales been recognised in accordance with IFRS 10. The net disposal proceeds for sold subsidiaries defined as projects amounted to €136.1 million (2022: €64.9 million) for the financial year 2023.

Recognition of power purchase agreements (PPAs) in the Renewable Energies Segment

The BayWa Group engages in project business – particularly in the Renewable Energies Segment, where it plans, constructs and sells wind farms and solar parks worldwide. In addition, the Renewable Energies Segment also operates certain wind farms and solar parks. In this context, it also concludes long-term contracts regarding the supply of the energy generated by these wind farms and solar parks (known as power purchase agreements, PPAs for short). Upon completion, the projects are either sold to investors, including the PPAs that have been concluded, or continue to exist at the wind farms and solar parks selected for operation in order to sell the electricity from the proprietary installations. Energy from long-term PPAs is also purchased and resold accordingly in the Energy Trading division of the Renewable Energies Segment.

The PPAs are recognised and measured according to the provisions of IFRS 16, IAS 37 and IFRS 9. A lease as defined in IFRS 16 exists within the scope of physical PPAs if the customer obtains substantially all the economic benefits from using the plant and the right to direct the plant's use. In such cases, BayWa (the lessor) believes that a distinction must be drawn between the recognition of operating and financing leases. While virtual PPAs should be recognised under IFRS 9 as a rule, recognition of physical PPAs at fair value under IFRS 9 should generally only be considered if the own-use exemption does not have to be applied due to a contractual cash settlement, or if the fair value option in accordance with IFRS 9 is applied to avoid an accounting mismatch. Generally, the contracts are classified to the own-use book or the fair value book upon commencement of the physical PPA. By applying the fair value option governed in IFRS 9, an own-use contract may be classified to the fair value book if doing so avoids an accounting mismatch. At BayWa, every physical PPA is reviewed at the outset of the contract to ascertain whether an accounting mismatch in the accounting of the physical PPAs within the scope of the own-use exemption exists. A physical PPA that is considered under the own-use exemption to be an own-use contract is accounted for as an executory contract in accordance with the provisions of IAS 37. A physical PPA that is classified to the fair value book is to be accounted for like a derivative in accordance with IFRS 9. In addition, embedded derivatives that must be recognised separately under IFRS 9 (such as options, floors or caps) may exist in the PPA contracts not already accounted for at fair value if said derivatives are not closely linked with the host contract.

Trading activities in the Cefetra Group Segment and at BayWa Agrarhandel GmbH, Nienburg, Germany

The companies of the Cefetra Group Segment, BayWa Agrarhandel GmbH, Nienburg, Germany, and Grainli GmbH & Co. KG, Hamburg, Germany, exercise the broker-trader exemption defined in IAS 2.3 (b) and are classified as traders. Inventories held by these companies are measured at fair value less costs of disposal. Income and expenses from the fair value measurement are recognised under cost of materials in the income statement. Cost of materials continues to include the net unrealised and realised gains and losses from currency hedges in relation to commodity futures, as well as net income and expenses from foreign currency valuation. Reporting the netted total of the aforementioned effects in cost of materials is standard practice among comparable companies.

Definition of EBIT and EBITDA

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. However, amortisation, depreciation and impairment losses on intangible assets and property, plant and equipment are all taken into account in this case.

A.6 Impact of ESG sustainability factors and climate-related risks on the BayWa Group’s financial reporting

Non-financial aspects such as the ESG sustainability factors (environment, social and governance) , and especially climate change and the resulting climate-related risks, have become substantially more important for financial reporting in recent years. Current and potential investors in particular – as well as supervisory authorities such as the German Federal Financial Supervisory Authority (BaFin), borrowers, ratings agencies and the general public – are keen to be informed of how companies have taken ESG sustainability factors and the risks (and opportunities) associated with climate change into account when preparing their financial statements, especially when making estimates and exercising their judgement.

Accordingly, ESG sustainability factors and climate-related risks may have an impact on the recognition, measurement and disclosure of items in the financial statements depending on their nature and extent, but may also require specific disclosures in the notes in order to provide a better understanding of the effects of individual business transactions on the company’s assets, financial position and earnings position.

Previous analyses have shown that ESG sustainability factors and climate-related risks may have implications for the application of IFRS or for individual items in the BayWa Group’s financial statements in the following areas in particular:

- Changes in the need for amortisation, depreciation or impairments on intangible assets (including goodwill) and property, plant and equipment within the framework of an impairment test (IAS 36);
- Changes in the useful economic lives of tangible and intangible assets (IAS 16 and IAS 38);
- Impacts on fair value measurement during the valuation of financial and non-financial assets (IFRS 13);
- Effects on the recognition of deferred tax assets with regard to the question of whether planned taxable profits will be sufficient to realise the deferred tax assets;
- Changes related to the recognition of provisions and information on contingent liabilities and assets, for example for onerous contracts, dismantling obligations or litigation (IAS 37);
- Adjustment of expected credit losses (ECLs) for financial assets, particularly with regard to the consideration of forward-looking information (IFRS 9 and IFRS 7);
- Renewal of corporate financing with increasing focus on sustainability-linked financing instruments (ESG-linked bonded loans, ESG-linked syndicated financing agreements, green bonds).

Climate change and the associated climate-related risks can also have an impact on financial reporting as a result of global climate change and rising temperatures, as well as the increase in extreme weather conditions, impacting the Agri Trade & Service and Global Produce Segments in particular. A relatively constant annual increase in global demand for agricultural products stands in contrast to the annual fluctuation in production due to potential unfavourable weather in key cultivation regions. The resulting volatility of prices for agricultural commodities leads to both price risks and opportunities to profit from price changes. The fruit- and vegetable-growing activities pose a financial risk to the Group, which arises from the delay between cash outflow for buying, growing and maintaining the crops as well as the costs of the harvest and cash inflow from the sale of the fruit. This risk is managed by actively monitoring net working capital. The Global Produce Segment in particular also faces the risk of weather-related damage to harvests and the necessary infrastructure. No concrete material impact on financial reporting is anticipated at the present time. For further details, please refer to the opportunity and risk report in the consolidated management report and the sustainability report.

The influence of ESG sustainability factors and climate-related risks on the BayWa Group's financial reporting was assessed for the financial year 2023 on a case-by-case basis and in consideration of all information and circumstances known at the time. Taken as a whole, BayWa comes to the conclusion that these factors have no material impact on financial reporting or on these consolidated financial statements for the financial year 2023 at the current time.

BayWa will constantly monitor and assess potential changes in the impact of ESG sustainability factors on the Group's financial reporting in the financial years to come so as to continue appropriately taking them into consideration in the future.

With Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, a first set of mandatory sustainability reporting standards, the European Sustainability Reporting Standards (ESRS), was defined for European Union members states. Apart from the broader and general ESRS 1 and ESRS 2 standards, the collection of 12 standards developed by the European Financial Reporting Advisory Group (EFRAG) covers a wide range of environmental, social and governance aspects. As the ultimate parent company of the BayWa Group, BayWa AG is obliged from the financial year 2024 onwards to publish a sustainability report together with the consolidated financial statements as part of the consolidated management report, which meets ESRS requirements in full. This "new" sustainability report replaces the previous non-financial report.

A.7 Effects of changes in the macroeconomic and geopolitical environment on the BayWa Group's financial reporting

The BayWa Group is operating in an increasingly complex and uncertain macroeconomic and geopolitical environment, in particular due to the war against Ukraine and the conflict in the Middle East between Israel and the Palestinians, with further increases in interest rates, volatile exchange rates as well as growing concerns about a slowdown in economic growth compared to previous years, particularly in Germany and the rest of Europe. While inflation in the euro zone weakened by a clear margin over the course of the year, according to the European Union's statistical office Eurostat – from 9.2% in December 2022 to 2.9% in December 2023 – continued rate hikes by the European Central Bank (ECB) led to interest rates rising from 2.5% to 4.5% by September 2023. However, there were signs of a slight easing in interest rate trends at the end of 2023.

In the countries of the euro zone, economic growth amounted to just 0.5%. The German and Austrian markets, which are particularly important for BayWa, slipped into recession, with economic growth of minus 0.3% and minus 0.8% respectively. The construction industry in Germany and Austria, as well as in the rest of Europe, came to a virtual standstill in 2023, mainly due to rising mortgage rates for consumers as construction costs remain high.

After enormous price increases were recorded on the energy and raw materials markets relevant to BayWa in the financial year 2022, prices returned to the levels observed prior to the Ukraine war in the reporting year – with a corresponding impact on the trading margins that were available on the market. The development of the construction industry impacted the BayWa Group through clear declines in building materials trade activities compared to previous years. Macroeconomic developments were also a factor in construction projects in the area of realisation and sales.

The further rise in interest rates in the financial year 2023 also had an effect on financial reporting for the financial year 2023. The situation impacted impairment testing of intangible assets – particularly goodwill – and property, plant and equipment, although the tests did not lead to any considerable impairment losses in the financial year 2023. The interest rate trend was clearly noticeable in interest expenses for variable-interest borrowing. An increase in level 3 credit losses was limited to the mid-single-digit million range in the financial year 2023. There were no significant defaults on receivables due to inflation or interest rates in the financial year 2023.

All in all, uncertainty surrounding forecasts, key accounting estimates and management judgements is rising as a result of these developments. This may have consequences for the fair values and book values of assets and liabilities of the BayWa Group, as well as on the amount and timing of the realisation of its earnings and cash flows.

Aside from that, no accounting areas were identified on which the shifting macroeconomic and geopolitical conditions could have had a considerable financial impact. Future direct and indirect effects of macroeconomic and geopolitical developments in Europe, the US and Asia are continuously analysed and monitored within the BayWa Group.

B Information on Consolidation

B.1 Principles of Consolidation

Capital consolidation at the time of initial consolidation is carried out through offsetting the cost against the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiaries at the time of acquisition (purchase method). If the cost exceeds the fair value of the identifiable assets, liabilities and contingent liabilities purchased, the difference is disclosed as goodwill under intangible assets as part of non-current assets. Goodwill is subject to an annual impairment test (Impairment Only Approach). If the book value of goodwill is higher than the recoverable amounts, impairment must be carried out; otherwise, goodwill remains unchanged. If the cost is lower than the fair value of the identifiable assets, liabilities and contingent liabilities purchased, the differences are recognised immediately through profit or loss.

All receivables and liabilities, as well as provisions within the group of consolidated companies, are offset. Interim results, if material, are eliminated. Interim results realised from associates are eliminated against the corresponding investments recognised at equity. If the respective investment does not exist to a sufficient extent for elimination, other assets related to the affected company are eliminated. If these do not exist or do not exist to a sufficient extent, the interim result is eliminated by recognising it in revenue reserves on the liabilities side to ensure that the earnings position reflects actual developments. It is not recognised as deferred income under other liabilities, as the eliminated interim result does not represent a liability and recognition as other liabilities would incorrectly depict the actual assets. Intra-group revenues, expenses and earnings are netted.

B.2 Group of consolidated companies – fully consolidated companies pursuant to IFRS 10

Under the principles of full consolidation, all domestic and foreign companies on which BayWa AG can exercise direct or indirect control within the meaning of IFRS 10 and where the subsidiaries are not of secondary importance have been included in the consolidated financial statements of BayWa AG, alongside BayWa AG itself. Control exists when BayWa AG has power over significant activities, has exposure, or rights, to variable returns and is able to use its power to affect the amount of the returns. Control is regularly established through an indirect or direct majority of voting rights.

All affiliated companies included in the BayWa AG consolidated financial statements as at 31 December 2023 through full consolidation are listed under Group holdings, which is attached to the Notes to the Consolidated Financial Statements as an appendix.

There were the following changes to the group of consolidated companies in the financial year 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 01/01/2023
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
Brumath Energies SAS, Paris, France	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, UK	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
Loto Rinnovabili S.r.l., Milan, Italy	100.0	100.0	Initial consolidation on 01/01/2023
Maqueda Solar S.L.U., Barcelona, Spain	100.0	100.0	Initial consolidation on 01/01/2023
Ninfea Rinnovabili S.r.l., Milan, Italy	100.0	100.0	Initial consolidation on 01/01/2023
Oaklands Farm Solar Limited, London, UK	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
Power Solutions – WHF 01 S.r.l., Verona, Italy	100.0	100.0	Initial consolidation on 01/01/2023
Profruit Investments Ltd, Tzaneen, 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
Rosa Rinnovabili S.r.l., Milan, Italy	100.0	100.0	Initial consolidation on 01/01/2023

In %	Share in capital	Previous year's share in capital	Comment
Saintonge Energies SAS, Paris, France	100.0	80.0	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
Sirio Rinnovabili S.r.l., Milan, Italy	100.0	100.0	Initial consolidation on 01/01/2023
SOLAR CASTUERA, S.L., Madrid, Spain	100.0	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 [1]	0.0	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 [1]	0.0	100.0	Initial consolidation on 01/01/2023

1 These companies were sold over the course of the financial year following their initial consolidation as at 1 January 2023. As a result, the stake held amounted to 0.0% respectively as at 31 December 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., Amsterdam, Netherlands	100.0	Initial consolidation on 30/01/2023
ChaeGwang Energy Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
DongCheon Green Energy Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 17/03/2023
Emmeringer Heizungsbau GmbH, Emmering, Germany	100.0	Initial consolidation on 01/01/2023
FABU BeteiligungsgmbH, Spillern, Austria	100.0	Initial consolidation on 15/02/2023
FABU Massivhaus HandelsgmbH, Spillern, Austria	100.0	Initial consolidation on 15/02/2023
Haneul Bit Energy Co., Ltd., Yongin, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Iljo Bit Energy 1 Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Iljo Bit Energy 2 Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Iljo Bit Energy 3 Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Jigok Bit Energy Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Ka'iulani 4, LLC, Hilo, USA	100.0	Initial consolidation on 01/03/2023
Mirae Bit Energy Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
NH 110 Projektentwicklungsgesellschaft GmbH, Salzburg, Austria [2]	100.0	Initial consolidation on 13/03/2023
Ribeiro Solar Ltda, São José dos Pinhais, Brazil	100.0	Initial consolidation on 04/10/2023
RIGI PV d.o.o., Zagreb, Croatia [2]	100.0	Initial consolidation on 23/06/2023
Solar Tech Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Solar Wood Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
Solarcell Energy Co., Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 20/04/2023
T&T Electric - American Samoa, LLC, Hilo, USA	100.0	Initial consolidation on 01/03/2023
T&T Electric, Inc., Hilo, USA	100.0	Initial consolidation on 01/03/2023
Uwe Körner GmbH, Lachendorf, Germany	100.0	Initial consolidation on 20/03/2023
Vaggeryds Vindbrukspark AB, Malmö, Sweden [2]	100.0	Initial consolidation on 09/11/2023
Vision Samcheok Energy Ltd., Seoul, South Korea [2]	100.0	Initial consolidation on 17/03/2023

1 No shares were held in these companies in the previous year.
2 These entities are acquired project companies without business operations, for which no purchase price allocation was carried out in accordance with IFRS 3.

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

In %	Share in capital	Comment
BayWa Austria Holding GmbH, Vienna, Austria	100.0	Initial consolidation on 06/10/2023
BayWa r.e. Romania S.R.L., Bucharest, Romania	100.0	Initial consolidation on 25/05/2023
BayWa r.e. Solar Solutions GmbH, Tübingen, Germany	100.0	Initial consolidation on 17/05/2023
BayWa r.e. Solar Systems S.A.S., Medellín, Colombia	100.0	Initial consolidation on 24/07/2023
BayWa r.e. Solar Systems Single Member SA, Marousi, Greece	100.0	Initial consolidation on 08/03/2023
BayWa r.e. Solar Trade Holding GmbH, Tübingen, Germany	100.0	Initial consolidation on 05/06/2023
BayWa R.E. UK (JUBILEE) LIMITED, London, UK	100.0	Initial consolidation on 07/02/2023
brüderl NH 110 Bauträger GmbH, Salzburg, Austria	100.0	Initial consolidation on 07/03/2023
Strauss Class B Holdings LLC, Irvine, USA	100.0	Initial consolidation on 29/06/2023
Strauss Class B Member LLC, Irvine, USA	100.0	Initial consolidation on 29/06/2023
Strauss Portfolio I LLC, Irvine, USA	100.0	Initial consolidation on 28/06/2023
Strauss Tax Equity Partnership LLC, Irvine, USA	100.0	Initial consolidation on 24/05/2023

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

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, UK	100.0	Liquidated on 30/05/2023
Aufwind Schmack Első Biogáz Szolgáltató Kft., Szarvas, Hungary	100.0	Sold on 19/07/2023
BayWa r.e. Energy Solutions Asset Holdings Vietnam Pte. Ltd., Singapore, Singapore	100.0	Sold on 20/12/2023
Bielstein S.L.U., Barcelona, Spain[2]	100.0	Sold on 28/12/2023
Big Creek Solar 1 LLC, Irvine, USA[2]	100.0	Sold on 28/12/2023
Blue Solar LLC, Irvine, USA[2]	100.0	Liquidated on 07/11/2022
brandpower S1 GmbH, Kilb, Austria[2]	100.0	Sold on 23/05/2023
brandpower S2 GmbH, Kilb, Austria[2]	100.0	Sold on 23/05/2023
Dalquhandy Wind Farm Ltd., Edinburgh, UK[2]	100.0	Sold on 06/06/2023
Eko-En Skibno 2 Sp. z o.o., Warsaw, Poland[2]	100.0	Sold on 24/01/2023
EVN-ECOWIND Sonnenstromerzeugungs GmbH, Maria Enzersdorf, Austria	50.0	Changed to at-equity on 31/03/2023
Iraak Sun Farm Pty Ltd, Melbourne, Australien	100.0	Sold on 15/08/2023
Karadoc Solar Farm FinCo Pty Ltd, Melbourne, Australia	100.0	Sold on 15/08/2023
Karadoc Solar Farm HoldCo Pty Ltd, Melbourne, Australia	100.0	Sold on 15/08/2023
Kobe Yamada PV Plant G.K., Kobe, Japan[2]	100.0	Sold on 15/12/2023
Notch Peak Solar, LLC, Irvine, USA[2]	100.0	Sold on 24/05/2023
Quilly Guenrouet Energies SAS, Paris, France[2]	100.0	Sold on 13/12/2023
Serralonga Energia S.r.l., Turin, Italy	52.0	Sold on 24/05/2023
Wessex Grain Ltd., Manchester, UK	100.0	Liquidated on 07/06/2023
Windpark Desloch GmbH & Co. KG, Gräfelfing, Germany	100.0	Sold on 21/12/2023
Windpark Schnellwettern GmbH, Sommerland, Germany[2]	100.0	Sold on 18/09/2023
Zonnepark PV26 B.V., Leeuwarden, Netherlands[2]	100.0	Sold on 24/10/2023
Zonnepark PV27 B.V., Leeuwarden, Netherlands[2]	100.0	Sold on 28/12/2023

1 The stake held in the companies presented above amounted to 0.0% respectively as at 31 December 2023.
2 These entities are project companies whose sale is recognised and reported in the income statement according to IFRS 15 (see also Note A.5).

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

In %	Previous year's share in capital	Comment
BayWa r.e. Operation Services, S. de R.L. de C.V., Mexico City, Mexico	100.0	Deconsolidation on 30/06/2023

1 The stake held in the company presented above amounted to 0.0% respectively as at 31 December 2023.

Control in the companies presented below exists through contractual agreements or other agreements, despite the lack of an indirect or direct majority of voting rights in accordance with the capital shares. As a result, these companies are also included in the BayWa AG consolidated financial statements according to the principles of full consolidation.

In %	Share in capital	Previous year's share in capital	Comment
Capital Fruit Ltd, Tzaneen, South Africa [1]	50.0	0.0	Controlling influence on business activity
Delica North America, Inc., Torrance, USA	50.0	50.0	With 60% majority of voting rights and rights to the returns
RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria	50.0	50.0	Majority of voting rights
SDK Power Sdn. Bhd., Kuala Lumpur, Malaysia	48.0	48.0	Operational management as well as majority representation in management body
T&G CarSol Asia PTE. Ltd, Singapore, Singapore	50.0	50.0	Controlling influence on business activity
T&G Vizzarri Farms Pty Ltd, Tullamarine, Australia	50.0	50.0	Operational management as well as majority representation in management body
Worldwide Fruit Limited, Spalding, UK	50.0	50.0	Operational management and control through executive board

1 This company was included in the consolidated financial statements for the first time in the financial year 2023.

Additions due to acquisitions in the financial year 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 entity has been fully consolidated in BayWa AG's consolidated financial statements since 1 April 2023. The cost of acquiring the shares amounted to €7.3 million. According to the purchase price allocation, goodwill came to €4.4 million. The transaction costs incurred in relation to the acquisition amounted to €0.1 million.

Addition: Ribeiro Solar Ltda, São José dos Pinhais, Brazil

BayWa AG acquired 100% of shares in Ribeiro Solar Ltda, São José dos Pinhais, Brazil, through BayWa r.e. Solar Systems LLC, Wilmington, USA, as part of a share deal. It has had a controlling influence since 4 October 2023. The company has been fully consolidated in the consolidated financial statements of BayWa AG since that date. This transaction is intended to facilitate the entry of the Solar Trade business entity into the Brazilian market and create a further foothold in Latin America. The acquisition of Ribeiro Solar Ltda expands both the range of services and the customer base of Solar Trade beyond the existing markets in the Americas. The cost of the acquired shares stood at €12.2 million. The preliminary purchase price allocation resulted in goodwill of €6.8 million. The transaction costs incurred in connection with the acquisition amounted to €0.3 million.

Other additions of secondary importance

Furthermore, the additions set out below were made to the group of consolidated companies in the form of share deals in the financial year, which, taken individually, do not have a material effect on the assessment of the assets, financial position and earnings position of the BayWa Group. For all additions for which no transaction costs are explicitly stated, these amount to €0.0 million.

- **Emmeringer Heizungsbau GmbH, Emmering, Germany**
  BayWa AG acquired 100% of the shares in Emmeringer Heizungs-, Ölfeuerungs- und Lüftungsbau GmbH Manfred Schwarz, Emmering, Germany, now named Emmeringer Heizungsbau GmbH, Emmering, Germany, through BayWa Haustechnik GmbH, Kösching, Germany. BayWa Haustechnik GmbH has had a controlling influence since 1 January 2023. Emmeringer Heizungsbau GmbH has been fully consolidated in the consolidated financial statements of BayWa AG since that date. The purchase price amounted to €1.6 million. No goodwill arose from the initial consolidation.

- **Cefetra Premium Oils B.V., Spijkenisse, Netherlands**
  BayWa AG acquired 100% of the shares in OmegaFlora B.V., Spijkenisse, Netherlands, now named Cefetra Premium Oils B.V., Spijkenisse, Netherlands, through Tracomex B.V., Oosterhout, Netherlands. Cefetra Premium Oils offers its customers a one-stop shop for specific raw materials and speciality ingredients for food, cosmetics and animal feed. 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 €1.2 million. No goodwill arose from the initial consolidation.

- **BayWa r.e. Solar Systems SIA, Riga, Latvia**
  BayWa AG acquired 100% of the shares in Proelektro SIA, Riga, Latvia, now named BayWa r.e. Solar Systems SIA, Riga, Latvia, through BayWa r.e. AG, Munich, Germany. The transaction will help the Solar Trade business entity to realise its strategy of further geographical expansion in the Baltic region, complementing its existing activities in Europe. This acquisition will enable the development of solar trade activities in Latvia with further growth potential throughout the Baltic market. BayWa r.e. AG has had a controlling influence since 2 February 2023. BayWa r.e. Solar Systems SIA has been fully consolidated in the consolidated financial statements of BayWa AG since that date. The purchase price amounted to €2.7 million. According to the purchase price allocation, goodwill stood at €2.0 million. The transaction cost for the shares was €0.7 million.

- **FABU BeteiligungsgmbH, Spillern, Austria**
  BayWa AG acquired 100% of the shares in FABU BeteiligungsgmbH and its wholly owned subsidiary, FABU Massivhaus HandelsgmbH, through RWA Raiffeisen Ware Austria AG, Korneuburg, Austria. FABU BeteiligungsgmbH has been the licensor of the Town & Country brand for FABU Massivhaus HandelsgmbH and eight other licence partners in Austria since 2006. The brand is focused on the end-to-end process of constructing pre-fabricated homes, from the acquisition phase to handing over the keys to the completed building. The partnership with RWA and Lagerhaus will allow the brand’s potential to be fully utilised. The FABU Group has had a controlling influence since 15 February 2023. The company was fully consolidated in the consolidated financial statements for the first time on 28 February 2023. The purchase price was €4.2 million. According to the purchase price allocation, goodwill amounted to €3.4 million. The transaction cost for the shares came to €0.1 million.

- **T&T Electric, Inc., Hilo, USA**
  BayWa AG acquired 100% of the shares in T&T Electric, Inc., Hilo, USA, through the Group company BayWa r.e. Power Solutions, Inc. dba Enable Energy, Sacramento, USA. The two subsidiaries Ka'iulani 4, LLC and T&T Electric - American Samoa, LLC, both Hilo, USA, and both wholly owned by T&T Electric, Inc., were also acquired as part of this transaction. The transaction expands the Energy Solutions business entity’s range of services and customer base beyond its current area of expertise in the state of Hawaii. BayWa r.e. Power Solutions, Inc. dba Enable Energy has had a controlling influence since 1 March 2023. T&T Electric, Inc. and its two subsidiaries have been fully consolidated in the consolidated financial statements of BayWa AG since that date. The purchase price amounted to €1.4 million. According to the purchase price allocation, goodwill amounted to €0.2 million.

In summary, additions to assets (excluding goodwill) and liabilities from company acquisitions measured at fair value are as follows, broken down by major category, for the financial year 2023:

In € million	Uwe Körner GmbH	Ribeiro Solar Ltda	Other additions	**Total additions in 2023**
Assets				
Intangible assets	1.5	5.9	3.2	10.6
Property, plant and equipment	1.0	0.4	1.5	2.9
Investments	0.0	0.0	0.0	0.0
Inventories	1.6	11.7	9.2	22.5
Financial assets	0.0	0.0	0.1	0.1
Receivables and other assets	0.8	6.0	2.8	9.6
thereof: receivables (gross)	0.6	5.4	2.0	8.0
thereof: receivables considered recoverable	0.6	5.4	2.0	8.0
Deferred tax assets	0.0	0.0	0.2	0.2
Cash and cash equivalents	0.5	0.3	4.1	4.9
Shareholders' equity and liabilities				
Non-current liabilities	0.0	0.1	1.0	1.0
Short-term debt	0.1	3.3	0.6	4.0
Current trade payables and liabilities from inter-group business relationships	1.1	8.7	1.1	11.0
Current income tax liabilities	0.0	0.0	0.3	0.3
Other current liabilities	0.6	4.6	11.7	17.0
Deferred tax liabilities	0.6	2.0	0.8	3.4
Acquired net assets at the point of initial consolidation	**2.9**	**5.5**	**5.6**	**14.0**
Share attributable to shareholders of the parent company	2.9	5.5	5.6	14.0
Share attributable to minority shareholders	0.0	0.0	0.0	0.0

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

In € million	Uwe Körner GmbH	Ribeiro Solar Ltda	Other additions	**Total additions in 2023**
Contribution transferred in return for the acquisition of the shares	7.3	12.2	11.2	30.7
Non-controlling interests in the acquired companies	0.0	0.0	0.0	0.0
Acquired net assets at the point of initial consolidation	2.9	5.5	5.6	14.0
Goodwill	**4.4**	**6.8**	**5.5**	**16.7**

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

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

In € million	Uwe Körner GmbH	Ribeiro Solar Ltda	Other additions	**Total additions in 2023**
Revenues from the point of initial consolidation	2.7	7.6	47.2	57.5
Profit/loss from the point of initial consolidation	0.1	- 2.0	1.5	- 0.4
Pro forma revenues for the period from 01/01 to 31/12/2023	4.2	43.9	48.2	96.2
Pro forma profit/loss for the period from 01/01 to 31/12/2023	0.2	- 1.9	1.0	- 0.6

Supplementary information on company acquisitions in the previous year

The finalisation of the purchase price allocation, which was reported as a preliminary figure in the previous year, did not result in any material changes compared to the preliminary allocations reported in the notes to the consolidated financial statements.

Disposals due to sale in the financial year 2023

In the financial year 2023, all shares in the following companies or groups of companies were sold, resulting in these companies or groups of companies leaving the group of consolidated companies of the BayWa Group. No shares remained in the BayWa Group after the respective sale.

- **Aufwind Schmack Első Biogáz Szolgáltató Kft., Szarvas, Hungary**
  BayWa AG sold the 100% stake it held in the Hungarian biogas plant Aufwind Schmack Első Biogáz Szolgáltató Kft., Szarvas, Hungary, effective as at 19 July 2023.

- **Karadoc Solar Farm HoldCo Pty Ltd, Melbourne, Australia**
  Effective as at 15 August 2023, BayWa r.e. Solar Pte. Ltd, Singapore, Singapore, sold 100% of the shares in Karadoc Solar Farm HoldCo Pty Ltd, Melbourne, Australia, and its subsidiaries Karadoc Solar Farm FinCo Pty Ltd and Iraak Sun Farm Pty Ltd, both in Melbourne, Australia.

- **Serralonga Energia S.r.l., Turin, Italy**
  BayWa r.e. Italia S.r.l., Milan, Italy, sold the 52% stake it held in Serralonga Energia S.r.l., Turin, Italy, effective as at 24 May 2023.

- **Windpark Desloch GmbH & Co. KG, Gräfelfing, Germany**
  BayWa r.e. Wind GmbH, Munich, Germany, sold 100% of the shares it held in Windpark Desloch GmbH & Co. KG, Gräfelfing, Germany. The sale was completed on 21 December 2023.

The effect of these four sales on the consolidated financial statements owing to loss of control is as follows:

Assets and liabilities derecognised owing to loss of control

In € million	Aufwind Schmack Első Biogáz Szolgáltató Kft.	Karadoc Solar Farm HoldCo Pty Ltd	Serralonga Energia S.r.l.	Windpark Desloch GmbH & Co. KG	**Total disposals in 2023**
Assets					
Property, plant and equipment and intangible assets	8.8	91.6	0.0	7.5	107.9
Investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	12.7	3.1	0.3	16.1
Inventories	0.2	1.0	51.3	0.0	52.5
Receivables and other assets	0.7	1.0	5.7	0.0	7.4
Cash and cash equivalents	0.1	1.0	18.4	0.0	19.5
	9.8	**107.3**	**78.5**	**7.8**	**203.4**
Shareholders' equity and liabilities					
Non-current provisions	0.0	1.7	0.0	0.6	2.3
Long-term debt	0.1	52.0	51.8	2.8	106.7
Non-current trade payables and other non-current liabilities	0.7	6.8	1.2	0.3	9.0
Current provisions	0.0	0.0	1.7	0.1	1.8
Short-term debt	0.0	1.5	6.2	0.1	7.8
Current trade payables and other current liabilities	12.5	31.3	6.0	3.9	53.7
	13.3	**93.3**	**66.9**	**7.8**	**181.3**
Net assets on the disposal date	**- 3.5**	**14.0**	**11.6**	**- 0.1**	**22.0**
thereof: attributable to minority shareholders	0.0	6.9	8.5	0.0	15.4
thereof: attributable to shareholders of the parent company	- 3.5	7.1	3.1	- 0.1	6.6

Gains or losses from disposals in the financial year 2023

In € million	Aufwind Schmack Első Biogáz Szolgáltató Kft.	Karadoc Solar Farm HoldCo Pty Ltd [1]	Serralonga Energia S.r.l.	Windpark Desloch GmbH & Co. KG	**Total disposals in 2023**
Consideration received in the form of cash and cash equivalents for the sold shares	2.3	0.0	0.9	3.5	6.7
Less net assets relinquished on a pro rata basis at the time of sale	- 3.5	7.1	3.1	0.0	6.7
Disposal result	**5.8**	**- 7.1**	**- 2.2**	**3.5**	**0.0**

1 In addition to the purchase price for the shares, the acquirer also repaid an intragroup loan in the amount of €36.0 million.

Profit and loss from disposals is included in the income statement under the result from participating interests.

Incoming net cash and cash equivalents from disposals in the financial year 2023

In € million	Aufwind Schmack Első Biogáz Szolgáltató Kft.	Karadoc Solar Farm HoldCo Pty Ltd [1]	Serralonga Energia S.r.l.	Windpark Desloch GmbH & Co. KG	**Total disposals in 2023**
Purchase price settled through cash and cash equivalents	2.3	0.0	0.9	3.5	6.7
Less cash and cash equivalents paid out in connection with the disposal	0.1	1.0	18.4	0.0	19.5
	2.2	**- 1.0**	**- 17.5**	**3.5**	**- 12.8**

1 In addition to the purchase price for the shares, the acquirer also repaid an intragroup loan in the amount of €36.0 million.

Material non-controlling interest

Companies in which BayWa AG either directly or indirectly holds less than 100% of the capital and voting rights are also included in BayWa AG’s consolidated financial statements.

The summary of financial information for Group companies in which material non-controlling interests are held is as follows:

In € million	BayWa r.e. AG, Munich		T&G Global Limited, Auckland, New Zealand	
	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
Share in the capital and voting rights held by the non-controlling interests (in %)	49.00	49.00	26.01	26.01
Share in the annual result attributable to non-controlling interests	2.6	55.3	- 3.5	3.3
Aggregated non-controlling interests	541.7	611.0	74.2	81.6
Dividends distributed to non-controlling interests	26.3	19.0	0.0	0.0
Financial information (prior to consolidation)				
Current assets	2,664.7	3,361.6	206.4	199.5
Non-current assets	2,134.5	1,702.1	367.8	367.6
Current liabilities	2,136.1	1,772.8	136.4	133.9
Non-current liabilities	1,568.9	2,093.2	194.2	169.8
Revenues	5,805.6	6,480.9	907.2	920.9
Net result for the year	4.5	77.4	- 20.9	4.6
Other earnings	- 86.1	122.5	- 4.1	5.2
Total earnings	**- 81.6**	**199.9**	**- 25.0**	**9.8**

At BayWa r.e. AG, the profit distributed by the shareholders for the financial year 2022 in the financial year 2023 was paid into the capital reserve of the company. The share attributable to BayWa AG is eliminated as part of the consolidation. The share attributable to non-controlling interests in BayWa r.e. AG in the amount of €20.4 million will also have an equity-increasing effect in these consolidated financial statements. Please refer to the consolidated statement of changes in equity and Note C.11.

In € million	RWA AG, Korneuburg, Austria		"UNSER LAGERHAUS" WARENHANDELSGESELLSCHAFT m.b.H., Klagenfurt, Austria	
	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
Share in the capital and voting rights held by the non-controlling interests (in %)	50.00	50.00	48.94	48.94
Share in the annual result attributable to non-controlling interests	8.2	22.8	2.1	4.1
Aggregated non-controlling interests	259.0	260.2	40.0	39.9
Dividends distributed to non-controlling interests	6.3	3.2	2.0	2.2
Financial information (prior to consolidation)				
Current assets	926.4	1,033.7	131.2	147.1
Non-current assets	540.5	517.3	116.6	122.0
Current liabilities	760.8	844.0	133.9	149.0
Non-current liabilities	200.9	207.3	32.3	38.6
Revenues	3,556.0	4,027.0	608.8	694.6
Net result for the year	15.3	39.4	4.3	8.3
Other earnings	8.9	- 27.0	- 0.2	0.0
Total earnings	**24.1**	**12.4**	**4.1**	**8.3**

In € million	BayWa Vorarlberg HandelsGmbH, Lauterach, Austria		TFC Holland B.V., Maasdijk, Netherlands	
	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
Share in the capital and voting rights held by the non-controlling interests (in %)	49.00	49.00	0.00	10.53
Share in the annual result attributable to non-controlling interests	0.9	1.1	0.0	0.1
Aggregated non-controlling interests	6.9	6.5	0.0	0.8
Dividends distributed to non-controlling interests	0.5	1.1	0.0	0.4
Financial information (prior to consolidation)				
Current assets	28.7	26.5	20.0	25.2
Non-current assets	26.7	26.1	37.4	34.3
Current liabilities	29.3	26.2	29.3	34.3
Non-current liabilities	12.1	13.0	20.3	17.3
Revenues	86.3	97.1	67.1	74.0
Net result for the year	1.7	2.3	0.1	1.4
Other earnings	0.1	0.0	0.0	0.0
Total earnings	**1.7**	**2.3**	**0.1**	**1.4**

BayWa AG acquired the remaining 10.5% of shares in TFC Holland B.V., Maasdijk, Netherlands, via the Group company BayWa Global Produce GmbH, Munich, Germany, with effect from 7 February 2023, meaning that BayWa Global Produce GmbH has held 100% of the shares in the company since the acquisition date. The cost of the shares comes to €5.4 million and comprises the contractually agreed purchase price component of €5.4 million that was paid out in February 2023. The carrying amount of the previous non-controlling interests in the equity of TFC Holland B.V. totalled €0.7 million at the time of acquisition. As a result of this transaction, the minority interest included in the consolidated financial statements fell by €0.7 million, and the equity attributable to the shareholders of the parent company declined by €4.7 million due to the offsetting of the difference arising from the successive acquisition. The transaction costs incurred in connection with the acquisition of the shares amount to €0.0 million. These costs are included in the consolidated income statement under other operating expenses.

Companies of secondary importance

Owing to their generally secondary importance, 101 (2022: 92) domestic and 338 (2022: 276) foreign affiliated companies are not included in the consolidated financial statements. These companies are recognised in the consolidated balance sheet and measured as under IFRS 9. The aggregated annual results and aggregated equity (unconsolidated HB I values based on the individual financial statements) of these companies in the financial year 2023 are set out below:

Unconsolidated affiliated companies	In € million	Share in relation to the sum total of all affiliated companies in %
Net result for the year	- 4.2	- 3.8
Equity	28.5	0.3

B.3 Joint ventures pursuant to IFRS 11 in conjunction with IAS 28

A total of 17 (2022: 15) joint ventures over which the BayWa Group exerts joint control together with one or more external third parties on the basis of a contractual agreement are recognised under the equity method. These are listed under Group holdings attached to the Notes to the Consolidated Financial Statements as an appendix. The shares of these companies have been recognised at cost, taking account of changes in the net assets of the Group companies since the purchase of the shares.

Summary of financial information about the material joint ventures included under the equity method:

In € million	Hafen Vierow - Gesellschaft mit beschränkter Haftung, Brünzow, Germany		VIELA Export GmbH, Vierow, Germany	
	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
Shareholding (in %)	50.00	50.00	50.00	50.00
Voting rights (in %)	50.00	50.00	50.00	50.00
Dividends received from joint ventures	0.0	0.0	0.0	0.0
Current assets	3.6	2.6	7.2	8.4
Non-current assets	12.1	12.3	14.8	12.9
Current liabilities	0.7	1.0	1.1	2.6
Non-current liabilities	4.8	4.9	6.9	6.0
cash and cash equivalents	2.8	2.0	5.8	7.1
Short-term debt	0.0	0.0	0.0	0.0
Long-term debt	3.6	3.9	6.0	5.1
Revenues	3.8	3.5	7.6	7.1
Amortisation	- 0.5	- 0.5	- 1.1	- 1.0
Interest expenses	- 0.1	- 0.1	- 0.3	- 0.1
Interest income	0.0	0.0	0.0	0.0
Income tax expense	- 0.5	- 0.4	- 0.5	- 0.5
Net result for the year from continued operations	1.2	1.0	1.4	1.4
Other earnings	0.0	0.0	0.0	0.0
Total earnings	**1.2**	**1.0**	**1.4**	**1.4**
Losses not realised for the reporting period	0.0	0.0	0.0	0.0
Aggregated losses not realised	0.0	0.0	0.0	0.0
Transition				
Joint venture's net assets	10.2	9.0	14.1	12.7
Shareholding and voting rights (in %)	50.00	50.00	50.00	50.00
Goodwill	3.0	3.0	7.8	7.8
Other adjustments	- 0.1	- 0.1	- 0.2	0.1
Book value	8.0	7.4	14.7	14.0

Hafen Vierow - Gesellschaft mit beschränkter Haftung, Brünzow, Germany, is responsible for managing and operating the port of Vierow and the construction of transshipment facilities as well as the handling and warehousing of goods of all kinds. **VIELA Export GmbH, Vierow, Germany**, imports and exports agricultural goods and products.

In € million	BHBW Holdings (Pty) Ltd, Lynnwood Manor, South Africa		Amadeus Wind Holdings, LLC, Wilmington, USA	
	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
Shareholding (in %)	50.00	50.00	33.30	33.30
Voting rights (in %)	50.00	50.00	33.30	33.30
Dividends received from joint ventures	0.0	0.0	0.0	0.0
Current assets	39.0	25.8	13.9	29.3
Non-current assets	18.9	15.0	281.8	303.3
Current liabilities	22.6	18.1	2.7	6.9
Non-current liabilities	14.4	0.0	293.1	308.0
Cash and cash equivalents	1.9	0.0	10.4	21.4
Short-term debt	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	119.0	143.5
Revenues	63.0	56.5	25.3	24.5
Amortisation	- 1.0	- 1.2	- 10.5	- 10.8
Interest expenses	- 0.9	- 0.8	- 5.6	- 5.2
Interest income	0.0	0.0	0.0	0.0
Income tax expense	- 0.2	0.0	- 0.1	0.0
Net result for the year from continued operations	0.9	- 0.4	- 3.9	18.0
Other earnings	0.0	0.0	0.0	0.0
Total earnings	**0.9**	**- 0.4**	**- 3.9**	**18.0**
Losses not realised for the reporting period	0.0	0.0	0.0	0.0
Aggregated losses not realised	0.0	0.0	0.0	0.0
Transition				
Joint venture's net assets	20.9	22.7	0.0	17.7
Shareholding and voting rights (in %)	50.00	50.00	33.30	33.30
Goodwill	0.0	0.0	46.5	46.5
Other adjustments	0.0	0.0	3.2	0.5
Book value	10.5	11.3	49.7	51.9

BHBW Holdings (Pty) Ltd, Lynnwood Manor, South Africa, trades and sells agricultural equipment and forklift trucks. **Amadeus Wind Holdings, LLC, Wilmington, USA**, is a wind farm with a total output of 96 gigawatts.

In € million	Tornio Karhakkamaa Tuuli GP Oy, Helsinki, Finnland	Buchan Offshore Wind Limited, Glasgow, Großbritannien
	31/12/2023	**31/12/2023**
Shareholding (in %)	50.00	33.30
Voting rights (in %)	50.00	33.30
Dividends received from joint ventures	0.0	0.0
Current assets	0.3	4.2
Non-current assets	5.9	64.6
Current liabilities	0.2	1.6
Non-current liabilities	0.0	0.0
Cash and cash equivalents	0.3	0.0
Short-term debt	0.2	0.0
Long-term debt	0.0	0.0
Revenues	0.0	0.0
Amortisation	0.0	0.0
Interest expenses	0.0	0.0
Interest income	0.0	0.0
Income tax expense	0.0	0.0
Net result for the year from continued operations	0.0	0.0
Other earnings	0.0	0.0
Total earnings	**0.0**	**0.0**
Losses not realised for the reporting period	0.0	0.0
Aggregated losses not realised	0.0	0.0
Transition		
Joint venture's net assets	6.1	67.2
Shareholding and voting rights (in %)	50.00	33.30
Goodwill	13.8	0.0
Other adjustments	0.3	0.0
Book value	17.1	22.4

Tornio Karhakkamaa Tuuli GP Oy, Helsinki, Finland, is involved in the development of a wind project in Finland. **Buchan Offshore Wind Limited, Glasgow, UK**, is a company engaged in the development of an offshore wind project. The two companies began being managed as material joint ventures within the BayWa Group in the current financial year. For this reason, the previous year's figures are not presented.

The above financial information relates to values used as a basis for the IFRS financial statements of the respective joint ventures.

Summary of financial information about the joint ventures included under the equity method which are, in and of themselves, not material:

In € million	**31/12/2023**	31/12/2022
Book value at the end of the reporting period	16.6	28.5
BayWa Group's share in the net result for the year from continued operations	1.0	0.0
BayWa Group's share in earnings from discontinued operations after tax	0.0	0.0
BayWa Group's share in other earnings	- 0.1	- 0.9
BayWa Group's share in total earnings	1.0	- 0.9
Losses not realised for the reporting period	0.0	0.0
Unrecognised losses (aggregated)	- 0.9	- 0.9

The decline in the carrying amounts of the non-material joint ventures accounted for using the equity method is primarily attributable to Tornio Karhakkamaa Tuuli GP Oy, Helsinki, Finland, and Buchan Offshore Wind Limited, Glasgow, UK, both of which were recognised for the first time as material joint ventures in the current financial year.

B.4 Associates pursuant to IAS 28

A total of 13 (2022: 11) associates over which the BayWa Group either has a proportion of voting rights of at least 20% and a maximum of 50%, or over whose business management or supervisory functions the BayWa Group exerts a significant influence, and which are not jointly held companies or companies of secondary importance, are recognised under the equity method. These are listed under Group holdings attached to the Notes to the Consolidated Financial Statements as an appendix. The shares of these companies have been recognised at cost, taking account of changes in the net assets of the Group companies since the purchase of the shares.

Summary of financial information about the material associates included under the equity method:

In € million	BRB Holding GmbH, Munich, Germany		AUSTRIA JUICE GmbH, Allhartsberg, Austria	
	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
Shareholding (in %)	45.26	45.26	49.99	49.99
Voting rights (in %)	45.26	45.26	49.99	49.99
Dividends received from associates	5.9	8.0	1.8	0.0
Current assets	0.4	0.4	268.5	270.9
Non-current assets	234.8	234.8	88.8	80.5
Current liabilities	0.0	0.1	194.2	201.9
Non-current liabilities	0.0	0.0	105.6	105.4
Revenues	0.0	0.0	305.1	281.8
Net result for the year from continued operations	6.1	8.1	12.1	6.0
Other earnings	0.0	0.0	3.2	- 1.8
Total earnings	**6.1**	**8.1**	**15.3**	**4.2**
Losses not realised for the reporting period	0.0	0.0	0.0	0.0
Aggregated losses not realised	0.0	0.0	0.0	0.0
Transition				
Associate's net assets	235.3	235.1	57.6	44.0
Shareholding and voting rights (in %)	45.26	45.26	49.99	49.99
Goodwill	0.0	0.0	22.4	22.4
Other adjustments	- 17.3	- 17.3	1.4	1.4
Book value	89.2	89.1	52.7	45.9

BRB Holding GmbH, Munich, Germany, has equity holdings in companies in the cooperative group and conducts all other business serving to further these activities. AUSTRIA JUICE GmbH produces fruit juice concentrates, beverage compounds and aromas as well as fruit wines and fresh juices for the food and beverage processing industry.

Due to the company's business activities, the financial year of **AUSTRIA JUICE GmbH, Allhartsberg, Austria**, ends on 28 February. For this reason, the reporting period used as the basis for the inclusion of the financial statements of AUSTRIA JUICE GmbH in the consolidated financial statements of BayWa AG ends on 30 November and therefore deviates from the parent company's reporting date. Differing reporting periods have no material impact on the assets, financial position and earnings position of the BayWa Group.

In € million	Grandview Brokerage LLC, Seattle, USA	
	31/12/2023	31/12/2022
Shareholding (in %)	39.39	39.39
Voting rights (in %)	39.39	39.39
Dividends received from associates	0.5	0.5
Current assets	122.1	121.0
Non-current assets	22.5	24.0
Current liabilities	128.3	125.3
Non-current liabilities	5.4	5.1
Revenues	613.5	668.1
Net result for the year from continued operations	1.7	3.7
Other earnings	0.0	0.0
Total Earnings	**1.7**	**3.7**
Losses not realised for the reporting period	0.0	0.0
Aggregated losses not realised	0.0	0.0
Transition		
Associate's net assets	11.0	14.7
Shareholding and voting rights (in %)	39.39	39.39
Goodwill	14.5	14.5
Other adjustments	0.4	- 0.3
Book value	19.2	19.9

Grandview Brokerage LLC, Seattle, USA, is an investment company.

The above financial information relates to values used as a basis for the IFRS financial statements of the respective associate.

Summary of financial information about the associates included under the equity method which are, in and of themselves, not material:

In € million	**31/12/2023**	31/12/2022
Book value at the end of the reporting period	16.1	11.3
BayWa Group's share in the net result for the year from continued operations	2.3	- 0.5
BayWa Group's share in earnings from discontinued operations after tax	0.0	0.0
BayWa Group's share in other earnings	0.0	0.0
BayWa Group's share in total earnings	2.3	- 0.5
Losses not realised for the reporting period	- 0.1	- 0.1
Aggregated losses not realised	- 1.2	- 1.0

A total of 35 (2022: 37) joint ventures and associates of generally secondary importance for the consolidated financial statements have been accounted for at fair value under IFRS 9 and not using the equity method. In this context, cost provides the best estimate of fair value unless the companies in question are listed on a securities market, and provided the earnings position of the Group company has not changed significantly compared to the plan. In general, there are no material differences between the cost and the fair value of these companies due to their stable business models and business activities that can be considered negligible compared to the Group as a whole. The aggregated assets, liabilities, revenues and annual results (each based on the individual financial statements) of these companies in the financial year 2023 are set out below:

Associates and joint ventures not included under the equity method

In € million	
Assets	242.4
Liabilities	196.3
Revenues	123.3
Net result for the year	1.1

B.5 Summary of the changes to the group of consolidated companies of BayWa

Compared with the previous year, the group of consolidated companies, including the parent company, changed as follows:

	Germany	Abroad	Total
Included on 31/12/2023	**142**	**471**	**613**
thereof: fully consolidated	132	451	583
thereof: recognised at equity	10	20	30
Included on 31/12/2022	**132**	**436**	**568**
thereof: fully consolidated	122	419	541
thereof: recognised at equity	10	17	27

All Group holdings are listed separately (appendix to the Notes to the Consolidated Financial Statements).

B.6 Currency translation

The translation of the financial statements prepared in a foreign currency into euros is carried out by applying the concept of functional currency as defined under IAS 21. The companies of the BayWa Group operate independently. They are therefore considered foreign operations. The functional currency is the respective national currency or, in exceptional cases, the currency in which most of the respective company's transactions are settled. Assets and liabilities are converted at the exchange rate at the end of the reporting period. This does not apply to investments, which are measured at historical exchange rates. Equity is carried at historical rates with the exception of income and expenses recognised directly in equity. The translation of the income statement is carried out using the average rate for the year. Differences resulting from currency translation are treated without effect on income until such time as the subsidiary is disposed of and set off against other reserves in equity. The differences resulting from currency translation (including reclassifications) decreased by €2.6 million in the reporting year (2022: increase by €0.7 million).

The exchange rates for the currencies relevant to the BayWa Group are summarised in the table below:

		Balance sheet		Income statement	
		Middle rate on		Average rate	
	€ 1	**31/12/2023**	31/12/2022	**2023**	2022
Australia	AUD	1.626	1.569	1.629	1.517
Japan	JPY	156.330	140.660	151.990	138.027
New Zealand	NZD	1.750	1.680	1.762	1.658
Sweden	SEK	11.096	11.122	11.479	10.630
UK	GBP	0.869	0.887	0.870	0.853
USA	USD	1.105	1.067	1.081	1.053

C Notes to the Balance Sheet

C.1 Intangible assets

The goodwill recognised under intangible assets relates to the following cash-generating units.

In € million	2023	2022
BayWa r.e. business entity “Holdings”	7.2	0.0
BayWa r.e. business entity “Services”	3.4	15.0
BayWa r.e. business entity “Solar Projects”	106.0	102.7
BayWa r.e. business entity “Solar Trade”	52.6	44.3
thereof: added in the financial year 2023: BayWa r.e. Solar Systems SIA	2.0	0.0
thereof: added in the financial year 2023: Ribeiro Solar Ltda	6.7	0.0
BayWa r.e. business entity “Wind Projects”	28.3	27.1
BayWa r.e. business entity “Energy Solutions”	10.8	7.5
thereof: added in the financial year 2023: T&T Electric, Inc.	0.2	0.0
Citygreen Gartengestaltungs GmbH	0.9	0.9
EUROGREEN Group	2.1	2.1
FABU BeteiligungsgmbH	3.4	0.0
Heinrich Brüning GmbH	3.3	3.3
Patent Co. DOO (feedstuff)	35.2	35.1
Peter Frey GmbH	1.0	1.0
Premium Crops Limited (goodwill from asset deal)	6.5	6.4
Royal Ingredients Group	3.4	3.4
T&G Global Group	19.2	20.0
TFC Holland B.V.	15.7	15.7
Thegra Tracomex Group	8.7	8.7
Uwe Körner GmbH	4.4	0.0
WAV Wärme Austria VertriebsgmbH	2.4	2.4
Other	0.2	0.2
	314.7	**295.8**

In the financial year 2023, the impairment tests for the goodwill of the cash-generating units presented did not result in any need for impairment (2022: €17.2 million).

In the Renewable Energies Segment, goodwill was reallocated between individual business entities, which represent the cash-generating units in the BayWa r.e. Group, as part of a minor reorganisation. Specifically, goodwill totalling €7.2 million was reclassified from the Services business entity to the Holdings business entity, €3.3 million to the Solar Projects business entity and €0.9 million to the Wind Projects business entity.

The goodwill from the acquisition of Premium Crops Limited, the T&G Global Group and Patent Co. DOO (feedstuff) as well as the goodwill of the BayWa r.e. business entities are subject to fluctuating exchange rates, which resulted in changes compared to the previous year.

Of the goodwill arising from acquisitions in the financial year 2023, €0.0 million (2022: 0.9 million) is tax-deductible.

The cash flows were based on business-unit-specific discount factors of between 6.4% and 10.7% (2022: 6.2% and 8.8%). Growth rates are derived from the expected industry average and historical values. For the purpose of extrapolating the forecast based on the third budget year, a currently expected business-unit-specific growth rate of between 1.0% and 2.0% (2022: 0.0% and 2.0%) has been assumed for the periods thereafter.

The BayWa Group’s cash-generating units were not affected by the macroeconomic or geopolitical environment to any considerable extent in 2023 (see Note A.7). Since these factors have not had any material implications for the BayWa Group, the key assumptions of the impairment tests remain unchanged from the previous year.

A change in the basic assumptions considered possible may result from an increase in the discount factor by 0.5 percentage points, a reduction in the growth rate by 0.5 percentage points and a reduction in cash flow by 10 percentage points. For the cash-generating units listed in the following table, a change in the basic assumptions would probably result in the carrying value exceeding the fair value in use as follows:

	Basic assumptions in %		Sensitivities in € million		
	discount factor	growth rate	discount factor plus 0.5%	growth rate minus 0.5%	cash flow minus 10%
Peter Frey GmbH	8.2	1.0	0.8	0.2	1.4
Patent Co. DOO (feedstuff)	8.5	1.0	0.0	0.0	3.4
TFC Holland B.V.	6.4	1.0	3.8	2.7	5.2
Heinrich Brüning GmbH	6.7	1.0	0.0	0.0	0.3

In the impairment test of Peter Frey GmbH, the value in use is €0.1 million higher than the book value. The value in use would correspond to the book value in the event of an increase in the discount factor of 0.04 percentage points or a decrease in the growth rate of 0.15 percentage points.

The impairment test of the cash-generating unit Patent Co. DOO (feedstuff) resulted in a value in use that is €17.0 million higher than the book value. The value in use would correspond to the book value in the event of an increase in the discount factor of 0.77 percentage points or a decrease in the growth rate of 1.65 percentage points.

In the impairment test of TFC Holland B.V., the value in use exceeded the book value by €1.4 million. The value in use would correspond to the book value in the event of an increase in the discount factor of 0.13 percentage points or a decrease in the growth rate of 0.17 percentage points.

In the impairment test of Heinrich Brüning GmbH, the value in use is €0.8 million higher than the book value. The value in use would correspond to the book value in the event of an increase in the discount factor of 0.48 percentage points or a decrease in the growth rate of 0.55 percentage points.

The following table is a breakdown of the additions to intangible assets:

In € million	**2023**	2022
Additions from developments within the company	5.8	3.7
Additions from separate acquisition	26.8	24.1
Additions from business combinations	35.3	58.7
	67.9	**86.6**

In the financial year 2023, research and development expenses of €1.8 million (2022: €1.0 million) were recognised under other operating expenses. Material research and development activities at the BayWa Group are performed by BayWa AG, Munich, Germany, and FarmFacts GmbH, Pfarrkirchen, Germany.

C.2 Property, plant and equipment

All property, plant and equipment are used for operations. At €1.8 million, impairment losses in the financial year 2023 were down on the previous year by a clear margin. The previous year's figure arose in particular in relation to a wind power plant in the US, where construction was halted, resulting in substantial delays and cost increases and leading to impairment losses totalling €55.6 million.

In the financial year 2023, borrowing costs of €18.9 million (2022: €10.1 million) were capitalised in property, plant and equipment.

In the financial year 2023 wind farms and solar parks were reclassified from inventories into property, plant and equipment, and specifically to technical facilities, in the amount of €103.0 million (2022: €442.4 million) an into the intangible assets in the amount of €53.4 million (2022: €4.3 million). After being reported in inventories as unfinished goods during the construction phase, these wind farms and solar parks were transferred to the IPP business entity of the Renewable Energies Segment in the financial year 2023, because a decision was taken to operate the wind farms and solar parks, rather than to sell them.

In the financial year 2023, asset classes were standardised as part of the preparatory work for the introduction of a new accounting system. For example, shelving systems – previously recognised inconsistently as office equipment or as technical equipment – have now been assigned uniformly to technical facilities. As the assets concerned were already almost fully depreciated, the standardisation of the asset classes is reflected in the presentation of the development of consolidated non-current assets both in terms of cost and in terms of depreciation and amortisation with an amount in the double-digit million-euro range. However, the effects on the book values are negligible.

At the end of the reporting period, €36.4 million (2022: €36.4 million) of the total property, plant and equipment recognised served as collateral for liabilities.

C.3 Participating interests recognised at equity, investments and securities

The shares in Raiffeisen Bank International AG, Vienna, Austria, and other shares in affiliated and other companies in Austria, as well as shares in other companies belonging to Turners and Growers Horticulture Limited, Auckland, New Zealand, are recognised at fair value through other comprehensive income.

The fair value of the shares in Raiffeisen Bank International AG amounted to €71.8 million as at 31 December 2023 (2022: €59.0 million). Dividends of €3.1 million were generated from these shares in the financial year 2023. The fair value of the other shares in affiliated and other companies in Austria amounted to €1.8 million (2022: €0.0 million.). The changes in value were recognised through other comprehensive income in accordance with the measurement category.

At Turners and Growers Horticulture Limited, the fair value of the shares in other companies measured through other comprehensive income was €0.1 million as at 31 December 2023 (2022: €0.1 million). No dividends resulted from these shares in the financial year 2023.

C.4 Investment property

The “Investment property” item comprises 59 (2022: 61) pieces of land and buildings under lease and/or not essential to the operations of the Group. Properties in this category are mainly warehouses, market buildings, garden centres, farm buildings (barns, etc.), silos, farmland and other undeveloped land, as well as, to a minor extent, office and residential buildings.

The book value at the end of the reporting period stood at €37.1 million (2022: €42.1 million). At €0.9 million, depreciation in the financial year 2023 was on a par with the previous year (2022: €0.9 million). The expense in the same amount has been included under depreciation and amortisation in the income statement. In the year under review, land with a book value of €1.5 million was reclassified to property, plant and equipment.

The fair value of these properties amounted to €105.1 million (2022: €104.6 million). Fair value is not usually calculated by an expert. Fair value at the end of the reporting period is generally determined on the basis of discounted cash flow calculations (level 3 of the fair value hierarchy). The value of land is calculated using current, official standard land values. Location-related advantages and disadvantages are suitably taken into account. In the case of buildings let, the income value of the buildings was calculated by taking into account the actual annual rental income generated, less standard management expenses and the residual useful life of the building. A comparison of fair value against the book value of the individual properties showed that there were no impairment requirements in the reporting year.

Rental income came to €6.8 million (2022: €6.6 million), operating expenses (excluding depreciation) for the properties for which rental income was realised came to €2.1 million (2022: €1.7 million). In regard to properties for which no rental income was generated, operating expenses amounted to €0.1 million (2022: €0.2 million).

Development of consolidated non-current assets for 2023

Notes C.1 – C.4

In € million	Cost							
	01/01/2023	currency translation differences	additions due to consolidation	additions	disposals	disposals due to consolidation	reclassifi-cation	31/12/2023
Intangible assets								
Purchased and self-created industrial property rights, similar rights and assets	489.3	- 2.2	15.2	18.2	- 44.2	- 14.3	45.6	507.6
Goodwill	348.7	- 1.1	20.0	0.0	0.0	0.0	0.0	367.6
Prepayments on account	12.6	- 0.2	0.2	14.4	- 0.8	0.0	9.1	35.3
	850.6	**- 3.5**	**35.3**	**32.6**	**- 45.0**	**- 14.3**	**54.7**	**910.4**
Property, plant and equipment								
Land, similar rights and buildings, including buildings on leasehold land	2,443.2	- 6.2	2.3	165.6	- 47.5	- 13.7	99.9	2,643.6
thereof: rights of use from leases	1,152.9	- 5.1	0.4	123.2	- 27.9	- 7.6	34.0	1,270.0
Technical facilities and machinery	1,781.2	- 27.9	0.3	137.7	- 19.6	- 103.2	68.0	1,836.4
thereof: rights of use from leases	9.9	- 0.3	0.0	3.8	- 2.5	0.0	- 0.1	10.9
Other facilities, fixtures and office equipment	546.9	- 1.6	1.4	93.5	- 47.6	- 0.7	23.2	615.0
thereof: rights of use from leases	95.6	- 0.5	- 0.1	29.4	- 16.3	0.0	- 1.7	106.3
Prepayments and assets under construction	138.1	- 3.2	1.1	266.1	- 14.0	- 4.8	- 80.7	302.6
Bearer plants	26.6	- 1.1	0.0	0.7	- 6.0	0.0	5.1	25.3
	4,935.9	**- 40.1**	**5.2**	**663.6**	**- 134.7**	**- 122.4**	**115.6**	**5,422.9**
Participating interests recognised at equity	**279.0**	**- 2.3**	**17.1**	**22.0**	**- 5.9**	**2.8**	**2.7**	**315.4**
Investments								
Shareholdings in affiliated companies	50.5	0.0	- 0.5	6.2	- 0.3	- 0.6	0.0	55.3
Loans to affiliated companies	4.7	0.1	- 0.4	5.8	- 0.4	0.0	0.0	9.8
Participations in other companies	56.6	0.0	0.0	9.3	- 0.1	0.0	- 2.1	63.6
Loans to companies in which a participating interest is held	37.6	- 0.4	1.3	1.5	0.0	0.0	0.0	40.0
Non-current marketable securities	139.3	0.0	0.0	0.1	- 0.2	0.0	0.0	139.2
Other loans	24.7	- 0.7	0.4	2.5	- 4.9	0.0	- 6.5	15.5
	313.3	**- 0.9**	**0.7**	**25.4**	**- 5.8**	**- 0.6**	**- 8.7**	**323.4**
Investment property								
Land	30.5	0.0	0.0	0.0	- 1.4	0.0	- 1.5	27.7
Buildings	59.2	0.0	0.0	0.1	- 3.3	0.0	2.2	58.3
	89.8	**0.0**	**0.0**	**0.1**	**- 4.7**	**0.0**	**0.8**	**86.0**
Consolidated non-current assets	**6,468.6**	**- 46.7**	**58.3**	**743.6**	**- 196.1**	**- 134.5**	**165.1**	**7,058.1**

Depreciation/amortisation									Book values	
01/01/2023	currency translation differences	additions due to consolidation	current year	disposals	disposals due to consolidation	write-ups	reclassifi-cation	**31/12/2023**	**31/12/2023**	31/12/2022
- 338.0	1.0	0.0	- 36.5	43.5	2.4	0.0	0.1	- 327.5	180.2	151.3
- 52.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 52.9	314.7	295.8
- 0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 0.4	34.9	12.2
- 391.3	**1.0**	**0.0**	**- 36.5**	**43.5**	**2.4**	**0.0**	**0.1**	**- 380.8**	**529.8**	**459.3**
- 862.8	1.8	0.0	- 110.8	27.8	2.3	0.0	- 4.4	- 946.1	1,697.4	1,580.4
- 278.3	1.2	0.0	- 79.1	13.3	0.5	0.0	- 0.5	- 342.9	927.2	874.6
- 678.5	5.0	0.0	- 60.8	15.1	23.5	0.0	30.7	- 665.0	1,171.5	1,102.7
- 4.4	0.1	0.0	- 2.2	1.2	0.0	0.0	0.5	- 4.7	6.1	5.5
- 330.9	1.0	0.0	- 72.4	43.3	0.3	0.0	- 8.3	- 367.0	248.1	216.0
- 55.5	0.3	0.0	- 22.3	18.6	0.0	0.0	1.3	- 57.5	48.7	40.1
- 0.2	0.0	0.0	- 0.4	0.0	0.4	0.0	0.1	- 0.0	302.6	137.9
- 5.6	0.2	0.0	- 1.3	0.9	0.0	0.0	0.0	- 5.8	19.5	21.0
- 1,877.8	**7.9**	**0.0**	**- 245.6**	**87.1**	**26.5**	**0.0**	**18.2**	**- 1,983.9**	**3,439.1**	**3,058.0**
- 0.3	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.3**	**0.0**	**315.4**	**278.7**
- 20.1	0.0	0.0	- 3.1	0.0	0.0	0.0	0.0	- 23.2	32.1	30.4
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.8	4.7
- 6.4	0.0	0.0	- 1.2	0.0	0.0	0.0	- 0.3	- 7.9	55.7	50.2
- 0.7	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	40.0	36.8
- 57.0	0.0	0.0	0.0	0.2	0.0	12.9	0.0	- 43.9	95.3	82.2
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.5	24.7
- 84.3	**0.0**	**0.0**	**- 4.2**	**0.2**	**0.0**	**13.7**	**- 0.3**	**- 74.9**	**248.4**	**229.0**
										0.0
										0.0
- 1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 1.9	25.8	28.7
- 45.8	0.0	0.0	- 0.9	2.0	0.0	0.0	- 2.2	- 47.0	11.3	13.4
- 47.7	**0.0**	**0.0**	**- 0.9**	**2.0**	**0.0**	**0.0**	**- 2.2**	**- 48.8**	**37.1**	**42.1**
- 2,401.4	**8.9**	**0.0**	**- 287.2**	**132.8**	**28.9**	**13.7**	**16.0**	**- 2,488.5**	**4,569.8**	**4,067.1**

Development of consolidated non-current assets for 2022

Notes C.1 – C.4

In € million	Cost							
	01/01/2022	currency translation differences	additions due to consolidation	additions	disposals	disposals due to consolidation	reclassifi-cation	**31/12/2022**
Intangible assets								
Purchased and self-created industrial property rights, similar rights and assets	458.4	0.5	14.8	15.7	- 5.4	- 2.4	7.7	489.3
Goodwill	306.3	0.3	46.5	1.4	- 1.5	- 4.2	0.0	348.7
Prepayments on account	12.9	- 0.1	0.0	10.9	- 4.2	- 0.3	- 6.6	12.6
	777.6	**0.7**	**61.3**	**28.0**	**- 11.1**	**- 6.9**	**1.0**	**850.6**
Property, plant and equipment								
Land, similar rights and buildings, including buildings on leasehold land	2,271.0	1.2	19.5	215.4	- 55.6	- 46.1	37.7	2,443.2
thereof: rights of use from leases	1,010.6	0.2	3.4	129.2	- 20.0	- 1.6	31.2	1,152.9
Technical facilities and machinery	1,397.9	3.7	19.4	74.0	- 39.6	- 49.6	375.4	1,781.2
thereof: rights of use from leases	10.2	0.0	0.0	2.6	- 0.5	- 0.8	- 1.6	9.9
Other facilities, fixtures and office equipment	499.6	- 0.3	10.4	78.7	- 32.3	- 7.1	- 2.1	546.9
thereof: rights of use from leases	94.8	- 0.3	0.0	17.4	- 11.3	- 3.2	- 1.8	95.6
Prepayments and assets under construction	91.2	- 1.1	2.5	125.8	- 22.8	- 0.8	- 56.7	138.1
Bearer plants	28.6	- 0.4	0.0	0.8	- 7.4	0.0	4.9	26.6
	4,288.2	**3.1**	**51.9**	**494.7**	**- 157.7**	**- 103.5**	**359.2**	**4,935.9**
Participating interests recognised at equity	**243.3**	**2.4**	**20.9**	**17.0**	**- 5.2**	**- 1.8**	**2.3**	**279.0**
Investments								
Shareholdings in affiliated companies	39.9	0.0	- 3.7	12.3	- 0.3	2.8	- 0.5	50.5
Loans to affiliated companies	4.0	0.0	- 0.3	1.4	- 0.3	- 0.1	0.0	4.7
Participations in other companies	61.5	0.0	0.1	2.5	- 5.2	- 0.3	- 2.0	56.6
Loans to companies in which a participating interest is held	35.0	0.2	0.0	2.4	0.0	0.0	0.0	37.6
Non-current marketable securities	139.2	0.0	0.0	0.1	0.0	0.0	0.0	139.3
Other loans	16.3	- 0.1	0.0	10.1	- 0.5	0.0	- 1.1	24.7
	295.8	**0.1**	**- 3.9**	**28.7**	**- 6.3**	**2.4**	**- 3.5**	**313.3**
Investment property								
Land	26.4	0.0	0.0	0.0	- 3.3	0.0	7.4	30.5
Buildings	54.8	0.0	0.0	0.0	- 4.3	0.0	8.7	59.2
	81.2	**0.0**	**0.0**	**0.0**	**- 7.5**	**0.0**	**16.1**	**89.8**
Consolidated non-current assets	**5,686.1**	**6.4**	**130.2**	**568.4**	**- 187.9**	**- 109.7**	**375.1**	**6,468.6**

	Depreciation/amortisation									Book values	
	01/01/2022	currency translation differences	additions due to consolidation	current year	disposals	disposals due to consolidation	write-ups	reclassifi-cation	**31/12/2022**	**31/12/2022**	31/12/2021
	- 303.5	0.2	- 2.6	- 40.2	2.2	1.9	0.0	4.0	- 338.0	151.3	154.8
	- 39.1	0.0	0.0	- 17.4	1.2	2.4	0.0	0.0	- 52.9	295.8	267.2
	- 0.4	0.0	0.0	- 4.1	4.1	0.0	0.0	0.0	- 0.4	12.2	12.5
	- 343.1	**0.2**	**- 2.6**	**- 61.6**	**7.4**	**4.4**	**0.0**	**4.0**	**- 391.3**	**459.3**	**434.5**
	- 789.6	0.9	- 1.8	- 101.2	13.5	10.5	0.0	5.0	- 862.8	1,580.4	1,481.3
	- 214.6	0.5	- 0.1	- 67.9	4.3	0.8	0.0	- 1.3	- 278.3	874.6	760.0
	- 644.5	1.5	- 8.8	- 118.0	11.7	26.9	0.0	52.8	- 678.5	1,102.7	753.4
	- 3.3	0.0	0.0	- 2.4	0.5	0.4	0.0	0.4	- 4.4	5.5	6.9
	- 293.8	0.4	- 4.2	- 67.3	27.2	4.4	0.0	2.4	- 330.9	216.0	205.8
	- 44.3	0.2	- 1.6	- 21.7	10.4	0.3	0.0	1.2	- 55.5	40.1	50.4
	- 1.4	0.0	0.0	- 4.1	3.7	0.0	0.0	1.6	- 0.2	137.9	89.8
	- 6.3	0.1	0.0	- 1.5	2.2	0.0	0.0	0.0	- 5.6	21.0	22.3
	- 1,735.6	**3.0**	**- 14.9**	**- 292.2**	**58.3**	**41.8**	**0.0**	**61.8**	**- 1,877.8**	**3,058.0**	**2,552.6**
	- 0.8	**0.0**	**0.0**	**- 0.3**	**0.0**	**0.8**	**0.0**	**0.0**	**- 0.3**	**278.7**	**242.6**
	- 18.4	0.0	0.0	- 1.5	0.0	0.0	0.0	- 0.2	- 20.1	30.4	21.5
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.7	4.0
	- 6.5	0.0	0.0	- 2.5	2.2	0.3	0.0	0.1	- 6.4	50.2	55.0
	0.0	0.0	0.0	- 0.7	0.0	0.0	0.0	0.0	- 0.7	36.8	35.0
	- 16.0	0.0	0.0	- 41.0	0.0	0.0	0.0	0.0	- 57.0	82.2	123.1
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.7	16.3
	- 41.0	**0.0**	**0.0**	**- 45.7**	**2.2**	**0.3**	**0.0**	**- 0.1**	**- 84.3**	**229.0**	**254.9**
	- 2.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	- 1.9	28.7	24.4
	- 41.5	0.0	0.0	- 0.9	3.5	0.0	0.0	- 6.9	- 45.8	13.4	13.3
	- 43.5	**0.0**	**0.0**	**- 0.9**	**3.6**	**0.0**	**0.0**	**- 6.9**	**- 47.7**	**42.1**	**37.7**
	- 2,163.9	**3.2**	**- 17.4**	**- 400.8**	**71.5**	**47.2**	**0.0**	**58.8**	**- 2,401.4**	**4,067.1**	**3,522.2**

C.5 Income tax assets

The table below shows a breakdown of income tax assets:

In € million	**2023**	2022
Non-current income tax assets (with a residual term of more than one year)	8.5	4.7
Current income tax assets (with a residual term of up to one year)	69.2	63.3
	77.7	**68.0**

C.6 Other receivables and other current assets

The other financial assets presented in the following table also include lease receivables. Receivables from income taxes, which are recognised pursuant to IAS 12 and listed in Note C.5, are not included.

The “Other receivables and other assets” item breaks down as follows:

In € million	**2023**	2022
Non-current receivables (with a residual term of more than one year)		
Trade receivables	15.7	28.8
Other financial assets	80.0	22.9
Other receivables and other non-current financial assets	**95.7**	**51.7**
Receivables from other taxes	1.2	0.5
Other non-financial assets including prepaid expenses	6.9	7.0
Other non-financial assets	**8.1**	**7.5**
	103.8	**59.2**
Current receivables (with a residual term of up to one year)		
Trade receivables	1,567.4	1,804.4
Receivables from affiliated companies	51.0	44.9
Receivables from companies in which a participating interest is held	46.5	37.1
Other financial assets	539.9	454.7
Other receivables and other financial assets	**2,204.8**	**2,341.1**
Receivables from other taxes	187.2	231.5
Other non-financial assets including prepaid expenses	277.3	326.0
Other non-financial assets	**464.5**	**557.5**
	2,669.3	**2,898.6**

Due to their current nature, the current values of items recognised at amortised cost do not diverge materially from the book values disclosed.

Receivables due from affiliated companies and shareholdings relate to both trade receivables and current financing arrangements.

Other financial assets comprise first and foremost supplier credits not yet settled and other receivables items, as well as collateral that is required to be posted within the scope of the trading activities. This item also includes contract assets of €250.2 million (2022: €188.4 million). Non-financial assets mainly consist of payments on account for inventories of €200.5 million (2022: €244.8 million) and prepaid expenses of €67.4 million (2022: €69.3 million).

The following table shows the gross book values of other receivables and other assets for each stage of risk provisions for expected credit losses:

					Thereof: stage 3 not impaired at reporting date and overdue in subsequent periods			
In € million	Total gross value 2023	Gross book value stage 3 impaired	Neither overdue nor impaired	Overdue receivables	fewer than 30 days	between 31 and 60 days	between 61 and 90 days	91 days and over
Receivables and other assets	2,808.5	444.8	1,919.1	444.6	308.3	46.8	28.3	61.2

The overdue assets shown in the table concern current trade receivables. Risk provisions for stage 2 expected credit losses were formed on these gross receivables values. The gross book values of the stage 3 adjusted receivables include trade receivables, receivables from affiliated companies and companies in which a participating interest is held, and other financial receivables.

The following table shows the credit risks included in the receivables and other assets in the previous year:

					Thereof: stage 3 not impaired at reporting date and overdue in subsequent periods			
In € million	Total gross value 2022	Gross book value stage 3 impaired	Neither overdue nor impaired	Overdue receivables	fewer than 30 days	between 31 and 60 days	between 61 and 90 days	91 days and over
Receivables and other assets	2,995.3	229.2	2,307.6	458.4	316.5	52.9	18.9	70.1

Risk provisions for stage 2 expected credit losses developed as follows in the financial year 2023 and in the previous year:

In € million	**2023**	2022
As at 01/01	**7.5**	**5.6**
Allocation	2.0	3.1
Release	- 0.7	- 0.8
Write-offs	- 0.4	- 0.4
Reclassifications	0.0	0.0
Adjustments due to changes in the group of consolidated companies	0.0	0.1
Currency translation differences	0.0	- 0.1
As at 31/12	**8.4**	**7.5**

The following tables show risk provisions for stage 2 expected credit losses split into periods by which the item is overdue and the underlying probabilities of default in the financial year 2023:

			Risk provisions for stage 2 credit losses			
In € million	Not overdue	Overdue	fewer than 30 days	between 31 and 60 days	between 61 and 90 days	91 days and over
01/01/2023	1.3	6.2	1.0	0.9	0.6	3.8
31/12/2023	0.8	7.6	1.3	1.1	0.8	4.5

In %	Not overdue	Overdue	Probabilities of default: fewer than 30 days	between 31 and 60 days	between 61 and 90 days	91 days and over
01/01/2023	up to 5,3	–	up to 4,7	up to 11,3	up to 21,4	up to 98,7
31/12/2023	up to 0,3	–	up to 11,0	up to 18,4	up to 22,2	up to 100,0

The corresponding values for the previous year are as follows:

In € million	Not overdue	Overdue	Risk provisions for stage 2 credit losses: fewer than 30 days	between 31 and 60 days	between 61 and 90 days	91 days and over
01/01/2022	0.7	4.9	0.9	0.5	0.2	3.3
31/12/2022	1.3	6.2	1.0	0.9	0.6	3.8

In %	Not overdue	Overdue	Probabilities of default: fewer than 30 days	between 31 and 60 days	between 61 and 90 days	91 days and over
01/01/2022	up to 1,0	–	up to 4,0	up to 7,7	up to 86,5	up to 72,0
31/12/2022	up to 5,3	–	up to 4,7	up to 11,3	up to 21,4	up to 98,7

Risk provisions for stage 3 expected credit losses on other receivables and other assets developed as follows in the financial year 2023 and in the previous year:

In € million	**2023**	2022
As at 01/01	**29.2**	**36.0**
Allocation	15.3	9.9
Release	- 8.1	- 14.1
Write-offs	- 0.6	- 4.2
Adjustments due to changes in the group of consolidated companies	0.0	1.6
Reclassifications	- 0.5	- 0.1
Currency translation differences	0.0	0.0
As at 31/12	**35.4**	**29.2**

The BayWa Group's customer structure is strongly diversified, both regionally and in terms of the specific segments. As part of risk management, minimum requirements for creditworthiness and, beyond this, individual credit limits in respect of individual customers have been established for all customers of the BayWa Group. The receivables portfolio of the BayWa Group is largely made up of numerous small receivables. Credit limits of more than €1 million are only accorded to a small number of customers with particularly good credit standing. The continual analysis of the receivables portfolio and special monitoring of customers with high credit limits enable the early identification and evaluation of concentration risks (risk clusters). As at 31 December 2023, the credit risk positions of 79 debtors (2022: 73) were more than €1 million respectively. The Group does not anticipate any material default risk in respect of these customers.

ABS-measure and factoring agreements

ABS-measure

In order to enhance its financing structure, BayWa AG has secured trade receivables by way of an asset-backed securitisation (ABS) measure. The total volume from the ABS measure amounted to €160.0 million (2022: €160.0 million). Due to the contractual structure, there are no realistic scenarios leading to a transfer of risk and reward from the risk of default. Moreover, the time-of-payment risk remains with BayWa AG. The trade receivables in the amount of €152.1 million (2022: €145.8 million) that had been securitised as part of the ABS measure as at the reporting date therefore do not meet the criteria for derecognition. A financial liability of €131.9 million (2022: €125.0 million) from the ABS measure was recognised.

Factoring agreements

In the financial year 2023, factoring agreements under which existing and future trade receivables are sold to banks were concluded at Grainli GmbH & Co. KG, Hamburg, Germany, and in the Cefetra Group Segment – specifically at Cefetra Ibérica S.L.U., Pozuelo de Alarcón, Spain, at Cefetra S.p.A., Rome, Italy, and at Heinrich Brüning GmbH, Hamburg, Germany. The nominal purchase volume across all four agreements is a maximum of €87.7 million. The BayWa Group can freely decide whether and to what extent the nominal volume is utilised. In return for payment, the receivables were transferred to banks, who act as factors so that the receivables can no longer be sold or pledged by the BayWa Group. The main risks with regard to the disposal of the receivables pertain to credit risk, the risk of late payment and currency risk.

Receivables are derecognised fully or partially, or not derecognised at all, depending on the extent to which the risks associated with the transferred receivables are transferred to the factor. If the risks remain with the BayWa Group, the retained share of the transferred receivables continue to be recognised on the balance sheet and are measured at amortised cost. The book value equates to the fair value of the continuing involvement. Amounts repayable under factoring agreements were not presented as collateralised borrowings.

The key information on the ABS measure and the existing factoring agreements at the BayWa Group can be summarised as follows:

	ABS measure		Factoring agreements			
	BayWa AG		Solarmarkt GmbH[1]		BayWa r.e. Solar Systems S.L.U.	
	2023	2022	**2023**	2022	**2023**	2022
Transfer of opportunities and risks						
Material risks and the share of risks remaining with the company (in %)						
Default	100.0	100.0	5.0	5.0	0.0	0.0
Late payment	100.0	100.0	5.0	5.0	0.0	0.0
Currency	0.0	0.0	0.0	0.0	0.0	0.0
Responsibility for managing receivables	**Company**		**Company**		**Factor**	
Recognition on the balance sheet						
In € million						
Max. nominal volume according to factoring agreement	160.0	160.0	9.2	9.2	5.0	9.0
Derecognition of sold receivables	no	no	yes	yes	yes	yes
Nominal volume of sold receivables as at 31/12	152.1	145.8	2.0	2.1	0.9	0.5
Nominal volume of derecognised receivables as at 31/12	0.0	0.0	1.8	2.0	0.9	0.5
Book value of retained share of sold receivables as at 31/12	152.1	145.8	0.2	0.1	0.0	0.0
Fair value of retained share of sold receivables as at 31/12	152.1	145.8	0.2	0.1	0.0	0.0
Book value of recognised financial liability as at 31/12	131.9	125.0	0.2	0.1	0.0	0.0
Service fee – recognised in the income statement	1.0	0.8	0.2	0.0	0.0	0.0

1 The maximum nominal volume according to the factoring agreement already totalled €9.2 million in 2022. This was corrected in 2023.

	Factoring agreements					
	Cefetra B.V.		**Cefetra Limited**		**Cefetra S.p.A.**	
	2023	2022	**2023**	2022	**2023**	2022
Transfer of opportunities and risks						
Material risks and the share of risks remaining with the company (in %)						
Default	0.0	0.0	10.0	10.0	0.0	0.0
Late payment	5.0	2.3	1.5	1.5	5.0	0.0
Currency	0.0	0.0	0.0	0.0	0.0	0.0
Responsibility for managing receivables	**Company**		**Factor**		**Factor**	
Recognition on the balance sheet						
In € million						
Max. nominal volume according to factoring agreement	35.0	35.0	33.8	33.8	12.0	0.0
Derecognition of sold receivables	yes	yes	yes	yes	yes	n/a
Nominal volume of sold receivables as at 31/12	26.0	35.0	26.2	13.7	7.0	0.0
Nominal volume of derecognised receivables as at 31/12	23.4	35.0	26.2	12.0	6.6	0.0
Book value of retained share of sold receivables as at 31/12	2.6	0.0	3.0	1.7	0.4	0.0
Fair value of retained share of sold receivables as at 31/12	2.6	0.0	3.0	1.7	0.4	0.0
Book value of recognised financial liability as at 31/12	2.6	0.0	3.0	1.7	0.4	0.0
Service fee – recognised in the income statement	0.0	0.0	0.0	0.0	0.0	0.0

	Factoring agreements					
	Cefetra Ibérica S.L.U.		**Heinrich Brüning GmbH**		**Grainli GmbH & Co. KG**	
	2023	2022	**2023**	2022	**2023**	2022
Transfer of opportunities and risks						
Material risks and the share of risks remaining with the company (in %)						
Default	0.0	0.0	0.0	0.0	0.0	0.0
Late payment	5.0	0.0	5.0	0.0	5.0	0.0
Currency	0.0	0.0	0.0	0.0	9.0	0.0
Responsibility for managing receivables	**Factor**		**Company**		**Company**	
Recognition on the balance sheet						
In € million						
Max. nominal volume according to factoring agreement	15.0	0.0	20.0	0.0	40.7	0.0
Derecognition of sold receivables	yes	n/a	yes	n/a	yes	n/a
Nominal volume of sold receivables as at 31/12	4.8	0.0	12.4	0.0	22.2	0.0
Nominal volume of derecognised receivables as at 31/12	4.6	0.0	11.8	0.0	19.1	0.0
Book value of retained share of sold receivables as at 31/12	0.2	0.0	0.6	0.0	3.1	0.0
Fair value of retained share of sold receivables as at 31/12	0.2	0.0	0.6	0.0	3.1	0.0
Book value of recognised financial liability as at 31/12	0.2	0.0	0.6	0.0	3.6	0.0
Service fee – recognised in the income statement	0.0	0.0	0.0	0.0	0.0	0.0

C.7 Inventories

Inventories break down as follows:

In € million	2023	2022
Raw materials, consumables and supplies	90.2	170.7
Unfinished goods/services	1,103.6	1,254.6
Finished goods/services and merchandise	3,129.7	3,331.5
	4,323.5	**4,756.8**

Impairments on inventories amount to €238.8 million in the financial year 2023 and are above the valid of €220.5 million in the previous year.

The book value of the inventories reported at fair value less selling costs amounted to €503.7 million at the end of the reporting period (2022: €597.4 million). A total of €62.5 million of the inventories recognised at the end of the reporting period served as collateral for liabilities (2022: €43.4 million). In the reporting year, borrowing costs of €22.8 million (2022: €12.7 million) were capitalised as part of the cost of unfinished goods.

The remaining performance obligations under contracts to be fulfilled over time amounted to €252.1 million (2022: €328.6 million) as at 31 December 2023. In general, revenue is expected to be realised from these remaining performance obligations in the financial year 2024, which is why the practical expedient pursuant to IFRS 15.121 has been exercised.

The total costs incurred for the fulfilment of performance obligations for current construction contracts stood at €526.5 million at the end of the reporting period (2022: €520.9 million). The BayWa Group's revenues include income of €598.7 million (2022: €589.1 million) due to the realisation of revenues over time.

For the most part, the opening values of contract assets and contract liabilities are released over the course of the current financial year due to the terms of the contract.

Contract liabilities related to revenues from contracts with customers generated over time pursuant to IFRS 15 stood at €107.7 million at the end of the reporting period (2022: €91.8 million). Further, the total prepayments received amounted to €115.3 million (2022: €125.5 million). In the reporting period, €91.8 million (2022: €22.5 million was recognised as income that was included in the overall contract liabilities at the start of the period.

The balance sheet item "Other receivables and other financial assets" includes trade receivables from ongoing contracts with customers of €74.6 million (2022: €61.4 million) and contract assets of €190.7 million (2022: €188.4 million). The increase in contract assets was primarily the result of the increase in project business volume in the Renewable Energies Segment. In general, the impairment model defined in accordance with IFRS 9 is also applicable to contract assets formed pursuant to IFRS 15. For reasons of materiality, no such assets were reported.

Warranties, refund obligations that could arise from the sale of goods with a right of return, contract initiation costs and financing components that are potentially included as part of the consideration play only a minor role at the BayWa Group, both in terms of the number of cases and the total volume of such elements, and can therefore be considered immaterial.

No provisions for impending losses from onerous contracts had to be recognised, either in the financial year or in the previous year. Highly likely contractual penalties were taken into full account in the calculation of margins.

C.8 Biological assets

The fair values of biological assets developed as follows:

In € million **2023**	Apples	Tomatoes	Citrus fruits	Blueberries	**Total**
Biological assets					
Biological assets on 01/01	12.9	2.2	1.1	0.4	16.5
Capitalised costs	11.5	0.0	3.1	1.0	15.6
Change in fair value less selling costs	- 0.8	2.6	1.1	0.6	3.5
Disposals due to harvest	- 11.6	- 2.4	- 4.0	- 0.8	- 18.8
Currency translation differences	- 0.5	- 0.1	0.0	0.0	- 0.6
Biological assets on 31/12	**11.5**	**2.3**	**1.3**	**1.2**	**16.2**

In € million 2022	Apples	Tomatoes	Citrus fruits	Blueberries [1]	**Total**
Biological assets					
Biological assets on 01/01	11.4	2.3	1.5	0.0	15.2
Capitalised costs	23.2	0.0	3.7	0.9	27.8
Change in fair value less selling costs	0.5	4.0	1.2	- 0.3	5.4
Disposals due to harvest	- 22.2	- 4.0	- 5.3	- 0.2	- 31.7
Currency translation differences	0.0	- 0.1	0.0	0.0	- 0.1
Biological assets on 31/12	**12.9**	**2.2**	**1.1**	**0.4**	**16.5**

1 To ensure comparability, the previous year's table has been adjusted to the current year's presentation.

The following key assumptions and considerations were taken into account when determining the fair value of the Group's biological assets:

- Predictions for the following year are based on inflation-adjusted forecast cash flows, include estimates of the future revenues and take into account the location and variety of the biological assets.
- Forecast cash flows from sales in different currencies are not hedged and are translated at average exchange rates on the basis of data provided by financial institutions and in consideration of forecast sales in the Group's functional currency.
- Risk-adjusted discount rates take into account risks associated with the harvest, such as natural disasters, diseases in plants or other factors that could negatively affect quality, yields or prices.
- All material changes from harvest management in the current year and the following year.

The finance team keeps a close eye on the main categories of biological assets throughout the year and is also responsible for measuring biological assets for the purposes of external financial reporting. In addition, the measurement process is also evaluated twice a year by the Chief Financial Officer of the New Zealand subsidiary, his or her controller, the chief financial officers of the business divisions and the finance team with regard to financial reporting requirements.

The measurement methods applied at the Group are to be allocated to level 3 of the fair value hierarchy and are therefore not based on observable market data. There were no transfers between the individual levels of the fair value hierarchy in the financial year 2023.

The following level 3 input factors were defined and applied for the purposes of measurement:

- Harvest yields, presented as tray carton equivalents per hectare and tonnes per hectare, are defined on the basis of previous production volumes in the respective location of the crops and estimated harvest volumes in consideration of the age and condition of the plant.
- Prices ex works are calculated on the basis of future income from the sale of biological assets in consideration of past development, the current market price and known market conditions at the end of the reporting period.

- Discounting rates are defined in consideration of past development and loss events, as well as the assessment of the fair value and known current risks that are to be assessed.
- The fair value of biological assets and the level 3 input factors are analysed at the end of the reporting period.

In this analysis, input factors are reviewed and verified in view of current market conditions. The calculated fair value of biological assets is reviewed as to whether they suitably reflect the anticipated yields for each type of fruit.

The cash outflow assumed in the fair value calculation includes notional cash flows for land and fruit plantations attributable to the Group. They are based on market rates for plantations of a similar size.

The following unobservable input factors were used to measure the Group's biological assets:

	Unobservable input factors	Variance of unobservable input factors	
		2023	2022
Apples	tce[1] per hectare per year	81 tce[1] to 3.380 tce[1]	162 tce[1] to 4.416 tce[1]
	Weighted average tce[1] per hectare per year	1.264 tce[1]	1.915 tce[1]
	Export prices per tce[1]	€14,75 to €36,32	€18,69 to €34,98
	Weighted average export prices per tce[1]	€19,15	€27,05
	Risk-adjusted discount rate	31%	25%
Tomatoes	Tonnage per hectare per year	129 to 480 tonnes	148 to 512 tonnes
	Weighted average tonnage per hectare per year	329 tonnes	349 tonnes
	Price per kilogramme ex works per season	€0,89 to €14,62	€1,00 to €15,52
	Weighted average price per kilogramme ex works per season	€3,41	€2,62
	Risk-adjusted discount rate	27%	25%
Citrus fruits	Tonnage per hectare per year	31 tonnes	37 tonnes
	Weighted average tonnage per hectare per year	31 tonnes	37 tonnes
	Price per tonne ex works per season	€313,82 to €1.880,66	€445,65 to €2.568,98
	Weighted average price per tonne ex work per season	€1.111,14	€1.971,36
	Risk-adjusted discount rate	25%	14%
Blueberries	Tonnage per hectare per year	2,9 to 6,5 tonnes	3,4 tonnes
	Weighted average tonnage per hectare per year	4,9 tonnes	3,4 tonnes
	Price per kilogramme ex works per season	€4,54 to €17,48	€4,98 to €11,63
	Weighted average price per kilogramme ex works per season	€12,35	€11,55
	Risk-adjusted discount rate	22%	18%

1 tce – tray carton equivalent (equates to approximately 18 kg)

A rise in the harvest volume or a price increase will result in an increase in the fair value of the biological assets. A rise in the discount rate, on the other hand, will result in a decrease in the fair value of the biological assets.

For the Group's apple harvest, a 10.0% increase or decrease (2022: 5.0%) in the discount rate would reduce or raise the fair value of the harvest by €0.6 million (2022: €0.3 million). A 10.0% (2022: 5.0%) increase or decrease in the discount rate would not have a material impact on the fair values of the Group's tomato, citrus fruit and blueberry harvests.

In the case of the Group's apple and tomato harvests, an increase or decline in harvest volume by 10.0% (2022: 5.0%) would result in a change in fair value of €1.9 million (2022: €1.1 million) and €1.2 million (2022: €0.3 million) respectively. A 10.0% (2022: 5.0%) increase or decrease in harvest volume would not have a material impact on the fair values of the Group's citrus fruit and blueberry harvests.

The Group's agricultural activities may give rise to financial risks from unfavourable climatic conditions or natural events that could affect the Group's biological assets due to weather-related crop damage. In the current year, the Group has come to the conclusion that the probability of severe weather events is higher than previously assumed. For this reason, the Group increased its discount rates when calculating the fair value of biological assets this year. The assumption of tce per hectare per year used in the calculation of biological assets for apples was reduced to take into account the impact of Cyclone Gabrielle. In its sensitivity analyses of the effects of changes in the volume and the discount rate on the fair value of the harvest, the Group has also increased the sensitivity of these calculations from 5.0% to 10.0%.

The Group continues to work with research partners to develop and commercialise new fruit varieties that thrive in warmer climates, such as Tutti™, the first specifically cultivated, heat-tolerant apple variety worldwide.

Furthermore, the Group may be exposed to financial risks as a result of unfavourable changes in market prices or harvest volumes or unfavourable change in exchange rates.

Price risks are minimised by the constant monitoring of commodity prices and the influences of these. The Group also implements appropriate measures to ensure that climatic conditions, natural disasters, diseases in plants or other factors do not negatively impact harvest quality and yields. Derivative financial instruments, such as currency futures, are used to reduce foreign currency risks.

The following table shows the owned and leased land available for the cultivation of the various types of biological assets:

In hectars	**2023**	2022
Biological assets		
Apples	444.0	578.0
Tomatoes	24.0	24.0
Citrus fruits (lemons, mandarins, oranges)	90.0	90.0
Blueberries	19.0	11.0

The following table shows the production volume of the various types of biological assets on own and leased land available for cultivation:

	2023	2022	Production units
Biological assets			
Apples	573,336	1,156,124	tce [1]
Tomatoes	8,463,825	8,478,183	kg
Citrus fruits (lemons, mandarins, oranges)	2,778,756	3,465,186	kg
Blueberries	94,888	37,138	kg

1 tce – tray carton equivalent (entspricht ca. 18 kg)

C.9 Assets from derivatives

The fair values of assets from derivatives are classified according to the fair value hierarchy as follows, using the procedure described in Note A.3 under “Assets and liabilities from derivatives”:

In € million	Fair values			
31/12/2023	level 1	level 2	level 3	total
Assets from derivatives				
Commodity futures	97.0	200.8	6.4	304.2
FX hedges	17.4	12.1	0.0	29.5
Interest rate hedges	1.7	11.0	0.0	12.7
	116.1	**223.9**	**6.4**	**346.4**

In € million	Fair values			
31/12/2022	level 1	level 2	level 3	total
Assets from derivatives				
Commodity futures	103.6	551.4	0.0	655.0
FX hedges	35.6	0.0	0.0	35.6
Interest rate hedges	1.9	16.6	0.0	18.5
	141.1	**568.0**	**0.0**	**709.1**

Please refer to Note C.21 for the presentation of the hierarchy of financial assets measured at fair value.

A total of €285.3 million of the disclosed assets from derivatives had a residual term of a maximum of one year (2022: €611.2 million). The residual term for assets from derivatives of €43.0 million (2022: €68.5 million) was between one and a maximum of five years, whereas liabilities from derivatives of €18.0 million (2022: €29.5 million) had residual terms of over five years.

As in the previous year, the requirements for offsetting financial assets and financial liabilities with the same counterparty in accordance with IAS 32.42 et seq. were also met in the Renewable Energies Segment in the financial year 2023. As at the reporting date of 31 December 2023, the Renewable Energies Segment – based on a gross amount before netting of €313.2 million (2022: €594.1 million) – was therefore able to offset financial assets totalling €188.1 million (2022: €327.5 million) in accordance with IAS 32. After this netting, the net amount of financial assets in the Renewable Energies Segment totalled €125.1 million (2022: €266.7 million).

In addition to the netting, both the reduction in open contracts and lower prices in energy and grain trading in the Renewable Energies, Cefetra Group and Agri Trade & Service Segments contributed to the decline in assets from derivatives at the end of the financial year 2023.

C.10 Non-current assets held for sale/disposal groups

At the end of the financial year 2023, the BayWa Group’s non-current assets held for sale exclusively comprised individual non-current assets; there were no disposal groups at the end of the reporting period.

Non-current assets held for sale relate to 2 (2022: 7) properties This includes a developed plot of land and a warehouse. At the end of the reporting period, the book values of the BayWa Group’s non-current assets held for sale totalled €3.4 million (2022: €16.4 million). Their fair value less estimated costs to sell came to €12.6 million (2022: €36.9 million).

Non-current assets held for sale break down as follows (for the sake of clarity, only those segments for which reportable values exist have been listed):

In € million **2023**	Agri Trade & Service Segment	Agricultural Equipment Segment	Global Produce Segment	Building Materials Segment	Other Activities	Total
Non-current assets						
Property, plant and equipment	0.4	0.0	3.0	0.0	0.0	3.4
Non-current assets held for sale	**0.4**	**0.0**	**3.0**	**0.0**	**0.0**	**3.4**

In € million 2022	Agri Trade & Service Segment	Agricultural Equipment Segment	Global Produce Segment	Building Materials Segment	Other Activities	Total
Non-current assets						
Property, plant and equipment	0.3	0.0	15.1	0.0	0.9	16.4
Non-current assets held for sale	**0.3**	**0.0**	**15.1**	**0.0**	**0.9**	**16.4**

The BayWa Group did not have any liabilities relating to non-current assets held for sale at the end of the financial year 2023.

C.11 Equity

The consolidated statement of changes in equity shows the development of equity in detail.

Subscribed capital

At the end of the reporting period, BayWa AG's subscribed capital amounted to €92,497,210.88 (2022: €91,807,715.84 million) and, on 31 December 2023, was divided into 36,131,723 ordinary registered shares (2022: 35,862,389) with an arithmetical portion in the share capital of €2.56 per share (2022: €2.56). Of the shares issued, 34,619,138 are registered shares with restricted transferability (2022: 34,401,358) and 269,334 recently registered shares with restricted transferability (2022: 217,780) (dividend-bearing employee shares from 1 January 2024 onwards); 1,243,251 shares are registered shares not subject to restricted transferability (2022: 1,243,251).

In respect of capital reported in the balance sheet and pursuant to IAS 32, the share capital was reduced by the mathematical value of the shares bought back (19,500 units, the equivalent of €0.1 million) in previous years; the capital reserve also decreased by €0.1 million for the same reason. No shares were bought back in the financial year 2023.

The number of shares in circulation, excluding repurchased treasury shares, developed as follows during the reporting year:

	Registered shares without restricted transferability	Registered shares with restricted transferability
As at 01/01/2023	**1,243,251**	**34,599,638**
Issuing of employee shares	–	269,334
As at 31/12/2023	**1,243,251**	**34,868,972**

Subject to the approval of the Supervisory Board, the Board of Management is authorised to raise the share capital one or several times on or before 5 June 2028 by up to a nominal amount of €10,000,000 through the issuance of new registered shares with restricted transferability against contributions in kind. Shareholders' subscription rights are excluded. Subject to the approval of the Supervisory Board, the Board of Management is authorised to determine the further content of share rights and conditions under which the shares are to be issued (authorised capital in 2023). The Supervisory Board is authorised to amend the Articles of Association accordingly in line with the scope of the capital increase from authorised capital in 2023 or following the deadline for the use of authorised capital in 2023.

Subject to the approval of the Supervisory Board, the Board of Management is authorised to raise the share capital one or several times on or before 10 May 2026 by up to a nominal amount of €12,500,000 through the issuance of new registered shares with restricted transferability against contributions in kind. The authorisation can be used in partial amounts. Shareholders' subscription rights are excluded. Subject to the approval of the Supervisory Board, the Board of Management is authorised to determine the further content of share rights and conditions under which the shares are to be issued (authorised capital in 2021). The Supervisory Board is authorised to amend the Articles of Association accordingly in line with the scope of the capital increase from authorised capital in 2021 or following the deadline for the use of authorised capital in 2021.

Subject to the approval by the Supervisory Board, the Board of Management is authorised to raise the share capital one or several times on or before 25 May 2025 by up to a nominal amount of €3,506,682.88 through the issuance of new registered shares with restricted transferability against cash contribution to the employees of BayWa AG and of affiliated companies within the meaning of Sections 15 et seq. of the German Stock Corporation Act (AktG). Shareholders' subscription rights are excluded. Subject to the approval of the Supervisory Board, the Board of Management is authorised to determine the further content of share rights and conditions under which the shares are to be issued (authorised capital in 2020).

Capital reserve

The capital reserve of €146.7 million (2022: €138.2 million) is derived mainly from the premiums in an amount of €104.7 million (2022: €99.9 million) from the capital increases executed to date by BayWa AG. Furthermore, premiums were generated on the nominal values of the BayWa shares issued in connection with the acquisition of RWA AG and WLZ AG and the participations exchanged below their rating at the historical stock market prices. These have also been disclosed under capital reserve.

As in the previous year, employees of BayWa AG and of associates in Germany and Austria had the opportunity to acquire BayWa shares at favourable conditions within the scope of a voluntary Employee Share Scheme in 2023. In this context, 269,334 recently registered shares with restricted transferability (from 1 January 2024 dividend-bearing employee shares) (2022: 217,780 recently registered shares with restricted transferability, from 1 January 2023 dividend-bearing employee shares) were issued in the financial year 2023. The exercise price of employee shares came to €20.55 (2022: €25.32) and was thus 60% of the stock market price of registered BayWa shares with restricted transferability, which, on the preceding day, had stood at €34.25 (2022: €42.20); BayWa's Board of Management had passed the resolution on the capital increase required for this measure. The contribution of each participating employee amounted to at least €270.00 and no more than €1,080.00 (2022: at least €270.00 and no more than €1,080.00). The advantage granted of €3.7 million (2022: €3.7 million), which was the difference between the actual buying price and the stock market price, was reported as an expense under personnel expenses and posted to the capital reserve in the same amount, in accordance with IFRS 2. The vesting period for these shares will end on 31 December 2025. The shares issued to Austrian employees are also subject to a tax retention period, which will end on 31 December 2028.

Hybrid capital

On 5 May 2023, BayWa AG issued a bonded loan in the form of a hybrid bond (ISIN DE000A351PD9) with a total nominal amount of €60.0 million on the capital market; it was increased by €40.0 million to a total of €100.0 million on 29 September 2023. The issue price for the amount of €60.0 million issued on 5 May 2023 – taking into account a discount of 0.889% – was 99.111% of the total amount. Net income from the issue amounted to €59.5 million. The difference of €0.5 million resulting from the issue relates to bank fees and transaction costs, including the deferred tax assets recognised on these. The issue price for the amount of €40.0 million issued on 29 September 2023 – taking into account a discount of 1.015% – was 98.985% of the total amount. Net income from the issue amounted to €39.6 million. The difference of €0.4 million resulting from the issue also relates to bank fees and transaction costs, including the deferred tax assets recognised on these.

The annual dividend-like payments of the hybrid bond are at the discretion of BayWa AG and are part of the appropriation of earnings. A payment for the cumulative total nominal amount of €100.0 million can fall due for the first time on 5 May 2024, meaning that this will have no impact on the consolidated financial statements as at 31 December 2023.

Revenue reserves

The BayWa Group's revenue reserves include the valuation reserve and the other revenue reserves. The latter consists of the statutory reserve under the Articles of Association, the reserve for actuarial gains and losses for provisions for pensions and severance pay and the other revenue reserves. The BayWa Group recognises changes in the fair values of certain equity instruments in other comprehensive income. Said changes are aggregated in equity in the valuation reserve. The valuation reserve also includes the effective portion of the aggregated net change in the fair value of hedging instruments used to hedge cash flows until their subsequent recognition in profit or loss. The other revenue reserves primarily include the revenue reserves of the consolidated subsidiaries. The revenue reserves also include effects from the purchase or sale of shares that do not have an influence on an existing control situation and are recognised in the revenue reserves through other comprehensive income. The revenue reserves of the Group stood at €662.4 million at the end of the reporting period (2022: €735.9 million). Of this amount, €5.6 million (2022: €5.6 million) was attributable to the statutory reserve, €22.3 million (2022: €63.8 million) to the valuation reserve, minus €244.9 million (2022: minus €162.8 million) to the reserves for actuarial gains and losses for provisions for pensions and severance pay and €879.4 million (2022: €829.4 million) to other reserves. Transfers to and withdrawals from the revenue reserves were recorded both at the parent company BayWa AG and at the consolidated subsidiaries.

Other reserves

BayWa's other reserves include both the part of the aggregated result after income tax and dividend distribution attributable to the shares of the parent company of minus €121.2 million (2022: €31.6 million) as well as the differences from the currency translation of foreign subsidiaries' financial statements reported in other comprehensive income and attributable to the shares of the parent company of minus €3.0 million (2022: €2.2 million).

The change in other comprehensive income after tax by reserve break down as follows:

In € million **2023**	Equity net of minority interest valuation reserve	 other revenue reserves	 other reserves	Minority interest	Equity
Other income from participating interests recognised at equity that is not reclassified retroactively to profit and loss	0.1	0.0	0.0	0.0	0.1
Reclassification of measurement effects recognised in OCI to revenue reserves (without recycling)	0.0	0.0	0.0	0.0	0.0
Net gain/loss from other current financial assets attributed to the fair value through other comprehensive income category (OCI option – without recycling)	3.7	0.0	0.0	4.2	7.8
Change in actuarial gains/losses from pension and severance pay obligations	0.0	- 46.8	0.0	- 1.1	- 47.9
Other gains/losses measured directly in equity through other comprehensive income	0.0	0.0	0.0	0.0	0.0
Differences from currency translation	0.0	0.0	- 4.5	2.6	- 1.8
Reclassifications of differences from currency translation in the income statement	0.0	0.0	- 0.7	0.0	- 0.7
Cash flow hedges	204.0	0.0	0.0	196.5	400.5
Reclassifications of net gains/losses from cash flow hedges to the income statement	- 248.9	0.0	0.0	- 234.6	- 483.5
Other comprehensive income	**- 41.1**	**- 46.8**	**- 5.2**	**- 32.4**	**- 125.5**

In € million 2022	Equity net of minority interest valuation reserve	 other revenue reserves	 other reserves	Minority interest	Equity
Other income from participating interests recognised at equity that is not reclassified retroactively to profit and loss	0.0	0.0	0.0	0.0	0.0
Reclassification of measurement effects recognised in OCI to revenue reserves (without recycling)	0.0	0.0	0.0	0.0	0.0
Net gain/loss from other current financial assets attributed to the fair value through other comprehensive income category (OCI option – without recycling)	- 16.1	0.0	0.0	- 16.4	- 32.5
Change in actuarial gains/losses from pension and severance pay obligations	0.0	112.9	0.0	3.5	116.4
Other gains/losses measured directly in equity through other comprehensive income	0.0	0.0	0.0	0.0	0.0
Differences from currency translation	0.0	0.0	- 1.4	- 1.3	- 2.7
Reclassifications of differences from currency translation in the income statement	0.0	0.0	3.5	0.0	3.5
Cash flow hedges	75.9	0.0	0.0	62.9	138.8
Reclassifications of net gains/losses from cash flow hedges to the income statement	1.3	0.0	0.0	0.3	1.6
Other comprehensive income	**61.1**	**112.9**	**2.1**	**49.0**	**225.1**

The disclosures on capital management required under IAS 1 can be found in the group management report of these consolidated financial statements, specifically in the section of the Financial Report on the BayWa Group's assets, financial position and earnings position.

Minority interest

The minority interest in equity relates in particular to the shares in BayWa r.e. AG, Munich, Germany, held by the Swiss investor Energy Infrastructure Partners AG (EIP), to the cooperatives invested in the Austrian subsidiaries and to the minority shareholders in T&G Global Limited, Auckland, New Zealand, and its subsidiaries. The decrease in minority interests is due in particular to dividend payments to minority shareholders and negative measurement effects from the cumulative net change in the fair value of hedging instruments used to hedge cash flows. This decrease was offset by a capital increase by the minority interest of BayWa r.e. AG totalling €20.4 million. Details on the shares held by the non-controlling interests can be found in Note B.2. of the Notes to the Consolidated Financial Statements.

C.12 Pension provisions

The BayWa Group's pension provisions are based exclusively on defined benefit plans. Due to pension plans no longer being available to new participants, the related risks for BayWa – such as longevity or salary increases – have been clearly reduced. Prior commitments relate to 10,560 claimants. Of this number, 1,701 are active employees, 1,890 former employees with vested benefits and 6,969 are pensioners and surviving dependants.

BayWa applied the duration-dependent discount rate in accordance with the spot rate approach, which is determined using the RATE:Link procedure. Under the procedure, interest rates are determined based on corporate bonds with an AA rating as reported by Bloomberg. In 2020, Bloomberg made the classification system "BCLASS" available for the selection of premium corporate bonds. This new system is more comprehensive than the "BICS system" used previously and has been refined by removing bonds in the Treasury, Government-Related, Securitised and Municipal categories and adding Special Purpose Vehicles bonds to the Corporate subcategory.

In %	**31/12/2023**	31/12/2022
Discount factor	3.17	3.70
Salary trend	2.46	2.45
Pension trend	2.07	2.05

The amount of severance pay obligations (defined benefit obligation – DBO) has also been calculated using actuarial methods based on estimates. The following assumptions were applied as a standard for all Austrian Group companies. The non-Austrian Group companies do not have any severance pay obligations.

In %	**31/12/2023**	31/12/2022
Discount factor	3.21	3.48
Salary trend	4.09	4.39

The salary trend reflects anticipated increases in salaries which, depending on inflation and the length of service to the company, among other factors, are estimated on an annual basis.

In order to take appropriate account of what is known as the adjustment backlog in pensions, a one-off increase of 17.0% was assumed for around one third of the pension entitlements due for adjustment on 1 January 2024 and taken into account accordingly in the valuation.

For the German companies, assumptions on life expectancy were based on the mortality tables of Prof. Dr. Klaus Heubeck (actuarial tables 2018 G). "AVO 2018-P – Rechnungsgrundlagen für die Pensionsversicherung – Pagler & Pagler" (computational framework for post-employment benefit insurance) in the version intended for employees is used for the Austrian companies.

Increases and decreases in the present value of defined benefit obligations can give rise to actuarial gains or losses, the cause of which can also be divergences between actual and estimated parameters of calculation. The resulting actuarial gains and losses are recognised in equity.

Actuarial losses of €42.7 million (2022: actuarial gains of €158.5 million) were recorded directly in equity in the reporting year. At the end of the reporting period, actuarial losses recognised directly in equity before deferred taxes amounted to €280.5 million (2022: €235.4 million).

Total expenses from the BayWa Group's benefit commitments amounted to €22.8 million (2022: €10.9 million) and comprise the following:

In € million	2023	2022
Current service cost	- 3.7	- 5.6
+ share of interest	- 19.1	- 5.3
= sum total recognised through profit or loss	**- 22.8**	**- 10.9**

Total expenses from the Austrian Group companies’ severance pay obligations amounted to €2.8 million (2022: €1.9 million) and comprise the following:

In € million	2023	2022
Current service cost	- 1.7	- 1.7
+ share of interest	- 1.1	- 0.2
= sum total recognised through profit or loss	**- 2.8**	**- 1.9**

The expenses arising from the accrued interest on rights acquired in the past are disclosed under the financial result. Rights accrued in the respective financial year are included under personnel expenses.

During the reporting period, the net present value of defined benefit obligations (DBO) and therefore the value of pension obligations reported at Group level changed as follows:

In € million	2023	2022
DBO as at 01/01	522.0	699.3
+ changes in the group of consolidated companies	0.0	0.3
+ sum total through profit or loss	22.8	10.9
+/– changes in actuarial gains (–)/losses (+)	42.7	- 158.5
– pension payments during the reporting period	- 31.7	- 30.0
– employer contributions to the employer contribution reserves	- 2.3	0.0
+/– assumption of obligations	- 0.1	0.0
= DBO as at 31/12	**553.4**	**522.0**

The actuarial losses calculated for the reporting year comprise actuarial losses from adjustments based on empirical experience of €7.5 million (2022: €26.8 million) and actuarial losses of €35.5 million (2022: actuarial gains of €185.3 million) from the change in financial assumptions.

During the reporting period, the net present value of defined benefit obligations (DBO) and therefore the value of provisions for severance pay reported at Group level changed as follows:

In € million	**2023**	2022
DBO as at 01/01	30.1	36.2
+ changes in the group of consolidated companies	0.0	0.1
+ sum total through profit or loss	2.8	1.9
+/– changes in actuarial gains (–)/losses (+)	1.9	- 4.4
– severance pay in the reporting period	- 3.9	- 3.7
+/– assumption of obligations	0.0	0.0
= DBO as at 31/12	**30.9**	**30.1**

The actuarial losses calculated for the reporting year comprise actuarial losses from adjustments based on empirical experience of €0.8 million (2022: €0.4 million), actuarial gains of €0.1 million (2022: €0.0 million) from the change in demographic assumptions as well as actuarial losses of € 1.3 million (2022: actuarial gains of €4.6 million) from the change in financial assumptions.

For the financial year 2024, it is expected that a probable amount of €21.1 million will be recognised through profit or loss for defined benefit plans and €2.3 million for severance pay obligations.

Sensitivity analyses

The material measurement parameters for pension obligation and severance pay provisions are the discount factor, as well as the salary trend, and pension obligations also include the pension trend and the remaining life expectancy, all of which may be subject to a certain degree of fluctuation over time. The following sensitivity analyses for pension and severance pay obligations show the effects on the obligations resulting from changes to material actuarial assumptions. In each case, one material factor was changed with the others remaining constant. In reality, however, it is rather unlikely that these factors would not correlate.

Sensitivity analysis for the defined pension obligations

	Change in parameter in % or years	If the parameter increases, the DBO changes by	If the parameter decreases, the DBO changes by	Relationship between measurement parameter and DBO
Discount rate	± 0.75%	- 8.31%	10.13%	The higher the discount rate, the lower the DBO
Salary increase	± 0.50%	0.68%	- 0.29%	The higher the salary increase, the higher the DBO
Pension increase	± 0.50%	5.66%	- 4.84%	The higher the pension increase, the higher the DBO
Remaining life expectancy according to mortality tables	± 1 year	4.17%	- 3.75%	The higher the life expectancy, the higher the DBO

Sensitivity analysis for the defined severance pay obligations

	Change in parameter in % or years	If the parameter increases, the DBO changes by	If the parameter decreases, the DBO changes by	Relationship between measurement parameter and DBO
Discount rate	± 0.75%	- 5.34%	5.58%	The higher the discount rate, the lower the DBO
Salary increase	± 0.50%	3.38%	- 3.47%	The higher the discount rate, the lower the DBO

The weighted duration of pension obligations is 12 years (2022: 12 years). The weighted duration of severance pay obligations is 8 years (2022: 7 years).

The expected undiscounted payments from pension and severance pay obligations in subsequent years are as follows:

In € million	Total	2024	2025–2028	2029–2033	> 2033
Pension obligations	933.3	32.2	128.3	156.3	616.5
Severance pay obligations	45.1	2.2	12.4	14.8	15.7

C.13 Other provisions

Other provisions are attributable to:

In € million	**31/12/2023**	31/12/2022
Non-current provisions (with a maturity of more than one year)		
Obligations from personnel and employee benefits	41.4	41.5
Obligations from dismantling operations	46.7	38.2
Other provisions	3.9	7.3
	92.0	**86.9**
Current provisions (with a maturity of up to one year)		
Obligations from personnel and employee benefits	180.5	192.6
Provisions for outstanding invoices	161.7	195.6
Warranty obligations	12.2	13.9
Obligations from dismantling operations	5.5	13.5
Other provisions	76.1	99.0
	436.1	**514.6**

Provisions for obligations arising from personnel and employee benefits consist mainly of provisions for anniversary expenses, vacation backlogs and flexitime credits and severance pay, as well as for age-related part-time service. These provisions also include variable remuneration components in the form of a long-term incentive (LTI) programme. This programme is available to members of the Board of Management of a subsidiary and to other employees of the same subsidiary under the Board of Management level. The remuneration, which is based on the BayWa r.e. Group’s business performance, is intended to enable the participants to share in the long-term development of the company’s value in accordance with a business policy focused on a long-term approach and sustainability, and therefore to promote entrepreneurial thinking and actions and to strengthen loyalty to the company. The LTI programme consists of a one-off payment and further bonus payments.

Other provisions mainly comprise provisions for obligations from dismantling operations, for outstanding invoices and for warranty obligations, as well as for impending losses from uncompleted transactions. In addition, there are a number of discernible risks and uncertain obligations. They mainly relate to costs for inherited contamination, follow-up costs and litigation risks.

The provisions developed as follows:

In € million **2023**	As at 01/01/2023	Allocation	Reclassifi-cation	Compound interest/ discounting	Consumption	Release	Currency translation differences	As at 31/12/2023
Non-current provisions								
Obligations from personnel and employee benefits	41.5	7.7	- 1.2	1.9	- 8.0	- 0.4	0.0	41.4
Obligations from dismantling operations	38.2	9.0	1.5	0.7	- 0.9	- 1.4	- 0.3	46.7
Other provisions	7.3	0.9	- 0.1	0.0	- 4.1	- 0.2	0.0	3.9
	86.9	**17.6**	**0.2**	**2.6**	**- 13.0**	**- 1.9**	**- 0.4**	**92.0**
Current provisions								
Obligations from personnel and employee benefits	192.6	158.6	1.2	0.1	- 152.6	- 19.2	- 0.1	180.5
Provisions for outstanding invoices	195.6	160.2	0.6	0.0	- 180.9	- 12.8	- 1.0	161.7
Warranty obligations	13.9	12.2	0.0	0.0	- 10.5	- 3.4	0.0	12.2
Obligations from dismantling operations	13.5	4.1	- 1.5	0.1	- 10.6	- 0.1	- 0.1	5.5
Other provisions	99.0	76.1	- 0.5	0.0	- 84.4	- 14.1	0.0	76.1
	514.6	**411.2**	**- 0.2**	**0.2**	**- 439.0**	**- 49.7**	**- 1.2**	**436.1**

In € million 2022	As at 01/01/2022	Allocation	Reclassifi-cation	Compound interest/ discounting	Consumption	Release	Currency translation differences	As at 31/12/2022
Non-current provisions								
Obligations from personnel and employee benefits	40.8	11.8	- 1.3	1.1	- 4.7	- 6.3	0.0	41.5
Obligations from dismantling operations	26.1	14.4	11.0	- 0.5	- 11.7	- 1.1	0.0	38.2
Other provisions	6.6	4.4	0.0	0.0	- 3.7	- 0.1	0.1	7.3
	73.5	**30.6**	**9.6**	**0.6**	**- 20.1**	**- 7.5**	**0.1**	**86.9**
Current provisions								
Obligations from personnel and employee benefits	141.8	153.4	1.3	- 0.1	- 94.0	- 9.8	0.0	192.6
Provisions for outstanding invoices	142.8	197.7	- 2.3	0.0	- 132.9	- 9.6	- 0.2	195.5
Warranty obligations	8.3	13.9	0.0	0.0	- 7.2	- 1.1	0.0	13.9
Obligations from dismantling operations	26.8	22.8	- 11.0	0.2	- 25.3	- 0.5	0.5	13.5
Other provisions	98.5	97.5	2.4	0.0	- 60.5	- 38.6	- 0.3	99.0
	418.2	**485.4**	**- 9.6**	**0.2**	**- 320.0**	**- 59.5**	**0.1**	**514.6**

C.14 Debt

Debt includes all interest-bearing obligations of the BayWa Group effective at the end of the reporting period and breaks down as follows:

In € million **2023**	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Debt				
Due to banks	1,252.9	2,586.8	444.0	4,283.7
Bonds	507.9	0.0	0.0	507.9
Commercial papers	632.4	0.0	0.0	632.4
Dormant equity holding	0.0	0.0	0.0	0.0
	2,393.2	**2,586.8**	**444.0**	**5,424.0**

In € million 2022	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Debt				
Due to banks	1,075.6	2,400.1	660.5	4,136.2
Bonds	0.0	499.5	0.0	499.5
Commercial papers	641.7	0.0	0.0	641.7
Dormant equity holding	1.4	0.0	0.0	1.4
	1,718.7	**2,899.6**	**660.5**	**5,278.8**

The BayWa Group finances itself through a syndicated financing agreement and capital market issues, as well as through credit lines and short-term loans. No collateral is furnished for the various forms of financing. In individual cases, long-term bank loans and project financing are also used.

The BayWa Group took out a sustainable syndicated loan with a total volume of €1.7 billion in September 2021, which was increased to €2.0 billion in 2022. This credit line was extended by one year in the financial year 2023 and now runs until September 2025. The syndicated financing is therefore allocated to the column with a residual term of between one and five years. The book value of the syndicated financing is €1.4 billion as at 31 December 2023. The syndicated facility replaces bilateral, unsecured credit lines that were payable on a daily basis. At the time of recognition, the credit line was reported at the fair value corresponding to the nominal value, less transaction costs. The syndicated loan is recognised under liabilities due to banks.

The capital market issues relate, among other things, to a corporate bond issued in June 2019 (coupon of 3.125%, listed on the Luxembourg Stock Exchange, ISIN XS2002496409, denomination per unit of €1,000, term ends 26 June 2024) and bonded loans placed by BayWa AG in 2014, 2015 and 2018, as well as in 2021, 2022 and 2023. The book value of the bonded loans issued was €834,4 million as at 31 December 2023. Of these, bonded loans totalling €741.8 million have a residual term of at least one year. Said capital market issues serve to diversify the Group's financing. The corporate bond is reported under bonds, whereas the bonded loan is recognised as a liability due to banks.

2023	Nominal loan amount in € million	Maturity	Interest
Bonded loan 3-year fixed	23.0	23/11/2026	4.85%
Bonded loan 3-year fixed	3.0	23/11/2026	4.85%
Bonded loan 3-year variable	12.5	23/11/2026	6-month Euribor plus 1,60%
Bonded loan 5-year fixed	13.5	21/11/2028	4.87%
Bonded loan 5-year fixed	20.0	21/11/2028	4.87%
Bonded loan 5-year variable	25.0	06/10/2028	6-month Euribor plus 1,60%
Bonded loan 5-year variable	1.5	21/11/2028	6-month Euribor plus 1,80%
Bonded loan 7-year fixed	11.5	22/11/2030	5.04%
Bonded loan 7-year fixed	0.5	22/11/2030	5.04%
Bonded loan 7-year variable	16.0	22/11/2030	6-month Euribor plus 2,00%
Bonded loan 10-year fixed	10.0	10/02/2033	4.81%
Bonded loan 10-year fixed	1.0	10/02/2033	4.81%
Bonded loan 10-year fixed	13.0	22/11/2033	5.27%
Bonded loan 10-year fixed	3.0	22/11/2033	5.27%

2022	Nominal loan amount in € million	Maturity	Interest
Bonded loan 3-year fixed	75.0	13/10/2025	4.19%
Bonded loan 3-year variable	35.0	13/10/2025	6-month Euribor plus 1,30%
Bonded loan 5-year fixed	7.5	11/10/2027	4.46%
Bonded loan 5-year variable	3.0	11/10/2027	6-month Euribor plus 1,50%
Bonded loan 7-year fixed	14.5	11/10/2029	4.70%
Bonded loan 7-year variable	11.0	11/10/2029	6-month Euribor plus 1,70%
Bonded loan 10-year fixed	6.5	11/10/2032	4.96%

2021	Nominal loan amount in € million	Maturity	Interest
Bonded loan 5-year fixed	84.0	21/12/2026	0.95%
Bonded loan 5-year variable	78.0	21/12/2026	6-month Euribor plus 0,95%
Bonded loan 7-year fixed	88.0	21/12/2028	1.15%
Bonded loan 7-year variable	56.5	21/12/2028	6-month Euribor plus 1,15%
Bonded loan 10-year fixed	43.5	22/12/2031	1.46%

2018	Nominal loan amount in € million	Maturity	Interest
Bonded loan 7-year fixed	3.0	21/07/2025	1.54%
Bonded loan 7-year variable	14.5	21/07/2025	6-month Euribor plus 1,00%
Bonded loan 7-year fixed	19.0	12/12/2025	1.61%
Bonded loan 7-year variable	3.0	12/12/2025	6-month Euribor plus 0,95%
Bonded loan 10-year fixed	2.5	12/12/2028	2.10%

2015	Nominal loan amount in € million	Maturity	Interest
Bonded loan 10-year fixed	41.5	09/11/2025	2.32%

2014	Nominal loan amount in € million	Maturity	Interest
Bonded loan 10-year fixed	76.5	06/10/2024	2.63%
Bonded loan 10-year variable	15.5	06/10/2024	6-month Euribor plus 1,45%

Of the current liabilities due to banks, loans of €782,7 million (2022: €907.1 million) are due at any time. The difference of €470.2 million (2022: €168.5 million) relates to the short-term portion of non-current liabilities due to banks. The average effective interest rate on short-term loans was 4.43% (2022: 1.76%) per year at the end of the reporting period.

Of the multicurrency commercial paper programme concluded by BayWa AG with a total volume of €1,000.0 million (2022: €1,000.0 million), there were €632.4 million (2022: €641.7 million) in commercial papers with an average weighted residual term of 48 days (2022: 54 days) and an average weighted effective interest rate of 4.79% (2022: 2.19%) at the end of the reporting period.

Of the liabilities due to banks, €32.2 million at Group level (2022: €32.2 million) have been secured by a charge over property. The fair value is presented in Note C.21. The fair value of short-term debt does not diverge materially from the book values. For long-term debt, the fair value is determined using the discounted cash flow method.

The dormant equity holdings of three Austrian warehouses in RWA AG were repaid in 2023.

C.15 Lease liabilities

The liabilities-side net present values of future lease payments are carried under lease liabilities.

In € million **2023**	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Lease liabilities	90.8	272.2	700.1	1,063.1

In € million 2022	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Lease liabilities	75.6	238.0	688.3	1,001.9

C.16 Trade payables and liabilities from inter-group business relationships

Liabilities due to affiliated companies and companies in which a participating interest is held primarily comprise trade payables. Overall, trade payables had the following residual terms:

In € million **2023**	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Trade payables	1,511.4	4.0	0.0	1,515.4
Liabilities due to affiliated companies	11.2	0.0	0.0	11.2
Liabilities due to companies in which a participating interest is held	60.4	0.0	0.0	60.4
	1,583.0	**4.0**	**0.0**	**1,587.0**

In € million 2022	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Trade payables	1,762.3	4.6	0.0	1,766.9
Liabilities due to affiliated companies	13.2	0.0	0.0	13.2
Liabilities due to companies in which a participating interest is held	60.1	0.0	0.0	60.1
	1,835.7	**4.6**	**0.0**	**1,840.3**

C.17 Income tax liabilities

Income tax liabilities according to residual terms break down as follows:

In € million **2023**	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Income tax liabilities	100.0	0.2	0.0	100.2
	100.0	**0.2**	**0.0**	**100.2**

In € million 2022	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Income tax liabilities	98.7	0.0	0.0	98.7
	98.7	**0.0**	**0.0**	**98.7**

C.18 Liabilities from derivatives

The fair values of liabilities from derivatives are classified according to the fair value hierarchy as follows, using the procedure described in Note A.3 under "Assets and liabilities from derivatives":

In € million **31/12/2023**	Fair values level 1	 level 2	 level 3	 total
Liabilities from derivatives				
Commodity futures	85.0	124.0	37.4	246.4
FX hedges	11.0	18.5	0.0	29.5
Interest rate hedges	0.1	3.4	0.0	3.5
	96.1	**146.0**	**37.4**	**279.5**

In € million 31/12/2022	Fair values level 1	 level 2	 level 3	 total
Liabilities from derivatives				
Commodity futures	78.5	286.0	69.3	433.8
FX hedges	34.9	0.0	0.0	34.9
Interest rate hedges	0.0	2.9	0.0	2.9
	113.4	**288.9**	**69.3**	**471.6**

Please refer to Note C.21 for the presentation of the hierarchy of financial liabilities measured at fair value.

A total of €222.8 million of the disclosed liabilities from derivatives had a residual term of a maximum of one year (2022: €364.2 million). The residual term for liabilities from derivatives of €37.5 million (2022: €83.4 million) was between one and a maximum of five years, whereas liabilities from derivatives of €19.2 million (2022: €23.9 million) had residual terms of over five years.

In the financial year 2023, the requirements of IAS 32.42 et seq. for offsetting financial assets and financial liabilities were met (see C.9 Assets from derivatives). In the Renewable Energies segment – based on a gross amount before offsetting of €276.6 million (2022: €440.4 million) – financial liabilities totalling €188.1 million (2022: €327.5 million) were offset in accordance with IAS 32. After this netting, the net amount of financial liabilities in the Renewable Energies Segment totalled €88.5 million (2022: €112.9 million).

Besides this offsetting, the settlement of commodity futures with negative market values was the primary reason for the decline in liabilities from derivatives compared to 31 December 2022. In addition, both the reduction in open contracts and lower prices in energy and grain trading in the Renewable Energies, Cefetra Group and Agri Trade & Service Segments contributed to the decline in liabilities from derivatives at the end of the financial year 2023.

C.19 Other liabilities

The table below shows a breakdown of other liabilities:

In € million **2023**	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Other current/non-current financial liabilities				
Liabilities from reverse-factoring-agreements	48.0	0.0	0.0	48.0
Miscellaneous other current/non-current financial liabilities	187.4	30.0	0.1	217.5
	235.4	**30.0**	**0.1**	**265.4**
Other current/non-current non-financial liabilities				
Social security	9.9	0.0	0.0	9.9
Subsidies received	6.4	91.4	11.1	108.9
Liabilities from other taxes	147.7	0.1	0.0	147.7
Miscellaneous other liabilities including accruals	498.2	30.0	49.9	578.1
	662.0	**121.5**	**61.0**	**844.5**
Other liabilities	**897.4**	**151.5**	**61.1**	**1,109.9**

In € million 2022	Residual term of up to one year	Residual term of between one and five years	Residual term of over five years	Total
Other current/non-current financial liabilities				
Liabilities from reverse-factoring-agreements	28.8	0.0	0.0	28.8
Miscellaneous other current/non-current financial liabilities	141.9	0.4	0.0	142.3
	170.7	**0.4**	**0.0**	**171.1**
Other current/non-current non-financial liabilities				
Social security	10.4	0.0	0.0	10.4
Subsidies received	6.7	2.4	11.4	20.5
Liabilities from other taxes	158.5	0.0	0.0	158.5
Miscellaneous other liabilities including accruals	584.2	32.9	40.1	657.1
	759.7	**35.3**	**51.5**	**846.5**
Other liabilities	**930.4**	**35.7**	**51.5**	**1,017.6**

The fair values of the items disclosed do not diverge materially from the book values disclosed.

Liabilities from reverse factoring agreements of €48.0 million (2022: €28.8 million) pertain primarily to the assignment of trade payables to financing partners that are arranged by a service provider. The financial partners handle the payment to the supplier and are reimbursed by BayWa two months later.

The other financial liabilities in the amount of €217.5 million (2022: €142.3 million) are attributable primarily to the ABS measure, amounting to €131.9 million (2022: €125.0 million).

The grants received totalling €108.9 million mainly relate to a government grant in Strauss Tax Equity Partnership LLC, Irvine, USA. The introduction of the Inflation Reduction Act (IRA) in the US means that investment tax credits (ITCs) can be transferred or sold under certain conditions. In the BayWa Group, government grants are recognised in the balance sheet in line with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance by recognising deferred income. This resulted in liabilities totalling €89.7 million.

The other liabilities including accruals in the amount of €578.1 million (2022: €657.1 million) include, in particular, contract liabilities from period-related revenue recognition, liabilities to contractors and other liabilities, as well as deferred income liabilities.

The reversal of received public subsidies amounted to €1.2 million in the financial year (2022: €0.7 million). This amount is recognised under other operating income.

C.20 Contingent liabilities

In € million	**2023**	2022
Guarantees	55.4	34.8
thereof: to affiliated companies	0.0	0.0
thereof: to associates	23.9	25.5
Warranties	17.8	28.2
thereof: to affiliated companies	0.0	0.0
thereof: to associates	7.3	11.5
Collateral for liabilities of third parties	130.2	153.0
thereof: to affiliated companies	0.0	0.0
thereof: to associates	120.4	152.6
Other financial obligations	23.6	45.0
thereof: from buyback obligations	14.2	35.6
thereof: from amounts guaranteed for interests in cooperative companies	9.4	9.4

The BayWa Group has contingent liabilities totalling €120.4 million (2022: €152.6 million) that predominantly relate to collateral for liabilities of third parties issued by RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria. These contingent liabilities serve to secure loans of the investee AUSTRIA JUICE, Allhartsberg, Austria, and its subsidiaries.

BayWa AG also issued a guarantee to BHBW Holdings (Pty) Ltd, Lynnwood Manor, South Africa, to collateralise loans amounting to around €12.4 million (2022: €6.5 million) with Standard Bank of South Africa. The guarantee has been in place since 2017 and was renewed in the financial year 2023. In addition, BHBW Holdings (Pty) Ltd. was granted a guarantee in the amount of €5,0 million (2022: €9.2 million), which serves to secure payment obligations to a supplier.

Other financial obligations relate in particular to the Agricultural Equipment Segment and, in particular, to the Group units under the CLAAS brand, in addition to guarantees for shares in cooperative companies, especially in Austria.

For reasons of materiality, the information required under IAS 37.86 and IAS 37.89 has not been disclosed for the other contingent liabilities. The contingent liabilities to subsidiaries that are presented in the table relate to companies that are not included in BayWa's consolidated financial statements.

Following the administrative offence proceedings of the Bundeskartellamt (German federal antitrust authority) on crop protection products that were concluded in 2020, one claim for damages had been filed against BayWa AG by the time the financial statements were prepared. Further claims for damages are pending against other companies involved in the cartel proceedings. In these proceedings, BayWa AG was notified of the dispute by the defendant. If the case were to be lost, this company could be entitled to claim a settlement against BayWa AG, because the companies involved in such an administrative offence generally hold joint and several liability. In such a case, there would be a risk that BayWa AG would also have to settle part of the potential damages. It is BayWa AG's belief that the penalised misconduct did not result in any buyers of BayWa AG suffering any financial damages whatsoever. We assume, supported by the assessment of our advisers, that it is not highly likely in this context that third parties will be able to successfully assert any material claims against BayWa AG. Therefore, no risk provisions for this matter have been formed on the balance sheet. Rather, this represents a contingent liability, which is reported here.

There are contractual obligations (purchase commitments) of €16.6 million for the purchase of property, plant and equipment (real estate, vehicles) (2022: €9.4 million) and of €1,210.8 million for the purchase of inventories (2022: €1,917.4 million). The latter relate in particular to the Agricultural Equipment Segment.

C.21 Financial instruments

Book and fair values of financial instruments

The table on the following page shows the book values of the corresponding balance sheet items and their IFRS 9 categories – “measurement at amortised cost”, “measurement at fair value through profit or loss” and “measurement at fair value through other comprehensive income”. These book values are shown against fair values for the purpose of comparison at the end of the table. The fair value of a financial instrument is the price that would be received for the sale of a financial asset or paid for the transfer of a financial liability between market participants in an arm’s length transaction at the end of the measurement period. For current assets and liabilities, the book value represents an appropriate approximation of the fair value.

The book value is sometimes the best estimate of the fair value, particularly in the case of shares in affiliated companies and Group companies, and is therefore a reasonable approximation of it. Interests in non-consolidated affiliated companies and participations in other companies – interests in associates that are not included under the equity method – are disclosed in the “Not a financial instrument” column.

Differences between the book value and the fair value of non-current financial liabilities, particularly long-term debt, may occur due to longer residual terms in some cases. The discounted cash flow method, in consideration of a company-specific borrowing rate at matching maturities, is used to determine the fair value if no market prices are available.

The measurement of commodity futures is based on the market or stock market value for comparable transactions at the end of the reporting period. The derivatives designated as hedging instruments for cash flow hedge accounting are reported in the following table in the “No category” column.

With immediate effect, only financial instruments that constitute a financial instrument within the meaning of IFRS 9 are shown in the following tables for subsequent measurement in accordance with the measurement categories of IFRS 9.

In € million **31/12/2023**	Book value 31/12/2023	Subsequent measurement in accordance with IFRS 9 measurement categories [1] AC	FVTPL	FVTPL (option)	FVTOCI (option)	No category	Not a FI	Fair value 31/12/2023
Non-current financial assets								
Investments [2]	248.4	65.3	23.5	0.0	73.6	0.0	86.0	248.4
Assets from derivatives	30.1	0.0	30.0	0.1	0.0	0.0	0.0	30.1
Derivatives designated as hedging instruments for cash flow hedge accounting (assets)	30.9	0.0	0.0	0.0	0.0	30.9	0.0	30.9
Other receivables and other assets Trade receivables	15.7	15.7	0.0	0.0	0.0	0.0	0.0	15.7
Other receivables and other financial assets	80.0	18.0	0.0	0.0	0.0	2.8	59.3	80.0
Current financial assets								
Securities	1.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0
Assets from derivatives	253.3	0.0	247.0	6.3	0.0	0.0	0.0	253.3
Derivatives designated as hedging instruments for cash flow hedge accounting (assets)	30.6	0.0	0.0	0.0	0.0	30.6	0.0	30.6
Derivatives designated as hedging instruments for fair value hedge accounting (assets)	1.4	0.0	1.4	0.0	0.0	0.0	0.0	1.4
Other receivables and other assets Trade receivables and inter-Group business relationships	1,664.9	1,664.9	0.0	0.0	0.0	0.0	0.0	1,664.9
Other receivables and other financial assets	539.9	345.0	0.0	0.0	0.0	3.9	191.0	539.9
Cash and cash equivalents	233.3	233.3	0.0	0.0	0.0	0.0	0.0	233.3
Non-current financial liabilities								
Long-term debt	3,030.8	3,030.8	0.0	0.0	0.0	0.0	0.0	2,941.7
Lease liabilities [3]	972.3	0.0	0.0	0.0	0.0	972.3	0.0	n/a
Trade payables and liabilities from inter-Group business relationships	4.0	4.0	0.0	0.0	0.0	0.0	0.0	4.0
Liabilities from derivatives	34.6	0.0	34.5	0.1	0.0	0.0	0.0	34.6
Derivatives designated as hedging instruments for cash flow hedge accounting (liabilities)	22.1	0.0	0.0	0.0	0.0	22.1	0.0	22.1
Other financial liabilities	30.0	13.1	0.0	0.0	0.0	0.0	16.9	30.0
Current financial liabilities								
Short-term debt	2,393.2	2,393.2	0.0	0.0	0.0	0.0	0.0	2,393.2
Lease liabilities [3]	90.8	0.0	0.0	0.0	0.0	90.8	0.0	n/a
Trade payables and liabilities from inter-Group business relationships	1,583.0	1,583.0	0.0	0.0	0.0	0.0	0.0	1,583.0
Liabilities from derivatives	206.7	0.0	169.4	37.3	0.0	0.0	0.0	206.7
Derivatives designated as hedging instruments for cash flow hedge accounting (liabilities)	13.6	0.0	0.0	0.0	0.0	13.6	0.0	13.6
Derivatives designated as hedging instruments for fair value hedge accounting (liabilities)	2.5	0.0	2.5	0.0	0.0	0.0	0.0	2.5
Other financial liabilities [3]	235.4	214.6	0.0	0.0	0.0	0.0	20.8	235.4
Other non-financial liabilities [3]	662.0	248.0	0.0	0.0	0.0	0.0	414.0	662.0
IFRS 9 categories								
Financial assets attributed to the AC category	2,342.3							
Financial assets attirbuted to the FVTPL category	302.9							
Financial assets attributed to the FVTPL (option) category	6.4							
Financial assets attributed to the FVTOCI (option) category	73.6							
Other financial liabilities attributed to the AC category	7,486.7							
Other financial liabilities attributed to the FVTPL category	206.4							
Other financial liabilities attributed to the FVTPL (option) category	37.4							

1 AC: at amortised cost; FVTOCI: at fair value through other comprehensive income; FVTPL: at fair value through profit or loss.

2 Investments also include interests in non-consolidated affiliated companies and in other Group companies. As they are not financial instruments within the meaning of IFRS 9, they are disclosed in the “Not a financial instrument” column.

3 Financial and non-financial liabilities are recognised separately with immediate effect. Lease liabilities are also shown separately in the table. The previous year has been adjusted accordingly. There is no obligation to disclose the fair value of lease liabilities.

The following table shows the book and fair values of financial instruments for the comparative period:

In € million 31/12/2022	Book value 31/12/2022	Subsequent measurement in accordance with IFRS 9 measurement categories [1] AC	FVTPL	FVTPL (option)	FVTOCI (option)	No category	Not a FI	Fair value 31/12/2022
Non-current financial assets								
Investments [2]	229.0	66.2	23.2	0.0	59.1	0.0	80.5	229.0
Assets from derivatives	56.8	0.0	56.8	0.0	0.0	0.0	0.0	56.8
Derivatives designated as hedging instruments for cash flow hedge accounting (assets)	41.1	0.0	0.0	0.0	0.0	41.1	0.0	41.1
Other receivables and other assets Trade receivables	28.8	28.8	0.0	0.0	0.0	0.0	0.0	28.8
Other receivables and other financial assets [3]	22.9	19.2	0.0	0.0	0.0	3.6	0.0	22.9
Current financial assets								
Securities	0.9	0.0	0.9	0.0	0.0	0.0	0.0	0.9
Assets from derivatives	418.5	0.0	418.5	0.0	0.0	0.0	0.0	418.5
Derivatives designated as hedging instruments for cash flow hedge accounting (assets)	192.7	0.0	0.0	0.0	0.0	192.7	0.0	192.7
Other receivables and other assets Trade receivables and inter-Group business relationships	1,886.4	1,886.4	0.0	0.0	0.0	0.0	0.0	1,886.4
Other receivables and other financial assets [3]	454.7	262.1	0.0	0.0	0.0	4.2	188.4	454.7
Cash and cash equivalents	221.8	221.8	0.0	0.0	0.0	0.0	0.0	221.8
Non-current financial liabilities								
Long-term debt	3,560.1	3,560.1	0.0	0.0	0.0	0.0	0.0	3,440.8
Lease liabilities [3]	926.3	0.0	0.0	0.0	0.0	926.3	0.0	n/a
Trade payables and liabilities from inter-Group business relationships	4.6	4.6	0.0	0.0	0.0	0.0	0.0	4.6
Liabilities from derivatives	57.6	0.0	57.6	0.0	0.0	0.0	0.0	57.6
Derivatives designated as hedging instruments for cash flow hedge accounting (liabilities)	49.8	0.0	0.0	0.0	0.0	49.8	0.0	49.8
Current financial liabilities								
Short-term debt	1,718.7	1,718.7	0.0	0.0	0.0	0.0	0.0	1,718.7
Lease liabilities [3]	75.6	0.0	0.0	0.0	0.0	75.6	0.0	n/a
Trade payables and liabilities from inter-Group business relationships	1,835.7	1,835.7	0.0	0.0	0.0	0.0	0.0	1,835.7
Liabilities from derivatives	348.9	0.0	348.9	0.0	0.0	0.0	0.0	348.9
Derivatives designated as hedging instruments for cash flow hedge accounting (liabilities)	15.4	0.0	0.0	0.0	0.0	15.4	0.0	15.4
Other financial liabilities	170.7	169.9	0.0	0.0	0.0	0.0	0.8	170.7
Other non-financial liabilities [3]	759.8	330.1	0.0	0.0	0.0	0.0	429.7	759.8
IFRS 9 categories								
Financial assets attributed to the AC category	2,484.5							
Financial assets attirbuted to the FVTPL category	499.5							
Financial assets attributed to the FVTOCI (option) category	59.1							
Other current/non-current financial liabilities attributed to the AC category	7,636.3							
Other current/non-current financial liabilities attributed to the FVTPL category	406.4							

1 AC: at amortised cost; FVTOCI: at fair value through other comprehensive income; FVTPL: at fair value through profit or loss.
2 Investments also include interests in non-consolidated affiliated companies and in other Group companies. As they are not financial instruments within the meaning of IFRS 9, they are disclosed in the “Not a financial instrument” column.
3 Financial and non-financial liabilities are recognised separately with immediate effect. Lease liabilities are also shown separately in the table. The previous year has been adjusted accordingly. There is no obligation to disclose the fair value of lease liabilities.

Hierarchy of financial assets and liabilities measured at fair value

In order to take account of the material factors which form part of the measurement of financial assets and liabilities at fair value or reported at fair value, the financial assets and liabilities of the BayWa Group, each of which were measured at fair value, have been divided up into a hierarchy of three levels.

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).

If the measurement parameters fall into different levels of the measurement hierarchy, the measurement is classified at fair value at the lowest level to which an input parameter with a significant effect on the fair value is attributable. No considerable reclassifications were conducted among the various levels both in the financial year 2023 and in the previous year.

Derivative financial instruments are used at the BayWa Group to hedge currency risks, interest rate risks and commodity futures. Commodity futures are also recognised that are scheduled exclusively for trading and are therefore to be classified as financial instruments within the meaning of IFRS 9. These commodity futures are measured at fair value at the end of the reporting period. The measurement of commodity futures is based on the market or stock market value for identical or comparable transactions at the end of the reporting period. Currency hedges are measured at the forward rate of the respective currency with a matching maturity at the end of the reporting period, in consideration of discounting effects. For interest rate hedges, the measurement takes into account relevant basis instruments on the basis of current observable market data and using recognised valuation models, such as the discounted cash flow method.

The fair values of commodity futures for those transactions that are traded directly on the stock market are measured at the respective market price. For those transactions not traded directly on the stock market, the fair value is derived from observable market prices. For the main product groups, the fair value is derived from futures so as to include the temporal components of the commodity futures. For those products for which no futures are traded, the fair value is measured at the latest price information on physical markets. The measurement takes into account market liquidity and is discounted from the fair value.

Specifically, the fair values of grain futures attributable to level 1 are determined by market prices. The fair values of OTC grain contracts are calculated using the discounted cash flow method in consideration of actively quoted futures prices and market interest rates for discounting on the reporting date (level 2).

In the financial year 2022, a purchase contract in energy trading was concluded at the same time as a sale contract, so that both had to be recognised at the fair value through profit or loss in the amount of €69.3 million. In addition, both purchase and sales contracts were concluded in the past financial year 2023 for which the fair value option was exercised. Accounting for these physical PPAs as own-use contracts would lead to an accounting mismatch, as the associated offsetting transactions are recognised at fair value through profit or loss. The contracts are measured using an internal measurement model based on chiefly unobservable input factors using the present value method (level 3). The main valuation parameters here are the expected electricity prices, the expected delivery volumes and the consideration of risk discounts, whereby the unobservable input factors include the basis risk, the market value advantage and the 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 for each system and respective generation type (onshore wind, photovoltaics) is compared against the average value of comparable installed systems in the form of a ratio; the estimated relative excess or shortfall in value compared to the overall market index per generation type from spot management is assessed in the form of a premium or discount. In addition, the expected future value of the generation type is determined based on the latest market data in the form of the capture rate and compared against the expected average market price (base price) in the form of a ratio. The main driver for the expected value of fluctuating generation types is the negative price-load correlation caused by the future expansion pathways of the corresponding technology; the capture rates are calibrating on an ongoing basis in line with the updated expansion pathways and a set of weather and generation scenarios.

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 1.0% results in a deviating fair value of plus/minus 0.22% (2022: minus/plus 0.31%). A change in both factors of plus/minus 5,0% results in a change of plus/minus 1.08% (2022: minus/plus 1.56%) for the German market portfolio. For the Spanish market portfolio, a change of minus/plus 0.39% results from the change in both factors by plus/minus 1.0%, and a change of minus/plus 1.95% results from the change in both factors by plus/minus 5.0%. There is no comparable previous-year figure for the Spanish and German markets, as the portfolio and the financial instruments for which the FVTPL option is applied were added in the financial year 2023. Generally speaking, market price and volatility levels fell on both markets. No sensitivity is calculated for the capture rate input factor, as the forecast for the capture rate remains almost constant over the short time frame. 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 the basis risk and the market value advantage.

The fair value of the level 3 PPA contracts, for which the FVTPL option is applied, developed as follows:

In € million	Financial assets (Level 3)	Financial liabilities (Level 3)
As at 01/01/2023	**0.0**	**69.3**
Release	0.0	- 12.3
Change in fair value recognised in profit or loss	6.4	- 19.6
As at 31/12/2023	**6.4**	**37.4**
As at 01/01/2022	**0.0**	**0.0**
Release	0.0	0.0
Change in fair value recognised in profit or loss	0.0	69.3
As at 31/12/2022	**0.0**	**69.3**

The tables below show the financial assets and liabilities measured at fair value assigned to the three levels of the fair value hierarchy:

Hierarchy of financial assets and liabilities measured at fair value

In € million **2023**	Level 1	Level 2	Level 3	Total
Financial assets				
Assets from derivatives, including derivatives designated as hedging instruments for cash flow and fair value hedge acocunting (assets) [1]	116.1	223.8	6.4	346.3
Securities	24.4	0.0	0.0	24.4
Securities (OCI option)	73.6	0.0	0.0	73.6
	214.1	**223.8**	**6.4**	**444.3**
Other current/non-current financial liabilities				
Liabilities from derivatives, including derivatives designated as hedging instruments for cash flow and fair value hedge accounting (liabilities)	96.1	146.0	37.4	279.5
	96.1	**146.0**	**37.4**	**279.5**

1 Commodity futures that are treated as futures are also attributed to level 1. The previous year's figures have been adjusted.

In € million 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Assets from derivatives, including derivatives designated as hedging instruments for cash flow and fair value hedge acocunting (assets) [1]	141.1	568.0	0.0	709.1
Securities	24.1	0.0	0.0	24.1
Securities (OCI option)	59.1	0.0	0.0	59.1
	224.3	**568.0**	**0.0**	**792.3**
Other current/non-current financial liabilities				
Liabilities from derivatives, including derivatives designated as hedging instruments for cash flow and fair value hedge accounting (liabilities)	113.4	288.9	69.3	471.6
	113.4	**288.9**	**69.3**	**471.6**

1 Commodity futures that are treated as futures are also attributed to level 1. The previous year's figures have been adjusted.

The fair value of the long-term debt recognised at cost is to be allocated to level 2 of the fair value hierarchy. Its fair value came to €2,941.7 million as at 31 December 2023 (2022: €3,440.8 million).

Net gains and losses

The following table shows net gains/losses from financial instruments (FI) reported in the income statement and in other comprehensive income.

In € million **2023**	Assets[1]					Shareholders' equity and liabilities[1]					
Category	AC	FVTPL	FVTPL (option)	FVTOCI (option)	No category	AC	FVTPL	FVTPL (option)	FI	No FI	Total
1. Net gain/loss in the financial result											
Equity valuation of participating interests	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**11.9**	**11.9**
Income from participating interests	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0	1.8
Expenses from participating interests	0.0	- 3.0	0.0	0.0	0.0	0.0	0.0	0.0	- 3.0	0.0	- 3.0
Result from disposals	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2
Result of participating interests	**0.0**	**- 1.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**- 1.0**	**0.0**	**- 1.0**
Income from investments	0.2	4.1	0.0	0.0	0.0	0.0	0.0	0.0	4.3	0.0	4.3
Result from disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Result from investments	**0.2**	**4.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**4.3**	**0.0**	**4.3**
Interest income	20.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.1	0.2	20.3
Interest income from fair value measurement	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sum total of interest income	**20.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**20.1**	**0.2**	**20.3**
Interest expenses	0.0	0.0	0.0	0.0	0.0	- 301.5	0.0	0.0	- 301.5	- 39.0	- 340.5
Interest portion in personnel provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 21.0	- 21.0
Interest expenses from fair value measurement	0.0	0.0	0.0	0.0	0.0	0.0	- 0.5	0.0	- 0.5	0.0	- 0.5
Sum total of interest expenses	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**- 301.5**	**- 0.5**	**0.0**	**- 301.9**	**- 60.0**	**- 362.0**
Net interest	**20.1**	**0.0**	**0.0**	**0.0**	**0.0**	**- 301.5**	**- 0.5**	**0.0**	**- 281.8**	**- 59.9**	**- 341.7**
Sum total net gain/loss	**20.3**	**3.1**	**0.0**	**0.0**	**0.0**	**- 301.5**	**- 0.5**	**0.0**	**- 278.5**	**- 47.9**	**- 326.5**
Financial result											**- 326.5**
2. Net gain/loss in the operating result											
Income from derivative financial instruments and commodity futures[2]	0.0	137.5	6.4	0.0	0.0	0.0	0.0	19.6	163.5	0.0	163.5
Income from the receipt of written-off receivables/release of receivables value adjustments	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.6	0.0	10.6
Expenses from derivative financial instruments and commodity futures[2]	0.0	0.0	0.0	0.0	0.0	0.0	- 224.3	0.0	- 224.3	0.0	- 224.3
Value adjustments/write-downs of receivables	- 32.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 32.8	0.0	- 32.8
Sum total net gain/loss	**- 22.2**	**137.5**	**6.4**	**0.0**	**0.0**	**0.0**	**- 224.3**	**19.6**	**- 83.0**	**0.0**	**- 83.0**
3. Net gain/loss in equity											
Change in the fair value from the market valuation of securities	0.0	0.0	0.0	7.8	0.0	0.0	0.0	0.0	7.8	0.0	7.8
Cash flow hedges	0.0	0.0	0.0	0.0	- 83.0	0.0	0.0	0.0	- 83.0	0.0	- 83.0
Currency translation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 3.2	- 3.2
Sum total net gain/loss	**0.0**	**0.0**	**0.0**	**7.8**	**- 83.0**	**0.0**	**0.0**	**0.0**	**- 75.2**	**- 3.2**	**- 78.4**
Total net gain/loss	**- 1.9**	**140.6**	**6.4**	**7.8**	**- 83.0**	**- 301.5**	**- 224.8**	**19.6**	**- 436.7**	**- 51.1**	**- 487.9**

1 Measurement categories for financial assets and financial liabilities pursuant to IFRS 9: AC: at amortised cost; FVTOCI: at fair value through other comprehensive income; FVTPL: at fair value through profit or loss.
2 The income and expenses reflect the change in fair value from the market valuation of derivative financial instruments and commodity futures.

Income from participating interests also includes dividend payments.

The net gains and losses from financial instruments in the previous year were as follows:

In € million 2022	Assets [1]					Shareholders' equity and liabilities [1]					
Category	AC	FVTPL	FVTPL (option)	FVTOCI (option)	No category	AC	FVTPL	FVTPL (option)	FI	No FI	Total
1. Net gain/loss in the financial result											
Equity valuation of participating interests	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**13.3**	**13.3**
Income from participating interests	0.0	6.6	0.0	0.0	0.0	0.0	0.0	0.0	6.6	0.0	6.6
Expenses from participating interests	0.0	- 7.0	0.0	0.0	0.0	0.0	0.0	0.0	- 7.0	0.0	- 7.0
Result from disposals	0.0	50.3	0.0	0.0	0.0	0.0	0.0	0.0	50.3	0.9	51.2
Result of participating interests	**0.0**	**49.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**49.9**	**0.9**	**50.8**
Income from investments	0.1	- 0.2	0.0	0.0	0.0	0.0	0.0	0.0	- 0.1	0.0	- 0.1
Result from disposals	0.0	- 0.7	0.0	0.0	0.0	0.0	0.0	0.0	- 0.7	0.0	- 0.7
Result from investments	**0.1**	**- 0.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**- 0.8**	**0.0**	**- 0.8**
Interest income	14.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.8	0.1	14.9
Interest income from fair value measurement	0.0	2.7	0.0	0.0	0.0	0.0	0.0	0.0	2.7	0.0	2.7
Sum total of interest income	**14.8**	**2.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**17.5**	**0.1**	**17.6**
Interest expenses	0.0	0.0	0.0	0.0	0.0	- 157.9	- 301.5	0.0	157.9	- 34.7	- 192.6
Interest portion in personnel provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 6.5	- 6.5
Interest expenses from fair value measurement	0.0	0.0	0.0	0.0	0.0	0.0	- 3.0	0.0	- 3.0	0.0	- 3.0
Sum total of interest expenses	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**- 157.9**	**- 3.0**	**0.0**	**- 160.9**	**- 41.3**	**- 202.1**
Net interest	**14.8**	**2.7**	**0.0**	**0.0**	**0.0**	**- 157.9**	**- 3.0**	**0.0**	**- 143.9**	**- 41.2**	**- 184.5**
Sum total net gain/loss	**14.9**	**51.6**	**0.0**	**0.0**	**0.0**	**- 157.9**	**- 3.0**	**0.0**	**- 94.3**	**- 27.0**	**- 121.2**
Financial result											**- 121.2**
2. Net gain/loss in the operating result											
Income from derivative financial instruments and commodity futures [2]	0.0	280.4	0.0	0.0	0.0	0.0	0.0	0.0	280.4	0.0	280.4
Income from the receipt of written-off receivables/release of receivables value adjustments	15.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.7	0.0	15.7
Expenses from derivative financial instruments and commodity futures [2]	0.0	0.0	0.0	0.0	0.0	0.0	- 229.3	0.0	- 229.3	0.0	- 229.3
Value adjustments/write-downs of receivables	- 32.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 32.6	0.0	- 32.6
Sum total net gain/loss	**- 16.9**	**280.4**	**0.0**	**0.0**	**0.0**	**0.0**	**- 229.3**	**0.0**	**34.3**	**0.0**	**34.3**
3. Net gain/loss in equity											
Change in the fair value from the market valuation of securities	0.0	0.0	0.0	- 32.5	0.0	0.0	0.0	0.0	- 32.5	0.0	- 32.5
Cash flow hedges	0.0	0.0	0.0	0.0	140.4	0.0	0.0	0.0	140.4	0.0	140.4
Currency translation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	- 3.2	- 3.2
Sum total net gain/loss	**0.0**	**0.0**	**0.0**	**- 32.5**	**140.4**	**0.0**	**0.0**	**0.0**	**107.9**	**- 3.2**	**104.7**
Total net gain/loss	**- 1.9**	**332.0**	**0.0**	**- 32.5**	**140.4**	**- 157.9**	**- 232.3**	**0.0**	**47.8**	**- 30.2**	**17.7**

1 Measurement categories for financial assets and financial liabilities pursuant to IFRS 9: AC: at amortised cost; FVTOCI: at fair value through other comprehensive income; FVTPL: at fair value through profit or loss.

2 The income and expenses reflect the change in fair value from the market valuation of derivative financial instruments and commodity futures.

Income from participating interests also includes dividend payments.

The following table shows an analysis of the maturity dates and undiscounted net cash flows of non-derivative financial liabilities and derivative financial liabilities with negative and positive fair values of the BayWa Group. In the case of derivative financial liabilities, a distinction is made between undiscounted cash outflows and cash inflows, taking into account gross or net settlement.

In € million **2023**	Residual term of up to one year	Residual term of one to five years	Residual term of more than five years	Total
Non-derivative financial liabilities measured at cost	**4,733.7**	**3,266.7**	**1,268.7**	**9,269.1**
Derivative financial liabilities	**549.4**	**53.0**	**10.8**	**613.2**
thereof measured at fair value through profit or loss	533.9	48.8	0.9	583.6
with gross settlement	**447.7**	**22.9**	**0.0**	**470.6**
Cash outflows	1,061.0	24.5	0.0	1,085.5
Cash inflows	- 613.3	- 1.6	0.0	- 614.9
with net settlement	**86.2**	**25.9**	**0.9**	**113.0**
Cash outflows	86.2	25.9	0.9	113.0
thereof designated as hedging instruments for cash flow hedge accounting	13.0	4.2	9.9	27.1
with gross settlement	**4.0**	**0.1**	**- 0.1**	**4.0**
Cash outflows	4.0	0.1	0.0	4.1
Cash inflows	0.0	0.0	- 0.1	- 0.1
with net settlement	**9.0**	**4.1**	**10.0**	**23.1**
Cash outflows	9.0	4.1	10.0	23.1
thereof designated as hedging instruments for fair value hedge accounting	2.5	0.0	0.0	2.5
with gross settlement	**0.0**	**0.0**	**0.0**	**0.0**
Cash outflows	0.0	0.0	0.0	0.0
Cash inflows	0.0	0.0	0.0	0.0
with net settlement	**2.5**	**0.0**	**0.0**	**2.5**
Cash outflows	2.5	0.0	0.0	2.5

In € million 2022	Residual term of up to one year	Residual term of one to five years	Residual term of more than five years	Total
Non-derivative financial liabilities measured at cost	**4,254.7**	**3,356.0**	**1,544.8**	**9,155.5**
Derivative financial liabilities	**486.0**	**79.5**	**8.2**	**573.7**
thereof measured at fair value through profit or loss	523.7	68.0	0.0	591.7
with gross settlement	**412.3**	**64.2**	**0.0**	**476.5**
Cash outflows	1,395.9	74.7	0.0	1,470.6
Cash inflows	- 983.6	- 10.5	0.0	- 994.1
with net settlement	**111.4**	**3.9**	**0.0**	**115.3**
Cash outflows	111.4	3.9	0.0	115.3
thereof designated as hedging instruments for cash flow hedge accounting	- 37.7	11.5	8.2	- 18.0
with gross settlement	**- 39.6**	**- 5.9**	**0.0**	**- 45.5**
Cash outflows	21.5	0.4	0.0	21.9
Cash inflows	- 61.1	- 6.3	0.0	- 67.4
with net settlement	**1.9**	**17.4**	**8.1**	**27.4**
Cash outflows	1.9	17.4	8.1	27.4
thereof designated as hedging instruments for fair value hedge accounting	0.0	0.0	0.0	0.0
with gross settlement	**0.0**	**0.0**	**0.0**	**0.0**
Cash outflows	0.0	0.0	0.0	0.0
Cash inflows	0.0	0.0	0.0	0.0
with net settlement	**0.0**	**0.0**	**0.0**	**0.0**
Cash outflows	0.0	0.0	0.0	0.0

Derivative financial instruments and hedge accounting

Risks and general disclosures

Derivative financial instruments are used within the BayWa Group to minimise risks arising from operating activities – in some cases using hedge accounting – in the following areas:

Risk category	Hedging description	Hedging instrument
Interest rate risk		
Refinancing (general)	Interest rate risk positions arise from the Group's financing activities, especially from the issuing of short-term commercial papers and the use of short-term loans, as well as variable-interest bonded loans. Short-term debt is used mainly to finance working capital.	Futures, interest rate swaps
Project financing within the BayWa r.e. Group	Interest rate risk positions may arise from the BayWa r.e. Group's project financing. Where project financing is concluded at variable interest rates, these are generally hedged by means of corresponding interest rate swaps. These interest rate swaps are partly reported in hedge accounting	Interest rate swaps
Price risk		
Commodity price risk in the agricultural division	The Group is exposed to commodity price risks due to the operating activities of the Agri Trade & Service Segment in the grain collecting and marketing business. In order to mitigate these risks, the BayWa Group's risk management system continuously calculates the various open commodity positions. Using this information, trading areas at the BayWa Group conclude physical commodity futures within the approved limits (maximum long and short position in metric tonnes, maximum value at risk). Commodity futures are only concluded with business partners with excellent credit ratings.	Commodity futures
Electricity price risk within the BayWa r.e. Group	The BayWa r.e. Group is active in energy trade activities and also sells electricity produced by its own wind energy turbines and solar energy parks. Corresponding futures and long-term electricity supply contracts are concluded to secure prices for the buying and selling of electricity in the energy trade, as well as long-term prices for electricity generated by the BayWa r.e. Group itself. These amounts are recognised as commodity futures and partly reported in hedge accounting.	Futures
Currency risk		
Foreign currency risk within the Cefetra Group Segment	The international orientation of the Cefetra Group Segment gives rise to foreign currency risks. Internal policies require that all material foreign currency risks are hedged, with each hedging instrument attributable to an underlying transaction. All open currency transactions are managed centrally by the Treasury section of the Cefetra Group Segment. The specialists have assessment and valuation tools for the monitoring of adherence to the defined limits and receive a monthly list of their open currency transactions from the banks. As in the previous year, the foreign currency risk in the Cefetra Group Segment was excluded for reasons of materiality. Furthermore, some companies in the Cefetra Group Segment recognise foreign currency transactions and their hedges as fair value hedges within the meaning of IFRS 9.6.5.2 (a). The term of the two instruments is usually short. The fair value fluctuations of the underlyings are measured through profit or loss. At the end of the reporting period, the fair value of the assets from foreign currency accounts was €1.4 million and the fair value of the liabilities €2.5 million (2022: liabilities of €0.1 million). For reasons of materiality, no further presentations are provided below.	Currency futures
Foreign currency risk within the BayWa r.e. Group	The BayWa r.e. Group finances its business activities in the functional currency of the respective Group company. The funds in the respective functional currency are provided by BayWa AG. Business activities conducted in foreign currencies, i.e. in currencies that differ from the functional currency of the respective Group company, are hedged by corresponding currency futures. These amounts are usually reported in hedge accounting.	Currency futures
Foreign currency risk within the T&G Global Group	The T&G Global Group is a global trading company. The New Zealand Group produces fruit and markets it in different foreign currencies. The resulting foreign currency risks are analysed using detailed cash flow forecasts. Forwards and options are used to manage and control risk – mainly through hedge accounting.	Currency futures

The resulting assets and liabilities are shown in the table below, broken down according to maturity and risk category.

In € million **31/12/2023**	Fair values Total	 Residual term of up to one year	 Residual term of one to five years	 Residual term of more than five years
Assets				
Interest rate hedges				
Standalone derivatives	0.8	0.0	0.0	0.8
Derivatives designated as hedging instruments for cash flow hedge accounting	11.9	0.5	2.5	8.9
Commodity hedges				
Standalone derivatives	265.4	236.2	29.3	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	38.7	25.6	4.8	8.3
FX hedges				
Standalone derivatives	17.2	17.1	0.1	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	10.9	4.5	6.4	0.0
Derivatives designated as hedging instruments for fair value hedge accounting	1.4	1.4	0.0	0.0
	346.4	**285.3**	**43.1**	**18.0**
Shareholders' equity and liabilities				
Interest rate hedges				
Standalone derivatives	0.9	0.0	0.9	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	2.6	0.0	0.1	2.5
Commodity hedges				
Standalone derivatives	216.0	182.4	32.7	0.9
Derivatives designated as hedging instruments for cash flow hedge accounting	30.5	11.0	3.7	15.8
FX hedges				
Standalone derivatives	24.4	24.3	0.1	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	2.6	2.6	0.0	0.0
Derivatives designated as hedging instruments for fair value hedge accounting	2.5	2.5	0.0	0.0
	279.5	**222.8**	**37.5**	**19.2**

In € million 31/12/2022	Fair values Total	 Residual term of up to one year	 Residual term of one to five years	 Residual term of more than five years
Assets				
Interest rate hedges				
Standalone derivatives	3.2	1.3	1.9	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	15.4	0.0	3.3	12.1
Commodity hedges				
Standalone derivatives	445.9	392.7	53.2	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	209.1	189.4	3.4	16.3
FX hedges				
Standalone derivatives	26.2	24.5	0.6	1.0
Derivatives designated as hedging instruments for cash flow hedge accounting	9.4	3.3	6.1	0.0
	709.2	**611.2**	**68.5**	**29.5**
Shareholders' equity and liabilities				
Interest rate hedges				
Standalone derivatives	2.8	2.8	0.0	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	0.1	0.0	0.0	0.1
Commodity hedges				
Standalone derivatives	374.0	316.7	57.4	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	59.7	10.9	25.0	23.8
FX hedges				
Standalone derivatives	29.6	29.3	0.2	0.0
Derivatives designated as hedging instruments for cash flow hedge accounting	5.3	4.5	0.8	0.0
Derivatives designated as hedging instruments for fair value hedge accounting	0.1	0.1	0.0	0.0
	471.6	**364.2**	**83.4**	**23.9**

In the reporting year, income from derivative financial instruments of €163.5 million (2022: €280.4 million) and expenses of €224.3 million (2022: €229.3 million) were included in the income statement.

Notes on the individual risk categories

General refinancing risk

In the financial year 2023, the average interest rate for variable-interest financial liabilities stood at 4.4298% (2022: 1.7577%). An increase or reduction in this interest rate by one percentage point would have led, ceteris paribus, to an increase or decline in variable interest expenses by €20.1 million (2022: €12.3 million) in the financial year 2023.

Commodity price risk in the agricultural division

The following table provides an overview of the grain contracts relating to the BayWa Group's operating activities in the grain collecting and marketing business, which are recognised as financial instruments pursuant to IFRS 9.

In metric tonnes	**31/12/2023**	31/12/2022
Long positions		
Grain/corn	6.1	7.9
Oilseed/oilseed meal	3.5	3.6
Other	1.0	1.4

In metric tonnes	**31/12/2023**	31/12/2022
Short positions		
Grain/corn	- 7.6	- 9.6
Oilseed/oilseed meal	- 4.0	- 4.1
Other	- 1.4	- 1.8

The fair values of the grain contracts recognised as financial assets constitute the greatest possible default risk, without including the value of received collateral or other risk-mitigating agreements. Rises and declines in the prices of all relevant commodities by a margin of 10% would have affected, ceteris paribus, the annual result as at 31 December 2023 in the manner displayed in the following table. The calculation includes all grain contracts valid at the end of the reporting period.

In € million **31/12/2023**	Grain/corn	Oilseed/ oilseed meal	Other
Price rise (+ 10%)			
Effect on income	- 33.2	- 23.1	- 8.1
Equity effect	- 7.8	- 0.4	0.0
Price decline (– 10%)			
Effect on income	33.2	23.1	8.1
Equity effect	7.8	0.4	0.0

In € million 31/12/2022	Grain/corn	Oilseed/ oilseed meal	Other
Price rise (+ 10%)			
Effect on income	- 41.8	22.0	- 11.9
Equity effect	- 10.3	0.9	0.0
Price decline (– 10%)			
Effect on income	41.8	- 22.0	11.9
Equity effect	10.3	- 0.9	0.0

Risks from financial instruments within the BayWa r.e. Group
The BayWa r.e. Group generally only concludes derivative financial instruments to hedge underlying transactions. This means that there are no material open positions from derivative financial instruments for interest rates, currencies and electricity. In addition to derivative financial instruments, project financing is to be considered as a financial instrument within the BayWa r.e. Group. There are no open risk positions here either, as these are either fixed-interest financing agreements or hedged by a corresponding swap. Only in the energy trade does the Group maintain a trading portfolio in which open positions from financial instruments may arise. The market price risks in this trading portfolio are managed using the profit-and-loss and value-at-risk limits defined in the risk management system. The open, unsecured position in the trading portfolio was immaterial as at 31 December 2023, as was the case in the previous year. As a result, there is no separate presentation of the sensitivity analysis.

Foreign currency risk within the T&G Global Group
The T&G Global Group is a global trading company that processes a high volume of its business in foreign currency. Receivables and revenues are generated in the common trading currencies. These underlying transactions are hedged against foreign currency risks through derivative financial instruments. In particular, the pome fruit export transactions concluded in foreign currencies are hedged by FX forwards and options. The New Zealand-based T&G Global Group had concluded hedges in the volume of €247.0 million as at 31 December 2023 (2022: €282.2 million). These break down across the trading currencies as follows:

In € million **31/12/2023**	
US dollar	224.6
Pound sterling	7.1
Euro	11.0
Japanese yen	4.3

In € million 31/12/2022	
US dollar	247.6
Pound sterling	11.8
Euro	17.5
Japanese yen	5.3

The following table shows, ceteris paribus, the impact of exchange rate fluctuations of 10% of the New Zealand dollar against all trading currencies in the T&G Global Group:

In € million **31/12/2023**	
Price rise (+ 10%)	
Effect on income	- 0.3
Equity effect	- 16.1
Price decline (– 10%)	
Effect on income	0.3
Equity effect	19.4

In € million 31/12/2022	
Price rise (+ 10%)	
Effect on income	- 0.5
Equity effect	- 21.1
Price decline (– 10%)	
Effect on income	0.6
Equity effect	25.8

Specific information on cash flow hedge accounting

The BayWa Group is a global trading company and as such is exposed to various risks in the course of its ordinary business activities. Hedge accounting is becoming increasingly important in order to successfully hedge against these risks. The hedging strategies that are reported in the hedge accounting disclosures of the balance sheet are explained below:

Risk	Hedging strategy
Interest rate risk within the BayWa r.e. Group	The interest rate risks from project financing are hedged through interest rate swaps, some of which are reported in the hedge accounting disclosures of the balance sheet.
Commodity price risk in the agricultural division	The BayWa Group uses derivative financial instruments in the form of grain futures with physical fulfilment to hedge cash flows from future grain purchases and sales made by BayWa within the scope of its grain collecting, warehousing and marketing business. These hedges are recognised as all-in-one cash flow hedges; in other words, the expected, highly likely spot purchases and sales are designated as the underlying transactions, and the financial floating-to-fixed swaps are designated as hedges. The concluded hedges are 100% effective. The individual hedges are held until the maturity of the underlying transaction. New grain contracts are designated at contract inception.
Electricity price risk within the BayWa r.e. Group	Within the BayWa r.e. Group, electricity futures and forwards and long-term power purchase agreements with fixed pricing are used in hedge accounting. Electricity price futures and forwards are used to hedge against fluctuating cash flows from the physical purchase or sale of electricity within the framework of energy trading. Long-term power purchase agreements generally serve to hedge prices that have been fixed for the long term for the sale of electricity and green electricity certificates from wind farms and solar parks. These agreements involve either direct physical supply at fixed prices, provided the buyer can purchase the electricity from the local balance group, or financial compensation for the difference between the fixed price and variable market prices while the seller and the buyer feed in and procure electricity to and from their local balance groups.
Foreign currency risk within the BayWa r.e. Group	As part of its cash flow hedge accounting, the BayWa r.e. Group uses foreign currency futures with physical fulfilment to hedge material purchases, onshore costs and revenues within the scope of solar and wind farm projects where the currency differs from the functional currency of the company managing the project. These hedge relationships are reported as cash flow hedges; in other words, the expected, highly likely material purchases, onshore costs or sales revenues in a different currency are designated as the underlying transactions, and the spot components of the associated foreign currency futures are designated as hedges.
Foreign currency risk within the T&G Global Group	To counteract exchange rate fluctuations, future incoming payments in foreign currency are hedged within the framework of hedge accounting. Internal guidelines stipulate forwards and options for this purpose. If other hedging instruments are used, this must be approved on a case-by-case basis by an appropriate body. Hedging instruments are generally not concluded for longer than a period of up to two years.

The following table shows the development of cash flow hedge reserves for the matters presented above: The development relates exclusively to the hedging reserve (OCI I):

In € million	Agricultural trade	Energy trade	Foreign currency hedging	Interest rate hedging
As at 01/01/2023	**5.5**	**82.2**	**2.9**	**15.2**
Allocation	8.0	427.3	8.9	1.2
Release	- 3.8	- 24.6	- 5.7	- 4.3
Transfer to other current financial assets/financial liabilities	- 6.0	0.0	0.0	0.0
Reclassification in the income statement	0.0	- 481.7	- 0.1	- 1.7
Change to the group of consolidated companies	0.0	- 3.3	0.0	- 1.8
As at 31/12/2023	**3.6**	**- 0.1**	**6.0**	**8.5**

In € million	Agricultural trade	Energy trade	Foreign currency hedging	Interest rate hedging
As at 01/01/2022	**- 6.8**	**- 21.4**	**- 0.4**	**- 2.4**
Allocation	6.3	401.4	9.9	19.2
Release	- 3.0	- 298.4	- 6.9	- 2.8
Transfer to other current financial assets/financial liabilities	8.9	0.0	0.0	0.0
Reclassification in the income statement	0.0	1.2	0.2	0.7
Change to the group of consolidated companies	0.0	- 0.6	0.0	0.6
As at 31/12/2022	**5.5**	**82.2**	**2.9**	**15.2**

At the BayWa r.e. Group, only the spot component of the change to the fair value is designated as part of the cash flow hedge for foreign currency futures. The change in the fair value attributable to the forward component is recognised immediately through profit or loss in the income statement.

For the floors included in long-term power purchase agreements, only the intrinsic value of €0.0 million (2022: €0.0 million) is designated as a hedging instrument in hedge accounting. The fair value of the floors is presented separately in the OCI II reserve and amounted to €2.8 million in the financial year 2023 (2022: €3.3 million).

Information on hedging instruments in cash flow hedge accounting

The following table shows the effects on the financial position resulting from the hedging through cash flow hedges. Derivative assets are reported in the balance sheet item “Other assets”, while derivative liabilities are reported under “Other liabilities”.

2023	Book value	Nominal volume of contracts	thereof: due in < 1 year	thereof: due in 1 to 5 years	thereof: due in > 5 years	Nominal volume of contracts in tonnes or TWh
Derivative assets	**59.9**	**746.9**	**321.0**	**153.0**	**273.0**	**n/a**
Commodity futures – grain trading	8.7	124.8	121.2	3.6	0.0	0.5
thereof: purchase	2.1	24.5	24.4	0.1	0.0	0.2
thereof: sale	6.7	100.3	96.8	3.5	0.0	0.4
Commodity futures – energy trade	30.0	250.5	80.9	27.1	142.5	5.6
thereof: purchase	2.5	11.3	9.2	2.1	0.0	0.1
thereof: sale	27.5	239.2	71.7	25.0	142.5	5.5
FX hedges	10.9	211.3	118.8	92.4	0.0	n/a
Interest rate hedges	10.2	160.4	0.0	29.9	130.5	n/a
Derivative liabilities	**35.6**	**837.9**	**158.7**	**21.6**	**657.6**	**n/a**
Commodity futures – grain trading	3.5	58.1	56.4	1.7	0.0	0.2
thereof: purchase	1.7	26.6	26.6	0.0	0.0	0.1
thereof: sale	1.8	31.5	29.8	1.7	0.0	0.1
Commodity futures – energy trade	26.9	633.6	49.2	19.9	564.5	13.1
thereof: purchase	7.3	45.0	34.2	10.9	0.0	0.4
thereof: sale	19.6	588.6	15.1	9.0	564.5	12.7
FX hedges	2.6	53.1	53.1	0.0	0.0	n/a
Interest rate hedges	2.5	93.1	0.0	0.0	93.1	n/a

2022	Book value	Nominal volume of contracts	thereof: due in < 1 year	thereof: due in 1 to 5 years	thereof: due in > 5 years	Nominal volume of contracts in tonnes or TWh
Derivative assets	**233.8**	**1,302.8**	**760.0**	**202.8**	**340.0**	**n/a**
Commodity futures – grain trading	11.9	110.2	108.5	1.7	0.0	0.3
thereof: purchase	1.7	14.2	14.2	0.0	0.0	0.0
thereof: sale	10.1	96.0	94.3	1.7	0.0	0.2
Commodity futures – energy trade	197.2	777.1	563.2	23.0	190.9	7.8
thereof: purchase	29.3	42.3	31.2	11.1	0.0	0.4
thereof: sale	167.9	734.9	532.1	11.9	190.9	7.4
FX hedges	9.4	195.3	88.2	107.0	0.0	n/a
Interest rate hedges	15.4	220.2	0.0	71.1	149.1	n/a
Derivative liabilities	**65.1**	**724.2**	**300.2**	**75.5**	**348.5**	**n/a**
Commodity futures – grain trading	4.2	4.8	45.9	2.9	0.0	0.1
thereof: purchase	1.4	13.7	13.6	0.0	0.0	0.0
thereof: sale	2.8	35.1	32.2	2.9	0.0	0.1
Commodity futures – energy trade	55.6	544.6	174.5	30.8	339.4	8.4
thereof: purchase	23.7	112.3	107.8	4.5	0.0	0.4
thereof: sale	31.9	432.3	66.7	26.2	339.4	8.0
FX hedges	5.3	121.7	79.8	41.8	0.0	n/a
Interest rate hedges	0.1	9.1	0.0	0.0	9.1	n/a

The presented hedge relationships are highly effective (nearly 100%). Any ineffectiveness is immaterial.

Other risks in relation to financial instruments

The BayWa Group's risk management system is presented together with the objectives, principles and processes in the Management Report in the separate "Opportunity and risk management" section. Besides the risks presented in Note A.3, the following risks are of particular significance in this context.

Foreign currency risks

BayWa's business activities are largely located in the euro zone. If foreign currency positions arise from goods and services transactions or projects, they are always hedged without delay, as presented above. Other payment obligations or receivables denominated in a foreign currency are hedged at the time when they arise. Speculative borrowing or investing of financial resources denominated in foreign currencies is prohibited.

Credit and counterparty risks and default risks

As part of its entrepreneurial activities, BayWa Group has an important function as a source of financing for its agricultural trading partners. In the context of so-called cultivation contracts, the Group is exposed to a financing risk arising from the upfront financing of agricultural inputs, the repayment of which is made through acquiring and selling the harvest. Moreover, BayWa grants financing to commercial customers, particularly in the construction sector, in the form of payment terms of a substantial scope. Beyond this, there are the customary default risks inherent in trade receivables, such as the (partial) default of a debtor. Risks are kept to a minimum by way of an extensive debtor monitoring system that spans all business units. To this end, credit limits are defined through a documented process of approval and monitored on an ongoing basis. If particular red flags are determined in this process, such as the initiation of insolvency proceedings against the debtor or unsuccessful attachment of wages or receivables, the receivables are written off in full. Individual value adjustments are recognised for receivables not certain to be recovered within a foreseeable period of time, judged in accordance with the principle of commercial prudence, even if no red flags are determined. Receivables are written off immediately as soon as a red flag is determined.

In addition to credit risks, counterparty risks are also regularly monitored in agricultural trade; consequently, market value changes to open selling and buying contracts are measured so as to monitor the risk of the non-fulfilment of contract obligations. There is currently no discernible concentration of default risk from business relationships with individual debtors or groups of debtors. Besides standard market margin payments, no collateral exists for financial assets.

In order to enhance its financing structure, BayWa AG has secured trade receivables by way of an asset-backed securitisation (ABS) measure. In addition, an increasing number of factoring agreements have been concluded since the financial year 2022, on the basis of which existing and future receivables from deliveries and services are sold to banks.

More information on credit and counterparty risks, as well as default risks, can be found in Note C.6 Other receivables and other assets.

The maximum credit risk exposure at the end of the reporting period corresponds to the book value of financial assets. There are no significant securities that reduce the exposure.

Liquidity risks

The liquidity risk is the risk that the BayWa Group may not – or only to a limited extent – be able to fulfil its financial obligations. At the BayWa Group, funds are generated through operations and by borrowing from external financial institutions. Financing instruments such as multi-currency commercial paper programmes, asset-backed securitisation, bonded loans and syndicated loans, the first of which was taken out in the financial year 2021, are also used. In addition, BayWa AG issued a bond in the form of a hybrid bond with a total nominal amount of €60.0 million on 5 May, which was subsequently increased by €40.0 million to €100.0 million on 29 September 2023. Further details can be found in C.11 Equity. Existing credit lines are therefore measured to an extent deemed sufficient to guarantee business performance at all times, even in the event of growing volume. Owing to the diversification of the sources and durations of financing, the BayWa Group does not currently have any risk clusters concerning liquidity.

C.22 Leases

Material leases are primarily concluded at the BayWa Group for the rights of use to land and buildings, construction land, rights of way and infrastructure, technical facilities, vehicles and forklift trucks.

Information regarding BayWa as lessee

In € million	**2023**	2022
Interest expenses	39.0	34.7
Expenses for short-term and low-value leases	16.8	18.7
Future payment obligations from short-term leases that fall due after reporting date	2.7	1.6
Expenses for variable leases	2.0	0.8
Gains from sale-and-lease-back transactions	0.0	0.1
Total cash outflows from leases in the financial year	145.0	136.9
Income from sub-leases	1.0	0.4

Information regarding BayWa as lessor

In € million	**2023**	2022
Receivables from finance leases		
Due within one year	4.1	4.4
Due between one and two years	1.7	3.2
Due between two and three years	0.8	0.1
Due between three and four years	0.1	0.0
Due between four and five years	0.0	0.0
Due after more than five years	0.3	0.3
Sum total of future lease payments	**7.0**	**8.0**
Less unrealised interest income	- 0.3	- 0.2
Net investment of receivables from finance leases	**6.7**	**7.8**
Financial income from net investment of receivables from finance leases	0.2	0.1
Income from variable lease payments received from finance leases	0.1	0.2
Disposal gains/losses from finance leases	- 0.9	0.0

In € million	**2023**	2022
Lease payments from operating leases		
Due within one year	18.2	16.6
Due between one and two years	15.3	12.7
Due between two and three years	13.6	11.1
Due between three and four years	10.1	10.4
Due between four and five years	7.5	7.2
Due after more than five years	11.0	6.7
Sum total of future lease payments	**75.7**	**64.7**
Income from lease payments received from operating leases	19.8	18.0
Income from variable lease payments received from operating leases	1.0	1.0

Further information regarding leases is included in the statement of changes in assets and in C.15 Lease liabilities.

D Notes to the Income Statement

The layout of the income statement accords with total cost-type accounting.

D.1 Revenues

The BayWa Group's revenues break down as follows:

In € million	2023	2022
Goods	22,943.7	26,245.1
Services	1,004.5	816.7
	23,948.2	**27,061.8**

Revenues also include those generated by BayWa as an agent in relation to the issuing of filling station cards and in certain fruit trading activities. The sale of project companies, particularly in the Renewable Energies Segment, is also reported in revenues if the sale constitutes a revenue-like transaction. For details, please see A.5 Other discretionary decisions and accounting policies.

The breakdown by corporate division and region can be seen in the segment report (Note E.2). Owing to the diversified business activities of the individual segments, inter-segment revenues are transacted only to a minor extent.

D.2 Other operating income

In € million	2023	2022
Rental income	33.3	33.4
Gains from the disposal of assets	29.0	19.9
Income from the release of provisions	42.5	66.2
Reimbursement of expenses	27.0	22.7
Income from the reduction in risk provisions for expected credit losses	9.2	14.9
Staff placement	6.3	5.7
Other income from public subsidies	5.8	2.9
Income from the fair value measurement of biological assets	3.6	8.7
Income from intra-Group cost allocation	3.0	6.8
Foreign exchange gains	132.9	212.7
Other income	119.1	99.0
	411.7	**492.9**

Rental income, which is on a par with the previous year, includes gains from ancillary costs. Gains from the disposal of assets primarily comprise the disposal of property portfolios of BayWa AG, Raiffeisen-Lagerhaus GmbH and TFC Holland B.V. Income from the release of provisions totalling €42.5 million relates in particular to provisions for bonus payments, which are mainly attributable to BayWa AG and BayWa r.e. AG. Foreign exchange gains totalling €132.9 million (2022: €212.7 million) were the result of normal market exchange rate fluctuations. The foreign exchange gains are offset by corresponding expenses (see Note D.5). Other income includes, in particular, income from advertising allowances, income from receivables written down or income from the release of value adjustments on receivables and a variety of further individual items.

D.3 Cost of materials

In € million	**2023**	2022
Expenses for raw materials, consumables and supplies, and for goods sourced	- 20,685.7	- 23,953.8
Expenses for services outsourced	- 601.2	- 627.4
	- 21,286.9	**- 24,581.2**

D.4 Personnel expenses

In € million	**2023**	2022
Wages and salaries	- 1,337.1	- 1,248.1
Share-based payment	- 3.7	- 3.7
Expenses for pensions, support and severance pay	- 23.1	- 22.5
thereof: current service cost	- 5.4	- 7.2
Social insurance contributions	- 241.3	- 235.3
	- 1,605.3	**- 1,509.5**

After calculating the provisions for pension and severance pay pursuant to IAS 19, expenses for pension and severance pay total €25.6 million (2022: €12.8 million). Of this amount, a portion of €5.4 million (2022: €7.3 million) has been disclosed under personnel expenses, and a portion totalling €20.2 million (2022: €5.5 million) under interest expenses.

Number	**2023**	2022
Employees		
Annual average (Section 267 para. 5 German Commercial Code (HGB))	23,050	22,293
As at 31/12	23,144	22,508

D.5 Other operating expenses

In € million	**2023**	2022
Vehicle fleet	- 86.7	- 88.1
Maintenance	- 85.7	- 87.4
Cost of legal and professional advice, audit fees	- 81.5	- 77.6
Advertising	- 70.7	- 64.8
IT costs	- 53.3	- 42.8
Energy	- 48.1	- 44.6
Insurance	- 46.9	- 40.9
Rent	- 46.1	- 36.7
Travel expenses	- 39.6	- 32.1
Expenses for staff hired externally	- 20.2	- 20.1
Commission	- 17.8	- 19.1
Training and professional development costs	- 17.3	- 13.3
Office supplies	- 16.7	- 16.6
Expense from the increase in the expected credit loss	- 16.7	- 12.9
Amortisation of/value adjustments on receivables	- 16.1	- 19.6
Expenses for other operating taxes	- 16.1	- 13.3
Information expenses	- 13.9	- 13.8
Losses from asset disposals	- 11.8	- 22.1
Administrative expenses	- 11.5	- 14.1
Foreign exchange losses	- 145.5	- 219.8
Other expenses	- 233.7	- 172.3
	- 1,095.9	**- 1,072.0**

The increase in other operating expenses by €23.9 million in the financial year 2023 is due to higher IT expenses and, above all, increases in expenses for rent, business travel and insurance. The rise in other expenses, which comprise mainly general selling and other costs, such as those incurred by securing against operating risks, was due to a variety of further individual items. In contrast, foreign exchange losses decreased by €74.2 million.

D.6 Income from participating interests recognised at equity and other income from shareholdings

In € million	**2023**	2022
Income from participating interests recognised at equity	**11.9**	**14.2**
Income/expenses from affiliated companies	- 0.4	0.3
Income/expenses from the disposal of affiliated companies	0.1	46.1
Other income from holdings and similar income	6.1	11.3
Write-downs and other expenses of investments	- 2.4	- 8.7
Other income from shareholdings	**3.3**	**49.1**
	15.2	**63.3**

Income from participating interests recognised at equity declined by €2.3 million in the financial year 2023 to €11.9 million. Compared to the previous year, this decline is mainly due to the negative earnings contributions of Amadeus Wind Holdings, LLC, Wilmington, USA. Other income from shareholdings fell by €45.8 million compared to the previous year and totalled €3.3 million. In the previous year, the disposals of the bioenergy portfolio, consisting of BayWa r.e. Bioenergy GmbH, Regensburg, Germany, and its subsidiaries, as well as the disposals of Schradenbiogas GmbH & Co. KG, Gröden, Germany, and Al Dahra BayWa Agriculture LLC, Abu Dhabi, United Arab Emirates, had a particularly positive impact. By contrast, the sales of Karadoc Solar Farm HoldCo Pty Ltd, Melbourne, Australia, (including its subsidiaries) and Serralonga Energia S.r.l., Turin, Italy, in the Renewable Energies Segment had a particularly negative effect on other income from shareholdings in the financial year 2023. Unlike this loss-making sale, the disposals of Aufwind Schmack Első Biogáz Szolgáltató Kft, Szarvas, Hungary, and Windpark Desloch GmbH & Co. KG, Gräfelfing, Germany, affected other income from shareholdings positively (see also Note B.2). Dividend income is generally recorded as and when a claim to payout arises.

D.7 Interest income and expenses

In € million	2023	2022
Interest and similar income	20.3	14.9
thereof: from affiliated companies	1.4	0.8
Interest from fair value measurement	0.0	2.7
Interest income	**20.3**	**17.6**
Interest and similar expenses	- 301.5	- 157.9
thereof: to affiliated companies	- 0.2	- 0.1
Interest from fair value measurement	- 0.5	- 3.0
Interest portion from leases	- 39.0	- 34.7
Interest portion of the allocation to pension provisions and other personnel provisions	- 21.0	- 6.4
Interest expenses	**- 362.0**	**- 202.1**
Net interest	**- 341.7**	**- 184.5**

D.8 Income tax

Income tax breaks down as follows (negative amounts are tax expenses, positive amounts are tax income):

In € million	2023	2022
Actual taxes	- 90.6	- 121.4
Deferred taxes	34.9	41.3
	- 55.7	**- 80.1**

Actual tax income and expenses comprise the corporate and trade tax of the companies in Germany and comparable taxes on foreign companies.

Deferred taxes are formed for all temporary differences between the tax-related assigned values and IFRS values as well as the consolidation measures. Equity includes deferred tax assets of €29.8 million (2022: €32.6 million) net that were offset against the reserve for actuarial gains and losses from provisions for pensions and severance pay. Moreover, deferred tax liabilities of €48.8 million (2022: €64.5 million) were offset against the valuation reserve directly in equity through other comprehensive income. Deferred tax assets continued to exist in the amount of €1.3 million (2022: €1.0 million) and are also recognised in equity. Of this amount, €0.3 million (2022: €0.0 million) in deferred tax assets is attributable to the hybrid bond issued by BayWa AG. Deferred tax assets include tax-reducing claims which arise from the expected utilisation of loss carryforwards in the years ahead, the realisation of which is assured with sufficient probability. These amounted to €83.1 million (2022: €68.4 million). As part of corporate planning, a time horizon of five years (maximum) has been assumed here. No deferred tax assets were recognised for loss carryforwards of €470.7 million (2022: €456.4 million) and tax credits of €64.1 million (2022: €40.4 million), as their usability is not anticipated within the specified period. Loss carryforwards of individual Group companies can be partly carried forward within a limited period of time. No material tax assets which are eligible as carryforwards for a limited period of time are likely to expire. The deferred tax income from the origination and/or reversal of temporary differences amounts to €53.7 million (2022: €29.9 million).

In 2023, net deferred tax assets from temporary differences and from loss carryforwards in the amount of €54.3 million (2022: €24.1 million) existed at subsidiaries that generated losses in the past year or in the year before that. They were seen as recoverable, as tax gains are expected in the future for these companies. There were one-off effects in the financial year 2023 among relevant companies that resulted in a loss. These losses are not expected to be repeated in subsequent years.

Deferred taxes are calculated on the basis of the tax rates which apply or are anticipated given the current legal situation in the individual countries at the time when taxes are levied. The tax rate of BayWa AG was 29.13% in the reporting year (2022: 29.13%).

Deferred tax assets and liabilities are allocated to the individual balance sheet items as shown in the table below:

	Deferred tax assets		Deferred tax liabilities	
In € million	**2023**	2022	**2023**	2022
Intangible assets and property, plant and equipment	32.3	15.1	340.1	312.1
Investments	20.9	6.3	36.3	33.5
Current assets	74.4	67.3	95.8	200.7
Other assets	1.0	0.9	14.0	24.6
Tax loss carryforwards	210.3	191.8	0.0	0.0
Tax credits	22.9	0.0	0.0	0.0
Provisions	177.7	198.6	17.5	23.6
Liabilities	259.9	239.9	26.7	5.9
Other liabilities	42.0	50.3	37.9	33.3
Value adjustments on deferred tax assets	- 238.2	- 188.8	0.0	0.0
Balance	- 431.9	- 416.8	- 431.9	- 416.8
Consolidation	3.1	- 2.7	- 6.8	- 12.0
	174.4	**161.9**	**129.6**	**204.9**

Contrary to the presentation from the previous year, tax credits are recognised in a specific item rather than cumulatively in current assets, as they represent a significant value in 2023.

The actual tax expenses are €66.7 million lower than the amount that would have been incurred if the German corporate tax rate had been applied under the currently prevailing law, plus the solidarity surcharge and the trade tax burden on the consolidated earnings before tax. The tax rate of 29.13% calculated for actual tax is based on the uniform corporate tax rate of 15.0%, plus the solidarity surcharge of 5.5% and the average effective trade tax burden of 13.31%. Deferred tax liabilities were not recognised for subsidiaries and associates if and when the company can control the timing of reversals and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liabilities were not formed for temporary differences from subsidiaries, joint ventures and associates in an amount of €8.8 million (2022: €19.6 million).

The table below shows the transition from the computed tax expenses in accordance with the corporate tax rate to the income tax expenses actually reported:

In € million	**2023**	2022
Consolidated result before income tax	**- 37.7**	**319.6**
Computational tax expenses based on a tax rate of 29.13%	11.0	- 93.1
Difference against foreign tax rates	- 6.2	- 12.6
Tax not relating to the period	- 9.4	10.6
Permanent difference changes	- 7.3	- 20.2
Tax effect due to non-tax-deductible expenses	- 36.4	- 16.0
Trade tax deductions and additions and effects from tax groups	- 2.4	- 0.2
Deconsolidation effects	5.0	- 1.1
Tax-exempt income	11.2	51.1
Changes in the value adjustment of deferred tax assets	- 29.8	- 6.9
Tax effect from equity results	3.2	3.9
Effects from changes in tax rates	0.3	1.1
Other tax effects	5.1	3.3
Income tax reported	**- 55.7**	**- 80.1**

D.9 Profit share of minority interest

The share of consolidated net result for the year attributable to the other shareholders of €4.7 million (2022: €71.4 million) is positive. It is mainly attributable to the minority interests in BayWa r.e. AG and T&G Global Limited and their respective subsidiaries.

D.10 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 of €3.9 million and recognised pro rata temporis, by the average number of the shares issued in the financial year and dividend-bearing shares. There were no diluting effects.

		2023	2022
Net result for the year adjusted for minority interest	in € million	- 98.4	168.1
Average number of shares issued	Units	35,862,389	35,644,609
Basic earnings per share	in €	- 2.84	4.36
Diluted earnings per share	in €	- 2.84	4.36
Proposed dividend per share	in €	0.00	1.10
Proposed special dividend per share to mark the 100th anniversary of BayWa AG	in €	0.00	0.10
Dividend per share paid out	in €	1.20	1.05

E Further Information

E.1 Explanations on the cash flow statement of the BayWa Group

The cash flow statement shows how the cash and cash equivalents of the BayWa Group have changed due to cash inflows and outflows during the reporting year. Cash and cash equivalents shown in the cash flow statement comprise all liquid funds disclosed in the balance sheet, i.e. cash in hand, cheques and deposits in banks. Owing to the fact that the Group conducts its business mainly in the euro zone, the impact of exchange-rate induced changes in cash and cash equivalents is of secondary importance and is therefore disclosed together with changes in the group of consolidated companies. The funds are not subject to any restraints on disposal.

In accordance with the standards set out under IAS 7, the cash flow statement is divided up into cash flow from operating activities, investing activities and financing activities.

The cash flow from operating activities is calculated indirectly, based on the consolidated net result for the year. This cash flow is adjusted for non-cash expenses (mainly depreciation and amortisation) and income. Cash flow from investing activities is calculated on a cash-effective basis and comprises cash-effective changes in consolidated non-current assets as well as incoming and outgoing payments from the acquisition of companies. Cash flow from financing activities is also ascertained on a cash-effective basis and comprises primarily cash-effective changes in borrowings and cash outflows from dividend distribution and the reduction of funds. Within the scope of the indirect calculation of these positions, changes from currency translation and from changes in the group of consolidated companies were eliminated, as they do not affect cash. For this reason, a comparison of these figures with the figures in the consolidated balance sheet is not possible. Further details on acquisitions and disposals can be found under Note B.1.

The transition of liabilities to cash flows from financing activities was as follows:

In € million		Cash-effective		Not cash-effective				
	01/01/2023	payments during the period	interest expenses	company acquisitions and disposals	currency translation effects	fair value changes	other changes	**31/12/2023**
Liabilities due to banks	4,136.2	340.9	- 297.4	- 104.6	- 7.6	0.0	216.2	4,283.7
Bonds	499.5	8.4	0.0	0.0	0.0	0.0	0.0	507.9
Commercial papers	641.7	- 9.3	0.0	0.0	0.0	0.0	0.0	632.4
Dormant equity holding	1.4	- 1.4	0.0	0.0	0.0	0.0	0.0	0.0
Lease liabilities	1,001.9	- 94.8	- 37.8	- 4.6	- 5.2	0.0	203.5	1,063.0
Liabilities due to payment providers	28.8	19.2	0.0	0.0	0.0	0.0	0.0	48.0
	6,309.5	**263.0**	**- 335.2**	**- 109.2**	**- 12.8**	**0.0**	**419.7**	**6,535.0**

In € million		Cash-effective		Not cash-effective				
	01/01/2022	payments during the period	interest expenses	company acquisitions and disposals	currency translation effects	fair value changes	other changes	31/12/2022
Liabilities due to banks	2,964.4	1,214.0	- 155.2	- 25.7	- 7.4	0.0	146.1	4,136.2
Bonds	498.8	0.7	0.0	0.0	0.0	0.0	0.0	499.5
Commercial papers	720.0	- 78.3	0.0	0.0	0.0	0.0	0.0	641.7
Dormant equity holding	1.4	0.0	0.0	0.0	0.0	0.0	0.0	1.4
Lease liabilities	938.3	- 82.7	- 33.4	0.9	0.2	0.0	178.6	1,001.9
Liabilities due to payment providers	0.0	28.8	0.0	0.0	0.0	0.0	0.0	28.8
	5,122.9	**1,082.5**	**- 188.6**	**- 24.8**	**- 7.2**	**0.0**	**324.7**	**6,309.5**

Changes due to additions and disposals of project companies from the Renewable Energies Segment are shown under other changes.

E.2 Explanations on the segment report

Dividing up of operations into segments

The segment report provides an overview of the important business divisions of the BayWa Group. Here, the activities of the BayWa Group are divided into segments pursuant to IFRS 8. The division of activities is based on internal management and reporting structures. It is presented in the same form as is submitted to decision makers, namely the Board of Management of BayWa AG, on a regular basis, therefore forming the basis for strategic decisions. This results in greater uniformity of the internal and external reporting system. All consolidation measures are shown in a separate column of the segment report. Aside from the depreciation and amortisation included in this section, there are no other material non-cash items that must be reported separately in the segment report. Segment reporting remains unchanged year on year.

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 worldwide project planning, management and the construction of wind farms and solar parks as well as the sale of finished plants. Most recently, activities were also expanded to include offshore wind turbines. 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 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 Agricultural Equipment 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. 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 complete spectrum of building materials, ranging from subsurface construction, surface construction, new-build construction, renovation and modernisation to horticulture and landscaping as well as solution packages for energy and healthy buildings. 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. The Building Materials Segment also 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 and energy efficiency. A further focal point lies in supplying specialities in fields such as wooden construction and construction timber, formwork equipment and precast concrete elements, as well as flat-roof construction. In addition, BayWa works with developers on the implementation of construction projects in Germany.

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 and the financial results per segment 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.

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. A computational transition to the following financial information by segment is not possible.

Financial information by segment for the financial year 2023

In € million **31/12/2023**	Renewable Energies	Energy	Cefetra Group	Agri Trade & Service
Revenues generated through business with third parties	5,789.4	2,820.0	5,309.3	4,899.3
Intra-segment revenues	419.9	335.8	750.3	554.1
Inter-segment revenues	9.2	24.8	24.9	34.3
Total revenues	**6,218.5**	**3,180.6**	**6,084.5**	**5,487.7**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**271.3**	**34.1**	**73.8**	**68.6**
Depreciation/amortisation	- 77.5	- 16.3	- 9.2	- 42.2
Earnings before interest and tax (EBIT)	**193.8**	**17.8**	**64.6**	**26.4**
thereof: income from participating interests recognised at equity	- 1.4	2.2	0.2	1.2
thereof: other income from shareholdings	- 1.1	0.1	- 0.4	- 0.3
Net interest	- 135.3	- 3.1	- 36.9	- 57.1
Earnings before tax (EBT)	**58.5**	**14.7**	**27.7**	**- 30.7**
Income tax				
Net result for the year				
Assets	4,763.0	535.5	1,114.6	1,799.2
thereof: participating interests recognised at equity	103.3	4.5	2.0	22.6
thereof: non-current assets held for sale	0.0	0.0	0.0	0.4
Inventories	1,413.9	92.4	532.7	860.3
thereof: non-current assets held for sale	0.0	0.0	0.0	0.0
Liabilities	3,677.1	515.0	930.7	1,705.1
thereof: liabilities from non-current assets held for sale	0.0	0.0	0.0	0.0
Investments in intangible assets, property, plant and equipment and investment property (including company acquisitions)	441.5	27.3	18.8	52.1
Employee annual average	4,592	1,472	709	3,761

Agricultural Equipment	Global Produce	Building Materials	Innovation & Digitalisation	Other Activities *	Transition	**Group**
2,239.3	878.6	1,988.3	10.4	13.6	0.0	23,948.2
40.6	161.0	58.6	1.5	23.2	- 2,345.0	- 0.0
4.1	0.0	1.2	0.1	4.7	- 103.3	- 0.0
2,284.0	**1,039.6**	**2,048.1**	**12.0**	**41.5**	**- 2,448.3**	**23,948.2**
109.6	**19.1**	**44.2**	**- 4.5**	**- 28.9**	**0.0**	**587.3**
- 25.0	- 34.2	- 37.6	- 6.3	- 34.5	- 0.5	- 283.3
84.6	**- 15.1**	**6.6**	**- 10.8**	**- 63.4**	**- 0.5**	**304.0**
0.5	0.7	- 0.9	0.0	9.4	0.0	11.9
0.0	0.2	0.1	- 0.2	4.9	0.0	3.3
- 34.4	- 17.6	- 37.0	- 1.9	- 18.4	0.0	- 341.7
50.2	**- 32.7**	**- 30.4**	**- 12.7**	**- 81.8**	**- 0.5**	**- 37.7**
						- 55.7
						- 93.4
1,503.4	718.9	1,131.7	39.3	6,088.3	- 5,175.2	12,518.7
10.5	20.7	4.7	0.0	147.1	0.0	315.4
0.0	3.0	0.0	0.0	0.0	0.0	3.4
921.2	45.3	456.5	2.1	0.7	- 1.6	4,323.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0
1,712.3	446.2	1,220.4	58.8	3,230.7	- 2,690.6	10,805.7
0.0	0.0	0.0	0.0	0.0	0.0	0.0
32.1	78.7	43.9	3.2	39.2	0.0	736.8
3,931	2,737	4,655	124	1,069	–	23,050

*** prior to consolidation**

Financial information by segment for the financial year 2022

In € million 31/12/2022	Renewable Energies	Energy	Cefetra Group	Agri Trade & Service	
Revenues generated through business with third parties	6,489.2	3,343.6	6,111.2	5,750.7	
Intra-segment revenues	593.1	451.2	773.0	687.8	
Inter-segment revenues	1.9	26.4	35.7	26.9	
Total revenues	**7,084.2**	**3,821.2**	**6,919.9**	**6,465.4**	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**364.3**	**71.3**	**81.0**	**156.2**	
Depreciation/amortisation	- 125.2	- 17.7	- 21.5	- 51.5	
Earnings before interest and tax (EBIT)	**239.1**	**53.6**	**59.5**	**104.7**	
thereof: income from participating interests recognised at equity	5.5	- 0.1	0.2	1.1	
thereof: other income from shareholdings	43.7	- 3.0	2.1	1.8	
Net interest	- 77.9	- 1.7	- 12.7	- 32.7	
Earnings before tax (EBT)	**161.2**	**51.9**	**46.8**	**72.0**	
Income tax					
Net result for the year					
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	0.0	0.0	0.0	0.3	
Inventories	1,774.7	98.6	643.1	1,102.9	
thereof: non-current assets held for sale	0.0	0.0	0.0	0.0	
Liabilities	3,857.6	528.2	1,151.3	2,084.5	
thereof: liabilities from non-current assets held for sale	0.0	0.0	0.0	0.0	
Investments in intangible assets, property, plant and equipment and investment property (including company acquisitions)	176.1	19.9	31.6	124.7	
Employee annual average	3,754	1,411	623	3,630	

	Agricultural Equipment	Global Produce	Building Materials	Innovation & Digitalisation	Other Activities *	Transition	**Group**
	2,076.5	921.3	2,346.9	10.4	12.0	0.0	27,061.8
	40.3	126.8	58.5	2.0	23.2	- 2,755.9	0.0
	4.7	0.0	1.1	0.2	4.0	- 100.9	0.0
	2,121.5	**1,048.1**	**2,406.5**	**12.6**	**39.2**	**- 2,856.8**	**27,061.8**
	93.8	**56.4**	**105.7**	**- 5.6**	**- 64.3**	**0.0**	**858.8**
	- 23.6	- 35.3	- 35.3	- 5.8	- 36.8	- 2.0	- 354.7
	70.2	**21.1**	**70.4**	**- 11.4**	**- 101.1**	**- 2.0**	**504.1**
	- 0.2	1.3	- 0.9	0.0	7.3	0.0	14.2
	0.0	2.1	0.1	0.0	2.3	0.0	49.1
	- 15.7	- 10.7	- 21.4	- 0.9	- 10.8	0.0	- 184.5
	54.5	**10.4**	**49.0**	**- 12.3**	**- 111.9**	**- 2.0**	**319.6**
							- 80.1
							239.5
	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	0.0	139.9	0.0	278.7
	0.0	15.1	0.0	0.0	1.0	0.0	16.4
	686.5	37.8	414.3	1.2	0.5	- 2.8	4,756.8
	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	1,293.3	423.4	1,202.1	58.0	3,370.6	- 2,901.6	11,067.4
	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	41.8	112.8	65.1	3.9	42.5	0.0	618.4
	3,826	3,151	4,661	220	1,071.0	–	22,293

*** prior to consolidation**

Segment reporting by region

Beyond reporting under IFRS 8, which does not require secondary segment information, information on segment reporting by region is also disclosed. Consequently, external sales are allocated according to where the customer is domiciled; the Group's core markets are in Germany, Austria and the Netherlands.

Financial information by region

	External sales		Non-current assets	
In € million	**2023**	2022	**2023**	2022
Germany	9,116.2	9,916.7	1,982.6	1,841.4
Austria	3,384.4	3,877.6	570.7	542.6
Netherlands	1,846.0	2,412.7	247.4	248.1
New Zealand	292.4	454.0	306.4	321.7
USA	819.8	1,060.1	744.1	612.8
Other international operations	8,489.4	9,340.7	1,066.5	824.3
thereof: rest of Europe	7,348.8	8,464.9	818.4	506.7
Group	**23,948.2**	**27,061.8**	**4,917.6**	**4,390.9**

E.3 Litigation

Group companies are and will continue to be faced with legal disputes and administrative proceedings in relation to their operating business activities. Such disputes and proceedings can relate to the assertion of third-party claims based on poor services (e.g. consultation errors), deliveries not being up to standard (e.g. deficiencies) or payment disputes, but can also result from breaches of compliance requirements by individual employees. This may lead, among other things, to individual Group companies having to pay compensation or financial penalties or being imposed with other civil or criminal sanctions.

In March 2015, the Bundeskartellamt (German federal antitrust authority) initiated administrative offence proceedings concerning crop protection products. The proceedings were ended in January 2020. Since then, there has been a fundamental risk that customers could assert claims for compensation against BayWa AG. At the time the financial statements were prepared, a claim for damages was filed against BayWa AG. Further claims for damages are pending against other companies involved in the cartel proceedings. In these proceedings, BayWa AG was notified of the dispute by the defendant. If the case were to be lost, this company could be entitled to claim a settlement against BayWa AG, because the companies involved in such an administrative offence generally hold joint and several liability. In such a case, there would be a risk that BayWa AG would also have to settle part of the potential damages. It is BayWa AG's belief that the penalised misconduct did not result in any buyers of BayWa AG suffering any financial damages whatsoever.

We assume, supported by the assessment of our advisers, that it is not highly likely in this context that third parties will be able to successfully assert any material claims against BayWa AG. Therefore, no risk provisions for this matter have been formed on the balance sheet.

Neither BayWa AG nor any of its Group companies are involved in a court case or arbitration proceedings which could have a major impact on the economic situation of the Group, either now or in the past two years. Such court cases are also not foreseeable. Provisions have been made in an appropriate amount at the respective Group company for any financial burdens arising from other court cases or arbitration proceedings and for other legal disputes and/or there is appropriate insurance cover in place.

E.4 Information pursuant to Section 160 para. 1 item 8 of the German Stock Corporation Act (AktG)

Pursuant to the German Securities Trading Act (WpHG), any shareholder who reaches, exceeds or falls below the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75% of the voting rights of a listed company is required to inform the company and the German Financial Supervisory Authority (BaFin) without delay. BayWa AG was informed of the following holdings:

Pursuant to Section 41 para. 2 in conjunction with Section 21 para. 1 of the German Securities Trading Act (WpHG), Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany, informed us on 4 April 2002 that the proportion of its voting rights in our company had exceeded the 30% threshold and stood at 37.51% as at 1 April 2002.

Raiffeisen Agrar Invest GmbH, Vienna, Austria, informed us on 16 July 2009 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share apportioned to it of the voting rights in BayWa Aktiengesellschaft, Arabellastraße 4, 81925 Munich, Germany, exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) on 15 July 2009.

Raiffeisen Agrar Holding GmbH, Vienna, Austria, informed us on 16 July 2009 that, pursuant to Sections 21 para. 1, 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG), the share apportioned to it of the voting rights in BayWa Aktiengesellschaft, Arabellastraße 4, 81925 Munich, Germany, exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) on 15 July 2009. Of these voting rights, 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) were apportionable to Raiffeisen Agrar Holding GmbH pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG). These voting rights were apportionable to Raiffeisen Agrar Holding GmbH via Raiffeisen Agrar Invest GmbH (direct holder of the voting rights) pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG).

LEIPNIK-LUNDENBURGER INVEST Beteiligungs AG, Vienna, Austria, informed us on 16 July 2009 that, pursuant to Sections 21 para. 1, 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG), the share apportioned to it of the voting rights in BayWa Aktiengesellschaft, Arabellastraße 4, 81925 Munich, Germany, exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) on 15 July 2009. Of these voting rights, 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from shares with restricted transferability and 143,888 voting rights from registered shares) were apportionable to LEIPNIK-LUNDENBURGER INVEST Beteiligungs AG pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG). These voting rights were apportionable to LEIPNIK-LUNDENBURGER INVEST Beteiligungs AG via Raiffeisen Agrar Holding GmbH pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG).

On 8 September 2009, we received the following notification from ‘KORMUS’ Holding GmbH, Friedrich-Wilhelm-Raiffeisen-Platz 1, 1020 Vienna, Austria, Company Register no. FN 241822X:

> “We herewith inform you that, pursuant to Sections 21 para. 1 and 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG), the share of the voting rights in BayWa Aktiengesellschaft, Arabellastraße 4, 81925 Munich, Germany, apportioned to us had fallen below the thresholds of 25%, 20%, 15%, 10%, 5% and 3% on 8 September 2009 and that the whole share in the voting rights now amounts to 0% (the equivalent of 0 voting rights). To date, a share in the voting rights of 25.12% (the equivalent of 8,533,673 voting rights) was apportionable to us pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG) via LEIPNIK-LUNDENBURGER INVEST Beteiligungs AG. As a result of a demerger, 16,329,226 of the shares formerly held by us in LEIPNIK-LUNDENBURGER INVEST Beteiligungs AG (the equivalent of 50.05% of the shares and the voting rights) were directly transferred to ‘LAREDO’ Beteiligungs GmbH, our direct parent company, with effect from 8 September 2009.”

‘LAREDO’ Beteiligungs GmbH, Vienna, Austria, informed us on 16 July 2009 that, pursuant to Sections 21 para. 1, 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG), the share apportioned to it of the voting rights in BayWa Aktiengesellschaft, Arabellastraße 4, 81925 Munich, Germany, exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) on 15 July 2009. Of these voting rights, 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from shares with restricted transferability and 143,888 voting rights from registered shares) were apportioned to ‘LAREDO’ Beteiligungs GmbH pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG). These voting rights were apportionable to ‘LAREDO’ Beteiligungs GmbH via ‘KORMUS’ Holding GmbH pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG).

Raiffeisen-Holding Niederösterreich-Wien reg.Gen.m.b.H., Vienna, Austria, informed us on 16 July 2009 that, pursuant to Sections 21 para. 1, 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG), the share apportioned to it of the voting rights in BayWa Aktiengesellschaft, Arabellastraße 4, 81925 Munich, Germany, exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) on 15 July 2009. Of these voting rights, 25.12% (8,533,673 voting rights, of which 8,389,785 voting rights from registered shares with restricted transferability and 143,888 voting rights from registered shares) were apportionable to Raiffeisen-Holding GmbH, Niederösterreich-Wien reg.Gen.m.b.H. pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG). These voting rights were apportionable to Raiffeisen-Holding Niederösterreich-Wien reg.Gen.m.b.H. via ‘LAREDO’ Beteiligungs GmbH pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG).

RWA Management, Service und Beteiligungen GmbH, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), its share in the voting rights of BayWa Aktiengesellschaft, Munich, Germany, came to 25.12% (8,533,673 voting rights) on 15 July 2009 and that these voting rights are apportionable to it via Raiffeisen Agrar Invest GmbH (direct holder of the voting rights) pursuant to Section 22 para. 2 of the German Securities Trading Act (WpHG).
We received the following additional information regarding these developments pursuant to Section 27a para. 1 of the German Securities Trading Act (WpHG):

1) Objectives of the acquisition:
   a) The acquisition of BayWa Aktiengesellschaft voting rights serves to implement strategic goals;
   b) RWA Management, Service und Beteiligungen GmbH plans to obtain additional voting rights by means of acquisition or otherwise within the next twelve months, but not to a significant extent and mainly to prevent dilution of its existing voting rights;
   c) RWA Management, Service und Beteiligungen GmbH currently does not intend to exercise any further-reaching influence on the appointment of members of the issuer's administration, management and supervisory bodies;
   d) RWA Management, Service und Beteiligungen GmbH currently does not plan to implement any material changes to the company's capital structure, particularly in view of the ratio between equity and debt capital, as well as dividend policies.
2) Origin of funds used for the acquisition:
   Insofar as the acquisition of the voting rights occurred within the scope of the merger of RWA Verbundservice GmbH, the former wholly owned subsidiary of the reporting entity, with Raiffeisen Agrar Invest GmbH, neither debt nor equity capital was used for the acquisition of BayWa Aktiengesellschaft voting rights. Any further small acquisitions concluded since the merger were paid with company funds.

RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share apportioned to it in the voting rights of BayWa AG, Munich, Germany, came to 25.12% (8,533,673 voting rights) on 15 July 2009 and that these voting rights are apportionable to it via Raiffeisen Agrar Invest GmbH (direct holder of the voting rights) pursuant to Section 22 para. 2 of the German Securities Trading Act (WpHG). We received the following additional information regarding these developments pursuant to Section 27a para. 1 of the German Securities Trading Act (WpHG):

1) Objectives of the acquisition:
   a) The acquisition of BayWa Aktiengesellschaft voting rights serves to implement strategic goals;
   b) RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen plans to obtain additional voting rights by means of acquisition or otherwise within the next twelve months, but not to a significant extent and mainly to prevent dilution of its existing voting rights;
   c) RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen currently does not intend to exercise any further-reaching influence on the appointment of members of the issuer's administration, management and supervisory bodies;
   d) RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen currently does not plan to implement any material changes to the company's capital structure, particularly in view of the ratio between equity and debt capital as well as dividend policies.
2) Origin of funds used for the acquisition:
   Insofar as the acquisition of the voting rights occurred within the scope of the merger of RWA Verbundservice GmbH, the former wholly owned subsidiary of the reporting entity, with Raiffeisen Agrar Invest GmbH, neither debt nor equity capital was used for the acquisition of BayWa AG voting rights. Any further small acquisitions concluded since the merger were paid with company funds.

Correction of a voting rights notification from 16 July 2009:
RWA Management, Service und Beteiligungen GmbH, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa AG, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009. The share of voting rights of 25.12% (8,533,673 voting rights) is apportionable to it via Raiffeisen Agrar Invest GmbH pursuant to Section 22 para. 2 of the German Securities Trading Act (WpHG).

Correction of a voting rights notification from 16 July 2009:
RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa Aktiengesellschaft, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009. The share of voting rights of 25.12% (8,533,673 voting rights) is apportionable to RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen via Raiffeisen Agrar Invest GmbH pursuant to Section 22 para. 2 of the German Securities Trading Act (WpHG).

Correction of a voting rights notification from 16 July 2009:
Raiffeisen-Holding Niederösterreich-Wien registrierte Genossenschaft mit beschränkter Haftung, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa Aktiengesellschaft, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share

in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009. This share in voting rights of 25.12% (8,533,673 voting rights) is apportionable to Raiffeisen-Holding Niederösterreich-Wien registrierte Genossenschaft mit beschränkter Haftung via the chain 'LAREDO' Beteiligungs GmbH, LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, Raiffeisen Agrar Holding GmbH, Raiffeisen Agrar Invest GmbH, the direct holder of BayWa Aktiengesellschaft voting rights, pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG).

Correction of a voting rights notification from 16 July 2009:
'LAREDO' Beteiligungs GmbH, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa Aktiengesellschaft, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009. This share in voting rights of 25.12% (8,533,673 voting rights) is apportionable to 'LAREDO' Beteiligungs GmbH via the chain LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, Raiffeisen Agrar Holding GmbH, Raiffeisen Agrar Invest GmbH, the direct holder of BayWa Aktiengesellschaft voting rights, pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG).

Correction of a voting rights notification from 16 July 2009:
LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa Aktiengesellschaft, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009. This share in voting rights of 25.12% (8,533,673 voting rights) is apportionable to LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft Vienna, Austria, via the chain Raiffeisen Agrar Holding GmbH, Raiffeisen Agrar Invest GmbH (the latter being the direct holder of BayWa Aktiengesellschaft voting rights) pursuant to Section 22 para. 1 sentence 1 item 1 of the German Securities Trading Act (WpHG) and via Raiffeisen Agrar Invest GmbH pursuant to Section 22 para. 2 of the German Securities Trading Act (WpHG).

Correction of a voting rights notification from 16 July 2009:
Raiffeisen Agrar Holding GmbH, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa Aktiengesellschaft, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009. This share in voting rights of 25.12% (8,533,673 voting rights) is apportionable to it via Raiffeisen Agrar Invest GmbH pursuant to Section 22 para. 1 sentence 1 item 1 and Section 22 para. 2 of the German Securities Trading Act (WpHG).

Correction of a voting rights notification from 16 July 2009:
Raiffeisen Agrar Invest GmbH, Vienna, Austria, informed us on 10 May 2012 that, pursuant to Section 21 para. 1 of the German Securities Trading Act (WpHG), the share of voting rights apportioned to it in BayWa Aktiengesellschaft, Munich, Germany, had exceeded the thresholds of 15%, 20% and 25% on 15 July 2009 and that the whole share in the voting rights came to 25.12% (8,533,673 voting rights) on 15 July 2009.

Raiffeisen-Holding Niederösterreich-Wien registrierte Genossenschaft mit beschränkter Haftung, Vienna, Austria, informed us on 19 January 2016, in the form of a notification of voting rights pursuant to Section 41 para. 4f of the German Securities Trading Act (WpHG), that the share of voting rights apportioned to it in BayWa AG, Munich, Germany, amounted to 25.10% on 26 November 2015, which corresponds to 8,730,273 voting rights. The company's share had amounted to 25.12% on the date of the last notification.

E.5 Related party disclosures

At the BayWa Group, members of the Board of Management and the Supervisory Board are considered related parties. In relation to the shareholder group of BayWa AG, the holdings of Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany, as well as Raiffeisen Agrar Invest AG, Vienna, Austria, mean that they can exert significant influence on BayWa AG. These companies are therefore to be classified as related parties. Apart from dividend payments by BayWa AG to Bayerische Raiffeisen-Beteiligungs-AG of €14.7 million (2022: €12.8 million) and to Raiffeisen Agrar Invest AG of €12.0 million (2022: €10.2 million), no business transactions within the meaning of IAS 24 which are required to be reported here were carried out in the financial year 2023. Further information on obligations to related parties can be found in Note C.20.

Transactions with related parties are shown in the table below. [1]

In € million **2023**	Supervisory Board	Board of Management	Bayerische Raiffeisen-Beteiligungs-AG und Raiffeisen Agrar Invest AG	Non-consolidated subsidiaries	Joint ventures	Associates
Receivables	0.0	0.0	0.0	37.9	8.0	17.8
Liabilities	0.0	0.0	0.0	12.4	2.2	7.4
Interest income	0.0	0.0	0.0	1.3	0.3	0.1
Interest expenses	0.0	0.0	0.0	0.2	0.0	0.2
Revenues	0.0	0.0	0.0	20.6	22.9	67.8
Cost of materials	0.0	0.0	0.0	18.6	13.0	1.9

In € million 2022	Supervisory Board	Board of Management	Bayerische Raiffeisen-Beteiligungs-AG and Raiffeisen Agrar Invest AG	Non-consolidated subsidiaries	Joint ventures	Associates
Receivables	0.0	0.0	0.0	37.2	6.1	8.3
Liabilities	0.0	0.0	0.0	12.3	7.8	4.9
Interest income	0.0	0.0	0.0	0.0	0.0	0.3
Interest expenses	0.0	0.0	0.0	0.1	0.0	0.1
Revenues	0.0	0.0	0.0	26.2	2.7	55.5
Cost of materials	0.0	0.0	0.0	8.2	17.2	1.3

1 Until the financial year 2022, only transactions with non-consolidated joint ventures and non-consolidated associates were shown here. This presentation was changed in the financial year 2023 to the effect that transactions with joint ventures and associates accounted for using the equity method are also included in joint ventures and associates. The previous year has been adjusted accordingly.

The transactions conducted with related parties predominantly pertain to the sale of goods. Members of the Board of Management or of the Supervisory Board of BayWa AG are members in supervisory boards or board members of other companies with which BayWa AG maintains business relations in the course of normal business.

E.6 Fees of the Group auditor

The following fees paid to the Group auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft were recognised as expenses at BayWa AG and its subsidiaries:

In € million	**2023**	2022
For audits performed	1.8	1.6
For other consultancy services	0.6	0.2
For tax consultancy services	0.0	0.0
For other services	0.0	0.0
	2.4	**1.8**

The audit services relate primarily to the fees for the audit of the consolidated and single-entity financial statements of BayWa AG and of the subsidiaries included in the consolidated financial statements. The other consultancy services relate in particular to voluntary audits during the year in connection with planned M&A projects, the audit of the summarised non-financial report, preparatory activities relating to the issuing of a comfort letter and the audit in connection with the European Market Infrastructure Regulation (EMIR). In addition, various project-related audits were carried out in the financial year 2023 in connection with the introduction of new IT systems.

E.7 Executive and supervisory bodies of BayWa AG

Supervisory Board [1]

Name	Function and activity	Member since	Other mandate(-s)
Manfred Nüssel Master of Agriculture (University of Applied Sciences)	▪ Chairman of the Supervisory Board ▪ Honorary President of the German Raiffeisen Federation (Deutscher Raiffeisenverband e. V.), Berlin, Germany	21/07/1983 until 06/06/2023	▪ AGCO GmbH, Marktoberdorf, Germany (Member of the Supervisory Board) ▪ RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (Vice Chairman of the Supervisory Board) (until 24/03/2023)
Prof. Klaus Josef Lutz	▪ Chairman of the Supervisory Board ▪ President of the Chamber of Industry and Commerce for Munich and Upper Bavaria, Munich, Germany ▪ President of Bayerischer Industrie- und Handelskammertag (BIHK), Munich, Germany ▪ Member of the Executive Committee, German Chamber of Industry and Commerce (DIHK), Berlin, Germany	06/06/2023 until 19/01/2024	▪ BayWa r.e. AG, Munich, Germany (Chairman of the Supervisory Board) (until 22/01/2024) ▪ Giesecke & Devrient GmbH, Munich, Germany (Chairman of the Supervisory Board) ▪ RWA AG, Korneuburg, Austria (Member of the Supervisory Board) (until 22/01/2024) ▪ Euro Pool System International B.V., Rijswijk, Netherlands (Chairman of the Supervisory Board) ▪ Stichting Continuiteit AMG, Amsterdam, Netherlands (Member of the Supervisory Board) ▪ German Raiffeisen Federation (Deutscher Raiffeisenverband e. V., DRV), Berlin, Germany (Vice President) ▪ Deutscher Genossenschafts- und Raiffeisenverband e. V. (DGRV), Bonn, Germany (Member of the Board of Administration) ▪ Genossenschaftsverband Bayern e. V. (GVB), Munich, Germany (Member of the Association Council)
Klaus Buchleitner	▪ Vice Chairman of the Supervisory Board (until 31/03/2022)	17/06/2014 until 06/06/2023	▪ Uniqa Insurance Group AG (Member of the Supervisory Board) ▪ Uniqa Österreich Versicherungen AG (Member of the Supervisory Board)
Bernhard Loy	▪ First Vice Chairman of the Supervisory Board (since 06/06/2023) ▪ Service specialist ▪ Chairman of the Works Council of BayWa AG, Agricultural Equipment, Central Franconia ▪ Vice Chairman of the Main Works Council of BayWa Headquarters	05/06/2018	
Werner Waschbichler	▪ Vice Chairman of the Supervisory Board ▪ Chairman of the Works Council of BayWa Headquarters, Munich, Germany ▪ Chairman of the Main Works Council of BayWa Headquarters	01/03/1999 until 06/06/2023	

1 The Note "Executive and supervisory bodies of BayWa AG" describes the personnel changes in the chairmanship of the Supervisory Board following the resignation of Prof. Klaus Josef Lutz, even if they occurred on 19 January 2024, i.e. after the balance sheet date.

Name	Function and activity	Member since	Other mandate(-s)
Wolfgang Altmüller MBA (University of Applied Sciences)	▪ Second Vice Chairman of the Supervisory Board (since 06/06/2023) ▪ Chairman of the Board of Directors of meine Volksbank Raiffeisenbank eG, Rosenheim, Germany	17/06/2014	▪ Allianz Beratungs- und Vertriebs-AG, Munich, Germany (Member of the Supervisory Board) (until 07/03/2023) ▪ Allianz Versicherungs-AG, München (Member of the Supervisory Board) (until 09/03/2023) ▪ Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany (Chairman of the Supervisory Board) ▪ Atruvia AG, Karlsruhe, Germany (Member of the Supervisory Board) (until 21/06/2023) ▪ FTI Touristik GmbH, Munich, Germany (Chairman of the Supervisory Board) (until 30/06/2023) ▪ Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e. V. (BVR), Berlin, Germany (Chairman of the Advisory Board)
Theo Bergmann	▪ Driver ▪ Member of the Works Council	04/06/2013 until 06/06/2023	
Andrea Busch	▪ General Secretary ▪ ver.di, Saxony West-East-South	05/06/2018 until 06/06/2023	
Michael Göschelbauer	▪ Mayor of Altlengbach, Austria ▪ Farmer	06/06/2023	▪ RWA Raiffeisen Ware Austria AG, Korneuburg, Austria (Chairman of the Supervisory Board) ▪ RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen, Korneuburg, Austria (Chairman of the Supervisory Board)
Thomas Gürlebeck	▪ Union Secretary ▪ ver.di, Bavaria state region, trade section ▪ Vice Chairman of the trade section of ver.di, Bavaria state region	07/01/2021	
Jürgen Hahnemann	▪ Warehouse coordinator Franconia ▪ Chairman of the Works Council of BayWa AG, Building Materials, Central Franconia ▪ Member of the Main Works Council of BayWa Headquarters	05/06/2018	
Ingrid Halbritter	▪ Senior Credit Risk Manager	01/07/2021	
Jaana Hampel	▪ Union Secretary, trade section of ver.di, Central Franconia support area	06/06/2023	

Name	Function and activity	Member since	Other mandate(-s)
Mag. Michael Höllerer	▪ General Director (Chairman of the Board of Directors) of Raiffeisenlandesbank Niederösterreich-Wien AG, Vienna, Austria ▪ General Director of Raiffeisen-Holding Niederösterreich-Wien, Vienna, Austria	06/06/2023	▪ NÖM AG, Baden, Austria (Chairman of the Supervisory Board) ▪ Raiffeisen Bank International AG, Vienna, Austria (Member of the Supervisory Board) ▪ AGRANA Zucker, Stärke und Frucht Holding AG, Vienna, Austria (Chairman of the Supervisory Board) ▪ Austria Juice GmbH, Allhartsberg, Austria (Chairman of the Shareholders Committee) ▪ Raiffeisen Software GmbH, Vienna, Austria (Vice Chairman of the Supervisory Board) ▪ Raiffeisen Wien Mezzaninkapital GmbH, Vienna, Austria (Chairman of the Advisory Board) ▪ LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, Vienna, Austria (Vice Chairman of the Supervisory Board) ▪ ÖBAG – Österreichische Beteiligungs AG, Vienna, Austria (Member of the Supervisory Board)
Monika Hohlmeier	▪ Member of the European Parliament	04/06/2013	
Michael Kuffner	▪ Head of Environment, Health & Safety (EH&S)	04/06/2013	▪ BGHW Berufsgenossenschaft für Handel und Warenlogistik (Member of the Board of Management)
Dr. Johann Lang Master of Engineering	▪ Farmer and Managing Director of Landwirtschaftsbetrieb Lang, Baumgarten, Austria	30/05/2008 until 06/06/2023	
Wilhelm Oberhofer Bachelor of Banking Services and Operations (CCI)	▪ Member of the Board of Management Raiffeisenbank Kempten-Oberallgäu eG, Kempten, Germany ▪ Member of the Management Board of Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany	06/08/2015	▪ Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall, Germany (Member of the Supervisory Board) ▪ GOS Grundstücksgesellschaft Oberallgäu-Süd mbH, Sonthofen, Germany (Member of the Advisory Committee) ▪ DZ Bank AG, Frankfurt am Main, Germany (Member of the Central Advisory Board, Vice Chairman)
Joachim Rukwied Master of Engineering (University of Applied Sciences)	▪ Farmer and vintner ▪ President of the German Farmers' Association (Deutscher Bauernverband e. V.), Berlin, Germany ▪ President of the Landesbauernverband in Baden-Württemberg e. V., Stuttgart, Germany	04/06/2013	▪ Buchstelle LBV GmbH, Stuttgart, Germany (Chairman) ▪ KfW Bankengruppe, Frankfurt am Main, Germany (Member of the Board of Administration) ▪ Landwirtschaftliche Rentenbank (Germany's development agency for agribusiness and rural areas), Frankfurt am Main, Germany (Chairman of the Board of Administration) ▪ Land-DATA GmbH, Visselhövede, Germany (Chairman) ▪ LBV-Unternehmensberatungsdienste GmbH, Stuttgart, Germany (Chairman of the Board of Administration) ▪ Messe Berlin GmbH, Berlin, Germany (Member of the Supervisory Board) ▪ R+V Allgemeine Versicherung AG, Wiesbaden, Germany (Member of the Supervisory Board) ▪ Südzucker AG, Mannheim/Ochsenfurt, Germany (Member of the Supervisory Board)

Name	Function and activity	Member since	Other mandate(-s)
Thomas Stuber	▪ Chairman of the Works Council of BayWa AG, Building Materials, Swabia	06/06/2023	
Monique Surges	▪ Chief Executive Officer German-New Zealand Chamber of Commerce Inc., Auckland, New Zealand ▪ Chief Executive Officer German Chamber of Commerce Abroad (AHK), Auckland, New Zealand ▪ Vice-President of the New Zealand Europe Business Council (NZEBC), Auckland, New Zealand	19/05/2015	
Maria-Magdalena Waschbichler	▪ Assistant to the Chairman of the Main Works Council and Chairman of the Works Council at BayWa's Munich headquarters	06/06/2023	

Cooperative Council (as at 31 December 2023)

Name	Function and activity
Chairman and members pursuant to Article 28 (5) of the Articles of Association	
Joachim Hausner	▪ Chairman ▪ Chairman of the Board of Directors of VR Bank Bamberg-Forchheim eG, Bamberg, Germany
Manfred Nüssel Master of Agriculture (University of Applied Sciences) (until 06/06/2023)	▪ Deputy Chairman and member pursuant to Article 28 (5) of the Articles of Association ▪ Honorary President of the German Raiffeisen Federation (Deutscher Raiffeisenverband e. V.), Berlin, Germany
Prof. Klaus Josef Lutz (from 06/06/2023 until 19/01/2024)	▪ Deputy Chairman and member pursuant to Article 28 (5) of the Articles of Association ▪ President of the Chamber of Industry and Commerce for Munich and Upper Bavaria, Munich, Germany ▪ President of Bayerischer Industrie- und Handelskammertag (BIHK), Munich, Germany ▪ Member of the Executive Committee, German Chamber of Industry and Commerce (DIHK), Berlin, Germany
Dr. Johann Lang Master of Engineering (until 06/06/2023)	▪ Member pursuant to Article 28 para. 5 of the Articles of Association ▪ Farmer and Managing Director of Landwirtschaftsbetrieb Lang, Baumgarten, Austria
Michael Göschelbauer (since 06/06/2023)	▪ Member pursuant to Article 28 para. 5 of the Articles of Association ▪ RWA Raiffeisen Ware Austria AG, Korneuburg, Austria (Chairman of the Supervisory Board) ▪ RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen, Korneuburg, Austria (Chairman of the Supervisory Board)
Other members	
Franz Breiteneicher	▪ Managing Director of Raiffeisen-Waren GmbH Erdinger Land, Taufkirchen (Vils), Germany
Albert Deß	▪ District Councillor, former Member of the European Parliament ▪ Chairman of the Board of Directors of Bayernland eG, Nuremberg, Germany
Siegfried Drexl (until 31/12/2023)	▪ Member of the Management Board of Genossenschaftsverband Bayern e. V., Munich, Germany (until 31/12/2023)
Martin Empl Master of Agriculture	▪ Farmer
Günther Felßner (since 29/03/2023)	▪ President of the Bavarian Farmers' Association (Bayerischer Bauernverband), Munich, Germany ▪ Vice President of the German Farmers' Association (Deutscher Bauernverband), Berlin, Germany (since 28/06/2023)

Name	Function and activity
Dr. Reinhard Funk Master of Agriculture	▪ Farmer and publicly appointed agricultural appraiser
Manfred Göhring (until 31/12/2023)	▪ Chairman of the Board of Directors of Raiffeisenbank Altdorf-Feucht eG, Feucht, Germany
Peter Götz	▪ Member of the Management Board of Genossenschaftsverband – Verband der Regionen e. V., Frankfurt am Main, Germany
Markus Grauer	▪ Managing Director of Raiffeisen-Waren Schwaben Allgäu GmbH, Babenhausen, Germany
Albert Griebl	▪ Spokesman of the Management Board of VR-Bank Rottal-Inn eG, Pfarrkirchen, Germany
Wolfgang Grübler	▪ Member of the Board of Directors Agrarunternehmen “Lommatzscher Pflege” e.G., Lommatzsch, Germany
Alois Hausleitner Ök.-Rat	▪ RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (Member of the Supervisory Board)
Walter Heidl (until 31/12/2023)	▪ Former President of the Bavarian Farmers’ Association (Bayerischer Bauernverband), Munich, Germany
Ludwig Hubauer Ök.-Rat	▪ Chairman of Lagerhaus Innviertel-Traunviertel-Urfahr eGen, Geinberg, Austria ▪ RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (Member of the Supervisory Board)
Martin Körner Master of Engineering (University of Applied Sciences)	▪ Farmer, fruit farmer
Alfred Kraus	▪ Managing Director of Raiffeisen-Handels-GmbH, Rotthalmünster, Germany
Torsten Krawczyk	▪ President of Sächsischer Landesbauernverband e. V., Dresden, Germany
Johann Kreitmeier	▪ Farmer
Franz Kustner	▪ Honorary President of the Bavarian Farmers’ Association (Bayerischer Bauernverband)
Markus Merz	▪ Spokesman of the Management Board of VR-Bank Main-Rhön eG, Sennfeld, Germany
Marlene Mortler	▪ Member of the European Parliament
Johann Rohringer (since 29/03/2023)	▪ Chairman of Raiffeisen-Lagerhaus Hollabrunn-Horn eGen, Hollabrunn, Austria
Angelika Schorer	▪ President of the Bavarian Red Cross, Munich ▪ Former Member of the Bavarian State Assembly (until 30/10/2023)
Gerd Sonnleitner	▪ Farmer ▪ Honorary President of the European Farmers’ Union, Brussels, Belgium ▪ Honorary President of the German Farmers’ Association (Deutscher Bauernverband), Berlin, Germany ▪ Honorary President of the Bavarian Farmers’ Association (Bayerischer Bauernverband), Munich, Germany
Dr. Hermann Starnecker	▪ Spokesman of the Management Board of VR Bank Augsburg-Ostallgäu eG, Augsburg, Germany
Wolfgang Völkl	▪ Spokesman of the Management Board of Volksbank Raiffeisenbank Regensburg-Schwandorf eG, Regensburg, Germany
Thomas Wirth (until 31/10/2023)	▪ Member of the Management Board of Volksbank Raiffeisenbank Nordoberpfalz eG, Weiden i.d.OPf., Germany

Board of Management

Allocation of departments

Prof. Klaus Josef Lutz (until 31/03/2023)
(Chief Executive Officer)
Corporate Audit, Corporate EH&S, Corporate Governance, Corporate Legal & Compliance, Corporate M & A, Corporate Marketing, Corporate Public Affairs, Corporate Risk, Corporate Strategy & Innovation, Corporate Sustainability, Corporate Communications, BayWa Foundation, Cefetra Group, Global Produce

External mandates
- German Raiffeisen Federation (Deutscher Raiffeisenverband e. V.), Berlin, Germany (Vice President)
- Euro Pool System International B.V., Rijswijk, Netherlands (Chairman of the Supervisory Board)
- Stichting Continuiteit AMG, Amsterdam, Netherlands (Member of the Supervisory Board)
- Giesecke & Devrient GmbH, Munich, Germany (Chairman of the Supervisory Board and the Advisory Committee)
- IHK Industrie- und Handelskammer für München und Oberbayern, Munich, Germany (President)

Group mandates
- RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (First Vice Chairman of the Supervisory Board) (until 24/03/2023, subsequently Fifth Vice Chairman) (until 22/01/2024)
- BayWa r.e. AG, Munich, Germany (Chairman of the Supervisory Board) (until 22/01/2024)

Marcus Pöllinger
(Chief Executive Officer since 01/04/2023)
Corporate Communications, Corporate EH&S, Corporate Governance, Corporate Legal & Compliance, Corporate Logistics, Corporate Strategy, Corporate People, Culture & ESG, CDO Office & Innovation, Group General Counsel (Audit, International Legal Projects, M&A), Cefetra Group, Agricultural Products, Global Produce, Building Materials, Digital Farming, BayWa Foundation

External mandate
- Süddeutsche Zuckerrübenverwertungs-Genossenschaft eG, Ochsenfurt, Germany (Member of the Supervisory Board) (until 04/07/2023)

Group mandates
- BayWa r.e. AG, Munich, Germany (Member of the Supervisory Board)
- BayWa Global Produce GmbH, Munich, Germany (Chairman of the Supervisory Board)
- Cefetra Group B.V., Rotterdam, Netherlands (Member of the Supervisory Board)
- RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (First Vice Chairman of the Supervisory Board) (since 24/03/2023)
- T&G Global Limited, Auckland, New Zealand (Member of the Board of Directors)

Andreas Helber
Corporate Controlling, Corporate Finance & Accounting, Corporate Insurance, Corporate Real Estate Management, Corporate Risk, Investor Relations, Business Services (Finance Services, HR Services, Corporate Purchasing and Services)

External mandates
- Munich Stock Exchange (Member of the Stock Exchange Council)
- R+V Allgemeine Versicherung AG, Wiesbaden, Germany (Member of the Supervisory Board)
- LGAD Landesverband Bayern Großhandel, Außenhandel, Dienstleistungen e. V., Munich, Germany (Vice President and Member of the Management Board)

Group mandates
- Cefetra Group B.V., Rotterdam, Netherlands (Member of the Supervisory Board)
- BayWa Global Produce GmbH, Munich, Germany (Member of the Supervisory Board)
- BayWa r.e. AG, Munich, Germany (Member of the Supervisory Board)
- RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (Third Vice Chairman of the Supervisory Board)
- T&G Global Limited, Auckland, New Zealand (Member of the Board of Directors)

Allocation of departments

Dr. Marlen Wienert (since 01/04/2023)
Corporate Marketing, Agri Trade & Service, eBusiness, Energy, Agricultural Equipment

External mandates
- Süddeutsche Zuckerrübenverwertungs-Genossenschaft eG, Ochsenfurt, Germany (Member of the Supervisory Board) (until 04/07/2023)
- UBB e. V. (Unsere Bayerischen Bauern) (Member of the Management Board)

Group mandate
- RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (Member of the Supervisory Board) (since 24/03/2023)

Reinhard Wolf
RWA Raiffeisen Ware Austria Aktiengesellschaft, Korneuburg, Austria (General Director and Chairman of the Board of Directors)

External mandates
- Raiffeisen-Holding Niederösterreich-Wien registrierte Genossenschaft mit beschränkter Haftung, Vienna, Austria (Member of the Management Board, Vice Chairman since 05/05/2023)
- EVN AG, Maria Enzersdorf, Austria (Chairman of the Supervisory Board) (since 19/06/2023)

Group mandates
- Garant - Tiernahrung Gesellschaft m.b.H., Pöchlarn, Austria (Chairman of the Supervisory Board)
- Raiffeisen-Lagerhaus GmbH, Bruck an der Leitha, Austria (Vice Chairman of the Supervisory Board)
- "UNSER LAGERHAUS" WARENHANDELSGESELLSCHAFT m.b.H., Klagenfurt, Austria (Chairman of the Supervisory Board)

As at 31 December 2023

E.8 Total remuneration of the Board of Management, the Supervisory Board and the Cooperative Council

Key management personnel comprises the Board of Management and the Supervisory Board. The remuneration of the Board of Management totalled €3.7 million in the financial year 2023 (2022: €17.1 million). The total remuneration of the Supervisory Board came to €1.9 million (2022: €1.4 million). In addition to Supervisory Board remuneration, employee representatives who are employees of the BayWa Group receive compensation not connected to their activities for the Supervisory Board. The sum total of such compensation received by the employee representatives came to €0.6 million (2022: €0.6 million). The total remuneration of the Board of Management and Supervisory Board breaks down as follows:

In € million	**2023**	2022
Remuneration of the Board of Management		
payment due in short term	4.3	5.8
transfers to pension provision	0.7	1.2
termination benefits	0.0	6.7
other long-term payments	- 1.3	3.4
Total remuneration of the Board of Management	**3.7**	**17.1**
Remuneration of the Supervisory Board		
payment due in the short term	1.9	1.4
Total remuneration of the Supervisory Board	**1.9**	**1.4**
Combined remuneration of the Board of Management and the Supervisory Board	**5.6**	**18.5**

A total of €0.5 million of the total remuneration of the Board of Management was still outstanding as at 31 December 2023 (2022: €12.1 million). With regard to the long-term remuneration (bonus bank), the company has a claim against individual members of the Board of Management. The outstanding balance from this amounts to €1.3 million, after a provision of €3.7 million was recognised in the previous year.

An amount of €3.2 million (2022: €3.4 million) was paid out to former members of the Board of Management of BayWa AG and their dependants. Pension provisions for former members of the Board of Management and their dependants are disclosed in an amount of €33.5 million (2022: €35.1 million).

In addition, the Cooperative Council, which is not considered key management personnel pursuant to IAS 24, received €0.1 million in total (2022: €0.1 million).

Outline of the Board of Management remuneration system

The remuneration system is geared towards the sustainable and long-term development of the company. The Supervisory Board of BayWa AG reviews the material contractual elements annually and adapts them, if needed. In designing the remuneration system and determining the amount of remuneration, the Supervisory Board pays heed to the responsibilities and performance of the Board of Management members and to the situation and strategy of the company, as well as the customariness of the remuneration.

Appropriateness of the Board of Management's remuneration

The Supervisory Board takes particular care to ensure that the total target remuneration is customary and consults independent remuneration experts. The **total target remuneration** equals the total of all remuneration components and is calculated on the basis of 100% target achievement of agreed variable remuneration targets. The Supervisory Board utilises a horizontal comparison as well as a vertical one to assess if the target total remuneration is typical for the market.

In the first step of determining whether remuneration is customary, the Supervisory Board compares it with other companies from BayWa AG's relevant peer groups (horizontal market comparison). BayWa AG is a conglomerate whose business areas are not comparable to any significant degree with those of other companies. In order to create a broader basis for comparison, a total of three peer groups are formed for the horizontal market comparison with BayWa AG.

The first peer group consists solely of companies that are listed on the DAX, MDAX or SDAX and whose average revenues over the past three years exceed the revenues generated by BayWa AG in 2019 by no more than 100% or fall short of the revenues generated by BayWa AG in 2021 by no more than 50%. Two groups were then formed: one made up solely of eight companies from identical industries, and one including an additional seven companies from related industries.

The second peer group consists solely of companies that are listed on the SDAX or MDAX, have at least 5,000 employees and operate exclusively in the core business of BayWa AG or in a similar area. Again, two groups are then formed: one made up only of eight companies that are listed on the SDAX, and another including eight relevant companies that are listed on the MDAX.

The third and final peer group consists of companies that operate in BayWa AG's various business sectors (energy, building materials, trade, agriculture, agricultural equipment), as well as those considered to be conglomerates or holdings. From each of the individual industries, three to five companies that are structurally similar to BayWa AG, generate the highest or lowest applicable revenues or employ the highest or lowest applicable number of staff were selected to prevent outliers and distortions in either direction to the greatest extent possible.

In total, over 40 companies were included in the horizontal peer group comparison. As a result, they have not been mentioned by name. The Supervisory Board reviews the scope and structure of remuneration of the Chief Executive Officer and that of ordinary members of the BayWa AG Board of Management in respect of all three peer groups and assesses whether the remuneration is customary on this basis.

In addition, the Supervisory Board also determines whether the remuneration of the members of the Board of Management is customary within BayWa AG (vertical market comparison). This process involves comparing at least once per year the remuneration of the members of the Board of Management with the remuneration of senior management and the average wages and salaries of BayWa AG's employees in Germany, while also taking into account progression over time. Most importantly, the remuneration system should offer incentives for sustainable corporate management and value enhancement. Positive and negative developments alike are taken into account through multi-year assessment bases, adjustment rules for unusual events and policies on special bonuses and forced remuneration cuts.

In accordance with the review system described above, the remuneration of the Chief Financial Officer was reviewed in December 2022, and the fixed salary (and therefore also the variable remuneration in line with the remuneration system) of the Chief Financial Officer was adjusted accordingly effective April 2023.

The first peer group consisted solely of companies that are listed on the DAX, MDAX or SDAX and whose average revenues over the past three years exceed the revenues generated by BayWa AG in 2021 by no more than 100% or fall short of the revenues generated by BayWa AG in 2021 by no more than 50%. Two groups were then formed: one made up solely of six companies from identical industries, and one including an additional ten companies from related industries.

The second peer group consisted solely of companies that are listed on the SDAX or MDAX, have at least 5,000 employees and operate exclusively in the core business of BayWa AG or in a similar area. Again, two groups are then formed: one made up only of six companies that are listed on the SDAX, and another including ten relevant companies that are listed on the MDAX.

The third and final peer group consisted of companies that operate in BayWa AG's various business sectors (energy, building materials, trade, agriculture, agricultural equipment), as well as those considered to be conglomerates or holdings. Three to five companies from each of the individual industries – making a total of 20 – that are structurally similar to BayWa AG, that generate the highest or lowest applicable revenues or employ the highest or lowest applicable number of staff were selected to prevent outliers and distortions in either direction to the greatest extent possible.

In total, 45 companies were also included in the horizontal peer group comparison here. As a result, they have not been mentioned by name.

Remuneration structure

The total remuneration of the four members of the Board of Management with an employment contract with BayWa AG consists of an annual fixed salary, a short-term variable component (annual bonus), a long-term variable component (share in what is known as the bonus bank account, referred to hereinafter simply as "bonus bank"), benefits, a company pension and, in some cases, remuneration for sideline activities. The variable remuneration components are aimed at creating incentives for strong company performance and collective and individual achievements. The failure to achieve the defined targets decreases total remuneration. By contrast, the overachievement of targets may lead to an increase in remuneration. However, such increases are limited to the maximum remuneration.

The fixed salary of the Board of Management members is reviewed regularly (at least once every two years) without entitlement to a raise. According to the remuneration system, the fixed salary is in a ratio of approximately 50 to 50% to the annual bonus and the bonus bank share, assuming 100% target achievement in each case, whereby the bonus bank share exceeds the annual bonus in order to promote the long-term development of BayWa AG. In specific terms, the fixed salary usually accounts for 50% to 60% of total remuneration, the annual bonus 15% to 25% and the bonus bank share 20% to 30% – assuming 100% target achievement and without taking pension plans into account. The target value for the remuneration of the Chief Executive Officer is twice as high as the target value for other members of the Board of Management.

Total target remuneration

The tables of the remuneration report show the **total target remuneration** of the members of the Board of Management (in € thousand) and the remuneration structure (in %) in the financial years 2022 and 2023, respectively. The total target remuneration of the members of the Board of Management comprises the respective annual basic salary, benefits, Group mandates, short-term variable remuneration if 100% of the target is achieved in the respective financial year (paid out in the following financial year), long-term variable remuneration if 100% of the target is achieved in the respective financial year (paid out pro rata in the three following financial years) and the pension scheme.

The Supervisory Board plans to revise and further develop the Board of Management remuneration system accordingly and submit an adjusted (modernised) Board of Management remuneration system to the 2025 Annual General Meeting for approval.

According to BayWa AG's remuneration system, section C, the Supervisory Board may temporarily deviate from components of the remuneration system if this is necessary in the interests of the long-term well-being of the company.

Short-term variable remuneration – annual bonus

Short-term variable remuneration takes the form of an annual bonus. The target value or targets for the annual bonus are defined by the Supervisory Board in the first meeting of the financial year. The targets or comparison parameters are not subsequently adjusted. The Supervisory Board reviews target achievements in the first meeting of the financial year following the financial year to be reviewed. The annual bonus is then usually paid directly after the review, in March of the subsequent year.

At 100% target achievement, it equates to 40% of the fixed salary of the respective member of the Board of Management. If the targets are exceeded, the bonus will be increased, but only up to a maximum amount of 150% (cap). In such a case, the annual bonus can be up to 60% of the respective fixed salary. The bonus will be reduced proportionately down to €0.00 if the targets are not fulfilled. This accounts for both negative and positive developments, contributing to the successful long-term development of BayWa AG.

The relationship between the target values and the bonus is linear. As the current provision for the annual bonus and any additional costs or savings for the previous year are recognised in the financial year, the actually granted total for the annual bonus may exceed the maximum amount of 150%.

The annual bonus is based on the financial success of the company, in other words the result of operating activities of the BayWa Group or the EBIT of certain business segments of BayWa AG and individually agreed, operative, strategic or non-financial goals, as the case may be. When defining goals, the Supervisory Board takes into particular account the area of responsibility of the respective member of the Board of Management.

Defining the result of operating activities as the performance criterion for the annual bonus is aimed at supporting the strategic and successful long-term development of the Group. In addition, EBIT of certain business segments of BayWa AG reflects the operating performance of the respective business division, serving as an important indicator of the performance of each member of the Board of Management. In order to ensure a balanced relationship between business divisions, the maximum weighting of each individual EBIT target of a Board of Management member does not exceed 30%. By agreeing individual goals, further differentiation can be made depending on the specific strategic and operating challenges of the respective member of the Board of Management.

In accordance with the remuneration system approved by the Annual General Meeting and adopted by the Supervisory Board, the assessment basis for the annual bonus of the Chief Executive Officer is based on between 70% and up to 100% of the BayWa Group's result of operating activities and up to 30% on individually agreed targets. For the financial years 2022 and 2023, the Supervisory Board has determined that the assessment basis for the CEO's annual bonus will be based 100% on the BayWa Group's result of operating activities. The calculation base for the member of the Board of Management responsible for finances is based on the result of operating activities (70%) and individually agreed targets (30%). In 2023, a non-financial strategic target (ESG target: sponsorship of ESG activities) was also included among the individually agreed targets for the Board of Management member responsible for finance. The basis for measurement for the member of the Board of Management with more operationally oriented departmental responsibility is based 70% on the EBIT of certain BayWa AG business divisions and 30% on individually agreed targets, whereby non-financial strategic targets were agreed as individually agreed targets for 2023 (Agri Trade & Service, Agricultural Equipment, Energy 2023 strategy – status quo analysis taking into account climate change and repositioning of the event, social media and corporate marketing brand).

Long-term variable remuneration – bonus bank

Board of Management members also receive further remuneration with a long-term component. For this purpose, BayWa AG credits or debits the bonus bank every year depending on the result of operating activities achieved each year. Long-term variable remuneration should create incentives for the successful implementation of the company's strategic focus. The annual result of operating activities is a primary parameter for measuring the success of the business strategy and the long-term, successful development of the company.

The amount debited or credited to the bonus bank depends on the extent to which the result of operating activities meets the targets defined by the Supervisory Board for three years in advance and is determined by the Supervisory Board prior to the start of said three-year period. The last three-year period began with the financial year 2022 and is set to conclude in the financial year 2024. Before that, the previous period began in 2019 and ended in the financial year 2021. In the 2022 reporting year, the Supervisory Board therefore defined the following new targets for the next three years on the basis of medium-term planning and the usual corrections as made in previous years: A result of operating activities of €215 million in the financial year 2022 would equate to 100% achievement of long-term targets, and a result of operating activities of €235 million would equate to 135% achievement. A result of operating activities of €235 million in the financial year 2023 would equate to 100% achievement of long-term targets, and a result of operating activities of €255 million would equate to 135% achievement. A result of operating activities of €240 million in the financial year 2024 would equate to 100% achievement of long-term targets, and a result of operating activities of €260 million would equate to 135% achievement.

In the case of 100% target achievement, the bonus bank is increased by €1.4 million annually. In the case of overachievement, a maximum annual payment of €1.9 million is made to the bonus bank, which equates to capping the maximum contribution to the bonus bank at approximately 135% of the target value. At the same time, failure to achieve the targets results in a charge on the bonus bank of up to minus €1.9 million (negative bonus). If, owing to payments made in previous years or charges reducing the bonus bank, there is a negative balance in the bonus bank, the respective Board of Management members are obliged to pay back the preliminary payments made in the previous years (so-called clawback). Both negative and positive developments are therefore also taken into account in calculating long-term variable remuneration.

Target achievement – bonus bank

Upon reaching the appropriate targets, the members of the Board of Management will each receive one-third of their respective long-term variable remuneration in the three subsequent financial years. Accordingly, target achievement in the three financial years from 2020 to 2022, the resulting deposits in the bonus bank accounts and the proportionate payments from and postings to the separate bonus bank accounts in the reporting year 2023 are definitive for the payment in this reporting year.

In order to promote the long-term development of the company, all Board of Management employment contracts contain provisions that make it possible to reduce the remuneration of the Board of Management members (i.e. fixed salary, annual bonus and bonus bank) in the event of unusual developments and a deterioration in the company's situation. The bonus bank may even be clawed back in the event of negative economic development. The Supervisory Board is therefore able to account for unusual developments in appropriate instalments.

Outstanding variable remuneration components

As explained, the amount deposited in the bonus bank is paid out pro rata over the three subsequent financial years, subject to sufficient credit in the bonus bank account and any offsetting against negative bonuses. Accordingly, the tranches from the financial years 2021 to 2023 are in part unpaid in the reporting year, and therefore remain outstanding. Remuneration is considered to be owed within the meaning of Section 162 para. 1 sentence 1 of the German Stock Corporation Act (AktG) if the company has a legal obligation to a Board of Management member that is due but has not yet been met. BayWa AG does have a contractual obligation to the Board of Management members to pay the outstanding tranches from the financial years 2021 to 2023 proportionately in the financial year 2024 and in subsequent financial years. However, the tranches cannot be collected yet in the reporting year, and therefore are not due. Consequently, the aforementioned outstanding instalments are not yet owed in the 2023 reporting year (this does not apply to former Chief Executive Officer Prof. Klaus Josef Lutz, as shown). For completeness and to provide a better overview, the tranches payable in the future are presented below. These disclosures are voluntary.

Non-performance-related remuneration components

The non-performance-related component comprises an annual fixed salary and benefits, such as the use of a company car (in some cases with a driver) and contributions to accident, health and baggage insurance, the costs of which BayWa AG covers. Income tax is refunded for selected events. BayWa AG also pays any contributions to pension schemes or similar expenses (benefit plans or life insurance policies) up to the amount that the company would otherwise have had to pay had an employment relationship subject to social security law existed.

In addition, there are pension commitments for the members of the Board of Management. Linking pension commitments to fixed salaries was previously discontinued in the financial year 2021. For 2023, members of the Board of Management either received a fixed amount or their existing commitments are frozen. Existing pension commitments grant occupational disability cover in the same amount and a survivor's pension of 60% of the pension commitment. This commitment remains in place even after an existing commitment is frozen. The post-employment benefit insurance may not be drawn upon before the age of 63. The Board of Management employment contracts do not provide for an age limit. However, they do stipulate that an extension should not be granted once the member has achieved the statutory retirement age.

Since December 2012, all obligations from pension commitments have been transferred to an external pension fund in the form of an earned entitlement, or to a provident fund. Running payments made to the pension fund or provident fund are included in the overall remuneration disclosed for the Board of Management.

In consultation with the Supervisory Board, Board of Management members may and should accept Supervisory Board mandates and similar positions at companies in which BayWa AG directly or indirectly holds a stake. Such mandates are assumed without pay; only approvals granted in the past for the remuneration of certain mandates, such as at RWA AG, Korneuburg, Austria, and at T&G Global Limited, Auckland, New Zealand, remain in place. In connection with the adjustment of the fixed salary of the Chief Financial Officer in the reporting year, which, as explained, was carried out as part of the regular review, it was clarified that the regulation on the remuneration of secondary employment at Group companies in accordance with his Board of Management service contract concluded before the Board of Management remuneration system came into force in July 2021 (and still valid until March 2026) continues to apply to secondary employment, even if this is only newly assumed after the remuneration system comes into force. The acceptance of paid or unpaid sideline activities at non-Group entities requires the prior written consent of the Supervisory Board's Board of Management Committee. Said consent may be revoked at any time. If the Board of Management Committee approves the acceptance of the sideline activity outside the Group, the Supervisory Board must decide whether and to what extent the remuneration is to be taken into consideration upon submission for consideration by the Board of Management Committee. Remuneration from sideline activities must be reported to the Chairman of the Supervisory Board once a year. The respectively existing non-Group mandates are detailed in the Notes to the Consolidated Financial Statements section of the Consolidated Financial Statements.

At its own discretion, the Supervisory Board may make further non-recurring bonus payments to recognise outstanding performance or achievements on the part of a Board of Management member. The Supervisory Board did not exercise this option in the financial year 2023.

BayWa AG also maintains D&O insurance for the members of the Board of Management in its own interest, with supplementary pecuniary loss legal protection insurance, D&O contract legal protection insurance and criminal defence insurance. BayWa AG pays the insurance premiums. The policies provide for a deductible for the Board of Management members. BayWa AG also promises the Board of Management members insurance cover corresponding in key points to these insurance policies, both for the term of these contracts and for a period of twelve years after their termination, unless doing so is not possible for the company or is financially no longer feasible based on the market conditions and the financial circumstances of the company.

Maximum remuneration

The total remuneration (sum of all remuneration amounts paid for the respective financial year, including fixed salary, variable remuneration components actually paid, benefits and company pension benefits) to be granted to the Board of Management members for a financial year is limited to the maximum remuneration as defined in Section 162 para. 1 sentence 2 item 7 of the German Stock Corporation Act (AktG), regardless of whether part of the remuneration with a variable component will only be paid at a later date. The maximum remuneration is €5 million for the Chief Executive Officer and €2.5 million for a Board of Management member.

Compliance with the maximum remuneration requirements can, however, only be reviewed once the remuneration owed for the financial year has actually and fully been paid.

Outline of the Supervisory Board remuneration system

The current remuneration of the Supervisory Board members is determined in Article 19 of the Articles of Association of BayWa AG. The new remuneration system for the members of the Supervisory Board, including the definition of the new remuneration, was approved at the Annual General Meeting on 24 May 2022.

The remuneration of members of the Supervisory Board is determined by legal requirements in consideration of the German Corporate Governance Code (GCGC). Supervisory Board remuneration also takes into account other comparable listed companies (horizontal market comparison). The remuneration of company employees is considered as part of a vertical comparison when reviewing the Supervisory Board's remuneration. However, due to the special nature of the Supervisory Board's work, the vertical comparison plays a less important role than the horizontal comparison.

The remuneration of members of the Supervisory Board should be well-balanced and in proportion to members' level of responsibility and tasks, as well as the situation of the company. The amount of the fixed annual remuneration takes into account the specific function and responsibility of the Supervisory Board member. At the same time, the remuneration should be sufficient to ensure that membership on the Supervisory Board or a committee, or the position of Chairman of the Supervisory Board or of a committee, is appealing enough to attract and retain sufficiently qualified candidates for the Supervisory Board. This is also a requirement to ensure that the Board of Management is monitored and advised in the best possible manner, which itself makes a key contribution to a successful business strategy and the long-term success of the company.

Members of the Supervisory Board only receive fixed remuneration in accordance with Recommendation G.18 GCGC in order to strengthen the independence of the Supervisory Board so that it can perform its advisory and monitoring function in an objective and unbiased manner and make independent personnel- and remuneration-related decisions. The workload and liability risk of the members of the Supervisory Board does not increase or decrease in proportion to the success of the company or its earnings position. In fact, in difficult periods when variable remuneration can decline it is particularly important that members of the Supervisory Board perform their monitoring and advisory function. No performance-based remuneration or financial or non-financial performance indicators are planned.

The members of the Supervisory Board are granted a fixed annual basic remuneration of €70,000. The remuneration is due and payable in four equal amounts at the end of the quarter for the respective quarter just ended. The Chairman of the Supervisory Board receives three times the basic remuneration paid and the Vice Chairmen twice the amount. This takes into account the greater investment of time required by the Chairman and Vice Chairman of the Supervisory Board, in accordance with Recommendation G.17 GCGC.

In addition, the members of the Supervisory Board are paid a fixed annual remuneration of €15,000 for their committee work on the Audit Committee and €5,000 each for their committee work on all other committees. The committee chairmen receive three times this amount, whereas the vice chairman of the Audit Committee receives twice this amount. In accordance with recommendation G.17 GCGC, this takes into sufficient account the greater investment of time required by committee chairmen.

Remuneration for the Mediation Committee is only granted if the committee actually meets in the financial year, which was not the case in the reporting period.

Supervisory Board members who serve on the Supervisory Board and/or its committees for only part of the financial year will receive remuneration on a proportionate basis. No further remuneration is paid if the member of the Supervisory Board leaves the Supervisory Board or a regulation is determined regarding remuneration after their term of office.

The general provisions of the German Stock Corporation Act (AktG) and the recommendations of the GCGC regarding conflicts of interest within the Supervisory Board are also taken into account in proceedings relating to the definition and implementation of the remuneration system.

Supervisory Board members are reimbursed for their expenses. In addition, members of the Supervisory Board are also included in BayWa AG's group accident insurance policy. BayWa AG also maintains an insurance policy against legal proceedings and pecuniary losses and a D&O insurance and legal protection policy on behalf of its Supervisory Board members and in its own interests. BayWa AG pays the insurance premiums.

As at 31 December 2023, the incumbent members of the Supervisory Board held a total of less than 0.1% of the shares in BayWa AG.

E.9 Ratification of the consolidated financial statements and disclosure

The consolidated financial statements were released for publication by the Board of Management of BayWa AG on 25 March 2024.

In accordance with Section 264 para. 3 of the German Commercial Code (HGB), the following companies, as subsidiaries included in the consolidated financial statements of BayWa AG, do not apply the regulations governing preparation (Sections 242 et seq. of the German Commercial Code (HGB)), auditing (Sections 316 et seq. of the German Commercial Code (HGB)) and disclosure (Sections 325 et seq. of the German Commercial Code (HGB)):

- BayWa Agrar Beteiligungs GmbH, Munich, Germany
- BayWa Agrarhandel GmbH, Nienburg, Germany
- BayWa Bau Projekt GmbH, Munich, Germany
- BayWa EEH GmbH, Munich, Germany
- BayWa Energie Dienstleistungs GmbH, Munich, Germany
- BayWa Finanzservice GmbH, Munich, Germany
- BayWa Global Produce GmbH, Munich, Germany
- BayWa Handels-Systeme-Service GmbH, Munich, Germany
- BayWa Haustechnik GmbH, Kösching, Germany
- BayWa Mobility Solutions GmbH, Munich, Germany
- BayWa Obst Beteiligung GmbH, Munich, Germany
- BayWa Pensionsverwaltung GmbH, Munich, Germany
- BayWa Power Liquids GmbH, Munich, Germany
- BayWa Rent GmbH, Munich, Germany
- BTS 18 Projekt GmbH, Buchloe, Germany
- Diermeier Energie GmbH, Niederwinkling, Germany
- DRWZ-Beteiligungsgesellschaft mbH, Munich, Germany
- Emmeringer Heizungsbau GmbH, Emmering, Germany
- EUROGREEN mbH, Betzdorf, Germany
- FarmFacts GmbH, Pfarrkirchen, Germany
- FarmFacts Holding GmbH, Munich, Germany
- Forster GmbH, Munich, Germany
- Fuels Services GmbH, Munich, Germany
- In&Out Ventures GmbH, Munich, Germany
- Interlubes GmbH, Würzburg, Germany
- Jannis Beteiligungsgesellschaft mbH, Munich, Germany
- Ketziner Beteiligungsgesellschaft mbH, Niederer Fläming, Germany
- Pellog GmbH, Oelsnitz, Germany
- Peter Frey GmbH, Wartenberg, Germany
- Uwe Körner GmbH, Lachendorf, Germany

In accordance with Section 264b of the German Commercial Code (HGB), the following companies, as subsidiaries included in the consolidated financial statements of BayWa AG, do not apply the regulations governing preparation (Sections 242 et seq. of the German Commercial Code (HGB)), auditing (Sections 316 et seq. of the German Commercial Code (HGB)) and disclosure (Sections 325 et seq. of the German Commercial Code (HGB)):

- BayWa Obst GmbH & Co. KG, Kressbronn, Germany
- BayWa r.e. Solardächer II GmbH & Co. KG, Gräfelfing, Germany
- BayWa r.e. Windparkportfolio 1 GmbH & Co. KG, Gräfelfing, Germany
- Bellevue Bad Heilbrunn GmbH & Co. KG, Günzburg, Germany
- Brüderl Projekt Amalienstraße GmbH & Co. KG, Traunreut, Germany
- Brüderl Projekt Bad Endorf GmbH & Co. KG, Traunreut, Germany
- brüderl Projekt Dachau Hochstraße GmbH & Co. KG, Traunreut, Germany
- Brüderl Projekt GmbH & Co. KG, Traunreut, Germany

- Brüderl Projekt Kunigundenstraße GmbH & Co. KG, Traunreut, Germany
- Brüderl Projekt Lerchenweg GmbH & Co. KG, Traunreut, Germany
- Brüderl Projekt Traunstorfer Straße GmbH & Co. KG, Traunreut, Germany
- CLAAS Main-Donau GmbH & Co. KG, Gollhofen, Germany
- CLAAS Nordostbayern GmbH & Co. KG, Altenstadt, Germany
- Dörenhagen Windenergieanlagen GmbH & Co. KG, Gräfelfing, Germany
- G. Stranzinger Bauprojekt GmbH & Co. KG, Tann, Germany
- Grainli GmbH & Co. KG, Hamburg, Germany
- Plankenstein 8 GmbH & Co. KG, Munich, Germany
- Projekt Aichach S7 GmbH & Co. KG, Augsburg, Germany
- Renertech Rotorblattservice GmbH & Co. KG, Bad Wünnenberg, Germany
- Robert Decker Wohnbau München GmbH & Co. KG, Grünwald, Germany
- Solarpark Aquarius GmbH & Co. KG, Gräfelfing, Germany
- Solarpark Aries GmbH & Co. KG, Gräfelfing, Germany
- Solarpark Bad Liebenwerda GmbH & Co. KG, Gräfelfing, Germany
- Solarpark Lupus GmbH & Co. KG, Gräfelfing, Germany
- Spitzlberg GmbH & Co. KG, Augsburg, Germany
- SPV Solarpark 103. GmbH & Co. KG, Gräfelfing, Germany
- SPV Solarpark 105. GmbH & Co. KG, Gräfelfing, Germany
- SPV Solarpark 118. GmbH & Co. KG, Gräfelfing, Germany
- Umspannwerk Klein Bünsdorf GmbH & Co. KG, Gräfelfing, Germany
- Wilhelmshöhe Infrastruktur GmbH & Co. KG, Gräfelfing, Germany
- Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Krummensee KG, Düsseldorf, Germany
- Windpark Freimersheim GmbH & Co. KG, Gräfelfing, Germany
- Windpark Hessenweiler GmbH & Co. KG, Gräfelfing, Germany
- Windpark Hettstadt GmbH & Co. KG, Gräfelfing, Germany
- Windpark Holle-Sillium GmbH & Co. KG, Gräfelfing, Germany
- Windpark Langenbrand GmbH & Co. KG, Gräfelfing, Germany
- Windpark Lindchen GmbH & Co. KG, Gräfelfing, Germany
- Windpark Oedelum GmbH & Co. KG, Oedelum, Germany
- Windpark Pferdsfeld GmbH & Co. KG, Gräfelfing, Germany
- Windpark Quelkhorn GmbH & Co. KG, Ottersberg, Germany
- Windpark Wilhelmshöhe GmbH & Co. KG, Gräfelfing, Germany
- Windpark Wilhelmshöhe II GmbH & Co. KG, Gräfelfing, Germany
- Windpark Wilhelmshöhe III GmbH & Co. KG, Gräfelfing, Germany
- Wohnen am Lerchenberg GmbH & Co. KG, Borna, Germany

E.10 Proposal for the appropriation of profit

As the parent company of the BayWa Group, BayWa AG discloses profit available for distribution of €140,635,305.81 in its annual financial statements as at 31 December 2023, which were drawn up in accordance with German accounting standards (German Commercial Code (HGB)) and are to be adopted by the Supervisory Board on 27 March 2024. The Board of Management and the Supervisory Board will propose to the Annual General Meeting on 11 June 2024 that this amount be carried forward in full to new account. A distribution per dividend-bearing share is not to be made for the financial year 2023 in order to strengthen capital.

E.11 Significant events after the reporting date

Personnel changes at the helm of the Supervisory Board
Prof. Klaus Josef Lutz resigned as a member of the Supervisory Board and as Chairman of the Supervisory Board of BayWa AG effective as at 19 January 2024. Supervisory Board member and First Vice Chairman of the Supervisory Board Bernhard Loy took over as interim Chairman of the Supervisory Board on 19 January 2024.

Acquisition of 100% of the shares in Ivanic Grad Facilities, Croatia
In October 2023, RWA AG concluded a purchase agreement via RWA International Holding GmbH, Korneuburg, Austria, to acquire 100% of the shares in Ivanic Grad Facilities, Croatia. The company is active in the production of feedstuff and the storage of agricultural products in Croatia. The acquisition is still subject to approval by the antitrust authorities. The transaction is expected to close at the end of March 2024.

Beyond this, no other matters have come to light prior to the preparation of the consolidated financial statements that would have to be reported as significant events after the reporting date with a material impact on the assets, financial position and earnings position of the BayWa Group.

E.12 German Corporate Governance Code

The Board of Management and the Supervisory Board of BayWa submitted the Declaration of Conformity to the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG) on 8 November 2023. This declaration is permanently available to the public on the company's website at www.baywa.com/en/about/corporate-governance/declaration-of-conformity.

Munich, 25 March 2024

BayWa Aktiengesellschaft

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