



**RWA**

Values connect us

# Annual Report

Business year 2023

# Annual Report 2023

## Key figures for the Management Report 2023

Sales by business segment (TEUR)	2023	2022
<b>Total</b>	<b>3.556.018</b>	4.026.954
Agriculture	1.952.492	2.247.935
Technology	325.481	293.590
Building materials	65.001	63.770
Home & Garden stores	167.119	184.688
Energy	1.030.844	1.223.441
Digital Farming	250	110
Other	14.831	13.420

Sales by region (TEUR)	2023	2022
<b>Total</b>	<b>3.556.018</b>	4.026.954
Austria	2.357.374	2.610.491
Germany	122.992	121.407
Remaining European Union	803.856	970.747
Other countries	271.796	324.309

Other key figures (TEUR)	2023	2022
Profit before tax (TEUR)	23.929	54.210
Employees (average)	3.089	3.023

### Your link to the consolidated financial statements QR-Code

In order to keep this annual report streamlined and compact, we've made it possible for you to find the complete consolidated accounts with all tables on the RWA website at [www.rwa.at/annualreport](http://www.rwa.at/annualreport) or by simply scanning the QR Code.



# Summary

The 2023 financial year was dominated by fundamental uncertainty due to the flashpoints in Ukraine and Gaza, the attacks on commercial shipping in the Red Sea and the nervous reaction of the energy markets. Persistently high inflation in Austria led to sharp cost increases in virtually all areas and muted consumption on the part of the population. Several interest rate rises by the ECB within a short space of time hampered long-term investment plans.

All these developments also left their mark on RWA Raiffeisen Ware Austria and weighed on the 2023 result. Despite this difficult backdrop, however, a pre-tax profit of 23.93 million euros is extremely pleasing. The company's ongoing positive development is clearly evident, especially in a multi-year comparison. This is thanks to the broad-based business model with different divisions that ensure internal balance and stability. We therefore expect that the company will continue on its upward trend.

## Agriculture



For the traditional core area of RWA, 2023 was a largely stable and solid financial year. Earnings for agricultural products fell again, although prices of fertilisers and other operating resources rose in parallel. Investments in the growth area of seed have paid off. Market share of own brands increased. Increasing attention is being paid to the organisation's new area of wood. The objective is to expand the position of RWA as the most important partner to the forestry industry in timber marketing.

## Technology



The Lagerhaus Technik-Center (LTC) and the cooperatives also recorded good demand for new machinery in 2023. Increases in sales were achieved in almost all product groups. The LTC exclusive brand John Deere is the market leader for tractors over 150 hp; the brand is ranked second in the tractor market as a whole.

## Energy



The rapid expansion of renewable energy dominates the entire sector. There was a huge demand for pellets, especially in the first half of the year. As the market leader, RWA is further expanding this area. The subsidiary Solar Solutions is now one of largest project developers for photovoltaic systems in Austria. In 2023, around 300,000 m<sup>2</sup> of solar modules were installed for external customers. The expansion of photovoltaics is progressing rapidly.

## Home & Garden



After two extraordinarily good years, the Home & Garden area also generated a slight increase in 2023. The wide range of plants and garden care products is especially popular. In broad terms, consumer restraint is also seen in the markets. With the pandemic years behind us, a greater slice of household budgets is being spent more on travel again.

## Building Materials



Sharply higher building costs, more expensive finance and much tighter lending requirements for prospective buyers have had an extremely negative impact on the area of Building Materials. The turnovers of franchisees and thus the franchise fees have fallen significantly. Lagerhaus cooperatives with a high proportion of building services were able to offset losses with refurbishment projects to a certain extent.



## Foreword by the Supervisory

2023 – on a par with 2018 – was the hottest year in Austria since records began 256 years ago. The consequences of global warming were keenly felt by agricultural businesses. Freak weather events, including frost, hail, storms, floods and above all drought, caused a total of 250 million euros in damage to the country's agricultural sector in the previous year. Much of this was due to the extremely dry summer months.

The discontinuation of proven operating resources, high inflation and volatile prices made it harder to run a successful business. Such unfavourable conditions make it all the more important to have strong and reliable partners in the broad-based Lagerhaus cooperatives. They ensure that the agricultural sector is supplied around the clock, offer comprehensive advice and provide decisive impetus for innovation.

In my first full year as chairman of the RWA Supervisory Board, I once again experienced how important and valuable the deep sense of team spirit is within the Lagerhaus association. It is able of delivering solid results even in an adverse environment.

At the end of the year, we bid farewell to CEO Stefan Mayerhofer. He spent 14 years helping to shape RWA with his extensive knowledge, superb flair and human openness. I would like to take this opportunity to thank him once again for everything he did. At the same time, I warmly welcome his successor Dr Johannes Schuster as a new member of the Executive Board of RWA. I wish him and the entire company all the best and good luck for the future.

**Michael Göschelbauer**

# Foreword by the Executive Board



The 2023 financial year was marked by extreme external influences that hampered the progress of RWA Raiffeisen Ware Austria: there is no end in sight to Russia's war against Ukraine; the Hamas terror attack on Israel and the escalation of violence that followed in the Gaza Strip are stirring up new issues, as evidenced by volatile energy prices; the airstrikes launched by the Houthi rebels in Yemen on commercial shipping in the Red Sea are causing delays and pushing up the cost of international shipping; the latent tensions between China and Taiwan are a matter for global concern.

This general climate of uncertainty is one of the reasons for persistently high inflation in Austria. The resulting sharp cost increases in almost all areas cannot be fully absorbed. Consumer confidence has fallen sharply. Not least the rapid succession of interest rate increases by the ECB from March onwards made managing the company more difficult, as many objectives are structured and financed with a medium to long-term view. Despite these strong headwinds, RWA achieved a pleasing result in 2023, although it was far from comparable with the extraordinary success of the previous year.

The strategic positioning of RWA as a portfolio company operating in different fields of business once again proved to be a factor for success. Overall, it ensures stability because weaker results in one area can be offset by stronger results in others.

Despite these tough underlying conditions, RWA continued investing in its programmes for the future. To name just a few examples: the new small parts warehouse at the logistics location in Traun, which is operated fully automatically by robots, ensures that all Lagerhaus cooperatives are supplied even faster. At the Garant mixed feed plant in Pöchlarn, an energy-saving, large-scale dryer for wet maize is being

built and the warehouse management system is being modernised. In the Serbian town of Rumenka, the construction of a new seed plant has commenced.

A number of Lagerhaus cooperatives celebrated their 125th anniversary in 2023. The big idea of solidarity and democratic self-organisation of the farming community has lost none of its effectiveness. On the basis of long-standing cooperative values, we will also be able to master the new challenges of our time with an abundance of ideas, innovation and combined strength.

At this point, I would like to thank all cooperative members and functionaries, the chairpersons and managing directors: our good community makes us strong. I thank the members of the Supervisory Board under the chairmanship of Michael Göschelbauer and our strategic partner BayWa: I very much appreciate our trusting collaboration. Thanks and recognition also go to the employees of RWA, the subsidiaries and the Lagerhaus cooperatives: they are the foundation of our association's positive development.

At the end of the year, Stefan Mayerhofer stepped down after 14 years as a member of the RWA Executive Board. Over this period of great change, he helped shape RWA and the entire goods sector with his typical energy and empathy. As a colleague and as a friend, I thank Stefan for his magnificent achievements, his creative drive and his loyalty.

I warmly welcome Dr Johannes Schuster to the Executive Board as his successor and look forward to a successful and inspiring partnership.

**Gen.Dir. DI Reinhard Wolf**





**picture (f.l.t.r.)**

Dr. Johannes Schuster, Executive Board Member

DI Reinhard Wolf, CEO

DI Christoph Metzker, Executive Board Member

# The Managing Board and its responsibilities

## **DI Reinhard Wolf,**

**CEO and Chairman of the Executive Board**

- Seeds
- Feed
- Home and Garden
- Building Materials
- Logistic
- Human Resources
- Business Development
- Communications
- Legal Affairs/Office of the Executive Board/  
Sustainability/Compliance

## **DI Christoph Metzker**

**Member of the Executive Board**

- Agricultural Machinery
- Energy
- Timber Trade/Biomass
- Agricultural Inputs
- AIL/Farming Innovations
- Marketing
- Real Estate and Facility Management

## **VDir. Dr. Johannes Schuster**

**Member of the Executive Board**

- Agricultural Products
- COO CEE
- Finance/Controlling
- Organisation/Informatics

### **Short CV**

Dr. Johannes Schuster has been a new member of the Management Board of RWA Raiffeisen Ware Austria AG since 1 January 2024. He succeeded the Member of the Executive Board Stefan Mayerhofer. The business administration and economics graduate has 30 years of experience in the banking sector. Most recently, he was Chief Financial Officer of the RBI subsidiary Tatra banka a.s. in Bratislava (Slovakia), and before that a member of the Management Board of Raiffeisen Zentralbank Österreich AG. Born in Freistadt in 1970, he started his career at Raiffeisenlandesbank Oberösterreich.



# Outlook

After a year of recession affecting the entire economy in 2023 – including high inflation, high energy prices and consequently a decline in consumer spending and investment – the leading economic research institutes expect slight growth to return to Austria again in 2024. Inflation is forecast to fall, but remain well above the Eurozone average. RWA Raiffeisen Ware Austria is working on the assumption that 2024 will be a transitional year with ameliorating factors, with a significant economic recovery expected to take place in 2025.

Uncertainties remain due to the conflicts in Ukraine and the Middle East, which at any moment could

lead to turmoil on the energy markets, price jumps and disruption to international transport routes. The upcoming elections in the USA, Austria and other major countries have the potential to massive impact underlying economic conditions.

In this ongoing difficult environment, RWA Raiffeisen Ware Austria will continue to “keep its eyes on the road” and advance its strategic projects with a sense of proportion. The stronger the impact of external factors, the more important it is for the company to manage its business efficiently, innovatively and robustly.



## Agriculture

RWA expects steady development for the agricultural sector. While the demand of the processing industry for agricultural raw materials has declined, high-quality foods remain highly sought after. Austria's agricultural sector is known for the quality of its products and is also prized in other countries. Two factors could have a negative impact: given changes in the climate, there is a greater risk of damaging weather events similar to those that occurred in 2023. New statutory provisions mean that important and proven operating resources are no longer available. RWA continues to stand for the best-possible supply of agricultural companies in Austria and the proper marketing of their products. In Pöchlarn, the modern maize drying and storage facility will open up new approaches to innovative animal feed production. A new seed plant is being built in Rumenka, Serbia. Robots and Artificial Intelligence are making big advances and can significantly facilitate agricultural production of the future.

## Technology

RWA continues to assume there will be high demand for powerful agricultural machinery. In this area too, the technological developments presented by digitalisation and AI are enormous. Modern agricultural technology covers the needs of companies of every size.

## Building Materials

The outlook for Building Materials is bleak. No improvements in the tight financing situation are anticipated in the short term. For this reason, fewer and fewer projects will be planned and initiated. Bottlenecks are looming in the housing sector. Stimulation of the markets by the public sector is urgently required – e.g. through low-threshold subsidies in the area of energy-efficient refurbishment and new heating systems.

That would invigorate the economy and unleash environmentally friendly effects at the same time. The topic of refurbishment will become increasingly important in the coming years. Complete providers with a high degree of service and a regional focus are particularly in demand.

## Home & Garden

The Home & Garden markets of the Lagerhaus cooperatives are specialists in garden design and plants. Looking after and enhancing our home and garden remains a major topic. That is why RWA expects positive developments in this area to continue. The appearance of the new, harmonised website [lagerhaus.at](https://www.lagerhaus.at) will be optimised further in 2024 and offer even more inspiration, advice and services. The RWA own brand range will be expanded. Within the scope of the project "Future Now", further markets will be modernised and product ranges revamped.

## Energy

The targeted switch from fossil to renewable energy sources remains the key challenge for the entire energy sector. Together with industry, RWA is searching intensively for alternative fuels for the agriculture sector. Expanding market leadership in the area of wood pellets and ongoing construction of large photovoltaic systems by the subsidiary Solar Solutions remain key objectives.

As a mixed company, RWA is potentially exposed to numerous external factors. But it is precisely this diversity and the close cooperation with the Lagerhaus cooperatives that make the company stable and resilient in a crisis. That is why we are also looking forward to the somewhat imponderable 2024 financial year with confidence.

**Korneuburg, 12. March 2024**



**DI Reinhard Wolf,**  
CEO and Chairman of  
the Executive Board



**DI Christoph Metzker,**  
Member of the Executive Board



**Dr. Johannes Schuster**  
Member of the Executive Board

