



PRESENTATION ON THE FINANCIAL RESULTS FOR 6 MONTHS OF 2021

AUGA group, AB

PRESENTED BY



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CFO



RESULTS

2021 HY

Similar results in 2021 HY vs. 2020 HY.

Challenges in separate segments did not allow to increase revenue and profitability.

The group's companies continue to pay great attention to the implementation of the strategy. This will serve as the basis for the company's growth and value.

EUR million	2021 HY	2020 HY	Variance	2019 HY
Revenue	33.13	34.69	-4%	28.84
Gross profit	8.50	8.58	-1%	6.33
Net profit	0.75	1.30	-43%	0.34
EBITDA	11.14	11.53	-3%	9.33



Results by segment
Crop growing

CROP GROWING 2021 HY results



Extreme heat waves in summer forced group to adjust harvest forecast, especially yields of summer cultures.

Rising production prices and better quality of basic crops will partially offset losses of unfavorable weather conditions to the harvest.

Sales revenue decreased in the first half of 2021 due to uneven distribution of sales quantities between periods - 63% of 2019/2020 season's harvest was sold in 2020 and 37% in 2021, while 51% of harvest of 2018/2019 was sold in 2019 and 49% in 2020.

Lower revenue and improved gross profit.

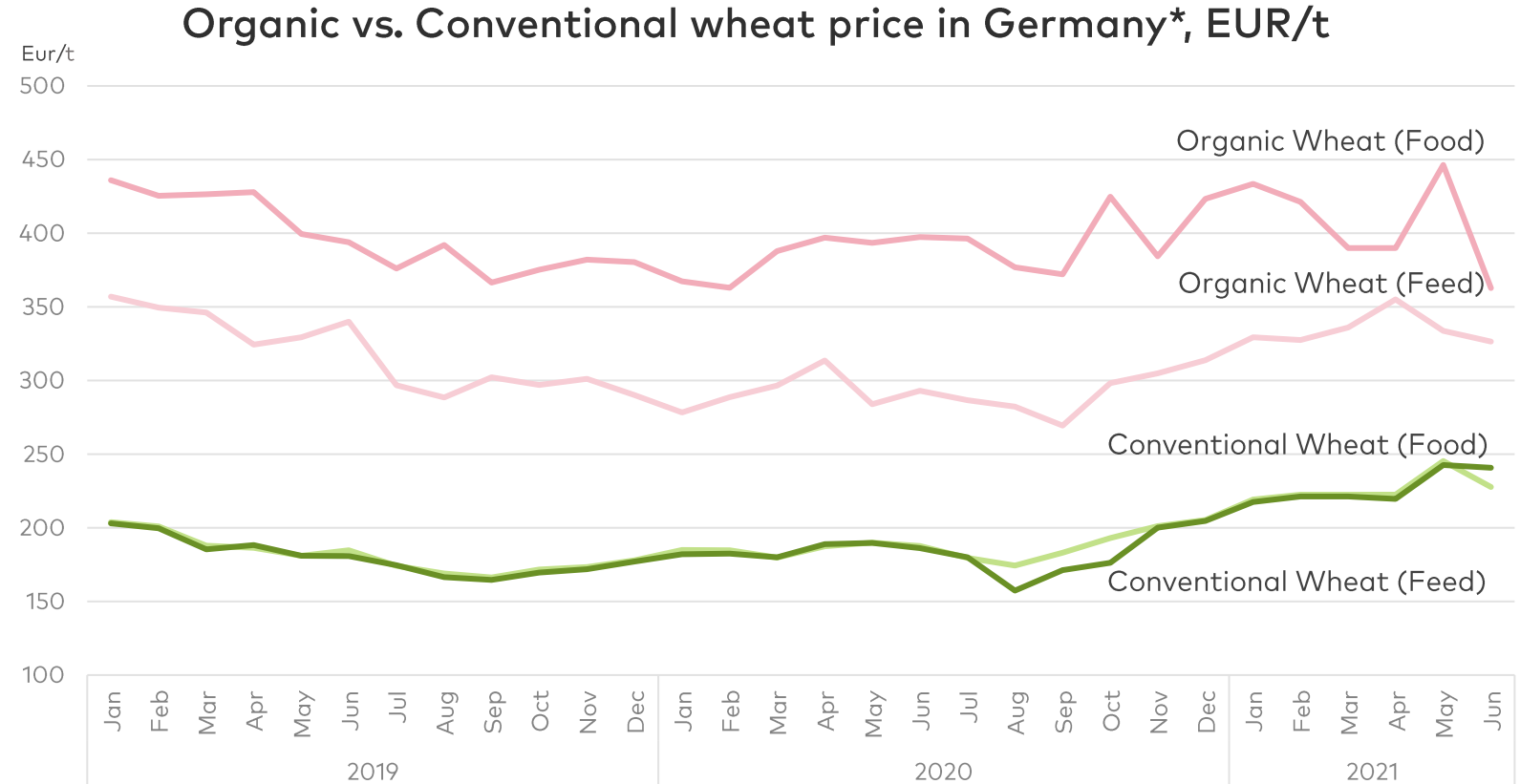
	2021 HY	2020 HY	Variance	2019 HY
Total cultivated land, ha	39,139	39,637	-1%	38,564
EUR million	2021 HY	2020 HY	Variance	2019 HY
Total gain (loss) on revaluation of biological assets (crops)	6.53	6.38	+2%	3.29
Gain (loss) on revaluation of biological assets (crops) recognized in previous period	2.02	1.45	+39%	-
Gain (loss) on revaluation of biological assets (crops) recognized in current period	4.51	4.93	-9%	3.29
Sales revenue	9.48	10.83	-12%	8.29
Cost of sales	10.66	11.44	-7%	9.06
Inventory write-offs	0.43	0.69	-37%	0.49
Result of sales of agricultural produce	(1.61)	(1.30)	-24%	(1.27)
Subsidies	4.62	3.71	+25%	3.51
Gross profit	7.51	7.34	+2%	5.54



Average organic wheat price recovered by 10% in HY 2021 vs HY 2020.

As for 31.08.2021 new contracts are signed for 69% of expected 2021 harvest.

According to the signed contracts, average price of group's wheat is 16% higher compared to average wheat sales price of 2020 harvest.



*Germany, the largest EU market, is a benchmark for major organic product prices.

An aerial photograph of a large herd of dairy cows grazing in a lush green field. The cows are scattered across the frame, with some in the foreground and others further back. The field is divided into sections by thin white lines, likely representing fence lines or paddocks. The overall scene is bright and vibrant, with the green grass contrasting sharply with the various colors of the cows.

Results by segment

Dairy

The primary focus remains increasing efficiency.

Due to challenges faced in the production planned goal of increasing milk yields was not met. However, milk yields start to improve – +4% in June 2021 vs. June 2020.

Milk production remained similar to 2020 (13,867 tonnes in 2020 vs. 13,889 tonnes in 2021).

Amount of milk sold decreased due to fluctuation in sales as the group approaches new markets and increased amount of milk used for newly born heifers.

Average milk price in 2021 HY was 4% higher than in 2020 HY.

	2021 HY	2020 HY	Variance	2019 HY
Total quantity of products sold, t	13,538	13,902	-3%	13,247
Milk	12,812	13,158	-3%	12,699
Milk commodities	335	355	-6%	193
Cattle	391	388	+1%	356

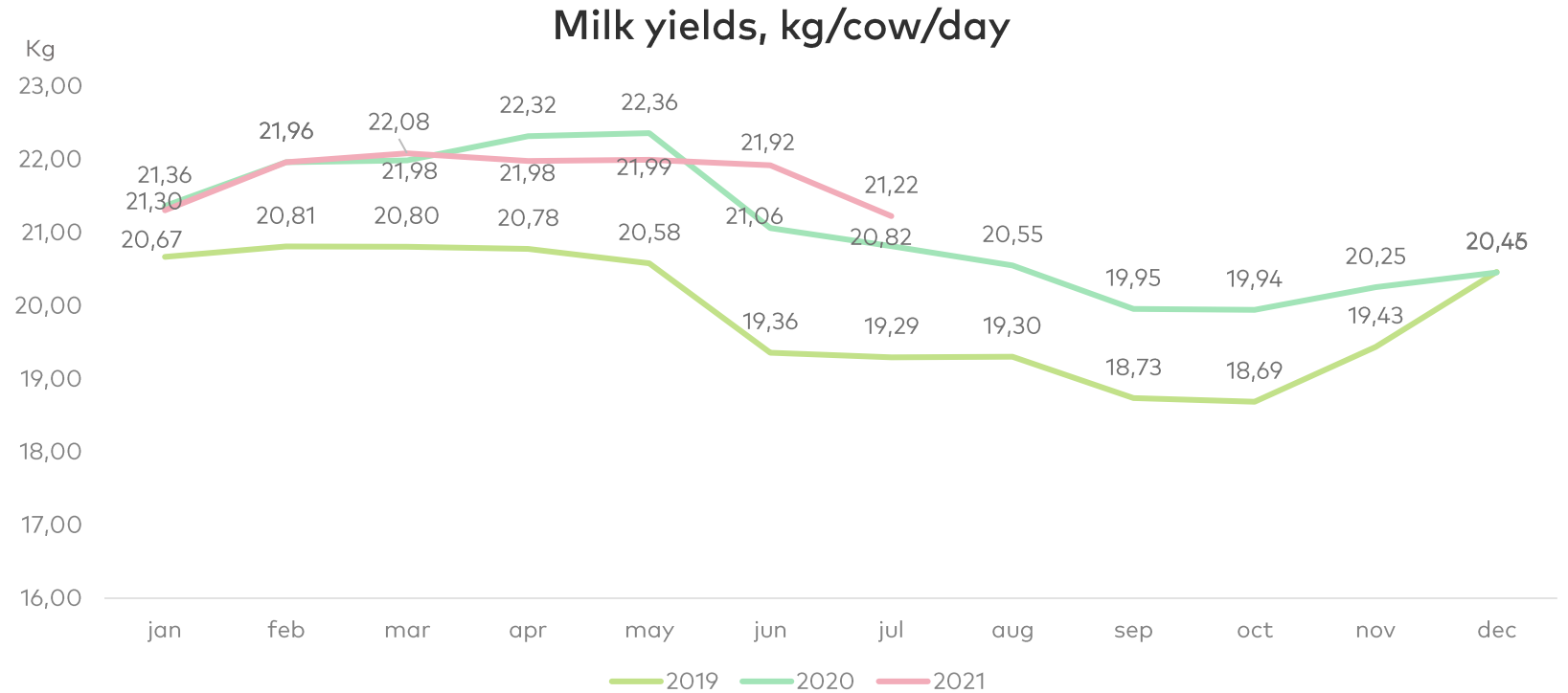
EUR million	2021 HY	2020 HY	Variance	2019 HY
Revenue	6.73	6.66	+1%	5.70
Milk	5.29	5.22	+1%	4.82
Milk commodities	1.00	1.07	-6%	0.49
Cattle	0.44	0.37	+19%	0.39
Cost of sales	6.69	6.27	+7%	5.62
Milk	5.32	4.85	+10%	4.74
Milk commodities	0.93	1.06	-12%	0.49
Cattle	0.44	0.37	+19%	0.39
Revaluation of biological assets	(1.81)	(1.61)	-12%	(1.49)
Subsidies	1.51	1.31	+15%	1.11
Gross profit	(0.27)	0.09	n/a	(0.30)



Improving milk yields

Average milk yield in the first half of 2021 were 21.87 kg per cow per day compared to 21.84 kg per cow per day in 2020.

Herd renewal and the use of new technologies are expected to further improve milk yields.





Results by segment

Mushroom growing

MUSHROOM GROWING



2021 HY results

Challenges in production.

Segment faced the challenges with an increase in the number of workers suffering from COVID-19.

Production capacity have decreased in Q2 of 2021. Group picked 6,179 tonnes mushrooms in 2021 compared to 6,466 tonnes in the first half of 2020.

Long production process did not allow to reduce the costs incurred in production.

Hot summer weather have led to a general decrease in production capacity across the market creating favorable market conditions for the Group in the coming periods.

	2021 HY	2020 HY	Variance	2019 HY
Sold mushrooms, t	6,335	6,579	-4%	6,001
Average price (Eur/t)	2,221	2,168	+2%	2,107

EUR million	2021 HY	2020 HY	Variance	2019 HY
Total revenue	14.33	15.21	-6%	13.80
Mushroom sales revenue	14.07	14.26	-1%	12.64
Compost sales revenue	0.25	0.95	-73%	1.16
Cost of sale	13.74	14.15	-3%	12.76
Cost of mushrooms sold	13.59	13.22	+3%	11.69
Cost of compost sold	0.15	0.93	-84%	1.07
Gross profit	0.59	1.07	-44%	1.04





Results by segment

End-consumer products (FMCG)

2021 HY results

The segment continues to grow in 2021.

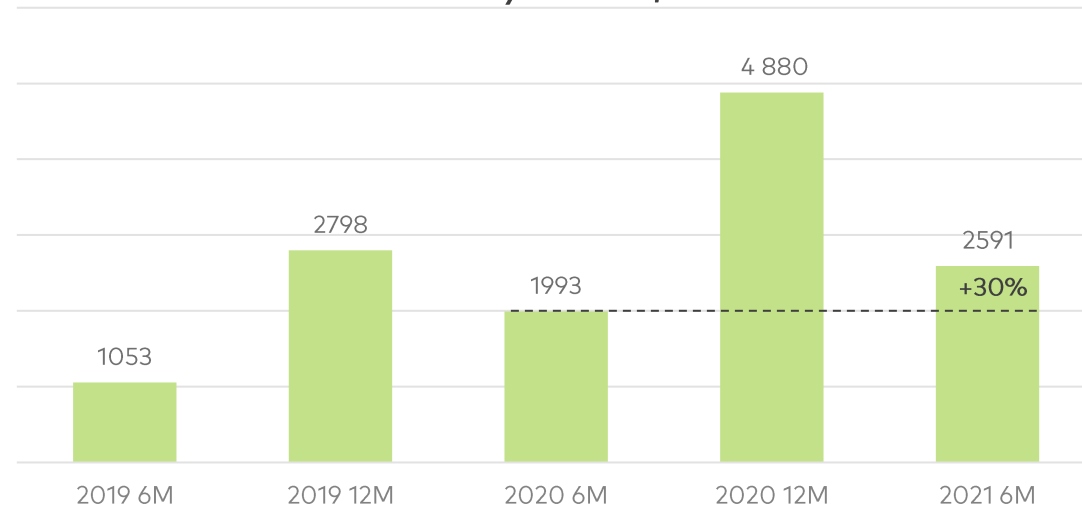
Although higher growth was recorded in the first quarter of this year than in the second, the FMCG segment continues to show good results.

Due to transport challenges customers reduce a quantity of orders but increase their value.

The segment's profitability margin remains at the similar level, reaching 25% in the first half of 2021.

EUR million	2021 HY	2020 HY	Variance	2019 HY
Revenue	2.59	1.99	+30%	1.05
Cost of goods sold	1.93	1.90	+1%	1.01
Gross profit	0.66	0.09	+647%	0.04

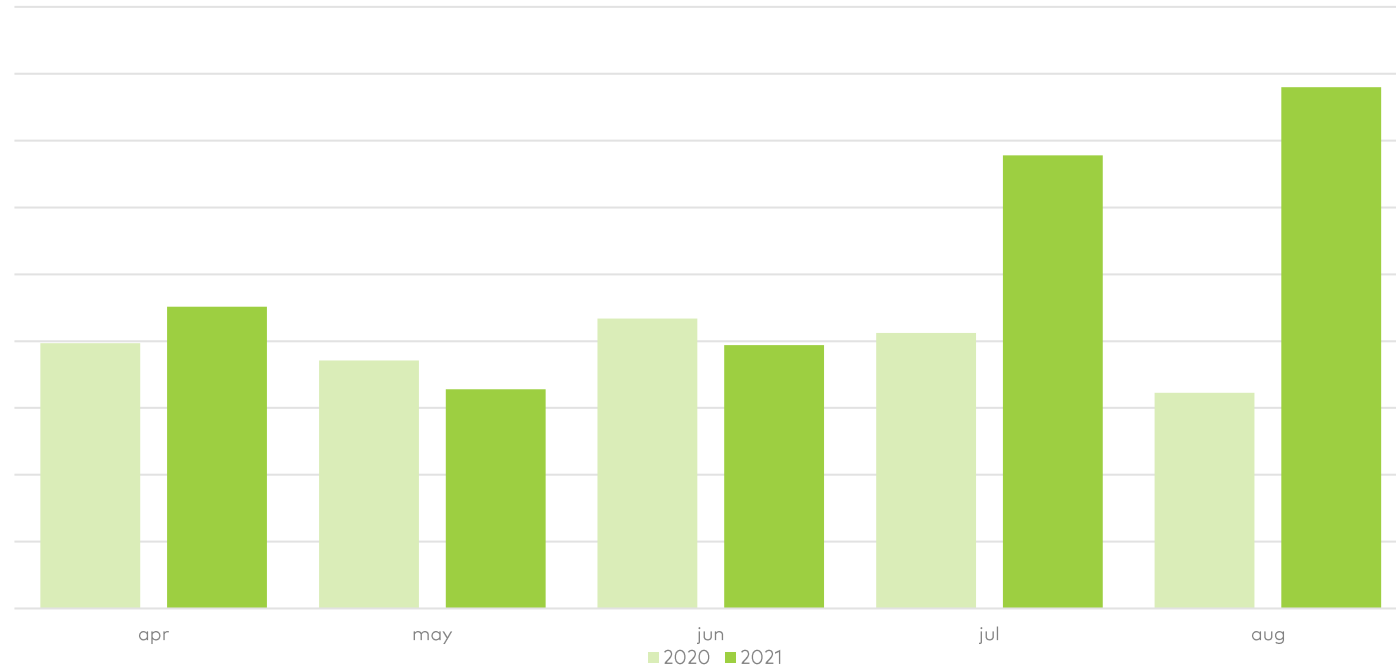
Revenue dynamics, th. EUR



A large proportion of orders being moved to the third quarter of 2021:

- Sales in July 2021 were 69% higher than in July 2020.
- Open orders amount at the end of second quarter of 2021 amounted to EUR 1.61 million.

Sales fluctuation in 2021 vs. 2020, Eur



New products

The group expands its assortment of consumer goods - 3 new soups flavours were presented to the market in the second and third quarters of 2021.

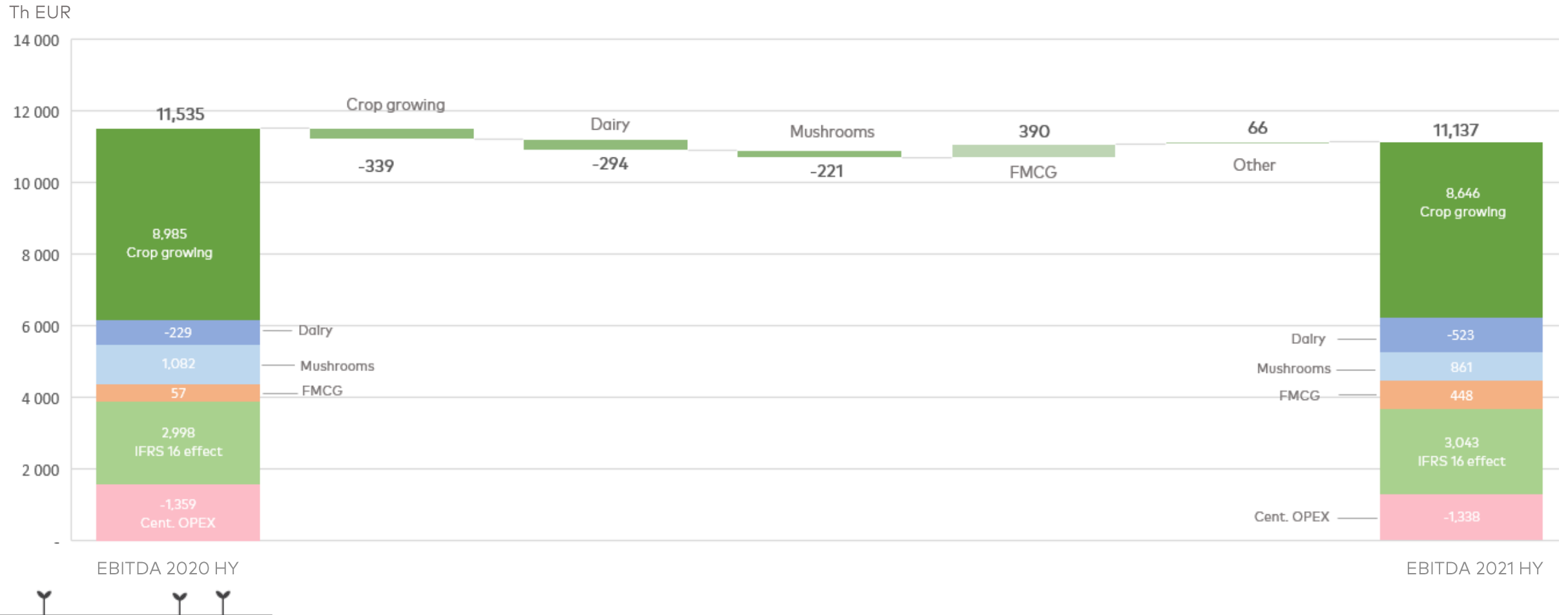


Financial information

FINANCIAL INFORMATION

Main factors for EBITDA change

EBITDA decreased by 0.40 EUR million.

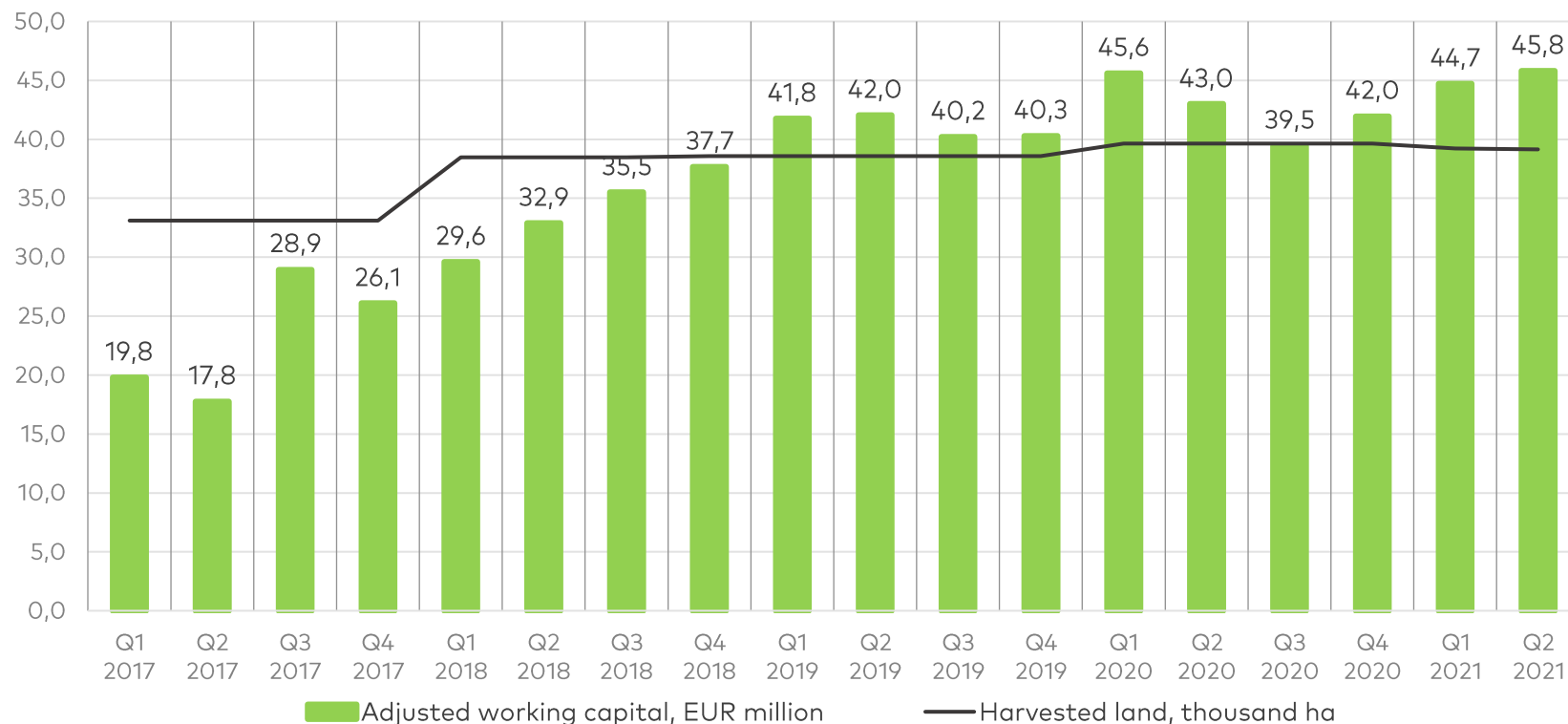


FINANCIAL INFORMATION

Net debt remains stable - in 2021 HY reached EUR 61.8 million vs. EUR 59.1 million in 2020 HY.

The group is increasing spending on new technologies application, R&D activities.

Working capital dynamics and financing



	2017	2018	2019	2020	2021 HY
Net debt, EUR million*	42.9	53.6	55.3	57.4	61.8
Net debt - adjusted working capital**, EUR million	16.87	15.91	15.14	15.42	15.98

*Excluding IFRS 16 lease liabilities

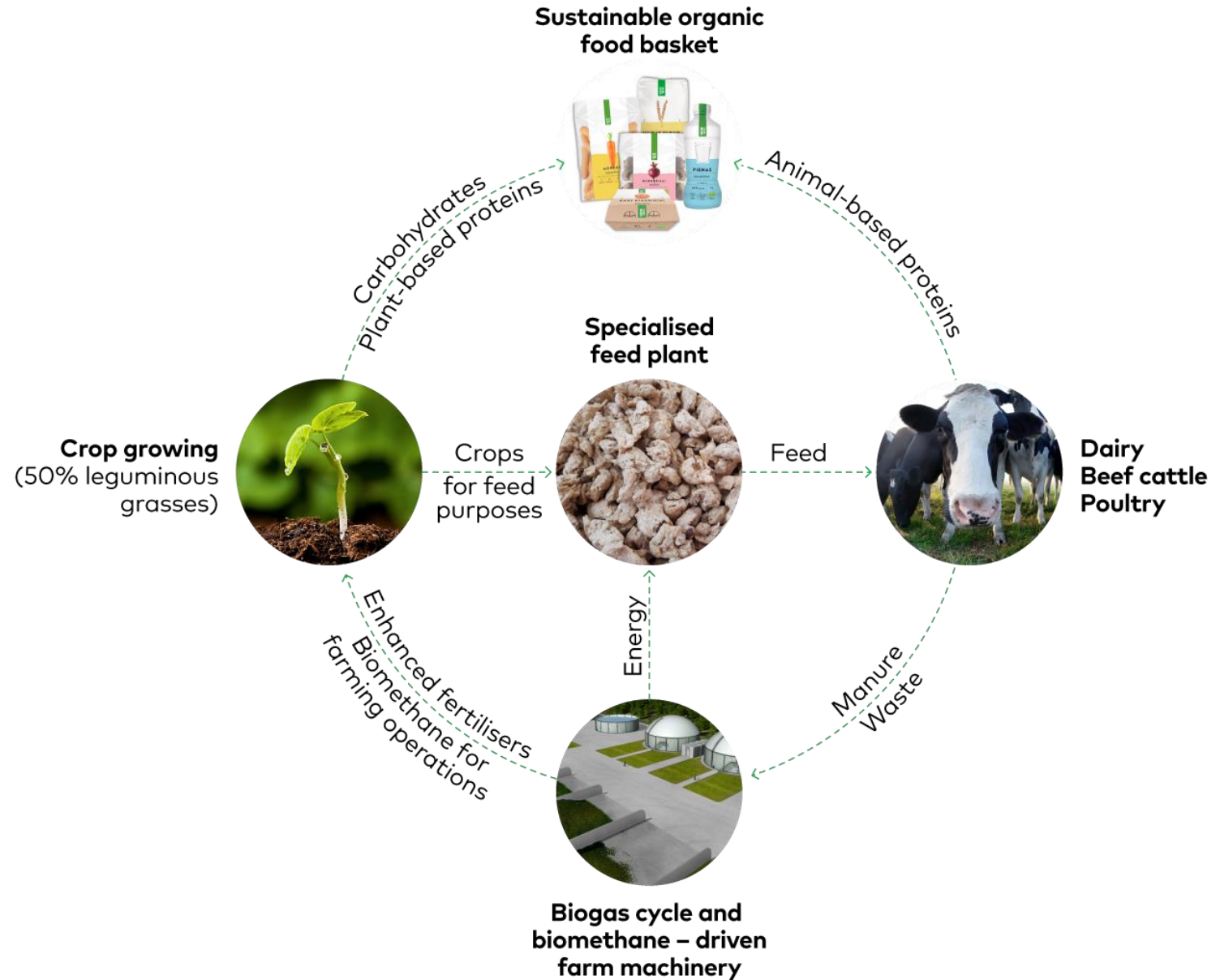
**Adjusted working capital = Current biological assets + Trade receivables, advance payments and other receivables + Inventory - Trade payables - Other payables and current liabilities. The adjusted working capital formula eliminates cash and financing elements allowing the reader to see how the short-term assets and liabilities directly related to operations of the Group are being utilized.

INVESTMENTS IN R&D

The group continues to allocate its resources to achieve goals determined in the strategy – a sustainable organic food value chain and agriculture efficiency through the implementation of:

- 1) Biogas cycle infrastructure and vehicles,
- 2) Specialised feed technology,
- 3) Regenerative crop-rotation.

Investment in 2021 HY reached EUR 6.19 million compared to EUR 2.25 million in 2020 HY.



FINANCIAL INFORMATION

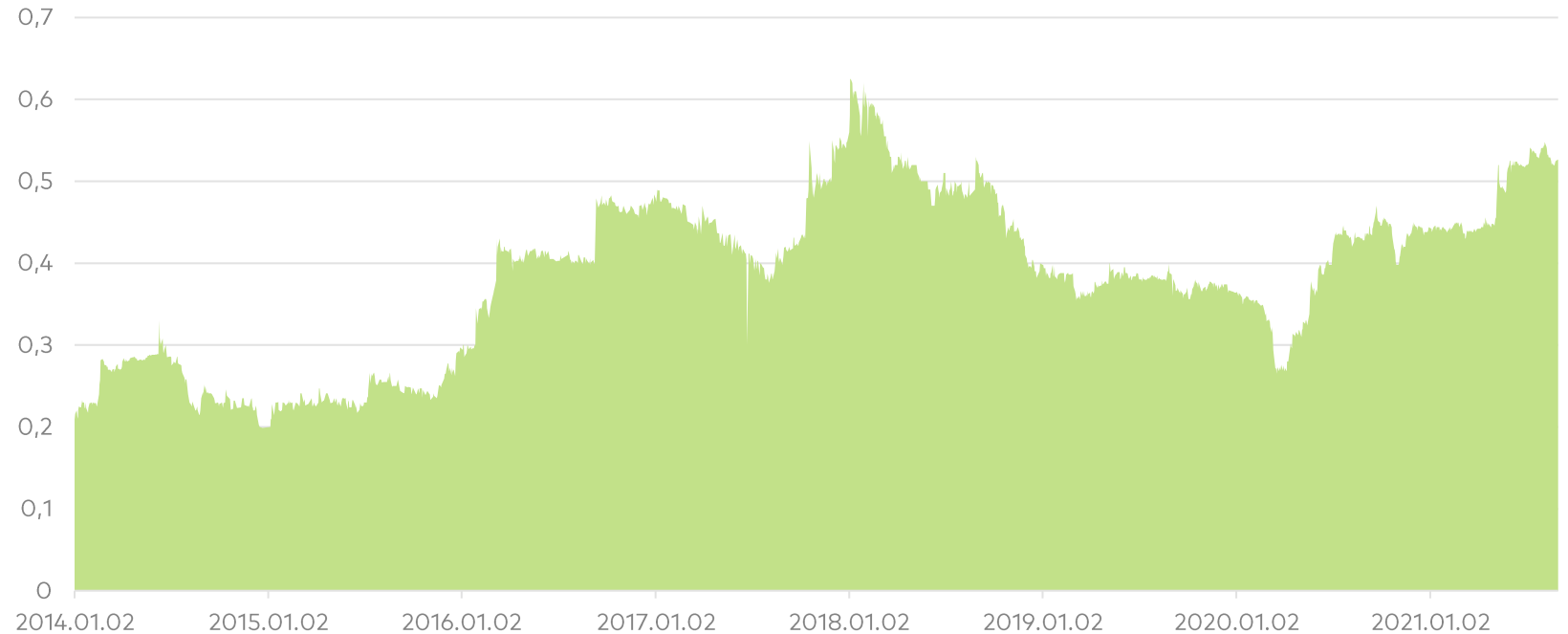
The share price increased by 19.12% (from EUR 0.442 to EUR 0.527 per share) from the beginning of 2021 to 31 August 2021.

The average monthly turnover was EUR 0.90 million.

Top 2 corporate bond turnover in Baltics (turnover during 2021 - EUR 2.95 million).

Share price information

AUGA group, AB share price on Nasdaq Vilnius, EUR



Valuation target price, EUR



0.66*



0.45-0.55



0.74

* - Base case scenario



More information:

- Nasdaq Vilnius, Baltic Main List: [AUG1L](#)
- Nasdaq Vilnius, green bonds: [AUGB060024A](#)
- Information for investors: <http://auga.lt/en/for-auga-investors>
- Analyst reports, data in MS Excel format: <https://auga.lt/en/investors/reports-and-presentations>
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