



AUGA GROUP AB

Consolidated Interim
Financial Statements for
9 Months Period Ended
30 September 2020
(Unaudited)

2020

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I. GENERAL INFORMATION

1.1. Accounting period covered by the Report

Consolidated annual report was prepared for the nine months period ended 30 September 2020.

1.2. Key data on the issuer

Name of the company:	AUGA group, AB (hereinafter – AUGA group, AB or the Company)
Share capital:	EUR 65,950,713.08
Address of headoffice:	Konstitucijos av. 21C, Quadrum North, LT-08130, Vilnius, Lithuania
Telephone:	+370 5 233 53 40
Fax:	+370 5 233 53 45
E-mail address:	info@auga.lt
Website:	www.auga.lt
Legal entity form:	Legal entity, joint stock company
Place and date of registration:	25 June 2003, Vilnius
Register code:	126264360
Registrant of the Register of Legal entities:	VĮ Registrų centras

1.3. Main lines of business of the Group

Operations area:	Organic agriculture
Main products manufactured:	Grain growing and sale, milk production and sale, mushroom growing and sale, end-consumer packaged goods production and sale.

1.4. The Structure of the Group-

As of 30 September 2020, the consolidated Group (hereinafter the Group) consists of the Company and one hundred thirty-seven subsidiaries (31 December 2019: one hundred thirty-six subsidiaries). Please refer to the financial statements note 3 for a detailed list of the Group companies.

1.5. Agreements with the mediators of securities public circulation

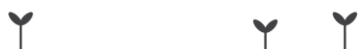
The Company and FMĮ Orion Securities UAB (A. Tumėno st. 4, B building, LT-01109 Vilnius) signed an agreement regarding handling of Shareholders accounts.

1.6. Data about securities traded on regulated markets

The securities of the Company are included in Main List of NASDAQ Vilnius stock exchange (symbol: AUG1L).

Type of shares	Number of shares	Share nominal value (in EUR)	Total share capital (in EUR)	Issue Code ISIN
Ordinary registered shares	227,416,252	0.29	65,950,713.08	LT0000127466

The securities of the Company are also traded in Warsaw stock exchange. Information about the Company's shares trading on the NASDAQ Vilnius.



1.6. Data about securities traded on regulated markets (continued)

Reporting period	Price, EUR			Date of last session	Total turnover	
	max	min	Last session		Units	EUR, million
2020 I quarter	0.362	0.265	0.273	2020.03.31	2,953,395	0.957
2020 II quarter	0.406	0.268	0.398	2020.06.30	3,615,072	1.226
2020 III quarter	0.478	0.398	0.446	2020.09.30	1,725,034	0.754

AUGA group, AB share price variance (Eur) and Volume for the period of 1 January 2015 to 30 September 2020.



Source: NASDAQ Vilnius stock exchange

The Company's shares are also traded on the Warsaw Stock Exchange.

1.7. Information on non-financial reporting

The Company does not prepare interim non-financial reporting information. Annual sustainability report of the Company for the year 2019 is provided as Annex No. 2 of the Company's consolidated annual report for the year ended 31 December 2019.

1.8. Significant post balance sheet events

Post balance sheet events are disclosed in the consolidated financial statements of the Group for the nine months period ended 30 September 2020. See financial statements' note 16 for more details.



II. MANAGEMENT REPORT

2.1. Overall results

During the first nine months of 2020, AUGA group, AB and its subsidiaries (hereinafter - the Group) sales revenue amounted to EUR 62.38 million, a 33% increase compared to the same period of 2019, when it was EUR 47.05 million. Revenue increased in all segments, with highest increases in crop-growing (sales increased by EUR 11.45 million) and mushrooms segments (sales increased by EUR 2.37 million).

The Group's gross profit for the first nine months of 2020 amounted to EUR 11.88 million and was EUR 3.88 million higher compared to the same period of 2019 (gross profit for the first nine months of 2019 - EUR 8.00 million).

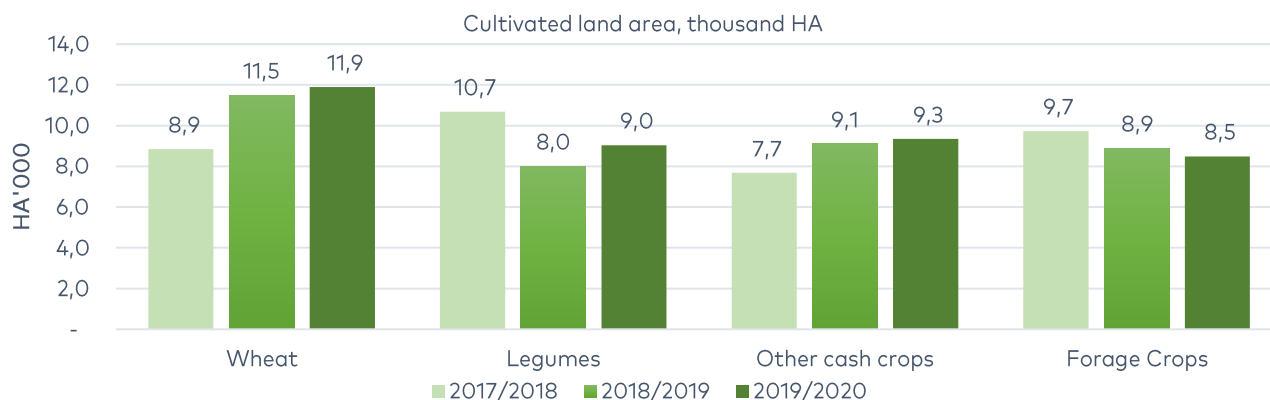
Main financial results, million EUR	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Revenues	62.38	47.05	42.16	+33%	+12%
Gross profit (loss)	11.88	8.00	1.76	+48%	+355%
Gross profit margin	19%	17%	4%	+12%	+425%
Profit (loss) before taxes	0.44	(1.28)	(4.88)	n/a	+74%
PBT margin	1%	(3%)	(12%)	n/a	+75%
EBITDA	15.94	12.43	1.74	+28%	+614%
EBITDA margin	26%	26%	4%	0%	+650%

2.2. Crop growing segment overview

Results of crop growing segment consist of crop harvest fair value, sales of the previous and current year harvest and agricultural subsidies.

Harvest in the season 2019/2020

The total cultivated land area by the Group amounts to around 39.6 thousand hectares in the season of 2019/2020 and is more than 1 thousand larger than in the season of 2018/2019. In the season of 2019/2020 30.3 thousand hectares have been seeded with cash crops (28.7 thousand in the season of 2018/2019) out of which 11.9 thousand ha are dedicated to wheat, 9.0 thousand ha to legumes and 9.3 thousand ha to other cash crops. The majority – 11.3 thousand ha out of 11.9 thousand ha – of wheat is winter wheat, in a similar proportion to the season of 2018/2019 since winter crops usually have higher yield potential compared to summer alternatives. Forage crops comprise 8.5 thousand ha in the season of 2019/2020 compared to 8.9 thousand ha in 2018/2019 season.



As at 30 September 2020 the Group has finalized harvesting of wheat and legumes. Other cash crops at the reporting date is partly harvested – soya, vegetables and clover will be harvested by the end of October, while oats, rye, barley and sugar beets were harvested by 30 September. For cash crops already harvested as at 30 September 2020 gain (loss) on recognition at fair value of agricultural produce at point of harvest was calculated. Fair value for remaining cultures was estimated using the methodology provided below. It is important to note that at the issue date of this report harvesting of all cash crops except Soya, corn and clover were completed therefore preliminary data was already available for fair value estimation as at 30 September 2020.



2.2. Crop growing segment overview (continued)

The Group estimated total fair value of not yet harvested cash crops as at 30 September 2020 using following formula and assumptions:

Fair value of the crop = Costs incurred + (Cultivated area in ha * forecasted average yield as tons per ha * forecasted grain price per ton – cultivated area in ha * forecasted total cost per ha) * T * (1 - x), where:

- Cost incurred is cost actually incurred for particular crop during the season of 2019/2020 as at 30 September 2020.
- Cultivated area in ha is an area of particular crop seeded and expected to be harvested.
- Forecasted average yield in tons per ha.
- Forecasted grain price per ton. Contracted average sales prices of 2020 were used for fair value estimation. At the issue date of this report, 93% of current year harvest is already contracted.
- Forecasted total cost per ha. Current level of accumulated costs adjusted by average historical cost levels of 2018 and 2019 were used for fair value estimation. It is expected that costs will remain in similar level as in historical periods.
- T is a time portion, spanning from the sowing date until the forecasted harvest date. It is estimated that the harvesting of all cash crops will be completed by the end of October, therefore completion percentage as at 30 September 2020 were around 84%. Completion percentage for the next season's clover was 38% as the lifespan of clover is 16 months and harvest date is set at 30 September 2021.
- X is an adjustment parameter for possible unexpected negative effects to the harvest. 10% was used in fair value estimations as at 30 September 2020. Adjustment parameter of 30% was used for the next season's clover.

The estimated fair value of cash crops as at 30 September 2020 is higher than the costs incurred by EUR 7.93 million. It should be noted that due to mild winter and significant biological transformation at the end of 2019, EUR 1.45 million gain from fair value of winter crops was already recognized as at 31 December 2019. Thus, the gain on changes in fair value of biological assets accounted for in the first nine months of 2020 amounts to EUR 6.48 million compared to EUR 3.87 million in the first nine months of 2019.

Despite the improved results in 2020, the Group believes that the potential of this year's harvest was higher. Weather conditions in the season 2019/2020 were rather favorable compared to previous season. However, in the season of 2019/2020 the quality of wheat harvest was lower than usual which led to decreased average price of wheat compared to previous seasons. In addition, prices of most organic grain decreased in the market and were lower than in previous year. Yields of most of the crops increased, however the yield potential was not realized for few of the crops – wheat and sugar beets.

It should be noted that the fair value of forage crop even at its point of harvest is measured at production cost incurred on forage crop. In other words, forage crop production cost is used as a measure of the fair value of that forage crop since there is no active market for forage crops and there is no reliable data to calculate market price of the forage crops. Due to this the net result on revaluation of forage crops is equal to zero.

Tables below present actual information on fully harvested cultures group by 30 September – wheat and legumes. Since the harvesting of other cash crops is not fully completed at the reporting date, actual information on other cash crops will be provided in annual results.

Table below provides harvested land plot of wheat and legumes in the current and past two seasons. Land plot of wheat and legumes slightly increased in the season of 2019/2020 compared to previous period and constituted 68% of all cash crops land plot.

Harvested land plot by culture group, HA	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Wheat	11,896	11,503	8,852	+3%	+30%
Legumes	9,035	8,039	10,682	+11%	-25%

Comparison of wheat and legumes average cost per hectare of land is provided in the table below.

Cost per 1 ha cultivated land, EUR/ha	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Wheat	824	925	881	-11%	+5%
Legumes	839	830	790	+1%	+5%

Cost of legumes remained at the similar level in the season of 2019/2020 compared to previous season, while the average cost of wheat has decreased by 11%. Cost of legumes remained at the same level as in previous year due to increased harvest transportation, cleaning and drying cost as the harvest amount in 2020 significantly increased compared to 2019. Cost of wheat growing have slightly decreased in 2020 due to reduced land tillage cost. As wheat constitute around third of all cash crops in Group's crops structure, decreasing wheat growing costs is another important milestone in improving crop growing segment results.

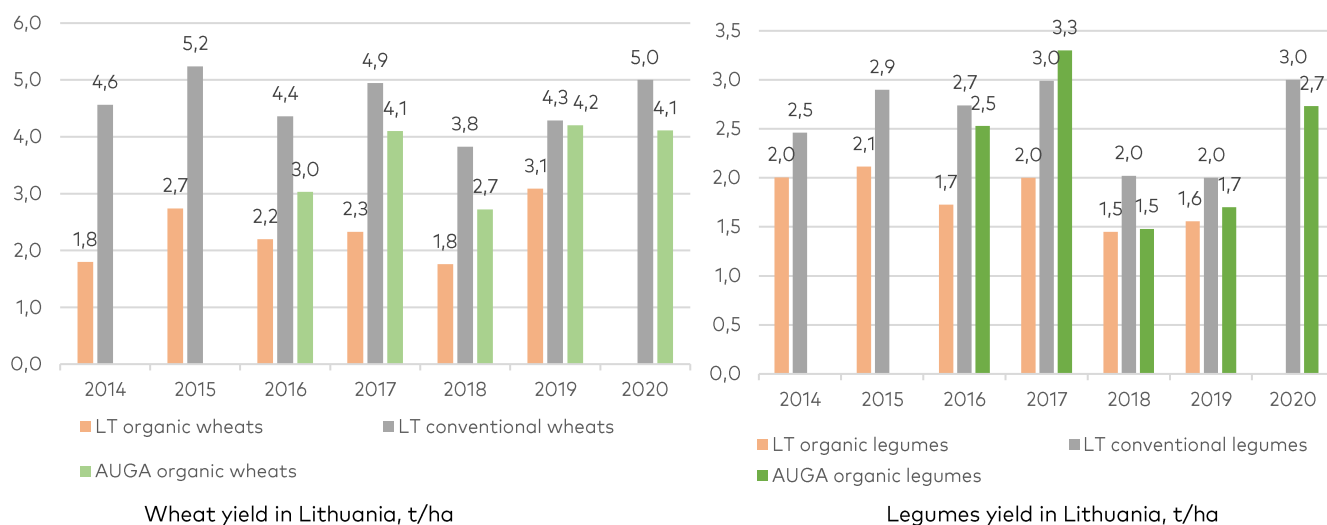


2.2. Crop growing segment overview (continued)

Table below depicts variance between expected yields and actual yields for wheat and legume in the season of 2019/2020. Wheat yield in 2020 was 4.1 t/ha which is similar to 4.2 t/ha in 2019. The Group has anticipated a higher yield this year. Legumes yield in 2020 increased compared to previous year from 1,7 t/ha to 2,7 t/ha. Increase in legumes yield was lower by 10% than expected for the season of 2019/2020.

Crop type	Yield used for revaluation of biological asset for season of 2019/2020	Actual result for the season of 2019/2020	Variance, %
Wheat	4,3	4,1	-4%
Legumes	3,0	2,7	-10%

As can be seen from the data presented, Group's average wheat and legumes yields are close to the average yields achieved by non-organic farms in Lithuania. For implementation of the Group's long-term strategic goals it is very important to achieve organic agriculture crop yields as close as possible to country's average conventional agriculture yields.



NOTE: The data of LT organic farms for 2020 has not yet been published, the data of conventional farms in the LT is preliminary. Reference: Lithuanian Statistics Department, data of the survey of the activities of Lithuanian agricultural producers included in the Farm Accountancy Data Network (FADN), the Group's data.

According to preliminary data, most of the cash crops yields in 2020 will be higher than in previous year. Final yields of all cash crops will be provided in annual financial statements.

Table below depicts comparison of wheat and legumes prices at which the harvest was evaluated (at fair value) in the seasons of 2019/2020, 2018/2019 and 2017/2018. It should be noted that at the time of the publication of the financial statements for the nine months of 2020, significant part of the 2019/2020 season harvest has already been sold or contracted at fixed prices, therefore fair value of the majority of crops was estimated based on average contract prices.

Average price of 1 tonne of crop, eliminating sales costs, EUR/t	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Wheat	208	262	268	-21%	-2%
Legumes	354	359	354	-2%	+1%

As can be seen from the data above, the price of 1 tonne of wheat in the season of 2019/2020 decreased by 21% compared to previous season. Decrease in wheat prices was caused by 2 reasons: price decrease in the market and unusual large amount of feed quality wheat in the mix. In the season of 2019/2020 the quality of harvested wheat was worse compared to previous seasons: in the season of 2019/2020 wheat for feed (lower quality and price) proportion in the whole harvest reached 75% compared to the season of 2018/2019 it was – 35%. As the company had much more feed wheat than expected, more wheat had to be sold on the spot – which decreased the average wheat price even more.

The prices of legumes slightly decreased in the season of 2019/2020, however it remained stable over the past few years.



2.2. Crop growing segment overview (continued)

Table below provide information on gain (loss) per hectare for wheat and legumes.

Gain (loss) on revaluation of agricultural produce at point of harvest, EUR/ha	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Wheat	29	177	-154	-83%	n/a
Legumes	130	-224	-266	+158%	+16%

Average gain per 1 hectare from wheat significantly decreased in the season of 2019/2020 compared to previous season due to decreased market prices and lower quality of the harvest. However, the Group succeeded in cutting wheat growing costs, which helped to diminish negative impact of price and quality decrease of wheat. Legumes result in the season of 2019/2020 were significantly better compared to previous seasons. Better results were achieved due to increased yield. However, the Group believes that the yield potential were around 10% higher for legumes and expects even better results in the future.

Crop growing segment sales results

Crop growing segment's sales revenue for the first nine months of 2020 amounted to EUR 27.89 million compared to EUR 16.45 million for the same period in 2019 (70% increase). By the end of first nine months of 2020 all harvest from the 2018/2019 season was sold. In addition, the Group has sold around 43% of its current year harvest. Due to earlier harvesting of sugar beets, sales of sugar beets were recognized in September and not in October as in previous year. If sales of sugar beets were eliminated, sales in 2020 increased by 30% compared to previous year. Group's sales in the first nine months of 2020 increased due to larger quantities sold as the harvest quantities are increasing year-over-year.

	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Sales revenue, EUR million	27.89	16.45	15.59	+70%	+5%
Cost of sales, EUR million	28.81	17.73	16.14	+63%	+10%
Inventory write-offs, EUR million	0.97	0.73	0.75	+33%	-2%
Result of sales of agricultural produce, EUR million	(1.89)	(2.01)	(1.29)	+6%	-56%

Crop growing segment's cost of sales for the first nine months of 2020 amounted to EUR 28.81 million versus EUR 17.73 million in 2019. Cost of sales increase was 7% lower compared to revenue increase percentage. Total agricultural produce inventory write-offs and impairment during first nine months of 2020 amounted to EUR 0.97 million compared to EUR 0.73 million during the nine months of 2019. The increase in write-offs in 2020 was related with one-off events. Even though crops sales quantities increased, prices of commodities were dropping down in the first nine months of 2020, therefore total sales result of agricultural produce was EUR 1.89 million loss for the first nine months of 2020 and EUR 2.01 million loss for the same period in 2019.

Agricultural subsidies and gross profit of the crop growing segment

As at 30 September 2020 the Group has reclassified the subsidies related to grasslands and pastures from agricultural to dairy segment to have a better representation of the segments' results. The reclassification was performed in comparable period as well. The performed reclassification does not affect any other disclosures or results in general.

Total amount of agricultural subsidies accrued during the first nine months of 2020 was EUR 5.57 million compared to EUR 5.27 million during the same period in 2019. The increase is related to a higher number of hectares seeded and declared for season 2020. The accrual amount is based on the preliminary calculation for subsidies, based on the most recent information on the government subsidies programmes available. The Group does not expect to be sanctioned in 2020, as organic farming requirements, for which Group was sanctioned in 2019, have been removed for 2020.

Gross profit of crop growing segment including result of sales of agricultural produce, gain (loss) on changes in fair value of biological assets and agricultural subsidies, amounted to EUR 10.16 million in the first nine months of 2020 compared to EUR 7.13 million the year earlier. It should be noted that EUR 1.45 million of fair value change of 2019/2020 season's winter crops was recognized in 2019 due to a significant biological transformation unusual for the winter season. If fair value change of winter crops was recognized in 2020, gross profit of agriculture segment as at 30 September 2020 would amount to EUR 11.61 million.

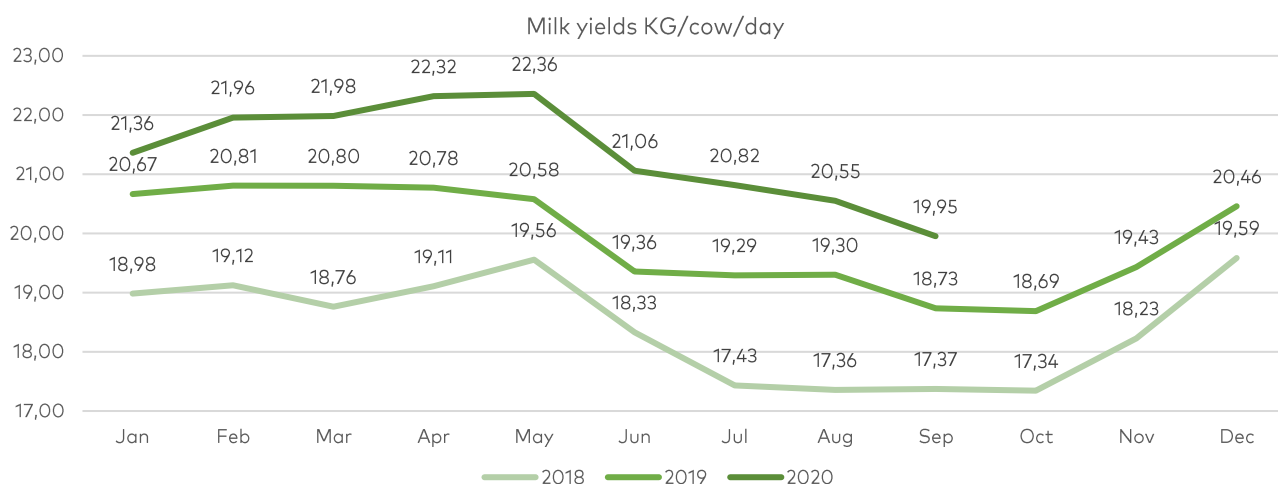


2.2. Crop growing segment overview (continued)

	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019 %	Variance 2019/2018, %
Gain (loss) on revaluation of biological assets (crops) and agricultural produce at point of harvest recognized in reporting period, EUR million	6.48	3.87	(3.79)	+67%	n/a
Total fair value gain (loss) on revaluation of biological assets, EUR million	7.93	3.87	(3.79)	+105%	n/a
Result of sales of agricultural produce, EUR million	(1.89)	(2.01)	(1.29)	-2%	+56%
Subsidies, EUR million	5.57	5.27	5.43	+6%	-3%
Gross profit, EUR million	10.16	7.13	0.35	+42%	+1,957%

2.3. Dairy segment overview

Dairy segment sales revenue for the first nine months of 2020 reached EUR 8.17 million and was around 7% higher than in the same period a year earlier. Increased total tonnage of milk sold and increased share of organic milk sales both contributed to sales revenue increase. Total amount of milk sold increased by 4% - from 18.59 thousand tons (or 20.03 kg per cow per day) in the first nine months of 2019 to 19.31 thousand tons (or 21.38 kg per cow per day) in the first nine months of 2020. Milk yields dynamics for the past three years are provided in the graph below.



Decrease in milk yields in the third quarter of 2020 is seasonal drop directly related to the change feed regime from farms to pasture and other conditions that affect the productivity of milking cows. Despite the seasonal decrease the milk yields are still better than in previous years.

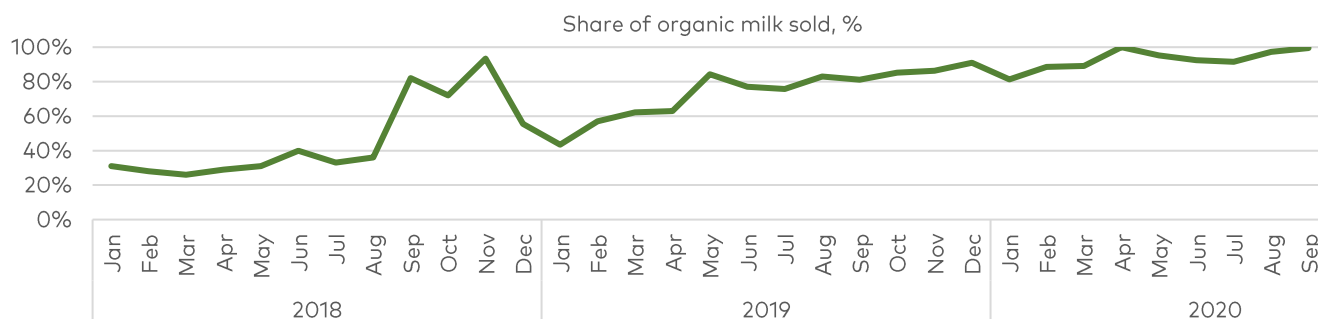
Group's organic milk price decreased by 1.3% in the first nine months of 2020 and was EUR 400 per ton (in the first nine months of 2019 price of organic milk was EUR 406 per ton). In first nine months of 2020 average price of milk sold was around EUR 395 per ton or 4% higher comparing to the same period last year when it was EUR 380 per ton. Average milk price increased due to larger share of organic milk sold.



2.3. Dairy segment overview (overview)

	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Total quantity of products sold, t	19.82	19.14	17.54	+4%	+9%
Milk, t	19.82	18.59	16.93	+4%	+10%
Cattle, t	0.52	0.54	0.61	-5%	-10%
Revenue, EUR million	8.17	7.63	6.53	+7%	+17%
Milk, EUR million	7.62	7.06	5.88	+8%	+20%
Cattle, EUR million	0.55	0.56	0.65	-3%	-13%
Cost of sales, EUR million	7.79	7.64	7.33	+2%	+4%
Milk, EUR million	7.24	7.07	6.68	+2%	+6%
Cattle, EUR million	0.55	0.56	0.65	-3%	-13%
Revaluation of biological assets, EUR million	(2.30)	(2.31)	(1.54)	0%	-50%
Subsidies, EUR million	1.96	1.66	1.862	+18%	-10%
Gross profit, EUR million	0.04	(0.65)	(0.48)	n/a	+36%

Share of milk sold at organic production prices reached 93% in first nine months of 2020 which is significantly higher compared to 69% during same period in 2019. As it can be seen from the graph below, the share of milk sold at organic prices has been steadily growing from the beginning of 2019 and there have been no significant fluctuations in the share of organic milk sold.



Dairy segment's cost of sales amounted to EUR 7.79 million during the first nine months of 2020 compared to EUR 7.64 million during the same period last year (2% increase). Milk cost increased due to increased feeds cost as the yields of forage crops were adversely impacted by draught in the season of 2018/2019. However, cost increase was slower than sales increase as milk yields continued to grow. The Group is constantly improving its feed quality and structure which allows the group to gain better yields at a similar cost level.

During the first nine months of 2020 the loss of EUR 2.30 million was incurred on revaluation of biological assets (animal herd). In comparison EUR 2.31 million loss was incurred during the same period a year earlier. The Group is seeking to increase milk yields per cow, which would result in increased production quantities and reduced costs. In order to achieve higher milk yields, and the quality of cow herd in general, aged and not productive cows are substituted with younger heifers. Write-offs of aged cows are represented in the revaluation of biological assets.

As at 30 September 2020 the Group has reclassified the subsidies related to grasslands and pastures from agricultural to dairy segment to have a better representation of the segments' results. The reclassification was performed in both periods, therefore, the results between periods are comparable and respective reclassification does not affect any other disclosures or results at large.

As the milk yields and gross result from milk sales increase, while costs remain at a similar level, gross result of dairy segment continues to improve compared to the previous year. The gross profit of dairy segment amounted to EUR 0.04 million in the first nine months of 2020 (gross loss of EUR 0.65 million was reported in the first nine months of 2019).



2.4. Mushroom segment overview

The revenue of mushroom growing segment was EUR 22.93 million in the first nine months of 2020, around EUR 1.79 million or 8% higher compared to the same period in 2019 when revenue was EUR 21.14 million. Revenue from mushroom sales increased by EUR 2.26 million while revenue from mushroom seedbed sales decreased by EUR 0.46 million.

Mushroom sales revenue increased due to higher volume of sales – 9.65 thousand tonnes of mushrooms were sold during first nine months of 2020 compared to 9,01 thousand tonnes a year earlier (7% increase). The increase was mostly related to better mushroom yields compared to previous period

During the first nine months of 2020, share of organic mushrooms sold was around 7.6% of total volume of mushrooms sold comparing to 7.3 % during the same period in 2019.

In the first nine months of 2020, average non-organic and organic mushrooms sales price increased by around 4% compared to the same period in 2019. The average price of 1 tonne of mushrooms sold was 2,160 EUR/tonne in the first nine months of 2020 (2,071 EUR/tonne in the first nine months of 2019). The average mushroom price increased due to larger sales of packaged mushrooms and resale of forest mushrooms. However due unusual high yields of wild forest mushrooms in local forests, the demand for fresh mushrooms decreased and the group had to sell bigger part of mushrooms for processing (with lower price).

	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Sold mushrooms, t	9,652	9,013	9,105	+7%	-1%
Average price (Eur/t)	2,231	2,107	2,147	+6%	-2%
Total revenue, EUR million	22.93	21.14	19.03	+8%	+11%
Mushroom sales revenue, EUR million	21.53	19.27	17.27	+12%	+12%
Compost sales revenue, EUR million	1.39	1.86	1.75	-25%	+6%
Cost of sale, EUR million	21.55	19.63	17.21	+10%	+14%
Cost of mushrooms sold, EUR million	20.30	17.86	15.62	+14%	+14%
Cost of compost sold, EUR million	1.25	1.76	1.59	-29%	+11%
Gross profit, EUR million	1.37	1.50	1.82	-9%	-17%

The total cost of sales of the mushroom growing segment amounted to EUR 21.55 million in the first nine months of 2020 and was EUR 1.92 million higher compared to the same period in 2019 when it was EUR 19.63 million. Average cost of 1 tonne of mushrooms sold increased from 1,982 EUR/tonne to 2,103 EUR/tonne. Cost of mushrooms mainly increased due to higher sales of packaged mushrooms.

Gross profit of mushroom growing segment in the first nine months of 2020 decreased by 9% to EUR 1.37 million compared to EUR 1.50 million in the first nine months of 2019. The decrease in gross profit is mainly related with market changes and fluctuations in current environment caused by global pandemic.

2.5. End-consumer packaged goods segment

Total revenue of end-consumer packaged goods segment amounted to EUR 3.36 million during the first nine months of 2020 compared to EUR 1.83 million a year earlier. Significant increase in end-consumer segment sales has been impacted by higher demand in both local and foreign markets. While COVID-19 pandemic has slowed the launch of new products, the demand for long shelf-life products compensated the deceleration. Moreover, the Group expanded its exports markets, which positively affected sales.

	9 months of 2020	9 months of 2019	9 months of 2018	Variance 2020/2019, %	Variance 2019/2018, %
Revenue, EUR million	3.36	1.83	1.00	+84%	+83%
Cost of goods sold, EUR million	3.07	1.82	0.94	+60%	+94%
Gross profit, EUR million	0.29	0.01	0.06	+2,900%	-83%



2.5. End-consumer packaged goods segment (continued)

As at 28 May 2020 the Group has acquired full control of Grybai LT, KB which produces and sells end-consumer goods. Grybai LT, KB is included in the Group's consolidated financial statements as of 01 June 2020. Acquisition of Grybai LT, KB should improve the results of the end-consumer goods segment and a more material effect should be visible in the upcoming periods. Grybai LT, KB contribution to consolidated sales revenue in the first nine months of 2020 amounted to EUR 0.24 million.

Table below provide information on end-consumer goods sales share for main countries and increase in sales in respective country.

Country	Share of total sales, %			Increase in sales, %	
	9 months of 2020	9 months of 2019	9 months of 2018	2020/2019	2019/2018
Lithuania	32%	52%	64%	+12%	+71%
USA	27%	12%	0%	+320%	n/a
Sweden	9%	3%	0%	+361%	n/a
Japan	5%	4%	0%	129%	n/a
Latvia	5%	5%	3%	+89%	+281%
Other	22%	24%	33%	125%	n/a

During the first nine months of 2020 the Group have expanded its exports markets and currently distributes its goods to 28 countries compared to 21 country in the same period in 2019. Sales increased in both local and foreign markets, however, due to expanded export markets share of local sales in total sales decreased. Increased sales to the USA by 75% had the highest impact to increased sales in the FMCG segment.

Preserved products, especially ready-to-eat organic soups, remain to be the main products in the segment.

Revenues structure from the sale of the end consumer goods as at 30 September 2020 is depicted in the chart below.



Cost of sales were EUR 3,07 million for the first nine months of 2020 compared to EUR 1.82 million for the same period in 2019. In the first nine months of 2020, gross profit of the segment amounted to EUR 0.29 million (gross profit of EUR 0.01 million reported for the same period in 2019).

2.6. Operating expenses

The Group's operating expenses for the first nine months of 2020 amounted to EUR 7.26 million, while in 2019 operating expenses were around EUR 6.83 million. The increase is mostly related to the implementation of employee health insurance in the Group. Also, in the first nine months of 2020 the office administration expenses have increased.

2.7. COVID-19 pandemic effect

In light of the COVID-19 pandemic's effects on the business environment, measures have been taken to evaluate the most significant coronavirus-related risks throughout the Group's key business units, namely crop growing, dairy production, mushroom growing and fast-moving consumer goods (FMCG).



2.7. COVID-19 pandemic effect (continued)

Additional measures have been taken to ensure the safety of the Group's employees and the continuation of its daily activities. With additional measures applied, all Group companies are operating at required capacities.

At the market level, agricultural production companies stand out as some of the least affected at this point of the crisis, given the nature of their produce and increasing demand from households. However, the management is considering all the possible threats to the Group's key business areas and is working to alleviate their effects.

Crop growing

The Company's management is not seeing any significant changes in the crop market, especially since all obligations are executed according to existing agreements. However, the Group could face a labour shortage if the numbers of infected or quarantined persons were to rise dramatically. Nevertheless, the management is ready to mitigate this risk with options provided by temporary employment, given that interest on the labour side is growing.

Dairy

Milk production is running at regular capacity and there are no problems with product demand. It is delivered to the local market (the Baltic States and Poland) and mainly used for fresh consumer products. The management is not seeing at present nor does it forecast a decrease of demand in this segment.

Mushroom growing

The biggest threat in the mushroom growing segment is related to production, given the labour intensity of the production operations. Therefore, the Company is implementing various measures to ensure the safety of employees and to minimize contact between them. As with crop growing, the Group could face a shortage of labour if the number of infected or quarantined persons were to increase dramatically. Nevertheless, the management is ready to address this matter through temporary employment.

Several business areas of the segment are at least partly negatively affected by the pandemic:

- sales to wholesalers working with HoReCa had decreased
- sales of mushroom seedbeds to Russia had decreased
- demand for packaged mushrooms is growing
- market volatility had increased which makes it challenging to sell the mushrooms at fresh mushroom price (higher part of the mushrooms are sold for processing with lower price)

Though the effect is not significant, the management is working to increase customer/market base and sell mushrooms in fresh market. In terms of the status of mushroom operations, production is working at regular capacity.

Under the current circumstances, the long-term goal of the business unit to increase the proportion of organic product sales could be delayed due to uncertainties in the Group's main markets.

FMCG

The management is observing growing demand for long shelf-life packaged products (dairy products, soups, etc.) across all markets. In terms of the associated risks in this segment, these are mainly related to possible interruptions in the supply chain of raw materials that the Group cannot produce in-house.



III. FINANCIAL STATEMENTS

Consolidated balance sheet

ASSETS	Notes	30 September 2020 unaudited	31 December 2019 audited
Non-current assets			
Property, plant and equipment	4	95,436	91,897
Right-of-use assets	4	36,689	36,211
Intangible assets		2,749	14
Long term receivables at amortized cost	Z	1,646	5,676
Investments accounted for using equity method		57	57
Financial assets at fair value through profit or loss		355	355
Deferred tax asset		1,069	1,069
Biological assets	5	9,123	9,397
Total non-current assets		147,124	144,676
Current assets			
Biological assets	5	15,027	16,035
Inventory	6	34,678	28,958
Trade receivables advance payments and other receivables	Z	27,655	13,322
Cash and cash equivalents		3,428	3,732
Total current assets		80,788	62,047
TOTAL ASSETS		227,912	206,723
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	2	65,951	65,951
Share premium		6,707	6,707
Revaluation reserve		8,488	8,488
Legal reserve		1,834	1,834
Reserve to provide shares for employees		2,509	1,624
Retained earnings / (accumulated deficit)		4,821	5,102
Equity attributable to equity holders of the parent		90,310	89,706
Non-controlling interest		364	369
Total equity		90,674	90,075
Non-current liabilities			
Borrowings	8	24,661	20,670
Obligations under lease	9	40,895	36,150
Deferred grant income		2,949	2,992
Deferred tax liability		1,509	1,509
Total non-current liabilities		70,014	61,321
Current liabilities			
Current portion of non-current borrowings	8	5,044	10,819
Current portion of non-current obligations under lease	9	2,239	7,054
Current borrowings	8	22,039	19,300
Trade payables		26,151	13,433
Other payables and current liabilities		11,751	4,721
Total current liabilities		67,224	55,327
Total liabilities		137,238	116,648
TOTAL EQUITY AND LIABILITIES		227,912	206,723



Consolidated income statement

	Notes	9 months period ended 30 September	
		2020 unaudited	2019 unaudited
Revenues	<u>10</u>	62,379	47,054
Cost of sales	<u>10</u>	(54,681)	(40,618)
Gain (loss) on changes in fair values of biological assets and on recognition at fair value of agricultural produce at point of harvest	<u>5, 10</u>	4,179	1,564
GROSS PROFIT		11,877	8,000
Operating expenses	<u>11</u>	(7,262)	(6,831)
Other income	<u>12</u>	353	533
OPERATING PROFIT		4,968	1,702
Finance cost	<u>13</u>	(4,530)	(2,981)
Share of net profit (loss) of associates accounted for using the equity method		-	-
PROFIT (LOSS) BEFORE INCOME TAX		438	(1,279)
Income tax expense		-	-
NET PROFIT / (LOSS) FOR THE PERIOD		438	(1,279)
ATTRIBUTABLE TO:			
Equity holders of the Company		420	(1,287)
Non-controlling interest		18	8
		438	(1,279)
STATEMENT OF OTHER COMPREHENSIVE INCOME			
NET PROFIT/ (LOSS) FOR THE PERIOD		438	(1,279)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		438	(1,279)
ATTRIBUTABLE TO:			
Equity holders of the Company		420	(1,287)
Non-controlling interest		18	8
		438	(1,279)



Consolidated statement of changes in equity

	Share capital	Share premium	Revaluation reserve	Currency exchange differences	Reserve to provide shares for employees	Legal reserve	Retained earnings	Equity attributable to the shareholders of the company	Non-controlling interest	Total
Balance as at 31 December 2018 (audited)	65,951	6,707	7,155	-	957	1,649	8,937	91,356	359	91,715
<i>Comprehensive income</i>										
Net profit (loss) for the period	-	-	-	-	-	-	(3,228)	(3,228)	10	(3,218)
Share based payment expenses	-	-	-	-	-	-	247	247	-	247
<i>Other comprehensive income</i>	-	-	-	-	-	-	-	-	-	-
Revaluation of land, net of tax	-	-	1,332	-	-	-	-	1,332	-	1,332
Total comprehensive income	-	-	1,332	-	-	-	(2,982)	(1,649)	10	(1,639)
<i>Transactions with shareholders</i>										
Transfer to legal reserve	-	-	-	-	-	185	(185)	-	-	-
Transfer to reserve to provide shares for employees	-	-	-	-	667	-	(667)	-	-	-
Total transactions with shareholders	-	-	-	-	667	185	(852)	-	-	-
Balance as at 31 December 2019 (audited)	65,951	6,707	8,488	-	1,624	1,834	5,102	89,706	369	90,075
<i>Comprehensive income</i>										
Net profit (loss) for the period	-	-	-	-	-	-	420	420	18	438
Share based payment expenses	-	-	-	-	-	-	185	185	-	185
<i>Other comprehensive income</i>	-	-	-	-	-	-	-	-	-	-
Revaluation of land (net of tax)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	605	605	18	623
<i>Transactions with shareholders</i>										
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-
Transfer to reserve to provide shares for employees	-	-	-	-	885	-	(885)	-	-	-
Dividends granted by subsidiaries to the non-controlling interest	-	-	-	-	-	-	-	-	(23)	(23)
Total transactions with shareholders	-	-	-	-	885	-	(885)	-	(23)	(23)
Balance as at 30 September 2020 (unaudited)	65,951	6,707	8,488	-	2,509	1,834	4,821	90,310	364	90,674



Consolidated statement of cash flows

	Notes	9 months period ended 30 September	
		2020 unaudited	2019 unaudited
Cash flows from /(to) operating activities			
Net profit (loss) before income tax and non-controlling interest		438	(1,279)
<i>Adjustments for non-cash expenses (income) items and other adjustments</i>			
Depreciation expenses (PP&E)	4	5,544	5,712
Depreciation expenses (ROU* assets)	4	4,497	4,400
Amortization expenses		4	4
Expenses of share-based payments	11	185	149
Write offs and impairment of PPE		-	-
(Gain) loss on sales of non-current assets		(12)	(56)
(Gain) loss on sale of investment property		-	-
Write-offs of inventory	5,6	1,416	1,182
Net finance cost	13	2,559	1,637
Net finance cost (IFRS 16)	13	1,726	1,011
Loss (gain) on changes in fair value of biological assets	5	(4,179)	(1,564)
Grants related to assets, recognized as income		(313)	(326)
<i>Changes in working capital</i>			
(Increase) decrease in biological assets		6,169	(8,021)
(Increase) decrease in trade receivables and prepayments		(15,166)	(6,690)
(Increase) decrease in inventory		(6,084)	(5,048)
(Decrease) increase in trade and other payables		13,284	11,522
Cash flows from operating activities		<u>9,998</u>	<u>2,633</u>
Interest paid, netto		(2,184)	(1,637)
Net cash flows from /(to) operating activities		<u>7,814</u>	<u>996</u>
Cash flows from /(to) investing activities			
Purchase of property, plant and equipment	4	(4,527)	(2,833)
Purchase of investments	14	(1,504)	-
Proceeds from sales of investment property, PPE		122	383
Proceeds from sales of investments		-	-
Grants related to assets, received from NPA		270	-
Other loans repaid		-	857
Other loans granted		-	(539)
Net cash flows from/(to) investing activities		<u>(5,639)</u>	<u>(2,182)</u>
Cash flows from /(to) financing activities			
Loans repaid to banks		(2,575)	(2,741)
Borrowings received		5,739	3,730
Other borrowings obtained (paid)		(3,553)	440
Finance lease repayments		(2,091)	(1,714)
Net cash flows from/(to) financing activities		<u>(2,480)</u>	<u>(285)</u>
Net (decrease) / increase in cash and cash equivalents		(305)	(1,471)
Cash and cash equivalents at the beginning of the period		3,732	2,281
Cash and cash equivalents at the end of the period		<u>3,428</u>	<u>808</u>

* ROU assets – Right-of-use assets



VI. EXPLANATORY NOTES

1. Basis of the preparation

The accompanying interim financial information for the 9-month period ended 30 September 2020, has been prepared in accordance with IAS 34, 'Interim financial reporting'. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2019, as described in those annual financial statements. This financial information should be read in conjunction with the interim financial information for 9-month period ended 30 September 2019 and the balance sheet as of 31 December 2019 which have been prepared in accordance with IFRS as adopted by the EU.

The presentation currency is euro (EUR). The financial statements are presented in thousands of euro, unless indicated otherwise. Financial statements for the 9-month period ended 30 September 2020 and 30 September 2019 are not audited. Financial statements for the year ended 31 December 2019 are audited by the external auditor UAB PriceWaterhouseCoopers.

Critical accounting estimates and assumptions

The preparation of financial information in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial information, are disclosed below. Critical accounting estimates and assumptions remain the same as disclosed in the audited annual financial statements for period ended 31 December 2019.

IFRS 16, Leases

Based on IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities as at 1 January 2019 was 6%. The incremental borrowing remained unchanged throughout 2019 and 2020.

In applying IFRS 16, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as short-term leases (which were recognized as expense on a straight-line basis);
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Revaluation of biological assets (crops)

The Group estimates the total fair value of crops using following formula and assumptions:

Fair value of the crop = Costs incurred + (Cultivated area in ha * forecasted average yield as tons per ha * forecasted grain price per ton – cultivated area in ha * forecasted total cost per ha) * T * (1 - x), where:

- Cost incurred is cost actually incurred for particular crop during the season till the reporting date.
- Cultivated area in ha is an area of particular crop seeded and expected to be harvested.
- Forecasted average yield tons per ha.
- Forecasted grain price per ton. Contracted average sales prices are used for fair value estimation.
- Forecasted total cost per ha. Average historical cost levels are used for fair value estimation
- T is a time portion, spanning from the sowing date to the forecasted harvest date
- X is an adjustment parameter for possible unexpected negative effects to the harvest.

Revaluation of biological assets (livestock)

Due to the specifics of the agricultural market, fair value of milking cows cannot be determined by using comparable market prices method, as such biological assets in areas where the Group operates are not traded on active markets which could enable the use of market value. The Group values cows using the discounted cash flow method. The model uses projected revenues from milk sales over the remaining useful life of each animal using a forecasted milk price. Milk price forecast is the average milk price assumption of the following 3 years was. Current cow herd has an estimated working life of 1 to 3 years. At the end of the working period the cow is estimated to be sold for meat. The forecasted revenues are reduced with costs directly related to herd growing (feeds, medicines, employee salaries and other). The free cash-flow is discounted with post tax WACC.



Revaluation of biological assets (livestock) (continued)

For valuation of other livestock the Group calculates the fair value by taking the average price of meat per kilo. For young bulls and heifers, the value of livestock is determined by using the market values of meat (different for different groups of animals) and multiplying the price of 1 kg by the total weight of specific group of animals.

Share-based payments

Total cumulative expenses of share-based payments are calculated based on the formula described below. The expenses are accrued in the profit (loss) statement and equity based on the days lapsed since the grant date till the reporting date. Each year the entity will revise the expense to reflect the best available estimate of the number of equity instruments expected to vest.

The total expenses of share-based payments are calculated based on the formula:

$$\text{Share price @ grant date} \times \text{Granted shares} \times (1 - \text{annual staff turnover})^{\text{vesting period}}$$

Where:

The share price of options is based on the closing price at grant date at which the company's shares are traded on the Nasdaq Stock Exchange.

The grant date of the Option is set to be the date of the share-based payment agreement between the Company and the receiver as all the terms and conditions are set in this agreement and there are no other arrangements which would need to be confirmed at a later date.

Granted shares – shares to be granted to employee based on the Option agreement.

Staff turnover – chance that the option will be exercised is adjusted by the forecasted staff turnover percent during the vesting period. The ratio is calculated based on historical staff turnover data of 2 years. The historical staff turnover data includes turnover only of the positions which are set to receive the share-based payments. The turnover of other positions are excluded from the ratio.

There are option agreements which are signed with a special condition – that the receivers do not need to fulfill the service condition, but they will still need to wait 3 years vesting period before being able to exercise the option. Due to this staff turnover adjustment is excluded in the calculation of the expenses of these options as it does not affect their chances to receive the option.

2. Share capital and reserves

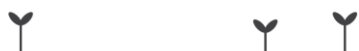
Share capital and premium of the Company

The share capital of AUGA group AB as at 30 September 2020 was EUR 65,951 thousand (as at 31 December 2019: EUR 65,951 thousand). The share capital is divided into 227,416,252 ordinary shares (2019: 227,416,252 ordinary shares). Each issued share has a EUR 0.29 nominal value and fully paid. Each share had usual material and intangible rights as per Law on Companies of the Republic of Lithuania and the Company's statutes.

On 23 August 2018 AUGA group AB successfully completed secondary public offering by issuing 40,000,000 share units. The shares were sold for the total amount of EUR 18 million at EUR 0.45 price per share. Share premium represent the price premium paid by the shareholders, deducting the expenses related to the whole offering process. Share premium at the end of 30 September 2020 amounted to EUR 6,707 thousand (31 December 2019: EUR 6,707 thousand).

Shareholders

Total number of shareholders on 30 September 2020 was 1,727 (one thousand seven hundred twenty seven) and on 31 December 2019 it was 1,330 (one thousand three hundred thirty).



2. *Share capital and reserves (continued)*

The shareholders owning more than 5% of shares in the Company are the following:

Entity / person	30 September 2020		31 December 2019	
	Number of shares	% owned	Number of shares	% owned
Baltic Champs Group UAB (identification code: 145798333; address: Poviliškiai v., Šiauliai region mun., Lithuania)	125,167,939	55.04	125,167,939	55.04
European Bank for Reconstruction and Development (identification code: EBRDGB2LXXXX; address: One Exchange Square, London EC2A 2JN, UK)	19,810,636	8.71	19,810,636	8.71
ME Investicija UAB (identification code: 302489393; address: Račių st. 1, Vilnius, Lithuania)	19,082,801	8.39	19,082,801	8.39
Žilvinas Marcinkevičius	15,919,138	7.00	15,919,138	7.00
Other shareholders	47,435,738	20.86	47,435,738	20.86
Total	227,416,252	100.00	227,416,252	100.00

Information on the shares of the Company held by the members of the Board and the top executives as of 30 June 2020:

Name, Surname	Position	Owned shares in the Company, units	Owned shares in the Company, %
Kęstutis Juščius*	CEO	1,392	0.0006%
Tomas Krakauskas**	Member of the Board	119,000	0.052%
Mindaugas Ambrasas	CFO	6,881	0.003%

* Kęstutis Juščius, CEO, is the ultimate owner of Baltic Champs Group UAB, controlling 55.04% of the Company's shares.

** Tomas Krakauskas is an employee of UAB ME Investicijos, which holds 8.39% of the Company's shares.

Reserves of the Company

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfer of at least 5% of net profit, calculated in accordance with Lithuanian regulatory legislation on accounting, is compulsory until the reserve including share premium reaches 10% of the share capital. The legal reserve can be used to cover the accumulated losses. The legal reserve of the Company equalled to EUR 1,834 thousand as at 30 September 2020 (EUR 1,834 thousand as at 31 December 2019).

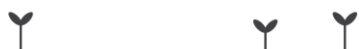
Revaluation reserve comprises revaluation of land portfolio owned by the Group. Land portfolio valuation is performed by independent valuator. The valuation for reporting period was performed in 2019. Revaluation reserve as at 30 September 2020 amounted to EUR 8,488 thousand (EUR 8,488 thousand as at 31 December 2019).

In 2018 the Company formed a reserve to grant shares for employees. The value of the reserve increased by EUR 885 thousand in 2020 due to implementation of employee share option plan (in 2019 reserve increased by EUR 667 thousand). Reserve to grant shares for employees as at 30 September 2020 amounted to EUR 2,509 thousand (EUR 1,624 thousand as at 31 December 2019).

Employee Option Plan was approved by shareholders at the annual general shareholders' meeting on 30 April, 2019. The service condition for the Option receiver is to complete a 3-year term of service to the Group. After the condition is met employee is eligible to exercise the option.

Reserve to grant shares for employees	Number of shares,	Value, EUR
	units	
Total reserve as at 31 December 2018	3,300,000	957
Shares allocated to employees based on option agreements as at 31 December 2019	2,548,860	739
Unallocated shares as at 31 December 2019	3,051,140	885
Total reserve as at 31 December 2019	5,600,000	1,624
Shares allocated to employees based on option agreements as at 30 September 2020	4,765,690	1,382
Unallocated shares as at 30 September 2020	3,886,034	1,127
Total reserve as at 30 September 2020	8,651,724	2,509

In 2020 the reserve to provide share for employees was increased by 3,051,724 shares with a nominal value of EUR 0.29 and in total of EUR 885 thousand. In 2020 the Group recognised employee benefit expenses of EUR 185 thousand related share options granted to employees.



3. The Structure of the Group

As of 30 September 2020, the consolidated Group (hereinafter the Group) consisted of the Company and one hundred thirty-seven subsidiaries (31 December 2019: one hundred thirty-six subsidiaries). On 14 February 2020 Group companies Baltic Champs UAB and AUGA Luganta UAB together with other shareholders of Grybai LT KB, capitalised loans provided to Grybai LT KB which resulted in an increase in share capital of Grybai LT KB and a change in the Group's interest in the company. As a result, the Group's share in Grybai LT KB increased from 22% to 61 %. On 28 May 2020 Group companies Agromilk, KB, Juodmargelis, KB and Šventosios pievos, KB bought-out the rest of minority shareholders and with this transaction the Group took over the full control of Grybai LT KB. Detailed list of all subsidiaries is provided below.

No.	Name of subsidiary	Legal form	Legal entity code	Registered office	Profile	Group ownership interest, %	
						2020 09 30	2019 12 31
1.	Baltic Champs UAB	*4	302942064	Šiaulių region, Poviliškių v., 15	**A	100,00%	100,00%
2.	AVG Investment UAB	*4	300087691	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**G	100,00%	100,00%
3.	AWG Investment 1 UAB	*4	301745765	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**G	100,00%	100,00%
4.	AWG Investment 2 UAB	*4	301807590	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**G	100,00%	100,00%
5.	Agross UAB	*4	301807601	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**H	100,00%	100,00%
6.	Grain Lt UAB	*4	302489354	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**H	97,41%	97,41%
7.	AgroGis UAB	*4	302583978	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**D	95,00%	95,00%
8.	Agro Management Team UAB	*4	302599498	Jonavos region, Bukonių v., Lankesos st. 2	**E	100,00%	100,00%
9.	Agrotechnikos centras UAB	*4	302589187	Jonavos region, Bukonių v., Lankesos st. 2	**F	100,00%	100,00%
10.	AUGA trade UAB	*4	302753875	Jonavos region, Bukonių v., Lankesos st. 2	**H	100,00%	100,00%
11.	Agricultural entity Žemės fondas	*1	300558595	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**E	100,00%	100,00%
12.	Žemės vystymo fondas 6 UAB	*4	300589719	Vilniaus mun., Vilnius, Smolensko st. 10	**E	100,00%	100,00%
13.	Žemės vystymo fondas 9 UAB	*4	300547638	Jonavos region, Bukonių v., Lankesos st. 2	**E	100,00%	100,00%
14.	Žemės vystymo fondas 10 UAB	*4	301522723	Jonavos region, Bukonių v., Lankesos st. 2	**E	100,00%	100,00%
15.	Žemės vystymo fondas 20 UAB	*4	300887726	Jonavos region, Bukonių v., Lankesos st. 2	**B	100,00%	100,00%
16.	AUGA Grūduva UAB	*4	174401546	Šakių region, Gotlybiškių v.,	**A	98,97%	98,97%
17.	Agricultural entity AUGA Spindulys	*1	171330414	Radviliškio region, Vaitiekūnų v., Spindulio st. 13	**A	99,99%	99,99%
18.	Agricultural entity AUGA Smilgiai	*1	168548972	Panevėžio region, Smilgių mstl. Panevėžio st. 23-1	**A	100,00%	100,00%
19.	Agricultural entity AUGA Skėmiai	*1	171306071	Radviliškio region, Skėmių v., Kėdainių st. 36	**A	99,97%	99,97%
20.	Agricultural entity AUGA Nausodė	*1	154179675	Ankščių region, Kirmėlių v.,	**A	99,93%	99,93%
21.	Agricultural entity AUGA Dumšiškės	*1	172276179	Raseinių region, Paraseinio v.,	**A	99,88%	99,88%
22.	Agricultural entity AUGA Žadžiūnai	*1	175706853	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	99,81%	99,81%
23.	Agricultural entity AUGA Mantviliškis	*1	161274230	Kėdainių region, Mantviliškio v.,	**A	99,94%	99,94%
24.	Agricultural entity AUGA Alanta	*1	167527719	Molėtų region, Kazlų v., Skiemonių st. 2A	**A	99,99%	99,99%
25.	Agricultural entity AUGA Eimučiai	*1	175705032	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	99,24%	99,24%
26.	Agricultural entity AUGA Vėriškės	*1	171305165	Radviliškio region, Vėriškių v.,	**A	99,93%	99,93%
27.	Agricultural entity AUGA Želsvelė	*1	165666499	Marijampolės mun., Želsvos v.,	**A	99,86%	99,86%
28.	Agricultural entity AUGA Lankesa	*1	156913032	Jonavos region, Bukonių v.,	**A	96,91%	96,91%
29.	Agricultural entity AUGA Kairėnai	*1	171327432	Radviliškio region, Kairėnų v.,	**A	98,47%	98,47%
30.	Agricultural entity AUGA Jurbarkai	*1	158174818	Jurbarko region, Klišių v., Vytauto Didžiojo st. 99	**A	98,46%	98,46%

No.	Name of subsidiary	Legal form	Legal entity code	Registered office	Profile	Group ownership interest, %	
						2020 09 30	2019 12 31
31.	Agricultural entity AUGA Gustoniai	*1	168565021	Panevėžio region, Gustonių v., M. Kriaučiūno st. 15	**A	100,00%	100,00%
32.	Cooperative entity Siesarčio ūkis	*3	302501098	Šakių region, Gotlybiškių v., Mokyklos st. 18	**A	99,44%	99,44%
33.	Cooperative entity Kašėta	*3	302501251	Jonavos region, Bukonių v., Lankesos st. 2	**A	99,44%	99,44%
34.	Agricultural entity Gustonys	*1	302520102	Panevėžio region, Gustonių v., M. Kriaučiūno st. 15	**E	100,00%	100,00%
35.	Agricultural entity Skėmių pienininkystės centras	*1	302737554	Radviliškio region, Skėmių v., Alyvų st. 1	**A	48,67%	48,67%
36.	Cooperative entity Agrobokštai	*3	302485217	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**A	97,94%	97,94%
37.	Cooperative entity Dotnuvėlės valdos	*3	302618614	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	99,22%	99,22%
38.	Cooperative entity Nevėžio lankos	*3	302618596	Kėdainių region, Mantviliškio v., Liepos 6-osios st. 60	**A	96,51%	96,51%
39.	Cooperative entity Radviliškio kraštas	*3	302618742	Radviliškio region, Skėmių v., Kėdainių st. 13	**A	98,67%	98,67%
40.	Cooperative entity Šventosios pievos	*3	302618201	Raseinių region, Kalnųjų mstl. Žieveliškės st. 1	**A	96,36%	96,36%
41.	Cooperative entity Kairių ūkis	*3	302615194	Panevėžio region, Gustonių v., M. Kriaučiūno st. 15	**A	98,68%	98,68%
42.	Cooperative entity Šiaurinė valda	*3	302615187	Šiaulių region, Poviliškių v., 15	**A	96,15%	96,15%
43.	Cooperative entity Šušvės žemė	*3	302618767	Kelmės region, Pašiaušės v., Vilties st. 2	**A	98,43%	98,43%
44.	Cooperative entity Žalmargėlis	*3	303145954	Vilniaus mun., Vilnius, Smolensko st. 10-100	**A	98,32%	98,32%
45.	Cooperative entity Juodmargėlis	*3	303159014	Raseinių region, Kalnųjų mstl. Žieveliškės st. 1	**A	99,35%	99,35%
46.	Cooperative entity Agromilk	*3	302332698	Raseinių region, Kalnųjų mstl. Žieveliškės st. 1	**A	96,28%	96,28%
47.	Cooperative entity Purpurėja	*3	302542337	Širvintų region, Širvintų v., Zosinos st. 7	**A	99,53%	99,53%
48.	Bukonių ekologinis ūkis UAB	*4	302846621	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**A	100,00%	100,00%
49.	Agrosaulė 8 UAB	*4	302846105	Vilniaus mun., Vilnius, Smolensko st. 10-100	**G	100,00%	100,00%
50.	Biržai distr., Rinkuškiai reclamation infrastructure users association	*2	302465556	Biržų region, Biržai, Vytauto st. 38	**A	48,67%	48,67%
51.	Pasvalys distr., Pušalotas reclamation infrastructure users association	*2	302465563	Pasvalio region, Diliauskų v., Diliauskų st. 23	**A	48,67%	48,67%
52.	Skėmiai reclamation infrastructure users association	*2	303170256	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	48,67%	48,67%
53.	Vaitiekūnai reclamation infrastructure users association	*2	303170306	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	48,67%	48,67%
54.	Association Grūdovos melioracija	*2	302567116	Šakių region, Gotlybiškių v., Mokyklos st. 2	**A	65,81%	65,81%
55.	Pauliai reclamation infrastructure users association	*2	303169909	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
56.	Nausode reclamation infrastructure users association	*2	304219592	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**A	70,74%	70,74%
57.	Traktorių nuomos centras UAB	*4	302820808	Jonavos region, Bukonių v., Lankesos st. 2	**A	100,00%	100,00%
58.	Traktorių nuomos paslaugos UAB	*4	302820797	Jonavos region, Bukonių v., Lankesos st. 2	**A	100,00%	100,00%
59.	Arnega UAB	*4	302661957	Jonavos region, Bukonių v., Lankesos st. 2	**A	100,00%	100,00%
60.	AgroSchool OU	*6	12491954	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
61.	Public institution AgroSchool	*5	303104797	Vilniaus mun., Vilnius, Smolensko st. 10-100	**C	50,00%	50,00%
62.	AUGA Ramučiai UAB	*4	302854479	Akmenės region, Ramučių v., Klevų st. 11	**A	100,00%	100,00%
63.	AUGA Luganta UAB	*4	300045023	Kelmės region, Pašiaušės v.,	**A	100,00%	100,00%
64.	eTime invest UAB	*4	300578676	Vilniaus mun., Vilnius, Saltoniškių st. 29	**G	100,00%	100,00%

No.	Name of subsidiary	Legal form	Legal entity code	Registered office	Profile	Group ownership interest, %	
						2020 09 30	2019 12 31
65.	ŽVF Projektai UAB	*4	300137062	Jonavos region, Bukonių v., Lankesos st. 2	**E	52,62%	52,62%
66.	Agricultural entity Alantos ekologinis ūkis	*1	303324747	Molėtų region, Kazlų v., Skiemonių st. 2A	**A	100,00%	100,00%
67.	Agricultural entity Dumšiškių ekologinis ūkis	*1	303324722	Raseinių region, Paraseinio v., Paraseinio st. 2	**A	100,00%	100,00%
68.	Agricultural entity Eimučių ekologinis ūkis	*1	303324715	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	100,00%	100,00%
69.	Agricultural entity Grūduvos ekologinis ūkis	*1	303324804	Šakių region, Gotlybiškių v., Mokyklos st. 2	**A	100,00%	100,00%
70.	Agricultural entity Jurbarkų ekologinis ūkis	*1	303325361	Jurbarko region, Klišių v., Vytauto Didžiojo st. 99	**A	100,00%	100,00%
71.	Agricultural entity Kairėnų ekologinis ūkis	*1	303325774	Radviliškio region, Vaitiekūnų v., Spindulio st. 13-2	**A	100,00%	100,00%
72.	Agricultural entity Lankesos ekologinis ūkis	*1	303325710	Jonavos region, Bukonių v., Lankesos st. 2	**A	100,00%	100,00%
73.	Agricultural entity Mantviliškio ekologinis ūkis	*1	303325703	Kėdainių region, Mantviliškio v., Liepos 6-osios st. 60	**A	100,00%	100,00%
74.	Agricultural entity Nausodės ekologinis ūkis	*1	303325781	Anykščių region, Nausodės v., Nausodės st. 55	**A	100,00%	100,00%
75.	Agricultural entity Skėmių ekologinis ūkis	*1	303325692	Radviliškio region, Skėmių v., Kėdainių st. 13	**A	100,00%	100,00%
76.	Agricultural entity Smilgių ekologinis ūkis	*1	303325824	Panevėžio region, Smilgiai, Panevėžio st. 23-1	**A	100,00%	100,00%
77.	Agricultural entity Spindulio ekologinis ūkis	*1	303325817	Radviliškio region, Vaitiekūnų v., Spindulio st. 13-2	**A	100,00%	100,00%
78.	Agricultural entity Vėriškių ekologinis ūkis	*1	303325849	Radviliškio region, Skėmių v., Kėdainių st. 13	**A	100,00%	100,00%
79.	Agricultural entity Žadžiūnų ekologinis ūkis	*1	303325870	Šiaulių region, Žadžiūnų v., Gudelių st. 30-2	**A	100,00%	100,00%
80.	Agricultural entity Želsvelės ekologinis ūkis	*1	303325856	Marijampolės mun., Želsvos v., Želsvelės st. 1	**A	100,00%	100,00%
81.	Prestviigi OU	*6	12654600	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
82.	Turvaste partners OU	*6	12655410	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
83.	Nakamaa Agro OU	*6	12655522	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
84.	Hindaste Invest OU	*6	12655384	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
85.	Tuudi River OU	*6	12655640	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
86.	Palderma Partners OU	*6	12654959	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
87.	Ave-Martna Capital OU	*6	12655155	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
88.	Hobring Invest OU	*6	12655427	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
89.	Rukkirahhu Capital OU	*6	12655232	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
90.	Pahasoo OU	*6	12655367	Harju maakond, Tallinn, Kesklinna linnaosa, Lai tn 32-8, 10133	**G	100,00%	100,00%
91.	Cooperative entity Ganiklis	*3	303429417	Radviliškio region, Skėmių v., Alyvų st. 1-3	**A	98,09%	98,09%
92.	Cooperative entity Ganiavos gėrybės	*3	303429431	Radviliškio region, Skėmių v., Alyvų st. 1-3	**A	98,09%	98,09%
93.	Cooperative entity Žemėpačio pieno ūkis	*3	303432388	Raseinių region, Ariogalos sen. Gėluvos v., Dvaro st. 30	**A	98,09%	98,09%
94.	Cooperative entity Žemynos pienelis	*3	303427989	Raseinių region, Ariogalos sen. Gėluvos v., Dvaro st. 30	**A	98,09%	98,09%
95.	Cooperative entity Lygiadienio ūkis	*3	303428087	Radviliškio region, Skėmių v., Alyvų st. 1-3	**A	98,09%	98,09%
96.	Cooperative entity Laumės pieno ūkis	*3	303427996	Raseinių region, Ariogalos sen. Gėluvos v., Dvaro st. 30	**A	98,09%	98,09%
97.	Cooperative entity Medeinos pienas	*3	303428112	Raseinių region, Ariogalos sen. Gėluvos v., Dvaro st. 30	**A	98,09%	98,09%
98.	Cooperative entity Gardaitis	*3	303429381	Radviliškio region, Skėmių v., Alyvų st. 1-3	**A	98,09%	98,09%

No.	Name of subsidiary	Legal form	Legal entity code	Registered office	Profile	Group ownership interest, %	
						2020 09 30	2019 12 31
99.	Cooperative entity Dimstipatis	*3	303429424	Mažeikių aplinkl. 9, Naikių v., Mažeikių apylinkės sen., Mažeikių region,	**A	98,09%	98,09%
100.	Cooperative entity Aušlavis	*3	303429456	Radviliškio region, Skėmių v., Alyvų st. 1-3	**A	98,09%	98,09%
101.	Cooperative entity Austėjos pieno ūkis	*3	303428094	Mažeikių aplinkl. 9, Naikių v., Mažeikių apylinkės sen., Mažeikių region,	**A	98,09%	98,09%
102.	Cooperative entity Aitvaro ūkis	*3	303429374	Radviliškio region, Skėmių v., Alyvų st. 1-3	**A	98,09%	98,09%
103.	Cooperative entity Giraičio pieno ūkis	*3	303429399	Mažeikių aplinkl. 9, Naikių v., Mažeikių apylinkės sen., Mažeikių region,	**A	98,09%	98,09%
104.	Fentus 10 GmbH	*6	HRB106477	StraBe des 17 Juni 10b 10623 Berlin, Germany	**G	100,00%	100,00%
105.	Norus 26 AG	*6	HRB109356B	StraBe des 17 Juni 10b 10623 Berlin, Germany	**G	100,00%	100,00%
106.	LT Holding AG	*6	HRB109265B	StraBe des 17 Juni 10b 10623 Berlin, Germany	**G	100,00%	100,00%
107.	KTG Agrar UAB	*4	300127919	Vilniaus mun., Vilnius, Konstitucijos av. 21C	**A	100,00%	100,00%
108.	Agrar Raseiniai UAB	*4	300610316	Raseinių region, Ariogalos sen. Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
109.	AUGA Mažeikiai UAB	*4	300610348	Mažeikių av. 9, Naikių v., Mažeikių region,	**A	100,00%	100,00%
110.	PAE Agrar UAB	*4	300867691	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
111.	Delta Agrar UAB	*4	300868875	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
112.	KTG Grūdai UAB	*4	302637486	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
113.	KTG Eko Agrar UAB	*4	300510650	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
114.	Agronita UAB	*4	300132574	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
115.	Agronuoma UAB	*4	303204954	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
116.	VL Investment Vilnius 12 UAB	*4	303205611	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
117.	Agrar Ašva UAB	*4	301608542	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
118.	Agrar Varduva UAB	*4	301608791	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
119.	Agrar Seda UAB	*4	301608777	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
120.	Agrar Kvistė UAB	*4	302308067	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
121.	Agrar Luoba UAB	*4	302308035	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
122.	Agrar Gaja UAB	*4	302594412	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
123.	Agrar Ariogala UAB	*4	301626540	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
124.	Agrar Girdžiai UAB	*4	301621568	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
125.	Agrar Vidauja UAB	*4	301622531	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
126.	Agrar Raudonė UAB	*4	302309532	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
127.	Agrar Venta UAB	*4	302307855	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
128.	Agrar Nerys UAB	*4	302594063	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
129.	Agrar Gėluva UAB	*4	302312133	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
130.	Agrar Betygala UAB	*4	302312222	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
131.	Agrar Dubysa UAB	*4	302312215	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%

No.	Name of subsidiary	Legal form	Legal entity code	Registered office	Profile	Group ownership interest, %	
						2020 09 30	2019 12 31
132.	Agrar Pauliai UAB	*4	302312165	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
133.	Agrar Mituva UAB	*4	302312172	Raseinių region, Gėluvos v., Dvaro st. 30	**A	100,00%	100,00%
134.	AUGA Raseiniai UAB	*4	304704364	Raseinių region, Kalnųj, Žievelišės st. 1	**A	100,00%	100,00%
135.	Tėvynės žemėlė UAB	*4	303301428	Antano Tumėno st. 4, Vilniaus mun., Vilnius	**G	100,00%	100,00%
136.	Tėviškės žemėlė UAB	*4	303207199	Antano Tumėno st. 4, Vilniaus mun., Vilnius	**E	100,00%	100,00%
137.	Cooperative entity Grybai LT	*3	302765404	Žibaly st. 37, Širvintos	**A	100,00%	22,03%

COMMENTS:

*1 Agricultural entity	**A Agricultural operations	**G Management of subsidiaries
*2 Association	**B Cash pool of the group	**H Trade and logistics
*3 Cooperative entity	**C Human resource management	
*4 Private limited Company	**D IT system development	
*5 Public institution	**E Land management	
*6 Foreign legal entity	**F Lease of machinery	



4. Property, plant and equipment

GROUP	Land	Buildings	Constructions and machinery	Vehicles, equipment and other property, plant and equipment	Construction in progress	Total
Carrying amount						
As at 31 December 2018	21,638	41,495	25,701	2,746	1,312	92,892
Change in accounting policy	38,031	975	-	-	-	39,006
- additions	777	6	1,488	324	1,655	4,250
- disposals and write-offs	(19)	(37)	(305)	(117)	(339)	(817)
- revaluation	3,152	-	-	-	-	3,152
- depreciation (including ROU assets)	(5,359)	(2,382)	(4,282)	(755)	-	(12,778)
- reclassifications	2,401	921	-	-	(921)	2,401
As at 31 December 2019	60,622	40,978	22,602	2,198	1,707	128,108
- purchase of subsidiaries	-	2,282	2,238	121	-	4,641
- additions	5,677	328	1,822	648	951	9,426
- disposals and write-offs	(5)	(17)	(67)	(20)	-	(109)
- revaluation	-	-	-	-	-	-
- depreciation (including ROU assets)	(4,393)	(1,871)	(3,141)	(536)	-	(9,941)
- reclassifications	-	256	724	2	(981)	-
As at 30 September 2020	61,901	41,955	24,178	2,413	1,677	132,125
Acquisition cost as at or revaluated amount						
31 December 2018	21,638	52,695	39,547	5,101	1,312	120,293
31 December 2019	65,981	54,560	40,730	5,308	1,707	168,286
30 September 2020	71,653	57,408	45,447	6,059	1,677	182,245
Accumulated depreciation and impairment losses as at						
31 December 2018	-	(11,200)	(13,846)	(2,355)	-	(27,401)
31 December 2019	(5,359)	(13,582)	(18,128)	(3,110)	-	(40,179)
30 September 2020	(9,752)	(15,453)	(21,269)	(3,646)	-	(50,120)
Carrying amount as at						
31 December 2018	21,638	41,495	25,701	2,746	1,312	92,892
31 December 2019	60,622	40,978	22,602	2,198	1,707	128,108
30 September 2020	61,901	41,955	24,178	2,413	1,677	132,125

Right-of-use assets (ROU assets) recognized by the Group included the following type of assets:

	Land	
	30 September 2020	31 December 2019
Right of use assets		
Acquisition cost	40,728	40,433
Additions	4,964	295
Less: accumulated depreciation	(9,752)	(5,359)
Carrying amount	35,940	35,369
	Buildings	
	30 September 2020	31 December 2019
Right of use assets		
Acquisition cost	975	975
Additions	10	-
Less: accumulated depreciation	(237)	(133)
Carrying amount	748	842

5. Biological assets

The movement of Group's biological assets (in EUR thousand) consisted of the following:

	Non – current assets		Current assets		Total
	Dairy cows	Other livestock	Mushroom seedbed	Crops	
Balance as at 31 December 2018	5,275	3,853	2,088	12,302	23,518
Direct purchases	-	32	-	-	32
Accumulated expenses	-	3,613	26,359	34,484	64,456
Transfer between groups	2,302	(2,302)	-	-	-
Direct sales	(470)	(246)	-	-	(716)
Harvest	-	-	(26,221)	(38,258)	(64,479)
Revaluation	(1,028)	(125)	-	5,281	(4,128)
Write-offs	(336)	(1,171)	-	-	(1,507)
Balance as at 31 December 2019	5,743	3,654	2,226	13,809	25,432
Direct purchases	5	-	-	-	5
Accumulated expenses	-	2,866	21,557	34,229	58,395
Transfer between groups	1,755	(1,755)	-	-	-
Direct sales	(389)	(163)	-	-	(552)
Harvest	-	-	(21,432)	(41,877)	(63,309)
Revaluation	(1,241)	(1,064)	-	6,485	4,467
Write-offs	(130)	(158)	-	-	(288)
Balance as at 30 September 2020	5,743	3,380	2,350	12,677	24,150

6. Inventory

The movement of Group's inventory quantities (in tonnes) consisted of the following:

	Wheat	Legumes	Mushrooms	Milk	End-consumer goods	Other	Forage	Raw materials*	Total
Balance as at 31 December 2018	16,423	12,188	194	12	-	-	50,126	-	78,943
Purchases	2,721	2,115	-	-	-	-	96	-	4,932
Sales	(35,984)	(13,385)	(12,256)	(24,549)	-	-	(1,208)	-	(87,382)
Production	51,268	18,055	12,063	26,165	-	-	69,418	-	176,969
Consumed in preparation of biological assets (livestock)	(2,200)	(3,725)	-	(1,268)	-	-	(56,306)	-	(63,499)
Consumed in preparation of biological assets (crops and mycelium seedbeds)	(5,901)	(7,575)	-	-	-	-	-	-	(13,476)
Inventory write-offs	(339)	(161)	-	(342)	-	-	(2,786)	-	(3,628)
Balance as at 31 December 2019	25,988	7,512	1	18	-	-	59,340	-	92,859
Purchases	1,749	4,247	-	-	-	-	110	-	6,106
Sales	(37,512)	(8,536)	(9,709)	(19,307)	-	-	(729)	-	(75,794)
Production	51,398	31,112	9,711	20,478	-	-	69,737	-	182,435
Consumed in preparation of biological assets (livestock)	(1,031)	(2,104)	-	(827)	-	-	(42,822)	-	(46,784)
Consumed in preparation of biological assets (crops and mycelium seedbeds)	(5,016)	(9,634)	-	-	-	-	-	-	(14,650)
Inventory write-offs	(275)	(43)	-	(353)	-	-	(5,495)	-	(6,166)
Balance as at 30 September 2020	35,301	22,555	3	8	-	-	80,140	-	138,006

*Raw materials consist of various units of measure, thus it cannot be disclosed in this table.



6. *Inventory (continued)*

The movement of Group's inventory values (in EUR thousand) consisted of the following:

	Wheat	Legumes	Mushrooms	Milk	End-consumer goods	Other	Forage	Raw materials	Total
Balance as at 31 December 2018	4,188	4,430	104	-	85	7,551	5,709	6,641	28,708
Purchases	875	992	-	-	2,943	3,722	6	12,318	20,856
Sales	(9,473)	(4,880)	(26,348)	(9,925)	(2,987)	(14,208)	(25)	(587)	(68,433)
Production	12,659	6,461	26,247	10,676	174	15,108	4,808	3,438	79,571
Consumed in preparation of biological assets (livestock)	(495)	(1,407)	-	(479)	-	(1,194)	(3,829)	(5,749)	(13,153)
Consumed in preparation of biological assets (crops and mycelium seedbeds)	(963)	(2,887)	-	-	-	(3,253)	-	(10,094)	(17,197)
Inventory write-offs	(86)	(57)	-	(135)	(30)	(845)	(206)	(35)	(1,394)
Balance as at 31 December 2019	6,705	2,652	3	137	185	6,881	6,463	5,932	28,958
Inventory acquired with subsidiaries	-	-	-	-	234	-	-	818	1,052
Purchases	643	1,837	-	-	2,887	3,885	11	10,019	19,282
Sales	(9,041)	(2,918)	(20,471)	(7,245)	(3,020)	(15,314)	(13)	(539)	(58,561)
Production	10,433	10,945	20,474	7,579	117	13,851	4,353	2,480	70,232
Consumed in preparation of biological assets (livestock)	(227)	(801)	-	(313)	-	(1,287)	(3,411)	(4,234)	(10,273)
Consumed in preparation of biological assets (crops and mycelium seedbed)	(1,021)	(3,682)	-	-	-	(2,575)	-	(7,757)	(15,035)
Inventory write-offs	(70)	(15)	-	(154)	(4)	(332)	(345)	(57)	(977)
Balance as at 30 September 2020	7,422	8,018	6	3	398	5,109	7,059	6,663	34,678

7. *Receivables and advance payments*

As at the balance sheet date Group's receivables and advance payments consisted of the following:

	As at 30 September 2020	As at 31 December 2019
Trade receivables	16,505	7,247
VAT receivable	777	639
Receivables from National Paying Agency	6,752	1,385
Accounts receivable from private individuals	72	43
Other receivables	368	1,173
Advance payments and deferred expenses	3,331	2,982
Less: loss allowance	(148)	(148)
Total trade accounts receivable, net	27,655	13,322
Non-current receivables, gross	1,945	5,975
Less: loss allowance	(299)	(299)
Total	29,301	18,998

Receivables from the National Paying Agency are the direct subsidies receivable for crops and milk, which are due by 30 April of the following year.



8. Financial liabilities

The Group's long-term borrowings consisted of the following:

	<u>As at 30 September 2020</u>	<u>As at 31 December 2019</u>
<i>Borrowings from banks</i>		
Mushroom growing companies	486	1,970
FMCG companies	1,132	-
Agricultural entities	5,334	6,435
Parent company	3,000	-
<i>Other borrowings</i>		
Creditors	755	3,489
Investment fund for purchased land	253	1,072
Green Bonds	18,744	18,523
Total	<u>29,705</u>	<u>31,489</u>
Less: amounts, payable within one year (according to agreements)	(5,044)	(10,819)
Total long-term borrowings	<u>24,661</u>	<u>20,670</u>

On 13 December 2019 the Group issued 20,000 units of Green Bonds (hereinafter – Bonds) with a nominal value of EUR 1,000 and an annual interest rate of 6%. The maturity date of Bonds falls on 17 December 2024. Interest payment dates are set at 17 December of each year until 2024. The Bonds were introduced to trading on regulated market in AB Nasdaq Vilnius Bond list. Balance sheet value of the bonds represent the value of the bonds after discounts and other related expenses. These expenses and discounts are accounted as interest expenses and capitalized to the value of the bonds over the 5-year period.

The long-term borrowings and payables are repayable as follows:

	<u>As at 30 September 2020</u>	<u>As at 31 December 2019</u>
<i>Financial liabilities to banks and bondholders</i>		
Within second year	4,369	997
Within third and fourth year	968	571
After fifth year and later	19,324	19,102
Total	<u>24,661</u>	<u>20,670</u>

The Group's short-term borrowings were the following:

	<u>As at 30 September 2020</u>	<u>As at 31 December 2019</u>
<i>Borrowings from banks</i>		
Mushroom growing companies	2,400	2,400
FMCG companies	139	-
Parent company	19,500	16,900
Total short-term borrowings	<u>22,039</u>	<u>19,300</u>

Short-term loans from banks include EUR 22,039 thousand (in 2019: EUR 19,300 thousand) credit-line facilities.

9. Leases

The Group's leases consisted of the following:

	<u>As at 30 September 2020</u>	<u>As at 31 December 2019</u>
<i>Lease liabilities</i>		
Lease liabilities related to right-of-use assets*	35,426	34,960
Lease liabilities related to other assets**	7,708	8,245
Total	<u>43,134</u>	<u>43,205</u>
Less: amounts payable within one year		
Lease liabilities related to right-of-use assets*	1,152	4,113
Lease liabilities related to other assets**	1,087	2,942
Total	<u>2,239</u>	<u>7,054</u>
Total long-term leases	<u>40,895</u>	<u>36,150</u>

* Lease liabilities accounted as operational lease before adoption of IFRS 16.

** Lease liabilities accounted as financial lease before adoption of IFRS 16.

10. Results of business segments

CROP GROWING SEGMENT

a) Harvest of agricultural produce	9-month period ended 30 September 2020	9-month period ended 30 September 2019
Total cultivated land, ha	39,637	38,564
Wheat	11,896	11,503
Legumes	9,035	8,039
Other cash crops	9,664	9,129
Forage Crops	8,168	8,984
Fallow	875	910
Average harvest yield, t/ha		
Wheat	4,13	4,20
Legumes	2,73	1,69
Other cash crops	-	-
Forage Crops	-	-
Total fair value of harvest, EUR'000	41,877	36,065
Wheat	10,573	12,674
Legumes	9,053	4,867
Other cash crops	16,430	12,538
Forage Crops	5,821	5,986
Total production cost of harvest, EUR'000	33,942	26,204
Wheat	10,224	10,636
Legumes	7,905	6,672
Other cash crops	9,993	8,896
Forage Crops	5,821	5,986
Total gain (loss) on revaluation of biological assets, EUR'000*	7,935	3,875
Gain (loss) on revaluation of biological assets recognized in previous periods, EUR'000*	1,450	-
Gain (loss) on revaluation of biological assets (crops) recognized in reporting period, EUR'000	6,485	3,875

* The Group estimated fair value of unharvested cultures as at 30 September 2020. For more information please see management report's section 2.2.

b) Sales of agricultural produce	9-month period ended 30 September 2020	9-month period ended 30 September 2019
Total revenue of sold agricultural produce, EUR'000	27,898	16,448
Total cost of sold agricultural produce*, EUR'000	28,812	17,727
Total inventory write-offs, EUR'000	(977)	(732)
Result of sales of agricultural produce, EUR'000	(1,892)	(2,011)

* The cost of sold agricultural produce represents the value of crops evaluated at fair values at point of harvest and related sales costs.

c) Agricultural subsidies	9-month period ended 30 September 2020	9-month period ended 30 September 2019
Direct subsidies, EUR'000	3,522	3,150
Organic farming subsidies, EUR'000	2,052	2,124
Total subsidies, EUR'000	5,574	5,274
Gross profit of crop growing segment per period, EUR'000 (a+b+c)	10,167	7,138
Depreciation included in the harvest of agricultural produce, EUR'000	3,199	3,207



10. Results of business segments (continued)

DAIRY SEGMENT	9-month period ended 30 September 2020	9-month period ended 30 September 2019
Total tonnage sold, tons	19,828	19,144
Non-organic milk, tons	1,408	5,689
Organic milk, tons	17,899	12,909
Cattle, tons	521	546
Total revenues of dairy segment, EUR'000	8,177	7,634
Non-organic milk, EUR'000	461	1,831
Organic milk, EUR'000	7,165	5,236
Cattle, EUR'000	551	567
Total cost of dairy segment, EUR'000	7,796	7,641
Milk, EUR'000	7,245	7,074
Cattle, EUR'000	551	567
Revaluation of biological assets, EUR'000	(2,305)	(2,311)
Total subsidies, EUR'000	1,968	1,668
Gross profit of dairy segment, EUR'000	43	(650)
<i>Depreciation included in cost of dairy segment sales, EUR'000</i>	380	402
MUSHROOM SEGMENT	9-month period ended 30 September 2020	9-month period ended 30 September 2019
Total tonnage sold, tons	9,652	9,013
Non-organic mushrooms, tons	8,922	8,356
Organic mushrooms, tons	729	657
Total revenues from mushroom sales, EUR'000	21,536	19,276
Non-organic mushrooms, EUR'000	19,269	17,307
Organic mushrooms, EUR'000	2,267	1,969
Total cost of mushrooms sold, EUR'000	20,301	17,865
Non-organic mushrooms, EUR'000	18,967	16,491
Organic mushrooms, EUR'000	1,334	1,374
Total revenues from sales of mushroom seedbed, EUR'000	1,399	1,866
Total cost from sales of mushroom seedbed, EUR'000	1,256	1,768
Gross profit of mushroom growing segment, EUR'000	1,379	1,508
<i>Depreciation included in cost of mushroom sales, EUR'000</i>	1,176	1,258
END-CONSUMER PACKAGED GOODS	9-month period ended 30 September 2020	9-month period ended 30 September 2019
Total revenue from end-consumer packaged goods sales, EUR'000	3,368	1,832
Total cost of sales of end-consumer packaged goods, EUR'000	3,079	1,826
Gross profit of sales of end-consumer packaged goods, EUR'000	290	6
<i>Depreciation included in cost of sales of end-consumer packaged goods, EUR'000</i>	300	-



11. Operating expenses

Operating expenses breakdown by type of expenses was the following:

	<u>9-month period ended 30 September</u>	
	<u>2020</u>	<u>2019</u>
Payroll expenses	2,557	2,574
Social security expenses	851	798
Share based payments amortization	185	149
Fines and late payments	51	187
Depreciation of property, plant and equipment	573	519
Consultations and business plan preparations	177	248
Insurance and tax expense	627	509
Selling expenses	521	414
Fuel costs	130	156
Real estate registration and notaries	118	72
Rent and utilities	295	265
Transportation costs	195	208
Office administration	409	276
Other expenses	573	456
Total	7,262	6,831

In April 2019 the Company approved Employee Option Plan thus Share-Based Payments expenses were recognized. It should be noted that respective expenses are equity-settled and are recognized evenly per 3-year vesting period.

12. Other income

Other income breakdown by type was the following:

	<u>9-month period ended 30 September</u>	
	<u>2020</u>	<u>2019</u>
Gain (loss) from sale of property, plant and equipment	26	80
Gain (loss) from sale of subsidiaries	-	3
Interest and fines income	245	332
Insurance benefits	50	25
Other income	32	93
Total	353	533

13. Financial expenses

Financial expenses breakdown by type was the following:

	<u>9-month period ended 30 September</u>	
	<u>2020</u>	<u>2019</u>
Bank interest expenses	1,148	1,350
Bond interest expenses	1,122	-
Leasing and other financial expenses	434	509
Interest expenses (IFRS 16)	1,726	1,011
Currency exchange differences	19	16
Other financial expenses	62	95
Total	4,530	2,981



14. Business combinations

On 14 February 2020 Group companies Baltic Champs UAB and AUGA Luganta UAB together with other shareholders of Grybai LT, KB capitalised loans provided to Grybai LT, KB which resulted in an increase in share capital of Grybai LT, KB and a change in the Group's interest in the company. As a result, the Group's share in Grybai LT, KB increased from 22% to 61%. On 28 May 2020 Group companies Agromilk, KB, Juodmargelis, KB and Šventosios pievos, KB has bought-out the rest of minority shareholders and with this transaction the Group took over the full control of Grybai LT, KB. Grybai LT, KB owns production plant that produces end-consumer goods.

Fair value estimation of Grybai LT, KB is as follows:

Business combination	Grybai LT, KB
	Fair value as at 31 May 2020
<i>Non-current assets</i>	
PPE	4,617
<i>Current assets</i>	
Inventory	1,011
Trade receivables and other current assets	249
Cash and cash equivalents	2
<i>Long term liabilities</i>	
Financial liabilities	(1,287)
Borrowings from AUGA group companies	(3,525)
Deferred tax liability	-
<i>Short term liabilities</i>	
Other financial liabilities	(182)
Trade payables and other current liabilities	(485)
Net assets at acquisition date	399
Acquired share capital, %	100.00
Total value of the acquired investment	399
Cash paid for shares	1,504
Debt capitalisation	1,653
Total purchase consideration	3,157
Goodwill	2,758

Before the take-over of full control, Grybai LT, KB provided manufacturing services to the Group and produced end-consumer goods under Auga brand and other brands. The Group has acquired Grybai LT, KB in order to expand its production capacity of end-consumer goods, have full control over manufacturing processes and improve these processes.

Outflow of cash to acquire Grybai LT, KB, net of cash acquired:

Purchase consideration settled in cash	1,504
Less: cash and cash equivalents acquired	2
Net cash outflow on acquisition	1,502

The fair value and gross amount of acquired trade receivables is EUR 249 thousand. None is expected to be uncollectible.

The acquired entity is included in the consolidated financial statements of the Group as of 1 June 2020. The acquired entity contributed to consolidated revenue by EUR 248 thousand and net profit of EUR 19 thousand in the period from 1 June 2020 to 30 September 2020.

15. Material transactions with related parties

On 3 October 2018 AUGA group, AB and Baltic Champs Group, UAB (holding 55.04 per cent of shares in AUGA group, AB) signed Agreement on extension of up to 4 million EUR loan. The loan was provided with no collateral, there were no up front or similar fees, and with fixed interest rate that meets market conditions. The loan was repaid as at 19 June 2020.



16. Subsequent events January – November 2020

The Company informs of all material events over the CNS system of NASDAQ Vilnius and on the ESPI information system which is operated by Polish FSA, as well as on Electronic Information Base which is operated by Warsaw Stock Exchange.

Announ- cement date	Announcement header
26.11.2020	The companies of AUGA group, AB have signed agreements with financial institutions to refinance loans and provide additional limits
24.11.2020	AUGA group, AB will organize an Investor Conference Webinar to introduce unaudited financial results for the 9 months of 2020
16.11.2020	WOOD & Company has published a report on AUGA group, AB
06.11.2020	CORRECTION: Dates of periodic information disclosure of AUGA group, AB for the year 2020 (investor calendar)
02.09.2020	AUGA group, AB presentation of financial results for the 6 months of 2020
31.08.2020	Report on interim financial results of AUGA group, AB for six-months period ended 30 June 2020
28.08.2020	AUGA group, AB will organize an Investor Conference Webinar to introduce unaudited financial results for the 9 months of 2020
01.07.2020	AUGA group, AB enters Australian market
20.06.2020	Enlight Research has published a report on AUGA group
02.06.2020	AUGA group, AB held an investor conference webinar
01.06.2020	AUGA group, AB has published detailed Strategy presentation for investors
31.05.2020	AUGA group, AB presentation of financial results for the 3 months of 2020
29.05.2020	Companies controlled by AUGA group, AB acquired the control of Cooperative company "Grybai LT".
26.05.2020	AUGA group, AB will hold an Investor Conference Webinar to introduce unaudited financial results for the 3 months of 2020
30.04.2020	Decisions of the Ordinary General Meeting of Shareholders of AUGA group, AB which Took Place on 30th April
27.04.2020	INFORMATION FOR MEDIA: AUGA group, AB introduces its five-year strategy: key aims include delivering organic food with no cost to nature and becoming a synonym for sustainability
22.04.2020	AUGA group, AB Notification of transactions by persons discharging managerial responsibilities
22.04.2020	AUGA group, AB progresses with its employee motivation scheme through share options
17.04.2020	Notice on the update of questions of the agenda of the ordinary General Meeting of Shareholders of AUGA group, AB on 30 April 2020 by drafts of decisions and related information
11.04.2020	Notice on the update of questions of the agenda of the ordinary General Meeting of Shareholders of AUGA group, AB on 30 April 2020 by drafts of decisions and related information
08.04.2020	Notice on Convocation of the ordinary General Meeting of Shareholders of AUGA group, AB on 30 April 2020
04.03.2020	AUGA group, AB held an investor conference webinar
28.02.2020	Interim information on AUGA group, AB for the 12-month period ended 31 December 2019
27.02.2020	AUGA group will hold an Investor Conference Webinar to introduce unaudited financial results for the 12 months of 2019
19.02.2020	AUGA group became the first Baltic issuer on the Nasdaq Sustainable Bond Network
28.01.2020	Dates of periodic information disclosure of AUGA group, AB for the year 2020 (investor calendar)

