



# **PRESENTATION ON THE FINANCIAL RESULTS FOR 3 MONTHS OF 2021**

AUGA group, AB

# PRESENTED BY

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CFO

# RESULTS

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The Group continues to grow and is making great efforts to achieve goals of the Strategy.

Financial and human resources are increasingly being allocated for this purpose.

We continue to focus on our efficiency agenda and the improvement of financial results.

## 2021 Q1

Consistent growth improving both revenue and profitability.



EUR million	2021 Q1	2020 Q1	Variance	2019 Q1
Revenue	19.48	17.04	+14%	14.89
Gross profit	4.51	3.74	+21%	2.95
Net profit	0.67	0.18	+280%	0.17
EBITDA	5.74	4.95	+16%	4.58

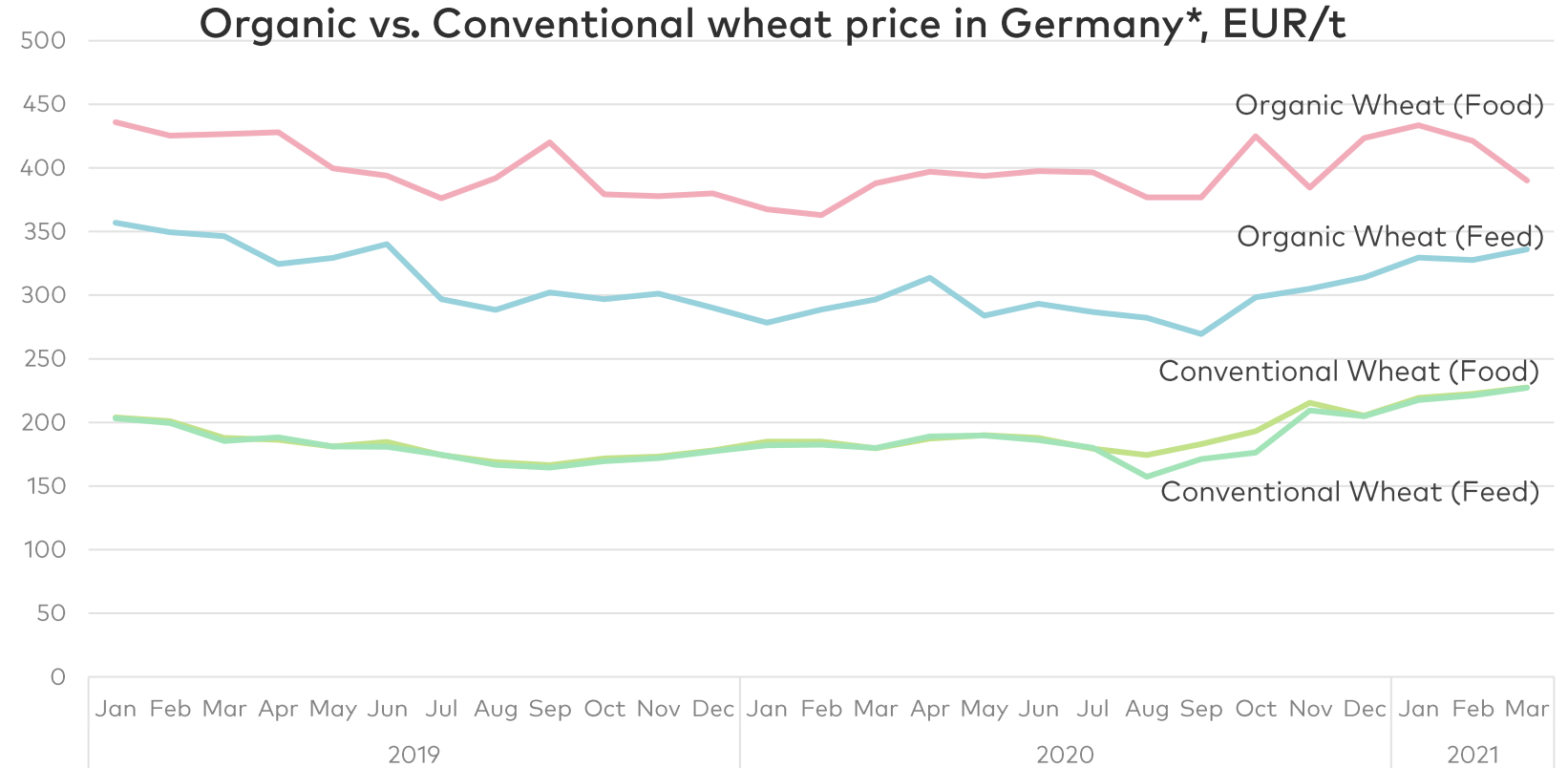




Results by segment  
**Crop growing**

The declining trend in organic wheat market prices reversed in Q4 2020.

Average wheat price recovered by 7% in Q1 2021 vs Q4 2020.



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



# CROP GROWING 2021 Q1 results



Improved revenue and gross profit.

Weather conditions were favorable during sowing last autumn, winter did not have negative effect on crops as well.

Total fair value gain for 2021 Q1 is EUR 1.59 million (increase of 25%). The increase is related to increased winter crops land plot and change in grain market prices mainly.

As for 05.31:

- 99% of 2020 harvest is already contracted or sold
- New contracts are signed for 51% of expected 2021 harvest.

	2021 Q1	2020 Q1	Variance	2019 Q1
Total cultivated land, ha	39,223	39,673	-1%	38,564
EUR million	2021 Q1	2020 Q1	Variance	2019 Q1
Total fair value of harvest	20.07	18.76	+7%	20.04
Total production cost	16.46	16.03	+3%	18.69
Gain (loss) on revaluation of biological assets (crops) recognized in reporting period	1.59	1.27	+25%	1.34
Sales revenue	7.53	5.36	+41%	5.01
Cost of sales	8.00	5.32	+50%	5.01
Inventory write-offs	0.08	0.24	-68%	0.25
Result of sales of agricultural produce	(0.54)	(0.20)	-172%	(0.25)
Subsidies	2.38	1.89	+26%	1.76
Gross profit	3.43	2.96	+16%	2.85



An aerial photograph of a large herd of dairy cows grazing in a lush green pasture. The cows are scattered across the field, with some standing and others lying down. The pasture is divided into sections by thin white lines, likely electric fencing. The overall scene is bright and vibrant, with the green grass contrasting sharply with the various colors of the cows.

Results by segment

**Dairy**

Lower than expected production results as the desired impact of changes in feeds structure was not achieved.

Germany was added as a new market for raw organic milk giving additional sales options.

Milk commodities business is presented separately in order to give better overview of the segment and to focus on it's potential.

The primary focus remains increasing efficiency of dairy segment.

	2021 Q1	2020 Q1	Variance	2019 Q1
Total quantity of products sold, t	6,565	6,963	-5%	6,413
Milk	6,189	6,549	-5%	6,219
Milk commodities	190	233	-19%	29
Cattle	186	181	+3%	194

EUR million	2021 Q1	2020 Q1	Variance	2019 Q1
Revenue	3.28	3.49	-6%	2.74
Milk	2.51	2.60	-3%	2.41
Milk commodities	0.58	0.72	-19%	0.12
Cattle	0.19	0.18	+9%	0.21
Cost of sales	3.26	3.19	+2%	2.76
Milk	2.51	2.31	+8%	2.44
Milk commodities	0.56	0.70	-21%	0.12
Cattle	0.19	0.18	+9%	0.21
Revaluation of biological assets	(0.55)	(0.70)	+22%	(0.76)
Subsidies	0.73	0.50	+48%	0.56
Gross profit	0.21	0.09	+126%	(0.23)



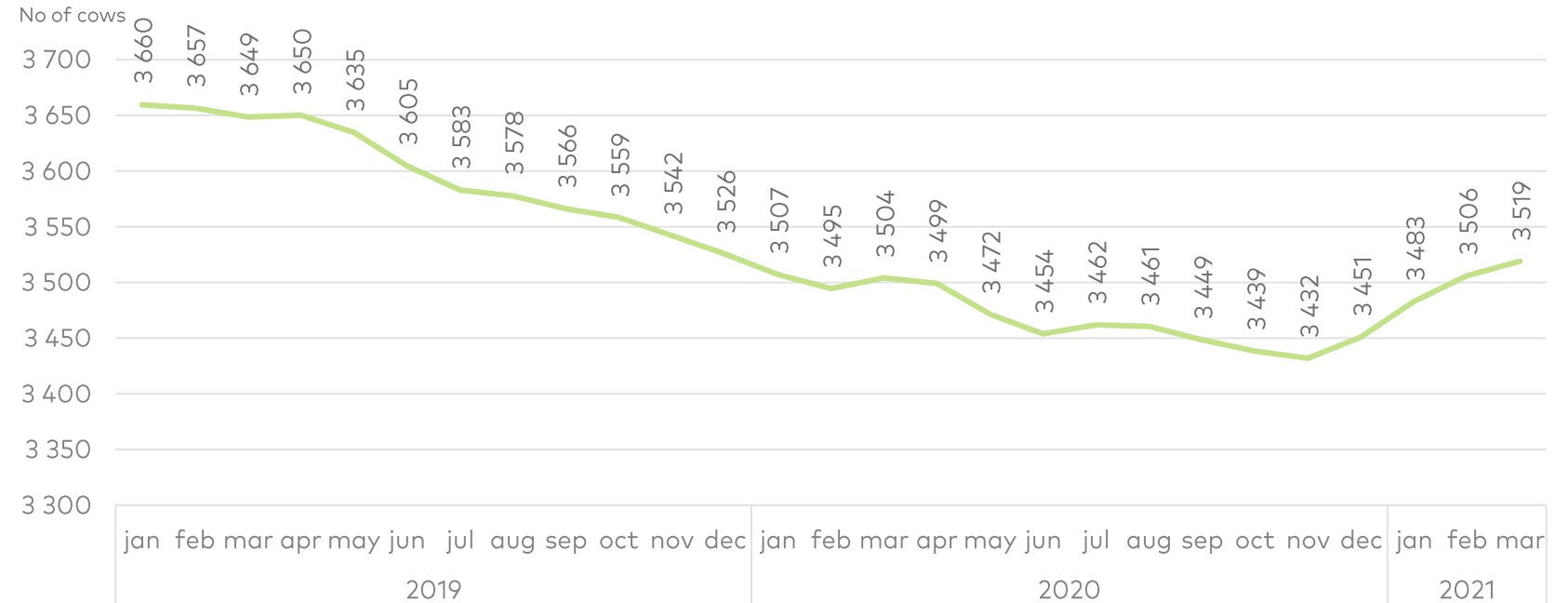


## Milking cows herd is increasing

The Group is aiming to increase number of milking cows and reduce average age of the herd by exchanging old animals with younger ones.

The Group expects to increase the herd up to 3.6 thousand cows in 2021.

Milking cows number dynamic





Results by segment

# Mushroom growing

# MUSHROOM GROWING



## 2021 Q1 results

Positive results in current environment.

The global pandemic had a tangible impact on results:

- the market became and is still volatile;
- limited export sales of mushroom seedbed;
- cost of sales are growing due to increase in packaging cost and additional spending on employees safety.

The Group is looking for new export markets for sales diversification and implements efficiency initiatives to reduce costs.

	2021 Q1	2020 Q1	Variance	2019 Q1
Sold mushrooms, t	3,177	3,288	-3%	2,877
Average price (Eur/t)	2,246	2,043	+10%	2,075

EUR million	2021 Q1	2020 Q1	Variance	2019 Q1
Total revenue	7.26	7.28	0%	6.64
Mushroom sales revenue	7.14	6.72	+6%	5.97
Compost sales revenue	0.12	0.56	-78%	0.67
Cost of sale	6.76	6.66	+2%	6.35
Cost of mushrooms sold	6.68	6.17	+8%	5.72
Cost of compost sold	0.08	0.49	-83%	0.63
Gross profit	0.50	0.62	-20%	0.29



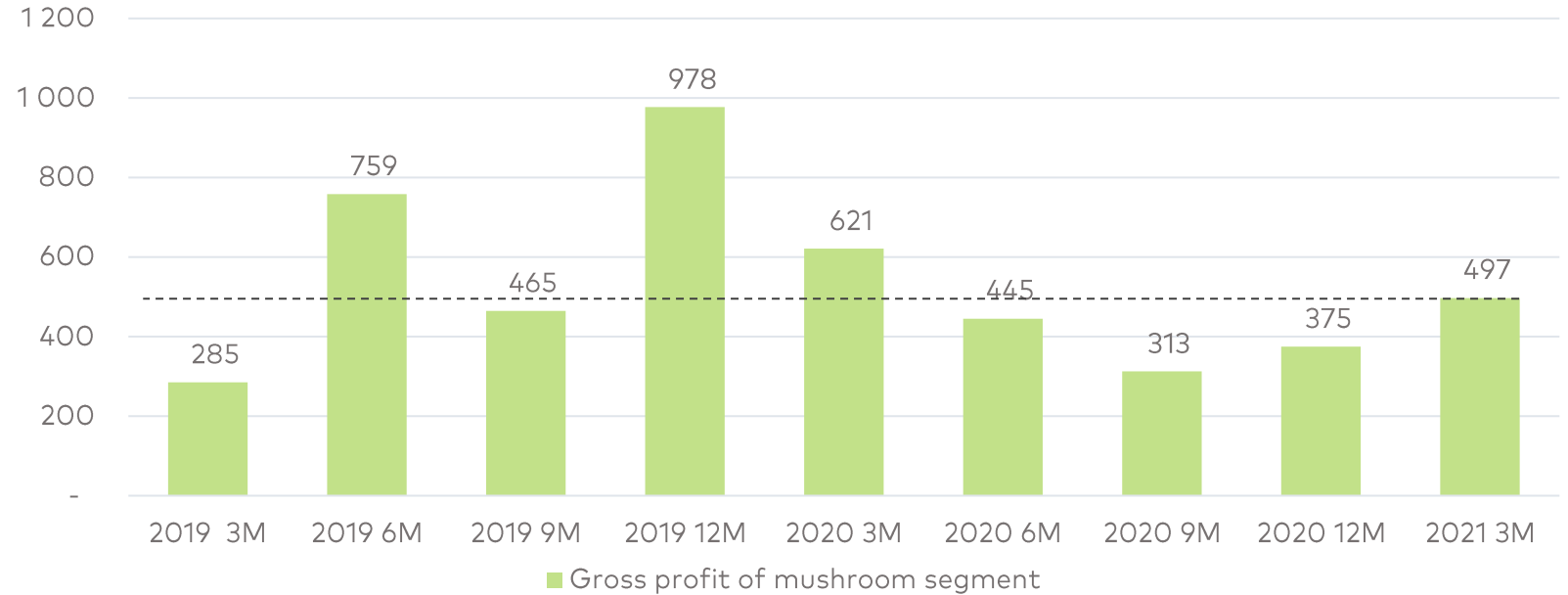
# MUSHROOM GROWING

## Positive results despite decreased profit

Gross profit in 2021 Q1 vs. 2020 Q1 was lower, however results are positive as 2020 results were not affected by COVID-19 yet.

Greater focus on higher value-added products has led to improved profitability compared with recent quarters of 2020.

Quarterly gross profit of mushroom segment, EUR thousand





Results by segment

# End-consumer products (FMCG)

## 2021 Q1 results

The segment continues to grow in 2021

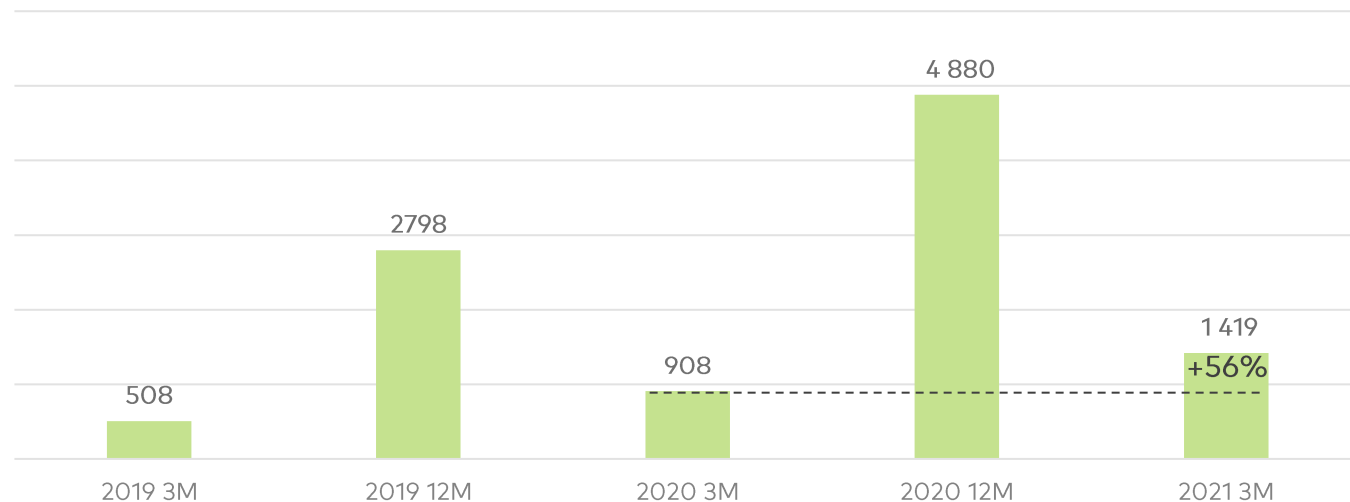
The segment remains strategically important to the Group with expectations of significant growth in 2021.

Growth of sales and larger utilization of production capacities have positive impact on profitability.

Fluctuation of results had increased: due to increasing logistics costs, goods are ordered in larger bulks fewer times in a year.

EUR million	2021 Q1	2020 Q1	Variance	2019 Q1
Revenue	1.42	0.91	+56%	0.51
Cost of goods sold	1.04	0.85	+23%	0.47
Gross profit	0.38	0.06	+545%	0.04

Revenue dynamics, thous. EUR



An aerial photograph of a red tractor pulling a blue harrow across a large, dark brown agricultural field. The harrow is a wide, rectangular implement with a grid of metal bars. The tractor is moving from the bottom center towards the top right of the frame. The field is divided into long, parallel rows by the harrow's path. In the top right corner, there is a strip of green grass and yellow flowers. The text 'AUGA tech' is overlaid in white, bold, sans-serif font across the lower middle of the image.

**AUGA tech**

Machinery, spare parts will be offered together with consulting and warranty services.

AUGA Tech represents major manufacturers:

- Treffler Maschinenbau GmbH & Co. KG
- BB-Umwelttechnik, ROC S.r.l.
- Farmdroid ApS

The Group plans to open exposition center in Raseiniai at the end of Q2 2021





A close-up photograph of a person's hands holding a black pen over a document. The document features several bar charts with a legend. The legend includes categories: Lib, Seguro, Seguros, Ingresos, and Pagaré. The charts are titled 'Inversión Esperada', 'Riesgo Perdido', and 'Proyecto Compra'. The person is wearing a white shirt cuff and a dark blue sweater sleeve. The background is slightly blurred, showing another person's hands and a pen.

# Financial information

# FINANCIAL INFORMATION



## Main factors for EBITDA increase

EBITDA increased by 0.79 EUR million.



# FINANCIAL INFORMATION

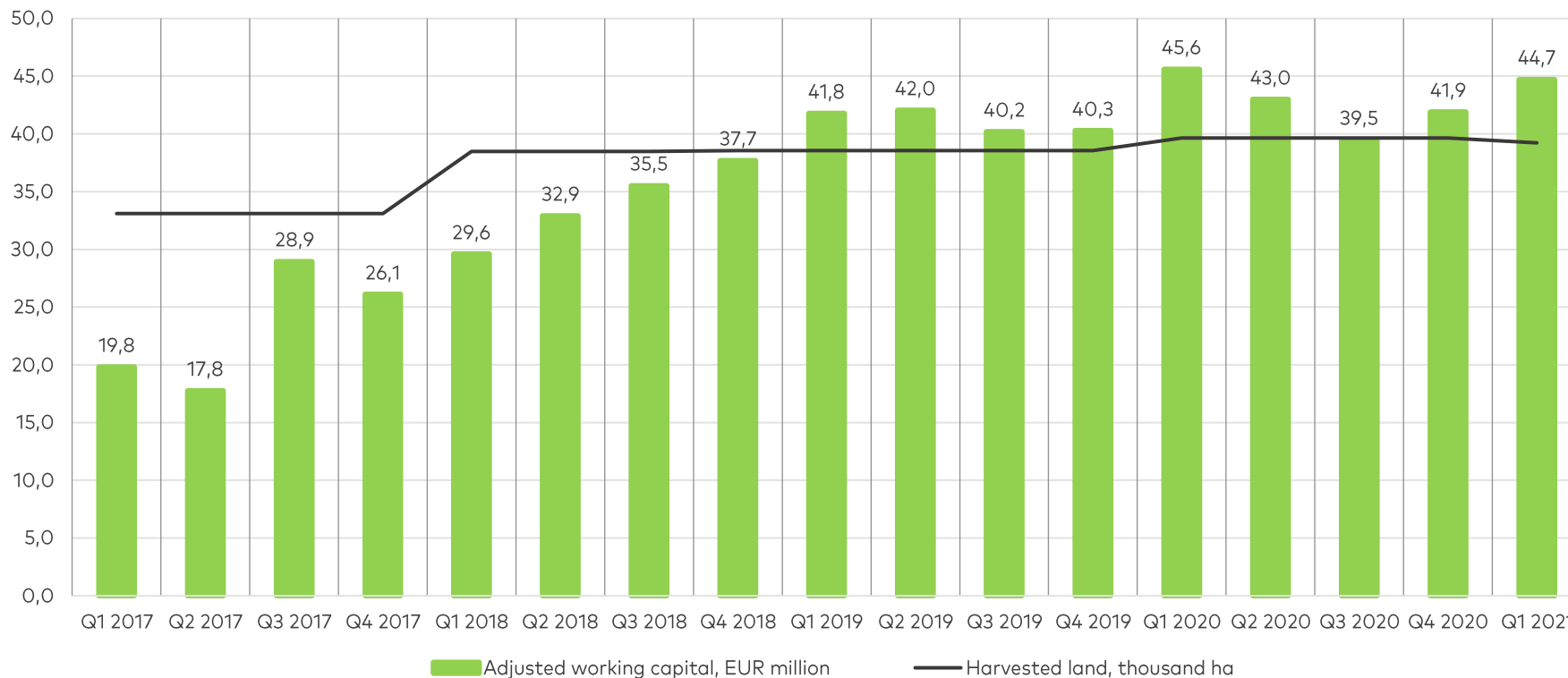


Difference between net debt and adjusted working capital remained similar

Net debt in 2021 Q1 – EUR 59.8 million vs. EUR 59.5 million in 2020 Q1.

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

## Working capital dynamics and financing



	2017	2018	2019	2020	2021 Q1
Net debt, EUR million*	42.9	53.6	55.3	57.4	59.8
Net debt - adjusted working capital**, EUR million	16.87	15.91	15.14	15.42	15.08

\*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.



# FINANCIAL INFORMATION

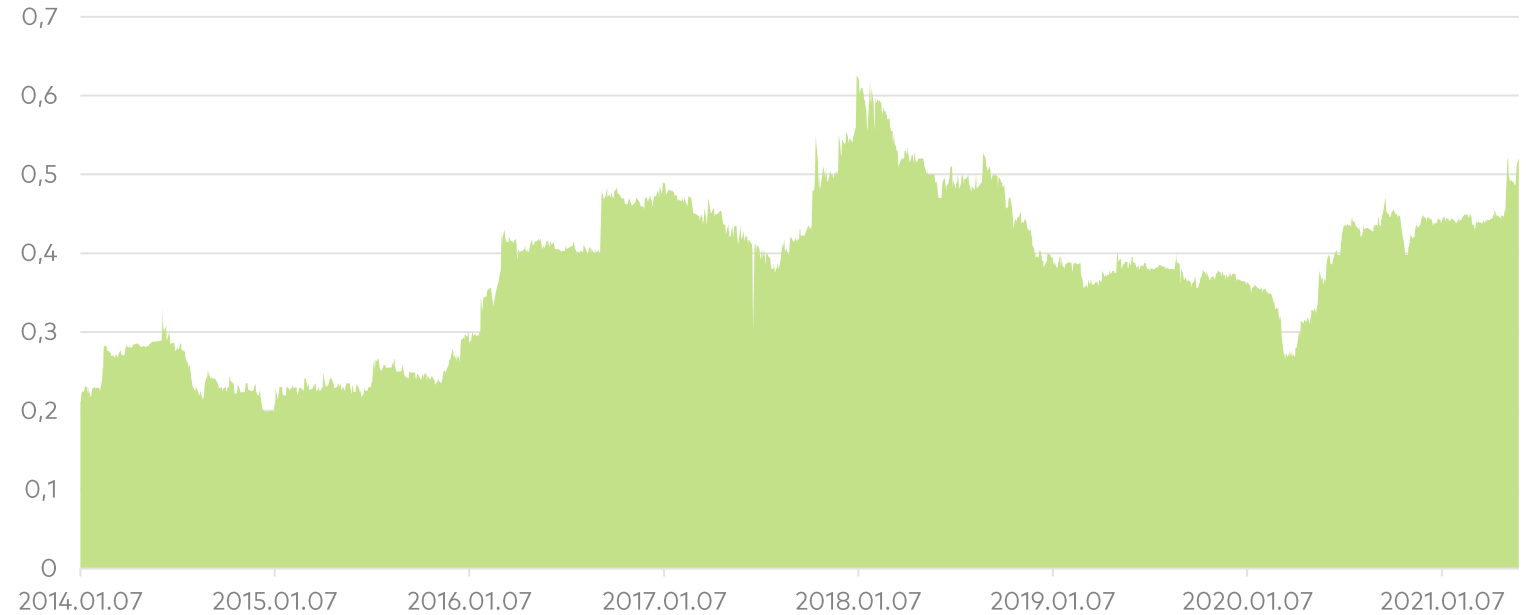
The share price increased by 17.6% (from EUR 0.442 to EUR 0.52 per share) from the beginning of 2021 to 31 May 2021.

The average monthly turnover was EUR 0.35 million.

Top 1 corporate bond turnover in Baltics (turnover during 2021 - EUR 2.2 million).

## Share price information

AUGA group, AB share price on Nasdaq Vilnius, EUR



Valuation target price, EUR



0.66\*



0.45-0.55



0.64

\* - 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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