



**PRESENTATION ON THE
FINANCIAL RESULTS
FOR 9 MONTHS OF 2022**

PRESENTED BY



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CFO



AUGA GROUP AT A GLANCE*



The largest vertically integrated organic food producer in Europe

Founded in **2014**

Listed on **Nasdaq Vilnius**

4

business segments

1,233

employees

39.1^{th.}

of arable land



71.7 million EUR

revenue

70 %

of sales is export

Products are sold in

38

countries



RESULTS

Operating results had improved



Financial data for 9 months tentatively reflect the result of 2022.

The group had rebounded from very difficult Y2021, the results are in line with Y2020 despite difficult environment.

EUR million	2022 9M	2021 9M	Variance	2020 9M
Revenue	57.71	54.90	+5%	62.38
Gross profit	13.14	1.70	+673%	11.88
Net profit	(0.62)	(10.43)	+94%	0.44
EBITDA	16.78	5.45	+208%	15.94

A close-up photograph of pea plants. The leaves are bright green and show signs of damage, with several leaves having distinct white, irregular spots or lesions. The background is a dense field of similar green leaves, slightly out of focus.

Results by segment
Crop growing

CROP GROWING

Wheat and legumes account for 61% of cash crops' land plot.

Yields had improved, but overall results were lowered by poor yields of summer wheat and peas.

Overall costs has increased 18% YoY.

Significant growth of average selling price was affected not only by prices, but quality of the harvest as well.

Crop growing results had improved significantly YoY



Wheat	2021/2022	2020/2021	Variance
Area, ha	11,693	10,440	+12%
Yield, t/ha	3.41	3.29	+4%
Price, Eur/t	402	240	+68%
Cost, Eur/ha	991	762	+30%
Profit, Eur/ha	380	28	+1257%

Legumes	2021/2022	2020/2021	Variance
Area, ha	6,785	8,056	-16%
Yield, t/ha	2.32	1.10	+111%
Price, Eur/t	576	347	+66%
Cost, Eur/ha	830	829	0%
Profit, Eur/ha	506	(448)	n/a



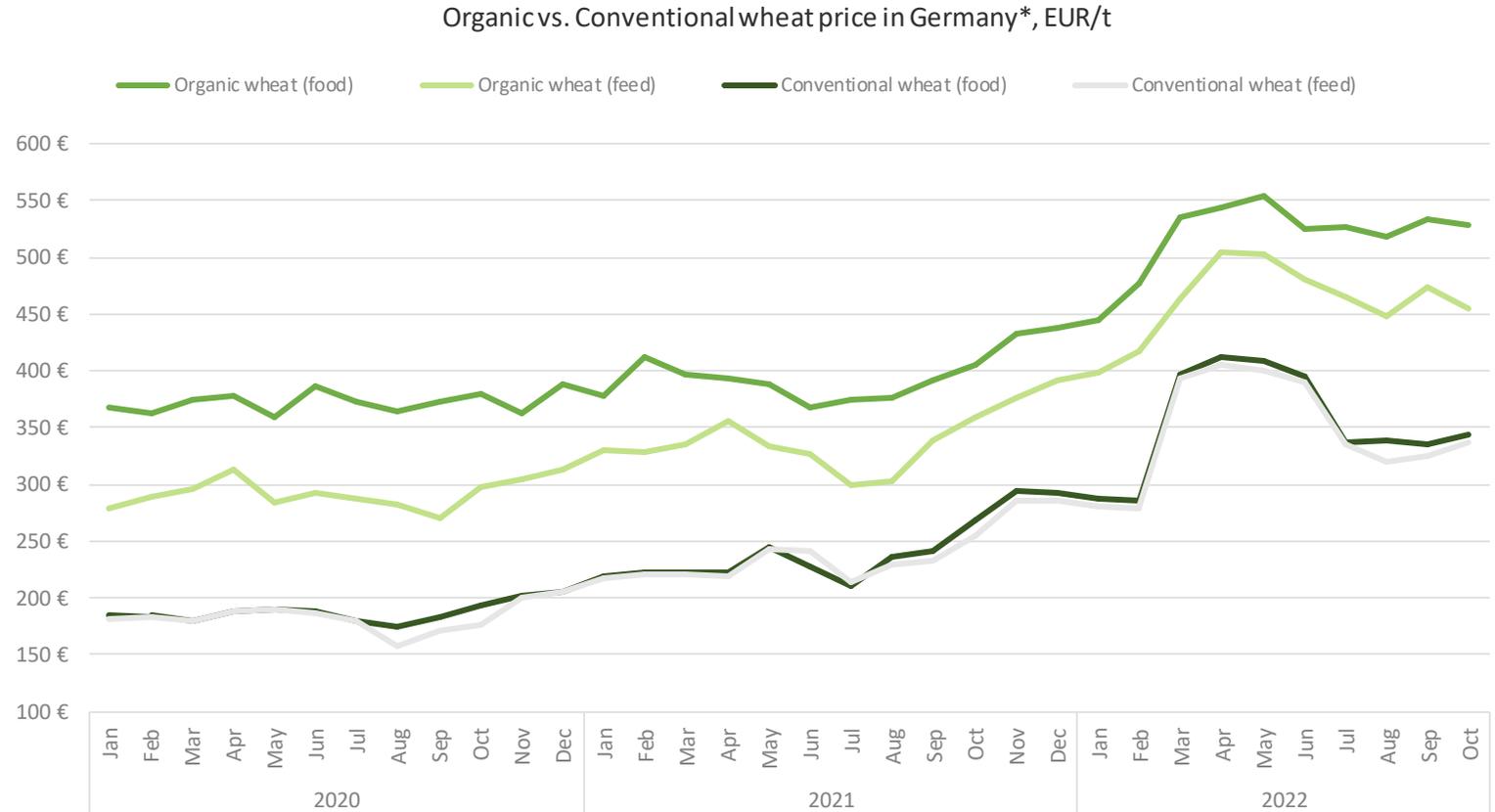
CROP GROWING

As for 30.11.2022, the group contracted 90% of forecasted 2022 harvest.

Harvest of 2022 is contracted with 48% higher prices than the harvest of 2021 (excluding long term agreements).

Organic feed crops are in high demand and support food crops' prices.

Market trends: prices were slightly decreasing lately, significant growth YoY



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

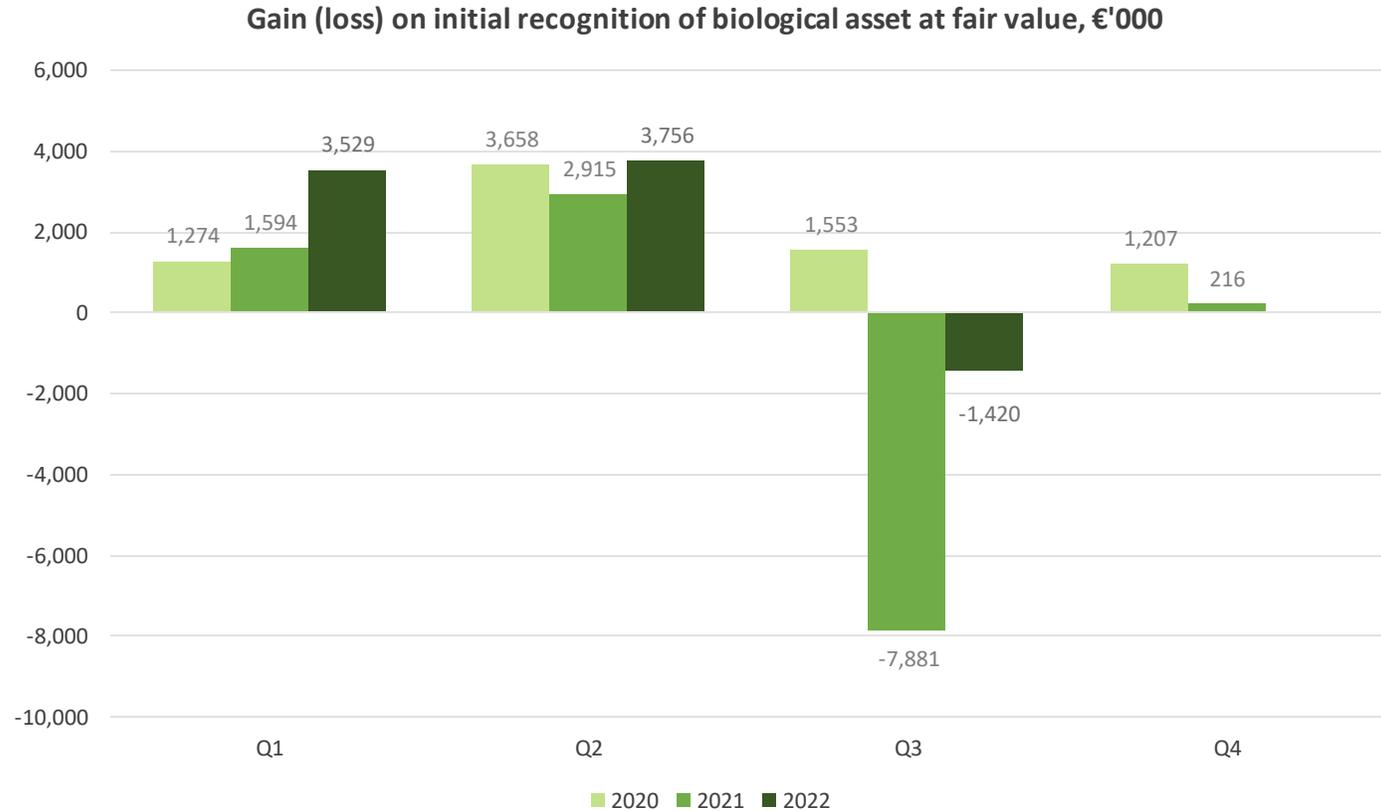
CROP GROWING

Negative developments in Q3 due to weather conditions mainly: cold, rainy weather and heavy winds had decreased the harvest.

Autumn sowing is successfully completed.

Q4 results will be mainly affected by forecasted gain (loss) of next year's harvest.

Q3 results have the highest volatility historically



25% of the harvest sold in Q3 (44% in Q3Y2021).

Improvement in sales result due to lower write-offs, favorable market development.

Significant improvement YoY

	2022 9M	2021 9M	Variance	2020 9M
Total cultivated land, ha	38,525	39,139	-2%	39,637
EUR million	2022 9M	2021 9M	Variance	2020 9M
Total gain (loss) on revaluation of biological assets (crops)	8.20	(1.35)	n/a	7.94
Gain (loss) on revaluation of biological assets (crops) recognized in previous period	2.33	2.02	+15%	1.45
Gain (loss) on revaluation of biological assets (crops) recognized in current period	5.86	(3.37)	n/a	6.49
Sales revenue	18.71	18.41	+2%	26.21
Cost of sales	(17.73)	(20.13)	-12%	(27.16)
Inventory write-offs	(0.95)	(2.38)	-60%	(0.98)
Result of internal transactions	(1.00)	-	n/a	-
Result of sales of agricultural produce	(0.96)	(4.10)	+77%	(1.93)
Subsidies	7.06	6.98	+1%	5.57
Gross profit	11.96	(0.50)	n/a	10.13

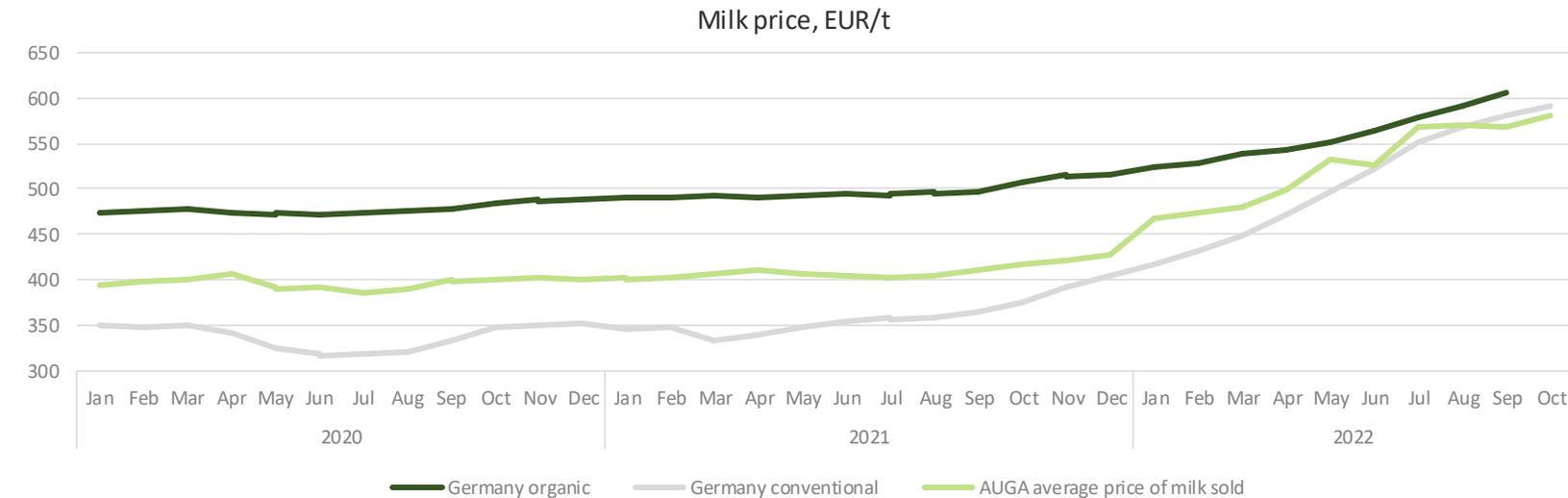
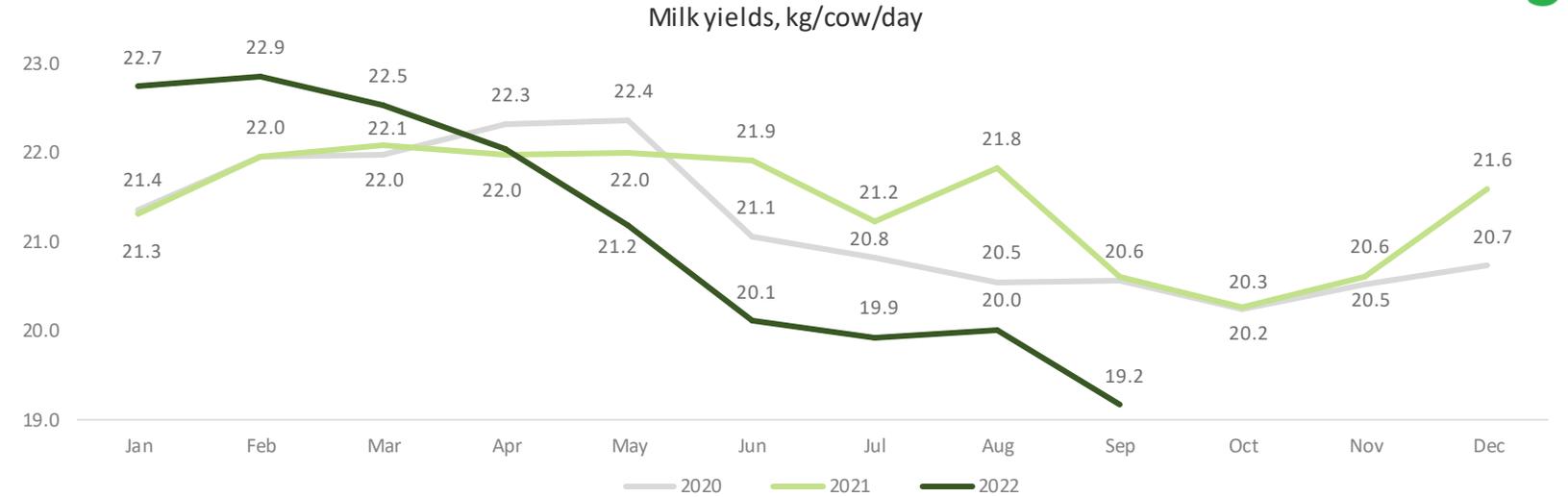
A photograph of three brown and white spotted cows grazing in a green field. The cows are in the foreground and middle ground, with a wooden fence visible in the background. The text "Results by segment Dairy" is overlaid on the image.

Results by segment
Dairy

In 9M of 2022 milk yields fell by 2% YoY. Decision by the group: due to poor last year's harvest, there was a lack of feed ingredients. Issue to be resolved after new harvest.

Average milk price has increased by 33% since the beginning of 2022.

Milk yield and price dynamics



Source: www.ami-informiert.de, <https://www.bmel-statistik.de/>, <https://ec.europa.eu/agriculture/market-observatory/milk>

As for 30.09.2022 group's herd consists of 3,479 cows and 3,340 heifers and bulls, compared to 3,494 cows and 3,040 heifers and bulls a year before.

Improving profitability: average milk price grew by 26% while costs increased by 12% only.

2022 9M results

High prices are main driver for improving profitability.

	2022 9M	2021 9M	Variance	2020 9M
Total quantity of products sold, t	20,249	20,168	0%	20,387
Milk	19,305	19,112	+1%	19,307
Milk commodities	332	502	-34%	559
Cattle	612	554	+10%	521

EUR million	2022 9M	2021 9M	Variance	2020 9M
Revenue	12.32	10.16	+21%	9.87
Milk	10.01	7.89	+27%	7.63
Milk commodities	1.26	1.62	-22%	1.69
Cattle	1.04	0.65	+60%	0.55
Cost of sales	(11.02)	(9.87)	+12%	(9.45)
Milk	(8.76)	(7.72)	+13%	(7.25)
Milk commodities	(1.22)	(1.50)	-19%	(1.65)
Cattle	(1.04)	(0.65)	+60%	(0.55)
Revaluation of biological assets	(1.77)	(2.48)	-29%	(2.31)
Subsidies	2.14	2.36	-9%	1.97
Gross profit	1.67	0.17	882%	0.08



Results by segment
Mushroom growing

MUSHROOM GROWING

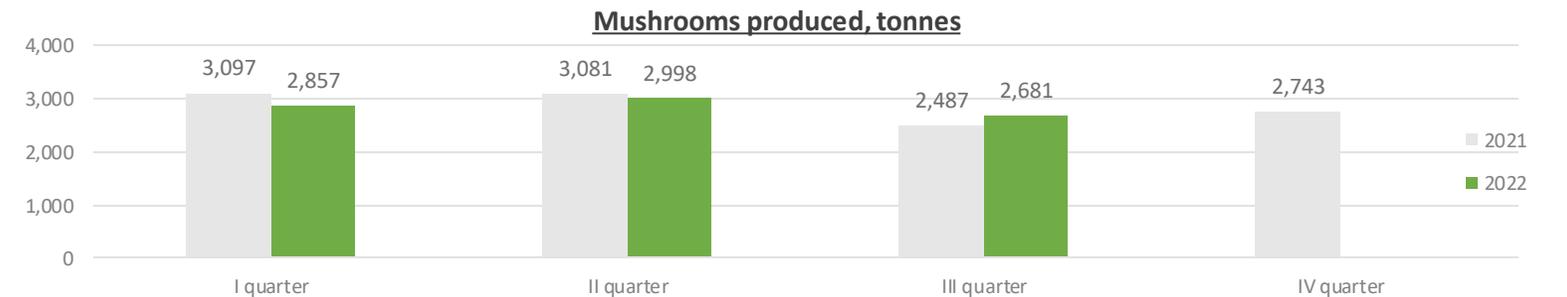
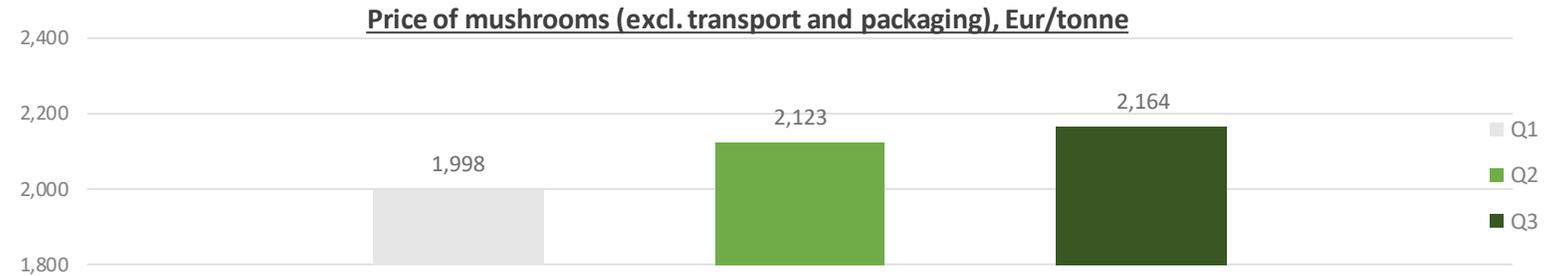


3 key drivers: costs, prices, production volume

Soaring energy prices severely impacted result of the segment in Q3. Transportation costs grew by 24%, energy costs almost tripled.

Price of mushrooms excluding transport and packaging was 8% higher in Q3 compared to Q1.

Production volume not optimal due to saving energy resources and management of production challenges.



MUSHROOM GROWING



2022 9M results

Negative result affected by growing energy costs.

Short term solutions:

- Production volume should reach 1000 t/month;
- continuous negotiations for price review;
- energy consumption control (had decreases by 20-24% YoY);
- energy consumption is lower in colder seasons.

Long term solutions:

- investments into renewable energy production;
- biomethane production projects currently developed by the group.

	2022 9M	2021 9M	Variance	2020 9M
Sold mushrooms, t	8,834	9,072	-3%	9,652
Average price (Eur/t)	2,359	2,326	+1%	2,231
EUR million	2022 9M	2021 9M	Variance	2020 9M
Total revenue	21.17	21.46	-1%	22.94
Mushroom sales revenue	20.84	21.10	-1%	21.54
Compost sales revenue	0.33	0.36	-8%	1.40
Cost of sale	(22.68)	(20.90)	+9%	(21.55)
Cost of mushrooms sold	(22.35)	(20.71)	+8%	(20.30)
Cost of compost sold	(0.33)	(0.20)	+66%	(1.25)
Gross profit	(1.51)	0.56	n/a	1.38



Results by segment

Fast-moving consumer goods
(FMCG)

2022 9M results

Positive tendencies in the 3rd quarter.

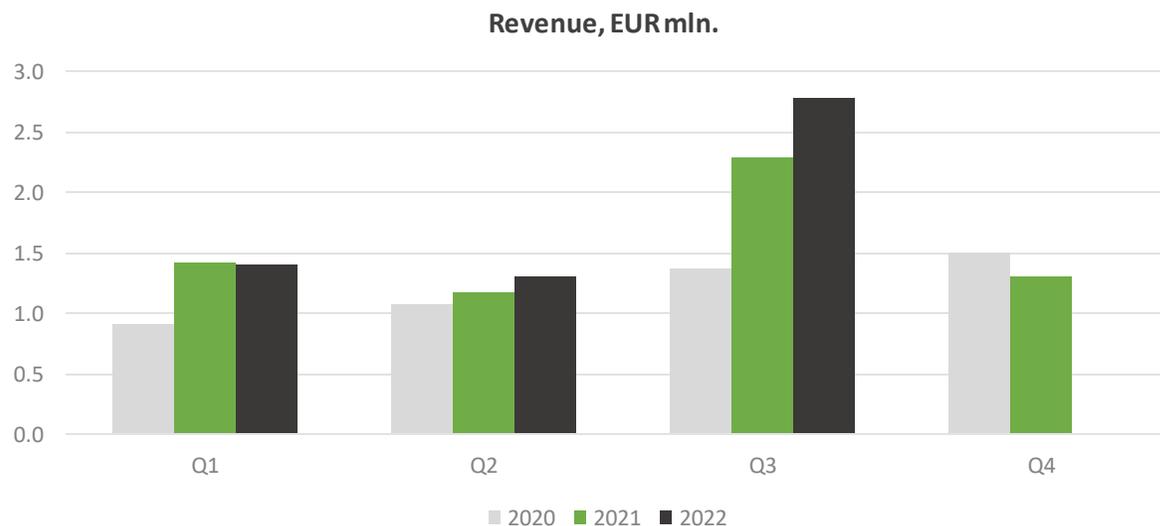
Inflation and logistic disruptions create challenges for projects in export markets – growth of sales had stalled in H1.

The 3rd quarter as sales reached EUR 2.78 million (+21% YoY).

Profitability back on track due to:

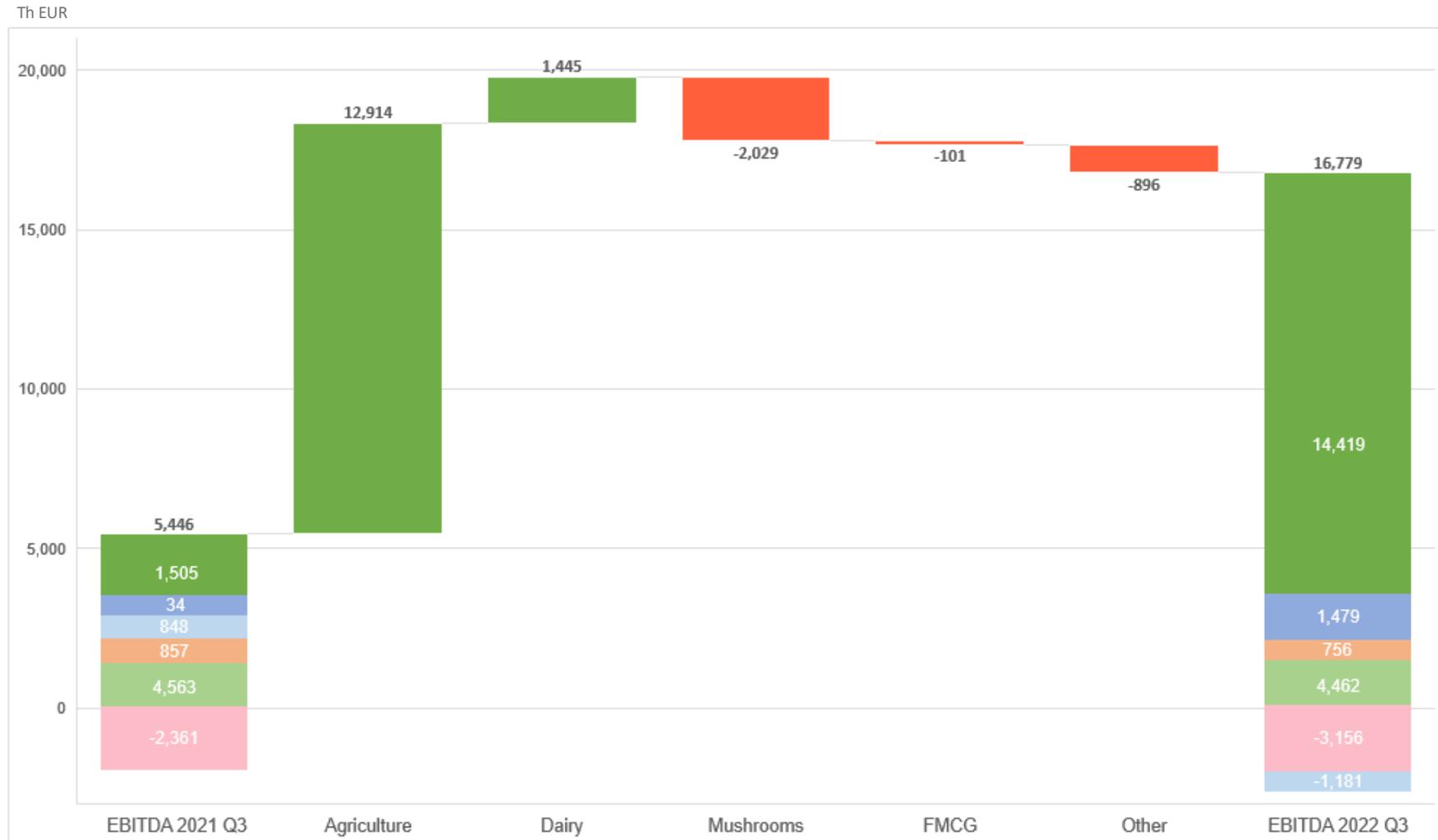
- high utilization of production capacities;
- review of pricing.

EUR million	2022 9M	2021 9M	Variance	2020 9M
Revenue	5.50	4.88	+13%	3.37
Cost of goods sold	(4.49)	(3.41)	+32%	(3.08)
Gross profit	1.01	1.47	-31%	0.29



Main factors for EBITDA change

Crop growing and Dairy segments have the largest positive affect.



OTHER INFORMATION 3 projects to be implemented / further developed in 2022

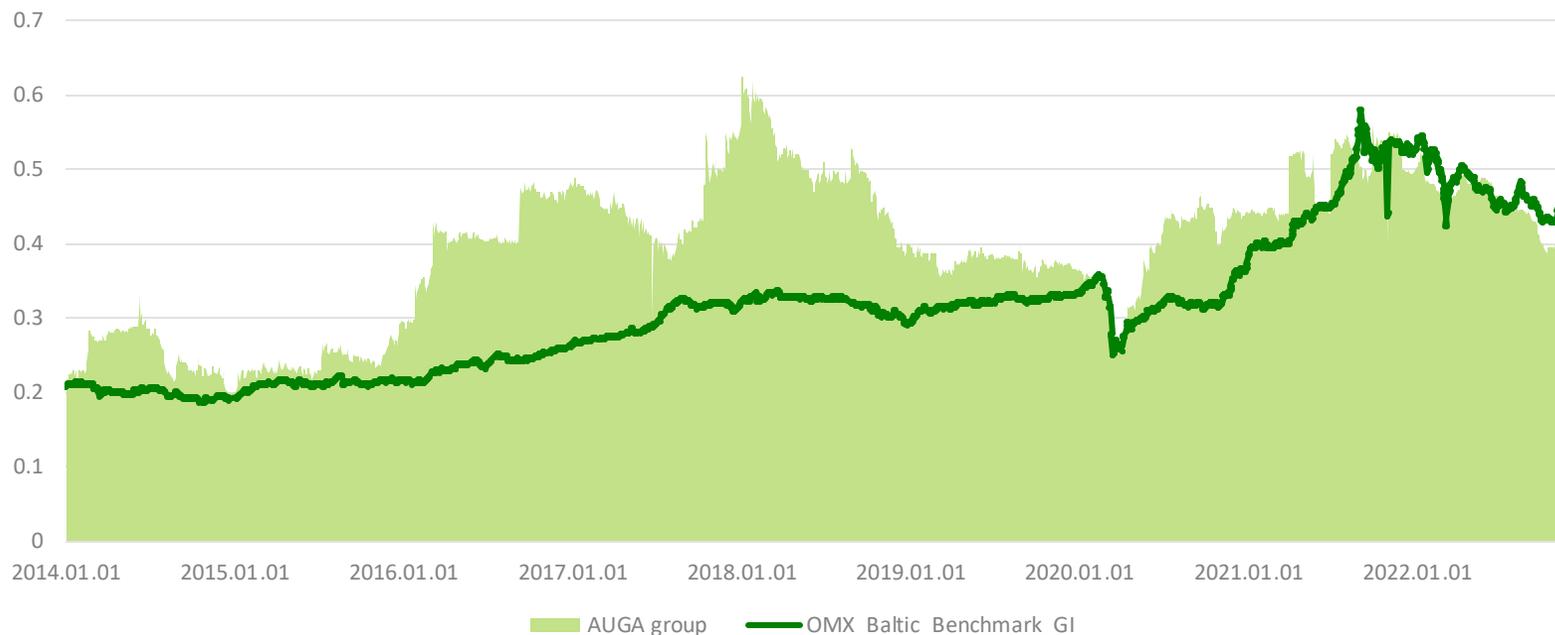


Project	Plan	Status
Biomethane infrastructure	The group is planning to operate 3 facilities by Q4 2022.	<p>Work on the infrastructure will be completed and biomethane production will start at the beginning of 2023.</p> <p>Theoretical annual production volume of 3 facilities - 63 000 MWH of biomethane</p>
Specialized feed technology	<p>First prototype is already built and is in testing currently. Two main targets: a) improved milk yields, b) reduction of CO2 e emissions.</p> <p>The group is planning to start scaling of technology in it's farms if tests will be successful.</p>	Testing phase. Further development of technology.
AUGA M1 tractor	The group is aiming to have up to 10 tractors working in group's fields by Q4 2022. Agreement for assembling is already signed.	<p>Production in progress.</p> <p>First batch of 3 tractors should be completed in Q4.</p>

OTHER INFORMATION Share price information



AUGA group, AB share price on Nasdaq Vilnius, EUR



The share price decreased by 20% (from EUR 0.503 to EUR 0.401 per share) from the beginning of 2022 to 30th of November 2022. OMX Baltic Benchmark GI decreased by 14% during the same period.

The average monthly turnover was EUR 0.18 million.

Valuation target price, EUR



0.56*



0.61-0.71



0.70

* - 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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**ORGANIC FOOD WITH NO COST TO
NATURE**