



PRESENTATION ON THE  
FINANCIAL RESULTS  
FOR 6 MONTHS OF 2022

# PRESENTED BY

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# RESULTS

## Profit figures show positive trend



Sales are similar to last year's, since the 2021 harvest was sold in H1 2022.

Profitability growth is mainly attributed to the crop growing segment, due to expectations for the outcome of this season's harvest.

EUR million	2022 6M	2021 6M	Variance	2020 6M
Revenue	33.99	33.13	+3%	34.69
Gross profit	12.43	8.50	+46%	8.58
Net profit	3.65	0.75	+387%	1.30
EBITDA	15.05	11.14	+35%	11.53



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 plants, slightly out of focus.

Results by segment  
Crop growing

# CROP GROWING

Result of the season can be fully evaluated after Q3 only

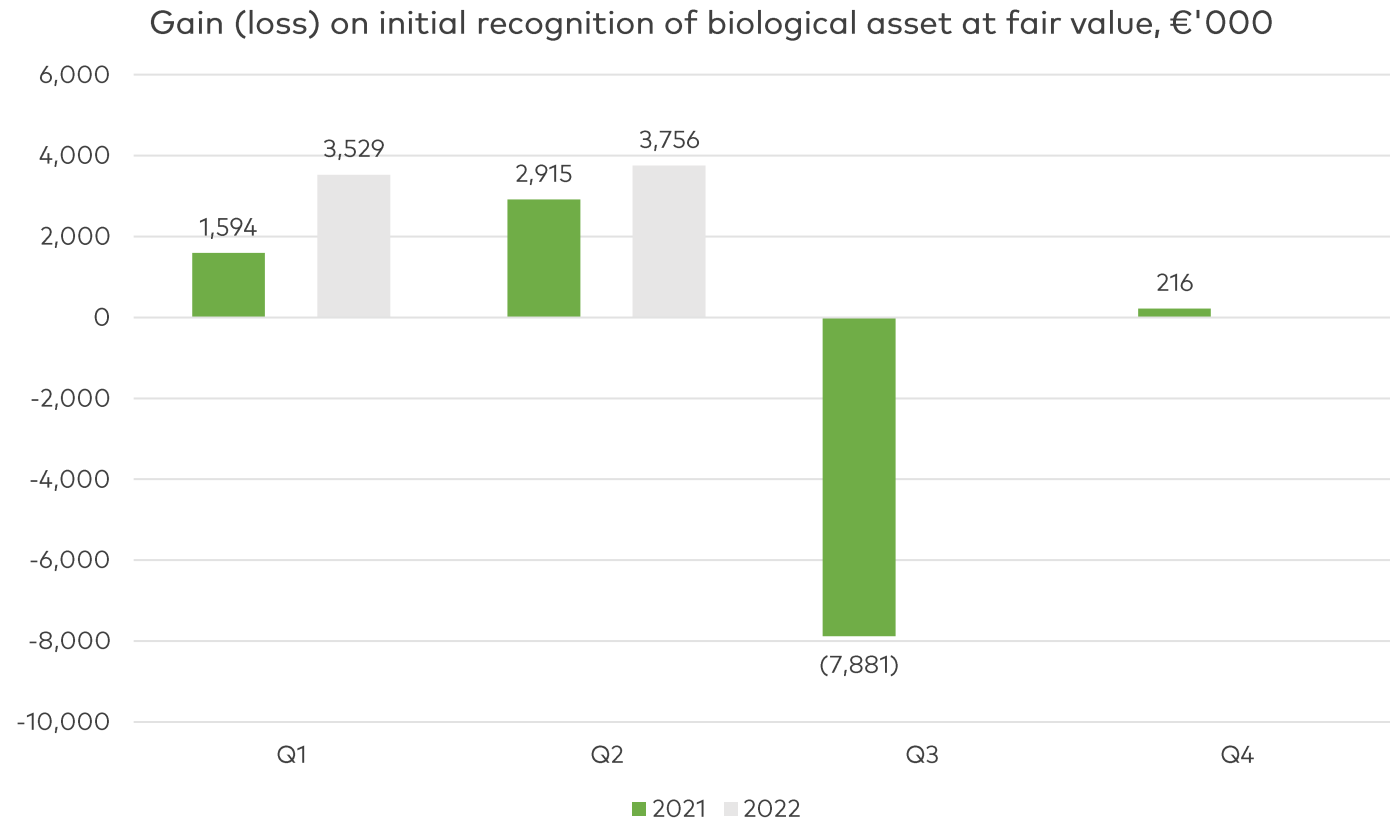
Valuation of biological assets (crops) was done based on information at the end of Q2.

Latest developments:

- pricing – stable;
- costs – stable;
- yields – decreasing.

Weather conditions will have an affect on result, but the negative impact is likely to be much smaller than in 2021.

Autumn sowing has already started.



# CROP GROWING

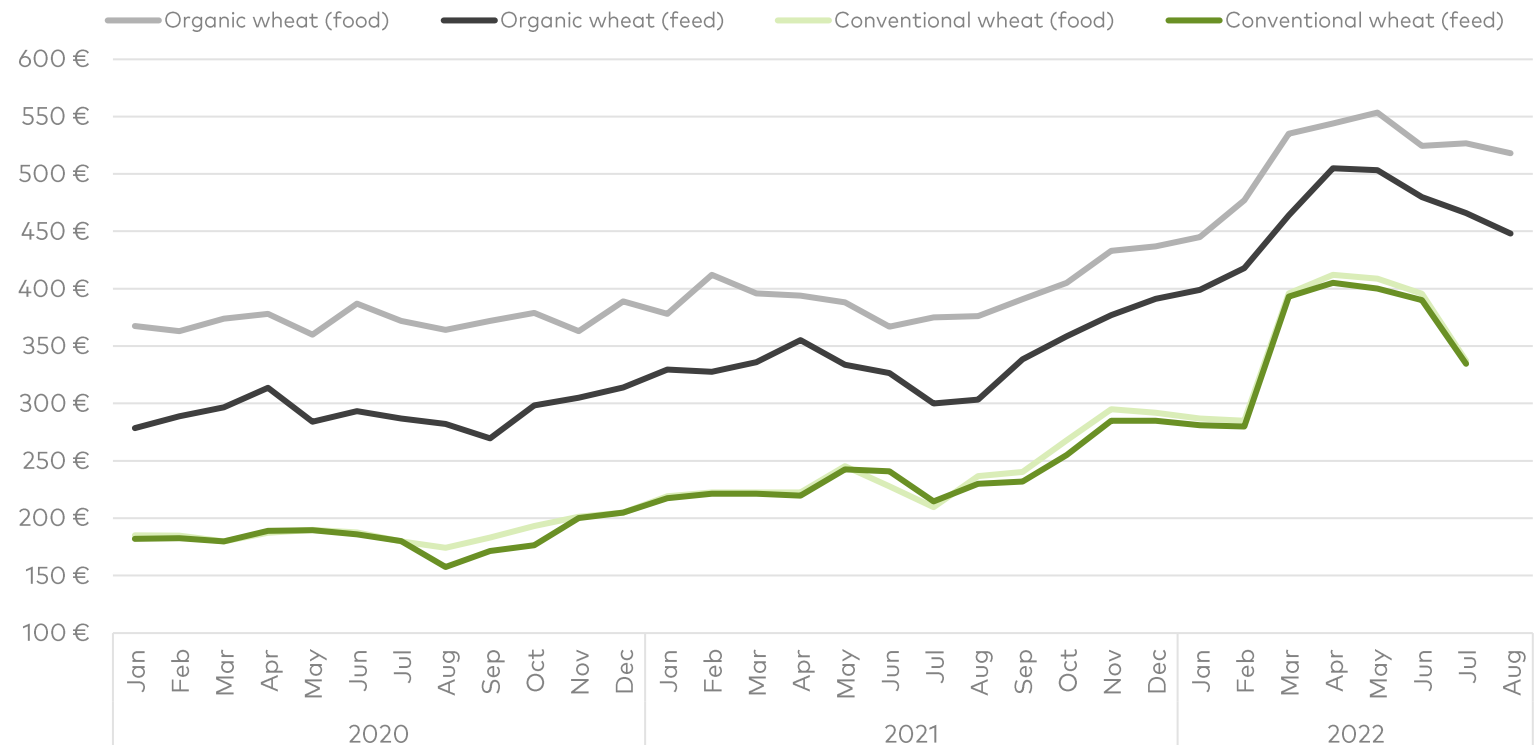
As for 31.08.2022, AUGA group contracted 76% of forecasted 2022 harvest.

If to exclude long term agreements – 69% of forecasted 2022 harvest is contracted.

Harvest of 2022 is contracted with 58% higher prices than the harvest of 2021 (excluding long term agreements).

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

Organic vs. Conventional wheat price in Germany\*, EUR/t



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



Outlook is positive for Y2022, but uncertainties remain.

Gain on revaluation was positively impacted by increasing prices.

Lower sales of 2022 due to lower harvest in Y2021.

	2022 6M	2021 6M	Variance	2020 6M
Total cultivated land, ha	38,525	39,139	-2%	39,637
EUR million	2022 6M	2021 6M	Variance	2020 6M
Total gain (loss) on revaluation of biological assets (crops)	9.62	6.53	+47%	6.38
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	7.29	4.51	+62%	4.93
Sales revenue	8.85	9.48	-7%	10.83
Cost of sales	8.08	10.66	-24%	11.44
Inventory write-offs	0.76	0.43	+77%	0.69
Result of internal transactions	(0.71)	-	n/a	-
Result of sales of agricultural produce	(0.70)	(1.61)	+57%	(1.30)
Subsidies	4.70	4.62	+2%	3.71
Gross profit	11.29	7.51	+50%	7.34





Results by segment  
Dairy

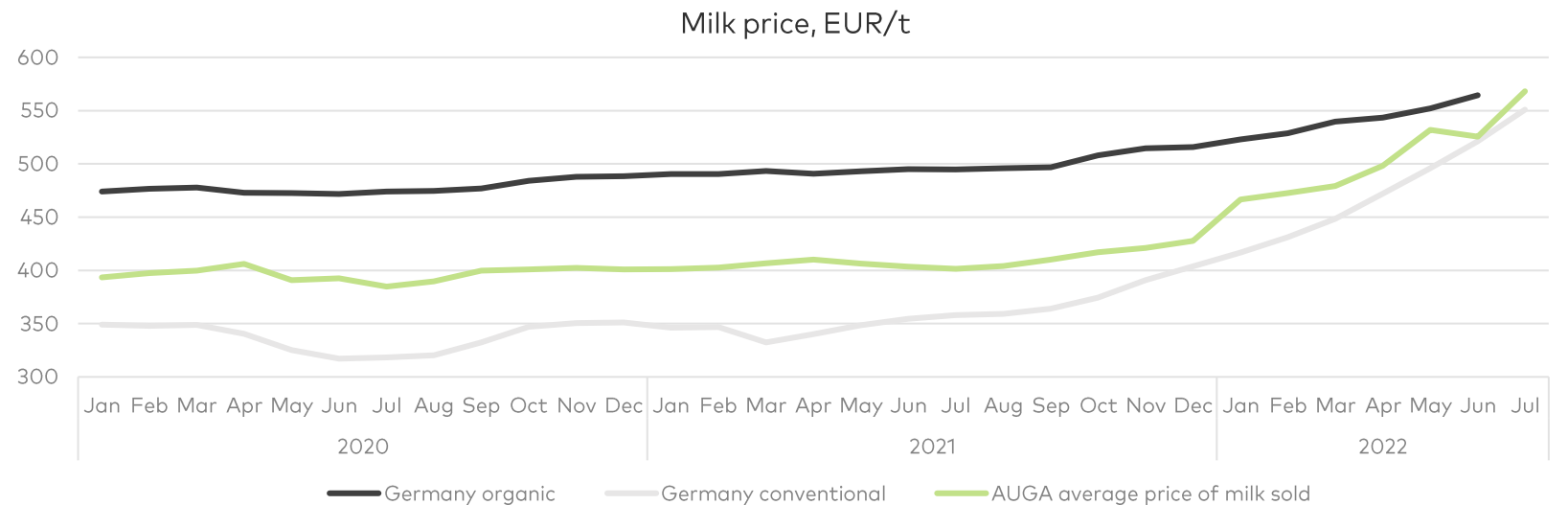
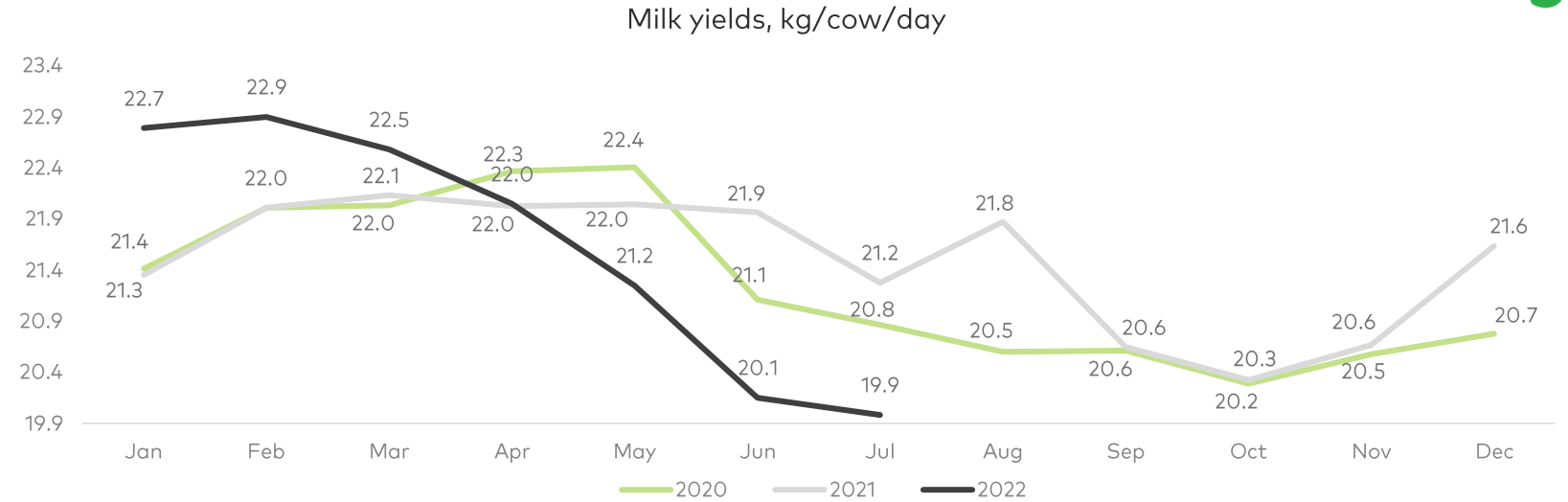


Milk yield increased by 0.1% in H1 2022 compared to the first half of 2021.

Milk yields fell by 4% YoY in Q2. 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 22% since the beginning of 2022.

## Milk yield and price dynamics



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

As for 30.06.2022 group's herd consists of 3,569 cows and 3,128 heifers and bulls, compared to 3,504 cows and 2,936 heifers and bulls a year before.

Sales revenue of the dairy segment increased by 21% YoY as a result of increased prices and growth in production.

Profitable segment as a result of growing prices.

	2022 6M	2021 6M	Variance	2020 6M
Total quantity of products sold, t	13,924	13,538	+3%	13,902
Milk	13,278	12,812	+4%	13,158
Milk commodities	235	335	-30%	355
Cattle	411	391	+5%	388

EUR million	2022 6M	2021 6M	Variance	2020 6M
Revenue	8.14	6.73	+21%	6.66
Milk	6.60	5.29	+25%	5.22
Milk commodities	0.81	1.00	-19%	1.07
Cattle	0.73	0.44	+66%	0.37
Cost of sales	7.18	6.69	+7%	6.27
Milk	5.66	5.31	+7%	4.85
Milk commodities	0.79	0.93	-15%	1.06
Cattle	0.73	0.44	+66%	0.37
Revaluation of biological assets	(1.09)	(1.81)	+40%	(1.61)
Subsidies	1.43	1.51	-5%	1.31
Gross profit	1.29	(0.27)	n/a	0.09

A wide-angle photograph of a large-scale mushroom cultivation facility. The room is filled with long, parallel rows of mushroom beds. Each bed is densely packed with small, white, button-shaped mushrooms growing from a dark substrate. The facility has a high ceiling with industrial lighting fixtures and large pipes. The perspective is from a low angle, looking down the length of the rows, creating a strong sense of depth and repetition.

Results by segment  
Mushroom growing

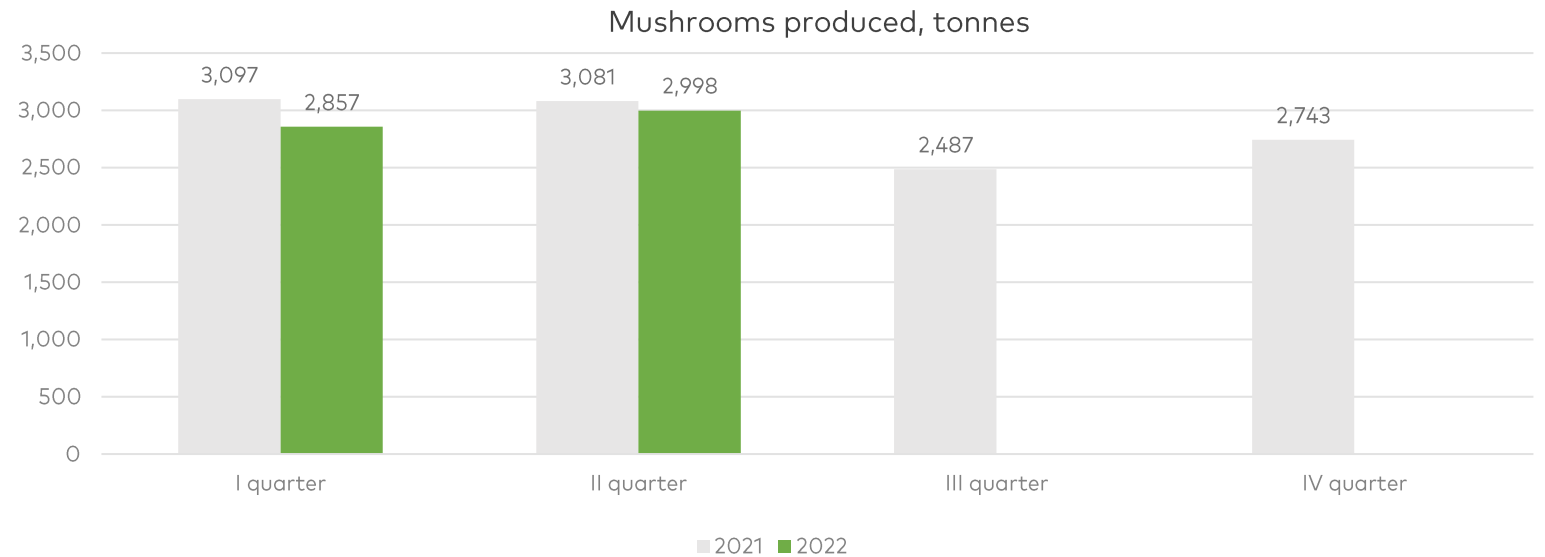
# MUSHROOM GROWING

Production is back to acceptable levels



The group has been facing various production challenges since the 3rd quarter of 2021.

Additional activity in Q3 - resale of forest mushrooms (160 tones were sold in 2021).

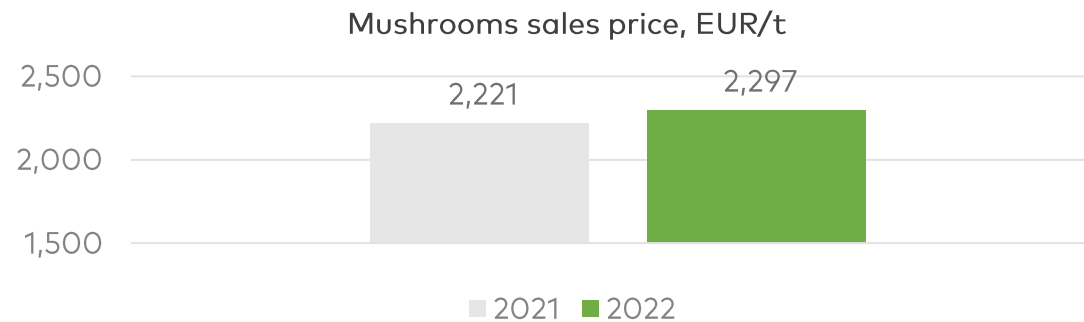
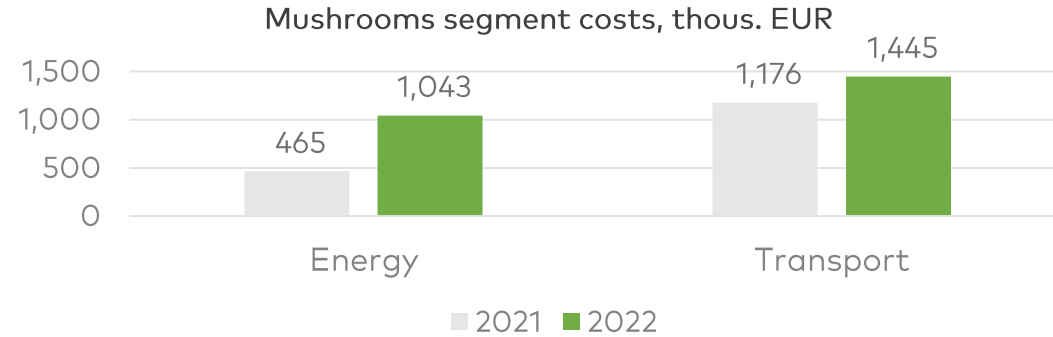


# MUSHROOM GROWING

Growing costs were not transferred to product prices

Increasing costs put pressure on profitability: energy and transport costs account for 17% of total COGS.

Review of product prices is challenging : the average sale price increased by 3% YoY only.



# MUSHROOM GROWING

## 2022 6M results

Negative result affected by growing energy costs.

### Short term solutions:

- continuous negotiations for price changes;
- 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 6M	2021 6M	Variance	2020 6M
Sold mushrooms, t	6,109	6,335	-4%	6,579
Average price (Eur/t)	2,297	2,221	+3%	2,168

EUR million	2022 6M	2021 6M	Variance	2020 6M
Total revenue	14.28	14.33	0%	15.21
Mushroom sales revenue	14.03	14.07	0%	14.26
Compost sales revenue	0.25	0.25	0%	0.95
Cost of sale	14.62	13.74	+6%	14.15
Cost of mushrooms sold	14.36	13.59	+6%	13.22
Cost of compost sold	0.25	0.15	+67%	0.93
Gross profit	(0.33)	0.59	n/a	1.07



Results by segment

# Fast-moving consumer goods (FMCG)

## 2022 6M results

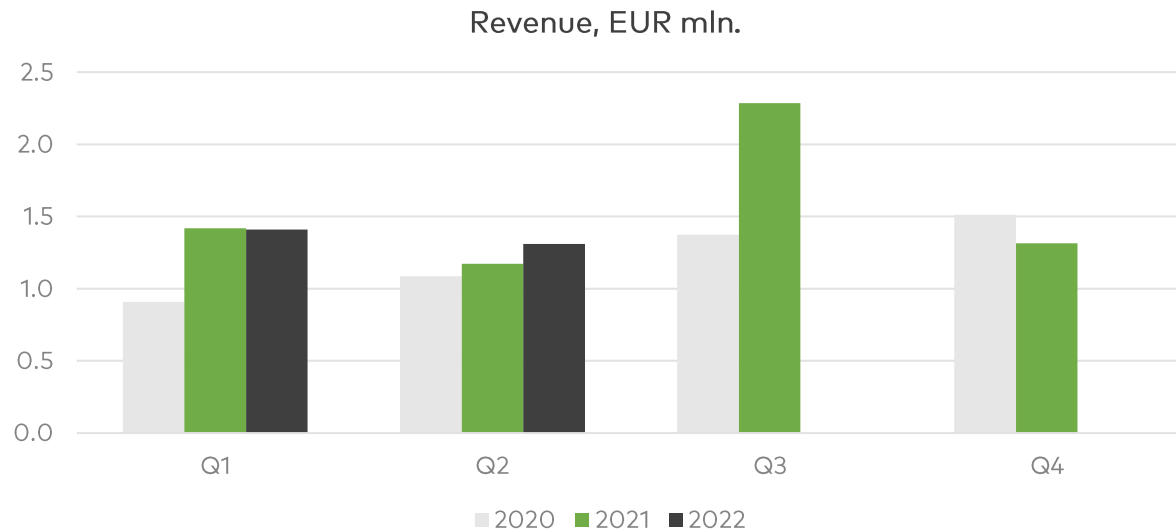
Growth of sales had stalled.

Inflation and logistic disruptions create challenges for projects in export markets – this year's growth plan will not be met.

Sales in export markets are becoming more seasonal - majority of sales to US market are planned for Q3.

Growing costs decreased profitability – changes in pricing should have positive effect from Q3.

EUR million	2022 6M	2021 6M	Variance	2020 6M
Revenue	2.72	2.59	+5%	1.99
Cost of goods sold	2.53	1.93	+31%	1.90
Gross profit	0.19	0.66	-71%	0.09





# FMCG PORTFOLIO

## Challenges and opportunities with outsourced production



Several products are missing due to issues in outsourced production.

Dairy products accounted for 9% of FMCG sales in H1 2021.

The group is working on relaunch of broader dairy product basket.



# RESULTS



## Main factors for EBITDA change

EBITDA increased by 3.91 EUR million.



A person wearing a light blue button-down shirt is sitting at a white desk. They are holding a yellow pencil and writing in a white notebook. To their left is a silver laptop with a black keyboard. To their right is a tablet displaying a document with text. In the background, there is a small potted plant in a white pot and a silver smartphone on the desk. The scene is brightly lit, suggesting an office or study environment.

Other information

# 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.	At least one of the units will start operating late this year.
Specialized feed technology	First prototype is already built and is in testing currently. Two main targets: a) improved milk yields, b) reduction of CO2 e emissions.  The group is planning to start scaling of technology in it's farms if tests will be successful.	Testing phase. Further development of technology.
AUGA 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.	First batch should be completed in Q4.



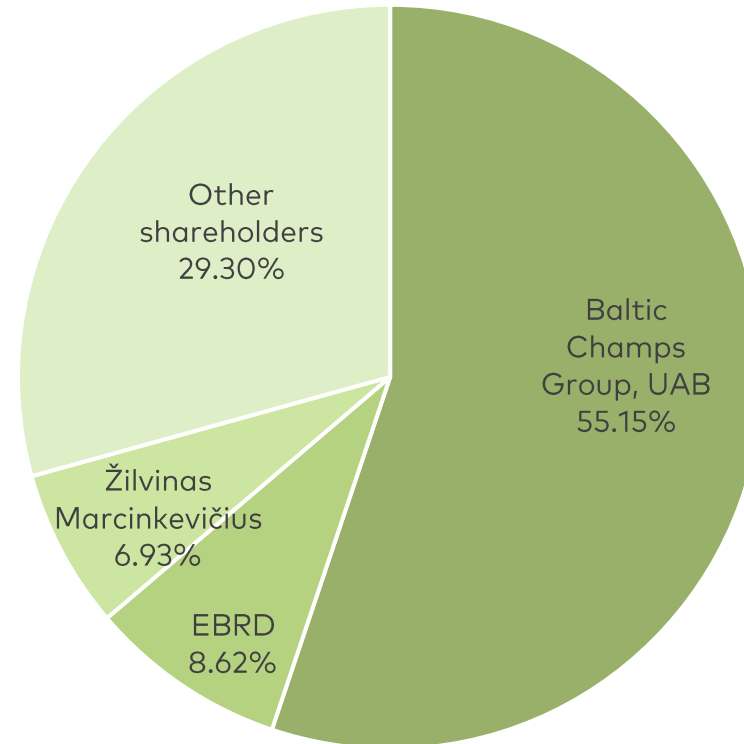
# OTHER INFORMATION

2,297,850 shares (1.0% from total equity) were distributed.

167 current and former employees participated in the program.

## Shareholders' structure\*

First realization of stock options contracts for employees.



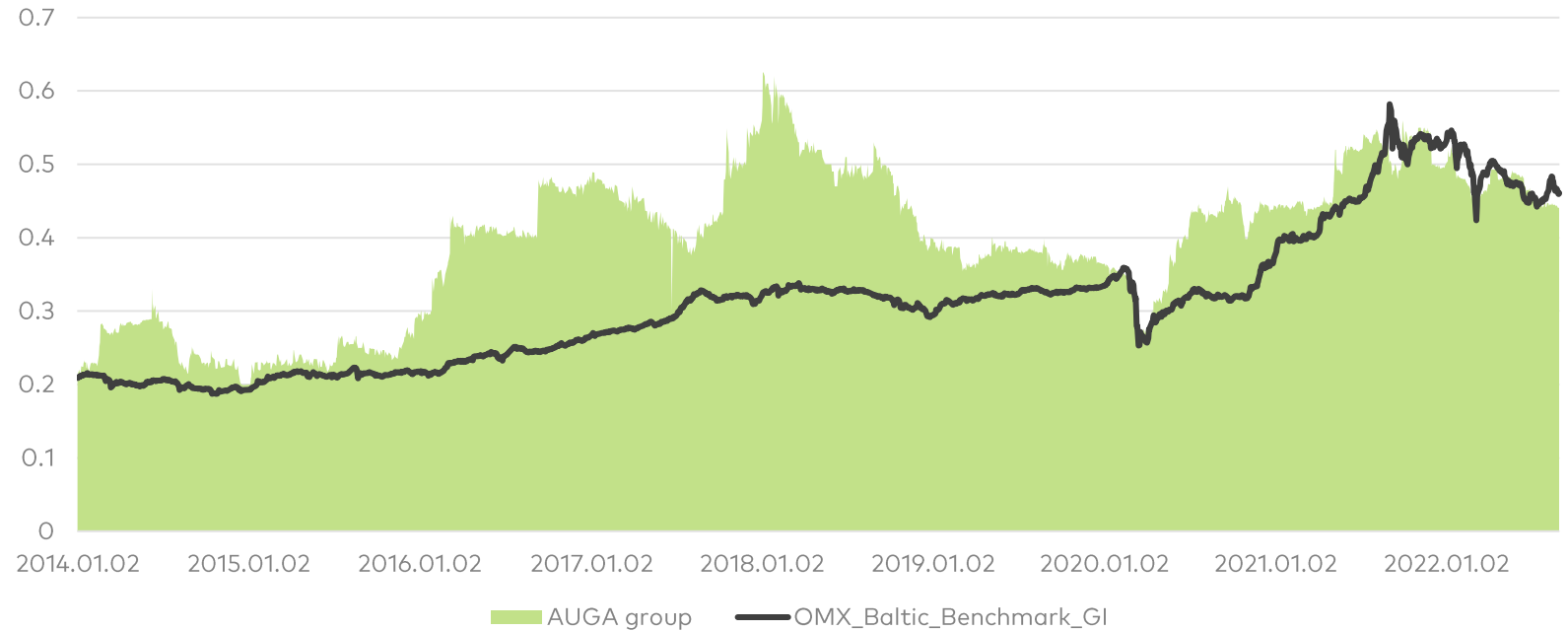
\* Number of shareholders are accounted for June 30<sup>th</sup>, 2022

# OTHER INFORMATION



## Share price information

AUGA group, AB share price on Nasdaq Vilnius, EUR



The share price decreased by 12% (from EUR 0.503 to EUR 0.441 per share) from the beginning of 2022 to 31<sup>st</sup> of August 2022. OMX Baltic Benchmark GI decreased by 13% during the same period.

The average monthly turnover was EUR 0.18 million.



0.59\*

Valuation target price, EUR



0.61-0.71



0.66

\* - 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