



Presentation on the financial results for the 12 months of 2023

Presented by



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Chair of the Board of AUGA group, AB

Content

1. Financial results for the 12 months of 2023 and corresponding overview by segment.
2. Outlook for 2024.
3. Developments in the strategy implementation and Tech projects.

Results for the 12 months of 2023

EUR million	2023 12M	2022 12M	Variance	2021 12M
Revenue	81.41	80.09	+2%	71.72
Gross profit	(0.62)	15.27	n/a	3.95
Net profit	(17.96)	(5.35)	-236%	(15.44)
EBITDA	1.48	19.58	-92%	9.10

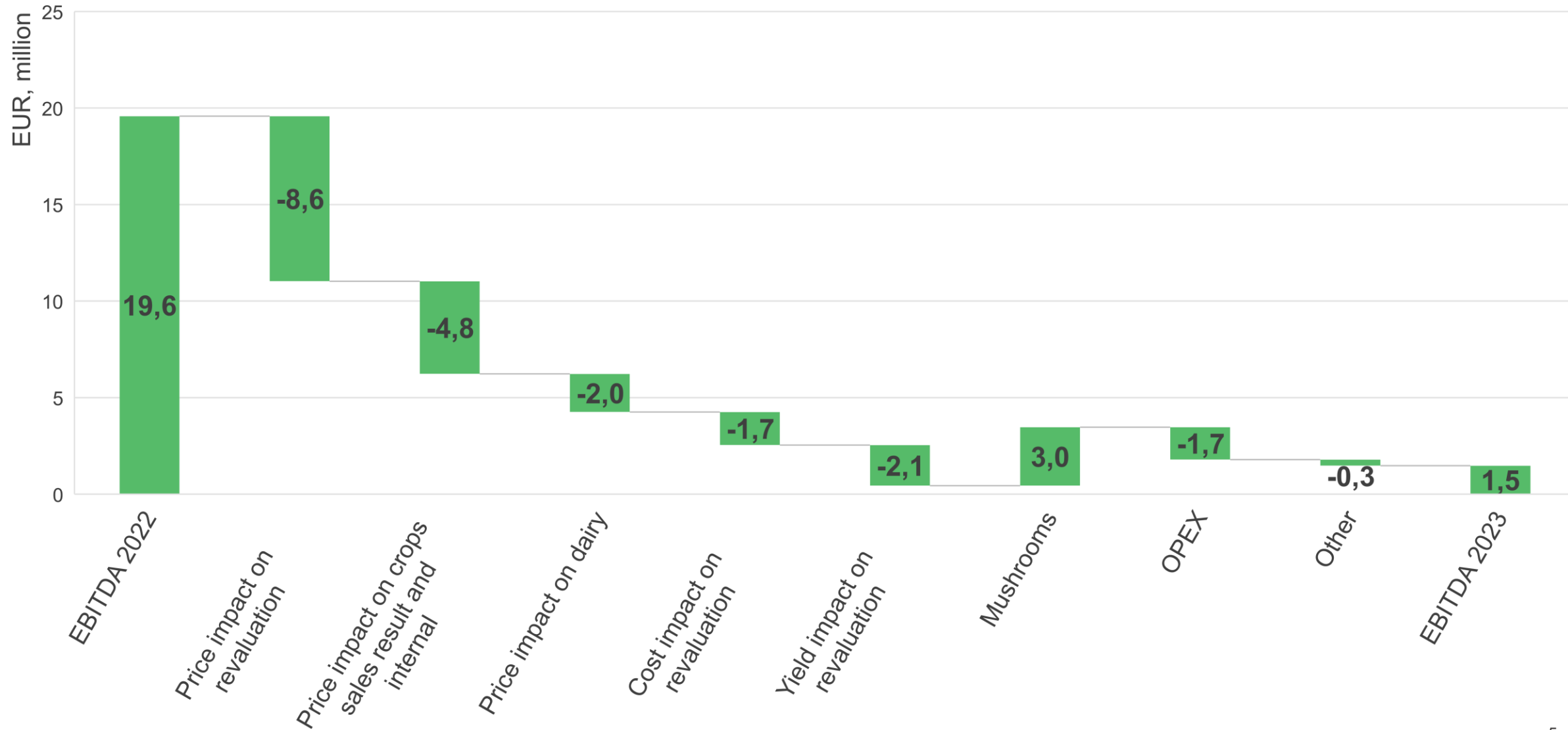
The decline in organic food consumption has driven down the prices of organic commodities and had a major impact on our financial results.

In view of this trend, the Group has already decided in the middle of 2023 to cultivate half of cash crops through regenerative conventional agriculture.

Although 2023 was a challenging year, all of the Group's segments turned profitable in the last quarter of the year.

In 2023, the division Grybai LT was sold. The result of the sale transaction does not fall under the Group's EBITDA.

Main factors for the EBITDA 2023 change





Results by segment: crop growing

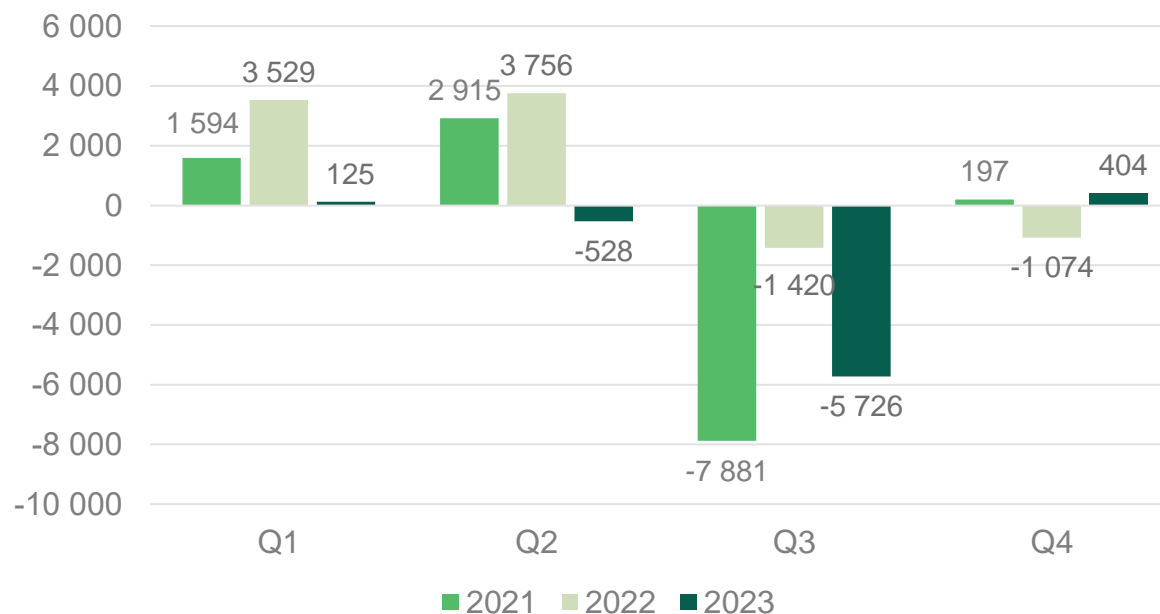
Crop growing

Revaluation of biological assets

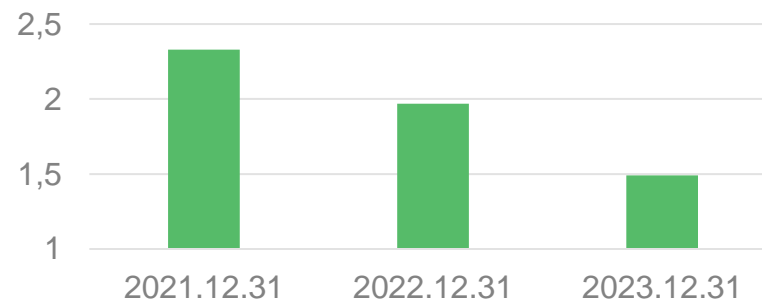
The result of the current harvest season decreased by EUR 1.1 million per Q4, mainly due to a lower yield of soya (EUR -0.5 million) and annual cost calculation (EUR -0.6 million).

The result of the current season in Q4 reached the highest level, while gain from the following season was the lowest compared to previous years.

Gain (loss) on initial recognition of biological asset at fair value per quarter, EUR '000



Gain from the following season, EUR million



Crop growing

Financial results

Decreased commodity prices had a major negative impact.

Sale results decreased by EUR 3.5 million due to crops being sold at prices lower than previously accounted for.

The Group received EUR 0.9 million less in subsidies after conversion of its 1/2 cash crops to conventional as a one-off sanction for 2023. It has been offset by the higher subsidies per ha in the new agricultural programme.

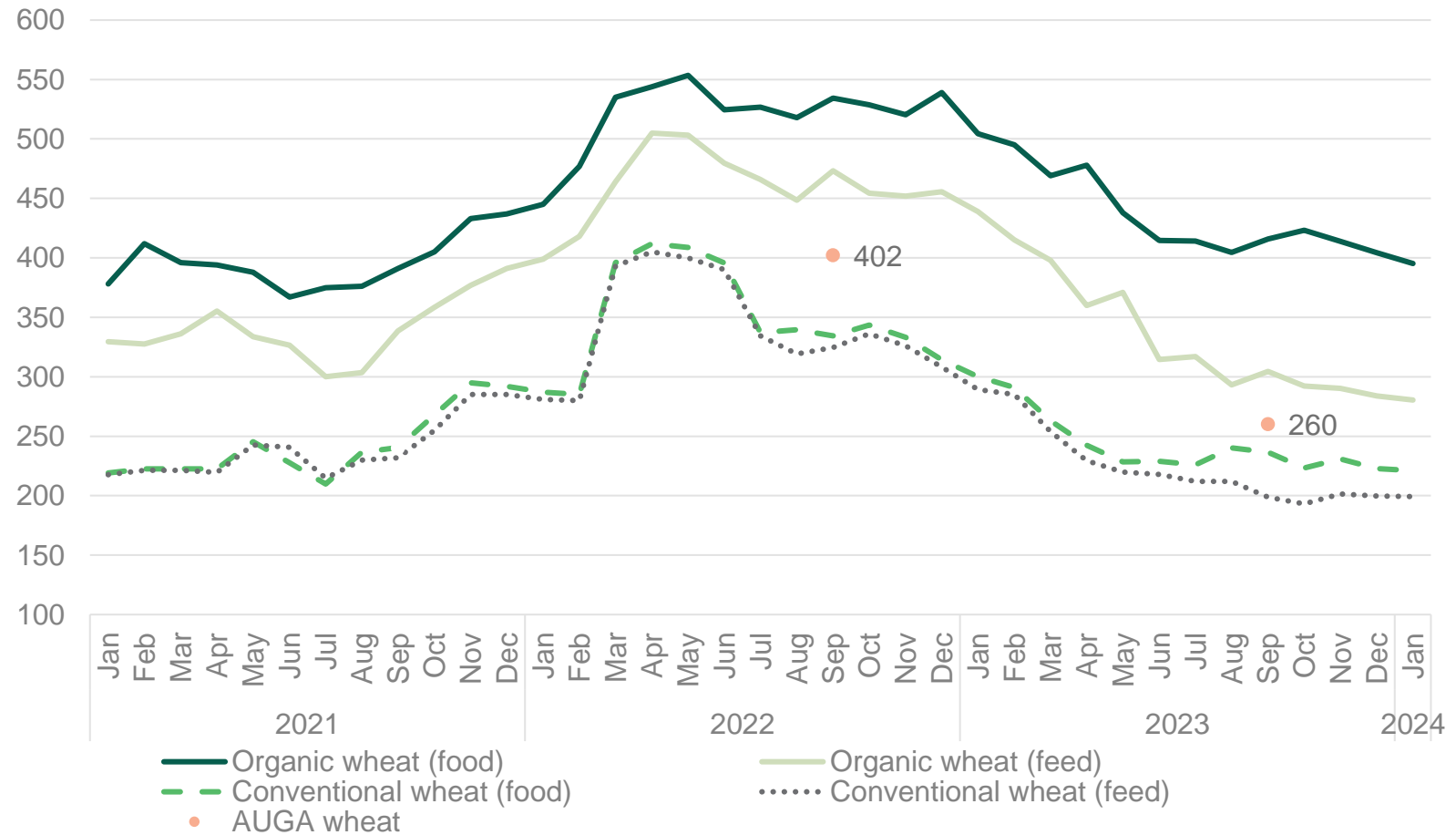
	2023 12M	2022 12M	Variance	2021 12M
Total cultivated land, ha	38,190	38,525	-1%	39,139
EUR million	2023 12M	2022 12M	Variance	2021 12M
Total gain (loss) on revaluation of biological assets (crops)	(7.21)	2.83	n/a	(5.51)
Gain (loss) on revaluation of biological assets (crops) recognized for following period	1.49	1.97	-24%	2.33
Gain (loss) on revaluation of biological assets (crops) recognized in current period	(5.73)	4.80	n/a	(3.18)
Sales revenue	30.00	27.58	+9%	23.56
Cost of sales	(33.47)	(27.71)	+21%	(25.15)
Inventory write-offs	(0.45)	(1.26)	-64%	(4.05)
Result of internal transactions	(2.70)	(0.68)	+297%	-
Result of sales of agricultural produce	(6.62)	(2.07)	+220%	(5.64)
Subsidies	9.12	9.70	-6%	9.69
Gross profit	(3.23)	12.43	n/a	(0.89)

Crop growing

Commodity price trends

One of the lowest prices for majority of crops in recent years.

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



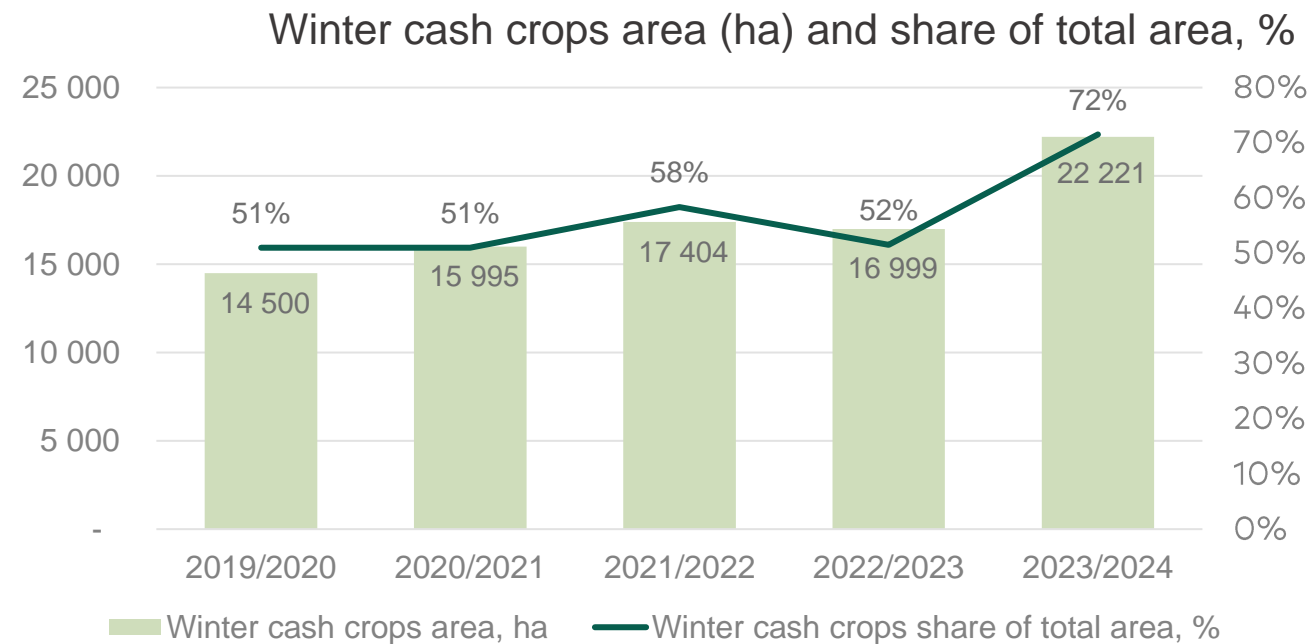
*Germany, the largest EU market, is a benchmark for major organic product prices.

Crop growing

Overview of winter crops

The area of winter crops, which are less sensitive to weather conditions, has increased from 17 to 22.2 thous. ha (+31%).

Favourable conditions in autumn enabled the Group to complete all necessary land tillage work and the mild winter that followed should not have an adverse effect on the upcoming harvest.



Crop growing

Efficiency agenda

Land consolidation and efficiency improvement programme:

Review of efficiency rates on a land plot and hectare levels.

If the review brings to the conclusion that certain operations fall outside Group averages, these land plots might no longer be cultivated so as to reduce the demand for the working capital and machinery.





Results by segment: dairy

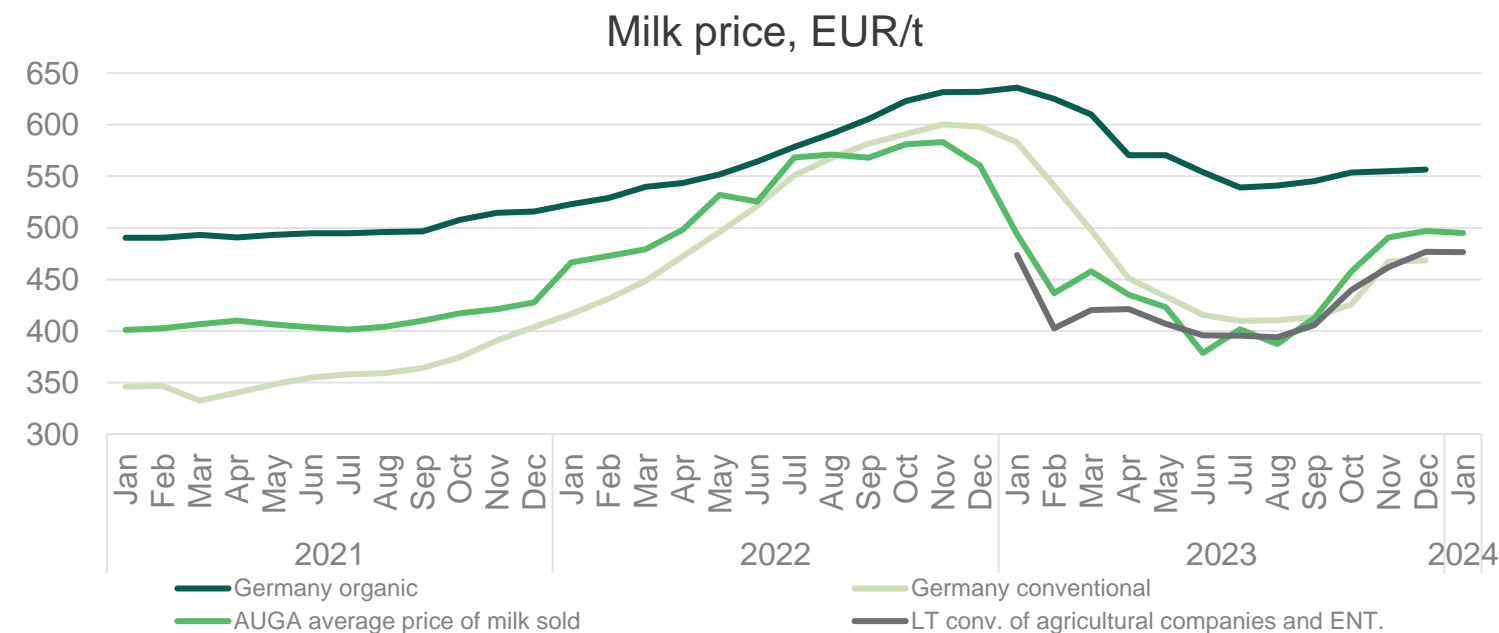
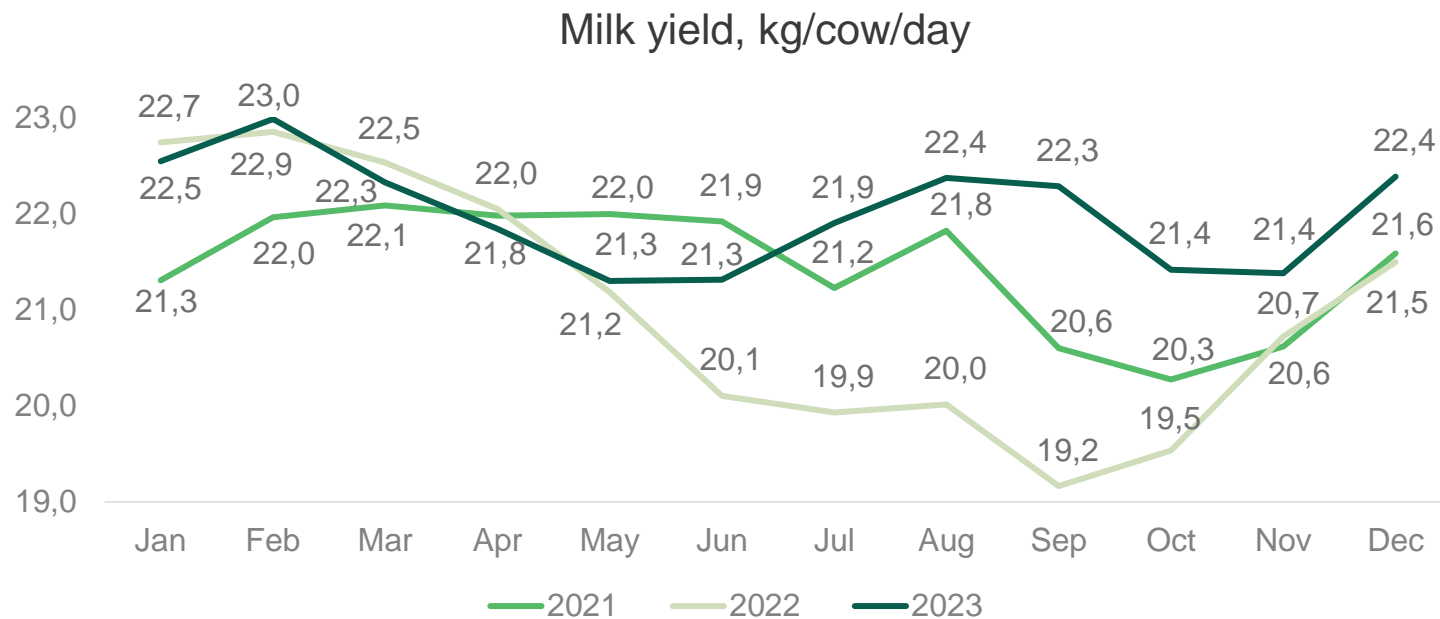
Dairy

Yield and price dynamics

Milk yield per cow was 5% higher in 2023 vs. 2022 and remained high at the beginning of 2024.

At the end of 2023, prices rose and stabilised at the highest level for the entire year.

The low demand for organic milk has driven down the price premium in 2023 to the level of conventional. Therefore, it was essential to change the pre-contracting approach for 2024 and secure premium for organic milk in advance, while the remainder of produce (27%) is expected to be converted to conventional reduce the cost of production in Q2.



Source: www.ami-informiert.de, <https://www.bmel-statistik.de/>, <https://ec.europa.eu/agriculture/market-observatory/milk>, <https://www.vic.lt/zumpris/statistine-informacija/pieno-sektorius-vidaus-rinka>

Dairy

Financial results

Total volume of milk produced increased by 2% YoY. The registered sales volume here was 3% lower, as part of the milk was used for the production of AUGA's dairy products, reflected in the FMCG results.

An 18% decrease in the prices of raw milk resulted in a gross loss.

Gross result is planned to grow in 2024 due to partial dairy conversion to conventional farming. Therefore, the price for organic milk will be higher, while the cost for conventional - lower.

	2023 12M	2022 12M	Variance	2021 12M
Sales volume*, t	25,720	26,594	-3%	27,053
Milk	23,766	25,334	-6%	25,685
Milk commodities	1,077	457	+136%	624
Cattle	877	803	+9%	743
EUR million	2023 12M	2022 12M	Variance	2021 12M
Sales revenue	14.74	16.50	-11%	13.61
Milk	10.38	13.48	-23%	10.69
Milk commodities	3.09	1.71	+81%	2.02
Cattle	1.27	1.31	-3%	0.90
Cost of sales	(14.97)	(14.91)	0%	(13.15)
Milk	(10.66)	(11.94)	-11%	(10.36)
Milk commodities	(3.04)	(1.66)	+83%	(1.89)
Cattle	(1.27)	(1.31)	-3%	(0.90)
Revaluation of biological assets	(3.00)	(2.09)	+44%	(2.77)
Subsidies	2.83	3.07	-8%	3.17
Gross profit	(0.40)	2.57	n/a	0.85

* Excluding the milk used for the production of AUGA's FMCG products



Results by segment: mushroom growing

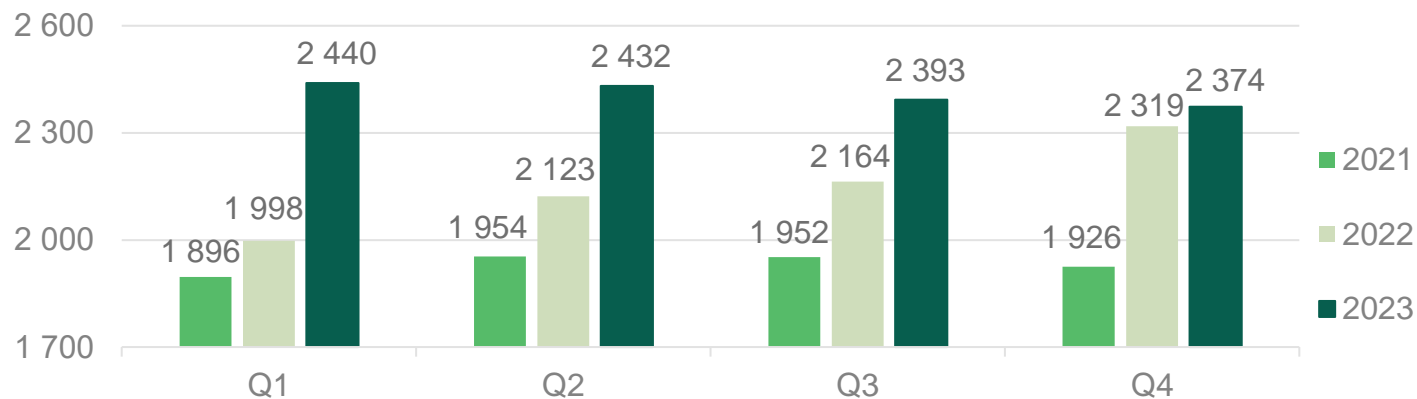
Mushroom growing

Price and production volume dynamics

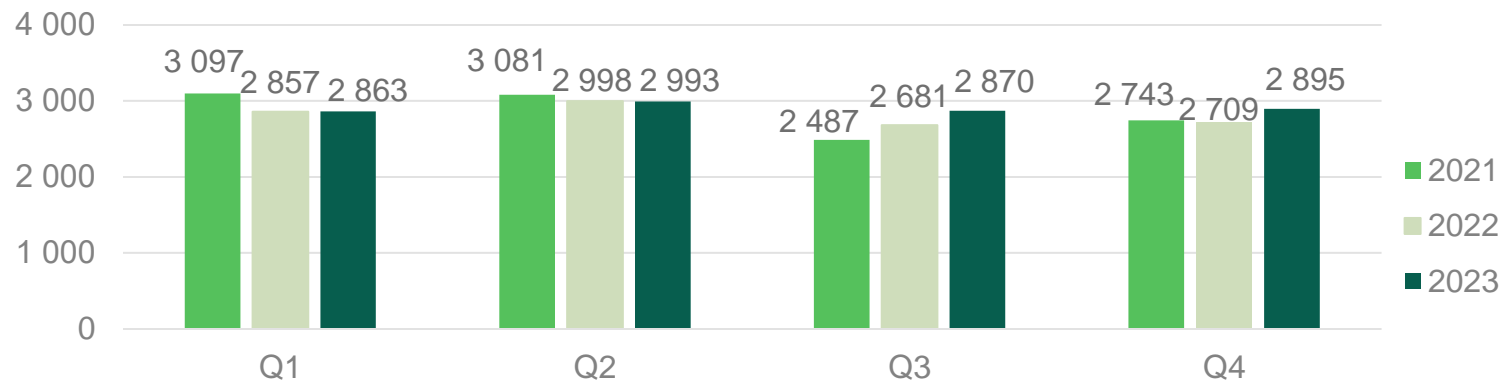
Price of mushrooms excluding transport and packaging was 12% higher YoY and continues to increase – in January 2024 price reached over 2,500 EUR/t.

Production volume is stable and in Q4 was highest compared with Q4 of previous years.

Price of mushrooms (excl. transport and packaging), EUR/t



Mushrooms produced, t



Mushroom growing

Financial results

Higher sales prices, contained production costs and lower energy prices have led to the improvement of financial results.

Gross profit in Q4 was highest of all quarters in 2023.

At the beginning of 2024, the segment demonstrates stability.

The market environment is favorable, allowing for the realization of the forecasted gross profit in 2024.

	2023 12M	2022 12M	Variance	2021 12M
Mushrooms sales volume, t	11,510	11,552	0%	12,002
Average price (EUR/t)	2,633	2,384	+10%	2,323
EUR million	2023 12M	2022 12M	Variance	2021 12M
Total sales revenue	30.73	27.90	+10%	28.36
Mushrooms sales revenue	30.31	27.54	+10%	27.89
Compost sales revenue	0.42	0.36	+17%	0.47
Cost of sales	(29.00)	(29.30)	-1%	(27.69)
Cost of mushrooms sold	(28.58)	(28.94)	-1%	(27.45)
Cost of compost sold	(0.42)	(0.36)	+17%	(0.24)
Gross profit	1.72	(1.40)	n/a	0.67



Results by segment: FMCG

FMCG

Change in revenue structure

In July 2023, AUGA group sold its subsidiary Grybai LT, producer of ready-to-eat soups and preserved products, hence the annual segment result decreased.

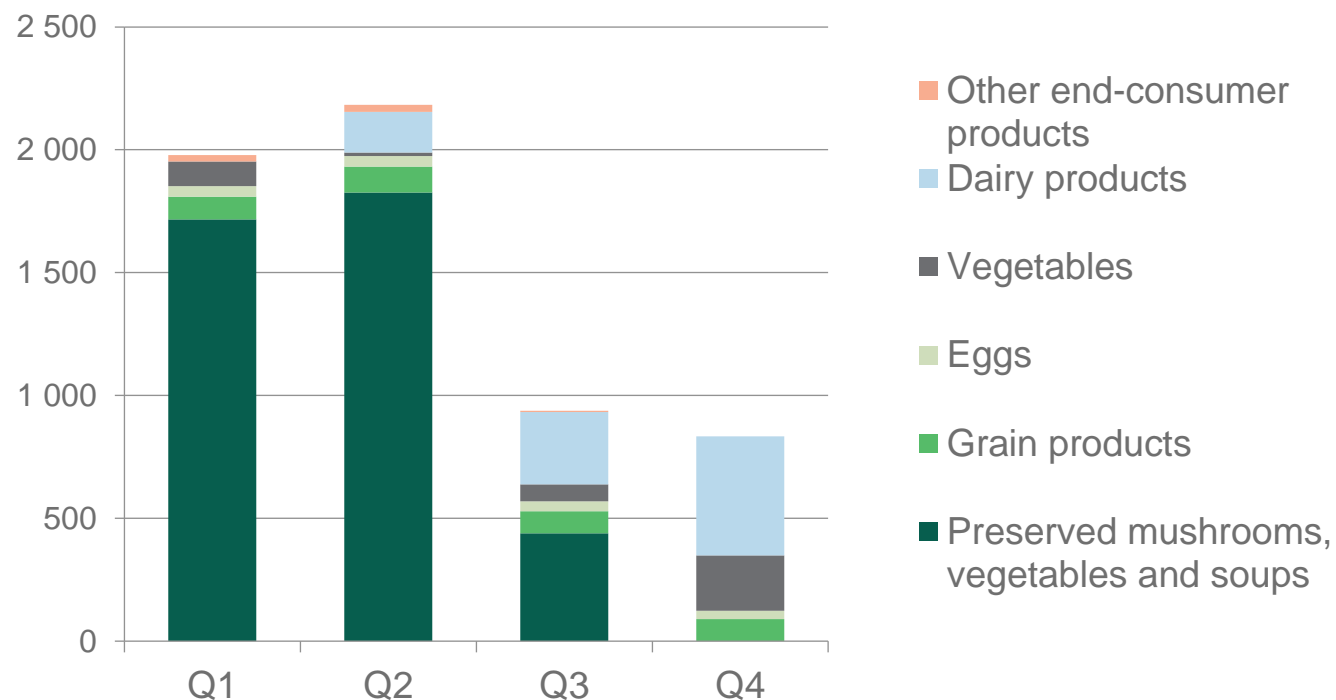
The new FMCG product line was introduced in April and in Q4 its sales revenue was almost 2 times higher compared to Q3.

Group aims to expand the range of products and to broaden the sales network.

At the end of March 2024, flavored yogurts will be introduced.

EUR million	2023 12M	2022 12M	Variance	2021 12M
Sales revenue	5.94	8.12	-27%	6.19
Cost of goods sold	(4.65)	(6.38)	-27%	(4.66)
Gross profit	1.29	1.74	-26%	1.54

FMCG revenue structure, EUR thousands

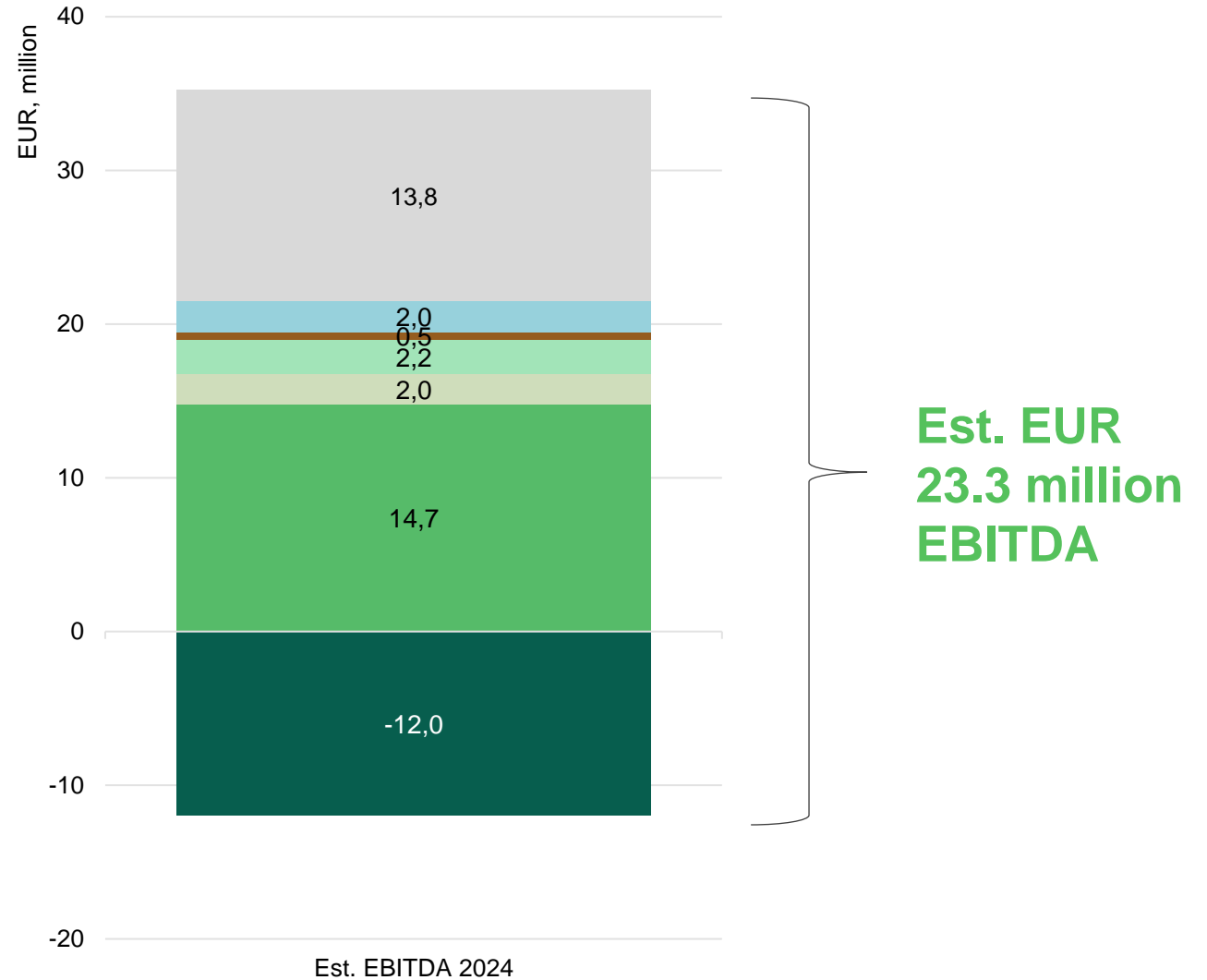




Outlook for 2024

Outlook for 2024

To the best of Company's estimate, we remain committed to the EBITDA forecast for 2024, due to the fact that the key assumptions for the published projection remain within the allowed 10% range.



- Crop growing gross profit
- Mushrooms gross profit
- Biomethane gross profit
- OPEX
- Dairy gross profit
- FMCG gross profit
- Depreciation



Strategy implementation and Tech projects

Green infrastructure

Biomethane

3 biomethane units have already been installed.

The biomethane system is set commence delivery to the natural gas system this very month.



Tech development

AUGA M1 and other sustainably powered machinery

The progress is being made in the tractor technology development in line with the results, generated in field-tests.

The unique structure of the AUGA M1 has obtained a patent in strategic global markets: the USA, Eurasian Patent Convention member states, and Australia, that is paving the way for commercialisation.

Half-size of M1 electric multi-functional prototype tractor, able to cover the remainder of the farming needs, will be presented soon.

Specialized feed technology

The results of the feed technology testing were confirmed by LSMU VA - 32% lower methane emissions per litre of raw milk and 13% increased milk yield with no impact on the milk's quality.

Bringing sustainable farming technologies to the market

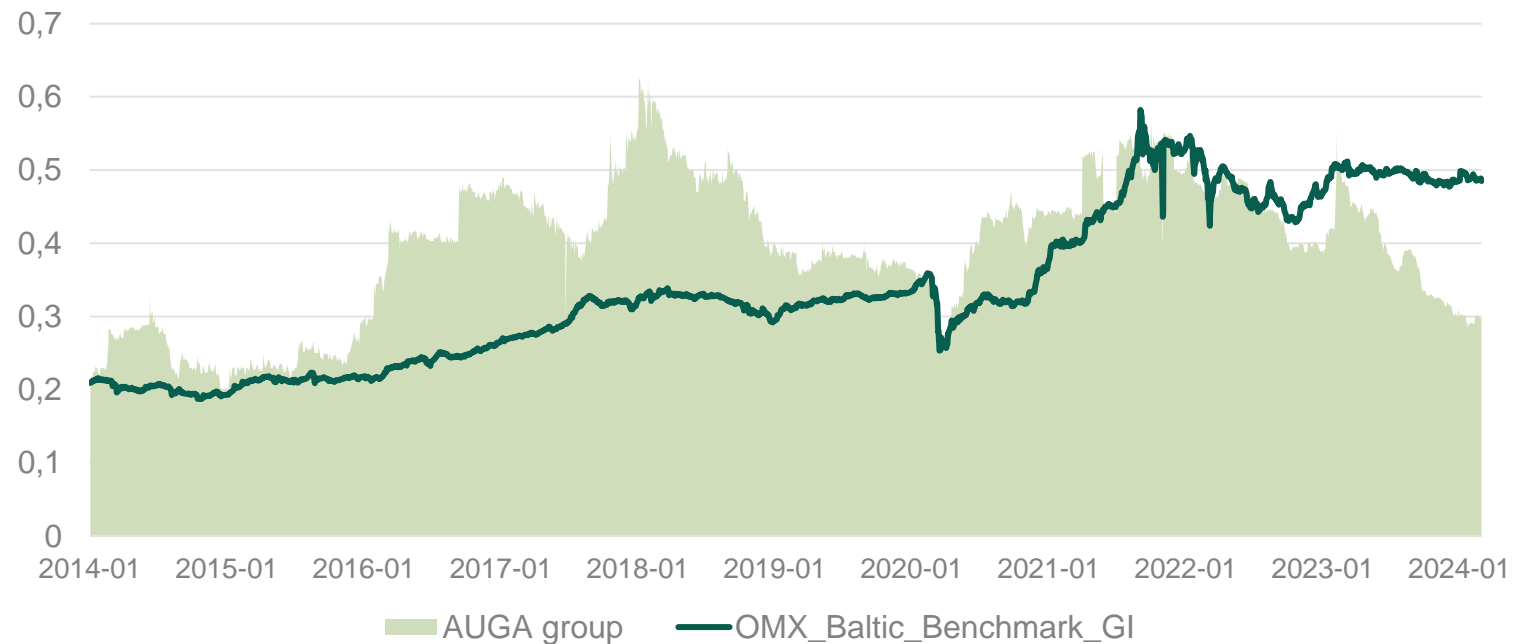
2024 Q2 is expected to be a watershed moment for the above outlined technologies (fossil fuel free technologies and sustainable feeding systems). The way of the technologies to the market will be announced in line with the planned financial set-up, which above all but not exclusively includes the applications to the EUR 1 billion EU Green Deal Industrialisation Plan schemes. Such an approach will determine the valuation for the TECH arm and its inherent value to the Group at large.

Share price information

The share price decreased by 24% (from EUR 0.390 to EUR 0.297 per share) from the beginning of 2023 to 29th of February 2024.

The average monthly turnover was EUR 0.22 million.

AUGA group, AB share price on Nasdaq Vilnius, EUR



Valuation target price, EUR



More information

- Nasdaq Vilnius, Baltic Main List, AUGA group, AB shares: [AUG1L](#)
- Nasdaq Vilnius, Baltic Bond List, AUGA group, AB 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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