

AB Akola Group

# Overview of activities & finance

For 9 months of FY 2024/2025

22<sup>nd</sup> of May, 2025

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# Disclaimer

This document might include directly or indirectly expressed forward-looking statements, reflecting assumptions or current view of the Company's management. Group's future performance and results highly depend on the market conditions, regulations, climate changes and other various external factors or risks, that could therefore cause actual results to differ materially from those stated or implied in this document, as well as to the historically attained ones. Company encourages the reader to critically examine these forward-looking statements, furthermore, invites to get acquainted with the scope of Group's risks and it's management in the set of annual financial reports, available on Company's web-page

<https://www.akolagroup.it/en/to-investors/company-reports/>

For the more detailed representation of Group's results, this document might as well include non-audited alternative financial ratios or operating data. At all events, this alternative data shall not be viewed as a substitute for Company's IFRS based figures, but rather as broader or complementing illustration of the Group's financial performance and overall activity.

# The Speaker

## Mažvydas Šileika

**CFO & Contact for Investors**

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With AB Akola Group since 2020  
15 years professional experience including  
Banking & Shipping industries  
Master's degree in Shipping, Trade and Finance /  
City University London Bayes Business School  
Bachelor's degree in Management /  
University of Leeds



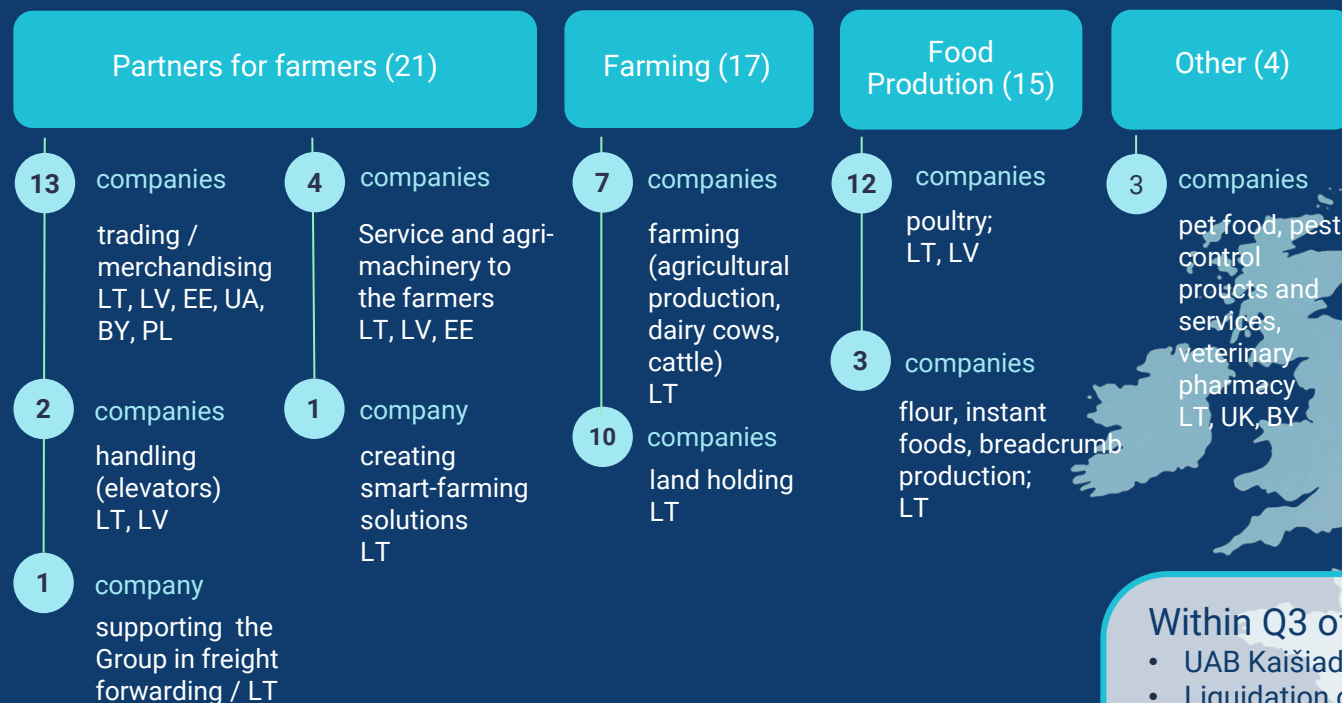
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# Agribusiness & food group

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62 subsidiaries 2 associates



\*2025-March-31:

Out of 63 companies, not shown in the structure are: 3 management companies, 2 dormant companies, 3 under liquidation, 1 company have activity in three segments

## Within Q3 of 2024/2025:

- UAB Kaišiadorių Paukštyno Mažmena was deregistered after liquidation
- Liquidation of UAB Uogintai was initiated
- Reorganization of AB Šlaituva and AB Grybai LT was initiated by merging them to AB Kauno Grūdai
- Reorganization of SIA Elagro Trade was initiated by merging it to SIA Linas Agro
- & after reporting period:
- KB Baltoji Plunksnelė was deregistered from the Register of Legal Entities after liquidation
- Names of 7 farming companies were simplified

# Financial highlights for 9 months 2024/2025

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Ordinary shares: 167,170,481\*  
Mcap, mEUR: 205

**EBITDA, m €**

**72**

9m 24/25

**53**

9m 23/24

5Y avg. 42m €

**EBIT, %**

**4.0%**

9m 24/25

**2.9%**

9m 23/24

5Y avg. 2.0%

**P/E**

**4.92**

9m 24/25

**36.38**

9m 23/24

5Y avg. (14.22)

**ROCE, %**

**9.0%**

9m 24/25

**4.6%**

9m 24/25

5Y avg. 7.3%

**EPS, €**

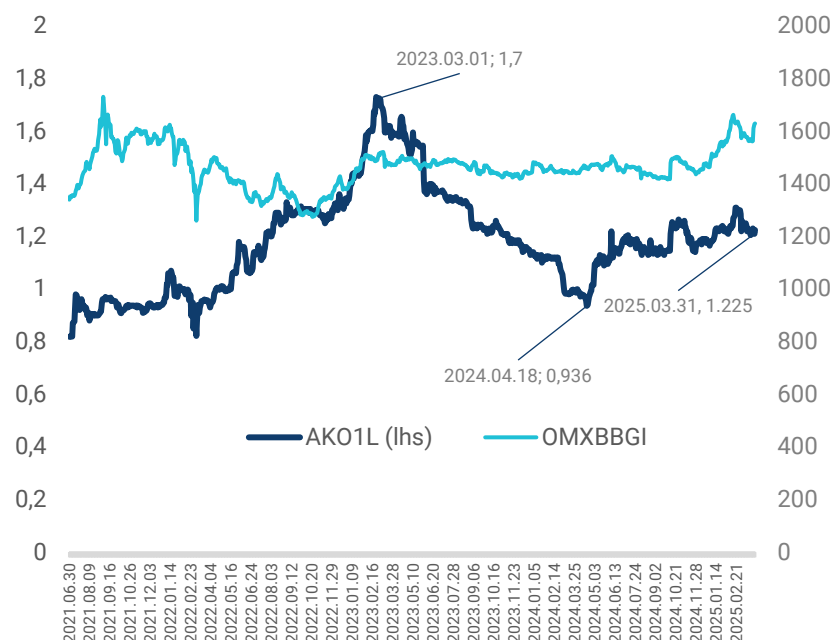
**0.25 €**

9m 24/25

**0.03 €**

9m 23/24

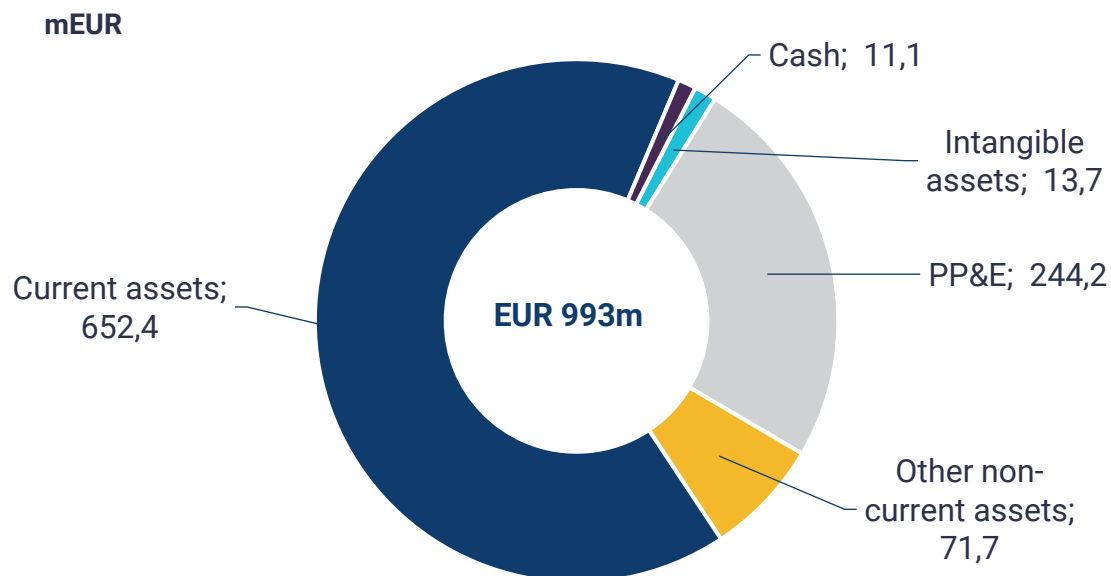
5Y avg. 0.16€



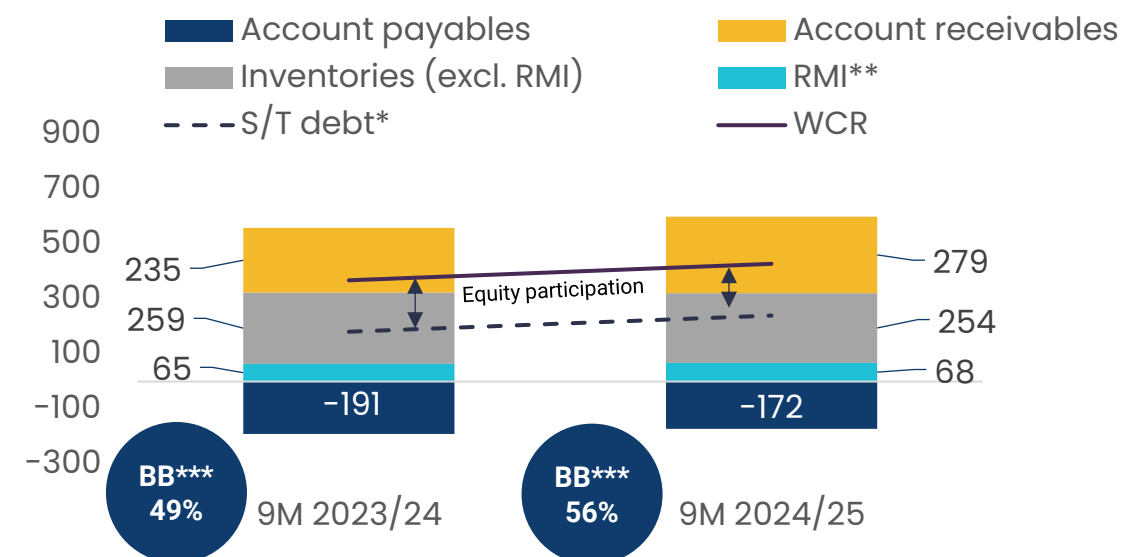
NOTE: ROCE, EPS, P/E - as 12 months rolling basis result / Market capitalisation – 31-March-2025 / \*167,170,481 ordinary shares at 31-March-2025

# Balance Sheet

## Total assets 31-March-2025



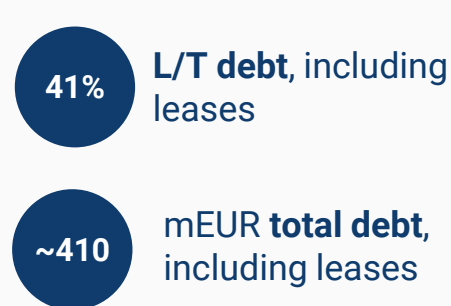
## S/T debt portfolio



## Liquidity position



## Debt composition



## Capital employed

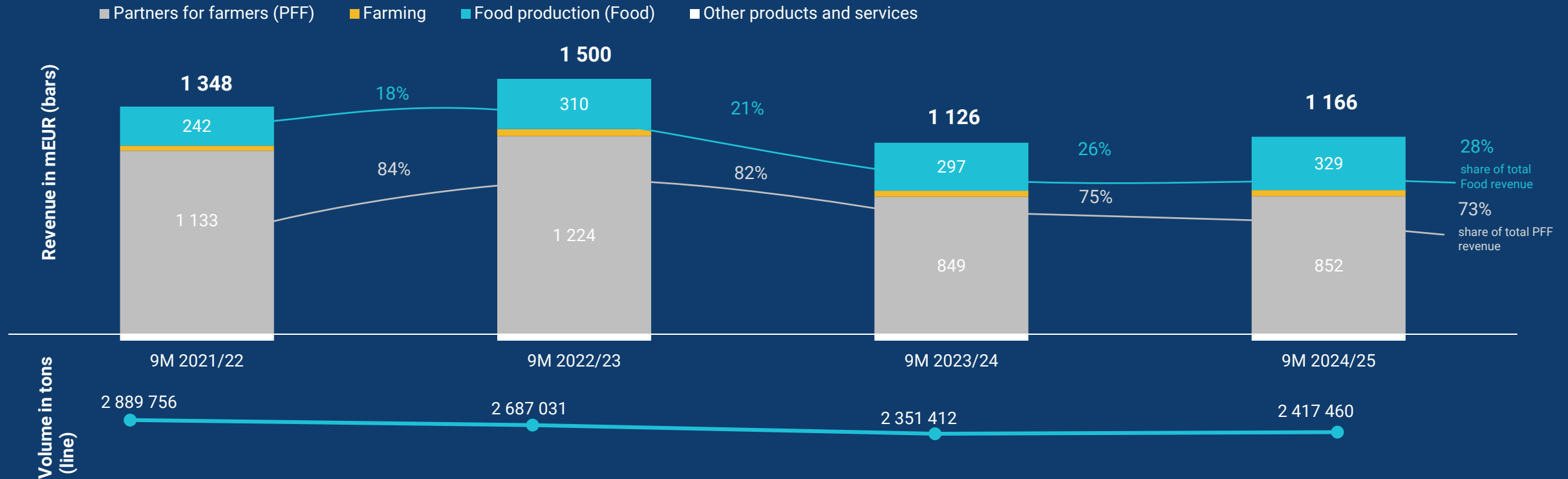


\* S/T debt does not include current portion of L/T debt / \*\*RMI - Readily Marketable Inventories / \*\*\*BB – borrowing base ratio

# Right on Track: growth in line with textbook baseline

## Segment dynamics

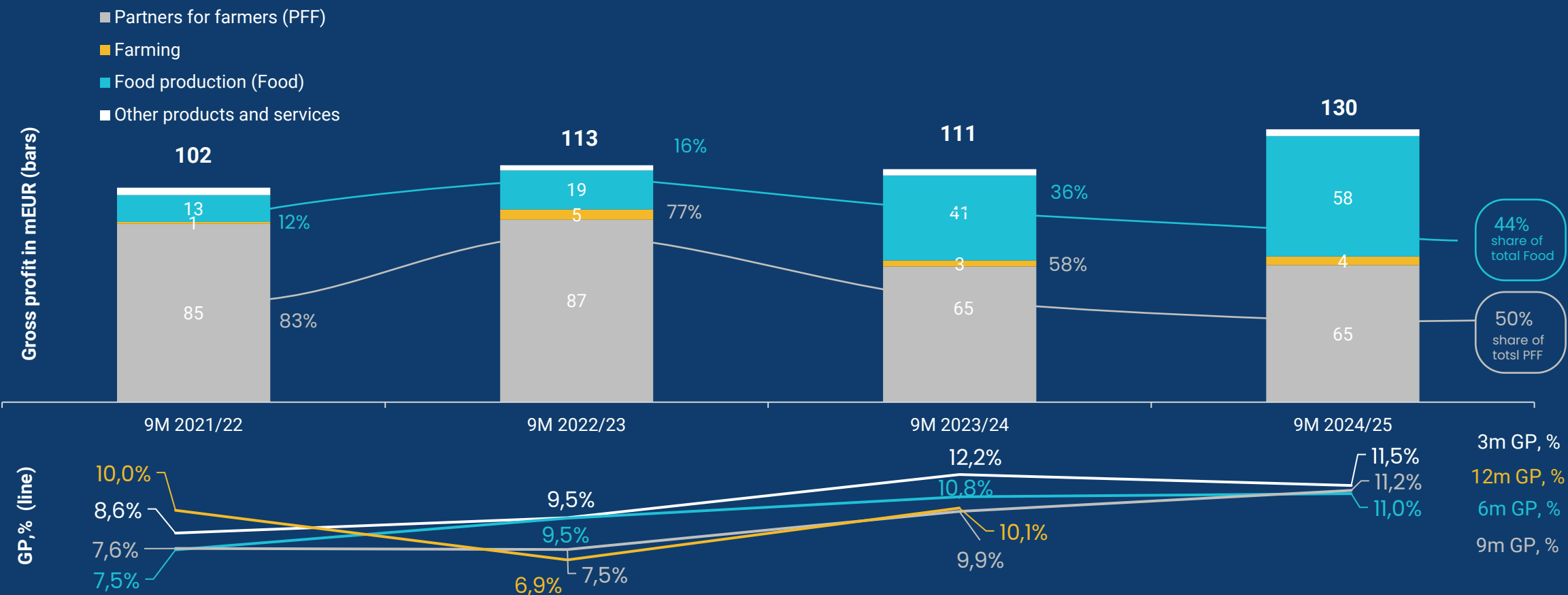
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- **Volume** (9M 24/25 vs 9M 23/24): +3%.  
While growth was seen in all key segments (except for 'Other'), naturally **highest quantity additions came through trade and compound feed** increases (notable maize and rapeseed decreases were more than offset with boost in wheat and pulses positions)
- **Revenue** (9M 24/25 vs 9M 23/24): +4%.  
Still slightly deflationary 'Partner for Farmers' segment prices offset **moderate to material price increases in 'Food' and 'Farming' segments**

# in combination with record high GP%

## Gross profit / Segments

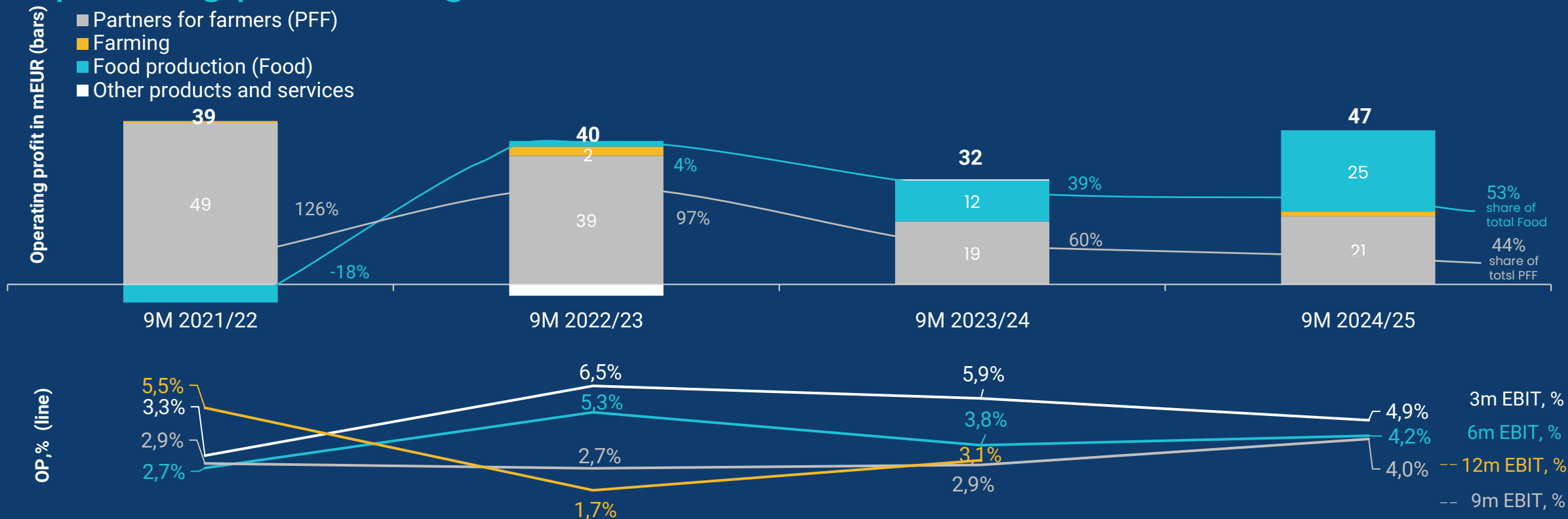


- **GP% (9M 24/25 vs 5Y 9M average) 11.2% vs 7.0%**  
Gross profitability improved in all four segments, with strongest upgrades in Farming (milk) and Food (poultry)



# and 'Food' taking over the driver's seat

## Operating profit / Segments



- **EBIT%** (9M 24/25 vs 5Y 9M average) **4.0% vs 2.0%**
- Somewhat weaker performing activities limiting even higher consolidated profitability: feedstuffs trading, plant protection, crop cultivation
- FY24/25 9M [12 months rolling basis] **EBITDA 92 EUR** - slightly above indicated Normalised range of 70-90mEUR

# Partners for farmers (1)

## Our major locations:












## Activity explained:

- Grain storage and preparation
- Compound feed production and sales
- Grain and oilseeds trade
- Feedstuffs trade
- Logistic services
- Agricultural machinery
- Grain storage facilities and farm equipment
- Spare parts and service
- Smart farming system
- Certified seed
- Fertilizers
- Plant protection products, micronutrients

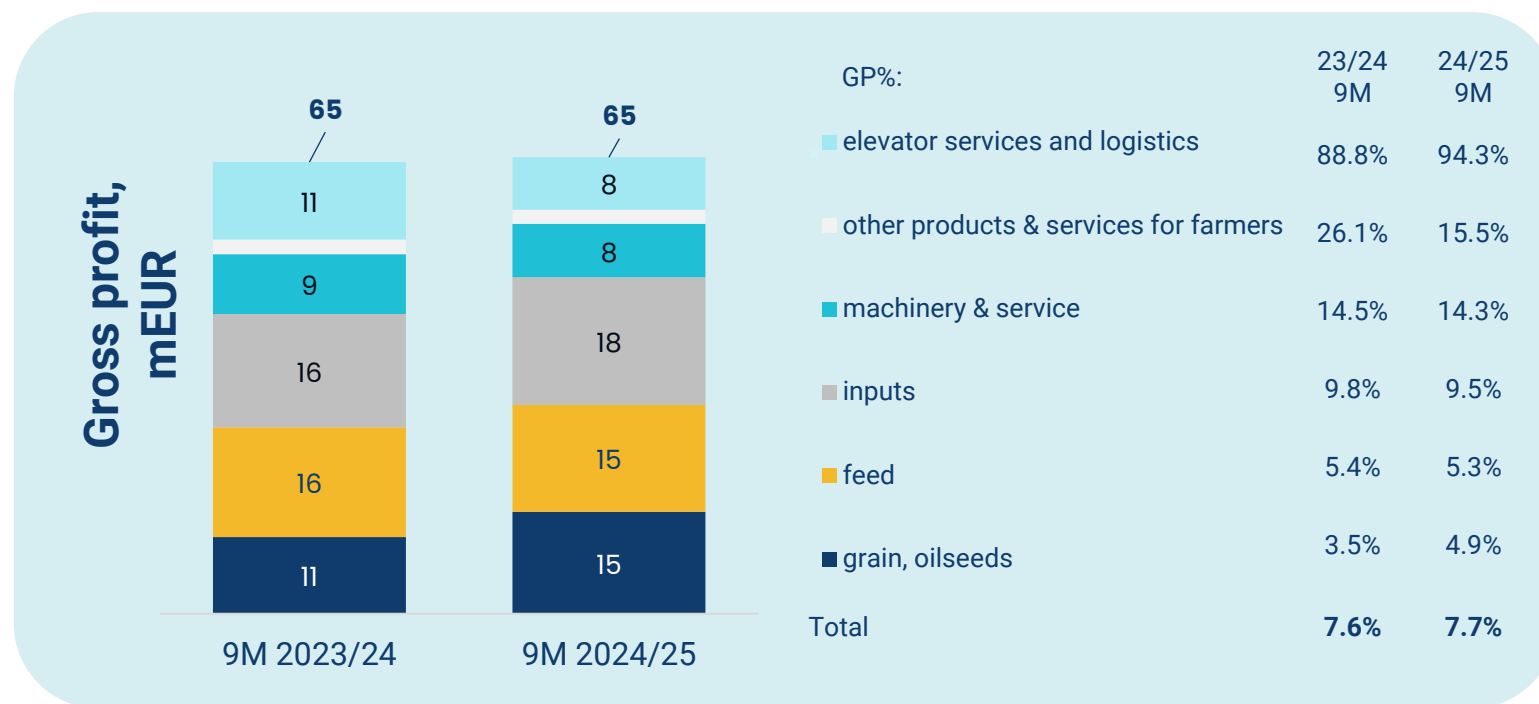
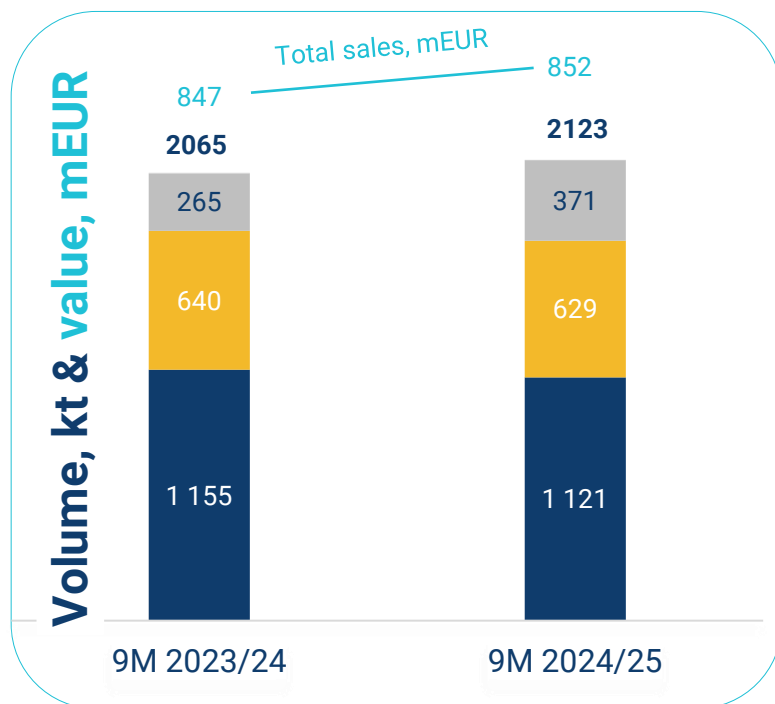
## Key export Markets:



## Key facts:

-  Main export commodity is Lithuanian and Latvian wheat
-  718 thousand tons total capacity of grain storage
-  349 thousand tons storage Capacity at ports
-  336 ktons of annual compound feed, premixes production capacity
-  12 feed retail stores
-  30 ktons total capacity of seed production plant
-  187 ktons total capacity for warehousing seeds, fertilizers, plant care products
-  16 sales outlets
-  13 service centers

# Partners for farmers (2)



- **Grain storage and logistics** – lower quantities collected, squeezed drying service income; starting with FY24/25 Q3 – category results already include activity of recently acquired SIA Elagro Trade (however without more notable impact due to typical category's seasonality)
- **Grain and oilseeds trade** – comparing 9M y-o-y, more active wheat trade, nice additions in pulses in contrast to lower maize and rapeseed quantities; improved GP% in all traded positions;
- **Feed business** – slightly narrowed gross profitability of both compound feed and raw feed materials sub-categories; continuously difficult trade in Ukraine origin raw materials, challenges with amino acid lysine (Jan-2025 EC imposed anti-dumping duties on it's imports from China); Group compound feed products maintain high demand despite increasing competition between compound feed providers (spreading animal diseases decrease uptake)
- **Inputs** – 1) still challenging plant protection and micronutrients activity (high competition in the market); 2) increased fertilizers quantities (reasonable prices, wider availability of cost-effective and efficient alternatives) in combination with normalized returns (FY 24/25 9M GP% similar to previous 5Y values for 9M (9.1%), 3) solid seed performance
- **Agricultural machinery** – demand and market size decreasing in all the operating geographies (LT, LV, EE), market share – challenged but in many cases sustained, service and spare parts activity - recovering, GP% kept firm, inventory levels further on decreasing.



# Food production

## Activity explained:

- Manufacture and wholesale of flour, flour mixes, breadcrumbs, breeding mixes, instant foods, ready to eat products
- Full poultry manufacturing cycle

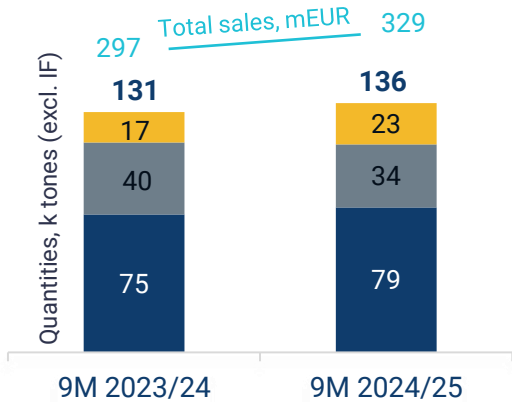
**Poultry business:** higher quantities, favourable price environment, flourishing profitability

**Instant foods (IF) and ready to eat foods:** sold quantities in units +23%; somewhat deteriorated GP% due to lower profitability of larger orders, inflated COGS and transitional phase of new IF noodles factory in Alytus; at the date of this webinar – new plant is up and running

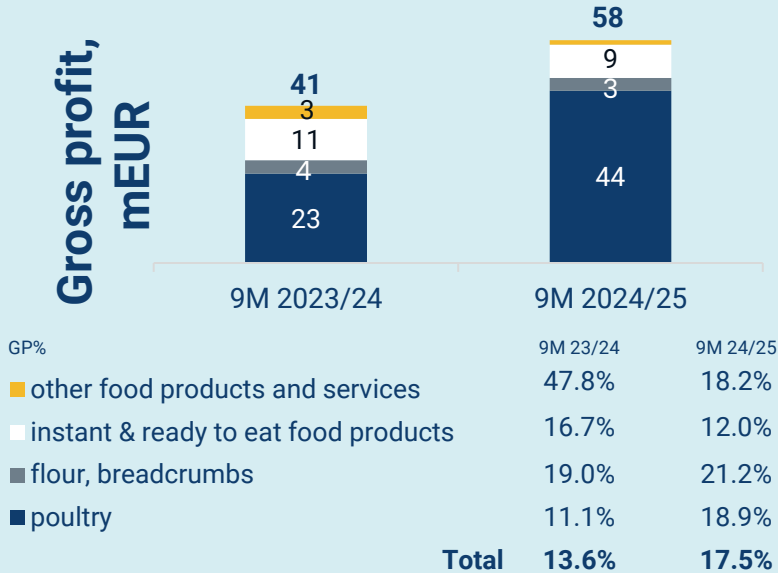
**Flour:** lower scale third party sales combined with restored gross profitability

**Coating systems (CS):** solid demand, increasing produced and sold quantities, gross profitability in line with historical levels. In April, 2025 Group started activity in new factory, which will add additional 12 thousand tons of CS production annual capacity

## Volume, kt & value, mEUR



## Gross profit, mEUR



## Key facts:

- Top poultry producer in LV and LT
- Major flour producer in Lithuania
- Sole producer of instant noodles in the region
- 10 Retail shops (SIA PFK Trader)
- 90.8 thousand tons of live weight meat produced (9M of 24/25)
- Private label contractor
- 85% antibiotics free birds in Lithuania  
100% antibiotics free birds in Latvia





# Agricultural production

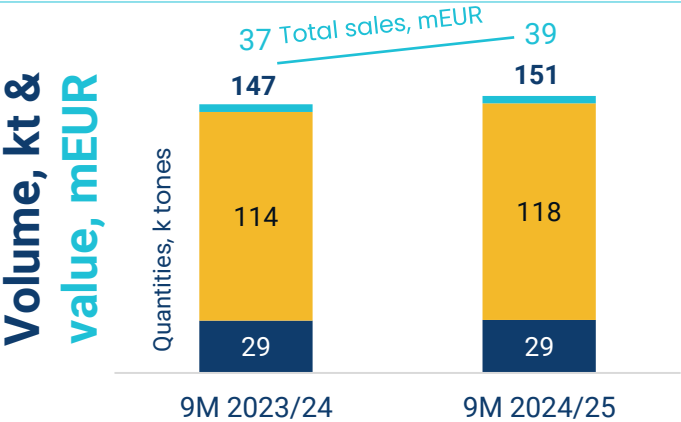
- Cereals growing
- Rapeseed growing
- Sugar beet growing
- Milk production
- Beef cattle rearing

### Crop production:

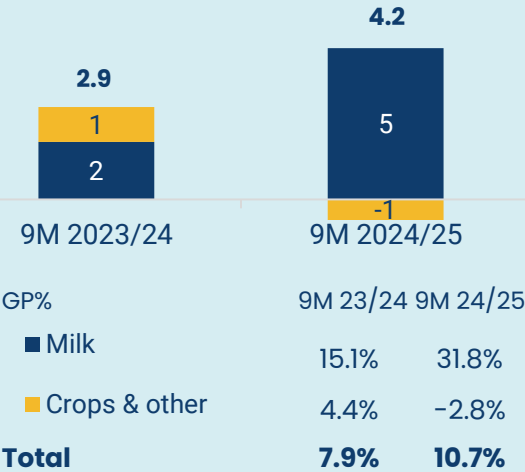
-at the date webinar - 100% of the 2024 harvest quantities sold (including forward contracts);  
-condition of future 2025 crops is so far considered good, at the date of webinar – roughly 15% of 2025 harvest is pre-sold;  
-continuously low-price environment (approx. 10-15% lower);  
-during 9M of FY 24/25 total EUR 1.2m (9M of FY 23/24 total EUR 0.4m) write-down of the sold inventory cost made;  
-throughout 9M of FY 24/25 subsidies accounted for EUR 0.7m (EUR 1.1m for 9M FY 23/24), but were accounted as Other income (not part of gross profit);

### Milk production:

-highly comparable milk production quantities and quality metrics (compared to 9M of FY 23/24);  
-raw milk purchase prices continuously high (approx. 20% higher compared to prices a year ago)



### Gross profit, mEUR



### Key facts

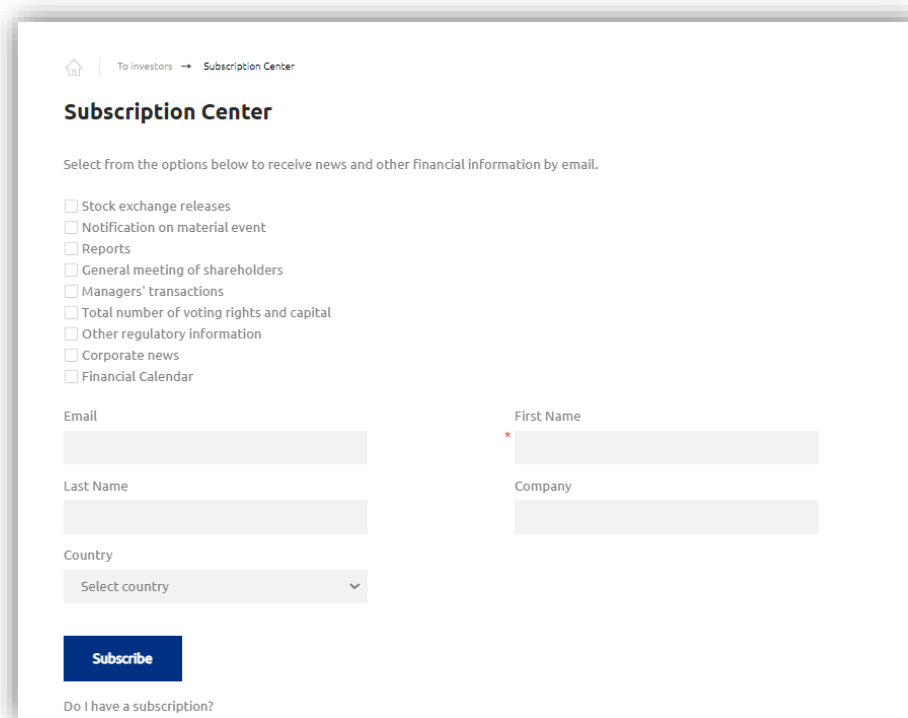
- 19,072 ha – arable land, out of which 6,319 ha owned
- 3,262 dairy cows
- 28.9 thousand tons of raw milk (9M 24/25)
- 132.3 thousand tons of crop harvest (9M 24/25)

# receive news and other financial information

<https://www.akolagroup.it/en/to-investors/subscription-center/>

Select from the options below to receive news and other financial information by email.

- ✓ Stock exchange releases
- ✓ Notification on material event
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- ✓ General meeting of shareholders
- ✓ Managers' transactions
- ✓ Total number of voting rights and capital
- ✓ Other regulatory information
- ✓ Corporate news
- ✓ Financial Calendar



The screenshot shows the 'Subscription Center' page of the Akola Group website. At the top, there is a breadcrumb trail: 'Home' (with a house icon) → 'To Investors' → 'Subscription Center'. The main heading is 'Subscription Center'. Below it, a text prompt says: 'Select from the options below to receive news and other financial information by email.' There are ten checkboxes for selecting the types of information to receive: 'Stock exchange releases', 'Notification on material event', 'Reports', 'General meeting of shareholders', 'Managers' transactions', 'Total number of voting rights and capital', 'Other regulatory information', 'Corporate news', and 'Financial Calendar'. Below the checkboxes, there are input fields for 'Email', 'Last Name', 'Country' (a dropdown menu with 'Select country' and a downward arrow), 'First Name' (with a red asterisk indicating it is required), and 'Company'. A blue 'Subscribe' button is located at the bottom left of the form. At the very bottom, there is a small text link: 'Do I have a subscription?'.

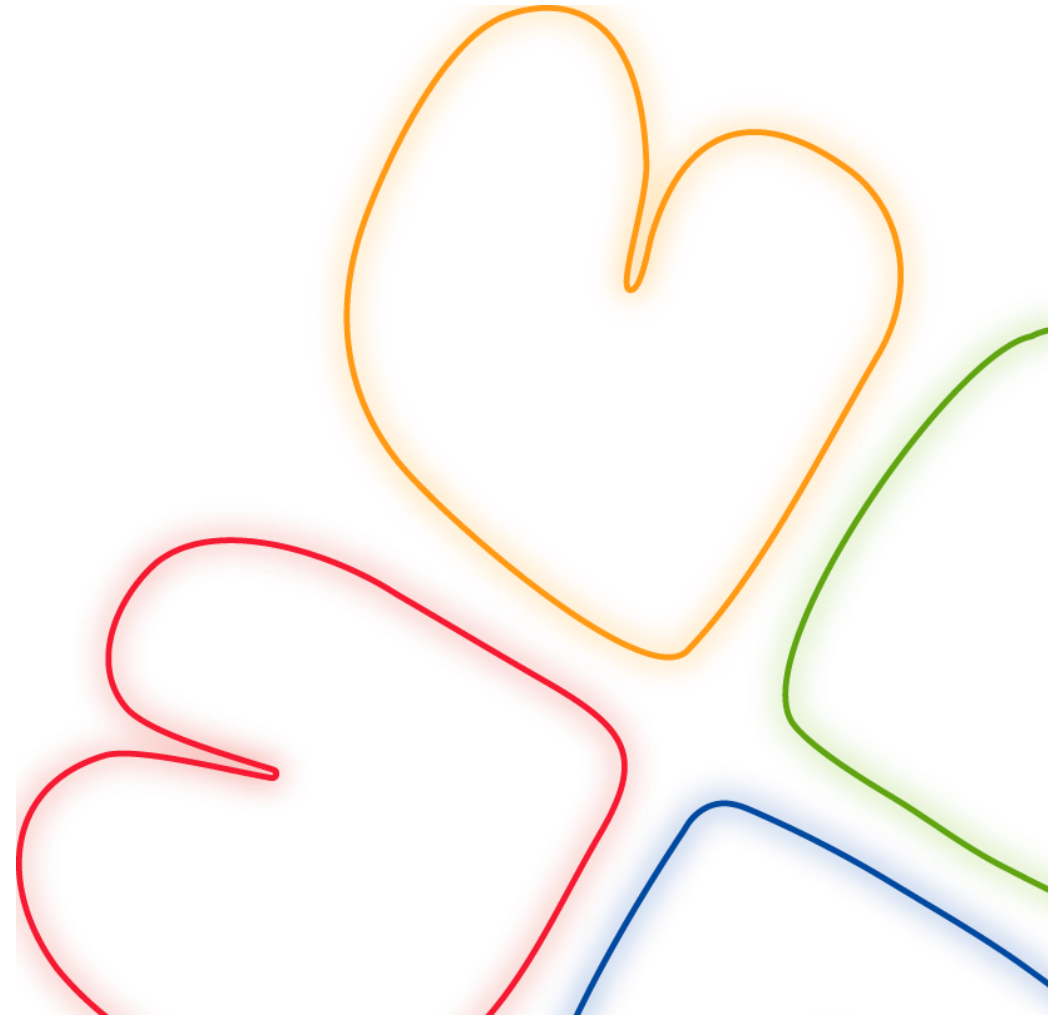


**Four  
Hearts**  
it's time!

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## **Stakeholders engagement: sustainability strategy**



# Stakeholders' view: poll (I)

**Do you integrate ESG risks (e.g., transition risks, litigation, regulation) into your valuation models for our company?**

- Yes, it is equally high focused, integral part of the valuation
- Yes, it is integral part of the valuation, but significantly less in-depth compared to financial and other factors analysis
- No, ESG topics so far do not influence investment decisions

**How would you rate the quality and completeness of our current sustainability reporting?**

- High quality
- Sufficient for analysis
- Has identifiable gaps for sufficient analysis
- Poor quality

**What are your expectations for our sustainability strategy over the next 5-10 years?**

- Net Zero commitment, SBTi verification, significant investments, including efforts to offset hard-to-abate emissions
- Efforts limited to reduction of possible to abate emissions, such as substitutes of natural gas, fuels
- More focus to social topics
- More focus to governance topics
- Only action that is available with none to limited investments



# Stakeholders' view: poll (II)

## **Which social topics you would consider both important and requiring improvement:**

- Diversity in workforce, equality in opportunities, pay gap
- Health and safety for both – employees and consumers
- Training and employee skills development
- Engagement with surrounding communities
- I believe social topics are of secondary importance to the Group
- Other

## **Which governance topics you would consider both important and requiring improvement:**

- Ethics, Whistleblower protection, Corruption and bribery
- Board Structure and oversight
- Executive compensation
- Risk management and internal controls
- Transparency and reporting, stakeholder engagement
- Legal and regulatory compliance
- Cybersecurity
- I believe governance topics are of secondary importance to the Group
- Other

## **In your models, what is the likelihood of global carbon pricing mechanism (or harmonized CO<sub>2</sub> fee system) for direct emissions coming into force within 5-10 years?**

- Highly likely
- Likely, however in more distant horizon, such as >10 years
- Only limited in scope, not universal, perhaps via evolving regional mechanisms, EU Emissions Trading System (ETS), Carbon Border Adjustment Mechanism (CBAM)
- Highly unlikely, I expect overall pull back from sustainability topic in coming years



# Thank you

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