



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

AUGA group, AB

PRESENTED BY



Mindaugas Ambrasas

CFO



RESULTS

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



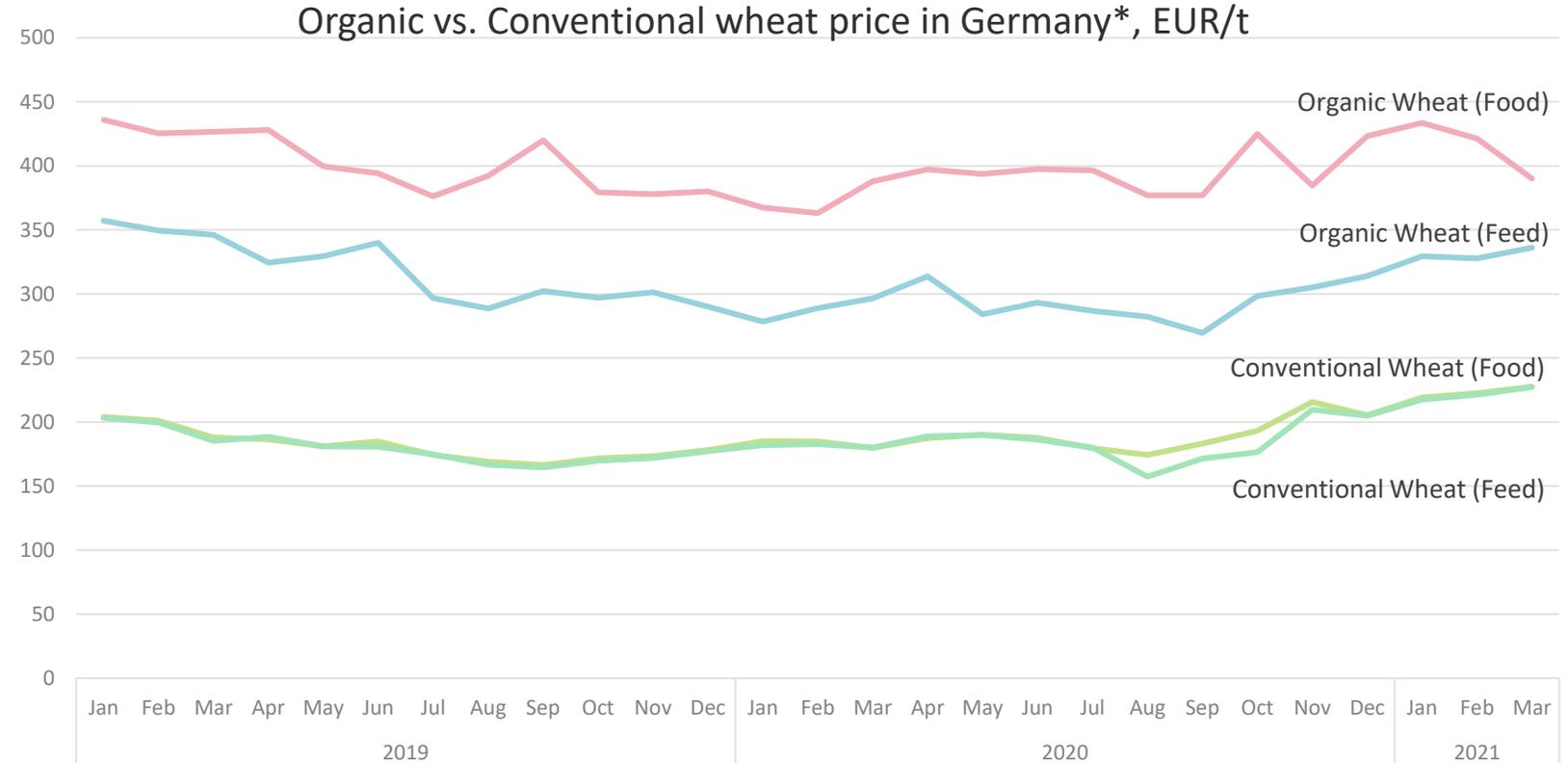
Results by segment
Crop growing

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.

Wheat price dynamics



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

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.

Improved revenue and gross profit.

	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





Results by segment

Dairy

2021 Q1 results

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



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 visible pipes and lighting fixtures. 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



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



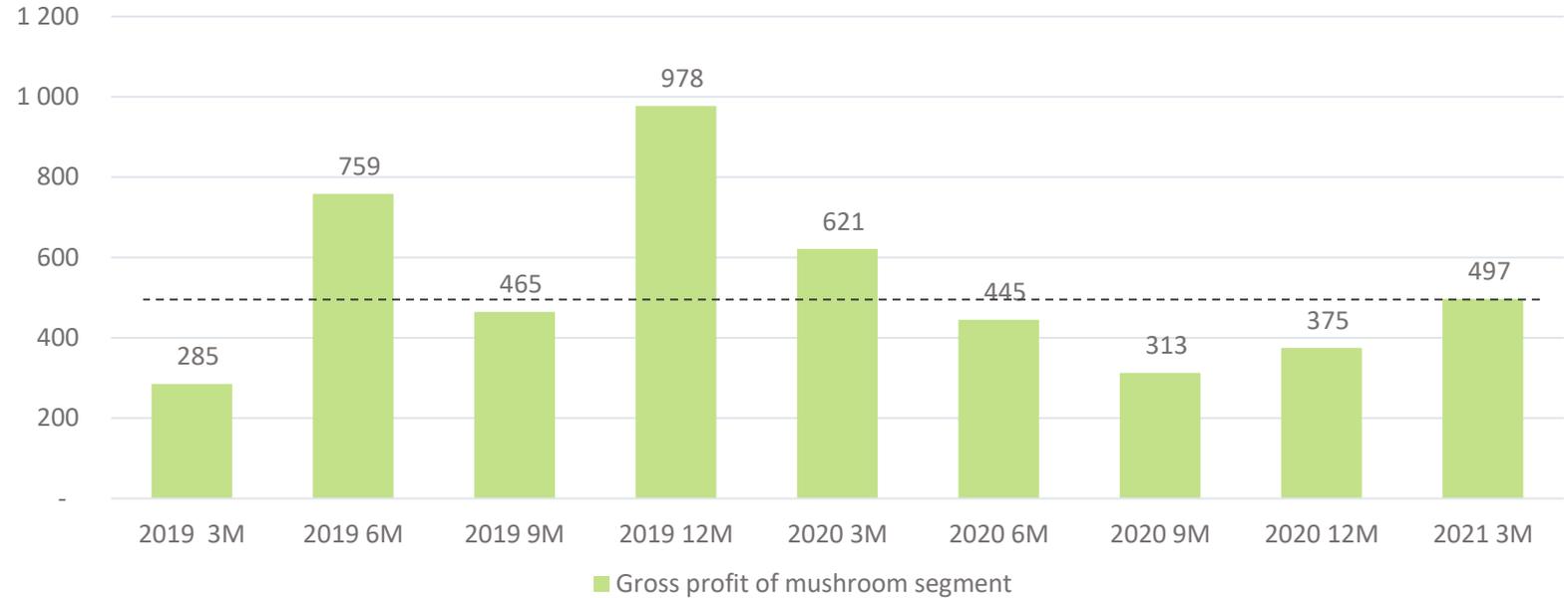
MUSHROOM GROWING

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

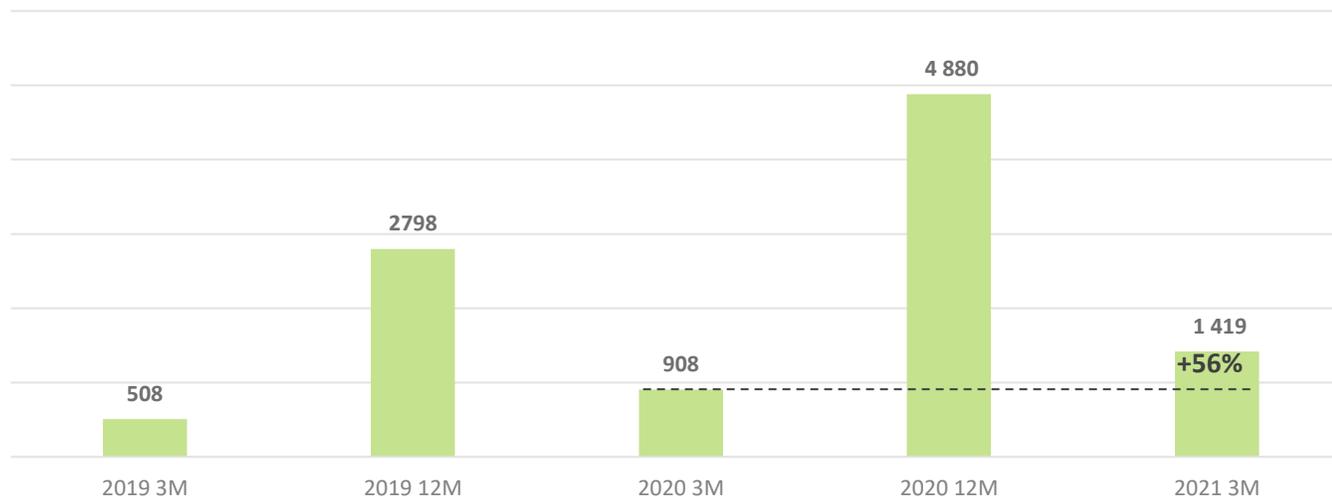
The segment remains strategically important to the Group with expectations of significant growth in 2021.

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 field is divided into sections by straight lines, suggesting a grid-based farming system. The tractor is positioned in the lower-middle part of the frame, moving towards the bottom right. The harrow is a large, rectangular metal frame with many small, square openings. The text "AUGA Tech" is overlaid in white, bold, sans-serif font across the lower part of the harrow.

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

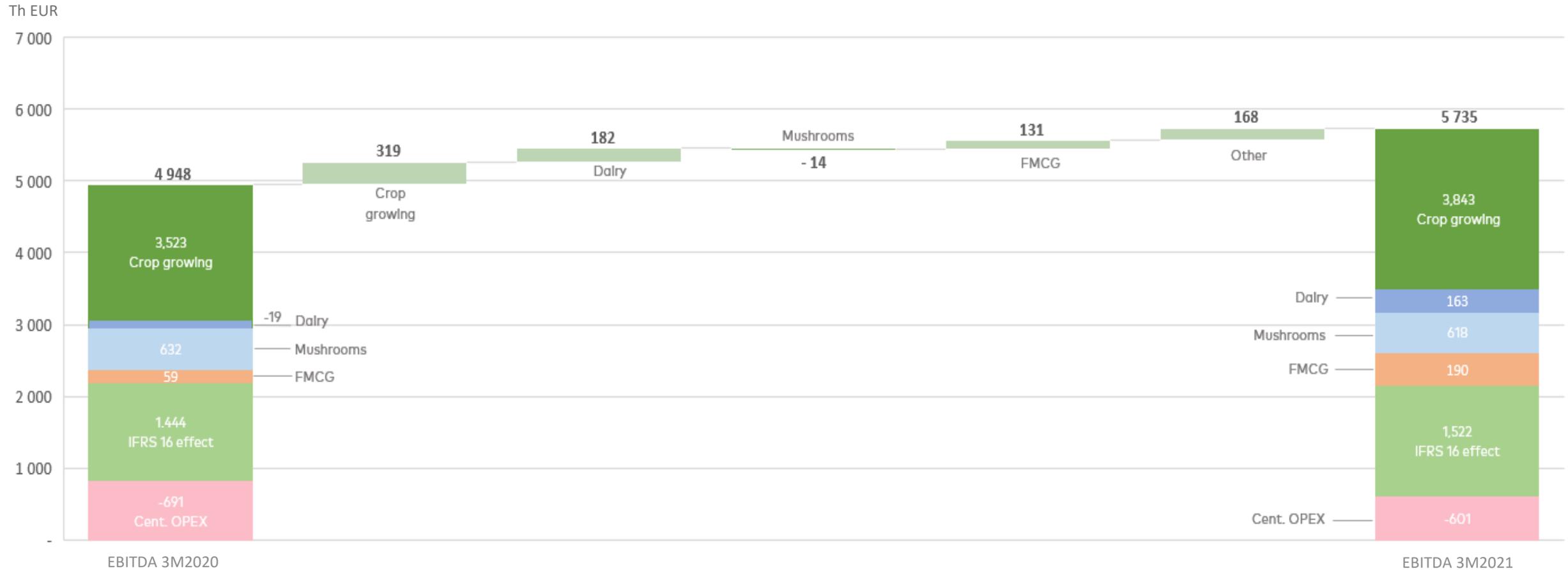
The Group plans to open exposition center in Raseiniai at the end of Q2 2021



Financial information

Main factors for EBITDA increase

EBITDA increased by 0.79 EUR million.



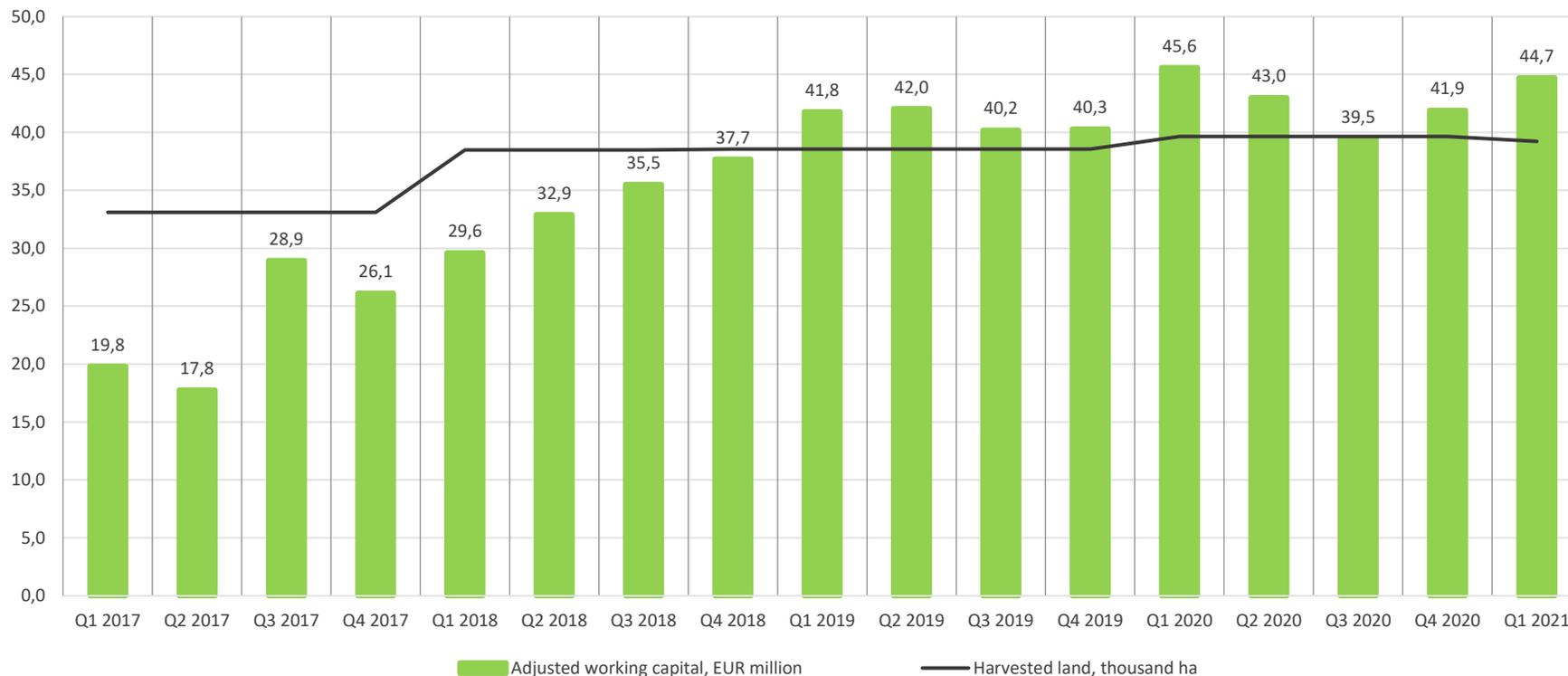
FINANCIAL INFORMATION

Working capital dynamics and financing

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



	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

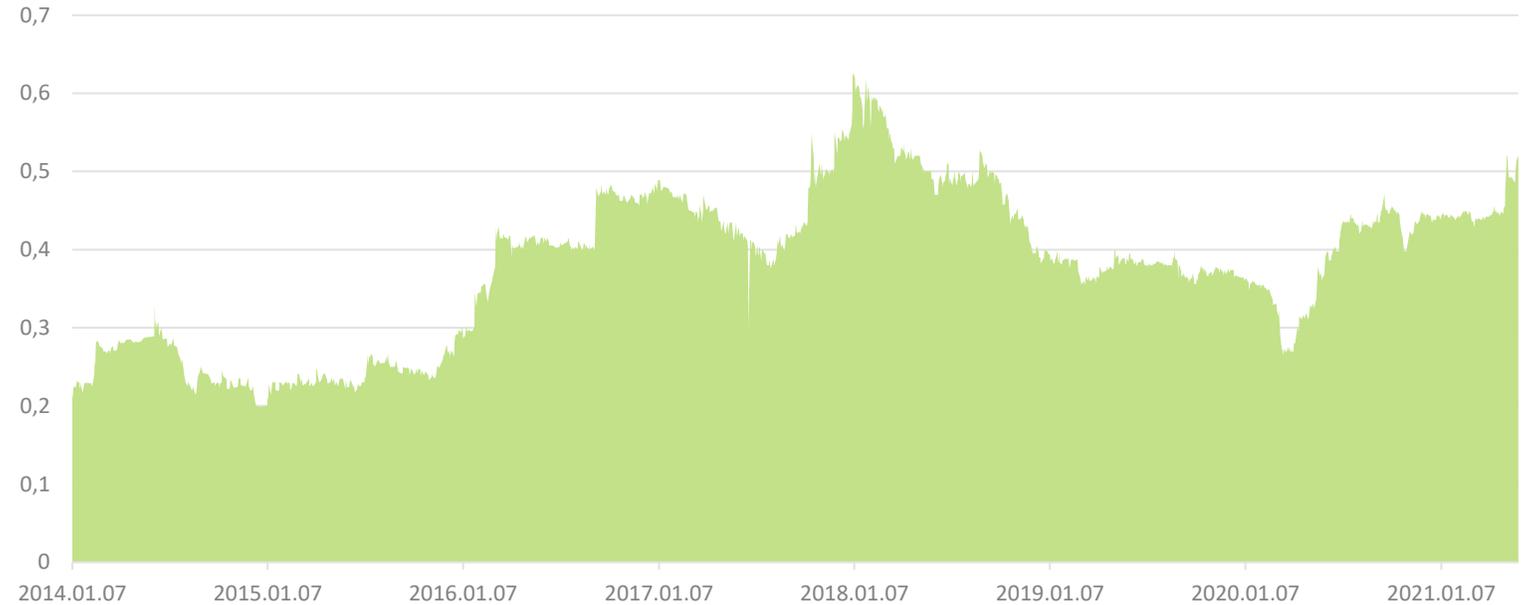
The share price increased by 17.6% (from EUR 0.442 to EUR 0.52 per share) from the beginning of 2021 to 31 May 2021.

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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NATURE**