



AUGA GROUP, AB

Consolidated Interim
Financial Statements for
6 Months Period Ended
30 June 2024
(Unaudited)

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I. GENERAL INFORMATION

1.1. Accounting period covered by the report

Consolidated interim report was prepared for the 6-month period ended 30 June 2024.

1.2. Key data on the issuer

Name of the company:	AUGA group, AB (hereinafter – AUGA group, AB or the Company)
Share capital:	EUR 67,203,188.28
Address of head office:	Konstitucijos av. 21C, Quadrum North, LT-08130, Vilnius, Lithuania
Telephone:	+370 5 233 53 40
Fax:	+370 5 233 53 45
E-mail address:	info@auga.lt
Website:	www.auga.lt
Legal entity form:	Joint stock company
Place and date of registration:	25 June 2003, Vilnius
Register code:	126264360
Registrant of the Register of Legal entities:	VĮ Registrų centras

1.3. Main lines of business of the Group

Operations area:	Organic agriculture
Main operating segments:	Crop growing and sale, milk production and sale, mushroom growing and sale, fast moving consumer goods production and sale, development of agricultural technologies.

1.4. The structure of the Group

As of 30 June 2024, the consolidated Group (hereinafter the Group) consists of the Company and 162 subsidiaries (31 December 2023: 163 subsidiaries). Please refer to the financial statements note 3 for a more detailed list of the Group companies.

1.5. Agreements with the mediators of securities public circulation

The Company and FMJ Orion Securities UAB (A. Tumėno st. 4, B building, LT-01109 Vilnius) signed an agreement regarding handling of Shareholders accounts.

1.6. Data about securities traded on regulated markets

The securities of the Company are included in Main List of NASDAQ Vilnius stock exchange (symbol: AUG1L).

Type of shares	Number of shares	Share nominal value (in EUR)	Total share capital (in EUR)	Issue Code ISIN
Ordinary registered shares	231,735,132	0.29	67,203,188.28	LT0000127466



(All amounts are in EUR thousand, unless stated otherwise)

Information about the Company's shares trading on the NASDAQ Vilnius:

Reporting period	Price, EUR					Total turnover	
	Average	Open	High	Low	Last	Units	EUR
2024 I half	0.292	0.305	0.305	0.280	0.294	3,750,742	1,095,277

AUGA group, AB shares volume, share price and OMX Baltic Benchmark index variance for the period of 1 January 2022 to 30 June 2024.



Source: NASDAQ Vilnius stock exchange

1.7. Information on non-financial reporting

The Company does not prepare interim non-financial reporting information. Annual Sustainability report of the Company for the year 2023 is provided in the Group's consolidated annual report for the year ending 31 December 2023.

1.8. Significant post balance sheet events

Post balance sheet events are disclosed in the consolidated financial statements of the Group for the 6-month period ending 30 June 2024. See financial statements' note 16 for more details.



(All amounts are in EUR thousand, unless stated otherwise)

II. MANAGEMENT REPORT

2.1. Overall results

The financial results for the first half of 2024 show improving trends even though the sales revenues of the Group in the reporting period amounted to EUR 34.67 million compared to EUR 37.28 million in the same period last year.

The Group's gross profit for the first half of 2024 amounted to EUR 3.45 million, compared to a gross profit of EUR 1.80 million in the same period last year.

The Group's EBITDA for the reporting period was EUR 6.43 million, compared to EUR 3.57 million for the first half of 2023.

Main financial results, EUR million	6-month of 2024	6-month of 2023*	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Revenues	34.67	37.28	33.99	-7%	+10%
Gross profit (loss)	3.45	1.80	12.43	+92%	-86%
Gross profit margin	10%	5%	37%	+100%	-86%
Net profit (loss)	(6.87)	(9.14)	3.65	+25%	n/a
Net profit margin	(20%)	(25%)	11%	+20%	n/a
EBITDA	6.43	3.57	15.05	+80%	-76%
EBITDA margin	19%	10%	44%	+90%	-77%

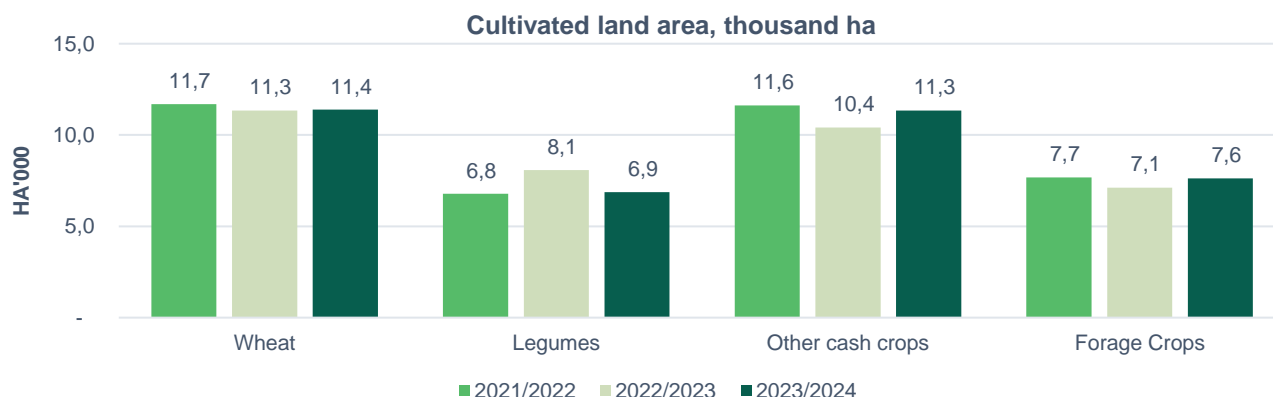
*Results comprise continuing operations (excl. Grybai LT)

2.2. Crop growing segment overview

Results of crop growing segment consist of crop harvest fair value, sales of the previous and current year harvest and agricultural subsidies.

Harvest in the season of 2023/2024

The total cultivated land area by the Group amounted to 37.8 thousand hectares (ha) in the 2023/2024 season and is slightly less than the cultivated area in the 2022/2023 season. In the 2023/2024 season, 29.6 thousand ha is seeded with crops (29.8 thousand in the 2022/2023 season) out of which 11.4 thousand ha is dedicated to wheat, 6.9 thousand ha to legumes and 11.3 thousand ha to other cash crops. The majority – 10.8 thousand ha out of total 11.4 thousand ha – of wheat is winter wheat as winter crops usually have higher yield potential compared to summer alternatives. Forage crops comprise 7.6 thousand ha in the 2023/2024 season compared to 7.1 thousand ha in the 2022/2023 season.



At the end of each quarter the Group evaluates the fair value of crops which have not yet been harvested. The Group estimated the total fair value of crops as of 30 June 2024 using the following formula and assumptions:



(All amounts are in EUR thousand, unless stated otherwise)

Fair value of a crop = Costs incurred + (Cultivated area in ha * forecasted average yield as tonnes per ha * forecasted price per tonne – cultivated area in ha * forecasted total cost per ha) * T, where:

- Costs incurred are costs actually incurred for a particular crop during the 2023/2024 season.
- Cultivated area in ha is the area of a particular crop seeded and expected to be harvested.
- Forecasted average yield in tonnes per ha is the expected yield for a particular crop based on the most relevant information about the crops and updated according to the most recent data.
- Forecasted price per tonne. The fair value calculations relied on the negotiated, future prices of crops after taking into account the contracts already signed with regards to the sales of the 2023/2024 season harvest.
- Forecasted total cost per ha - actual cost of organic crops incurred during the 2022/2023 season and planned costs for conventional crops for the 2023/2024 season, based on the expenses associated with organic crops taking into account differences of necessary fertilizers, pesticides and farming activities.
- T is the portion of time that has already passed from sowing date until the forecasted harvest date expressed as a percentage. As of 30 June 2024, the average completion percentage estimated for current crops was around 76% depending on the crop.

The formula discussed above will be used to estimate fair value of cash crops (winter and summer crops) for coming quarters and until the actual harvest will be completed. Forecasted parameters used in the fair value estimation will be re-evaluated quarterly and adjusted by taking into consideration the most recent data.

It should be noted that the fair value of a forage crop, even at its point of harvest, is measured based on production costs incurred on a forage crop. In other words, forage crop production costs are used as a measure of the fair value of that forage crop since there is no active market for forage crops and there is no reliable data to calculate market prices of the forage crops. Due to this the net result on revaluation of forage crops is equal to zero.

In the first half of 2024 Group accounted EUR 0.56 million gain on revaluation of biological assets (in the first half of 2023 – EUR 0.40 million loss). As of 30 June 2024, the Group recognized a EUR 1.85 million gain on the initial recognition of biological assets at fair value. It should be noted that as of 31 December 2023 Group has already recognised a gain of EUR 1.29 million on the initial recognition of biological assets at fair value. As of 30 June 2024, the overall crops value was higher by 19% compared to the previous year while gain on revaluation of the first half of 2024 recognised in reporting period was significantly higher compared to previous period, as there were less negatively impacting assumptions in the first half of this year. The actual result of the crop growing segment will be estimated in the 3rd quarter when almost all cultivated cultures of 2023/2024 season will be harvested.

Crops value, EUR million	6-month of 2024	6-month of 2023	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Gain (loss) on revaluation of biological assets at fair value recognized in previous period	1.29	1.97	2.33	-35%	-15%
Gain (loss) on revaluation of biological assets at fair value recognized in reporting period	0.56	(0.40)	7.29	n/a	n/a
Total gain (loss) on revaluation of biological assets at fair value	1.85	1.56	9.62	+19%	-84%

Crop growing segment sales results

Total revenue generated from sales in the crop growing segment amounted to EUR 9.42 million in the first half of 2024 (in the first half of 2023 – EUR 13.74 million). The decline in sales revenue during the first half of 2024 compared to the same period in 2023 resulted from lower quantity and prices of goods sold.

Crop growing segment results, EUR million	6-month of 2024	6-month of 2023	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Sales revenue	9.42	13.74	8.85	-31%	+55%
Cost of sales	(11.08)	(15.61)	(8.08)	-29%	+93%
Inventory write-offs	(0.55)	(0.05)	(0.76)	+998%	-93%
Result of internal transactions	(1.10)	(1.46)	(0.71)	-24%	+106%
Result of sales of agricultural produce	(3.31)	(3.38)	(0.70)	-2%	+383%

The crop growing segment's cost of sales for 6 months of 2024 amounted to EUR 11.08 million, 29% less compared to the same period of last year. Cost of sales exceeded sales revenue due to the expenses incurred from drying and cleaning clever seeds, as well as the agricultural produce sold at below-revenue post-harvest prices. Internal transactions between segments are executed based on fixed pricing and in the 1st-2nd quarters of 2024 its effect amounted to a loss of EUR 1.10 million.

(All amounts are in EUR thousand, unless stated otherwise)

Agricultural subsidies and gross profit of the crop growing segment

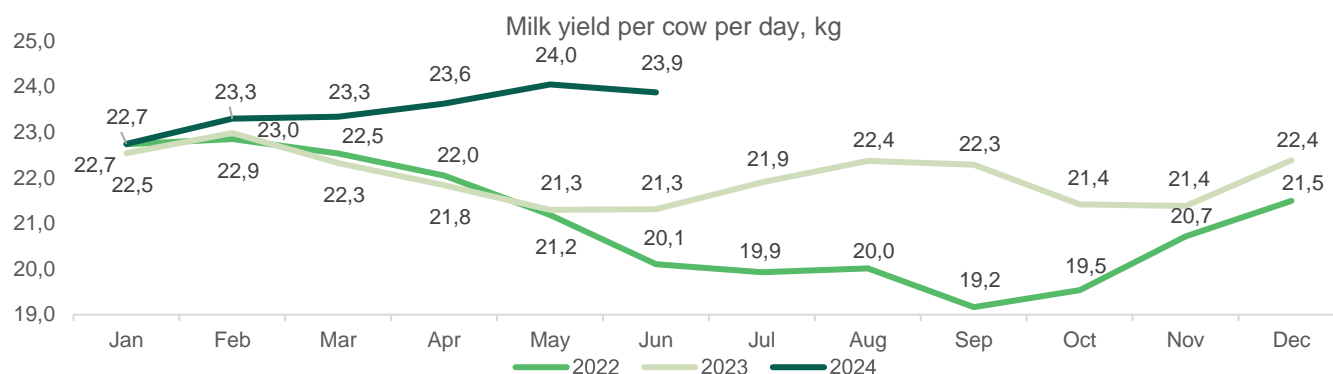
Total amount of agricultural subsidies accrued in 6 months of 2024 was EUR 4.28 million which is slightly less compared to the subsidies accrued in the same period last year. Accrued subsidies amount is based on calculations according to currently applicable and achievable requirements of subsidising programmes regulations. Overall, the Group plans to receive a similar amount of subsidies throughout the year as in 2023. The observed decrease when comparing the first half of 2024 with the first half of 2023 is due to the partial transition to the convention, as this was not yet foreseen in the first half of 2023.

The gross result of the crop growing segment, encompassing the results of agricultural produce sales, gain (loss) on changes in fair value of biological assets and agricultural subsidies, has increased in 2024 when compared to last year due to an increase in result on revaluation of biological assets at fair value. Gross profit amounted to EUR 1.52 million at the end of the first half of 2024. In the same period of 2023, it was EUR 1.25 million.

Gross profit of crop growing segment, EUR million	6-month of 2024	6-month of 2023	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Gain (loss) on revaluation of biological assets at fair value recognised in reporting period	0.56	(0.40)	7.29	n/a	n/a
Result of sales of agricultural produce	(3.31)	(3.38)	(0.70)	-2%	+383%
Subsidies	4.28	5.03	4.70	-15%	+7%
Gross profit	1.52	1.25	11.29	+22%	-89%

2.3. Dairy segment overview

The quantity of milk produced in the first half of 2024 increased by 4% compared to the same period last year, even though average herd size of dairy cows decreased from 3,478 (in the first half of 2023) to 3,392 (in first half of 2024). It was compensated by average milk yield which during the 6-month period of 2024 grew by 7% compared to the same period last year. Milk yields were the highest in the last three years.



Although the quantity of milk produced increased by 4%, milk sales increased by 11% as part of milk from 2023 was sold in 2024.

The 5% increase in milk purchase prices in the first half of 2024 compared to the same period in 2023 also impacted the segment's result. Dairy sales revenue increased and amounted to EUR 8.33 million in the reporting period, compared to EUR 7.77 million last year.

The segment's costs for the first 6 months of 2024 were EUR 7.27 million and that is EUR 0.75 million less than last year. Despite the increased quantity sold, the cost of milk decreased, which means the cost per tonne also decreased. Comparing the first half of 2024 to the same period of 2023 there was an 16% decrease (from 460 EUR/tonne to 385 EUR/tonne).

In 2024, a loss of EUR 1.53 million was incurred due to the revaluation of biological assets (animal herd). In comparison, the loss due to the revaluation of biological assets (animal herd) was 5% lower last year.

In the first half of 2024, the Group has recorded a EUR 0.86 million gross profit while the result of the equivalent period in 2023 was inferior by EUR 1 million.



(All amounts are in EUR thousand, unless stated otherwise)

	6-month of 2024	6-month of 2023	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Total quantity of products sold, t	14,649	13,459	13,924	+9%	-3%
Milk, t	13,759	12,421	13,278	+11%	-6%
Dairy commodities, t	318	632	235	-50%	+169%
Cattle, t	572	406	411	+41%	-1%
Revenue, EUR million	8.33	7.77	8.14	+7%	-5%
Milk, EUR million	6.33	5.42	6.60	+17%	-18%
Dairy commodities, EUR million	1.02	1.76	0.81	-42%	+117%
Cattle, EUR million	0.98	0.59	0.73	+66%	-19%
Cost of sales, EUR million	(7.27)	(8.02)	(7.18)	-9%	+12%
Milk, EUR million	(5.30)	(5.71)	(5.66)	-7%	+1%
Dairy commodities, EUR million	(0.99)	(1.72)	(0.79)	-43%	+118%
Cattle, EUR million	(0.98)	(0.59)	(0.73)	+66%	-19%
Revaluation of biological assets, EUR million	(1.53)	(1.45)	(1.09)	+5%	+33%
Subsidies, EUR million	1.33	1.56	1.43	-15%	+9%
Gross profit, EUR million	0.86	(0.14)	1.29	n/a	n/a

2.4. Mushroom segment overview

Production prices increased by 8% in the first half of 2024 compared to the first half of 2023. The impact of rising prices on the result was mitigated by lower quantity of mushrooms sold and increased costs. Cost of sales increased by 2 % in the first six months of 2024 compared to the same period last year and amounted to EUR 14.55 million.

In the first half of 2024, gross profit in the mushroom growing segment amounted to EUR 0.94 million, compared to a gross profit of EUR 1.00 million in the same period last year. Lower result was mostly affected by lower sales of the secondary product (compost).

	6-month of 2024	6-month of 2023	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Sold mushrooms, t	5,541	5,830	6,109	-5%	-5%
Average price (Eur/t)	2,767	2,569	2,297	+8%	+12%
Total revenue, EUR million	15.49	15.28	14.28	+1%	+7%
Mushroom sales revenue, EUR million	15.33	14.98	14.03	+2%	+7%
Compost sales revenue, EUR million	0.16	0.30	0.25	-47%	+20%
Cost of sales, EUR million	(14.55)	(14.28)	(14.62)	+2%	-2%
Gross profit, EUR million	0.94	1.00	(0.33)	-6%	n/a

2.5. Fast-moving consumer goods (FMCG) segment overview

The sales revenue of the FMCG segment in the first half of 2024 was EUR 1.42 million, while in the same period of 2023, after eliminating the performance of Grybai LT, which was sold in mid-2023, sales revenue amounted to EUR 0.49 million.

In the first six months of 2024, the gross profit of the segment amounted to EUR 0.12 million, compared to a loss of EUR 0.29 million in the same period of 2023.



(All amounts are in EUR thousand, unless stated otherwise)

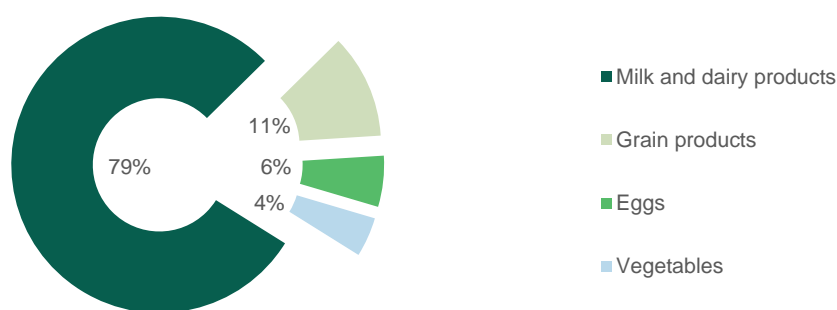
Segment's results are improving each quarter. Growing performance result was achieved due to the introduction of a new line of dairy products to the market in the second quarter of 2023.

FMCG segment results, EUR million	6-month of 2024	6-month of 2023*	6-month of 2022	Variance 2024/2023, %	Variance 2023/2022, %
Sales revenue	1.42	0.49	2.72	+190%	-82%
Cost of goods sold	(1.30)	(0.78)	(2.53)	+67%	-69%
Gross profit	0.12	(0.29)	0.19	n/a	n/a

*Segment results comprise continuing operations (excl. Grybai LT)

The 2024 FMCG sales revenue structure with respect to product types is depicted in the chart below.

Revenue structure of the fast moving consumer goods sales, %



2.6. Selling and administrative expenses

The Group's selling and administrative expenses for the first half of 2024 amounted to EUR 5.53 million compared to EUR 6.56 million in the same period last year (expenses of Grybai LT have been eliminated from the comparative period). In the first half of 2024, marketing and salary expenses were lower compared to the same period in 2023. Also, the Group is evaluating other cost components.

2.7. Capital expenditures

Total investments (additions) into non-current assets amounted to EUR 2.55 million in the first half of 2024 (EUR 4.33 million in the same period last year). The split of investments (additions) into non-current assets is provided in the table below.

Investments (additions) into non-current assets, EUR'000

	Land	Buildings and structures	Plant and machinery	Motor vehicles and other PP&E	Construction in progress	Intangible assets	Total
Half-year 2024	60	105	478	330	1,031	544	2,548
Half-year 2023	35	351	979	595	1,982	391	4,333

In the first half of 2024, the Group continued work on the technology projects envisaged in its strategy, focusing on their development and exploring opportunities to expand them. AUGA Tech, UAB, a company the Group owns, obtained patents for the structure of its AUGA M1 biomethane and electric-powered tractor in the United States, the Eurasian Patent Convention countries, and Australia. The technology patents which have been obtained and are pending are creating opportunities for faster commercialization.



2.8. Risk management

The Risk Management Guidelines were approved by the Company's audit committee and the Board in 2021. Each year, the Group performs an assessment of its main risks and draws a risk assessment map, considering both probability and impact of the outlined risks. The main risks identified for the Group in 2023 are:

Climate conditions. Climate conditions are one of the most important risk factors for agricultural activity. Poor or unfavourable meteorological conditions have a significant impact on productivity and may adversely affect the yield of agricultural products, harm the preparation of feed, destroy crops and cause other damage. Any damage caused by adverse climate conditions can negatively affect the financial situation, activities, and performance of the Group.

Changing prices of organic products. Certified organic products are generally more expensive than their conventional counterparts, for reasons such as limited supply, smaller volumes and regulatory barriers. Nevertheless, the organic premium has historically covered the loss of foregone earnings, arising from higher production costs, lower efficiency, and greater labour input. The diminishing premium of organic poses a significant risk to the Group's financial performance..

Financing risk. Organic and, in particular, regenerative conventional agriculture requires a lot of working capital. Under a significant level of Group's borrowed capital, certain material restrictions might arise:

- the Group's access to additional financing for working capital, investments, acquisitions, debt servicing, etc., could be restricted;
- the Group's flexibility to adapt to changing market conditions could be limited;
- while certain restrictions in credit agreements relating to business and financial matters are specific to such financing transactions, they can still limit the Group's ability to borrow more funds, pledge assets, and/or engage in other types of mergers or transactions, which to a certain extent can limit the possibilities for active development and possibly reduce competitive advantage in the future;
- possible restrictions on the extension of the maturities of existing financial liabilities.

Liquidity risk. As the Group's business model requires high working capital, the production cycle in the crop segment is long, and the sales volume of crop products fluctuate during the year, with limited ability to hedge, the Group faces significant fluctuations in the working capital needs.

Changes in EU subsidies. The Group receives a significant amount of EU subsidies, which is important for the continuity of its activities. If, for any reason, these subsidies were to be terminated or reduced, this could have a substantial impact on many of the Group's activities, including reduction of cash flows and on the profitability of operations, a decrease in the value of land and investment property, and a possible drop in the value of the property, facilities, and equipment. Significant changes in EU subsidy programmes could also threaten the long-term continuity of the Group's activities.

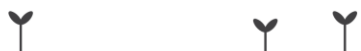
Lack of human resources. Field operations require employment of lower-skilled workers, who are in high demand in rural areas. This demographic faces a problem of a dwindling workforce, characterised by aging and a diminishing population, which has been both a longstanding and widespread risk for all activities in rural areas. Additionally, according to the Official Statistics Portal, as at 30 June 2024, the employment rate in Lithuania is 59.4%. In the light of these indicators, the Group recognises the risk of failing to adequately staff all field operations, which may lead to operational challenges, hinder the ability to meet production targets, maintain quality standards, or capitalise on market opportunities.

New business activity of biomethane operations. The introduction of biomethane operations, i.e. production of renewable gas which secures a clean energy source while simultaneously solving one of the most prominent emission sources in agriculture, is an integral step towards establishing an additional long-term source of income and achieving the Group's strategic goals. Successful commencement of biomethane production would allow to eventually attain full circularity between business segments and activities, whereas project delays may incur unforeseen costs, especially considering its complexity, undefined regulatory environment and little immediate demand in the home market.

Reinvestment into current equipment. Long-standing agricultural operations require reinvestment on a regular basis, needed to maintain an optimal level of efficiency. Due to the long-standing Group's perspective on Sustainability, it has been chosen not to proactively invest in agricultural equipment that is not powered by non-renewable energy sources, unless it is a vital need to keep up with acceptable level of farming operations. Due to the fact that it has been taking time to bring in-house developed sustainable technologies to scale to cover the needs of the farms as well as external partners, equipment underinvestment is increasingly becoming a more significant risk.

Technology speed to market. Development processes of sustainable farming technologies (such as hybrid and electric-powered tractors as well as feed processing) in a climate technology area where the Community at large is to benefit from the reduction of the pollution in agriculture, but the landscape of industry representatives is very sporadic and the corresponding greening efforts are not enough, bringing certain technologies to the market is a challenge. While the Group recognises and prepares for addressing potential market entry barriers, such as adaptation to market dynamics or lack of existing regulations, considering the scope and variety of technological projects undertaken by the Group, establishing a hold as a new market player in the sustainable technology market may take longer than expected.

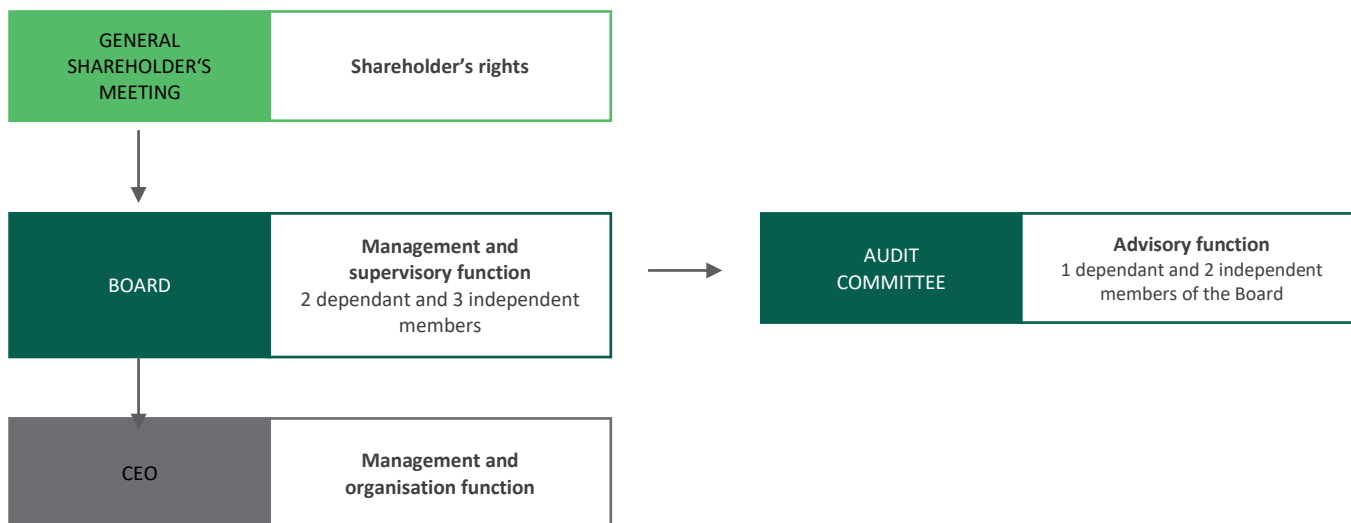
Raising capital for greening technologies and initiatives. Introduction of new sustainable farming technologies to the market is circumscribed both by capital resources and the level of technology readiness, which together pose a vicious circle question. As finances are required to bring the sustainable technologies through the levels of technology readiness swiftly, prove their viability and reach the target farms and partners, the Group needs to secure additional capital for that activity on its own. Without securing the required funds for commercialisation of sustainable technology, the timely completion of strategic objectives set forth by the Group stands at risk.



3. Corporate governance and personnel

3.1. Governance model

Currently, there are three corporate bodies in the Company – the General shareholders’ meeting, the Board and the Chief Executive Officer (CEO) and an advisory body – the Audit Committee.



The general meeting of shareholders is the supreme body of the Company.

The members of the Board are elected by the general meeting in accordance with the procedure established by the Law on Companies of the Republic of Lithuania. The chair of the Board is elected by the Board from its members for two years.

The Company does not have an approved diversity policy for the election of the Company's CEO or members of the Board, but the Company has a Human Rights, Non-Discrimination, Child and Forced Labour Policy, which applies to the election of the Company's CEO or members of the Board. The Company's Board is elected taking into account their competences, which would be applicable in the implementation of strategic projects of the entire Group and would cover important areas, such as, for example, the implementation of sustainability, relations with investors, product development and so on. Also, one independent member of the Board is delegated by the second largest shareholder - the European Bank for Reconstruction and Development. This practice will continue to be followed in the future while electing a new composition of the Board.

In compliance with the best corporate governance practices the Articles of the Company determine the following functions and responsibilities of the Board:

- consideration and approval of the Group's strategy
- consideration and approval of the Group's annual budget and business plan;
- consideration and approval of the risk level acceptable in the Group's activity and the risk management policy;
- consideration and approval of the annual financial and non-financial targets for the Company's CEO;
- responsibility of overseeing and leading the Group's compliance with the best corporate governance practices.

The Board also appoints, removes, and supervises the activities of the Company's CEO, who is in charge of Group's management and organisation of activities. The Board approves the Sustainability Report of AUGA group, provides comments and insights during the process of its preparation

The members of the audit committee are elected by the Board of the Company from among its members, by a simple majority vote for a two-year term, which coincides with the term of office of the committee members as members of the Board. The Board, considering the complexity of the Company's activities and the level of risk, may decide to increase the number of committee members and/or change its composition. The members of the committee must be of impeccable reputation, appropriate qualifications and experience, collegiately possessing knowledge in the field of finance, accounting, or auditing of financial statements and in the sector, in which the Company operates.

The audit committee operates in line with the principles, outlined in the Regulations of audit committee of Company. The audit committee is an advisory body of the Board. The main functions of the audit committee include:

- monitoring the process of the preparation of the financial statements of the Company.
- monitoring the audit process of the Company.
- analysing the effectiveness of internal audit and risk management systems.
- approving the requirements for external auditors and evaluating both the qualification and the experience of external auditors.



(All amounts are in EUR thousand, unless stated otherwise)

The CEO oversees the daily management of the Company and has the authority to represent the Company in relations with third parties. According to the Articles of the Company, the CEO is entitled to take decisions on transactions, which value do not exceed 1/20 of the authorised capital of the Company. For transactions exceeding the latter threshold, the Board's approval is required.

The Articles of Association of the Company shall constitute a document governing the conduct of business of the Company. The original copy of the Articles of Association of the Company shall be kept in the custody of the Company. The Articles of Association of the Company shall be amended following the procedure provided by the laws of the Republic of Lithuania and Articles of Association. A resolution to amend the Articles of Association of the Company shall be adopted by the general meeting of shareholders with the qualified majority of at least 2/3 of votes conferred by the shares of all shareholders present at the meeting, except in cases specified in the Law of the Republic of Lithuania on Companies

3.2. Share capital structure and shareholders

The share capital of AUGA group AB as of 30 June 2024 is EUR 67.20 million (31 December 2023: EUR 67.20 million). The share capital is divided into 231,735,132 ordinary shares (2023: 231,735,132 ordinary shares). Each issued share has a EUR 0.29 nominal value and is fully paid.

Total number of shareholders on 30 June 2024 was 3,405 and on 31 December 2023 it was 3,442.

The shareholders owned more than 5% of shares in the Company are the following:

Shareholder's name	30 June 2024		31 December 2023	
	Number of shares	% owned	Number of shares	% owned
Baltic Champs Group UAB (identification code: 145798333; address: Poviliškiai v., Šiauliai region mun., Lithuania)	126,686,760	54.67	126,686,760	54.67
European Bank for Reconstruction and Development (identification code: EBRDGB2LXXXX; address: One Exchange Square, London EC2A 2JN, UK)	19,810,636	8.55	19,810,636	8.55
Žilvinas Marcinkevičius	15,919,138	6.87	15,919,138	6.87
Minority shareholders	69,318,598	29.91	69,318,598	29.91
Total	231,735,132	100.00	231,735,132	100.00

No shareholder has special voting rights.

Information on the shares of the Company held by the members of the Board and the top executives as of 30 June 2024:

Name, Surname	Position	Owned shares in the Company, units	Owned shares in the Company, %
Elina Chodzkaitė-Barauskienė	CEO	25,000	0.0108
Kristina Daudoravičienė	Member of the Board	25,476	0.0110
Kęstutis Juščius*	Chair of the Board	1,392	0.0006

* Kęstutis Juščius, Chair of the Board, is the ultimate owner of Baltic Champs Group UAB, controlling 54.67% of the Company's shares.

Information on own shares

The Company has not acquired any of its own shares.

Share transfer restrictions

Laws and the Articles of Association do not provide for restrictions on the transfer of shares.

Separate share transfer restrictions are possible, but these can only be imposed by the shareholders and only in agreed-upon cases.

Information on significant agreements, which could be affected by the change in shareholder structure

Bank loans and financial lease agreements of Group companies, including the Company, have a change of control clause at the Group level which is standard practice for such agreements. The Company or the Group has not entered into any other significant agreements whose validity, amendment and termination could be affected by a change in shareholder structure.

Agreements between the shareholders

As at the date of 30 June 2024 the Company is not aware/was not advised of any agreements between the shareholders.



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On 19 July 2018 the Company, its major shareholder Baltic Champs Group, UAB, Kestutis Juščius and the European Bank for Reconstruction and Development (EBRD) entered into a framework agreement. Although in its nature it is not a shareholder agreement, it provides for the undertaking of Baltic Champs Group, UAB to vote in favour of the election of an EBRD nominee to the Board of the Company, provided that the EBRD holds at least 3% of the Company's shares. The Company also undertook to comply with certain environment and social compliance and corporate governance recommendations and other requirements of the EBRD.

3.3. The Board and its Committees

The Articles provide that at least 1/3 of the Board members must be independent. In 2019, the general shareholders' meeting approved independency criteria for members of the Company's collegiate bodies, which comply with the independency criteria established by the Law on Companies of Republic of Lithuania, ensuring, that to be independent, a member must not be related with the Company and/or its controlling shareholder¹. Separation of powers is clearly defined in the management model of AUGA group, therefore the CEO of the Company, according to the current procedure of the Company, cannot be a member of the independent Board and is directly subordinate to this management body.

Based on legal acts and on the assessment carried out at the November 2023 Board meeting:

- 3 members of the Board (60%) Peter Bryde, Andrej Cyba and Justina Klyvienė are considered as independent members of the Board.
- 2 Board members (40%) are considered as dependent members of the Board: (i) Kristina Daudoravičienė is considered to be a dependent member of the Board as she is a director and a member of the Board of Baltic Champs Group, UAB, the controlling shareholder of the Company, as well as the CFO of Baltic Champs, UAB, a company directly controlled by the Company; (ii) Kęstutis Juščius is deemed to be a dependent member of the Management Board as he is the sole owner and Chair of the Management Board of the Company's controlling shareholder, Baltic Champs Group, UAB, as well as a director of the Company's directly controlled company AUGA Community, UAB and the Company's indirectly controlled company AUGA Tech, UAB

Information about the **Board members** of the Company as of 30 June 2024:

Name, Surname	Position	Status	Appointment day
Peter Bryde	Member	Independent	07.11.2023
Andrej Cyba	Member	Independent	07.11.2023
Kristina Daudoravičienė	Member	Dependent	07.11.2023
Kęstutis Juščius	Chair	Dependent	07.11.2023
Justina Klyvienė	Member	Independent	07.11.2023

The current Board's tenure is until the annual general meeting of shareholders of the Company in 2025.

Members of the Board

Andrej Cyba

Education, qualification: Vilnius University, Bachelor's degree in Management and Business Administration.

Activity: Member of the Board of AUGA group, AB (legal form: Public Limited Company, code: 126264360, registered address Konstitucijos ave. 21C, Vilnius, Lithuania) (2019 – present).

Miscellaneous: Board member of AB „Vilkyškių pieninė“ (legal form: Public limited company, code 277160980, registered address: Prano Lukošaičio g. 14, Vilkyškiai, Pagėgiai district municipality, Lithuania) (2008 – present); CEO of UAB Piola (legal form: private limited liability company, code 120974916, registered office address: Mindaugo g. 16-52, Vilnius, Lithuania) (2009-present); CEO of UAB "PEF GP1" (legal form: private limited liability company, code 302582709, registered office address: Maironio g. 11, Vilnius, Lithuania) CEO of UAB "PEF GP2" (legal form: private limited liability company, code 302582716, registered office address: Maironio g. 11, Vilnius, Lithuania) (2012 – present), Chairman of the Board of "INVL Finasta", UAB FMĮ (legal form: Private limited company, code: 304049332, registered address: Gynėjų str. 14, Vilnius, Lithuania) (2016 – present); Advisor to the Board "INVL Asset Management", UAB (legal form: Private limited company, code 126263073, registered address: Gynėjų str. 14, Vilnius, Lithuania) (2016 – present); Chairman of Supervisory Council of IPAS "INVL Asset Management" (legal form: Private limited company, code: 40003605043, registered address: Smilšu 7-1, Riga, Latvia) (2016 – present); Chairman of the Supervisory Council of "INVL ATKLĀTAIS PENSIJU FONDS", AS (legal form: Public limited company, code: 40003377918, registered address: Smilšu 7-1, Riga, Latvia) (2016 - present); Chairman of the Board "VOKĒ-III", UAB (legal form: Limited liability company, code: 120959622, registered address: Piliakalnio str. 70, Nemenčinė, Lithuania) (2020 – present), CEO (2023 – present); Board Member of SIA "Baltic Dairy Board" (legal form: Private limited company, code: 43603036823, registered address: Stacijas 1, Bauska, Latvia) (2021 – present); CEO of Ymmalu, UAB (legal form: Limited liability company, code: 305765142, registered address: Šaltinių g. 24-10, LT-03233 Vilnius, Lithuania) (2021 - present);

¹ The criteria for the independence of the Board members are established in Article 33, Part 7 of the Law on Joint Stock Companies of the Republic of Lithuania; the independence criteria of the company's Board members, approved by 2019 general shareholders meeting, are available at the [Nasdaq site](#).



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CEO of "LAMA Capital", UAB (legal form: Limited liability company, code: 306178639, registered address: Šaltinių str. 24-10, Vilnius, Lithuania) (2022 – present); CEO of UAB "V3 Installation Solutions" (legal form: Private limited company, code 124100519, registered address: Pašilaičių g. 14-74, Vilnius, Lietuva) (2023 – present).

Peter Bryde

Education, qualification: Copenhagen Business School, Bachelor's degree in Business Administration, Master's degree in Finance and Accounting; attended the Agricultural Business Seminar at Harvard University (2011).

Activity: Member of the Board of AUGA group, AB (legal form: Public limited company, code: 126264360, registered address Konstitucijos ave. 21C, Vilnius, Lithuania) (2023 – present).

Kristina Daudoravičienė

Education, qualification: Vilnius University, Master's degree in Economics.

Activity: Member of the Board of AUGA group, AB (legal form: Public limited company, code: 126264360, registered address Konstitucijos ave. 21C, Vilnius, Lithuania) (2023 – present).

Miscellaneous: CEO, member of the Board of Baltic Champs Group, UAB (legal form: Private limited company, code: 145798333, registered address: Poviliškių k. Šiauliai district municipality, Lithuania) (2013 – present); CFO of Baltic Champs, UAB (legal form: Private limited company, code: 302942064, registered address: Poviliškių k.15, Šiauliai district municipality, Lithuania) (2013 – present); CEO of Technology Invest INVEST, UAB (legal form: Private limited company, code: 304539998, registered address Kalvarijų g. 143-304, Vilnius, Lithuania) (2017 – present).

Kęstutis Juščius (Chair)

Education, qualification: Vilnius University, Bachelor's degree in Business Administration.

Activity: Chair of the Board of AUGA group, AB (legal form: Public limited company, code: 126264360, registered address Konstitucijos ave. 21C, Vilnius, Lithuania) (2023 – present).

Miscellaneous: Chair of the Board of Baltic Champs Group, UAB (legal form: Private limited company, code: 145798333, registered address: Poviliškių v. Šiauliai district municipality, Lithuania) (2014 - present); President of Lithuanian Mushrooms Growers and Processors Association (legal form: Association, code: 124135819, registered address: Zibalų str. 37, Širvintos, Lithuania) (2013 – present); CEO of AUGA Community, UAB (legal form: Private limited company, code: 302820797, registered address Konstitucijos ave. 21C, Vilnius, Lithuania) (2022 – present); CEO of AUGA Tech, UAB (legal form: Private limited company, code: 302820808, registered address: Taikos ave.131b Kaunas, Lithuania) (2023 – present).

Justina Klyvienė

Education, qualification: Vilnius University Institute of International Relations and Political Science, Bachelor's and Master's degree in European Public Administration; BI Norwegian Business School, Master's degree in Management for Executives.

Activity: Member of the Board of AUGA group, AB (legal form: Public limited company, code: 126264360, registered address Konstitucijos ave. 21C, Vilnius, Lithuania) (2023 – present).

Miscellaneous: Head of development of VŠĮ Alter State (legal form: public institution, code 305619931, registered office address: Laisvės pr. 71-14, Vilnius, Lithuania) (2019 – present); Board member of VŠĮ Inovacijų agentūra (legal form: public institution, code 125447177, registered office: Juozo Balčikonio g. 3, Vilnius, Lithuania) (2022 – present); CEO of UAB "ORP" (legal form: Private limited company, code: 122087425, registered address: Padvarės g. 69, Vilnius, Lithuania) (2023 – present).

In the first half of 2024, 6 meetings of the Board were held. All 5 members of the Board were attendant at all Board meetings

Members of Audit Committee

Members of Audit Committee of the Company as of 30 June 2024:

Name, Surname	Position	Status
Peter Bryde	Member	Independent
Andrej Cyba	Chair	Independent
Kristina Daudoravičienė	Member	Independent

In the first half of 2024, 4 meetings of the Audit Committee were held. All 3 members of Audit Committee were attendant at all Audit Committee meetings.



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Management

Elina Chodzkaitė-Barauskienė CEO

Education, qualification: University College London (UCL), Bachelor of Arts (BA) degree in Politics and Eastern European Studies, Diplomatic Academy of Vienna, Master's degree in Advanced International Studies,

Activity: CEO of AUGA group, AB (legal form: Public Limited Company, code: 126264360, registered address: Konstitucijos ave. 21C, Vilnius, Lithuania) (2023 – present).

Miscellaneous: Director of MB Digital Alchemy (legal form: Small partnership, code: 305532412, registered address: S. Stanevičiaus g. 42A, Vilnius, Lithuania) (2022 - present).

Kristupas Baranauskas, CFO

Education, qualification: Vilnius University, Master's degree in Accounting and Auditing.

Activity: CFO of AUGA group, AB (legal form: Public Limited Company, code: 126264360, registered address Konstitucijos ave. 21C, Vilnius) (2024 – present).

3.4. Management bodies remuneration and benefits

The Company's management bodies include the Members of the Board and the Chief Executive Officer (6 persons).

The members of the Board receive remuneration for the performance of board member functions, i.e.:

- (a) EUR 2,280 (before taxes) for the members of the Board and EUR 3,000 (before taxes) for the chairman of the Board monthly remuneration, which is paid regardless of the number of Board meetings held during the year;
- (b) For Board members living abroad – compensation for travel and accommodation costs for/during attendance of the Board meeting – not exceeding EUR 500 + VAT (Lithuanian tariff) in respect to one Board meeting in which they participated; if the Board member participates in a meeting via communication/IT measures (not physically traveling to Lithuania), travel costs compensation shall not be paid for such participation.

The remuneration of the CEO of the Company includes an official monthly wage and additional benefits granted irrespective of performance results and paid to all employees meeting the established criteria in accordance with the procedure in force in the Group (e.g., health insurance). In addition to the official monthly wage or remuneration received in a different form, the CEO can be included in the Employee share option plan.

Remuneration paid to the Board and CEO of the company is in compliance with the adopted Company's remuneration policy which is approved by shareholders at the annual general shareholders' meeting and is publicly available on the Company's website (<https://auga.lt/en/investors/management/remuneration-policies/#tabs>).

The Company and its collegial bodies' members have not concluded any agreements regarding compensation in the event of resignation, unjustifiable redundancy, or change in ownership structure.

Table below summarises gross salaries and other payments calculated for the members of the management bodies:

Remuneration paid to members of the Board and CEO of the Company as of 30 June 2024, EUR	Salaries	Bonuses	Total
Average for 1 member of the management bodies	20,907	-	20,907
Total amount for all members of the Board and CEO (6 persons 1/1/2024– 30/6/2024)	125,439	-	125,439

3.5. Personnel

On 30 June 2024, the Group had 1,191 employees (31 December 2023: 1,191 employees).

3.6. Employee share option plan

The establishment of the AUGA group, AB Employee Option Plan was approved by shareholders at the annual general shareholders' meeting which took place on 30 April 2019. The Employee Option Plan is designed to provide long-term benefits for employees, increase their performance and increase their motivation to remain in the entity's employment.

Under the plan, participants are granted options to receive Company's shares which only vest if service conditions are met. The service condition for the Option receiver is to complete a 3-year term of service to the Group. After the condition is met, an employee is eligible to exercise this option. There are no other vesting or performance conditions for the receiver. If the receiver does not fulfil the service condition, the option does not come into force according to the Company decision and they are not eligible to exercise the option, unless otherwise determined by the decision of the board (regarding the employees subordinated to the board) or the decision of the chief executive of the Company (regarding the employees subordinated to the management).



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The option loses force if any restructuring, bankruptcy, liquidation or similar proceedings of the Company are commenced, and such proceedings continue and / or end with liquidation of the Company. Moreover, it also loses force if both parties (the Company and the receiver) agree to terminate the option agreement and if the receiver has caused damage to the Company through their actions or omissions.

These share-based payments for employees are equity-settled only. When exercisable, each option is convertible into one ordinary fully-fledged share. The shares will be issued from the Reserve to provide shares for employees (formed and approved by the shareholders) at the nominal value of 0.29 and will increase the Company's share capital.

Options are granted under the plan for no consideration. There are no social security contributions or income tax which would be payable by the Company at the time of the exercise (or any other time during the vesting period) and accrued within the Company's liabilities.

Additional information about share option plan:

	2024	2023	2022	2021	2020
Number of participating employees	228	255	238	235	221*
Number of allocated shares	2,148,480	2,199,523	1,651,185	2,381,701	2,226,830*

* From the 221 option contracts concluded in 2020, 186 contracts were realized (implemented) and employees were granted 2,021,030 shares, while 205,800 shares were returned to the Company's reserve for granting of shares.

3.7. Information on transactions with related parties

No material transactions with related parties occurred in first half the year 2024.

3.8. Information on compliance with the Code of Corporate Governance

In six months of 2024, there were no essential changes related to the Company report for year 2023 concerning the compliance with the Governance Code for the companies listed on the regulated market.



III. FINANCIAL STATEMENTS

Consolidated balance sheet

ASSETS	Notes	30 June 2024 unaudited	31 December 2023 audited
Non-current assets			
Property, plant and equipment	4	90,357	90,816
Right-of-use assets	5	43,557	48,664
Intangible assets		5,872	5,213
Trade and other receivables	8	537	536
Investments accounted for under the equity method		57	57
Other assets	8	1,718	1,718
Deferred income tax assets		2,292	2,292
Biological assets	6	10,665	10,686
Total non-current assets		155,055	159,982
Current assets			
Biological assets	6	43,221	23,073
Inventories	7	14,059	28,663
Trade and other receivables	8	10,586	10,118
Other assets	8	4,199	3,390
Cash and cash equivalents		1,101	3,455
Total current assets		73,166	68,699
TOTAL ASSETS		228,221	228,681
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	2	67,203	67,203
Share premium	2	6,707	6,707
Legal reserve	2	2,041	2,041
Revaluation reserve	2	15,613	15,613
Reserve for share-based payments to employees	2	3,293	2,893
Retained earnings		(39,998)	(33,060)
Equity attributable to shareholders of the Company		54,859	61,397
Non-controlling interest		376	394
Total equity		55,235	61,791
Non-current liabilities			
Borrowings	9	33,880	14,640
Lease liabilities	10	41,354	40,532
Grants		4,330	4,691
Deferred income tax liabilities		1,805	1,805
Total non-current liabilities		81,369	61,668
Current liabilities			
Borrowings	9	45,649	64,007
Lease liabilities	10	3,865	7,855
Trade payables		33,286	27,721
Other amounts payable		8,817	5,639
Total current liabilities		91,617	105,222
Total liabilities		172,986	166,890
TOTAL EQUITY AND LIABILITIES		228,221	228,681



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Consolidated statement of profit or loss and other comprehensive income

	Notes	6-month period ending 30 June	
		2024 unaudited	2023 unaudited
Continuing operations			
Revenue	11	34,666	37,277
Cost of sales	11	(30,249)	(33,622)
Change in fair value of biological assets	6, 11	(965)	(1,856)
GROSS PROFIT		3,452	1,799
Selling expenses	12	(571)	(1,021)
Administrative expenses	12	(4,962)	(5,537)
Net impairment loss of financial assets		(8)	(3)
Other income	13	73	93
Other gain / (loss), net	14	503	44
OPERATING PROFIT		(1,513)	(4,625)
Finance costs	15	(5,352)	(4,511)
PROFIT / (LOSS) BEFORE INCOME TAX		(6,865)	(9,136)
Income tax		-	-
NET PROFIT / (LOSS) FROM CONTINUING OPERATIONS		(6,865)	(9,136)
Profit from discontinued operation (attributable to equity holders of the company)		-	376
NET LOSS FOR THE PERIOD		(6,865)	(8,760)
ATTRIBUTABLE TO:			
Shareholders of the Company		(6,847)	(8,739)
Non-controlling interest		(18)	(21)
STATEMENT OF OTHER COMPREHENSIVE INCOME			
NET PROFIT / (LOSS) FOR THE PERIOD		(6,865)	(8,760)
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of land, before tax		-	-
Deferred income tax liability on revaluation of land		-	-
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		(6,865)	(8,760)
ATTRIBUTABLE TO:			
Shareholders of the Company		(6,847)	(8,739)
Non-controlling interest		(18)	(21)
		(6,865)	(8,760)



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Consolidated statement of changes in equity

	Share capital	Share premium	Revaluation reserve	Reserve for share-based payments to employees	Legal reserve	Retained earnings/ (deficit)	Equity attributable to the shareholders of the Company	Non-controlling interest	Total
Balance as of 31 December 2022 (audited)	66,617	6,707	13,565	2,829	2,041	(14,654)	77,105	428	77,533
Comprehensive income									
Net profit/(loss) for the year	-	-	-	-	-	(18,413)	(18,413)	(34)	(18,447)
Other comprehensive income									
Revaluation of land after income tax effect	-	-	2,048	-	-	-	2,048	-	2,048
Total comprehensive income	-	-	2,048	-	-	(18,413)	(16,365)	(34)	(16,399)
Share-based payment	-	-	-	-	-	657	657	-	657
Transfer to reserve for share-based payments to employees	-	-	-	650	-	(650)	-	-	-
Issue of new shares	586	-	-	(586)	-	-	-	-	-
Balance as of 31 December 2023 (audited)	67,203	6,707	15,613	2,893	2,041	(33,060)	61,397	394	61,791
Comprehensive income									
Net profit/(loss) for the period	-	-	-	-	-	(6,847)	(6,847)	(18)	(6,865)
Other comprehensive income									
Revaluation of land after income tax effect	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(6,847)	(6,847)	(18)	(6,865)
Share-based payment	-	-	-	-	-	309	309	-	309
Transfer to reserve for share-based payments to employees	-	-	-	400	-	(400)	-	-	-
Issue of new shares	-	-	-	-	-	-	-	-	-
Balance as of 31 June 2024 (unaudited)	67,203	6,707	15,613	3,293	2,041	(39,998)	54,859	376	55,235

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Consolidated statement of cash flows

	Notes	6-month period ending 30 June	
		2024 unaudited	2023 unaudited
Cash flows from operating activities			
Net profit / (loss) before income tax		(6,865)	(8,760)
Adjustments for non-cash expenses / (income) items and other adjustments			
Depreciation expenses (PP&E)	4	3,466	3,301
Depreciation expenses (ROU* assets)	5	4,204	3,954
Amortization expenses		41	13
Share-based payment expenses recognised in profit or loss	12	309	295
Write-offs of PP&E		4	41
Reversal of impairment of PP&E		-	-
(Gain) loss on disposal of PP&E	14	(409)	(3)
Loss allowance for amounts receivable and write-off of debts	8	16	6
Write-down allowance for inventories and biological assets		824	428
Interest income	13	(14)	(21)
Finance cost	15	3,949	3,276
Interest costs on ROU assets	15	1,403	1,319
(Gain)/loss on change in fair value of biological assets	11	965	1,856
Amortisation of assets-related grants		(284)	(279)
Inventory write-down allowance	7	(213)	-
Changes in working capital			
(Increase) decrease in biological assets		(20,930)	(20,133)
(Increase) decrease in trade receivables and prepayments		178	(5,222)
(Increase) decrease in inventory		13,993	19,027
(Decrease) increase in trade and other payables		8,526	2,514
		9,163	1,612
Interest paid		(4,731)	(3,966)
Net cash flows from / (to) operating activities		4,432	(2,354)
Cash flows from investing activities			
Acquisition of PP&E		(2,004)	(3,942)
Acquisition of intangible assets		(544)	(391)
Disposal of PP&E		524	15
Assets-related grants received from the NPA		-	354
Repayments of loans granted		-	-
Loans granted		-	-
Net cash flows from / (to) investing activities		(2,024)	(3,964)
Cash flows from financing activities			
Bonds		3,770	5,899
Repayment of borrowings		(6,709)	(3,632)
Proceeds from borrowings		2,166	4,080
Payments received under supplier financing arrangement		2,232	8,401
Payments made to financial institutions under supplier financing arrangement		(2,517)	(8,471)
Lease payments		(3,704)	(2,178)
Net cash flows from / (to) financing activities		(4,762)	4,099
Net (decrease) / increase in cash and cash equivalents		(2,354)	(2,219)
Cash and cash equivalents at the beginning of the period		3,455	3,337
Cash and cash equivalents at the end of the period		1,101	1,118

* ROU assets – Right-of-use assets

IV. EXPLANATORY NOTES

1. Basis of the preparation

The accompanying interim financial information for the 6-month period ending 30 June 2024, has been prepared in accordance with IAS 34, 'Interim financial reporting'. This financial information should be read in conjunction with the annual financial statements for the year ending 31 December 2023 which have been prepared in accordance with IFRS as adopted by the EU.

The presentation currency is euro (EUR). The financial statements are presented in thousands of euro, unless indicated otherwise. Financial statements for the 6-month period ending 30 June 2024 are not audited. Financial statements for the year ending 31 December 2023 are audited by the external auditor UAB PriceWaterhouseCoopers.

Critical accounting estimates and assumptions

The preparation of financial information in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial information, are disclosed below. Critical accounting estimates remain the same as disclosed in the audited annual financial statements for period ending 31 December 2023.

IFRS 16, Leases

Based on IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities as of 31 December 2023 was 6%. The incremental borrowing remained unchanged in 2024.

In applying IFRS 16, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as short-term leases (which were recognized as expense on a straight-line basis);
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Revaluation of biological assets (crops)

The Group estimates the total fair value of crops using following formula and assumptions:

Fair value of the crop = Costs incurred + (Cultivated area in ha * forecasted average yield as tonnes per ha * forecasted price per tonne – cultivated area in ha * forecasted total cost per ha) * T, where:

- Cost incurred is cost actually incurred for particular crop during the season till the reporting date.
- Cultivated area in ha is an area of particular crop seeded and expected to be harvested.
- Forecasted average yield tonnes per ha.
- Forecasted price per tonne. Contracted average sales prices are used for fair value estimation adjusted according to the development in the market.
- Forecasted total cost per ha. Average historical cost levels after evaluating the current situation.
- T is a time portion, spanning from the sowing date to the forecasted harvest date.

Revaluation of biological assets (livestock)

Fair value of milking cows is valued by using the discounted cash flow method. The model uses projected revenues from milk sales over the remaining useful life of each animal using a forecasted milk price. Milk price forecast is the average milk price assumption of the following 4 years was. Current cow herd has an estimated working life of 1 to 4 years. At the end of the working period the cow is estimated to be sold for meat. The forecasted revenues are reduced with costs directly related to herd growing (feeds, medicines, employee salaries and other). The free cash-flow is discounted with post tax WACC.

For valuation of other livestock the Group calculates the fair value by taking the average price of meat per kilo. For young bulls and heifers, the value of livestock is determined by using the market values of meat (different for different groups of animals) and multiplying the price of 1 kg by the total weight of specific group of animals.

Share-based payments

Total cumulative expenses of share-based payments are calculated based on the formula described below. The expenses are accrued in the profit (loss) statement and equity based on the days lapsed since the grant date till the reporting date. Each year the entity will revise the expense to reflect the best available estimate of the number of equity instruments expected to vest.

The total expenses of share-based payments are calculated based on the formula:

$$\text{Share price @ grant date} \times \text{Granted shares} \times (1 - \text{annual staff turnover})^{(\text{vesting period})}$$



(All amounts are in EUR thousand, unless stated otherwise)

Where:

The share price of options is based on the closing price at grant date at which the company's shares are traded on the Nasdaq Stock Exchange.

The grant date of the Option is set to be the date of the share-based payment agreement between the Company and the receiver as all the terms and conditions are set in this agreement and there are no other arrangements which would need to be confirmed at a later date.

Granted shares – shares to be granted to employee based on the Option agreement.

Staff turnover – chance that the option will be exercised is adjusted by the forecasted staff turnover percent during the vesting period. The ratio is calculated based on historical staff turnover data of 2 years. The historical staff turnover data includes turnover only of the positions which are set to receive the share-based payments. The turnover of other positions is excluded from the ratio.

There are option agreements which are signed with a special condition – that the receivers do not need to fulfil the service condition, but they will still need to wait 3 years vesting period before being able to exercise the option. Due to this staff turnover adjustment is excluded in the calculation of the expenses of these options as it does not affect their chances to receive the option.

Vesting period is set in the Option agreement and is equal to 3 years.

2. Share capital and reserves

Share capital and share premium of the Company

The share capital of AUGA group AB as of 30 June 2024 was EUR 67,203 thousand (31 December 2023: EUR 67,203 thousand). The share capital is divided into 231,735,132 ordinary shares (31 December 2023: 231,735,132 ordinary shares). Each issued share has a EUR 0.29 nominal value and fully paid. Each share had usual material and intangible rights as per Law on Companies of the Republic of Lithuania and the Company's statutes. Share premium at the end of 30 June 2024 amounted to EUR 6,707 thousand (31 December 2023: EUR 6,707 thousand).

Reserves of the Company

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfer of at least 5% of net profit, calculated in accordance with Lithuanian regulatory legislation on accounting, is compulsory until the reserve including share premium reaches 10% of the share capital. The legal reserve can be used to cover the accumulated losses. The legal reserve of the Company equalled to EUR 2,041 thousand as of 30 June 2024 (31 December 2023: EUR 2,041 thousand).

Revaluation reserve comprises revaluation of land portfolio owned by the Group. Land portfolio valuation is performed by independent valuator. The valuation for reporting period was performed in 2023. Revaluation reserve as of 30 June 2024 amounted to EUR 15,613 thousand (31 December 2023: EUR 15,613 thousand).

In 2018 the Company formed a reserve to grant shares for employees. Transfers to this reserve is performed annually when the board approves issue of additional shares options. Reserve to grant shares for employees as of 30 June 2024 amounted to EUR 3,293 thousand (31 December 2023: EUR 2,893 thousand).

Employee Option Plan was approved by shareholders at the annual general shareholders' meeting on 30 April 2019. The service condition for the Option receiver is to complete a 3-year term of service to the Group. After the condition is met employee is eligible to exercise the option.

Reserve to grant shares for employees	Number of shares, units	Value, EUR thousand
Total reserve as of 31 December 2022	9,753,874	2,829
Shares allocated to employees based on option agreements	6,220,409	1,804
Unallocated shares	3,753,815	1,089
Total reserve as of 31 December 2023	9,974,224	2,893
Shares allocated to employees based on option agreements	8,368,889	2,427
Unallocated shares	2,984,645	866
Total reserve as of 30 June 2024	11,353,534	3,293



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3. The structure of the Group

As of 30 June 2024, the Group consisted of the Company and 162 subsidiaries (31 December 2023: 163). In 2023, as a result of implementation of changes in organisational structure, the Company established 25 new entities.

The list of individually material subsidiaries included in the Group's consolidated financial statements in 2024 and 2023 is provided in the table below.

No.	Name of subsidiary	Legal form	Legal entity code	Address, registration date and place	Profile of activities	Group's ownership interest, %	
						30/6/2024	31/12/2023
1.	UAB Baltic Champs	*2	302942064	Šiaulių r., Poviliškių k., 15, Registration place: Šiaulių r. sav., Registration date: 21/12/2012	**D	100,00%	100,00%
2.	UAB AGROSS	*2	301807601	Vilniaus m. sav., Vilnius, Konstitucijos pr. 21C, Registration place: Vilniaus m. sav., Registration date: 24/07/2008-07-24	**A	100,00%	100,00%
3.	UAB Grain LT	*2	302489354	Vilniaus m. sav., Vilnius, Konstitucijos pr. 21C, Registration place: Vilniaus m. sav., Registration date: 17/03/2010	**H	100,00%	100,00%
4.	UAB Agrotechnikos centras	*2	302589187	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C, Registration place: Jonavos r. sav., Registration date: 03/02/2011	**F	100,00%	100,00%
5.	UAB AUGA trade	*2	302753875	Jonavos r. sav. Bukonių k. Lankešos g. 2, Registration place: Jonavos r. sav., Registration date: 29/02/2012	**H	100,00%	100,00%
6.	UAB Žemės vystymo fondas 6	*2	300589719	Vilniaus m. sav. Vilniaus m. Smolensko g. 10, Registration place: Vilniaus m. sav., Registration date: 10/08/2006	**E	100,00%	100,00%
7.	UAB Žemės vystymo fondas 20	*2	300887726	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C, Registration place: Jonavos r. sav., Registration date: 22/06/2007	**B	100,00%	100,00%
8.	UAB AUGA Grūduva	*2	174401546	Šakių r. sav. Gotybiškių k., Registration place: Šakių r. sav., Registration date: 24/02/1997	**A	98,98%	98,98%
9.	ŽŪB AUGA Spindulys	*1	171330414	Radviliškio r. sav. Vaitiekūnų k. Spindulio g. 13, Registration place: Radviliškio r. sav., Registration date: 09/04/1993	**A	99,99%	99,99%
10.	ŽŪB AUGA Smilgiai	*1	168548972	Panevėžio r. sav. Smilgių mstl. Panevėžio g. 23-1, Registration place: Panevėžio r. sav, Registration date: 16/09/1992	**A	99,98%	99,98%
11.	ŽŪB AUGA Skėmiai	*1	171306071	Kėdainių g. 13, Skėmių k., Radviliškio r., Registration place: Radviliškio r. sav., Registration date: 01/10/1992	**A	100,00%	100,00%
12.	ŽŪB AUGA Nausodė	*1	154179675	Anykščių r. sav. Nausodės k. Nausodės g. 55, Registration place: Anykščių r. sav., Registration date: 11/08/1992	**A	99,94%	99,94%
13.	ŽŪB AUGA Dumšiškės	*1	172276179	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 29/09/1992	**A	99,38%	99,38%
14.	ŽŪB AUGA Žadžiūnai	*1	175706853	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2, Registration place: Šiaulių r. sav., Registration date: 30/06/1992	**A	99,81%	99,81%
15.	ŽŪB AUGA Mantviliškis	*1	161274230	Kėdainių r. sav. Mantviliškio k. Liepos 6-osios g. 60, Registration place: Kėdainių r. sav., Registration date: 06/11/1992	**A	99,94%	99,94%
16.	ŽŪB AUGA Eimučiai	*1	175705032	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2, Registration place: Šiaulių r. sav., Registration date: 29/06/1992	**A	99,24%	99,24%
17.	ŽŪB AUGA Vėriškės	*1	171305165	Radviliškio r., Skėmiai, Kėdainių g. 13, Registration place: Radviliškio r. sav., Registration date: 29/09/1992	**A	99,93%	99,93%
18.	ŽŪB AUGA Želsvelė	*1	165666499	Marjampolės sav., Želsvos k., Želsvelės g. 1, Registration place: Marjampolės sav., Registration date: 03/07/1992	**A	99,86%	99,86%
19.	ŽŪB AUGA Lankesa	*1	156913032	Jonavos r. sav. Bukonių k., Registration place: Jonavos r. sav., Registration date: 06/04/1999	**A	99,59%	99,59%
20.	ŽŪB AUGA Kairėnai	*1	171327432	Radviliškio r. sav. Kairėnų k., Registration place: Radviliškio r. sav., Registration date: 02/03/1993	**A	98,47%	98,47%
21.	ŽŪB AUGA Jurbarkai	*1	158174818	Jurbarko r. sav. Klišių k. Vytauto Didžiojo g. 99, Registration place: Jurbarko r. sav., Registration date: 31/07/1992	**A	98,47%	98,47%
22.	ŽŪB AUGA Gustoniai	*1	168565021	Panevėžio r. sav. Gustonių k. M. Kriaučiūno g. 15, Registration place: Panevėžio r. sav, Registration date: 09/12/1992	**A	100,00%	100,00%
23.	ŽŪK AgroBokštai	*3	302485217	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C, Registration place: Vilniaus m. sav., Registration date: 02/03/2010	**A	99,64%	99,64%
24.	KB Dotnuvėlės valdos	*3	302618614	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2, Registration place: Šiaulių r. sav., Registration date: 21/04/2011	**A	99,92%	99,92%
25.	KB Šventosios pievos	*3	302618201	Raseinių r. sav. Kalnųjų mstl. Žieveliškės g. 1, Registration place: Raseinių r. sav., Registration date: 20/04/2011	**A	99,26%	99,26%
26.	KB Šušvės žemė	*3	302618767	Kelmės r. sav. Pašiaušės k. Vilties g. 2, Registration place: Kelmės r. sav., Registration date: 21/04/2011	**A	99,64%	99,64%
27.	KB Žalmargėlis	*3	303145954	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C, Registration place: Vilniaus m. sav., Registration date: 23/09/2013	**A	99,53%	99,53%
28.	KB Juodmargėlis	*3	303159014	Raseinių r. sav. Kalnųjų mstl. Žieveliškės g. 1, Registration place: Raseinių r. sav., Registration date: 03/10/2013	**A	99,81%	99,81%
29.	KB AgroMilk	*3	302332698	Raseinių r. sav. Kalnųjų mstl. Žieveliškės g. 1, Registration place: Raseinių r. sav., Registration date: 23/04/2009	**A	99,34%	99,34%
30.	UAB AUGA Community	*2	302820808	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C, Registration place: Jonavos r. sav., Registration date: 16/07/2012	**G	100,00%	100,00%
31.	UAB AUGA Tech	*2	302820797	Kauno m. sav. Kauno m. Taikos pr. 131B, Registration place: Jonavos r. sav., Registration date: 16/07/2012	**J	100,00%	100,00%
32.	UAB AUGA Ramučiai	*2	302854479	Akmenės r. sav. Ramučių k. Klevų g. 11, Registration place: Akmenės r. sav., Registration date: 08/09/2012	**A	100,00%	100,00%

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No.	Name of subsidiary	Legal form	Legal entity code	Address, registration date and place	Profile of activities	Group's ownership interest, %	
						30/6/2024	31/12/2023
33.	UAB AUGA Luganta	*2	300045023	Kelmės r. sav. Pašiaušės k., Registration place: Kelmės r. sav., Registration date: 05/09/2012	**A	100,00%	100,00%
34.	ŽŪB Dumšiškių ekologinis ūkis	*1	303324722	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 09/06/2014	**A	100,00%	100,00%
35.	ŽŪB Eimučių ekologinis ūkis	*1	303324715	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2, Registration place: Šiaulių r. sav., Registration date: 09/06/2014	**A	100,00%	100,00%
36.	ŽŪB Grūduvos ekologinis ūkis	*1	303324804	Šakių r. sav. Gotlybiškių k. Mokyklos g. 2, Registration place: Šakių r. sav., Registration date: 09/06/2014	**A	100,00%	100,00%
37.	ŽŪB Lankesos ekologinis ūkis	*1	303325710	Jonavos r. sav. Bukonių k. Lankesos g. 2, Registration place: Jonavos r. sav., Registration date: 09/06/2014	**A	100,00%	100,00%
38.	ŽŪB Žadžiūnų ekologinis ūkis	*1	303325870	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2, Registration place: Šiaulių r. sav., Registration date: 09/06/2014	**A	100,00%	100,00%
39.	ŽŪB Želsvelės ekologinis ūkis	*1	303325856	Marijampolės sav. Želsvos k. Želsvelės g. 1, Registration place: Marijampolės sav., Registration date: 09/06/2014	**A	100,00%	100,00%
40.	KB Žemėpačio pieno ūkis	*3	303432388	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 22/10/2014	**A	99,46%	99,46%
41.	KB Žemynos pienelis	*3	303427989	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 17/10/2014	**A	99,46%	99,46%
42.	KB Laumės pieno ūkis	*3	303427996	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 17/10/2014	**A	99,46%	99,46%
43.	KB Medeinios pienas	*3	303428112	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 17/10/2014	**A	99,46%	99,46%
44.	KB Gardaitis	*3	303429381	Panevėžio r. sav. Gustonių k. M. Kriaučiūno g. 15, Registration place: Radviliškio r. sav., Registration date: 20/10/2014	**A	99,46%	99,46%
45.	KB Dimstipatis	*3	303429424	Mažeikių r. sav. Naikių k. Mažeikių aplinkl. 9, Registration place: Mažeikių r. sav., Registration date: 20/10/2014	**A	99,46%	99,46%
46.	KB Aušlavis	*3	303429456	Anykščių r. sav. Nausodės k. Nausodės g. 55, Registration place: Radviliškio r. sav., Registration date: 20/10/2014	**A	99,46%	99,46%
47.	KB Austėjos pieno ūkis	*3	303428094	Mažeikių r. sav. Naikių k. Mažeikių aplinkl. 9, Registration place: Mažeikių r. sav., Registration date: 17/10/2014	**A	99,46%	99,46%
48.	KB Giraičio pieno ūkis	*3	303429399	Mažeikių r. sav. Naikių k. Mažeikių aplinkl. 9, Registration place: Mažeikių r. sav., Registration date: 20/10/2014	**A	99,46%	99,46%
49.	UAB AUGA Mažeikiai	*2	300610348	Mažeikių r. sav. Naikių k. Mažeikių aplinkl. 9, Registration place: Mažeikių r. sav., Registration date: 20/10/2014	**A	100,00%	100,00%
50.	UAB Agronuoma	*2	303204954	Raseinių r. sav. Gėluvos k. Dvaro g. 30, Registration place: Raseinių r. sav., Registration date: 20/10/2014	**E	100,00%	100,00%
51.	UAB AUGA Raseiniai	*2	304704364	Raseinių r. sav. Kalnųj mstl. Žieveliškės g. 1, Registration place: Raseinių r. sav., Registration date: 06/11/2017	**A	100,00%	100,00%
52.	UAB Tėvynės žemelė	*2	303301428	Antano Tumėno g. 4, Vilniaus sav., Vilnius, Registration date: 30/04/2014	**E	98,98%	98,98%
53.	UAB Tėviškės žemelė	*2	303207199	Antano Tumėno g. 4, Vilniaus sav., Vilnius, Registration date: 17/12/2013	**E	98,98%	98,98%
54.	UAB AUGA SOFA	*2	306199583	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C, Registration date: 19/12/2022	**C	100,00%	100,00%
55.	UAB Gotlybiškių pienas	*2	306238837	Šakių region, Šakių sen., Gotlybiškių v., Lankų st. 10, Registration date: 31/01/2023	**A	100,00%	100,00%
56.	UAB Pamargės pienas	*2	306237977	Panevėžio region, Smilgių sen., Smilgių vs. 7, Registration date: 31/01/2023	**A	100,00%	100,00%
57.	UAB Buktos pienas	*2	306238627	Marijampolės region, Liudvinavo sen., Būriškių v., Želsvelės st. 12, Registration date: 31/01/2023	**A	100,00%	100,00%
58.	UAB Biržulių pienas	*2	306238495	Jonavos region., Bukonių sen., Bukonių v., Lankesos st. 16, Registration date: 31/01/2023	**A	100,00%	100,00%
59.	UAB Brastos pienas	*2	306238698	Anykščių region, Troškūnų sen., Kirmėlių v., Nausodės st. 2, Registration date: 31/01/2023	**A	100,00%	100,00%
60.	UAB Vaitiekūnų pienas	*2	306238602	Radviliškio region, Grinkiškio sen., Kairėnėlių v., Grinkiškio st. 53, Registration date: 31/01/2023	**A	100,00%	100,00%
61.	UAB Panemunės pienas	*2	306242807	Jurbarko region, Jurbarkų sen., Klišių v., Vytauto Didžiojo st. 101, Registration date: 31/01/2023	**A	100,00%	100,00%
62.	UAB Pagulbio pienas	*2	306238367	Molėtų region, Alantos sen., Rasokalnio v. 1, Registration date: 31/01/2023	**A	100,00%	100,00%
63.	UAB Margavonių pienas	*2	306238050	Radviliškio region, Šeduvos city sen., Žilionių v. 12, Registration date: 31/01/2023	**A	100,00%	100,00%
64.	UAB Gudelių pienas	*2	306237984	Šiaulių region., Kairių sen., Žadžiūnų v., Gudelių st. 44C, Registration date: 31/01/2023	**A	100,00%	100,00%
65.	UAB Pakruojų lygumos	*2	306238844	Šiaulių region., Kairių sen., Žadžiūnų v., Gudelių st. 30-3, Registration date: 31/01/2023	**E	100,00%	100,00%
66.	UAB Agnasas	*2	306238812	Raseinių region, Kalnųjai, Žieveliškės st. 1, Registration date: 31/01/2023	**E	100,00%	100,00%
67.	UAB Daugava	*2	306238449	Panevėžio region., Smilgiai, Panevėžio st. 36, Registration date: 31/01/2023	**E	100,00%	100,00%
68.	UAB Gausus derlius	*2	306238709	Radviliškio region, Skėmių sen., Skėmių v., Kėdainių st. 13, Registration date: 31/01/2023	**E	100,00%	100,00%

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No.	Name of subsidiary	Legal form	Legal entity code	Address, registration date and place	Profile of activities	Group's ownership interest, %	
						30/6/2024	31/12/2023
69.	KB Šakių ūkiai	*3	306324670	Šakių region., Šakių sen., Gotlybiškių v., Mokyklos st. 2, Registration date: 23/05/2023	**A	100,00%	100,00%
70.	KB Raguvos ūkiai	*3	306323903	Anykščių region., Troškūnų sen., Nausodės v., Nausodės st. 55, Registration date: 23/05/2023	**A	100,00%	100,00%
71.	KB Naudvario ūkiai	*3	306323821	Panevėžio region., Smilgiai, Panevėžio st. 23-1, Registration date: 23/05/2023	**A	100,00%	100,00%
72.	KB Šiaurės ūkiai	*3	306324243	Šiaulių region., Kairių sen., Žadžiūnų v., Gudelių st. 30-2, Registration date: 23/05/2023	**A	100,00%	100,00%
73.	KB Želsvos ūkiai	*3	306324371	Marijampolės mun., Liudvinavo sen., Želsvos v., Želvelės st. 1, Registration date: 24/05/2023	**A	100,00%	100,00%
74.	KB Bukonių ūkiai	*3	306325142	Jonavos region., Bukonių sen., Bukonių v., Lankesos st. 2, Registration date: 24/05/2023	**A	100,00%	100,00%
75.	KB Gėluvos ūkiai	*3	306324745	Raseinių region., Ariogalos sen., Gėluvos v., Dvaro st. 30, Registration date: 24/05/2023	**A	100,00%	100,00%
76.	KB Raseinių ūkiai	*3	306325459	Raseinių region., Kalnujai, Žieveliškės st. 1, Registration date: 25/05/2023	**A	100,00%	100,00%
77.	KB Jurbarko ūkiai	*3	306325039	Jurbarko region., Jurbarkų sen., Klišių v., Vytauto Didžiojo st. 99, Registration date: 25/05/2023	**A	100,00%	100,00%
78.	KB Vaitiekūnų ūkiai	*3	306325676	Radvilišio region., Skėmių sen., Skėmių v., Kėdainių st. 13, Registration date: 25/05/2023	**A	100,00%	100,00%
79.	KB Mažeikių ūkiai	*3	306325434	Mažeikių region., Mažeikių apylinkės sen., Naikių v., Mažeikių aplinkl. 9, Registration date: 25/05/2023	**A	100,00%	100,00%

COMMENTS:

*	**	
*1 Agricultural entity	**A Agricultural operations	**G Management of subsidiaries
*2 Private limited liability company	**B Group's cash pool	**H Trade and logistics
*3 Cooperative entity	**C Farming operations	**I Food production
	**D Mushroom growing and trade	**J Technology development
	**E Land management	
	**F Lease of machinery	



4. Property, plant and equipment

GROUP	Land	Buildings and structures	Plant and machinery	Motor vehicles	Other PP&E	Construction in progress	Total
At 31 December 2022							
Cost or revalued amount	32,178	66,668	51,099	4,158	5,006	5,546	164,655
Accumulated depreciation	-	(28,961)	(35,866)	(3,070)	(3,047)	-	(70,944)
Net book amount	32,178	37,707	15,233	1,088	1,959	5,546	93,711
Net book amount at 1 January 2023							
	32,178	37,707	15,233	1,088	1,959	5,546	93,711
- additions	23	626	2,319	231	372	2,298	5,869
- write-offs and disposals	(8)	-	(52)	(7)	(9)	-	(76)
- disposal of subsidiary	-	(2,019)	(1,699)	(44)	(120)	-	(3,882)
- revaluation	2,409	-	-	-	-	-	2,409
- depreciation	-	(2,384)	(3,530)	(330)	(530)	-	(6,774)
- reclassification	300	621	3,993	-	300	(5,655)	(441)
Net book amount at 31 December 2023	34,902	34,551	16,264	938	1,972	2,189	90,816
At 31 December 2023							
Cost or revalued amount	34,902	66,608	54,396	4,226	4,645	2,189	166,966
Accumulated depreciation	-	(32,057)	(38,132)	(3,288)	(2,673)	-	(76,150)
Net book amount	34,902	34,551	16,264	938	1,972	2,189	90,816
Net book amount at 1 January 2024							
	34,902	34,551	16,264	938	1,972	2,189	90,816
- additions	60	105	140	64	208	1,031	1,608
- write-offs and disposals	(6)	(29)	(41)	(43)	-	-	(119)
- revaluation	-	-	-	-	-	-	-
- depreciation	-	(1,163)	(1,958)	(177)	(330)	-	(3,628)
- reclassification	-	(347)	2,021	157	1,198	(1,349)	1,680
Net book amount at 30 June 2024	34,956	33,117	16,426	939	3,048	1,871	90,357
At 30 June 2024							
Cost or revalued amount	34,956	66,247	56,872	4,507	6,051	1,871	170,504
Accumulated depreciation	-	(33,130)	(40,446)	(3,568)	(3,003)	-	(80,147)
Net book amount	34,956	33,117	16,426	939	3,048	1,871	90,357

5. Right-of-use assets

GROUP	Land	Buildings and structures	Plant and machinery	Motor vehicles	Other PP&E	Total
At 31 December 2022						
Cost or revalued amount	65,322	1,019	10,205	665	-	77,212
Accumulated depreciation	(24,243)	(521)	(3,866)	(259)	-	(28,890)
Net book amount	41,079	498	6,339	406	-	48,322
Net book amount at 1 January 2023						
- additions	184	-	327	94	71	676
- write-offs and disposals	-	-	-	-	-	-
- effect of modifications	9,151	124	-	-	-	9,275
- depreciation	(7,474)	(153)	(923)	(90)	(11)	(8,651)
- reclassifications	-	-	(958)	-	-	(958)
Net book amount at 31 December 2023	42,940	469	4,785	410	60	48,664
At 31 December 2023						
Cost or revalued amount	74,657	1,143	9,574	759	71	86,205
Accumulated depreciation	(31,717)	(674)	(4,789)	(349)	(11)	(37,541)
Net book amount	42,940	469	4,785	410	60	48,664
Net book amount at 1 January 2024						
- additions	-	-	783	149	-	932
- write-offs and disposals	-	-	-	-	-	-
- effect of modifications	-	-	-	-	-	-
- depreciation	(3,756)	(77)	(326)	(39)	(7)	(4,204)
- reclassifications	-	-	(1,773)	(62)	-	(1,835)
Net book amount at 30 June 2024	39,184	393	3,469	458	53	43,557
At 30 June 2024						
Cost or revalued amount	74,657	1,143	8,584	846	71	85,301
Accumulated depreciation	(35,473)	(751)	(5,115)	(388)	(18)	(41,745)
Net book amount	39,184	393	3,469	458	53	43,557

6. Biological assets

The movement of Group's biological assets consisted of the following:

	Non – current assets		Current assets		Total
	Dairy cows	Other livestock	Mushroom seedbed	Crops	
Balance as of 31 December 2022	6,799	3,716	2,419	17,464	30,398
Direct purchases	-	5	-	-	5
Accumulated expenses	-	4,441	29,003	43,764	77,208
Transfer between groups	2,934	(2,934)	-	-	-
Direct sales	(746)	(530)	-	-	(1,276)
Harvest	-	-	(29,057)	(34,568)	(63,625)
Revaluation	(1,794)	(820)	-	(5,952)	(8,566)
Write-offs	(296)	(89)	-	-	(385)
Balance as of 31 December 2023	6,897	3,789	2,365	20,708	33,759
Direct purchases	-	3	-	-	3
Accumulated expenses	-	2,481	14,547	19,586	36,614
Transfer between groups	1,475	(1,475)	-	-	-
Direct sales	(492)	(488)	-	-	(980)
Harvest	-	-	(14,547)	-	(14,547)
Revaluation	(1,036)	(309)	-	562	(783)
Write-offs	(146)	(34)	-	-	(180)
Balance as of 30 June 2024	6,698	3,967	2,365	40,856	53,886

7. Inventories

	As of 30 June 2024	As of 31 December 2023
Agricultural produce	1,581	14,156
Raw materials and consumables	9,351	10,567
Herbaceous forage	3,229	4,204
Finished products	329	304
Other	722	798
Total	15,212	30,029
Write-down allowance	(1,153)	(1,366)
Carrying amount	14,059	28,663

8. Trade and other receivables

As of the balance sheet date Group's trade and other receivables consisted of the following:

	As of 30 June 2024	As of 31 December 2023
Trade receivables	4,682	5,551
Subsidies and grants receivable from the National Paying Agency (NPA)	5,893	4,661
Receivables from natural persons	54	97
Loan granted	537	536
Other receivables	6	6
Total	11,172	10,851
Less: loss allowance for receivable on disposal of subsidiaries	-	-
Less: loss allowance for other receivables	(49)	(197)
Trade and other receivables, net	11,123	10,654
Non-current portion	537	536
Current portion	10,586	10,118

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As of the balance sheet date Group's other assets consisted of the following:

	<u>As of 30 June 2024</u>	<u>As of 31 December 2023</u>
Prepayments	2,966	2,783
Deferred expenses	1,670	1,406
VAT receivable	1,027	665
Other	254	254
Total	5,917	5,108
Non-current portion	1,718	1,718
Current portion	4,199	3,390

9. Borrowings

	<u>As of 30 June 2024</u>	<u>As of 31 December 2023</u>
Non-current		
Borrowings	23,857	14,387
Bonds	9,770	-
Other financial liabilities	253	253
Total	33,880	14,640
Current		
Borrowings	6,840	14,825
Credit lines	12,981	17,540
Bonds	25,828	31,642
Total	45,649	64,007
Total borrowings	79,529	78,647
Borrowings are repayable as follows:		
Within second year	16,148	6,367
Within third and fourth year	12,567	3,109
After fifth year and later	5,165	5,164
Total	33,880	14,640

As at 31 December 2023 the Group did not comply with the financial covenants set forth in the financing agreements with two financial institutions. Accordingly, as at 31 December 2023, part of non-current borrowings at the Group were reclassified as current borrowings. After the end of 2023, confirmations were obtained that no additional sanctions will be imposed in the event of non-compliance with the financial covenants.

10. Lease liabilities

The Group's leases consisted of the following:

	<u>As of 30 June 2024</u>	<u>As of 31 December 2023</u>
<i>Lease liabilities</i>		
Lease liabilities for land	42,299	45,580
Lease liabilities for other assets	2,920	2,807
Total lease liabilities	45,219	48,387
Less: current portion of lease liabilities		
Lease liabilities for land	3,282	6,563
Lease liabilities for other assets	583	1,292
Total current lease liabilities	3,865	7,855
Total non-current lease liabilities	41,354	40,532

11. Results of business segments

CROP GROWING SEGMENT

a) Harvest of agricultural produce	<i>6-month period ending 30 June 2024</i>	<i>6-month period ending 30 June 2023</i>
Total cultivated land, ha	37,758	38,190
Wheat	11,385	11,345
Legumes	6,870	8,077
Other cash crops	11,342	10,375
Forage Crops	7,624	7,157
Fallow	537	1,236
Average harvest yield, t/ha		
Wheat	-	-
Legumes	-	-
Other cash crops	-	-
Forage Crops	-	-
Total fair value of harvest, EUR'000	40,856	35,400
Wheat	15,891	10,538
Legumes	4,319	7,485
Other cash crops	16,304	12,842
Forage Crops	4,342	4,535
Total production cost of harvest, EUR'000	(39,007)	(33,838)
Wheat	(15,551)	(11,263)
Legumes	(4,583)	(6,250)
Other cash crops	(14,531)	(11,790)
Forage Crops	(4,342)	(4,535)
Total gain (loss) on revaluation of biological assets at fair value, EUR'000*	1,849	1,562
<i>Gain (loss) on revaluation of biological assets at fair value recognized in previous periods, EUR'000*</i>	<i>1,288</i>	<i>1,965</i>
Gain (loss) on revaluation of biological assets recognized in reporting period, EUR'000*	561	(403)
<i>*Estimated gain (loss) on recognition of cash crops at fair value as of 30 June 2024. For more information, please see management report's section 2.2.</i>		
b) Sales of agricultural produce	<i>6-month period ending 30 June 2024</i>	<i>6-month period ending 30 June 2023</i>
Total revenue of sold agricultural produce, EUR'000	9,419	13,742
Total cost of sold agricultural produce*, EUR'000	(11,081)	(15,614)
Total one-time income (inventory write-offs), EUR'000	(549)	(45)
Result of internal transactions, EUR'000	(1,103)	(1,464)
Result of sales of agricultural produce, EUR'000	(3,314)	(3,381)
<i>* The cost of sold agricultural produce represents the value of crops evaluated at fair values at point of harvest and related sales costs.</i>		
c) Agricultural subsidies	<i>6-month period ending 30 June 2024</i>	<i>6-month period ending 30 June 2023</i>
Direct subsidies, EUR'000	2,327	2,736
Organic farming subsidies, EUR'000	1,951	2,294
Total subsidies, EUR'000	4,278	5,030
Gross profit of crop growing segment, EUR'000 (a+b+c)	1,525	1,246
<i>Depreciation included in the harvest of agricultural produce, EUR'000</i>	<i>2,150</i>	<i>1,844</i>



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DAIRY SEGMENT	<i>6-month period ending 30 June 2024</i>	<i>6-month period ending 30 June 2023</i>
Total quantity sold, tonnes	14,649	13,459
Milk, tonnes	13,759	12,421
Dairy commodities, tonnes	318	632
Cattle, tonnes	572	406
Total revenues of dairy segment, EUR'000	8,333	7,767
Milk, EUR'000	6,330	5,421
Dairy commodities, EUR'000	1,023	1,755
Cattle, EUR'000	980	591
Total cost of dairy segment, EUR'000	(7,268)	(8,019)
Milk, EUR'000	(5,303)	(5,706)
Dairy commodities, EUR'000	(985)	(1,722)
Cattle, EUR'000	(980)	(591)
Revaluation of biological assets, EUR'000	(1,526)	(1,448)
Total subsidies, EUR'000	1,325	1,559
Gross profit of dairy segment, EUR'000	864	(141)
<i>Depreciation included in cost of dairy segment sales, EUR'000</i>	<i>284</i>	<i>302</i>

MUSHROOM SEGMENT	<i>6-month period ending 30 June 2024</i>	<i>6-month period ending 30 June 2023</i>
Total quantity sold, tonnes	5,541	5,830
Non-organic mushrooms, tonnes	5,279	5,369
Organic mushrooms, tonnes	262	461
Total revenues from mushroom sales, EUR'000	15,328	14,985
Non-organic mushrooms, EUR'000	14,316	13,288
Organic mushrooms, EUR'000	1,012	1,697
Total cost of mushrooms sold, EUR'000	(14,547)	(14,284)
Non-organic mushrooms, EUR'000	(13,861)	(13,155)
Organic mushrooms, EUR'000	(686)	(1,129)
Total revenues from sales of mushroom seedbed, EUR'000	162	295
Gross profit of mushroom growing segment, EUR'000	943	996
<i>Depreciation included in cost of mushroom sales, EUR'000</i>	<i>900</i>	<i>869</i>

FAST- MOVING CONSUMER GOODS	<i>6-month period ending 30 June 2024</i>	<i>6-month period ending 30 June 2023</i>
Total revenue from fast-moving consumer goods sales, EUR'000	1,422	488
Total cost of fast-moving consumer goods, EUR'000	(1,303)	(781)
Gross profit of fast-moving consumer goods segment, EUR'000	119	(293)
<i>Depreciation included in cost of sales of fast-moving consumer goods, EUR'000</i>	<i>23</i>	<i>20</i>



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12. Selling and administrative expenses

Selling expenses breakdown by type of expenses was as following:

	6-month period ending 30 June	
	2024	2023
Wages and salaries and social security contributions	269	350
Marketing, advertising, intermediation	149	652
Other selling expenses	153	19
Total	571	1,021

Administrative expenses breakdown by type of expenses was the following:

	6-month period ending 30 June	
	2024	2023
Wages and salaries and social security contributions	2,403	2,602
Depreciation of PP&E and ROU assets and amortisation of intangible assets	475	584
Insurance and taxes	393	439
Share-based payment expenses	309	295
Office supplies	265	293
Consultation and business plan preparation	185	314
Fuel	158	173
Transport expenses	151	155
Rent and utility services	147	126
Real estate registration and notary fees	75	74
Services of credit institutions	26	80
PP&E write-offs	-	-
Change in impairment of PP&E	-	-
Other	375	402
Total	4,962	5,537

Since April 2019 the Company has approved the Employee Option Plan and accounts for expenses related to share-based payments to employees under the Employee Option Plan. Expenses are recognised consistently over a 3-year vesting period.

13. Other income

	6-month period ending 30 June	
	2024	2023
Interest income	14	21
Rental income (expenses)	25	27
Other income (expenses)	34	45
Total	73	93

14. Other gain / (loss), net

	6-month period ending 30 June	
	2024	2023
Gain / (loss) on disposal of PP&E	409	3
Insurance benefits	94	41
Total	503	44



15. Finance cost

	6-month period ending 30 June	
	2024	2023
Interest on borrowings	1,655	1,589
Interest on bonds	1,313	848
Finance costs related to ROU assets (IFRS 16)	1,785	1,598
Foreign exchange loss	(14)	8
Other finance costs	613	468
Total	5,352	4,511

16. Subsequent events January – August 2024

The Company informs of all material events over the CNS (Company News System) of NASDAQ Vilnius.

Announcement date	Announcement header
2024.08.28	AUGA group, AB will organise an Investor Conference Webinar to introduce unaudited financial results for the 6 months of 2024
2024.08.20	Decisions of the Extraordinary General Meeting of Shareholders of AUGA group, AB which took place on 20th August 2024
2024.07.26	Notice on Convocation of the extraordinary General Meeting of Shareholders of AUGA group, AB on 20th August 2024
2024.07.24	The bond placement agreement with AB Šiaulių Bankas has been signed
2024.07.15	AUGA group, AB notification on transaction of person holding management position
2024.07.08	Notification on the total number of voting rights granted by shares of AUGA group, AB and capital
2024.07.08	Recast of AUGA group, AB Articles of Association and the increase of the authorized share capital registered
2024.06.04	AUGA Group, AB notifications on transactions of persons holding management positions
2024.06.04	AUGA group, AB continues its employee motivation scheme through share options and implements the 2021 stock option programme
2024.06.04	AUGA group, AB presentation of financial results for the 3 months of 2024
2024.06.03	AUGA Tech, UAB is enlisting external financial and industry partners to bring its portfolio of "Mission no cost to nature" technologies to market
2024.05.31	AUGA group, AB interim financial results for the 3-month period ended 31 March 2024
2024.05.30	Decisions of the Ordinary General Meeting of Shareholders of AUGA group, AB which took place on 30th May 2024
2024.05.27	AUGA group, AB will organise an Investor Conference Webinar to introduce unaudited financial results for the 3 months of 2024
2024.05.21	Additional information regarding non-compliance with green bond financial covenants
2024.05.20	CORRECTION: Notice on the amendment agenda of the ordinary general meeting of shareholders of AUGA group, AB held on 30 May 2024 and the update of questions of the agenda by drafts of decisions with related information
2024.05.17	Notice on the amendment agenda of the ordinary general meeting of shareholders of AUGA group, AB held on 30 May 2024 and the update of questions of the agenda by drafts of decisions with related information
2024.04.30	AUGA group, AB has published Green Bond Report
2024.04.30	AUGA group, AB has published Consolidated Annual Report
2024.04.18	Notice on the postponement of the ordinary General Meeting of Shareholders of AUGA group, AB
2024.04.08	Notice on Convocation of the ordinary General Meeting of Shareholders of AUGA group, AB on 30th April 2024
2024.03.12	AUGA group starts production and sale of biomethane as new commercial activity
2024.03.06	AUGA group, AB presentation of financial results for the 12 months of 2023
2024.02.29	AUGA group, AB interim financial results for the 12-month period ended 31 December 2023
2024.02.28	AUGA group, AB will organise an Investor Conference Webinar to introduce unaudited financial results for the 12 months of 2023
2024.02.01	A unique Lithuanian AUGA M1 tractor solution has been patented in the USA
2024.01.09	Dates of periodic information disclosure of AUGA group, AB for the year 2024 (investor calendar)



V. CONFIRMATION OF RESPONSIBLE PERSONS

In accordance with the Law on Securities of the Republic of Lithuania and the Rules on the Information Disclosure approved by the Board of the Bank of Lithuania, we hereby confirm that, to the best of our knowledge, the consolidated interim financial statements of AUGA group, AB for the six-month period ended 30 June 2024, have been prepared in accordance with the International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flow of AUGA group, AB group.

Chief Executive Officer

Elina Chodzkaitė-Barauskienė

Chief Financial Officer

Kristupas Baranauskas

