

February, 2023



AgroGeneration
Current Performance Highlights

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Current Footprint

At a Glance

PUBLIC COMPANY

Listed on **NYSE Euronext** in Paris
with **41.2% free float** (as of Dec 31st, 2022)

FARMLANDS

≈30k ha managed,
in the **Kharkiv region of Ukraine**

PRODUCTION

≈80k tons (2022) of grains and oil-based crops

MACHINERY FLEET & INFRASTRUCTURE

Fleet of ag machinery, incl. 33 combines, 92 tractors, 16 sprayers, 124 seeders and headers. **Storage capacities** of 95k tons incl. two elevators

TEAM

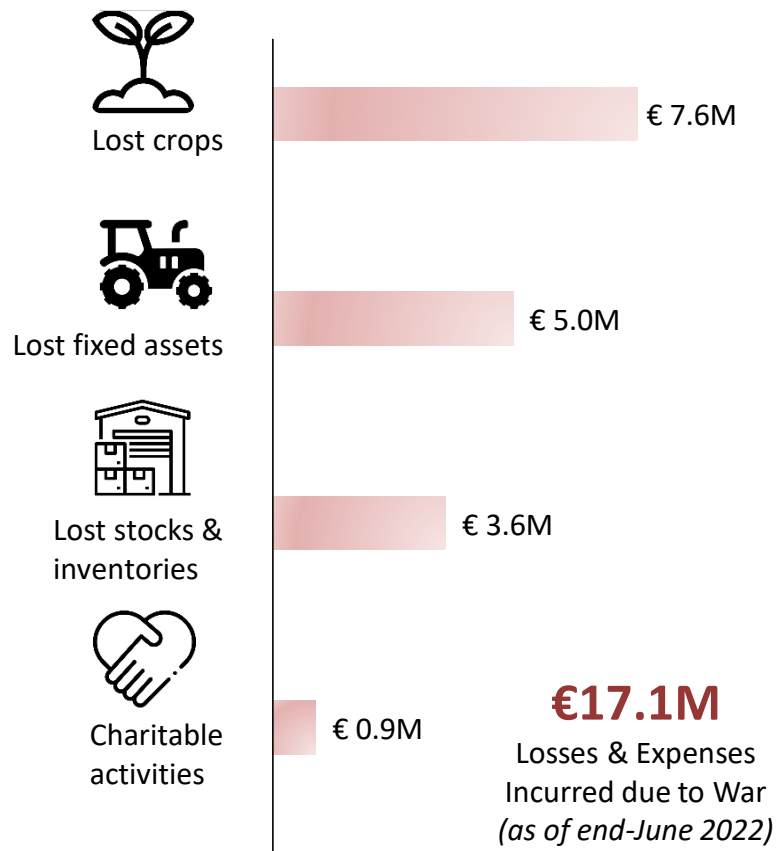
≈400 full-time employees








Current Performance of the Group

Impact of War in Ukraine – Losses in 2022

Direct Losses








Indirect Losses

-  **Market crop prices significant reduction**, affected by seaports blockade and disruptions in logistics
-  **Almost 2x reduced production volume** on the back of reduced scope of the Group's operations in 2022
-  **Increase in main inputs prices** (fertilizers, fuel, chemicals)
-  Up to **4x increase in logistics costs** in Ukraine
-  **Operational challenges** with sowing and harvesting campaigns on the back of military activities, fields damage, power outages followed by violation of applied crop growing technologies (incl. change in crop rotation)

Current Performance of the Group

Operations Update

2022 Harvesting Results

| | Area | Volume | Yield |
|--|------------------------------|--------------------------------|--------------------------------|
|  W. Wheat | 15.9k ha ↓ 43% yoy | 46.8k tons ↓ 57% yoy | 3.0 tons/ha ↓ 23% yoy |
|  Sunflower | 11.7k ha ↓ 55% yoy | 24.0k tons ↓ 53% yoy | 2.0 tons/ha 0% yoy |
|  Corn | 1.0k ha ↑ 2% yoy | 8.4k tons ↑ 108% yoy | 8.2 tons/ha ↑ 105% yoy |
|  Legumes | 0.2k ha ↓ 83% yoy | 0.5k tons ↓ 80% yoy | 2.5 tons/ha ↑ 20% yoy |
|  AGG Total | 28.8k ha ↓ 49% yoy | 79.8k tons ↓ 52% yoy | 2.8 tons/ha ↓ 7% yoy |

Trade and Trading/Logistics Issues



As of early February 2023, the Group **sold up to 60% of the 2022 crop**, including over 75% of wheat, and over 40% of sunflower



With the partial opening of the Ukrainian Black Sea ports under **the Black Sea Grain Initiative** in August 2022, the Group managed to **recover some export activities**. The initiative significantly suffers from inspection delays and congestion



Sales through alternative to the Black Sea export routes are sharply limited due to infrastructural bottlenecks of railway, auto and river export facilities in Ukraine



Local sales within Ukraine are dramatically limited by logistics issues, low demand from local producers on the back of grain oversupply and/or war related inability to continue operations

Current Performance of the Group

2022 Interim Financial Results

During first half of 2022, AgroGeneration's financial performance was **severely worsened on the back of the full-scale war** launched by the Russian Federation as it invaded Ukraine on February 24th

➖ Negative EBITDA of €(6.8)M

➖ Net loss of €(27.2)M

⊕ No external financing during H1 2022 on the back of a strong financial position achieved at the end of a successful 2021

2022 FY results are expected to be **significantly lower** as compared with 2021 result, reflecting full amount of losses occurred in 2022 due to the war in Ukraine

AgroGeneration. Interim Financial Results (incl. IFRS 16)

| M EUR | H1 2022 | H1 2021 Restated ⁽¹⁾ | H1 2021 |
|---------------------|-----------------------|---------------------------------|---------|
| Revenue | 16.4 | 13.9 | 13.9 |
| Gross Profit (Loss) | (6.5) | 6.5 | 6.0 |
| EBITDA | (6.8) | 7.2 | 7.1 |
| Net Profit (Loss) | (27.2) ⁽²⁾ | 3.7 | 3.7 |

(1) During 2021 the Group has modified its approach to the measurement of lease assets and liabilities related to land lease under IFRS16. This modification provided to include the full actual land lease payment (incl. that outside of contractual terms) which reflects the market rate. As such this modification represents change in accounting policy and is applied retrospectively (IAS 8) by restating comparative H1 2021 figures

(2) One-off losses and expenses of EUR 17.1M incurred as the result of war, were not included into EBITDA calculation

AgroGeneration. Balance Sheet & Debt (incl. IFRS 16)

| M EUR | 30.06.22 | 31.12.21 |
|--------------------------------------|--------------|-------------|
| Non-Current Assets | 27.8 | 32.8 |
| Current Assets | 30.6 | 49.2 |
| Total Assets | 58.4 | 82.0 |
| Equity | 22.5 | 50.1 |
| Non-Current Liabilities ¹ | 16.9 | 14.8 |
| Current Liabilities ¹ | 19.0 | 17.1 |
| Total Equity and Liabilities | 58.4 | 82.0 |
| Net Debt | 20.4 | 17.5 |
| Net Debt excl. IFRS 16 | (1.4) | 0.6 |





(1) Incl. non-cash liabilities according to IFRS 16

Current Performance of the Group

2023 Prospects and Challenges

The progress of war in Ukraine and its implications for the Group's operations over the coming year still remain uncertain

2023 related activities executed by the Group:

-  Launched in autumn 2022 **assets restructuring procedure** to be completed in summer 2023
-  Conducted in autumn **2022 winter wheat sowing campaign**
-  Negotiated **trade financing from the suppliers** of main inputs
-  **Optimization of head-office of the Group** according to the new size of the business

Notwithstanding the Group's executed measures in maintaining operations thus far, it is not currently possible to provide clear guidance as to how the year may turn out

2023 Challenges



Production issues



Significant **changes in the crop mix** on the back of winter wheat undersowing in autumn 2022



Changes in the production technology on the back of prolonged 2022 harvesting campaign



Trade issues



A risk that the grain deal will not be extended in March 2023 due to the high degree of uncertainty regarding war in Ukraine developments



Financing issues: low amount of partners and

banks in Ukraine ready to finance businesses in the frontline regions (incl. the Kharkiv region, where the Group's farmlands are located)