



**Kęstutis Juščius**  
2016 05 03

organic producers  
 **AGROWILL**  
GROUP

# 2015: start of major transformation

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AB Agrowill Group is one of the largest organic farming and investment groups in Europe developing unique sustainable farming model. Agrowill Group uses and creates new generation technologies to produce environmentally friendly production.



Started transition to fully organic agriculture and dairy farming



Completed company restructuring



Renegotiated bank financing

## Dairy Farming

- Milk

## Crop Growing

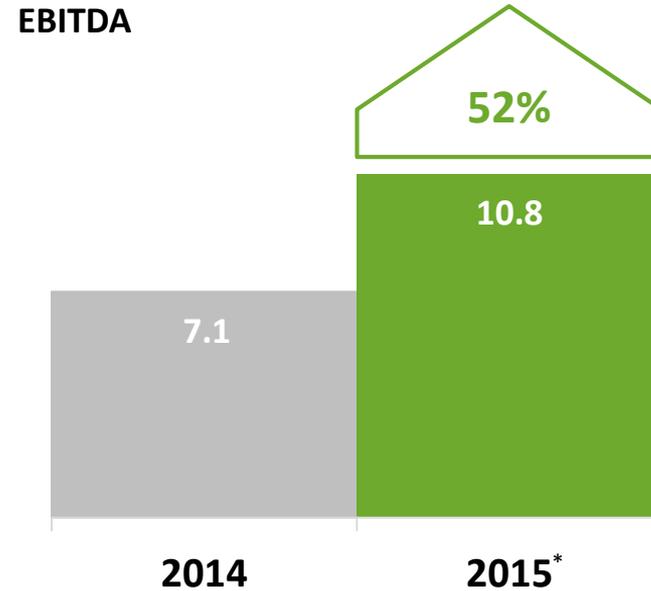
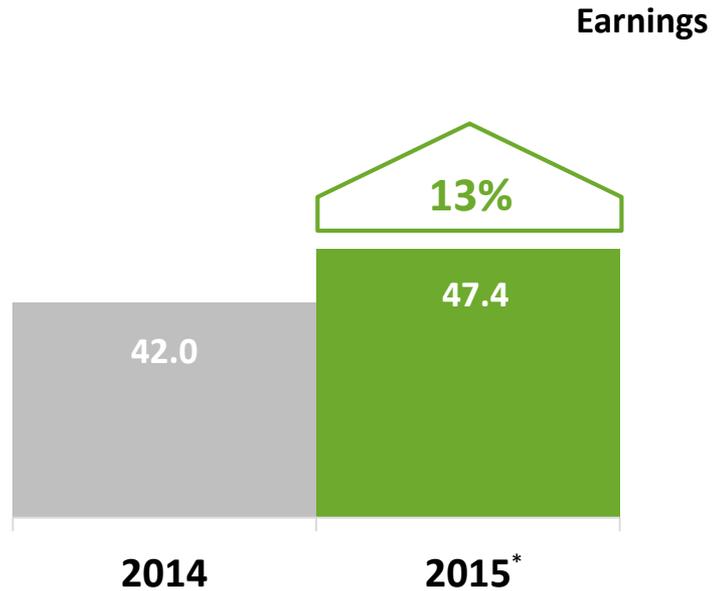
- Wheat and other crops
- Vegetables
- Feeds for dairy

## Mushroom Growing

- Champignons
- Other exotic mushrooms
- Compost

# Improving financial results

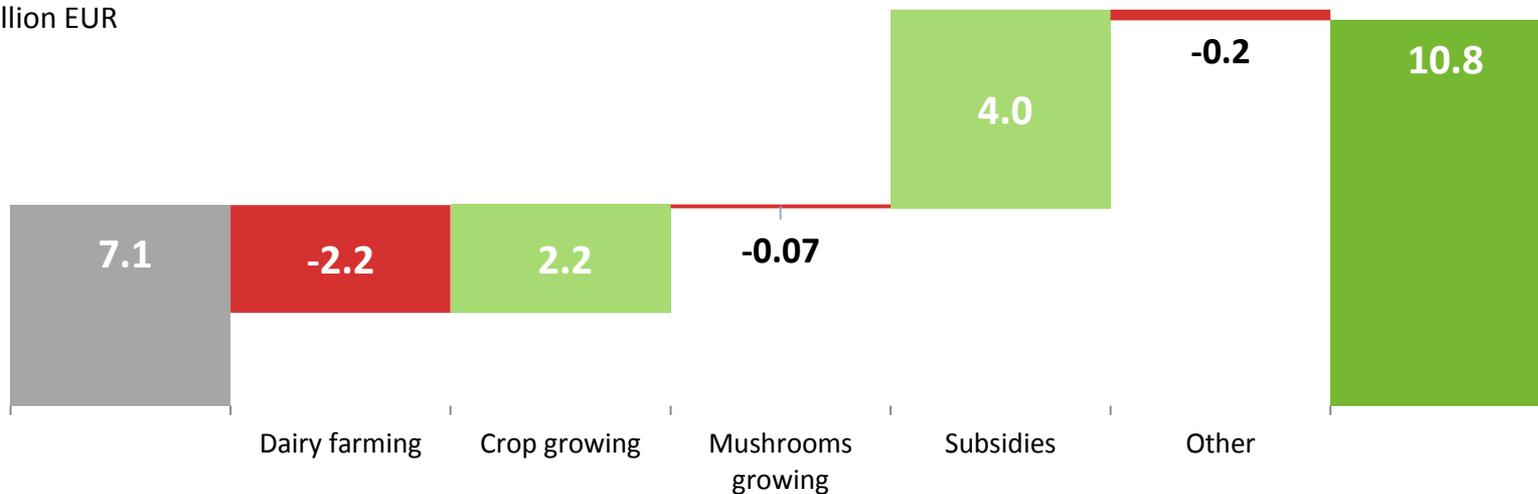
In million EUR



\* unaudited annual report

# EBITDA growth drivers

In million EUR



**2014**

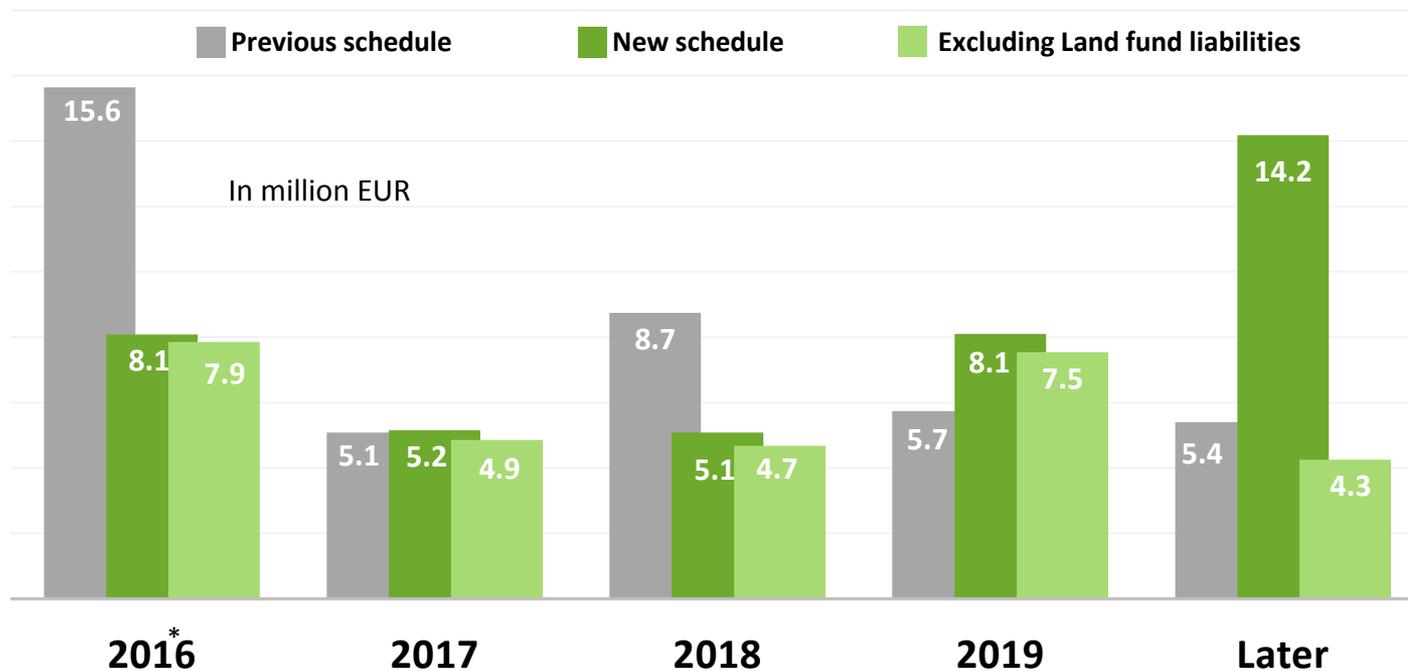
**EBITDA**

**2015<sup>\*</sup>**

**Negative dairy farming effect was compensated by improved crop growing results and subsidies.**

\* unaudited annual report

# Renegotiated bank financing



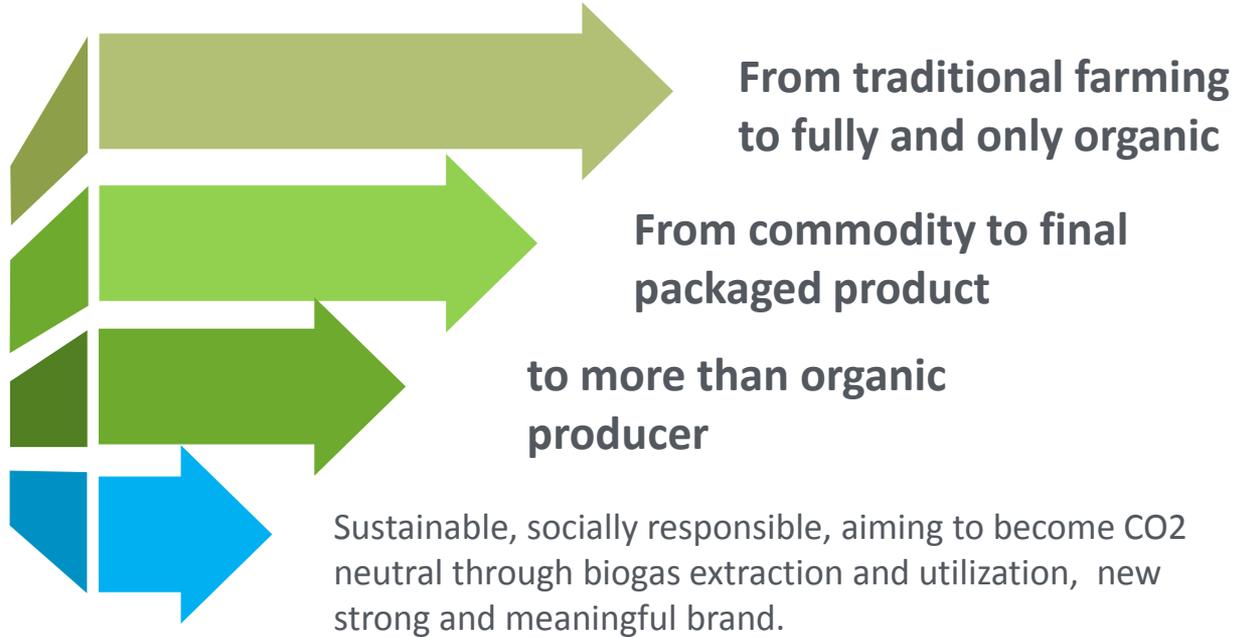
**Company is now able to utilize financial resources for growth and innovations.**

\* without renewable overdraft of 6.1 million EUR

# New vision and strategy

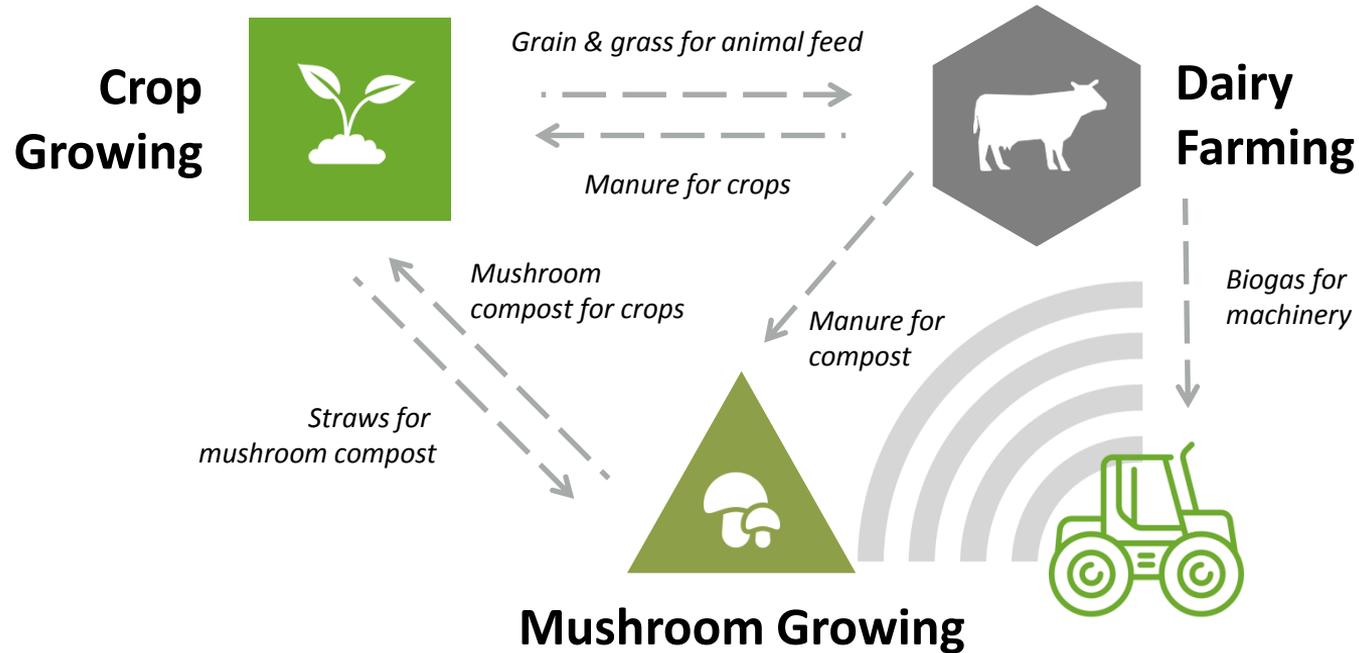
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## TRANSITION



# Integrated organic food company

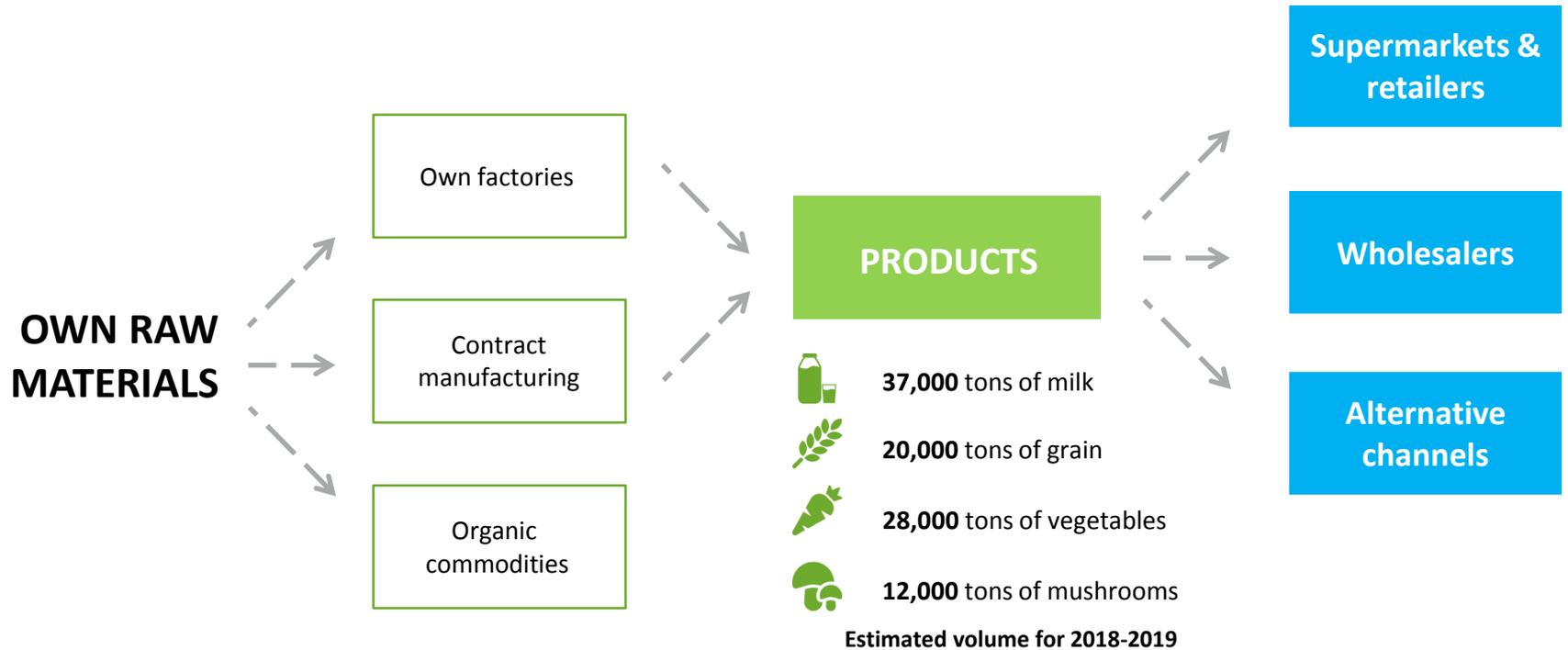
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Applying the latest scientific knowledge to improve all production processes in sustainable organic farming.

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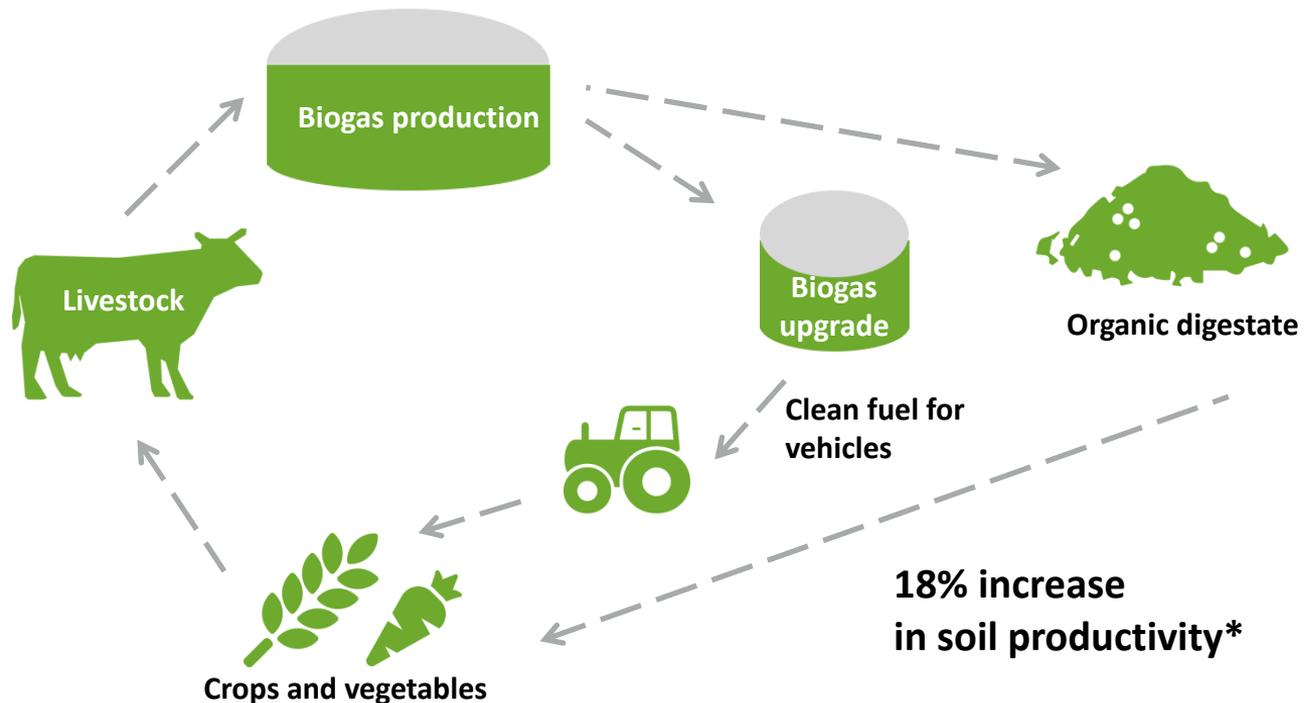
# Route to market of final packaged products



Wide range of organic food for end-user market using in-house and controlled contracted manufacturing.

# Aiming to achieve CO2 neutral farming

Converting cow manure to biogas and using it for fuel is in line with **sustainable farming** principles, efficient and **economically viable**, provides **climate benefit of 148%** compared to fossil fuels.



**„Agrowill Group“ would produce ~7,5 m. m<sup>3</sup> of biogas and reduce CO2 emissions around 35.000 t per annum.**

# Transformation milestones



**2014**  
**Merger of Agrowill  
Group and Baltic  
Champs**



**2015**  
**Start of organic  
farming**  
Launch of organic  
mushrooms



**2016**  
**2nd transition year**  
Launch of organic  
packaged vegetables



**2017**  
**Fully certified  
organic farming**  
Launch of organic milk  
and grain products



**2018**  
**Integrated organic  
food company**  
Sales growth of branded  
and PL end user products

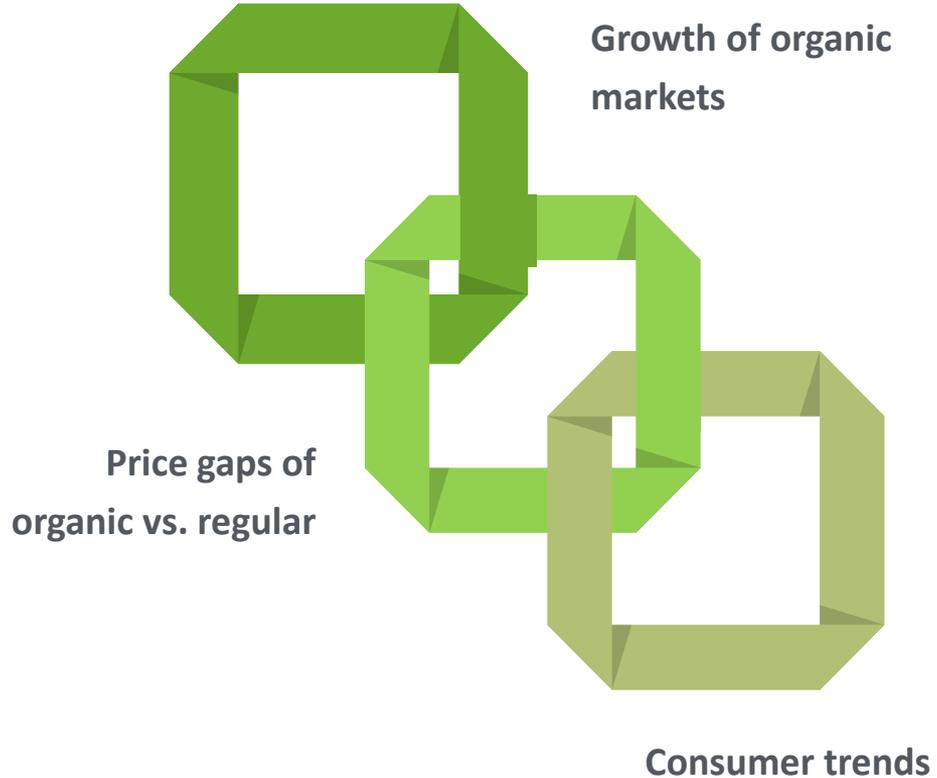
- New technology for organic fertilization
- New technology for cultivation and weed control
- Loose cattle grazing
- New equipment for vegetable growing and processing

**EUR 7 MILLIONS INVESTED**

- Prototyping and building new generation dairy farms
- Prototyping and building new poultry farms
- Combined feedstock production plant
- Organic seed preparation plant
- Biogas conversion, purification and liquefaction
- Biomethane fuel application for tractors
- Other R&D activities

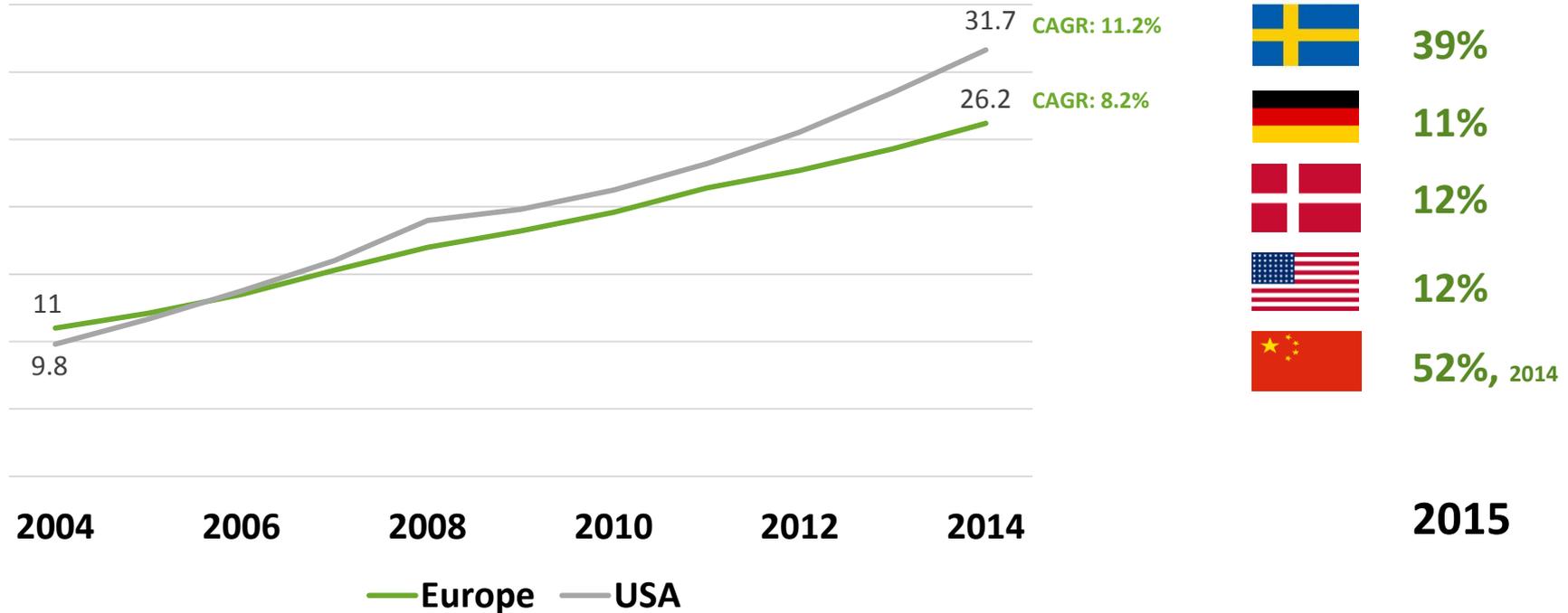
**EUR 20 MILLIONS NEED FOR NEW CAPEX**

## WHY ORGANIC?

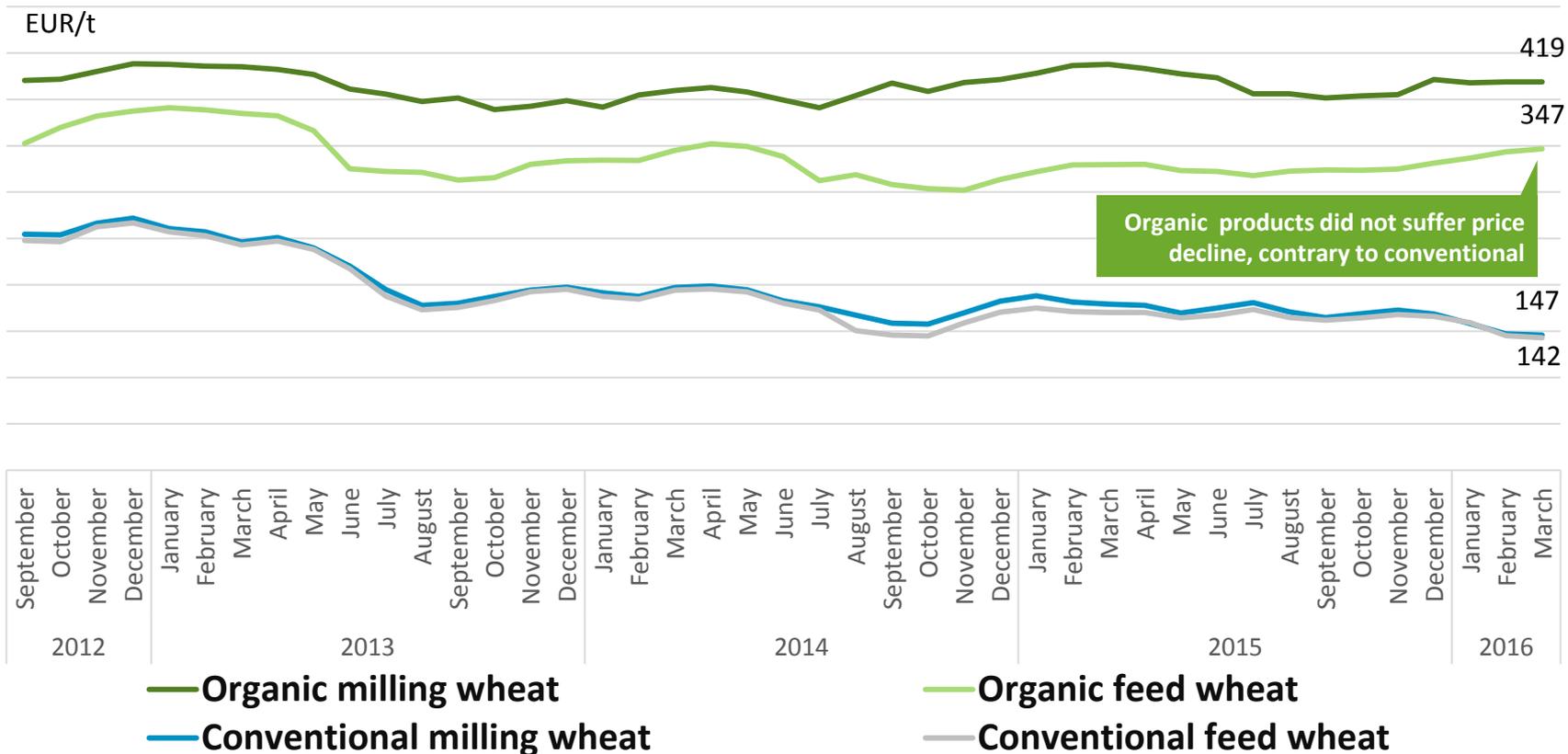


# Fast growth of organic product retail sales globally

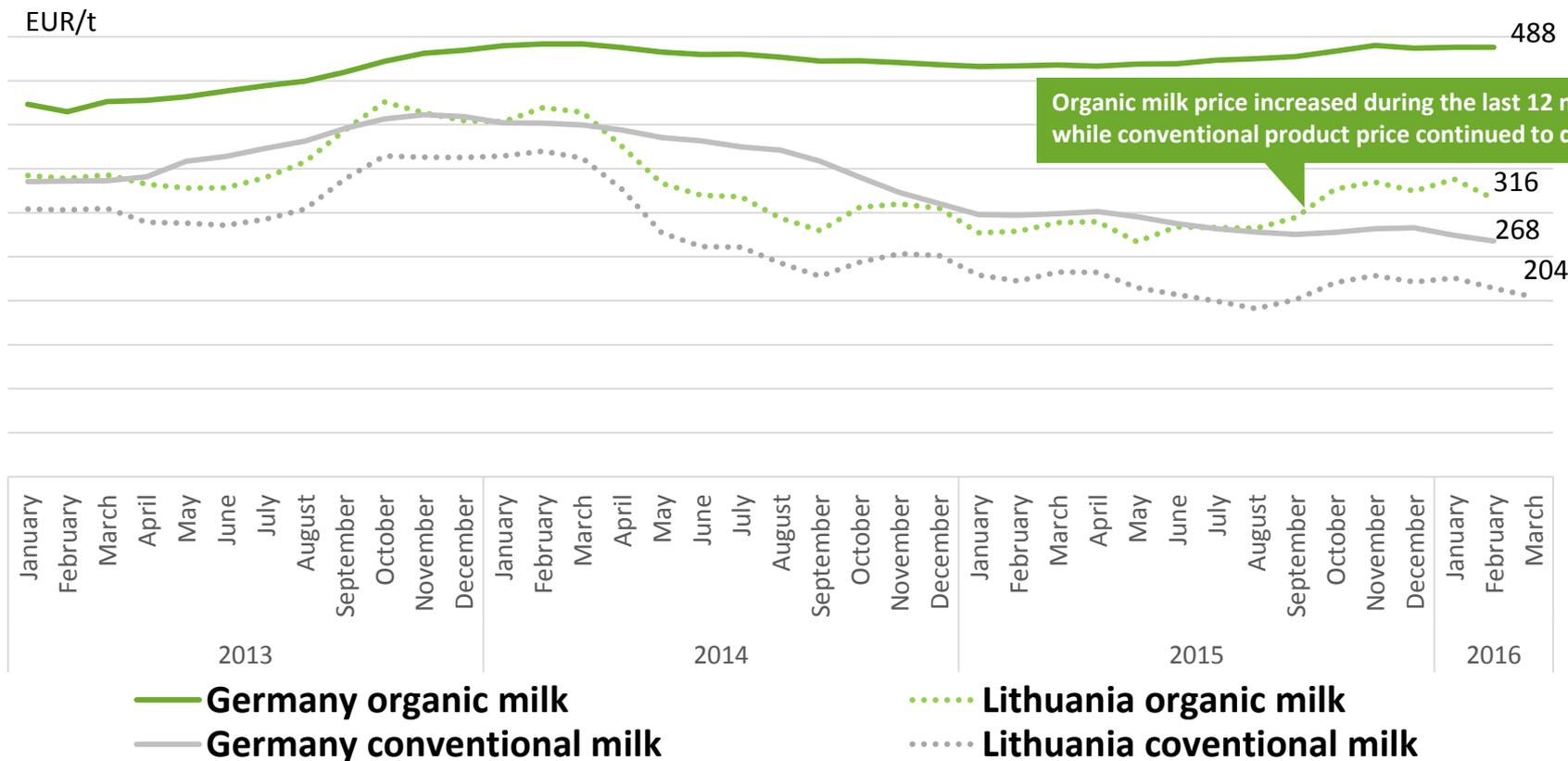
In billion EUR



# Organic vs Conventional wheat price in Germany



# Organic vs Conventional raw milk price



# Organic food is a mega consumer trend globally



**80%**

believe they can improve their life by choosing healthier food

**75%**

believe that today most of the food is not natural and not ecological

**62%**

would agree to ban the use of any pesticides and chemical fertilizers

**75%**

agree that it is more important how the product was produced than who sells it

**Food quality is seen as major health factor (2<sup>nd</sup> after physical activity).**

# Sweden is an example of future consumer today



80%

Regularly buy eco certified products

39%

growth of organic food market in 2015

30%

forecasted annual growth of organic food market for the next 5 years

20%

forecasted organic food market share of total food market by 2020 (6% currently)

**38%** of Swedish consumers are defined as LOHAS  
(Lifestyle Of Health And Sustainability)



organic producers  
**AGROWILL**  
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Enjoy your healthy food every day