



## **2024 FULL-YEAR RESULTS**

- **Although 2024 demonstrated ongoing financial performance improvements, it remained another unpredictable and volatile year for the Group, mainly due to:**
  - Severe drought during the growing season, which led to a material drop in production volumes, although offset by forced operational cost reduction and favorable market prices in the second half of 2024, when the Group sold all the produced grain;
  - A change of control in late October 2024, which resulted in further substantial administrative cost optimizations and the full repayment of outstanding obligations to the former shareholder using proceeds from the 2024 harvest sale.
- **Looking ahead, 2025 remains uncertain due to the ongoing war in Ukraine and a lack of internal funding ahead of the new harvest season. However, the Group succeeded in securing external financing, backed by its new major shareholder, which enabled the completion of the spring sowing campaign according to plan.**


Paris, June 30, 2025

AgroGeneration, a Ukraine-based producer of grains and oilseeds, has published its 2024 financial statements, as approved by the Board of Directors on June 30, 2025. The statements are available on the Company's website.

In 2024, AgroGeneration continued to operate under persistent pressure from the full-scale war in Ukraine, launched by Russian forces in February 2022. In addition to this ongoing and uncontrollable factor, the Group's farms experienced extremely adverse weather conditions throughout the entire growing season (spring to autumn), resulting in a significant drop in production volumes compared to both the budgeted targets and 2023 levels.

The second half of the year was marked by a change in the Company's majority shareholder, with Novaagro Ukraine LLC acquiring ownership of AgroGeneration in late October 2024. This transition led to further headcount optimization of the Company, and the full repayment of outstanding debt to the former owner, financed by the





proceeds from the sale of the 2024 harvest. These sales benefited from favorable crop prices, which rose due to reduced overall grain market supply.

As a result of these combined factors, the Group's financial performance showed continued recovery, although the bottom line remained negative. The net loss narrowed to €(1.5) million in 2024, compared to €(7.9) million in 2023.

As of the date of this release, the 2025 crop season is well underway. Supported by its new majority shareholder, Novaagro Group, the Company secured external financing from a Ukrainian bank and successfully completed its spring sowing campaign in line with the planned schedule. The farms are now fully prepared for the upcoming harvest. As the entire 2024 crop was sold during the second half of 2024, no trading activity has occurred so far in 2025. As a result, the Group is expected to report a negative net result for the first half of the year.

#### **Disclaimer: Audit of financial statements – Notice of Annual General Meeting**

In the context of the ongoing military invasion of Ukraine by Russia, which began in February 2022, the auditors of the Group's Ukrainian subsidiaries remain unable to carry out the necessary audit procedures to issue an opinion on the financial statements of these entities. Due to the continued high risk associated with accessing operational sites and documentation – given that the Group's activities are concentrated in the frontline zone (the Kharkiv region), which is subject to regular missile and drone attacks – the auditors have been unable to obtain sufficient audit evidence.

As a consequence, the Group's auditors are still unable to issue an opinion on the financial statements of the Ukrainian operating companies, and therefore cannot certify the consolidated financial statements as of December 31, 2024.

Nonetheless, the Company's Annual General Meeting will be held on 26 September 2025, as convened by the Chairman of the Board of Directors. Given the lack of clarity regarding when a full audit might be possible, the Company has decided to proceed with the approval of the accounts. Should circumstances permit, any necessary adjustments may be made at the next Annual General Meeting.



## 2024 Results

2024 financial statements will be posted no later than July 1<sup>st</sup>, 2025 at [www.agrogeneration.com](http://www.agrogeneration.com)

(in € thousands)	2023	2024
<b>Revenue</b>	<b>16,914</b>	<b>22,654</b>
Biological assets and finished goods (change in fair value)	(4,781)	(147)
Cost of sales	(13,261)	(16,904)
<b>Gross profit</b>	<b>(1,128)</b>	<b>5,603</b>
Selling, general and administrative expenses	(2,970)	(1,799)
Other income and expenses	(797)	(3,149)
<b>Operating profit</b>	<b>(4,895)</b>	<b>655</b>
Net financial income (expense)	(3,043)	(2,188)
Tax	30	-
<b>Net profit (loss) from continued operations</b>	<b>(7,908)</b>	<b>(1,533)</b>
Net profit (loss) from discontinued operations	-	-
<b>Net profit (loss)</b>	<b>(7,908)</b>	<b>(1,533)</b>


(in € thousands)	2023	2024
<b>EBITDA <sup>(1)</sup></b>	<b>277</b>	<b>5,672</b>
<b>Equity</b>	<b>13,242</b>	<b>11,082</b>
<b>Net debt <sup>(2)</sup></b>	<b>14,756</b>	<b>9,186</b>
<b>Net debt excl. IFRS16</b>	<b>5,925</b>	<b>580</b>

(1) EBITDA = earnings before interest, tax, depreciation, amortization, provision, net gain or loss on fixed asset divestiture and impairment of non-current assets. Losses, adjustments and expenses (net) related to war were assumed to be one-off expenses and were not included into EBITDA calculation - see appendix for detail

(2) Total borrowings minus available cash and short-term financial assets - see appendix for detail

## Production and revenue

In 2024, AgroGeneration produced approximately 62,000 tons of grains and oilseeds, compared to around 72,000 tons in 2023, across a cultivated area of about 28,500 hectares (versus 29,600 hectares in 2023). The 14% decrease in production volume was primarily due to prolonged drought and insufficient moisture throughout the entire growing season from spring to autumn 2024 (see press release dated September 20<sup>th</sup>, 2024, for further details).



In 2024, the Group's total winter wheat net production came to around 36k tons with a net yield down 36% year-on-year, amounting to around 2.5 tons per hectare (compared to 3.9 tons per hectare in 2023). Up to 100% of the Group's crop production appeared to be feed wheat (in line with 2023). The Group's farms managed to collect around 16k tons of sunflower with an average net yield of 1.9 tons/ha (in line with 2023). The total net production of other crops (corn, soy, and peas) came to around 10k tons.

AgroGeneration reported revenues of €22.6 million for 2024, an increase of €5.7 million compared to €16.9 million in 2023. This growth was mainly driven by the sale of 93.4k tons of crops – up 17.7k tons from 2023 – including both the remaining 2023 inventories and the entire 2024 harvest, which was fully sold within the reporting period. Sales break down as follows:

- €7.3 million from the sale of 2023 inventory (c.a. 35k tons, mainly sunflower and wheat);
- €15.0 million corresponds to the revenue from the sale of c.a. 58.4k tons produced in 2024. The difference between tonnage produced and sold of around 3.6k tons corresponds to production used by the company for its own needs (seeds);
- €0.3 million from other products and services.

The export share in the Company's revenues (including sales of inventories from prior year production) increased compared with 2023 and stood at 32% (in tonnage) vs. 18% in 2023. In 2024, export abilities improved yoy primarily due to effective operation of the Ukrainian alternative maritime corridor enacted in late 2023 after cancellation of the grain deal with Russia in July 2023.

### Earnings for the year

The gross profit from operations came to €5.6 million vs. €(1.1) million loss in 2023 (a €6.7 million improvement). This change can be broken down as follows:

- €4.8 million related to the positive change in margin generated by the 2024 crop, recognized at the time of harvest (vs. the one recognized in 2023). This increase was primarily driven by:
  - A favourable price effect (€3.7 million), reflecting a rise in crop prices for the 2024 harvest compared to the exceptionally low expectations for the 2023 crop as of mid-2023;
  - A positive cost effect (€3.0 million) due to significant operational cost reductions resulting from a sharp drop in production volumes, which led to savings on direct expenses such as transportation and labor. Additionally, certain agricultural operations (e.g., chemical treatments) were not required due to extremely dry weather conditions in spring and summer 2024; and a change in crop mix, notably the shift from sunflower to lower-cost crops;





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- A negative impact of €(3.3) million from significantly reduced production volumes in 2024 due to severe drought conditions in Ukraine during the spring-autumn period.
  - Other contributing factors totalling €1.4 million of positive effect.
  - €2.2 million of net volume effect on the back of over 45% increase in sold volume of reporting 2024 crop (58.4k tons in H2 2024 vs. 39.7k tons in H2 2023) under favourable crop prices in H2 2024.
  - -€0.1 million related to the change in margin generated by prior year 2023 stocks sold over the reporting period vs. the one generated in H1 2023 by the sales of 2022 stocks. AgroGeneration sold c.a. 35k tons of mainly wheat and sunflower in H1 2024 (vs. 36k tons sold in H1 2023). Even though the average selling crop prices appeared to be lower vs. those in H1 2023, they were higher than fair value estimates of sold crops as of the end of 2023 thanks to the stable operation of an alternative Ukrainian maritime corridor and ability of the Group to execute higher export sales.
  - -€0.2 million reduction in change in fair value of biological assets compared with 2023 attributed to a number of factors: lower area under winter wheat sown in autumn 2024 on the back of weather limitations (8.7k ha were sown vs. 14.3k ha in autumn 2023) and higher expected costs per 1 ha (on the back of expected intensified technology and higher fertilizer application) to be fully compensated by winter wheat expected price which is anticipated to be significantly higher vs. the one expected in late 2023.


Selling, general and administrative expenses decreased by approximately 40%, or €1.2 million, from €3.0 million in 2023 to €1.8 million in 2024. This reduction was mainly driven by lower administrative costs following headcount optimization measures implemented in the second half of 2024, after the change in the Group's majority shareholder in late October 2024 (see press release dated October 30, 2024, for further details).

Net other operating expenses increased to €(3.1) million in 2024, up from €(0.6) million in 2023, primarily due to a €2.5 million impairment recognized on non-collectible receivables. This item also included in 2024 c.a. €0.4 million of expenses related to war (€0.2 million in 2023), specifically charitable activity costs and the payments to mobilized employees of the Group. No other direct material losses due to the war were recognized during the reporting period.

As a result of above factors, EBITDA of the Company improved to €5.7 million vs. €0.3 million in 2023.

Consequently, the Group saw an operating profit of around €0.7 million compared with a €(4.9) million loss in 2023, i.e. an improvement of €5.6 million.





Net financial expense stood at €(2.2) million versus €(3.0) million in 2023. The decline is primarily attributed to the reduction of the Group's cost of debt (as no new external financing was attracted throughout the reported year).

Overall, the Group's net loss from operations declined by €6.4 million and amounted to €(1.5) million vs. €(7.9) million net loss in 2023.

### Financial structure

At year-end, the Group's equity slightly reduced from €13.2 million to €11.1 million. This reduction has been mostly driven by the net loss of €(1.5) million obtained by the Group in 2024.

At year-end, cash and cash equivalents amounted to €0.01 million vs. €0.7 million at 2023 year-end.

The Group further reduced the amount of its net debt: from €14.8 million as of the end of 2023 to €9.2 million as of the end of 2024 (-38% yoy). The reduction is mostly attributed to the repayment by the Group of all outstanding debt in front of the previous major shareholder. Excluding IFRS 16, net debt came to €0.6 million as of the end of 2024 versus €5.9 million in 2023.

### Outlook 2025 and Going Concern

The 2025 outlook remains uncertain due to the ongoing Russian invasion of Ukraine, accompanied by regular attacks, particularly in the frontline regions where all of AgroGeneration's production facilities are situated.

Since the start of 2025, the Russians have intensified their shelling of the city of Kharkiv and the Kharkiv region. There has been a shift in both the tactics and pattern of the attacks. Currently, the strikes are being carried out using groups of drones – between 10 and 15 drones are used each time to carry out the strikes.



### **Ukraine. Statistics of air alerts in the Kharkiv region**

	Whole war period 24.02.2022 – 15.06.2025	2023	2024	Period from 01.01.2025- 15.06.2025
<b>Number of days</b>	<b>1,207</b>	<b>364</b>	<b>365</b>	<b>165</b>
	<b>Kharkiv</b>	<b>Kharkiv</b>	<b>Kharkiv</b>	<b>Kharkiv</b>
Number of air alerts	6,271	1,657	2,122	938
<i>Average number of alerts per day</i>	5	5	6	6
Total duration of the air alerts, hours	8,574	1,307	3,959	1,972
<i>Average duration of air alerts, hours/day</i>	7.1	3.6	10.8	12.0
Number of explosions reported	1,694	381	682	245
<i>Average number of explosions per day</i>	1.4	1.0	1.9	1.5
Number of threats of artillery attacks	8,822	2,283	5,743	691
<i>Average number of threats of artillery attacks per day</i>	7	6	16	4

<https://air-alarms.in.ua/en>

Despite facing challenges, the Group remains committed to sustaining its operations. As of the date of this release, AgroGeneration has undertaken the following initiatives related to the new 2025 crop production season:

- In autumn 2024, the Group completed its winter sowing campaign. As previously reported, approximately 8.7 thousand hectares were sown with winter wheat – a reduction compared to 14.3 thousand hectares in 2023 – due to unfavourable weather conditions. As of the date of this release, the winter wheat is fully prepared for harvesting, which is expected to commence shortly.
- In late March 2025, the Group initiated a financing partnership with the Ukrainian state bank Ukreximbank, which granted a revolving working capital credit line of approximately €7.8 million, valid through March 2028 and subject to annual review. The credit line is disbursed in tranches to the Group's production companies and is secured by a Ukrainian state guarantee on a portfolio basis, with an individual guarantee covering 80% of the facility. This financing is backed by AgroGeneration's new majority shareholder, the Novaagro Group of Companies.
- Between March and May 2025, the Group carried out its spring sowing campaign. Despite variable weather conditions and war-related disruptions (including prolonged air raid alerts), the campaign proceeded according to schedule and in line with the planned targets. A total area of around 28,000 hectares was sown, with c.a. 45% dedicated to sunflower, more than 30% to winter wheat, around 9% to corn, and 8% to soy. Additionally, over 1,400 hectares (roughly 5% of the total sown area) were allocated to niche crops such as peas, spring wheat, chickpea, flax, and sorghum.



The ongoing full-scale war in Ukraine continues to create uncertainty regarding its potential impact on the Group's operations in the current year. While the Group has implemented measures to maintain business continuity, it remains difficult at this stage to provide clear guidance for the year ahead.

### About AGROGENERATION

Founded in 2007, AgroGeneration is a large-scale producer of grain and oilseed. The company's core business is grains and oil commodity crop farming, operating near 30,000 hectares of high quality agricultural lands in the East of Ukraine.

All information on AgroGeneration's website : [www.AgroGeneration.com](http://www.AgroGeneration.com)

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#### AgroGeneration

+33 1 55 27 38 40

[investisseurs@AgroGeneration.com](mailto:investisseurs@AgroGeneration.com)

[www.AgroGeneration.com](http://www.AgroGeneration.com)

#### Actus Finance

Anne-Pauline Petureau, Investor Relations

+33 (0)1 53 67 36 72

## APPENDIX

### Calculation of EBITDA

(in € thousands)	2023	2024
Operating profit*	(4,698)	1,101
Amortization of non-current assets	4,500	4,701
Provision, net gain or loss on fixed-asset divestiture and impairment of non-current assets	475	(130)
<b>EBITDA</b>	<b>277</b>	<b>5,672</b>

\* excl. expenses related to war: €197k in 2023, , €446k in 2024

### Calculation of Net Debt

(in € thousands)	2023	2024
Borrowings excluding lease liabilities	6,647	592
Lease liabilities for right-of-use assets	8,831	8,606
<b>Financial debt</b>	<b>15,478</b>	<b>9,198</b>
Available cash	(715)	(12)
Short-term financial assets	(7)	0
<b>Net debt</b>	<b>14,756</b>	<b>9,186</b>