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Information for media

AUGA group, AB acquires agricultural business units of KTG AGRAR SE in Lithuania

AUGA group, AB signed the agreement regarding the acquisition of KTG AGRAR SE agricultural subsidiaries in Lithuania. 1.38 million EUR will be paid for the shares of the companies under acquisition.

These companies (KTG companies) directly or indirectly - through other agricultural subsidiaries in Lithuania - are involved in crop growing activity in Lithuania. KTG companies cultivate more than 7700 ha of land (of which more than 6100 ha are fully certified as organic land area). Until now these companies were growing feed crops, majority of which was exported to Western Europe.

„The acquisition will allow us to increase our operational land plot by more than 30 percent, from the current 25 thousand hectares to 33 thousand hectares after completion of the deal. It will also allow us to increase the volume of production for final consumers“, - said Linas Bulzgys, CEO of AUGA group.

The main strategic objective of AUGA group is to provide final organic food products at affordable price to the consumers in Lithuania, Europe and other regions, using effective production methods and controlling the processes from field to shelf. „The expanded agricultural land area will provide us with additional opportunities and will allow us to effectively use the production and human resources of both companies. The companies under acquisition are located next to our cultivation areas in the regions of Raseiniai, Jurbarkas and Šakiai. We believe this will ensure effective integration of the new companies into AUGA group and will reinforce our production capacity of organic raw materials and final products, as well as the future possibility to provide affordable organic products to consumers“, - added L.Bulzgys.

Consolidated revenue of KTG Companies in 2015 was EUR 4.7 million EUR. There are about 50 employees in KTG companies.

The transaction will be completed upon receipt of permission of the Competition Council of the Republic of Lithuania.

For more information:

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