

Bioceres Crop Solutions Corp.

Reports Fiscal
Third Quarter
2021

Financial and Operating
Results



BIOCERES
CROP SOLUTIONS

Bioceres Crop Solutions Reports Fiscal Third Quarter 2021 Operational and Financial Results

9X Increase in Contracted HB4 Wheat Hectares YoY, Ahead of Upcoming Crop Season in Southern Hemisphere

4X Increase in Micro-beaded Fertilizers Sales YoY

Comparable Revenues up 35% to \$35.0 Million in Fiscal Third Quarter 2021

ROSARIO, Argentina – May 13, 2021 – [Bioceres Crop Solutions Corp.](#) (“Bioceres”) (NASDAQ: BIOC), a fully-integrated provider of crop productivity solutions designed to enable the transition of agriculture towards carbon neutrality, has reported its financial results for the fiscal third quarter ended March 31, 2021. Financial results are expressed in U.S. dollars and are presented in accordance with International Financial Reporting Standards. All comparisons in this announcement are year-over-year (“YoY”), unless noted otherwise.

Fiscal Third Quarter & Subsequent Financial & Operational Highlights

- HB4 wheat on track with over 60,000 hectares already contracted for upcoming planting season, representing over 200 different growers and +550 locations. Approximately half of total hectares onboarded via beta version of digital platform.
- HB4 soy harvest 60% completed. In late 2020, drought-tolerant HB4 soy was planted on approximately 23,000 hectares.
- Agreement with upscale consumer brand Havanna to develop and roll out HB4 wheat-derived products with improved environmental footprint and farm-to-fork traceability.
- Contribution of non-core GLA rights into Moolec Science in exchange for 6% ownership. Investment allows the Company to enter fast growing alternative food market and complements efforts to enable the transition of food systems towards carbon neutrality.
- Comparable revenues up 35% to \$35.0 million in third quarter of fiscal 2021. Crop nutrition expansion was the main growth catalyst for the quarter driven by a 466% growth of micro-beaded fertilizers sales. For the trailing twelve months total comparable revenues increased 12% to \$177.0 million compared to the year-ago period, and Adjusted EBITDA increased 14% to \$46.4 million.
- Bioceres subsidiary Rizobacter Argentina S.A. completed a \$26.0 million public offering of Series V corporate bonds in the Argentine capital market.
- Completed transfer of stock exchange listing from the NYSE American to The Nasdaq Global Select Market. New listing enhances visibility as an Ag-Tech company focused on sustainable solutions.

ESG Initiatives:

- We have commissioned Vigeo Eiris¹ to produce an independent opinion on the alignment of our sustainability-linked financing framework with IMCA's SLBP 2020. The global leader in ESG assessment is of the opinion that Bioceres' selected KPI: "Tons of CO2 equivalent cumulative savings in soy/wheat primary production systems", results relevant, coherent and material from an environmental standpoint, as well as it reflects relevant sustainability challenges for the activities of the Company related to the Agriculture sector, mainly United Nations' Sustainable Development Goals ("SDGs" 2 & 13), namely Zero Hunger and Climate Action. Moreover, the Framework sets Bioceres to achieve ambitious goal of 156,000+ tons of CO2 eq. cumulative savings by 2025 as HB4 soy and wheat roll out projections are met.

MANAGEMENT COMMENTARY

Mr. Federico Trucco, Bioceres Chairman & Chief Executive Officer, commented: "The positive performance of HB4 wheat varieties observed during the last crop cycle, as reported in our second quarter's earnings call, has created excellent pre-season momentum, with contracts already in place for over 60,000 hectares, our baseline target prior to Brazil import approval. We are also progressing with HB4 soy harvest, which is currently at 60%. Resulting seed inventories for both crops should put us in a good place for a meaningful launch once China and Brazil approve HB4 in soy and wheat, respectively."

"As we progress in developing and scaling locally adapted HB4 seeds, as well as on the regulatory front, we are also moving forward with two additional aspects aimed at maximizing this opportunity. We have onboarded close to half of HB4 Program growers via our Generation HB4 digital platform, fully automating the commercial interaction, credit scoring, contract execution and input logistics. On the downstream front, we have validated HB4's sustainability framework and entered a first agreement with a consumer brand, Havanna, for HB4 wheat-derived products. The direct interaction with consumers leveraging on the farm-to-fork traceability of the HB4 Program and associated environmental metrics, represents a tangible example of how technology may be used towards re-building agriculture's social license while keeping food affordable."

Mr. Enrique Lopez Lecube, Chief Financial Officer of Bioceres, said: "On the financial front, the third quarter of 2021 experienced top-line revenue growth of 35% as our crop nutrition segment was the main growth catalyst driven by micro-beaded fertilizers sales. The combination of this and operating leverage enabled the Company to deliver improved adjusted EBITDA and margin expansion during the third quarter of fiscal 2021, positioning our financial profile into the LTM double digit growth trajectory."

¹ V.E is a global leader in ESG assessments, data, research, benchmarks and analytics. Leveraging on extensive proprietary database, they equip market players with the ESG insight needed to manage risks and better understand and address social and environmental impact. Since 2019, V.E has been an Affiliate of Moody's Corporation. For further information please visit: vigeo-eiris.com

“In summary, I believe Bioceres is firing on all cylinders as we now have financial flexibility to execute our HB4 Program, our cost of capital has been reduced, and our financial performance is building while exploiting leverage in our model. We look forward to sharing more on our developing story at upcoming investor conferences in the coming months,” concluded Lopez Lecube.

Key Operational Metrics (Figures in millions of US dollars, unless otherwise noted)

HB4 Wheat and HB4 Soy Metrics

Operational metrics to be updated in the upcoming quarter, 4Q21, at end of HB4 soy harvest and HB4 wheat planting.

Table 1: Key Financial Metrics (Figures in millions of US dollars, unless otherwise noted)

3Q21	As Reported		% Change	
	3Q20	3Q21	Reported	Comparable ¹
Revenue by Segment				
Crop Protection	16.6	17.3	4%	(3%)
Seed and Integrated Products	4.0	3.7	(9%)	(9%)
Crop Nutrition	5.0	15.2	203%	191%
Total Revenue	25.7	36.2	41%	35%
Gross Profit	10.8	15.3	42%	45%
Gross Margin	41.9%	42.3%	41 bps	362 bps
Adjusted EBITDA	2.6	6.9	163%	
Adjusted EBITDA Margin	10.2%	19.0%	881 bps	

1. Comparable excludes the impact of IAS29 as discussed in more detail on page 17.

Table 2: Key Financial Metrics (Figures in millions of US dollars, unless otherwise noted)

Fiscal Nine-Month Period	As Reported		% Change	
	9M20	9M21	Reported	Comparable ¹
Revenue by Segment				
Crop Protection	67.7	66.0	(3%)	(3%)
Seed and Integrated Products	23.5	24.8	6%	10%
Crop Nutrition	33.7	36.5	8%	7%
Total Revenue	124.9	127.3	2%	2%
Gross Profit	56.7	58.2	3%	5%
Gross Margin	45.4%	45.7%	35 bps	141 bps
Adjusted EBITDA	31.8	31.7	(0%)	
Adjusted EBITDA Margin	25.5%	24.9%	(58 bps)	
Cash & Cash Equivalents	54.3	49.2	(9%)	
Net Debt to LTM EBITDA	2.30x	2.89x		
LTM EBITDA	40.6	46.4	14%	

1. Comparable excludes the impact of IAS29 as discussed in more detail on page 17.

REVIEW OF FISCAL THIRD QUARTER 2021 FINANCIAL RESULTS

Comparable Revenues and Comparable Gross Profit are key operational metrics used by the management team to assess the Company's underlying financial and operating performance. The Company has introduced the term “Comparable” to reflect the result of a given metric excluding the impact of IAS 29. For comparison purposes, the impact of adopting IAS 29 is presented separately in each of the applicable sections of this earnings press release, in a column denominated “IAS 29”. For further information please review the Application of IAS 29 section.

Revenues

Table 3: Fiscal 3Q21 Revenues by Segment

(Figures in millions of US dollars)	As Reported			IAS 29		Comparable		
	3Q20	3Q21	%Chg.	3Q20	3Q21	3Q20	3Q21	%Chg.
Revenue by segment								
Crop protection	16.6	17.3	4%	0.3	(0.9)	16.9	16.4	(3%)
Seed and integrated products	4.0	3.7	(9%)	(0.2)	(0.2)	3.8	3.5	(9%)
Crop nutrition	5.0	15.2	203%	0.2	(0.1)	5.2	15.1	191%
Total revenue	25.7	36.2	41%	0.3	(1.2)	26.0	35.0	35%

Total Comparable Revenue was \$35.0 million in the third quarter of fiscal 2021, up 35% from 3Q20. Crop nutrition expansion was the main growth catalyst fully explained by Microbeaded fertilizers solid ramp-up, following a successful shift in the commercial strategy to accelerate use of idle installed capacity.

Gross Profit & Margin

Table 4: Fiscal 3Q21 Gross Profit by Segment

(Figures in millions of US dollars)	As Reported			IAS 29		Comparable		
	3Q20	3Q21	%Chg.	3Q20	3Q21	3Q20	3Q21	%Chg.
Gross profit by segment								
Crop protection	6.0	4.8	(19%)	0.5	1.7	6.4	6.5	1%
Seed and integrated products	1.7	3.4	95%	0.8	(1.0)	2.6	2.4	(9%)
Crop nutrition	3.1	7.1	133%	(0.0)	1.6	3.0	8.7	186%
Total Gross profit	10.8	15.3	42.5%	1.3	2.2	12.0	17.5	45.4%
<i>% Gross profit</i>	41.9%	42.3%	41 bps			46.4%	50.0%	362 bps

Comparable Gross Profit in the third quarter of fiscal 2021 was \$17.5 million, or 45.4% higher than third quarter of fiscal 2020. The corresponding margin expanded 362 basis points to 50.0% from 46.4%, mainly due to shifts in the product mix and costs efficiencies in product categories driving growth for the quarter.

Selling, General and Administrative

Expenses totaled \$10.2 million in the third quarter of fiscal 2021, up 18% from a year ago quarter. The increase in SG&A expenses was primarily due to additional outsourced professional services, partially offset by decreased travel expenses and lower distributions of share-based incentives. SG&A expenses down 565 bps as a percentage of revenue- denoting continued operational leverage as SG&A grows at a slower pace than gross profits.

Research & Development

R&D expenses in the third quarter of fiscal 2021 totaled \$1.4 million. During the quarter, the Company also invested \$1.0 million in R&D activities related to intangible assets and joint ventures. Significant portion of the R&D expenses in the quarter were related to the development of wheat-oriented technologies, including registrations of HB4 wheat for production in the USA (USDA).

Adjusted EBITDA & Adjusted EBITDA Margin

Table 5: Fiscal 3Q21 Adjusted EBITDA Reconciliation and Adjusted EBITDA Margin

(Figures in millions of US dollars)	3Q20	3Q21	Chg.	%Chg.
Income/(Loss) for the period	(3.6)	(0.6)	2.9	(83%)
Income tax (benefit)/expense	(0.4)	0.4	0.8	(207%)
Finance results	4.6	5.0	0.4	9%
Depreciation of PP&E and intangibles assets	1.3	1.8	0.5	41%
Stock-based compensation charges	0.7	0.3	(0.4)	(55%)
Adjusted EBITDA	2.6	6.9	4.3	163%
<i>Adjusted EBITDA Margin</i>	10.2%	19.0%		881 bps

Adjusted EBITDA totaled \$6.9 million in the Third quarter of fiscal 2021, up 163%. The increase in profitability was driven by the ramp-up of the Company's micro-beaded fertilizer business, improved performance for joint ventures, as well as greater operating leverage.

Financial Income and Loss

Table 6: Fiscal 3Q21 Net Finance Result²

(Figures in millions of US dollars)	3Q20	3Q21	Chg.	%Chg.
Net interest expenses	(2.0)	(2.2)	(0.2)	8%
Financial commissions	(0.3)	(0.5)	(0.2)	52%
Total net interest expenses and financial commissions	(2.4)	(2.7)	(0.3)	14%
Exchange differences	(2.6)	(3.7)	(1.1)	41%
Net gain of inflation effect on monetary items	1.6	3.0	1.5	92%
Changes in fair value of financial assets or liabilities and others	0.1	0.5	0.4	712%
Total other non-cash finance result	(1.0)	(0.2)	0.8	(82%)
Total Net Finance Result	(3.3)	(2.9)	0.5	(15%)

²Net interest expenses from financial debt obligations, net of gains/losses from translation effects on Argentine Peso denominated loans held by Rizobacter as part of the Company's financial hedging strategy, as well as financial commissions, are the main financial metrics that management uses to assess Bioceres' cost of financing. Exchange rate differences, net gains/losses due to the inflation effect on monetary items, and Changes in fair value of financial assets or liabilities and others include items that are believed to have a limited impact on the underlying business, as a significant portion of both cash flows and financial debt obligations are linked to the US dollar.

Net financial loss in the third quarter of fiscal 2021 was \$2.9 million, compared to a net financial loss of \$3.3 million in the same year-ago quarter.

Total net cash financial costs increased 14%, from \$2.4 million to \$2.7 million, mainly due to a one-time financial gain in the third quarter of fiscal year 2020 that positively impacted net interest expenses during that period.

Total other financial results in the third quarter of fiscal 2021 were negative \$0.2 million, compared to \$1.0 million in the same year-ago quarter. This improvement was primarily due to a positive increase of changes in fair value of financial assets or liabilities and others and Net gain of inflation effect on monetary items.

PERFORMANCE BY SEGMENT

Crop Protection

Table 7: Crop Protection Segment (Figures in millions of US dollars, except otherwise noted)

Comparable Revenue ¹	% of Total Revenues	Comparable Gross Profit ¹	Gross Margin
3Q20 16.9 3Q21 16.4 Δ (3%)	3Q20 65% 3Q21 47%	3Q20 6.4 3Q21 6.5 Δ 1%	3Q20 37.9% 3Q21 39.4% Δ 148 bps
	Key Products Sales Volumes	Adjuvants (millions of liters) 3Q20 1.2 3Q21 1.3 Δ 5%	

1. Excludes impact of IAS29 as discussed in more detail on page 18.

Comparable revenues in the third quarter of fiscal 2021 were \$16.4 million. Segment revenues declined as a result of dry weather in key markets, which led to less pest pressure decreasing demand of third-party products.

Comparable gross profit in the third quarter of fiscal 2021 was \$6.5 million or 39.4% of total crop protection revenues, slightly above gross margin of the previous fiscal year quarter, primarily due to decreased sales of lower margin third-party products.

Seed and Integrated Products

Table 8: Seed and Integrated Products Segment (Figures in millions of US dollars, except otherwise noted)

Comparable Revenue ¹	% of Total Revenues	Comparable Gross Profit ¹	Gross Margin
3Q20 3.8 3Q21 3.5 Δ (9%)	3Q20 15% 3Q21 10%	3Q20 2.6 3Q21 2.4 Δ (9%)	3Q20 67.8% 3Q21 68.3% Δ 56 bps



Key Products Sales Volumes

Seed Packs (million doses)
 3Q20 0.6 | 3Q21 0.4 | Δ (31%)

1. Excludes impact of IAS29 as discussed in more detail on page 18.

Comparable revenues in the second quarter of fiscal 2021 were \$3.5 million. Most, but not all, of the 96% seed treatment packs growth accomplished by the Company's French subsidiary in 3Q20 was retained, explaining a 9% drop in comparable revenues for 3Q21.

Comparable gross profit in the third quarter of fiscal 2021 was \$2.4 million, or 68.3% of total seed and integrated products revenues. Gross margin for the segment was flat compared to the third quarter of fiscal 2021.

Crop Nutrition

Table 9: Crop Nutrition (Figures in millions of US dollars, except otherwise noted)

Comparable Revenue ¹	% of Total Revenues	Comparable Gross Profit ¹	Gross Margin
3Q20 5.2 3Q21 15.1 Δ 191%	3Q20 20% 3Q21 43%	3Q20 3.0 3Q21 8.7 Δ 186%	3Q20 58.2% 3Q21 57.3% Δ (89 bps)

	Key Products Sales Volumes	Micro-beaded Fertilizers (thousand tons) 3Q20 0.9 3Q21 5.2 Δ 466% Inoculants (million doses) 3Q20 1.7 3Q21 1.6 Δ (9%)
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1. Excludes impact of IAS29 as discussed in more detail on page 18.

Comparable revenues in the third quarter of fiscal 2021 were \$15.1 million. This increase was primarily due to higher sales of micro-beaded fertilizers. After solid commercial and technical efforts in building product awareness, the company decided to accelerate market penetration by improving the attractiveness of the value proposition to growers. Focus remains on two operational initiatives to maintain average gross margins achieved during the introduction of the technology to the market: (1) dilution of fixed manufacturing costs through increased production volumes, and (2) lower raw material costs derived from increased bargaining power as volumes ramp up. In addition, grain commodity prices tailwinds continue to provide an advantageous environment for fertilizers sales. This is shown by the installed capacity utilization sequential, which increased from 25% to 34% on a trailing 12-month basis.

Comparable gross profit in the third quarter of fiscal 2021 was \$8.7 million, or 57.3% of total crop nutrition revenues. Despite stable margins in the micro-beaded fertilizer line as significant growth was achieved, the change in the product mix versus higher margin inoculants explains the short decrease in average gross margin for the segment.

BALANCE SHEET HIGHLIGHTS

Table 10: Capitalization and Debt

(Figures in millions of US dollars)	As of March, 31	
	2020	2021
Total Debt		
Short-Term Debt	67.7	85.4
Long-Term Debt	80.0	97.9
Cash and Cash Equivalents	(48.2)	(16.8)
Other short-term investments	(6.1)	(32.4)
Total Net Debt	93.4	134.2
Equity attributable to equity holders of the parent	45.0	61.0
Equity attributable to non-controlling interests	13.9	17.4
Capitalization	152.3	212.5
LTM Adjusted EBITDA	40.6	46.4
Net Debt /LTM Adjusted EBITDA	2.30x	2.89x

Cash, cash equivalents and other short-term investments as of March 31, 2021 totaled \$49.2 million, compared to \$54.3 million as of March 31, 2020.

Total net debt as of March 31, 2020 was \$134.2 million, of which approximately 53% consisted of long-term obligations. Cash and cash equivalents, short-term deposits and other short-term investments represented approximately 58% of the current portion of debt.

Net Debt-to-LTM Adjusted EBITDA as of March 31, 2021 was 2.89x, compared to 2.30x as of March 31, 2020. The increase in the Company's debt ratio compared to the prior fiscal year was primarily due to the afore mentioned increase in Total Net Debt, as inefficient working capital sources such as factoring were replaced by lower interest rate financial debt. On a sequential basis, Net Debt-to-LTM Adjusted EBITDA, decreased from 3.05x on December 31, 2020 primarily due solid Adjusted EBITDA growth this quarter and seasonally higher working capital requirements in the second quarter of fiscal 2021.

FISCAL THIRD QUARTER 2021 EARNINGS CONFERENCE CALL

Bioceres Chairman & Chief Executive Officer Federico Trucco, Chief Financial Officer Enrique Lopez Lecube and Head of Investor Relations Máximo Goya will host the conference call, followed by a question-and-answer session. The conference call will be accompanied by a presentation, which can be viewed during the webcast or accessed via the investor relations section of the company's website [here](#).

To access the call, please use the following information:

Date:	Thursday, May 13, 2021
Time:	8:30 a.m. EDT, 5:30 a.m. PDT
Toll Free dial-in number:	1-844-839-9680
Toll/International dial-in number:	1-647-689-2346
Conference ID:	2683788
Pre-Register conference call:	Click here

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have difficulty connecting with the conference call, please contact MZ Group at +1 (949) 491-8235.

The conference call will be broadcast live and available for replay [here](#) and via the investor relations section of the company's website [here](#).

A replay of the call will be available until May 18, 2021 following the conference.

Toll Free Replay Number:	1-800-585-8367
International Replay Number:	1-416-621-4642
Replay ID:	2683788

About Bioceres Crop Solutions Corp.

Bioceres Crop Solutions Corp. (NASDAQ: BIOX) is a fully integrated global provider of crop productivity technologies designed to enable the transition of agriculture towards carbon neutrality. The Company's solutions create economic incentives for farmers and other stakeholders to adopt environmentally friendlier production practices. The Company has a unique biotech platform with high-impact, patented technologies for seeds and microbial ag-inputs, as well as next generation crop nutrition and protection solutions. Through its HB4 program, the Company is bringing digital solutions to support growers' decisions and provide end-to-end traceability for production outputs. For more information, click [here](#).

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Forward-Looking Statements

This communication includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “forecast,” “intend,” “seek,” “target,” “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements include estimated financial information and, among others, statements related to the expected or potential impact of the novel coronavirus (COVID-19) pandemic, and the related responses by governments, clients and the Company, on our business, financial condition, liquidity position and results of operations, and any such forward-looking statements, whether concerning the COVID-19 pandemic or otherwise, involve risks, assumptions and uncertainties. These forward-looking statements include, but are not limited to, whether (i) the health and safety measures implemented to safeguard employees and assure business continuity will be successful, (ii) the uncertainty related to COVID-19 in the farming community will be short lived, and (iii) we will be able to coordinate efforts to ramp up inventories. Such forward-looking statements are based on management’s reasonable current assumptions, expectations, plans and forecasts regarding the Company’s current or future results and future business and economic conditions more generally. Such forward-looking statements involve risks, uncertainties and other factors, which may cause the actual results, levels of activity, performance or achievement of the Company to be materially different from any future results expressed or implied by such forward-looking statements, and there can be no assurance that actual results will not differ materially from management’s expectations or could affect the Company’s ability to achieve its strategic goals, including the uncertainties relating to the impact of COVID-19 on the Company’s business, operations, liquidity and financial results and the other factors that are described in the sections entitled “Risk Factors” in the Company’s Securities and Exchange Commission filings updated from time to time. The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. Therefore, you should not rely on any of these forward-looking statements as predictions of future events. All forward-looking statements contained in this release are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date they are or were made, and the Company

does not intend to update or otherwise revise the forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events, except as required by law.

USE OF NON-GAAP FINANCIAL INFORMATION

To supplement our audited financial results prepared in accordance with GAAP, we have prepared certain non-GAAP measures that include or exclude special items. These non-GAAP measures are not meant to be considered in isolation or as a substitute for financial information presented in accordance with GAAP and should be viewed as supplemental and in addition to our financial information presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures. In addition, other companies may report similarly titled measures, but calculate them differently, which reduces their usefulness as a comparative measure. Management utilizes these non-GAAP metrics as performance measures in evaluating and making operational decisions regarding our business.

Non-IFRS Financial Information

The Company supplements the use of IFRS financial measures with non-IFRS financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Net debt, Net interest expenses, Comparable revenues and Comparable gross profit which exclude the impact of IAS29 as explained below.

The non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS and may be different from non-IFRS measures used by other companies. In addition, the non-IFRS measures are not based on any comprehensive set of accounting rules or principles. Non-IFRS measures have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with IFRS. This non-IFRS financial measures should only be used to evaluate the Company's results of operations in conjunction with the most comparable IFRS financial measures.

Adjusted EBITDA and Adjusted EBITDA Margin

The Company defines Adjusted EBITDA as profit/(loss) exclusive of financial income/(costs), income tax benefit/(expense), depreciation, amortization, share-based compensation, inventory purchase allocation and one-time transactional expenses.

Management believes that Adjusted EBITDA provides useful supplemental information to investors about the Company and its results. Adjusted EBITDA is among the measures used by the management team to evaluate the Company's financial and operating performance and make day-to-day financial and operating decisions. In addition, Adjusted EBITDA and similarly titled measures are frequently used by competitors, rating agencies, securities analysts, investors and other parties to evaluate companies in the same industry. Management also believes that Adjusted EBITDA is helpful to investors because it provides additional information about trends in the Company's core operating performance prior to considering the impact of capital structure, depreciation, amortization and taxation on results. Adjusted EBITDA should not be considered in isolation or as a substitute for other measures of financial performance reported in accordance with IFRS. Adjusted EBITDA has limitations as an analytical tool, including:

- Adjusted EBITDA does not reflect changes in, including cash requirements for working capital needs or contractual commitments;
- Adjusted EBITDA does not reflect financial expenses, or the cash requirements to service interest or principal payments on indebtedness, or interest income or other financial income;
- Adjusted EBITDA does not reflect income tax expense or the cash requirements to pay income taxes;
- Although depreciation and amortization are non-cash charges, the assets being depreciated or amortized often will need to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for the replacements;
- Although share-based compensation is a non-cash charge, Adjusted EBITDA does not consider the potentially dilutive impact of share-based compensation; and
- Other companies may calculate Adjusted EBITDA and similarly titled measures differently, limiting its usefulness as a comparative measure.

The Company compensates for the inherent limitations associated with using Adjusted EBITDA through disclosure of these limitations, presentation in the combined financial statements in accordance with IFRS and reconciliation of Adjusted EBITDA to the most directly comparable IFRS measure, income/(loss) for the period or year.

Comparable figures (Comparable revenue and Comparable gross margin)

Comparable figures result from dividing nominal Argentine pesos for the Argentine operations by the average foreign exchange rate of the Argentine Peso against the US Dollar in the period. For comparison purposes, the impact of adopting IAS 29 is presented separately in each of the applicable sections of this earnings release, in a column denominated "IAS 29". The IAS 29 adjustment results from the combined effect of: (i) the indexation to reflect changes in purchasing power on results against a dedicated line in the financial results, and (ii) the difference between the translation of results at the closing exchange rate and the translation using the average year-to-date rate on the reported period, as applicable to non-inflationary economies.

Net Debt and Net Debt to Adjusted EBITDA

Net debt is defined as the sum of long and short-term borrowings and finance payment from business combinations, less cash and cash equivalents and restricted short-term deposit. This measure is used by management and investment analysts and management believes it shows the financial strength of the Company. Management is consistently tracking the Company's leverage position and its ability to repay and service the debt obligations over time. Therefore, management has set a leverage ratio target that is measured by net debt divided by Adjusted EBITDA.

Net Interest Expenses

Net interest expenses are defined as the sum of interest, other financial results and gains/losses from translation effects on Argentine Peso denominated loans held by Rizobacter Argentina. Gains/losses from translation effects on Argentine Peso denominated loans are part of the hedging activities conducted by the Company to manage cost of financing. Net interest expenses and financial commissions represent the main financial metrics that management uses to assess Bioceres' cost of financing.

Application of IAS 29

Argentina has been classified as a hyperinflationary economy under the terms of IAS 29 beginning July 1, 2018. IAS 29 requires, adjusting all non-monetary items in the statement of financial position by applying a general price index from the day they were booked to the end of the reporting period. At the same time, it also requires that all items in the statement of income are expressed in terms of the measuring unit current at the end of the reporting period. Consequently, on a monthly basis, results of operations for each reporting period are measured in Argentine Pesos and adjusted for inflation by the applicable monthly inflation rate each month. All amounts need to be restated by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements. As a result, each monthly results of operations are readjusted each successive month to reflect changes in the monthly inflation rate.

After the restatement explained above, IAS 21 "The Effects of Changes in Foreign Exchange Rates", addresses the way results must be translated under inflation accounting, stating that all amounts shall be translated at the closing rate at the date of the most recent statement of financial position. Accordingly, monthly results of operations in Argentine Pesos, after adjustment for inflation pursuant to IAS 29, as described above, must then be converted into U.S dollars at the closing exchange rate for such monthly reported period. This conversion changes every prior reported monthly statement of income in U.S dollars as each monthly amount is readjusted under IAS 29 for inflation per above and reconverted at different exchange rates for each monthly reported period under IAS 21. As a result, the impact of monthly inflationary adjustments and monthly conversion adjustments vary the results of operation month to month until year end.

Unaudited Consolidated Statement of Comprehensive Income
(Figures in US dollars)

	Three-month period ended 03/31/2021	Three-month period ended 03/31/2020	Nine-month period ended 03/31/2021	Nine-month period ended 03/31/2020
Total revenue	36,221,113	25,672,412	127,315,064	124,918,358
Cost of sales	(20,901,909)	(14,920,088)	(69,088,393)	(68,227,890)
Gross profit	15,319,204	10,752,324	58,226,671	56,690,468
% Gross profit	42%	42%	46%	45%
Operating expenses	(11,656,378)	(9,953,025)	(35,107,369)	(31,262,696)
Share of profit of JV	906,241	(132,080)	1,211,928	1,166,425
Other income or expenses, net	205,127	(22,098)	345,449	(203,664)
Operating profit	4,774,194	645,121	24,676,679	26,390,533
Finance result	(5,008,001)	(4,584,952)	(23,640,337)	(24,453,628)
Profit / (loss) before income tax	(233,807)	(3,939,831)	1,036,342	1,936,905
Income tax	(390,710)	366,382	(6,232,163)	(838,273)
Profit / (loss) for the period	(624,517)	(3,573,449)	(5,195,821)	1,098,632
Other comprehensive income / (loss)	1,911,937	(56,919)	2,707,064	(7,623,444)
Total comprehensive profit / (loss)	1,287,420	(3,630,368)	(2,488,757)	(6,524,812)
Profit / (loss) for the period attributable to:				
Equity holders of the parent	(1,180,484)	(3,120,733)	(7,503,849)	1,143,771
Non-controlling interests	555,967	(452,716)	2,308,028	(45,139)
	(624,517)	(3,573,449)	(5,195,821)	1,098,632
Total comprehensive profit / (loss) attributable to:				
Equity holders of the parent	510,325	(3,170,432)	(5,278,946)	(5,597,750)
Non-controlling interests	777,095	(459,936)	2,790,189	(927,062)
	1,287,420	(3,630,368)	(2,488,757)	(6,524,812)

Unaudited Consolidated Statement of Financial Position

(Figures in US dollars)

ASSETS	03/31/2021	06/30/2020
CURRENT ASSETS		
Cash and cash equivalents	16,784,080	27,159,421
Other financial assets	32,415,344	28,799,833
Trade receivables	80,412,576	73,546,633
Other receivables	7,855,945	4,770,672
Income and minimum presumed income taxes recoverable	167,745	112,220
Inventories	39,058,808	29,338,548
Biological assets	17,101,794	965,728
Total current assets	193,796,292	164,693,055
NON-CURRENT ASSETS		
Other financial assets	333,969	322,703
Trade receivables	831,581	-
Other receivables	2,169,173	1,703,573
Income and minimum presumed income taxes recoverable	10,288	6,029
Deferred tax assets	2,776,265	2,693,195
Investments in joint ventures and associates	29,287,990	24,652,792
Property, plant and equipment	42,845,194	41,515,106
Intangible assets	61,093,033	35,333,464
Goodwill	26,480,645	25,526,855
Right-of-use leased asset	1,080,939	1,114,597
Total non-current assets	166,909,077	132,868,314
Total assets	360,705,369	297,561,369
LIABILITIES	03/31/2021	06/30/2020
CURRENT LIABILITIES		
Trade and other payables	60,402,061	57,289,862
Borrowings	85,415,020	63,721,735
Employee benefits and social security	3,622,544	4,510,592
Deferred revenue and advances from customers	1,388,479	2,865,437
Income tax payable	5,049,721	1,556,715
Government grants	1,302	1,270
Consideration for acquisition of assets	200,000	-
Lease liability	507,434	665,098
Total current liabilities	156,586,561	130,610,709
NON-CURRENT LIABILITIES		
Trade and other payables	452,654	452,654
Borrowings	50,740,811	41,226,610
Employee benefits and social security	-	534,038
Government grants	-	2,335
Investments in joint ventures and associates	1,266,645	1,548,829
Deferred tax liabilities	17,630,027	16,858,125
Provisions	377,900	417,396
Consideration for acquisition of assets	7,637,972	-
Warrants	-	1,686,643
Convertible notes	47,197,434	43,029,834
Lease liability	428,304	444,714
Total non-current liabilities	125,731,747	106,201,178
Total liabilities	282,318,308	236,811,887
EQUITY		
Equity attributable to owners of the parent	61,026,785	46,179,395
Non-controlling interests	17,360,276	14,570,087
Total equity	78,387,061	60,749,482
Total equity and liabilities	360,705,369	297,561,369