

Confirmation of the Responsible Persons

Following the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodical and Additional Information of the Bank of Lithuania, we, Darius Zubas, CEO of AB Linas Agro Group and Mažvydas Šileika, CFO of AB Linas Agro Group, hereby confirm that, to the best of our knowledge, the unaudited Interim Consolidated Financial Statements of AB Linas Agro Group for the nine months of the financial year 2021/22, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, give a true and fair view of assets, liabilities, financial position, profit or losses and cash flow of AB Linas Agro Group and the Group as well. We also confirm that Interim Consolidated Report for the nine months of the financial year 2021/22 includes fair review of the business development and activities, together with the description of the major risks and indeterminations incurred.

CEO of AB Linas Agro Group



Darius Zubas

31 May 2022

CFO of AB Linas Agro Group



Mažvydas Šileika

31 May 2022



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Consolidated Interim
9-month Report
of AB Linas Agro Group
for FY2021/2022

For the period ended March 31, 2022

Information about the Company and the Group

Company name	AB Linas Agro Group
Legal form	Public company
Date and place of registration	27/11/1995 in Panevezys
Code of legal entity	148030011
LEI	529900UB9QON717IL030
VAT identification number	LT480300113
Company registers	State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)
Address	Subačiaus St. 5, LT-01302 Vilnius, Lithuania
Phone	+370 45 50 73 03
E-mail	group@linasagro.lt
Website	www.linasagroup.lt
Bank account	LT07 7044 0600 0263 7111, AB SEB bank, bank code 70440
ISIN code	LT0000128092
Ticker in Nasdaq Vilnius	LNA1L

AB Linas Agro Group together with its directly and indirectly controlled companies (hereinafter – subsidiaries) and associates makes the Group, which was founded in 1991. The company had 72 subsidiaries and 3 associates as at March 31, 2022. The total headcount of the Group was 5,355. The financial year of the Group starts on the 1st of July. The Company does not have any branches and representative offices.

Contact Person

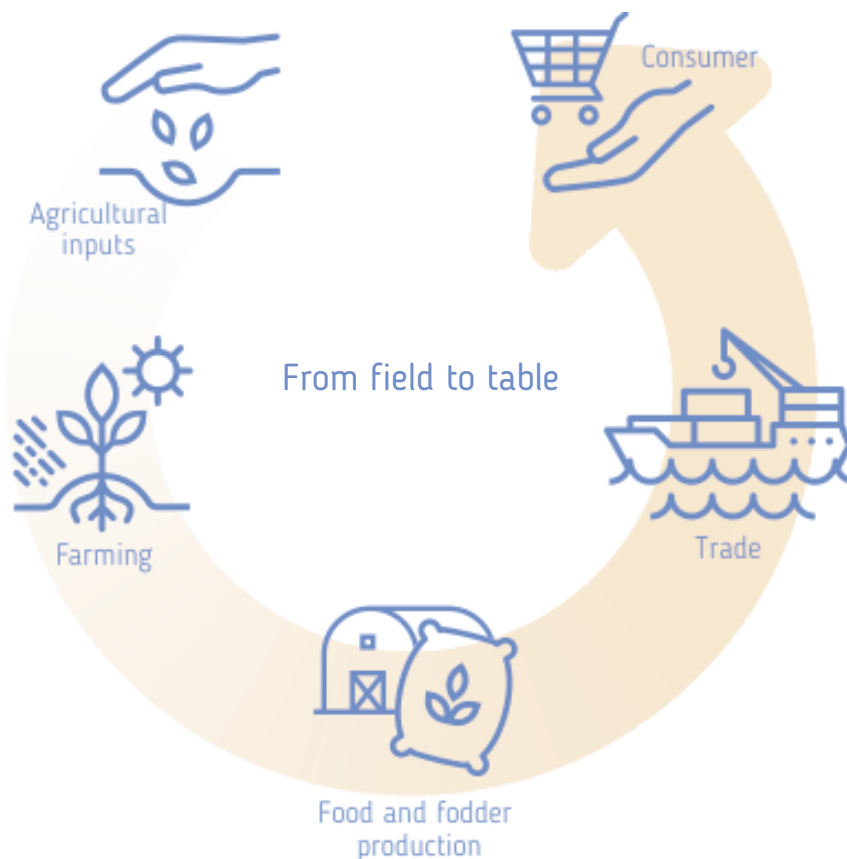
Chief Financial Officer
 Mažvydas Šileika
 Ph. + 370 619 19 403
 Email m.sileika@linasagro.lt

The Main Activity

AB Linas Agro Group is the largest group of agricultural and food production companies in the Baltic States, operating in the entire food production chain. The subsidiaries controlled by the Company produce, handle and merchandise agricultural and food products, also provide products and services for farming. The Company performs only the management function and is not involved in any trading or production activities.

The core products produced and marketed are grain, oilseed, compound feed, feed materials and additives, milk, poultry meat and poultry products, flour and flour products, instant food, pet food, veterinary pharmaceuticals, and goods to the farmers. The production chain, which extends from the field to the table, provides self-sufficiency in raw materials, ensures process traceability and the quality of the products produced.

The Group is the leading exporter of grains and has own network of grain storage facilities. Also is one of the leaders in supplies of agricultural inputs (such as certified seeds, fertilizers, crop care products and agricultural machinery) in Lithuania, has seed processing plant. The Group is a major milk producer in Lithuania and has the most efficient dairy farms. It owns the largest poultry meat producers in Lithuania and Latvia, operating the best-known poultry brands in both countries. The Group is the leader in the production of instant foods in the Baltic States.



Activity and Financial Results of the Group

Consolidated revenue of AB Linas Agro Group in nine months of 2021/22 financial year totaled EUR 1,348 million and was 89% more as compared to previous year (EUR 712 million).

The Group's sales volume in tons reached 2.89 million tons of various products and was 21% more as compared to previous year (2.38 million tons).

The gross profit reached EUR 102 million and was 250% higher than a year before (EUR 29 million).

The Group's operating profit was EUR 39 million or 680% more as compared to the respective period of the previous year (EUR 5 million).

Consolidated EBITDA amounted to EUR 66 million and was 285% higher as compared to the previous year (EUR 17 million).

Profit before tax amounted to EUR 32 million and was 970% higher as compared to EUR 3 million in previous year.

The net profit stood at EUR 26 million and increased by 931% y-o-y.

Consolidated revenue for the Q3 amounted to EUR 492 million being 108% higher as compared to the previous year (EUR 237 million). Gross profit for the Q3 increased from EUR 9 million to EUR 38 million and operating profit from EUR 0.1 million loss to EUR 16 million profit. Net profit for the Q3 amounted to EUR 11 million, compared to a net loss of EUR 1 million in the corresponding period of the previous year.



Financial indicators

	2021/22 9 months	2020/21 9 months	2019/20 9 months	2018/19 9 months	2017/18 9 months
Sales in tons	2,889,756	2,382,056	1,669,220	1,723,597	1,634,423
Sales revenue, TEUR	1,347,878	711,629	475,884	526,349	449,248
Gross profit, TEUR	102,422	29,235	27,137	24,283	30,539
EBITDA, TEUR	65,745*	17,074*	11,835	6,782	13,713
EBITDA, TEUR (Excluding the impact of IFRS 16)	63,762*	12,881*	11,835	6,782	13,713
Operating profit (loss), TEUR	39,344	5,053	2,884	(1,189)	4,693
Net profit (loss), TEUR	26,319	2,553	716	(3,492)	2,922

* Depreciation of biological assets (crops) sold during the reporting period and related to the previous reporting period, amounting to EUR 2,156 thousand, is also excluded (EUR 2,011 thousand for the period 2020/2021, the effect of such depreciation was not significant for the comparative periods).

Explanation of terms:

EBITDA	Equals operating profit before depreciation, amortization and impairment losses.
Operating profit (EBIT)	Equals profit before net from investments and finance activities, and income tax.

Overview

According to the preliminary data of International Grains Council (IGC) published on 2022 May 19, the **world grain production for 2021/2022** shall account for 2,291 million tons and will end up being 72 million tons more as compared to the figures of 2020/2021. The global wheat harvest is likely to record a peak, but the yields of the main maize crop exporters (Brazil, USA, Ukraine) shall have the most significant impact on the results. At the same time, based on the United States Department of Agriculture (USDA) preliminary data at May 12, 2022, **the forecast for the global oilseed harvest of 2021/2022** has been reduced to 597 million tons, expecting 10 million tons less than in 2020/2021. More moderate growth expectations were largely driven by changes in the assessment of soybean yields in drought-affected Brazil, Paraguay, and Argentina.

According to the **preliminary data of the Baltic statistical offices, harvest collection for 2021/2022** was:

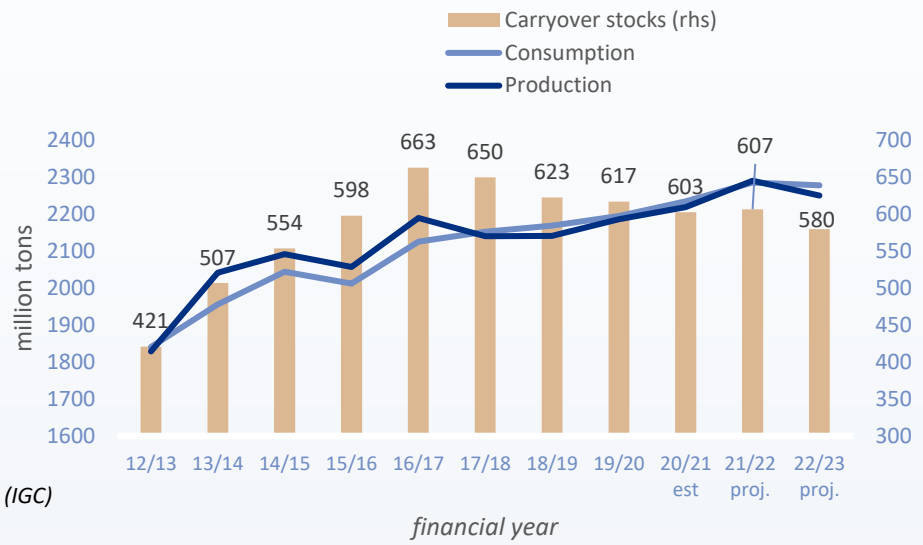
- about 6 million tons of cereals, 0.3 million tons of pulses, 1 million tons of rapeseed (**Lithuania**),
- 2.9 million tons of grain, 0.4 million tons of rapeseed (**Latvia**) and
- 1.3 million tons of grain and 0.2 million tons of rapeseed (**Estonia**).

In contrast to the record harvest of grain and oilseeds in all Baltic countries in 2020/2021, it seems that results of 2021/2022 have not met the expectations of stakeholders, however the yields are in line with the general trends of the last five years and even slightly above the average.

Based on the forecasts of the very same organizations, consumption shall as well keep increasing (54 million tons higher than in 2020/2021), and will be associated with growing demand for food, feed and industrial uses. Although record-breaking in terms of quantity, due to rain and, in some cases, droughts, wheat quality did not match the expectations, limiting global availability of higher quality wheat and in the context of growing demand for both food and feed wheat, maintained high price sentiment. In January-March 2022, world grain prices were 86-87 euros higher than last year, for example, wheat futures prices for May lots on the Euronext exchange fluctuated around 308-309 euros per ton, compared to 222-223 euros per ton a year ago. At the same time, the rate of oilseed consumption, due to the continuous significant rise in prices, shall illustrate some normalization of demand and is likely to close somewhere around last year's volumes. Respectively, at the end of the 2021/2022 harvest year, a temporary stabilization in terms of global cereal stocks (607 million tons) and declining world oilseed stocks (103 million tons) is expected.

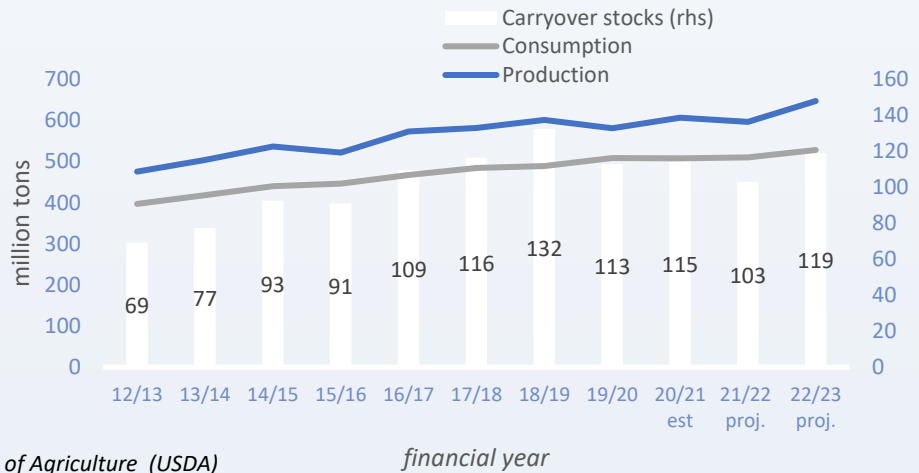
According to the preliminary data of International Grains Council (IGC), **the global cereal harvest in 2022/2023** shall reach 2,251 million tons and be 40 million tons less than in 2021/2022. Russia's military action, started at February 24, 2022 in Ukraine and continuing on the date of this announcement, will have a significant impact on lower wheat and maize production; it is expected that wheat harvest will shrink by about 35% (about -11 million tons) and due to damage to infrastructure and risky access to the fields, the maize sown area will decrease and the expected yield of this crop is likely to shrink by as much as 55% (about -23 million tons). In Morocco, due to extremely dry weather conditions and in Australia, due to a high comparative base, wheat yields are also projected to decline; due to implicit lower fertilizer use the overall lower global yields are anticipated. Largely due to the persistence of high prices, the projected pace of cereal consumption is expected to slow just slightly, still projecting decline of 2022/2023 global cereal stocks, which by the end of the year shall account for 580 million tons and mark the lowest level in eight years. At the same time, based on the preliminary data from the United States Department of Agriculture (USDA), **the global oilseed harvest of 2022/2023** shall reach 647 million tons and score 50 million tons higher; despite projected approx. 40% decline in Ukraine's sunflower seed yields, the growth of soybean yields in Brazil, Argentina and Paraguay shall significantly exceed aforementioned decline and is likely to provide a basis for the recovery of global oilseed stocks at the end of the year 2022/2023 - reaching 119 million tons.

The world total grain production



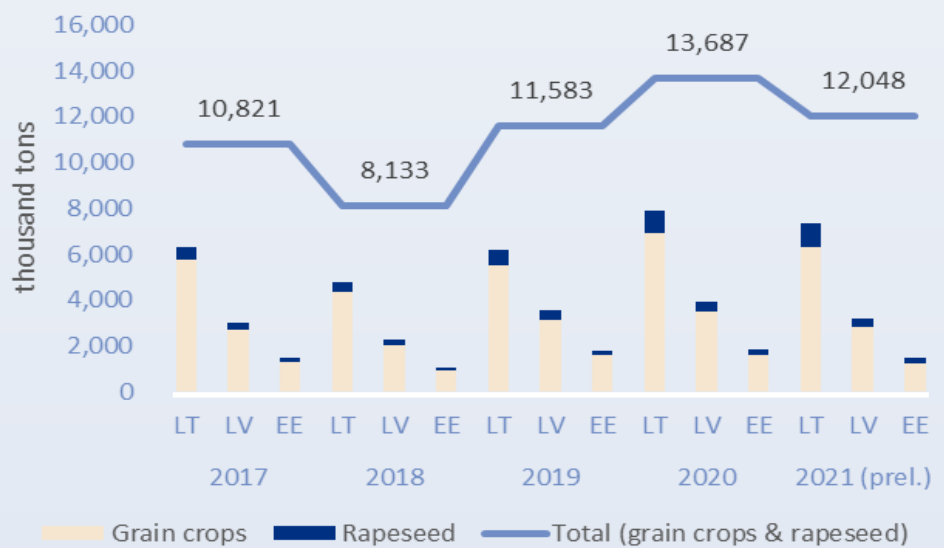
Data: International Grains Council (IGC)

The world total oilseeds production



Data: United States Department of Agriculture (USDA)

Grain and rapeseed harvest in the Baltic states



Data: Statistics Lithuania, Central Statistical Bureau of Latvia, Statistics Estonia

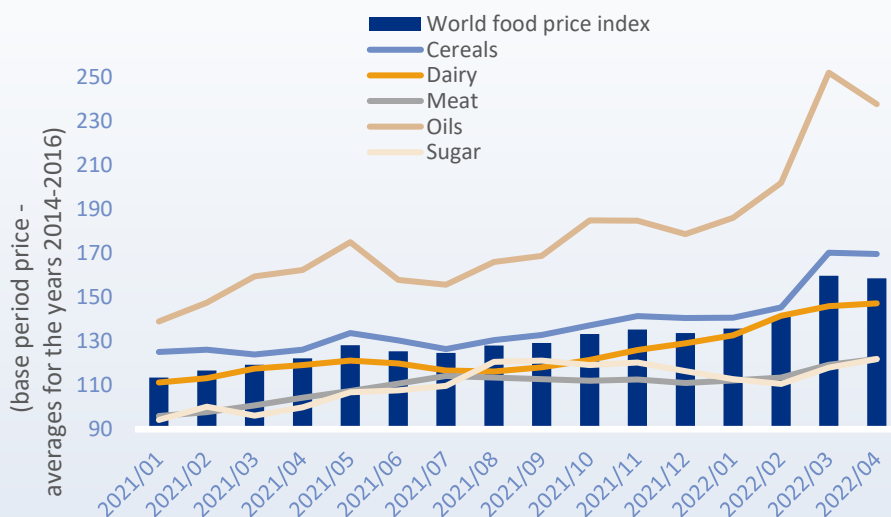
According to S&P Global Market Intelligence data, Ukraine's export in 2021 will account for:
12.8% of global maize export,
10.5% of global wheat export.
 Ukraine is also biggest exporter of sunflower oil globally.

In the context of current geopolitical events, future price assessment, based on the amount of transitional stocks at the end of the 2021/2022 harvest and an indication of the coming 2022/2023 harvest, is not sufficient. Russia's military invasion of Ukraine has greatly increased uncertainty when assessing conditions for agricultural supply and demand in the region and around the world. Ukraine's role as a global food exporter is changing significantly. Due to the remaining blockade of Ukrainian seaports, limiting the export of 2021/2022 harvest to world markets, contributes to the rise in global food and other component prices and reinforces the inflationary sentiment that already prevailed before Russia's military action. The structural basis for price growth in the raw materials market was formed even before February 24, 2022 with money supply

in recent years growing almost the fastest since the beginning of 20th century (not counting the years of World War II), in order to cope with the effects of the COVID-19 pandemic some governments had increased their debts quite significantly. Thus, the rise in global prices, that gained the momentum already in 2021, has reached an all-time high food price index in March 2022, according to the Food and Agriculture Organization of the United Nations.

Dynamics of world food prices 2021/2022

Data: Food and Agriculture Organization of the United Nations



In the operations of different segments of the Group, such changes in both food and non-food prices have a significant impact not only on income generation, but also on management of rising costs.

The most significant inflationary sentiment was observed in the **vegetable oil, grain categories**. The group's companies trading in cereals, oilseeds, raw materials and feed additives, as well as active in the production of compound feed, breeding of poultry and dairy herds, have had to adapt to rising production prices, higher working capital requirements and more complicated pre-harvest contracting (due to the turbulent geopolitical situation farmers hesitant to commit) and finally with initiation of military actions in Ukraine – to reorientate trade principles, canceling trade relations with Russian and Belarusian suppliers.

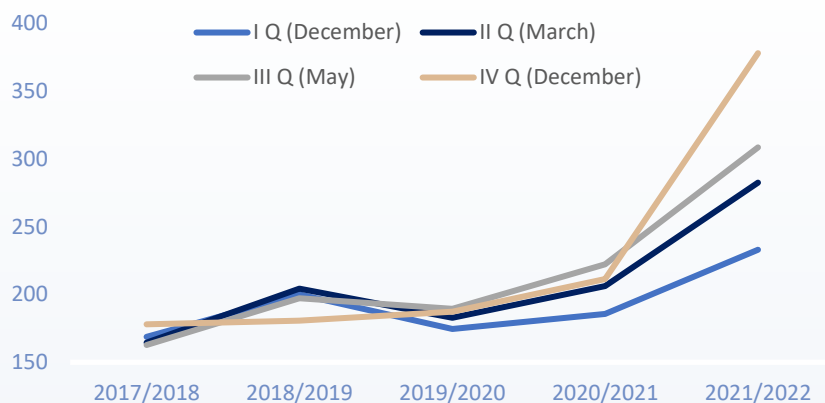
Businesses engaged in the production of compound feed, flour, it's mixtures, instant food and poultry products, as well as the ones providing grain storage services, were significantly affected by **rising energy prices** (cost share in production processes), further strengthened by application of anti-military sanctions, seeking to limit Russia's, one of the world's largest oil and gas producers, power. Energy costs and sanctions have also affected record-high prices of fertilizers, their affordability and accessibility. Certainly, latter factors, not only meant difficulties in trade, but also greater earning opportunities for businesses in the Products and services for farmers segment.

Due to rising grain and **milk prices**, preconditions for revenue growth were also created for the Group's Agricultural production segment. The upward trend in dairy prices has continued due to the persistent lack of global supply. Rising dairy production costs, persistent COVID19 induced labor shortages leading to production and delivery delays, expectations of lower than average production volumes in the near future, as well as higher demand for butter as a substitute for sunflower oil and margarine, were the main factors behind the continued rise in raw milk purchase prices on the world markets. The tendency of rising raw milk purchase prices also prevailed in Lithuania.

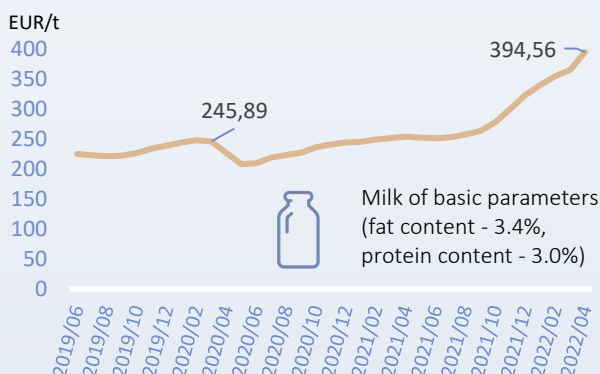
With the onset of the COVID-19 pandemic, the group's companies producing chicken and its products have had to operate in an environment of significantly diminished **poultry prices**. Due to since then shrinking HORECA orders, persistent overproduction on the European market and for quite some time low pork prices - a full production price recovery passing on rising costs (raw materials and energy resources for chicken feed) to the consumer - was not possible; yet with military actions hitting in February of 2022 and closing Ukraine's (one of the TOP10 world poultry exporters) market, accompanied with recovery of pork prices, the balancing of poultry meat supply and demand improved and encouraged the rise in prices. According to the Polish Ministry of Agriculture for Rural Development, the 2021/2022 9 months average price of fresh chicken fillet, the most profitable poultry product, was 35% higher than the average price for 9 months of 2020/2021 (2.6 Eur kg compared to 3.5 Eur/kg).

Wheat futures price dynamics

Data: Euronext

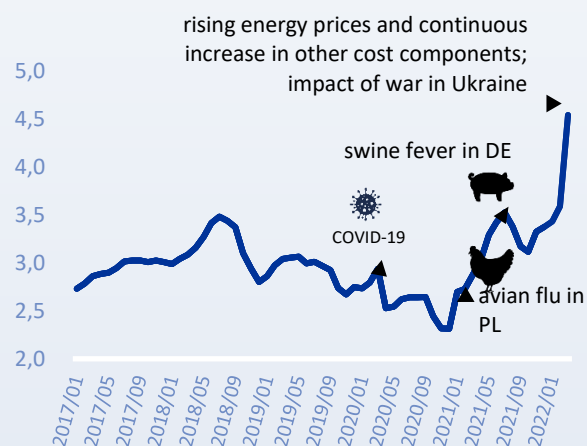


Purchase prices for basic parameters milk in Lithuania



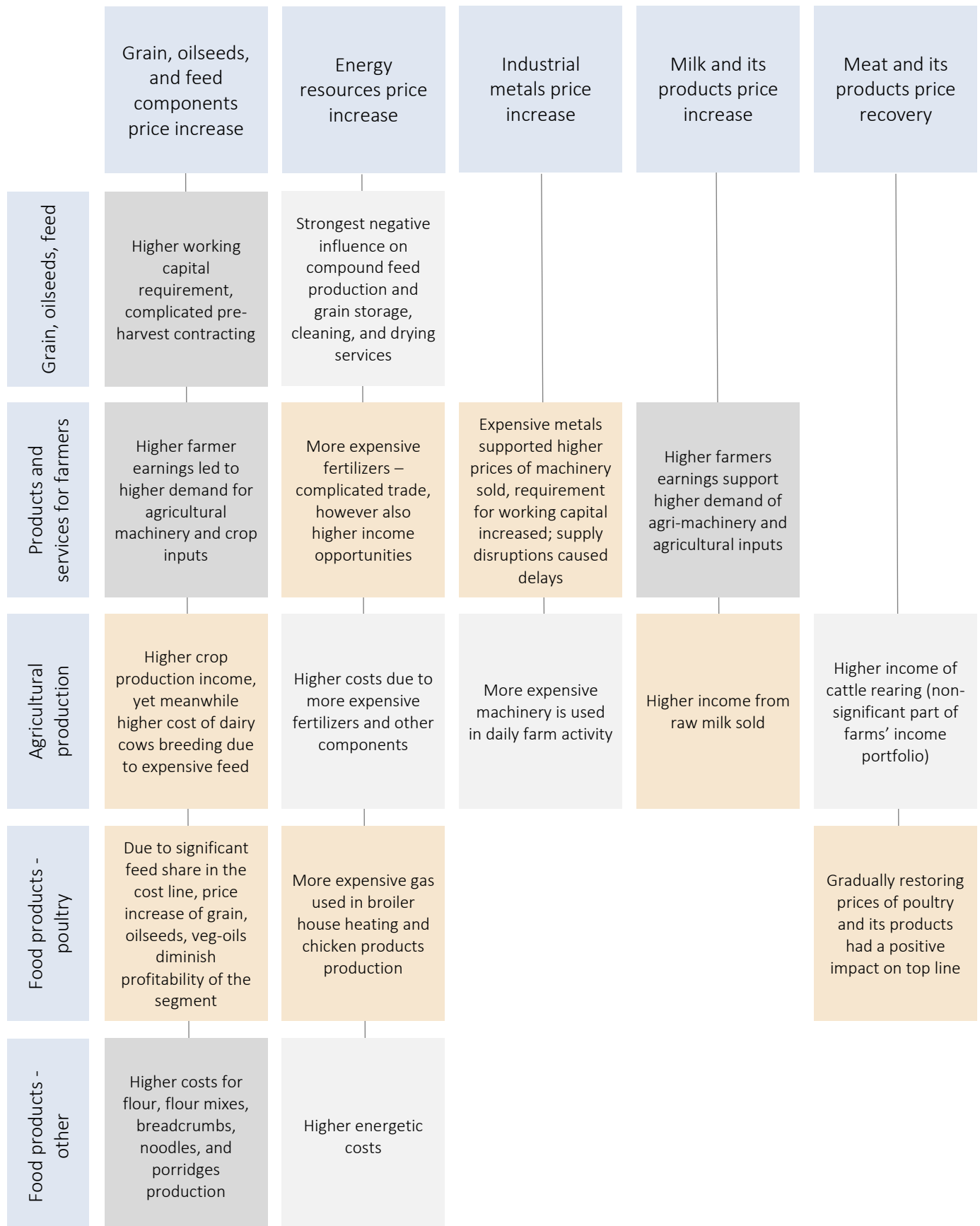
Data: State Enterprise 'Žemės Ūkio Informacijos ir Kaimo verslo centras'

Fresh fillet meat price dynamics in Poland*



Data: The Polish Ministry of Agriculture and Rural Development
*Poland – one of the top poultry meat exporters, producing around 20% of EU poultry meat

The impact of food and non-food price dynamics on income generation and cost management for different segments of the Group



Financial Costs

Over the referenced period financial expenses increased by 207% and amounted to EUR 8.4 million compared to EUR 2.7 million in 9 months of financial year 2020/2021. The total amount of financial liabilities (including lease liabilities) increased from EUR 126 million to EUR 369 million compared to the beginning of the financial year mainly due to increased demand for working capital financing, as well as due to the acquisition transaction, completed by AB Linas Agro Group at 15th of July, 2021.

Cash Flow

Group's cash flow from operating activities before the changes in the working capital was positive and amounted to EUR 66 million as compared to EUR 10 million of the corresponding period of the previous year. Cash flow from operating activities after changes in working capital was negative and amounted to EUR 83 million (negative EUR 10 million over the respective period of 2020/2021 financial year), main reason for that being an increase in inventory by EUR 145 million. Group's cash and cash equivalents amounted to EUR 35 million at the end of the reporting period (EUR 18 million in 2020/2021 financial year).

Performance Results of the Segments

Activities of the Group are divided into five business Segments:

- Grain, oilseeds, and feed;
- Products and services for farming;
- Agricultural production;
- Food products;
- Other activities.

Division into separate Segments is dictated by different types of products and character of related activities; however, activities of the Segments are often interconnected.

Operating Profit (loss) by Segments, thousand euro

	2021/22 9 months	2020/21 9 months	2019/20 9 months	2018/19 9 months	2017/18 9 months
Grain, Oilseeds, and Feed	11,148	2,908	3,533	822	6,364
Products and Services for Farming	37,274	4,452	1,833	145	1,495
Agricultural Production	(91)	1,443	(1,476)	(868)	(359)
Food Products	(7,389)	(916)	2,762	692	1,294
Other Activities	376	(16)	67	(66)	155



Grain, Oilseeds, and Feed

This business Segment includes trade in grain, oilseeds, feed materials and feed additives, production and sales of compound feed, grain warehousing and logistics services.



**Start of operation
Operating companies**

1991
 AB Linas Agro (Lithuania)
 UAB Linas Agro Grūdų Centrai (Lithuania)
 UAB Jungtinė Ekspedicija (Lithuania)
 AB Kauno Grūdai (Lithuania)
 UAB KG Mažmena (Lithuania)
 UAB Kauno Grūdai ir Partneriai (Lithuania)
 UAB Agro logistic service (Lithuania)
 SIA Linas Agro (Latvia)
 SIA Linas Agro Graudu Centrs (Latvia)
 SIA KG Latvija (Latvia)
 OU Linas Agro (Estonia)
 LLC LINAS AGRO UKRAINE (Ukraine)
 KG Polska Sp. zo.o. (Poland)
 IOOO Belfidagro (Belarus)*
 OOO VitOMEK (Russia)*
 OOO KLM (Belarus)*

Activity

Grain storage and logistic services
 Grain, oilseeds, feed materials and feed additives trading
 Compound feed production and sales
 Renting and operating of own or leased real estate

**Share of revenue
in Group's portfolio
(9 months of FY 2021/22)**

63%

**Infrastructure
at the end of the reporting period**

564 ktons storage capacity for various grains and other agricultural commodities in Lithuania and Latvia, as well as 365 ktons storage capacity at Lithuanian and Latvian ports.

240 thousand tons of annual compound feed production capacity in own factory in Lithuania (Kaunas)
 55 thousand tons of annual premixes production capacity in own factories in Lithuania (Kaunas), Russia* and Belarus*

Own trademarks

Vitamins and mineral supplements 'VitaPrem', compound feed 'Provitac', feed 'Effectus', 'Hook', 'Kauno grūdai', 'KG nature'

Retail chain

12 feed retail stores in Lithuania

Certificates

The company AB Linas Agro is the holder of the certificates of GTP (European Good Trading Practice) and GMP+ (European Good Manufacturing Practice), also holds the certificates in trade of organic plant production issued by the PE Ekoagros and ISCC (International Sustainability and Carbon certification). SIA Linas is also ISCC certified. AB Kauno Grūdai is the holder of Halal, ISO 22000:2018 certificates, also certificate issued by ISCC. IOOO Belfidagro* has a license to perform veterinary activities, certificates confirming compliance with ISO 14001:2015, ISO 45001:2018, ISO 14001:2018, ISO 9001:2015 standards.

**during the reporting period reclassified to assets held for sale*

Grain Storage and Logistic Services

This Segment includes handling of the grain for the export in elevators (cleaning, drying, storage, reloading) and logistic services. Starting with the reporting period of financial year 2021/2022, the grain storage and logistics services of the Operating segment were already provided by the larger forces of the Group, upgraded after 15th of July, 2021, when AB Linas Agro Group completed the acquisition of KG Group companies. Thanks to the combined storage capacity of grain and other agricultural raw materials in Lithuania and Latvia, the new Company has more storage facilities, flexibility in loading, potential for savings in the logistics, as well as, Group believes, greater bargaining power working with the partners.

Comparing the **quantities of grain accepted** by the companies of the Group (pre-acquisition) with the same reporting period last year, 18% decrease was recorded, the results of the newly joined KG Group companies (excluding the sourcing for Group's production units) were also worse - 27% drop noted. This decrease is related to the lower total grain and rapeseed harvest in Lithuania and Latvia, the fact that due to high yields, elevators in Lithuania and Latvia accepted record quantities of grain during the previous reporting period. The lower amount of collected grain dictated by the reserved harvest, meant shrinking income from grain storage; with continuous high cereal prices trend and prevailing market growth expectations, there have been cases of non-performance of contracts, preferences to sell directly to local producers or competitors. At the same time, it was not easy to manage the costs - gas, electricity and other materials became more expensive and had direct impact on operating results. During the reporting period, investments in the development of the elevator in Jungenai (Marijampole County) were initiated, aiming to increase the capacity and grain reception efficiency; EUR 1.3 million project is expected to be completed by autumn of 2022.

The total result of the companies merged into one Group was **1 million tons** of grain received through the elevator network, of which:

70% - wheat,
15% - rapeseed,
6% - barley

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Grain Storage and Logistic Services income	5,054	3,662	38
Grain Storage and Logistic Services income <i>(only Segment companies, being part of the Group before acquisition)</i>	4,361	3,662	19

Grain and Oilseed Trading

'Grain' means wheat, barley, corn, and some other types of grain. A large part of the activity in this Segment consists of selling grain grown in Lithuania and Latvia.

'Oilseed' means rapeseed, sunflower, and flax seeds.

Comparing the grain and oilseeds quantities sold, as well as sales revenue generated by the companies of the previous composition of the Group (until the acquisition of KG Group by AB Linas Agro Group on 15th July 2021) with the same reporting period of the previous year, the respective 20% quantities decline recorded, while sales revenue grew moderately illustrating the continuous high price sentiment in the market.

Not only due to limited harvest, occurring cases of non-performed contracts and lower purchases, but also due to poorer quality of grain - trade remained difficult during the reporting period. Sun-baked grain parameters did not reach sufficient test weight levels to be accepted for international trade, therefore Group companies had to renegotiate terms with the buyers, cooperate with domestic processors in the realization of production, sell to the local market in accordance with regional grain purchase and supply requirement standards. All the above helped to sell the grain of irregular quality parameters, however, lower test weights for processors often meant the need to adjust recipes, to mix-in larger quantities of better-quality grains, therefore sales of such wheat were made with price deductions. After Russia started military operations in Ukraine on the February 24th, 2022 AB Linas Agro Group already on February 28th announced the termination of trade relations with Russian and Belarusian companies. The adoption of this decision did not have a significant impact on the result for the reporting period. The activities of the group company LLC LINAS AGRO UKRAINA are being continued on the date of publication of this report.

During the reporting period, the volume of grain and oilseeds purchased by the upscaled Group amounted to **1.7 million tons**.

The main export goods remained Lithuanian and Latvian wheat.

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Grain and Oilseed Trading income	483,809	408,823	18
Grain and Oilseed Trading income (only Segment companies, being part of the Group before acquisition)	419,533	408,823	3

Feed Business

This business includes the production and sale of bulk and bagged feed for poultry, pigs, cattle and other animals, also feed materials and feed additives trading.

The products produced by the Group are compound feed for maturing breeders, laying hens, broilers, turkeys, quails, waterfowl, calves, dairy cows, lactating cows, beef cattle, piglets and fattening pigs, horses, fish, sheep, goats, rabbits, as well as baits for fish.

Feed materials means trade in food by-products (such as sunflower cake, sunflower meal, rapeseed cake, soybean meal, sugar beet pellets, etc.) and vegetable oils.

Feed additives means trade in feed additives such as licks, premixes, vitamins, amino acids, etc.

Until the acquisition of KG Group by AB Linas Agro Group on 15th of July, 2021, the feed production activities of the Group companies were carried out in small volumes, with a greater concentration on trade in feed materials until the beginning of this reporting period. With the increase in the Group's scale in the summer of 2021, the production of compound feeds and premixes becomes a significant part of the Group's revenue portfolio. The activity is carried out in own factories in Lithuania, Russia, and Belarus (annual production capacity of 295 thousand tons of compound feed and premixes). It should be noted that from February 28th, 2022 the factories in Russia and Belarus operate on stand-alone basis, the Group companies no longer make joint purchases or supply goods for Eastern subsidiaries production. In Lithuania, the retail trade of feed is carried out through a network of retail stores managed by UAB KG Mažmena.

During the reporting period **655 thousand tons** of compound feed, premixes and feed materials were sold.

Production of harvest 2021 was sold at high price by the local farms and continuous aim to achieve consistently high productivity results for the future harvests prevailed, explaining growing compound feed demand, which have intensified with the outbreak of military action in Ukraine and supply disruptions

concerns from Russia, Belarus and Ukraine (most of the protein and oil raw materials). With the change of supply direction, the cost of feed increased, however strong demand enabled profitability to be maintained. The decision not to conclude new purchase agreements with Russia and Belarus did not significantly affect the result of the reporting period, but the result of future periods will significantly depend on the ability to reorient trade principles, find logistic workarounds for supply from Ukraine and import raw materials from alternative regions.

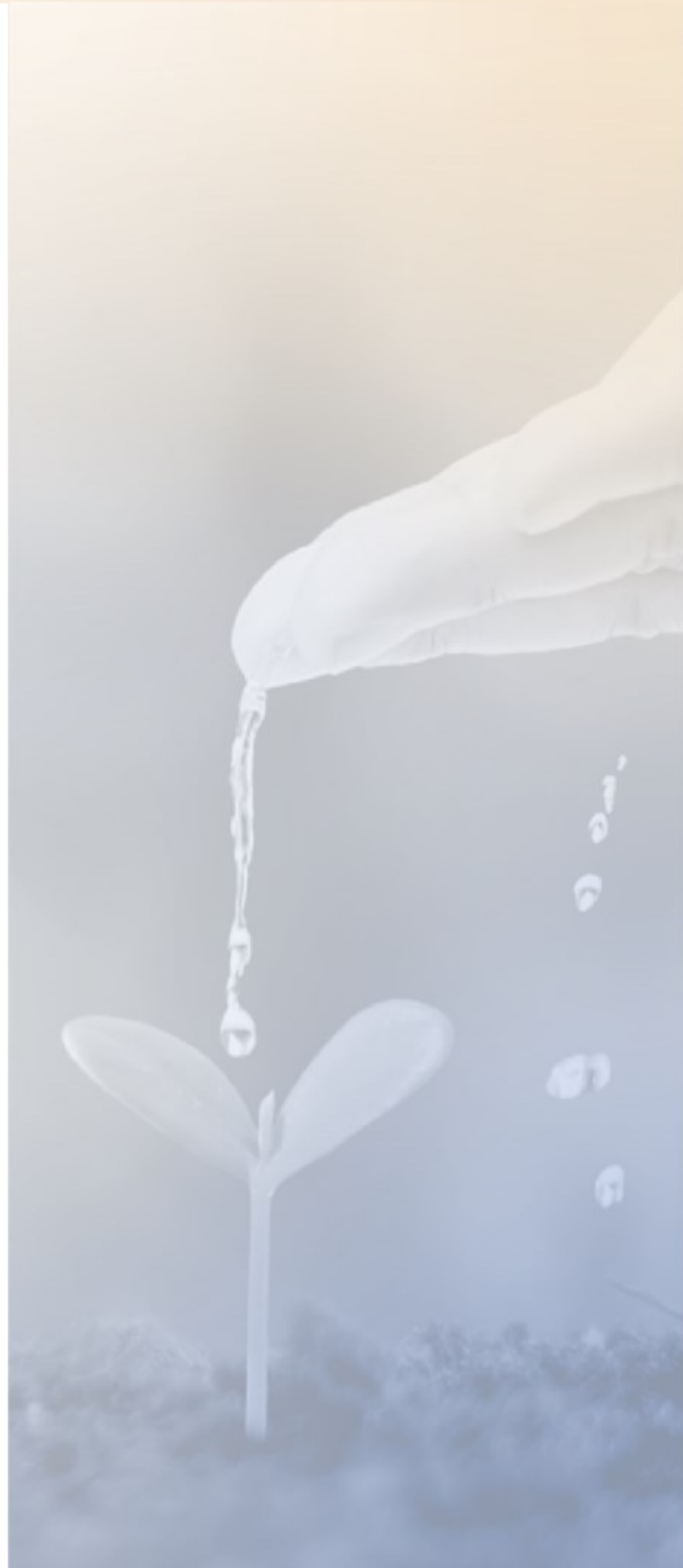
Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Compound feed, premixes, feed material trade income	364,716	121,438	200
Compound feed, premixes, feed material trade income <i>(only Segment companies, being part of the Group before acquisition)</i>	145,504	121,438	20

During the reporting period revenue of the Grain, Oilseeds and Feed segment increased by 60% up to EUR 854 million. Operating result amounted to EUR 11 million profit compared to EUR 3 million profit for the corresponding period of the previous year. The main reasons for the restoring profitability were related with higher scale and new activities introduced to Group's revenue basket after the acquisition of KG Group companies by AB Linas Agro Group.



Products and Services for Farming

This business Segment includes trade in seeds, plant care products, fertilizers, agricultural machinery, installation of grain cleaning, drying and storage facilities as well as livestock farms.



Start of operation	1993
Operating companies	<p>AB Linas Agro (Lithuania) UAB Dotnuva Baltic (Lithuania) AB Kauno Grūdai (Lithuania) UAB GeoFace (Lithuania) UAB Linas Agro Grūdų Centrai (Lithuania) SIA Linas Agro (Latvia) SIA Dotnuva Baltic (Latvia) SIA Linas Agro Graudu Centrs (Latvia) SIA KG Latvija (Latvia) Linas Agro OÜ (Estonia) AS Dotnuva Baltic (Estonia) OOO KLM (Belarus)*</p>
Activity	<p>Preparation of seed in own seed preparation factory Supply of seeds, plant care products, fertilizers to the farmers Supply of new and used agricultural machinery, spare parts, and service to the farmers Installation of grain cleaning, drying and storage facilities as well as livestock farms Software development Representation of worldwide known brands</p>
Share of revenue in Group's portfolio (9 months of FY 2021/22)	19%
Outlets/Service centers	19/15
Infrastructure at the end of the reporting period	185 ktons - storage capacity for warehousing seeds, fertilizers and plant protection products
Total annual capacity of the seed production plant	30 ktons heavy seeds (cereals and pulses)
Owned trademarks	<p>Seeds 'Dotnuva Seeds', fertilizers 'Pro Garden' and 'BIO Mineral', intelligent farming system 'GeoFace'</p> <p>Agricultural machinery, spare parts, grain cleaning, drying and storage facilities as well as livestock farms equipment – 'Kverneland', 'Cimbria', 'Quicke', 'Case IH', 'Einbock', 'Bin', 'Agrifac', 'Siloking', 'Shaffer', 'Swimer', 'Boumatic', 'Araska', 'Mandam', 'Agrisem', 'MacDon', 'Laumetris', 'Wielton', 'Jeantil', 'Kongskilde', 'Symaga', 'Pellon', 'Roka', 'Spinder'.</p> <p>Adjustable underground drainage system – 'Ekodrena'</p> <p>Seeds, plant care products, fertilizers – 'Syngenta', 'Adama', 'Rapool', 'Yara', 'Ekoplón', 'Novagra', 'Nando', 'Haifa', 'Daymsa', 'Agritechno', other.</p>
Represented manufacturers / brands	<p>UAB Dotnuva Baltic, SIA Dotnuva Baltic and AS Dotnuva Baltic have joined the Case IH international quality network Red Excellence, which unites companies representing the Case IH brand in Europe.</p> <p>UAB Dotnuva Baltic has a certificate in preparation and trade of organic seeds issued by the PE Ekoagros, as well as a qualification certificate entitling to be a contractor for the construction of special structures.</p>
Certificates	

*during the reporting period reclassified to assets held for sale

Preparation of Seed in own Seed Preparation Factory

Higher production volumes are related to favorable winter sowing conditions in the fall of 2021, allowing the production time to be extended and additional quantities of seed to be prepared. Despite the relatively modest weight in the structure of the seed portfolio, as in the previous financial year, the highest growth was recorded in the category of grass and sidereal plant seeds. Tendency of growing demand for certified fodder grass seeds in Europe, intensification of greening programs was observed, farms aim for soil structure improvement, enriching it with organic matter.

Over the reporting period, the own seed preparation factory of UAB Dotnuva Baltic (Dotnuva, Kedainiai distr.) prepared **22 thousand tons of certified 'Dotnuva Seeds'** cereals and pulses seeds, being 16% more than in previous year.

In the category of grass and sidereal plant seeds over **2 thousand tons** of seeds prepared or 89% more than a year ago.

Supply of Seeds, Plant Care Products, and Fertilizers to the Farmers

The majority of seed supply carried out by the Group's companies is ensured through the sourcing from UAB Dotnuva Baltic seed factory, where cereals, pulses, grass and sidereal plants seeds grown on Lithuanian farms are prepared; a smaller proportion is marketed by purchasing seeds directly from seed selectioners or by representing the goods of well-known international brands, producing vegetables, flowers and other type of seeds. Seed supply activity is carried out by the Group companies in the Baltic States, as well as in Belarus.

During the reporting period Group companies sold:

40 thousand tons of seeds,
255 thousand tons of fertilizers,
9 thousand tons of plant protection components and micronutrients.

In the context of rising fertilizer production costs (gas, sulfur, ammonia) and application of sanctions against Russia and Belarus (TOP 2 and TOP 3 potassium producers worldwide, Russia is also one of the largest exporters of nitrogen and phosphorus fertilizers), fertilizer prices have risen to unprecedented highs and encouraged farmers to look for cheaper ways maintaining the yields. As farms tried to make partial savings at the expense of fertilizers, the demand for certified seeds and micronutrients increased, also pre-orders for micronutrients and plant protection products were made to secure stocks for future periods.

Applied sanctions highlights the need for the Group companies to search for alternative fertilizer suppliers (Morocco, Canada, Israel, etc.), meanwhile the supply of micronutrients and plant protection products was not affected by military action (Western Europe). The securing of seed stocks of the group companies depends on the harvest of the previous year - due to the lower 2021 spring cereals yields and lower quality, there was a shortage of spring cereal seeds during the reporting period, especially for pulses.

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Income from trade in seeds, plant care products and fertilizers	196,343	67,135	192
Income from trade in seeds, plant care products and fertilizers <i>(only Segment companies, being part of the Group before acquisition)</i>	105,460	67,135	57

Supply of new and used Agricultural Machinery, Spare Parts and Service to the Farmers

As every year, sales of agricultural machinery were mainly affected by harvest results, new sowing expectations, raw material prices and the availability of support. Factors for more critical evaluation were drought-adjusted, more modest than expected harvest of 2021, as well as increasing prices of fertilizers, feed, fuel, energy and spare parts, on the other hand - high prices for agricultural products and a positivity towards forthcoming harvest of 2022, as well as the desire to insure against rising prices, opposed with optimism. At the same time, support availability was quite diverse for different farms. In Lithuania, the support of the European Union Structural Funds was oriented towards small and medium-sized dairy farms, so the funds were mostly directed to construction or reconstruction, rather than to the purchase of agricultural machinery. During the reporting period, the problem of delays in the delivery of equipment and spare parts remained, but with the increase in warehouse inventories the group companies gained flexibility and were able to satisfy farms' machinery demand in timely manner, ensured smoother service works, it also served for successful reduction of the old spare parts stock. Post-season equipment inspections and special promotions ensured the full-capacity service work. Rising fuel and staff costs were key factors to increase service prices. Following the military operations in Ukraine, the group's companies halted spare parts selling to Belarus and Russia.

UAB Dotnuva Baltic's market share:
For tractors **-13.6%**
For harvesters **-7.9%**

SIA Dotnuva Baltic's market share:
For tractors **-11.4%**
For harvesters **-8.7%**

AS Dotnuva Baltic's market share:
For tractors **-6.1%**
For harvesters **-5.7%**

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Income from sales of new and used agricultural machinery, spare parts, and servicing	59,356	45,875	29

Software Development

The start-up GeoFace initiated the launch of the intelligent farming system 'GeoFace' in Lithuania and Latvia in January 2021 and over more than a year has improved it as per farmers' requests. The product currently has the following main functions: crop fertilization and spray mapping, sowing planning and sowing task structuring, management of farm's finances, forecasting of the harvest, forecasting of stocks in the warehouse, direct declaration of used plant protection products, sharing of information among farm employees. Within the reporting period, while continuously developing the software for the external users service was further provided free of charge, however, the first sales were made to Group companies.

Installation of Grain Cleaning, Drying and Storage Facilities, and Livestock Farms

As farms make decisions to invest in grain and farm equipment installation projects, for the most part, the same arguments were used as when deciding to invest in agricultural machinery. Operations were hampered by disruptions in the supply of equipment and electrical and automation components, however positive impact on the results was achieved thanks to the effort of previous periods and favorable EU support absorption conditions for dairy farms.

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Income from the installation of grain cleaning, drying and storage facilities and livestock farms	6,268	3,301	90

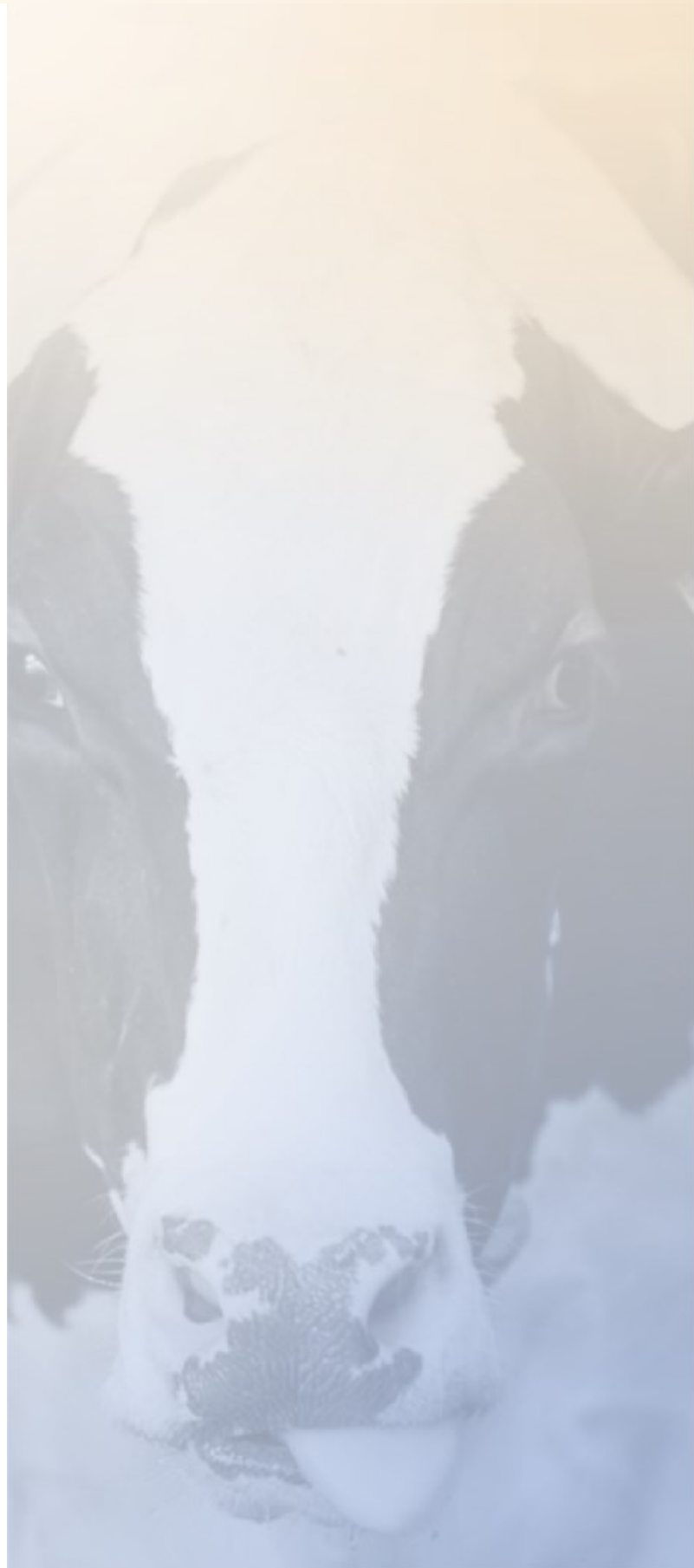
Total operating Segment revenue grew by 125% up to EUR 262 million; operating profit was 738% higher and amounted to almost EUR 37 million.

It should be noted that comparing the results solely of the operating Segment's companies, which were part of the Group prior to the acquisition transaction, in the reporting period and the same period in previous financial year, 45% sales revenue growth and 95% increase in operating profit would be recorded.



Agricultural Production

This business Segment covers cultivation of cereals, oilseed rape, sugar beet and other crops, production of milk and beef cattle farming.



Start of operation	2003
Operating companies	<p>Companies in Lithuania:</p> <p>UAB Linas Agro Konsultacijos Panevėžys District Aukštadvario ŽŪB Panevėžys District Žibartonių ŽŪB Kėdainiai District Labūnavos ŽŪB Šakiai District Lukšių ŽŪB Biržai District Medeikių ŽŪB Sidabravo ŽŪB Kėdainiai District ŽŪB Nemunas</p> <p>UAB Landvesta 1 UAB Landvesta 2 UAB Landvesta 3 UAB Landvesta 4 UAB Landvesta 5 UAB Landvesta 6 UAB Noreikiškės Užupės ŽŪB UAB Paberžėlė UAB Lineliai</p>
Activity	<p>Cultivation of cereals, oilseed rape, sugar beet and other crops Production of milk and beef cattle farming Rent and management of agricultural purposes land Management of subsidiary farming companies</p>
Share of revenue in Group's portfolio (9 months of FY 2021/22)	2%
Land in total: cultivated / owned at the end of the reporting period	18,258 ha / 5,944 ha

Cultivation of Cereals, Oilseed Rape, Sugar Beet, and Other Crops



89 thousand tons - crop production harvested by Group companies during the reporting period,
79 thousand tons - crop production sold during the reporting period.

During the reporting period, crop production harvested and sold by the operating companies of the Segment were respectively 19% and 16% less as compared to the very same period last year. The more modest harvest is largely determined by the prolonged heat during the grain ripening period in Lithuania, being responsible for the poorer grain quality indicators, the maturation of nutrients, and respectively - the lower test weight. Summer crops were particularly hard hit, accounting for about 30% out of total Group's sown area and the better-preserved winter wheat harvest was the strongest, accounting for 50% of Group's crop yields. During the reporting period, average grain sales prices remained high and compensated for the impact of lower production

volumes on the income. However, increasing prices of fertilizers, plant protection products, energy resources and other components continue to raise reasonable doubts as to whether the profitability of the previous financial year 2020/2021 can be maintained in the financial year 2021/2022.

On the last day of the reporting period, the Group's agricultural companies have sown more than 10 thousand hectares of arable land for the harvest 2022. At the date of publication of this report, winter crops were insured, and their quality was assessed as very good or good.

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Crop production sales income	19,651	18,305	7

Production of Milk and Beef Cattle Farming

Quantities of dairy cows held and milk produced were similar to the results of same period previous financial year. Quantity of milk produced and its qualitative parameters differ depending on feed, temperatures, genetics of the animal, other factors and usually does not characterise with direct correlation. Excellent composition of milk produced during the reporting period and still rising purchase prices of raw milk allowed to record growth in milk sales revenue.

During the reporting period, 22% less live cattle meat was grown compared to the same period in previous year, revenue from meat sales fell by 11% and accounted for EUR 1.3 million.



3,236 - number of dairy cows held by the Group companies at the end of the reporting period (2% more compared to the period last year).



25,372 tons - milk produced (1% less compared to the 9 months results of financial year 2020/2021)

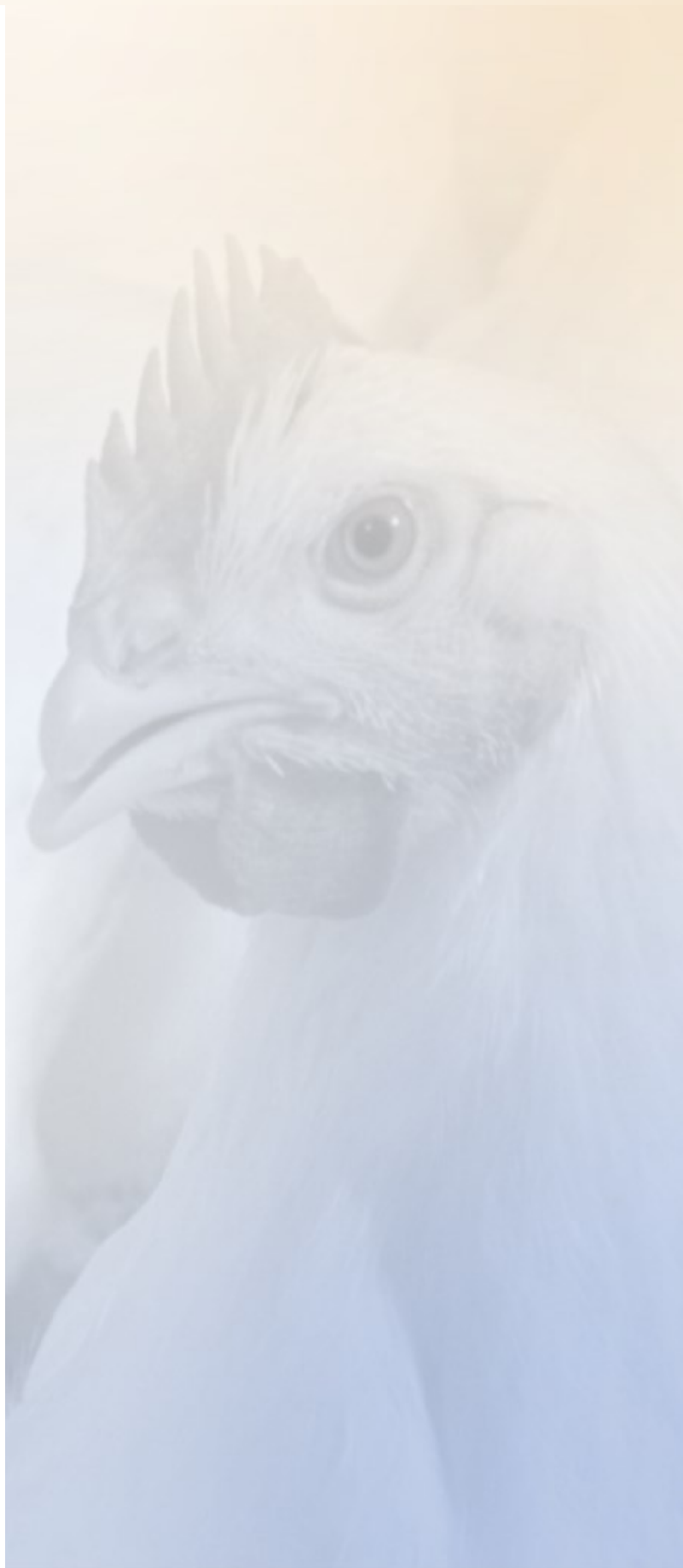
Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Milk and live weight cattle sales income	12,415	9,906	25

The revenue of the operating Segment increased by 14% during the reporting period, accounting for EUR 32 million. However, the inflationary sentiment has shifted to the cost line as well and impacted operating result; the latter amounted to EUR 0 million compared to EUR 1.4 million operating profit in same period of previous year.



Food Products

This business Segment includes:
a whole cycle poultry business, production, wholesale of flour, flour mixes, breadcrumbs and breeding mixes, manufacture and wholesale of instant foods.



Start of operation	2013
Activity and operating companies	<p>This business Segment includes:</p> <ul style="list-style-type: none"> - whole cycle poultry business: <ul style="list-style-type: none"> incubation of hatching eggs (AS Putnu Fabrika Kekava, SIA Cerova, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas) broiler breeding (AS Putnu Fabrika Kekava, SIA Lielzeltini, SIA Broileks, UAB Alesninkų Paukštynas, UAB Domantonių Paukštynas, UAB Lietbro, AB Zelvē, UAB Avocete) production of poultry and its products (AS Putnu Fabrika Kekava, SIA Lielzeltini, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas) feed manufacturing for self-supply (SIA Lielzeltini) retail sale of chicken meat and its products (SIA PFK Trader) - production and wholesale of flour and flour mixes, instant foods (AB Kauno Grūdai); - production and wholesale breadcrumbs and breeding mixes (UAB Šlaituva) - provision of logistics, consulting and management services (UAB VKP Valdymas, UAB KP Valda, UAB VP Valda, UAB KG Distribution, UAB KG Logistika)
Share of revenue in Group's portfolio (9 months of FY 2021/22)	18%
Owned trademarks and production markings	<p>'Kekava' 'Bauska' 'Top choice poultry' (export markets outside the Baltic States) 'Granfågel' (export markets in Scandinavia) 'Kaišiadorių paukštynas' 'Vilniaus Paukštynas' 'Dos pollos' (export markets) 'Nordichicken' (export markets) 'A'petito' 'Fiesta' 'Vištiena kitaip' 'Vištyčio' 'Premium'</p> <p>'Kauno Grūdai' 'Activus' 'Sun Yan' 'City taste' 'Raised without Antibiotics'</p>
Retail chain outlets at the end of the reporting period	<p>22 retail shops all over Latvia (The subsidiary of AS Putnu Fabrika Kekava - SIA PFK Trader)</p>
Certificates	<p>AS Putnu Fabrika Kekava has AA grade BRC (British Retail Consortium) accreditation, is Halal certified, also has ISO 50001:2012 and ISO 22000:2006 certification. The company's bacteriological and virological testing laboratory has been accredited in accordance with the requirements of the Standard ISO / IEC 17025: 2017.</p> <p>SIA Lielzeltini has ISO 22000:2006 and ISO 50001:2012 certifications, also is Halal certified.</p> <p>AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas are the holders of Halal" certificates, BRC accreditation, certificates confirming compliance with ISO 22000 standards; AB Vilniaus Paukštynas also holds IFS (International Featured Standards) certificate.</p> <p>AB Kauno Grūdai, UAB Šlaituva has AA grade BRC and Halal certificates; AB Kauno Grūdai holds RSPO SG palm oil supply chain traceability certificates, also certificate issued by ISCC.</p>

Poultry Business

On 15th of July 2021 after AB Linas Agro Group concluded acquisition of KG Group companies, the Group's poultry business gained additional strength by including in the segment 7 new Lithuanian entities operating in the poultry sector. New members ensure basic poultry cycle stages: hatching of chickens, broiler breeding, as well as production of poultry and its products, however, contrary to entities operating in Latvia new members of the poultry segment so far have not engaged in the activity of feed production for their own needs as well as have not performed retail sale of poultry products.



Share of production
„Raised without antibiotics“:

100% - Latvian entities,
>60% - Lithuanian entities.

For the reporting period, AS Putnu Fabrika Kekava (PFK) and SIA Lielzeltini maintained their positions as no. 1 and no. 2 players respectively in Latvian chicken growers' market, while new additions of the Group - AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas – same positions respectively in Lithuanian poultry and its products producers' market. Since January 2020, no antibiotics are used in the process of growing broilers by Latvian entities, poultry produced with such responsible attitude is labeled with a special marking – 'Raised without antibiotics'; a team of Lithuanian poultry specialists is following this initiative – the share of

production without use of antibiotics in Lithuanian entities is gradually increasing.

During the reporting period, Segment companies produced 134% more live weight poultry meat and sold 238% more poultry and its products compared to period a year before. Both improvements related with acquisition transaction finalized by AB Linas Agro Group on 15th of July 2021, of which positive impact together with restoring poultry meat prices reflected itself in the top line of the reporting period income statement.

It should be noted that during the reporting period Segment companies have received approximately EUR 3 million support aimed at the subjects affected by the COVID-19 pandemic.

Seeking for poultry farms activity optimization, during the reporting period part of the breeding farms in Lithuania were closed, also at the end of the reporting period AB Kaišiadorių Paukštynas suspended operation of poultry slaughter and cutting workshop, directing the slaughter of poultry to the AB Vilniaus Paukštynas.

During the reporting period Group poultry companies produced **81 thousand tons** of live weight poultry meat, sold same amount of poultry meat and its products.



Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Sales of poultry and poultry products	179,018	51,184	250
Sales of poultry and poultry products <i>(only Segment companies, being part of the Group before acquisition)</i>	58,017	51,184	13

Flour and its Mixtures, Instant Food Products, Breadcrumbs and Breeding Mixes Production Business

Up until this reporting period, segment of Food products in the Group was related with poultry business only. On 15th of July, 2021 AB Linas Agro Group concluded acquisition of KG Group companies and new activities were introduced in the Group by newly acquired companies, increasing the weight of this Segment in terms of revenue in the Group and helping to ensure higher level of diversification and vertical integration in the activity of companies.

By operating grain mill in Kaunas (70 thousand tons capacity per year), breeding mixes preparation facility in Kaunas district (12 thousand tons capacity per year) and instant foods production facilities in Kėdainiai and Alytus (241 million instant food product units capacity per year), new entities of the Group are engaged in production of flour, its mixtures, breeding mixes and instant foods products. Activities of these companies are integrated – part of flour products produced in the mill are supplied to the Group's companies producing noodles, breadcrumbs, and feeds; breadcrumbs are used in production of poultry products, etc.



During the reporting period Group companies produced **58 thousand tons** of flour, flour mixes, breadcrumbs, **43 thousand tons** of this production was sold (not including quantities required for internal production).

The flour, flour mixtures and breadcrumbs quantities sold by Group companies during the reporting period were 7% lower compared to the result of KG Group companies (that were not yet part of the Group in the previous financial year). With the new cooperation agreements signed, breadcrumbs sales volumes and exports to Saudi Arabia and the United Arab Emirates increased, but the volumes of these products were not significant enough to compensate for the declining demand for flour and flour mixtures - retracting uncertainty of COVID-19 lead to a contraction in exports of these products (gained the momentum at the beginning of the pandemic). Despite lower volume sales,

revenue of the product category grew thanks to the gradual customer price adjustment possibilities, however, with the record increase in raw material and energy prices, during reporting period such adjustments were not sufficient to achieve the growth in net profitability.

The instant food (IF - porridge and noodle cups, packages and boxes) quantities sold by Group companies during the reporting period were 1% lower compared to the result of KG Group companies that were not yet part of the Group in the previous financial year. Majority of the IF production is exported to European markets and sold under private labels. Various quarantine restrictions valid in summer of 2020 had positive effect for the larger consumption of instant foods products, thus lower IF sales volumes of the reporting period could be in part explained with high comparative base of the previous period. Operation was further complicated by continuous raw materials and packaging price increases.

154 million instant food units were produced by Group companies during the reporting period - porridges and noodles in cups, packages and boxes;

151 million units of this production was sold.



With the rapid growth of the instant food business, during the reporting period construction works were continued in Kėdainiai, where new warehouse is being built since 2020. Warehousing space currently possessed was not sufficient and not compatible with maximum production capacity of instant noodle foods production plant, thus outsourced warehousing services were used. Construction of new warehouse is scheduled to be completed in autumn of 2022, integrating 2,100 sq. m. additional warehousing space. After completing complex investments into the production factory and into the advanced warehouse management system, not only production capacity is expected to increase up to 136 million production units per year, but also such benefits, as ability to optimize storage costs, reduce transportation costs and seek more sustainable and environmentally friendly solutions in the day-to-day operations of the company.

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Revenues from the production of flour and flour mixtures, instant food products, breadcrumbs and breading mixes	64,794	62,859	3

Revenue of Food Products segment for the reporting period increased by 366% and amounted to EUR 244 million. Operating result amounted to EUR 7.4 million loss comparing with EUR 0.9 million loss for the same period a year earlier.

Comparing the results for the reporting period of solely the companies that operated in the Food Products segment before the acquisition transaction, it is evident that the volume of food products sold has diminished slightly (by 1%), with a 14% growth in sales revenue, but with a significant increase in the operating loss (around EUR 3.7 million).



Other Activities

This business Segment includes pests control, provision of hygiene goods and services, pet food production and sales, veterinary pharmacy services, wholesale and retail trade of veterinary pharmacy products for all animal groups, and other activities.



Start of operation	2021
Activity and operating companies	<p>This operating segment includes:</p> <ul style="list-style-type: none"> - trade in pest control and hygiene products (AB Kauno Grūdai) - production and sales of extruded products, pet food (AB Kauno Grūdai) - provision of veterinary pharmaceutical services and trade in products (AB Kauno Grūdai, OOO KLM*, OOO VitOMEK*) - provision of fumigation and sanitation services (UAB Baltic Fumigation Services)
Share of revenue in Group's portfolio (9 months of FY 2021/22)	2%
Own trademarks	Pet food brands 'Quattro', 'Canis', 'LaMurr', 'Aport'
Represented manufacturers / brands	Veterinary pharmacy - Zoetis Inc., Woogene B&G CO. LTD, Bioveta, a. s., Interchemie Werken De Adelaar B.V., Innov Ad NV/SA, TOV Brovafarma, Boehringer Ingelheim, Zoovetvaru Ltd., KRKA, LAVET Pharmaceuticals Ltd, Aconitum
Production facilities at the end of the reporting period	Own plant of extruded products in Alytus
Certificates	OOO VitOMEK* is licensed to perform pharmaceutical activities. AB Kauno Grūdai and OOO KLM* have pharmaceutical licenses for wholesale distribution.

**during the reporting period reclassified to assets held for sale*

In the Other Activities business Segment, largest share of sales was generated by the wholesale and retail **sale** of worldwide well-known producers' **veterinary pharmacy products** in Baltics, Belarus and Russia. During the reporting period, sales of pharmacy products for the pets were fueled by their growing number and increasing money spent per pet. During 9 months of the financial year 2021/2022 Group companies active in the Segment generated EUR 12 million revenue, accounting for 4% growth compared to the result of KG Group companies not yet belonging to the Group in the previous financial year.

The Group produces **pet food** in its own production facilities of extruded products in Alytus. During the reporting period demand for dog feed remained stable. In 9 months period of the financial year 2021/2022, extruded products sales income was almost EUR 6 million, being 30% more if compared to the result of KG Group companies that have not yet belonged to the Group in the previous financial year. Rising raw material and energy prices formed the basis for pet food price increase, but with the tight competitive environment some producers were willing to compensate some of the increase in costs by reducing the margins, expecting to seal new contracts with buyers looking for supply alternatives.

During the reporting period the companies of the Group produced and sold more than **10 thousand tons** of extruded products



Operations of the Group's companies engaged in **pests control services and sale of hygiene products** do not comprise significant part of revenue. Prophylactical and interventional measures are offered, aimed towards ensuring compliance with food safety requirements, also chemicals for both – professional use and daily cleaning of household premises are sold. During the reporting period, revenue has increased (6% more if compared to the result of KG Group companies that have not yet belonged to the Group in the previous financial year), however with the cost of goods and services growing (biocidal products, animal traps, inventory, etc.), pressure on profitability was felt. It should be noted, that demand for disinfection services is gradually declining as pandemic restrictions ease, and on the date of publication of this report COVID-19 related disinfection services are no longer provided by Group companies.

Thousand euro	2021/2022 9 months	2020/2021 9 months	Difference, %
Revenue from pest control, provision of hygiene goods and services, petfood production and sales, wholesale and retail trade of veterinary pharmacy products and other activities	27,689	96	28.74

Revenue of the operating Segment covering above mentioned and other less material activities during this reporting period amounted to almost EUR 28 million, operating profit was almost EUR 0.4 million.



The Publicly Disclosed Information and Other Events of the Reporting Period

The Publicly Disclosed Information

During the reporting period ended 31 March 2022, the Company publicly disclosed and distributed via Nasdaq Vilnius Exchange Globenewswire system and in Company's website www.linasagrogroup.lt the following information:

28/02/2022 05:30 PM EET	Linas Agro Group's revenue for the first half of the 2021/2022 financial year grew by 80%, net profit by 323%	Half-Yearly information	LT, EN
28/02/2022 05:30 PM EET	AB Linas Agro Group stops trading with Russian and Belarusian companies	Notification on material event	LT, EN
24/02/2022 09:18 AM EET	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the half year of 2021/2022	Other information	LT, EN
24/02/2022 09:00 AM EET	Linas Agro Group plans changes: agricultural inputs business to be transferred to one company	Other information	LT, EN
25/01/2022 09:00 AM EET	Linas Agro Group is looking for ways to optimize the operation of poultry companies	Other information	LT, EN
10/01/2022 04:05 PM EET	AB Linas Agro Group has completed the acquisition of UAB Agro Logistic Service	Notification on material event	LT, EN
30/12/2021 09:05 AM EET	AB Linas Agro Group has received permission to acquire UAB Agro Logistic Service	Other information	LT, EN
20/12/2021 5:00 PM EET	AB Linas Agro Group sells unexploited real estate	Other information	LT, EN
2/12/2021 11:40 AM EET	AB Linas Agro Group investors calendar for the 2022	Other information	LT, EN
30/11/2021 4:15 PM EET	3-month sales of AB Linas Agro Group went up 84%, net profit was 199% higher	Interim information	LT, EN
25/11/2021 4:00 PM EET	AB Linas Agro Group sold part of the farmland	Other information	LT, EN
24/11/2021 10:22 AM EET	Regarding the change of AB Linas Agro Group registered office	Notification on material event	LT, EN

24/11/2021 10:20 AM EET	Notification on the total number of voting rights granted by Linas Agro Group shares, the authorized capital amount, the number of shares and their nominal value	Total number of voting rights and capital	LT, EN
24/11/2021 10:18 AM EET	New wording of AB Linas Agro Group Articles of Association and the increase of the authorized capital registered	Notification on material event	LT, EN
16/11/2021 5:30 PM EET	AB Linas Agro Group: notification on transactions in the issuer's securities by the managers and persons closely associated with the managers of the Company	Notifications on transactions concluded by managers of the companies	LT, EN
29/10/2021 4:10 PM EEST	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the financial year 2020/2021	Other information	LT, EN
29/10/2021 4:07 PM EEST	AB Linas Agro Group notification about the Annual information of the financial year 2020/2021	Annual information	LT, EN
29/10/2021 4:05 PM EEST	Decisions of the Annual General Meeting of Shareholders of AB Linas Agro Group, held on 29 October 2021	General meeting of shareholders	LT, EN
12/10/2021 5:00 PM EEST	AB Linas Agro Group has received permission from the Lithuanian competition authorities to acquire commodity trading company	Other information	LT, EN
8/10/2021 4:15 PM EEST	Update: Annual General Meeting of Shareholders of AB Linas Agro Group is convened on October 29, 2021	General meeting of shareholders	LT, EN
7/10/2021 4:30 PM EEST	Annual General Meeting of Shareholders of AB Linas Agro Group is convened on October 29, 2021	General meeting of shareholders	LT, EN
14/9/2021 4:30 PM EEST	AB Linas Agro Group seeks to acquire a trading company	Other information	LT, EN
31/8/2021 5:00 PM EEST	12-month sales of AB Linas Agro Group went up 43%, net profit was 56% higher	Interim information	LT, EN
16/7/2021 09:30 AM EEST	Linas Agro Group has completed the acquisition of KG Group	Notification on material event	LT, EN
14/7/2021 4:30 PM EEST	Linas Agro Group plans to close the KG Group acquisition transaction this week	Other information	LT, EN
12/7/2021 8:45 AM EEST	Enlight Research analysts to provide regular information on Linas Agro Group	Other information	LT, EN
5/7/2021 4:55 PM EEST	The Competition Council of the Republic of Lithuania has allowed Linas Agro Group to implement concentration by acquiring KG Group	Other information	LT, EN

Other Events of the Reporting Period

30/03/2022	The Company transferred shares of AB Kauno Grūdai to UAB TABA Holding.
30/03/2022	UAB Zemvaldos Turto Konsultacijos was removed from the Register of Legal Entities.
29/03/2022	UAB Karčemos Bendrovė was removed from the Register of Legal Entities.
28/03/2022	Reorganisation was completed, UAB Zemvaldos Turto Konsultacijos was merged to UAB Linas Agro Konsultacijos
25/03/2022	UAB Linas Agro Grūdų Centras was removed from the Register of Legal Entities.
25/03/2022	UAB Kupiškio Grūdai was removed from the Register of Legal Entities.
22/03/2022	Reorganisation was completed, UAB Karčemos Bendrovė, UAB Kupiškio Grūdai and UAB Linas Agro Grūdų Centras were merged to UAB Linas Agro Grūdų Centrai.
01/03/2022	The authorized capital of UAB Geoface was increased by EUR 706,000, and the shareholder structure was changed: UAB Dotnuva Baltic and AB Linas Agro each hold 50% of shares.
10/1/2022	The company acquired 100% shares of UAB Agro Logistic Service.
30/12/2021	The authorized capital of UAB Lineliai was reduced by EUR 244,000 to disburse the funds to shareholders.
30/12/2021	The authorized capital of UAB Linas Agro Konsultacijos was reduced by EUR 16,000,000 to disburse the funds to shareholders.
23/12/2021	Authorized capital of KG Eesti OU was increased by EUR 650,000.
December, 2021	The Company transferred 2,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.
17/12/2021	OOO GeoMiks was deregistered by merger with OOO VitOMEK (code 1117746107291).
13/12/2021	UAB Linas Agro Grūdų Centrai has transferred the shares of UAB Karčemos Bendrovė to AB Linas Agro.
13/12/2021	UAB Linas Agro Grūdų Centrai has transferred the shares of UAB KUPIŠKIO GRŪDAI to AB Linas Agro.
29/11/2021	Authorized capital of UAB KG Mažmena was increased by EUR 2,100,034.40.
23/11/2021	Authorized capital of LLC Linas Agro Ukraine was increased by EUR 84,195.66.
18/10/2021	After cancellation of the reorganization, the status Under reorganization of UAB Karčemos Bendrovė and UAB KUPIŠKIO GRŪDAI and the status Participating in the reorganization of UAB Linas Agro Grūdų Centrai were deregistered in the Register of Legal Entities.
9/9/2021	The Company acquired 50% shares of KG Khumex B.V.
6/9/2021	AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a EUR 30 million loan.

July-Aug, 2021	The Company entered into a credit agreement with AB SEB Bankas, Swedbank, AB, and Luminor bank AS to borrow EUR 46,290,000 and secured its execution by pledging assets.
11/8/2021	Authorized capital of SIA KG Latvija increased by EUR 1,500,000.
9/7/2021	Authorized capital of Linas Agro OU increased by EUR 150,000.

Subsequent Events

16/05/2022	UAB KG Distribution sold 20% SIA Novabaltic shares.
16/05/2022	Authorized capital of Linas Agro OU increased by EUR 2,050,000.
16/05/2022	The Company acquired 100% shares of UAB Kekava Foods LT.
12/05/2022	AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a EUR 45 million loan (limit increase in amount of EUR 15 million).
11/05/2022	UAB TABA Holding acquired shares of AB Kauno Grūdai additionally.
07/04/2022	AB Kauno Grūdai acquired 100% shares of KG Polska Sp.zo.o.

AB Linas Agro Group Share Price and Turnover

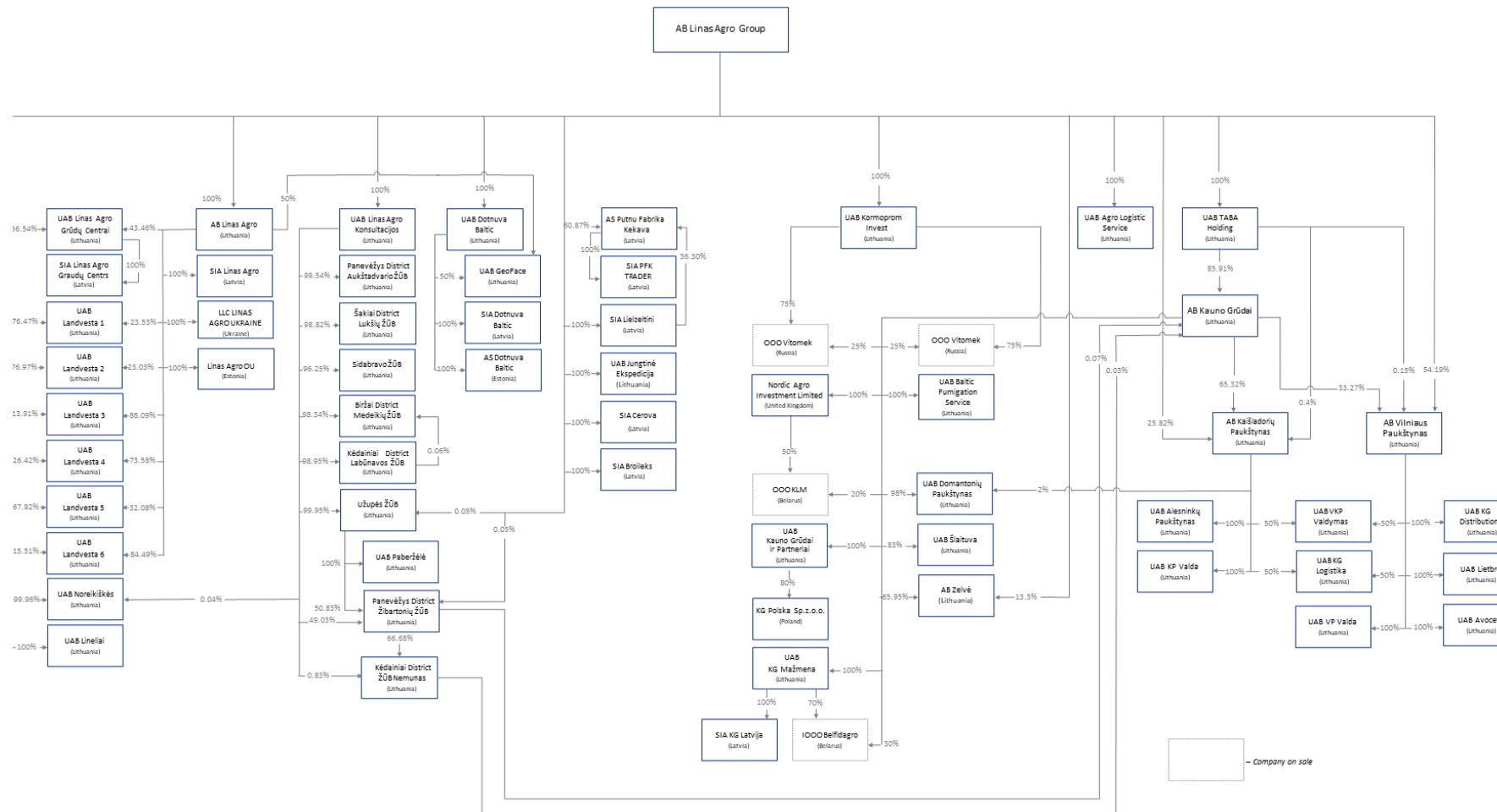
Information on changes in the prices of Company's shares and turnover from 1/7/2016 until the end of the reporting period, i. e. 31 March 2022, is presented in the following diagram:



Information on the fluctuations of the Company's share price and OMX Baltic Benchmark GI (OMXBBGI) and OMX Baltic Vilnius GI (OMXVGI) indices from 1/1/2020 until the end of the reporting period, i. e. 31 March 2022, is presented in the following diagram:



Information on the Company's Subsidiaries*



* Companies that are not included in the chart: UAB Gerera (dormant, 100% shares), UAB Dotnuvos Technika (dormant, 100% shares), UAB Kekava Foods LT (dormant, 97.17% shares), Linas Agro A/S (under liquidation, 100% shares), UAB KG Group LT (dormant, 85.99% shares), UAB Gastroneta (dormant, 82.95% shares), UAB Kaišiadorių Paukštyno Mažmena (dormant, 82.39% shares), UAB Kaišiadorių Skerdykla (dormant, 82.39% shares), KG Eesti OU (dormant, 85.99% shares), UAB Uogintai (dormant, 82.39% shares), Kooperatyvas Baltoji Plunksnelė (dormant, 80.84% stock), SIA NOVOBALTIC (associate, 16.59% shares), KG Khumex Coldstore B.V (associate, 40.42% shares), KG Khumex B.V. (associate, 50% shares).



linas  agro

AB Linas Agro Group
Unaudited interim condensed
Consolidated Financial Statements

For the nine-month Period of The Financial Year
2021/22

Interim Condensed Consolidated Statement of Financial Position

	Notes	As at 31 March 2022	As at 30 June 2021
ASSETS			
Non-current assets			
Intangible assets	5	2,704	2,170
Property, plant and equipment	6	160,827	128,497
Investment property	8	644	619
Right-of-use assets	7	24,409	22,553
Animals and livestock		11,665	8,789
Non-current financial assets			
Investment in associates and joint ventures		159	–
Other investments		27	34
Prepayments for financial assets		–	2,000
Non-current receivables		559	720
Non-current receivables from related parties	15	750	–
Total non-current financial assets		1,496	2,754
Non-current prepayments		1,241	1,241
Deferred income tax asset		6,899	2,848
Total non-current assets		209,885	169,471
Current assets			
Crops		3,318	19,911
Livestock		8,677	2,394
Inventories		350,411	89,292
Current prepayments		11,538	5,957
Current accounts receivable			
Trade receivables		208,434	104,710
Receivables from related parties	15	19,636	41
Income tax receivable		310	1
Other accounts receivable and contract assets		11,194	9,739
Total current accounts receivable		239,574	114,491
Derivative financial instruments		143	3
Other current financial assets		5,507	1,597
Cash and cash equivalents		35,430	18,007
Non-current assets held for sale	9	29,643	
Total current assets		684,241	251,652
Total assets		894,126	421,123

(cont'd on the next page)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Financial Position (cont'd)

	Notes	As at 31 March 2022	As at 30 June 2021
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	46,514	46,093
Share premium	1	23,642	23,038
Legal and other reserves		5,154	6,146
Own shares (-)		(444)	(445)
Foreign currency translation reserve		(16)	(14)
Amounts recognized directly in equity relating to non-current assets held for sale	9	(3,023)	–
Retained earnings		144,616	119,333
Total equity attributable to equity holders of the parent		216,443	194,151
Non-controlling interest		13,664	2,070
Total equity		230,107	196,221
Liabilities			
Non-current liabilities			
Grants and subsidies		8,456	6,372
Non-current borrowings	10	56,838	13,056
Non-current trade payables		2	601
Lease liabilities	11	32,603	27,148
Deferred income tax liability		235	1,029
Non-current employee benefits		555	776
Other non-current liabilities		1,252	1,055
Total non-current liabilities		99,941	50,037
Current liabilities			
Current portion of non-current borrowings	10	30,493	17,119
Current portion of lease liabilities	11	7,549	5,553
Current borrowings	10, 15	241,365	63,115
Trade payables		197,086	63,707
Payables to related parties	15	686	232
Income tax payable		5,094	452
Derivative financial instruments		12,462	34
Contract liabilities		5,409	2,070
Other current liabilities		42,110	22,583
Liabilities related to non-current assets held for sale	9	21,824	–
Total current liabilities		564,078	174,865
Total equity and liabilities		894,126	421,123

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

(for the period from 1 July to 31 March)

	Notes	2021/2022 9 months	2020/2021 9 months
Sales	4	1,347,878	711,629
(Cost) of sales		(1,245,456)	(682,394)
Gross profit		102,422	29,235
Operating (expenses)	12	(69,381)	(27,251)
Other income	13	14,706	5,265
Other (expenses)	13	(5,603)	(2,196)
Impairment loss of non-current assets held for sale	9	(2,800)	–
Operating profit		39,344	5,053
Income from financial activities		1,097	679
(Expenses) from financial activities		(8,441)	(2,747)
Share profit of associates and joint ventures		(52)	–
Profit before tax		31,948	2,985
Current income tax and deferred tax benefit (expenses)		(5,629)	(432)
Net profit		26,319	2,553
Net profit attributable to:			
Equity holders of the parent		25,317	2,643
Non-controlling interest		1,002	(90)
		26,319	2,553
Basic and diluted earnings per share (EUR)		0.16	0.02
Net profit		26,319	2,553
Other comprehensive income			
Exchange differences on translation of foreign operations into the Group's presentation currency ¹⁾		(3,115)	(4)
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		(3,115)	(4)
Total comprehensive income, net of tax		23,204	2,549
Total comprehensive income attributable to:		23,204	2,549
The shareholders of the Company		22,292	2,639
Non-controlling interest		912	(90)
		23,204	2,549

- 1) At 2 March 2022 European Central Bank and the Bank of Lithuania decided to suspend the publication of the euro and russian ruble ratio until further notice. In these interim financial statements used last published euro and russian ruble ratio (2022 March 2) or average of 1 July 2021 – 2 March 2022 ratio.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

(for the period from 1 January to 31 March)

	Notes	2021/2022 3 Q	2020/2021 3 Q
Sales		492,086	236,678
Cost of sales		(454,036)	(227,462)
Gross profit		38,050	9,216
Operating (expenses)		(23,506)	(9,560)
Other income		6,988	1,135
Other (expenses)		(2,583)	(887)
Impairment loss of non-current assets held for sale	9	(2,800)	–
Operating profit		16,149	(96)
Income from financial activities		341	100
(Expenses) from financing activities		(3,280)	(943)
Share profit of associates and joint ventures		(81)	–
Profit before tax		13,129	(939)
Current income tax and deferred tax benefit (expenses)		(2,556)	(231)
Net profit		10,573	(1,170)
Net profit attributable to:			
Equity holders of the parent		10,778	(1,146)
Non-controlling interest		(205)	(24)
		10,573	(1,170)
Basic and diluted earnings per share (EUR)		0.07	(0.01)
Net profit		10,573	(1,170)
Other comprehensive income			
Exchange differences on translation of foreign operations into the Group's presentation currency ¹⁾		(3 456)	6
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		(3 456)	6
Total comprehensive income, net of tax		7,117	(1,164)
Total comprehensive income attributable to:		7,117	(1,164)
The shareholders of the Company		7,433	(1,140)
Non-controlling interest		(316)	(24)
		7,117	(1,164)

- 1) At 2 March 2022 European Central Bank and the Bank of Lithuania decided to suspend the publication of the euro and russian ruble ratio until further notice. In these interim financial statements used last published euro and russian ruble ratio (2022 March 2) or average of 1 July 2021 – 2 March 2022 ratio.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated statement of Changes in Equity

	Notes	Share capital	Own shares	Share premium	Legal reserve and other reserve	Foreign currency translation reserve	Retained earnings	Subtotal	Non-controlling interest	Total
Balance as at 1 July 2020		46,093	(446)	23,038	5,153	(10)	105,122	178,950	2,252	181,202
Net profit		–	–	–	–	–	2,643	2,643	(90)	2,553
Exchange differences on translation of foreign operations into the Group's presentation currency		–	–	–	–	(4)	–	(4)	–	(4)
Total comprehensive income		–	–	–	–	(4)	2,643	2,639	(90)	2,549
Dividends declared by the subsidiaries		–	–	–	–	–	–	–	(12)	(12)
Share-based payments		–	–	–	(53)	–	–	(53)	–	(53)
Reserves made		–	–	–	61	–	(61)	–	–	–
Acquisition of minority interest		–	–	–	–	–	107	107	(193)	(86)
Balance as at 31 March 2021		46,093	(446)	23,038	5,161	(14)	107,811	181,643	1,957	183,600
Balance as at 1 July 2021		46,093	(445)	23,038	6,146	(14)	119,333	194,151	2,070	196,221
Net profit		–	–	–	–	–	25,317	25,317	1,002	26,319
Exchange differences on translation of foreign operations into the Group's presentation currency		–	–	–	–	(2)	–	(2)	–	(2)
Amounts recognized directly in equity relating to non-current assets held for sale ¹⁾		–	–	–	–	(3,023)	–	(3,023)	(80)	(3,023)
Total comprehensive income		–	–	–	–	(3,025)	25,317	22,292	912	23,204
Disposal of own shares		–	1	–	–	–	(1)	–	–	–
Dividends declared by the subsidiaries		–	–	–	–	–	–	–	(94)	(94)
Minority interest arising on acquisition of subsidiaries		–	–	–	–	–	–	–	10,776	10,776
Reserves made		–	–	–	33	–	(33)	–	–	–
Share capital increase		421	–	604	(1,025)	–	–	–	–	–
Balance as at 31 March 2022		46,514	(444)	23,642	5,154	(3,039)	144,616	216,443	13,664	230,107

- 1) At 2 March 2022 European Central Bank and the Bank of Lithuania decided to suspend the publication of the euro and russian ruble ratio until further notice. In these interim financial statements used last published euro and russian ruble ratio (2022 March 2) or average of 1 July 2021 – 2 March 2022 ratio.

Interim Condensed Consolidated Statement of Cash Flows

	Notes	2021/2022 9 months	2020/2021 9 months
Cash flows from operating activities			
Net profit		26,319	2,553
Adjustments for non-cash items:			
Depreciation and amortisation		24,629	10,443
Subsidies amortisation		(492)	(449)
(Gain) on disposal of property, plant and equipment		(1,419)	(732)
(Gain) on proportion of the assets that relates to rights transferred		–	(1,925)
Change in allowance and write-offs for receivables and prepayments		1,214	37
Inventories write down to net realisable value		442	(317)
Change of provision for onerous contracts		(47)	–
Change in contract assets and accrued expenses		4,836	948
Change in fair value of biological assets		(1,044)	668
Change in deferred income tax		(1,070)	(746)
Gain on bargain purchase		(1,272)	–
Impairment loss of non-current asset held for sale	9	(2,800)	–
Change in accrued share-based payments		–	(53)
Current income tax expenses		6,699	1,178
(Income) expenses from change in fair value of financial instruments		(3,111)	(3,301)
Share profit of an associates and a joint ventures		52	–
Interest (income)		(1,097)	(679)
Interest expenses		8,441	2,747
		65,880	10,372
Changes in working capital:			
Decrease in biological assets		8,776	15,996
(Increase) in inventories		(144,632)	(54,414)
(Increase) in prepayments		1,366	(1,742)
Decrease in trade and other accounts receivable		19,165	(4,547)
(Increase) in restricted cash		(4,441)	(189)
Increase (decrease) in trade and other accounts payable		(25,398)	25,300
Income tax (paid)		(3,290)	(1,022)
Net cash flows from operating activities		(82,574)	(10,246)

Interim Condensed Consolidated Statement of Cash Flows (cont'd)

Notes	2021/2022 9 months	2020/2021 9 months
Cash flows from investing activities		
(Acquisition) of intangible assets, property, plant and equipment and investment property	(10,053)	(6,893)
Proceeds from sale of intangible assets, property, plant and equipment and investment property	9,491	2,170
(Acquisition) of subsidiaries	(65,756)	(168)
Disposal of subsidiaries	–	13,571
Acquisition of associates and joint ventures	(200)	–
Prepayments for financial assets	–	(1,990)
Loans (granted)	(273)	(719)
Repayment of granted loans	893	526
Interest received	1,097	680
Net cash flows from investing activities	(64,801)	7,177
Cash flows from financing activities		
Proceeds from loans	227,160	100,489
(Repayment) of loans	(46,991)	(83,883)
Lease (payments)	(7,731)	(4,690)
Interest (paid)	(8,441)	(2,747)
Subsidies received	895	367
Dividends (paid) to non-controlling shareholders	(94)	(12)
(Acquisition) of non-controlling interest	–	(86)
Net cash flows from financing activities	164,798	9,438
Net (decrease) increase in cash and cash equivalents	17,423	6,369
Cash and cash equivalents at the beginning of the year	18,007	9,539
Cash and cash equivalents at the end of the year	35,430	15,908
Supplemental information of cash flows:		
Non-cash investing activity:		
Property, plant and equipment acquisitions financed by grants and subsidies	895	367
Property, plant and equipment acquisitions financed by finance lease	4,408	1,336

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Notes to the Interim Condensed Consolidated Financial Statements

1. General Information

AB Linas Agro Group (hereinafter the Company or the parent) is a public limited liability company registered in the Republic of Lithuania. The Company was registered on 27 November 1995.

The address of its registered office is as follows: Subačiaus St. 5, LT-01302 Vilnius, Lithuania (until 22 November 2021 the address of the Company's registered office was Smėlynės st. 2C, LT-35143 Panevėžys, Lithuania).

The principal activities of the Group are described in Note 4.

The financial year of the Company and the Group starts on 1 July of the calendar year and ends on 30 June of the following calendar year.

As at 31 March 2022 and as at 30 June 2021 the shareholders of the Company were:

	As at 31 March 2022		As at 30 June 2021	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	109,909,167	68.52%	109,909,167	69.15%
Darius Zubas	17,049,995	10.63%	17,049,995	10.73%
UAB INVL Asset Management	9,163,817	5.71 %	9,087,369	5.72%
Other shareholders (private and institutional investors)	24,271,419	15.14 %	22,893,867	14.40%
Total	160,394,398	100.00%	158,940,398	100.00%

All the shares of the Company are ordinary shares with the par value of EUR 0.29 each as at 31 March 2022 (EUR 0.29 each as at 30 June 2021) and were fully paid as at 31 March 2022 and as at 30 June 2021.

The Company holds 765,972 of its own shares, percentage 0.48%, as at 31 March 2022 (767,972 as at 30 June 2021). Subsidiaries and other related companies did not hold any shares of the Company as at 31 March 2022 and as at 30 June 2021.

All of the Company's 160,394,398 ordinary shares are included in the Official list of Nasdaq Vilnius stock exchange (ISIN code LT0000128092). The Company's trading ticker in Nasdaq Vilnius stock exchange is LNA1L.

As at 31 March 2022 the number of employees of the Group was 5,356 (2,166 as at 30 June 2021).

Share capital was increased by EUR 421 thousand during the period ending 31 March 2022 (no changes in share capital occurred during the period ended 30 June 2021).

2. Accounting Principles and Critical Accounting Estimates and Judgments

These financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (hereinafter the EU), which include IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2020/2021 financial year.

In these financial statements the significant Group Management judgements regarding the application of the accounting policies and accounting estimates were the same as used preparing of 2020/2021 financial year financial statements, except for accounting estimates and judgements according to war in Ukraine.

Accounting estimates according to war in Ukraine

Group operations in Belarus and Russian markets

The Group has operations in the Russian and Belarus market (grain, oilseeds, feed materials and feed additives trading). Consequently, the Company is exposed to the economic and financial markets of Russia and Belarus. In response to the Russian Federation's hostile actions towards Ukraine, which have been supported by Belarus, a number of countries, including the United States of America, the United Kingdom and the European Union have imposed and/or expanded economic sanctions against a number of Russian and Belarus individuals and legal entities. The sanctions include asset freezes, restrictions to payment systems, trade restrictions, and travel bans, among other things. Further legislation is planned. The expanded sanctions already had or are expected to have a further detrimental effect on economic uncertainty in Russia and Belarus, including more volatile equity markets, a depreciation of the Russian and Belarus rouble, a reduction in both local and foreign direct investment inflows, impact on trade flows and trade disruptions with the entities operating in the Russian Federation and Belarus, and a significant tightening in the availability of credit. As a result, some Russian and Belarus entities may experience difficulties accessing the international equity and debt markets and may become increasingly dependent on state support for their operations. The longer-term effects of the imposed and possible additional sanctions are difficult to determine.

Presented below is the Group's summarized exposure as at 31 March 2022:

Trade and other receivables from Russian entities	676
Trade and other liabilities to the Russian entities	177
Trade and other receivables from Belarus entities	40
Trade and other liabilities to the Belarus entities	355

Sales revenues to customers from Russia for the 9 months period ended 31 March 2022 were EUR 90,522 thousand, from which EUR 81,627 thousand are sales revenue of subsidiaries registered in Russia and Belarus.

Sales revenues to customers from Belarus for the 9 months period ended 31 March 2022 were EUR 24,788 thousand, from which EUR 22,360 thousand are sales revenue of subsidiaries registered in Russia and Belarus.

Group's in control and registered subsidiaries in Russia and Belarus

The Group has operations in Russian and Belarus markets through subsidiaries OOO VitOMEK (entity code 1117746107291), OOO VitOMEK (entity code 1157746009398), IOOO Belfidagro (feed additives trading) and OOO KLM (feed materials and feed additives trading, supply of seeds, plant care products, fertilizers, provision of veterinary pharmaceutical services and trade in products). During the first quarter of 2022 Group's Management made a decision to dispose these entities in 12 month period. All Assets and Liabilities related with these entities are reclassified as Assets held for sale and Liabilities, related with assets held for sale (Note 9).

Group's in control and registered subsidiaries in Ukraine and Group's operations in Ukrainian market

The Group conducts operations in the Ukrainian market through its subsidiary, TOV LINAS AGRO UKRAINA (representative office). Consequently, the Group is exposed to the economic and financial markets of Ukraine. In February 2022, following the recognition of self-proclaimed republics of Donetsk and Lugansk by the Russian Federation and its subsequent invasion of Ukraine, the military conflict escalated and spread to other regions of that country. The current escalation of the military conflict is likely to have a detrimental impact on the political and business environment in Ukraine, including on the ability of many entities to continue business as usual. In view of the above, as at the date these consolidated financial statements were authorised for issue, the situation in Ukraine is extremely volatile and inherently uncertain. In the wake of the ongoing and dynamic nature of the military operations management concluded that a reliable estimate of the financial impact cannot be presently made.

AS at 31 March 2022 Group's property, plant and equipment, machinery, inventory, trade and other receivables, other assets, trade and other liabilities, related to subsidiary operating in Ukraine were not significant. Sales revenue during 9 months period ended 31 March 2020 of Group's subsidiary, operating in Ukraine was not significant.

The Group's sales revenues to customers from Ukraine during 9 month period ended 31 March 2022 were EUR 1,407 thousand.

Group Management are evaluating these key areas, which could be effected by uncertainties caused by war in Ukraine: going concern, fair value, impairment, residual value and useful life of property, plant and equipment, assessment of expected credit losses, impairment of goodwill, net realisable value of inventory, classification of financial instruments as current and non-current, lease contracts. At the date of the interim financial statements the Group has not yet evaluated final impact of changes in these key areas. It is expected to consider the impact and if needed, account it till the preparation of financial statements for 30 June 2022.

3. Group Structure and Changes in the Group

As at 31 March 2022 and as at 30 June 2021 the Company held these directly and indirectly controlled subsidiaries (hereinafter the Group):

	Place of registration	Effective share stock held by the group		Main activities
		31 March 2022	30 June 2021	
AB Linas Agro	Lithuania	100%	100%	Wholesale of grains, oilseeds, feed materials, and supply of products for crop growing
UAB Linas Agro Konsultacijos ¹⁾	Lithuania	100%	100%	Management services
UAB Dotnuva Baltic	Lithuania	100%	100%	Trade in agricultural machinery, equipment for grain elevators and farms, certified seeds production
UAB Linas Agro Grūdų Centrai ²⁾	Lithuania	100%	100%	Preparation and warehousing of grains
UAB Jungtinė Ekspedicija	Lithuania	100%	100%	Expedition and ship's agency services
UAB Landvesta 1	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Landvesta 2	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Landvesta 5	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Noreikiškės	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Lineliai	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Zemvaldos Turto Konsultacijos ¹⁾	Lithuania	–	100%	Dormant company
AS Putnu Fabrika Kekava	Latvia	97.16%	97.16%	Poultry farming, production of chicken and its products
SIA PFK Trader	Latvia	97.16%	97.16%	Retail trade of food production
SIA Lielzeltini	Latvia	100%	100%	Poultry farming, production of chicken and its products, compound feed production
SIA Cerova	Latvia	100%	100%	Egg incubation and chicken sale
SIA Broileks	Latvia	100%	100%	Poultry farming and chicken sales
UAB Kekava Foods LT	Lithuania	97.16%	97.16%	Dormant company
SIA Linas Agro	Latvia	100%	100%	Wholesale of grains, oilseeds, and supply of products for crop growing
UAB Gerera	Lithuania	100%	100%	Dormant company
UAB Linas Agro Grūdų Centras ²⁾	Lithuania	–	100%	Management services
Linus Agro A/S (under liquidation)	Denmark	100%	100%	Dormant company
UAB Landvesta 3	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Landvesta 4	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Landvesta 6	Lithuania	100%	100%	Rent and management of agricultural purposes land
TOV LINAS AGRO UKRAINA	Ukraine	100%	100%	Representative office
Linus Agro OÜ	Estonia	100%	100%	Supply of products for crop growing
Biržai district Medeikių ŽŪB	Lithuania	98.39%	98.39%	Crop growing
Šakiai district Lukšių ŽŪB	Lithuania	98.82%	98.82%	Mixed agricultural activities
Panevėžys district Aukštadvario ŽŪB	Lithuania	99.54%	99.54%	Mixed agricultural activities
Sidabravo ŽŪB	Lithuania	96.25%	96.25%	Mixed agricultural activities
Kėdainiai district Labūnavos ŽŪB	Lithuania	98.95%	98.95%	Mixed agricultural activities
Užupės ŽŪB	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Paberžėlė	Lithuania	100%	100%	Rent and management of agricultural purposes land
Panevėžys district Žibartonių ŽŪB	Lithuania	99.90%	99.90%	Mixed agricultural activities
SIA DOTNUVA BALTIC	Latvia	100%	100%	Trade in agricultural machinery and equipment for grain elevators
AS Dotnuva Baltic	Estonia	100%	100%	Trade in agricultural machinery and equipment for grain elevators
UAB GeoFace	Lithuania	100%	100%	Software development
UAB Dotnuvos Technika	Lithuania	100%	100%	Dormant company
UAB Karčemos Bendrovė ²⁾	Lithuania	–	100%	Preparation and warehousing of grains
SIA Linas Agro Graudu Centrs	Latvia	100%	100%	Preparation and warehousing of grains
UAB KUPIŠKIO GRŪDAI ²⁾	Lithuania	–	100%	Preparation and warehousing of grains
Kėdainiai district ŽŪB Nemunas	Lithuania	67.44%	67.44%	Mixed agricultural activities
UAB Kormoprom Invest	Lithuania	100%	–	Management services
UAB TABA Holding	Lithuania	100%	–	Management services

3. Group Structure and Changes in the Group (cont'd)

	Place of registration	Effective share stock held by the Group		Main activities
		31 March 2022	30 June 2021	
AB Kauno Grūdai	Lithuania	86.00%	–	Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; products and services for farming; wholesale of feed materials; fumigation, disinsection, disinfection and deratization services
UAB KG Group LT	Lithuania	86.00%	–	Dormant company
UAB Šlaituva	Lithuania	71.38%	–	Production and wholesale of breadcrumbs and breeding mixes
UAB Baltic Fumigation Service	Lithuania	86.00%	–	Fumigation services
UAB KG Mažmena	Lithuania	86.00%	–	Retail trade
AB Zelvė	Lithuania	70.01%	–	Broiler breeding
UAB Kauno Grūdai ir Partneriai	Lithuania	86.00%	–	Rent of real estate
AB Vilniaus Paukštynas	Lithuania	82.95%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB KG Distribution	Lithuania	82.95%	–	Consultation and and business management
UAB Lietbro	Lithuania	82.95%	–	Broiler breeding
UAB Avocetė	Lithuania	82.95%	–	Management services
UAB Gastroneta	Lithuania	82.95%	–	Dormant company
UAB VKP Valdymas	Lithuania	82.68%	–	Consultation and and business management
Cooperative Baltoji Plunksnelė	Lithuania	80.85%	–	Dormant company
AB Kaišiadorių paukštynas	Lithuania	82.40%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB Domantonių Paukštynas	Lithuania	85.93%	–	Broiler breeding
UAB Kaišiadorių Paukštyno Mažmena	Lithuania	82.40%	–	Dormant company
UAB Uogintai	Lithuania	82.40%	–	Dormant company
UAB Kaišiadorių Skerdykla	Lithuania	82.40%	–	Dormant company
UAB Alesninkų Paukštynas	Lithuania	82.40%	–	Broiler breeding
UAB KG Logistika	Lithuania	82.68%	–	Freight transport services
UAB VP Valda	Lithuania	82.95%	–	Rent of real estate
UAB KP Valda	Lithuania	82.40%	–	Rent of real estate
SIA KG Latvija	Latvia	86.00%	–	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing
KG Eesti OU	Estonia	86.00%	–	Dormant company
KG Polska Sp.zo.o.	Poland	68.80%	–	Wholesale of feed materials
Nordic Agro Investment Limited	United Kingdom	86.00%	–	Management services
I000 Belfidagro	Belarus	86.00%	–	Production and wholesale of premixes
000 KLM	Belarus	60.20%	–	Wholesale of products for crop growing, veterinary products, premixes and seeds for gardening
000 VitOMEK (entity code 1117746107291) ³⁾	Russia	96.50%	–	Production of premixes
000 VitOMEK (entity code 1157746009398)	Russia	96.50%	–	Wholesale of premixes, compound feed and feed materials
UAB Agro Logistic Service	Lithuania	100%	–	Wholesale of feedstuffs for fodder and premixes production

1) On 28 March 2022 UAB Zemvaldos Turto Konsultacijos was merged with UAB Linas Agro Konsultacijos;

2) On 22 March 2022 UAB Linas Agro Grūdų Centras, UAB Karčemos Bendrovė and UAB KUPIŠKIO GRŪDAI was merged with UAB Linas Agro Grūdų Centrai;

3) On 17 December 2021 000 GeoMiks was merged with 000 VitOMEK (entity code 1117746107291).

3. Group Structure and Changes in the Group (cont'd)

AS at 31 March 2022 Group had direct and indirect investments in these joint ventures and associates (effective share stock held by the Group stated below):

KG Khumex B.V. (The Netherlands) – 50.00%;
 KG Khumex Coldstore B.V. (The Netherlands) – 41.34%;
 SIA NOVOBALTIC (Latvia) – 16.59%.

Changes in the Group during the 9 month period ended 31 March 2022

On 15 July 2021 the Company acquired controlling stakes in AB Kauno Grūdai, AB Kaišiadorių Paukštynas, AB Vilniaus Paukštynas, and related companies, acting together as KG Group. Acquisition value – EUR 73,469 thousand (including EUR 200 thousand paid for joint venture company KG Khumex B.V., acquisition which was finalized on 9 September 2021). The Company acquired controlling stakes in 34 companies operating in the fields of poultry business, grain, flour, instant products production, feed and premix production, and trade in veterinary products. The companies are registered and operate in Lithuania, Latvia, Estonia, Poland, Belarus, Russia, and the Netherlands. Financial statements at the provisional fair value are presented below:

AB Kauno Grūdai group and related companies	EUR'000
Acquisition date for consolidation purposes	1 July 2021
Fair value	
Intangible assets	919
Property, plant and equipment	49,069
Investment property	215
Right-of-use assets	3,111
Poultry	2,470
Non-current receivables and other financial assets	2,189
Deferred income tax-asset	5,007
Total non-current assets	62,980
Poultry	4,123
Inventories	81,346
Prepayments	4,387
Trade receivables	134,644
Other accounts receivable and contract assets	3,703
Cash and cash equivalents	4,039
Total current assets	232,242
Total assets	295,222
Grants and subsidies	2,611
Lease liabilities	3,324
Non-current borrowings	16,288
Deferred income tax liabilities	499
Other non-current liabilities	599
Total non-current liabilities	23,321
Current portion of non-current borrowings	5,165
Current portion of lease liabilities	1,034
Current borrowings	49,690
Trade payables	112,282
Derivative financial instruments	2,076
Other current liabilities and contract liabilities	17,610
Total current liabilities	187,857
Total liabilities	211,178
Total identifiable net assets at fair value	84,044
Non-controlling interest measured at the proportionate share of the net assets at fair value	(10,776)
Goodwill	–
Total purchase consideration	73,269
Cash consideration transferred	69,570*
Other non-cash settlements	1,581
Contingent consideration	2,118
Less: cash acquired	(4,039)
Total purchase consideration, net of cash acquired	65,531

* As of 30 June 2021 the Company made EUR 2,000 thousand prepayment for companies of KG Group shares to acquire.

3. Group Structure and Changes in the Group (cont'd)

On 9 July 2021 authorized capital of Linas Agro OU was increased by EUR 150 thousand.

During July – August 2021 The Company concluded syndicated credit agreement with AB SEB bank, AB Swedbank and Luminor bank AS for the loan of EUR 46,290 thousand and ensured it by pledge of assets.

On 11 August 2021 authorized capital of SIA KG Latvija was increased by EUR 1,500 thousand.

On 29 October 2021 during the Annual General Meeting of the Company Shareholders, decision to increase Company's authorised capital by EUR 421 thousand was taken.

On 22 November 2021, a new wording of the Articles of Association of the Company was registered in the Register of Legal Entities – the authorised capital of the Company was increases by EUR 421 thousand, issuing 1,454,000 new ordinary registered shares of the Company. The newly issued shares were subscribed by the employees and/or members of the corporate bodies of the Company who have concluded the Share Option Agreement of the Company in 2018 and accordingly in 2021 have submitted notice to the Company regarding the use of the option. The New Shares are granted free of charge and they are paid by the Company from the reserve set up by the Company for shares issue.

On 22 November 2021 the Company's registered office was changed, new office is registered at Subačiaus St. 5, Vilnius, Republic of Lithuania.

On 23 November 2021 authorized capital of TOV Linas Agro Ukraina was increased by EUR 84 thousand.

On 29 November 2021 authorized capital of UAB KG mažmena was increased by EUR 2,100 thousand.

On 20 December 2021 AB Kauno Grūdai signed an agreement with UAB Nordic estate to sell unexploited real estate. The transaction price is EUR 4 000 thousand. It was used to repay syndicated credit with AB SEB bank, AB Swedbank and Luminor bank.

On 23 December 2021 authorized capital of KG Eesti OU was increased by EUR 650 thousand.

On 30 December 2021 authorized capital of UAB Linas Agro Konsultacijos was decreased by EUR 16,000 thousand.

On 30 December 2021 authorized capital of UAB Lineliai was decreased by EUR 244 thousand.

On 10 January 2022 The Company acquired 100% shares of UAB Agro Logistic Service. Acquisition value – EUR 1,700 thousand. The Company acquired controlling stakes in Company operating in the field of Wholesale of feedstuffs for fodder and premixes production. Financial statements at the provisional fair value are presented below:

UAB Agro Logistic Service	EUR'000
Acquisition date for consolidation purposes	1 January 2022
Fair value	
Non-current assets	5
Inventory	6,552
Goods in transit	16,049
Trade receivables	1,159
Other accounts receivable	269
Derivative financial instruments	100
Cash and cash equivalents	8
Accruals and deferred income	2
Total assets	24,144
Prepayments	(8,670)
Trade payables	(12,065)
Income tax liabilities	(194)
Work relationship liabilities	(13)
Other accounts payable and liabilities	(230)
Total current liabilities	(21,172)
Total identifiable net assets at fair value	2,972
Gain on bargain purchase	(1,272)
Cash consideration transferred	1,700
Less: cash acquired	(8)
Total purchase consideration, net of cash acquired	1,692

3. Group Structure and Changes in the Group (cont'd)

On 1 March 2022 authorized capital of UAB GeoFace increased by EUR 706 thousand.

Changes in the Group during the 12 month period ended 30 June 2021

On 1 March 2022 authorized capital of UAB GeoFace increased by EUR 706 thousand.

On 2 June 2021 the authorized capital of Linas Agro OU was increased by EUR 800 thousand.

On 12 May 2021 Klaipėdos universiteto ateities paramos fondas was registered in the Register of Legal Entities. AB Linas Agro Group participates as one of co-founders of the charity and sponsorship Fund.

On 6 May 2021 Russian Federal Antimonopoly Service has adopted a resolution allowing AB Linas Agro Group to implement the concentration by acquiring the companies of KG Group operating in Russia.

On 23 February 2021 UAB Linas Agro Grūdų Centrai registered after restructuring of UAB Linas Agro Grūdų Centras KŪB.

On 22 February 2021 UAB KUPIŠKIO GRŪDAI registered after restructuring of ŽŪK KUPIŠKIO GRŪDAI.

On 20 January 2021 Karčemos Kooperatinė Bendrovė changed the ownership form of the company to private liability company UAB Karčemos Bendrovė.

On 12 January 2021 UAB Linas Agro Grūdų Centras KŪB and Cooperative ŽŪK KUPIŠKIO GRŪDAI started restructuring procedure to change the ownership form of the company.

On 26 November 2020 a subsidiary of AB Linas Agro Group UAB Linas Agro Konsultacijos sold subsidiary companies SIA Zemvalda Land Management Holdings 1-7 with belonging companies for EUR 13,603 thousand. In accordance to the requirements of IFRS 10 and 16, the Group accounted above mentioned sale transaction as a sale and subsequent leaseback as the Group's subsidiaries would continue to lease the land from the companies which the Group sold. In these financial statements the Group accounted gain on proportion of the assets that relates to rights transferred which amounted to EUR 1,925 thousand. The gain consisted of new rights of use land assets, proportionally estimated from previously owned property, as well as from consideration received for shares sale and lease liabilities related with right of use assets.

On 8 October 2020 a subsidiary of AB Linas Agro Group AB Linas Agro founded a subsidiary in Estonia Linas Agro OU with a share capital of EUR 100 thousand.

During 12 month period, ended 30 June 2021, the Group acquired 16% stock of Karčemos Kooperatinė Bendrovė for EUR 86 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 107 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

During 12-month period, ended 30 June 2021, the Group acquired 100% stock of UAB GeoFace of EUR 218 thousand. Financial statements at the fair value are presented below:

UAB GeoFace	EUR'000
Acquisition date for consolidation purposes	31 July 2020
Fair value	
Intangible assets, property, plant and equipment	212
Deferred income tax asset	24
Cash and cash equivalents	–
Total assets	236
Current liabilities	(21)
Total liabilities	(21)
Total identifiable net assets at fair value	215
Goodwill	3
Total purchase consideration	218
Cash consideration transferred	218
Less: cash acquired	–
Total purchase consideration, net of cash acquired	218

4. Segments information

For management purpose the Group is organized into five operating segments based on their products and services as follows:

- the grain, oilseed and feed includes trade in wheat, rapeseed, barley and other grains and oilseeds, suncake and sunmeal, sugar beet pulp, soymeal, vegetable oil, rapeseed, feed, premixes, production and trade of feedstuffs, grain storage and logistics services;
- the products and services for farming segment includes sales of fertilizers, seeds, plant protection products, machinery and equipment, grain storage facilities, spare parts and other equipment to agricultural produce growers and grain storage companies;
- the agricultural production segment includes growing of grains, rapeseed and others as well as sales of harvest, breeding of livestock and sales of milk and livestock. Milk is sold to local dairy companies, other production is partly used internally, partly sold;
- food products segment includes poultry and other poultry final products, flour and instant food products, other food products;
- the other products and services segment includes trade in veterinary pharmacy products, extruded products and pet feed production and sale, pest control services and trade in hygiene products, fumigation services, other products and services.

The Group's chief financial officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transfer prices between the Group companies are based on normal selling prices in a manner similar to transactions with third parties.

9 months period ended 31 March 2022

Group	Grain, oilseed and feed	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Revenue								
Third parties	806,061	255,606	19,792	241,856	24,563	–	–	1,347,878
Intersegment	47,518	6,361	12,274	1,956	3,126	–	(71,235) ¹⁾	–
Total revenue	853,579	261,967	32,066	243,812	27,689	–	(71,235)¹⁾	1,347,878
Results								
Operating expenses	(18,923)	(16,705)	(2,936)	(21,712)	(6,394)	(2,711)	–	(69,381)
Segment operating profit (loss)	11,148	37,274	(91)	(7,389)	376	(1,974)	–	39,344

9 months period ended 31 March 2021

Group	Grain, oilseed and feed	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Revenue								
Third parties	532,395	111,586	15,190	52,362	96	–	–	711,629
Intersegment	1,528	4,725	13,021	–	–	–	(19,274) ¹⁾	–
Total revenue	533,923	116,311	28,211	52,362	96	–	(19,274)¹⁾	711,629
Results								
Operating expenses	(6,253)	(9,801)	(2,957)	(5,452)	–	(2,788)	–	(27,251)
Segment operating profit (loss)	2,908	4,452	1,443	(916)	(16)	(2,818)	–	5,053

1) Intersegment revenue is eliminated on consolidation.

4. Segments Information (cont'd)

Below is the information relating to the geographical segments of the Group:

Revenue from external customers	9 months period ended	
	31 March 2022	31 March 2021
Lithuania	440,567	146,594
Europe (except for Scandinavian countries, CIS and Lithuania)	457,849	205,116
Scandinavian countries	111,582	75,907
Asia	38,531	31,042
Africa	154,285	227,887
CIS	145,064	25,083
	1,347,878	711,629

The revenue information above is based on the location of the customer.

Non-current assets	31 March 2022	30 June 2021
Lithuania	129,254	90,379
Latvia	57,759	61,916
Estonia	1,562	1,530
Ukraine	9	14
	188,584	153,839

Non-current assets for this purpose consist of property, plant and equipment, investment property, right-of-use assets and intangible assets.

5. Intangible assets

Group	Software	Other intangible assets	Goodwill	Total
Cost:				
Balance as at 30 June 2020	1,558	272	1,971	3,801
Additions	22	213	–	235
Acquisition of subsidiaries	–	212	3	215
Write-offs	–	(17)	–	(17)
Balance as at 30 June 2021	1,580	680	1,974	4,234
Acquisition of subsidiaries	706	213	–	919
Additions	137	227	–	364
Write-offs	(9)	(2)	–	(11)
Reclassification to non-current assets held for sale	(26)	–	–	(26)
Balance as at 31 March 2022	2,388	1,118	1,974	5,480
Accumulated amortization:				
Balance as at 30 June 2020	644	131	–	775
Charge for the year	161	24	–	185
Write-offs	–	(17)	–	(17)
Balance as at 30 June 2021	805	138	–	943
Write-offs	433	294	–	727
Charge for the year	–	(1)	–	(1)
Reclassification to non-current assets held for sale	(14)	–	–	(14)
Balance as at 31 March 2022	1,224	431	–	1,655
Impairment losses:				
Balance as at 30 June 2020	–	–	1,121	1,121
Balance as at 30 June 2021	–	–	1,121	1,121
Balance as at 31 March 2022	–	–	1,121	1,121
Net book value as at 30 June 2020	914	141	850	1,905
Net book value as at 30 June 2021	775	542	853	2,170
Net book value as at 31 March 2022	1,164	687	853	2,704

6. Property, Plant and Equipment

Group	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and pre-payments	Total
Cost:							
Balance as at 30 June 2020	22,902	112,640	61,024	5,437	5,995	2,927	210,925
Additions	291	108	2,835	1,612	515	2,785	8,146
Disposals and write-offs	(5)	(352)	(4,064)	(635)	(159)	(63)	(5,278)
Reclassifications	37	1,743	1,513	7	137	(3,437)	–
Disposals of subsidiaries	(4,055)	–	–	–	–	–	(4,055)
Transfer to/from inventories	–	–	3,692	–	–	–	3,692
Balance as at 30 June 2021	19,170	114,139	65,000	6,421	6,488	2,212	213,430
Acquisition of subsidiaries	8,093	20,189	16,283	1,565	1,316	1,623	49,069
Additions	1,025	645	5,489	1,347	606	5,054	14,166
Disposals and write-offs	(3,803)	(58)	(5,088)	(777)	(77)	(41)	(9,844)
Reclassifications	(2)	1,740	2,007	78	202	(4,025)	–
Transfer to/from inventories	–	–	2,580	–	–	–	2,580
Reclassification to non-current assets held for sale	(582)	(2,713)	(697)	(490)	(163)	39	(4,606)
Balance as at 31 March 2022	23,901	133,942	85,574	8,144	8,372	4,862	264,795
Accumulated depreciation:							
Balance as at 30 June 2020	117	43,204	27,469	2,788	3,326	–	76,904
Charge for the year	33	4,356	4,549	549	658	–	10,145
Disposals and write-offs	–	(250)	(1,916)	(454)	(155)	–	(2,775)
Balance as at 30 June 2021	150	47,310	30,102	2,883	3,829	–	84,274
Charge for the year	26	8,319	10,944	1,003	1,086	–	21,378
Disposals and write-offs	–	(46)	(1,557)	(274)	(66)	–	(1,943)
Reclassification to non-current assets held for sale	–	(172)	(119)	(97)	(12)	–	(400)
Balance as at 31 March 2022	176	55,411	39,370	3,515	4,837	–	103,309
Impairment losses:							
Balance as at 30 June 2020	–	667	162	–	35	–	864
Charge for the year	–	(38)	(63)	–	(4)	–	(105)
Disposals and write-offs	–	–	(99)	–	(1)	–	(100)
Balance as at 30 June 2021	–	629	–	–	30	–	659
Balance as at 31 March 2022	–	629	–	–	30	–	659
Net book value as at 30 June 2020	22,785	68,769	33,393	2,649	2,634	2,927	133,157
Net book value as at 30 June 2021	19,020	66,200	34,898	3,538	2,629	2,212	128,497
Net book value as at 31 March 2022	23,725	77,902	46,204	4,629	3,505	4,862	160,827

7. Right-of-use Assets

Group	Land	Buildings and structures	Machinery and equipment	Vehicles	Total
Cost:					
Balance as at 30 June 2020	15,196	2,670	2,545	2,734	23,145
Additions	8,843	407	151	780	10,181
Disposals and write-offs	(2,828)	(480)	(511)	(165)	(3,984)
Balance as at 30 June 2021	21,211	2,597	2,185	3,349	29,342
Acquisition of subsidiaries	972	1,228	–	911	3,111
Additions	6 025	182	413	383	7,003
Disposals and write-offs	(4,651)	(301)	(125)	(278)	(5,355)
Reclassification to non-current assets held for sale	–	(928)	–	–	(928)
Balance as at 31 March 2022	23,557	2,778	2,473	4,365	33,173
Accumulated depreciation:					
Balance as at 30 June 2020	1,693	475	820	717	3,705
Charge for the year	2,123	436	849	877	4,285
Disposals and write-offs	(545)	(125)	(465)	(66)	(1,201)
Balance as at 30 June 2021	3,271	786	1,204	1,528	6,789
Charge for the year	1,650	560	484	907	3,601
Disposals and write-offs	(1,212)	(41)	(124)	(128)	(1,505)
Reclassification to non-current assets held for sale	–	(121)	–	–	(121)
Balance as at 31 March 2022	3,709	1,184	1,564	2,307	8,764
Net book value as at 30 June 2020	13,503	2,195	1,725	2,017	19,440
Net book value as at 30 June 2021	17,940	1,811	981	1,821	22,553
Net book value as at 31 March 2022	19,848	1,594	909	2,058	24,409

8. Investment Property

Investment property of the Group consists of land and buildings leased out under the operating lease which generates lease income.

Group	Land	Buildings	Total
Cost:			
Balance as at 30 June 2020	1,912	128	2,040
Additions	–	23	23
Disposals and write-offs	(217)	(110)	(327)
Reclassifications	(13)	13	–
Disposal of subsidiaries	(1,060)	–	(1,060)
Balance as at 30 June 2021	622	54	676
Acquisition of subsidiaries	–	215	215
Additions	–	3	3
Disposals and write-offs	(147)	(14)	(161)
Balance as at 31 March 2022	475	258	733
Accumulated depreciation:			
Balance as at 30 June 2020	1	54	55
Charge for the year	–	3	3
Disposals and write-offs	–	(55)	(55)
Balance as at 30 June 2021	1	2	3
Charge for the year	–	32	32
Balance as at 31 March 2022	1	34	35
Impairment losses:			
Balance as at 30 June 2020	51	3	54
Balance as at 30 June 2021	51	3	54
Balance as at 31 March 2022	51	3	54
Net book value as at 30 June 2020	1,860	71	1,931
Net book value as at 30 June 2021	570	49	619
Net book value as at 31 March 2022	423	221	644

9. Non-current assets held for sale

Non-current assets held for sale comprised as follows:

	31 March 2022	30 June 2021
Disposal group	29,643	–
	29,643	–

Movements of non-current assets held for sale during 2021 – 2022 financial year 9 months were:

Net book value as at 1 July 2021	–
Reclassified from:	
<i>Intangible assets</i>	12
<i>Property, plant and equipment</i>	4,206
<i>Right of Use Assets</i>	807
<i>Current assets</i>	27,418
Impairment loss of non-current assets held for sale	(2,800)
Net book value as at 31 March 2022	29,643

Within the line item of the disposal group the Group recognised assets of subsidiaries IOOO Belfidagro, OOO KLM, OOO VitOMEK (entity code 111774610729) and OOO „VitOMEK“ (entity code 1157746009398) EUR 29,643 thousand, which intended to be disposed by the Group. Liabilities of EUR 21,824 thousand being disposed along with these assets were reported under the line item ‘Liabilities related to non-current assets held for sale’. Foreign currency translation reserve EUR 3 023 thousand, related to these non-current assets held for sale, accounted in ‘Amounts recognized directly in equity relating to non-current assets held for sale’.

IOOO Belfidagro, OOO KLM, OOO VitOMEK (entity code 111774610729) and OOO „VitOMEK“ (entity code 1157746009398) entities assets reclassified to non-current assets held for sale, because all criteria under IFRS5 related to reclassification to non-current assets held for sale were met as at 31 March 2022.

10. Borrowings

	As at 31 March 2022	As at 30 June 2021
Non-current borrowings		
Bank borrowings secured by the Group assets	56,838	13,056
	56,838	13,056
Current borrowings		
Current portion of non-current bank borrowings	30,493	17,119
Current bank borrowings secured by the Group assets	234,452	57,104
Current borrowings from the parent (Note 15)	6,900	6,000
Other current borrowings	13	11
	271,858	80,234
	328,696	93,290

Interest payable is normally settled monthly throughout the financial year.

As of 31 March 2022, AS Putnu Fabrika Kekava and SIA Lielzeltini have not fulfilled part of covenants under credit agreements with Swedbank AS. Borrowings amount of EUR 12,388 thousand is accounted as short-term financial liabilities as at 31 March 2022 (as at 30 June 2021 AS Putnu Fabrika Kekava amount accounted as short-term financial liabilities – EUR 11,340).

11. Lease liabilities

	As at 31 March 2022	As at 30 June 2021
Non-current		
Lease liabilities related to right-of-use assets	24,934	23,547
Lease liabilities related to other assets	7,669	3,601
	32,603	27,148
Current		
Lease liabilities related to right-of-use assets	4,492	4,209
Lease liabilities related to other assets	3,057	1,344
	7,549	5,553
	40,152	32,701

12. Operating (Expenses)

	2021/2022 9 months	2020/2021 9 months
Wages and salaries and social security	(35,745)	(16,268)
Consulting expenses	(4,387)	(1,698)
Depreciation and amortization	(3,406)	(1,714)
Other	(25,843)	(7,571)
	(69,381)	(27,251)

13. Other income (expenses)

Other income	2021/2022 9 months	2020/2021 9 months
Grants received for agriculture activity	1,321	1,199
Grants for poultry activity, related with COVID-19	1,182	776
Gain from currency exchange	-	319
Rental income from investment property and property, plant and equipment	426	135
Gain from disposal of investment property and property, plant and equipment	1,560	739
Gain on proportion of the assets that relates to rights transferred	-	1,925
Change in fair value of financial instruments	2,437	10
A gain from a bargain purchase	1,272	-
Other income	6,508	162
	14,706	5,265
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment	(350)	(206)
Loss from disposal of investment property and property, plant and equipment	(141)	(7)
Change in fair value of financial instruments	(30)	(1,840)
Loss from acquisition of subsidiaries	-	(105)
Loss from currency exchange	(1,630)	-
Other expenses	(3,452)	(38)
	(5,603)	(2,196)

14. Commitments and Contingencies

As at 31 March 2022 the Group is committed to purchase property, plant and equipment for the total amount of EUR 1,459 thousand (EUR 2,672 thousand as at 30 June 2021).

A few Group companies (Panevėžys District Aukštadvario ŽŪB, Sidabravo ŽŪB, Kėdainiai District Labūnavos ŽŪB and Panevėžys District Žibartonių ŽŪB) have received grants from the European Union and National Paying Agency (Lithuania) for acquisition of agricultural equipment.

Panevėžys District Aukštadvario ŽŪB and Sidabravo ŽŪB are committed not to discontinue operations related to agricultural up to end of April 2022, Panevėžys District Žibartonių ŽŪB – up to 2022 July and 2027 November, Kėdainiai District Labūnavos ŽŪB – up to 2028.

SIA Lielzeltini and AS Putnu Fabrika Kekava received grants from the European Union and Rural Support Service (Latvia) for poultry farm, feedstuffs production and storages upgrade. SIA Lielzeltini is committed not to discontinue broiler breeding, slaughtering and sale of products and compound feed production up to 2025, AS Putnu Fabrika Kekava – up to the end of 2023 and 2026.

In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania and Latvia amounting to EUR 2,734 thousand as at 31 March 2022 (EUR 2,529 thousand as at 30 June 2021). Group has no plans to discontinue above mentioned operations.

In August 2018 the Group company AB Linas Agro received a ruling from the Customs of the Republic of Lithuania (hereafter – Customs) stating that Customs made additional calculation for the calendar year 2016 – 2017. The decision increased the taxes in EUR 644 thousand for fertilizers import in mentioned period. The management of AB Linas Agro made a provision for the amount EUR 322 thousand. AB Linas Agro management appealed the decision. During the year ended 30 June 2019 the company AB Linas Agro paid custom tax amounted to EUR 496 thousand, which was accounted by reducing the provision for the amount of EUR 248 thousand. On 20 May 2021 Vilnius Regional Administrative Court dismissed the appeal of AB Linas Agro and increased amount of calculated taxes (including interest and penalties) to EUR 748 thousand. AB Linas Agro disagrees with the decision and has appealed it. As at 31 December 2021 provision was increased to 100% (EUR 644 thousand). Since part of the custom tax was paid, remaining amount of provision as at 31 March 2021 is EUR 148 thousand.

Almex, former customer, has filed an appeal to the Court of Appeal in Serbia regarding the refusal of the Commercial Court to rule in the case concerning the alleged damages of EUR 1,800 thousand. As at 31 March 2022 and as at 30 June 2021 the Group's management is of the opinion that the appeal has no sound grounds, therefore no provision was recorded in the consolidated accounts regarding this matter.

15. Related Parties Transactions

The parties are considered related when one party has the possibility to control the other or have significant influence over the other party in making financial and operating decisions.

The related parties of the Company and Group for the years ended 31 March 2022 and 30 June 2021 were as follows:

Members of the board of the Company:

Darius Zubas (chairman of the board, ultimate controlling shareholder);
Dainius Pilkauskas;
Arūnas Zubas;
Andrius Pranckevičius;
Tomas Tumėnas;
Jonas Bakšys.

Subsidiaries: List provided in Note 3.

UAB Darius Zubas Holding (same ultimate controlling shareholder);

Akola ApS group companies:

Akola ApS (Denmark) (same ultimate controlling shareholder);
UAB MESTILLA (same ultimate controlling shareholder).

15. Related Parties Transactions_(cont'd)

UAB PICUKĖ - 100% of shares are owned by UAB Darius Zubas holding.

UAB Palūšės Turas - 100% of shares are owned by UAB PICUKĖ.

AB Ignitis Grupė (Andrius Pranckevičius was the Independent Member of Supervisory Board till 2021 October).

UAB Baltic Fund Investments (Tomas Tumėnas is a director of this company).

UAB Gren Lietuva from December 2021 (Tomas Tumėnas is a finance director of this company).

Kredito unija Saulėgraža from March 2020 (Tomas Tumėnas is the Member of Supervisory Board).

Jonas Bakšys from June 2017 till present is the Member of Board at Lobiu Sala AS (Sweden).

Vividum UAB (Lithuania) (Jonas Bakšys joint community property with spouse together).

UAB Dvi T – 100% of shares are owned by Jonas Bakšys.

The Group's transactions with related parties in 9 - month period ended 31 March 2022 were as follows:

2021/2022 9 months

	Purchases	Sales	Income from financial activities	Expenses from financial activities	Trade receivables	Non-current loans receivable	Payables	Current payable loans
Akola ApS group companies	1,126	47,809	–	502	12,490	–	686	6,900
KG Khumex B.V.	35	26,108	13	–	5,744	–	–	–
KG Khumex Coldstore B.V.	–	–	–	–	–	750	–	–
SIA NOVOBALTIC	68	5,068	–	–	1,402	–	–	–
Total	1,229	78,985	13	502	19,636	750	686	6,900

2020/2021 9 months

	Purchases	Sales	Income from financial activities	Expenses from financial activities	Trade receivables	30 June 2021 Non-current loans receivable	Payables	Current payable loans
Akola ApS group companies	621	14,356	–	156	41	–	232	6,000
Total	621	14,356	–	156	41	–	232	6,000

During financial years 2020/2021 and 2021/2022 there were no transactions between Group and Members of management board.

Transactions with related parties include sales and purchases of goods and services, sales and purchases of property, plant and equipment as well as financing transactions in the ordinary course of business and on terms equivalent to arm's length transactions.

There were no guarantees or pledges related to the Group's payables to or receivables from related parties. Receivables and payables from / to related parties will be settled in cash or offset with the payables / receivables from / to respective related parties.

Terms and conditions of the financial assets and liabilities:

- Receivables from related parties are non-interest bearing and are normally settled on 30-day terms.
- Payables to related parties are non-interest bearing and are normally settled on 30-90-day terms.
- Interest payable is normally settled at the end of the loan term.

The Group's receivables from related parties were nor due neither impaired as at 31 March 2022 and 30 June 2021.

16. Subsequent Events

On 16 May 2022 UAB KG Distribution sold 20% SIA Novabaltic shares.

On 16 May 2022 Authorized capital of Linas Agro OU increased by EUR 2,050 thousand.

On 16 May 2022 the Company acquired 100% shares of UAB Kekava Foods LT.

On 12 May 2022 AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a EUR 45,000 thousand loan (limit increase in amount of EUR 15,000 thousand).

On 11 May 2022 UAB TABA Holding acquired minority shares of AB Kauno Grūdai additionally and now owns 89% of the Company.

On 7 April 2022 AB Kauno Grūdai acquired 100% shares of KG Polska Sp.zo.o.