

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 six months of the financial year 2022/23, 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 six months of the financial year 2022/23 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

28 February 2023



CFO of AB Linas Agro Group

Mažvydas Šileika

28 February 2023





linas  agro

AB LINAS AGRO GROUP
CONSOLIDATED INTERIM REPORT OF
2022/2023 FINANCIAL YEAR
FOR 6 MONTHS PERIOD ENDED DECEMBER 31, 2022

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Financial year of AB Linas Agro Group starts on 1 July of the calendar year and ends on 30 June of the next year.

This interim report is prepared for the first half of the financial year 2022/23, and all the figures are stated as at 31 December 2022, unless otherwise indicated.

All financial data in this report are prepared in accordance with Financial Reporting Standards unless otherwise stated. Financial result is unaudited.

AB Linas Agro Group is also referred to as the Company and its group of companies is referred to as the Group in this report.

1. CEO'S LETTER



Dear shareholders,

The first half of the financial year has been very successful for us, although there have been challenges, as always. Our revenue grew by a third and our net profit by 184%. However, I would like to share my thoughts not on the financial results but on other, less visible achievements that are not yet reflected in our financial results, but which were essential and, I believe, will help us grow.

In chronological order, the earliest work was the merger of the grain elevator network of Linas Agro and Kauno Grūdai into one network and one company. It started in January 2022, but the bulk of the work was carried out in the reporting period, at the end of which the network of elevators in Lithuania was managed by one company and operated by a single team.

The second important work involved our efforts to exit both Russia and Belarus. While we terminated the trade relations even with our own companies as early as February 2022, selling two subsidiaries in Russia and one in Belarus was a dense and complex process, nevertheless successfully completed. The sale of one company in Belarus, which we

manage with a partner in that country, did not go through, as there was little interest in the acquisition opportunity. After the end of the reporting period, at the end of January, this company appeared on the list of companies whose sale in Belarus is prohibited or restricted. However, we have not changed our objective to withdraw from Belarus and hope to find a solution.

The third important work started during the reporting period is optimizing our poultry farming activities, as we are currently unable to ensure continued profitability in this area. We plan to reduce the number of companies, to achieve absolute synergy between poultry farms in Lithuania and Latvia and to ensure synergy with another company in our Group, AB Kauno Grūdai, a powerful feed producer. We plan to simplify the management in the future and merge all poultry farms in Latvia into one company. This financial year we are setting up poultry management groups and preparing a joint strategy for Lithuanian-Latvian poultry businesses, which will be operational in the next financial year and will focus on ensuring the sustainability of operations. We already see co-teams in different countries exchanging ideas and successfully launching joint projects.

I would also like to mention the work that we have started, for which we have been preparing and announced recently. We plan to invest EUR 32 million in constructing an instant noodles factory in Alytus. The factory will be built adjacent to an existing facility, will be twice as powerful, and will be operated by AB Kauno Grūdai. We estimate that our Group's annual production capacity of instant products will increase by 190% to 505 million pieces. We plan to launch the new facility in the first quarter of 2024, creating almost 300 jobs. Our instant foods production is at total capacity and can no longer meet the demand of a growing market. This investment will enable us to become a desirable partner for foreign retail chains. Today, we export almost all our noodles and porridge - more than 96% of production.

We see food production as the area with the most extensive growth opportunities. However, we want to balance investments and spread them across all businesses and are building a new farmer service center in Šiauliai, Lithuania. We have many projects and plans, most of which I believe will become our future.

Sincerely

Darius Zubas, CEO

2. THE COMPANY AND THE GROUP

AB Linas Agro Group together with its directly and indirectly controlled companies (hereinafter – subsidiaries) makes 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 Company does not have any branches and representative offices.

FOUNDED
1991

ANNUAL
REVENUE
1.9
BEUR

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.linasagrogroup.lt
Bank account	LT07 7044 0600 0263 7111, AB SEB bank, bank code 70440
ISIN code	LT0000128092
Ticker in Nasdaq Vilnius	LNA1L
Financial year starts	July 1

As at Dec 31, 2022:

4,850 EMPLOYEES

69 SUBSIDIARIES

2 ASSOCIATES

A SIGNIFICANT PLAYER IN FOOD CHAIN IN THE REGION

An international agribusiness and food production group, the largest of its kind in the Baltics.

One of the largest exporters of Lithuanian and Latvian grain.

The largest poultry meat producer in Lithuania and Latvia.

A major milk producer in Lithuania with the most efficient dairy farms.

One of the leaders in supplying farmers with certified seeds, fertilizers, plant care products and agricultural machinery in Lithuania.

A leader in the production of instant foods in the Baltics.

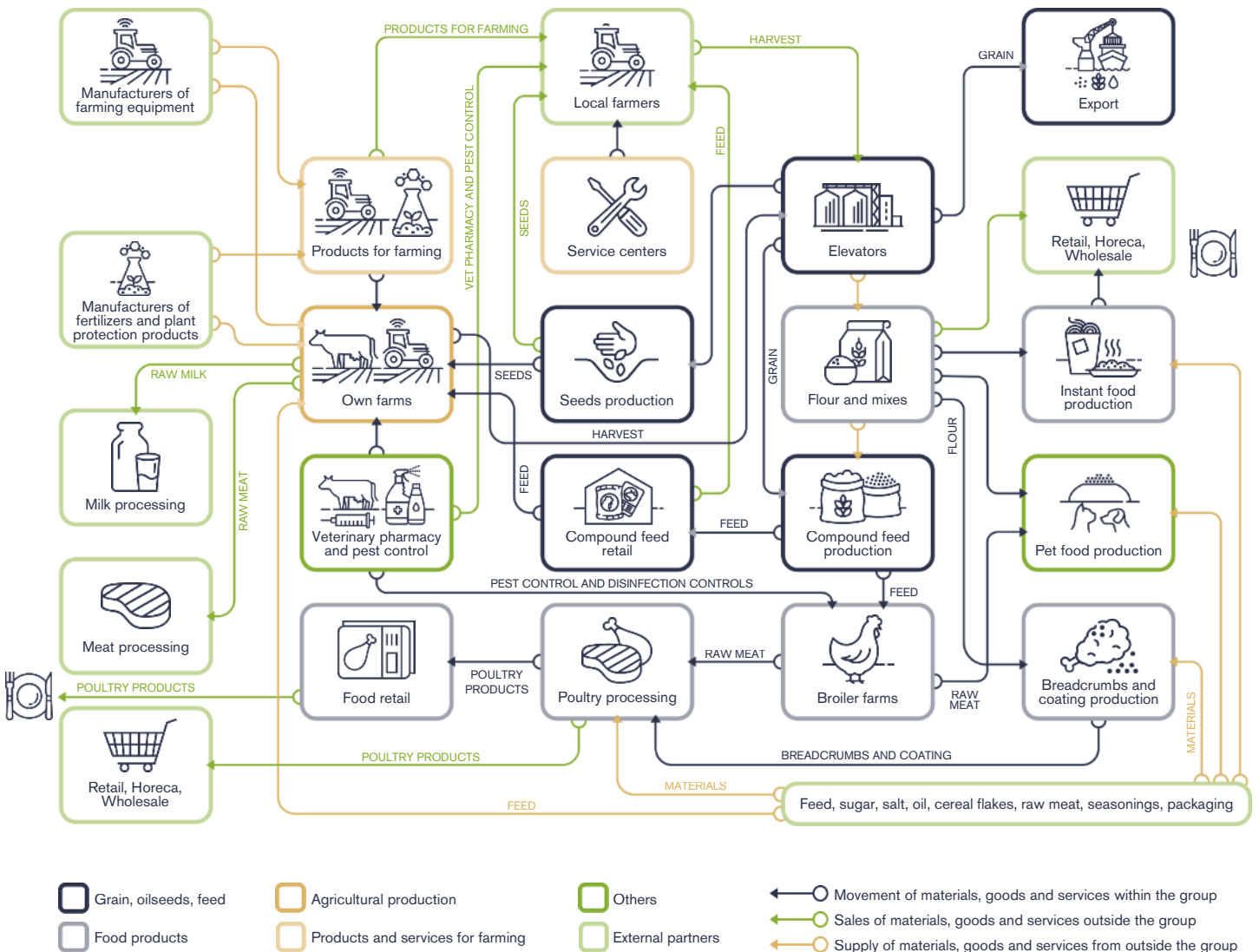


Annual volume of activities

THE GROUP'S BUSINESS MODEL

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.



3. ACTIVITY AND FINANCIAL RESULTS OF THE GROUP

Consolidated revenue of AB Linas Agro Group in 6 months of 2022/23 financial year totaled EUR 1,134 million and was 33% more as compared to previous year (EUR 856 million).

The Group's sales volume reached 2 million ton of various products and was 4% more as compared to the corresponding period of the previous year (1.9 million ton).

The gross profit reached EUR 107 million and was 67% higher than a year before (EUR 64 million).

The Group's operating profit was EUR 60 million or 151% more as compared to the respective period of the previous year.

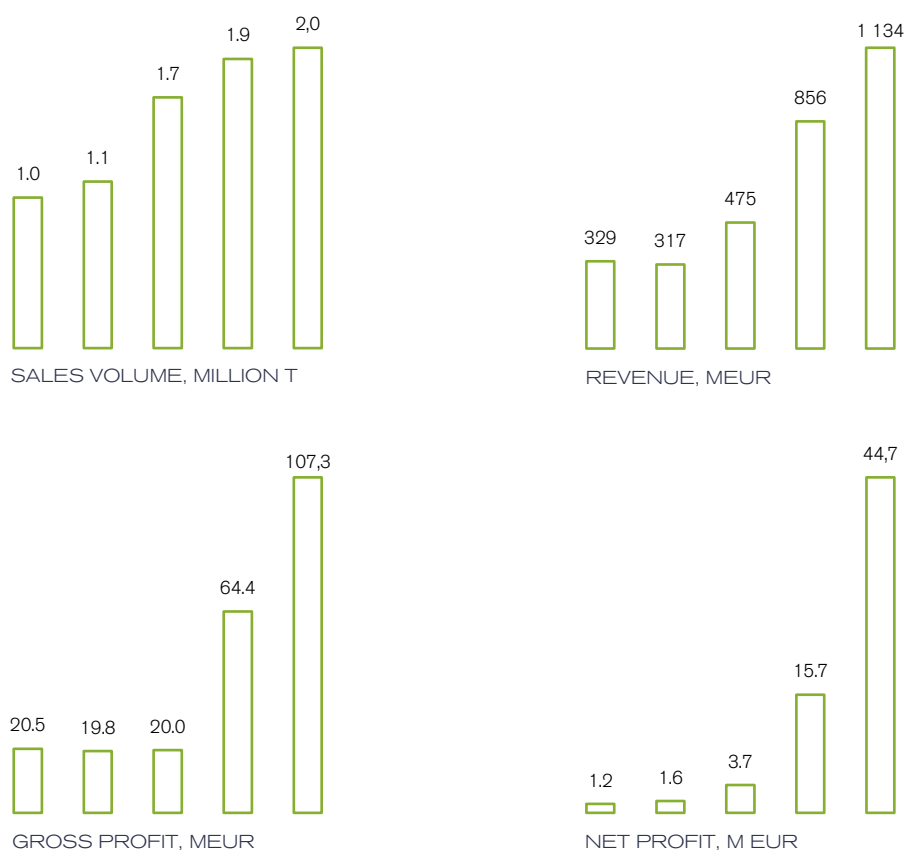
Consolidated EBITDA amounted to EUR 74 million and was 77% higher as compared to the previous year (EUR 42 million).

Profit before tax amounted to EUR 53 million and was 183% higher as compared to EUR 19 million in previous year.

The net profit reached close to EUR 45 million and increased by 184% y-o-y.

Consolidated revenue for the Q2 amounted to EUR 544 million being 31% higher as compared to the previous year (EUR 416 million). Gross profit for the Q2 increased from EUR 27 million to EUR 51 million and operating profit from EUR 9 million to EUR 21 million. Net profit for the Q2 amounted to close to EUR 17 million, compared to a net profit of EUR 4 million in the corresponding period of the previous year.

COMPARISON OF PERFORMANCE OVER FIVE REPORTING PERIODS



FINANCIAL INDICATORS

<i>thousand EUR, unless otherwise indicated</i>	2018/2019 6 months	2019/2020 6 months	2020/2021 6 months	2021/2022 6 months*	2022/2023 6 months
Sales in tons	1,002,876	1,108,610	1,669,227	1,925,813	2,000,571
Sales revenue	328,923	317,178	474,951	855,792	1,133,926
Gross profit	20,482	19,809	20,019	64,372	107,349
Gross profit margin, %	6.2	6.2	4.2	7.5	9.5
EBITDA	8,063	9,216	13,487	41,717	73,661
EBITDA (Excluding the impact of IFRS 16)	8,063	8,244	11,754	38,364	70,326
EBITDA margin, %	2.5	2.9	2.8	4.9%	6.5
EBITDA margin, % (Excluding the impact of IFRS 16)	2.5	2.6	2.5	4.5	6.2
Operating profit	2,748	3,022	5,147	23,727	59,666
Operating profit margin, %	0.8	1.0	1.1	2.8	5.3
Earnings before taxes EBT	1,470	1,713	3,922	18,819	53,261
Earnings before taxes margin, %	0.4	0.5	0.8	2.2	4.7
Net profit (thousand EUR)	1,186	1,582	3,721	15,746	44,701
Net profit margin, %	0.4	0.5	0.8	1.8	3.9
Current ratio	1.8	2.0	2.2	1.2	1.2
Debt / Equity ratio	1.7	1.6	1.4	2.6	2.2
Net financial debt / EBITDA	15.7	27.4	5.5	5.5	2.5
Return on equity (ROE), %	2.2	-2.6	6.6	11.8	33.1
Return on capital employed (ROCE), %	1.0	-0.8	5.8	7.0	19.2
Basic and diluted earnings per share (EUR) (EPS)	0.01	-0.04	0.09	0.20	0.78
Readily Marketable Inventories (RMI)	n.d.	n.d.	n.d.	156,254	179,571
RMI adjusted Net financial debt / EBITDA	n.d.	n.d.	n.d.	3.2	1.6

* To ensure more accurate representation of the activity, Company has revised the methodology relocating loss and/or gain from currency exchange line items to results of financial activity in the in separate and consolidated financial statements, therefore EBITDA, Operating profit and related ratios were adjusted for the comparative period 2021/2022

** Depreciation of biological assets (crops) sold during the reporting period and related to the previous reporting period, amounting to EUR 1,522 thousand, is also excluded (EUR 1,592 thousand for the period 2021/2022 and EUR 1,623 thousand for the period 2020/2021, the effect of such depreciation was not significant for the comparative periods)

Note: The ratios Net financial debt / EBITDA, ROE, ROCE, EPS were recalculated for financial years 2018 – 2021 based on 12 months rolling basis principle.

EXPLANATION OF TERMS IN THE ABOVE TABLE:

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.
Earnings before taxes (EBT)	Equals profit before income tax.
Profit margin of the period	Profit of the period expressed as a percentage of total revenue.
Net financial debt	Non-current, current liabilities to financial institutions and lease liabilities less cash and cash equivalent.
Capital employed	Shareholders' equity plus non-current and current liabilities to financial institutions.
Current ratio	Current assets divided by current liabilities.
Debt to equity ratio	Long-term and short-term liabilities as a percentage of Shareholders' equity.
Return on Equity (ROE), %	Net profit for the period as a percentage of average Shareholders' equity for the
Return on capital employed (ROCE), %	Operating profit (EBIT) for the period expressed as a percentage of capital employed for the period. The value of the denominator is calculated as the sum of equity attributable to shareholders, long-term and short-term loans as well as leasing liabilities not related to right of use assets.
Price earnings ratio (P/E)	Closing Company's share price at Nasdaq Vilnius stock exchange at the end of reporting period divide by rolling 12 months' earnings per share.
Readily Marketable Inventories (RMI)	Inventories to which full unencumbered legal and beneficial title belongs to a member of the Group and are readily convertible into cash within less than 90 calendar days on the basis that such inventories are: (a) the subject of contracts traded on futures markets and/or price risk is covered by other forward sale and/or hedging transaction; (b) liquid and widely available in a range of markets due to homogenous product characteristics and international pricing; (c) such inventories are not held for processing and/or conversion into a more value-added product; and (d) liquidation of such inventories would not have a material adverse effect on the particular business franchise.
RMI adjusted Net financial debt	Net financial debt after deducting 90% of Readily Marketable Inventories of the relevant period.

OVERVIEW

The harvest year 2022/2023 indications:

GLOBALLY

- 2,248 million tons **world grain production**, being 43 million tons less compared to harvest year 2021/2022;
- regardless of expected record wheat production as well as anticipated increases for barley and oats, after four successive annual increases, global grains production forecast for 2022/2023 is set to fall, mainly due to materially downgraded outlook for maize output from US, EU, as well as Ukraine, where crop is down on lower reported area harvested;
- 637million tons **world oilseed production**, potentially reaching all-time record; forecasted global soyabean output for 2022/2023 is seen rising thanks to heavy Brazilian crop (higher area), together with gains in smaller producers, materially offsetting slight decreases in US and Argentina's outputs;
- largely due to the persistence of high prices, the projected pace of cereal **consumption** is expected to slow; downward trend shall be seen for the first time since 2015/2016, and shall be mainly evidenced through contracting feed maize demand in the EU, Russian Federation, USA, Viet Nam; meanwhile, with material uptake of soya products anticipated, oilseed category consumption is expected to increase, however in slower pace compared to increase in production quantities;
- despite reduced feed and industrial uptake, projecting in eight years lowest or for six years in a row decreasing global cereal **stocks** (579 million tons), though meanwhile recovering world oilseed stocks (119 million tons) with higher soybean and rapeseed stocks partly offset with lower sunflower seed stock,
- continuously high **price environment** with some easing in rates recorded lately; due to increased global supplies, larger than previously estimated production in Australia and the Russian Federation - wheat prices were decreasing lately, due to the substitutability of products, dictating the downward price trend in barley trade as well; with ample global supplies, decreased prices of palm oils and overall lacking competitiveness compared with other vegetable oils, oilseed prices had not picked up to the heights seen a year ago; yet the observed tightening sentiment (with the grain stocks-to-use ratio being the most strained since 2012/2013), geopolitical uncertainty and conditioned availability of grain, especially in the context of soon expiring Black sea "corridor" agreement, still remain among key price

determining factors in the grain and oilseed market, suggesting rates (especially of maize) shall be to some extent supported further in the nearest future.

Expectations for the 2023–2024 harvest:

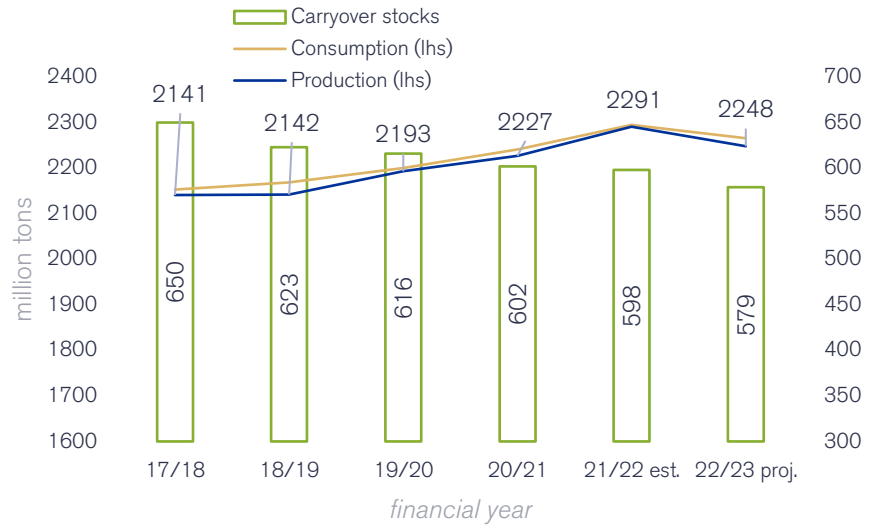
- at the date of publication of this report, assessment of still ongoing sowing and 2023/2024 harvest expectations are so far difficult to project;
- early indications for wheat point to area expansions in several major producing countries, driven primarily by the elevated prices (in US planted area is estimated to be the largest area in eight years, less materially - however also strong planting areas in Canada, EU, as well as India, where government started guaranteeing prices; in the Russian Federation on the contrary - ample domestic availabilities and low domestic prices could result in a small cutback in wheat plantings, while in Ukraine, severe financial constraints, infrastructure damage and obstructed access to fields suggest very material reduction in winter wheat area). Again, continuously high fertilizer prices could result in reduced application rates with likely adverse implications for yields, therefore despite increased area, world wheat output will not necessarily translate into stronger supply; furthermore, some fear that winter crops might be damaged due to high temperature fluctuations in Europe.

BALTICS / LITHUANIA

- according to data provided by "Statistics Lithuania", harvest in Lithuania totaled at 6 million tons of grain (for comparison, 2017-2021 years harvest average was 5.6 million tons)), while rapeseed production accounted for 0.9 million tons; combined harvest of Baltic countries was 11.1 million tons of grain and 1.5 million tons of rapeseed;
- based on unofficial statements by Lithuanian grain buyers and exporters, higher concentration of feed grain compared to previous year, subtracted quality, low protein content (late spring, lack of sun, less intensive fertilization in farms); however, quite solid oil concentration in rapeseeds.

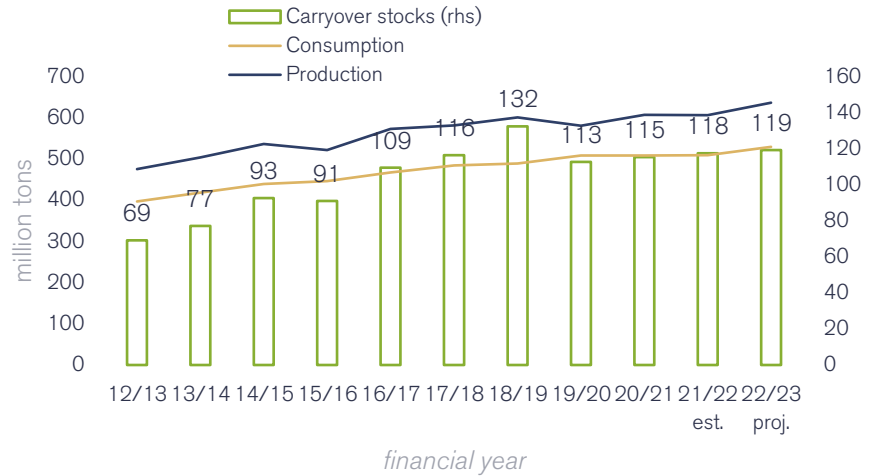
Figures as per latest data provided by International Grains Council (IGC)(16-Feb, 2023), United States Department of Agriculture (USDA) (8-Feb, 2023), Food and Agriculture Organization of the United Nations (FAO) (3 Feb, 2023), Baltic statistical offices and unofficial statements by grain buyers and exporters.

THE WORLD TOTAL GRAIN PRODUCTION



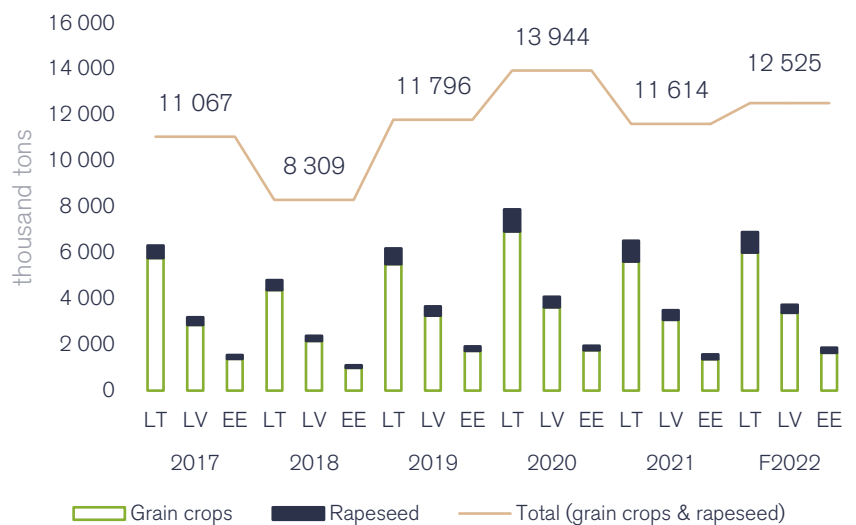
Data: International Grains Council (IGC)

THE WORLD TOTAL OILSEEDS PRODUCTION



Data: United States Department of Agriculture (USDA)

GRAIN AND RAPESEED HARVEST IN THE BALTIC STATES

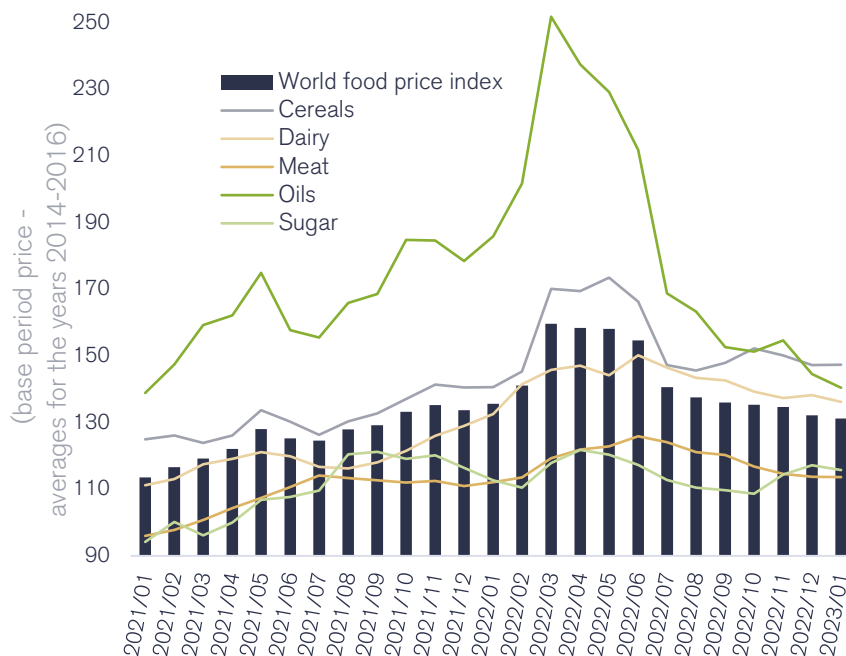


Data: Statistics Lithuania, Central Statistical Bureau of Latvia, Statistics Estonia

With food price index recording its peak in March 2022, downward price corrections were seen latest months. Somewhat diminished war action caused intimidation, as well as improved grain availability lately, explained normalized consumption and operation of supply chains, which alongside the central banks' active interest rate increase

DYNAMICS OF WORLD FOOD PRICES 2021/2023

Data: Food and Agriculture Organization of the United Nations



Within the reporting period:

- in the **vegetable oil, grain categories**, with the most significant inflationary sentiment observed in the beginning of the 2022, **price corrections were continuously observed**, associated with better-than-expected availability of cereals and oilseeds (record Russian wheat harvest, strong Australian, Brazilian harvests), downward pressure of lower crude oil prices on vegetable oil values;

- **energy prices** continued showing high variability overall remaining strong, however at least so far taking **downward direction**; consumption optimization, comparatively mild winter weather, resulted in Europe starting the year 2023 with gas inventories way above historical levels and respectively lower prices (compared to peak in September of 2022); with potentially gradually slowing worldwide growth oil and electricity prices weakened as well;

- global **milk prices** continuously followed downward direction; recently some positivity with regards to global milk production volumes was brought, while demand for spot supplies on the contrary seemed to fix at more modest levels. Consumption is constrained by **expectations of further price declines**, overall high food prices also put pressure on people's spending power, starting with September of 2022, also visible in the curve of Lithuanian raw basic indicators milk purchase prices;

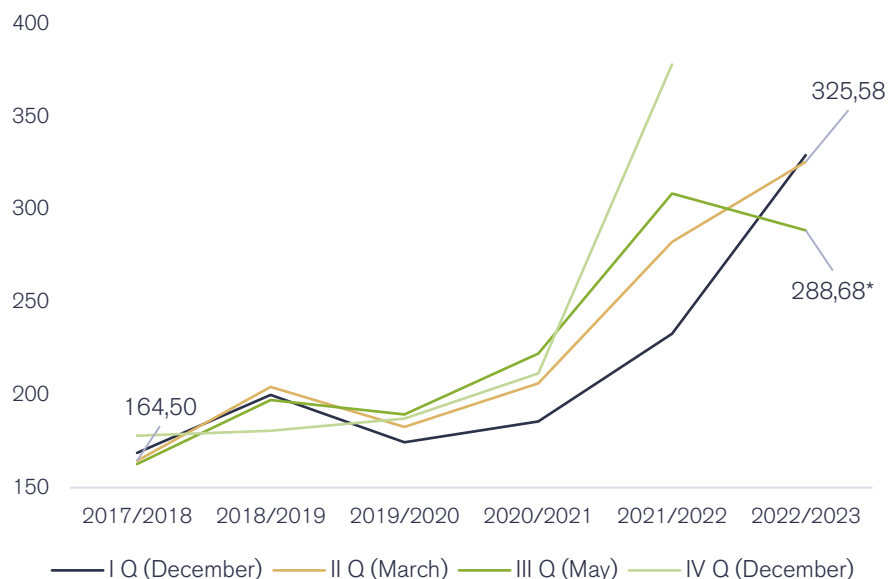
- **after a period of growth average broiler carcass prices in Europe started stabilizing**, meanwhile prices of the more expensive chicken parts have been falling for some time,

strategy, could gradually mean the return of buyers' influence on prices. However, factors such as the increased amount of money circulating in the economy, military actions, simulation in supply of energy and other resources, etc, are for a while likely to continue forming the basis for the persistence of prevailing high price sentiment.

illustrating a change in consumer behavior in the declining purchasing power environment. According to the Polish Ministry of Agriculture for Rural Development, the price of fresh chicken fillet, the most profitable poultry product, peaked in April 2022 and started to diminish in the summer.

Although the volume of poultry production in Europe continued to exceed the need for domestic consumption (approximately 10% overproduction), prices were pushed down even further by rising import volumes. From July 2022, after the cancellation of Ukraine's [among the TOP10 world poultry meat exporters prior to the military actions] poultry export quotas to Europe, Ukraine's exported quantities to this destination doubled, volumes from South American countries such as Argentina and Brazil increased significantly as well. In Poland with the easing of avian influenza outbreaks, poultry producers restored their production capacity to the maximum and actively exported poultry fillets for the HORECA segment in Western Europe, pushing out competitors at lower prices. At the same time, the prices of a close substitute, pork, were not high as well and did not support urge for consumers to choose cheaper alternative.

WHEAT FUTURES PRICE DYNAMICS



* IIIQ 2022/2023 average of non-finite period 1-Jan, 2023 to 22-Feb, 2023

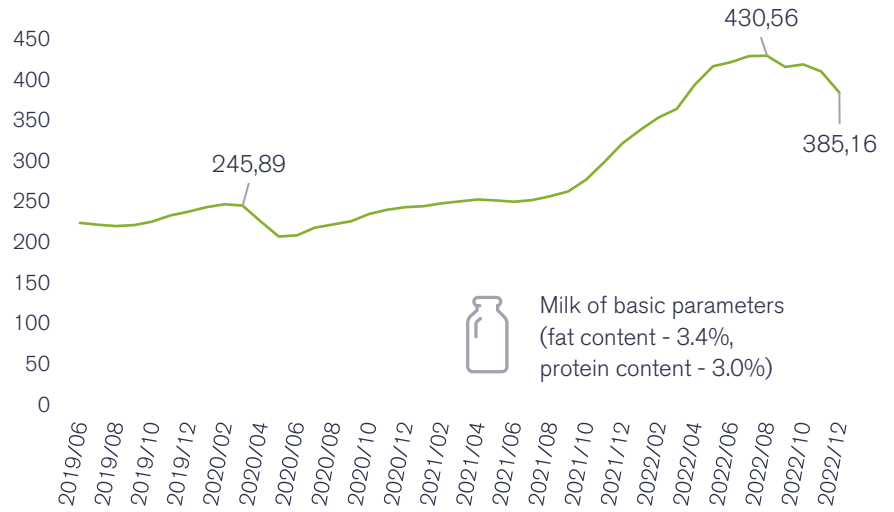
Data: Euronext

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 direct impact of price changes on the Group's segments is manifested in the activities of the following categories:

Activity category		Grain, oilseed, feedstuffs	Milk	Meat	Energetics	Industrial metals
GRAIN, OILSEEDS, FEED	Grain storage and logistic services				●	
	Grain and oilseed trading	●				
	Feed business	●			●	
PRODUCTS AND SERVICES FOR FARMING	Preparation of seed in own factory	●			●	
	Supply of seeds, plant care products, fertilizers to the farmers	●			●	
	Supply of agricultural machinery, spare parts to the farmers, service and rent				●	●
	Software development					
AGRIGULTURAL PRODUCTION	Installation of grain cleaning, drying and storage facilities and livestock farms					●
	Cultivation of cereals, oilseed rape, sugar beet, other crops	●			●	
FOOD PRODUCTS	Production of milk and beef cattle farming	●	●	●		
	Poultry business	●		●	●	
	Flour, instant food products, breadcrumbs production	●			●	
OTHER	Veterinary pharmacy products sales, pet food production, other	●			●	

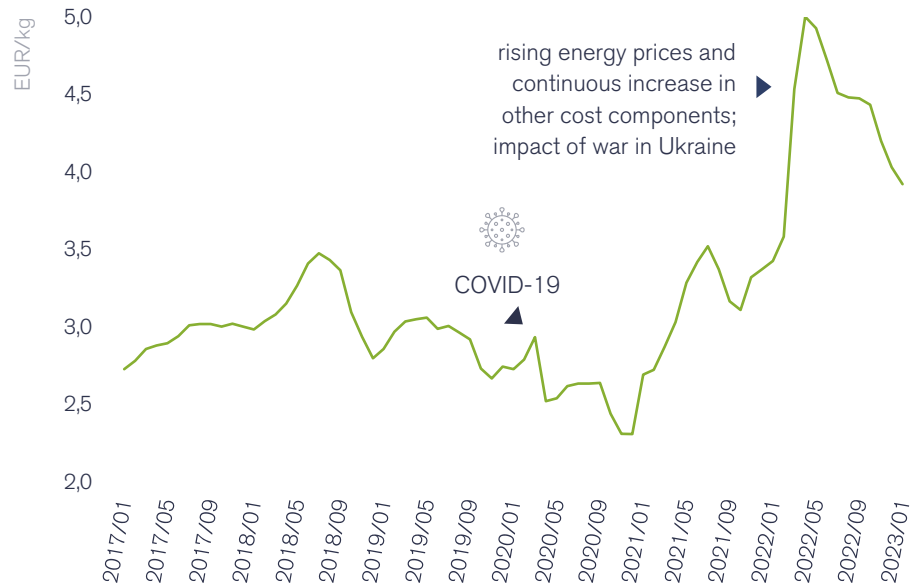
● Significant impact

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

PERFORMANCE 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

<i>thousand euro</i>	2018/2019 6 months	2019/2020 6 months	2020/2021 6 months	2021/2022 6 months*	2022/2023 6 months
Grain, Oilseeds, and Feed	3,185	1,984	898	(399)	37,179
Products and Services for Farming	965	1,860	4,311	25,323	24,679
Agricultural Production	(560)	(996)	1,248	(923)	2,170
Food Products	1,124	1,988	(124)	(201)	1,473
Other Activities	(176)	26	11	1,795	1,249

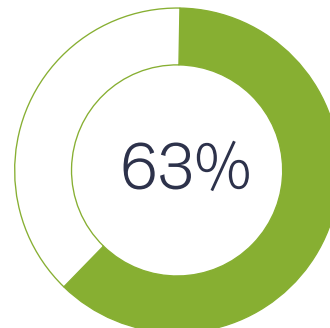
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GRAIN, OILSEEDS, AND FEED

since 1991

- 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



KEY FACTS



the main export goods -Lithuanian and Latvian wheat

595

ktons storage capacity (535 ktons – silos, 60 ktons – on-ground intake stations) for various grains and other agricultural commodities in Lithuania and Latvia

310

ktons storage capacity at Lithuanian and Latvian ports

12

feed retail shops

240

ktons of annual compound feed production capacity in own factory in Lithuania (Kaunas)

25

ktons of annual premixes production capacity in own factories in Lithuania (Kaunas), and Belarus*

OPERATING COMPANIES

- AB Linas Agro (Lithuania)
- UAB Linas Agro Grūdų Centrai (Lithuania)
- UAB Jungtinė Ekspedicija (Lithuania)
- AB Kauno Grūdai (Lithuania)
- UAB KG Mažmena (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)
- OOO KLM (Belarus)*

* Reclassified to assets held for sale

CERTIFICATES



OWN TRADEMARKS

Vitamins and mineral supplements **VitaPrem**

Compound feed 'Provitac'

Feed



Effectus



Kauno Grūdai

GRAIN STORAGE AND LOGISTIC SERVICES

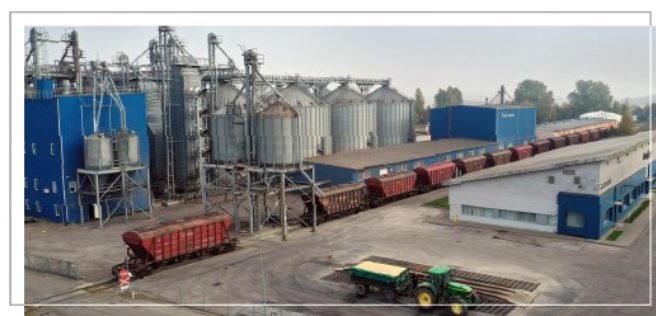
This Segment includes handling of the grain for the export in elevators (cleaning, drying, storage, reloading) and logistic services.

Comparing the **quantities of grain accepted** by the Group companies with the same reporting period last year, 9% decrease was recorded. High yield expectations before the 2022 harvesting, have not translated itself into a record harvest mainly due to the dominant lower test weight measure (although still higher yields compared to 2021). The reason for the lower amount of grain accepted by the elevators remained the same - the purchase price being not in line with farmers' expectations; during the second quarter of the reporting period price decreasing was observed and respectively - reluctance of the farmers to sell the grain, storing it themselves if possible and expecting geopolitical uncertainty provoked positive corrections in price.

Despite lower amount of collected grain (storing income) and similar to last year's grain moisture level (drying income), during first quarter of the reporting period increased service rates and amended calculation methodology created the basis for income growth. This rate revision was important to manage activity expenses with natural gas, electricity and other components prices remaining high.

During the reporting period, EUR 1.3 million worth investments in the development of the elevator in Jungenai (Marijampole County) were completed, suggesting expanded grain storage capacity (from 8,000MT to 18,000MT) was already used when collecting 2022/2023

761 million tons of grain received through the elevator network:
73% - wheat,
14% - rapeseed,
6% - barley.



harvest, grain reception efficiency increased, the urge for various logistical solutions decreased.

The transformation of the elevator segment, started already in the beginning of the 2022, was completed by the end of the reporting period, reducing the number of the Group's companies in the segment, consolidating operations in Lithuania and successfully integrating the elevators of "Kauno Grūdai" Group companies.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Grain Storage and Logistic Services income	8,567	3,840	123

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 Group companies with the same reporting period of the previous year, the respective 20% quantities increase recorded, while sales

During the reporting period, the volume of traded grain and oilseeds was **1,2 million tons.**

revenue grew by 70% illustrating still higher prices, compared to the ones seen in the market during the first half of the previous financial year. However, in the first quarter of the financial year 2022/2023, both wheat and rapeseed prices on exchange recorded a contraction of around 10% from the beginning till the end of the quarter. This was mainly affected by solid harvests almost everywhere in the world, balancing trade flows.

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. However, only part of the market participants took the same path, respectively in the second half of August, 2022, the impact of the record Russian wheat harvest started to be felt on the food wheat market price levels, noting that the downward price pressure was already sensed before August due to the opening of the

Black Sea grain “corridor”, creating conditions for highly competitive Ukrainian grain to be exported; the Ukrainian maize and feed wheat trade continued across the Ukraine-Poland border as well, while prices were also negatively affected by strong demand due to a significant Australian harvest.

Yet, over the reporting period trade was complicated not only due to geopolitical reasons - assessing the quality of the 2022 local wheat (approx. 80% of production) harvest, it was dominated by lower than average characteristics with marginal gluten, protein indicators, lower than export standard requires weight per hectolitre; still, at least the oiliness parameters of the rapeseed harvest (approx. 10%) were satisfying.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Grain and Oilseed Trading income	464,766	273,930	70

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.

During the reporting period **405 thousand tons** of compound feed, premixes and feed materials were sold.

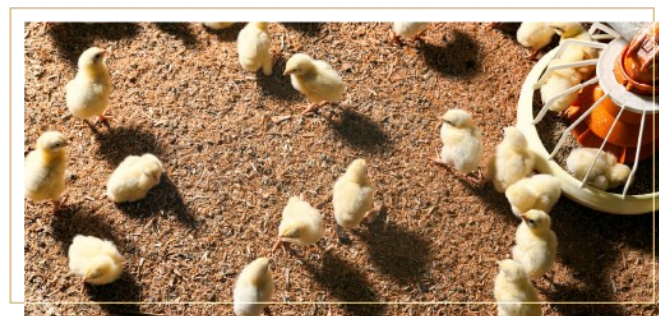
At the date of the publication of this report (on which, the Russian and Belarusian premixes producing companies have already been sold), the activity solely is carried out in own factory in Lithuania (annual production capacity of 246 thousand tons

of compound feed and premixes). In Lithuania, the retail trade of feed is carried out through a network of retail stores managed by UAB KG Mažmena, covering approximately 80% of Lithuania’s feed retail market. With continuously high

agricultural production prices, farmers’ seeking to repeatedly deliver high productivity results, the demand for combined feed remained high during the reporting period, and the production lines of the Group companies were operating at full capacity. However, the normalization of the supply of feed raw materials and the increase in supply put pressure on the price; taking into account advance purchases of high price materials, negative effects on gross profitability in the deflationary market shall be expected.

Largely due to high prices, troubling energetics, the residual effects of COVID-19, as well as record wheat harvest and overall easing of the panic (observed at the

beginning of the war action), the trend in slowing feedstuff consumption, as well as normalization of supply chains was seen over the reporting period, potentially meaning gradual return of buyers' power when negotiating feedstuff prices. Although trading of oils remained challenging over the reporting period due to the unpredictable supply from Ukraine, Group companies were still able to trade successfully and achieve high profitability in the feed raw materials business. Future price levels are expected to depend significantly on Russia's position in relation to the Black Sea grain transit "corridor", as well as on expectations for the 2023/2024 harvest.



<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Compound feed, premixes, feed material trade income	243,080	238,997	2

During the reporting period revenue of the Grain, Oilseeds and Feed segment increased by 39% to EUR 716 million. Operating result amounted to EUR 37 million profit as compared to EUR 0.4 million loss for the corresponding period of the previous year.

The main reasons for the strong profitability were related with exploited opportunities in high volatility market.

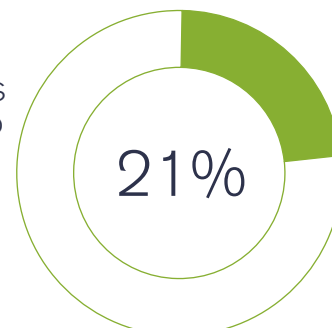


PRODUCTS AND SERVICES FOR FARMING

since 1993

- 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

SHARE OF REVENUE IN GROUP'S PORTFOLIO



KEY FACTS

- 30** ktons of cereals and pulses seeds-total annual capacity of the seed production plant
- 185** ktons storage capacity for warehousing seeds, fertilizers and plant care products
- 15** sales outlets
- 12** service centers

OPERATING COMPANIES

- AB Linas Agro (Lithuania)
- UAB Dotnuva Baltic (Lithuania)
- UAB Dotnuva Rent (Lithuania)
- UAB GeoFace (Lithuania)
- UAB Linas Agro Grūdų Centrai (Lithuania)
- SIA Linas Agro (Latvia)
- SIA Dotnuva Baltic (Latvia)
- SIA Linas Agro Graudu Centrs (Latvia)
- Linus Agro OÜ (Estonia)
- AS Dotnuva Baltic (Estonia)
- OOO KLM (Belarus)*

* Reclassified to assets held for sale

REPRESENTED MANUFACTURERS / BRANDS

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', 'CMP Impianti Srl'.

Adjustable underground drainage system 'Ekodrena';
 Seeds, plant care products, fertilizers – 'Syngenta', 'Adama', 'Rapool', 'Yara', 'Ekoplón', 'Novagra', 'Nando', 'Haifa', 'Daymsa', 'Agritechno', other.

OWN TRADEMARKS



CERTIFICATES



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. 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.

PREPARATION OF SEED IN OWN SEED PREPARATION FACTORY

Due to late 2022 harvesting, comparatively small 2021 harvest residues for the preparation of seeds ("transitional fund") as well as for a while limited operation of seed certification laboratory, slight decrease in heavy seeds production was recorded over the reporting period. However, for the full calendar year 2022, the Group's certified seed volumes in Lithuania accounted for as much as 33% of all seeds certified in the country, placing the Group companies in a leading position.

During the reporting period, the quantities of grass and sidereal plant seeds category continued to have relatively modest weight in the structure of the seed portfolio.

Over the reporting period, the own seed preparation factory of UAB Dotnuva Baltic (Dotnuva, Kedainiai distr.) prepared **15 thousand tons of certified 'Dotnuva Seeds'** cereals and pulses seeds, being 3% more than in previous year.



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:
17 thousand tons of seeds (15% less than in the previous year),
139 thousand tons of fertilizers (27% less than in the previous year),
9 thousand tons of plant care products and micronutrients (28% more than in the previous year).

During the reporting period, the amount of seeds sold was lower due to insufficient supply, but profitability remained at a similar level.

Due to the geopolitical situation, high energy and raw material prices, occurring closures of Europe's nitrogen fertilizer factories, the fertilizer market remained dynamic, prices fluctuated and stayed high; however started decreasing at the end of the reporting period, following the direction of the diminishing natural gas prices, also due to the position of some fertilizer traders, who decided to disregard "non-purchase policy of fertilizers from Russia and Belarus". Even though different approaches were also visible in the market, significant share of the farms used either less or completely shut the application of fertilizers for the saving

purposes (in the reporting period, the quantities of fertilizers sold by Group companies decreased by 27%). With corrections in sales price and cheaper fertilizers stocks being fully exploited, the profitability of fertilizer sales has also normalized, returning close to levels in the beginning of financial year 2021/2022.

Due to late harvesting in the summer of 2022, respectively belated sowing of the winter crop and finally – due to dry condition, the development of the winter crops was slower, and did not create conditions for high-quality crop care and intensive use of micronutrient fertilizers and plant protection products. However, the improvement in crop quality later throughout the period observed, the satisfying financial situation of farmers, the search for cheaper alternatives to maintain yields (by reducing fertilizer inputs), as well as the uncertainty and volatility of prices, played out to be sales drivers. Sales volumes of micronutrients and plant protection products for the reporting period were 28% higher compared to the period of the previous year, profitability remained high. Over the reporting period, some farmers had already started purchases for the use in 2023.

As a consequence of the applied sanctions, the supply of the stocks for the segment were ensured through alternative

fertilizer suppliers in such countries as Morocco, Canada, Israel, Trinidad and Tobago, USA, Poland, Germany, etc., meanwhile the supply of micronutrients and plant protection

products was not affected by military action (Western Europe).

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Income from trade in seeds, plant care products and fertilizers	181,654	140,571	29

SUPPLY OF NEW AND USED AGRICULTURAL MACHINERY, SPARE PARTS, SERVICE AND RENT 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, yet additionally this year – also continuously affected by uncertainty coming from geopolitical situation.

At the beginning of the reporting period, an optimistic assessment of better than average harvest of 2022, high grain and record milk prices, the continuing rise in the price of equipment and the desire to employ funds in an inflationary environment - acted as a strong incentive to invest; however, at the end of the second quarter of the financial year 2022/2023, observing the downward trend in milk prices, taking into account for some time increased farm costs (fertilizers, feed, fuel, electricity, spare parts), as well as worrying about the requirements of the 'green deal' and rising financing costs - investment decisions were taken more carefully. During the reporting period, the amounts of EU support allocated in Lithuania and Latvia were quite significant, though support availability was quite diverse for different farms and oriented not to all types of machinery investments. With the changes in the scope of purchasable equipment to receive support funds, surging loan interest rates, a positive impact is expected from the use of equipment rental services, which are also provided by Group companies. Currently, more than 60% of the lease contracts are long-term, i.e. 2-5 years duration.



UAB Dotnuva Baltic's market share:
For tractors (western type) – **11.3%**
For harvesters - **6%**

SIA Dotnuva Baltic's market share:
For tractors (western type) - **9.1%**
For harvesters - **13%**

AS Dotnuva Baltic's market share:
For tractors (western type) - **4%**
For harvesters - **3%**

Over the reporting period machinery and spare parts supply from some of the manufacturers was still challenging, allowing minimization of the so called "old" stock in the warehouses. Post-season equipment inspections were successful over the reporting period, full-capacity service work ensured.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Income from sales of new and used agricultural machinery, spare parts, and servicing	47,338	38,718	22

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, easy upload of the soil analysis data, sharing of information among farm employees, application subscription fee payment function.

Within the reporting period, while continuously developing the software for the external users service was further provided free of charge.

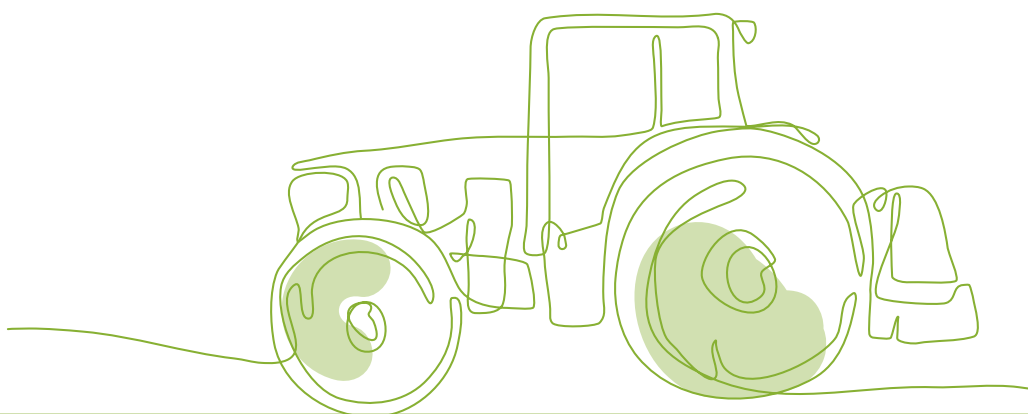
INSTALLATION OF GRAIN CLEANING, DRYING AND STORAGE FACILITIES, AND LIVESTOCK FARMS

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. In the beginning of the reporting period, the vast majority, especially medium and large farms,

without waiting and often without EU support, made decisions for the purchase of grain storage and drying equipment, investments into construction of new farms, as well as modernization of existing ones. However, at the end of the reporting period, with financing costs continuously advancing and milk prices falling, majority of the smaller farms postponed the investments.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Income from the installation of grain cleaning, drying and storage facilities and livestock farms	3,132	3,462	-10

Total operating Segment revenue grew by 26% to EUR 234 million; operating profit was 3% smaller and amounted to EUR 25 million.



AGRICULTURAL PRODUCTION

since 2003

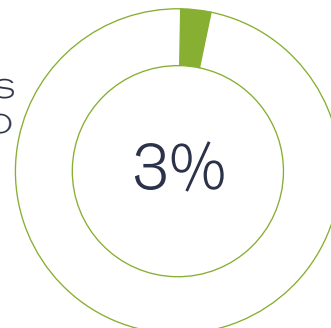
Cultivation of cereals, oilseed rape, sugar beet and other crops

Production of milk and beef cattle farming

Rent and management of agricultural purposes land

Management of subsidiary farming companies

SHARE OF REVENUE IN GROUP'S PORTFOLIO



KEY FACTS

19,229 Cultivated land area, hectares

5,962 own land area, hectares

3,284 number of cows

18. ktons of milk produced

103 ktons of crop production produced

OPERATING COMPANIES

Companies in Lithuania:

- 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
- 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



CULTIVATION OF CEREALS, OILSEED RAPE, SUGAR BEET, AND OTHER CROPS

During the reporting period, crop production harvested and sold by the operating companies of the Segment were respectively 15% and 8% higher as compared to the very

66 thousand tons - crop production sold during the reporting period (8% more than a year before).



same period last year. Greater quantities of the crop production were related with better 2022 harvest in Lithuania, exceeding the values of multiyear average. Regardless of country's harvest indications with dominating lower than average quality, as well as marginal gluten and protein parameters, the quality of crop produced by Group's farming companies was fairly good – the indicators of winter wheat were in line with class I or II, oil content of rapeseed was acceptable. However, due to the cold and rainy spring, the quality of corn and malted barley suffered a bit.

Quantities of crop production sold increased in relatively slower pace over the reporting period, explaining it with the

risk policy of the Group companies, applicable in the high price volatility environment, portioning the sales of grown production month by month.

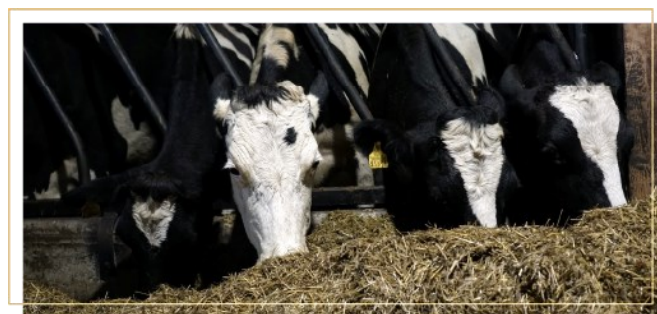
During the reporting period, average grain sales prices remained high and formed basis for upturn in income – compared to first half of the financial year 2021/2022, 38% revenue growth was recorded. However it should be mentioned that due to the significantly increased costs of fertilizers, plant protection products, energy resources and other components, the grain harvested in summer-autumn of 2022 was also grown at approximately 10-20% higher cost compared to the previous period (depending on the culture).

On the last day of the reporting period, the Group's agricultural companies have sown close to 11 thousand hectares of arable land for the harvest of 2023, all the crops were insured, crop quality was assessed as very good or good. At the day of the publication of this report, Group farming companies have already sold approximately 40% of the forthcoming harvest.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Crop production sales income	18,431	13,386	38

PRODUCTION OF MILK AND BEEF CATTLE ARMING

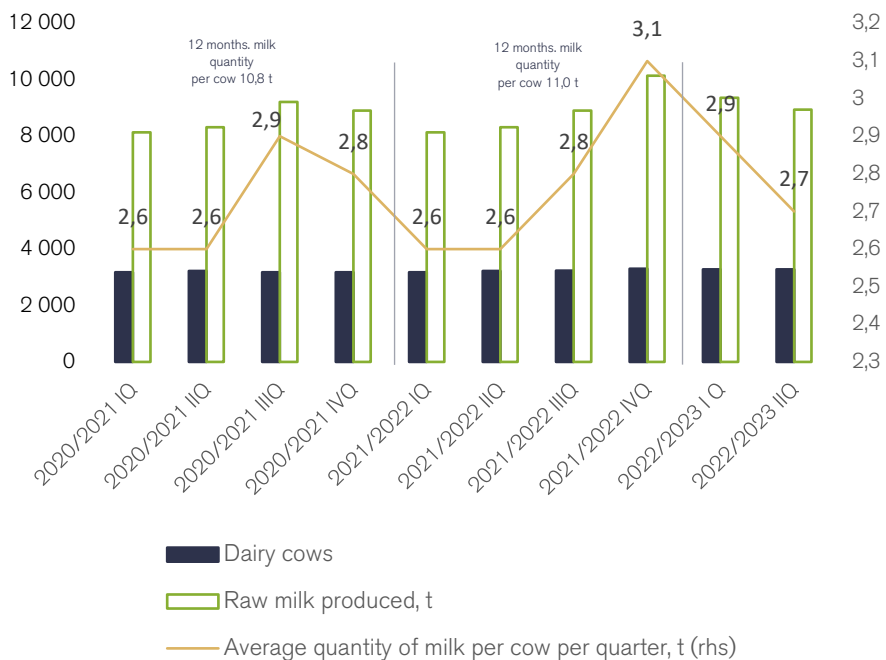
Over the reporting period, the quantities of dairy cows held were 2% higher, while the amounts of milk produced were even 11% greater compared to the results of same period previous financial year. It is noteworthy, that quantity of milk produced and its qualitative parameters vary depending on feed, temperatures, animal genetics and other factors, and usually does not characterize by direct correlation, therefore with milk yields increasing significantly over the reporting period, the weighted average protein and fat content indicator decreased slightly. However still excellent



composition of milk produced during the reporting period, bigger quantities, and still satisfying, even though since the autumn of 2022 decreasing, purchase prices of raw milk

allowed to record strong 52% growth in milk sales revenue, compared to the revenue of the first half of the financial year 2021/2022.

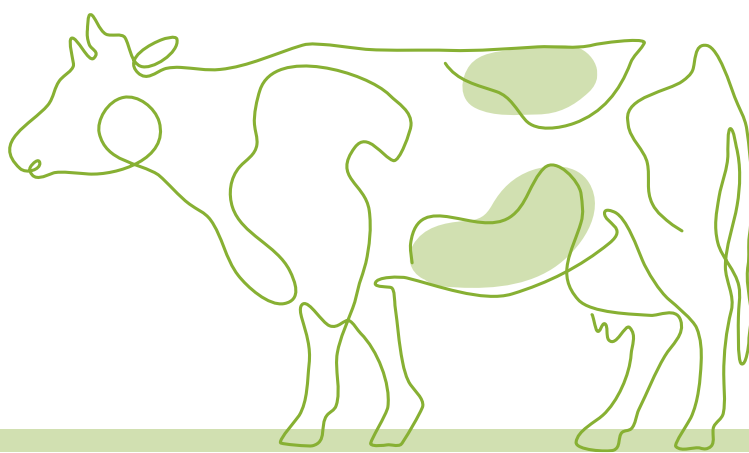
RAW MILK PRODUCTION DYNAMICS IN AGRICULTURAL COMPANIES



During the reporting period, 13% less live cattle meat was grown compared to the same period in previous year, however revenue from meat sales increased by 12%.

thousand euro	2022/2023 6 months	2021/2022 6 months	Difference, %
Milk and live weight cattle sales income	11,030	7,474	48

The revenue of the operating Segment increased by 41% during the reporting period, accounting for EUR 29 million. Meanwhile operating profit reached EUR 2 million compared to EUR 1 million operating loss in same period of previous year.



FOOD PRODUCTS

since 2013

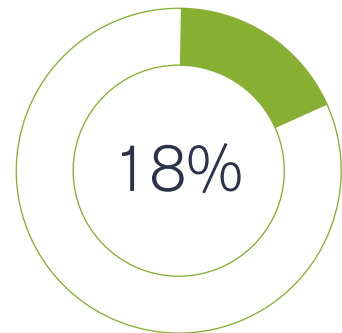
Whole cycle poultry business:

- incubation of hatching eggs
- broiler breeding
- production of poultry and its products
- feed manufacturing for self-supply
- retail sale of chicken meat and its products

Production and wholesale of flour and flour mixes, instant foods; production and wholesale breadcrumbs and breeding mixes

Provision of logistics, consulting, and management services

SHARE OF REVENUE IN GROUP'S PORTFOLIO



KEY FACTS



The only producer of instant products in the region

#1

The biggest poultry producer in Lithuania and Latvia

#1

The biggest flour producer in Lithuania

100%

Poultry reared without antibiotics in Latvia

65%

Poultry reared without antibiotics in Lithuania

20

retail outlets in Latvia

OPERATING COMPANIES

- AS Putnu Fabrika Kekava
- AB Kauno Grūdai
- SIA Cerova
- AB Vilniaus Paukštynas
- AB Kaišiadorių Paukštynas
- SIA Lielzeltini
- SIA Broileks
- UAB Alesninkų Paukštynas
- UAB Domantonių Paukštynas
- UAB Lietbro
- AB Zelvė
- UAB Avocetė
- SIA PFK Trader
- UAB Šlaituva
- UAB VKP Valdymas
- UAB KP Valda
- UAB VP Valda
- UAB KG Distribution
- UAB KG Logistika

BRANDS AND TRADEMARKS



Other:

Granfågel (non-Baltic export markets)

Nordichicken (export markets)

A'petito

Fiest

Vištiena kitaip

Vištyčio

Premium

CERTIFICATES



POULTRY BUSINESS

Over the reporting period, Segment companies 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 AB Vilnius Paukštynas – strongest 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.

The welfare of the animals and overall results of the farms over the reporting period remained sound. European Production Efficiency Factor (EPEF)¹ in Lithuanian poultry farms stood at 380 and was 370 in Latvia. Retaining the acceptable EPEF rate not only indicates efficient exploitation of breed's genetic potential, but also supports optimal consumption of feed over the reporting period.

During the reporting period, the quantities of live weight poultry meat produced and poultry and it's products sold by the Segment companies, were respectively 7% and 13% less compared to period a year before, to most extent explaining above with the closure of the slaughterhouse in Kaišiadorys, since March, 2022 moving the slaughtering and meat processing of broilers raised in Kaišiadorys to the Vilnius Poultry Slaughter Complex, using its full capacity. Despite the lower volumes, the effect of the higher prices in the beginning of the period under review, reflected in the top line of the reporting period; however progressing in to later months the downward trend in the most expensive poultry product category was evident, which in the context of main cost components (natural gas and feed materials) remaining high meant that although greater – price level was still not

During the reporting period Group's poultry companies

Produced sold

52 thousand tons
of live weight
poultry meat

50 thousand tons
of poultry meat
and its products



sufficient to achieve a positive net result. The Group's gross profitability for the period under review was below that of the same period of the previous year.

Due to the high sensitivity of the poultry business to energy resources, investments were made during the period to increase the hermetic proof of the buildings and to adapt the heating infrastructure to the use of LPG, replacing expensive natural gas. With latter prices declining towards the end of the reporting period, the positive effect of cheaper energy components is only likely to be felt with a delay due to the rolling price refixing effect.

It should be noted that during the reporting period Segment companies have received EUR around 2 million support aimed at the COVID-19 pandemic or war situation affected subjects.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Sales of poultry and poultry products	143,274	121,129	18

¹European Production Efficiency Factor (EPEF) - standardized measure of farm performance (includes feed conversion, mortality, and daily weight gain results), used to compare broiler performance from different flocks and different regions.

FLOUR AND ITS MIXTURES, INSTANT FOOD PRODUCTS, BREADCRUMBS AND BREADING MIXES PRODUCTION BUSINESS

By operating grain mill in Kaunas (70 thousand tons capacity per year), breading mixes preparation facility in Kaunas district (12 thousand tons capacity per year) and instant foods production facilities in Kėdainiai and Alytus (265 million instant food product units capacity per year), entities of the Group are engaged in production of flour, its mixtures, breading 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.

The flour, flour mixtures and breadcrumbs quantities sold by Group companies during the reporting period were 18% lower compared to the result in the previous financial year. Although the production volumes and demand for flour and its mixtures remained at a similar to the last year's level, sales to third parties contracted due to a higher demand for flour internally in the Group (growing production volumes of instant food products), meanwhile sales of breadcrumbs decreased due to the cancelation of trade relations with Russian buyers. Thanks to the gradual customer price adjustment possibilities, revenue of the flour, its mixtures and breadcrumbs product category grew by 27% within the reporting period.

The instant food (IF - porridge and noodle cups, packets and boxes) quantities sold by Group companies during the reporting period were 44% greater compared to the result in the previous financial year, income generated – respectively 68% higher. Majority of the IF production is exported to the markets of Great Britain, Spain, Czech Republic, Scandinavian and Baltic countries and sold under private labels; over the reporting period the demand remained solid, new sales contracts concluded, also – volumes under existing contracts increased. Despite the growth of income, with the prices of cost components (flour, oils, packaging, energy) remaining high, the profitability ratios of IF production remained similar to the results of the same reporting period in the previous financial year.

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



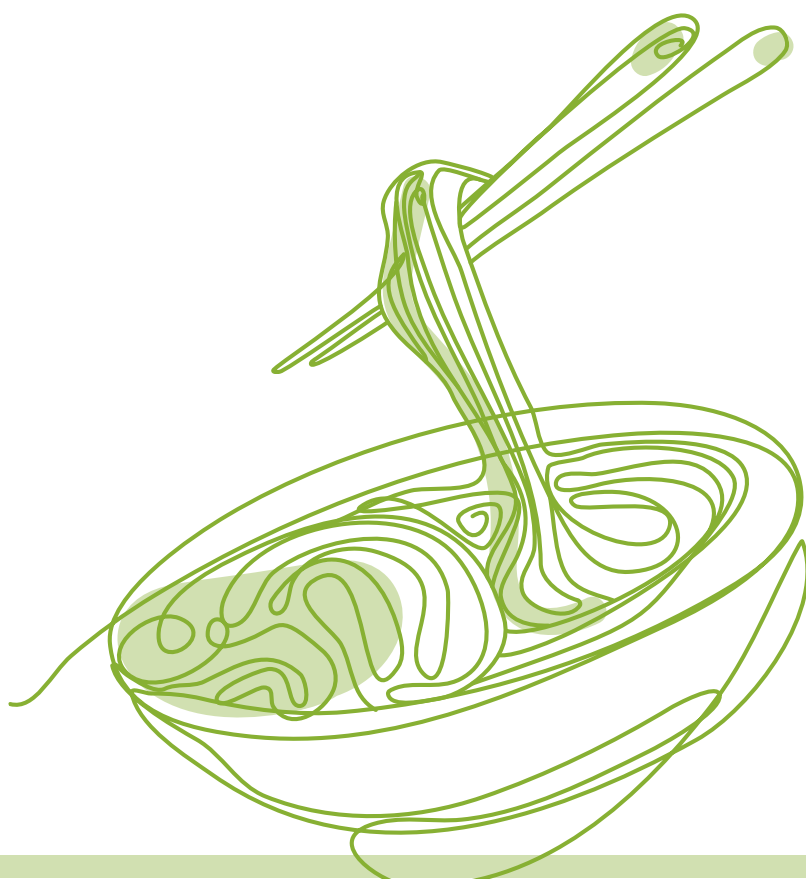
During the reporting period Group companies produced **36 thousand tons** of flour, flour mixes, breadcrumbs, **24 thousand tons** of this production were sold (not including quantities required for internal production).

137 million instant food units were produced by Group companies during the reporting period - porridges and noodles in cups, packages and boxes; **134 million units** of this production were sold.

warehousing services were used. On the date of the publication of this report, the construction works of new warehouse were completed, integrating 2,100 sq. m. additional warehousing space, increasing production capacity from 126 million up to 136 million production units per year. The effect of these investments shall be visible with the results of the second half of the reporting year.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 months	Difference, %
Revenues from the production of flour and flour mixtures, instant food products, breadcrumbs, and breading mixes	63,011	40,943	54

Revenue of Food Products segment for the reporting period increased by 27% and amounted to EUR 206 million. Operating profit amounted to EUR 1.5 million, compared to the EUR 0.2 million loss for the same period last year.

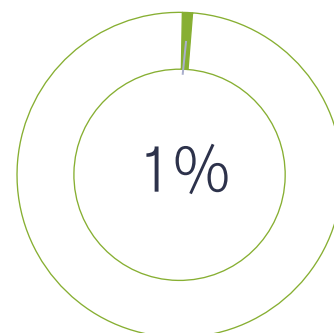


OTHER ACTIVITIES

since 2021

- Trade in pest control and hygiene products
- Production and sales of extruded products, pet food
- Provision of veterinary pharmaceutical services and trade in products
- Provision of fumigation and sanitation services

SHARE OF REVENUE IN GROUP'S PORTFOLIO



KEY FACTS



Own plant of extruded products in Alytus

OPERATING COMPANIES

- AB Kauno Grūdai
- 000 KLM*
- UAB Baltic Fumigation Services

CERTIFICATES

AB Kauno Grūdai and 000 KLM* have pharmaceutical licenses for wholesale distribution

* Reclassified to assets held for sale

OWN TRADEMARKS



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. (Virbac), KRKA, LAVET Pharmaceuticals Ltd, Aconitum Fumigants - Balticphos and other.

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. During the reporting the demand of production remained more or less stable, even though varied among small and productive animal categories. The sales of veterinary preparations for small animals grew with the expanding market and was supported by the growing number of pets, as well as overall amount of money spent per animal.

Operating markets average of money spent per pet still stands well below EU average and illustrates room for further growth. In the group of productive animals, the demand for veterinary products decreased due to better genetic management, reduced use of antibiotics in breeding, as well as increasing competition.



The Group produces **pet food** in its own production facilities of extruded products in Alytus. During the reporting period demand for dog feed remained strong. Even though quantities of pet food produced and sold by Group companies contracted (15% less as compared to the same

During the reporting period the companies of the Group produced **6 thousand tons** and sold **7 thousand tons** of extruded products.

period last year), sales income of extruded products was EUR 5 million or even 26% higher if compared to the result in the previous financial year. The amount of money spent on feed is increasing with the shift in consumers' product portfolio - switching from economy/medium products to super premium, which ensures good nutrition with less quantity, however with significantly higher price. Evaluating these trends, the Group companies aim to adjust the proportions of the produce, gradually increasing the output of the 'premium' segment, however the orders and contracts could only be reviewed gradually.

Operations of the Group's companies engaged in **pest 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 slightly increased (4% higher if compared to the result in the previous financial year), meanwhile the cost of goods and services growing (biocidal products, animal traps, inventory, etc.), put pressure on profitability, resulting in diminishing margins.

<i>thousand euro</i>	2022/2023 6 months	2021/2022 6 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	10,445	19,572	-47

Revenue of the operating Segment covering above mentioned and other less material activities during this reporting period amounted to EUR 10 million, result was EUR 1 million operating profit.



4. MAJOR EVENTS

THE PUBLICLY DISCLOSED INFORMATION

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

2022/12/22 04:05 PM EET	Chairman of the Supervisory Board of AB Linas Agro Group was elected
2022/12/06 04:08 PM EET	Chairman of the Board of AB Linas Agro Group was elected
2022/12/02 04:05 PM 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
2022/12/02 04:04 PM EET	New wording of the Articles of Association of AB Linas Agro Group, the Supervisory Board and the increase of the authorized capital are registered
2022/12/02 09:00 AM EET	Correction: AB Linas Agro Group investors calendar for the 2023
2022/12/02 08:30 AM EET	AB Linas Agro Group investors calendar for the 2023
2022/11/30 06:41 PM EET	Revenue of AB Linas Agro Group for the three months of the 2022/2023 financial year grows by one third
2022/11/24 08:08 AM 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
2022/11/23 08:30 AM EET	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the 3 months of financial year 2022/2023
2022/11/16 08:23 AM EET	AB Linas Agro Group sold IOOO Belfidagro, a company registered in Belarus
2022/11/03 01:50 PM EET	Dividend Payment Procedure
2022/11/03 09:54 AM EET	AB Linas Agro Group has permission to proceed with the sale of the Belarusian company
2022/10/28 05:25 PM EET	AB Linas Agro Group notification about the Annual information for the financial year 2021/2022
2022/10/28 05:20 PM EET	Decisions of the Annual General Meeting of Shareholders of AB Linas Agro Group held on 28 October 2022
2022/10/10 09:53 AM EET	Correction: The Board of AB Linas Agro Group approved draft resolutions and documents for the General Meeting of Shareholders

2022/10/07 11:23 PM EET	Correction: The Board of AB Linas Agro Group approved draft resolutions and documents for the General Meeting of Shareholders
2022/10/07 11:01 PM EET	The Board of AB Linas Agro Group approved draft resolutions and documents for the General Meeting of Shareholders
2022/10/04 08:00 AM EET	Annual General Meeting of Shareholders is convened
26/09/2022 08:27 AM EET	Linas Agro Group companies receive EUR 118 million to finance operations
31/08/2022 06:00 PM EET	Revenue of AB Linas Agro Group for the twelve months of the 2021/2022 financial year approaches EUR 2 billion, net profit grows 4.6 times
26/08/2022 08:30 AM EET	AB Linas Agro Group sells subsidiaries in Russia and Belarus
25/08/2022 02:15 PM EET	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the 12 months of the financial year 2021/2022
01/08/2022 09:00 AM 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
28/07/2022 04:00 PM EET	Linas Agro receives EUR 170 million syndicated loan
27/07/2022 11:03 AM EET	Linas Agro Group to expand its operations

OTHER EVENTS OF THE REPORTING PERIOD

07/12/2022	AB Kauno Grūdai bought the rest shares of UAB Šlaituva and became the sole shareholder.
01/12/2022	The reorganization was completed, UAB Kauno Grūdai ir Partneriai was merged to UAB Linas Agro Grūdų centrai.
30/11/2022	The share capital of Užupės ŽŪB was reduced by paying EUR 691,000.64 to its shareholders.
9/11/2022	100 percent of shares in IOOO Belfidagro were sold.
2/11/2022	Authorized capital of SIA Linas Agro increased by EUR 366 856 by non-monetary contribution of SIA KG Latvija.
27/9/2022	The sale of part in OOO VitOMEK (Moscow, Russian Federation) is registered.
5/9/2022	The authorized capital of UAB Linas Agro Grūdų Centrai has been increased by EUR 3,866,785 with a non-monetary contribution from AB Linas Agro.
1/9/2022	The sale of part in OOO VitOMEK (Tver region, Russian Federation) is registered.
25/08/2022	Agreements on sale of shares in OOO VitOMEK (Moscow, Russian Federation) and OOO VitOMEK (Tver, Russian Federation), also IOOO Belfidagro, registered in Belarus were concluded.
July, 2022	The Company transferred 11,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.

22/07/2022	AB Linas Agro concluded a syndicated credit agreement in amount of EUR 170 m with Credit Suisse AG, Swedbank, AB and AB SEB bank, and the Company guaranteed its fulfilment.
05/07/2022	Authorized capital of AB Linas Agro increased by EUR 5 134 480 by non-monetary contribution of AB Kauno Grūdai.

SUBSEQUENT EVENTS

07/02/2023	Conversion of Užupės ŽŪB into UAB Užupė was initiated.
January, 2023	The Company transferred 3,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.
09/01/2023	UAB Kauno Grūdai ir Partneriai was removed from the Register of Legal Entities.

5. SCOPE OF RISK AND MANAGEMENT THEREOF

5.1. MARKET RISKS

A market risk is understood as the risk of receiving a lower return than planned in the event of unfavourable market conditions. A market risk in the activities of the companies of the Group could occur through fluctuations in market prices of certain goods, emergence of new competitors in the market or a merger/formation of a group by competitors, relevant crop harvest quality/quantity in a given period, emergence of new goods and production technologies that lead to a fall in the market prices of specific goods, etc.

In order to manage the potential impact of a market risk, the employees of the companies of the Group:

- Constantly monitor the market of specialised products;
- Manage trading positions on the basis of permissible limits of open trading positions and criteria for their liquidation;

- Use derivatives;
- Etc.

In H1 of the financial year 2022/2023, due to high volatility of commodity prices and disruptions in the supply chain, the companies of the Group were exposed to market risk. However, the application of the above measures, diversification of activities and extensive experience have helped to manage the negative consequences of this risk.

The probability of the occurrence of market risk in future periods remains high due to the specifics of the Group's normal business operations. Also, inflationary pressures are expected to have a negative impact on consumer purchasing power in the short term. However, due to complex forecasting of market movement trends, it is not possible to anticipate the consequences of encountering this risk.

5.2. TRADE AND CREDIT RISKS

A trade and credit risk is understood as the risk of a lower-than-expected profit if, due to reasons that are dependent or not dependent on the employees of the companies of the Group, improper performance of the terms and conditions of contracts is encountered.

A trade risk in the activities of the companies of the Group could occur through non-delivery of purchased goods, refusal of the buyer to accept the sold goods, non-compliance with contractual terms and conditions concerning the quantity, range, completeness, quality or

other characteristics of the goods, inaccuracies in the procedures of the companies of the Group or of outsourced service providers, failure to ensure a due process, and criminal operation of parties to a transaction.

A credit risk in the activities of the companies of the Group could occur through the sale of goods with deferred payment, lending money, payment of an advance for the future delivery of goods or services, extension of an overdue payment term, etc.

To manage the potential impact of a trade and credit risk, the employees of the companies of the Group:

- Conduct a thorough screening of customers prior to starting trade operations and assesses the availability of additional security at the start of the cooperation;
- Observe the credit limit values set for the trade operations of the companies of the Group, perform continuous customer monitoring, and make use of insurance options;
- Ensure control over activities of outsourced service providers;

5.3. POLITICAL RISKS

In the European Union, agriculture is a highly regulated and supervised industry. Although this regulation and supervision is aimed at ensuring a sufficient income for those engaged in agricultural activities, political changes may affect the situation in the market in which the Group operates. Political risks could arise from the reduction of agricultural subsidies, the tightening of financial assistance-related requirements (which would have a negative impact not only on the activities of agricultural companies managed by the Group, but also on the enterprises supplying those companies), as well as the adoption political decisions such as embargoes, quotas, import or export bans.

To minimize the consequences of such risks, the employees of the companies of the Group monitor the economic situation in Lithuania and all other countries with which they trade and assess possible changes that would result from certain political decisions.

In H1 of the financial year 2022/2023, the Company and the Group encountered political risk. Following Russia's

5.4. HR RISKS

The ability of the Group to maintain a competitive position and implement its growth strategy is determined by the experience and knowledge of the management. Loss of employees and/or inability to hire new employees with relevant knowledge may adversely affect the business prospects and financial position of the Group. HR-related risks in the activities of the companies of the Group could also be encountered in connection with the confidential

- Properly document the execution of trade operations and other procedures;

- Etc.

With the supply and demand mismatch continuing throughout H1 of the financial year 2022/2023, the Group faced the problem of non-performance of some supplier contracts due to high prices and their persisting volatility in the global market, however, the ability to reorient to other markets ensured loss minimization and even profit.

The manifestation of this risk is closely related to the market risk aspects and in some cases can be provoked by them. However, the Group estimates the probability of occurrence of trade and credit risk in future periods as moderate, due to the long-term experience of the staff of the companies of the Group and the thorough screening and control activities carried out.

invasion of Ukraine, sanctions imposed on Russia by countries 'unfriendly' to the regime have led to further disruptions in supply chains worldwide (already seen in the COVID-19 pandemic). Supply restrictions imposed by the aggressor prior to the outbreak of hostilities also had a primary impact on changes in supply and prices.

It should be noted that during the reporting period, the Government of Lithuania approved project of limitation of direct payments to farmers, initiated and proposed by members of the Seimas already in 2021. The 'ceiling' of benefits means that one subject shall not be able to receive more than 100 thousand Euro base benefits. However, the Group's agricultural companies are expected not to be affected by this limitation since the amount of wages and related taxes for employees is deducted in calculation of the benefits.

Having in mind high geopolitical uncertainty, the probability of the occurrence of political risks to the Group in future periods is assessed as moderate.

information available to the staff members, the decisions made by the staff, the responsibility granted to the staff members based on their rights and duties, improperly designed employee motivation systems, etc.

To manage HR Risks:

- Non-compete agreements have been concluded with certain executives of the Group;

- Requirements and responsibility concerning the storage of confidential information are set for employees;
- The motivational system is developed, etc.

In H1 of the financial year 2022/2023, the Company and the Group did not encounter these risks.

The probability of the occurrence of the HR risks in future periods is assessed as low..

5.5. FUNDING AND LIQUIDITY RISKS

Examples of funding and liquidity risks include funding supply risk, lack of liquidity, short-term investment risk, foreign exchange risk, interest rate risk, etc.

Information on the financial risk management objectives and used hedging instruments that are subject to hedge accounting, as well as the information on the extent of the price risk, credit risk, liquidity risk and cash flow risk arising for the Group when the Group makes use of financial instruments, all of which is important in assessing the assets, equity, liabilities, income and expenses of the Group, are disclosed in Note 30 to the Financial Statements of the Group for the FY 2021/2022.

In H1 of the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of funding and liquidity risks in future periods is low/moderate due to the annual credit limits set by the Group, significant diversification of bank financing sources, and hedging instruments used. The most significant impact in the coming financial year is expected to be due to the active monetary policy of the central banks and the increase in the interbank interest rate, however, it should be noted that the Group's management has considered the impact of this factor in advance in the formulation of the budget for the coming year and does not anticipate a material negative impact.

5.6. RISKS OF CHANGE IN BIOLOGICAL ASSETS

The risk of change in biological assets used in the operations of the Group (cattle, birds and crops) is related to improper maintenance of biological assets, possible out-breaks of diseases, and other factors that may cause the loss of such assets.

To minimise potential losses relating to the risk of change in biological assets, the employees of the companies of the Group monitor the condition of the soil, use plant protection products and fertilizers, carefully control the quality of cattle and poultry feed, continuously improve animal housing

conditions, apply infection prevention measures and make use of insurance options.

In H1 of the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, although the probability of occurrence of the risk of change in biological assets in future periods is low due to the systems implemented in the companies of the Group and a strict control, it is still possible to encounter such risk in case of extremely unfavourable weather conditions independently of the Group's actions.

5.7. SECURITY RISKS

The security risk could be encountered by the Group due to information technology security vulnerabilities, malware, viruses, illegal and criminal activities of third parties encroaching on the information systems in order to seize information and steal funds. This risk may also be encountered in the course of storage and archiving of copies of electronic and written documents, and when carrying out the protection and surveillance of the premises and the area of the companies of the Group.

In order to manage the security or environmental risks within the Group, the installation of antivirus programs, archiving digital and paper documents in accordance with the established rules and with the assistance of third parties, and installation of office environment surveillance systems is carried out and updated on a regular basis.

In H1 of the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of safety risks in future periods is low due to the systems

implemented in the companies of the Group and strict controls.

5.8. CONSUMPTION PATTERNS AND TECHNOLOGICAL CHANGE RISKS

The risks posed by changes in consumption patterns and technology are related both to temporary trends and to consistent changes caused by increased education and better living conditions or scientific progress.

To manage these risks, the companies of the Group that produce, prepare and sell agricultural and food products, and supply goods and provide services to farmers perform ongoing monitoring of market trends, sustainability,

consumer value and functionality perspectives, assess changes in supply and demand, analyse new products and market penetration of such products.

In H1 of the financial year 2021/2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of these risks in future periods is low due to the continuous promotion of innovation and the first necessity and high-energy value product.

5.9. REPUTATION RISKS

Reputation risks are related to the image of the Group and the companies managed by the Group in the course of building and maintaining relationships with employees, suppliers, customers and the public.

To prevent the occurrence of these risks, the actions of the companies of the Group must comply with the values represented, the mission and vision set, as well as correlate with the provisions of the Code of Business Ethics and social responsibility objectives of the Group. Any deviations from

the above could lead to a diminished trust in the Group by its partners, more complicated supply or lower demand for products, as well as reduced attractiveness of the Group's companies as employers.

In H1 of the financial year 2022/2023, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of these risks in future periods is low due to the standards set by the Group and the responsibility in applying the provisions of the Code of Business Ethics and performing its content revisions and compliance checks.

6. EMPLOYEES

As at 31 December 2022 the number of employees of the Group was 4,850 or 548 employees less than as at 31 December 2021 (5,398). The decrease in the number of employees from 5,031 at the beginning of the period to

4,850 at the end of the period is due to the sale of businesses in Russia and Belarus.

The number of employees of the Company was 18 (19 as at 31 December 2021).

7. AUTHORIZED CAPITAL AND SHARES OF THE COMPANY

1 December 2022, the authorized capital of AB Linas Agro Group was increased and registered in the Register of Legal Entities.

The Company's authorized capital was increased by the amount of EUR 200,545.15 by issuing 691,535 new ordinary registered uncertificated shares of the Company

with a nominal value of EUR 0.29 each and an grant price of EUR 0.705 each.

The total issue price of all the new shares was EUR 487,532.18, of which EUR 200,545.15 was the nominal value of the new shares, and EUR 286,987.03 was the share premium.

The new shares were issued to exercise a portion of the options granted to the Group's employees and/or directors in 2018, with the new shares being granted gratuitously and paid for by the Company out of the Company's treasury share reserve.

Details of the Company's shares at 31 December 2022:

Share type	Ordinary registered shares
ISIN	LT0000128092
Nominal, EUR	0.29
Total number of shares	161,085,933
The authorized capital of the Company, EUR	46,714,920.57
Own shares acquired by the Company	750,972
The total number of the Option Shares	6,081,356

All the shares of the Company are fully paid, and they are not subject to any restrictions of the transfer of securities. All shares issued by the Company grant equal rights to the Company's shareholders. Company has not issued any shares of a class other than the aforementioned ordinary shares. Each ordinary share of the Company shall grant one vote at the General Meeting of Shareholders (except ordinary shares acquired by the Company that do not give

the right to vote). Neither limitations of the rights granted by the Company's shares nor special control rights for shareholders are provided for in the Company's Articles of Association.

The subsidiaries of the Company have not acquired any shares of the Company.

8. TRADE IN THE COMPANY'S SECURITIES IN REGULATED MARKETS

During the reporting period from 1 July 2022 to 31 December 2022, all shares of the Company were included in the Official List of AB Nasdaq Vilnius Stock Exchange (ISIN Code of the shares is LT0000128092). The ticker of the shares on AB Nasdaq Vilnius Stock Exchange is LNA1L. Trading in the Company's shares on AB Nasdaq Vilnius Stock Exchange started on 17 February 2010. On July 24, 2017, the Company have signed the agreement of the

Issuer's securities accounting management contract with AB Šiaulių Bankas, represented by the Securities Transactions Division (code 112025254, address: Šeimyniškių St. 1A, LT-09312 Vilnius).

The securities of the subsidiaries of the Company are not traded on regulated markets.

AB LINAS AGRO GROUP SHARE PRICE AND TURNOVER

Information on changes in the prices of Company's shares and turnover from 1/7/2017 until the end of the reporting period, i. e. 31 December 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 December 2022, is presented in the following diagram:



9. SHAREHOLDERS

According to the list of shareholders provided by AB Linas Agro Group securities account operator AB Šiaulių Bankas (data for the end of 31 December, 2022), the number of

Company's shareholders at the end of the reporting period was 3,289.

The shareholders controlling more than 5% of the Company's shares and/or votes as at 31 December, 2022:

	Number of shares held	Portion in the authorized capital, %
Akola ApS (public company, Code 2517487; registration address: Thistedvej 68, st., 9400 Norresundby, Denmark)	109,909,167	68.23
Darius Zubas	17,049,995	10.58
Investment and pension funds managed by UAB INVL Asset Management (private limited liability company, Code 126263073; registration address Gynėjų St. 14, Vilnius, Lithuania)	8,219,387	5.10

10. CORPORATE GOVERNANCE

The Company complies with the company management procedures stipulated in the Law on Companies of the Republic of Lithuania. The Company complies with the essential management principles for the companies listed on Nasdaq Vilnius. The managing bodies of the company are the General Meeting of Shareholders, the Supervisory Board, the Board of the Company and the Head of the Company

(Chief Executive Officer). The Company has the Audit Committee.

The members of the bodies of AB Linas Agro Group have never been convicted for the property, management procedures and financial offences.

10.1. GENERAL MEETING OF SHAREHOLDERS

During the reporting period, the annual general meeting of shareholders of the Company was held on October 28, 2022, and was attended by the shareholders of the

Company holding 84.94% of all voting shares of the Company.

10.2. THE MANAGEMENT BOARD

The Company's Management Board (the Board) consists of six members elected for four years period. The Chairman of the Board is also the Head of the Company (Chief Executive Officer).

Company does not have independent members of the Board. During the period under review, there were 13 Board Resolutions, accepted by the old Board members with an attendance rate of 100% and 3 Board Resolutions of the new Board with an attendance rate of 100%.

The Board was elected at the Ordinary General Meeting of Shareholders of the Company on 28 October 2022. The

Composition of the Board as at 31 December 2022:

Name	Position within the Board	Cadence started	Cadence ends	Number of the Company's shares held
Darius Zubas	Chairman	28/10/2022	27/10/2026	17,049,995
Andrius Pranckevičius	Deputy Chairman	28/10/2022	27/10/2026	555,745
Dainius Pilkauskas	Member	28/10/2022	27/10/2026	480,281
Mažvydas Šileika	Member	28/10/2022	27/10/2026	1,100
Arūnas Zubas	Member	28/10/2022	27/10/2026	480,281
Jonas Bakšys	Member	28/10/2022	27/10/2026	3,400,000

Darius Zubas – the principal founder of the Group. Graduated from Veterinary Academy of Lithuanian University of Health Sciences.

Andrius Pranckevičius obtained a Bachelor's degree in Business Administration and a Master's degree in Marketing Management at Kaunas University of Technology. Joined the Group in 1999.

Dainius Pilkauskas obtained a Master's degree in Animal Science at Veterinary Academy of the Lithuanian University of Health Sciences. Joined the Group in 1991.

Mažvydas Šileika graduated from the University of Leeds with a Bachelor of Management degree and from City University London Bayes Business School with a Master of Science (MSc) degree in Shipping, Commodity Trading and Finance. Joined the Group in 2020.

Arūnas Zubas holds a Master's degree in Food Production Technology from the Kaunas University of Technology. He

was employed within the Group from 1995 to 2005, also serves as Business Development Director at AB Linas Agro Group since 2022.

Jonas Bakšys obtained a Bachelor's degree in International Economics at Concordia University (USA) and a Master's degree in Business Administration at the University of Surrey. Joined the Group in 2004.

You can find out more information about the professional obligations and experience of the members of the Board of Directors on the [website](#) of AB Linas Agro Group.

Board members controlling more than 5% of other Companies shares and votes:

Name and surname	Participation in other Companies authorized capital
Darius Zubas	UAB Darius Zubas Holding 100%; UAB MESTILLA 14.3%
Jonas Bakšys (joint community property with spouse together)	UAB Vividum 100%; Dvi T, UAB 100%

Andrius Pranckevičius, Arūnas Zubas, Dainius Pilkauskas and Mažvydas Šileika do not have more than 5% of shares in the other companies.

During the reporting period, the Company has not granted any loans, guarantees or surety ships to the members of the Board that would ensure fulfilment of their obligations.

10.3. SUPERVISORY BOARD

As of 1 December 2022, the Company has a Supervisory Board whose members are elected for a term of 4 (four) years.

The Supervisory Board is composed of 3 members, two of whom are independent.

Till the end of the reporting period, 1 meeting of the Supervisory Board was held, with 100% participation of the Supervisory Board members.

The members of the Supervisory Board as at 31 December 2022:

Name	Position within the Board	Cadence started	Cadence ends	Number of the Company's shares held
Tomas Tumėnas	Chairman	01/12/2022	30/11/2026	2,200
Arūnas Bartusevičius	Independent Member	01/12/2022	30/11/2026	484,561
Carsten Højland	Independent Member	01/12/2022	30/11/2026	639,477

Tomas Tumėnas obtained MBA in Economics at Vilnius University, MSc Certificate in International Business Economics from the University of Aalborg, MBA in Finance

at Manchester Business School of the University of Manchester. Tomas Tumėnas is not considers as a independent member of the Supervisory Board, as he is a

Director and Board Member of UAB Darius Zubas Holding, as well as a Director of Akola ApS. Tomas Tumėnas' main employer is CEPD NV and he is an independent member of the Board of Directors of the State Enterprise Regitra and the State Enterprise UAB Valstybės Investicijų Valdymo Agentūra.

Arūnas Bartusevičius holds a Master's degree in economics from Vilnius University and an EMBA from the Baltic Management Institute. CEO of ATEA Baltic, UAB, Director of UAB Nex Group and UAB Sonex Consulting.

Carsten Højland graduated from the Management programs at Business school of St. Gallen and holds an

Academy Economist degree from the Aarhus School of International Business. Has many years of management experience in multinational companies in the UK and Germany and is currently unemployed.

You can find out more information about the professional obligations and experience of the members of the Supervisory Board on the [website](#) of AB Linas Agro Group.

During the reporting period, the Company has not granted any loans, guarantees or surety ships to the members of the Supervisory Board that would ensure fulfilment of their obligations.

10.4. COMMITTEES FORMED BY THE COMPANY

On October 28, 2010 the Audit Committee was formed by the Company, the members of the Committee were elected for the term of office of 4 (four) years. The duration of office of the members of the Audit Committee started on October 28, 2022 and will end on October 27, 2026. The Audit Committee consists of 3 members, two of whom are independent:

Lukas Kuraitis – an independent member of the Audit Committee. Employed as an Executive Manager at UAB

BJK, UAB Timis and, UAB Lizus. Does not own shares of the Company.

Skaistė Malevskienė – an independent member of the Audit Committee. Employed at UAB Kirtimų Logistikos Centras as a Commercial Director. Does not own shares of the Company.

Irma Antanaitienė – a member of the Audit Committee. Employed at AB Linas Agro as Accountant. Does not own shares of the Company.

10.5. THE HEAD AND SENIOR EXECUTIVES OF THE COMPANY

Company Senior Executives as of 31 December 2022:

Position	Name and surname	Employed since
Chief Executive Officer	Darius Zubas	1/9/1996
Deputy Chief Executive Officer	Andrius Pranckevičius	19/11/2009
Chief Financial Officer	Mažvydas Šileika	15/4/2020
Head of Consolidation and Reporting	Rasa Klein	1/2/2022

Information about senior executives who also are the members of the Board is provided in the chapter 10.2 The Management Board.

Rasa Klein obtained a Bachelor's degree in business administration and management and a Master's degree in

economics at Kaunas University of Technology; she also attended qualification courses on audit, taxes, IFRS and local GAP standards, training on robotization and big data management. Joined the Group in 2022. Does not have shares of the Company.

The senior executives of the Company work under open-ended contracts of employment.

There are no separate agreements between the Company and its employees that would provide any compensations in case of their resignation or dismissal without a justified reason.

11. PROCEDURE FOR AMENDING THE COMPANY'S ARTICLES OF ASSOCIATION

The Company's Articles of Association shall be amended exclusively by the general meeting of shareholders under the Law of the Republic of Lithuania on Companies. Adoption of a decision to amend the Company's Articles of Association shall be the jurisdiction of the Company's General Meeting of Shareholders subject to a qualified majority of 2/3 of votes of the shareholders participating in the Meeting, with the exception of cases specified in the Law of the Republic of Lithuania on Companies.

DATA ON SUBSIDIARIES

As at December 31, 2022. Dormant companies and the companies under liquidation, as well as associates not attributable to the Group are not included:

1. UAB Gerera (dormant, the Group owns 96.92% stock)- private limited liability company, founded 15/1/1993, code of legal entity 147676584, address Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

2. UAB Kauno Grūdai ir Partneriai (under reorganization, the Group owns 96.92% stock), private limited liability company, founded 2001-11-09, code of legal entity 135828753, address H. ir O. Minkovskių g. 63, 46550 Kaunas, Lithuania; company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

3. Linas Agro A/S (under liquidation, the Group owns 96.92% stock)-private limited liability company, founded 15/3/1994, code of legal entity CVR 17689037, address Vinkel Allé 1, DK-9000 Aalborg, Denmark, company register – Danish Commerce and Companies Agency;

4. UAB Kekava Foods LT (dormant, the Group owns 100 % stock)- private limited liability company, founded 8/3/2018, code of legal entity 304784428, address Subačiaus St. 5, LT-01302 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

5. UAB KG Group LT (under liquidation, the Group owns 89.09% stock)- private limited liability company, founded 25/4/2013, code of legal entity 30305107, address H. ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

6. UAB Gastroneta (dormant, the Group owns 84.37% stock)- private limited liability company, founded 15/2/2000, code of legal entity 125057526, address Dariaus ir Girėno St. 175, LT-02189 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

7. UAB Kaišiadorių Paukštyno Mažmena (dormant, the Group owns 84.60% stock)- private limited liability company, founded 2/6/1999, code of legal entity 158986919, address Paukštinkų St. 15, LT-56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

8. UAB Kaišiadorių Skerdykla (dormant, the Group owns 84.60% stock)- private limited liability company, founded 20/12/2016, code of legal entity 304435729, address Paukštinkų St. 15, 56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

9. KG Eesti OU (dormant, the Group owns 89.09% stock)- private limited liability company, founded 12/7/2016, code of legal entity 14079784, address P. Suda 11, 10118 Tallinn, Estonia, company register – Centre of Registers and Information Systems (RIK);

10. UAB Uogintai (dormant, the Group owns 84.60% stock)- private limited liability company, founded 10/11/2006, code of legal entity 300614873, address Paukštinkų St. 15, LT-56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

11. Kooperatyvas Baltoji plunksnelė (dormant, the Group owns 82.88% stock)- cooperative, founded 22/11/2007, code of legal entity 301293559, address Paukštinkų St. 15, LT-56110 Kaišiadorys, Lithuania; company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);

12. KG Khumex Coldstore B.V (associate, the Group owns 42.24% stock)- private limited liability company, founded 16/11/2016, code of legal entity 67283845, address Landauer 11, 3897AB Zeewolde, the Netherlands; company register – Chamber of Commerce (Kamer van Koophandel);

13. KG Khumex B.V. (associate, the Group owns 50% stock)- private limited liability company, founded 17/12/2012, code of legal entity 56668317, address Landauer 9, 3897AB Zeewolde, the Netherlands; company register – Chamber of Commerce (Kamer van Koophandel).

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
AB Linas Agro	96.92%	Wholesale trade of grains, oilseeds, feedstuffs, and agricultural inputs supply	8/7/1991, Code of legal entity 1473 28026, public limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 333 Fax +370 45 507 444 E-mail info@linasagro.lt www.linasagro.lt
UAB Dotnuva Baltic	100%	Sale of agricultural machinery, equipment for grain elevators and farms, seeds production	5/3/1996, Code of legal entity 261415970, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Parko St. 6, Akademija, 58351 Kėdainiai district, Lithuania Ph. +370 347 370 30 Fax +370 347 370 40 E-mail info@dotnuvabaltic.lt www.dotnuvabaltic.lt
UAB Dotnuva Rent	100%	Rent of agricultural machinery	25/6/1998, Code of legal entity 161452398, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Parko g. 6, Akademija, 58351 Kėdainiai district, Lithuania Ph. +370 E-mail
UAB Linas Agro Grūdų Centrai	97.89%	Grain processing and storage	10/7/2002, Code of legal entity 148451131, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 343 Fax +370 45 507 344 E-mail grudu.centras@linasagro.lt
UAB Jungtinė Ekspedicija	100%	Logistics and forwarding services	17/2/1998, Code of legal entity 141642963, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Nemuno St. 2A, LT-91199 Klaipėda, Lithuania Ph. +370 46 310 163 Fax +370 46 312 529 E-mail info@je.lt www.je.lt
UAB Linas Agro Konsultacijos	100%	Management of subsidiary farming companies	23/6/2003, Code of legal entity 248520920, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibuoklių St. 20, LT-57128 Kėdainiai, Lithuania Ph. +370 686 53 692 E-mail konsultavimas@linasagro.lt
Biržai District Medeikių ŽŪB	98.39%	Growing and sale of crop	5/10/1992, Code of legal entity 154771488, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Biržų St.32, Medeikių vill., LT-41462 Biržai district, Lithuania Ph. +370 450 584 22 Fax +370 450 584 12 E-mail medeikiai@linasagro.lt
Panevėžys District Aukštadvario ŽŪB	99.54%	Mixed agricultural activities	9/3/1993, Code of legal entity 168573274, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Pirties St. 3, Aukštadvario vill. LT-38255 Panevėžys district, Lithuania Ph./fax +370 45 592 651 E-mail aukstadvaris@linasagro.lt

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
Sidabravo ŽŪB	96.25%	Mixed agricultural activities	20/4/1993, Code of legal entity 171331516, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Pergalės St. 1A, Sidabravas, LT-82251 Radviliškis district, Lithuania Ph. +370 422 477 27 Fax +370 422 476 18 E-mail sidabravas@linasagro.lt
Panevėžys District Žibartonių ŽŪB	99.90%	Mixed agricultural activities	22/5/1992, Code of legal entity 168521815, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 74, Žibartoniai vill., LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 Fax +370 45 557 486 E-mail zibartoniai@linasagro.lt
Šakiai District Lukšių ŽŪB	98.82%	Mixed agricultural activities	30/10/1992, Code of legal entity 174317183, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Lukšių vill. 2, LT-71176 Šakiai district, Lithuania Ph. +370 345 442 88 Fax +370 345 442 25 E-mail luksiai@linasagro.lt
Kėdainiai District Labūnavos ŽŪB	98.95%	Mixed agricultural activities	25/2/1992, Code of legal entity 161228959, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Serbinų St. 19, Labūnava vill. LT-58173 Kėdainiai district, Lithuania Ph. + 370 347 34 180 Fax + 370 347 34 180 E-mail labunava@linasagro.lt
Kėdainiai District ŽŪB Nemunas	67.44%	Mixed agricultural activities	21/10/1992, Code of legal entity 161268868, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 74, Žibartoniai vill., LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 E-mail nemunas@linasagro.lt
UAB Landvesta 1	99.27%	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501060, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 2	99.29%	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501085, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 3	97.35%	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501092, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 4	97.73%	Rent and management of agricultural purposes land	23/04/2007, Code of legal entity 300709428, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143, Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
UAB Landvesta 5	99.01%	Rent and management of agricultural purposes land	16/8/2007, Code of legal entity 301019661, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 6	97.40%	Rent and management of agricultural purposes land	14/1/2008, Code of legal entity 301520074, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Noreikiškės	100%	Rent and management of agricultural purposes land	16/8/2012, Code of legal entity 302841649, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 70, Žibartoniai vill. LT-38323 Panevėžys district, Lithuania Ph. +370 45 507 406 E-mail noreikiskes@linasagro.lt
Užupės ŽŪB	100%	Mixed agricultural activities	6/4/2011, Code of legal entity 302612561, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Liaudės St. 81, Užupės vill. LT-58311 Kėdainiai district, Lithuania Ph. +370 698 58583 E-mail uzupe@linasagro.lt
UAB Paberžėlė	100%	Rent and management of agricultural purposes land	30/6/2008, Code of legal entity 301772627, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Liaudės St. 81, Užupės vill., LT-58311 Kėdainiai district, Lithuania Ph. +370 698 58583 E-mail paberzele@linasagro.lt
UAB Lineliai	100%	Rent and management of agricultural purposes land	9/3/2012, Code of legal entity 302740714, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 Fax +370 45 507 404 E-mail lineliai@linasagro.lt
UAB GeoFace	98.46%	Software developing	12/03/2018, Code of legal entity 304781617, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Karaliaus Mindaugo per. 37 LT-44307 Kaunas, Lithuania Ph. +370 676 99 244 Email info@geoface.com
AB Kauno Grūdai	89.09%	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	15/10/1993, Code of legal entity 133818917, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. Ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 37 223317 E-mail info@kggroup.eu www.kauno-grudai.lt

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
AB Vilniaus Paukštynas	84.37%	Chicken raising for meat and eggs production, production of poultry and its products	21/1/1993, Code of legal entity 186107463, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 5 2687331 E-mail vilniaus.paukstynas@kggroup.eu www.paukstynas.eu
AB Kaišiadorių Paukštynas	84.60%	Chicken raising for meat and eggs production, production of poultry and its products	20/05/1993, Code of legal entity 158891218, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 346 51034 E-mail kaisiadoriu.paukstynas@kggroup.eu www.paukstynas.eu
UAB Šlaituva	89.09%	Production and wholesale of breadcrumbs and breeding mixes	30/3/1994, Code of legal entity 134019827, private limited liability company, Register of Enterprises of Republic of Lithuania, VĮ Registrų centras	Sodų St. 7, 53290 Linksmakalnis, Kaunas district, Lithuania Ph. +370 37 473446
AB Zelvė	72.05%	Broiler breeding	10/3/1995, Code of legal entity 181323215, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tiesioji St. 21, 21364 Daučiuliškės, Vievis eldership, Elektrėnai municipality, Lithuania Ph. +370 528 26536
UAB Kormoprom Invest	100%	Management services	24/11/2015, Code of legal entity 304141542, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Subačiaus St. 5, LT-01302 Vilnius, Lithuania Ph. +370 619 19403
UAB TABA Holding	100%	Management services	24/11/2015, Code of legal entity 304141581, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Subačiaus St. 5, LT-01302 Vilnius, Lithuania Ph. +370 619 19403
UAB Baltic Fumigation Service	89.09%	Fumigation services	7/3/2005, Code of legal entity 300094020, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Stoties St. 38, 70484 Pilviškiai, Vilkaviškis district, Lithuania Ph. +370 655 62153
UAB KG Mažmena	89.09%	Retail trade	14/3/2011, Code of legal entity 302602745, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 656 50366 E-mail info@kggroup.eu
UAB KG Distribution	84.37%	Consultation and business management	29/8/1997, Code of legal entity 186442465, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 5 2687331

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
UAB Lietbro	84.37%	Broiler breeding	13/12/2004, Code of legal entity 300073371, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Nevėžio St. 70, Velžys, Panevėžys district, LT-38129 Lithuania Ph. +370 642 72857
UAB Avocetė	84.37%	Management services	17/12/2003, Code of legal entity 186758285, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 685 17342
UAB VKP Valdymas	84.48%	Consultation and business management	3/11/2011, Code of legal entity 302682691, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 5 2687331 E-mail t.sprindziunas@kgggroup.eu
UAB Domantonių Paukštynas	89.00%	Broiler breeding	2/6/2004, Code of legal entity 300030822, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Muiželėnai vill., Alytus district, Lithuania Ph. +370 615 51259
UAB Alesninkų Paukštynas	84.60%	Broiler breeding	28/2/2005, Code of legal entity 300092247, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tiesioji St. 21, 21364 Daučiuliškės, Vievis eldership, Elektrėnai municipality, Lithuania Ph. +370 528 26536
UAB KG Logistika	84.48%	Freight transport services	25/9/2007, Code of legal entity 301133864, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 618 10826
UAB VP Valda	84.37%	Rent of own real estate	24/5/2021, Code of legal entity 305776014, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 614 23749 E-mail t.sprindziunas@kgggroup.eu
UAB KP Valda	84.60%	Rent of own real estate	24/5/2021, Code of legal entity 305775535, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 614 23749 E-mail t.sprindziunas@kgggroup.eu
UAB Agro Logistic Service	100%	Wholesale of feedstuffs for fodder and premixes production	6/3/2013, Code of legal entity 303014392, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. and O. Minkovskių St. 120 LT-46550 Kaunas, Lithuania Ph. +370 640 59608 E-mail info@agrols.eu www.agrols.eu

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
SIA Linas Agro	96.42%	Wholesale trade of grains and oilseeds, agricultural inputs supply	23/4/2003, Code of legal entity 53603019011, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Baltijas Ceļš, Brankas, Cenu District, Jelgava municipality, LV-3043, Latvia Ph. +371 630 840 24 Fax +371 630 842 24 E-mail info@linasagro.lv www.linasagro.lv
SIA Linas Agro Graudu Centrs	97.89%	Grain processing and storage	2/5/2013, Code of legal entity 43603059101, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Jaunsalieši, LV-5202 Jekabpils, Latvia Ph. +371 220 001 82 E-mail graudu.centrs@linasagro.lv
LLC LINAS AGRO UKRAINE	96.92%	Representative office	30/07/2018, Code of legal entity 42340549, The United State Register of Legal Entities, Individual Entrepreneurs and Public Organizations of Ukraine	Verhniy Val St. 28, Kiev, 04071, Ukraine Ph. + 380 96 634 24 02 E-mail info.ukraine@linasagro.lt
SIA Dotnuva Baltic	100%	Sale of agricultural machinery and equipment for grain elevators	26/04/2010, Code of legal entity 43603041881, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Baltijas Ceļš, Brankas, Cenu District, Jelgava municipality, LV-3043, Latvia Ph. +371 679 131 61 Fax +371 677 602 52 E-mail info@dotnuvabaltic.lv www.dotnuvabaltic.lv
AS Dotnuva Baltic	100%	Sale of agricultural machinery and equipment for grain elevators	11/11/2010, Code of legal entity 12019737, Centre of Registers and Information Systems (RIK)	Savimäe 7, Vahi 60534, Tartu district, Estonia Ph. +372 661 2800 Fax +372 661 8004 E-mail info@dotnuvabaltic.ee www.dotnuvabaltic.ee
AS Putnu Fabrika Kekava	97.19%	Poultry farming, production and marketing of poultry and poultry products	11/6/1991, Code of legal entity 50003007411, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Kekava, Kekava district, LV-2123 Latvia Ph. +371 6787 4000 Fax +371 6787 4001 E-mail info@pfkekava.lv www.vistas.lv
SIA PFK TRADER	97.19%	Food retail	26/8/2013, Code of legal entity 40103703853, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Kekava, Kekava district, LV-2123 Latvia Ph. +371 6787 4000 Fax +371 6787 4001 E-mail info@pfkekava.lv www.vistas.lv
SIA Lielzeltini	100%	Poultry farming, production and marketing of poultry and poultry products, feed production	7/7/1994, Code of legal entity 40003205232, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	"Mazzeltini", Janeikas, Bauskas district, Latvia Ph. +371 6396 0770 Fax +371 6396 0768 E-mail lielzeltini@lielzeltini.lv www.lielzeltini.lv

Company name	Share of the stock held by the Group	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
SIA Broileks	100%	Chicken breeding and sale	7/12/2009, Code of legal entity 50103262981, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Gaismas St. 2A-48, Kekava LV-2123, Latvia Ph./Fax +371 67313182
SIA Cerova	100%	Egg incubation and chicken sale	8/10/2003, Code of legal entity 43603019946, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Centra St. 11, Musa, Bauskas district, Latvia Ph. +371 2633 4110 Fax +371 6392 6234 E-mail cerova@latnet.lv
Linās Agro OÜ	96.92%	Products for crop growing	8/10/2020, Code of legal entity 16071924, Centre of Registers and Information Systems (RIK)	Savimae 7, Vahi 60534, Tartu region, Estonia Ph. +372 6602810 Email info@linasagro.ee https://linasagro.ee/
SIA KG Latvija	89.09%	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing	2/4/2014, Code of legal entity 40103775495, Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Škunu St 2, Peltes, Sigulda Parish, Sigulda Municipality, LV-2150, Latvia Ph. +371 2240 1142
KG Polska Sp.zo.o.	89.09%	Wholesale of feed materials	26/10/2011, Code of legal entity 200655918, National Court Register (Krajowy Rejestr Sądowy)	Sejnenska St. 51, Suwalki, Poland Ph. +487 565 08 01
Nordic Agro investment Limited	89.09%	Management services	9/5/2011, Code of legal entity 07625931, Companies House	93 Tudor drive, Kingston, Surrey, England, KT2 5NP, UK Ph. +44 (0)20 8974 5252
OOO KLM	62.37%	Wholesale of products for crop growing, veterinary products, premixes and seeds for gardening	7/9/2007, Code of legal entity 69608281, Ministry of Justice of the Republic of Belarus	Sosnovaja St. 7, office 9, Sonečnij vill., Minsk region, Belarus Ph. +375 172379980 E-mail office@klm-agro.by https://klm-agro.by/



13. CONTACT PERSON

Chief Financial Officer

MAŽVYDAS ŠILEIKA

Email m.sileika@linasagro.lt



linas  agro

AB LINAS AGRO GROUP
UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

FOR 6 MONTHS PERIOD OF
2022/2023 FINANCIAL YEAR
ENDED DECEMBER 31, 2022

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2022	As at 30 June 2022
ASSETS			
Non-current assets			
Intangible assets	5	2,556	2,759
Property, plant and equipment	6	167,714	166,215
Right-of-use assets	7	25,349	24,720
Investment property	8	443	562
Animals and livestock		14,554	13,233
Non-current financial assets			
Other investments		27	27
Prepayments for financial assets		516	–
Non-current receivables		326	815
Non-current receivables from related parties	16	750	750
Total non-current financial assets		1,619	1,592
Non-current prepayments		1,277	1,166
Deferred income tax asset		9,240	7,139
Total non-current assets		222,752	217,386
Current assets			
Crops		5,372	29,222
Livestock		9,342	8,302
Inventories	9	453,264	243,876
Current prepayments		11,394	11,588
Current accounts receivable			
Trade receivables		272,680	300,061
Receivables from related parties	16	5,916	5,817
Income tax receivable		300	67
Other accounts receivable and contract assets		5,927	8,684
Total current accounts receivable		284,823	314,629
Derivative financial instruments		3,212	1,182
Other current financial assets		3,157	3,022
Cash and cash equivalents		23,023	20,810
Non-current assets held for sale	10	5,082	22,958
Total current assets		798,669	655,589
Total assets		1,021,421	872,975

(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 December 2022	As at 30 June 2022
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	46,715	46,514
Share premium	1	23,928	23,642
Legal and other reserves		7,072	6,319
Own shares (-)		(434)	(440)
Foreign currency translation reserve		(42)	(17)
Amounts recognized directly in equity relating to non-current assets held for sale	10	(132)	(3,592)
Total foreign currency translation reserve		(174)	(3,609)
Retained earnings		226,972	197,383
Total equity attributable to equity holders of the parent		304,079	269,809
Non-controlling interest		16,514	10,142
Total equity		320,593	279,951
Liabilities			
Non-current liabilities			
Grants and subsidies		8,425	8,285
Non-current borrowings	11	14,559	22,305
Non-current trade payables		1	-
Lease liabilities	12	31,799	31,867
Deferred income tax liability		1,032	2,063
Non-current employee benefits		822	787
Other non-current liabilities		925	1,629
Total non-current liabilities		57,563	66,936
Current liabilities			
Current portion of non-current borrowings	11	15,449	20,641
Current portion of lease liabilities	12	8,303	7,659
Current borrowings	11, 16	371,099	213,550
Trade payables		179,148	205,687
Income tax payable		9,324	7,467
Derivative financial instruments		1,073	3,091
Contract liabilities		5,507	3,201
Other current liabilities		46,085	48,509
Liabilities related to non-current assets held for sale	10	7,277	16,283
Total current liabilities		643,265	526,088
Total equity and liabilities		1,021,421	872,975

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 December)

	Notes	2022/2023 6 months	2021/2022 6 months
Revenue from contracts with customers	4	1,133,926	855,792
(Cost) of sales		(1,026,577)	(791,420)
Gross profit		107,349	64,372
Operating (expenses) ¹	13	(47,744)	(45,569)
Expenses of impairment of trade receivables, contract assets and other receivables		736	(306)
Other income ¹	14	6,612	7,459
Other (expenses) ¹	14	(3,871)	(2,229)
Loss on disposal of assets held for sale		(312)	–
Reclassification of foreign currency translation reserve related to a foreign operation disposal ²		(3,104)	–
Operating profit		59,666	23,727
Income from financial activities ¹		5,104	756
(Expenses) from financial activities ¹		(11,509)	(5,693)
Share of profit of an associates and joint ventures		–	29
Profit before tax		53,261	18,819
Current income tax and deferred tax benefit (expenses)		(8,560)	(3,073)
Net profit		44,701	15,746
Net profit attributable to:			
Equity holders of the parent		40,955	14,539
Non-controlling interest		3,746	1,207
		44,701	15,746
Basic and diluted earnings per share (EUR)		0.28	0.09
Other comprehensive income			
Exchange differences on translation of foreign operations into Group's presentation currency related to disposal of a foreign operation		3,687	–
Exchange differences on translation of foreign operations into Group's presentation currency		(12)	–
Exchange differences on translation of foreign operations into Group's presentation currency related to assets held for sale		(385)	341
Cash flow hedges - effective portion of change in fair value		419	–
Cash flow hedges - reclassified to profit loss		(171)	–
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		3,538	341
Total comprehensive income, net of tax		48,239	16,087
Total comprehensive income attributable to:			
The shareholders of the Company		44,611	14,859
Non-controlling interest		3,628	1,228
		48,239	16,087

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

¹ Comparative information for marked groups was recalculated in the interim financial statements. In 2022, Company reviewed accounts grouping methodology in separate and consolidated financial statements to reflect more accurately the distribution of items in the financial statements and adjusted the comparative figures for 2021/2022.

² The reclassified foreign currency translation reserve is related to disposal of companies operating in Russia and Belarus during first 6 months of 2022-2023.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(for the period from 1 July to 31 December)

	Notes	2022/2023 II quarter	2021/2022 II quarter
Revenue from contracts with customers	4	543,863	415,831
(Cost) of sales		(492,573)	(389,054)
Gross profit		51,290	26,777
Operating (expenses) ¹	13	(25,386)	(22,391)
Expenses of impairment of trade receivables, contract assets and other receivables		351	500
Other income ¹	14	342	5,131
Other (expenses) ¹	14	(2,299)	(867)
Loss on disposal of assets held for sale		296	–
Reclassification of foreign currency translation reserve related to a foreign operation disposal ²		(3,104)	–
Operating profit		21,490	9,150
Income from financial activities ¹		3,708	287
(Expenses) from financial activities ¹		(4,730)	(3,412)
Share of profit of an associates and joint ventures		–	(8)
Profit before tax		20,468	6,017
Current income tax and deferred tax benefit (expenses)		(3,910)	(1,824)
Net profit		16,558	4,193
Net profit attributable to:			
Equity holders of the parent		16,202	4,211
Non-controlling interest		356	(18)
		16,558	4,193
Basic and diluted earnings per share (EUR)		0.10	0.03
Net profit		16,558	4,193
Other comprehensive income			
Exchange differences on translation of foreign operations into Group's presentation currency related to disposal of a foreign operation ²		3,687	–
Exchange differences on translation of foreign operations into Group's presentation currency		(9)	–
Exchange differences on translation of foreign operations into Group's presentation currency related to assets held for sale		(885)	(9)
Cash flow hedges - effective portion of change in fair value		419	–
Cash flow hedges - reclassified to profit loss		(171)	–
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		3,041	(9)
Total comprehensive income, net of tax		19,599	4,184
Total comprehensive income attributable to:			
The shareholders of the Company		19,301	4,210
Non-controlling interest		298	(26)
		19,599	4,184

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

¹ Comparative information for marked groups was recalculated in the interim financial statements. In 2022, Company reviewed accounts grouping methodology in separate and consolidated financial statements to reflect more accurately the distribution of items in the financial statements and adjusted the comparative figures for 2021/2022.

² The reclassified foreign currency translation reserve is related to disposal of companies operating in Russia and Belarus during first 6 months of 2022-2023.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	N o t e s	Share capital	Own shares	Share premium	Legal reserve and other reserve	Foreign currency transla- tion reserve	Retain- ed earnings	Subtotal	Non- control- ling interest	Total
Balance as at 1 July 2021		46,093	(445)	23,038	6,146	(14)	119,333	194,151	2,070	196,221
Net profit		-	-	-	-	-	14,539	14,539	1,207	15,746
Exchange differences on translation of foreign operations into the Group's presentation currency		-	-	-	-	320	-	320	21	341
Total comprehensive income, net of tax		-	-	-	-	320	14,539	14,859	1,228	16,087
Disposal of own shares		-	1	-	-	-	(1)	-	-	-
Dividends declared by the subsidiaries		-	-	-	-	-	-	-	(94)	(94)
Acquisition of non-controlling interest		-	-	-	-	-	-	-	10,776	10,776
Reserves made		-	-	-	33	-	(33)	-	-	-
Share capital increase		421	-	604	(1,025)	-	-	-	-	-
Balance as at 31 December 2021		46,514	(444)	23,642	5,154	306	133,838	209,010	13,980	222,990
Balance as at 1 July 2022		46,514	(440)	23,642	6,319	(3,609)	197,383	269,809	10,142	279,951
Net profit		-	-	-	-	3,687	40,955	44,642	3,746	48,388
Exchange differences on translation of foreign operations		-	-	-	-	(12)	-	(12)	-	(12)
Amounts recognized directly in equity relating to non-current assets held for sale		-	-	-	-	(240)	-	(240)	(145)	(385)
Cash flow hedge reserve increase (decrease)		-	-	-	221	-	-	221	27	248
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		-	-	-	221	(252)	-	(31)	(118)	(149)
Total comprehensive income, net of tax		-	-	-	221	3,435	40,955	44,611	3,628	48,239
Acquisition of own shares		-	6	-	-	-	(6)	-	-	-
Dividends declared by the Company		-	-	-	-	-	(5,000)	(5,000)	-	(5,000)
Dividends declared by the subsidiaries		-	-	-	-	-	-	-	(1,637)	(1,637)
Share capital increase	1	201	-	286	(487)	-	-	-	-	-
Minority interest arising on acquisition of subsidiaries		-	-	-	-	-	(4,988)	(4,988)	4,988	-
Reserves made		-	-	-	1,019	-	(1,019)	-	-	-
Disposal of minority interest		-	-	-	-	-	-	-	(409)	(409)
Acquisition of non-controlling interest		-	-	-	-	-	(353)	(353)	(198)	(551)
Balance as at 31 December 2022		46,715	(434)	23,928	7,072	(174)	226,972	304,079	16,514	320,593

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2022/ 2023 6 months	2021/ 2022 6 months
Cash flows from operating activities			
Net profit		44,701	15,746
Adjustments for non-cash items:			
Depreciation and amortisation	5,6,7,8	13,403	16,713
Subsidies amortisation		(306)	(487)
(Gain) on disposal of property, plant and equipment		98	(1,188)
Change in allowance and write-offs for receivables and prepayments		(736)	306
Inventories write down to net realisable value		2,442	(232)
Change of provision for onerous contracts		(8)	–
Write-off of right-of-use assets		502	–
Change in contract assets and accrued expenses		2,376	881
Change in fair value of biological assets		529	(845)
Change in deferred income tax		(3,049)	(163)
Loss on disposal of assets held for sale		312	–
Reclassification of foreign currency translation reserve related to a foreign operation disposal		3,104	–
Current income tax expenses		11,609	3,236
(Income) expenses from change in fair value of financial instruments		933	(11,917)
Share of profit of an associates and joint ventures		–	(29)
Interest (income)		(5,104)	(756)
Interest expenses		11,509	5,161
		82,315	26,426
Changes in working capital:			
Decrease in biological assets		20,105	15,136
(Increase) in inventories		(207,579)	(139,259)
(Increase)/decrease in prepayments		194	(12,312)
Decrease in trade and other accounts receivable		31,892	39,575
(Increase) in restricted cash		(1,000)	(433)
(Decrease) in trade and other accounts payable		(19,798)	(8,973)
Income tax (paid)		(9,995)	(1,844)
Net cash flows from operating activities		(103,866)	(81,684)

(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 CASH FLOWS (CONT'D)

	Notes	2022/ 2023 6 months	2021/ 2022 6 months
Cash flows from investing activities			
(Acquisition) of intangible assets, property, plant and equipment and investment property		(12,616)	(7,018)
Proceeds from sale of intangible assets, property, plant and equipment and investment property		1,939	8,971
(Acquisition) of subsidiaries		(660)	(63,531)
Disposal of subsidiaries		6,500	–
(Acquisition) of associates and joint ventures		–	(200)
Prepayments for financial assets		(516)	(700)
Loans (granted)		(201)	(173)
Repayment of granted loans		15	739
Interest received		5,104	756
Net cash flows from investing activities		(435)	(61,156)
Cash flows from financing activities			
Proceeds from loans		268,515	188,055
(Repayment) of loans		(140,650)	(41,163)
Lease (payments)		(5,103)	(4,719)
Interest (paid)		(11,051)	(5,161)
Subsidies received		1,991	193
Dividends (paid) to equity holders of the parent		(5,000)	–
Dividends (paid) to non-controlling interests		(1,637)	(94)
(Acquisition) of non-controlling interests		(551)	–
Net cash flows from financing activities		106,514	137,111
Net (decrease) increase in cash and cash equivalents		2,213	(5,729)
Foreign exchange difference		–	566
Cash and cash equivalents at the beginning of the year		20,810	18,007
Cash and cash equivalents at the end of the year		23,023	12,844
Supplemental information of cash flows:			
Non-cash investing activity:			
Property, plant and equipment acquisitions financed by finance lease		2,157	3,198
Acquisition of right-of-use assets		4,359	5,510

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.

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 December 2022 and as at 30 June 2022 the shareholders of the Company were:

	As at 31 December 2022		As at 30 June 2022	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	109,909,167	68.23%	109,909,167	68.52%
Darius Zubas	17,049,995	10.58%	17,049,995	10.63%
UAB INVL Asset Management	8,219,387	5.10 %	9,065,182	5.65 %
Other shareholders (private and institutional investors)	25,907,384	16.09 %	24,370,054	15.20 %
Total	161,085,933	100.00%	160,394,398	100.00%

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

The Company holds 750,972 of its own shares, percentage 0.47%, as at 31 December 2022 (761,972 as at 30 June 2022). Subsidiaries and other related companies did not hold any shares of the Company as at 31 December 2022 and as at 30 June 2022.

All of the Company's 161,085,933 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 December 2022 the number of employees of the Group was 4,850 (5,031 as at 30 June 2022).

During the period ended 31 December 2022 share capital was increased EUR 201 thousand (share capital was increased by EUR 421 thousand during the period ending 30 June 2022).

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 2021/2022 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 2021/2022 financial year financial statements.

Accounting estimates according to war in Ukraine

Group operations in Belarus and Russian markets

The Group has operations in the Belarussian and Russian markets (Wholesale of products for crop growing veterinary products, premixes and seeds for gardening). 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. 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.

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

Trade and other receivables from Russian entities	41
Trade and other liabilities to the Russian entities	1

Sales revenues to customers from Russia only represent revenue by companies that are registered in Russia until full loss of control during 2022-2023 1st quarter.

Sales revenues to customers from Russia for the 6 months period ended 31 December 2022 were EUR 16,079 thousand, from which EUR 16,079 thousand are sales revenue of subsidiaries registered in Russia and Belarus.

Sales revenues to customers from Belarus mainly represent revenue by companies that are registered in Belarus until full loss of control during 2022-2023 2nd quarter for one of them and other classified as assets held for sale.

Sales revenues to customers from Belarus for the 6 months period ended 31 December 2022 were EUR 7,035 thousand, from which EUR 7,020 thousand are sales revenue of subsidiaries registered in Russia and Belarus.

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

The Group had operations in Russian and Belarussian 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 of these entities in 12 month period (At the date of the interim financial statements, three companies were sold (Notes 3 and 17). The agreements for the sale of the companies were signed on 25 August, 2022, and the Group lost ownership and control from 1 September 2022 - OOO VitOMEK (inc. no. 1117746107291), from 27 September 2022 - OOO VitOMEK (inc. no. 1157746009398) and from 9 November 2022 – IOOO Belfidagro. All assets and liabilities related with remaining OOO KLM entities are reclassified as assets held for sale and liabilities, related with assets held for sale (Note 10).

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 had 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 December 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. Revenue during 6 months period ended 31 December 2022 of Group's subsidiary, operating in Ukraine was not significant.

The Group's revenue to customers from Ukraine during 6 month period ended 31 December 2022 were EUR 5,258 thousand.

The Group's Management has evaluated the following key areas which could be affected by uncertainties caused by the war in Ukraine: going concern, 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. Based on the assessment of the Group's the effect of the war in Ukraine on financial statements was not significant; however, due to dynamics and volatility of the military operations in Ukraine it is difficult to reliably measure the ultimate financial impact.

3. GROUP STRUCTURE AND CHANGES IN THE GROUP

As at 30 September 2022 and as at 30 June 2022 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 December 2022	30 June 2022	
AB Linas Agro	Lithuania	96.92%	100%	Wholesale of grains, oilseeds, feed materials, and supply of products for crop growing
UAB Linas Agro Konsultacijos	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	Lithuania	97.89%	100%	Preparation and warehousing of grains
UAB Jungtinė Ekspedicija	Lithuania	100%	100%	Expedition and ship's agency services
UAB Landvesta 1	Lithuania	99.27%	100%	Rent and management of agricultural purposes land
UAB Landvesta 2	Lithuania	99.29%	100%	Rent and management of agricultural purposes land
UAB Landvesta 5	Lithuania	99.01%	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
AS Putnu Fabrika Kekava	Latvia	97.19%	97.16%	Poultry farming, production of chicken and its products
SIA PFK Trader	Latvia	97.19%	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	100%	100%	Dormant company
SIA Linas Agro	Latvia	96.42%	100%	Wholesale of grains, oilseeds, and supply of products for crop growing
UAB Gerera	Lithuania	96.92%	100%	Dormant company
Linus Agro A/S (under liquidation)	Denmark	96.92%	100%	Dormant company
UAB Landvesta 3	Lithuania	97.35%	100%	
UAB Landvesta 4	Lithuania	97.73%	100%	Rent and management of agricultural purposes land
UAB Landvesta 6	Lithuania	97.40%	100%	
LLC LINAS AGRO UKRAINE	Ukraine	96.92%	100%	Representative office
Linus Agro OÜ	Estonia	96.92%	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	98.46%	100%	Software development
UAB Dotnuva Rent	Lithuania	100%	100%	Rent of agricultural machinery and equipment
SIA Linas Agro Graudu Centrs	Latvia	97.89%	100%	Preparation and warehousing of grains
Kėdainiai district ŽŪB Nemunas	Lithuania	67.44%	67.44%	Mixed agricultural activities

3. GROUP STRUCTURE AND CHANGES IN THE GROUP (cont'd)

	Place of registration	Effective share stock held by the Group		Main activities
		31 December 2022	30 June 2022	
UAB Kormoprom Invest	Lithuania	100%	100%	Management services
UAB TABA Holding	Lithuania	100%	100%	Management services
AB Kauno Grūdai	Lithuania	89.09%	89.09%	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, disinfection, disinfection and deratization services
UAB KG Group LT	Lithuania	89.09%	89.09%	Dormant company
UAB Šlaituva	Lithuania	89.09%	73.95%	Production and wholesale of breadcrumbs and breeding mixes
UAB Baltic Fumigation Service	Lithuania	89.09%	89.09%	Fumigation services
UAB KG Mažmena	Lithuania	89.09%	89.09%	Retail trade
AB Zelvė	Lithuania	72.05%	72.05%	Broiler breeding
UAB Kauno Grūdai ir Partneriai ¹⁾	Lithuania	96.92%	89.09%	Rent of real estate
AB Vilniaus Paukštynas	Lithuania	84.37%	84.37%	Chicken raising for meat and eggs production, production of poultry and its products
UAB KG Distribution	Lithuania	84.37%	84.37%	Consultation and business management
UAB Lietbro	Lithuania	84.37%	84.37%	Broiler breeding
UAB Avocetė	Lithuania	84.37%	84.37%	Management services
UAB Gastroneta	Lithuania	84.37%	84.37%	Dormant company
UAB VKP Valdymas	Lithuania	84.48%	84.48%	Consultation and business management
Cooperative Baltoji Plunksnelė	Lithuania	82.88%	82.88%	Dormant company
AB Kaišiadorių Paukštynas	Lithuania	84.60%	84.60%	Chicken raising for meat and eggs production, production of poultry and its products
UAB Domantonių Paukštynas	Lithuania	89.00%	89.00%	Broiler breeding
UAB Kaišiadorių Paukštyno Mažmena	Lithuania	84.60%	84.60%	Dormant company
UAB Uogintai	Lithuania	84.60%	84.60%	Dormant company
UAB Kaišiadorių Skerdykla	Lithuania	84.60%	84.60%	Dormant company
UAB Alesninkų Paukštynas	Lithuania	84.60%	84.60%	Broiler breeding
UAB KG Logistika	Lithuania	84.48%	84.48%	Freight transport services
UAB VP Valda	Lithuania	84.37%	84.37%	Rent of real estate
UAB KP Valda	Lithuania	84.60%	84.60%	Rent of real estate
SIA KG Latvija	Latvia	89.09%	89.09%	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing
KG Eesti OU	Estonia	89.09%	89.09%	Dormant company
KG Polska Sp.zo.o.	Poland	89.09%	89.09%	Wholesale of feed materials
Nordic Agro Investment Limited	United Kingdom	89.09%	89.09%	Management services
I000 Belfidagro ²⁾	Belarus	–	89.09%	Production and wholesale of premixes
OOO KLM	Belarus	62.37%	62.37%	Wholesale of products for crop growing veterinary products, premixes, and seeds for gardening
OOO VitOMEK (entity code 1117746107291) ³⁾	Russia	–	97.27%	Production of premixes
OOO VitOMEK (entity code 1157746009398) ³⁾	Russia	–	97.27%	Wholesale of premixes, compound feed and feed materials
UAB Agro Logistic Service	Lithuania	100%	100%	Wholesale of feedstuffs for fodder and premixes production

¹⁾ On 1 December 2022 after reorganization company UAB Kauno Grūdai ir Partneriai was merged with UAB Linas Agro Grūdų centrai and on 9 January 2023 company was deregistered.

²⁾ On 9 November 2022 approval of the Belarusian competition authority MART (Ministry of Antitrust Regulation and Trade) was received and Belarusian registered company I000 Belfidagro was sold, and Group has lost ownership rights and control.

³⁾ On 25 August 2022 OOO VitOMEK (entity code 1117746107291) and OOO VitOMEK (entity code 1157746009398) was sold. Ownership rights and control was transferred on 1 September 2022 and 27 September 2022.

3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Changes in the Group during the 6 month period ended 31 December 2022

On 5 July 2022, authorized capital of AB Linas Agro was increased by EUR 5,134 thousand by non-monetary contribution from AB Kauno Grūdai.

On 22 July 2022, AB Linas Agro concluded a syndicated credit agreement with Credit Suisse AG, Swedbank AB and AB SEB Bankas for the amount of EUR 170,000 thousand.

On 25 August 2022, Agreements on sale of share in OOO VitOMEK (Moscow, the Russian Federation) and OOO VitOMEK (Tver, the Russian Federation), and also IOOO Belfidagro were concluded. IOOO Belfidagro deal was subject to the approval of the Belarusian competition authority MART (Ministry of Antitrust Regulation and Trade), so the parties signed a preliminary share purchase agreement, which stipulates that the buyer must obtain clearance from the competition authority.

During July and September 2022, Luminor Bank AS Lithuania operating through the Lithuanian branch of Luminor Bank AS granted short-term loans for a total amount of EUR 1 18,000 thousand to twelve subsidiary companies of AB Linas Agro Group.

On 5 September 2022, authorized capital of UAB Linas Agro Grūdų Centrai was increased by EUR 3,867 thousand with a non-monetary contribution from AB Linas Agro.

On 2 November 2022 Authorized capital of SIA Linas Agro increased by EUR 367 thousand by non-monetary contribution of SIA KG Latvija.

On 9 November 2022 approval of the Belarusian competition authority MART (Ministry of Antitrust Regulation and Trade) was received and Belarusian registered company IOOO Belfidagro was sold and Group has lost ownership rights and control.

On 30 November 2022 the share capital of Užupės ŽŪB was reduced by paying EUR 691 thousand to its shareholders.

On 1 December 2022 The reorganization was completed, UAB Kauno grūdai ir partneriai was merged to UAB Linas Agro Grūdų centrai. After reorganization UAB Linas Agro Grūdų centrai share capital has increased by EUR 3 743 thousand.

On 7 December 2022 AB Kauno grūdai bought the rest shares of UAB Šlaituva and became the sole shareholder.

3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Changes in the Group during the 12 month period ended 30 June 2022

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

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., the acquisition 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 main reasons for the acquisition – synergies between AB Linas Agro Group entities and KG Group entities, more variety in food business, potential to offer clients full chain from the field to the table". The business combination is accounted with acquisition method. In the case of the acquisition of this business, the minority share is valued at a proportional share of the identified net assets of the acquired entity. The acquisition costs incurred were written off by including them in the Groups' administrative expenses. The acquisition costs were capitalized in the Company's long-term financial assets. The companies are registered and operate in Lithuania, Latvia, Estonia, Poland, Belarus, Russia, and the Netherlands. The 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	Current portion of non-current borrowings	5,165
Property, plant and equipment	49,069	Current portion of lease liabilities	1,034
Investment property	215	Current borrowings	49,687
Right-of-use assets	3,111	Trade payables	112,282
Poultry	2,470	Derivative financial instruments	2,076
Non-current receivables and other financial assets	2,189	Other current liabilities and contract liabilities	17,611
Deferred income tax-asset	5,007	Total current liabilities	187,855
Total non-current assets	62,980	Total liabilities	211,176
Poultry	4,123	Total identifiable net assets at fair value	84,045
Inventories	81,346	Non-controlling interest measured at the proportionate share of the net assets at fair value	(10,776)
Prepayments	4,387	Goodwill	–
Trade receivables	134,644	Total purchase consideration	73,269
Other accounts receivable and contract assets	3,702	Cash consideration transferred*	69,570
Cash and cash equivalents	4,039	Other non-cash settlements	1,581
Total current assets	232,241	Contingent consideration	2,118
Total assets	295,221	Less: cash acquired	(4,039)
Grants and subsidies	2,611	Total purchase consideration, net of cash acquired	65,531
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		

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

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 27 October 2021, the Company signed loan agreement with AB Kauno grūdai, total limit is EUR 550 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.

3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

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 21 December 2021, the Company signed loan agreement with AB Kauno Grūdai, total limit is EUR 4,000 thousand.

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 the company operating in the field of wholesale of feedstuffs for fodder and premixes production. The main reason of this acquisition – substantial synergy with KG Group which was acquired at the beginning of the financial year. The business combination is accounted for using the acquisition method. 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

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

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

On 13 April 2022, the Company signed a loan agreement with AB Kauno Grūdai, total limit is EUR 930 thousand.

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

On 11 May 2022 the Company signed a loan agreement with UAB TABA Holding for EUR 1,700 thousand

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 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.

During May 2022, the Group acquired 1.42% stock of AB Vilniaus Paukštynas for EUR 28 thousand, 2.19% stock of AB Kaišiadorių Paukštynas for EUR 11 thousand, 20.29% stock of KG Polska Sp.zo.o. for EUR 4 thousand and 3.09% stock of AB Kauno Grūdai for EUR 1,669 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 3,279 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

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 cake and other 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 food products;
- the other products and services segment includes sales of biofuel and other products and services.

The Group's chief financial officer monitors the operating results of 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.

Group financing (including finance cost and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

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

6 months period ended 31 December 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 from contracts with customers								
Third parties	671,925	227,858	20,214	205,405	8,524	–	–	1,133,926
Intersegment	44,488	6,392	9,247	880	1,921	–	(62,928) ¹⁾	–
Total revenue from contracts with customers	716,413	234,250	29,461	206,285	10,445	–	(62,928)¹⁾	1,133,926
Results								
Operating expenses	(16,196)	(11,788)	(2,569)	(13,950)	(2,052)	(1,189)	–	(47,744)
Segment operating profit (loss)	37,178	24,679	2,170	1,473	1,249	(7,083)	–	59,666

6 months period ended 31 December 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 from contracts with customers								
Third parties	484,755	180,565	11,691	161,259	17,522	–	–	855,792
Intersegment	32,012	5,254	9,169	813	2,050	–	(49,298) ¹⁾	–
Total revenue from contracts with customers	516,767	185,819	20,860	162,072	19,572	–	(49,298)¹⁾	855,792
Results								
Operating expenses	(11,359)	(12,003)	(2,198)	(13,483)	(3,433)	(3,093)	–	(45,569)
Segment operating profit (loss)	(133)	25,323	(923)	(201)	1,795	(2,400)	–	23,727

1) Intersegment revenue is eliminated on consolidation.

4. SEGMENTS INFORMATION (CONT'D)

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

	6 month period ended	
	31 December 2022	31 December 2021
Revenue from external customers		
Lithuania	340,824	302,602
Europe (except for Scandinavian countries, CIS and Lithuania)	352,954	293,286
Scandinavian countries	78,732	70,255
Asia	165,658	13,729
Africa	118,109	75,021
CIS	77,106	100,899
Other	543	–
	1,133,926	855,792

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

	31 December 2022	31 December 2021
Non-current assets		
Lithuania	133,806	131,879
Latvia	60,358	60,728
Estonia	1,893	1,641
Russia	–	8
Ukraine	5	–
	196 062	194 256

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 2021	1,580	680	1,974	4,234
Additions	157	319	–	476
Acquisition of subsidiaries (Note 3)	703	216	–	919
Write-offs	–	(2)	–	(2)
Reclassification	(29)	29	–	–
Reclassification to non-current assets held for sale	(1)	(2)	–	(3)
Balance as at 30 June 2022	2,410	1,240	1,974	5,624
Additions	44	43	–	87
Write-offs	(2)	–	–	(2)
Reclassification from property, plant and equipment	14	–	–	14
Balance as at 31 December 2022	2,466	1,283	1,974	5,723
Accumulated amortization:				
Balance as at 30 June 2021	805	138	–	943
Charge for the year	575	243	–	818
Reclassification to non-current assets held for sale	(16)	(1)	–	(17)
Balance as at 30 June 2022	1,364	380	–	1,744
Charge for the year	250	54	–	304
Write-offs	(2)	–	–	(2)
Balance as at 31 December 2022	1,612	434	–	2,046
Impairment losses:				
Balance as at 30 June 2021	–	–	1,121	1,121
Balance as at 30 June 2022	–	–	1,121	1,121
Balance as at 31 December 2022	–	–	1,121	1,121
Net book value as at 30 June 2021	775	542	853	2,170
Net book value as at 30 June 2022	1,046	860	853	2,759
Net book value as at 31 December 2022	854	849	853	2,556

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 2021	19,170	114,139	65,000	6,421	6,488	2,212	213,430
Additions	2,038	847	7,472	1,797	927	9,061	22,142
Acquisition of subsidiaries (Note 3)	7,928	19,339	17,024	1,847	1,310	1,621	49,069
Disposals and write-offs	(3,845)	(102)	(6,115)	(840)	(162)	(62)	(11,126)
Reclassifications	52	3,961	1,335	75	147	(5,570)	-
Transfer from investment property	12	-	-	-	-	-	12
Reclassification to non-current assets held for sale	(435)	(595)	(395)	(387)	(111)	(6)	(1,929)
Transfer from inventories	-	-	1,100	-	-	-	1,100
Balance as at 30 June 2022	24,920	137,589	85,421	8,913	8,599	7,256	272,698
Additions	578	568	2,805	1,373	425	7,901	13,650
Disposals and write-offs	-	(498)	(2,158)	(548)	(102)	(28)	(3,325)
Reclassifications	105	3,117	1,225	7	166	(4,620)	-
Transfer from investment property	-	56	-	-	-	-	56
Transfer from inventories	-	-	(280)	-	-	-	(280)
Transfer to intangible assets	-	-	-	-	-	(14)	(14)
Balance as at 31 December 2022	25,603	140,841	87,013	9,745	9,088	10,459	282,785
Accumulated depreciation:							
Balance as at 30 June 2021	150	47,310	30,102	2,883	3,829	-	84,274
Charge for the year	35	8,743	12,260	1,336	1,337	-	23,711
Disposals and write-offs	-	(102)	(1,128)	(361)	(145)	-	(1,736)
Reclassification to non-current assets held for sale	-	(171)	(132)	(107)	(15)	-	(425)
Balance as at 30 June 2022	185	55,780	41,102	3,751	5,006	-	105,824
Charge for the year	17	3,713	5,437	661	612	-	10,440
Disposals and write-offs	-	(226)	(1,305)	(291)	(34)	-	(1,856)
Balance as at 31 December 2022	202	59,267	45,234	4,121	5,584	-	114,408
Impairment losses:							
Balance as at 30 June 2021	-	629	-	-	30	-	659
Balance as at 30 June 2022	-	629	-	-	30	-	659
Impairment for the year	-	4	-	-	-	-	4
Balance as at 31 December 2022	-	633	-	-	30	-	663
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 30 June 2022	24,735	81,180	44,319	5,162	3,563	7,256	166,215
Net book value as at 31 December 2022	25,401	80,941	41,779	5,624	3,474	10,495	167,714

7. RIGHT-OF-USE ASSETS

Group	Land	Buildings and structures	Machinery and equipment	Vehicles	Total
Cost:					
Balance as at 30 June 2021	21,211	2,597	2,185	3,349	29,342
Additions	6,769	273	840	750	8,632
Acquisition of subsidiaries (Note 3)	972	893	262	984	3,111
Disposals and write-offs	(5,106)	(667)	(391)	(10)	(6,174)
Reclassification to non-current assets held for sale	–	(285)	–	(76)	(361)
Balance as at 30 June 2022	23,846	2,811	2,896	4,997	34,550
Additions	1,864	897	490	1,108	4,359
Disposals and write-offs	(1,267)	(75)	(250)	(548)	(2,140)
Balance as at 31 December 2022	24,443	3,633	3,136	5,557	36,769
Accumulated depreciation:					
Balance as at 30 June 2021	3,271	786	1,204	1,528	6,789
Charge for the year	2,198	801	761	1,324	5,084
Disposals and write-offs	(1,374)	(90)	(352)	(131)	(1,947)
Reclassification to non-current assets held for sale	–	(76)	–	(20)	(96)
Balance as at 30 June 2022	4,095	1,421	1,613	2,701	9,830
Charge for the year	1,213	325	435	662	2,635
Disposals and write-offs	(358)	(17)	(258)	(412)	(1,045)
Balance as at 31 December 2022	4,950	1,729	1,790	2,951	11,420
Net book value as at 30 June 2021	17,940	1,811	981	1,821	22,553
Net book value as at 30 June 2022	19,751	1,390	1,283	2,296	24,720
Net book value as at 31 December 2022	19,493	1,904	1,346	2,606	25,349

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 2021	622	54	676
Additions	-	3	3
Acquisition of subsidiaries (Note 3)	-	215	215
Disposals and write-offs	(210)	(13)	(223)
Reclassification to tangible assets	(12)	-	(12)
Balance as at 30 June 2022	400	259	659
Disposals and write-offs	-	(52)	(52)
Reclassification to tangible assets	-	(56)	(56)
Balance as at 31 December 2022	400	151	551
Accumulated depreciation:			
Balance as at 30 June 2021	1	2	3
Charge for the year	-	40	40
Balance as at 30 June 2022	1	42	43
Charge for the year	-	25	25
Disposals and write-offs	-	(14)	(14)
Balance as at 31 December 2022	1	53	54
Impairment losses:			
Balance as at 30 June 2021	51	3	54
Balance as at 30 June 2022	51	3	54
Balance as at 31 December 2022	51	3	54
Net book value as at 30 June 2021	570	49	619
Net book value as at 30 June 2022	348	214	562
Net book value as at 31 December 2022	348	95	443

9. INVENTORIES

	31 December 2022	30 June 2022
RMI inventories	179,571	26,798
Other inventories	277,600	218,516
Net realisable value decrease	(3,907)	(1,438)
Net book value	453,264	243,876

Readily Marketable Inventories - inventories to which full unencumbered legal and beneficial title belongs to a member of the Group and are not subject to any retention of title or conditional sale agreement or arrangements having similar effect and that are readily convertible into cash within less than 90 calendar days on the basis that such inventories are:

- a) the subject of contracts traded on futures markets and/or price risk is covered by other forward sale and/or hedging transaction;
- b) liquid and widely available in a range of markets due to homogenous product characteristics and international pricing;
- c) such inventories are not held for processing and/or conversion into a more value-added product; and
- d) liquidation of such inventories would not have a material adverse effect on the particular business franchise.

10. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale comprised as follows:

	31 December 2022	30 June 2022
Non-current assets, held for sale	5,082	22,958
	5,082	22,958

Movements of non-current assets held for sale during 2022 – 2023 financial year 6 months were:

Net book value as at 1 July 2021	-
Reclassified from:	
Intangible assets	7
Property, plant and equipment	1,506
Right of Use Assets	369
Financial assets	204
Deferred tax assets	751
Current assets	22,921
Impairment loss of non-current assets held for sale	(2,800)
Net book value as at 30 June 2022	22,958
Disposals and write-offs	(20,854)
Reclassified from current assets	2,978
Net book value as at 31 December 2022	5,082

Liabilities related to non-current assets held for sale comprised as follows:

	31 December 2022	30 June 2022
Liabilities related to non-current assets held for sale	7,277	16,283
	7,277	16,283

10. NON-CURRENT ASSETS HELD FOR SALE (CONT'D)

Movements of liabilities related to non-current assets held for sale during 6 months of financial year 2022/2023 were:

Net book value as at 1 July 2021	–
Reclassified from:	
Non-current liabilities	1,722
Contract liabilities	749
Current liabilities	6,889
Lease liabilities	706
Trade accounts payable	4,749
Current income tax payable	80
Other current liabilities	1,388
Net book value as at 30 June 2022	16,283
Disposals and write-offs	(12,316)
Other current liabilities	3,310
Net book value as at 31 December 2022	7,277

As at 31 December 2022 within the line item of the disposal group the Group recognized assets of subsidiary 000 KLM, EUR 5,082 thousand (As at 30 June 2022 within the line item of the disposal group the Group recognized assets of subsidiaries IOOO Belfidagro, 000 KLM, 000 VitOMEK (entity code 111774610729) and 000 VitOMEK (entity code 1157746009398) – EUR 22,958 thousand), which intended to be disposed by the Group. Liabilities of EUR 7,277 thousand (30 June 2022 – EUR 16,283 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 132 thousand (As at 30 June 2022 – EUR 3,592 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'.

000 KLM entity 's 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 December 2022. At the issue date of these interim financial statements three of the entities were sold, refer to Notes 3. After the date of preparation of the financial statements, there were events related to non-current assets held for sale, refer to Note 17.

As at 31 December 2022 loss of EUR 312 thousand from the sale of companies operating in Russia and Belarus was recognized in the profit (loss) statement. In the financial year ending 30 June 2022 an impairment loss of non-current assets held for sale of EUR 2,800 thousand was recognized in profit (loss) statement and foreign currency translation reserve related to a foreign operation disposal recognized in other comprehensive income of EUR 3,104 thousand on 31 December 2022 was reclassified to profit (loss) statement. Total amount of losses from the sale of companies recognized over two years due to IOOO Belfidagro, 000 VitOMEK (entity code 111774610729) and 000 VitOMEK (entity code 1157746009398) amounted to EUR 6,216 thousand.

11. BORROWINGS

	As at 31 December 2022	As at 30 June 2022
Non-current borrowings		
Bank borrowings secured by the Group assets	14,559	22,305
	14,559	22,305
Current borrowings		
Current portion of non-current bank borrowings	15,449	20,641
Current bank borrowings secured by the Group assets	364,410	207,014
Current borrowings from the parent (Note 16)	6,689	6,536
	386,548	234,191
	401,107	256,496

Interest payable is normally settled monthly throughout the financial year.

As of 31 December 2022 AS Putnu Fabrika Kekava, SIA Lielzeltini, AB Kaišiadorių Paukštynas and OU Linas Agro have not fulfilled part of covenants under credit agreements with AB SEB Bankas, Swedbank AS and OP Corporate bank plc. Borrowings amount of EUR 6,905 thousand is accounted as short-term financial liabilities as at 31 December 2022 (as at 30 June 2022 AB Kaišiadorių Paukštynas amount accounted as short-term financial liabilities – EUR 2,181 thousand).

12. LEASE LIABILITIES

	As at 31 December 2022	As at 30 June 2022
Non-current		
Lease liabilities related to right-of-use assets	25,635	25,134
Lease liabilities related to other assets	6,164	6,733
	31,799	31,867
Current		
Lease liabilities related to right-of-use assets	4,752	4,748
Lease liabilities related to other assets	3,551	2,911
	8,303	7,659
	40,102	39,526

13. OPERATING (EXPENSES)

	2022/2023 6 months	2021/2022 6 months
Wages and salaries and social security	(25,946)	(24,852)
Advertisement, marketing, representation	(3,358)	(2,800)
Vehicle lease and maintenance	(2,544)	(1,372)
Depreciation and amortization	(1,953)	(2,258)
Inventories and trade receivables insurance	(1,420)	(135)
Taxes	(1,288)	(1,326)
Consulting expenses	(1,229)	(3,079)
Bank fees	(979)	(994)
Office supplies and services	(964)	(704)
Premises lease and maintenance	(957)	(669)
Support	(227)	(98)
Currency exchange profit	(63)	(58)
Other	(6,816)	(7,224)
	(47,744)	(45,569)

14. OTHER INCOME (EXPENSES)

	2022/ 2023 6 months	2021/ 2022 6 months
Other income		
Grants received for agriculture activity	1,122	1,264
Grants for poultry activity	1,991	1,183
Rental income from investment property and property, plant and equipment	227	311
Gain from disposal of investment property and property, plant and equipment	428	1,271
Dividend income	7	-
Change in fair value of financial instruments	196	375
Other income	2,641	3,055
	6,612	7,459
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment	(288)	(221)
Loss from disposal and write-off of property, plant and equipment and right-of-use assets	(526)	(83)
Change in fair value of financial instruments	(1,129)	(32)
Other expenses	(1,928)	(1,893)
	(3,871)	(2,229)

15. COMMITMENTS AND CONTINGENCIES

As at 31 December 2022 the Group is committed to purchase property, plant and equipment for the total amount of EUR 1,485 thousand (EUR 1,309 thousand as at 30 June 2022).

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

Sidabravo ŽŪB and UAB Linas Agro Grūdų Centrai are committed not to discontinue operations related to agricultural up to 2028, Panevėžys District Žibartonių ŽŪB – up to 2027 November, Kėdainiai District Labūnavos ŽŪB – up to the end of 2027.

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 1,036 thousand as at 31 December 2022 (EUR 2,234 thousand as at 30 June 2022). Group has no plans to discontinue above mentioned operations.

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 December 2022 and as at 30 June 2022 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.

16. 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 period ended 31 December 2022 and 30 June 2022 were as follows:

Members of the board of the Company:

Darius Zubas (chairman of the board, ultimate controlling shareholder);
Dainius Pilkauskas;
Arūnas Zubas;
Andrius Prancėvičius;
Tomas Tumėnas (until 28 October 2022);
Mažvydas Šileika;
Jonas Bakšys;

Members of the supervisory board:

Tomas Tumėnas (chairman of the board)
Arūnas Bartusevičius (independent member)
Carsten Højland (independent member)

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).

UAB PICUKĖ – 100% of shares are owned by UAB Darius Zubas holding.
UAB Palūšės Turas – 100% of shares are owned by UAB PICUKĖ.
UAB Baltic Fund Investments (Tomas Tumėnas is a 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.

16. RELATED PARTIES TRANSACTIONS (CONT'D)

As at 31 December 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) – 42.24%;

The Group's transactions with related parties in 6-month period ended 31 December 2022 were as follows:

2022/2023 3 months	2022/2023 6 months				31 December 2022		
	Purchases	Sales	Income from financial activities	Expenses from financial activities	Trade receivables	Non-current loans receivable	Current payable loans
Akola ApS group companies	518	20,175	–	153	669	–	6,689
KG Khumex B.V.	40	21,351	–	–	5,247	–	–
KG Khumex Coldstore B.V.	–	–	13	–	–	750	–
Total	558	41,526	13	153	5,916	750	6,986

	2021/2022 6 months		31 December 2021			
	Purchases	Sales	Trade receivables	Non-current loans receivable	Trade payables	Current payable loans
Akola ApS group companies	361	24,087	9,717	–	529	9,000
KG Khumex B.V.	34	17,272	3,852	–	–	–
KG Khumex Coldstore B.V.	–	13	–	750	–	–
SIA NOVOBALTIC	67	4,700	1,604	–	–	–
Total	462	46,072	15,173	750	529	9,000

During financial years 2021/2022 and 2022/2023 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.

On 24 November 2022 Member of the Board of the Company has submitted notice to the Company regarding the use of the option based on agreement signed on 29 June 2018. Member of the board of the Company has acquired 286 690 shares (EUR 200 thousand). 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.

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 December 2022 and 30 June 2022.

17. SUBSEQUENT EVENTS

During January 2023, the Company transferred 3,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.

On 28 January 2023 a decree was issued by the Belarusian government, list of companies whose shareholders are prohibited from transferring their shares was expanded. Due to tightened legislation sale of OOO KLM operating in Belarus is highly unlikely within next 12 months, due to this Company's assets and liabilities from 28 January 2023 are no longer classified as held for sale.