

## 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 Akola Group and Mažvydas Šileika, CFO of AB Akola Group, hereby confirm that, to the best of our knowledge, the unaudited Interim Consolidated Financial Statements of AB Akola Group for the twelve months of the financial year 2023/24, 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 Akola Group and the Group as well. We also confirm that the Interim Consolidated Report for the twelve months of the financial year 2023/24 includes fair review of the business development and activities, together with the description of the major risks and indeterminations incurred.

CEO of AB Akola Group

Darius Zubas

21 August, 2024



CFO of AB Akola Group

Mažvydas Šileika

21 August, 2024





# **AB Akola Group** **Consolidated Interim Report** of 2023/2024 Financial Year

For the 12-month period ended 30 June 2024

## Introduction

AB Akola Group (formerly AB Linas Agro Group), together with its directly and indirectly controlled entities (hereinafter - subsidiaries), is the largest agri-food group in the Baltics, operating across the entire food production chain.

The subsidiaries owned by the Company produce, handle and merchandise agricultural and food products, also provide products and services for farming.

The Company itself has only a management function and does not engage in trading or manufacturing activities. The Company has no branches or representative offices.

This interim report is prepared for the twelve months of the financial year 2023/2024, and all the figures are stated as at 30 June 2024, unless otherwise indicated.

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

AB Akola Group may also be referred to as the Company and the Company together with its subsidiaries as the Group.

## Contact Person

Chief Financial Officer

MAŽVYDAS ŠILEIKA

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# 1. Key Data on the Company and the Group

|                                |   |
|--------------------------------|---|
| Company name                   | AB Akola Group (AB Linas Agro Group until 4/12/2023)                    |
| Legal form                     | Public limited company  |
| Date and place of registration | 27 November 1995, Panevėžys   |
| Legal entity code              | 148030011   |
| LEI code                       | 529900UB9QON717IL030  |
| VAT identification number      | LT480300113   |
| Company registers              | State Enterprise Centre of Registers (Valstybės Įmonė Registrų Centras) |
| Registered office address      | Subačiaus St. 5, LT-01302 Vilnius, Lithuania                            |
| Phone                          | +370 663 83888  |
| Email                          | info@akolagroup.lt  |
| Website                        | www.akolagroup.lt   |
| Bank account                   | LT077044060002637111, AB SEB Bankas, bank code 70440                    |
| ISIN code                      | LT0000128092  |
| Ticker in Nasdaq Vilnius       | AKO1L   |
| Start of the financial year    | 1 July  |

As of 30 June 2024, AB Akola Group had:

**4,959**  
Employees

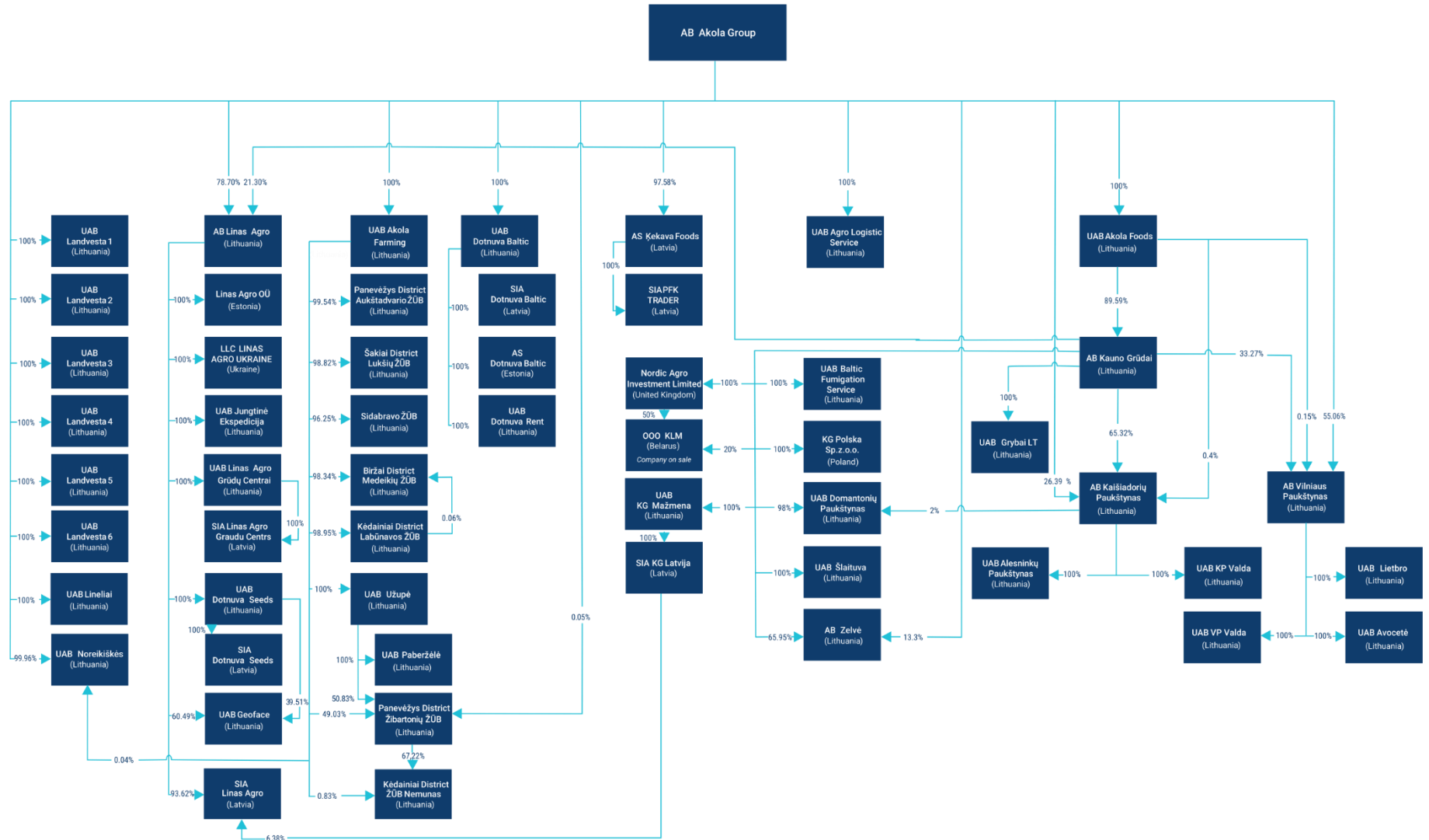
**64**  
Subsidiaries

**4**  
Associates

# 1.1. Subsidiaries

As of 30 June 2024.

The scheme excludes dormant, associated companies and the companies under liquidation: SIA KEKAVA BIOENERGY (founded 21/6/2024, 100% owned by AS Kekava Foods), UAB Gerera (100% owned by AB Linas Agro), deregistered on July 2, 2024, UAB Kormoprom Invest (under liquidation, 100% owned by AB Akola Group), UAB Akola Poultry (100% owned by AB Akola Group), UAB Sunvesta (100% owned by AB Akola Group), Linas Agro A/S under liquidation (100% owned by AB Linas Agro), UAB Kaišiadorių Paukštyno Mažmena (99% of shares owned by UAB Uogintai and 1% - by AB Kaišiadorių Paukštynas), KG Eesti OU (100% of shares owned by AB Kauno Grūdai), UAB Uogintai (100% of shares owned by AB Kaišiadorių Paukštynas), Kooperatyvas Baltoji plunksnelė (20% of shares owned by each of UAB Domantonių Paukštynas, UAB Lietbro, AB Zelvė, UAB Avocetė and UAB Alesninkų Paukštynas), KG Khumex B.V. (associate, 50% owned by AB Akola Group), KG Khumex Coldstore B.V. (associate, 25% owned by AB Kaišiadorių Paukštynas and 25% - by AB Vilniaus Paukštynas), UAB OMG Bubble Tea (associate, minority stake owned by AB Akola Group), Brite Drinks Ltd (associate, minority stake owned by AB Akola Group).



## 1.2. The Group's Business Model

The Group's core products are grain, oilseed, compound feed, feed materials and additives, milk, poultry meat and poultry products, flour and flour products, instant food and ready-to-eat food, pet food, veterinary pharmaceuticals, and goods to the farmers.

The field-to-table production chain provides self-sufficiency in raw materials, ensures process traceability and the quality of the products produced.

The Group aims to be among the top three agricultural partners in all the Baltic States, to have a sustainable agricultural business, and to become more visible on the international market as a producer of wholesome and varied food.

From the start of the financial year 2023/2024, the Group's activities are divided into four business segments: 'Partners for farmers', 'Food Production', 'Farming' and 'Other Products and Services'.



## A Place in Food Value Chain

- The largest agribusiness and food production group in the Baltics.
- One of the largest exporters of Lithuanian and Latvian grain.
- The largest producer of poultry meat in Lithuania and Latvia.
- A major milk producer in Lithuania with the most efficient dairy farms.
- One of the leading suppliers of certified seeds, fertilizers, plant care products and agricultural machinery to farmers in Lithuania.
- Leader in the production of instant foods in the Baltic States.

Revenue  
**1.5**  
Billion

Performance in twelve months  
of FY 2023/2024



## 2. Activity and Financial Results of the Group

### 2.1. Financial indicators

| thousand EUR, unless stated otherwise                                | 2019/20<br>12 months | 2020/21*<br>12 months | 2021/22<br>12 months | 2022/23<br>12 months | 2023/24<br>12 months |
|--|----------------------|-----------------------|----------------------|----------------------|----------------------|
| Sales in tons  | 2,233,808            | 3,155,329             | 3,689,585            | 3,708,820            | 3,025,143            |
| Revenue  | 657,700              | 942,442               | 1,895,667            | 1,999,617            | 1,506,238            |
| Gross profit   | 45,664               | 51,201                | 188,859              | 137,969              | 152,028              |
| Gross profit margin, %   | 6.94                 | 5.43                  | 9.96                 | 6.90                 | 10.09                |
| EBITDA   | 25,923**             | 33,401**              | 132,173              | 67,318               | 74,835               |
| EBITDA margin, %   | 3.94                 | 3.54                  | 6.97                 | 3.37                 | 4.97                 |
| EBITDA (excluding the impact of IFRS 16)                             | 23,860               | 29,267                | 127,113              | 62,578               | 68,275               |
| EBITDA margin (excluding the impact of IFRS 16), %                   | 3.63                 | 3.11                  | 6.71                 | 3.13                 | 4.53                 |
| Operating profit   | 14,827               | 19,467                | 103,619              | 41,492               | 47,384               |
| Operating profit margin, %   | 2.25                 | 2.07                  | 5.47                 | 2.07                 | 3.15                 |
| Profit before tax (EBT)  | 11,931               | 16,797                | 90,841               | 25,760               | 28,280               |
| Profit before tax margin, %  | 1.81                 | 1.78                  | 4.79                 | 1.29                 | 1.88                 |
| Net profit   | 10,004               | 14,189                | 77,257               | 20,817               | 26,334               |
| Net profit margin, %   | 1.52                 | 1.51                  | 4.08                 | 1.04                 | 1.75                 |
| Readily marketable inventories (RMI)                                 | 13,735               | 21,224                | 26,798               | 37,689               | 17,823               |
| Current ratio  | 1.31                 | 1.44                  | 1.25                 | 1.27                 | 1.32                 |
| Debt/Equity ratio  | 1.24                 | 1.15                  | 2.12                 | 1.99                 | 1.79                 |
| Net financial debt / EBITDA  | 5.38                 | 3.23                  | 2.08                 | 4.68                 | 4.03                 |
| RMI-adjusted net financial debt / EBITDA                             | 4.85                 | 2.66                  | 1.90                 | 4.18                 | 3.82                 |
| Return on equity to shareholders, %                                  | 5.52                 | 7.23                  | 27.60                | 6.97                 | 8.22                 |
| Return on capital employed in the company's activities, %            | 4.77                 | 6.61                  | 18.97                | 7.03                 | 7.95                 |
| Return on assets (ROA), %  | 2.47                 | 3.37                  | 8.85                 | 2.33                 | 2.95                 |
| Basic and diluted earnings per share (EPS)                           | 0.06                 | 0.09                  | 0.46                 | 0.16                 | 0.17                 |
| Price earnings ratio (P/E)   | 9.37                 | 9.19                  | 2.48                 | 8.51                 | 6.98                 |
| Dividends for the financial year paid per share, in euros            | -                    | -                     | 0.0312               | 0.0259               | -                    |
| Dividends paid for the financial year to net profit of the period, % | -                    | -                     | 6.47                 | 20.03                | -                    |

\* 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.

\*\* Excludes depreciation of EUR 2,647 thousand (EUR 2,567 thousand for the financial year 2022/2023, EUR 2,229 thousand for the financial year 2021/2022 and EUR 2,186 thousand for the financial year 2020/2021) on biological assets (crops) sold during the period and related to the previous period (for the other comparative periods, the impact of such depreciation was not material).



## Explanation of terms

|  |  |
|--|--|
| EBITDA                                       | Equals operating profit before depreciation, amortization and impairment losses.   |
| Operating profit                             | Equals profit before net from investments and finance activities, and income tax.  |
| Profit before tax (EBT)                      | Equals profit before income tax.   |
| Profit margin for the period                 | Profit of the period expressed as a percentage of total revenue.   |
| Net financial debt                           | The amount of cash and cash equivalents has been deducted from non-current liabilities, current liabilities to financial institutions and lease liabilities.   |
| Capital employed in the company's activities | The sum of equity and long-term and short-term liabilities to financial institutions.  |
| Current solvency, coefficient                | Current assets divided by current liabilities.   |
| Debt/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 period.  |
| 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.   |
| Profit/price 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.   |

The consolidated revenue of the AB Akola Group for the fourth quarter of the 2023/2024 financial year decreased from EUR 499 million to EUR 382 million. Gross profit for the fourth quarter increased from EUR 25 million to EUR 48 million, and operating profit was EUR 22 million, compared to EUR 1 million operating profit last year. The net profit was EUR 17 million, compared to EUR 4 million net loss in the corresponding period last year.

## 2.2. Overview

### Impact of Food and other Input Prices on the Group's activity

In the operations of different segments of the Group, volatility in both food and non-food prices have a significant impact not only on income generation, but also on management of costs. The most significant direct impact of price changes on the Group's segments is manifested in the activities of the following categories:

| Operating Segments          | Activity category  | Prices                              |      |      |                  |                   |                          |
|-----------------------------|--|-------------------------------------|------|------|------------------|-------------------|--------------------------|
|                             |  | Cereals, oilseeds, feed ingredients | Milk | Meat | Energy resources | Industrial metals | Cost of borrowed capital |
| Partners for farmers        | Grain storage and logistics services   |                                     |      |      | •                |                   |                          |
|                             | Trade in cereals and oilseeds  | •                                   |      |      |                  |                   | •                        |
|                             | Feed business  | •                                   |      |      | •                |                   |                          |
|                             | Supplying seeds, plant protection products and fertilizers to farmers                      | •                                   |      |      | •                |                   | •                        |
|                             | Provision of agricultural machinery, spare parts, servicing and rental services to farmers |                                     |      |      | •                | •                 | •                        |
|                             | Other services for farmers   |                                     |      |      |                  | •                 |                          |
| Farming                     | Growing cereals, oilseed rape, sugar beet and other crops                                  | •                                   |      |      |                  |                   |                          |
|                             | Dairy production and beef cattle farming   | •                                   | •    | •    |                  |                   |                          |
| Food production             | Poultry farming business   | •                                   |      | •    | •                |                   |                          |
|                             | The business of manufacturing fast-moving products   | •                                   |      |      | •                |                   |                          |
|                             | The business of manufacturing flour and flour mixtures, breadcrumbs and breeding mixes     | •                                   |      |      | •                |                   |                          |
| Other products and services | Trade in veterinary medicines, manufacture of pet food, etc.                               | •                                   |      |      | •                |                   |                          |

• - Significant influence

## 2024/2025 harvest early indications

## Price actualities of other essential positions

The activity of the Group companies within the 12 months of the financial year 2023/2024, was to high extent shaped by the outlook and indications for both - materializing 2023/2024 (please refer to previously published reports of the Group) and coming 2024/2025 GRAIN & OILSEEDS harvest. At the date of publication of this report, 2024/2025 harvesting is already in progress, enabling the preliminary outline of the financial year 2024/2025.

### 2024/2025 harvesting progress and expectations:

- so far based on condition of completed, as well as approaching harvesting crop – indications of 2024/2025 output look optimistic; based on 2024 July data provided by International Grains Council (IGC) - the **world grain production** is expected to pencil in another record year, delivering 2,321 million tons harvest compared to 2,299 million tons estimate for 2023/2024 (+1%):
  - without predominant impact from one producing country, increases for United States, Canada, Kazakhstan, China, India, Pakistan, including higher expectations for Australia, Argentina, harvest shall ensure offset of decreases from Russia, Ukraine, Europe, expecting world wheat production result to be potentially the second largest on record;
  - IGC projects global maize output to edge to a new peak in 2024/2025, slightly exceeding last season's record and attributing mainly to strong results in Brazil and broadly favourable conditions in China;
- the **world oilseed production** is also aiming for another record, delivering 691 million tons harvest (compared to 657 million tons estimate for 2023/2024), connected with anticipated soya output peak and projected production increases for United States, Argentina, also Brazil; estimate for high-oil content seeds indicates minor uptick in rapeseed production and somewhat more noticeable drop in global sunflower seed output, mainly related with adverse weather conditions in Ukraine, Russia, Europe;
- **consumption** for both – coarse grain and oilseeds is set to increase, yet stock to use ratios for two categories will continue diverging into different directions (coarse grain stock-to-use ratio is seen the lowest since 2012/2013, oilseeds – highest since 2018/2019); wheat and maize shall be absorbed in full, slightly exceeding production amounts and adding up to again lower **inventory level** y-o-y, while oilseeds inventories on the contrary - shall be further piling up;
- regardless of different availabilities, both categories were dominated by a lower **price environment** so far; while downward tendencies for soya are quite well explained with abundant supply, coarse grains shall theoretically have more potential for future recovery, though perhaps limited by the fact that (despite lower anticipated harvests) - Russian wheat outputs shall remain significant enough to keep this cheaper origin in leading exporter seat; overall, excluding some short-lived price increases in Apr-May, 2024 (*mainly related with spring dryness and May frosts in Russia, as well as concerns over setting in EU, South America*) – conditions globally are considered more or less favourable and lately increasing seasonal availability from ongoing harvests in the northern hemisphere continues pressuring cereal prices after the end of the reporting period.
- According to unofficial data of farms and analysts, the grain harvest of 2024 might be one of the largest, reaching approx. 13.5 million tons in three **Baltic countries** altogether, 7.5m million tons of which allocating to Lithuania; such early projections does not estimate impact of end of July, 2024 storm in Lithuania, though expectations remain more or less positive.

In addition to GRAIN & OILSEEDS market trends, which at higher or lower scale are impacting majority of Group's activities, the actualities of other essential positions, such as VEGETABLE OIL, MILK, POULTRY, ENERGY prices – are covered below:

- **vegetable oil** – higher global quotations across palm, soy, sunflower and rapeseed oil were seen lately; while palm, sunflower and rapeseed oil prices were supported with below potential output, higher soy oil prices reflected lasting demand from Americas biofuel sector;
- **energy:**
  - ongoing hostilities near key **natural gas** transit station in Sudzha (Russia's Kursk region, close to the border with Ukraine) converted itself into inclines of European natural gas futures values lately; still, latter illustrates no drastic change in the curve, as for the interest of all parties Russian gas continues to flow through Ukraine and potentially will do so until the gas transit agreement expiration at 2024 year end; overall it's fair to say, that despite increases lately, European natural gas prices shall be considered both - relatively stable, as well as affordable during the latest financial year, relating mainly to solid Europe's gas storage inventories in the recent past (filled approx. 77% at the end of both - FY 2022/2023 and FY 2023/2024, in comparison to approx. 58% at the end of FY 2021/2022);
  - United States **crude oil** inventories at it's lows, supply concerns from other extraction points, as well as more positive United States job data early in August of 2024 (easing fair of US recession to some extent) – were factors recently supporting crude oil price increases; still, in combination with Middle East conflict escalation risks going back and forth, the overall trend remains difficult to define; despite that, throughout the reporting period Brent crude oil futures values were conveniently fluctuating in somewhat isolated (even if elevated) corridor of 75-90\$ per barrel;
  - meanwhile – while average monthly wholesale **electricity** prices in Lithuania demonstrated occasional variations throughout the reporting period (playing in the wide range of 60-120 EUR per MWh), such were still far away from extreme hikes back in 2022;
- despite far-off the highs recorded in 2022, the European **milk** prices stayed relatively stable lately, while Lithuanian market seen ongoing declines in previous months, demonstrating characteristics typical of a small market with intense competition and causing continuous headaches for the local farmers; in Lithuania FY 2023/2024 prices were roughly 13 percent lower compared to prices withing FY 2022/2023 (please refer to graph 'Purchase prices for basic parameters milk in Lithuania');
- average **poultry** prices were looking fine lately – presenting very satisfactory spread between continuously quite stable average broiler carcass prices in Europe and more expensive chicken parts (please refer to the graph 'Fresh fillet price dynamics in Poland' below, illustrating the price of the most profitable poultry product). Production in EU markets seems to be stable and high (or close to maximum capacities), demand is meanwhile increasing, seeing continuous consumer preference for poultry meat; on top of that – the pace of European exports in the beginning of 2024 was higher, compared to the pace of imports into Europe, in the meantime noticing slightly different import countries composition (less cheap origin), explaining favourably higher prices; latter, in combination with lower feed costs seems to be supporting the business case in the sector lately, though further favourable price dynamics are indeed not guaranteed; while there is a potential for positive effect of European import quota for Ukraine (into force since June, 2024 until June, 2025), one can fear over other shifts in trade flows coming as well (lower imports by China, might cause pressure on cheaper cuts price, coming from quantities of China's key suppliers, such as United States, Brazil, Russia); also, additional future price pressure factors could

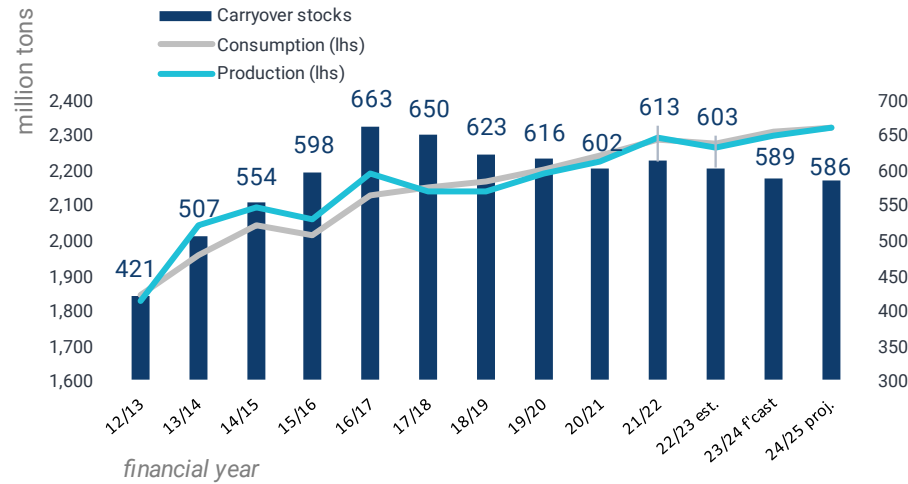
be - sports events (such as Olympic games, football championships) driven consumption cool-off, increasing capacities by competitors, including possibilities of transition between different livestock;

- central banks campaign of consecutive interest rate increases resulted in elevated cost of investments, as well as financing of working capital for two years already; after market's well predicted first interest rate cut by ECB in June, 2024, the number and severity of subsequent cuts is debated by investors again and again, lately changing especially often in the context of US economy health and speculations around FED's action; anyhow, gradually decreasing Group companies' **borrowed capital** expense in already started financial year is considered a base case (only materiality of it remains a question).

Figures as per data provided by International Grains Council (IGC)(18 July, 2024), United States Department of Agriculture (USDA) (12 August, 2024), Food and Agriculture Organization of the United Nations (FAO) (2 August, 2024), Baltic statistical offices and unofficial statements by grain buyers and exporters.

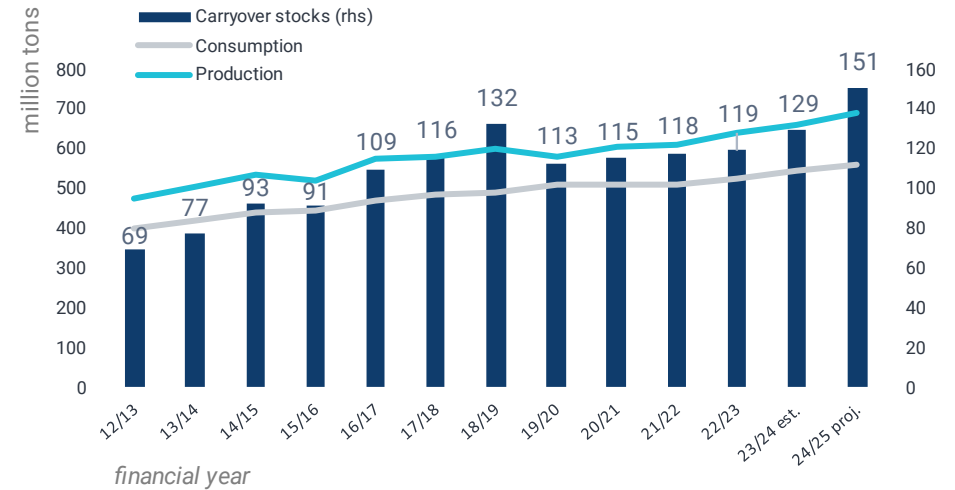
## World Grain Production

Data: International Grains Council IGC

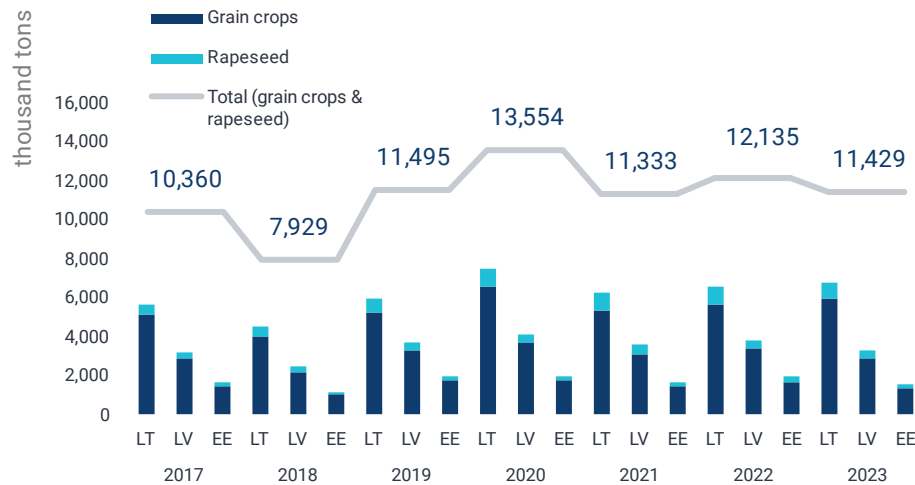


## World Oilseed Production

Data: United States Department of Agriculture

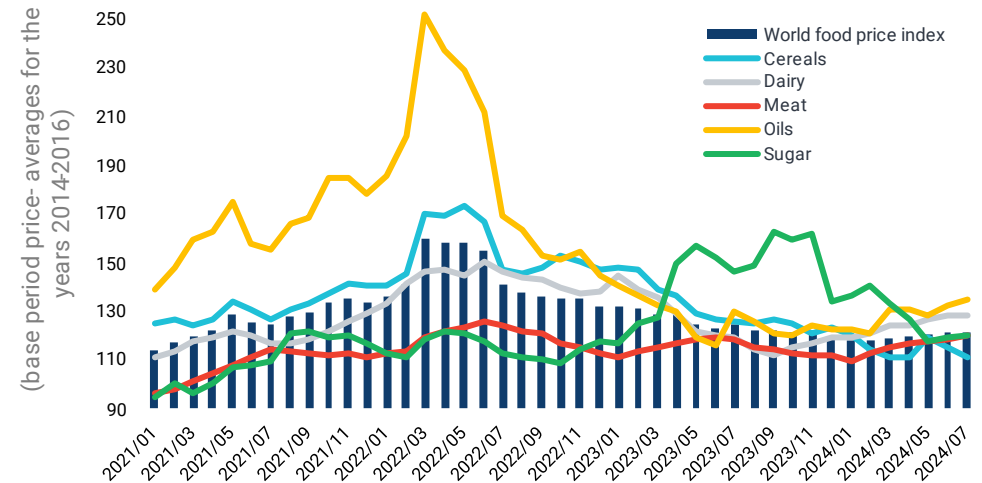


## Grain and Rapeseed Yields in the Baltics



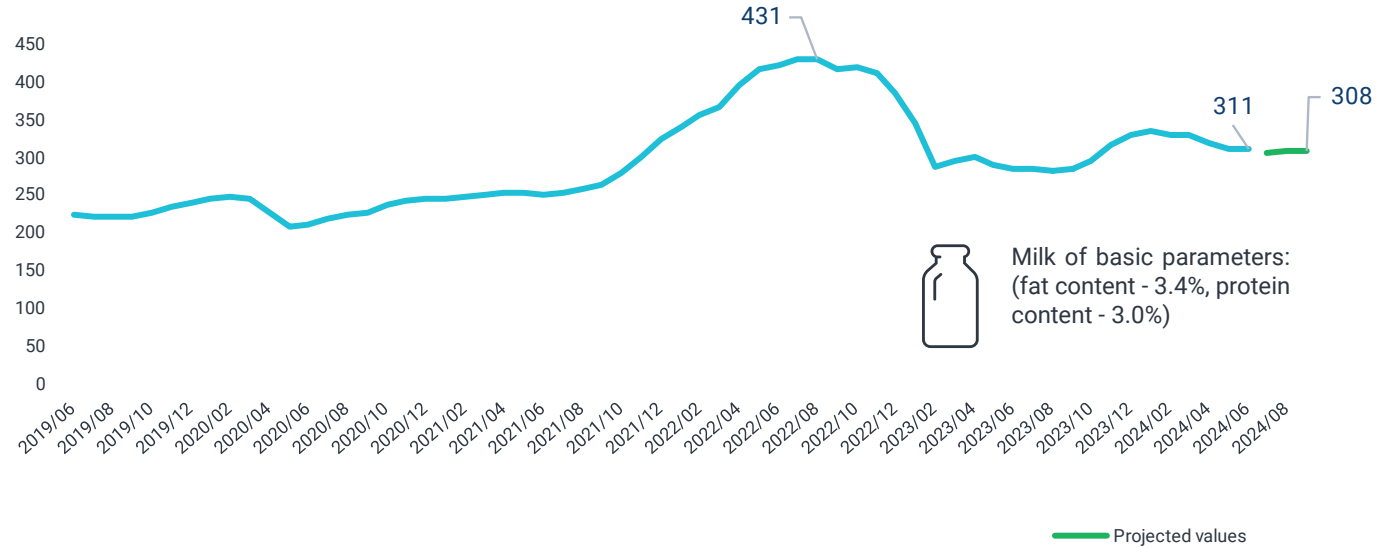
## Global food price dynamics 2021-2024

Data: Food and Agriculture Organization of the United Nations



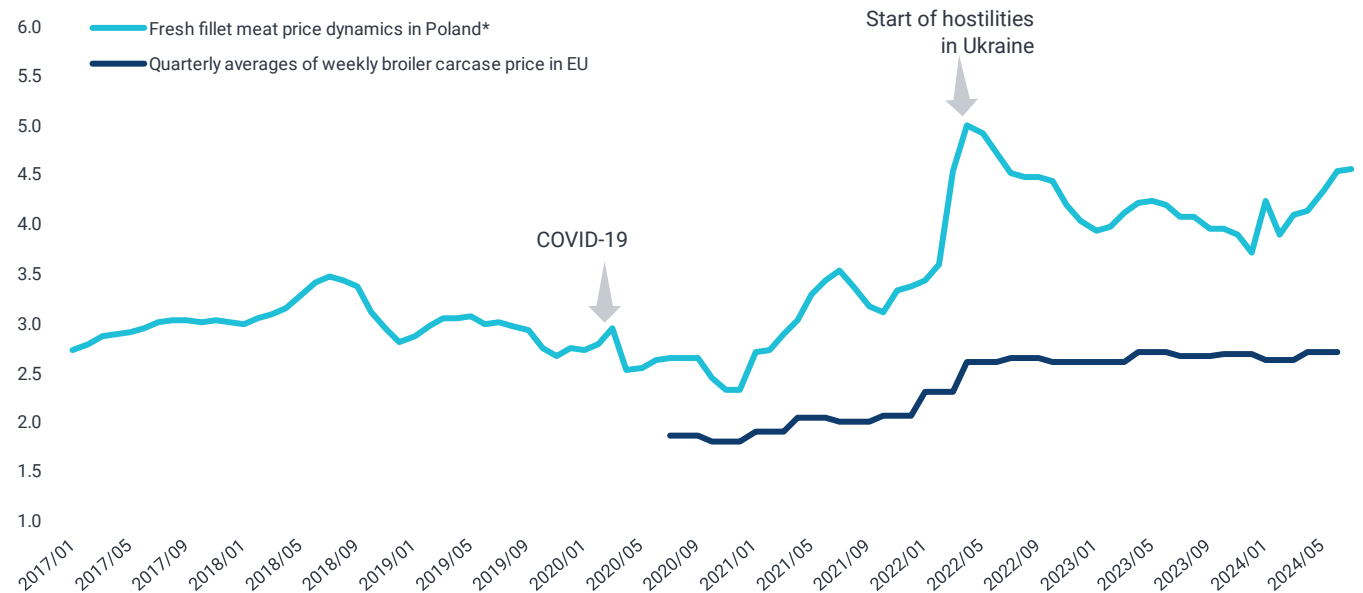
## Milk purchase prices for basic parameters milk in Lithuania

Data: State Enterprise Agricultural Information and Rural Business Centre (EARICBC)



## Price volatility of fresh fillet meat in Poland\*

Data from: Polish Ministry of Agriculture and Rural Development.  
 \*Poland is one of the main exporters of poultry meat, accounting for around 20% of EU poultry meat production



## 2.3. Segment Performance

### Operating profit (loss) by Segments

It should be noted that starting from the beginning of the financial year 2023/2024, the Management reviewed the principle of segmentation of the Group's activities, simplifying the structure and adapting it better for Group's strategic vision implementation assessment, emphasizing the circular nature of the activities. The main change - is the merging of the previously applied segments 'Grains, oilseeds, and feed' and 'Products and services for farming' into one segment, renaming it as 'Partners for farmers', this way providing concentrated information on activity related to farmers, excluding the farming itself (grain sourcing, operation of elevators and logistics, trade in grain, oilseeds, also seeds, combined feed and premixes produced by Group companies, as well as trade in various raw materials, fertilizers, plant protection products, trace elements, agricultural machinery, spare parts, as well as equipment rent and repair service, equipment installation services to farmers). Other segments, apart from the slightly changed name, remained unchanged.

In order to better understand the change in segmentation, please refer to the description provided in the Group's interim financial statements for the 12 months of the financial year 2023/2024, note 4 'Segments Information'; we also present the historical Segment operating profit (loss) data, modelled by applying the new segmentation method to past results:

| thousand EUR   | 2020/2021<br>12 months | 2021/2022<br>12 months* | 2022/2023<br>12 months | 2023/2024<br>12 months |
|--|------------------------|-------------------------|------------------------|------------------------|
| Partners for farmers<br>(‘Grain, oilseeds, and feed’ and ‘Products<br>and services for farming’) | 14,084                 | 95,259                  | 33,325                 | 21,002                 |
| Food production<br>(‘Food products’)   | (2,340)                | (1,566)                 | 7,293                  | 21,099                 |
| Farming<br>(‘Agricultural production’)   | 11,339                 | 15,734                  | 12,546                 | 5,345                  |
| Other products and services<br>(‘Other activities’)  | (3,491)                | (5,808)                 | (11,672)               | (62)                   |

NOTE: information in the brackets provide reference to activity segmentation applied until financial year 2023/2024

\* In order to ensure a more accurate representation of operations, the Company has revised the methodology for allocating foreign exchange losses/gains to the result of financing activities in the separate and consolidated financial statements, resulting in an adjustment to the operating profit for the comparative period 2021/2022.



## Partners for Farmers

since 1991

Share of revenue in Group's portfolio

75%

|                              |           |
|------------------------------|-----------|
| Revenue, thous. EUR          | 1,136,936 |
| Gross profit, thous. EUR     | 82,600    |
| Operating profit, thous. EUR | 21,002    |



The main export commodities are Lithuanian and Latvian wheat

- 607** thousand tons of cereals and other agricultural raw material storage capacity
- 296** thousand tons ports' storage capacity
- 12** feed retail outlets
- 336** thousand tons annual production capacity for compound feed, premixes at the own factory in Lithuania (Kaunas, Alytus)
- 30** thousand tons - total annual seeds production capacity
- 194** thousand tons storage capacity for seeds, fertilizers, and plant health products
- 16** trading points
- 13** technical service points

- Grain storage and logistics services
- Trade in grain, oilseeds and raw materials for feed
- Compound feed and premixes production and sales
- Seed preparation in own seed preparation factory
- Supply of seeds, plant protection products, fertilizers for 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

## Operating Companies

In Lithuania: AB Linas Agro, UAB Linas Agro Grūdų Centrai, UAB Jungtinė Ekspedicija, AB Kauno Grūdai, UAB KG Mažmena, UAB Agro Logistic Service, UAB Geoface, UAB Dotnuva Baltic, UAB Dotnuva Rent, UAB Dotnuva Seeds.

In Latvia: SIA Linas Agro, SIA Linas Agro Graudu Centrs, SIA KG Latvija, SIA Dotnuva Baltic, SIA Dotnuva Seeds.

In Estonia: Linas Agro OÜ, AS Dotnuva Baltic.

In other countries: LLC LINAS AGRO UKRAINE (Ukraine), KG Polska Sp. zo.o. (Poland), OOO KLM (Belarus)\*.

\* Company for sale

## Manufacturers & brands represented

**Agricultural machinery, spare parts, equipment for grain cleaning, drying and storage complexes and livestock farms** – 'Kverneland', 'Cimbria', 'Quicke', 'Case IH', 'Einbock', 'Bin', 'Agrifac', 'Siloking', 'Shaffer', 'Swimer', 'Boumatic', 'Araska', 'Mandam', 'Agrisem', 'MacDon', 'Wielton', 'Jeantil', 'Kongskilde', 'Symaga', 'Pellon', 'Roka', 'Spinder', 'CMP Impianti Srl'; 'Champion', 'Field Bee', 'UMEGA', 'Rotar'. **Regulated drainage system** - 'Ecodrena'. **Seeds, plant protection products, fertilizers** – 'Syngenta', 'Adama', 'Rapool', 'Yara', 'Ekoplon', 'Novagra', 'Nando', 'Haifa', 'Daymsa', 'Agritechno', 'OCP' / 'Helm', 'Granmax', 'UHB Agro', 'Rosier', 'Achema', 'LV Agro', 'BASF', 'Corteva', 'Bayer', 'Nufarm', 'KWS', 'Agronutrition', 'Van Iperen', 'Sicit GROUP', 'IKAR', 'Tracegrow', 'Nordkalk'.

## Own trademarks



## Certificates



UAB Dotnuva Baltic, SIA Dotnuva Baltic and AS Dotnuva Baltic have joined the Case IH international quality network Red Excellence, which brings together companies representing the Case IH brand in Europe. Dotnuva Baltic also holds a certificate of qualification to be a contractor for the construction of special buildings.

Partners for Farmers

## Grain Storage and Logistic Services

Activities include the preparation of grain in grain storage facilities (cleaning, drying, storage, reloading) and logistics services. The Group's companies have elevators in Lithuania (19) and Latvia (6). The main cost components of this business are human resources, energy and transport costs, while the quantity and quality of the local harvest, the location of the network of elevators and the infrastructure available to the farmers also have a significant impact on the profitability of the category.

During the reporting period:

- compared to the previous year the Group's **elevators** in Lithuania and Latvia together received a similar volume of grain; the harvesting period was prolonged due to the wet weather, and consequently, the grain delivered at the beginning of the harvesting period was wetter than usual; these factors enabled the Group to generate more income from drying services, as well as to manage the flow of grain delivered to the elevators more smoothly, and to make more efficient use of the existing fleet of railway wagons; at the closing date of the reporting period - the grain residue in the elevators accounted for approx. 10% of the total elevators' capacity, being less than quantities a year ago;
- although storage income stayed relatively consistent, revenue generated by the Group's elevators increased due to the additional services provided (mainly drying); energy costs stayed at the similar level proportionally, though inflationary moods were mostly visible in the remuneration expense line; regardless of aforementioned – gross profitability margin of the category was in line with results of 12 months a year ago.

| Grain storage and logistic services                  | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|--|------------------------|------------------------|-----------|
| Quantity of grain received, thousand tons, of which: | 828.8                  | 802.5                  | (3.2)     |
| wheat, %   | 73                     | 75                     | ↑         |
| rapeseed, %  | 14                     | 14                     | -         |
| barley, %  | 6                      | 6                      | -         |
| Revenue, thousand EUR                                | 10,385                 | 13,222                 | 27.3      |
| Gross profit (loss), thousand EUR                    | 8,582                  | 11,061                 | 28.9      |

Partners for Farmers

## Grain and Oilseed Trading

Wheat, barley, maize and some other cereals are called "grains", rapeseed, sunflower and linseed – "oilseeds".

A large part of this segment's activity consists of trade in cereals grown in Lithuania and Latvia, as well as trade in Ukrainian harvests. The main export destinations are Norway, Belgium, Finland, Spain, Poland, Germany, Nicaragua, Kenya, Morocco, etc. The results of the category are significantly influenced by the dynamics of the local and global harvest, competitive environment, demographic, as well as macroeconomic and geopolitical factors.

During the reporting period:

- although the quantities of grain accepted by the own elevator network remained similar, taking into account the additional purchases through the ports, the total quantities of grain purchased by the Group companies were lower than in the corresponding period a year ago; this contraction is related with weaker 2023 harvest results in Latvia, as well as with overall tactical decisions dictated by the market;
- wheat** remained the leading crop with a dominant class II; as every year, **rapeseed** trade was active as well, the quality and oil content of the latter was solid;
- the amount of grain and oilseeds sold was also lower than in the corresponding period of the previous year, however to high extent correlated with lower purchase quantities; loads of raw materials, transported from Ukraine through the Ukraine-Poland border, decreased significantly due to Polish import and transit restrictions, limiting access;
- within the latest quarter of the reported period MATIF Milling wheat exchange price was fluctuating in the range of 220-274 EUR/t, compared to the 229-265 EUR/t playing field during the Q4 a year ago, meanwhile MATIF Rapeseed exchange price was hovering around 446-497 EUR/t compared to 378-489 EUR/t range during the Q4 of financial year 2022/2023; and yet while the last quarter of the FY 2023/2024 delivered some price positivity, average contract prices of Group companies throughout the year were 25-30% lower than a year ago, translating both – into decreased revenue and gross profit; still, due to lower purchase prices, strategic management of traded quantities and contract timing - 12 months gross profitability margin of the category exceeded historical average (3.4% compared to 5Y avg. of 1.5%), mainly thanks to improved wheat trading margin;
- at the date of publication of this report, forward sales contracting for the 2024 harvest has been already started and advanced way more intensively compared to the period a year ago; preliminary pricing conditions seem to well correspond with competitive conditions in the market.

| Grain and Oilseed Trading  | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|--|------------------------|------------------------|-----------|
| Grain and oilseeds purchased, thousand tons                        | 2,353.3                | 1,664.7                | (29.3)    |
| Sales volume of grain and oilseeds in thousands of tons, of which: | 2,110.6                | 1,471.7                | (30.3)    |
| wheat, %   | 73                     | 71                     | ↓         |
| rapeseed, %  | 9                      | 14                     | ↑         |
| other, %   | 18                     | 15                     | ↓         |
| Revenue, thousand EUR  | 745,730                | 387,655                | (48.0)    |
| Gross profit (loss), thousand EUR                                  | 16,664                 | 13,080                 | (21.5)    |

Partners for Farmers

## Feed Business

The business includes the production and sales of loose and pre-packaged feed for poultry, pigs, cattle and other animals, as well as the merchandising of raw materials and feed additives (e.g. sunflower, rapeseed cake, sunflower, soybean meal, sugar beet granules, vegetable oils, licks, premixes, vitamins, amino acids, etc.).

The production of compound feeds is carried out in owned factories in Lithuania (336 thousand tons annual production capacity of compound feeds and premixes), with the majority of the production sold on the local Baltic market and a part of the production sold through the network of retail stores in Lithuania managed by KG Mažmena UAB (covering about 70-80% of the Lithuanian feed retail market). When trading in raw materials and additives for feed, the geography of sales is very wide: Europe, Asia, Africa, the Middle East.

During the reporting period:

- by increasing the number of production lines in the spring of 2023, higher quantities of production were manufactured compared to the 12 months of the previous financial year; the demand for **combined feed** remained stable;- lower sales quantities compared to last year's result are explained with different comparable base, as two companies in feed business (Russia and Belarus) were still in the perimeter of the Group in Q1 of 2022/2023 (not part of the Group in 2023/2024); if excluding quantities of these two companies, sold volumes would be very similar; with decreased cost of feed production, pressure for customer price corrections was felt and already translated into Group companies product quotations; , however reductions were made to well controlled extent - achieving same gross profitability margin as a year ago;
- despite abundant trade volumes of **raw materials and feed additives**, gross profitability of sub-category suffered significantly; Poland's unilateral import and transit restrictions introduced on Ukrainian raw materials meant limited availability; however the whole pre-process (started with Polish farmers' protests) impacted the Group companies notably, as orders throughout this period in many cases meant uncontrollable delivery times, the consequences of which had to be compensated with Group's earnings; on top of that - competition remained tough with Russian and Belarusian origin raw materials circulating in the market, which together with other market fundamentals – supported lower selling prices.

| Compound feed, premixes, feed material                  | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|---|------------------------|------------------------|-----------|
| Production of compound feed, premixtures, thousand tons | 261.6                  | 296.0                  | 13.1      |
| Sales of compound feed and premixtures, thousand tons   | 338.2                  | 300.2                  | (11.2)    |
| Raw materials and feed additives sold, thousand tons    | 549.7                  | 553.4                  | 0.7       |
| Revenue, EUR thousand, of which:                        | 486,309                | 390,451                | (19.7)    |
| compound feeds, premixtures, %                          | 37                     | 32                     | ↓         |
| raw materials, feed additives, %                        | 63                     | 68                     | ↑         |
| Gross profit (loss), thousand EUR                       | 29,600                 | 21,946                 | (25.9)    |

Partners for Farmers

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

The Group companies sell seeds, plant protection products, and fertilizers to Lithuanian and Latvian farms mainly. Supply of production is ensured from various countries and regions of the world (Morocco, Egypt, Jordan, USA, China, Europe, Uzbekistan, Kazakhstan, etc.), while most of the seeds sold are produced at the company's certified seed factory in Dotnuva (Kėdainiai district) using its own "Dotnuva Seeds" brand name.

During the reporting period:

- owned seed production factory in Lithuania was forking in full capacity and produced more **certified seeds** compared to the corresponding period of previous year, additionally in the autumn of 2023 – some small-scale seed multiplication and production were also carried out in Latvia and Estonia. Sales were higher thanks to strong cereal, as well transitional crop, "greening" seed demand, illustrating positive impact of subsidies for the latter group; during the Q3 strong demand for summer cereal seed was felt in Europe, as well as in Lithuania, where comparatively lower sowings in autumn of 2023 were made, in LV meanwhile - such demand was related with winter kill; the dynamics of seed prices was different for individual varieties, however, the average price basket was lower than in the corresponding period a year ago; however with costs of key components decreasing as well, the general profitability of the seed trade increased, delivering second highest gross profitability margin since FY 2016/2017;
- roughly 6% higher **fertilizers** sales quantities were generated throughout the reporting period (compared to volume of FY 2022/2023), limiting stronger recovery of quantities due to relatively low grain prices (still limited affordability), as well as some winter crop damages in Latvia, Estonia; revenue of the sub-category was 33% less than last year, owing to normalised market environment, meaning both – lower prices as well as more predictable profitability; adapting to sanctions implied changes in the supply chain (Russian and Belarusian origin renounced), Group companies have shifted to other origin suppliers a while ago, though latter also meant logistical changes, shifting from railway deliveries to ship deliveries through ports; as this brought its own challenges last year, solution of minimizing bigger quantities risk was made – Group companies started partnership with big trading companies intermediaries founded in the Baltics;
- during the reporting period – trade volumes slightly increased, revenue showed minor decrease, though profitability of **plant protection and micronutrient products** contracted significantly comparing to results a year ago; in Lithuania - second half of the year was more active, preliminary seeing favourable condition of the crops, however due to still expensive warehouse stock and high competition in the market – results were hardly satisfactory.

| Certified seeds, plant care products and fertilizers                     | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|--|------------------------|------------------------|-----------|
| Certified heavy seed production, thousand tons                           | 27.6                   | 31.6                   | 14.7      |
| Seeds sales volume, thousand tons  | 29.7                   | 35.3                   | 18.6      |
| Plant protection products and micronutrients sales volume, thousand tons | 14.6                   | 15.9                   | 9.3       |
| Fertilizers sales volume, thousand tons                                  | 282.7                  | 299.2                  | 5.8       |
| Revenue, thousand EUR  | 307,544                | 246,147                | (20.0)    |
| Gross profit (loss), thousand EUR  | 19,377                 | 21,313                 | (10.0)    |

### SIDERALINIŲ AUGALŲ MIŠINIŲ SUDĖTYS

| Pavadinimas     | Sėklų norma<br>kg/ha | Sudėtis, proc.  |                        |
|-----------------|----------------------|---|------------------------|
| Dotnuva GREEN 1 | 12                   | Baltosios garstyčios<br>Patariniai raiškai  | 80<br>20               |
| MITROPX         | 50                   | Sėjamiųjų žemai<br>Siauralapiai kubiniai<br>Sėjamosios avišos<br>Sėjamiųjų vikiai | 35<br>24<br>22<br>13.6 |

Partners for farmers

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

This category of activities is carried out in Dotnuva Baltic's own and rented sales and service outlets in Lithuania, Latvia and Estonia, representing world-famous brands of agricultural machinery, providing technical service, as well as long- and short-term rental service of machinery to farmers and agricultural companies. The category's performance is generally influenced by local harvest results and expectations for new sowing, input and output prices, availability of support and financing, borrowing costs, regulation and the geopolitical situation.

During the reporting period:

- **agricultural machinery sales** took place in an extremely competitive market - the majority of machinery sellers have larger than average stock piles in the warehouses, while at the same time farmers were hesitant to invest (the harvest of 2023 met expectations of some farms only, low prices for both - crop production and milk, high financing costs, contracted subsidy pay-outs); despite certain limitations, sales were to some extent fostered by support fund programmes for plant care equipment, sprayers and fertilizer spreaders, in livestock farms – fodder preparation, grass processing equipment; and while altogether revenue of this sub-category decreased 16% y-o-y - overall it's fair to say, that farmers activity was different in three Baltic countries, highly linked to 2023 harvesting results and prospects for 2024 (in Lithuania – more optimistic, in Estonia – severely limited);
- during the H1 of the 2023/2024, it was felt that, for the similar reasons, customers were trying to limit or postpone the **technical inspections** of the equipment; to employ the service staff Estonian teams even found new opportunities from outside Agriculture sector, servicing construction equipment rental company machines. Luckily, starting with Q3 - activity had picked up somewhat, initiating pre-seasonal preparations of key agri-machinery units; all in all, despite remaining customers' sensitivity to price, high effort resulted in the income from **spare parts** and inspection services staying similar to results of 12 months a year ago;
- with farmers income decreasing – the demand of **rental services** was improving and revenue of this category increased by 16%; still, competition in the market remained strong, and those who offered option to rent agri-machinery together with operator service, had competitive advantage; therefore Group companies were working on wider rental services offering, adding precision sowing, strip tilling and lime and manure shaking services (to the already offered grain processing); despite so far quite insignificant share of revenue Group wise, the prospects of this sub-category are good and continuous demand is expected in the future, especially among farmers who have postponed investments, farms that do not meet criteria to receive support funds or the ones that has problems finding qualified machinery operators;
- linked to both - deteriorated revenue and market's pressure for discounts, gross profitability of the category has decreased; however, on the positive side - revenue to inventory ratio improved (59% compared to 74% year ago) and future pipeline seems quite promising, supported by so far satisfactory 2024 harvest indications, as well as expected new support fund programmes in Lithuania and Latvia, coming autumn of 2024;
- within the reporting period construction of two modern agricultural machinery trade and service centres (including service workshops, warehouses, office premises) was completed, moving Joniskis (LT) and Jekabpils (LV) branches from rented to owned premises; altogether investment amounted to approx. EUR 3.9 million.



| Sales and rent of new and used agricultural machinery, spare parts sales, and servicing |    | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|---|----|------------------------|------------------------|-----------|
| Market share of tractors sold (western type), %   | LT | 11                     | 17                     | ↑         |
|   | LV | 11                     | 13                     | ↑         |
|   | EE | 5                      | 4                      | ↓         |
| Market share of harvesters sold, % of sales   | LT | 5                      | 15                     | ↑         |
|   | LV | 26                     | 3                      | ↓         |
|   | EE | 4                      | 9                      | ↑         |
| Size of rental fleet, units   |    | no data                | 35                     | -         |
| Revenue, EUR thousand   |    | 94,209                 | 85,204                 | (9.6)     |
| Gross profit (loss), EUR thousand   |    | 13,617                 | 11,131                 | (18.3)    |

The income dynamics of this category are generally influenced by the same or similar factors that determine the decision to invest in agricultural machinery.

| Other services for farmers                    | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|---|------------------------|------------------------|-----------|
| Revenue, thousand EUR, of which:              | 17,656                 | 14,257                 | (19.3)    |
| sales/installation of equipment, thousand EUR | 10,366                 | 8,573                  | (17.3)    |
| other, thousand EUR                           | 7,290                  | 5,684                  | (22.0)    |
| Gross profit (loss), thousand EUR             | 4,117                  | 4,069                  | (1.2)     |

Partners for Farmers

## Other Services for Farmers

Other services for farmers include the sale and installation of equipment for grain cleaning, drying, storage and livestock farms, as well as the development of the GeoFace smart farming system in Lithuania and Latvia, also other activity, not attributable to main categories of the Segment.



# Food Production

since 2013

Share of revenue in Group's portfolio

26%

|                              |         |
|------------------------------|---------|
| Revenue, thous. EUR          | 398,686 |
| Gross profit, thous. EUR     | 58,903  |
| Operating profit, thous. EUR | 21,099  |



The only producer of instant products in the region

#1

The largest poultry meat producer in Lithuania and Latvia

#1

The largest flour producer in Lithuania

100%

Poultry raised without antibiotics in Latvia

80%

Poultry raised without antibiotics in Lithuania

10

Retail outlets in Latvia

- Whole cycle poultry business cycle:
  - incubation of hatching eggs
  - rearing broilers
  - production of poultry meat and poultry products
  - feed manufacturing for self-supply
  - retail sale of chicken meat and its products
- Manufacture and wholesale of flour, flour mixes, instant foods and ready-to-eat products, production and wholesale of breadcrumbs and breeding mixes
- Provision of logistics, consulting, and management services

## Operating companies

In Lithuania: AB Kauno Grūdai, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas, UAB Alesninkų Paukštynas, UAB Domantonių Paukštynas, UAB Lietbro, AB Zelvě, UAB Avocetė, UAB Šlaituva, UAB KP Valda, UAB VP Valda, KB Grybai LT.

In Latvia: AS Putnu Fabrika Kekava, SIA PFK Trader.

## Own trademarks and product labels



Others: 'Granfågel' (export markets outside the Baltic States), 'Nordichicken' (export markets), 'A'petito', 'Fiesta', 'Chicken otherwise', 'Vištyčio', 'Premium'

## Certificates





Food production

## Poultry

Together, the Group's companies are the largest poultry meat producers in Lithuania and Latvia, owning the best-known poultry meat brands in both countries. The companies' activities cover the entire poultry production cycle, from incubation of hatching eggs to the retail sale of chicken meat/products. The production infrastructure consists of own breeding farms, incubators, poultry houses, slaughterhouses, production buildings, waste incineration and recovery facilities. The main cost components of poultry farms are feed and energy costs. The results of the category are also significantly influenced by the spread of zoonotic viruses, infections, protectionist actions of countries, competitors, as well as other supply-demand factors, which consequently determine the price of poultry meat. About 50% of the Group's poultry production is exported, the main export markets being Denmark, Sweden, the Netherlands, France, Finland, Ireland, Romania, Bulgaria, Kyrgyzstan, Uzbekistan, Kazakhstan, and others.

During the reporting period:

- Group's **poultry** companies produced slightly more live weight meat, consequently buying less from the market; the carcass weight, further used for fresh meat and poultry products processing, was highly comparable y-o-y; increase in production quantities sold was therefore related with warehouse stock;
- the health of the birds remained good, animal welfare and overall growth performance was positive; EPEF and FCR (feed conversion) indicators showed efficient use of the breed's genetic potential and high feed conversion; proportion of broilers reared without antibiotics was continuously measured;
- minor decrease in revenue illustrates subtle price correction downwards, overall still playing in favourable price environment; meanwhile, the material decrease in feed input (price of the 2023 harvest) and energy costs, compared to the same period a year ago, led to a recovery in the gross profitability of the Group's poultry farms;
- after the end of the reporting period poultry company AB Kaišiadorių Paukštynas announced about its investment plans in biomethane gas production plant, expecting construction on the company's land plot in Kaišiadorys district to be preliminary completed in the first quarter of 2026.

| Poultry and poultry products                               | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|--|------------------------|------------------------|-----------|
| Live weight of chicken produced, thousand tons             | 118.2                  | 120.0                  | 1.5       |
| Live weight chicken ready for slaughter, thousand tons     | 137.3                  | 136.2                  | (0.8)     |
| Carcass weight, thousand tons                              | 102.5                  | 102.4                  | 0.0       |
| Sales of fresh chicken and chicken products, thousand tons | 96.3                   | 99.7                   | 3.5       |
| EPEF <sup>1</sup> , LT/LV                                  | 380/380                | 385/378                | LT↓, LV ↑ |
| Poultry meat % raised without antibiotics, LT/LV           | 75/100                 | 80/100                 | ↑         |
| Revenue, thousand EUR                                      | 291,018                | 285,004                | (2.1)     |
| Gross profit (loss), thousand EUR                          | 16,967                 | 34,561                 | 103.7     |

<sup>1</sup>European 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.

## Food Production

## Instant Foods (IF) and Ready-to-Eat (RTE) Products

The Group's company AB Kauno Grūdai produces instant porridges and noodles in its factories located in Kėdainiai and Alytus (IF capacity - 265 million units per year), as well as organic soups, stews, cereal meals and organic vegetables in pouches (RTE) in a modern robotized factory in Širvintos (RTE capacity – 9 million units per year).

Majority of the IF production is private label orders, mainly exported to the UK, Spain, the Czech Republic, Scandinavia and the Baltic markets. The RTE orders are mainly branded ones, exported to US, Germany, Baltics, Azia. The main cost components of this production business are flour, oils, vegetables, packaging and energy.

During the reporting period:

- the Group's factories produced fewer units of **porridge and noodles packs, cups and boxes (IF)**, with sales volumes showing contraction compared to the same period a year ago; as indicated in Group's 2023/2024 Q1 report - due to relatively high 2023 warm season sales (in terms of historical activity), it was evident that major Scandinavian buyers have restocked their warehouses and that no growth in quantities shall be expected in the next few quarters; at the date of publication of this report - higher pace activity has already returned, however will be visible in the results of the FY2024/2025; while FY 2023/2024 was still ensuring high gross profitability due to higher share of smaller scale contracts (tend to have higher margin) and efforts to limit repricing, the price decrease tendency is gradually coming to this production category as well, expecting lower gross profitability for coming year;
- following the completion of the acquisition of the cooperative 'Grybai LT' in the first month of the reporting period, the results of its production - **ready-to-eat soups, vegetables, stews and cereal-based dishes (RTE)** - are reflected in the Group's consolidated results from 1-st of August, 2023; accordingly, the 12 months of the financial year 2023/2024 includes 11 months of operations in which the plant was running at close to 70% of capacity; the sales quantities from existing clients in United States were moderate due to extra orders made previous year (similarly as with Scandinavian clients in IF sub-category);
- investment in the expansion of the Alytus IF production plant continued (started in 2023), with the expectation of having increased IF production capacity already in Q2 of 2024/2025 (additional 240 million units per year).

| Instant and ready-to-eat products                                     | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|---|------------------------|------------------------|-----------|
| IF production, million units  | 284.4                  | 240.6                  | (15.4)    |
| RTE production, million units   | -                      | 6.1                    | -         |
| IF and RTE sales, million units                                       | 265.6                  | 241.2                  | (9.2)     |
| Share of IF export (outside the Baltics) and private label orders, %  | 94/92                  | 94/93                  | ↑         |
| Share of RTE export (outside the Baltics) and private label orders, % | 72/23                  | 72/18                  | ↓         |
| Revenue, thousand EUR   | 84,982                 | 80,933                 | (4.8)     |
| Gross profit (loss), thousand EUR                                     | 9,058                  | 13,446                 | 48.4      |



Food production

## Flour and Flour Mixtures, Breadcrumbs and Breeding Mixes

The Group companies AB Kauno Grūdai and UAB Šlaituva produce flour, breadcrumbs and coating systems at the grain mill in Kaunas (70 thousand tons capacity per year) and at the breeding preparation plant in Kaunas district (12 thousand tons capacity per year). The companies operate in an integrated manner: part of the flour produced at the mill is supplied to the Group's companies for the production of noodles and breadcrumbs; breadcrumbs are used in the preparation of poultry meat products, etc.

The main cost components of this production business are grain and energy costs; the profitability of the category is significantly influenced by the efficient management of cost and output prices, the proportion of retail to wholesale orders, as well as the longevity of the partnerships and contracts. Most of the production of breadcrumbs is exported, with the main export destinations being Great Britain, Poland and Hungary; sales of flour and flour mixes are more than 90% directed to the Baltic markets.

During the reporting period:

- despite minor demand contraction inside the Group (noodles and breadcrumbs production), the production volumes of **flour and flour mixes** was relatively stable; meanwhile third party sales quantities increased, owing mostly to the active beginning of the year with one-off bulk orders from old-time client; still, despite growth in volume, revenue was contracting and illustrating lower grain prices, which with some delay – though still incorporate itself into flour product prices;
- throughout the Q4 of the FY 2023/2024 - the demand for **breadcrumbs** remained comparatively stable, production plant was working in full capacity, Group companies were successfully expanding its client base; it should be noted that the difference in produced and sold quantities is mainly related with internal sales to Group's poultry companies (not included in the sales quantities below), suggesting overall strong sales volumes for the full FY 2023/2024; while decreasing production costs gradually reflect itself into lower sales prices, the pace of production repricing was still comparatively slow, favourably impacting gross profitability.

| Flour and flour mixtures, breadcrumbs and breeding mixes                    | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|---|------------------------|------------------------|-----------|
| Flour and flour mixtures produced, thousand tons                            | 64.8                   | 65.6                   | 1.2       |
| of this amount directed to  |                        |                        |           |
| IF production, %  | 23.8                   | 23.5                   | ↓         |
| Breadcrumbs production, %   | 14.3                   | 13.6                   | ↓         |
| Breadcrumbs production, thousand tons                                       | 9.8                    | 9.8                    | (0.1)     |
| Flour and flour mixtures sales, thousand tons                               | 39.9                   | 43.6                   | 9.3       |
| Share of exports of flour and flour mixtures (outside the Baltic States), % | 3.2                    | 2.0                    | ↓         |
| Sales of breadcrumbs, thousand tons   | 8.0                    | 8.0                    | (0.5)     |
| Share of breadcrumb exports (outside the Baltic States), %                  | 92                     | 87                     | ↓         |
| Revenue, EUR thousand   | 34,385                 | 23,416                 | (31.9)    |
| Gross profit (loss), EUR thousand   | 3,385                  | 4,342                  | 28.3      |



# Farming

since 2003

Share of revenue in Group's portfolio

3%

|                                     |        |
|-------------------------------------|--------|
| Revenue, thous. EUR                 | 43,621 |
| Gross profit (loss), thous. EUR     | 6,528  |
| Operating profit (loss), thous. EUR | 5,345  |

**19,072** hectares of cultivated land

**6,217** hectares of own arable land

**3,226** cows

**38** thousand tons of milk produced

**128** thousands of tons of crop production

- 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

## Operating companies

Companies in Lithuania:

UAB Akola Farming  
 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  
 UAB Užupė  
 UAB Paberžėlė  
 UAB Lineliai



## Farming

## Cereals and Other Crops Growing

The Group operates seven agricultural companies located in fertile areas of Lithuania - Panevėžys, Kėdainiai, Šakiai and Biržai districts. The companies grow cereals, rapeseed, sugar beet and other crops on land owned and leased by the Group companies. The main cost components of these companies are seeds, fertilizers, plant protection products, chemicals, fuel, rent and financing costs. The results in this category are significantly influenced by market prices for crop production, subsidy policies and climatic conditions.

- For the 2023 harvest, the Group's agricultural companies harvested similar to the previous year planted areas; despite of weaker performance of summer **crops** (malting barley, beans), which suffered unfavourable weather conditions in the spring of 2023, winter crops yield was in line with or even above long-term averages, additionally Group companies have increased sugar beet production (more than 2 times), which due to naturally higher outputs per hectare, delivered increased total harvested quantities; at the closing date of the reporting period, the Group's agricultural companies have had 100% of the 2023 harvest quantities sold, unfortunately recording decline in both – revenue and gross profit for the period under review; latter reflected contraction in market prices for crop production (approx. 30% lower), somewhat **different quality and dominant class of grain, as well as elevated costs related with older stock of inputs**;
- it should be noted that, as per Group's accounting policy, throughout the FY 2023/2024 total EUR 7.9 million write-down of the sold inventory cost was gradually made (calculated on the basis of the biological assets fair value as at 30 June 2023), at the end of the financial year (at 30 June 2024) also booking biological assets fair value amount of EUR 7.9 million, consequently altogether not bringing material impact on annual gross profitability;
- at the closing date of reporting period, for the harvest of the 2024 Group companies have had 19 thousand ha sown; the number indicates slightly higher area compared to the sowings a year ago and is related with less strict EU requirements for fallow areas this year; based on information available at the date of publication of this report, close to 90% of the sown fields were harvested already in Group's farming companies, preliminary stating above average yields for winter wheat and close to average yields for malting barley and winter rapeseed; roughly 55% of 2024 harvest was already sold under forward sales contracts.

| Cereals and other crops  | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|--|------------------------|------------------------|-----------|
| Harvested production, thousand t   | 109.7                  | 128.2                  | 16.9      |
| Main crops harvested and their average yields:   |                        |                        |           |
| Winter wheat   | 45%, 7.3 t/ha          | 40%, 7.4 t/ha          | -         |
| Malting barley   | 16%, 5.8 t/ha          | 11%, 5.3 t/ha          | -         |
| Winter rape  | 11%, 3.6 t/ha          | 9%, 3.7 t/ha           | -         |
| Sugar beet   | 14%, 67.4 t/ha         | 28%, 67.4 t/ha         |           |
| Other  | 14%                    | 11%                    | -         |
| Dominant class of wheat harvested  | 1-2 cl.                | 2 cl.                  | -         |
| Quantity of crop production sold during the reference period, thousand t                   | 105.4                  | 125.5                  | 19.0      |
| % of the total, including forward contracts, of the 2023 (2022) harvest sold               | n/a                    | 100%                   | -         |
| Area under cultivation, ha   | 19,229                 | 19,072                 | ↓         |
| Areas sown for future harvest, ha  | 18,320                 | 18,962                 | 3.5       |
| Total forward sales of the future 2024 harvest, (at the day of publication of this report) | 55%                    | 55%                    | -         |
| Revenue, thousand EUR  | 32,353                 | 27,553                 | (14.8)    |
| Gross profit (loss), thousand EUR  | 9,046                  | 2,383                  | (73.7)    |

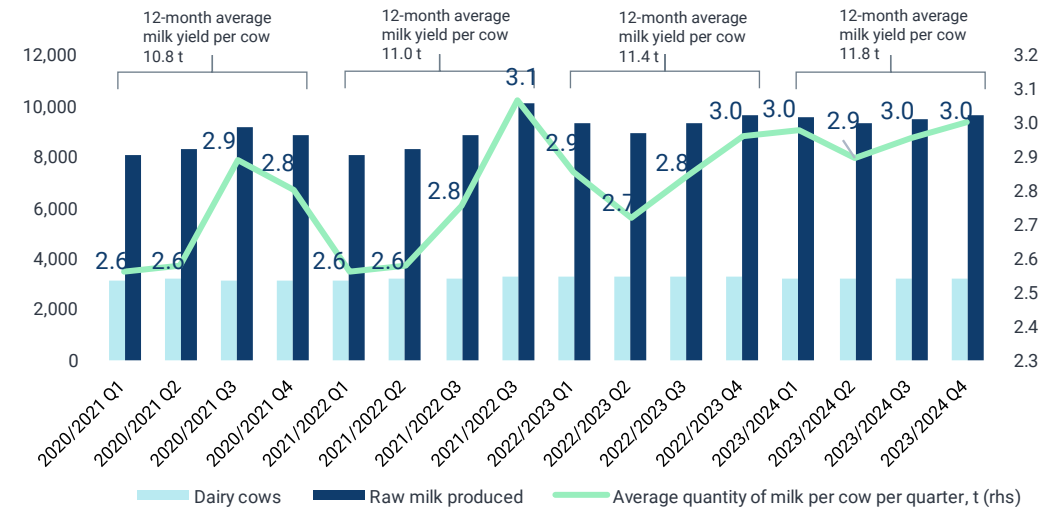
## Farming

# Milk and Beef Cattle Farming

Five of the seven Group's agricultural companies are active in dairy production and beef cattle farming. The main cost components in this category are feed, energy and financing costs, while the category's results are also significantly influenced by market prices for raw milk and the subsidy policies. Dairy companies are constantly striving to improve the efficiency of their farms; the quantity and quality of milk produced by a cow varies according to feed, temperature, animal genetics and other factors, and does not usually show a direct correlation.

- Despite slightly lower number of dairy cows at the end of the period, the volume of **milk** produced during the reporting period not only increased, but also managed to keep the weighted average coefficient for protein and fat content relatively stable; the average milk quantities per dairy cow throughout the financial year further improved, reaching 11.8 t, compared to 11.4t a year ago;
- the dynamics of revenue and gross profit for the 12 months of the FY 2023/2024 reflect continuously low raw milk purchase prices in combination to still relatively expensive cost components, consequently leading to a sparse (even if y-o-y improved) profitability of the milk category; it should be noted, that significant part of milk production cost is feed cost, which in part is produced by the farming companies themselves; and while lately market is giving discount for feedstuffs, own production cost reflected actual and comparatively higher expenses.

## Dynamics of raw milk production in agricultural companies



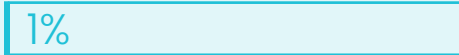
### Milk and beef cattle farming

|   | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|---|------------------------|------------------------|-----------|
| Number of dairy cows at the end of the period | 3,264                  | 3,226                  | (1.2)     |
| Milk production, thousand tons                | 37.3                   | 38.2                   | 2.3       |
| Revenue, thousand EUR                         | 17,837                 | 16,068                 | (9.9)     |
| Gross profit (loss), thousand EUR             | 3,222                  | 4,145                  | 28.6      |

## Other Products and Services

since 2021

Share of revenue in Group's portfolio



|                              |        |
|------------------------------|--------|
| Revenue, thous. EUR          | 19,245 |
| Gross profit, thous. EUR     | 3,997  |
| Operating profit, thous. EUR | (62)   |



own extruded products production base in Alytus

- Other products and services
- Trade in pest control and hygiene products
- Extruded Products
- Production and marketing of extruded products, pet food
- Pest Control
- Provision of veterinary pharmaceutical services and trade in products
- Fumigation and sanitation services

### Veterinary Pharmacy

### Operating companies

AB Kauno Grūdai, UAB Baltic Fumigation Services

### Own trademarks

### Manufacturers/brands represented

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, etc.

### Certificates

AB Kauno Grūdai has license for wholesale distribution of veterinary pharmaceuticals.

During the reporting period:

In the other business segment, the largest share of sales is generated by production of pet food in own extruded products production base in Alytus, wholesale and retail sales of veterinary preparations from well-known manufacturers in Lithuania and Belarus, , pest control services and sales of hygiene products in Lithuania (prophylactic and intervention products to ensure food safety requirements, chemical products for both professional use and everyday cleaning of household premises).

- the Group's **pet food production** plant was working close to full capacity, demand of the product remains strong; producing unit is working on new products and gradually decreasing proportion of economy category pet food (approx. 50% of total); revenue accelerated thanks to higher sales volume (warehouse stock) and product portfolio improvement, as well as efforts maintaining higher customer product prices; in the effect of decreasing costs – the gross profitability of the category was continuously improving;
- during the Q4 of the FY 2023/2024 **veterinary pharmaceuticals** category income advanced in similar pace as within quarters before - however total annual turnover and gross profit decreased by approx. one fourth if compared to previous year's result, still indicating comparatively stable gross profit margin; despite somewhat contracted activity in the Group companies, overall demand in local market remained high, market for the small animals' veterinary service was gradually expanding;
- in the Q4 of the FY 2023/2024 price increases for services not under long-term contracts was initiated in **pest control, disinfection and hygiene** category; comparing y-o-y - total annual revenue increased slightly, while gross profitability showed solid improvement.

| Other products and services                                  | 2022/2023<br>12 months | 2023/2024<br>12 months | Change, % |
|--|------------------------|------------------------|-----------|
| Produced extruded products, thousand tons                    | 11.1                   | 10.7                   | (4.4)     |
| Sold extruded products, thousand tons                        | 9.2                    | 9.8                    | 6.6       |
| Revenue, thousand EUR, of which:                             | 20,035                 | 19,245                 | (3.9)     |
| Share of extruded products and other, %                      | 60                     | 61                     | ↑         |
| Share of pest control, disinfection, and hygiene products, % | 9                      | 10                     | ↑         |
| Share of veterinary pharmaceuticals, %                       | 31                     | 29                     | ↓         |
| Gross profit (loss), thousand EUR                            | 2,477                  | 3,997                  | 61.4      |



## 3. Major Events

### 3.1. The Publicly Disclosed Information

During the period ended 30 June 2024, the Company publicly disclosed and distributed via Nasdaq Vilnius Exchange Globenewswire system and in Company's website [www.akolagroup.lt](http://www.akolagroup.lt) the following information:

|                          |   |
|--------------------------|---|
| 23/05/2024<br>16:00 EEST | Summary of the Investor Conference webinar of the 9-month unaudited results of AB Akola Group for the financial year 2023/2024                                  |
| 22/5/2024<br>15:07 EEST  | Nine months of AB Akola Group: impacted by low raw material prices  |
| 14/5/2024<br>9:15 EEST   | AB Akola Group will hold an Investor Conference Webinar to introduce the financial results for the 9 months of financial year 2023/2024                         |
| 30/4/2024<br>15:00 EEST  | AB Akola Group: notification on acquisition of voting rights  |
| 8/4/2024<br>07:55 EEST   | AB Akola Group invests in 'Brite', a natural functional drinks start-up   |
| 27/3/2024<br>9:00 EET    | AB Akola Group to build a seed factory for EUR 9.5 million  |
| 19/3/2024<br>9:00 EET    | Resignation of a member of the Management Board of AB Akola Group   |
| 15/3/2024<br>8:30 EET    | AB Akola Group invests in a promising Lithuanian beverage startup   |
| 22/2/2024<br>16:00 EET   | Summary of the Investor Conference webinar of the 6-month unaudited results of AB Akola Group for the financial year 2023/2024                                  |
| 21/2/2024<br>17:48 EET   | Six months of AB Akola Group: grain trade retreated, food production grew profitably  |
| 19/2/2024<br>12:58 EET   | AB Akola Group will hold an Investor Conference Webinar to introduce the financial results for the 6 months of financial year 2023/2024                         |
| 13/12/2023<br>9:13 EET   | AB Akola Group investors calendar for the 2024  |
| 8/12/2023<br>9:48 EET    | A new ticker of AB Akola Group securities on Nasdaq Vilnius   |
| 7/12/2023<br>9:04 EET    | AB Akola Group: notification on disposal of voting rights   |
| 5/12/2023<br>8:35 EET    | Notification on the total number of voting rights granted by AB Akola Group shares, the authorized capital amount, the number of shares and their nominal value |
| 5/12/2023<br>8:30 EET    | New wording of AB Akola Group Articles of Association is registered, the name of the company changes and the authorized capital is increased                    |
| 4/12/2023<br>18:34 EET   | AB Linas Agro Group: notification on disposal of voting rights  |
| 4/12/2023<br>16:21 EET   | AB Linas Agro Group: notification on acquisition of block of shares of the Company  |

|                          |   |
|--------------------------|---|
| 1/12/2023<br>11:46 EET   | Summary of the Investor Conference webinar of the 3-month unaudited results of AB Linas Agro Group for the financial year 2023/2024                           |
| 30/11/2023<br>18:17 EET  | AB Linas Agro Group results for the 3 months of 2023/2024 financial year  |
| 27/11/2023<br>9:03 EET   | AB Linas Agro Group: notification on transactions in the Company's securities by the managers and persons closely associated with the managers of the Company |
| 24/11/2023<br>17:11 EET  | AB Linas Agro Group: notification on transactions in the Company's securities by the managers and persons closely associated with the managers of the Company |
| 24/11/2023<br>11:12 EET  | AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the 3 months of financial year 2023/2024                  |
| 27/10/2023<br>14:02 EEST | Dividend Payment Procedure for shareholders of AB Linas Agro Group  |
| 27/10/2023<br>13:56 EEST | AB Linas Agro Group notification about the Annual information of the financial year 2022/2023   |
| 27/10/2023<br>13:40 EEST | Decisions of the Annual General Meeting of shareholders of AB Linas Agro Group held on 27 October 2023  |
| 6/10/2023<br>17:39 EEST  | Update: Draft resolutions and documents for the Annual General Meeting of Shareholders of AB Linas Agro Group to be held on October 27,2023                   |
| 6/10/2023<br>9:00 EEST   | AB Linas Agro Group plans to change its name  |
| 5/10/2023<br>16:40 EEST  | Notice on convening the Annual General Meeting of Shareholders of AB Linas Agro Group   |
| 8/9/2023<br>7:50 EEST    | Linas Agro Group-owned Dotnuva Baltic starts construction of a new agricultural trade and service center in Latvia  |
| 5/9/2023<br>16:00 EEST   | Summary of the Investor Conference webinar of the 12-month unaudited results of AB Linas Agro Group for the financial year 2022/2023                          |
| 31/8/2023<br>20:38 EEST  | AB Linas Agro Group results for the 12 months of 2022/2023 financial year: challenges for agribusiness and recovery for food businesses                       |
| 28/8/2023-<br>10:38 EEST | AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the 12 months of the financial year 2022/2023             |
| 2023-07-21<br>16:15 EEST | AB Linas Agro Group completed the acquisition of part of the business from AUGA Group, AB   |

## 3.2. Other Events of the Reporting Period

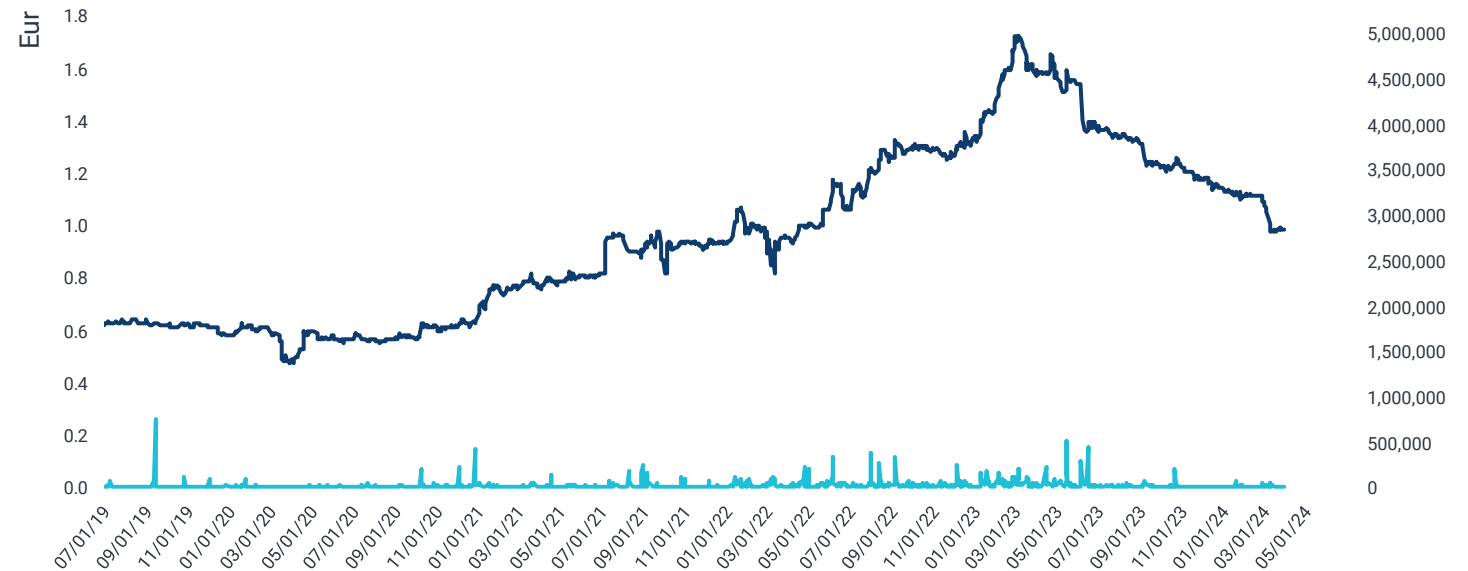
|            |   |
|------------|---|
| 28/06/2024 | The reorganization is finished, UAB Gerera was merged to UAB Linas Agro Grūdių Centrai. Accordingly, the share capital of UAB Linas Agro Grūdių Centrai increased in the amount of EUR 103,000.   |
| 21/06/2024 | SIA KEKAVA BIOENERGY has been registered.   |
| 18/06/2024 | Liquidation of UAB Kormoprom Invest has been initiated.   |
| 08/05/2024 | The authorized capital of LLC LINAS AGRO UKRAINE was increased in the amount of UAH 12,000,000 (EUR 325,000).   |
| 30/04/2024 | Dainius Pilkauskas, member of the Management Board of the Company, resigned from the office.  |
| 11/04/2024 | The Reorganization was initiated, UAB GERERA will be merged into UAB Linas Agro Grūdių Centrai and will terminate as a legal entity.  |
| 08/04/2024 | The Company acquired shares of BRITE DRINKS LTD.  |
| 01/03/2024 | UAB Grybai LT was registered, restructured from KB Grybai LT.   |
| 13/02/2024 | UAB KG Logistika removed from the Register of Legal Entities after liquidation.   |
| 09/02/2024 | UAB KG Distribution removed from the Register of Legal Entities after liquidation.  |
| 01/02/2024 | The reorganization in Latvia is finished, SIA Lielzeltini, SIA Cerova and SIA Broileks were merged to AS Kekava Foods (while changing the name instead of AS Putnu Fabrika Kekava). Accordingly, the share capital of AS Kekava Foods increased by EUR 1,504,877. |
| 26/01/2024 | UAB Gastroneta removed from the Register of Legal Entities after liquidation.   |
| 11/01/2024 | The Company transferred 23,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.  |
| 05/12/2023 | The names of the Group companies were changed: UAB Akola Farming instead of UAB Linas Agro Konsultacijos, UAB Akola Foods instead of UAB TABA Holding and UAB Akola Foods instead of UAB Kekava Foods LT.   |
| 29/11/2023 | The authorized capital of UAB GeoFace was increased by the contribution of AB Linas Agro in the amount of EUR 300,000.  |
| 30/10/2023 | The authorized capital of AB Linas Agro was increased by a non-cash contribution of AB Linas Agro Group in the amount of EUR 5,942,022.   |
| 26/10/2023 | AB Linas Agro Group transferred the shares of UAB Linas Agro Grūdių Centrai, UAB Jungtinė Ekspedicija and UAB Dotnuva Seeds to joint stock company Linas Agro pursuant to the share subscription agreement of AB Linas Agro.                                      |
| 16/10/2023 | Reorganization of merging SIA Broileks, SIA Cerova and SIA Lielzeltini to AS Putnu Fabrika Kekava has been initiated.   |
| 11/10/2023 | The spin-off of UAB Landvesta 1 is completed and the new version of the Articles of Association of UAB Landvesta 1 is registered, resulting in a reduction of capital by EUR 5,847.   |
| 11/10/2023 | UAB Sunvesta UAB is founded, following its separation from UAB Landvesta 1.   |
| 29/9/2023  | The liquidation of UAB KG Distribution, UAB KG Logistika, UAB VKP Valdymas and UAB Gastroneta has been initiated with effect from 02/10/2023.   |

### 3.3. Subsequent Events

|                     |   |
|---------------------|---|
| 22/08/2023          | The split-off from Landvesta 1 UAB is initiated.  |
| 7/7/2023            | The Company transferred 3,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue. |
| 12/08/2024          | The Company sold shares of UAB Sunvesta.  |
| 07/08/2024          | The shares of SIA KG Latvija have been acquired by AB Kauno Grūdai from UAB KG Mažmena.                                     |
| 01/08/2024          | The shares of KG Khumex Coldstore B.V. and Khumex Holding B.V. have been sold.  |
| 2024<br>July/August | The Company transferred 50,000 of its own shares to employees of the Group under the Rules for Shares Issue.                |
| 02/07/2024          | UAB Gerera removed from the Register of Legal Entities after reorganization.  |

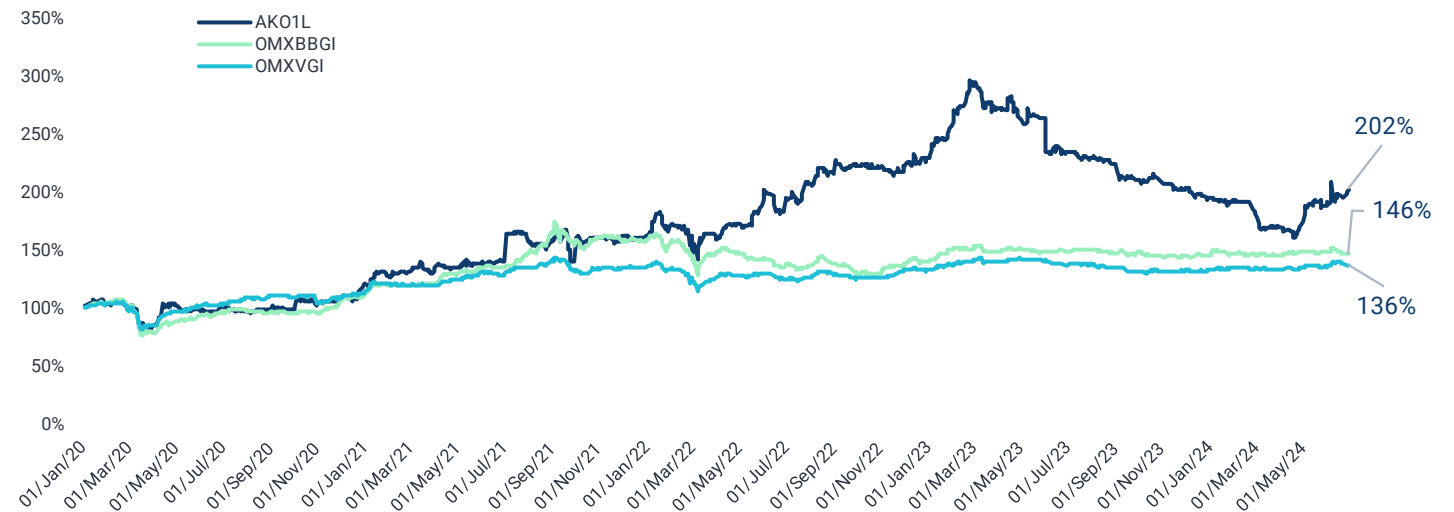
# 4. Company Share Price and Turnover

The period from 1 July 2019 to 30 June 2024:



## Share Price with OMX Baltic Benchmark GI (OMXBBGI) and OMX Baltic Vilnius GI (OMXVGI) Indices

Period from 1 January 2020 to 30 June 2024:





**AB Akola Group**  
Unaudited interim condensed  
Consolidated Financial Statements  
**2023/2024 financial year**

12-month period ended 30 June 2024

# Interim Condensed Consolidated Statement of Financial Position

All amounts are in thousand euros unless otherwise stated

1

|  | Notes | 30/6/2024      | 30/6/2023      |
|--|-------|----------------|----------------|
| <b>ASSETS</b>  |       |                |                |
| <b>Non-current assets</b>                              |       |                |                |
| Intangible assets                                      | 5     | 9,280          | 3,025          |
| Property, plant, and equipment                         | 6     | 204,912        | 174,463        |
| Right-of-use assets                                    | 7     | 37,217         | 30,536         |
| Investment property                                    | 8     | 742            | 399            |
| <b>Biological assets</b>                               |       |                |                |
| Animals and livestock                                  |       | 16,442         | 11,786         |
| <b>Non-current financial assets</b>                    |       |                |                |
| Investments in associates and a joint venture          |       | 1,464          |                |
| Other investments and prepayments for financial assets |       | 61             | 531            |
| Non-current receivables                                |       | 7,054          | 5,048          |
| Non-current receivables from related parties           | 15    | 1,450          | 750            |
| <b>Total non-current financial assets</b>              |       | <b>10,030</b>  | <b>6,329</b>   |
| Non-current prepayments                                |       | 828            | 1,017          |
| Deferred income tax asset                              |       | 8,462          | 8,323          |
| <b>Total non-current assets</b>                        |       | <b>287,913</b> | <b>235,878</b> |
| <b>Current assets</b>                                  |       |                |                |
| <b>Biological assets</b>                               |       |                |                |
| Crops  |       | 29,302         | 31,848         |
| Livestock  |       | 9,563          | 10,091         |
| Inventories  | 9     | 223,748        | 266,637        |
| Current prepayments                                    |       | 10,547         | 5,564          |
| <b>Current accounts receivable</b>                     |       |                |                |
| Trade receivables                                      |       | 296,349        | 312,204        |
| Receivables from related parties                       | 15    | 2,399          | 4,670          |
| Income tax receivable                                  |       | 3,112          | 1,057          |
| Other accounts receivable and contract assets          |       | 12,053         | 10,607         |
| <b>Total current accounts receivable</b>               |       | <b>313,913</b> | <b>328,538</b> |
| Derivative financial instruments                       |       | 1,593          | 1,531          |
| Other current financial assets                         |       | 1,127          | 972            |
| Cash and cash equivalents                              |       | 16,037         | 13,264         |
| <b>Total current assets</b>                            |       | <b>605,830</b> | <b>658,445</b> |
| <b>Total assets</b>                                    |       | <b>893,743</b> | <b>894,323</b> |





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

All amounts are in thousand euros unless otherwise stated

2

|  | Notes  | 30/6/2024      | 30/6/2023      |
|--|--------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>                                    |        |                |                |
| Equity attributable to equity holders of the parent              |        |                |                |
| Share capital  | 1      | 48,479         | 46,715         |
| Share premium  | 1      | 25,779         | 23,928         |
| Legal and other reserves   |        | 4,847          | 8,593          |
| Own shares (-)   |        | (411)          | (426)          |
| Foreign currency translation reserve                             |        | 96             | (130)          |
| Retained earnings  |        | 224,445        | 205,472        |
| <b>Total equity attributable to equity holders of the parent</b> |        | <b>303,235</b> | <b>284,152</b> |
| Non-controlling interest   |        | 16,999         | 14,479         |
| <b>Total equity</b>  |        | <b>320,234</b> | <b>298,631</b> |
| <b>Liabilities</b>   |        |                |                |
| <b>Non-current liabilities</b>                                   |        |                |                |
| Grants and subsidies   |        | 8,415          | 8,565          |
| Non-current borrowings   | 10     | 65,317         | 28,415         |
| Non-current contract liabilities                                 |        | 1              | 1              |
| Lease liabilities  | 11     | 35,777         | 35,098         |
| Deferred income tax liability                                    |        | 2,439          | 1,401          |
| Provisions   |        | 2,477          | 1,642          |
| Other non-current liabilities                                    |        | -              | 105            |
| <b>Total non-current liabilities</b>                             |        | <b>114,426</b> | <b>75,227</b>  |
| <b>Current liabilities</b>                                       |        |                |                |
| Current portion of non-current borrowings                        | 10     | 12,190         | 9,175          |
| Current portion of lease liabilities                             | 11     | 14,948         | 10,820         |
| Current borrowings   | 10, 15 | 189,391        | 244,824        |
| Trade payables   |        | 184,554        | 198,631        |
| Payables to related parties                                      |        | 272            | 273            |
| Income tax payable   |        | 179            | 1,765          |
| Derivative financial instruments                                 |        | 161            | 531            |
| Contract liabilities   |        | 3,622          | 3,206          |
| Provisions <sup>1</sup>  |        | 3,941          | 3,061          |
| Other current liabilities <sup>1</sup>                           |        | 49,825         | 48,179         |
| <b>Total current liabilities</b>                                 |        | <b>459,083</b> | <b>520,465</b> |
| <b>Total equity and liabilities</b>                              |        | <b>893,743</b> | <b>894,323</b> |

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

<sup>1</sup> Comparative information for marked groups has been recalculated in the financial statements. In 2024, the Company reviewed accounts grouping methodology in the financial statements and adjusted the comparative figures for 2022/2023 in order to reflect more accurately the amounts of provisions. In the Comparative figures 2022/2023, the figures were reclassified in amount EUR 2 509 thousand from "Other current liabilities" to the "Provisions", in order to more accurately reflect the Company liabilities under the requirements of IAS 37



# Interim Condensed Consolidated Statement of Profit (Loss) and Other Comprehensive Income

(for the period from 1 July to 30 June)

All amounts are in thousand euros unless otherwise stated

3

|  | Notes | 2023/2024<br>12 months | 2022/2023<br>12 months |
|--|-------|------------------------|------------------------|
| Revenue from contracts with customers  | 4     | 1,506,238              | 1,999,617              |
| Cost of sales  |       | (1,354,210)            | (1,861,648)            |
| Gross profit (loss)  |       | 152,028                | 137,969                |
| Operating (expenses)   | 12    | (108,383)              | (95,646)               |
| Expenses and reversal of impairment of trade receivables, contract assets and other receivables  |       | 685                    | (3,495)                |
| Other income <sup>1</sup>  | 13    | 9,891                  | 13,126                 |
| Other (expenses) <sup>1</sup>  | 13    | (6,837)                | (7,045)                |
| Loss on disposal of a foreign operation  |       | -                      | (313)                  |
| Reclassification of foreign currency translation reserve related to a foreign operation disposal   |       | -                      | (3,104)                |
| Operating profit (loss)  |       | 47,384                 | 41,492                 |
| Income from financial activities   |       | 5,360                  | 3,607                  |
| (Expenses) from financial activities   |       | (24,477)               | (19,339)               |
| Share of profit of an associate and a joint ventures   |       | 13                     | -                      |
| Profit (loss) before tax   |       | 28,280                 | 25,760                 |
| Income tax and deferred income tax income (expenses)   |       | (1,946)                | (4,943)                |
| Net profit (loss)  |       | 26,334                 | 20,817                 |
| Net profit (loss) attributable to:   |       |                        |                        |
| The shareholders of the Company  |       | 23,363                 | 18,134                 |
| Non-controlling interest   |       | 2,971                  | 2,683                  |
| Basic and diluted earnings per share (EUR)   |       | 0.16                   | 0.13                   |
| Other comprehensive income (loss)  |       |                        |                        |
| Exchange differences on translation of foreign operations into the Group's presentation currency related to disposal of a foreign operation reclassification to profit or loss |       | -                      | 3,819                  |
| Exchange differences on translation of foreign operations into Group's presentation currency   |       | 350                    | (334)                  |
| Cash flow hedges - effective portion of change in fair value   |       | 400                    | 1,220                  |
| Cash flow hedges - reclassified to profit or loss  |       | (816)                  | (680)                  |
| Total other comprehensive income (loss), that may be reclassified to profit or loss in subsequent periods:   |       | (66)                   | 4,025                  |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods:   |       | -                      | -                      |
| Total other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:  |       | -                      | -                      |
| Total other comprehensive income (loss), net of tax  |       | (66)                   | 4,025                  |
| Total comprehensive income (loss), net of tax  |       | 26,268                 | 24,842                 |
| Total other comprehensive income, net of tax attributable to:  |       |                        |                        |
| The shareholders of the Company  |       | 23,223                 | 22,090                 |
| Non-controlling interest   |       | 3,045                  | 2,752                  |
|  |       | 26,268                 | 24,842                 |

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

<sup>1</sup> The comparative information for the marked groups has been clarified in the financial statements. To more accurately reflect the reclassification of items in the financial statements, the Group's management reviewed the account grouping methodology in the financial statements in 2024 and adjusted the comparative years 2022-2023. In order to disclose a more accurate picture of the result of the sale of non-current assets, the Group reclassified an amount of EUR 75 thousand between comparative figures from "Other expenses" to "Other income" in accordance with IAS 1.34(a)

# Interim Condensed Consolidated Statement of Profit (Loss) and Other Comprehensive Income

(for the period from 1 April to 30 June)

All amounts are in thousand euros unless otherwise stated

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|   | Notes | 2023/2024<br>IV quarter | 2022/2023<br>IV quarter |
|---|-------|-------------------------|-------------------------|
| Revenue from contracts with customers   | 4     | 381,799                 | 499,258                 |
| Cost of sales   |       | (333,491)               | (474,408)               |
| Gross profit (loss)   |       | 48,308                  | 24,850                  |
| Operating (expenses)  | 12    | (28,370)                | (23,081)                |
| Expenses and reversal of impairment of trade receivables, contract assets and other receivables           |       | (623)                   | (4,363)                 |
| Other income <sup>1</sup>   | 13    | 3,655                   | 5,692                   |
| Other (expenses) <sup>1</sup>   | 13    | (589)                   | (2,069)                 |
| Loss on disposal of a foreign operation   |       | –                       | (1)                     |
| Operating profit (loss)   |       | 22,381                  | 1,028                   |
| Income from financial activities  |       | 869                     | 670                     |
| (Expenses) from financial activities  |       | (5,660)                 | (4,970)                 |
| Share of profit of an associate and a joint ventures  |       | 11                      | –                       |
| Profit (loss) before tax  |       | 17,601                  | (3,272)                 |
| Income tax and deferred income tax income (expenses)  |       | (415)                   | (806)                   |
| Net profit (loss)   |       | 17,186                  | (4,078)                 |
| Net profit (loss) attributable to:  |       |                         |                         |
| The shareholders of the Company   |       | 15,303                  | (4,260)                 |
| Non-controlling interest  |       | 1,883                   | 182                     |
|   |       | 17,186                  | (4,078)                 |
| Basic and diluted earnings per share (EUR)  |       | 0.10                    | (0.03)                  |
| <b>Other comprehensive income (loss)</b>  |       |                         |                         |
| Exchange differences on translation of foreign operations into Group's presentation currency              |       | (11)                    | 19                      |
| Cash flow hedges - effective portion of change in fair value  |       | 162                     | 600                     |
| Cash flow hedges - reclassified to profit or loss   |       | 91                      | (261)                   |
| Total other comprehensive income (loss), that may be reclassified to profit or loss in subsequent periods |       | 242                     | 358                     |
| Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:         |       | –                       | –                       |
| Total other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods    |       | –                       | –                       |
| Total other comprehensive income (loss), net of tax   |       | 242                     | 358                     |
| Total comprehensive income (loss), net of tax   |       | 17,428                  | (3,720)                 |
| <b>Total comprehensive income, net of tax attributable to:</b>  |       |                         |                         |
| The shareholders of the Company   |       | 15,523                  | (3,947)                 |
| Non-controlling interest  |       | 1,905                   | 227                     |
|   |       | 17,428                  | (3,720)                 |

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

<sup>1</sup> The comparative information for the marked groups has been clarified in the financial statements. To more accurately reflect the reclassification of items in the financial statements, the Group's management reviewed the account grouping methodology in the financial statements in 2024 and adjusted the comparative years 2022-2023. In order to disclose a more accurate picture of the result of the sale of non-current assets, the Group reclassified an amount of EUR 75 thousand between comparative figures from "Other expenses" to "Other income" in accordance with IAS 1.34(a)

# Interim Condensed Consolidated statement of Changes in Equity

|  | Notes | Attributed to the shareholders of the Company |            |               |                                 |                                      | Retained earnings | Subtotal | Non-controlling interest | Total   |
|--|-------|---|------------|---------------|---------------------------------|--------------------------------------|-------------------|----------|--------------------------|---------|
|  |       | Share capital                                 | Own shares | Share premium | Legal reserve and other reserve | Foreign currency translation reserve |                   |          |                          |         |
| 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 (loss)  |       | -   | -          | -             | -                               | -                                    | 18,134            | 18,134   | 2,683                    | 20,817  |
| Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods |       | -   | -          | -             | 477                             | 3,479                                | -                 | 3,956    | 69                       | 4,025   |
| Total comprehensive income (loss), net of tax  |       | -   | -          | -             | 477                             | 3,479                                | 18,134            | 22,090   | 2,752                    | 24,842  |
| Acquisition of own shares  |       | -   | 14         | -             | -                               | -                                    | (14)              | -        | -                        | -       |
| Dividends declared by the Company  |       | -   | -          | -             | -                               | -                                    | (5,000)           | (5,000)  | -                        | (5,000) |
| Dividends declared by the subsidiaries   |       | -   | -          | -             | -                               | -                                    | -                 | -        | (1,638)                  | (1,638) |
| Share-based payments   |       | -   | -          | -             | 1,730                           | -                                    | -                 | 1,730    | -                        | 1,730   |
| Share capital increase   |       | 201   | -          | 286           | (487)                           | -                                    | -                 | -        | -                        | -       |
| Non-controlling interest arising due to changes in ownership                                       |       | -   | -          | -             | -                               | -                                    | (4,705)           | (4,705)  | 4,705                    | -       |
| Reserves made  |       | -   | -          | -             | (53)                            | -                                    | (53)              | -        | -                        | -       |
| Disposal of non-controlling interest   |       | -   | -          | -             | -                               | -                                    | -                 | -        | (540)                    | (540)   |
| Transfer to legal reserve  |       | -   | -          | -             | 607                             | -                                    | (607)             | -        | -                        | -       |
| Acquisition of non-controlling interest  |       | -   | -          | -             | -                               | -                                    | (228)             | (228)    | (942)                    | (714)   |
| Balance as at 30 June 2023   |       | 46,715  | (426)      | 23,928        | 8,593                           | (130)                                | 205,472           | 284,152  | 14,479                   | 298,631 |
| Balance as at 1 July 2023  |       | 46,715  | (426)      | 23,928        | 8,593                           | (130)                                | 205,472           | 284,152  | 14,479                   | 298,631 |
| Net profit (loss)  |       | -   | -          | -             | -                               | -                                    | 23,363            | 23,363   | 2,971                    | 26,334  |
| Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods |       | -   | -          | -             | (366)                           | 226                                  | -                 | (140)    | 74                       | (66)    |
| Total comprehensive income (loss), net of tax  |       | -   | -          | -             | (366)                           | 226                                  | 23,363            | 23,223   | 3,045                    | 26,268  |
| Acquisition of own shares  |       | -   | 15         | -             | -                               | -                                    | (15)              | -        | -                        | -       |
| Dividends  |       | -   | -          | -             | -                               | -                                    | (4,169)           | (4,169)  | -                        | (4,169) |
| Dividends declared by the subsidiaries   |       | -   | -          | -             | -                               | -                                    | -                 | -        | (1,385)                  | (1,385) |
| Share capital increase   |       | 1,764   | -          | 1,851         | (3,615)                         | -                                    | -                 | -        | -                        | -       |
| Non-controlling interest arising on acquisition of subsidiaries                                    |       | -   | -          | -             | -                               | -                                    | -                 | -        | 1,095                    | 1,095   |
| Share-based payments   |       | -   | -          | -             | 56                              | -                                    | -                 | 56       | -                        | 56      |
| Reserves made  |       | -   | -          | -             | 179                             | -                                    | (179)             | -        | -                        | -       |
| Disposal of non-controlling interest   |       | -   | -          | -             | -                               | -                                    | -                 | -        | (205)                    | (205)   |
| Non-controlling interest arising due to changes in ownership                                       |       | -   | -          | -             | -                               | -                                    | (113)             | (113)    | 113                      | -       |
| Acquisition of non-controlling interest  |       | -   | -          | -             | -                               | -                                    | 86                | 86       | (143)                    | (57)    |
| Balance as at 30 June 2024   |       | 48,479  | (411)      | 25,779        | 4,847                           | 96                                   | 224,445           | 303,235  | 16,999                   | 320,234 |

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

# Interim Condensed Consolidated Statement of Cash Flows

All amounts are in thousand euros unless otherwise stated

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|  | Notes   | 2023/2024<br>12 months | 2022/2023<br>12 months |
|--|---------|------------------------|------------------------|
| Cash flows from (to) operating activities  |         |                        |                        |
| Net profit (loss)  |         | 26,334                 | 20,817                 |
| Adjustments for non-cash items:  |         |                        |                        |
| Depreciation and amortization  | 5, 6, 7 | 29,198                 | 27,685                 |
| Subsidies amortization   |         | (846)                  | (587)                  |
| (Gain)/ Loss on disposal of property, plant, and equipment                                       |         | (1,372)                | (829)                  |
| Change in allowance and write-offs for receivables and prepayments                               |         | (685)                  | 3,495                  |
| (Reversal of) and write down of inventories to net realizable value                              |         | (1,076)                | 2,684                  |
| Change of provision for onerous contracts  |         | 30                     | (8)                    |
| Change in contract assets and accrued expenses   |         | (1,744)                | 4,009                  |
| Change in fair value of biological assets  |         | (10,491)               | (4,378)                |
| Change in accrued share-based payment  |         | 56                     | 1,730                  |
| Change in deferred income tax  |         | (258)                  | (1,192)                |
| Loss on disposal of assets held for sale   |         | –                      | 313                    |
| Loss from write-off of other financial assets  |         | 386                    | –                      |
| Reclassification of foreign currency translation reserve related to a foreign operation disposal |         | –                      | 3,104                  |
| Current income tax expenses  |         | 2,204                  | 6,135                  |
| Expenses (Income) from change in fair value of financial instruments                             |         | 2,448                  | 2,606                  |
| Share of profit of an associate and a joint venture  |         | (13)                   | –                      |
| Interest (income) and other financial (income)   |         | (5,360)                | (3,607)                |
| Interest expenses and other financial expenses   |         | 24,477                 | 19,339                 |
|  |         | 63,288                 | 81,316                 |
| Changes in working capital:  |         |                        |                        |
| Decrease (increase) in biological assets   |         | 8,090                  | 1,502                  |
| Decrease (Increase) in inventories, including right of return                                    |         | 47,135                 | (28,074)               |
| Decrease (increase) in prepayments   |         | (6,071)                | 5,967                  |
| Decrease (Increase) in trade and other accounts receivable                                       |         | 4,406                  | (15,537)               |
| Decrease (increase) in restricted cash   |         | (170)                  | (56)                   |
| Increase (Decrease) in contractual obligations, repayment obligations, trade, and other debts    |         | (17,487)               | (25,782)               |
| Income tax (paid)  |         | (6,160)                | (9,492)                |
| Net cash flows from (to) operating activities  |         | 93,031                 | 9,844                  |





# Interim Condensed Consolidated Statement of Cash Flows

All amounts are in thousand euros unless otherwise stated

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|  | Notes | 2023/2024<br>12 months | 2022/2023<br>12 months |
|--|-------|------------------------|------------------------|
| <b>Cash flows from (to) investing activities</b>   |       |                        |                        |
| (Acquisition) of intangible assets, property, plant and equipment and investment property  |       | (41,387)               | (27,056)               |
| Proceeds from sale of intangible assets, property, plant and equipment and investment property   |       | 4,539                  | 3,806                  |
| (Acquisition) of subsidiaries (less received cash balance in the Group), including payments for subsidiaries acquired in prior periods |       | (12,667)               | (660)                  |
| (Acquisition) of associates and joint ventures   |       | (1,450)                | –                      |
| Disposal of subsidiaries (less disposed cash balance in the Group)   |       | –                      | 6,500                  |
| Disposal of other investments  |       | 333                    | –                      |
| Decrease (increase) in prepayments for financial assets  |       | 132                    | (503)                  |
| Loans (granted)  |       | (923)                  | (364)                  |
| Repayment of granted loans   |       | 249                    | 25                     |
| Interest received  |       | 5,359                  | 3,725                  |
| <b>Net cash flows from (to) investing activities</b>   |       | <b>(45,815)</b>        | <b>(14,527)</b>        |
| <b>Cash flows from (to) financing activities</b>   |       |                        |                        |
| Proceeds from loans  |       | 68,411                 | 197,623                |
| (Repayment) of loans   |       | (73,178)               | (174,358)              |
| Lease (payments)   |       | (14,352)               | (9,928)                |
| Interest (paid)  |       | (22,899)               | (13,627)               |
| Grants received  |       | 3,451                  | 4,758                  |
| Dividends (paid) to equity holders of the parent   |       | (4,169)                | (5,000)                |
| Dividends (paid) to non-controlling interest   |       | (1,385)                | (1,638)                |
| (Acquisition) of non-controlling interests   |       | (57)                   | (714)                  |
| <b>Net cash flows from financing activities</b>  |       | <b>(44,178)</b>        | <b>(2,884)</b>         |
| Net (decrease) increase in cash and cash equivalents   |       | 3,038                  | (7,567)                |
| Net foreign exchange difference  |       | (265)                  | (21)                   |
| <br>   |       |                        |                        |
| Cash and cash equivalents at the beginning of the year   |       | 13,264                 | 20,810                 |
| Cash and cash equivalents at the end of the year   |       | 16,037                 | 13,264                 |
| <b>Supplemental information of cash flows:</b>   |       |                        |                        |
| <b>Non-cash investing activity:</b>  |       |                        |                        |
| Property, plant and equipment acquisitions financed by finance lease   |       | 4,726                  | 3,840                  |
| Acquisition of right-of-use assets   |       | 16,624                 | 14,956                 |

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

# Notes to the Interim Condensed Consolidated Financial Statements

## 1. General Information

AB Akola Group (former 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 with the Register of Legal Entities managed by the public institution the Centre of Registers. The Company code 148030011. The Company has been founded for an indefinite period.

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.

The Group separately discloses shareholders who own more than 5% of the shares; all other shareholders, whose ownership is less than 5%, are classified as "Other shareholders (private and institutional investors)."

As at 30 June 2024 and as at 30 June 2023 **the shareholders of the Company** were:

|  | 30/6/2024             |                 | 30/6/2023             |                |
|--|-----------------------|-----------------|-----------------------|----------------|
|  | Number of shares held | Percentage      | Number of shares held | Percentage     |
| Akola ApS (Denmark)  | 109,909,167           | 65.75 %         | 109,909,167           | 68.23%         |
| Darius Zubas   | 17,049,995            | 10.20 %         | 17,049,995            | 10.58%         |
| UAB SB Asset Management (former UAB INVL Asset Management) | 8,449,906             | 5.05%           | 8,224,156             | 5.11 %         |
| Other shareholders (private and institutional investors)   | 31,761,413            | 19.00%          | 25,902,615            | 16.08 %        |
| <b>Total</b>   | <b>167,170,481</b>    | <b>100.00 %</b> | <b>161,085,933</b>    | <b>100.00%</b> |

All the shares of the Company are ordinary shares with the par value of EUR 0.29 each as at 30 June 2024 (EUR 0.29 each as at 30 June 2023) and were fully paid as at 30 June 2024 and as at 30 June 2023.

The Company holds 711,972 of its own shares, percentage 0.43 %, as at 30 June 2024 (737,972 as at 30 June 2023). Subsidiaries and other related companies did not hold any shares of the Company as at 30 June 2024 and as at 30 June 2023.

All of the Company's 167,170,481 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 AKO1L from 8 December 2023, and until then - LNA1L.

As at 30 June 2024 the number of employees of the Group was 4,959 (4,887 as at 30 June 2023).

During the period ending in 30 June 2024 the authorized capital of the Company has been increased by EUR 1,764 thousand and amounted to EUR 48,479 thousand. (during the period ending on 30 June 2023, the authorized capital of the Company had been increased by EUR 201 thousand and amounted to EUR 46,715 thousand).

## 2. Accounting Principles and Critical Accounting Estimates and Judgements

### Accounting estimates related to military conflicts

All amounts are in thousand euros unless otherwise stated

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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 2022/2023 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 2022/2023 financial year financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 30 June 2023.

#### Group's operations in Belarus and Russian markets

The Company has operations in the Belarussian and in the Russian markets only though the subsidiary company registered in Belarus (Wholesale of products for crop growing veterinary products, premixes, and seeds for gardening). As at the date of these interim financial statements, the Group had no significant positions of assets or liabilities in these markets.

Presented below is the Group's summarized exposure as at 30 June 2024:

|   | Total: | Total (subsidiary registered in Belarus): |
|---|--------|---|
| Trade and other receivables from Belarus entities   | 3,303  | 3,297                                     |
| Trade and other receivables from Russia entities    | 53     | 53  |
| Trade and other liabilities to the Russian entities | 761    | 761                                       |
| Trade and other liabilities to the Belarus entities | 1,804  | 1,804                                     |

Below are presented the **Group's Revenue from contracts with customers** for the period ending 30 June 2024:

Revenue from contracts with customers in Russia and Belarus was insignificant and includes only the revenue of one subsidiary registered in Belarus.

Revenue from contracts with customers from Russia for the 12 months, as at interim financial statement date 30 June 2024 were EUR 311 thousand. Revenue from contracts with customers from Belarus for the 12 months period, as at interim financial statement date 30 June 2024 were EUR 8,494 thousand.

#### Subsidiary registered in Belarus controlled by the Group

The group conducted its operations in Belarus through its subsidiary company: OOO KLM (registration number 69608281) engaged in the trade of raw materials for animal feed and feed additives, the supply of seeds and plant protection products, fertilizers, provision of veterinary services, and product sales. On January 28, 2023, by a resolution issued by the Belarussian government, the list of companies whose shareholders are prohibited from transferring their shares was expanded. Due to the tightened legislation in Belarus, the sale of the company OOO KLM (registration number 69608281) has been postponed, and a sale within the next 12 months is unlikely.

## » 2. Accounting Principles and Critical Accounting Estimates and Judgements

All amounts are in thousand euros unless otherwise stated

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Accounting estimates related to military conflicts (cont'd)

### **Subsidiary registered in Ukraine controlled by the Group and Group's operations in Ukrainian market**

The Group conducts operations in the Ukrainian market through its subsidiary, LCC LINAS AGRO UKRAINA (representative office). 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. As at the date these interim condensed consolidated financial statements were authorized for issue, the situation in Ukraine is extremely volatile and inherently uncertain. Despite all the uncertainties caused by the military conflict, the Group considers that the impact of this conflict on the Group's financial statements was insignificant.

As at 30 June 2024 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.

The Revenue from contracts with customers during 12 months period as at interim financial statement date 30 June 2024 of Group's subsidiary registered in Ukraine were not significant.

The Group's revenue from contracts with customers from Ukraine during 12-month period as at interim financial statement date 30 June 2024 was EUR 8,010 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 realizable 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.



### 3. Group Structure and Changes in the Group

All amounts are in thousand euros unless otherwise stated

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As at 30 June 2024 and as at 30 June 2023 the Company held these directly and indirectly controlled subsidiaries (hereinafter the Group):

|  | Place of registration | Effective ownership interest, % |           | Main activities  |
|--|-----------------------|---------------------------------|-----------|--|
|  |                       | 30/6/2024                       | 30/6/2023 |  |
| AB Linas Agro                            | Lithuania             | 97.78%                          | 97.06%    | Wholesale trade of grains and oilseeds, feedstuffs and agricultural inputs           |
| UAB Akola Farming <sup>1</sup>           | Lithuania             | 100.00%                         | 100.00%   | Management of the subsidiaries engaged in agriculture                                |
| UAB Dotnuva Baltic                       | Lithuania             | 100.00%                         | 100.00%   | Trade in agricultural machinery, equipment for grain elevators and farms             |
| UAB Dotnuva Seeds                        | Lithuania             | 97.78%                          | 100.00%   | Certified seeds production   |
| UAB Linas Agro Grūdų Centrai             | Lithuania             | 97.78%                          | 97.98%    | Preparation and warehousing of grains for trade                                      |
| UAB Jungtinė Ekspedicija                 | Lithuania             | 97.78%                          | 100.00%   | Expedition and ship's agency services  |
| UAB Landvesta 1                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Landvesta 2                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Landvesta 3                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Landvesta 4                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Landvesta 5                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Landvesta 6                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Noreikiškės                          | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| UAB Lineliai                             | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land                                    |
| AS Kekava Foods <sup>2</sup>             | Latvia                | 97.58%                          | 97.19%    | Broiler breeding, slaughtering and sale of products, feedstuffs                      |
| SIA Lielzeltini <sup>2</sup>             | Latvia                | –                               | 100.00%   | Broiler breeding, slaughtering and sale of products, feedstuffs                      |
| SIA Cerova <sup>2</sup>                  | Latvia                | –                               | 100.00%   | Egg incubation and chicken sale  |
| SIA Broileks <sup>2</sup>                | Latvia                | –                               | 100.00%   | Chicken breeding and sales   |
| UAB Akola Poultry <sup>3</sup>           | Lithuania             | 100.00%                         | 100.00%   | Dormant company  |
| UAB Kormoprom Invest (Under liquidation) | Lithuania             | 100.00%                         | 100.00%   | Management services  |
| UAB Akola Foods <sup>4</sup>             | Lithuania             | 100.00%                         | 100.00%   | Management services  |
| AB Vilniaus Paukštynas                   | Lithuania             | 85.02%                          | 84.93%    | Chicken raising for meat and eggs production, production of poultry and its products |
| UAB Agro Logistic Service                | Lithuania             | 100.00%                         | 100.00%   | Wholesale of feedstuffs for fodder and premixes production                           |
| SIA Linas Agro                           | Latvia                | 97.26%                          | 96.58%    | Wholesale trade of grains and oilseeds, agricultural inputs                          |
| UAB Gerera <sup>5</sup>                  | Lithuania             | 97.78%                          | 97.06%    | Dormant company  |
| Linus Agro A/S (Under liquidation)       | Denmark               | 97.78%                          | 97.06%    | Dormant company  |



### 3. Group Structure and Changes in the Group

All amounts are in thousand euros unless otherwise stated

|   | Place of registration | Effective ownership interest, % |           | Main activities   |
|---|-----------------------|---------------------------------|-----------|---|
|   |                       | 30/6/2024                       | 30/6/2023 |   |
| LLC LINAS AGRO UKRAINE                        | Ukraine               | 97.78%                          | 97.06%    | Representative office   |
| Linus Agro OU                                 | Estonia               | 97.78%                          | 97.06%    | Supply of products for crop growing   |
| SIA PFK Trader                                | Latvia                | 97.58%                          | 97.19%    | Retail trade of food production   |
| Biržai District Medeikių ŽŪB                  | Lithuania             | 98.39%                          | 98.39%    | Growing and sale of crops   |
| 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   |
| UAB Užupė                                     | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land   |
| UAB Paberžėlė                                 | Lithuania             | 100.00%                         | 100.00%   | Rent and management of agricultural purposes land   |
| Panevėžys District Žibartonių ŽŪB             | Lithuania             | 99.90%                          | 99.90%    | Mixed agricultural activities   |
| SIA Dotnuva Baltic                            | Latvia                | 100.00%                         | 100.00%   | Trade in agricultural machinery and equipment for grain elevators   |
| AS Dotnuva Baltic                             | Estonia               | 100.00%                         | 100.00%   | Trade in agricultural machinery and equipment for grain elevators   |
| SIA Dotnuva Seeds                             | Latvia                | 97.78%                          | 100.00%   | Certified seeds production  |
| UAB GeoFace                                   | Lithuania             | 97.78%                          | 98.53%    | Software development  |
| UAB Dotnuva Rent                              | Lithuania             | 100.00%                         | 100.00%   | Rent of agricultural machinery and equipment  |
| SIA Linas Agro Graudu Centrs                  | Latvia                | 97.78%                          | 97.98%    | Preparation and warehousing of grains   |
| Kėdainiai District Nemunas ŽŪB                | Lithuania             | 67.98%                          | 67.98%    | Mixed agricultural activities   |
| UAB Šlaituva                                  | Lithuania             | 89.59%                          | 89.59%    | Production and wholesale of breadcrumbs and breeding mixes  |
| UAB Baltic Fumigation Service                 | Lithuania             | 89.59%                          | 89.59%    | Fumigation services   |
| UAB KG Mažmena                                | Lithuania             | 89.59%                          | 89.59%    | Retail trade  |
| AB Zelvė                                      | Lithuania             | 72.38%                          | 72.38%    | Broiler breeding  |
| UAB Avocetė                                   | Lithuania             | 85.02%                          | 84.93%    | Management services   |
| AB Kauno Grūdai                               | Lithuania             | 89.59%                          | 89.59%    | Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; disinsection, disinfection and deratization services |
| UAB KG Distribution (Liquidated) <sup>5</sup> | Lithuania             | –                               | 84.93%    | Consultation and business management  |



### 3. Group Structure and Changes in the Group

All amounts are in thousand euros unless otherwise stated

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|  | Place of registration | Effective ownership interest, % |           | Main activities   |
|--|-----------------------|---------------------------------|-----------|---|
|  |                       | 30/6/2024                       | 30/6/2023 |   |
| UAB Lietbro                                | Lithuania             | 85.02%                          | 84.93%    | Broiler breeding  |
| UAB GASTRONETA (Liquidated) <sup>7</sup>   | Lithuania             | –                               | 84.93%    | Dormant company   |
| UAB VKP Valdymas (Liquidated) <sup>8</sup> | Lithuania             | –                               | 84.93%    | Consultation and business management  |
| KB Baltoji Plunksnelė                      | Lithuania             | 83.45%                          | 83.33%    | Dormant company   |
| AB Kaišiadorių Paukštynas                  | Lithuania             | 85.31%                          | 84.92%    | Chicken raising for meat and eggs production, production of poultry and its products                  |
| UAB Domantonių Paukštynas                  | Lithuania             | 89.51%                          | 89.50%    | Broiler breeding  |
| UAB Kaišiadorių Paukštyno Mažmena          | Lithuania             | 85.31%                          | 84.92%    | Dormant company   |
| UAB Uogintai                               | Lithuania             | 85.31%                          | 84.92%    | Dormant company   |
| UAB Alesninkų Paukštynas                   | Lithuania             | 85.31%                          | 84.92%    | Broiler breeding  |
| UAB KG Logistika (Liquidated) <sup>9</sup> | Lithuania             | –                               | 84.93%    | Freight transport services  |
| UAB VP Valda                               | Lithuania             | 85.02%                          | 84.93%    | Rent of real estate   |
| UAB KP Valda                               | Lithuania             | 85.31%                          | 84.92%    | Rent of real estate   |
| SIA KG Latvija                             | Latvia                | 89.59%                          | 89.59%    | Production and wholesale of compound feed, wholesale of feed materials and products for crop growing  |
| KG Eesti OÜ                                | Estonia               | 89.59%                          | 89.59%    | Dormant company   |
| KG Polska Sp.zo.o.                         | Poland                | 89.59%                          | 89.59%    | Wholesale of feed materials   |
| Nordic Agro Investment Limited             | The United Kingdom    | 89.59%                          | 89.59%    | Management services   |
| UAB Sunvesta <sup>10</sup>                 | Lithuania             | 100.00%                         | –         | Dormant company   |
| UAB Grybai LT <sup>11</sup>                | Lithuania             | 89.59%                          | –         | Production of canned vegetables and mushrooms, ready-to-eat soups, and other ecological food products |
| OOO KLM                                    | Belarus               | 62.72%                          | 62.72%    | Wholesale of products for crop growing veterinary products, premixes, and seeds for gardening         |
| AS KEKAVA BIOENERGY <sup>12</sup>          | Latvia                | 97.58%                          | –         | Dormant company   |

1. On 5 December 2023, the name of the UAB Linas Agro Konsultacijos has been changed to UAB Akola Farming;
2. On 1 February 2024, the reorganization process in Latvia was completed. As part of AS Kekava Foods (formerly known as AS Putnu fabrika Kekava), SIA Lielzeltini, SIA Cerova, SIA Broileks were merged.
3. On 5 December 2023, the name of the UAB Kekava Foods LT has been changed to UAB Akola Poultry;
4. On 5 December 2023, the name of the UAB TABA Holding has been changed to UAB Akola Foods;
5. On 28 June 2024 the reorganization of UAB "Gerera" into UAB "Linus Agro" Grūdų centrai was completed. On 8 July 2024, the company was deregistered;
6. On 9 February 2024, UAB "KG Distribution" was liquidated;
7. On 26 January 2024, UAB "Gastroneta" was liquidated;
8. On 6 February 2024, UAB "VKP Valdymas" was liquidated;
9. On 9 February 2024, UAB "KG Logistika" was liquidated.
10. On 10 October 2023 the Company UAB Sunvesta has been registered;
11. On 21 July 2023 AB Kauno Grūdai acquired an entity UAB Grybai LT;
12. On 21 June 2024 SIA KEKAVA BIOENERGY has been registered.



### 3. Group Structure and Changes in the Group

#### Changes in the Group during the 12-month period ended 30 June 2024

7/7/2023

The Company transferred 3,000 units to the employees of the Group of own shares in accordance with AB Akola Group (former AB Linas Agro Group) share allocation policy.

21/7/2023

The Group acquired 89.59% stock of UAB Grybai LT. Acquisition value – EUR 12,789 thousand. The Company acquired controlling stakes in the company operating in the field of production of canned vegetables and mushrooms, ready-to-eat soups, and other ecological food products. The business combination is accounted for using the acquisition method. In this acquisition, the non-controlling interest was valued proportionally to the identified net assets of the acquired entity. Acquisition costs were expensed, including them in the Group's administrative expenses.

At the acquisition of the subsidiary a provisional goodwill of EUR 3,358 thousand has been accounted for. The goodwill appears due to synergies, which are expected to be derived from vertical expansion of business. As of 30 June 2024, the Group's management had not fully completed the valuation of the acquired net assets. Considering that the initial business combination accounting was not completed by the interim condensed consolidated financial statements date, the Group discloses provisional amounts of assets and liabilities for which accounting has not been completed. During the valuation period, the Group will retrospectively adjust temporary amounts recognized as of the acquisition date to reflect a new information.

Financial statements at the provisional fair value are presented below.

#### UAB Grybai LT

Acquisition date for consolidation purposes 31 July 2023

|  | EUR'000       |   | EUR'000         |
|--|---------------|---|-----------------|
| Fair value                                       |               | Trade payables  | (723)           |
| Intangible assets                                | 3,260         | Prepayments received  | (13)            |
| Property, plant and equipment                    | 9,467         | Wages and salaries and related liabilities                        | (273)           |
| Right-of-use assets                              | 1,122         | <b>Total liabilities</b>  | <b>(7,229)</b>  |
| Inventories                                      | 1,542         | Total identifiable net assets at fair value                       | 10,526          |
| Trade receivables                                | 2,214         | Non-controlling interest arising on acquisition of the subsidiary | (1,095)         |
| Other accounts receivable                        | 27            | Goodwill arising on acquisition (Provisional)                     | 3,358           |
| Cash and cash equivalents                        | 123           | Cash consideration transferred                                    | 12,789          |
| <b>Total assets</b>                              | <b>17,755</b> | <b>Net of cash of acquiring the subsidiary</b>                    |                 |
| Non-current borrowings and financial liabilities | (9)           | Cash consideration transferred                                    | (12,789)        |
| Lease liability                                  | (352)         | Cash acquired   | 123             |
| Deferred tax liability                           | (1,006)       | <b>Total purchase consideration, net of cash acquired</b>         | <b>(12,666)</b> |
| Current borrowing                                | (4,853)       |   |                 |



### 3. Group Structure and Changes in the Group

All amounts are in thousand euros unless otherwise stated

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#### Changes in the Group during the 12-month period ended 30 June 2024 cont'd

|                          |  |
|--------------------------|--|
| 11/10/2023               | UAB Sunvesta UAB is founded, following its separation from UAB Landvesta 1.  |
| 11/10/2023               | The spin-off of UAB Landvesta 1 is completed and the new version of the Articles of Association of UAB Landvesta 1 is registered, resulting in a reduction of capital by EUR 5,847.  |
| 26/10/2023               | AB Akola Group (former AB Linas Agro Group) transferred the shares of UAB Linas Agro Grūdų Centrai, UAB Jungtinė Ekspedicija and UAB Dotnuva Seeds to joint stock company Linas Agro pursuant to the share subscription agreement of AB Linas Agro.  |
| 30/10/2023               | The authorized capital of AB Linas Agro was increased by a non-cash contribution of AB Akola Group (former. AB Linas Agro Group) in the amount of EUR 5,942,022.   |
| 29/11/2023               | The authorized capital of UAB GeoFace was increased by the contribution of AB Linas Agro in the amount of EUR 300,000.   |
| 05/12/2023               | The names of the Group companies were changed: UAB Akola Farming instead of UAB Linas Agro Konsultacijos, UAB Akola Foods instead of UAB TABA Holding and UAB Akola Foods instead of UAB Kekava Foods LT.  |
| 05/12/2023               | The name of AB Linas Agro Group was changed to AB Akola Group.   |
| 05/12/2023               | AB Akola Group (former AB Linas Agro Group) has increased the share capital of the Company from EUR 46,714,920 up to EUR 48,479,439, by issuing 6,084,548 new ordinary registered shares with the par value of EUR 0.29 and both issue price of 691,535 shares equal to EUR 0.705, and issue price of 5,393,013 shares equal to EUR 0,58, issued for the purpose of granting shares of the Company free of charge to the employees and/or members of the Company's corporate bodies. The total issue price of all New Shares equals to EUR 3,615,479 of which EUR 1,764,518 shall be the nominal value of the New Shares and EUR 1,850,960 shall be the share premium. |
| October 2023 – June 2024 | The Company bought subsidiary companies shares from non-controlling shareholders for an amount of EUR 57 thousand, the difference of EUR (86) thousand, between the amounts transferred and the book value of the purchased part, was recognized in equity. AB Akola Group bought 0.39 % of AB Kaišiadorių Paukštynas shares, AB Vilniaus Paukštynas shares of 0,09%, and 0,39% shares of AS Kekava Foods.   |
| 11/01/2024               | The Company transferred 23,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.   |
| 26/01/2024               | UAB Gastroneta removed from the Register of Legal Entities after liquidation.  |
| 01/02/2024               | The reorganization in Latvia is finished, SIA Lielzeltini, SIA Cerova and SIA Broileks were merged to AS Kekava Foods (while changing the name instead of AS Putnu Fabrika Kekava). Accordingly, the share capital of AS Kekava Foods increased by EUR 1,505 thousand  |
| 06/02/2024               | UAB VKP valdymas removed from the Register of Legal Entities after liquidation   |
| 09/02/2024               | UAB KG Distribution removed from the Register of Legal Entities after liquidation.   |
| 13/02/2024               | UAB KG Logistika removed from the Register of Legal Entities after liquidation.  |
| 01/03/2024               | UAB Grybai LT was registered, restructured from KB Grybai LT.  |
| 25/03/2024               | AB Akola Group invested in UAB OMG Bubble Tea, a beverage startup. The investment amount is EUR 1, 900 thousand, which consist of 1,000 thousand of direct investment in start-up shares, and EUR 900 thousand long-term loan with the option to convert into shares. Additionally, the Company AB Akola Group has gotten the place as representative as a board member.   |



## 3. Group Structure and Changes in the Group

All amounts are in thousand euros unless otherwise stated

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### Changes in the Group during the 12-month period ended 30 June 2024 cont'd

|            |   |
|------------|---|
| 08/04/2024 | AB Akola Group invested in BRITE DRINKS LTD a natural functional drinks start-up. The investment amount is EUR 450 thousand. Additionally, the Company AB Akola Group has gotten the place as representative as a board member. |
| 08/05/2024 | The authorized capital of LLC LINAS AGRO UKRAINE was increased in the amount of UAH 12,000 thousand (EUR 325 thousand).   |
| 18/06/2024 | Liquidation of UAB Kormoprom Invest has been initiated.   |
| 21/06/2024 | SIA KEKAVA BIOENERGY has been registered.   |
| 28/06/2024 | The reorganization is finished, UAB Gerera was merged to UAB Linas Agro Grūdų Centrai. Accordingly, the share capital of UAB Linas Agro Grūdų Centrai increased in the amount of EUR 103 thousand                               |

### Changes in the Group during the 12-month period ended 30 June 2023

|                         |  |
|-------------------------|--|
| 05/07/2022              | The authorized capital of AB Linas Agro was increased by EUR 5,134 thousand by non-monetary contribution from AB Kauno Grūdai.   |
| 22/07/2022              | 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.   |
| 25/08/2022              | 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. |
| 01/08/2022              | The Company signed loan contract with UAB Kormoprom Invest for an amount of EUR 2,800 thousand.  |
| 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 118,000 thousand to twelve subsidiary companies of AB Linas Agro Group.  |
| 05/09/2022              | The authorized capital of UAB Linas Agro Grūdų Centrai was increased by EUR 3,867 thousand with a non-monetary contribution from AB Linas Agro.  |
| 21/10/2022              | The Company signed loan contract with UAB Kormoprom Invest for an amount of EUR 2,200 thousand.  |
| 02/11/2022              | Authorized capital of SIA Linas Agro increased by EUR 367 thousand by non-monetary contribution of SIA KG Latvia.  |
| 09/11/2022              | 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.   |
| 30/11/2022              | The share capital of Užupės ŽŪB was reduced by paying EUR 691 thousand to its shareholders.  |
| 01/12/2022              | 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.  |



### 3. Group Structure and Changes in the Group

All amounts are in thousand euros unless otherwise stated

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#### Changes in the Group during the 12-month period ended 30 June 2023 cont'd

|                    |   |
|--------------------|---|
| 01/12/2022         | A new wording of the Articles of Association of AB Linas Agro Group was registered in the Register of Legal Entities. The new wording of the Articles of Association was approved on 28 October 2022 during the Annual General Meeting of the Company's Shareholders, together with the decision to increase the authorized capital of the Company by EUR 201 thousand, issuing 691,535 new ordinary registered shares, and to change the number of members of the Company's Board of Directors from 6 to 7 and to establish the Company's Supervisory Board, which is to be made up of three members. The newly issued shares were acquired by employees and/or members of the corporate bodies of the Company who had entered into a share option agreement with the Company back in 2018 and provided the Company with a notice of exercise of the option in 2022. The shares are fully paid by the Company from the reserve set up by the Company for share granting. |
| 20/12/2022         | The Company signed loan contract with UAB TABA Holding for an amount of EUR 11,100 thousand.  |
| 21/12/2022         | The Company granted loan to AB Linas Agro for an amount of EUR 7,000 thousand.  |
| January–June 2023  | The Company transferred 4,000 of the own shares to the employees of the group in accordance with the rules for granting shares of AB Linas Agro Group.  |
| 17/03/2023         | Užupė ŽŪB was reorganized into UAB Užupė – the initial capital of the company was dissolved and a statutory capital of EUR 2,5 thousand was formed.   |
| 20/03/2023         | The authorized capital of UAB GeoFace was increased by EUR 300 thousand.  |
| 30/03/2023         | The authorized capital of LLC LINAS AGRO UKRAINE was increased by EUR 167 thousand.   |
| 27/04/2023         | The authorized capital of UAB Dotnuva Baltic was increased by EUR 800 thousand.   |
| 08/05/2023         | A new company UAB Dotnuva Seeds with the authorized capital of EUR 8 thousand was founded.  |
| 09/05/2023         | Reorganization of UAB Dotnuva Baltic was authorized and a new version of the articles of association was registered. The authorized capital of UAB Dotnuva Baltic was decreased by EUR 70 thousand.   |
| 09/06/2023         | UAB Dotnuva Seeds established new company SIA Dotnuva Seeds with the authorized capital of EUR 500 thousand.  |
| 27/06/2023         | The Company bought the shares of UAB Landvesta 1, UAB Landvesta 2, UAB Landvesta 3, UAB Landvesta 4, Landvesta 5, UAB Landvesta 6 from AB Linas Agro.   |
| 29/06/2023         | The Company transferred 9,000 units of own shares to the employees of the group in accordance with the rules for granting shares of AB Linas Agro Group.  |
| 30/06/2023         | The Company granted loan to UAB Dotnuva Baltic for an amount of EUR 1,500 thousand.   |
| December-June 2023 | The Company bought subsidiary companies shares from non-controlling shareholders for an amount of EUR 715 thousand, the difference of EUR (229) thousand, between the amounts transferred and the book value of the purchased part, was recognized in equity. AB Kauno Grūdai bought 15.15 % of UAB Šlaituva shares for EUR 550 thousand, UAB TABA Holding bought 0.5% of AB Kauno Grūdai shares for EUR 133 thousand and other companies shares for EUR 32 thousand.   |

## 4. Segment's Information

In year 2022/2023 a new strategy of the Group was approved. This strategy sets out four main lines of business for the Group – “Partners for farmers”, “Farming”, “Food production” and “Other products and services.” Following the adoption of the new strategy, steps have been taken to refine the actions due to the changes. The Group management follows its performance by operating segments that are consistent with the line of business specified in the Group’s strategy:

- The “Partners for farmers” include trade of wheat, rapeseed, barley, and other grains and oilseeds, including suncake and sunmeal, sugar beet pulp, soymeal, vegetable oil, rapeseed cake, and other feedstuffs, along with offering grain storage and logistics services, and it includes the 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 “Farming” 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 production” segment includes 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 of canned vegetables and mushrooms, ready-to-eat soups, and other ecological food products, production, and wholesale of breadcrumbs and breeding mixes;
- the “Other products and services” segment includes 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.

The Comparative information of 30 June 2024 is refined and disclosed according to the changes implemented.

The Group's chief financial officer monitors the operating results of individual business units for the purpose of making informed decisions regarding resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and this assessment aligns consistently with profit or loss in the consolidated financial statement.

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.





## 4. Segment's Information

All amounts are in thousand euros unless otherwise stated

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### 12-month period ended 30 June 2024

| Group                                       | Partners for farmers | Farming | Food production | Other products and services | Adjustments and Eliminations <sup>2</sup> | Total     |
|---|----------------------|---------|-----------------|-----------------------------|---|-----------|
| Revenue from contracts with customers       |                      |         |                 |                             |   |           |
| Third parties                               | 1,059,063            | 34,585  | 398,137         | 14,453                      | –   | 1,506,238 |
| Intersegment                                | 77,873               | 9,036   | 549             | 4,792                       | (92,250)                                  | –         |
| Total revenue from contracts with customers | 1,136,936            | 43,621  | 398,686         | 19,245                      | (92,250)                                  | 1,506,238 |
| Results                                     |                      |         |                 |                             |   |           |
| Operating expenses                          | (56,715)             | (8,851) | (38,358)        | (4,459)                     | –   | (108,383) |
| Segment operating profit (loss)             | 21,002               | 5,345   | 21,099          | (62)                        | –   | 47,384    |

### 12-month period ended 30 June 2023<sup>1</sup>

| Group                                       | Partners for farmers | Farming | Food production | Other products and services | Adjustments and eliminations <sup>2</sup> | Total     |
|---|----------------------|---------|-----------------|-----------------------------|---|-----------|
| Revenue from contracts with customers       |                      |         |                 |                             |   |           |
| Third parties                               | 1,536,204            | 34,981  | 413,941         | 14,491                      | –   | 1,999,617 |
| Intersegment                                | 125,629              | 15,209  | 4,036           | 5,544                       | (150,418)                                 | –         |
| Total revenue from contracts with customers | 1,661,833            | 50,190  | 417,977         | 20,035                      | (150,418)                                 | 1,999,617 |
| Results                                     |                      |         |                 |                             |   |           |
| Operating expenses                          | (58,633)             | (5,265) | (27,804)        | (3,944)                     | –   | (95,646)  |
| Segment operating profit (loss)             | 33,325               | 12,546  | 7,293           | (11,672)                    | –   | 41,492    |

<sup>1</sup> The Group revised its financial statements released for the 12-month period ending on 30 June 2024. The Group's management reviewed the segment structure, which was adjusted for the segments as of 30 June 2023, and conducted a retrospective adjustment. The adjustments include the combination of previous periods' operational segments, such as "Grains, oilseeds, and feeds" and "Goods and services for farmers," into a single segment – "Partners for farmers", refinements in the business segments where the Group operates and the adjustments of the minor changes between other operational segments. Therefore, the Group reviewed the revenue from contracts with customers, operating expenses and profit (loss) of the operating segment at the intersegmental level within the updated operating structure.

<sup>2</sup> Intersegment revenue is eliminated on consolidation.

## » 4. Segment's Information

All amounts are in thousand euros unless otherwise stated

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The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2024 and 30 June 2023, respectively:

|                    | Partners for farmers | Farming | Food production | Other products and services | Adjustments and eliminations | Total   |
|--------------------|----------------------|---------|-----------------|-----------------------------|------------------------------|---------|
| <b>Assets</b>      |                      |         |                 |                             |                              |         |
| As at 30 June 2024 | 585,514              | 114,887 | 204,977         | 37,416                      | (49,051)                     | 893,743 |
| As at 30 June 2023 | 647,958              | 112,174 | 157,038         | 46,845                      | (69,692)                     | 894,323 |
| <b>Liabilities</b> |                      |         |                 |                             |                              |         |
| As at 30 June 2024 | 394,598              | 49,264  | 127,278         | 57,854                      | (55,485)                     | 573,509 |
| As at 30 June 2023 | 423,083              | 40,802  | 113,355         | 88,080                      | (69,628)                     | 595,692 |

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

| Revenue from external customers                                | 12-month period ended |           |
|--|-----------------------|-----------|
|  | 30/6/2024             | 30/6/2023 |
| Lithuania  | 599,432               | 636,395   |
| Europe (except for Scandinavian countries, CIS, and Lithuania) | 556,244               | 698,973   |
| Scandinavian countries   | 162,739               | 161,321   |
| Asia   | 3,917                 | 168,755   |
| Africa   | 134,859               | 229,043   |
| CIS  | 44,661                | 103,693   |
| Other  | 4,386                 | 1,437     |
|  | 1,506,238             | 1,999,617 |

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

| Non-current assets | 30/6/2024 | 30/6/2023 |
|--------------------|-----------|-----------|
| Lithuania          | 191,382   | 147,263   |
| Latvia             | 58,468    | 59,118    |
| Estonia            | 1,782     | 2,010     |
| Belarus            | 502       | 27        |
| Ukraine            | 17        | 5         |
|                    | 252,151   | 208,423   |

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  |
|---|----------|-------------------------|----------|--------|
| <b>Cost:</b>  |          |                         |          |        |
| Balance as at 30 June 2022                                | 2,410    | 1,240                   | 1,974    | 5,624  |
| Additions   | 147      | 558                     | –        | 705    |
| Write-offs  | (37)     | (61)                    | –        | (98)   |
| Reclassification from (to) property, plant and equipment  | 62       | 40                      | –        | 102    |
| Balance as at 30 June 2023                                | 2,582    | 1,777                   | 1,974    | 6,333  |
| Acquisition of subsidiaries (Note 3)                      | –        | 3,260                   | 3,358    | 6,618  |
| Additions   | 53       | 285                     | –        | 338    |
| Write-offs  | (27)     | (25)                    | –        | (52)   |
| Reclassification (to)/from property, plant, and equipment | 193      | –                       | –        | 193    |
| Balance as at 30 June 2024                                | 2,801    | 5,297                   | 5,332    | 13,430 |
| <b>Accumulated amortization:</b>                          |          |                         |          |        |
| Balance as at 30 June 2022                                | 1,364    | 380                     | –        | 1,744  |
| Charge for the year                                       | 444      | 86                      | –        | 530    |
| Write-offs  | (36)     | (51)                    | –        | (87)   |
| Balance as at 30 June 2023                                | 1,772    | 415                     | –        | 2,187  |
| Charge for the year                                       | 315      | 554                     | –        | 869    |
| Write-offs  | (16)     | (25)                    | –        | (41)   |
| Reclassification (to)/from inventories                    | 14       | –                       | –        | 14     |
| Balance as at 30 June 2024                                | 2,085    | 944                     | –        | 3,029  |
| <b>Impairment losses:</b>                                 |          |                         |          |        |
| Balance as at 30 June 2022                                | –        | –                       | 1,121    | 1,121  |
| Balance as at 30 June 2023                                | –        | –                       | 1,121    | 1,121  |
| Balance as at 30 June 2024                                | –        | –                       | 1,121    | 1,121  |
| Net book value as at 30 June 2022                         | 1,046    | 860                     | 853      | 2,759  |
| Net book value as at 30 June 2023                         | 810      | 1,362                   | 853      | 3,025  |
| Net book value as at 30 June 2024                         | 716      | 4,353                   | 4,211    | 9,280  |

Due to the acquisition of UAB Grybai LT on 31 July 2023, a provisional goodwill of EUR 3,358 thousand was recognized.

The change in the value of other intangible assets identified during the business combination is related to the acquisition of the subsidiary (Note 3). As of 21 July 2023, the Group has provisionally completed the fair value assessment of acquired net assets. Therefore, based on the initial business combination accounting, the Group accounted the provisional goodwill and other intangible assets, of which accounting has not been completed.

## 6. Property, Plant and Equipment

| Group  | Land   | Buildings and structures | Machinery and equipment | Vehicles | Other property, plant, and equipment | Construction in progress and prepayments | Total   |
|--|--------|--------------------------|-------------------------|----------|--------------------------------------|--|---------|
| <b>Cost:</b>   |        |                          |                         |          |                                      |  |         |
| Balance as at 30 June 2022                               | 24,920 | 137,589                  | 85,421                  | 8,913    | 8,599                                | 7,256                                    | 272,698 |
| Additions  | 1,370  | 989                      | 4,983                   | 2,362    | 1,581                                | 18,423                                   | 29,708  |
| Disposals and write-offs                                 | (125)  | (50)                     | (4,785)                 | (1,221)  | (215)                                | (1)                                      | (6,379) |
| Reclassifications  | 137    | 8,179                    | 2,941                   | 6        | 282                                  | (11,545)                                 | -       |
| Reclassification (to)/from investment property           | -      | 44                       | -                       | -        | -                                    | -  | 44      |
| Reclassification (to)/from inventories                   | 2      | 2,904                    | 73                      | -        | 12                                   | -  | 2,991   |
| Reclassification to/(from) intangible assets             | -      | -                        | -                       | -        | -                                    | (102)                                    | (102)   |
| Currency exchange impact                                 | -      | -                        | (1)                     | 210      | -                                    | -  | 209     |
| Balance as at 30 June 2023                               | 26,304 | 149,655                  | 88,632                  | 10,270   | 10,259                               | 14,031                                   | 299,151 |
| Acquisition of subsidiaries (Note 3)                     | 47     | 5,751                    | 3,478                   | 44       | 147                                  | -  | 9,467   |
| Additions  | 1,071  | 3,682                    | 6,127                   | 3,507    | 1,080                                | 30,355                                   | 45,823  |
| Disposals and write-offs                                 | (94)   | (927)                    | (3,367)                 | (1,448)  | (379)                                | (129)                                    | (6,344) |
| Reclassifications  | 56     | 8,823                    | 4,300                   | 1,256    | 335                                  | (14,770)                                 | -       |
| Reclassification (to)/from investment property           | (63)   | (214)                    | -                       | -        | (102)                                | -  | (379)   |
| Reclassification (to)/from inventories                   | -      | 394                      | 340                     | 130      | 258                                  | 9  | 1,113   |
| Reclassification to/(from) intangible assets             | -      | -                        | -                       | -        | -                                    | (193)                                    | (193)   |
| Currency exchange impact                                 | -      | (110)                    | (181)                   | (2)      | -                                    | -  | (293)   |
| Balance as at 30 June 2024                               | 27,321 | 167,054                  | 99,329                  | 13,757   | 11,598                               | 29,285                                   | 348,345 |
| <b>Accumulated depreciation:</b>                         |        |                          |                         |          |                                      |  |         |
| Balance as at 30 June 2022                               | 185    | 55,780                   | 41,102                  | 3,751    | 5,006                                | -  | 105,824 |
| Charge for the year                                      | 34     | 8,394                    | 10,911                  | 1,335    | 1,229                                | -  | 21,903  |
| Disposals and write-offs                                 | -      | (45)                     | (2,973)                 | (475)    | (196)                                | -  | (3,509) |
| Reclassification to inventories                          | -      | -                        | (188)                   | -        | -                                    | -  | (188)   |
| Reclassification (to)/from investment property           | -      | (1)                      | -                       | -        | -                                    | -  | (1)     |
| Balance as at 30 June 2023                               | 219    | 64,128                   | 49,032                  | 4,611    | 6,039                                | -  | 124,029 |
| Charge for the year                                      | 34     | 8,658                    | 9,677                   | 1,480    | 1,311                                | -  | 21,160  |
| Disposals and write-offs                                 | -      | (193)                    | (1,856)                 | (796)    | (343)                                | -  | (3,188) |
| Reclassification (to)/from investment property           | -      | (12)                     | -                       | -        | (21)                                 | -  | (33)    |
| Reclassification (to)/from property, plant and equipment | -      | -                        | -                       | -        | -                                    | (13)                                     | (13)    |
| Reclassification (to)/from inventories                   | -      | 401                      | -                       | 158      | 257                                  | -  | 816     |
| Currency exchange impact                                 | -      | -                        | -                       | 1        | -                                    | -  | 1       |
| Balance as at 30 June 2024                               | 253    | 72,938                   | 56,853                  | 5,454    | 7,287                                | 13                                       | 142,772 |
| <b>Impairment losses:</b>                                |        |                          |                         |          |                                      |  |         |
| Balance as at 30 June 2022                               | -      | 629                      | -                       | -        | 30                                   | -  | 659     |
| Balance as at 30 June 2023                               | -      | 629                      | -                       | -        | 30                                   | -  | 659     |
| Disposals and write-offs                                 | -      | -                        | -                       | -        | 2                                    | -  | 2       |
| Balance as at 30 June 2024                               | -      | 629                      | -                       | -        | 32                                   | -  | 661     |
| 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 30 June 2023                        | 26,085 | 84,898                   | 39,600                  | 5,659    | 4,190                                | 14,031                                   | 174,463 |
| Net book value as at 30 June 2024                        | 27,068 | 93,487                   | 42,476                  | 8,303    | 4,279                                | 29,298                                   | 204,912 |

As at 30 June 2024 the Group is committed to purchase property, plant, and equipment for the total amount of EUR 30,785 thousand (EUR 1,596 thousand as at 30 June 2023).

## 7. Right-of-use Assets

| Group  | Land    | Buildings and structures | Machinery and equipment | Vehicles | Total   |
|--|---------|--------------------------|-------------------------|----------|---------|
| <b>Cost:</b>   |         |                          |                         |          |         |
| Balance as at 30 June 2022                             | 23,846  | 2,811                    | 2,896                   | 4,997    | 34,550  |
| Additions  | 6,692   | 1,980                    | 3,318                   | 2,966    | 14,956  |
| Disposals and write-offs                               | (4,874) | (279)                    | (430)                   | (1,113)  | (6,696) |
| Reclassifications                                      | -       | -                        | 164                     | (164)    | -       |
| Reclassification from non-current assets held for sale | -       | 41                       | -                       | -        | 41      |
| Balance as at 30 June 2023                             | 25,664  | 4,553                    | 5,948                   | 6,686    | 42,851  |
| Acquisition of subsidiaries (Note 3)                   | -       | 1,122                    | -                       | -        | 1,122   |
| Additions  | 7,499   | 1,002                    | 4,373                   | 3,750    | 16,624  |
| Disposals and write-offs                               | (4,925) | (963)                    | (989)                   | (1,475)  | (8,352) |
| Reclassification from non-current assets held for sale | -       | 81                       | -                       | -        | 81      |
| Currency exchange impact                               | -       | (53)                     | (11)                    | (4)      | (68)    |
| Balance as at 30 June 2024                             | 28,238  | 5,742                    | 9,321                   | 8,957    | 52,258  |
| <b>Accumulated depreciation:</b>                       |         |                          |                         |          |         |
| Balance as at 30 June 2022                             | 4,095   | 1,421                    | 1,613                   | 2,701    | 9,830   |
| Charge for the year                                    | 2,431   | 626                      | 871                     | 1,283    | 5,211   |
| Disposals and write-offs                               | (1,307) | (134)                    | (419)                   | (866)    | (2,726) |
| Reclassification                                       | -       | -                        | 75                      | (75)     | -       |
| Balance as at 30 June 2023                             | 5,291   | 1,913                    | 2,140                   | 3,043    | 12,315  |
| Charge for the year                                    | 2,815   | 772                      | 1,715                   | 1,863    | 7,165   |
| Disposals and write-offs                               | (1,730) | (614)                    | (942)                   | (1,266)  | (4,552) |
| Reclassification from non-current assets held for sale | -       | 54                       | -                       | -        | 54      |
| Currency exchange impact                               | -       | 59                       | 1                       | (1)      | 59      |
| Balance as at 30 June 2024                             | 6,304   | 2,184                    | 2,914                   | 3,639    | 15,041  |
| Net book value as at 30 June 2022                      | 19,751  | 1,390                    | 1,283                   | 2,296    | 24,720  |
| Net book value as at 30 June 2023                      | 20,445  | 2,640                    | 3,808                   | 3,643    | 30,536  |
| Net book value as at 30 June 2024                      | 21,934  | 3,558                    | 6,407                   | 5,318    | 37,217  |

## 8. Investment property

| Group                                      | Land | Buildings | Total |
|--|------|-----------|-------|
| <b>Cost:</b>                               |      |           |       |
| Balance as at 30 June 2022                 | 400  | 259       | 659   |
| Disposals and write-offs                   | –    | (93)      | (93)  |
| Reclassification to tangible assets        | –    | (44)      | (44)  |
| Balance as at 30 June 2023                 | 400  | 122       | 522   |
| Reclassification (to)/from tangible assets | 63   | 316       | 379   |
| Balance as at 30 June 2024                 | 463  | 438       | 901   |
| <b>Accumulated depreciation:</b>           |      |           |       |
| Balance as at 30 June 2022                 | 1    | 42        | 43    |
| Charge for the year                        | –    | 41        | 41    |
| Disposals and write-offs                   | –    | (15)      | (15)  |
| Balance as at 30 June 2023                 | 1    | 68        | 69    |
| Charge for the year                        | –    | 3         | 3     |
| Reclassification (to)/from tangible assets | –    | 33        | 33    |
| Balance as at 30 June 2024                 | 1    | 104       | 105   |
| <b>Impairment losses:</b>                  |      |           |       |
| Balance as at 30 June 2022                 | 51   | 3         | 54    |
| Balance as at 30 June 2023                 | 51   | 3         | 54    |
| Balance as at 30 June 2024                 | 51   | 3         | 54    |
| Net book value as at 30 June 2022          | 348  | 214       | 562   |
| Net book value as at 30 June 2023          | 348  | 51        | 399   |
| Net book value as at 30 June 2024          | 441  | 331       | 742   |

## 9. Inventories

|                                | 30/6/2024 | 30/6/2023 |
|--------------------------------|-----------|-----------|
| Readily marketable inventories | 17,823    | 37,689    |
| Other inventories              | 209,316   | 233,130   |
| Net realizable value decrease  | (3,391)   | (4,182)   |
| Net realizable value           | 223,748   | 266,637   |

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:

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

## 10. Borrowings

|   | 30/6/2024 | 30/6/2023 |
|---|-----------|-----------|
| Non-current borrowings                              |           |           |
| Bank borrowings secured by the Group assets         | 65,317    | 28,415    |
|   | 65,317    | 28,415    |
| Current borrowings                                  |           |           |
| Current portion of non-current bank borrowings      | 12,190    | 9,175     |
| Current bank borrowings secured by the Group assets | 189,391   | 241,404   |
| Current Stockholders borrowings                     | –         | 3,420     |
|   | 201,581   | 253,999   |
|   | 266,898   | 282,414   |

As at 30 June 2024 the Group's Companies OOO KLM and UAB Dotnuva Baltic have not fulfilled part of conditions under agreements with OOO Alfa-Bank and AS Luminor bank respectively. Therefore, EUR 2,343 thousand non-current liabilities transferred to current liabilities. The Group's companies took initial actions to rectify the breach of conditions after the financial statements' preparation date.

As at 30 June 2024 the Group's Company AS Kekava Foods has not fulfilled part of conditions under agreements with Swedbank AS. The Group Company has received the waiver before the end of the financial year, that no sanctions will be taken for non-fulfilment of contractual conditions.

As at 30 June 2024 the Group's Company AB Linas Agro has not fulfilled part conditions under agreements with Swedbank AB, SEB AB. The Group Company has received the waiver before the end of the financial year, that no sanctions will be taken for non-fulfilment of contractual conditions.

Interest payable is normally settled monthly throughout the financial year.

The fair value of the Group's borrowings approximates their carrying amount.

## 11. Lease Liabilities

|  | 30/6/2024 | 30/6/2023 |
|--|-----------|-----------|
| <b>Non-current</b>                               |           |           |
| Lease liabilities related to right-of-use assets | 32,462    | 30,068    |
| Lease liabilities related to other assets        | 3,314     | 5,030     |
|  | 35,777    | 35,098    |
| <b>Current</b>                                   |           |           |
| Lease liabilities related to right-of-use assets | 9,137     | 6,304     |
| Lease liabilities related to other assets        | 5,811     | 4,516     |
|  | 14,948    | 10,820    |
|  | 50,725    | 45,918    |

As at 30 June 2024, the Group's companies Biržai District Medeikių ŽŪB, Sidabravo ŽŪB, Panevėžys District Aukštadvario ŽŪB and Kėdainiai District ŽŪB Nemunas have not fulfilled part of conditions under agreements with SEB AB. For the end of the financial period of 12 months EUR 673 thousand non-current "Lease liabilities related to other assets" has been reclassified to current "Lease liabilities related to other assets". The Group's company took initial actions to rectify the breach of conditions after the financial statements' preparation date.

As at 30 June 2024, the Group's companies UAB Dotnuva Baltic and UAB Dotnuva Rent have not fulfilled part of conditions under agreements UAB Luminor Lizingas. For ending financial period of 12 months EUR 3,152 thousand non-current "Lease liabilities related to right-of-use assets" has been reclassified to current "Lease liabilities related to right-of-use assets". The Group's company took initial actions to rectify the breach of conditions after the financial statements' preparation date.

The fair value of the Group's lease liabilities approximate to their carrying amount.

## 12. Operating (Expenses)

|   | 2023/2024<br>12 months | 2022/2023<br>12 months |
|---|------------------------|------------------------|
| Wages and salaries and social security                          | (61,317)               | (58,294)               |
| Vehicle, premises lease and maintenance                         | (8,870)                | (7,499)                |
| Advertisement, marketing, representation                        | (8,235)                | (7,509)                |
| Depreciation and amortization                                   | (4,968)                | (3,704)                |
| Taxes   | (3,950)                | (3,293)                |
| Office supplies and services                                    | (2,647)                | (2,190)                |
| Inventories, trade receivables and other insurance <sup>1</sup> | (2,332)                | (3,089)                |
| Consulting expenses   | (1,843)                | (2,511)                |
| Environmental and waste management costs                        | (1,800)                | (712)                  |
| Bank fees   | (1,391)                | (1,694)                |
| Training  | (474)                  | (272)                  |
| Donation  | (449)                  | (499)                  |
| Telecommunications  | (282)                  | (293)                  |
| Currency exchange profit  | –                      | (69)                   |
| Other <sup>1</sup>  | (9,825)                | (4,018)                |
|   | (108,383)              | (95,646)               |

<sup>1</sup> In 2024, the disclosure of operating expenses was reviewed across all Group companies. For the financial year ending June 30, 2024, not all Group companies provided detailed information in the "Inventories, trade receivables and other insurance". The comparative information for the marked groups has been recalculated in the financial statements. To more accurately reflect the distribution of items in the financial statements, the Group reviewed the account grouping methodology in the separate and consolidated financial statements in 2024 and adjusted the comparative years 2022-2023 and 2023-2024.



## 13. Other income (expenses)

| Other income   | 2023/2024<br>12 months | 2022/2023<br>12 months |
|--|------------------------|------------------------|
| Grants received for agriculture activity   | 4,084                  | 5,115                  |
| Grants for poultry activity  | 235                    | 1,675                  |
| Rental income from investment property and property, plant, and equipment <sup>1</sup>                                     | 262                    | 361                    |
| Gain from disposal of investment property and property, plant, and equipment   | 1,372                  | 829                    |
| Dividend income  | –                      | 11                     |
| Change in fair value of financial instruments  | 819                    | 983                    |
| Other income   | 3,119                  | 4,152                  |
|  | 9,891                  | 13,126                 |
| Other (expenses)   | 2023/2024<br>12 months | 2022/2023<br>12 months |
| Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment | (274)                  | (413)                  |
| Change in fair value of financial instruments  | (3,267)                | (3,589)                |
| Loss on disposal of other investments and prepayments for financial assets   | (47)                   | –                      |
| Other expenses   | (3,249)                | (3,043)                |
|  | (6,837)                | (7,045)                |

## 14. Commitments and Contingencies

A few Group companies (UAB Linas Agro Grūdų Centrai, Kėdainiai District Labūnavos ŽŪB, Sidabravo ŽŪB, and Panevėžys District Žibartonių ŽŪB, Šakiai District Lukšių ŽŪB) 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 2030 and 2031, Šakių rajono Lukšių ŽŪB – up to 2030.

AS Kekava Foods received grants from the European Union and Rural Support Service (Latvia) for poultry farm, feedstuffs production and storages upgrade. AS Kekava Foods is committed not to discontinue broiler breeding, slaughtering and sale of products and compound feed production up to the end of 2028.

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 3,726 thousand as at 30 June 2024 (EUR 3,060 thousand as at 30 June 2023). Group has no plans to discontinue above mentioned operations.

As at 30 June 2024, the Group has guaranteed EUR 5,623 thousand (as at 30 June 2023 – EUR 5,385 thousand) for the third parties to Banks for the granted loans.

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 30 June 2024 and as at 30 June 2023 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.

<sup>1</sup> The comparative information for the marked groups has been clarified in the financial statements. To more accurately reflect the reclassification of items in the financial statements, the Group's management reviewed the account grouping methodology in the financial statements in 2024 and adjusted the comparative years 2022-2023. In order to disclose a more accurate picture of the result of the sale of non-current assets, the Group reclassified an amount of EUR 75 thousand between comparative figures from "Other expenses" to "Other income" in accordance with IAS 1.34(a)

# 15. Related Parties Transactions

All amounts are in thousand euros unless otherwise stated

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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 30 June 2024 and 30 June 2023 were as follows:

### Akola ApS and other Group companies:

| Name                     | Place of registration | Type                    |
|--------------------------|-----------------------|-------------------------|
| Akola ApS                | Denmark               | Immediate parent entity |
| UAB Darius Zubas Holding | Lithuania             | Ultimate parent entity  |
| UAB MESTILLA             | Lithuania             | Sister entity           |

### Key management personnel:

Key management personnel of the Company and both immediate and ultimate parent entities:

- The Board;
- The Supervisory Board;
- The Audit Committee;
- Chief Executive Officer;
- Deputy Chief Executive Officer;
- Chief Financial Officer;

| Members of the Board   | Members of the Supervisory Board  | Members of the Audit Committee  |
|--|---|---|
| Darius Zubas (chairman of the board, ultimate controlling shareholder);<br>Dainius Pilkauskas (until 30/04/2024);<br>Arūnas Zubas;<br>Andrius Pranckevičius;<br>Mažvydas Šileika;<br>Jonas Bakšys. | Tomas Tumėnas (chairman of the board);<br>Arūnas Bartusevičius (independent member);<br>Carsten Højland (independent member). | Lukas Kuraitis (independent member of the Committee)<br>Arūnas Bartusevičius (independent member of the Committee)(from 27/12/2023);<br>Skaistė Malevskienė (independent member of the Committee);<br>Irma Antanaitienė (until 16/10/2023). |

### Subsidiaries: List provided in Note 3.

#### Related parties through members of key management personnel

- UAB Vividum – Jonas Bakšys joint community property with spouse together;
- UAB Dvi T – 100% of shares are owned by Jonas Bakšys;
- UAB Kirtimų logistikos centras – 100% of the shares belong to Skaistė Malevskienė's spouse, who is the ultimate beneficiary;
- UAB Kirtimų logistika – 100% of the shares belong to Skaistė Malevskienė's spouse, who is the ultimate beneficiary;
- UAB Urban Properties – 100% of the shares belong to Skaistė Malevskienė's spouse, who is the ultimate beneficiary;
- UAB Agmesta – 100% of the shares belong to Skaistė Malevskienė's spouse, who is the ultimate beneficiary.

A close member or the family of the key management personnel is considered to be related parties.



## 15. Related Parties Transactions

All amounts are in thousand euros unless otherwise stated

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As at 30 June 2024 Group had direct and indirect investments in these joint ventures and associates:

- KG Khumex B.V. (The Netherlands);
- KG Khumex Coldstore B.V. (The Netherlands);
- UAB OMG Bubble Tea (Lithuania);
- BRITE DRINKS LTD (The United Kingdom).

To determine whether the investment in the company is an associated company, the Group estimates both the effective ownership interest and other significant influence exerted.

If the Group holds less than 20% of effective ownership interest but determines that the Group exerts a significant influence on the company through the Group's representative's participation in the company's board over the decisions making related to the company's activities, the Group considers an investment as an associated Company and accounts it by the equity method.

The Group assesses its investment in the associated companies as immaterial.

### The Group's transactions with related parties in 12-month period ended 30 June 2024 were as follows:

|                           | Purchases    | FY 2023/2024 12 months |                                    |                                  | 30/6/2024                                |                              |                        |                       |
|---------------------------|--------------|------------------------|------------------------------------|----------------------------------|--|------------------------------|------------------------|-----------------------|
|                           |              | Sales                  | Expenses from financial activities | Income from financial activities | Current receivables from related parties | Non-current loans receivable | Other current payables | Current payable loans |
| Akola ApS group companies | 3,137        | 42,097                 | 69                                 | –                                | 269                                      | –                            | 272                    | –                     |
| KG Khumex B.V.            | 19           | 22,194                 | –                                  | –                                | 2,090                                    | –                            | –                      | –                     |
| KG Khumex Coldstore B.V.  | –            | –                      | –                                  | 13                               | –  | 550                          | –                      | –                     |
| UAB OMG Bubble Tea        | –            | –                      | –                                  | 40                               | 40                                       | 900                          | –                      | –                     |
| <b>Total</b>              | <b>3,156</b> | <b>64,291</b>          | <b>69</b>                          | <b>53</b>                        | <b>2,399</b>                             | <b>1,450</b>                 | <b>272</b>             | <b>–</b>              |

### The Group's transactions with related parties in 12-month period ended 30 June 2023 were as follows:

|                           | Purchases    | FY 2022/2023 12 months |                                    |                                  | 30/6/2023                                |                              |                        |                       |
|---------------------------|--------------|------------------------|------------------------------------|----------------------------------|--|------------------------------|------------------------|-----------------------|
|                           |              | Sales                  | Expenses from financial activities | Income from financial activities | Current receivables from related parties | Non-current loans receivable | Other current payables | Current payable loans |
| Akola ApS group companies | 1,196        | 43,747                 | 238                                | –                                | 286                                      | –                            | 273                    | 3,420                 |
| KG Khumex B.V.            | 578          | 39,589                 | –                                  | –                                | 4,384                                    | –                            | –                      | –                     |
| KG Khumex Coldstore B.V.  | –            | –                      | –                                  | 13                               | –  | 750                          | –                      | –                     |
| <b>Total</b>              | <b>1,774</b> | <b>83,336</b>          | <b>238</b>                         | <b>13</b>                        | <b>4,670</b>                             | <b>750</b>                   | <b>273</b>             | <b>3,420</b>          |

In a 12-month period of financial year 2023/2024, EUR 2,858 thousand of dividends were paid to Immediate parent entity. (In the financial year 2022/2023, EUR 3,440 thousand of dividends were paid.)

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.



## 15. Related Parties Transactions

All amounts are in thousand euros unless otherwise stated

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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 is applied to loans received from and granted to related parties. Interest payable is normally settled at the end of the loan term.
- On 30 June 2024 there was no impairment formed for the Group's receivables from related parties. On 30 June 2023 there was an impairment of EUR 300 thousand formed.

On 30 June 2024 and on 30 June 2023, the associated Companies such as KG Khumex B.V. and KG Khumex Coldstore were fully impaired of amount EUR 202 thousand.

### **The Group's transactions with key management personnel in 12-month period ended 30 June 2024 and 30 June 2023 were as follows:**

During financial years 2022/2023 and 12-month period of 2023/2024 there were no significant transactions between Group and key personnel management.

On both 23 November 2023 and 24 November 2023 Key personnel management have submitted notice to the Company regarding the exercise of the options based under the share-option agreements signed on both 29 June 2018 and 28 February 2020. On 8 December 2023 Key management personnel acquired 3,879,032 shares (EUR 2,285 thousand). The New Shares are granted free of charge, and they are paid by the Company from the reserve formed by the Company to grant its own shares.

On 24 November 2022 Key personnel management have submitted notice to the Company regarding the exercise of the options based under the share-option agreement signed on 29 June 2018. On 8 December 2023 Key management personnel 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 formed by the Company to grant its own shares.

In a 12-month period of financial year 2023/2024, EUR 590 thousand of dividends were paid to the key management personnel. (In the financial year 2022/2023, EUR 714 thousand of dividends had been paid).

## 16. Subsequent Events

|                  |  |
|------------------|--|
| 02/07/2024       | UAB Gerera was removed from the Register of Legal Entities after reorganization.                             |
| 2024 July/August | The Company transferred 50,000 of its own shares to employees of the Group under the Rules for Shares Issue. |
| 01/08/2024       | The shares of associates KG Khumex Coldstore B.V. and Khumex Holding B.V. have been sold.                    |
| 07/08/2024       | The shares of SIA KG Latvija have been acquired by AB Kauno Grūdai from UAB KG Mažmena.                      |
| 12/08/2024       | The Company sold shares of UAB Sunvesta.   |