

Confirmation of the Responsible Persons

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

CEO of AB Linas Agro Group

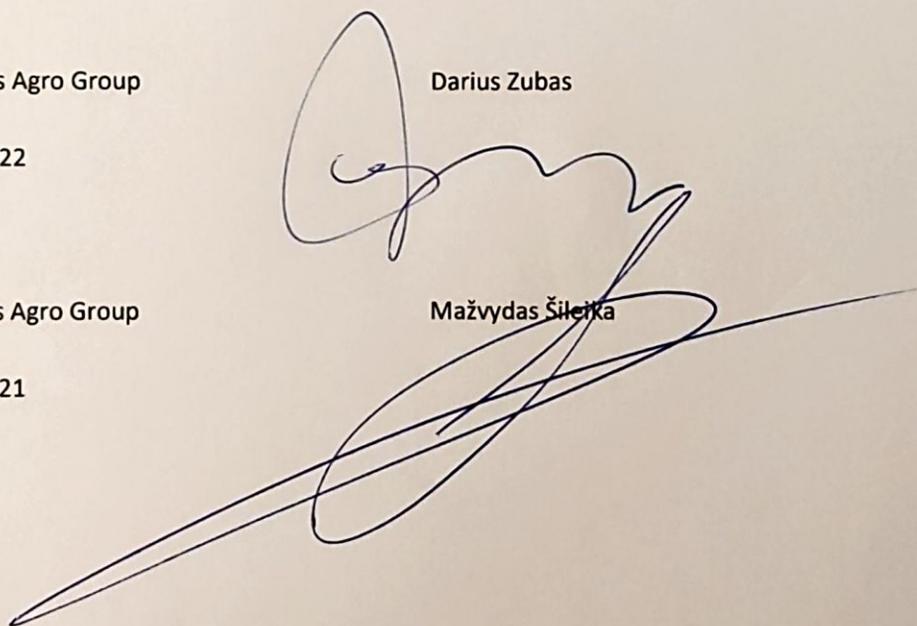
Darius Zubas

28 February 2022

CFO of AB Linas Agro Group

Mažvydas Šileika

28 February 2021

The image shows two handwritten signatures in black ink. The first signature, for Darius Zubas, is located above the second signature, for Mažvydas Šileika. Both signatures are stylized and cursive. The signature for Mažvydas Šileika is significantly larger and more complex, extending further to the right and bottom of the page.



linas  agro

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

For the period ended December 31, 2021

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1. Reporting period of the Interim Report

Financial year of AB Linas Agro Group starts on 1 July of the calendar year and ends on 30 June of the next year, therefore this interim report is prepared for the first half of the financial year 2021/22, and all the figures are stated as at 31 December 2021, unless otherwise indicated. AB Linas Agro Group is also referred to as the Company and its group of companies is referred to as Group in this report.

2. References and other explanatory notes on the information disclosed in the Report

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

3. Brief Information about the Company and the Group

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

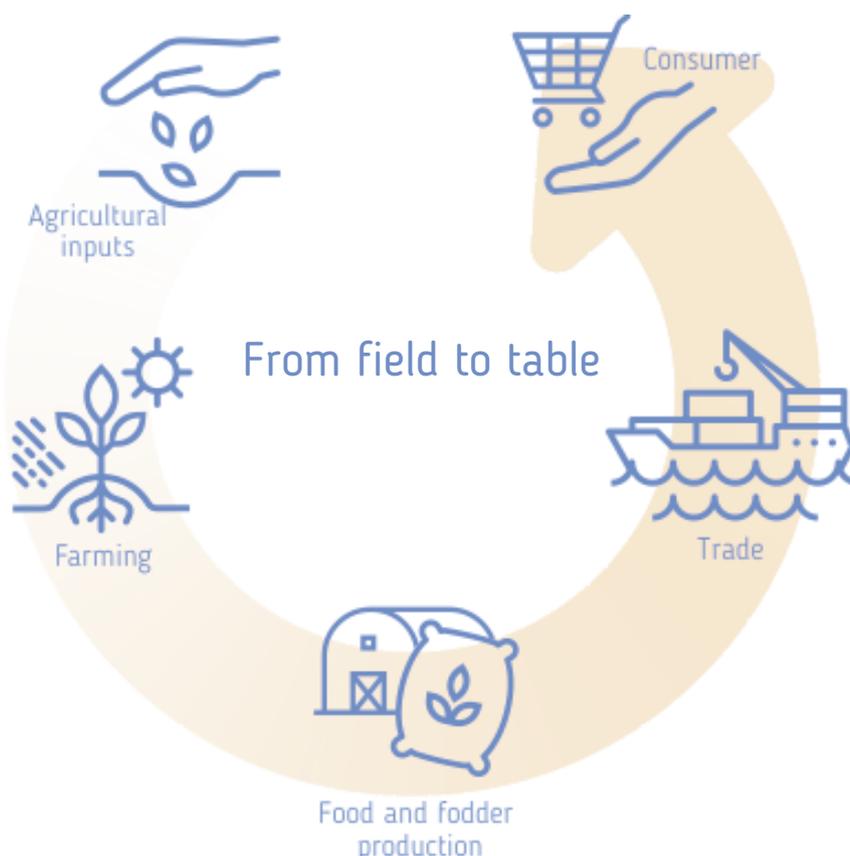
AB Linas Agro Group together with its directly and indirectly controlled companies (hereinafter – subsidiaries) and associates makes the Group, which was founded in 1991 and operates in eight countries: Lithuania, Latvia, Estonia, Ukraine, Russia, Belarus, the Netherlands, Poland. The company had 75 subsidiaries and 3 associates as at December 31, 2021. The total headcount of the Group was 5,398. The financial year of the Group starts on the 1st of July. The Company does not have any branches and representative offices.

3.1. The Main Activity

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

The Group's activities are subdivided into main five operating Segments: 'Grain, Oilseeds, and Feed', 'Products and Services for Farming', 'Agricultural Production', 'Food products', and 'Other activities'. Division into separate Segments is dictated by different types of products and character of related activities; however, activities of the Segments are often interconnected.

The production chain, which extends from the field to the table, provides self-sufficiency in raw materials, ensures process traceability and the quality of the products produced. The Group is the leading exporter of grains and has own network of grain storage facilities. Also is one of the leaders in supplies of agricultural inputs (such as certified seeds, fertilizers, crop care products and agricultural machinery) in Lithuania, has seed processing plant. The Group is a major milk producer in Lithuania and poultry producer in Lithuania and Latvia.



4. Activity and Financial Results of the Group

Consolidated revenue of AB Linas Agro Group in six months of 2021/22 financial year totaled EUR 856 million and was 80% more as compared to previous year (EUR 475 million).

The Group's sales volume in tons reached 1.9 million tons of various products and was 15% more as compared to previous year (1.7 million tons).

The gross profit reached EUR 64 million and was 222% higher than a year before (EUR 20 million).

The Group's operating profit was EUR 23 million or 351% more as compared to the respective period of the previous year (EUR 5 million).

Consolidated EBITDA amounted to EUR 41 million and was 205% higher as compared to the previous year (EUR 13 million).

Profit before taxes amounted to EUR 19 million and was 380% higher as compared to EUR 4 million in previous year.

The net profit stood at EUR 16 million and increased by 323% y-o-y.

Consolidated revenue for the Q2 amounted to EUR 416 million being 76% higher as compared to the previous year (EUR 236 million). Gross profit for the Q2 increased from EUR 7 million to EUR 27 million and operating profit from EUR 0.2 million to EUR 8.8 million. Net profit for the Q2 amounted to EUR 4.2 million, compared to a net loss of EUR 0.1 million in the corresponding period of the previous year.



4.1. Financial indicators

	2021/22 6 months	2020/21 6 months	2019/20 6 months	2018/19 6 months	2017/18 6 months
Sales in tons	1,925,813	1,669,227	1,108,610	1,002,876	1,190,608
Sales revenue (thousand EUR)	855,792	474,951	317,178	328,923	324,764
Gross profit (thousand EUR)	64,372	20,019	19,809	20,482	27,143
Gross profit margin, %	7.5	4.2	6.3	6.2	8.4
EBITDA (thousand EUR)	41,185	13,487	9,216	8,063	14,549
EBITDA (thousand EUR) (Excluding the impact of IFRS 16)	39,202	11,754	8,244	8,063	14,549
EBITDA margin, %	4.8	2.8	2.9	2.5	4.5
EBITDA margin, % (Excluding the impact of IFRS 16)	4.6	2.5	2.6	2.4	4.5
Operating profit (thousand EUR)	23,195	5,147	3,022	2,748	8,486
Operating profit margin, %	2.7	1.0	1.0	1.0	2.6
Earnings before taxes EBT (thousand EUR)	18,819	3,922	1,713	1,470	7,490
Earnings before taxes margin, %	2.2	0.8	0.6	0.4	2
Net profit (thousand EUR)	15,746	3,721	1,582	1,186	6,861
Net profit margin, %	1.8	0.8	0.5	0.4	2
Current ratio	1.2	1.3	1.3	1.3	1.4
Debt / Equity ratio	2.6	1.4	1.6	1.7	1.3
Net financial debt / EBITDA	8.2	12	20	27	10.2
Return on equity (ROE), %	7.1	2.0	0.9	0.6	3.9
Return on capital employed (ROCE), %	4.2	1.5	0.9	0.7	2.5
Basic and diluted earnings per share (EUR) (EPS)	0,09	0.02	0.01	0.01	0.04

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

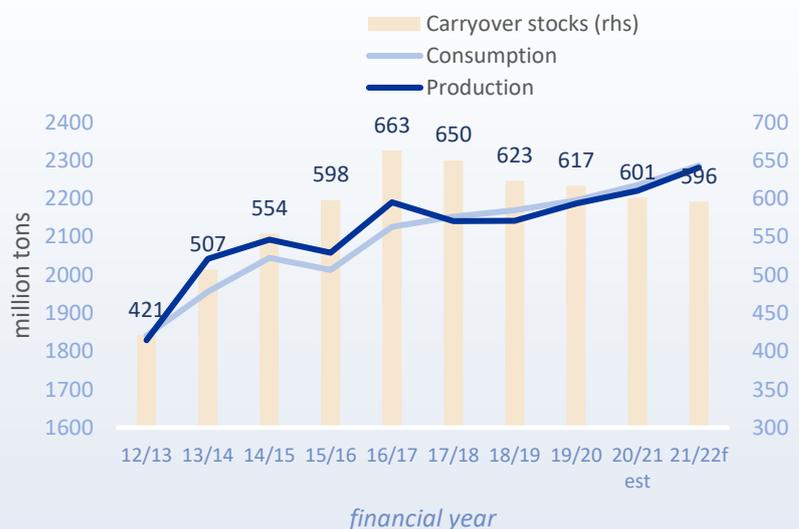
Explanation of terms in table 4.1:

EBITDA	Equals operating profit before depreciation, amortization and impairment losses.
Operating profit (EBIT)	Equals profit before net from investments and finance activities, and income tax.
Earnings before taxes (EBT)	Equals profit before income tax.
Profit margin of the period	Profit of the period expressed as a percentage of total revenue.
Net financial debt	Non-current, current liabilities to financial institutions and lease liabilities less cash and cash equivalent.
Capital employed	Shareholders' equity plus non-current and current liabilities to financial institutions.
Current ratio	Current assets divided by current liabilities.
Debt to equity ratio	Long-term and short-term liabilities as a percentage of Shareholders' equity.
Return on Equity (ROE), %	Net profit for the period as a percentage of average Shareholders' equity for the 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.
Price earnings ratio (P/E)	Closing Company's share price at Nasdaq Vilnius stock exchange at the end of reporting period divide by rolling 12 months' earnings per share.

4.2. Overview

According to the preliminary data of International Grains Council (IGC) published on 2022 February 17, the world grain production for 2021/2022 shall account for 2.281 billion tons, and mostly thanks to higher quantities of maize, will end up being 61 million tons more as compared to the figures of 2020/2021. Yet consumption shall as well keep increasing (51 million tons higher than in 2020/2021), exceeding production for the fifth year in a row, consequently expecting the world cereal stocks figure to stand just at 596 million tons at the end of the 2021/2022 harvest year, marking the lowest level of stocks in the last seven years (at the end of the 2015/2016 harvest year - 598 million tons).

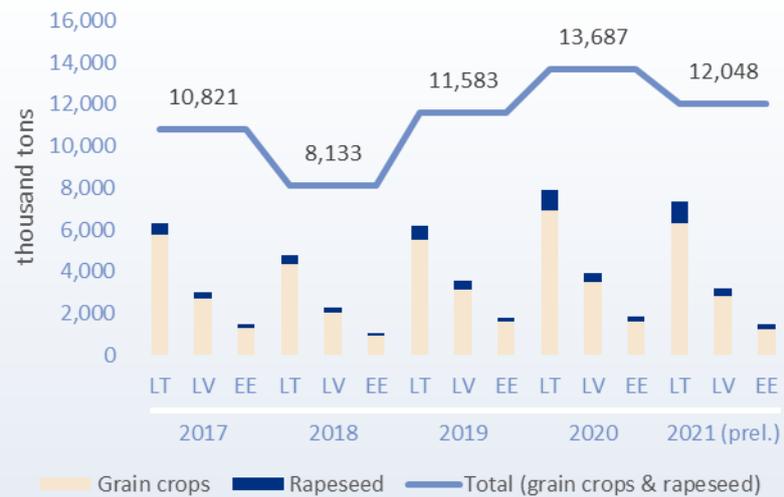
The world total grain production



International Grains Council (IGC) data

In contrast to the record harvest of grain and oilseeds in all Baltic countries in 2020/2021, it seems that results of 2021/2022 have not met the expectations of stakeholders, however the yields are considered to be in line with the general trends of the last five years and even slightly above the average. According to the preliminary data of the Lithuanian Department of Statistics, about 6 million tons of cereals or 9% less than last year was collected in the country, harvest of the pulses decreased by 13% to 0.3 million tons, only the rapeseed grew slightly (4%) exceeding the threshold of 1 million tons. 2.9 million tons of grain were grown in Latvia or 12% less than last year, the rapeseed accounted for 0.4 million tons or 18% less than last year. In Estonia 1.3 million tons of grain were grown, being 22% less than last year, the rapeseed - 0.2 million tons or 9% more than last year.

Grain and rapeseed harvest in the Baltic states

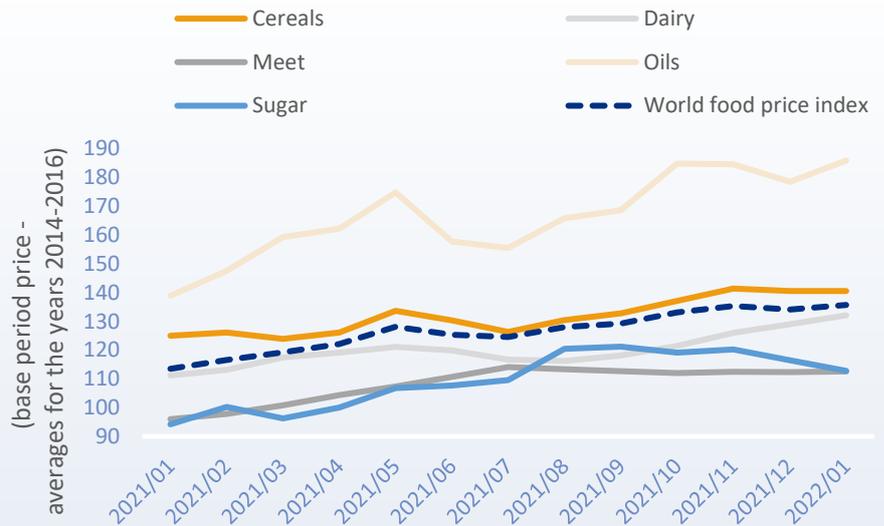


Data: Statistics Lithuania,
Central Statistical Bureau of Latvia,
Statistics Estonia

Regardless of difficult start of the harvest in Australia, accompanied with uncharacteristic rainfall, the continent's 2021/2022 wheat harvest seems to hit a record, with simultaneously high yields of this crop in Argentina, Ukraine and Europe. Productivity has been boosted by intensive fertilizer use and timely late rains in some regions, so even with US, Russia and Canada announcing lower wheat yields, the global wheat harvest is expected to peak. However, due to the same rainfall and, in some cases, droughts, the quality of grain could not catch up with the quantities and the global availability of higher quality wheat remained limited, maintaining high price sentiment in the context of growing demand for both food and feed wheat. In October-December 2021, world grain prices were 76-77 euros higher than last year, for example, wheat futures prices for March lots on the Euronext exchange fluctuated around 283-284 euros per ton, compared to 206-207 euros per ton a year ago. Prices and high volatility was also impacted by geopolitical factors, such as Russian wheat export quotas (to manage sufficient wheat for domestic consumption) and the escalation of a possible conflict between Ukraine and Russia, fearing over disrupted supply from some of the world's largest grain growers and exporters.

According to the preliminary data of the United States Department of Agriculture (USDA), published on 2022 February 9, the global oilseed harvest of 2021/2022 will reach 611 million tons and is likely to be only 8 million tons higher than in 2020/2021. More conservative growth expectations were largely driven by an updated estimate of the soybean harvest in drought-affected Brazil, Paraguay and Argentina. The continued rise in the price of this crop and China's seemingly stabilized demand for pig and poultry farms feed is expected to lead to some rationing in demand for soybeans, however overall demand for oilseeds is expected to remain similar to last year's, respectively anticipating declining world oilseeds stocks at the end of the 2021/2022 harvest year (only 105 million tons or 9 million tons less than last year).

Dynamics of world food prices 2021



Data: Food and Agriculture Organization of the United Nations

Structural basis for rising commodity prices was not only formed with declining world cereals and oilseeds stocks, but materially with money supply lately growing almost at the fastest pace since the 20th century (excluding the years of World War II), creating rising inflation expectations. According to the data of Food and Agriculture Organization of the United Nations, growth in world food prices in 2021 gained momentum, observing the most significant inflationary sentiment in the oil, grain and dairy products segment, the meat and sugar price index meanwhile rose more moderately. In the operations of different segments of the Group, such price changes have a significant impact not only on income generation, but also on management of rising costs.

4.3. Performance Results of the Segments

Activities of the Group are divided into five business Segments:

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

Operating Profit (loss) by Segments, thousand euro

	2021/22 6 months	2020/21 6 months	2019/20 6 months	2018/19 6 months	2017/18 6 months
Grain, Oilseeds, and Feed	(399)	898	1,984	3,185	6,718
Products and Services for Farming	25,323	4,311	1,860	965	2,750
Agricultural Production	(923)	1,248	(996)	(560)	474
Food Products	(201)	(124)	1,988	1,124	1,533
Other Activities	1,795	11	26	(176)	41

Grain, Oilseeds, and Feed

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



Start of operation	<p>1991</p> <p>AB Linas Agro (Lithuania) UAB Linas Agro Grūdų Centras (Lithuania) UAB Linas Agro Grūdų Centrai (Lithuania) UAB KUPIŠKIO GRŪDAI (Lithuania) UAB Karčemos Bendrovė (Lithuania) UAB Jungtinė Ekspedicija (Lithuania) AB Kauno Grūdai (Lithuania) UAB KG Mažmena (Lithuania) UAB Kauno Grūdai ir Partneriai (Lithuania)</p>
Operating companies	<p>SIA Linas Agro (Latvia) SIA Linas Agro Graudu Centrs (Latvia) SIA KG Latvija (Latvia) OU Linas Agro (Estonia) LLC LINAS AGRO UKRAINE (Ukraine) KG Polska Sp. zo.o. (Poland) IOOO Belfidagro (Belarus) OOO VitOMEK (Russia) OOO KLM (Belarus)</p>
Activity	<p>Grain storage and logistic services Grain, oilseeds, feed materials and feed additives trading Compound feed production and sales Renting and operating of own or leased real estate</p>
Share of revenue in Group's portfolio (H1 of FY 2021/2022)	<p>60 %</p>
Infrastructure at the end of the reporting period	<p>564 ktons storage capacity for various grains and other agricultural commodities in Lithuania and Latvia, as well as 365 ktons storage capacity at Lithuanian and Latvian ports.</p> <p>240 thousand tons of annual compound feed production capacity in own factory in Lithuania (Kaunas) 55 thousand tons of annual premixes production capacity in own factories in Lithuania (Kaunas), Russia and Belarus</p>
Own trademarks	<p>Vitamins and mineral supplements 'VitaPrem', compound feed 'Provitac', feed 'Effectus'</p>
Retail chain	<p>12 feed retail stores in Lithuania</p>
Certificates	<p>The company AB Linas Agro is the holder of the certificates of GTP (European Good Trading Practice) and GMP+ (European Good Manufacturing Practice), also holds the certificates in trade of organic plant production issued by the PE Ekoagros and ISCC (International Sustainability and Carbon certification). SIA Linas is also ISCC certified. AB Kauno Grūdai is the holder of Halal", ISO 22000-:2018 certificates, also certificate issued by ISCC.</p> <p>IOOO Belfidagro has a license to perform veterinary activities, certificates confirming compliance with ISO 14001:2015, ISO 45001:2018, ISO 14001:2018, ISO 9001:2015 standards.</p>

Grain Storage and Logistic Services

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

Comparing the quantities of grain accepted by the companies of the Group (pre-acquisition) with the same reporting period last year, 20% decrease was recorded, the results of the newly joined KG Group companies (excluding the sourcing for Group's production units) were also worse - 26% drop noted. This decrease is related to the lower total grain and rapeseed harvest in Lithuania and Latvia, the fact that due to high yields, elevators in Lithuania and Latvia accepted record quantities of grain during the previous reporting period. The total result of the companies merged into one Group was 839 thousand tons of grain received through the elevator network, of which wheat accounted for 69%, rapeseed - 18%, barley - 7%.

The lower amount of collected grain dictated by the reserved harvest, of course, meant shrinking income from grain storage, the earnings of which during the reporting period were often further reduced by the "rapid" unloading of grain, which shortened the storage time. Due to the disruption of rail transport when harvesting and respectively limited possibilities to unload grain in the port, it was sometimes chosen to restrict purchases. With continuous high cereal prices trend and prevailing market growth expectations, there have been cases of non-performance of contracts, preferences to sell directly to local producers or competitors. Due to the predominance of dry grain, during the reporting period revenue from drying services was not significant as well. At the same time, it was not easy to manage the costs - gas, electricity and other materials became more expensive and had direct impact on operating results.

During the reporting period, EUR 4 million income was received for grain storage and logistics services or 10% more compared to the same period in previous year. Assessing the reporting period and the corresponding previous financial year period results of the companies that were part of the Group prior to the acquisition, 6% increase in revenue would be recorded thanks to Group wise insignificant, however substantial increase in the revenue from logistics services.

Grain and Oilseed Trading

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

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

Comparing the grain and oilseeds quantities purchased and sold, as well as sales revenue generated by the companies of the previous composition of the Group (until the acquisition of KG Group by AB Linas Agro Group on 15th July 2021) with the same reporting period of the previous year, the respective 32% and 27% quantities decline recorded, while sales revenue contracted more moderately - 12%, illustrating the continuous high price sentiment in the market.

During the reporting period, the volume of grain and oilseeds purchased by the upscaled Group amounted to 1.5 million tons, during the same period 1 million tons were sold, the sales revenue of these

products amounted to EUR 274 million; this is respectively 32% and 14% less and 6% more than within the same period last year. The main export goods remained Lithuanian and Latvian wheat.

Not only due to limited harvest, occurring cases of non-performed contracts and lower purchases, but also due to poorer quality of grain - trade remained difficult during the reporting period. Sun-baked grain parameters did not reach sufficient test weight levels to be accepted for international trade, therefore Group companies had to renegotiate terms with the buyers, cooperate with domestic processors in the realization of production, sell to the local market in accordance with regional grain purchase and supply requirement standards. All the above helped to sell the grain of irregular quality parameters, however, lower test weights for processors often meant the need to adjust recipes, to mix-in larger quantities of better quality grains, therefore sales of such wheat were made with price deductions.

Feed Business

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

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

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

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

Until the acquisition of KG Group by AB Linas Agro Group on 15th of July, 2021, the feed production activities of the Group companies were carried out in small volumes, with a greater concentration on trade in feed materials until the beginning of this reporting period. With the increase in the Group's scale in the summer of 2021, the production of compound feeds and premixes becomes a significant part of the Group's revenue portfolio. The activity is carried out in own factories in Lithuania, Russia, and Belarus (annual production capacity of 295 thousand tons of compound feed and premixes). In Lithuania, the retail trade of feed is carried out through a network of retail stores managed by UAB KG Mažmena.

After production of harvest 2021 was sold at high price by the local farms and continuous aim to achieve consistently high productivity results for the future harvests prevailed, the growing demand for prepared feed was felt and new contracts with large feed buyers in Lithuania were signed. Although operations were hampered by the tight and expensive cost of export container logistics services, good profitability was achieved through the timely procurement of raw materials. In Belarus, with the establishment of new players, competition in the local premix market increased, however, production volumes and sales of services improved during the reporting period, also exporting to Russia and Armenia was initiated. To expand potential sales markets, FAMI-QS global quality and feed safety management system has been implemented in Russian production unit; shortage of raw materials on the market, especially amino acids, was accompanied by rising prices for protein raw materials.

Trade in feed materials in the soaring prices environment, meant a predominant desire on the part of producers to secure larger quantities of raw materials and supply for a longer period. Group's companies have pursued a strategy of taking on less long-term liabilities, entering into more short-term contracts and using derivative financial instruments to manage price risks in trading.

During the reporting period, 448 thousand tons of compound feed, premixes and feed materials were sold, EUR239 million sales revenue earned, which is 95% and 166% more than the same period last year. Comparing the results of the pre-acquisition Group companies with the same reporting period last year, 11% decrease in sales volumes and 12% increase in sales revenue would be respectively recorded.

During the reporting period revenue of the Grain, Oilseeds and Feed segment increased by 47% up to EUR 517 million. Operating result amounted to EUR 0.4 million loss compared to EUR 0.9 million profit for the corresponding period of the previous year. The main reasons for the decline in profitability were related with limited quantity and lower quality crops trading, causing extra difficulty due to the environment of soaring prices.



Products and Services for Farming

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



Start of operation	<p>1993</p> <p>AB Linas Agro (Lithuania) UAB Dotnuva Baltic (Lithuania) AB Kauno Grūdai (Lithuania) UAB GeoFace (Lithuania) UAB Linas Agro Grūdų Centras (Lithuania) UAB Linas Agro Grūdų Centrai (Lithuania) UAB KUPIŠKIO GRŪDAI (Lithuania) UAB Karčemos Bendrovė (Lithuania) SIA Linas Agro (Latvia) SIA Dotnuva Baltic (Latvia) SIA Linas Agro Graudu Centrs (Latvia) SIA KG Latvija (Latvia) Linas Agro OÜ (Estonia) AS Dotnuva Baltic (Estonia) OOO KLM (Belarus)</p>
Operating companies	
Activity	<p>Preparation of seed in own seed preparation factory Supply of seeds, plant care products, fertilizers to the farmers Supply of new and used agricultural machinery, spare parts, and service to the farmers Installation of grain cleaning, drying and storage facilities as well as livestock farms Software development Representation of worldwide known brands</p>
Share of revenue in Group's portfolio (H1 of FY 2021/2022)	22%
Outlets/Service centers	19/15
Infrastructure at the end of the reporting period	188 ktons - storage capacity for warehousing seeds, fertilizers and plant protection products
Total annual capacity of the seed production plant	30 ktons heavy seeds (cereals and pulses)
Owned trademarks	<p>Seeds 'Dotnuva Seeds', fertilizers 'Pro Garden' and 'BIO Mineral', intelligent farming system 'GeoFace'</p> <p>Agricultural machinery, spare parts, grain cleaning, drying and storage facilities as well as livestock farms equipment – 'Kverneland', 'Cimbria', 'Quicke', 'Case IH', 'Einbock', 'Bin', 'Agrifac', 'Siloking', 'Shaffer', 'Swimer', 'Boumatic', 'Arška', 'Mandam', 'Agrisem', 'MacDon'</p> <p>Adjustable underground drainage system – 'Ekodrena'</p> <p>Seeds, plant care products, fertilizers – 'Syngenta', 'Adama', 'Rapol', 'Yara', 'Adob', 'Ekoplón', 'Novagra', 'Nando', 'Haifa', 'Daymsa', 'Agritechno', other.</p>
Represented manufacturers / brands	
Certificates	<p>UAB Dotnuva Baltic, SIA Dotnuva Baltic and AS Dotnuva Baltic have joined the Case IH international quality network Red Excellence, which unites companies representing the Case IH brand in Europe.</p> <p>UAB Dotnuva Baltic has a certificate in preparation and trade of organic seeds issued by the PE Ekoagros, as well as a qualification certificate entitling to be a contractor for the construction of special structures.</p>

Preparation of Seed in own Seed Preparation Factory

Over the reporting period, the own seed preparation factory of UAB Dotnuva Baltic (Dotnuva, Kedainiai distr.) prepared 16 thousand tons of certified 'Dotnuva Seeds' cereals and pulses seeds, being 15% more than in previous year. Higher production volumes are related to favorable winter sowing conditions in the fall of 2021, allowing the production time to be extended and additional quantities of seed to be prepared. Despite the relatively modest weight in the structure of the seed portfolio, as in the previous financial year, the highest growth was recorded in the category of grass and sidereal plant seeds. Growing demand for certified fodder grass seeds in Europe, intensification of greening programs, farms intentions towards soil structure improvement, enriching it with organic matter, more than 1 thousand tons of grass and sidereal plant seeds were prepared.

After finalizing EUR 1.4 million worth investments into modern seed warehouse in 2021, the completion of the new building was registered in the month of November, thus, the increase in the capacity of the seed factory only started to be felt at the end of the reporting period. With the availability of additional capacity, the seed factory will be able to prepare up to 30 thousand tons of seeds per year.

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

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

During the reporting period, the growth rate of Group companies' seed sales revenue (108% as compared to the same period of the previous financial year or EUR 20 million) significantly exceeded the growth of quantitative seed sales (28% compared to the same period of the previous financial year or 20 thousand tons). As every year, the intensity of use of certified seeds significantly depended on the financial situation of farms, harvest expectations, support for the purchases of certified seeds. During the reporting period increase of the earnings was determined by the higher grain prices in the market, and overall stronger seed demand, related both to the farms' strategy of sowing more winter crops and the shortage of some seeds in the market. Currently in Lithuania about 20% of cereal areas are sown with certified seeds, therefore, to Group's knowledge, the growth of the seed market in Lithuania is moderate and organic, maintaining the potential of further growth ultimately catching up with leading European countries (on average certified seed is sown in about 50% of cereal areas in European Union countries).

The volume of fertilizers sold by the Group companies increased by 54% compared to the same period last year; the increase was related to the transaction completed by the Group in July 2021 and inclusion of new Group companies. Assessing the separate sales of AB Linas Agro Group and KG Group, the lower consumption of fertilizers by some customers, postponement of the purchase decision, as well as supply disruptions, non-performance of contracts led to a decrease in the quantities of fertilizers sold. However, as fertilizer prices remained high during the reporting period, the sales revenues of both individual companies and combined Group increased and together reached EUR 83 million (133% growth compared to the same reporting period last year). High price sentiment was further on supported with geopolitical factors, such as sanctions on Belarus, the threat of a possible military conflict between Russia (a leading fertilizer exporter) and Ukraine, as well as COVID19 pandemic restrictions and weather induced high prices for components of fertilizer production (such as gas, sulfur, ammonia), reduced supply of fertilizers due to the closure of some plants due to unbearable gas prices.

To ensure good conditions for plant growth in the autumn and to properly prepare them for wintering, sales of plant care products and microelements have increased, and some farmers have even taken out orders for spring plant care in advance. As the ideas of the European 'Green Deal' become more and more popular, farms are starting to focus more on investment in soil improvement and crop rotation, which has led to an increase in sales of solutions and products that improve soil and plant growth conditions. The shortage of active substances during the reporting period increased the prices of plant protection products, further highlighting the advantages of the strategy to order higher stocks in the spring. Total sales of plant care products and micronutrients increased by 273% during the reporting period and amounted to EUR 38 million. Comparing the results of the Segment companies that were part of the Group before the acquisition with the same reporting period last year, 57% sales revenue growth would be recorded.

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

As every year, sales of agricultural machinery were mainly affected by harvest results, new sowing expectations, raw material prices and the availability of support. Factors for more critical evaluation were drought-adjusted, more modest than expected harvest of 2021, as well as increasing prices of fertilizers, feed, fuel, energy and spare parts, on the other hand - high prices for agricultural products and a positivity towards forthcoming harvest of 2022, as well as the desire to insure against rising prices, opposed with optimism. At the same time, support availability was quite diverse for different farms. In Lithuania, the support of the European Union Structural Funds was oriented towards small and medium-sized dairy farms, so the funds were mostly directed to construction or reconstruction, rather than to the purchase of agricultural machinery. In Estonia, the application period starts in March of 2022, and the absorption of Latvian support has also been postponed to 2022. Due to persisting difficulties with equipment delivery times, service of orders and constant price volatility, such delays in the provision of support are likely to delay the implementation of new equipment investments into coming financial year.

Nevertheless, within first half of the financial year 2021-2022, sales of new and used agricultural machinery were still growing; compared to the same reporting period last year, 25% higher income was earned (EUR 31 million). With the tractor market contracting by 10% in Lithuanian market, more investments were directed towards modern crop care equipment, Group's companies successfully sold self-propelled sprayers and harvesters. The work of the previous year, the sales of equipment previously ordered but arriving late, and the sale of kept stock in the warehouse helped to achieve good results in the first half of the financial year; In Latvia and Estonia, the sale of used equipment was extremely smooth and profitable, and the stock of this type of inventories decreased.

With uncertainty in the background, favorable conditions were maintained for the growth of equipment rental income - demand elevated, but competition in the market also increased. Larger tractors and combines rent service was successful.

Despite lower sales of feed packaging materials, delivery delays and COVID19 related staff shortages in the service teams, within the first half of the financial year revenue from the sale of spare parts and service category increased by 13%, compared to the same period last year. The growth trends were largely determined by increasing service orders and consequently growing spare parts sales.

Software Development

For almost four years intensively preparing for the kickoff, the start-up GeoFace, acquired by the Group last summer, initiated the launch of the intelligent farming system 'GeoFace' in Lithuania and Latvia in

January 2021. The product currently has the following main functions: crop fertilization and spray mapping, management of farm's finances, forecasting of the harvest, forecasting of stocks in the warehouse, sowing planning, direct declaration of used plant protection products, sharing of information among farm employees. Within the reporting period the service was provided free of charge, further improving the tool according to the needs of farmers, therefore no income was earned in this category.

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

As farms make decisions to invest in grain equipment, for the most part, the same arguments were used as when deciding to invest in agricultural machinery. In the first half of the financial year 2021/2022, the sales of grain storage equipment in Lithuania and Estonia together were almost twice as high as in the same reporting period last year. The positive results were achieved thanks to the effort of previous periods and the desire of Estonian farmers to ensure higher drying capacity as yields increased.

According to the Group's knowledge, a total of almost EUR 70 million is proposed for investment in the dairy sector from the EU's Economic Recovery Plan (EURI) and Rural Development Program (RDP) in 2021/2022, substantial max. support amounts per project and high support intensities are offered. It is expected that this will not only increase the viability and competitiveness of farms, but also will encourage farms to invest, innovate and promote farm technologies (robotic milking, feeding, etc.). To receive support by both smaller and larger farms applications acceptance has already commenced during the second quarter of the Group's financial year, anticipating positive sales results within coming financial year.

In total, EUR 3.5 million received from grain and farm equipment installation projects, or 66% more than the income in the previous year.

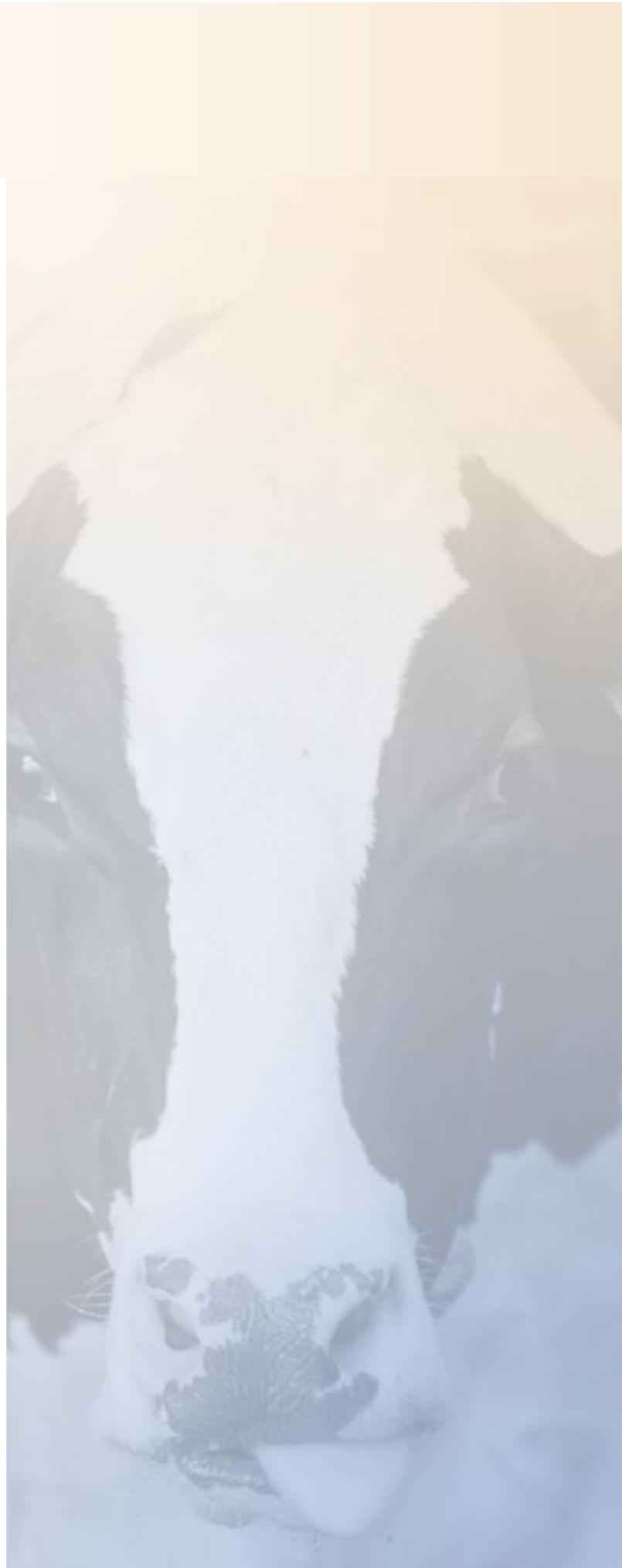
Total operating Segment revenue grew by 92% up to EUR 186 million; operating profit was 487% higher and amounted to almost EUR 25 million.

It should be noted that comparing the results solely of the operating Segment's companies, which were part of the Group prior to the acquisition transaction, in the reporting period and the same period in previous financial year, 44% sales revenue growth and 175% increase in operating profit would be recorded.



Agricultural Production

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



Start of operation	2003
Operating companies	<p>Companies in Lithuania:</p> <p>UAB Linas Agro Konsultacijos Panevėžys District Aukštadvario ŽŪB Panevėžys District Žibartonių ŽŪB Kėdainiai District Labūnavos ŽŪB Šakiai District Lukšių ŽŪB Biržai District Medeikių ŽŪB Sidabravo ŽŪB Kėdainiai District ŽŪB Nemunas</p> <p>UAB Landvesta 1 UAB Landvesta 2 UAB Landvesta 3 UAB Landvesta 4 UAB Landvesta 5 UAB Landvesta 6 UAB Noreikiškės Užupės ŽŪB UAB Paberžėlė UAB Lineliai</p>
Activity	<p>Cultivation of cereals, oilseed rape, sugar beet and other crops Production of milk and beef cattle farming Rent and management of agricultural purposes land Management of subsidiary farming companies</p>
Share of revenue in Group's portfolio (H1 of FY 2021/2022)	2%
Land in total: cultivated / owned at the end of the reporting period	18,258 ha / 5,923 ha

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

During the reporting period, the operating companies of the Segment harvested 89 thousand tons of crop production, 61 thousand tons of this production were sold (that is 19% and 15% less as compared to the very same period last year). The more modest harvest is largely determined by the prolonged heat during the grain ripening period in Lithuania, being responsible for the poorer grain quality indicators, the maturation of nutrients, and respectively - the lower test weight. Summer crops were particularly hard hit, accounting for about 30% out of total Group's sown area and the better-preserved winter wheat harvest was the strongest, accounting for 50% of Group's crop yields. In the first half of the financial year 2021/2022, average grain sales prices remained high and largely compensated for the impact of lower production volumes on the income (4% revenue decrease compared to the same period last financial year). However, increasing prices of fertilizers, plant protection products, energy resources and other components continue to raise reasonable doubts as to whether the profitability of the previous financial year 2020/2021 can be maintained in the financial year 2021/2022.

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

Production of Milk and Beef Cattle Farming

Rising dairy production costs, persistent COVID19 induced labor shortages leading to production and delivery delays, declining global export capacity, expectations of lower than average production volumes in the near future were the main factors behind the continued rise in raw milk purchase prices on world markets.

Purchase prices for basic parameters milk in Lithuania



Data: State enterprise
'Žemės Ūkio Informacijos ir Kaimo Verslo Centras'



Milk of basic parameters
(fat content - 3.4%,
protein content - 3.0%)

Compared to the same period last year, number of dairy cows at the end of the reporting period in the Segment companies was 2% higher (3,224 dairy cows), with most significant herd growth in Šakiai District Lukšiai agricultural company, where thanks to the investments made in recent years, expansion was possible.

Despite of a bit higher number of cows, volumes of milk produced was slightly lower (4% less than in the same period last year), yet characterized by better qualitative parameters. Namely, the excellent composition of milk and still rising purchase prices of raw milk allowed to record as much as 21% growth in milk sales revenue.

In the first half of the financial year 2021/2022, the milk production activities of the Group companies remained stably profitable.

In the awards 'Pienės 2021', held during reporting period, Šakiai District Lukšiai agricultural company was recognized as the most efficient, milking the most milk from a cow - on average 12,417 kg per year, Sidabravas agricultural company - the second most efficient (12,029 kg per year).

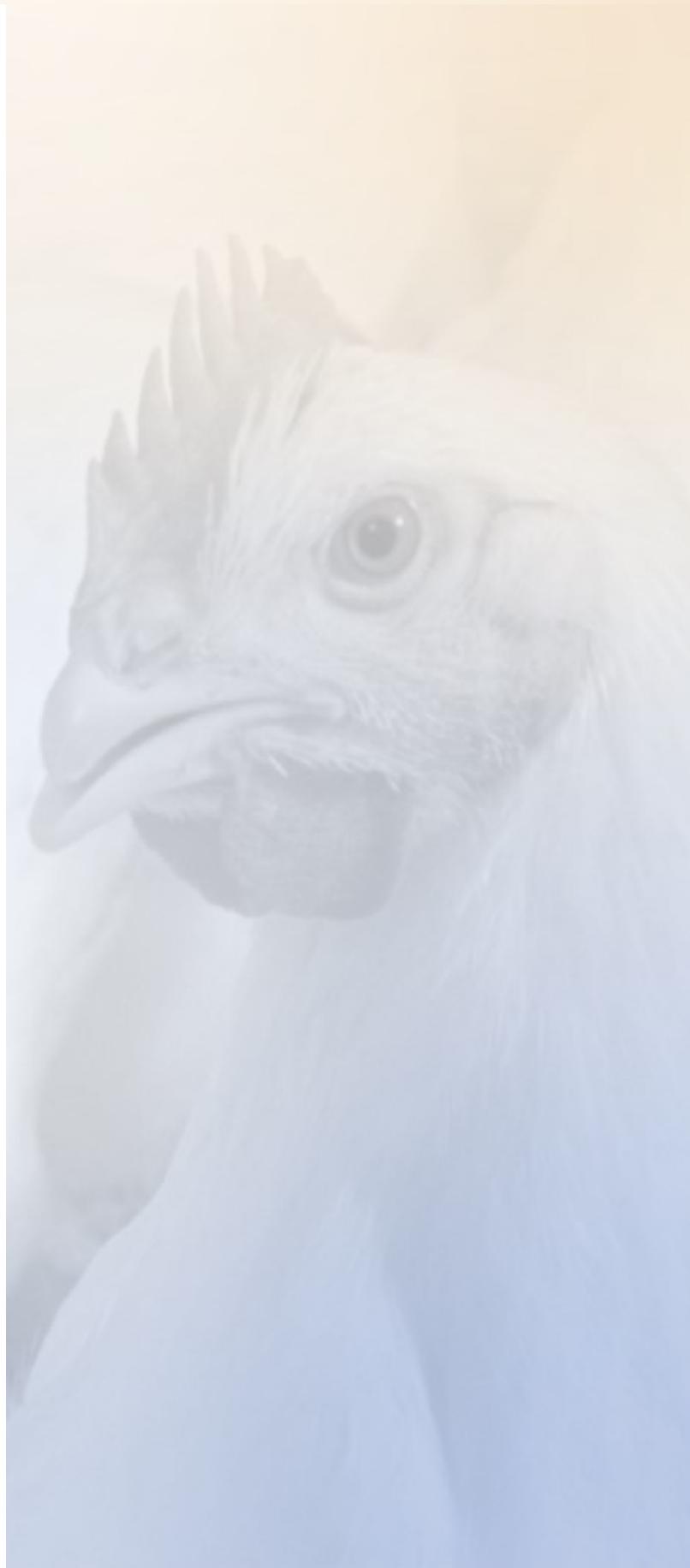
During the reporting period, 27% less live cattle meat was grown compared to the same period in previous year, revenue from meat sales fell by 22%.

Thanks to high crop production and dairy prices, the revenue of the operating Segment increased by 2% during the reporting period, accounting for EUR 21 million. However, the inflationary sentiment has shifted to the cost line as well and contributed to the increase in the operating losses; the latter amounted to EUR 0.9 million compared to EUR 1.2 million operating profit in same period of previous year.



Food Products

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



Start of operation	2013
Activity and operating companies	<p>This business Segment includes:</p> <ul style="list-style-type: none"> - whole cycle poultry business: <ul style="list-style-type: none"> incubation of hatching eggs (AS Putnu Fabrika Kekava, SIA Cerova, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas) broiler breeding (AS Putnu Fabrika Kekava, SIA Lielzeltini, SIA Broileks, UAB Alesninkų Paukštynas, UAB Domantonių Paukštynas, UAB Lietbro, AB Zelvė, UAB Avocete) production of poultry and its products (AS Putnu Fabrika Kekava, SIA Lielzeltini, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas) feed manufacturing for self-supply (SIA Lielzeltini) retail sale of chicken meat and its products (SIA PFK Trader) - production and wholesale of flour and flour mixes, instant foods (AB Kauno Grūdai); - production and wholesale breadcrumbs and breeding mixes (UAB Šlaituva) - provision of logistics, consulting and management services (UAB VKP Valdymas, UAB KP Valda, UAB VP Valda, UAB KG Distribution, UAB KG Logistika)
Share of revenue in Group's portfolio (H1 of FY 2021/2022)	19%
Owned trademarks and production markings	<p>'Kekava' 'Bauska' 'Top choice poultry' (export markets outside the Baltic States) 'Granfågel' (export markets in Scandinavia) 'Kaišiadorių paukštynas' 'Vilniaus Paukštynas' 'Dos pollos' (export markets) 'Nordichicken' (export markets) 'A'petito' 'Fiesta' 'Vištiena kitaip' 'Vištyčio' 'Premium'</p> <p>'Kauno Grūdai' 'Activus' 'Sun Yan' 'City taste' 'Raised without Antibiotics'</p>
Retail chain outlets at the end of the reporting period	<p>22 retail shops all over Latvia (The subsidiary of AS Putnu Fabrika Kekava - SIA PFK Trader)</p>
Certificates	<p>AS Putnu Fabrika Kekava has AA grade BRC (British Retail Consortium) accreditation, is Halal certified, also has ISO 50001:2012 and ISO 22000:200 certification. The company's bacteriological and virological testing laboratory has been accredited in accordance with the requirements of the Standard ISO / IEC 17025: 2017.</p> <p>SIA Lielzeltini has ISO 22000:2006 and ISO 50001:2012 certifications, also is Halal certified.</p> <p>AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas are the holders of Halal" certificates, BRC accreditation, certificates confirming compliance with ISO 22000 standards; AB Vilniaus Paukštynas also holds IFS (International Featured Standards) certificate.</p> <p>AB Kauno Grūdai, UAB Šlaituva has AA grade BRC and Halal certificates; AB Kauno Grūdai holds RSPO SG palm oil supply chain traceability certificates, also certificate issued by ISCC.</p>

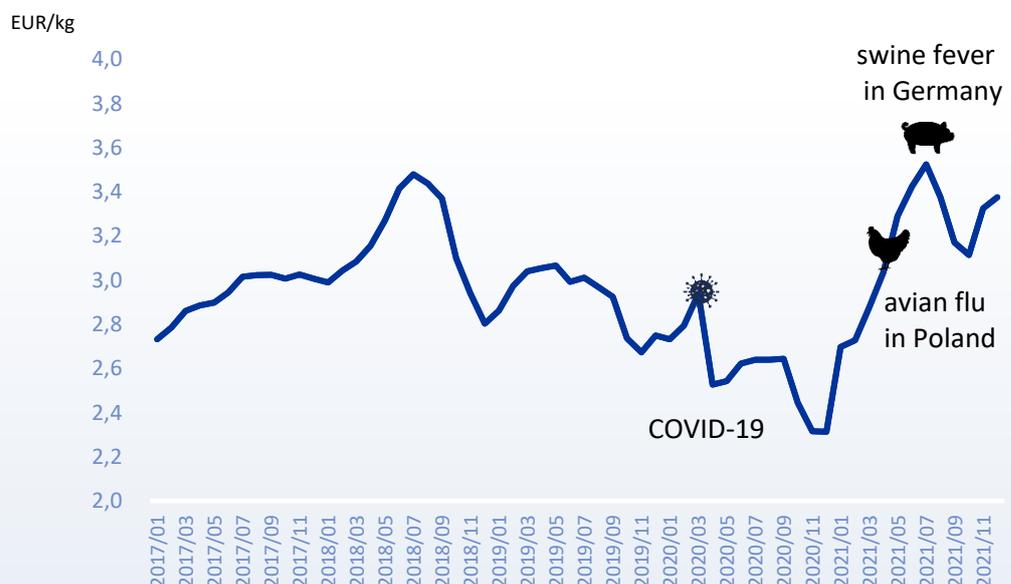
Poultry Business

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

For the reporting period, AS Putnu Fabrika Kekava (PFK) and SIA Lielzeltini maintained their positions as no. 1 and no. 2 players respectively in Latvian chicken growers’ market, while new additions of the Group - AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas – same positions respectively in Lithuanian poultry and its products producers’ market. Since January 2020, no antibiotics are used in the process of growing broilers by Latvian entities, poultry produced with such responsible attitude is labeled with a special marking – ‘Raised without antibiotics’; a team of Lithuanian poultry specialists is following this initiative – the share of production without use of antibiotics in Lithuanian entities already exceeds 60%.

During the reporting period, the main factors influencing the price of poultry meat remained largely the same, although some of them gained additional weight. COVID-19 restrained consumption has not yet fully recovered and still meant lower demand. Pork (one of chicken substitutes) prices remained low, putting even more pressure on poultry meat market. At the same time, with poultry farms in Poland (one of the main poultry exporting countries, producing about 20% of EU poultry meat) recovering their temporarily avian influenza reduced capacities, supply bounced back, returning overproduction pressure on prices in Europe (temporarily softened in spring-summer of 2021). The situation was further complicated by the continuing rise in the prices of raw materials used for chicken feed - such as maize, wheat, soybeans, oil - and the increase in the cost of wages, packaging materials, fuel and electricity. The rise in the price of energy resources during the cold period of the year, which coincided with the end of the reporting period, fundamentally changed the proportions of the cost components and had a determinant effect on the ability to generate profits. Given the soaring global prices of raw materials and the situation of poultry producers, at the end of the 2021 prices began to rise again, albeit so far hardly covering costs. According to Polish Ministry of Agriculture and Rural Development, the average price of fresh chicken fillet, most profitable poultry product, in 2021 by 22% exceeded the average price of 2020 (EUR 3.2 kg compared to EUR 2.6 kg).

Fresh fillet meat price dynamics in Poland



Data: The Polish Ministry of Agriculture and Rural

During the reporting period, Segment companies produced 56 thousand tons of live weight poultry meat, sold 58 thousand tons of poultry and its products; that is 143% and 262% increase over a comparable period a year before, related with acquisition transaction finalized by AB Linas Agro Group on 15th of July 2021. Mainly due to the same reason, sales for the reporting period reached EUR 121 million and were 258% higher compared to the same period in previous year. It should be noted that the operating result for the reporting period was boosted by the approximately EUR 3 million support received for those affected by the COVID-19 epidemic.

It needs to be emphasized, that comparing results for the reporting period of poultry companies which were part of the Group before the acquisition transaction, 1% increase in sold poultry and its products quantity and 13% increase in revenue from sales of these products were recorded.

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

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

By operating grain mill in Kaunas, breeding mixes preparation facility in Kaunas district and instant foods production facilities in Kėdainiai and Alytus, new entities of the Group are engaged in production of flour, its mixtures, breeding mixes and instant foods products. Activities of these companies are integrated – part of flour products produced in the mill are supplied to the Group's companies producing noodles, breadcrumbs, and feeds; breadcrumbs are used in production of poultry products and etc.

During the reporting period the Group's companies produced 38 thousand tons of flour, flour mixtures and breadcrumbs, sold 30 thousand tons of this production (excluding quantities used for internal production) and earned more than EUR 9 million in revenue; compared to the result of KG Group companies (that were not yet part of the Group in the previous financial year), that is 3% more goods produced, 6% less of production sold and 10% increase in revenue over a comparable period last year. Retracting uncertainty of COVID19 had an impact on declining use of flour and flour mixtures, leading to a contraction in exports of these products (gained the momentum at the beginning of the pandemic). Despite lower volume sales, revenue of the product category grew thanks to the gradual customer price adjustment possibilities, however, with the record increase in raw material and energy prices, during reporting period such adjustments were not sufficient to achieve the growth in the bottom line.

During the reporting period Group's companies have also produced 100 million instant food (IF) product units – porridge and noodle cups, packages and boxes; 93 million units of these products were sold and EUR 25 million in sales were generated; compared to the result of KG Group companies (that were not yet part of the Group in the previous financial year), that is 3% and 5% lower quantities, however 3% higher revenue than in comparable period a year before. 98% of IF production is exported to European markets with various quarantine restrictions and individual job organization solutions being not the same - though rather more restrictive in the summer of 2020, giving positive effect for the larger consumption of instant foods products. Worse results were achieved not only due to high comparable basis of the previous period and shift in consumption habits, but also due to interferences of quarantine restrictions to the production and supply, which meant delays in the satisfying the needs of the demand. Operation was further complicated by continuous raw materials and packaging price increases.

With the rapid growth of the instant food business, during the reporting period construction works were continued in Kėdainiai, where new warehouse is being built since 2020. Warehousing space currently possessed was not sufficient and not compatible with maximum production capacity of instant noodle foods production plant, thus outsourced warehousing services were used. Construction of new warehouse is scheduled to be completed in the second half of 2022, integrating 2,100 sq. m. additional warehousing space. After completing complex investments into the production factory and into the advanced warehouse

management system, not only production capacity is expected to increase up to 136 million production units per year, but also such benefits, as ability to optimize storage costs, reduce transportation costs and seek more sustainable and environmentally friendly solutions in the day-to-day operations of the company.

Revenue of Food Products segment for the reporting period increased by 358% and amounted to EUR 162 million. Operating result amounted to EUR 0.2 million loss comparing with EUR 0.1 million loss for the same period a year earlier.

Comparing the results for the reporting period of solely the companies that operated in the Food Products segment before the acquisition transaction, it is evident that the volume of food products sold has remained unchanged, with a 14% growth in sales revenue, but with a significant increase in the operating loss (around EUR 1.5 million).



Other Activities

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



Start of operation	2021
Activity and operating companies	<p>This operating segment includes:</p> <ul style="list-style-type: none">- trade in pest control and hygiene products (AB Kauno Grūdai)- production and sales of extruded products, pet food (AB Kauno Grūdai)- provision of veterinary pharmaceutical services and trade in products (AB Kauno Grūdai, OOO KLM, OOO VitOMEK)- provision of fumigation and sanitation services (UAB Baltic Fumigation Services)
Share of revenue in Group's portfolio (H1 of FY 2021/2022)	2%
Own trademarks	Pet food brands 'Quattro', 'Canis', 'LaMurr', 'Aport'
Represented manufacturers / brands	Veterinary pharmacy - Zoetis Inc., Woogene B&G CO. LTD, Bioveta, a. s., Interchemie Werken De Adelaar B.V., Innov Ad NV/SA, TOV Brovafarma
Production facilities at the end of the reporting period	Own plant of extruded products in Alytus
Certificates	OOO VitOMEK is licensed to perform pharmaceutical activities. AB Kauno Grūdai and OOO KLM have pharmaceutical licenses for wholesale distribution.

In the Other Activities business Segment, largest share of sales was generated by the wholesale and retail sale of worldwide well-known producers' veterinary pharmacy products in Baltics, Belarus and Russia, as well as by providing professional veterinary consultation services to Lithuanian farmers, and owners of veterinary clinics and pharmacies. During the reporting period, sales of pharmacy products for the pets were fueled by their growing number and increasing money spent per pet. In the first half of the financial year 2021/2022 Group companies active in the Segment generated EUR 9 million revenue, accounting for 15% growth compared to the result of KG Group companies not yet belonging to the Group in the previous financial year. Higher profitability and overall good results in performing the orders of customers in the Baltic countries and Russia were achieved by increasing the distribution of the represented strategic products, vaccines and other products in poultry and pork segments; in Belarus at the same time sales capacity was limited due to delivery difficulties from the main supplier.

The Group produces pet food in its own production facilities of extruded products in Alytus. During the reporting period demand for dog feed remained stable and Group achieved its quantity goals. In the first half of the financial year 2021/2022, the companies of the segment sold almost 8 thousand tons of extruded products and earned just over EUR 4 million income, compared to the result of KG Group companies that have not yet belonged to the Group in the previous financial year, it is 2% and 30% more. Despite rising output prices, the pace of the latter has not offset the sharp rise in commodity prices, illustrating high competition in the market, with some producers trying to get new contracts and increase market share, or some already before the rise in commodity prices, working with higher margins. Thus, during the reporting period, the increase in the cost grain, animal protein and fat resulted in deteriorating profitability of the category.

Operations of the Group's companies engaged in pests control services and sale of hygiene products do not comprise significant part of revenue. Prophylactical and interventional measures are offered, aimed towards ensuring compliance with food safety requirements, also chemicals for both – professional use and daily cleaning of household premises are sold. During the reporting period, revenue has increased, however with the cost of goods and services growing (biocidal products, animal traps, inventory, etc.) and competitive environment tightening in local market (new companies obtain licenses to render fumigation services during the pandemic), additional pressure was added to the profitability in fumigation sector. On the other hand, the need for disinfection services is gradually declining as pandemic restrictions ease. According to the data available at the time of publication of this report, it is tentatively estimated that a total phase-out of COVID19 related disinfection services would result in around 5% turnover reduction of pest control and hygiene products.

Revenue of the operating Segment covering above mentioned and other less material activities during this reporting period amounted to almost EUR 20 million, operating profit was almost EUR 2 million.

5. The Publicly Disclosed Information and Other Events of the Reporting Period

5.1. The Publicly Disclosed Information

During the reporting period ended 31 December 2021, the Company publicly disclosed and distributed via Nasdaq Vilnius Exchange Globenewswire system and in Company's website www.linasagrogroup.lt the following information:

30/12/2021 09:05 AM EET	AB Linas Agro Group has received permission to acquire UAB Agro Logistic Service	Other information	LT, EN
20/12/2021 5:00 PM EET	AB Linas Agro Group sells unexploited real estate	Other information	LT, EN
2/12/2021 11:40 AM EET	AB Linas Agro Group investors calendar for the 2022	Other information	LT, EN
30/11/2021 4:15 PM EET	3-month sales of AB Linas Agro Group went up 84%, net profit was 199% higher	Interim information	LT, EN
25/11/2021 4:00 PM EET	AB Linas Agro Group sold part of the farmland	Other information	LT, EN
24/11/2021 10:22 AM EET	Regarding the change of AB Linas Agro Group registered office	Notification on material event	LT, EN
24/11/2021 10:20 AM EET	Notification on the total number of voting rights granted by Linas Agro Group shares, the authorized capital amount, the number of shares and their nominal value	Total number of voting rights and capital	LT, EN
24/11/2021 10:18 AM EET	New wording of AB Linas Agro Group Articles of Association and the increase of the authorized capital registered	Notification on material event	LT, EN
16/11/2021 5:30 PM EET	AB Linas Agro Group: notification on transactions in the issuer's securities by the managers and persons closely associated with the managers of the Company	Notifications on transactions concluded by managers of the companies	LT, EN
29/10/2021 4:10 PM EEST	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the financial year 2020/2021	Other information	LT, EN
29/10/2021 4:07 PM EEST	AB Linas Agro Group notification about the Annual information of the financial year 2020/2021	Annual information	LT, EN

29/10/2021 4:05 PM EEST	Decisions of the Annual General Meeting of Shareholders of AB Linas Agro Group, held on 29 October 2021	General meeting of shareholders	LT, EN
12/10/2021 5:00 PM EEST	AB Linas Agro Group has received permission from the Lithuanian competition authorities to acquire commodity trading company	Other information	LT, EN
8/10/2021 4:15 PM EEST	Update: Annual General Meeting of Shareholders of AB Linas Agro Group is convened on October 29, 2021	General meeting of shareholders	LT, EN
7/10/2021 4:30 PM EEST	Annual General Meeting of Shareholders of AB Linas Agro Group is convened on October 29, 2021	General meeting of shareholders	LT, EN
14/9/2021 4:30 PM EEST	AB Linas Agro Group seeks to acquire a trading company	Other information	LT, EN
31/8/2021 5:00 PM EEST	12-month sales of AB Linas Agro Group went up 43%, net profit was 56% higher	Interim information	LT, EN
16/7/2021 09:30 AM EEST	Linas Agro Group has completed the acquisition of KG Group	Notification on material event	LT, EN
14/7/2021 4:30 PM EEST	Linas Agro Group plans to close the KG Group acquisition transaction this week	Other information	LT, EN
12/7/2021 8:45 AM EEST	Enlight Research analysts to provide regular information on Linas Agro Group	Other information	LT, EN
5/7/2021 4:55 PM EEST	The Competition Council of the Republic of Lithuania has allowed Linas Agro Group to implement concentration by acquiring KG Group	Other information	LT, EN

5.2. Other Events of the Reporting Period

30/12/2021	The authorized capital of UAB Lineliai was reduced by EUR 244,000 to disburse the funds to shareholders.
30/12/2021	The authorized capital of UAB Linas Agro Konsultacijos was reduced by EUR 16,000,000 to disburse the funds to shareholders.
23/12/2021	Authorized capital of KG Eesti OU was increased by EUR 650,000.
December, 2021	The Company transferred 2,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.
17/12/2021	OOO GeoMiks was deregistered by merger with OOO VitOMEK (code 1117746107291).
13/12/2021	UAB Linas Agro Grūdų Centrai has transferred the shares of UAB Karčemos Bendrovė to AB Linas Agro.
13/12/2021	UAB Linas Agro Grūdų Centrai has transferred the shares of UAB KUPIŠKIO GRŪDAI to AB Linas Agro.
29/11/2021	Authorized capital of UAB KG Mažmena was increased by EUR 2,100,034.40.
23/11/2021	Authorized capital of LLC Linas Agro Ukraine was increased by EUR 84,195.66.

22/11/2021	Change of the Company's registered office, new office is registered at Subačiaus St. 5, Vilnius, Republic of Lithuania.
22/11/2021	A new wording of the Articles of Association of the Company was registered in the Register of Legal Entities – the authorized capital of the Company was increased by EUR 421,660, issuing 1,454,000 new ordinary registered shares of the Company. The newly issued shares were subscribed by the employees and/or members of the corporate bodies of the Company who have concluded the Share Option Agreement of the Company in 2018 and accordingly in 2021 have submitted notice to the Company regarding the use of the option. The New Shares are granted free of charge, and they are paid by the Company from the reserve set up by the Company for shares issue.
18/10/2021	After cancellation of the reorganization, the status Under reorganization of UAB Karčemos Bendrovė and UAB KUPIŠKIO GRŪDAI and the status Participating in the reorganization of UAB Linas Agro Grūdų Centrai were deregistered in the Register of Legal Entities.
1/10/2021	The sole shareholder of UAB GeoFace decided to increase its authorized capital by EUR 706,000 and revoked the shareholder's pre-emptive right to acquire the newly issued shares, granting the right to acquire them to AB Linas Agro. After the increase of the authorized capital of UAB GeoFace, its shareholders will be UAB Dotnuva Baltic and AB Linas Agro, each to control 50% shares.
9/9/2021	The Company acquired 50% shares of KG Khumex B.V.
6/9/2021	AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a EUR 30 million loan.
July-Aug, 2021	The Company entered into a credit agreement with AB SEB Bankas, Swedbank, AB, and Luminor bank AS to borrow EUR 46,290,000 and secured its execution by pledging assets.
11/8/2021	Authorized capital of SIA KG Latvija increased by EUR 1,500,000.
9/7/2021	Authorized capital of Linas Agro OU increased by EUR 150,000.

5.3. Subsequent Events

14/2/2022	The legal status of UAB Linas Agro Konsultacijos has been registered as participating in the reorganization, while UAB Zemvaldos Turto Konsultacijos has been registered as being reorganized.
8/2/2022	Reorganization was initiated: to merge UAB Zemvaldos Turto Konsultacijos to UAB Linas Agro Konsultacijos.
4/2/2022	The legal status of UAB Karčemos Bendrovė and UAB KUPIŠKIO GRŪDAI has been registered as being reorganized.
3/2/2022	The legal status of UAB Linas Agro Grūdų Centrai has been registered as participating in the reorganization, while UAB Linas Agro Grūdų Centras has been registered as being reorganized.
31/1/2022	Reorganization to merge three companies, UAB Karčemos Bendrovė, UAB KUPIŠKIO GRŪDAI and UAB Linas Agro Grūdų Centras to UAB Linas Agro Grūdų Centrai, was initiated.
10/1/2022	The company acquired 100% shares of UAB Agro Logistic Service.

6. Scope of risk and management thereof

6.1. Market Risks

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

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

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

In the first half of FY 2021/2022, due to high volatility of commodity prices and disruptions in the supply chain, the companies of the Group were exposed to market risk. However, the application of the above measures, diversification of activities and extensive experience have helped to manage the negative consequences of this risk.

The probability of the occurrence of market risk in future periods remains high due to the specifics of the Group's normal business operations. However, due to complex forecasting of market movement trends, it is not possible to anticipate the consequences of encountering this risk.

6.2. Trade and Credit Risks

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

A trade risk in the activities of the companies of the Group could occur through non-delivery of purchased goods, refusal of the buyer to accept the sold goods, non-compliance with contractual terms and conditions concerning the quantity, range, completeness, quality or other characteristics of the goods, inaccuracies in the procedures of the companies of the Group or of outsourced service providers, failure to ensure a due process, and criminal operation of parties to a transaction.

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

In order to manage the potential impact of a trade and credit risk, the employees of the companies of the Group:

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

With the supply and demand mismatch continuing throughout the financial year 2020/2021, the Group faced the problem of non-performance of some supplier contracts due to high prices and their persisting volatility in the global market, however, the ability to reorient to other markets ensured loss minimization and even profit.

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

6.3. Political Risks

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

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

The Company and the Group did not encounter this risk in the first half of financial year 2021/2022.

However, considering that in May of 2021, the Seimas of the Republic of Lithuania adopted for consideration the proposal of the members of the Seimas to set a 150 thousand Euro limit on direct payments for large farmers, the probability of the occurrence of political risks to the Group in future periods is assessed as moderate.

6.4. HR Risks

The ability of the Group to maintain a competitive position and implement its growth strategy is determined by the experience and knowledge of the management. Loss of employees and/or inability to hire new employees with relevant knowledge may adversely affect the business prospects and financial position of the Group. HR-related risks in the activities of the companies of the Group could also be encountered in connection with the confidential information available to the staff members, the decisions made by the staff, the responsibility granted to the staff members based on their rights and duties, improperly designed employee motivation systems, etc.

To manage HR Risks:

- Non-compete agreements have been concluded with certain executives of the Group;
- Requirements and responsibility concerning the storage of confidential information are set for employees;
- The motivational system is developed, etc.

In the first half of financial year 2021/2022, the Company and the Group did not encounter these risks. The probability of the occurrence of the HR risks in future periods is assessed as low.

6.5. Funding and Liquidity Risks

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

Information on the financial risk management objectives and used hedging instruments that are subject to hedge accounting, as well as the information on the extent of the price risk, credit risk, liquidity risk and cash flow risk arising for the Group when the Group makes use of financial instruments, all of which is important in assessing the assets, equity, liabilities, income and expenses of the Group, are disclosed in Note 29 to the Financial State-ments of the Group.

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

In the opinion of the Group, the probability of occurrence of funding and liquidity risks in future periods is low due to the annual credit limits set by the Group, significant diversification of bank financing sources, and hedging instruments used.

6.6. Risks of Change in Biological Assets

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

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

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

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

6.7. Security Risks

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

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

In the financial year 2020/2021, the Company and the Group did not encounter these risks.

In the opinion of the Group, the probability of occurrence of safety risks in future periods is low due to the systems implemented in the companies of the Group and strict controls.

6.8. Consumption Patterns and Technological Change Risks

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

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

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

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

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

6.9. Reputation Risks

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

To prevent the occurrence of these risks, the actions of the companies of the Group must comply with the values represented, the mission and vision set, as well as correlate with the provisions of the Code of Business Ethics and social responsibility objectives of the Group. Any deviations from the above could lead to a diminished trust in the Group by its partners, more complicated supply or lower demand for products, as well as reduced attractiveness of the Group's companies as employers.

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

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

7. Employees

As at 31 December 2021 the number of employees of the Group was 5,398 or 3,269 employees more than as at 31 December 2020 (2,129).

8. Authorized Capital and Shares of the Company

On 30 June 2021, the authorized capital of the Company amounted to EUR 46,092,715.42. On 22 November 2021, the increase in Company's authorized capital was registered in the Register of Legal Entities. As of that date, it is equal to EUR 46,514,375.42 and divided into 160,394,398 ordinary registered uncertificated shares. The nominal value of one share is EUR 0.29. ISIN code of the shares is LT0000128092.

The Company's share capital was increased by EUR 421,660 by issuing 1,454,000 new ordinary registered uncertificated shares of the Company with a nominal value of EUR 0.29 each and an grant price of EUR 0.705 each (hereinafter – the New Shares). The total issue price of all the New Shares was EUR 1,025,070, of which EUR 421,660 was the nominal value of the New Shares and EUR 603,410 was the share premium.

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

All the shares of the Company are fully paid, and they are not subject to any restrictions of the transfer of securities. All shares issued by the Company grant equal rights to the Company's shareholders. The Company has not issued any shares of a class other than the aforementioned ordinary shares. Each ordinary share of the Company shall grant one vote at the General Meeting of Shareholders (except ordinary shares acquired by the Company that do not give the right to vote). Neither limitations of the rights granted by the Company's shares nor special control rights for shareholders are provided for in the Company's Articles of Association.

Following the 01/06/2018 Rules for Shares Issue with its later amendments and supplements, the Company's Shares Option Agreements were signed with the employees of the Company and its subsidiaries in which the Company owns more than 50% of the shares. The main conditions of the agreements are: the optionee continuously work in the Group for at least: a) three years from the date of conclusion of the agreement to be entitled to exercise the option over the 50% of the Option Shares; b) four years from the date of conclusion of the agreement to be able to exercise in addition the option over 25% of the Option Shares, c) five years from the date of conclusion of the agreement to have the right to exercise in addition the option over the remaining 25% of the Option Shares.

At the end of the reporting period, the total number of the Option Shares is 5,280,245.

At the end of the reporting period, the Company held 765,972 units of treasury shares.

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

9. Information about Trade in the Company's Securities in Regulated Markets

During the reporting period from 1 July 2021 to 31 December 2021, all shares of the Company were included in the Official List of AB Nasdaq Vilnius Stock Exchange (ISIN Code of the shares is LT0000128092). The ticker of the shares on AB Nasdaq Vilnius Stock Exchange is LNA1L. Trading in the Company's shares on AB Nasdaq Vilnius Stock Exchange started on 17 February 2010.

On July 24, 2017, the Company have signed the agreement of the Issuer's securities accounting management contract with AB Šiaulių Bankas, represented by the Securities Transactions Division (code 112025254, address: Šeimyniškių St. 1A, LT-09312 Vilnius).

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

9.1. AB Linas Agro Group Share Price and Turnover

Information on changes in the prices of Company's shares and turnover from 1/7/2016 until the end of the reporting period, i. e. 31 December 2021, is presented in the following diagram:



Information on the fluctuations of the Company's share price and OMX Baltic Benchmark GI (OMXBBGI) and OMX Baltic Vilnius GI (OMXVGI) indices from 1/1/2020 until the end of the reporting period, i. e. 31 December 2021, is presented in the following diagram:



10. Shareholders

According to the list of shareholders provided by AB Linas Agro Group securities account operator AB Šiaulių Bankas (data for the end of 31 December, 2021), the number of Company's shareholders at the end of the reporting period was 1,652.

The shareholders controlling more than 5% of the Company's shares and/or votes as at 31 December, 2021:

	Number of shares held	Portion in the authorized capital, %
Akola ApS (public company, Code 2517487; registration address: Thistedvej 68, st., 9400 Norresundby, Denmark)	109,909,167	68.52
Darius Zubas	17,049,995	10.63
UAB INVL Asset Management (private limited liability company, Code 126263073; registration address Gynėjų St. 14, Vilnius, Lithuania)	8,977,086	5.60

11. Bodies of the Company

According to the AB Linas Agro Group Articles of Association, the Company's bodies shall be as follows:

- The general Meeting of Shareholders;
- The Board;
- The Head of the Company (CEO).

The Supervisory Board shall not be formed in the Company. Since 28 October 2010 Audit Committee is formed by the Company, the members of the Committee are elected for the term of office of 4 (four) years.

During the reporting period, the annual general meeting of shareholders of the Company was held on October 29, 2021, and was attended by the shareholders of the Company holding 86.19% of all voting shares of the Company.

The Company's Board consists of seven members elected for four years period.

The Head of the Company is also the Chairman of the Board of the Company.

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

11.1. Board of the Company

The Board of the Company was elected by the Company's Extraordinary General Meeting of Shareholders on 1 June 2018. The Member of the Board Darius Jaloveckas resigned from the post on September 3, 2019, and the number of the Company's Board members was 6 as at 31 December 2021. The Company does not have independent members of the Board. 14 meetings of the Board have been organized and held during the first half of financial year, members of the Board attended it 100 percent.

The members of the Board (as at 31 December, 2021):

Name	Position within the Board	Cadence starts	Cadence ends	Number of the Company's shares held
Darius Zubas	Chairman	1/6/2018	31/5/2022	17,049,995
Andrius Pranckevičius	Deputy Chairman	1/6/2018	31/5/2022	1,135,760
Dainius Pilkauskas	Member	1/6/2018	31/5/2022	480,281
Tomas Tumėnas	Member	1/6/2018	31/5/2022	2,200
Arūnas Zubas	Member	1/6/2018	31/5/2022	480,281
Jonas Bakšys	Member	1/6/2018	31/5/2022	3,400,000

Darius Zubas (b. 1965) - the main founder of the Group. Graduated from Veterinary Academy of Lithuanian University of Health Sciences in 1988.

Andrius Pranckevičius (b. 1976) - A Bachelor's degree in Business Administration in 1998, Master's degree in Marketing Management in 2000 at Kaunas University of Technology. Joined the Group in 1999.

Dainius Pilkauskas (b. 1966) - Master's degree in Animal Science at Veterinary Academy of Lithuanian University of Health Sciences in 1991. Employed within the Group since 1991.

Tomas Tumėnas (b. 1972) - Master's degree in Economics at Vilnius University and a certificate in International Business Economics from Aalborg University in 1995. Master's degree in Business Administration at Manchester Business School, The University of Manchester in 2011. Employed within the Group in 2001-2020.

Arūnas Zubas (b. 1962) - Master's degree in Chemical Technology at Kaunas University of Technology in 1985. He was employed within the Group from 1995 to 2005.

Jonas Bakšys (b. 1975) - Bachelor's degree in International Economics at Concordia University (USA) in 1997, Master's degree in Business Administration at University of Surrey (UK) in 2003. Joined the Group in 2004.

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

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

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

The Company has not granted any loans, guarantees or surety ships to the members of the Board that would ensure fulfillment of their obligations.

11.2. Management of the Company

Details of the Company's Management remained unchanged during the reporting period.

Company Management as of 31 December 2021:

Position	Name and surname	Employed since	Number of the Company's shares held
CEO	Darius Zubas	1996-09-01	17,049,995
Deputy CEO	Andrius Pranckevičius	2009-11-19	1,135,760
CFO	Mažvydas Šileika	2020-04-15	-

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

Information about Darius Zubas and Andrius Pranckevičius is provided in the chapter 11.1. Board of the Company.

Mažvydas Šileika (b. 1990) graduated from the University of Leeds in 2012 with a Bachelor of Management degree, in 2013 he graduated from City University London Cass Business School with a Master of Science (MSc) in Shipping, Commodity Trading and Finance. Employed within the Group since 2020.

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

11.3. Audit Committee

The term of office of the members of the Audit Committee started on October 31, 2018 and will end on October 30, 2022.

The Audit Committee consists of 3 members, two of whom are independent:

Andrius Drazdys - independent member of the Audit Committee. Employed at UAB VMG Food as a Chief Finance Officer. Does not own shares of the Company.

Agnė Preidytė - independent member of the Audit Committee. Employed at UAB Ermitažas as Head of E-Commerce Department. Does not own shares of the Company.

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

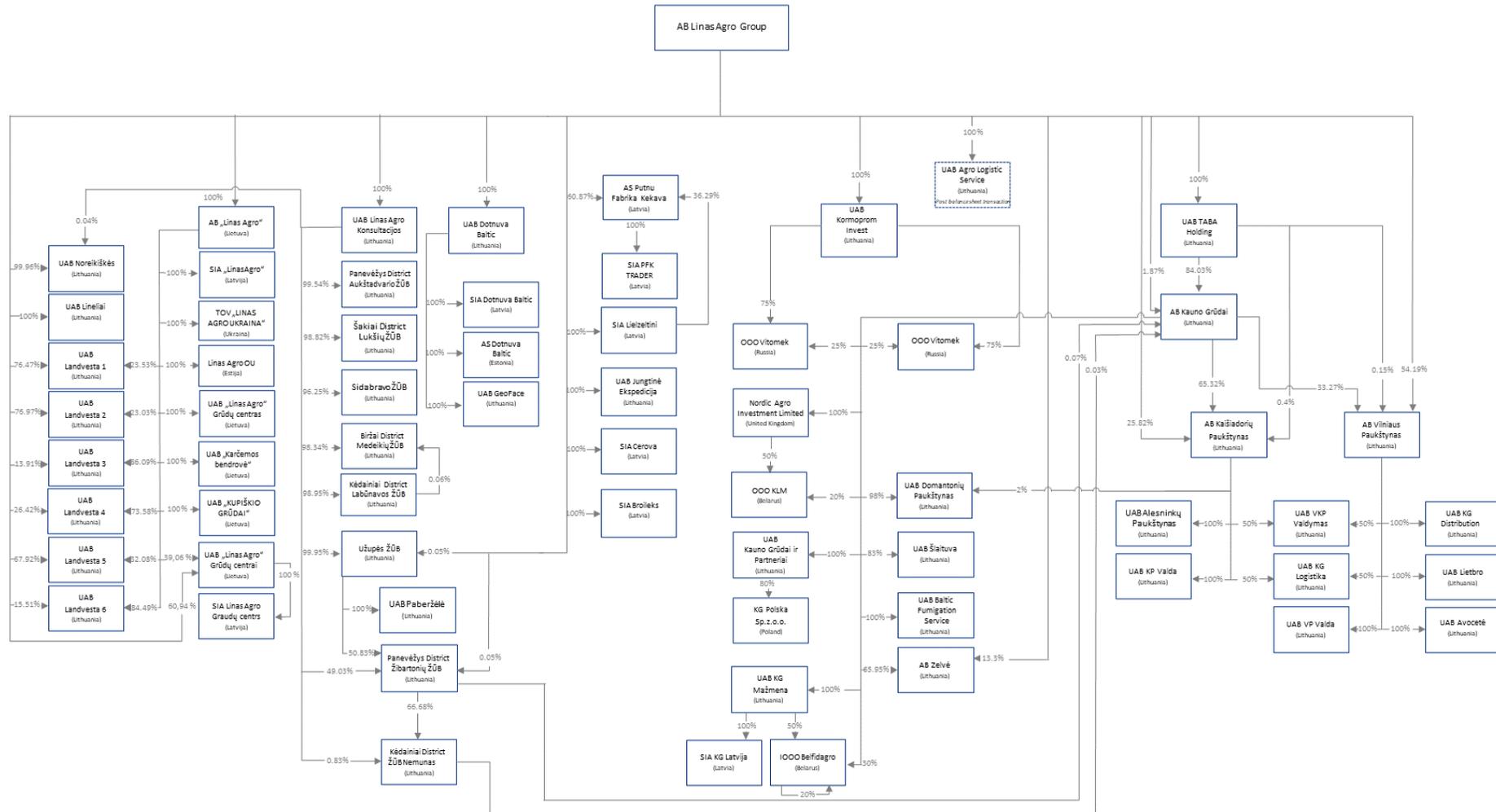
12. Procedure for Amending the Company's Articles of Association

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

13. Information about the Corporate Governance

The Company complies with the company management procedures stipulated in the Law of the Republic of Lithuania on Companies. The Company complies with the essential management principles for the companies listed on Nasdaq Vilnius. The managing bodies of the company are the General Meeting of Shareholders, the Board of the Company and the Head of the Company (Managing Director). The Company does not have the Supervisory Board. The Company's Board consists of seven members elected for a period of four years, but the Chairman of the Board is also the Head of the Company (Managing Director). The Company has the Audit Committee.

14. Information on the Company's Subsidiaries*



* Companies that are not included in the chart: UAB Gerera (dormant, 100% shares), UAB Dotnuvos Technika (dormant, 100% shares), UAB Kekava Foods LT (dormant, 97.16% shares), Linas Agro A/S (under liquidation, 100% shares), UAB Zemvaldos Turto Konsultacijos (dormant, 100% shares), UAB KG Group LT (dormant, 85.99% shares UAB Gastroneta (dormant, 82.95% shares), UAB Kaišiadorių Paukštyno Mažmena (dormant, 82.39% shares), UAB Kaišiadorių Skerdykla (dormant, 82.39% shares), KG Eesti OU (dormant, 85.99% shares), UAB Uogintai (dormant, 82.39% shares), Kooperatyvas Baltoji Plunksnelė (dormant, 80.84% stock), SIA NOVOBALTIC (associate, 16.59% shares), KG Khumex Coldstore B.V (associate, 40.42% shares), KG Khumex B.V. (associate, 50% shares).

14.1. Shareholding Structure of the Companies*

* Companies that are not included: UAB Gerera (dormant, 100% shares), UAB Dotnuvos Technika (dormant, 100% shares), UAB Kekava Foods LT (dormant, 97.16% shares), Linas Agro A/S (under liquidation, 100% shares), UAB Zemvaldos Turto Konsultacijos (dormant, 100% shares), UAB KG Group LT (dormant, 85.99% shares), UAB Gastroneta (dormant, 82.95% shares), UAB Kaišiadorių Paukštyno Mažmena (dormant, 82.39% shares), UAB Kaišiadorių Skerdykla (dormant, 82.39% shares), KG Eesti OU (dormant, 85.99% shares), UAB Uogintai (dormant, 82.39% shares), Kooperatyvas Baltoji Plunksnelė (dormant, 80.84% stock).

S – Subsidiary

Company	Status	Stock, owned directly by AB Linas Agro Group	Other stockholders	Share of the stock held by the Group
AB Linas Agro	S	100%		100%
UAB Dotnuva Baltic	S	100%		100%
UAB Jungtinė Ekspedicija	S	100%		100%
SIA Lielzeltini	S	100%		100%
SIA Cerova	S	100%		100%
SIA Broileks	S	100%		100%
UAB Lineliai	S	100%		100%
UAB Linas Agro Konsultacijos	S	100%		100%
UAB Kormoprom Invest	S	100%		100%
UAB TABA Holding	S	100%		100%
UAB Noreikiškės	S	99.96%	UAB Linas Agro Konsultacijos owns 0.04% stock.	100%
UAB Landvesta 2	S	76.97%	AB Linas Agro owns 23.03% stock.	100%
UAB Landvesta 1	S	76.47%	AB Linas Agro owns 23.53% stock.	100%
UAB Landvesta 5	S	67.92%	AB Linas Agro owns 32.08% stock.	100%
AS Putnu Fabrika Kekava	S	60.87%	SIA Lielzeltini owns 36.29% stock.	97.16%
UAB Linas Agro Grūdų Centrai	S	60.94%	AB Linas Agro owns 39.05% stock.	100%
AB Vilniaus Paukštynas	S	54.19%	AB Kauno Grūdai owns 33.27% stock, UAB TABA Holding – 0.15% stock.	82.95%
UAB Landvesta 4	S	26.42%	AB Linas Agro owns 73.58% stock.	100%
AB Kaišiadorių Paukštynas	S	25.83%	AB Kauno Grūdai owns 65.32% stock, UAB TABA Holding – 0.4% stock.	82.39%
UAB Landvesta 6	S	15.51%	AB Linas Agro owns 84.49% stock.	100%
UAB Landvesta 3	S	13.91%	AB Linas Agro owns 86.09% stock.	100%
AB Zelvė	S	13.3%	AB Kauno Grūdai owns 65.95% stock	70.01%

Company	Status	Stock, owned directly by AB Linas Agro Group	Other stockholders	Share of the stock held by the Group
AB Kauno Grūdai	S	1.87%	UAB TABA Holding owns 84.0% stock, Panevėžys District Žibartonių ŽŪB – 0,07%, Kėdainiai District ŽŪB Nemunas – 0,03% stock.	85.99%
Užupės ŽŪB	S	0.05%	UAB Linas Agro Konsultacijos owns 99.95% stock.	100%
Panevėžys District Žibartonių ŽŪB	S	0.047%	UAB Linas Agro Konsultacijos owns 49.028% stock, Užupės ŽŪB owns 50.826% stock.	99.90%
SIA Linas Agro Graudu Centrs	S		UAB Linas Agro Grūdų Centrai owns 100% stock.	100%
Panevėžys District Aukštadvario ŽŪB	S		UAB Linas Agro Konsultacijos owns 99.54% stock.	99.54%
Sidabravo ŽŪB	S		UAB Linas Agro Konsultacijos owns 96.25% stock.	96.25%
Šakiai District Lukšių ŽŪB	S		UAB Linas Agro Konsultacijos owns 98.82% stock.	98.82%
Biržai District Medeikių ŽŪB	S		UAB Linas Agro Konsultacijos owns 98.33% stock, Kėdainiai District Labūnavos ŽŪB – 0.06% stock.	98.39%
Kėdainiai District Labūnavos ŽŪB	S		UAB Linas Agro Konsultacijos owns 98.95% stock.	98.95%
Kėdainiai District ŽŪB Nemunas	S		Panevėžys District Žibartonių ŽŪB owns 66.68% stock, UAB Linas Agro Konsultacijos - 0.831%.	67.44%
LLC LINAS AGRO UKRAINE	S		AB Linas Agro owns 100% stock.	100%
SIA Linas Agro	S		AB Linas Agro owns 100% stock.	100%
UAB Linas Agro Grūdų Centras	S		AB Linas Agro owns 100% stock.	100%
SIA Dotnuva Baltic	S		UAB Dotnuva Baltic owns 100% stock.	100%
AS Dotnuva Baltic	S		UAB Dotnuva Baltic owns 100% stock.	100%
SIA PFK Trader	S		AS Putnu Fabrika Kekava owns 100% stock.	97.16%
UAB Paberžėlė	S		Užupės ŽŪB owns 100% stock.	100%
UAB KUPIŠKIO GRŪDAI	S		UAB Linas Agro Grūdų Centrai owns 100% stock.	100%
UAB Karčemos Bendrovė	S		UAB Linas Agro Grūdų Centrai owns 100% stock.	100%
UAB Geoface	S		UAB Dotnuva Baltic owns 100% shares.	100%
Linas Agro OŪ	S		AB Linas Agro owns 100% shares.	100%
UAB Kauno Grūdai ir Partneriai	S		AB Kauno Grūdai owns 100% shares.	85.99%
UAB Baltic Fumigation Service	S		AB Kauno Grūdai owns 100% shares.	85.99%
UAB KG Mažmena	S		AB Kauno Grūdai owns 100% shares.	85.99%

Company	Status	Stock, owned directly by AB Linas Agro Group	Other stockholders	Share of the stock held by the Group
UAB Šlaituva	S		AB Kauno Grūdai owns 83% shares.	71.37%
UAB KG Distribution	S		AB Vilniaus Paukštynas owns 100% shares.	82.95%
UAB Lietbro	S		AB Vilniaus Paukštynas owns 100% shares.	82.95%
UAB Avocetė”	S		AB Vilniaus Paukštynas owns 100% shares.	82.95%
UAB VKP Valdymas	S		AB Vilniaus Paukštynas owns 100% shares.	82.67%
UAB Domantonių Paukštynas	S		AB Vilniaus Paukštynas owns 50% stock and AB Kaišiadorių Paukštynas owns 50% stock.	85.92%
UAB Alesninkų Paukštynas	S		AB Kaišiadorių Paukštynas owns 100% shares.	82.39%
UAB KG Logistika	S		AB Vilniaus Paukštynas owns 50% stock and AB Kaišiadorių Paukštynas owns 50% stock.	82.67%
UAB VP Valda	S		AB Vilniaus Paukštynas owns 100% shares.	82.95%
UAB KP Valda	S		AB Kaišiadorių Paukštynas owns 100% shares.	82.39%
SIA KG Latvija	S		UAB KG Mažmena owns 100% shares.	85.99%
KG Polska Sp.zo.o.	S		UAB Kauno Grūdai ir Partneriai owns 80% shares.	68.79%
Nordic Agro investment Limited	S		AB Kauno Grūdai owns 100% shares.	85.99%
I000 Belfidagro	S		UAB KG Mažmena owns 50% stock, AB Kauno Grūdai – 30% stock, the remaining 20% stock is owned by the company itself (treasury shares).	85.99%
000 KLM	S		Nordic Agro investment Limited owns 50% stock, AB Kauno Grūdai owns 20% stock.	60.19%
000 VitOMEK (j.k. 1157746009398)	S		UAB Kormoprom Invest owns 75% stock, AB Kauno Grūdai owns 25% stock.	96.50%
000 VitOMEK (j.k. 1117746107291)	S		UAB Kormoprom Invest owns 75% stock, AB Kauno Grūdai owns 25% stock.	96.50%

The Group had direct and indirect investments in the following joint ventures and associates as of 31 December 2021:

- KG Khumex B.V. (Netherlands) - 50.00% (the Company owned 50% of the shares);
- KG Khumex Coldstore B.V. (Netherlands) - 40.42% (AB Vilniaus Paukštynas owned 25% of shares, AB Kaišiadorių Paukštynas – 25% of shares);
- SIA NOVOBALTIC (Latvia) - 16.59% (UAB KG Distribution owned 20% of shares).

14.2. Activities and Contact Data of the Companies of the Group *

* Dormant companies and companies under liquidation, as well as associates not attributable to the Group are not included:

1. UAB Gerera (dormant, the Group owns 100% stock)- private limited liability company, founded 15/1/1993, code of legal entity 147676584, address Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
2. UAB Dotnuvos technika (dormant, the Group owns 100% stock)- private limited liability company founded 25/6/1998, code of legal entity 161452398, address Parko St. 6, Akademija, LT-58351 Kėdainiai District, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
3. Linas Agro A/S (under liquidation, the Group owns 100% stock)-private limited liability company, founded 15/3/1994, code of legal entity CVR 17689037, address Vinkel Allé 1, DK-9000 Aalborg, Denmark, company register – Danish Commerce and Companies Agency;
4. UAB Kekava Foods LT (dormant, the Group owns 97.16 % stock)- private limited liability company, founded 8/3/2018, code of legal entity 304784428, address Subačiaus g. 5, LT-01302 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
5. UAB Zemvaldos Turto Konsultacijos (dormant, the Group owns 100% stock)- private limited liability company, founded 3/6/2020, code of legal entity 305564449, address V. Nagevičiaus St. 3, LT-08237 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
6. UAB KG Group LT (dormant, the Group owns 85.99% stock)- private limited liability company, founded 25/4/2013, code of legal entity 30305107, address H. ir O. Minkovskių g. 63, LT-46550 Kaunas, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
7. UAB Gastroneta (dormant, the Group owns 82.95% stock)- private limited liability company, founded 15/2/2000, code of legal entity 125057526, address Dariaus ir Girėno g. 175, LT-02189 Vilnius, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
8. UAB Kaišiadorių Paukštyno Mažmena (dormant, the Group owns 82.39 % stock)- private limited liability company, founded 2/6/1999, code of legal entity 158986919, address Paukštininkų g. 15, LT-56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
9. UAB Kaišiadorių Skerdykla (dormant, the Group owns 82.39% stock)- private limited liability company, founded 20/12/2016, code of legal entity 304435729, address Paukštininkų g. 15, 56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
10. KG Eesti OU (dormant, the Group owns 85.90% stock)- private limited liability company, founded 12/7/2016, code of legal entity 14079784, address P. Suda 11, 10118 Tallinn, Estonia, company register – Centre of Registers and Information Systems (RIK);
11. UAB Uogintai (dormant, the Group owns 82.39% stock)- private limited liability company, founded 10/11/2006, code of legal entity 300614873, address Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
12. Kooperatyvas Baltoji plunksnelė (dormant, the Group owns 80.84% stock)- cooperative, founded 22/11/2007, code of legal entity 301293559, address Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania; company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
13. SIA NOVOBALTIC (associate, Group owns 16.59% stock)- private limited liability company, founded 21/09/2010, code of legal entity 40103324546, address Bauskas St. 58A-7, LV-1004 Riga, Latvia; company register – The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs);
14. KG Khumex Coldstore B.V (associate, the Group owns 40.42% stock)- private limited liability company, founded 16/11/2016, code of legal entity 67283845, address Landauer 11, 3897AB Zeewolde, the Netherlands; company register – Chamber of Commerce (Kamer van Koophandel);
15. KG Khumex B.V. (associate, the Group owns 50% stock)- private limited liability company, founded 17/12/2012, code of legal entity 56668317, address Landauer 9, 3897AB Zeewolde, the Netherlands; company register – Chamber of Commerce (Kamer van Koophandel).

Subsidiaries in Lithuania

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
AB Linas Agro	Wholesale trade of grains, oilseeds, feedstuffs, and agricultural inputs supply	8/7/1991, Code of legal entity 1473 28026, public limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 333 Fax +370 45 507 444 E-mail info@linasagro.lt www.linasagro.lt
UAB Dotnuva Baltic	Sale of agricultural machinery, equipment for grain elevators and farms, seeds production	5/3/1996, Code of legal entity 261415970, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Parko St. 6, Akademija, 58351 Kėdainiai district, Lithuania Ph. +370 347 370 30 Fax +370 347 370 40 E-mail info@dotnuvabaltic.lt www.dotnuvabaltic.lt
UAB Linas Agro Grūdų Centrai	Grain processing and storage	10/7/2002, Code of legal entity 148451131, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 343 Fax +370 45 507 344 E-mail grudu.centras@linasagro.lt
UAB Linas Agro Grūdų Centras	Management services	5/7/2002, Code of legal entity 148450944, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 365 Fax +370 45 507 344 E-mail grudai@linasagro.lt
UAB KUPIŠKIO GRŪDAI	Grain processing and storage	8/4/1999, Code of legal entity 160189745, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Technikos St. 6, LT-40122 Kupiškis, Lithuania Ph./Fax +370 459 529 16 E-mail info@kupiskiogrudai.lt
UAB Karčemos Bendrovė	Grain processing and storage	9/3/2010, Code of legal entity 302487798, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Šiaulių St. 72, Gustonys vill. LT-38355 Panevėžys district, Lithuania Ph. +370 45 454 051 Fax +370 45 454 054 E-mail priemimas@karcemoskb.lt
UAB Jungtinė Ekspedicija	Logistics and forwarding services	17/2/1998, Code of legal entity 141642963, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Nemuno g. 2A, LT-91199 Klaipėda, Lithuania Ph. +370 46 310 163 Fax +370 46 312 529 E-mail info@je.lt www.je.lt
UAB Linas Agro Konsultacijos	Management of subsidiary farming companies	23/6/2003, Code of legal entity 248520920, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibuoklių St. 20, LT-57128 Kėdainiai, Lithuania Ph. +370 686 53 692 E-mail konsultavimas@linasagro.lt

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
Biržai District Medeikių ŽŪB	Growing and sale of crop	5/10/1992, Code of legal entity 154771488, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Biržų St.32, Medeikių vill., LT-41462 Biržai district, Lithuania Ph. +370 450 584 22 Fax +370 450 584 12 E-mail medeikiai@linasagro.lt
Panevėžys District Aukštadvario ŽŪB	Mixed agricultural activities	9/3/1993, Code of legal entity 168573274, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Pirties St. 3, Aukštadvario vill. LT-38255 Panevėžys district, Lithuania Ph./fax +370 45 592 651 E-mail aukstadvaris@linasagro.lt
Sidabravo ŽŪB	Mixed agricultural activities	20/4/1993, Code of legal entity 171331516, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Pergalės St. 1A, Sidabravas, LT-82251 Radviliškis district, Lithuania Ph. +370 422 477 27 Fax +370 422 476 18 E-mail sidabravas@linasagro.lt
Panevėžys District Žibartonių ŽŪB	Mixed agricultural activities	22/5/1992, Code of legal entity 168521815, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 74, Žibartoniai vill., LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 Fax +370 45 557 486 E-mail zibartoniai@linasagro.lt
Šakiai District Lukšių ŽŪB	Mixed agricultural activities	30/10/1992, Code of legal entity 174317183, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Lukšių vill. 2, LT-71176 Šakiai district, Lithuania Ph. +370 345 442 88 Fax +370 345 442 25 E-mail luksiai@linasagro.lt
Kėdainiai District Labūnavos ŽŪB	Mixed agricultural activities	25/2/1992, Code of legal entity 161228959, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Serbinų St. 19, Labūnava vill. LT-58173 Kėdainiai district, Lithuania Ph. + 370 347 34 180 Fax + 370 347 34 180 E-mail labunava@linasagro.lt
Kėdainiai District ŽŪB Nemunas	Mixed agricultural activities	21/10/1992, Code of legal entity 161268868, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 74, Žibartoniai vill., LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 E-mail nemunas@linasagro.lt
UAB Landvesta 1	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501060, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 2	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501085, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
UAB Landvesta 3	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501092, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 4	Rent and management of agricultural purposes land	23/04/2007, Code of legal entity 300709428, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143, Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 5	Rent and management of agricultural purposes land	16/8/2007, Code of legal entity 301019661, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Landvesta 6	Rent and management of agricultural purposes land	14/1/2008, Code of legal entity 301520074, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 E-mail info@landvesta.lt
UAB Noreikiškės	Rent and management of agricultural purposes land	16/8/2012, Code of legal entity 302841649, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Žibartonių St. 70, Žibartoniai vill. LT-38323 Panevėžys district, Lithuania Ph. +370 45 507 406 E-mail noreikiskes@linasagro.lt
Užupės ŽŪB	Mixed agricultural activities	6/4/2011, Code of legal entity 302612561, agricultural company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Liaudės St. 81, Užupės vill. LT-58311 Kėdainiai district, Lithuania Ph. +370 698 58583 E-mail uzupe@linasagro.lt
UAB Paberžėlė	Rent and management of agricultural purposes land	30/6/2008, Code of legal entity 301772627, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Liaudės St. 81, Užupės vill., LT-58311 Kėdainiai district, Lithuania Ph. +370 698 58583 E-mail paberzele@linasagro.lt
UAB Lineliai	Rent and management of agricultural purposes land	9/3/2012, Code of legal entity 302740714, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Smėlynės St. 2C-3, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 Fax +370 45 507 404 E-mail lineliai@linasagro.lt
UAB Geoface	Software developing	12/03/2018, Code of legal entity 304781617, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Karaliaus Mindaugo per. 37 LT-44307 Kaunas, Lithuania Ph. +370 676 99 244 Email info@geoface.com

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
AB Kauno Grūdai	Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; products and services for farming; wholesale of feed materials; fumigation, disinsection, disinfection and deratization services	15/10/1993, Code of legal entity 133818917, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. Ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 37 223317 E-mail info@kggroup.eu www.kauno-grudai.lt
AB Vilniaus Paukštynas	Chicken raising for meat and eggs production, production of poultry and its products	21/1/1993, Code of legal entity 186107463, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 5 2687331 E-mail vilniaus.paukstynas@kggroup.eu www.paukstynas.eu
AB Kaišiadorių Paukštynas	Chicken raising for meat and eggs production, production of poultry and its products	20/05/1993, Code of legal entity 158891218, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 346 51034 E-mail kaisiadoriu.paukstynas@kggroup.eu www.paukstynas.eu
UAB Šlaituva	Production and wholesale of breadcrumbs and breeding mixes	30/3/1994, Code of legal entity 134019827, private limited liability company, Register of Enterprises of Republic of Lithuania, VĮ Registrų centras	Sodų St. 7, 53290 Linksmakalnis, Kaunas district, Lithuania Ph. +370 37 473446
AB Zelvė	Broiler breeding	10/3/1995, Code of legal entity 181323215, public company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tiesioji St. 21, 21364 Daučiuliškės, Vievis eldership, Elektrėnai municipality, Lithuania Ph. +370 528 26536
UAB Kauno Grūdai ir Partneriai	Rent of real estate	9/11/2001, Code of legal entity 135828753, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 37 223317 E-mail E. p. info@kggroup.eu
UAB Kormoprom Invest	Management services	24/11/2015, Code of legal entity 304141542, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Subačiaus St. 5, LT-01302 Vilnius, Lithuania Ph. +370 619 19403
UAB TABA Holding	Management services	24/11/2015, Code of legal entity 304141581, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Subačiaus St. 5, LT-01302 Vilnius, Lithuania Ph. +370 619 19403

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
UAB Baltic Fumigation Service	Fumigation services	7/3/2005, Code of legal entity 300094020, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Stoties St. 38, 70484 Pilviškiai, Vilkaviškis district, Lithuania Ph. +370 655 62153
UAB KG Mažmena	Retail trade	14/3/2011, Code of legal entity 302602745, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	H. ir O. Minkovskių St. 63, LT-46550 Kaunas, Lithuania Ph. +370 656 50366 E-mail info@kkggroup.eu
UAB KG Distribution	Consultation and and business management	29/8/1997, Code of legal entity 186442465, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 5 2687331
UAB Lietbro	Broiler breeding	13/12/2004, Code of legal entity 300073371, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Nevėžio St. 70, Velžys, Panevėžys district, LT-38129 Lithuania Ph. +370 642 72857
UAB Avocetė	Management services	17/12/2003, Code of legal entity 186758285, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 685 17342
UAB VKP Valdymas	Broiler breeding	3/11/2011, Code of legal entity 302682691, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 5 2687331
UAB Domantonių Paukštynas	Broiler breeding	2/6/2004, Code of legal entity 300030822, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Muiželėnai vill., Alytus district, Lithuania Ph. +370 615 51259
UAB Alesninkų Paukštynas	Broiler breeding	28/2/2005, Code of legal entity 300092247, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Tiesioji St. 21, 21364 Daučiuliškės, Vievis eldership, Elektrėnai municipality, Lithuania Ph. +370 528 26536
UAB KG Logistika	Freight transport services	25/9/2007, Code of legal entity 301133864, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 618 10826

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
UAB VP Valda	Rent of real estate	24/5/2021, Code of legal entity 305776014, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Gamyklos St. 27, LT-13249 Rudamina, Vilnius district, Lithuania Ph. +370 611 31222
UAB KP Valda	Rent of real estate	24/5/2021, Code of legal entity 305775535, private limited liability company, State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)	Paukštininkų St. 15, LT-56110 Kaišiadorys, Lithuania Ph. +370 611 31222

Subsidiaries Operating in Foreign Countries

Company name	Principal activities	Registration date, code of legal entity, company register	Contact data
SIA Linas Agro	Wholesale trade of grains and oilseeds, agricultural inputs supply	23/4/2003, Code of legal entity 53603019011, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Baltijas Ceļš, Brankas, Cenu District, Jelgava municipality, LV-3043, Latvia Ph. +371 630 840 24 Fax +371 630 842 24 E-mail info@linasagro.lv www.linasagro.lv
SIA Linas Agro Graudu Centrs	Grain processing and storage	2/5/2013, Code of legal entity 43603059101, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Jaunsalieši, LV-5202 Jekabpils, Latvia Ph. +371 220 001 82 E-mail graudu.centrs@linasagro.lv
LLC LINAS AGRO UKRAINE	Representative office	30/07/2018, Code of legal entity 42340549, The United State Register of Legal Entities, Individual Entrepreneurs and Public Organizations of Ukraine	Verhniy Val St. 28, Kiev, 04071, Ukraine Ph. + 380 96 634 24 02 E-mail info.ukraine@linasagro.lt
SIA Dotnuva Baltic	Sale of agricultural machinery and equipment for grain elevators	26/04/2010, Code of legal entity 43603041881, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Baltijas Ceļš, Brankas, Cenu District, Jelgava municipality, LV-3043, Latvia Ph. +371 679 131 61 Fax +371 677 602 52 E-mail info@dotnuvabaltic.lv www.dotnuvabaltic.lv

Company name	Principal activities	Registration date, code of legal entity, company register	Contact data
AS Dotnuva Baltic	Sale of agricultural machinery and equipment for grain elevators	11/11/2010, Code of legal entity 12019737, Centre of Registers and Information Systems (RIK)	Savimāe 7, Vahi 60534, Tartu district, Estonia Ph. +372 661 2800 Fax +372 661 8004 E-mail info@dotnuvabaltic.ee www.dotnuvabaltic.ee
AS Putnu Fabrika Kekava	Poultry farming, production and marketing of poultry and poultry products	11/6/1991, Code of legal entity 50003007411, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Kekava, Kekava district, LV-2123 Latvia Ph. +371 6787 4000 Fax +371 6787 4001 E-mail info@pfkekava.lv www.vistas.lv
SIA PFK TRADER	Food retail	26/8/2013, Code of legal entity 40103703853, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Kekava, Kekava district, LV-2123 Latvia Ph. +371 6787 4000 Fax +371 6787 4001 E-mail info@pfkekava.lv www.vistas.lv
SIA Lielzeltini	Poultry farming, production and marketing of poultry and poultry products, feed production	7/7/1994, Code of legal entity 40003205232, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	"Mazzeltini", Janeikas, Bauskas district, Latvia Ph. +371 6396 0770 Fax +371 6396 0768 E-mail lielzeltini@lielzeltini.lv www.lielzeltini.lv
SIA Broileks	Chicken breeding and sale	7/12/2009, Code of legal entity 50103262981, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Gaismas St. 2A-48, Kekava LV-2123, Latvia Ph./Fax +371 67313182
SIA Cerova	Egg incubation and chicken sale	8/10/2003, Code of legal entity 43603019946, The Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Centra St. 11, Musa, Bauskas district, Latvia Ph. +371 2633 4110 Fax +371 6392 6234 E-mail cerova@latnet.lv
Linās Agro OÜ	Products for crop growing	8/10/2020, Code of legal entity 16071924, Centre of Registers and Information Systems (RIK)	Savimāe 7, Vahi 60534, Tartu region, Estonia Ph. +372 6602810 Email info@linasagro.ee https://linasagro.ee/
SIA KG Latvija	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing	2/4/2014, Code of legal entity 40103775495, Register of Enterprises of the Republic of Latvia (Latvijas Republikas Uzņēmumu Reģistrs)	Škunu St 2, Peltes, Sigulda Parish, Sigulda Municipality, LV-2150, Latvia Ph. +371 2240 1142

Company name	Principal activities	Registration date, code of legal entity, company register	Contact data
KG Polska Sp.zo.o.	Wholesale of feed materials	26/10/2011, Code of legal entity 200655918, National Court Register (Krajowy Rejestr Sądowy)	Sejnenska St. 51, Suwalki, Poland Ph. +487 565 08 01
Nordic Agro investment Limited	Management services	9/5/2011, Code of legal entity 07625931, Companies House	93 Tudor drive, Kingston, Surrey, England, KT2 5NP, UK Ph. +44 (0)20 8974 5252
IOOO Belfidagro	Production and wholesale of premixes	18/4/2008, Code of legal entity 690651896, Ministry of Justice of the Republic of Belarus	Kalinin St. 89A, Asipovichy, Mogilev region, Belarus Ph. +375 29 638 24 43 E-mail info@belfidagro.by www.belfidagro.by
OOO KLM	Wholesale of products for crop growing, veterinary products, premixes and seeds for gardening	7/9/2007, Code of legal entity 69608281, Ministry of Justice of the Republic of Belarus	Sosnovaja St. 7, office 9, Sonečnij vill., Minsk region, Belarus Ph. +375 172379980 E-mail office@klm-agro.by https://klm-agro.by/
OOO VitOMEK (code 1157746009398)	Wholesale of premixes, compound feed and feed materials	10/1/2015, Code of legal entity 1157746009398, Federal Tax Service Interdistrict Inspectorate No 46, Moscow city	Registration address: Juliusa Fučika St. 6, Building 2, 2 floor, Room 2, 123056 Moscow, Russia Visiting and mailing address: Dmitrovskoe sh., 163a, Building 2, 127204, Moscow, Russia Ph. +74959020332 E-mail info@vitomek.com https://vitomek.com
OOO VitOMEK (code 1117746107291)	Production of premixes	16/2/2011, Code of legal entity 1117746107291, Federal Tax Service Interdistrict Inspectorate No 12, Tver Region	St. Severnaya 5, Likhoslavl, 171210 Tver region, Russia Ph. +74959020332 E-mail zavod@vitomek.com https://vitomek.com



linas  agro

AB Linas Agro Group
Consolidated unaudited
Financial Statements

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

Prepared according to Additional Information Preparing
and Presentation Instructions issued by the Bank of Lithuania

Consolidated Statement of Financial Position

	Notes	As at 31 December 2021	As at 30 June 2021
ASSETS			
Non-current assets			
Intangible assets	5	2,871	2,170
Property, plant and equipment	6	168,619	128,497
Investment property	8	662	619
Right-of-use assets	7	23,329	22,553
Animals and livestock		12,358	8,789
Non-current financial assets			
Investment in associates and joint ventures		229	–
Other investments		34	34
Prepayments for financial assets		700	2,000
Non-current receivables		1,826	720
Non-current receivables from related parties	14	750	–
Total non-current financial assets		3,539	2,754
Non-current prepayments		1,241	1,241
Deferred income tax asset		6,977	2,848
Total non-current assets		219,596	169,471
Current assets			
Crops		3,683	19,911
Livestock		7,864	2,394
Inventories		323,933	89,292
Current prepayments		22,623	5,957
Current accounts receivable			
Trade receivables		190,562	104,710
Receivables from related parties	14	15,173	41
Income tax receivable		159	1
Other accounts receivable and contract assets		6,662	9,739
Total current accounts receivable		212,556	114,491
Derivative financial instruments		–	3
Other current financial assets		2,139	1,597
Cash and cash equivalents		12,844	18,007
Total current assets		585,642	251,652
Total assets		805,238	421,123

(cont'd on the next page)

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

Consolidated Statement of Financial Position (cont'd)

	Notes	As at 31 December 2021	As at 30 June 2021
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	46,514	46,093
Share premium	1	23,642	23,038
Legal and other reserves		5,154	6,146
Own shares (-)		(444)	(445)
Foreign currency translation reserve		306	(14)
Retained earnings		133,838	119,333
Total equity attributable to equity holders of the parent		209,010	194,151
Non-controlling interest		13,980	2,070
Total equity		222,990	196,221
Liabilities			
Non-current liabilities			
Grants and subsidies		8,688	6,372
Non-current borrowings	9	68,725	13,056
Non-current trade payables		602	601
Lease liabilities	10	32,354	27,148
Deferred income tax liability		543	1,029
Non-current employee benefits		555	776
Other non-current liabilities		1,488	1,055
Total non-current liabilities		112,955	50,037
Current liabilities			
Current portion of non-current borrowings	9	22,410	17,119
Current portion of lease liabilities	10	7,722	5,553
Current borrowings	9, 14	220,566	63,115
Trade payables		160,254	63,707
Payables to related parties	14	529	232
Income tax payable		2,785	452
Derivative financial instruments		2,894	34
Contract liabilities		4,529	2,070
Other current liabilities		47,604	22,583
Total current liabilities		469,293	174,865
Total equity and liabilities		805,238	421,123

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income

(for the period from 1 July to 31 December)

	Notes	2021/2022 6 months	2020/2021 6 months
Sales	4	855,792	474,951
Cost of sales		(791,420)	(454,932)
Gross profit		64,372	20,019
Operating (expenses)	11	(45,875)	(17,693)
Other income	12	7,718	4,130
Other (expenses)	12	(3,020)	(1,309)
Operating profit		23,195	5,147
Income from financial activities		756	579
(Expenses) from financial activities		(5,161)	(1,804)
Share profit of associates and joint ventures		29	–
Profit before tax		18,819	3,922
Income tax		(3,073)	(201)
Net profit		15,746	3,721
Net profit attributable to:			
Equity holders of the parent		14,539	3,787
Non-controlling interest		1,207	(66)
		15,746	3,721
Basic and diluted earnings per share (EUR)		0,09	0,02
Net profit		15,746	3,721
Other comprehensive income			
Exchange differences on translation of foreign operations		341	(10)
Total other comprehensive income, to be reclassified to profit or loss in subsequent periods		341	(10)
Total comprehensive income, after tax		16,087	3,711
Total comprehensive income attributable to:		16,087	3,711
The shareholders of the Company		14,859	3,777
Non-controlling interest		1,228	(66)
		16,087	3,711

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income

(for the period from 1 October to 31 December)

	Notes	2021/2022 2 Q	2020/2021 2 Q
Sales		415,831	235,625
Cost of sales		(389,054)	(228,782)
Gross profit		26,777	6 843
Operating (expenses)		(21,891)	(9,300)
Other income		4,720	2,910
Other (expenses)		(842)	(237)
Operating profit		8,764	216
Income from financial activities		287	161
(Expenses) from financing activities		(3,026)	(921)
Share profit of associates and joint ventures		(8)	–
Profit before tax		6,017	(544)
Income tax		(1,824)	400
Net profit		4,193	(144)
Net profit attributable to:			
Equity holders of the parent		4,211	(121)
Non-controlling interest		(18)	(23)
		4,193	(144)
Basic and diluted earnings per share (EUR)		0.03	0.00
Net profit		4,193	(144)
Other comprehensive income			
Exchange differences on translation of foreign operations		(9)	(2)
Total other comprehensive income, to be reclassified to profit or loss in subsequent periods		(9)	(2)
Total comprehensive income, after tax			
Total comprehensive income attributable to:		4,184	(146)
The shareholders of the Company		4,210	(123)
Non-controlling interest		(26)	(23)
		4,184	(146)

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

Consolidated statement of Changes in Equity

Notes	Share capital	Own shares	Share premium	Legal reserve and other reserve	Foreign currency translation reserve	Retained earnings	Subtotal	Non-controlling interest	Total
Balance as at 1 July 2020	46,093	(446)	23,038	5,153	(10)	105,122	178,950	2,252	181,202
Net profit for the year	–	–	–	–	–	3,787	3,787	(66)	3,721
Exchange differences on translation of foreign operations	–	–	–	–	(10)	–	(10)	–	(10)
Total comprehensive income	–	–	–	–	(10)	3,787	3,777	(66)	3,711
Dividends declared by the subsidiaries	–	–	–	–	–	–	–	(12)	(12)
Share-based payments	–	–	–	(53)	–	–	(53)	–	(53)
Reserves made	–	–	–	61	–	(61)	–	–	–
Acquisition of minority interest	–	–	–	–	–	107	107	(193)	(86)
Balance as at 31 December 2020	46,093	(446)	23,038	5,161	(20)	108,955	182,781	1,981	184,762
Balance as at 1 July 2021	46,093	(445)	23,038	6,146	(14)	119,333	194,151	2,070	196,221
Net profit for the year	–	–	–	–	–	14,539	14,539	1,207	15,746
Exchange differences on translation of foreign operations	–	–	–	–	320	–	320	21	341
Total comprehensive income	–	–	–	–	320	14,539	14,859	1,228	16,087
Disposal of own shares	–	1	–	–	–	(1)	–	–	–
Dividends declared by the subsidiaries	–	–	–	–	–	–	–	(94)	(94)
Minority interest arising on acquisition of subsidiaries	–	–	–	–	–	–	–	10,776	10,776
Reserves made	–	–	–	33	–	(33)	–	–	–
Share capital increase	421	–	603	(1,025)	–	–	–	–	–
Balance as at 31 December 2021	46,514	(444)	23,642	5,154	306	133,838	209,010	13,980	222,990

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

Consolidated Cash Flow Statement

Notes	2021/2022 6 months	2020/2021 6 months
Cash flows from (to) operating activities		
Net profit	15,746	3,721
Adjustments for non-cash items:		
Depreciation and amortisation	16,713	7,021
Subsidies amortisation	(487)	(256)
(Gain) on disposal of property, plant and equipment	(1,188)	(617)
(Gain) on proportion of the assets that relates to rights transferred	–	(1,925)
Change in allowance and write-offs for receivables and prepayments	(306)	(148)
Inventories write down to net realisable value	(232)	(258)
Change in contract assets and accrued expenses	881	72
Change in fair value of biological assets	(845)	545
Change in deferred income tax	(163)	(864)
Change in accrued share-based payments	–	(53)
Current income tax expenses	3,236	1,065
(Income) expenses from change in fair value of financial instruments	(11,917)	(1,650)
Share profit of an associates and a joint ventures	(29)	–
Interest (income)	(756)	(579)
Interest expenses	5,161	1,804
	25,814	7,878
Changes in working capital:		
Decrease in biological assets	15,136	16,239
(Increase) in inventories	(139,259)	(80,816)
(Increase) in prepayments	(12,312)	(995)
Decrease in trade and other accounts receivable	40,187	33,251
(Increase) in restricted cash	(433)	(1,479)
Increase (decrease) in trade and other accounts payable	(8,973)	6,965
Income tax (paid)	(1,844)	(989)
Net cash flows from (to) operating activities	(81,684)	(19,946)

Consolidated Cash Flow Statement (cont'd)

	Notes	2021/2022 6 months	2021/2022 6 months
Cash flows from (to) investing activities			
(Acquisition) of intangible assets, property, plant and equipment and investment property		(7,018)	(5,318)
Proceeds from sale of intangible assets, property, plant and equipment and investment property		8,971	931
(Acquisition) of subsidiaries		(63,531)	(138)
Disposal of subsidiaries		–	13,571
Acquisition of associates and joint ventures		(200)	–
Prepayments for financial assets		(700)	(2,000)
Loans (granted)		(173)	(438)
Repayment of granted loans		739	446
Interest received		756	577
Net cash flows from (to) investing activities		(61,156)	7,631
Cash flows from (to) financing activities			
Proceeds from loans		188,055	92,567
(Repayment) of loans		(41,163)	(72,174)
Lease (payments)		(4,719)	(3,185)
Interest (paid)		(5,161)	(1,804)
Subsidies received		193	169
Dividends (paid) to non-controlling shareholders		(94)	(12)
(Acquisition) of non-controlling interest		–	(86)
Net cash flows from (to) financing activities		137,111	15,475
Net (decrease) increase in cash and cash equivalents		(5,729)	3,160
Foreign exchange difference		566	–
Cash and cash equivalents at the beginning of the year		18,007	9,539
Cash and cash equivalents at the end of the year		12,844	12,699
Supplemental information of cash flows:			
Non-cash investing activity:			
Property, plant and equipment acquisitions financed by grants and subsidies		193	169
Property, plant and equipment acquisitions financed by finance lease		3,198	620

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

Notes to the Financial Statements

1. General Information

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

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

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

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

As at 30 December 2021 and as at 30 June 2021 the shareholders of the Company were:

	As at 31 December 2021		As at 30 June 2021	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	109,909,167	68.52%	109,909,167	69.15%
Darius Zubas	17,049,995	10.63%	17,049,995	10.73%
UAB INVL Asset Management	8,977,086	5.60%	9,087,369	5.72%
Other shareholders (private and institutional investors)	24,458,150	15.25%	22,893,867	14.40%
Total	160,394,398	100.00%	158,940,398	100.00%

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

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

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

As at 31 December 2021 the number of employees of the Group was 5,398 (2,166 as at 30 June 2021).

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

2. Accounting Principles

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

3. Group Structure and Changes in the Group

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

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

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

	Place of registration	Effective share stock held by the Group		Main activities
		31 December 2021	30 June 2021	
AB Kauno Grūdai	Lithuania	85.99%	–	Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; products and services for farming; wholesale of feed materials; fumigation, disinsection, disinfection and deratization services
UAB KG Group LT	Lithuania	85.99%	–	Dormant company
UAB Šlaituva	Lithuania	71.37%	–	Production and wholesale of breadcrumbs and breeding mixes
UAB Baltic Fumigation Service	Lithuania	85.99%	–	Fumigation services
UAB KG Mažmena	Lithuania	85.99%	–	Retail trade
AB Zelvė	Lithuania	70.01%	–	Broiler breeding
UAB Kauno Grūdai ir Partneriai	Lithuania	85.99%	–	Rent of real estate
AB Vilniaus Paukštynas	Lithuania	82.95%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB KG Distribution	Lithuania	82.95%	–	Consultation and and business management
UAB Lietbro	Lithuania	82.95%	–	Broiler breeding
UAB Avocetė	Lithuania	82.95%	–	Management services
UAB Gastroneta	Lithuania	82.95%	–	Dormant company
UAB VKP Valdymas	Lithuania	82.67%	–	Consultation and and business management
Cooperative Baltoji Plunksnelė	Lithuania	80.84%	–	Dormant company
AB Kaišiadorių paukštynas	Lithuania	82.39%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB Domantonių Paukštynas	Lithuania	85.92%	–	Broiler breeding
UAB Kaišiadorių Paukštyno Mažmena	Lithuania	82.39%	–	Dormant company
UAB Uogintai	Lithuania	82.39%	–	Dormant company
UAB Kaišiadorių Skerdykla	Lithuania	82.39%	–	Dormant company
UAB Alesninkų Paukštynas	Lithuania	82.39%	–	Broiler breeding
UAB KG Logistika	Lithuania	82.67%	–	Freight transport services
UAB VP Valda	Lithuania	82.95%	–	Rent of real estate
UAB KP Valda	Lithuania	82.39%	–	Rent of real estate
SIA KG Latvija	Latvia	85.99%	–	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing
KG Eesti OU	Estonia	85.99%	–	Dormant company
KG Polska Sp.zo.o.	Poland	68.79%	–	Wholesale of feed materials
Nordic Agro Investment Limited	United Kingdom	85.99%	–	Management services
I000 Belfidagro	Belarus	85.99%	–	Production and wholesale of premixes
000 KLM	Belarus	60.19%	–	Wholesale of products for crop growing, veterinary products, premixes and seeds for gardening
000 VitOMEK (entity code 1117746107291)*	Russia	96.50%	–	Production of premixes
000 VitOMEK (entity code 1157746009398)	Russia	96.50%	–	Wholesale of premixes, compound feed and feed materials

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

AS at 31 December 2021 Group had direct and indirect investments in these joint ventures and associates (effective share stock held by the Group stated below):

KG Khumex B.V. (The Netherlands) – 50.00%;
 KG Khumex Coldstore B.V. (The Netherlands) – 40.42%;
 SIA NOVOBALTIC (Latvia) – 16.59%.

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

Changes in the Group during the 6 month period ended 31 December 2021

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. Segments information

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

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

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

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

Financial year ended 31 December 2021

Group	Grain, oilseed and feed	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Revenue								
Third parties	484,755	180,565	11,691	161,259	17,522	–	–	855,792
Intersegment	32,012	5,254	9,169	813	2,050	–	(49,298) ¹⁾	–
Total revenue	516,767	185,819	20,860	162,072	19,572	–	(49,298)¹⁾	855,792
Results								
Operating expenses	(11,665)	(12,003)	(2,198)	(13,483)	(3,433)	(3,093)	–	(45,875)
Segment operating profit (loss)	(399)	25,323	(923)	(201)	1,795	(2,400)	–	23,195

Financial year ended 31 December 2020

Group	Grain, oilseed and feed	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Revenue								
Third parties	350,236	79,996	10,095	34,568	56	–	–	474,951
Intersegment	721	3,406	10,347	–	–	–	(14,474) ¹⁾	–
Total revenue	350,957	83,402	20,442	34,568	56	–	(14,474)¹⁾	474,951
Results								
Operating expenses	(4,226)	(6,339)	(2,147)	(3,801)	–	(1,180)	–	(17,693)
Segment operating profit (loss)	898	4,311	1,248	(124)	11	(1,197)	–	5,147

1) Intersegment revenue is eliminated on consolidation.

4. Segments Information (cont'd)

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

Revenue from external customers	6 months period ended	
	31 December 2021	31 December 2020
Lithuania	302,602	109,847
Europe (except for Scandinavian countries, CIS and Lithuania)	293,286	150,652
Scandinavian countries	70,255	59,932
Asia	13,729	31,042
Africa	75,021	104,783
CIS	100,899	18,695
	855,792	474,951

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

Non-current assets	31 December 2021	31 December 2020
Lithuania	129,816	92,722
Latvia	61,245	60,514
Estonia	1,519	1,182
Russia	2,720	–
Belarus	170	–
Ukraine	11	14
	195,481	154,432

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

5. Intangible assets

Group	Software	Other intangible assets	Goodwill	Total
Cost:				
Balance as at 30 June 2020	1,558	272	1,971	3,801
Additions	22	213	–	235
Acquisition of subsidiaries	–	212	3	215
Write-offs	–	(17)	–	(17)
Balance as at 30 June 2021	1,580	680	1,974	4,234
Acquisition of subsidiaries	707	212	–	919
Additions	122	147	–	269
Balance as at 31 December 2021	2,409	1,039	1,974	5,422
Accumulated amortization:				
Balance as at 30 June 2020	644	131	–	775
Charge for the year	161	24	–	185
Write-offs	–	(17)	–	(17)
Balance as at 30 June 2021	805	138	–	943
Charge for the year	288	199	–	487
Balance as at 31 December 2021	1,093	337	–	1,430
Impairment losses:				
Balance as at 30 June 2020	–	–	1,121	1,121
Balance as at 30 June 2021	–	–	1,121	1,121
Balance as at 31 December 2021	–	–	1,121	1,121
Net book value as at 31 December 2021	1,316	702	853	2,871
Net book value as at 30 June 2021	775	542	853	2,170
Net book value as at 30 June 2020	914	141	850	1,905

6. Property, Plant and Equipment

	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and pre-payments	Total
Group							
Cost:							
Balance as at 30 June 2020	22,902	112,640	61,024	5,437	5,995	2,927	210,925
Additions	291	108	2,835	1,612	515	2,785	8,146
Disposals and write-offs	(5)	(352)	(4,064)	(635)	(159)	(63)	(5,278)
Reclassifications	37	1,743	1,513	7	137	(3,437)	–
Disposals of subsidiaries	(4,055)	–	–	–	–	–	(4,055)
Transfer to/from inventories	–	–	3,692	–	–	–	3,692
Balance as at 30 June 2021	19,170	114,139	65,000	6,421	6,488	2,212	213,430
Acquisition of subsidiaries	8,095	20,198	16 280	1,561	1,316	1,622	49,072
Additions	895	554	3,934	893	349	3,120	9,745
Disposals and write-offs	(3,803)	(26)	(4,468)	(548)	(55)	(120)	(9,020)
Reclassifications	4	1,983	1,135	75	143	(3,340)	–
Transfer to/from inventories	–	–	3,140	–	–	–	3,140
Exchange differences	(1)	5	3	5	3	(2)	13
Balance as at 31 December 2021	24,360	136,853	85,024	8 407	8,244	3,492	266,380
Accumulated depreciation:							
Balance as at 30 June 2020	117	43,204	27,469	2,788	3,326	–	76,904
Charge for the year	33	4,356	4,549	549	658	–	10,145
Disposals and write-offs	–	(250)	(1,916)	(454)	(155)	–	(2,775)
Balance as at 30 June 2021	150	47,310	30,102	2,883	3,829	–	84,274
Charge for the year	17	5,649	7,332	662	669	–	14,329
Disposals and write-offs	–	(15)	(1,291)	(159)	(35)	–	(1,500)
Exchange differences	–	2	(1)	(2)	–	–	(1)
Balance as at 31 December 2021	167	52,946	36,142	3,384	4,463	–	97,102
Impairment losses:							
Balance as at 30 June 2020	–	667	162	–	35	–	864
Charge for the year	–	(38)	(63)	–	(4)	–	(105)
Disposals and write-offs	–	–	(99)	–	(1)	–	(100)
Balance as at 30 June 2021	–	629	–	–	30	–	659
Balance as at 31 December 2021	–	629	–	–	30	–	659
Net book value as at 31 December 2021	24,193	83,278	48,882	5,023	3,751	3,492	168,619
Net book value as at 30 June 2021	19,020	66,200	34,898	3,538	2,629	2,212	128,497
Net book value as at 30 June 2020	22,785	68,769	33,393	2,649	2,634	2,927	133,157

7. Right-of-use Assets

Group	Land	Buildings and structures	Machinery and equipment	Vehicles	Total
Cost:					
Balance as at 30 June 2020	15,196	2,670	2,545	2,734	23,145
Additions	8,843	407	151	780	10,181
Disposals and write-offs	(2,828)	(480)	(511)	(165)	(3,984)
Balance as at 30 June 2021	21,211	2,597	2,185	3,349	29,342
Acquisition of subsidiaries	972	1,228	–	911	3,111
Additions	1,388	66	726	219	2,399
Disposals and write-offs	(2,796)	(86)	(108)	(252)	(3,242)
Balance as at 31 December 2021	20,775	3,805	2,803	4,227	31,610
Accumulated depreciation:					
Balance as at 30 June 2020	1,693	475	820	717	3,705
Charge for the year	2,123	436	849	877	4,285
Disposals and write-offs	(545)	(125)	(465)	(66)	(1,201)
Balance as at 30 June 2021	3,271	786	1,204	1,528	6,789
Charge for the year	1,115	369	435	536	2,455
Disposals and write-offs	(764)	(7)	(107)	(85)	(963)
Balance as at 31 December 2021	3,622	1,148	1 532	1,979	8,281
Net book value as at 31 December 2021	17,153	2,657	1,271	2,248	23,329
Net book value as at 30 June 2021	17,940	1,811	981	1,821	22,553
Net book value as at 30 June 2020	13,503	2,195	1,725	2,017	19,440

8. Investment Property

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

Group	Land	Buildings	Total
Cost:			
Balance as at 30 June 2020	1,912	128	2,040
Additions	–	23	23
Disposals and write-offs	(217)	(110)	(327)
Reclassifications	(13)	13	–
Disposal of subsidiaries	(1,060)	–	(1,060)
Balance as at 30 June 2021	622	54	676
Acquisition of subsidiaries	–	215	215
Additions	–	3	3
Disposals and write-offs	(137)	(14)	(151)
Balance as at 31 December 2021	485	258	743
Accumulated depreciation:			
Balance as at 30 June 2020	1	54	55
Charge for the year	–	3	3
Disposals and write-offs	–	(55)	(55)
Balance as at 30 June 2021	1	2	3
Charge for the year	–	24	24
Balance as at 31 December 2021	1	26	27
Impairment losses:			
Balance as at 30 June 2020	51	3	54
Balance as at 30 June 2021	51	3	54
Balance as at 31 December 2021	51	3	54
Net book value as at 31 December 2021	433	229	662
Net book value as at 30 June 2021	570	49	619
Net book value as at 30 June 2020	1,860	71	1,931

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

9. Borrowings

	As at 31 December 2021	As at 30 June 2021
Non-current borrowings		
Bank borrowings secured by the Group assets	68,725	13,056
	68,725	13,056
Current borrowings		
Current portion of non-current bank borrowings	22,410	17,119
Current bank borrowings secured by the Group assets	211,327	57,104
Current borrowings from the parent (Note 14)	9,000	6,000
Other current borrowings	239	11
	242,976	80,234
	311,701	93,290

Interest payable is normally settled monthly throughout the financial year.

As of 31 December 2021 AS Putnu Fabrika Kekava, SIA Lielzeltini and UAB Karčemos bendrovė have not fulfilled part of covenants under credit agreements with Swedbank AS and SEB bankas, AB. UAB Karčemos bendrovė has received bank waiver in terms of covenants breach till the end of reporting period. Borrowings amount of EUR 11,650 thousand is accounted as short-term financial liabilities as at 30 December 2021 (as at 30 June 2021 AS Putnu Fabrika Kekava amount accounted as short-term financial liabilities – EUR 11,340).

10. Lease liabilities

	As at 31 December 2021	As at 30 June 2021
Non-current		
Lease liabilities related to right-of-use assets	23,930	23,547
Lease liabilities related to other assets	8,424	3,601
	32,354	27,148
Current		
Lease liabilities related to right-of-use assets	4,495	4,209
Lease liabilities related to other assets	3,227	1,344
	7,722	5,553
	40,076	32,701

11. Operating Expenses

	2021/2022 6 months	2020/2021 6 months
Wages and salaries and social security	(24,852)	(11,185)
Consulting expenses	(3,079)	(513)
Depreciation and amortization	(2,258)	(1,006)
Other	(15,686)	(4,989)
	(45,875)	(17,693)

12. Other income (expenses)

Other income	2021/2022 6 months	2020/2021 6 months
Grants received for agriculture activity	1,264	1,070
Grants for poultry activity, related with COVID-19	1,183	232
Gain from currency exchange	259	90
Rental income from investment property and property, plant and equipment	311	90
Gain from disposal of investment property and property, plant and equipment	1,271	617
Gain on proportion of the assets that relates to rights transferred (Note 3)	–	1,925
Change in fair value of financial instruments	375	24
Other income	3,055	2,482
	7,718	4,130
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment	(221)	(138)
Loss from disposal of investment property and property, plant and equipment	(83)	–
Change in fair value of financial instruments	(32)	(1,028)
Loss from acquisition of subsidiaries	–	(105)
Loss from currency exchange	(791)	–
Other expenses	(1,893)	(38)
	(3,020)	(1,309)

13. Commitments and Contingencies

As at 31 December 2021 the Group is committed to purchase property, plant and equipment for the total amount of EUR 1,347 thousand (EUR 2,672 thousand as at 30 June 2021).

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

Panevėžys District Aukštadvario ŽŪB, Sidabravo ŽŪB, Kėdainiai District ŽŪB Nemunas are committed not to discontinue operations related to agricultural up to 2022, Panevėžys District Žibartonių ŽŪB – up to 2022 and 2027.

SIA Lielzeltini and AS Putnu Fabrika Kekava received grants from the European Union and Rural Support Service (Latvia) for poultry farm, feedstuffs production and storages upgrade. SIA Lielzeltini is committed not to discontinue broiler breeding, slaughtering and sale of products and compound feed production up to 2025, AS Putnu Fabrika Kekava – up to the end of 2023 and 2026. In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania and Latvia amounting to EUR 2,892 thousand as at 31 December 2021 (EUR 2,529 thousand as at 30 June 2021). Group has no plans to discontinue above mentioned operations.

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

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

14. Related Parties Transactions

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

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

Members of the board of the Company:

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

Subsidiaries: List provided in Note 3.

UAB Darius Zubas Holding (same ultimate controlling shareholder);

Akola ApS group companies:

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

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

UAB „Palūšės turas“ - 100% of shares are owned by UAB „PICUKĖ“.

AB Ignitis grupė (Andrius Pranckevičius is the Independent Member of Supervisory Board).

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

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

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

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

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

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

The Group's transactions with related parties in 6 - month period ended 31 December 2021 were as follows:

2021/2022 2 Q

	Purchases	Sales	Trade receivables	Non-current loans receivable	Payables	Current payable loans
Akola ApS group companies	361	24,087	9,717	–	529	9,000
Members of management board	–	–	–	–	–	–
KG Khumex B.V.	34	17,272	3,852	–	–	–
KG Khumex Coldstore B.V.	–	13	–	750	–	–
SIA NOVOBALTIC	67	4,700	1,604	–	–	–
Total	462	46,072	15,173	750	529	9,000

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

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

Terms and conditions of the financial assets and liabilities:

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

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

15. Subsequent Events

On 10 January 2022 The Company acquired 100% shares of UAB Agro Logistic Service. Acquisition value – EUR 1,700 thousand. At the date of issuing these financial statements the Group's management did not have enough financial information to evaluate the fair value of UAB Agro Logistic Service net assets at the acquisition date. Company's sales for 12 month period ended 31 December 2021 was EUR 51,667 thousand.