

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 twelve 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 twelve months of the financial year 2021/22 includes fair review of the business development and activities, together with the description of the major risks and indeterminations incurred.

CEO of AB Linas Agro Group



Darius Zubas

31 August 2022

CFO of AB Linas Agro Group



Mažvydas Šileika

31 August 2022



linas  agro

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

For the period ended June 30, 2022

Information about the Company and the Group

Company name	AB Linas Agro Group
Legal form	Public company
Date and place of registration	27/11/1995 in Panevezys
Code of legal entity	148030011
LEI	529900UB9QON717IL030
VAT identification number	LT480300113
Company registers	State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)
Address	Subačiaus St. 5, LT-01302 Vilnius, Lithuania
Phone	+370 45 50 73 03
E-mail	group@linasagro.lt
Website	www.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. The company had 72 subsidiaries and two associates as at June 30, 2022. The total headcount of the Group was 5,031. The financial year of the Group starts on the 1st of July. The Company does not have any branches and representative offices.

Contact Person

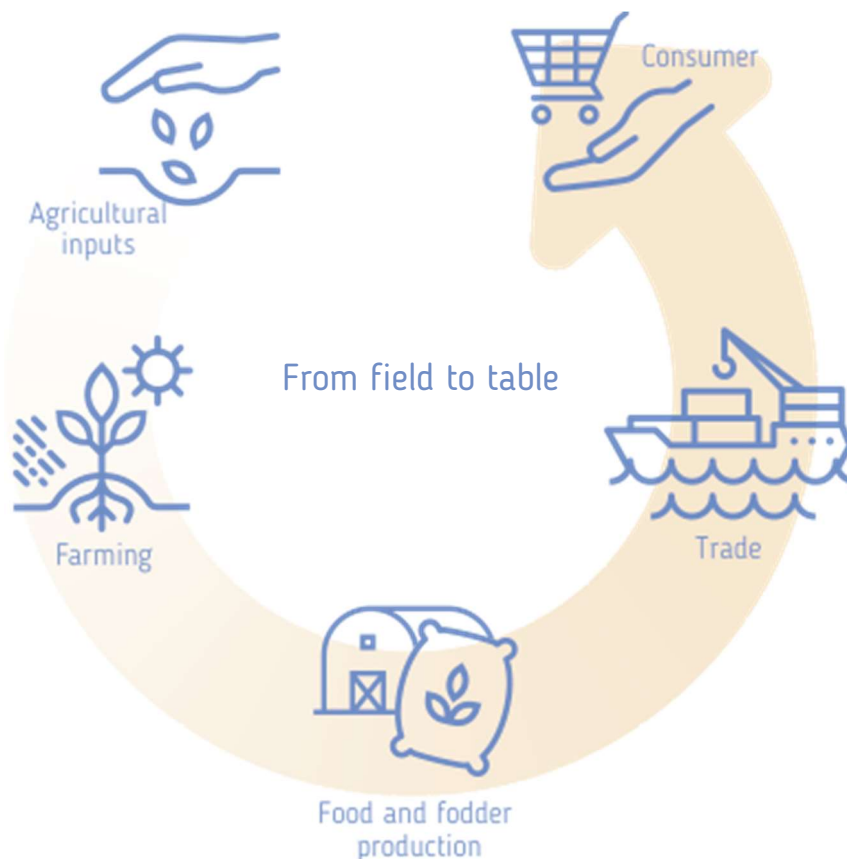
Chief Financial Officer
 Mažvydas Šileika
 Ph. + 370 619 19 403
 Email m.sileika@linasagro.lt

The Main Activity

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

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

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



Activity and Financial Results of the Group

Consolidated revenue of AB Linas Agro Group in twelve months of 2021/22 financial year totaled EUR 1,896 million and was 101% more as compared to previous year (EUR 942 million).

The Group's sales volume in tons reached 3.69 million tons of various products and was 17% more as compared to previous year (3.16 million tons).

The gross profit reached EUR 188 million and was 267% higher than a year before (EUR 51 million).

The Group's operating profit was EUR 106 million or 444% more as compared to the respective period of the previous year (EUR 19 million).

Consolidated EBITDA amounted to EUR 134 million and was 302% higher as compared to the previous year (EUR 33 million).

Profit before tax amounted to EUR 93 million and was 454% higher as compared to EUR 17 million in previous year.

The net profit stood at EUR 80 million and increased by 461% y-o-y.

Consolidated revenue for the Q4 amounted to EUR 548 million being 137% higher as compared to the previous year (EUR 231 million). Gross profit for the Q4 increased from EUR 22 million to EUR 85 million and operating profit from EUR 15 million to EUR 64 million profit. Net profit for the Q4 amounted to EUR 50 million, compared to a net profit of EUR 12 million in the corresponding period of the previous year.



Financial indicators

	2017/18 12 months	2018/19 12 months	2019/20 12 months	2020/21 12 months*	2021/22 12 months	Change 2021/22 compared to 2020/21 (thousand EUR)	Change 2021/22 compared to 2020/21 (%)
Sales revenue (thousand EUR)	634,423	742,542	657,700	942,442	1,896,026	953,854	101
Sales in tons	2,206,745	2,529,711	2,233,808	3,155,329	3,689,585	534,256	17
Gross profit (thousand EUR)	45,848	28,871	45,664	51,201	187,827	136,626	267
EBITDA (thousand EUR)	20,300	5,578	25,923**	33,401**	134,250	100,849	302
EBITDA (thousand EUR) (excluding the impact of IFRS 16)	20,410	5,578	23,860	29,267	129,190	99,923	341
Operating profit (thousand EUR)	9,597	(3,336)	14,827	19,467	105,880	86,413	444
Earnings before taxes EBT (thousand EUR)	7,523	(6,430)	11,931	16,797	93,064	76,267	454
Net profit (thousand EUR)	9,463	(4,830)	10,004	14,189	79,572	65,383	461
Readily Marketable Inventories (RMI) (thousand EUR)	26,235	18,374	13,735	21,224	26,798	5,574	26
Margins, %							
Gross profit margin	7.23	3.89	6.94	5.43	9.91	4.47	82
EBITDA margin	3.02	0.75	3.94	3.54	7.08	3.54	100
EBITDA margin (excluding the impact of IFRS 16)	3.22	0.75	3.63	3.11	6.81	3.71	119
Operating profit margin	1.51	(0.45)	2.25	2.07	5.58	3.52	170
Earnings before taxes margin	1.19	(0.86)	1.81	1.78	4.91	3.13	175
Net profit margin	1.49	(0.65)	1.52	1.51	4.20	2.69	179
Solvency ratios							
Current ratio	1.38	1.26	1.31	1.44	1.37	(0.07)	(5)
Debt / Equity ratio	1.26	1.30	1.24	1.15	2.10	0.95	83
Net financial debt / EBITDA	7.02	25.54	5.38	3.23	2.05	(1.18)	(46)

	2017/18 12 months	2018/19 12 months	2019/20 12 months	2020/21 12 months*	2021/22 12 months	Change 2021/22 compared to 2020/21 (thousand EUR)	Change 2021/22 compared to 2020/21 (%)
RMI adjusted Net financial debt / EBITDA	5.74	22.24	4.85	2.60	1.85	(0.75)	(29)
Return on equity (ROE), %	5.34	(2.84)	5.52	7.23	28.25	21.02	291
Return on capital employed (ROCE), %	2.90	(1.04)	4.77	6.61	19.33	12.72	192
Return on assets (ROA), %	2.36	(1.23)	2.47	3.37	9.12	5.75	171
Basic and diluted earnings per share (EPS)	0.06	(0.03)	0.06	0.09	0.46	0.37	414
Price earnings ratio (P/E)	12.34	(20.83)	9.37	9.19	2,48	(6.71)	(73)
Dividends for the financial year paid per share, in euros	0.0185	-	-	-	-	-	-
Dividends paid within financial year to net profit of the previous financial year, %	31.1	-	-	-	-	-	-

* To ensure more accurate representation of the activity, Company has revised the methodology relocating loss and/or gain from currency exchange line items to results of financial activity in the in separate and consolidated financial statements, therefore EBITDA, Operating profit and related ratios were adjusted for the comparative period 2020/2021

** Depreciation of biological assets (crops) sold during the reporting period and related to the previous reporting period, amounting to EUR 2,229 thousand, is also excluded (EUR 2,186 thousand for the period 2020/2021, the effect of such depreciation was not significant for the comparative periods).

Explanation of terms:

EBITDA	Equals operating profit before depreciation, amortization, and impairment losses.
Operating profit (EBIT)	Equals profit before net from investments and finance activities, and income tax.
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	Non-current and current borrowings 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, long-term and short-term loans as well as leasing liabilities not related to right of use assets.
Return on assets (ROA), %	Net profit for the period expressed as a percentage of total assets for the period. Calculated at the end of the financial year.
Price earnings ratio (P/E)	Closing Company's share price at Nasdaq Vilnius stock exchange at the end of reporting period divide by rolling 12 months' earnings per share.
Readily Marketable Inventories (RMI)	Inventories to which full unencumbered legal and beneficial title belongs to a member of the Group and are readily convertible into cash within less than 90 calendar days on the basis that such inventories are: (a) the subject of contracts traded on futures markets and/or price risk is covered by other forward sale and/or hedging transaction; (b) liquid and widely available in a range of markets due to homogenous product characteristics and international pricing; (c) such inventories are not held for processing and/or conversion into a more value-added product; and (d) liquidation of such inventories would not have a material adverse effect on the particular business franchise.
RMI adjusted Net financial debt	Net financial debt after deducting 90% of Readily Marketable Inventories of the relevant period.

Overview

Without major adjustments from previous indications, **the harvest year 2021/2022 should have closed marking:**

GLOBALLY

- 2,291 million tons world grain production, likely representing all time high figure, with strong maize production taking the lead;
- 600 million tons world oilseed production with lower soybean yields in drought-affected Brazil, Paraguay, and Argentina being responsible for slightly weaker results compared to strong previous year;
- strong grain consumption, mostly associated with growing demand for food, feed and industrial uses, meanwhile somewhat normalized oilseeds demand due to the continuous rise in prices;
- temporary stabilization in terms of global cereal stocks (603 million tons) and declining world oilseed stocks (109 million tons);
- high price sentiment - in combination with post-covid and geopolitical turbulences fueled inflation, also explained with limited global availability of certain quality grain; in April-June 2022, world grain prices were 167-168 euros higher than last year, for example, wheat futures prices for December lots on the Euronext exchange fluctuated around 380-381 euros per ton, compared to 212-213 euros per ton a year ago.

BALTICS / LITHUANIA

- about 10 million tons of cereals, 1.5 million tons of rapeseed;
- in contrast to the record harvest of grain and oilseeds in all Baltic countries in 2020/2021, it seems that results of 2021/2022 have not met the expectations of stakeholders, however the yields are in line with the general trends of the last five years and even slightly above the average.

The harvest year 2022/2023 indications:

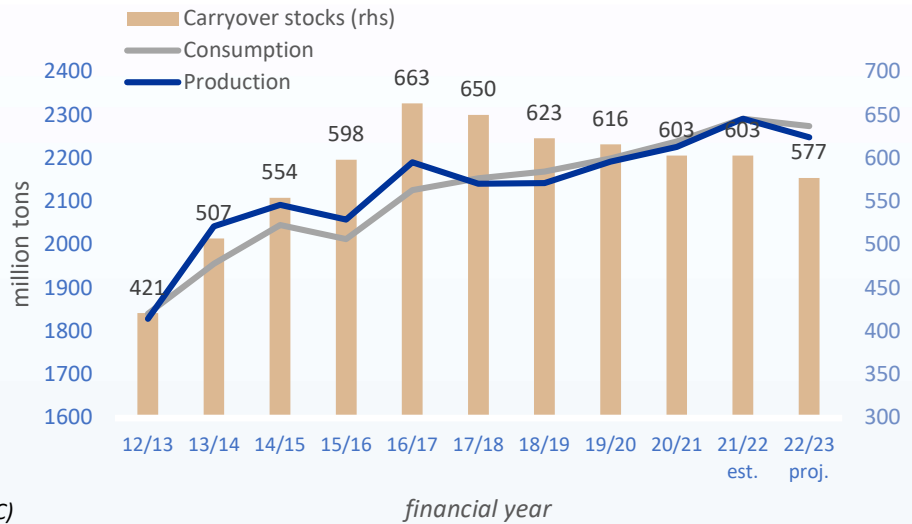
GLOBALLY

- 2,248 million tons world grain production, being 43 million tons less compared to harvest year 2021/2022 and dominantly contracting through maize position; lower wheat and maize production in Ukraine due to Russia's military action (expected to reach 50 million tons compared to 86 million tons previous year), declining yields due to extremely dry weather conditions in Europe and off-and on globally, as well as implicit lower fertilizer use,
- 646 million tons world oilseed production, potentially reaching all-time record quantity thanks to promising soybean harvest yields in Brazil, Argentina, Paraguay, higher production for the United States, China, favourable weather conditions in Australia,
- largely due to the persistence of high prices, the projected pace of cereal consumption is expected to slow, however only slightly,
- projecting in eight years lowest global cereal stocks (577 million tons), though meanwhile recovering world oilseed stocks (121 million tons) with higher soybean and rapeseed stocks partly offset with lower sunflower seed stock,
- continuously high price sentiment, with some easing in rates recorded lately with the set-up of the 120 days 'safe sea corridor', restoring the shipment of the grain and other foodstuffs from three Black sea ports.

LITHUANIA

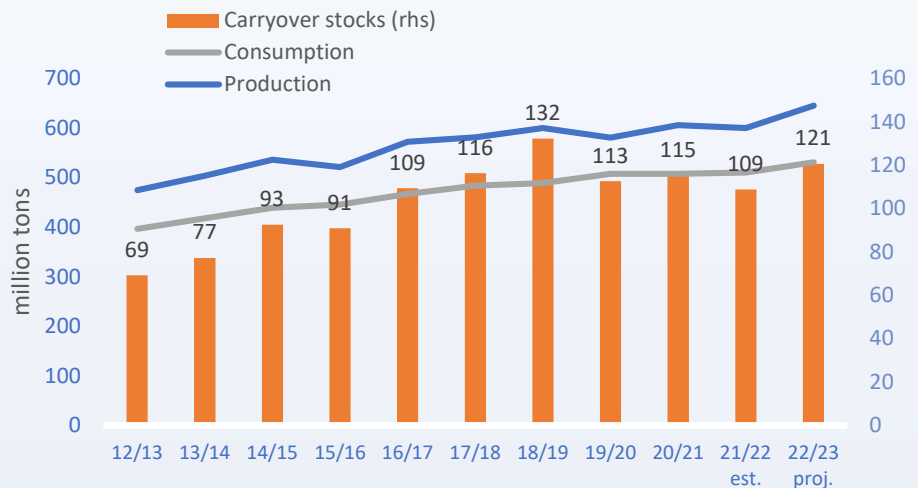
- according to unofficial statements by grain buyers and exporters, estimated harvest in Lithuania might total at 7-8 million tons of grain (strong multi-year average), while rapeseed production could account for 1 million tons or more,
- higher concentration of feed grain compared to previous year, subtracted quality, low protein content, however quite solid oil concentration in rapeseeds.

The world total grain production



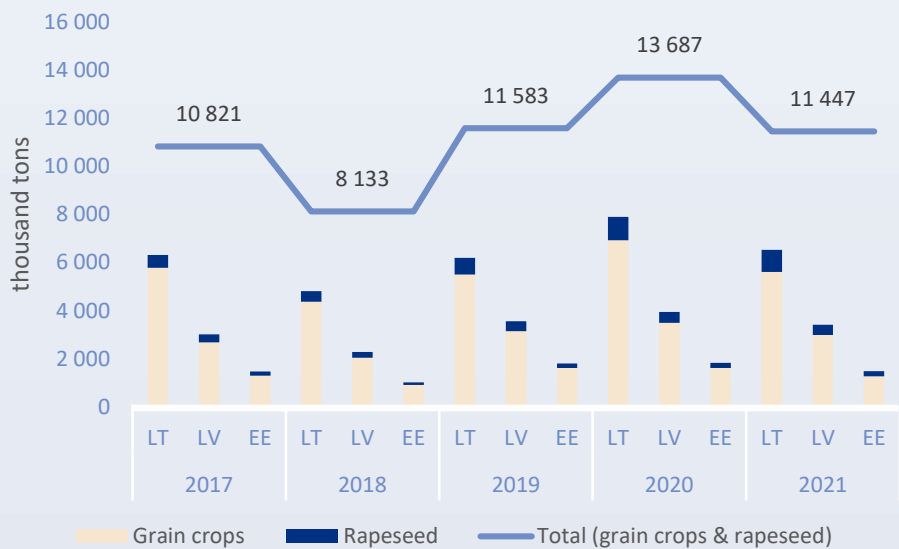
Data: International Grains Council (IGC)

The world total oilseeds production



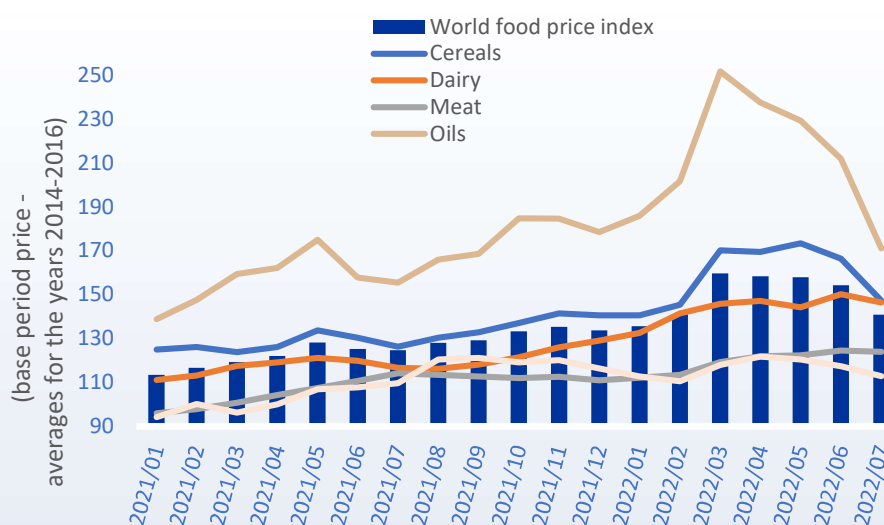
Data: United States Department of Agriculture(USDA)

Grain and rapeseed harvest in the Baltic states



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

The structural basis for price growth in the raw materials market was formed even before February 24, 2022 (beginning of military action in Ukraine) with money supply in recent years growing almost the fastest since the beginning of 20th century (not counting the years of World War II), in order to cope with the shortages and overall effects of the COVID-19 pandemic some governments had increased their debts quite significantly. Yet the war in Ukraine (normally the world's fourth-largest grain exporter), created more shortages of raw materials and goods, pushing prices up yet further. Ukraine's grain exports have slumped, driving up global food prices and prompting fears of food shortages in Africa and the Middle East; energy prices have also increased as a result of concerns over supply disruptions following Russia's invasion. Regardless of certain price corrections seen within latest months after peak in food price index in March 2022, all together, latter factors create a base for prevailing high price sentiment.



Data: Food and Agriculture
Organization of the United Nations

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

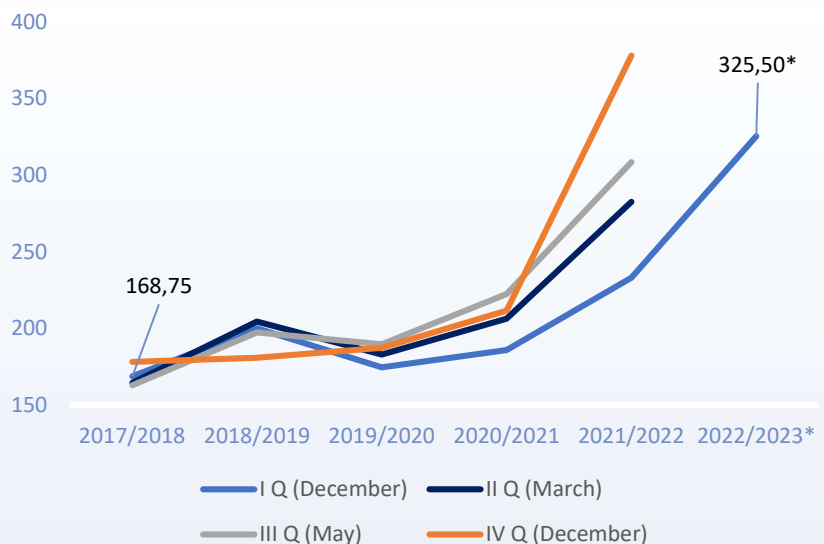
Within the reporting period, the most significant inflationary sentiment was observed in the **vegetable oil, grain categories**. The group's companies trading in cereals, oilseeds, raw materials and feed additives, as well as active in the production of compound feed, breeding of poultry and dairy herds, have had to adapt to rising production prices, higher working capital requirements and more complicated pre-harvest contracting (due to the turbulent geopolitical situation farmers hesitant to commit) and finally with initiation of military actions in Ukraine – to reorientate trade principles, canceling trade relations with Russian and Belarusian suppliers. At the moment of the publication of this report, both – cereal and vegetable oils prices are illustrating correction - partially in reaction to the 'safe sea corridor' agreement reached between Ukraine and the Russian Federation, however – also as a response to new information on seasonal availability from ongoing harvests, downward pressure of lower crude oil prices on vegetable oil values.

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

Due to rising grain and **milk prices**, preconditions for revenue growth were also created for the Group's Agricultural production segment. The upward trend in dairy prices has continued within the reporting period due to the persistent lack of global supply. Rising dairy production costs, persistent COVID19 induced labor shortages leading to production and delivery delays, expectations of lower than average production volumes in the near future, as well as higher demand for butter as a substitute for sunflower oil and margarine, were the main factors behind the continued rise in raw milk purchase prices on the world markets financial year 2021/2022. Recently some positivity with regards to global milk production volumes was brought, while demand on the contrary seemed to fix at more modest levels. Biggest importer of the milk - China still has lower valued stocks present and recent COVID lockdowns could explain the lower demand at some extent; overall high food prices put pressure on people's spending power. At the date of the publication of this report, drop in milk prices is already seen globally, while local markets still enjoy the upward movement. Further projections are difficult to make, as with increased prices of feed and energetic resources, some dairy farms globally consider the milk price isn't going up with the cost of production, suggesting decreasing supply of milk production globally is again possible in the future.

With the onset of the COVID-19 pandemic, the group's companies producing chicken and its products have had to operate in an environment of significantly diminished **poultry prices**. Due to since then shrinking HORECA orders, persistent overproduction on the European market and for quite some time low pork prices - a full production price recovery passing on rising costs (raw materials and energy resources for chicken feed) to the consumer - was not possible; yet with military actions hitting in February of 2022 and closing Ukraine's (one of the TOP10 world poultry exporters) market, the balancing of poultry meat supply and demand improved and encouraged the rise in prices. Overall inflationary sentiment, concerns over energetics, avian influenza in certain areas had a positive impact on EU poultry prices, however lately decreasing purchasing power of the consumer, continuously strong production capacity in Poland, potentially stabilizing feed price and war distorted tourism/horeca activity suggest some movements in price trends might be again expected. According to the Polish Ministry of Agriculture for Rural Development, the price of fresh chicken fillet, the most profitable poultry product, peaked in April 2022 and started to diminish in the summer. Still, according to the same source, average prices of 2021/2022 12 months was 40% higher than the average price for 12 months of 2020/2021 (2.8 Eur kg compared to 3.8 Eur/kg).

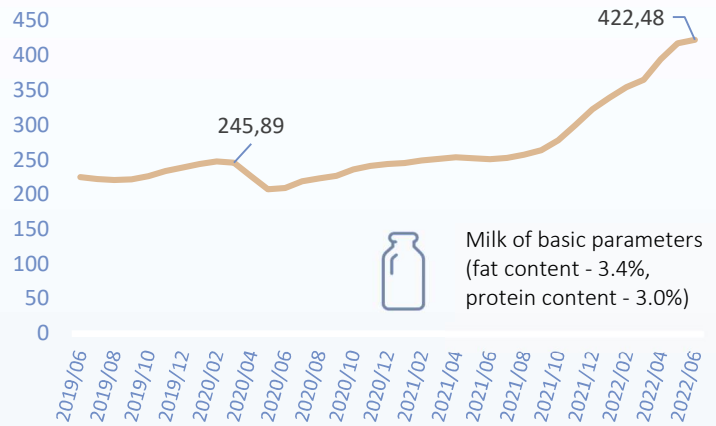
Wheat futures price dynamics



Data: Euronext

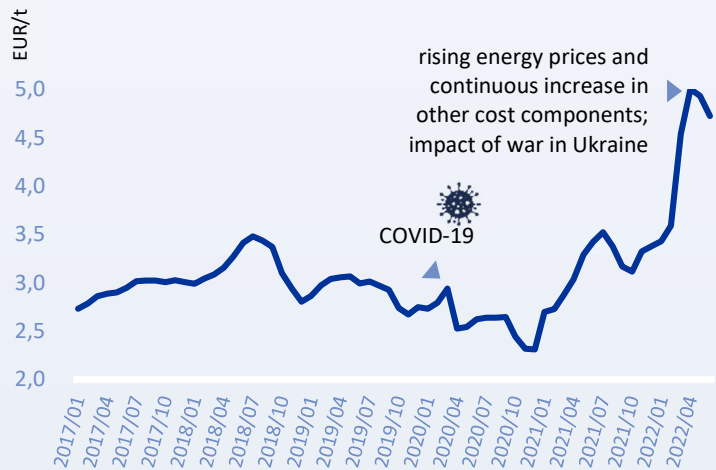
*2022/2023 IQ data - average of non-finite period 1-Jul, 2022 to 25-Aug, 2022

Purchase prices for basic parameters milk in Lithuania



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

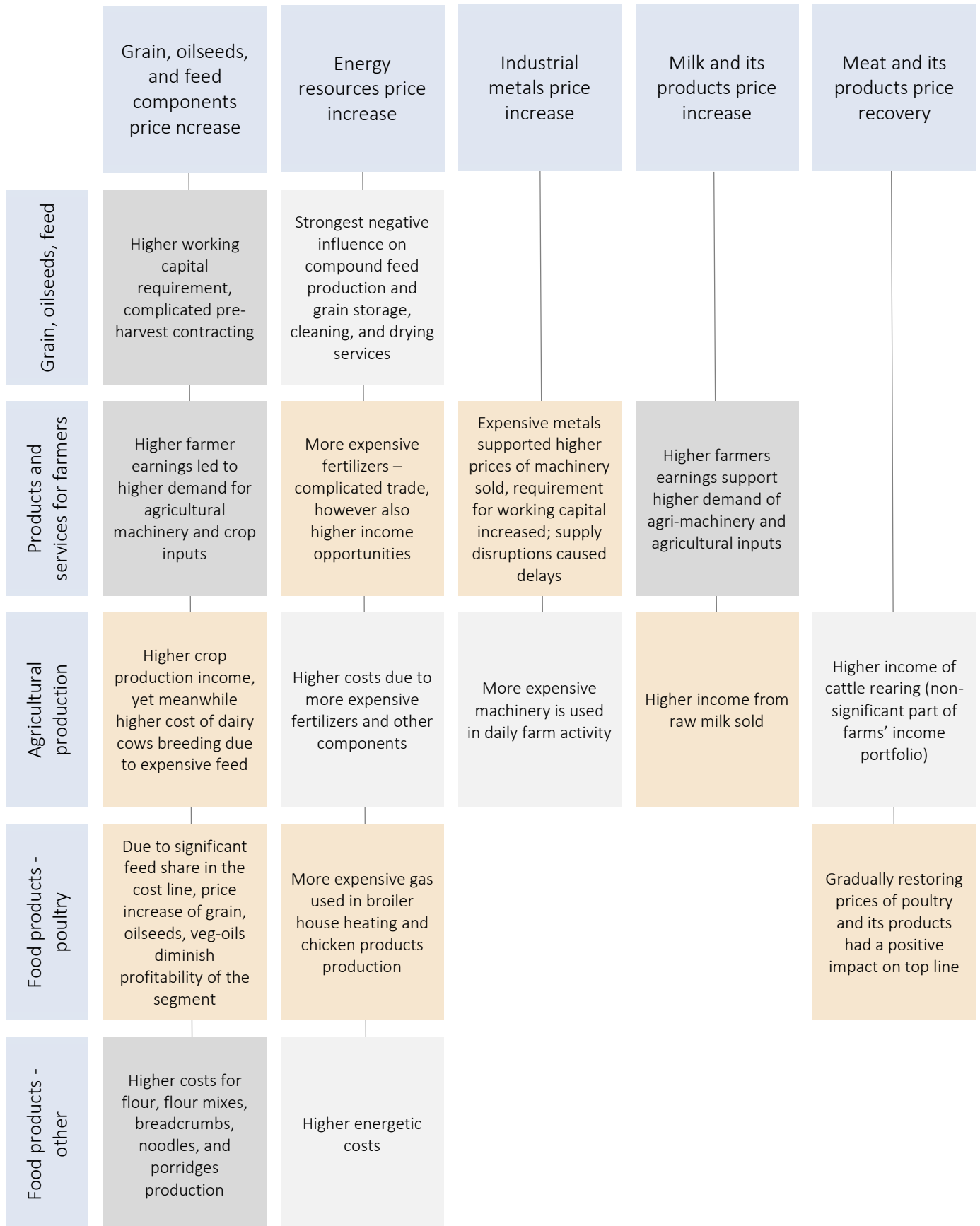
Fresh fillet meat price dynamics in Poland*



Data: The Polish Ministry of Agriculture and Rural Development

*Poland – one of the top poultry meat exporters, producing around 20% of EU poultry meat

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



Financial Costs

Over the referenced period financial expenses increased by 325% and amounted to EUR 15.1 million compared to EUR 3.6 million in 12 months of financial year 2020/2021. The total amount of financial liabilities (including lease liabilities) increased from EUR 126 million to EUR 296 million compared to the beginning of the financial year mainly due to increased demand for working capital financing, as well as due to the acquisition transaction, completed by AB Linas Agro Group at 15th of July, 2021.

Cash Flow

Group's cash flow from operating activities before the changes in the working capital was positive and amounted to EUR 120 million as compared to EUR 25 million of the corresponding period of the previous year. Cash flow from operating activities after changes in working capital was negative and amounted to EUR 14 million (positive EUR 43 million over the respective period of 2020/2021 financial year), main reason for that being an increase in inventory (by EUR 156 million) and account receivables (by EUR 201 million). Group's cash and cash equivalents amounted to EUR 21 million at the end of the reporting period (EUR 18 million in 2020/2021 financial year).

Performance Results of the Segments

Activities of the Group are divided into five business Segments:

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

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

Operating Profit (loss) by Segments, thousand euro

	2021/22 12 months	2020/21 12 months	2019/20 12 months	2018/19 12 months	2017/18 12 months
Grain, Oilseeds, and Feed	50,246	6,053	6,225	(8,640)	3,984
Products and Services for Farming	45,368	8,758	3,555	2,950	5,657
Agricultural Production	15,078	11,433	6,358	3,230	3,146
Food Products	(1,209)	(2,040)	2,183	2,431	3,904
Other Activities	299	(75)	-	471	(92)



Grain, Oilseeds, and Feed

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



**Start of operation
Operating companies**

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

Activity

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

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

62%

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

564 ktons storage capacity for various grains and other agricultural commodities in Lithuania and Latvia, as well as 310 ktons storage capacity at Lithuanian and Latvian ports.

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

Own trademarks

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

Retail chain

12 feed retail stores in Lithuania

Certificates

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

**during the reporting period reclassified to assets held for sale; please refer to section 'Subsequent events' for latest developments of selling process*

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, 16% 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 lower amount of collected grain dictated by the reserved harvest, meant shrinking income from grain storage; with continuous high cereal prices trend and prevailing market growth expectations, there have been cases of non-performance of contracts, preferences to sell directly to local producers or competitors. At the same time, it was not easy to manage the costs - gas, electricity and other materials became more expensive and had direct impact on operating results.

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

70% - wheat,
17% - rapeseed,
6% - barley.

During the reporting period, investments in the development of the elevator in Jungenai (Marijampole County) were initiated, aiming to increase the capacity and grain reception efficiency; on the date of the publication of this report, EUR 1.3 million project was completed, already capitalizing on expanded grain storage capacity (from 8,000MT to 18,000MT) when collecting 2022/2023 harvest. Within the reporting period other smaller scale investments were as well completed, one of which (EUR 0.3m) - liquid fertilizer storage facility at Skrunda (Latvia), allowing collection of the fertilizers from railway tanks and loading into auto tanks.

According to the primary indications of the new season's harvest 2022/2023, the deliverable grain is of average quality, with marginal indicators of gluten, protein, moderate weight, and greater fungal damage, so despite the relatively large amount of grain, it is difficult to evaluate the final results of the coming year, especially taking into account logistical disturbances and increased cost of energetic and human resources. Meanwhile, the volume of inputs storage service might be continuously diminishing, as for instance - changes in fertilizers logistics (railway delivery replaced with shipment) decrease the demand for on-site fertilizer storage service.

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Grain Storage and Logistic Services income	5,533	3,930	41
Grain Storage and Logistic Services income <i>(only Segment companies, being part of the Group before acquisition)</i>	4,740	3,930	21

Grain and Oilseed Trading

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

‘Oilseed’ means rapeseed, sunflower, and flax seeds.

Comparing the grain and oilseeds quantities sold, as well as sales revenue generated by the companies of the previous composition of the Group (until the acquisition of KG Group by AB Linas Agro Group on 15th July 2021) with the same reporting period of the previous year, the respective 21% quantities decline recorded, while sales revenue grew by 11% 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 **2.1 million tons**.

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. Still, at the end of the reporting period, Group companies have had sold all the

production, sourced as 2021/2022 harvest grain.

After Russia started military operations in Ukraine on the February 24th, 2022, AB Linas Agro Group already on February 28th announced the termination of trade relations with Russian and Belarusian companies. The adoption of this decision did not have a significant impact on the result for the reporting period. However, with regards to new financial year, turbulent geopolitical situation, still expensive fertilizers and grain prices, inflated energetics – cause high uncertainty to all the players in the market, including farmers, who are still hesitant to settle on pre-sale grain contracts, their volumes Europe wide are at historic lows.

Please note, that activities of the group company LLC LINAS AGRO UKRAINE are being continued on the date of publication of this report.

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Grain and Oilseed Trading income	663,410	512,406	29
Grain and Oilseed Trading income (only Segment companies, being part of the Group before acquisition)	571,057	512,406	11

Feed Business

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

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

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

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

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

During the reporting period **857 thousand tons** of compound feed, premixes and feed materials were sold.

Production of harvest 2021 was sold at a high price by the local farms and continuous aim to achieve consistently high productivity for the future harvests prevailed, explaining growing compound feed demand; latter have even intensified with the outbreak of military action in Ukraine and concerns over supply disruption from Russia, Belarus and Ukraine (protein, oil raw materials). With the change of supply direction, the cost of feed increased, however strong demand enabled profitability to be maintained. The decision not to conclude new purchase agreements with Russia and Belarus did not significantly affect the result of the reporting period. Results of future periods might significantly depend on the ability to reorient trade principles, find logistic workarounds, on the other hand - unrestrained supply from Ukraine might diminish the urge. Within the last quarter of the reporting period, Group companies saw positive changes into stabilization of supply, all the contracts were performed, and profitability maintained. Moreover – strongest concerns on insufficient stock in spring of 2022 (war action and disrupted supply from China) were softened after warehouses of manufacturers and distributors were filled – therefore at least temporary drop in demand might be expected looking forward. Additionally, pressure on prices might come from Polish suppliers, who have been reducing their feed prices recently, mostly due to the upcoming harvest indications, as well as spared capacity after the contraction of the pig farming segment in Poland and across Europe. On top of that, cheaper Belarus origin feed raw materials appear on the market from time to time, distorting the pricing in the market and having potential to reduce margins of the segment during the new financial year 2022/2023.

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Compound feed, premixes, feed material trade income	513,938	163,311	215
Compound feed, premixes, feed material trade income <i>(only Segment companies, being part of the Group before acquisition)</i>	210,209	163,311	29

During the reporting period revenue of the Grain, Oilseeds and Feed segment increased by 74% up to EUR 1,183 million. Operating result amounted to EUR 50 million profit as compared to EUR 6 million profit for the corresponding period of the previous year. The main reasons for the restoring profitability were related with higher scale, exploited high volatility market opportunities and new activities introduced to Group's revenue basket after the acquisition of KG Group companies by AB Linas Agro Group.



Products and Services for Farming

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



Start of operation	1993
Operating companies	<p>AB Linas Agro (Lithuania) UAB Dotnuva Baltic (Lithuania) AB Kauno Grūdai (Lithuania) UAB GeoFace (Lithuania) UAB Linas Agro Grūdų Centrai (Lithuania) SIA Linas Agro (Latvia) SIA Dotnuva Baltic (Latvia) SIA Linas Agro Graudu Centrs (Latvia) SIA KG Latvija (Latvia) Linas Agro OÜ (Estonia) AS Dotnuva Baltic (Estonia) OOO KLM (Belarus)*</p>
Activity	<p>Preparation of seed in own seed preparation factory Supply of seeds, plant care products, fertilizers to the farmers Supply of new and used agricultural machinery, spare parts, and service to the farmers Installation of grain cleaning, drying and storage facilities as well as livestock farms Software development Representation of worldwide known brands</p>
Share of revenue in Group's portfolio (12 months of FY 2021/22)	20%
Outlets/Service centers	19/15
Infrastructure at the end of the reporting period	185 ktons - storage capacity for warehousing seeds, fertilizers and plant protection products
Total annual capacity of the seed production plant	30 ktons heavy seeds (cereals and pulses)
Owned trademarks	<p>Seeds 'Dotnuva Seeds', fertilizers 'Pro Garden' and 'BIO Mineral', intelligent farming system 'GeoFace'</p> <p>Agricultural machinery, spare parts, grain cleaning, drying and storage facilities as well as livestock farms equipment – 'Kverneland', 'Cimbria', 'Quicke', 'Case IH', 'Einbock', 'Bin', 'Agrifac', 'Siloking', 'Shaffer', 'Swimer', 'Boumatic', 'Arska', 'Mandam', 'Agrisem', 'MacDon', 'Laumetris', 'Wielton', 'Jeantil', 'Kongskilde', 'Symaga', 'Pellon', 'Roka', 'Spinder', 'CMP Impianti Srl'.</p> <p>Adjustable underground drainage system – 'Ekodrena'</p> <p>Seeds, plant care products, fertilizers – 'Syngenta', 'Adama', 'Rapool', 'Yara', 'Ekoplón', 'Novagra', 'Nando', 'Haifa', 'Daymsa', 'Agritechno', other.</p> <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>
Represented manufacturers / brands	
Certificates	

*during the reporting period reclassified to assets held for sale; please refer to section 'Subsequent events' for latest developments of selling process

Preparation of Seed in own Seed Preparation Factory

Higher production volumes in the first half of the financial year were 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. Yet regardless of strong beginning of the year, the 2021/2022 results in hard seed production were only slightly above previous year's volumes, explaining it with weaker results of last quarter. Shortage of spring seed raw material was felt throughout the market and mainly related with dry and hot summer of 2021. Still, spring seed certified by Group companies accounted for 44% of the total certified spring seed in Lithuania.

Over the reporting period, the own seed preparation factory of UAB Dotnuva Baltic (Dotnuva, Kedainiai distr.) prepared **22 thousand tons of certified 'Dotnuva Seeds'** cereals and pulses seeds, being 2% more than in previous year.

In the category of grass and sidereal plant seeds almost **3 thousand tons** of seeds prepared or 46% more than a year ago.

Despite the relatively modest weight in the structure of the seed portfolio, as in the previous financial year, the highest growth was recorded in the category of grass and sidereal plant seeds. Tendency of growing demand for certified fodder grass seeds in Europe, intensification of greening programs was observed, farms aim for soil structure improvement, enriching it with organic matter.

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

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

During the reporting period Group companies sold:

39 thousand tons of seeds,
314 thousand tons of fertilizers,
12 thousand tons of plant care products and micronutrients.

In the context of rising fertilizer production costs (gas, sulfur, ammonia) and application of sanctions against Russia and Belarus (TOP 2 and TOP 3 potassium producers worldwide, Russia is also one of the largest exporters of nitrogen and phosphorus fertilizers), fertilizer prices have risen to unprecedented highs during the reporting period. Latter factors and limited supply helped achieve high profitability, however also encouraged farmers to look for cheaper ways maintaining the yields. As farms tried to make partial savings at the expense of fertilizers (nitrogen fertilizer quantities decreased by 20-30%), the demand for certified seeds and micronutrients increased, also pre-orders for micronutrients and plant protection products were made to secure stocks for future periods. Group companies got themselves prepared for the shift in product basket and within the reporting period extended the assortment with specialized micronutrient products, stored the warehouses with higher quantities.

Applied sanctions highlighted the need for the Group companies to search for alternative fertilizer suppliers (Morocco, Canada, Israel, etc.), meanwhile the supply of micronutrients and plant protection products was not affected by military action (Western Europe).

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Income from trade in seeds, plant care products and fertilizers	289,694	102,391	183
Income from trade in seeds, plant care products and fertilizers <i>(only Segment companies, being part of the Group before acquisition)</i>	155,333	102,391	52

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, yet additionally this year – also affected by extra uncertainty coming from geopolitical situation. Factors for more critical evaluation were drought-adjusted, more modest than expected harvest of 2021, war related concerns and respectively purchase put-offs, 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.

UAB Dotnuva Baltic's market share:
For tractors (western type) - **12.2%**
For harvesters - **5.8%**

SIA Dotnuva Baltic's market share:
For tractors (western type) - **9.6%**
For harvesters - **17.0%**

AS Dotnuva Baltic's market share:
For tractors (western type) - **5.9%**
For harvesters - **3.0%**

During the reporting period competition in the market was somewhat unpredictable, as machinery and spare-parts sellers' acting power was highly determined by the warehouse availability of the requested product; the problem of delays in the delivery, as well as inflating prices of equipment and spare parts remained, suggesting increase in warehouse inventories was the key to flexibility and consequently something Group companies were working on. Post-season equipment inspections and special promotions ensured the full-capacity service work. Rising fuel and staff costs were key factors to increase service prices. Following the military operations in Ukraine, the group's companies halted spare parts selling to Belarus and Russia.

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Income from sales of new and used agricultural machinery, spare parts, and servicing	76,483	66,992	14

Software Development

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

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

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

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Income from the installation of grain cleaning, drying and storage facilities and livestock farms	12,221	8,888	38

Total operating Segment revenue grew by 113% up to EUR 384 million; operating profit was 418% higher and amounted to almost EUR 45.4 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, 37% sales revenue growth and 161% 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 (12 months of FY 2021/22)	2%
Land in total: cultivated / owned at the end of the reporting period	18,258 ha / 5,919 ha

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



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

During the reporting period, crop production harvested and sold by the operating companies of the Segment were respectively 19% and 13% less as compared to the very same period last year. The more modest harvest is largely determined by the prolonged heat during the grain ripening period in Lithuania, being responsible for the poorer grain quality indicators, the maturation of nutrients, and respectively - the lower test weight. Summer crops were particularly hard hit, accounting for about 30% out of total Group's sown area and the better-preserved winter wheat harvest was the strongest, accounting for 50% of Group's crop yields. During the reporting period, average grain sales prices remained high (Group companies sold production in roughly 16% higher

prices compared to previous year) and compensated for the impact of lower production volumes on the income. Worth noting, that production of the grain, harvested in summer-autumn 2021, was produced in roughly 10-15% higher prices if compared to the preceding period.

At the date of publication of this report Group farming companies have already pre-sold roughly 50% of it's 2022 summer-autumn harvest, prices of which are expected to compensate materially higher fertilizers, plant protection products, energy resources and other components' costs, incurred within the reporting period.

On the last day of the reporting period, the Group's agricultural companies have sown more than 15 thousand hectares of arable land for the harvest 2022. At the date of closing of the financial year, all the crops were insured and their quality was assessed as very good or good.

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Crop production sales income	20,996	20,188	4

Production of Milk and Beef Cattle Farming

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

During the reporting period, 18% less live cattle meat was grown compared to the same period in previous year, however revenue from meat sales remained unchanged and accounted for EUR 1.8 million.



3,304 - a number of dairy cows held by the Group companies at the end of the reporting period (4% more compared to the period last year).



35,514 tons of milk produced (3% more compared to the 12 months results of financial year 2020/2021)

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Milk and live weight cattle sales income	18,137	13,214	37

The revenue of the operating Segment increased by 17% during the reporting period, accounting for EUR 39 million. Meanwhile operating profit advanced even more – by 32% to EUR 15 million compared to EUR 11 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.



<p>Start of operation</p>	<p>2013</p> <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) 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) 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)
<p>Activity and operating companies</p>	
<p>Share of revenue in Group's portfolio (12 months of FY 2021/22)</p>	<p>18%</p>
<p>Owned trademarks and production markings</p>	<p>'Kekava'</p> <p>'Bauska'</p> <p>'Top choice poultry' (export markets outside the Baltic States)</p> <p>'Granfågel' (export markets in Scandinavia)</p> <p>'Kaišiadorių paukštynas'</p> <p>'Vilniaus Paukštynas'</p> <p>'Dos pollos' (export markets)</p> <p>'Nordichicken' (export markets)</p> <p>'A'petito'</p> <p>'Fiesta'</p> <p>'Vištiena kitaip'</p> <p>'Vištyčio'</p> <p>'Premium'</p> <p>'Kauno Grūdai'</p> <p>'Activus'</p> <p>'Sun Yan'</p> <p>'City taste'</p> <p>'Raised without Antibiotics'</p>
<p>Retail chain outlets at the end of the reporting period</p>	<p>21 retail shops all over Latvia (The subsidiary of AS Putnu Fabrika Kekava - SIA PFK Trader)</p> <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 Kosher food certification</p>
<p>Certificates</p>	

Poultry Business

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



Share of production
„Raised without antibiotics“:

100% - Latvian entities,
60-65% - Lithuanian entities.

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

The welfare of the animals and overall results of the farms in Lithuania are also improving. Investments into chicken welfare through performance monitoring systems, improved infrastructure and employee competence paid off, resulting in within the last quarter of the reporting period improved Lithuanian poultry farms European Production Efficiency Factor (EPEF)¹. Upturn in EPEF from 350 to 375 not only indicates efficient exploitation of breed's genetic potential, but also explains material feed savings achieved within the last quarter of the reporting period. Worth noting, that respective levels of EPEF are already for some time achieved and sustained by Group's farming companies in Latvia.

During the reporting period, Segment companies produced 131% more live weight poultry meat and sold 261% more poultry and its products compared to period a year before. Both improvements related with acquisition transaction finalized by AB Linas Agro Group on 15th of July 2021, of which positive impact together with restoring poultry meat prices reflected itself in the top line of the reporting period income statement. The bottom line however was still suffering, as improved results of the last quarter were not sufficient to offset loss making of the previous periods of 2021/2022 financial year, mainly due to low prices and materially increased costs.

During the reporting period Group poultry companies produced **105 thousand tons** of live weight poultry meat, sold **107 thousand tons** of poultry meat and its products.



It should be noted that during the reporting period Segment companies have received EUR 3.4 million support aimed at the subjects affected by the COVID-19 pandemic.

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

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Sales of poultry and poultry products	253,398	70,225	261
Sales of poultry and poultry products <i>(only Segment companies, being part of the Group before acquisition)</i>	84,476	70,225	20

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

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

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

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



During the reporting period Group companies produced **78 thousand tons** of flour, flour mixes, breadcrumbs, **58 thousand tons** of this production was sold (not including quantities required for internal production).

The flour, flour mixtures and breadcrumbs quantities sold by Group companies during the reporting period were 2% lower compared to the result of KG Group companies (that were not yet part of the Group in the previous financial year). With the new cooperation agreements signed, breadcrumbs sales volumes and exports to Saudi Arabia and the United Arab Emirates increased, resulting in 10% higher total breadcrumbs sales volume. Flour and its mixtures category (third party) sales on the contrary illustrated downward trend, closing the year with 4% lower volume compared to the result of preceding period, however, was mainly explained with higher flour purchases in the Group

internally, rather than low appetite overall. Revenue of the flour, its mixtures and breadcrumbs product category grew by 28% 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 sustain same profitability margins.

The instant food (IF - porridge and noodle cups, packets and boxes) quantities sold by Group companies during the reporting period were 9% higher compared to the result of KG Group companies that were not yet part of the Group in the previous financial year. Majority of the IF production is exported to European markets and sold under private labels. Strong sales results of instant food category were supported with military action in Ukraine, limiting production activity of competitors.

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 by the end 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 from 126 million 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.

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

211 million units of this production was sold.



Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Revenues from the production of flour and flour mixtures, instant food products, breadcrumbs, and breading mixes	93,183	1,810	5,048

Revenue of Food Products segment for the reporting period increased by 381% and amounted to EUR 347 million. Operating result amounted to EUR 1 million loss comparing with EUR 2 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 increased moderately (by 13%), with a 22% growth in sales revenue and slight improvement in profitability (operating loss contracted by 10%).



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 (12 months of FY 2021/22)	2%
Own trademarks	Pet food brands 'Quattro', 'Canis', 'LaMurr', 'Aport'
Represented manufacturers / brands	Veterinary pharmacy - Zoetis Inc., Woogene B&G CO. LTD, Bioveta, a. s., Interchemie Werken De Adelaar B.V., Innov Ad NV/SA, TOV Brovafarma, Boehringer Ingelheim, Zoovetvaru Ltd., KRKA, LAVET Pharmaceuticals Ltd, Aconitum
Production facilities at the end of the reporting period	Own plant of extruded products in Alytus
Certificates	OOO VitOMEK* is licensed to perform pharmaceutical activities. AB Kauno Grūdai and OOO KLM* have pharmaceutical licenses for wholesale distribution.

**during the reporting period reclassified to assets held for sale; please refer to section 'Subsequent events' for latest developments of selling process*

In the Other Activities business Segment, largest share of sales was generated by the wholesale and retail sale of worldwide well-known producers' **veterinary pharmacy products** in Baltics, Belarus, and Russia. During the reporting period, sales of pharmacy products for the pets were fueled by their growing number and increasing money spent per pet. Operating markets average of money spent per pet still stands well below EU average and illustrates room for further growth. During twelve months of the financial year 2021/2022 Group companies active in the Segment generated EUR 21 million revenue, accounting for 36% growth compared to the result of KG Group companies not yet belonging to the Group in the previous financial year.

The Group produces **pet food** in its own production facilities of extruded products in Alytus. During the reporting period demand for dog feed remained strong. While sold quantities in the financial year 2021/2022 has contracted slightly (4% less compared to the same period last year), sales income of extruded products was EUR 7.5 million or 25% higher if compared to the result of KG Group companies that have not yet belonged to the Group in the previous financial year. The amount of money spent on feed is increasing with the shift in consumers' product portfolio - switching from economy/medium products to super premium, which ensures good nutrition with less quantity, however with significantly higher price. Rising raw material and energy prices also formed the basis for pet food price increase, but with the tight competitive environment some producers were willing to compensate some of the increase in costs by reducing the margins, expecting to seal new contracts with buyers looking for supply alternatives.

During the reporting period the companies of the Group produced **12 thousand tons** and sold **13 thousand tons** of extruded products



Operations of the Group's companies engaged in **pest control services and sale of hygiene products** do not comprise significant part of revenue. Prophylactical and interventional measures are offered, aimed towards ensuring compliance with food safety requirements, also chemicals for both – professional use and daily cleaning of household premises are sold. During the reporting period, revenue has slightly decreased (4% less if compared to the result of KG Group companies that have not yet belonged to the Group in the previous financial year), meanwhile the cost of goods and services growing (biocidal products, animal traps, inventory, etc.), put pressure on profitability, resulting in diminishing margins. It should be noted that with the ease of COVID-19 pandemic restrictions, within the last quarter of the reporting period related disinfection services were no longer provided by Group companies.

Thousand euro	2021/2022 12 months	2020/2021 12 months	Difference, %
Revenue from pest control, provision of hygiene goods and services, petfood production and sales, wholesale and retail trade of veterinary pharmacy products and other activities	35,871	96	37,266

Revenue of the operating Segment covering above mentioned and other less material activities during this reporting period amounted to EUR 36 million, operating profit was EUR 0.3 million.



The Publicly Disclosed Information and Other Events of the Reporting Period

The Publicly Disclosed Information

During the reporting period ended 30 June 2022, the Company publicly disclosed and distributed via Nasdaq Vilnius Exchange Globenewswire system and in Company's website www.linasagrogroup.lt the following information:

31/05/2022 04:05 PM EET	Revenue of AB Linas Agro Group for the 9 months of the 2021/2022 financial year exceed EUR 1.3 billion, net profit up 931%	Interim information	LT, EN
25/05/2022 12:08 PM EET	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the 9 months of the financial year 2021/2022	Other information	LT, EN
28/02/2022 05:30 PM EET	Linas Agro Group's revenue for the first half of the 2021/2022 financial year grew by 80%, net profit by 323%	Half-Yearly information	LT, EN
28/02/2022 05:30 PM EET	AB Linas Agro Group stops trading with Russian and Belarusian companies	Notification on material event	LT, EN
24/02/2022 09:18 AM EET	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the half year of 2021/2022	Other information	LT, EN
24/02/2022 09:00 AM EET	Linas Agro Group plans changes: agricultural inputs business to be transferred to one company	Other information	LT, EN
25/01/2022 09:00 AM EET	Linas Agro Group is looking for ways to optimize the operation of poultry companies	Other information	LT, EN
10/01/2022 04:05 PM EET	AB Linas Agro Group has completed the acquisition of UAB Agro Logistic Service	Notification on material event	LT, EN
30/12/2021 09:05 AM EET	AB Linas Agro Group has received permission to acquire UAB Agro Logistic Service	Other information	LT, EN
20/12/2021 5:00 PM EET	AB Linas Agro Group sells unexploited real estate	Other information	LT, EN
2/12/2021 11:40 AM EET	AB Linas Agro Group investors calendar for the 2022	Other information	LT, EN
30/11/2021 4:15 PM EET	3-month sales of AB Linas Agro Group went up 84%, net profit was 199% higher	Interim information	LT, EN

25/11/2021 4:00 PM EET	AB Linas Agro Group sold part of the farmland	Other information	LT, EN
24/11/2021 10:22 AM EET	Regarding the change of AB Linas Agro Group registered office	Notification on material event	LT, EN
24/11/2021 10:20 AM EET	Notification on the total number of voting rights granted by Linas Agro Group shares, the authorized capital amount, the number of shares and their nominal value	Total number of voting rights and capital	LT, EN
24/11/2021 10:18 AM EET	New wording of AB Linas Agro Group Articles of Association and the increase of the authorized capital registered	Notification on material event	LT, EN
16/11/2021 5:30 PM EET	AB Linas Agro Group: notification on transactions in the issuer's securities by the managers and persons closely associated with the managers of the Company	Notifications on transactions concluded by managers of the companies	LT, EN
29/10/2021 4:10 PM EEST	AB Linas Agro Group will hold an Investor Conference Webinar to introduce the financial results for the financial year 2020/2021	Other information	LT, EN
29/10/2021 4:07 PM EEST	AB Linas Agro Group notification about the Annual information of the financial year 2020/2021	Annual information	LT, EN
29/10/2021 4:05 PM EEST	Decisions of the Annual General Meeting of Shareholders of AB Linas Agro Group, held on 29 October 2021	General meeting of shareholders	LT, EN
12/10/2021 5:00 PM EEST	AB Linas Agro Group has received permission from the Lithuanian competition authorities to acquire commodity trading company	Other information	LT, EN
8/10/2021 4:15 PM EEST	Update: Annual General Meeting of Shareholders of AB Linas Agro Group is convened on October 29, 2021	General meeting of shareholders	LT, EN
7/10/2021 4:30 PM EEST	Annual General Meeting of Shareholders of AB Linas Agro Group is convened on October 29, 2021	General meeting of shareholders	LT, EN
14/9/2021 4:30 PM EEST	AB Linas Agro Group seeks to acquire a trading company	Other information	LT, EN
31/8/2021 5:00 PM EEST	12-month sales of AB Linas Agro Group went up 43%, net profit was 56% higher	Interim information	LT, EN
16/7/2021 09:30 AM EEST	Linas Agro Group has completed the acquisition of KG Group	Notification on material event	LT, EN
14/7/2021 4:30 PM EEST	Linas Agro Group plans to close the KG Group acquisition transaction this week	Other information	LT, EN
12/7/2021 8:45 AM EEST	Enlight Research analysts to provide regular information on Linas Agro Group	Other information	LT, EN
5/7/2021 4:55 PM EEST	The Competition Council of the Republic of Lithuania has allowed Linas Agro Group to implement concentration by acquiring KG Group	Other information	LT, EN

Other Events of the Reporting Period

30/06/2022	The Company transferred 4,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.
16/05/2022	UAB KG Distribution sold 20% SIA Novabaltic shares.
16/05/2022	Authorized capital of Linas Agro OU increased by EUR 2,550,000.
16/05/2022	The Company acquired 100% shares of UAB Kekava Foods LT.
12/05/2022	AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a EUR 45 million loan (limit increase in amount of EUR 15 million).
12/05/2022	UAB TABA Holding acquired shares of AB Kauno Grūdai additionally.
07/04/2022	AB Kauno Grūdai acquired shares of KG Polska Sp.zo.o. to make 100% block.
30/03/2022	The Company transferred shares of AB Kauno Grūdai to UAB TABA Holding.
30/03/2022	UAB Zemvaldos Turto Konsultacijos was removed from the Register of Legal Entities.
29/03/2022	UAB Karčemos Bendrovė was removed from the Register of Legal Entities.
28/03/2022	Reorganisation was completed, UAB Zemvaldos Turto Konsultacijos was merged to UAB Linas Agro Konsultacijos
25/03/2022	UAB Linas Agro Grūdų Centras was removed from the Register of Legal Entities.
25/03/2022	UAB KUPIŠKIO GRŪDAI was removed from the Register of Legal Entities.
22/03/2022	Reorganisation was completed, UAB Karčemos Bendrovė, UAB KUPIŠKIO GRŪDAI and UAB Linas Agro Grūdų Centras were merged to UAB Linas Agro Grūdų Centrai.
01/03/2022	The authorized capital of UAB Geoface was increased by EUR 706,000, and the shareholder structure was changed: UAB Dotnuva Baltic and AB Linas Agro each hold 50% of shares.
10/1/2022	The company acquired 100% shares of UAB Agro Logistic Service.
30/12/2021	The authorized capital of UAB Lineliai was reduced by EUR 244,000 to disburse the funds to shareholders.
30/12/2021	The authorized capital of UAB Linas Agro Konsultacijos was reduced by EUR 16,000,000 to disburse the funds to shareholders.
23/12/2021	Authorized capital of KG Eesti OU was increased by EUR 650,000.
December, 2021	The Company transferred 2,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.
17/12/2021	OOO GeoMiks was deregistered by merger with OOO VitOMEK (code 1117746107291).
13/12/2021	UAB Linas Agro Grūdų Centrai has transferred the shares of UAB Karčemos Bendrovė to AB Linas Agro.
13/12/2021	UAB Linas Agro Grūdų Centrai has transferred the shares of UAB KUPIŠKIO GRŪDAI to AB Linas Agro.

29/11/2021	Authorized capital of UAB KG Mažmena was increased by EUR 2,100,034.40.
23/11/2021	Authorized capital of LLC Linas Agro Ukraine was increased by EUR 84,195.66.
18/10/2021	After cancellation of the reorganization, the status Under reorganization of UAB Karčemos Bendrovė and UAB KUPIŠKIO GRŪDAI and the status Participating in the reorganization of UAB Linas Agro Grūdų Centrai were deregistered in the Register of Legal Entities.
9/9/2021	The Company acquired 50% shares of KG Khumex B.V.
6/9/2021	AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a EUR 30 million loan.
July-Aug, 2021	The Company entered into a credit agreement with AB SEB Bankas, Swedbank, AB, and Luminor bank AS to borrow EUR 46,290,000 and secured its execution by pledging assets.
11/8/2021	Authorized capital of SIA KG Latvija increased by EUR 1,500,000.
9/7/2021	Authorized capital of Linas Agro OU increased by EUR 150,000.

Subsequent Events

25/08/2022	Agreements on sale of shares in OOO VitOMEK (Moscow, Russian Federation) and OOO VitOMEK (Tver, Russian Federation), also IOOO Belfidagro, registered in Belarus were concluded.
July, 2022	The Company transferred 11,000 of its own shares to employees of the Group under AB Linas Agro Group Rules for Shares Issue.
22/07/2022	AB Linas Agro concluded a syndicated credit agreement in amount of EUR 170 m with Credit Suisse AG, Swedbank, AB and AB SEB bank, and the Company guaranteed its fulfillment.
05/07/2022	Authorized capital of AB Linas Agro increased by EUR 5 134 480 by non-monetary contribution of AB Kauno Grūdai.

AB Linas Agro Group Share Price and Turnover

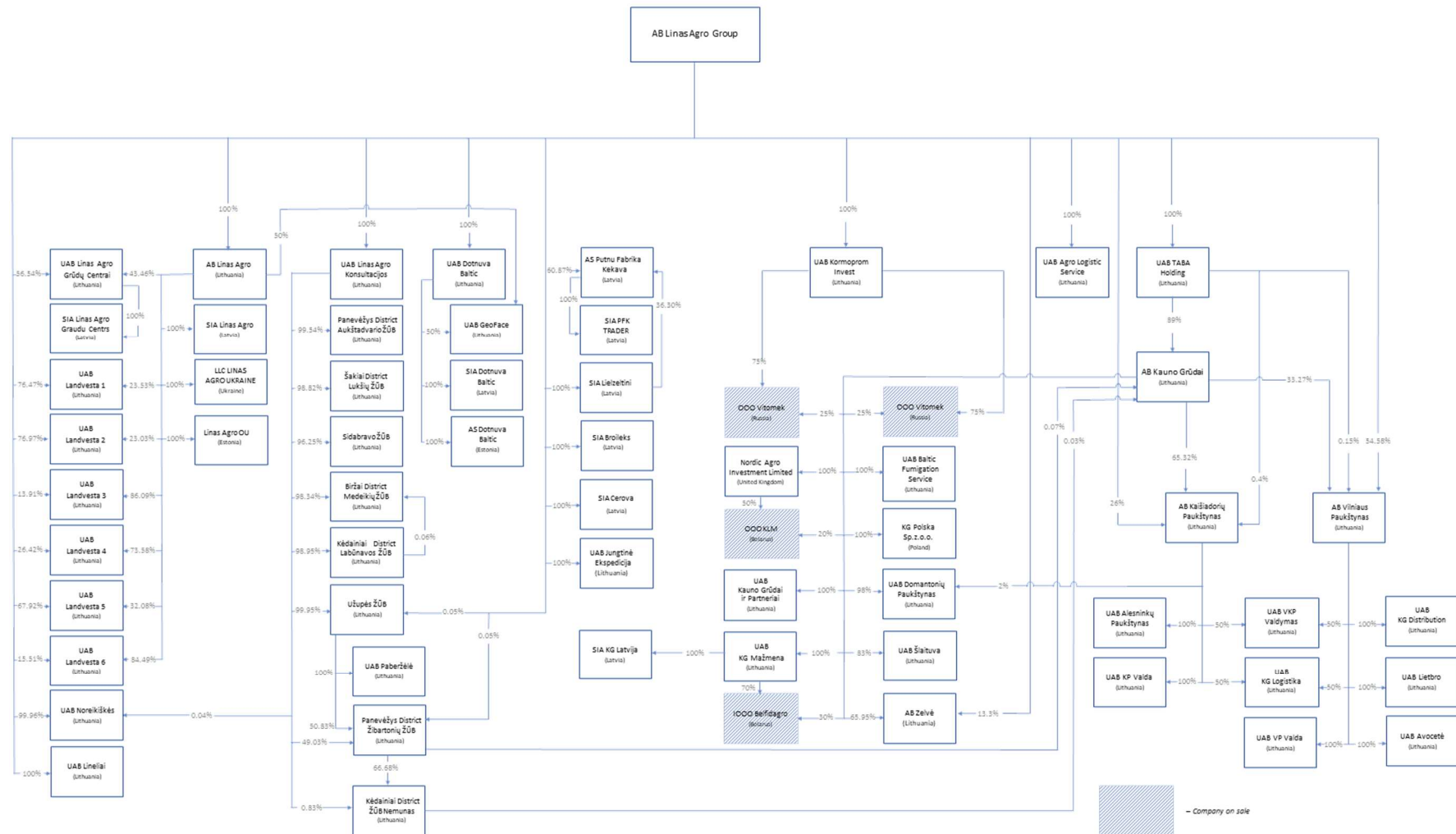
Information on changes in the prices of Company's shares and turnover from 1/7/2017 until the end of the reporting period, i. e. 30 June 2022, is presented in the following diagram:



Information on the fluctuations of the Company's share price and OMX Baltic Benchmark GI (OMXBGGI) and OMX Baltic Vilnius GI (OMXVGI) indices from 1/1/2020 until the end of the reporting period, i. e. 30 June 2022, is presented in the following diagram:



Information on the Company's Subsidiaries*



* Companies that are not included in the chart: UAB Gerera (dormant, 100% shares), UAB Dotnuvos Technika (dormant, 100% shares), UAB Kekava Foods LT (dormant, 100% shares), Linas Agro A/S (under liquidation, 100% shares), UAB KG Group LT (dormant, 89.09% shares), UAB Gastroneta (dormant, 84.37% shares), UAB Kaišiadorių Paukštyno Mažmena (dormant, 84.60% shares), UAB Kaišiadorių Skerdykla (dormant, 84.60% shares), KG Eesti OU (dormant, 89.09% shares), UAB Uogintai (dormant, 84.60% shares), Kooperatyvas Baltoji Plunksnelė (dormant, 82.88% stock), KG Khumex Coldstore B.V. (associate, 42.24% shares), KG Khumex B.V. (associate, 50% shares).



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AB Linas Agro Group
Unaudited interim condensed
Consolidated Financial Statements

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

Interim Condensed Consolidated Statement of Financial Position

	Notes	As at 30 June 2022	As at 30 June 2021
ASSETS			
Non-current assets			
Intangible assets	5	2,759	2,170
Property, plant and equipment	6	164,857	128,497
Investment property	8	562	619
Right-of-use assets	7	24,720	22,553
Animals and livestock		13,233	8,789
Non-current financial assets			
Other investments		27	34
Prepayments for financial assets		–	2,000
Non-current receivables		930	720
Non-current receivables from related parties	16	750	–
Total non-current financial assets		1,707	2,754
Non-current prepayments		1,171	1,241
Deferred income tax asset		6,985	2,848
Total non-current assets		215,993	169,471
Current assets			
Crops		29,222	19,911
Livestock		8,302	2,394
Inventories	9	244,917	89,292
Current prepayments		11,578	5,957
Current accounts receivable			
Trade receivables		300,303	104,710
Receivables from related parties	16	5,817	41
Income tax receivable		67	1
Other accounts receivable and contract assets		8,918	9,739
Total current accounts receivable		315,106	114,491
Derivative financial instruments		1,182	3
Other current financial assets		3,022	1,597
Cash and cash equivalents		20,786	18,007
Non-current assets held for sale	10	22,834	–
Total current assets		656,949	251,652
Total assets		872,942	421,123

(cont'd on the next page)

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

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

	Notes	As at 30 June 2022	As at 30 June 2021
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	46,514	46,093
Share premium	1	23,642	23,038
Legal and other reserves		5,736	6,146
Own shares (-)		(434)	(445)
Foreign currency translation reserve		(17)	(14)
Amounts recognized directly in equity relating to non-current assets held for sale	10	(3,592)	–
Retained earnings		199,686	119,333
Total equity attributable to equity holders of the parent		271,535	194,151
Non-controlling interest		10,148	2,070
Total equity		281,683	196,221
Liabilities			
Non-current liabilities			
Grants and subsidies		8,285	6,372
Non-current borrowings	11	66,683	13,056
Non-current trade payables		502	601
Lease liabilities	12	31,867	27,148
Deferred income tax liability		2,063	1,029
Non-current employee benefits		787	776
Other non-current liabilities		1,127	1,055
Total non-current liabilities		111,314	50,037
Current liabilities			
Current portion of non-current borrowings	11	20,635	17,119
Current portion of lease liabilities	12	7,650	5,553
Current borrowings	11, 16	169,172	63,115
Trade payables		206,099	63,707
Payables to related parties	16	–	232
Income tax payable		7,221	452
Derivative financial instruments		3,091	34
Contract liabilities		3,236	2,070
Other current liabilities		46,598	22,583
Liabilities related to non-current assets held for sale	10	16,243	–
Total current liabilities		479,945	174,865
Total equity and liabilities		872,942	421,123

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

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

(for the period from 1 July to 30 June)

	Notes	2021/2022 12 months	2020/2021 12 months
Sales	4	1,896,026	942,442
(Cost) of sales		(1,708,199)	(891,241)
Gross profit		187,827	51,201
Operating (expenses)	13	(96,272)	(38,366)
Other income	14	22,706	7,882 ²⁾
Other (expenses)	14	(5,581)	(1,250)
Impairment loss of non-current assets held for sale	10	(2,800)	–
Operating profit		105,880	19,467
Income from financial activities		2,293	881 ²⁾
(Expenses) from financial activities		(15,109)	(3,551)
Profit before tax		93,064	16,797
Current income tax and deferred tax benefit (expenses)		(13,492)	(2,608)
Net profit		79,572	14,189
Net profit attributable to:			
Equity holders of the parent		77,118	14,166
Non-controlling interest		2,454	23
		79,572	14,189
Basic and diluted earnings per share (EUR)		0.48	0.09
Net profit		79,572	14,189
Other comprehensive income			
Exchange differences on translation of foreign operations into the Group's presentation currency ¹⁾		(3,663)	(4)
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		(3,663)	(4)
Total comprehensive income, net of tax		75,909	14,185
Total comprehensive income attributable to:		75,909	14,185
The shareholders of the Company		73,523	14,162
Non-controlling interest		2,386	23
		75,909	14,185

- 1) At 2 March 2022 European Central Bank and the Bank of Lithuania decided to suspend the publication of the euro and Russian ruble ratio until further notice. In these interim financial statements used last published euro and Russian ruble ratio (2022 March 2) or average of 1 July 2021 – 2 March 2022 ratio.
- 2) Comparative information for marked groups was recalculated in the interim financial statements. In 2022, Company reviewed accounts grouping methodology in separate and consolidated financial statements to reflect more accurately the distribution of items in the financial statements and adjusted the comparative figures for 2020/2021.

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

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

(for the period from 1 April to 30 June)

	Notes	2021/2022 4 Q	2020/2021 4 Q
Sales		548,148	230,813
Cost of sales		(462,743)	(208,847)
Gross profit		85,405	21,966
Operating (expenses)		(26,891)	(11,115)
Other income		8,000	2,621 ²⁾
Other (expenses)		22	942
Operating profit		66,536	14,414
Income from financial activities		1,196	202 ²⁾
(Expenses) from financing activities		(6,668)	(804)
Share profit of associates and joint ventures		52	–
Profit before tax		61,116	13,812
Current income tax and deferred tax benefit (expenses)		(7,863)	(2,176)
Net profit		53,253	11,636
Net profit attributable to:			
Equity holders of the parent		51,801	11,523
Non-controlling interest		1,452	113
		53,253	11,636
Basic and diluted earnings per share (EUR)		0.32	0.07
Net profit		53,253	11,636
Other comprehensive income			
Exchange differences on translation of foreign operations into the Group's presentation currency ¹⁾		(548)	–
Total other comprehensive income, that may be reclassified to profit or loss in subsequent periods		(548)	–
Total comprehensive income, net of tax		52,705	11,636
Total comprehensive income attributable to:		52,705	11,636
The shareholders of the Company		51,231	11,523
Non-controlling interest		1,474	113
		52,705	11,636

- 1) At 2 March 2022 European Central Bank and the Bank of Lithuania decided to suspend the publication of the euro and Russian ruble ratio until further notice. In these interim financial statements used last published euro and Russian ruble ratio (2022 March 2) or average of 1 July 2021 – 2 March 2022 ratio.
- 2) Comparative information for marked groups was recalculated in the interim financial statements. In 2022, Company reviewed accounts grouping methodology in separate and consolidated financial statements to reflect more accurately the distribution of items in the financial statements and adjusted the comparative figures for 2020/2021.

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

Interim Condensed Consolidated statement of Changes in Equity

	Share capital Notes	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	–	–	–	–	–	14,166	14,166	23	14,189
Exchange differences on translation of foreign operations into the Group's presentation currency	–	–	–	–	(4)	–	(4)	–	(4)
Total comprehensive income	–	–	–	–	(4)	14,166	14,162	23	14,185
Disposal of own shares	–	1	–	–	–	(1)	–	–	–
Dividends declared by the subsidiaries	–	–	–	–	–	–	–	(12)	(12)
Share-based payments	–	–	–	932	–	–	932	–	932
Reserves made	–	–	–	61	–	(61)	–	–	–
Acquisition of minority interest	–	–	–	–	–	107	107	(193)	(86)
Balance as at 30 June 2021	46,093	(445)	23,038	6,146	(14)	119,333	194,151	2,070	196,221
Balance as at 1 July 2021	46,093	(445)	23,038	6,146	(14)	119,333	194,151	2,070	196,221
Net profit	–	–	–	–	–	77,118	77,118	2,454	79,572
Exchange differences on translation of foreign operations into the Group's presentation currency	–	–	–	–	(3)	–	(3)	–	(3)
Amounts recognized directly in equity relating to non-current assets held for sale ¹⁾	–	–	–	–	(3,592)	–	(3,592)	(68)	(3,660)
Total comprehensive income	–	–	–	–	(3,595)	77,118	73,523	2,386	75,909
Disposal of own shares	–	11	–	–	–	(11)	–	–	–
Dividends declared by the subsidiaries	–	–	–	–	–	–	–	(94)	(94)
Share-based payments	–	–	–	582	–	–	582	–	582
Minority interest arising on acquisition of subsidiaries	–	–	–	–	–	–	–	10,776	10,776
Reserves made	–	–	–	33	–	(33)	–	–	–
Share capital increase	421	–	604	(1,025)	–	–	–	–	–
Acquisition of minority interest	–	–	–	–	–	3,279	3,279	(4,990)	(1,711)
Balance as at 30 June 2022	46,514	(434)	23,642	5,736	(3,609)	199,686	271,535	10,148	281,683

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

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

Interim Condensed Consolidated Statement of Cash Flows

	Notes	2021/2022 12 months	2020/2021 12 months
Cash flows from operating activities			
Net profit		79,572	14,189
Adjustments for non-cash items:			
Depreciation and amortisation	5,6,7,8	26,811	12,270
Subsidies amortisation		(670)	(521)
(Gain) on disposal of property, plant and equipment		(2,694)	(821)
(Gain) on proportion of the assets that relates to rights transferred		–	(1,925)
Change in allowance and write-offs for receivables and prepayments		1,555	(317)
Impairment of investments into associates		202	–
Inventories write down to net realisable value		(262)	18
Change of provision for onerous contracts		(39)	–
Change in contract assets and accrued expenses		4,192	1,990
Change in fair value of biological assets		(12,732)	(4,168)
Change in fair value of investment property		–	(105)
Change in deferred income tax		532	(958)
Gain on bargain purchase		(1,272)	–
Impairment loss of non-current asset held for sale	10	2,800	–
Change in accrued share-based payments		582	932
Current income tax expenses		12,960	1,650
(Income) expenses from change in fair value of financial instruments		(3,873)	(1,344)
Interest (income)		(2,293)	(881)
Interest expenses		15,109	3,551
		120,480	25,476
Changes in working capital:			
(Increase) decrease in biological assets		(338)	1,032
(Increase) in inventories		(57,907)	(2,657)
(Increase) decrease in prepayments		1,326	(1,805)
Decrease in trade and other accounts receivable		(49,181)	2,708
(Increase) decrease in restricted cash		343	(374)
Increase (decrease) in trade and other accounts payable		(21,133)	20,070
Income tax (paid)		(7,128)	(1,329)
Net cash flows from operating activities		(13,538)	43,246

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

Notes	2021/2022 12 months	2020/2021 12 months
Cash flows from investing activities		
(Acquisition) of intangible assets, property, plant and equipment and investment property	(17,200)	(9,721)
Proceeds from sale of intangible assets, property, plant and equipment and investment property	12,266	3,463
(Acquisition) of subsidiaries	(66,689)	(168)
Disposal of subsidiaries	–	13,571
Acquisition of associates and joint ventures	(202)	–
Prepayments for financial assets	–	(2,000)
Loans (granted)	(392)	(3,114)
Repayment of granted loans	2,491	2,960
Interest received	2,293	881
(Acquisition) of non-controlling interest	(1,711)	(86)
Net cash flows from investing activities	(69,144)	5,881
Cash flows from financing activities		
Proceeds from loans	277,905	12,254
(Repayment) of loans	(175,415)	(43,515)
Lease (payments)	(5,548)	(6,778)
Interest (paid)	(15,109)	(3,551)
Subsidies received	3,722	1,154
Dividends (paid) to non-controlling shareholders	(94)	(12)
Net cash flows from financing activities	85,461	(40,534)
Net (decrease) increase in cash and cash equivalents	2,779	8,593
Cash and cash equivalents at the beginning of the year	18,007	9,539
Cash and cash equivalents at the end of the year	20,786	18,007
Supplemental information of cash flows:		
Non-cash investing activity:		
Property, plant and equipment acquisitions financed by grants and subsidies	3,722	1,154
Property, plant and equipment acquisitions financed by finance lease	5,061	2,397

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

Notes to the Interim Condensed Consolidated Financial Statements

1. General Information

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

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

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

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

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

	<i>As at 30 June 2022</i>		<i>As at 30 June 2021</i>	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	109,909,167	68.52%	109,909,167	69.15%
Darius Zubas	17,049,995	10.63%	17,049,995	10.73%
UAB INVL Asset Management	9,065,182	5.65 %	9,087,369	5.72%
Other shareholders (private and institutional investors)	24,370,054	15.20 %	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 30 June 2022 (EUR 0.29 each as at 30 June 2021) and were fully paid as at 30 June 2022 and as at 30 June 2021.

The Company holds 748,972 of its own shares, percentage 0.47%, as at 30 June 2022 (767,972 as at 30 June 2021). Subsidiaries and other related companies did not hold any shares of the Company as at 30 June 2022 and as at 30 June 2021.

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

As at 30 June 2022 the number of employees of the Group was 5,031 (2,166 as at 30 June 2021).

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

2. Accounting Principles and Critical Accounting Estimates and Judgments

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

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

Accounting estimates according to war in Ukraine

Group operations in Belarus and Russian markets

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

Presented below is the Group's summarized exposure as at 30 June 2022:

Trade and other receivables from Russian entities	255
Trade and other liabilities to the Russian entities	1
Trade and other receivables from Belarus entities	420
Trade and other liabilities to the Belarus entities	–

Sales revenues to customers from Russia for the 12 months period ended 30 June 2022 were EUR 117,774 thousand, from which EUR 108,862 thousand are sales revenue of subsidiaries registered in Russia and Belarus.

Sales revenues to customers from Belarus for the 12 months period ended 30 June 2022 were EUR 26,235 thousand, from which EUR 24,587 thousand are sales revenue of subsidiaries registered in Russia and Belarus.

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

The Group has operations in Russian and Belarus markets through subsidiaries OOO VitOMEK (entity code 1117746107291), OOO VitOMEK (entity code 1157746009398), IOOO Belfidagro (feed additives trading) and OOO KLM (feed materials and feed additives trading, supply of seeds, plant care products, fertilizers, provision of veterinary pharmaceutical services and trade in products). During the first quarter of 2022 Group's Management made a decision to dispose these entities in 12 month period (At the issue date of these interim financial statements three of the entities were sold, refer to Note 17). All Assets and Liabilities related with these entities are reclassified as Assets held for sale and Liabilities, related with assets held for sale (Note 10).

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

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

As at 30 June 2022 Group's property, plant and equipment, machinery, inventory, trade and other receivables, other assets, trade and other liabilities, related to subsidiary operating in Ukraine were not significant. Sales revenue during 12 months period ended 30 June 2020 of Group's subsidiary, operating in Ukraine was not significant.

The Group's sales revenues to customers from Ukraine during 12 month period ended 30 June 2022 were EUR 2,880 thousand.

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

3. Group Structure and Changes in the Group

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

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

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

	Place of registration	Effective share stock held by the Group		Main activities
		30 June 2022	30 June 2021	
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
AB Kauno Grūdai	Lithuania	89.09%	–	Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; products and services for farming; wholesale of feed materials; fumigation, disinsection, disinfection and deratization services
UAB KG Group LT	Lithuania	89.09%	–	Dormant company
UAB Šlaituva	Lithuania	73.95%	–	Production and wholesale of breadcrumbs and breeding mixes
UAB Baltic Fumigation Service	Lithuania	89.09%	–	Fumigation services
UAB KG Mažmena	Lithuania	89.09%	–	Retail trade
AB Zelvė	Lithuania	72.05%	–	Broiler breeding
UAB Kauno Grūdai ir Partneriai	Lithuania	89.09%	–	Rent of real estate
AB Vilniaus Paukštynas	Lithuania	84.37%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB KG Distribution	Lithuania	84.37%	–	Consultation and and business management
UAB Lietbro	Lithuania	84.37%	–	Broiler breeding
UAB Avocetė	Lithuania	84.37%	–	Management services
UAB Gastroneta	Lithuania	84.37%	–	Dormant company
UAB VKP Valdymas	Lithuania	84.48%	–	Consultation and and business management
Cooperative Baltoji Plunksnelė	Lithuania	82.88%	–	Dormant company
AB Kaišiadorių paukštynas	Lithuania	84.60%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB Domantonių Paukštynas	Lithuania	89.00%	–	Broiler breeding
UAB Kaišiadorių Paukštyno Mažmena	Lithuania	84.60%	–	Dormant company
UAB Uogintai	Lithuania	84.60%	–	Dormant company
UAB Kaišiadorių Skerdykla	Lithuania	84.60%	–	Dormant company
UAB Alesninkų Paukštynas	Lithuania	84.60%	–	Broiler breeding
UAB KG Logistika	Lithuania	84.48%	–	Freight transport services
UAB VP Valda	Lithuania	84.37%	–	Rent of real estate
UAB KP Valda	Lithuania	84.60%	–	Rent of real estate
SIA KG Latvija	Latvia	89.09%	–	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing
KG Eesti OU	Estonia	89.09%	–	Dormant company
KG Polska Sp.zo.o.	Poland	89.09%	–	Wholesale of feed materials
Nordic Agro Investment Limited	United Kingdom	89.09%	–	Management services
I000 Belfidagro	Belarus	89.09%	–	Production and wholesale of premixes
000 KLM	Belarus	62.37%	–	Wholesale of products for crop growing veterinary products, premixes and seeds for gardening
000 VitOMEK (entity code 1117746107291) ³⁾	Russia	97.27%	–	Production of premixes
000 VitOMEK (entity code 1157746009398)	Russia	97.27%	–	Wholesale of premixes, compound feed and feed materials
UAB Agro Logistic Service	Lithuania	100%	–	Wholesale of feedstuffs for fodder and premixes production

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

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

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

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

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

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

AB Kauno Grūdai group and related companies	EUR'000
Acquisition date for consolidation purposes	<i>1 July 2021</i>
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.

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

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.

12 months period ended 30 June 2022

Group	Grain, oilseed and feed	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Revenue								
Third parties	1,119,740	375,210	26,359	343,642	31,075	–	–	1,896,026
Intersegment	63,141	9,028	12,774	2,939	4,796	–	(92,678) ¹⁾	–
Total revenue	1,182,881	384,238	39,133	346,581	35,871	–	(92,678)¹⁾	1,896,026
Results								
Operating expenses	(21,709)	(25,853)	(4,125)	(32,638)	(8,262)	(3,685)	–	(96,272)
Segment operating profit (loss)	50,246	45,368	15,078	(1,209)	299	(3,902)	–	105,880

12 months period ended 30 June 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	677,816	173,196	19,299	72,035	96	–	–	942,442
Intersegment	1,831	7,032	14,103	–	–	–	(22,966) ¹⁾	–
Total revenue	679,647	180,228	33,402	72,035	96	–	(22,966)¹⁾	942,442
Results								
Operating expenses	(8,906)	(13,895)	(3,923)	(6,909)	(42)	(4,691)	–	(38,366)
Segment operating profit (loss)	5,928	8,758	11,433	(2,040)	(75)	(4,537)	–	19,592

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	12 months period ended	
	<i>30 June 2022</i>	<i>30 June 2021</i>
Lithuania	608,786	220,297
Europe (except for Scandinavian countries, CIS and Lithuania)	584,209	271,151
Scandinavian countries	229,930	108,203
Asia	45,886	31,042
Africa	231,398	275,969
CIS	195,817	35,780
	1,896,026	942,442

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

Non-current assets	<i>30 June 2022</i>	<i>30 June 2021</i>
Lithuania	130,828	90,379
Latvia	60,421	61,916
Estonia	1,641	1,530
Ukraine	8	14
	192,898	153,839

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

5. Intangible assets

Group	Software	Other intangible assets	Goodwill	Total
Cost:				
Balance as at 30 June 2020	1,558	272	1,971	3,801
Additions	22	213	–	235
Acquisition of subsidiaries	–	212	3	215
Write-offs	–	(17)	–	(17)
Balance as at 30 June 2021	1,580	680	1,974	4,234
Acquisition of subsidiaries	703	216	–	919
Additions	157	319	–	476
Write-offs	–	(2)	–	(2)
Reclassification to non-current assets held for sale	(1)	(2)	–	(3)
Balance as at 30 June 2022	2,439	1,211	1,974	5,624
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	575	243	–	818
Reclassification to non-current assets held for sale	(16)	(1)	–	(17)
Balance as at 30 June 2022	1,364	380	–	1,744
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 30 June 2022	–	–	1,121	1,121
Net book value as at 30 June 2020	914	141	850	1,905
Net book value as at 30 June 2021	775	542	853	2,170
Net book value as at 30 June 2022	1,075	831	853	2,759

6. Property, Plant and Equipment

Group	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and pre-payments	Total
Cost:							
Balance as at 30 June 2020	22,902	112,640	61,024	5,437	5,995	2,927	210,925
Additions	291	108	2,835	1,612	515	2,785	8,146
Disposals and write-offs	(5)	(352)	(4,064)	(635)	(159)	(63)	(5,278)
Reclassifications	37	1,743	1,513	7	137	(3,437)	–
Disposals of subsidiaries	(4,055)	–	–	–	–	–	(4,055)
Transfer to/from inventories	–	–	3,692	–	–	–	3,692
Balance as at 30 June 2021	19,170	114,139	65,000	6,421	6,488	2,212	213,430
Acquisition of subsidiaries	7,928	19,339	17,024	1,847	1,310	1,621	49,069
Additions	2,038	847	7,472	1,797	927	9,061	22,142
Disposals and write-offs	(3,803)	(102)	(6,115)	(840)	(162)	(62)	(11,084)
Reclassifications	11	(104)	5,402	78	190	(5,577)	–
Transfer to investment property	(12)	–	–	–	–	–	(12)
Transfer to/from inventories	–	–	(514)	–	–	–	(514)
Reclassification to non-current assets held for sale	(435)	(543)	(395)	(387)	(111)	(6)	(1,877)
Balance as at 30 June 2022	24,897	133,576	87,874	8,916	8,642	7,249	271,154
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	35	8,743	12,074	1,336	1,337	–	23,525
Disposals and write-offs	–	(102)	(1,128)	(361)	(145)	–	(1,736)
Reclassification to non-current assets held for sale	–	(171)	(132)	(107)	(15)	–	(425)
Balance as at 30 June 2022	176	55,411	39,370	3,515	4,837	–	103,309
Impairment losses:							
Balance as at 30 June 2020	–	667	162	–	35	–	864
Charge for the year	–	(38)	(63)	–	(4)	–	(105)
Disposals and write-offs	–	–	(99)	–	(1)	–	(100)
Balance as at 30 June 2021	–	629	–	–	30	–	659
Balance as at 30 June 2022	–	629	–	–	30	–	659
Net book value as at 30 June 2020	22,785	68,769	33,393	2,649	2,634	2,927	133,157
Net book value as at 30 June 2021	19,020	66,200	34,898	3,538	2,629	2,212	128,497
Net book value as at 30 June 2022	24,712	77,167	46,958	5,165	3,606	7,249	164,857

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	893	338	908	3,111
Additions	6,769	273	840	750	8,632
Disposals and write-offs	(5,106)	(667)	(401)	–	(6,174)
Reclassification to non-current assets held for sale	–	(285)	(76)	–	(361)
Balance as at 30 June 2022	23,846	2,811	2,886	5,007	34,550
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	2,198	801	784	1,301	5,084
Disposals and write-offs	(1,374)	(90)	(357)	(126)	(1,947)
Reclassification to non-current assets held for sale	–	(76)	(20)	–	(96)
Balance as at 30 June 2022	4,095	1,421	1,611	2,703	9,830
Net book value as at 30 June 2020	13,503	2,195	1,725	2,017	19,440
Net book value as at 30 June 2021	17,940	1,811	981	1,821	22,553
Net book value as at 30 June 2022	19,751	1,390	1,275	2,304	24,720

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	(209)	(13)	(222)
Reclassification to tangible assets	(13)	–	(13)
Balance as at 30 June 2022	400	259	659
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	–	40	40
Balance as at 30 June 2022	1	42	43
Impairment losses:			
Balance as at 30 June 2020	51	3	54
Balance as at 30 June 2021	51	3	54
Balance as at 30 June 2022	51	3	54
Net book value as at 30 June 2020	1,860	71	1,931
Net book value as at 30 June 2021	570	49	619
Net book value as at 30 June 2022	348	214	562

9. Inventories

	30 June 2022	30 June 2021
RMI inventories	26,798	21,224
Other inventories	219,761	69,605
Net realisable value decrease	(1,642)	(1,537)
Net book value	244,917	89,292

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

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

10. Non-current assets held for sale

Non-current assets held for sale comprised as follows:

	30 June 2022	30 June 2021
Disposal group	22,834	–
	22,834	–

Movements of non-current assets held for sale during 2021 – 2022 financial year 12 months were:

Net book value as at 1 July 2021	–
Reclassified from:	
<i>Intangible assets</i>	7
<i>Property, plant and equipment</i>	755
<i>Right of Use Assets</i>	329
<i>Financial assets</i>	204
<i>Deffered tax assets</i>	751
<i>Current assets</i>	22,920
Impairment loss of non-current assets held for sale	(2,800)
Net book value as at 30 June 2022	22,834

Within the line item of the disposal group the Group recognised assets of subsidiaries IOOO Belfidagro, OOO KLM, OOO VitOMEK (entity code 111774610729) and OOO „VitOMEK“ (entity code 1157746009398) EUR 29,643 thousand, which intended to be disposed by the Group. Liabilities of EUR 16,243 thousand being disposed along with these assets were reported under the line item ‘Liabilities related to non-current assets held for sale’. Foreign currency translation reserve EUR 3 592 thousand, related to these non-current assets held for sale, accounted in ‘Amounts recognized directly in equity relating to non-current assets held for sale’.

IOOO Belfidagro, OOO KLM, OOO VitOMEK (entity code 111774610729) and OOO „VitOMEK“ (entity code 1157746009398) entities assets reclassified to non-current assets held for sale, because all criteria under IFRS5 related to reclassification to non-current assets held for sale were met as at 30 June 2022 (At the issue date of these interim financial statements three of the entities were sold, refer to Note 17).

11. Borrowings

	<i>As at</i> 30 June 2022	<i>As at</i> 30 June 2021
Non-current borrowings		
Bank borrowings secured by the Group assets	66,683	13,056
	66,683	13,056
Current borrowings		
Current portion of non-current bank borrowings	20,635	17,119
Current bank borrowings secured by the Group assets	162,623	57,104
Current borrowings from the parent (Note 16)	6,536	6,000
Other current borrowings	13	11
	189,807	80,234
	256,490	93,290

Interest payable is normally settled monthly throughout the financial year.

12. Lease liabilities

	<i>As at</i> 30 June 2022	<i>As at</i> 30 June 2021
Non-current		
Lease liabilities related to right-of-use assets	25,134	23,547
Lease liabilities related to other assets	6,733	3,601
	31,867	27,148
Current		
Lease liabilities related to right-of-use assets	4,748	4,209
Lease liabilities related to other assets	2,902	1,344
	7,650	5,553
	39,517	32,701

13. Operating (Expenses)

	<i>2021/2022</i> 12 months	<i>2020/2021</i> 12 months
Wages and salaries and social security	(52,486)	(24,473)
Consulting expenses	(3,607)	(2,169)
Depreciation and amortization	(3,379)	(2,171)
Other	(36,800)	(9,553)
	(96,272)	(38,366)

14. Other income (expenses)

Other income	<i>2021/2022</i> <i>12 months</i>	<i>2020/2021</i> <i>12 months</i>
Grants received for agriculture activity	3,930	3,657
Grants for poultry activity, related with COVID-19	3,376	962
Other grants for poultry activity	346	–
Rental income from investment property and property, plant and equipment	588	175
Gain from disposal of investment property and property, plant and equipment	2,765	853
Gain on proportion of the assets that relates to rights transferred	–	1,925
Change in fair value of financial instruments	3,903	75
A gain from a bargain purchase	1,272	–
Other income	6,526	235
	22,706	7,882
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment	(456)	(252)
Loss from disposal of investment property and property, plant and equipment	(273)	(32)
Change in fair value of financial instruments	(30)	(926)
Other expenses	(4,822)	(44)
	(5,581)	(1,254)

15. Commitments and Contingencies

As at 30 June 2022 the Group is committed to purchase property, plant and equipment for the total amount of EUR 1,309 thousand (EUR 2,672 thousand as at 30 June 2021).

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

Sidabravo ŽŪB and UAB Linas Agro grūdų centrai are committed not to discontinue operations related to agricultural up to 2028, Panevėžys District Žibartonių ŽŪB – up to 2022 July and 2027 November, Kėdainiai District Labūnavos ŽŪB – up to the end of 2027.

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

In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania and Latvia amounting to EUR 2,243 thousand as at 30 June 2022 (EUR 2,529 thousand as at 30 June 2021). Group has no plans to discontinue above mentioned operations.

In August 2018 the Group company AB Linas Agro received a ruling from the Customs of the Republic of Lithuania (hereafter – Customs) stating that Customs made additional calculation for the calendar year 2016 – 2017. The decision increased the taxes in EUR 644 thousand for fertilizers import in mentioned period. Since part of the custom tax was paid, remaining amount of the provision as at 30 June 2022 is EUR 148 thousand. AB Linas Agro disagrees with the decision and is considering to 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 30 June 2022 and as at 30 June 2021 the Group's management is of the opinion that the appeal has no sound grounds, therefore no provision was recorded in the consolidated accounts regarding this matter.

16. Related Parties Transactions

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

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

Members of the board of the Company:

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

Subsidiaries: List provided in Note 3.

UAB Darius Zubas Holding (same ultimate controlling shareholder);

Akola ApS group companies:

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

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

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

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

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

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

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

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

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

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

AS at 30 June 2022 Group had direct and indirect investments in these joint ventures and associates (effective share stock held by the Group stated below):

KG Khumex B.V. (The Netherlands) – 50.00%;

KG Khumex Coldstore B.V. (The Netherlands) – 41.34%;

SIA NOVOBALTIC (Latvia) – 16.59%. (from 15 July 2021 till 17 May 2022)

The Group's transactions with related parties in 12 - month period ended 30 June 2022 were as follows:

	2021/2022 12 months					30 June 2022		
	Purchases	Sales	Income from financial activities	Expenses from financial activities	Trade receivables	Non-current loans receivable	Payables	Current payable loans
Akola ApS group companies	958	52,228	–	536	18	–	–	6,536
KG Khumex B.V.	10	36,583	–	–	5,647	–	–	–
KG Khumex Coldstore B.V.	–	7	7	–	–	750	–	–
SIA NOVOBALTIC	63	5,423	–	–	–	–	–	–
Total	1,031	94,241	7	536	5,817	750	–	6,536

	2020/2021 12 months					30 June 2021		
	Purchases	Sales	Income from financial activities	Expenses from financial activities	Trade receivables	Non-current loans receivable	Payables	Current payable loans
Akola ApS group companies	692	20,695	–	156	41	–	232	6,000
Total	692	20,695	–	156	41	–	232	6,000

16. Related Parties Transactions_(cont'd)

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

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

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

Terms and conditions of the financial assets and liabilities:

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

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

17. Subsequent Events

On 05 July 2022 Authorized capital of AB Linas Agro increased by EUR 5,134,480 by non-monetary contribution of AB Kauno Grūdai.

On 22 July 2022 AB Linas Agro made syndicated EUR 170,000 thousand credit agreement with Credit Suisse AG, Swedbank AB and AB SEB banks.

On 25 August 2022 Agreements on sale of share in OOO VitOMEK (Moscow, Russian Federation) and OOO VitOMEK (Tver, Russian Federation), also IOOO Belfidagro, registered in Belarus were concluded.