

**ANNUAL  
GENERAL  
MEETING OF  
SHAREHOLDERS**



**30/10/2014**

## THE PLACE IN FOOD CHAIN

**International agribusiness Group.**

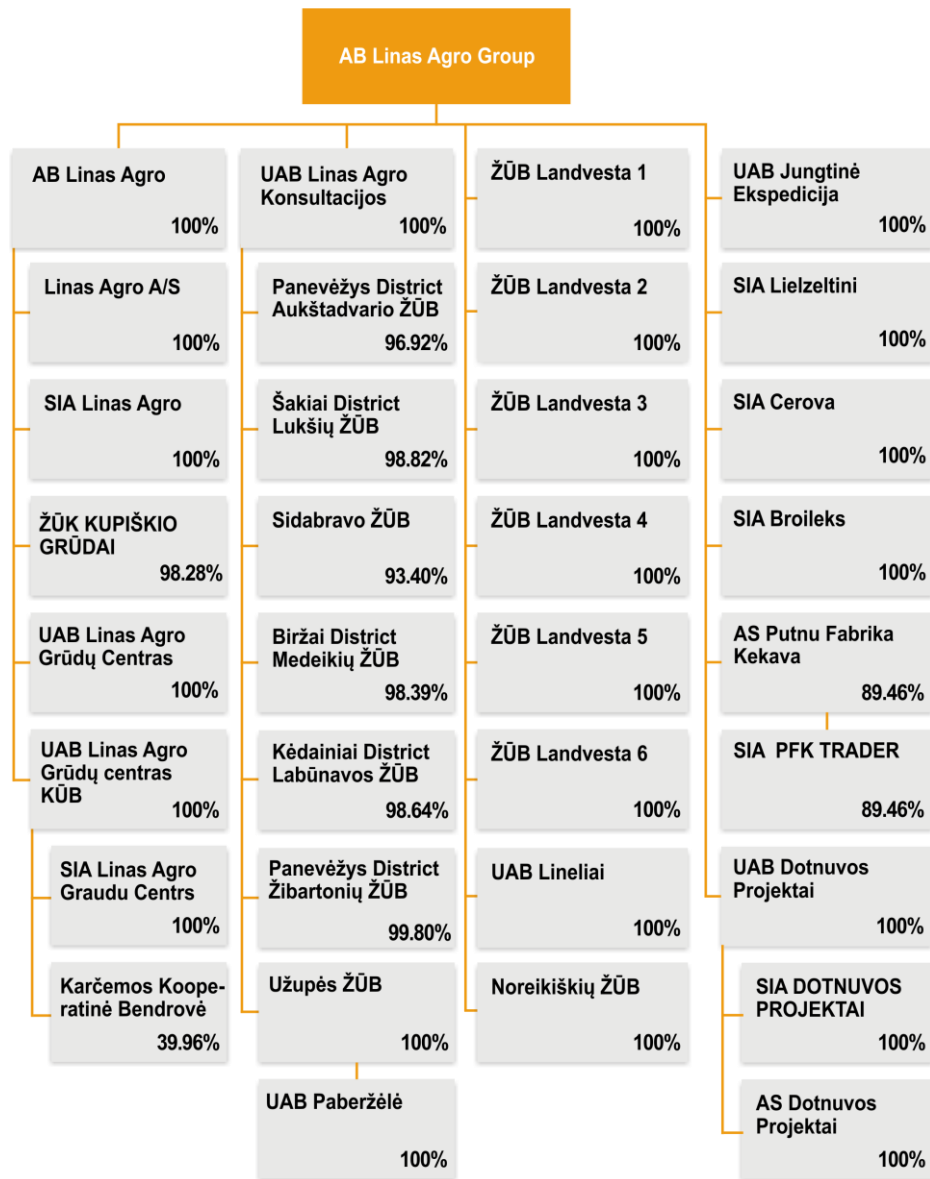
**Runs business in Lithuania, Latvia, Estonia  
and Denmark.**

**Produce and trade agricultural  
commodities and food products, provide  
products and services for farming.**

# COMPANIES

**39**  
companies

**2,266**  
employees



OUR VISION



Leadership  
in Baltic  
agribusiness sector

## OUR MISSION



To seek constant growth of the company's value while ensuring maximum return on investments for shareholders and investors.

To create value for clients along the chain of production, processing, and trading of agricultural and food produce.

To seek opportunities for professional development for employees in the organization maintaining a high level of internal culture.

**FINANCIAL  
HIGHLIGHTS**

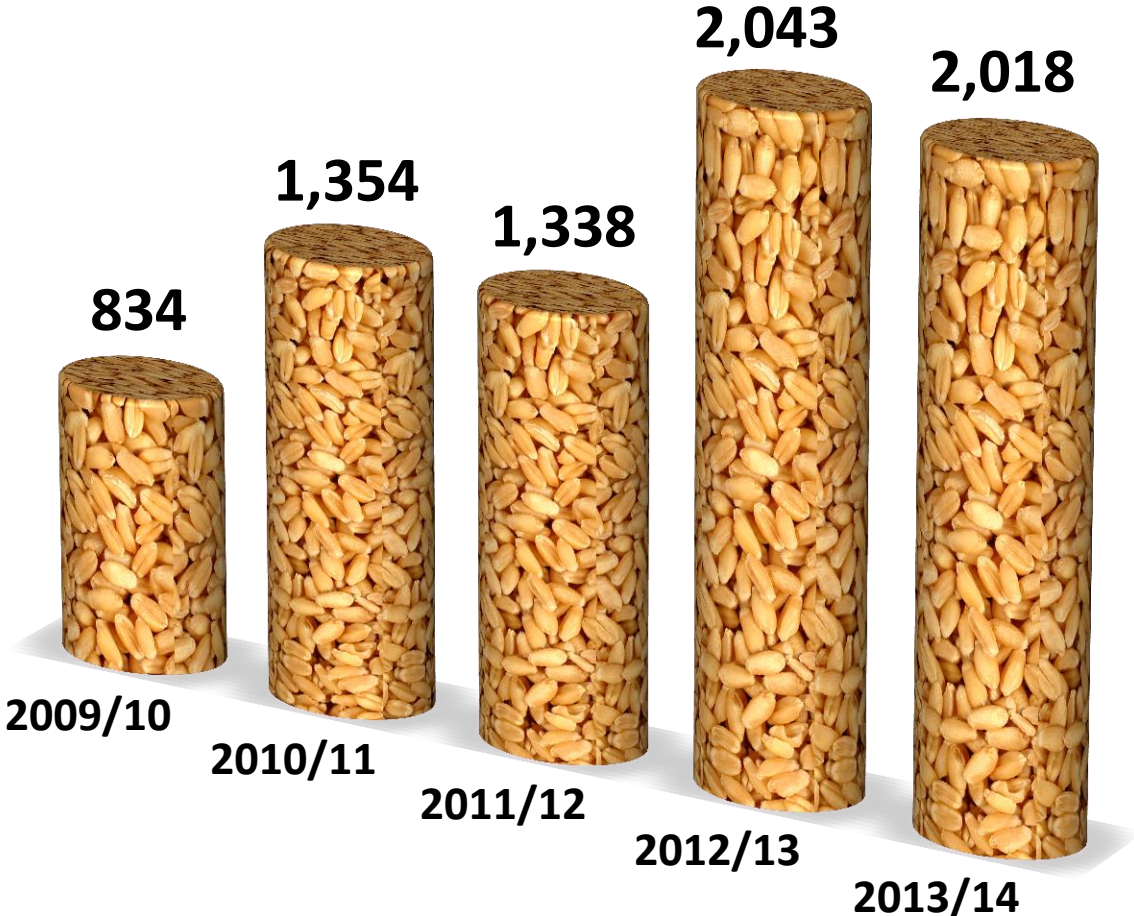
Fiscal year of the  
company starts  
July 1st.

**Consolidated sales revenue was LTL  
2,018 million.**

**Sales volume in tons – 2.3 millions.**

**Gross profit was LTL 149 million.**

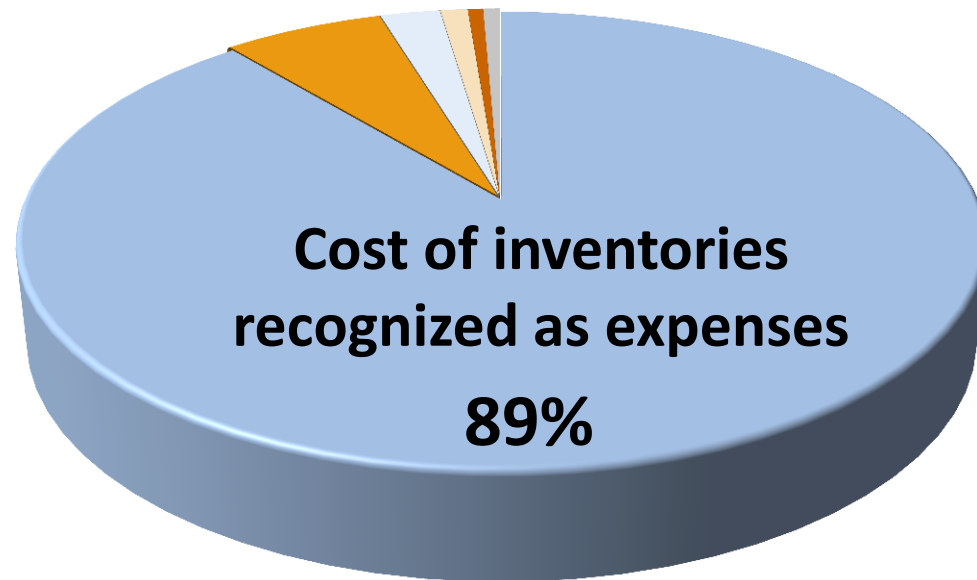
**EBITDA LTL 120 million.**
















**The sales cost  
was LTL 1,869  
million**

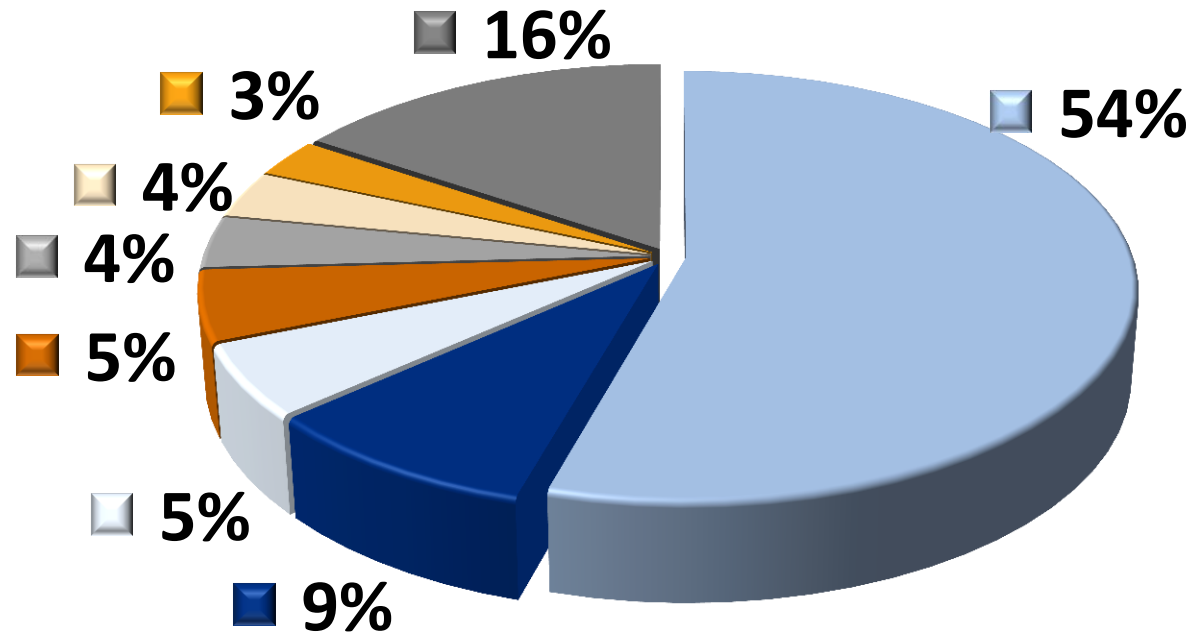
 **Logistics  
expenses**  
6.4 %

 **Wages,  
salaries  
and social  
security**  
2.4 %

 **Depre-  
ciation**  
1.1 %

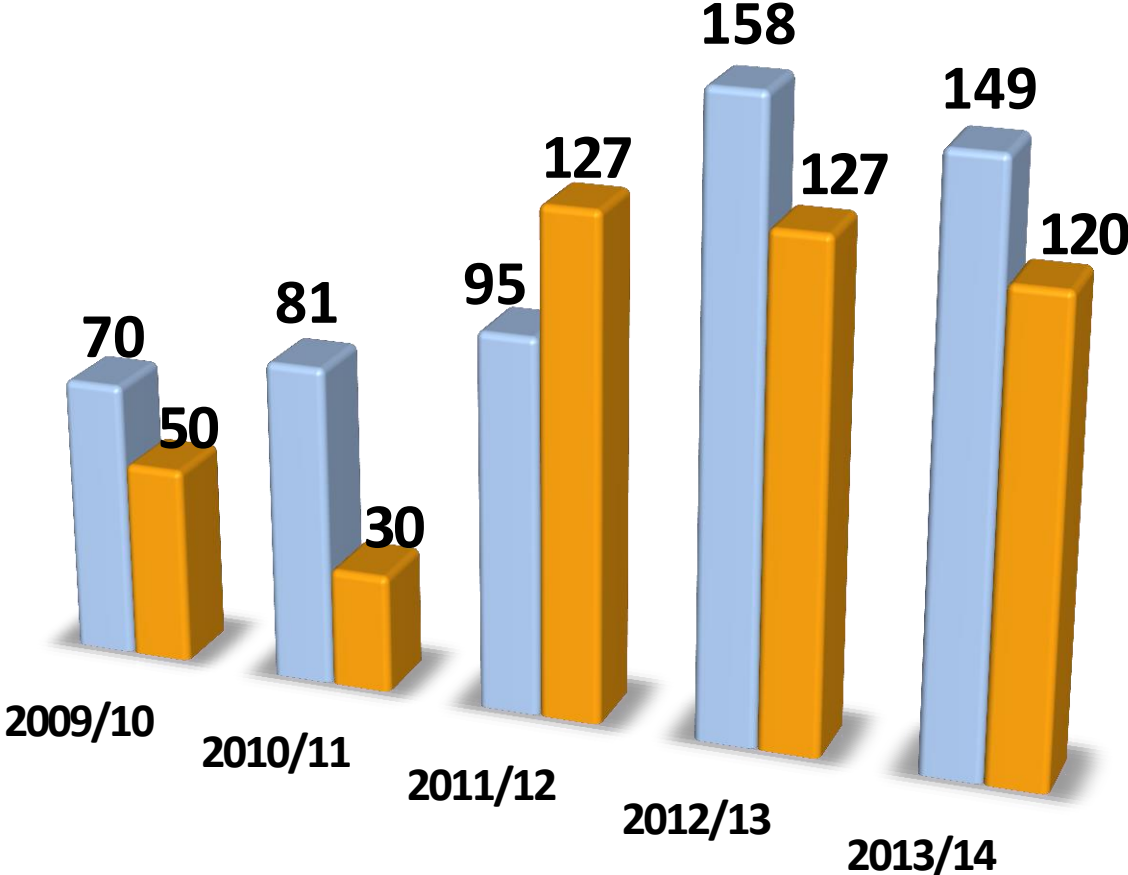
 **Utilities  
expenses**  
0.6 %

 **Other**  
0.7 %



- Wages and salaries, social security and other personal income taxes
- Change in allowance for and write-offs of receivables and prepayments
- Car maintenance expenditures, fuel
- Depreciation and amortization
- Consulting expenses
- Marketing
- Bank fees
- Other

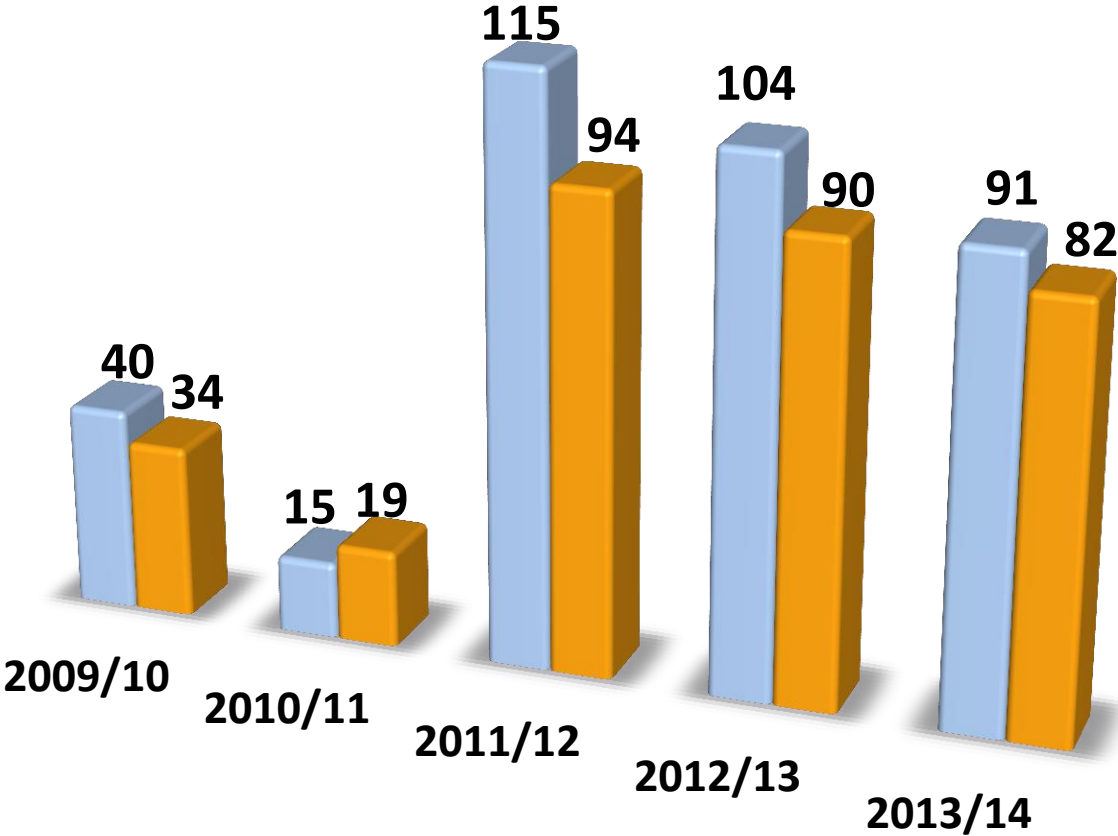
Went up to  
LTL 103  
million



Gross profit

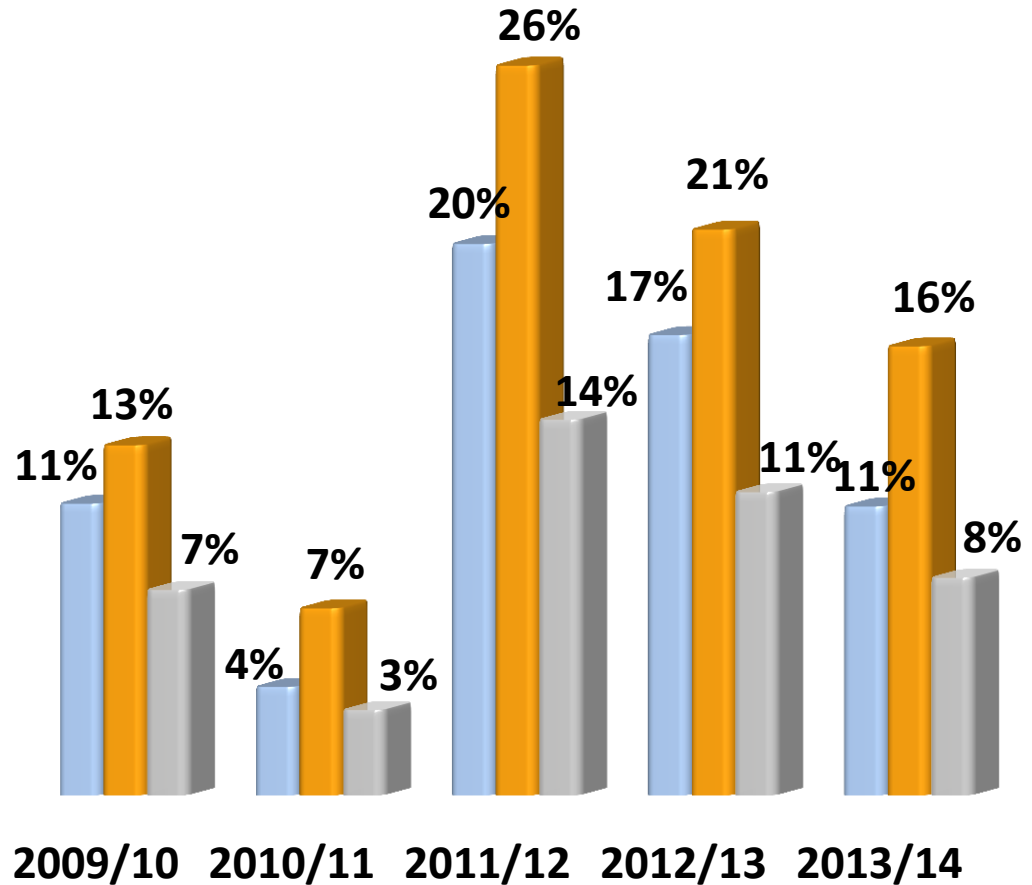


EBITDA

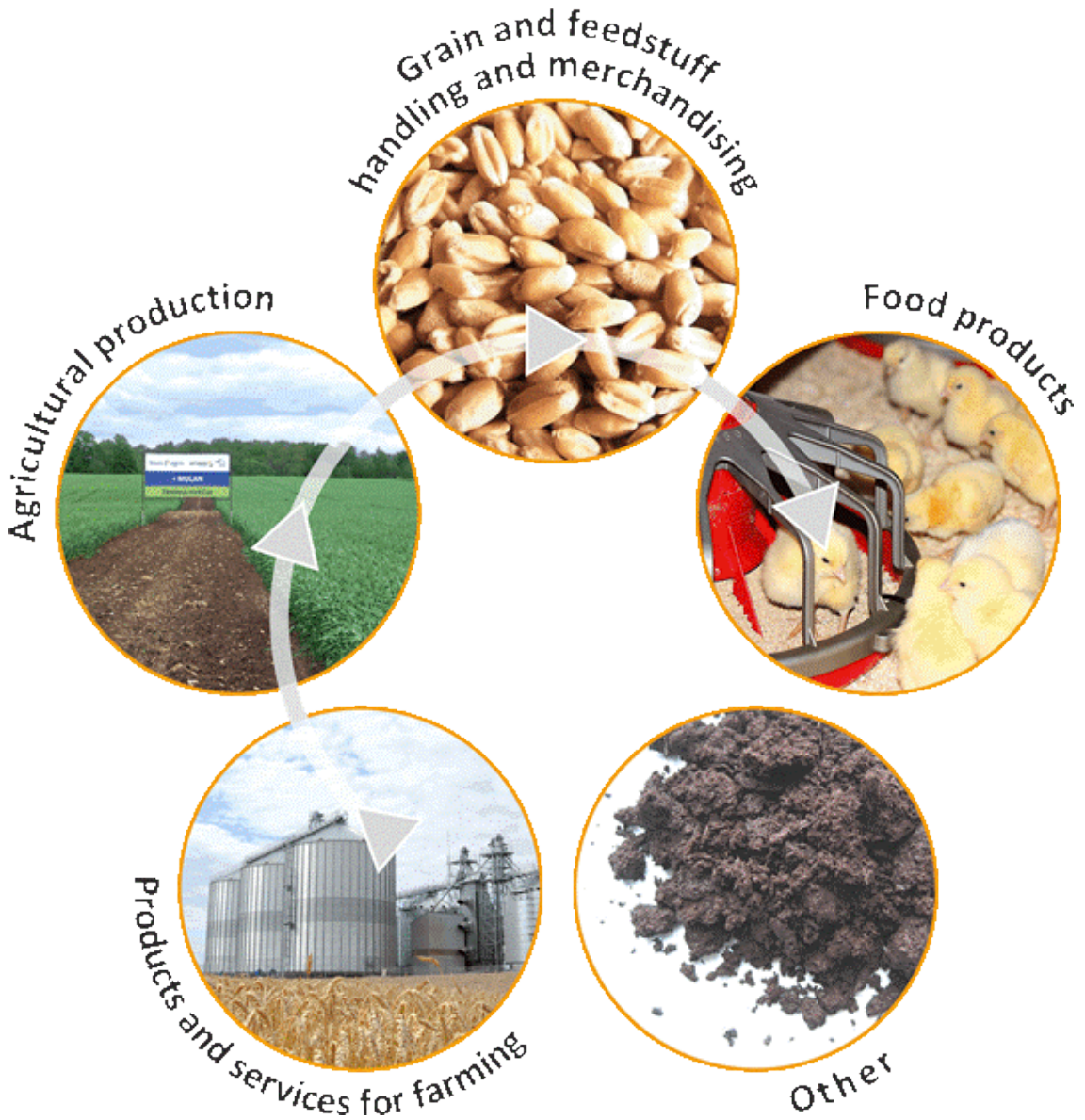


Operating profit      Net profit

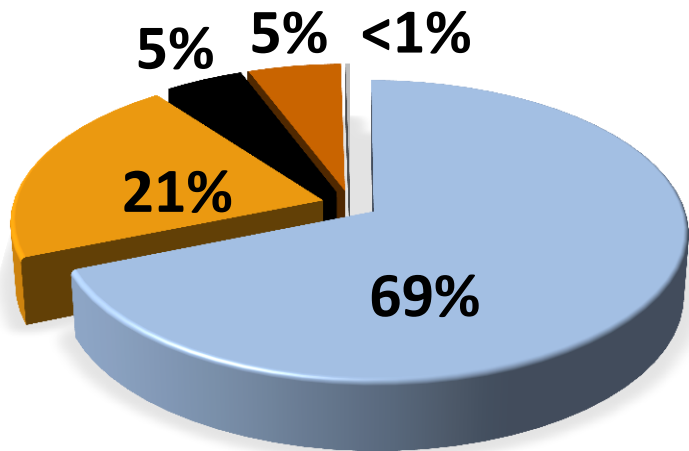
- Return on capital employed (ROCE)
- Return on equity (ROE)
- Return on assets (ROA)



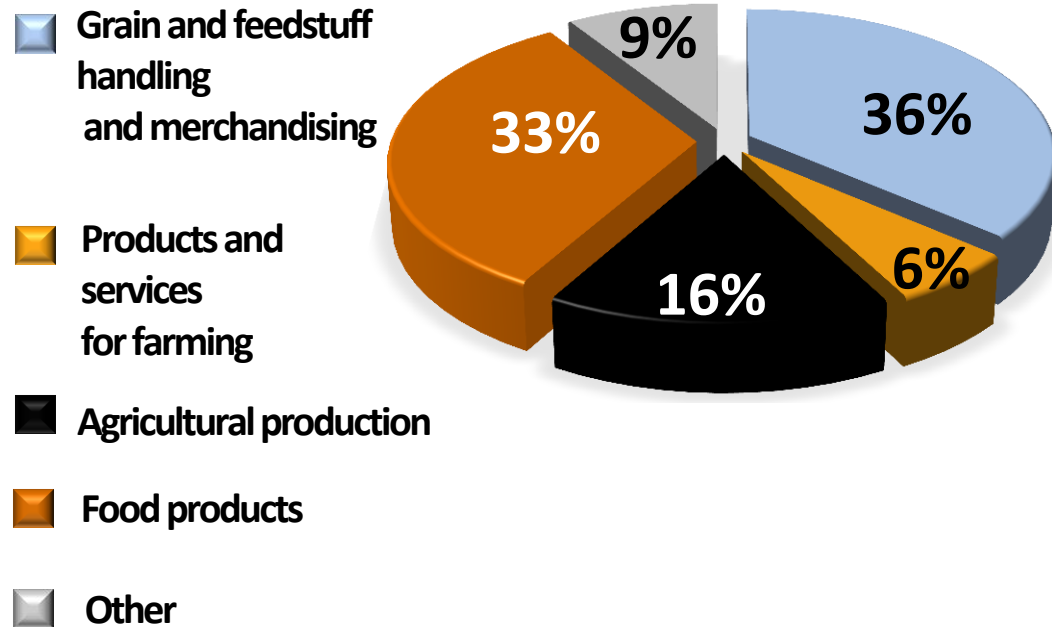
# BUSINESS SEGMENTS



**INCOME STRUCTURE**



**OPERATING PROFIT STRUCTURE**



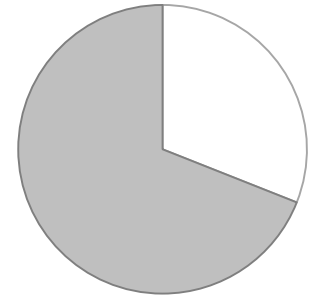
-  Grain and feedstuff handling and merchandising
-  Products and services for farming
-  Agricultural production
-  Food products
-  Other

*Transactions between segments eliminated from the graphics*



**GRAIN AND  
FEEDSTUFF  
HANDLING  
AND  
MERCHANTISING**

**69%**



**Grain**  
**Oilseed**  
**Feedstuff**  
**Grain storage and preparation**  
**Logistic services**



## LOGISTICS



**Products are sold to over 20 countries of the world.**

**Around 200 vessels dispatched yearly (260 in FY 2013/14), major part from Klaipėda port.**

**Goods collected EXW, DAP or CPT, stored in Lithuania and Latvia, sold FOB or CIF.**

**Vessel size 1,200-66,000 mt.**





**GRAIN,  
FERTILIZERS  
AND  
FEEDSTUFF  
ARE STORED  
IN GRAIN  
ELEVATORS**



**During the FY 2013/14, Group-owned grain storages took in 429 thousand tons of grain.**

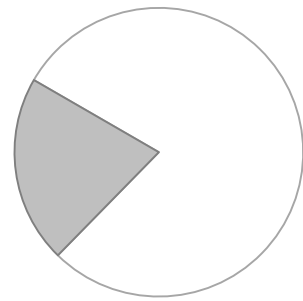
**1.6 million tons of grain and feedstuff sold in total.**

**The construction of a new grain receiving station in Lithuania and grain elevator in Latvia is planned for 2015 .**





21%



**PRODUCTS  
AND SERVICES  
FOR FARMING**

**Certified seed**

**Fertilizers**

**Plant protection products**

**Agricultural and forestry machinery**

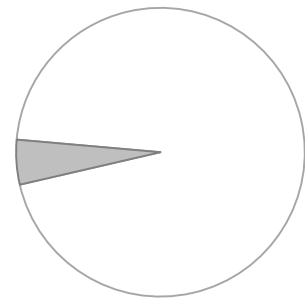
**Grain storage facilities**

**Spare parts**





5%



## AGRICULTURAL PRODUCTION

- Grain growing
- Rapeseed growing
- Sugar beet growing
- Dairy production
- Meat production





# 7 farming companies

## AGRICULTURAL PRODUCTION







**The area of arable land is  
~17,100 ha, ~4,545 ha own.**

**Crops yield ~72,000 tons.**

**3,021 dairy cows.**

**Aukštadvario, Sidabravo and Labūnavos  
farming companies raise meat cattle.**

**AGRICULTURAL PRODUCTION**

**THE LARGEST  
ACQUISITION  
IN THE  
SEGMENT  
IN FY 2013/14**

**Farming company  
Panevėžys District Žibartonių ŽŪB.  
Cultivates >3,200 ha of land.  
Dairy and crop production: oilseed rape,  
wheat, barley, corn and sugar beet.**

**Acquired for LTL  
18.6 million,  
generated  
income of  
LTL 17.5 million**



**EFFECTIVITY OF  
CROP  
PRODUCTION**

**Group**

**Average for  
Lithuania**

**6.1 t/ha**

**Wheat**

**4.3 t/ha**

**3.3 t/ha**

**Rapeseed**

**2.1 t/ha**

**4.4 t/ha**

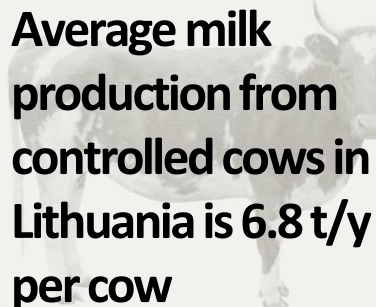
**Peas**

**2.1 t/ha**

## MILK PRODUCTION

- **3,021 dairy cows;**
- **Total 27 thousand tons of milk per year;**
- **Milk yield per cow 7.9 t/y;**
- **The highest milk yield is produced by Šakiai District Lukšiy ŽŪB – the annual average of 9.3 tons per cow from 855 cows, and by Kėdainiai District Labūnavos ŽŪB – the annual yield of 8.4 tons per cow from 600 cows;**
- **Šakiai District Lukšiy ŽŪB ranks among Lithuania's leading milk producers; in the Pienė 2014 rating organized by the Development and Information Centre public institution to nominate best farmers, agricultural companies, and private enterprises by milk production indices for 2013, the company was rated as one of the largest (7th position) and most efficient (8th position) milk producers in Lithuania.**

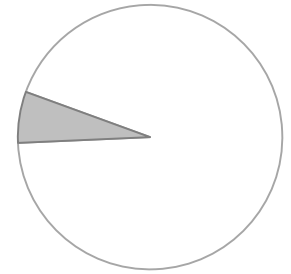
Average milk production from controlled cows in Lithuania is 6.8 t/y per cow



**FOOD  
PRODUCTS**

The companies  
acquired for LTL  
84 million

5%



**AS Putnu Fabrika Kekava” – Latvian  
poultry producer No 1.**



**SIA Lielzeltini – Latvian poultry  
producer No 2.**



**SIA Broileks – grow and sell live chicken.**

**SIA Cerova incubate eggs and sell day-old  
chicks.**



0.27%

OTHER

~~Lignin biofuel~~

The Group sold lignin business , acquired in 2010 m. Invested LTL 8.4 million, earned LTL 14.4 million.

Other products and services



**OBJECTIVES OF  
THE COMPANY  
FOR  
FY 2014/15**

**To expand the network of grain storage and trading of grain.**

**To develop goods and services supply to the farmers in Lithuania, Latvia and Estonia, improve the range of products and services.**

**To increase production of agricultural products.**

**To develop food production and enhance brands „Kekava“ and „Bauska“.**



**ASSUMPTIONS  
FOR THE  
GROWTH OF  
BUSINESS**

**Geographic location appropriate for international trade and favorable natural conditions for agricultural development.**

**Group's investments are focused and targeted to increase its market share in the main business segments.**

**Current Group's potential and financial strength provides a solid foundation of growth for long-term value in the future.**

