

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 three months of the financial year 202/22, 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 three 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

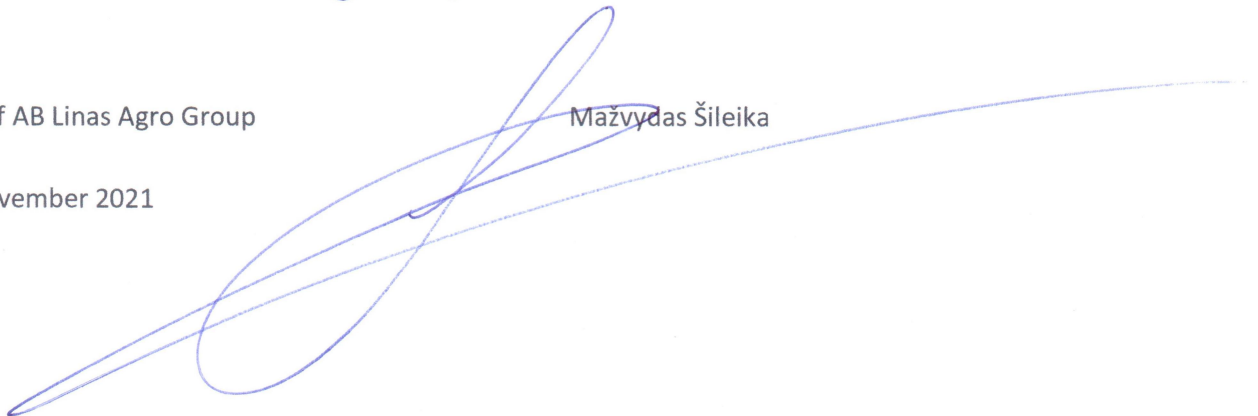
30 November 2021



Darius Zubas

CFO of AB Linas Agro Group

30 November 2021



Mažvydas Šileika



linas  agro

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

For the period ended September 30, 2021

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 register	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.linasagroup.lt
Bank account	LT07 7044 0600 0263 7111, AB SEB bank, bank code 70440
ISIN code	LT0000128092
Ticker in Nasdaq Vilnius	LNA1L

AB Linas Agro Group together with its directly and indirectly controlled companies (hereinafter – subsidiaries) and associates makes the Group, which was founded in 1991 and operates in eight countries: Lithuania, Latvia, Estonia, Ukraine, Russia, Belarus, the Netherlands, Poland. The company had 77 subsidiaries and 3 associates as at September 30, 2021. The total headcount of the Group was 5,531. The financial year of the Group starts on the 1st of July. The Company does not have any branches and representative offices.

Contact Person

Finance Director

Mažvydas Šileika

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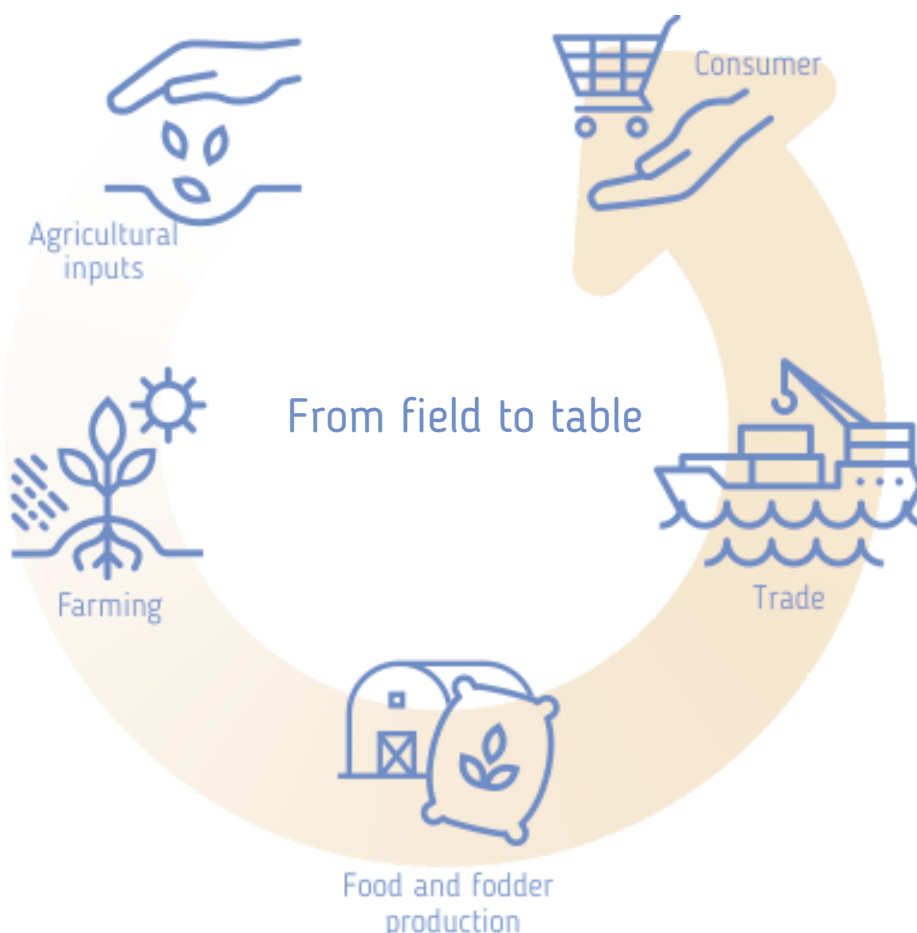
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The Main Activity

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

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

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



Activity and Financial Results of the Group

Consolidated revenue of AB Linas Agro Group in three months of 2021/22 financial year totaled EUR 440 million and was 84% more as compared to previous year (EUR 239 million).

The Group's sales volume in tons reached 1.03 million tons of various products and was 34% more as compared to previous year (0.77 million tons).

The gross profit reached EUR 37.6 million and was 185% higher than a year before (EUR 13.2 million).

The Group's operating profit was EUR 14.4 million or 193% more as compared to the respective period of the previous year (EUR 4.9 million).

Consolidated EBITDA amounted to EUR 23.6 million and was 157% higher as compared to the previous year (EUR 9.2 million).

Profit before taxes amounted to EUR 12.8 million and was 187% higher as compared to EUR 4.5 million in previous year.

The net profit stood at EUR 11.6 million and increased by 199% y-o-y.



Financial Indicators

	2021/22 3 months	2020/21 3 months	2019/20 3 months	2018/19 3 months	2017/18 3 months
Sales in tons	1,029,614	768,409	438,161	409,619	435,483
Revenue, thousand EUR	439,961	239,326	149,351	156,159	129,192
Gross profit, thousand EUR	37,595	13,176	10,482	12,396	14,524
EBITDA, thousand EUR	23,645*	9,196*	4,769*	7,115	8,506
EBITDA (eliminating TFAS 16), thousand EUR	21,568	7 463	3 797	7,115	8,506
Operating profit, thousand EUR	14,431	4,927	1,367	4,437	5,617
Net profit, thousand EUR	11,553	3,861	703	3,403	4,715

* Depreciation of biological assets (crops) sold during the reporting period and related to the previous reporting period, amounting to EUR 766 thousand, is also excluded (EUR 747 thousand for the period 2020/2021, the effect of such depreciation was not significant for the comparative periods).

Explanation of terms

Operating profit (EBIT) Equals profit before net from investments and finance activities, and income tax.

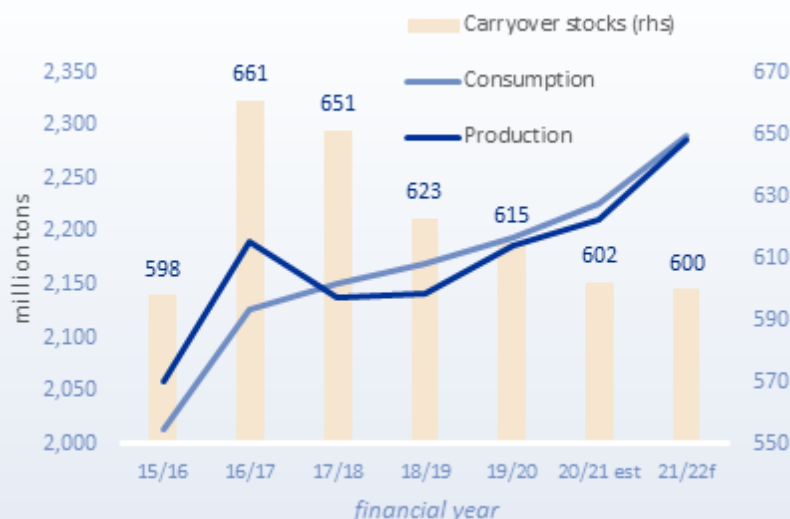
EBITDA Equals operating profit before depreciation, amortization and impairment losses.

Overview

According to the preliminary data of International Grains Council (IGC) published on 2021 November 18, the world grain production for 2021/2022 shall account for 2.287 billion tons, and mostly thanks to higher quantities of maize, will end up being 75 million tons more as compared to the figures of 2020/2021. Yet consumption shall as well keep increasing (64 million tons higher than in 2020/2021), thus expecting the world cereal stocks figure to stand just at 600 million tons at the end of the 2021/2022 harvest year, being only slightly higher than the latest lowest level of stocks at the end of the 2015/2016 harvest year.

The world total grain production

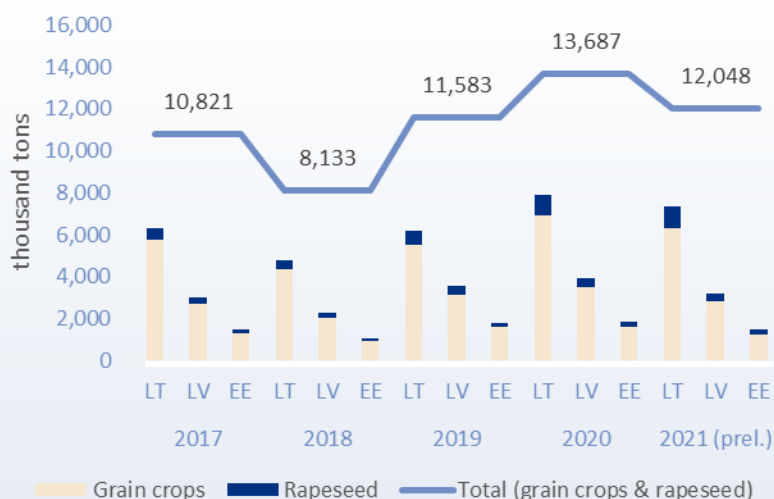
International Grains Council (IGC) data



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

Grain and rapeseed harvest in the Baltic states

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



It is believed, that difficult start of the harvest in Australia, accompanied with uncharacteristic rainfall, poor 2021/2022 wheat harvest in Canada, Europe (France, Germany, the Baltic States) and Russia, as well as considerations to introduce wheat export quotas for January-June 2022 in the latter country (in order to ensure sufficient wheat for internal market consumption), shall not provide basis to increase the global availability of wheat, or at least sufficient one - to meet at a faster pace growing wheat demand. The global consumption of wheat foods is increasing along with population growth, the demand for wheat feeds is growing as well (especially in Europe, also in China, India, Great Britain, USA). Thus, within the reporting period, international trade grain prices continued to rise due to limited supply and strong demand. In July-September 2021, world grain prices were 45-47 euros higher than last year, for example, wheat futures prices for December lots on the Euronext exchange fluctuated around 230-232 euros per ton, compared to 185-187 euros per ton a year ago.

According to the United States Department of Agriculture (USDA), the global oilseed harvest of 2021/2022 will reach 628 million tons and is likely to be 25 million tons higher than in 2020/2021. Growth will be largely driven by higher soybean yields, which are expected to outstrip the demand for this crop after stabilized China's pig and poultry farms need for feed. At the same time, it is expected that in 2021/2022 the rapeseed yield will be 7% lower than in 2020/2021 and is likely to reach a nine-year low results, largely due to Canadian canola production decline by one third, as well as due to poor harvest in Europe. In the inflationary environment of fuel and other energy resources, declining availability of rapeseed resulted in picked up prices of this crop during the reporting period.

With money supply lately growing almost at the fastest pace since the 20th century (excluding the years of World War II), inflation expectations are increasing, providing structural basis for rising commodity prices. According to the data of Food and Agriculture Organization of the United Nations, world food prices are continuing their upward trend, with grain, vegetable oil and dairy price indices rising, yet on the contrary - meat prices falling slightly and the sugar price index deteriorating. In the operations of different segments of the Group, such price changes have a significant impact not only on income generation, but also on management of rising costs.

Performance Results of the Segments

Activities of the Group are divided into five business Segments:

1. Grain, oilseeds, and feed;
2. Products and services for farming;
3. Agricultural production;
4. Food products;
5. Other activities.

Operating Profit (loss) by Segments, thousand euro

	2021/22 3 months	2020/21 3 months	2019/20 3 months	2018/19 3 months	2017/18 3 months
Grain, oilseeds, and feed	2,959	3,320	743	2,385	4,368
Products and Services for Farming	7,837	2,052	971	1,892	847
Agricultural Production	(468)	(391)	(814)	(424)	547
Food products	3,220	164	1,400	1,653	1,309
Other activities	2,393	(13)	5	(196)	3

Grain, oilseeds, and feed

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



Start of operation	<p>1991</p> <p>AB Linas Agro (Lithuania) UAB Linas Agro Grūdų Centras (Lithuania) Participating in reorganization UAB Linas Agro Grūdų Centrai (Lithuania) Under reorganization UAB KUPIŠKIO GRŪDAI (Lithuania) Under reorganization UAB Karčemos Bendrovė (Lithuania) UAB Jungtinė Ekspedicija (Lithuania) AB Kauno Grūdai (Lithuania) UAB KG Mažmena (Lithuania) UAB Kauno Grūdai ir Partneriai (Lithuania)</p>
Operating companies	<p>SIA Linas Agro (Latvia) SIA Linas Agro Graudu Centrs (Latvia) SIA KG Latvija (Latvia) LLC LINAS AGRO UKRAINE (Ukraine) KG Polska Sp. zo.o. (Poland) IOOO Belfidagro (Belarus) OOO VitOMEK (Russia) OOO KLM (Belarus) OOO Geomiks (Russia)</p>
Activity	<p>Grain storage and logistic services Grain, oilseeds, feed materials and feed additives trading Compound feed production and sales Renting and operating of own or leased real estate</p>
Share of revenue in Group's portfolio (Q1 of FY 2021/2022)	<p>62%</p>
Infrastructure at the end of the reporting period	<p>564 ktons storage capacity for various grains and other agricultural commodities in Lithuania and Latvia, as well as 394 ktons storage capacity at Lithuanian and Latvian ports.</p> <p>240 thousand tons of annual compound feed production capacity in own factory in Lithuania (Kaunas) 55 thousand tons of annual premixes production capacity in own factories in Lithuania (Kaunas), Russia and Belarus</p>
Own trademarks	<p>Vitamins and mineral supplements 'VitaPrem', compound feed 'Provitac', feed 'Effectus'</p>
Retail chain	<p>12 feed retail stores in Lithuania</p>
Certificates	<p>The company AB Linas Agro is the holder of the certificates of GTP (European Good Trading Practice) and GMP+ (European Good Manufacturing Practice), also holds the certificates in trade of organic plant production issued by the PE Ekoagros and ISCC (International Sustainability and Carbon certification). SIA Linas is also ISCC certified. AB Kauno grūdai is the holder of "Halal", ISO 22000-:2018 certificates, also certificate issued by ISCC.</p> <p>IOOO Belfidagro has a license to perform veterinary activities, certificates confirming compliance with ISO 14001:2015, ISO 45001:2018, ISO 14001:2018, ISO 9001:2015 standards.</p>

Grain storage and logistic services

This Segment includes handling of the grain for the export in elevators (cleaning, drying, storage, reloading) and logistic services. Starting with this reporting period, 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, 17% decrease was recorded, the results of the newly joined KG Group companies were also worse - 23% drop noted. This decrease is related to the lower total grain and rapeseed harvest in Lithuania and Latvia, the fact that due to high yields, elevators in Lithuania and Latvia accepted record quantities of grain during the previous reporting period. The total result of the companies merged into one Group was 846 thousand tons of grain received through the elevator network, of which wheat accounted for 70%, rapeseed - 18%, barley - 6%.

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

During the reporting period, EUR 3.6 million income was received for grain storage and logistics services or 13% more compared to the same period in previous year. Assessing the reporting period and the corresponding previous financial year period results of the companies that were part of the Group prior to the acquisition, 4% increase in revenue would be recorded thanks to Group wise insignificant, however substantial increase in the revenue from logistics services.

Grain and oilseed trading

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

‘Oilseed’ means rapeseed, sunflower and flax seeds.

Comparing the grain and oilseeds quantities purchased and sold, as well as sales revenue generated by the companies of the previous composition of the Group (until the acquisition of KG Group by AB Linas Agro Group on 15th July, 2021) with the same reporting period of the previous year, the respective 12% and 8% quantities decline recorded, however, sales revenue maintained the upward trend and increased by 7%, illustrating the high price sentiment in the market.

Not only due to limited harvest 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.

During the reporting period, the volume of grain and oilseeds purchased by the upscaled Group amounted to 1.2 million tons, during the same period 0.6 million tons were sold, the sales revenue of these products amounted to EUR 165 million; this is respectively 29%, 13% and 31% more than within the same period last year. The main export goods remained Lithuanian and Latvian wheat.

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 this calendar year, the production of compound feeds and premixes becomes a significant part of the Group's revenue portfolio. The activity is carried out in own factories in Lithuania, Russia and Belarus (annual production capacity of 295 thousand tons of compound feed and premixes). In Lithuania, the retail trade of feed is carried out through a network of retail stores managed by UAB KG Mažmena.

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

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

During the reporting period, 208 thousand tons of compound feed, premixes and feed materials were sold, EUR 104 million sales revenue earned, which is 89% and 147% more than the same period last year. Comparing the results of the pre-acquisition Group companies with the same reporting period last year, 20% and 10% decrease in sales volumes and sales revenue would be respectively recorded.

During the reporting period revenues of the Grain, oilseeds and feed segment increased by 59% up to EUR 273 million. Operating profit amounted to EUR 3 million and was 11% lower compared to EUR 3.3 million profit for the corresponding period of the previous year. The main reasons for the decline in profitability were related with limited quantity and lower quality crops trading, causing extra difficulty due to the environment of soaring prices.

Products and Services for Farming

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



Start of operation	1993 AB Linas Agro (Lithuania) UAB Dotnuva Baltic (Lithuania) AB Kauno Grūdai (Lithuania) UAB GeoFace (Lithuania) UAB Linas Agro Grūdų Centras (Lithuania) Participating in reorganization UAB Linas Agro Grūdų Centrai (Lithuania) Under reorganization UAB KUPIŠKIO GRŪDAI (Lithuania) Under reorganization UAB Karčemos Bendrovė (Lithuania)
Operating companies	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)
Activity	Preparation of seed in own seed preparation factory Supply of seeds, plant care products, fertilizers to the farmers Supply of new and used agricultural machinery, spare parts, and service to the farmers Installation of grain cleaning, drying and storage facilities as well as livestock farms Software development Representation of worldwide known brands
Share of revenue in Group's portfolio (Q1 of FY 2021/2022)	21%
Outlets/Service centers	19/14
Infrastructure at the end of the reporting period	188 ktons - storage capacity for warehousing seeds, fertilizers and plant protection products
Total annual capacity of the seed production plant	22 ktons heavy seeds (cereals and pulses)
Owned trademarks	Seeds 'Dotnuva Seeds', fertilizers 'Pro Garden' and 'BIO Mineral'
Certificates	UAB Dotnuva Baltic, SIA Dotnuva Baltic and AS Dotnuva Baltic have joined the Case IH international quality network Red Excellence, which unites companies representing the Case IH brand in Europe. UAB Dotnuva Baltic has a certificate in preparation and trade of organic seeds issued by the PE Ekoagros, as well as a qualification certificate entitling to be a contractor for the construction of special structures.

Preparation of seed in own seed preparation factory

Over the reporting period, the own seed preparation factory of UAB Dotnuva Baltic (Dotnuva, Kedainiai distr.) prepared 13 thousand tons of certified 'Dotnuva Seeds' cereals and pulses seeds, being 25% more than in previous year. Higher production volumes are related to favorable winter sowing conditions in the fall of 2021. Additionally 0.8 thousand tons of grass and sidereal plant seeds were prepared, as in the previous financial year, recording the highest growth in the production of this category.

After finalizing EUR 1.4 million worth investments into modern seed warehouse in 2021, the completion of the new building was registered only in the month of November, thus, the increase in the capacity of the seed factory in the first quarter of the financial year 2021/2022 has not yet been felt (after the opening of the warehouse, the capacity of the factory is expected to increase from 22 thousand tons to 30 thousand tons of heavy seeds per year).

Supply of seeds, plant care products, and fertilizers to the farmers

During the reporting period, the growth rate of seed sales revenue (108% compared to the same period of the previous financial year or EUR 17.3 million) significantly exceeded the growth of quantitative seed sales (28% compared to the same period of the previous financial year or 16.6 thousand tons). Earnings increase was determined by the higher grain prices in the market, and overall stronger seed demand, related both to the farms' strategy of sowing more winter crops (55% more winter rapeseed was sold in Lithuania, the area sown with winter crops increased in Estonia) and the shortage of some seeds in the market.

Fertilizer prices remained high during the reporting period, supported by geopolitical factors such as sanctions on Belarus, COVID19 pandemic restrictions and weather-induced high prices for components of fertilizer production (such as gas, sulfur, ammonia) and other supply constraints. The volume of fertilizers sold by the Group companies increased by 54% compared to the same period last year; the increase was related to the transaction completed by the Group in July 2021 and inclusion of new Group companies. Assessing the separate sales of AB Linas Agro Group and KG Group, the lower consumption of fertilizers by some customers, postponement of the purchase decision, as well as supply disruptions, non-performance of contracts led to a decrease in the quantities of fertilizers sold.

It is observed that the use of autumn cereal herbicides is gaining popularity every year, therefore their range has been expanded during the reporting period. According to the Group, the growing purchases of rapeseed herbicides are related to the increased area of rapeseed crops. In order to ensure good conditions for plant growth in the autumn and to properly prepare them for wintering, sales of plant care products and microelements have increased, and some farmers have even taken out orders for spring plant care in advance. As the ideas of the European 'Green Deal' become more and more popular, farms are starting to focus more on investment in soil improvement and crop rotation, which has led to an increase in sales of solutions and products that improve soil and plant growth conditions. The shortage of active substances during the reporting period increased the prices of plant protection products, further highlighting the advantages of the strategy to order higher stocks in the spring. Total sales of plant care products and micronutrients increased by 227% during the reporting period and amounted to EUR 20 million. Comparing the results of the Segment companies that were part of the Group before the acquisition with the same reporting period last year, 39% sales revenue growth would be recorded.

Supply of new and used agricultural machinery, spare parts and service to the farmers

As every year, sales of agricultural machinery were mainly affected by harvest results, raw material prices and the availability of support. Due to drought-adjusted, more modest than expected harvest of 2021, as well as increasing prices of fertilizers, feed, fuel, energy and spare parts - the need for investment in agricultural machinery was also more critically assessed, with some agricultural companies or farmers slowing down their investments. In Lithuania, after a little delay in the new stage of EU support - equipment purchases were moved to the end of 2021 or beginning of 2022. In Latvia, support eligibility conditions generally remain unclear and undoubtedly make it difficult to make decisions to purchase equipment. Due to non-withdrawal of part of the European Union funds for 2014-2020 package, support phase was extended for Estonian farms, that can still apply to the Agricultural Registers and Information Board for direct subsidies for agricultural machinery. Accordingly, the implementation of possible investments in Estonia has shifted - possibly to August - September of 2022 or possibly even to spring of 2023. Sales were also hampered due to increased production prices by the equipment manufacturers responding to the continuing rise in material prices, difficulties were as well caused by the late delivery times, requiring additional time to service the orders. Accordingly, with the tractor market still growing significantly during the reporting period, the market share of the Group's companies decreased by 5% down to 14%. As farms gradually plan to reduce their arable land area (market reaction to the European Commission's Communication on the European 'Green Deal'), plow sales fell sharply, historically averaging around 7% of the Group's total income of machinery sold in the Baltics (financial years 2019/2020, 2020/2021).

Compared to the same reporting period last year, sales of new and used agricultural machinery decreased by 11% and amounted to EUR 12 million. The work of the previous year, the sales of equipment previously ordered but arriving late, and the sale of kept stock in the warehouse helped to achieve still good results in the first quarter of the financial year; In Latvia and Estonia, the sale of used equipment was extremely smooth and profitable, and the stock of this type of inventories decreased.

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

Revenue from the sale of spare parts and service category decreased by 2% in the first quarter of the financial year, compared to the same period last year. This was mainly due to lower sales of feed packaging materials, delivery delays and rising service costs due to increasing material prices. Still, lower volumes did not mean lower profitability. Lithuania was dominated by sales of original 'Case' parts, which grew by 33% compared to the same reporting period last year. In Latvia, the pre-seasonal harvesters check-up campaign has been perfectly implemented, which will ensure the need of the service throughout the winter according to the current number of orders.

Software development

For almost four years intensively preparing for the kickoff, the start-up GeoFace, acquired by the Group last summer, initiated the launch of the intelligent farming system 'GeoFace' in Lithuania and Latvia in January 2021. The product currently has the following main functions: crop fertilization and spray mapping, management of farm's finances, forecasting of the harvest. At least until 2021 it was planned to provide the service to farmers free of charge, further improving the tool according to the needs of farmers, therefore no income was earned in this category during the reporting period.

Installation of grain cleaning, drying and storage facilities, and livestock farms

As farms make decisions to invest in grain equipment, it seems that arguments have balanced at the high prices of crop production and more modest than expected harvest in 2021. In the first quarter of the financial year 2021/2022, growing interest in the category was felt, however a number of spring-summer (2021) projects had to be completed during this period, explaining slightly lower sales of grain storage equipment income compared to the same reporting period last year. The implementation of the new facilities is scheduled for the second quarter of the current financial year.

According to the Group's knowledge, a total of almost EUR 70 million is proposed for investment in the dairy sector from the EU's Economic Recovery Plan (EURI) and Rural Development Program (RDP) in 2021/2022, substantial max. support amounts per project and high support intensities are offered. It is expected that this will not only increase the viability and competitiveness of farms, but also will encourage farms to invest, innovate and promote farm technologies (robotic milking, feeding, etc.). Applications for support for both smaller and larger farms are accepted during the second quarter of the Group's financial year, so the first quarter was dedicated to the active presentation of the Group's farm equipment, meetings, projects, calculations to submit applications for the autumn call.

In total, EUR 1.2 million received from grain and farm equipment installation projects, or 9% more than the income in the previous year.

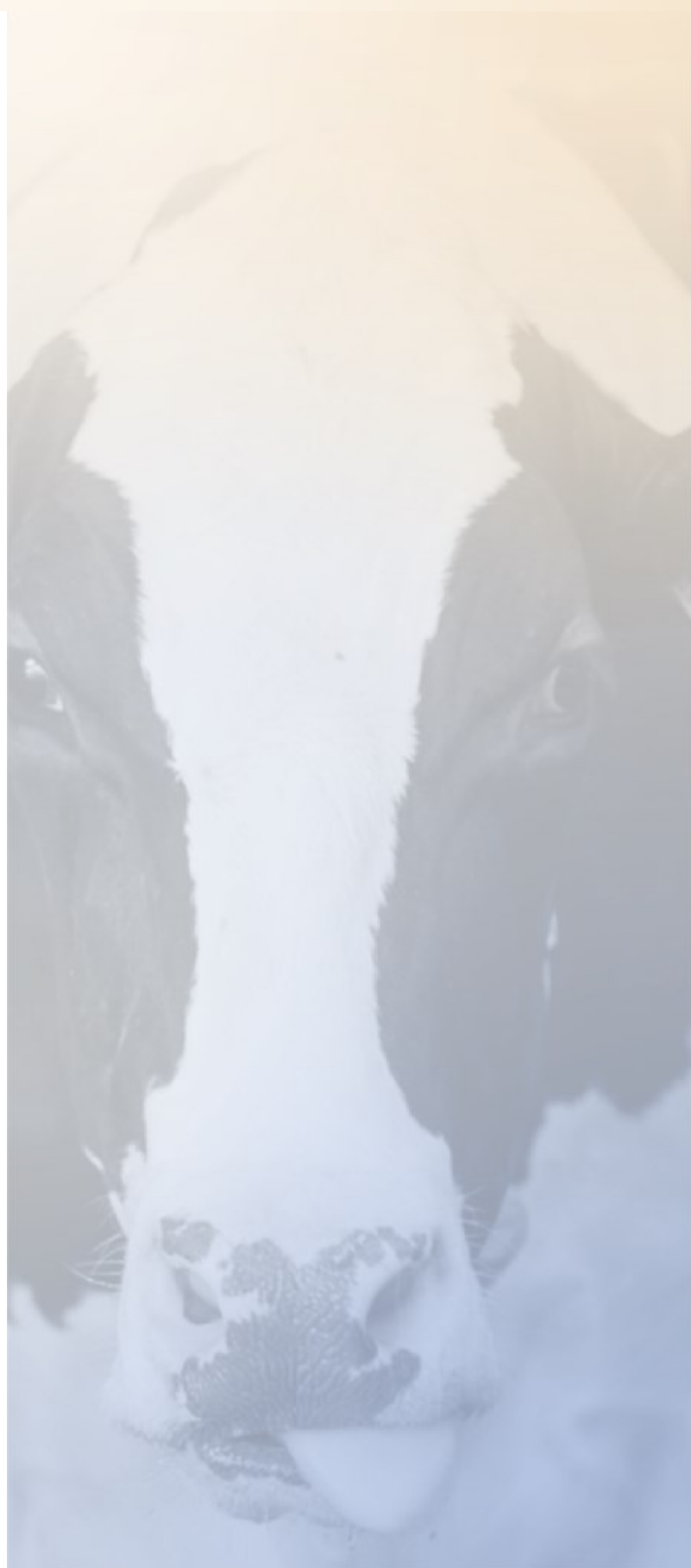
Total operating Segment revenue grew by 92% up to EUR 92 million; operating profit was 282% higher and amounted to almost EUR 8 million.

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, 18% sales revenue growth and 98% 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 (Q1 of FY 2021/2022)	3%
Land in total: cultivated / owned at the end of the reporting period	18,300 ha / 5,897 ha

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

During the reporting period, the operating companies of the Segment harvested 77 thousand tons of crop production, 24 thousand tons of this production were sold (that is 21% and 23% less 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 58% of Group's crop yields. In the first quarter of the financial year 2021/2022, average grain sales prices remained high. Respectively, 6% increase in crop income compared to the same period last financial year reflects a higher average price of marketed production, offsetting lower production volumes. However, increasing prices of fertilizers and other components continue to raise reasonable doubts as to whether the profitability of the previous financial year 2020/2021 can be maintained in the financial year 2021/2022.

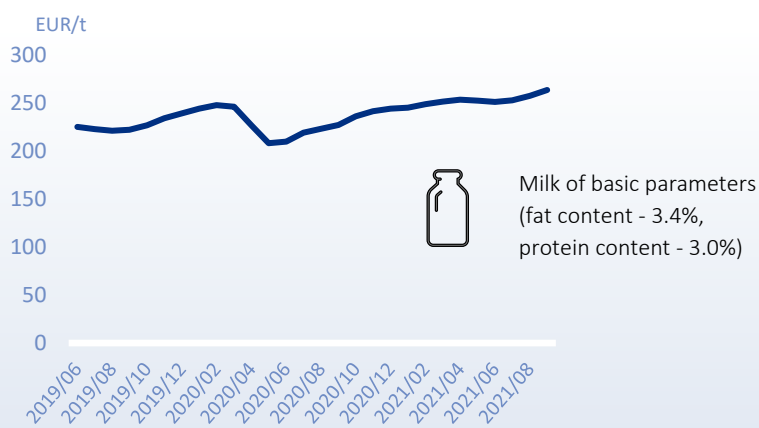
On the last day of the reporting period, the Group's agricultural companies have sown more than 10 thousand hectares of arable land for the harvest of the year 2022, crop quality was assessed as good or very good.

Production of milk and beef cattle farming

In the first quarter of the financial year 2021/2022, the milk production activities of the Group companies remained stably profitable. Compared to the same period last year, number of dairy cows at the end of the reporting period in the Segment companies was 2% smaller (3,174 dairy cows), explaining the difference with the fact, that within the comparative period Kėdainiai District ŽŪB Nemunas dairy farm was still active, fully closed by the beginning of winter in 2021. The lower number of cows and the exhausting summer heat led to the lower volumes of milk produced (8% less than in the same period last year), however, the excellent composition of milk and still rising purchase prices of raw milk allowed to record as much as 11% growth in milk sales revenue.

Purchase prices for basic parameters milk in Lithuania

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



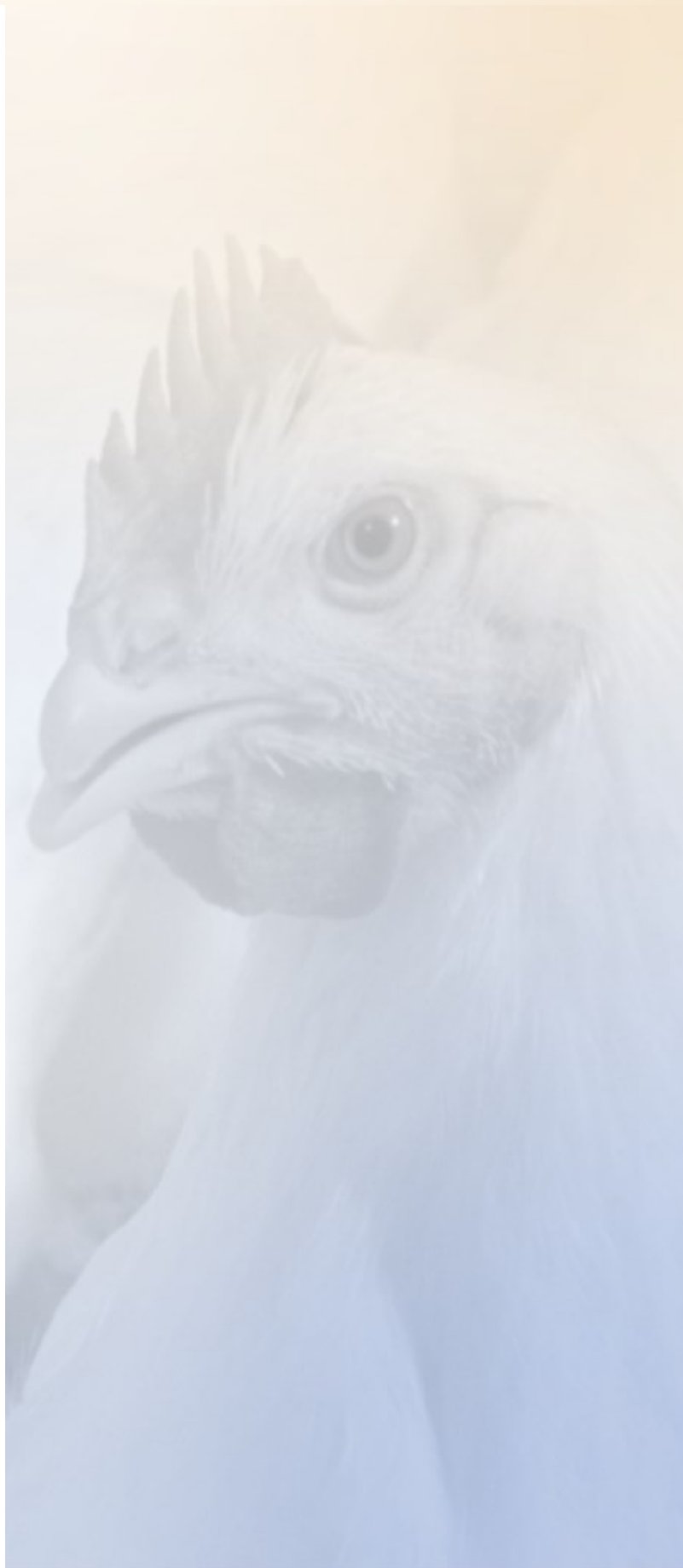
In the awards "Pienės 2021", held after the end of the reporting period, Šakiai district Lukšių agricultural company was recognized as the most efficient, milking the most milk from a cow - on average 12 417 kg per year, Sidabravo agricultural company - the second most efficient (12 029 kg per year).

During the reporting period, 31% less live cattle meat was grown compared to the same period in previous year, revenue from meat sales also fell by 31%.

Thanks to high crop production and dairy prices, the revenue of the operating Segment increased by 4.9% during the reporting period, accounting for EUR 11.3 million. However, the inflationary sentiment has shifted to the cost line as well and contributed to the increase in the operating losses; the latter amounted to EUR 0.5 million compared to EUR 0.4 million operating loss in same period of previous year.

Food Products

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



Start of operation	2013
Activity and operating companies	<p>This business Segment includes:</p> <ul style="list-style-type: none"> - whole cycle poultry business: <ul style="list-style-type: none"> incubation of hatching eggs (AS Putnu Fabrika Kekava, SIA Cerova, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas) broiler breeding (AS Putnu Fabrika Kekava, SIA Lielzeltini, SIA Broileks, UAB Alesninkų Paukštynas, UAB Domantonių Paukštynas, UAB Lietbro, AB Zelvė, UAB Avocete) production of poultry and its products (AS Putnu Fabrika Kekava, SIA Lielzeltini, AB Vilniaus Paukštynas, AB Kaišiadorių Paukštynas) feed manufacturing for self-supply (SIA Lielzeltini) retail sale of chicken meat and its products (SIA PFK Trader) - production and wholesale of flour and flour mixes, instant foods (AB Kauno Grūdai); production and wholesale breadcrumbs and breeding mixes (UAB Šlaituva) - provision of logistics, consulting and management services (UAB VKP Valdymas, UAB KP Valda, UAB VP Valda, UAB KG Distribution, UAB KG Logistika)
Share of revenue in Group's portfolio (Q1 of FY 2021/2022)	18%
Owned trademarks and production markings	<p>'Kekava' 'Bauska' 'Top choice poultry' (export markets outside the Baltic States) 'Granfågel' (export markets in Scandinavia) 'Kaišiadorių paukštynas' 'Vilniaus Paukštynas' 'Dos pollos' (export markets) 'Nordichicken' (export markets) 'Kauno Grūdai' 'Activus' 'Sun Yan' 'City taste' 'Raised without Antibiotics'</p>
Retail chain outlets at the end of the reporting period	<p>22 retail shops all over Latvia (The subsidiary of AS Putnu Fabrika Kekava - SIA PFK Trader)</p>
Certificates	<p>AS Putnu Fabrika Kekava has AA grade BRC (British Retail Consortium) accreditation, is Halal certified, also has ISO 50001:2012 and ISO 22000:200 certification. The company's bacteriological and virological testing laboratory has been accredited in accordance with the requirements of the Standard ISO / IEC 17025: 2017. SIA Lielzeltini has ISO 22000:2006 and ISO 50001:2012 certifications, also is Halal certified.</p> <p>AB Vilniaus Paukštynas and AB Kaišiadorių Paukštynas are the holders of "Halal" certificates, BRC accreditation, certificates confirming compliance with ISO 22000 standards; AB Vilniaus Paukštynas also holds IFS (International Featured Standards) certificate.</p> <p>AB Kauno Grūdai, UAB Šlaituva has AA grade BRC and "Halal" certificates; AB Kauno Grūdai holds RSPO SG palm oil supply chain traceability certificates, also certificate issued by ISCC.</p>

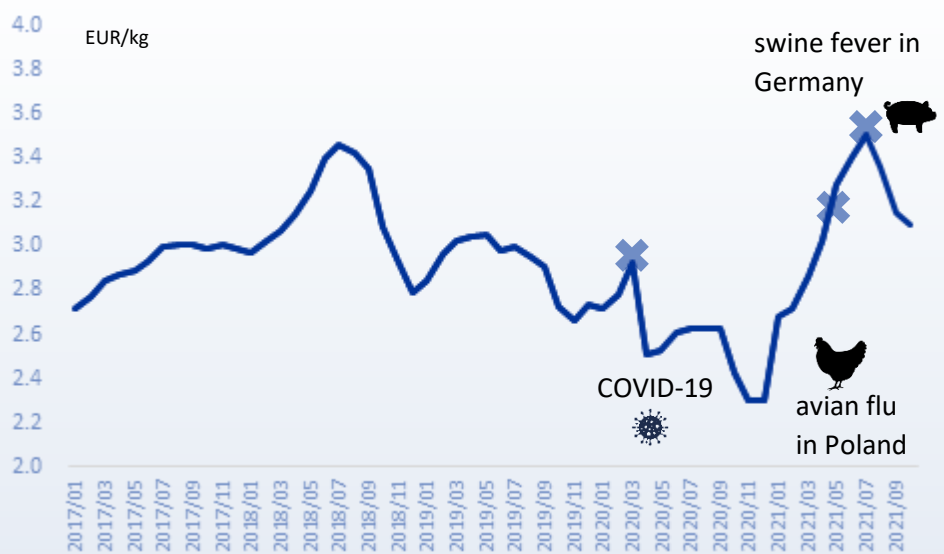
Poultry business

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

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

With poultry prices in Europe starting to rise from their lowest point in recent years at the beginning of the year 2021, the Group's companies have finally captured the long - awaited rise in prices in the end of the 2020/2021 financial year. This was influenced by several factors. After some market players suspended operations or reduced production owing to difficult market conditions, meanwhile easing the restrictions on the COVID -19 pandemic during the summer and resuming orders in the HORECA sector have alleviated price pressure from overcapacity in Europe; the effect of declining output on prices became even more pronounced in the spring of 2021 with the outbreak of avian influenza in Poland, one of the main poultry exporting countries (producing about 20% of EU poultry meat), however with gradually rebounded poultry production in Poland, the influence of the effect began to play out. Additional stressors have occurred in summer 2021, when African swine fever (ASF) case was officially confirmed in Germany, which meant serious export restrictions outside the borders of the EU (restrictions were declared by important German pork importer – China), as well as pressure to price of poultry, as an important substitute of pork. Thus poultry

Fresh fillet meat price dynamics in Poland



Data: The Ministry of Agriculture and Rural Development

prices, which began rebounding in spring 2021, remain highly volatile. According to Polish Ministry of Agriculture and Rural Development, the average price of fresh chicken fillet, most profitable poultry product, in the beginning of 2021-2022 period not only caught up but also exceeded average price level of comparable period in 2019-2020, however, in July 2021 the prices started to decrease.

Apart from volatility in prices, the Group's companies operating in poultry business, were continuously affected by ongoing price increase of raw materials used for chicken feed, such as maize, wheat, soybeans, oil, as well as by increase of salaries, packaging, utilities and fuel costs. Due to aforementioned reasons restoring profitability remains a challenge during current financial year.

During the reporting period, Segment companies produced 32 thousand tons of live weight poultry meat, sold 27 thousand tons of poultry and its products; that is 184% and 240% increase over a comparable period a year before, related with acquisition transaction finalized by AB Linas Agro Group on 15th of July, 2021. Mainly due to the same reason, sales for the reporting period reached EUR 60 million and were 250% higher compared to the same period in previous year. It needs to be emphasized, that comparing results for the reporting period of poultry companies which were part of the Group before the acquisition transaction, 5% decrease in sold poultry and its products quantity and 16% increase in revenue from sales of these products were recorded.

Flour and its mixtures, instant food products, breadcrumbs and breeding mixes production business

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

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

During the reporting period the Group's companies produced 19 thousand tons of flour, flour mixtures and breadcrumbs, 14 thousand tons of this production sold and earned EUR 4.7 million in revenue; compared to the result of KG Group companies (that were not yet part of the Group in the previous financial year), that is 8%, 6% and 6% increase over a comparable period last year. Sufficient quantity of grain in the warehouses helped to maintain high sales quantity and profitability levels of flour and flour mixtures in the environment of high raw material prices. Low grain and flour prices in Russia decreased competitiveness of exported breadcrumbs to this market (political and economic restrictions), thus profitability was maintained in local and new markets (Saudi Arabia and UAE).

During the reporting period Group's companies have also produced 47 million instant food (IF) product units – porridge and noodle cups, packages and boxes; 46 million units of these products were sold and EUR 12 million in sales were generated; compared to the result of KG Group companies (that were not yet part of the Group in the previous financial year), that is 14%, 16% and 11% lower quantities than in comparable period a year before. 98% of IF production is exported to European markets with various quarantine restrictions and individual job organization solutions being not the same - though rather more restrictive in the summer of 2020, giving positive effect for the larger consumption of instant foods products. Worse results were achieved not only due to high comparable basis of the previous period, but also due to interferences of quarantine restrictions to the production and supply, which meant delays in the satisfying the needs of the demand. Operation was further complicated by continuous raw materials and packaging price increases.

During the reporting period construction works were continued in Kėdainiai, where new warehouse is being built since 2020. Warehousing space currently possessed was not sufficient and not compatible with maximum production capacity of instant noodle foods production plant, thus outsourced warehousing services were used. Construction of new warehouse is scheduled to be completed in the second half of 2022, integrating 2,500 sq. m. additional warehousing space, while after completing complex investments into the production factory itself, production capacity is expected to increase up to 136 million production units per year.

Revenue of Food products segment for the reporting period increased by 358% and amounted to EUR 79 million. Operating profit reached EUR 3.2 million comparing with EUR 0.2 million for the same period a year earlier.

It needs to be emphasized, that comparing results for the reporting period of solely the companies operated in the Food products segment before the acquisition transaction, 5% decrease in sold food products quantity, 18 % increase in revenue from sales of these products and 501% decrease in operating profit would have been recorded.



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 (Q1 of FY 2021/2022)	2%
Own trademarks	Pet food brands 'Quattro', 'Canis', 'LaMurr', 'Aport'
Production facilities at the end of the reporting period	Own plant of extruded products in Alytus
Certificates	<p>OOO VitOMEK is licensed to perform pharmaceutical activities.</p> <p>AB Kauno Grūdai and OOO KLM have pharmaceutical licenses for wholesale distribution.</p>

In the Other Activities business Segment, largest share of sales was generated by the wholesale and retail sale of worldwide well-known producers veterinary pharmacy products in Baltics, Belarus and Russia, as well as by providing professional veterinary consultation services to Lithuanian farmers, and owners of veterinary clinics and pharmacies. During the reporting period, sales of pharmacy products for the pets were fueled by their growing number and increasing money spent per pet. In the overall shortage environment, strong results meeting the demand of Baltic clients were achieved thanks to sufficient balance of inventories, in Russia – new contracts were concluded with suppliers, expanding the sales portfolio and in general exploiting worsened epizootic situation in the Federation’s territory; in Belarus at the same time issues were caused by interferences in deliveries from the main supplier, which significantly limited the sales capacity.

The Group produces pet food in its own production facilities of extruded products in Alytus. Despite the fact that during the reporting period demand for dog feed remained stable and Group achieved its quantity goals, profitability of this business was affected by significant increase in raw materials prices – namely for grain, as well as for animal protein and fats.

Operations of the Group’s companies engaged in pests control services and sale of hygiene products do not comprise significant part of revenue. Prophylactical and interventional measures are offered, aimed towards ensuring compliance with food safety requirements, also chemicals for both – professional use and daily cleaning of household premises are sold. During the reporting period, revenue has increased, however with the cost of goods and services growing (biocidal products, animal traps, inventory and etc.) and competitive environment tightening in local market (new companies obtain licenses to render fumigation services during the pandemic), additional pressure was added to the profitability in fumigation sector.

Revenue of the operating Segment covering above mentioned and other less material activities during this reporting period amounted to EUR 9 million, operating profit was EUR 2.4 million.



The Publicly Disclosed Information and Other Events of the Reporting Period

The Publicly Disclosed Information

During the reporting period ended 30 September 2021, the Company publicly disclosed and distributed via Nasdaq Vilnius Exchange Globenewswire system and in Company's website www.linasagroup.lt the following information:

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

9/9/2021	The Company acquired 50% shares of KGKhumex B.V.
6/9/2021	AB Linas Agro entered into a credit agreement with Credit Europe Bank N.V. for a 30 milion EUR 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 1,500,000 euros.
9/7/2021	Authorized capital of Linas Agro OU increased by 150,000 euros.

Subsequent Events

29/11/2021	Authorized capital of UAB KG Mažmena was increased by 2,100,034.40 euros.
23/11/2021	Authorized capital of TOV Linas Agro Ukraina was increased by 84,195.66 euros.
22/11/2021	Change of the Company's registered office, new office is registered at Subačiaus St. 5, Vilnius, Republic of Lithuania.
22/11/2021	A new wording of the Articles of Association of the Company was registered in the Register of Legal Entities – the authorised capital of the Company was increases by EUR 421,660, issuing 1,454,000 new ordinary registered shares of the Company. The newly issued shares were subscribed by the employees and/or members of the corporate bodies of the Company who have concluded the Share Option Agreement of the Company in 2018 and accordingly in 2021 have submitted notice to the Company regarding the use of the option. The New Shares are granted free of charge and they are paid by the Company from the reserve set up by the Company for shares issue.
18/10/2021	After cancellation of the reorganization, the status Under reorganization of UAB Karčemos Bendrovė and UAB KUPIŠKIO GRŪDAI and the status Participating in the reorganization of UAB Linas Agro Grūdų Centrai were deregistered in the Register of Legal Entities.
1/10/2021	The sole shareholder of UAB GeoFace decided to increase its authorized capital by EUR 706,000.00 and revoked the shareholder's pre-emptive right to acquire the newly issued shares, granting the right to acquire them to the joint-stock company Linas Agro. After the increase of the authorized capital of UAB GeoFace, its shareholders will be UAB Dotnuva Baltic and AB Linas Agro, each control 50% shares.

AB Linas Agro Group Share Price and Turnover

Information on changes in the prices of Company's shares and turnover from 1/7/2016 until the end of the reporting period, i. e. 30 September 2021, is presented in the following diagram:

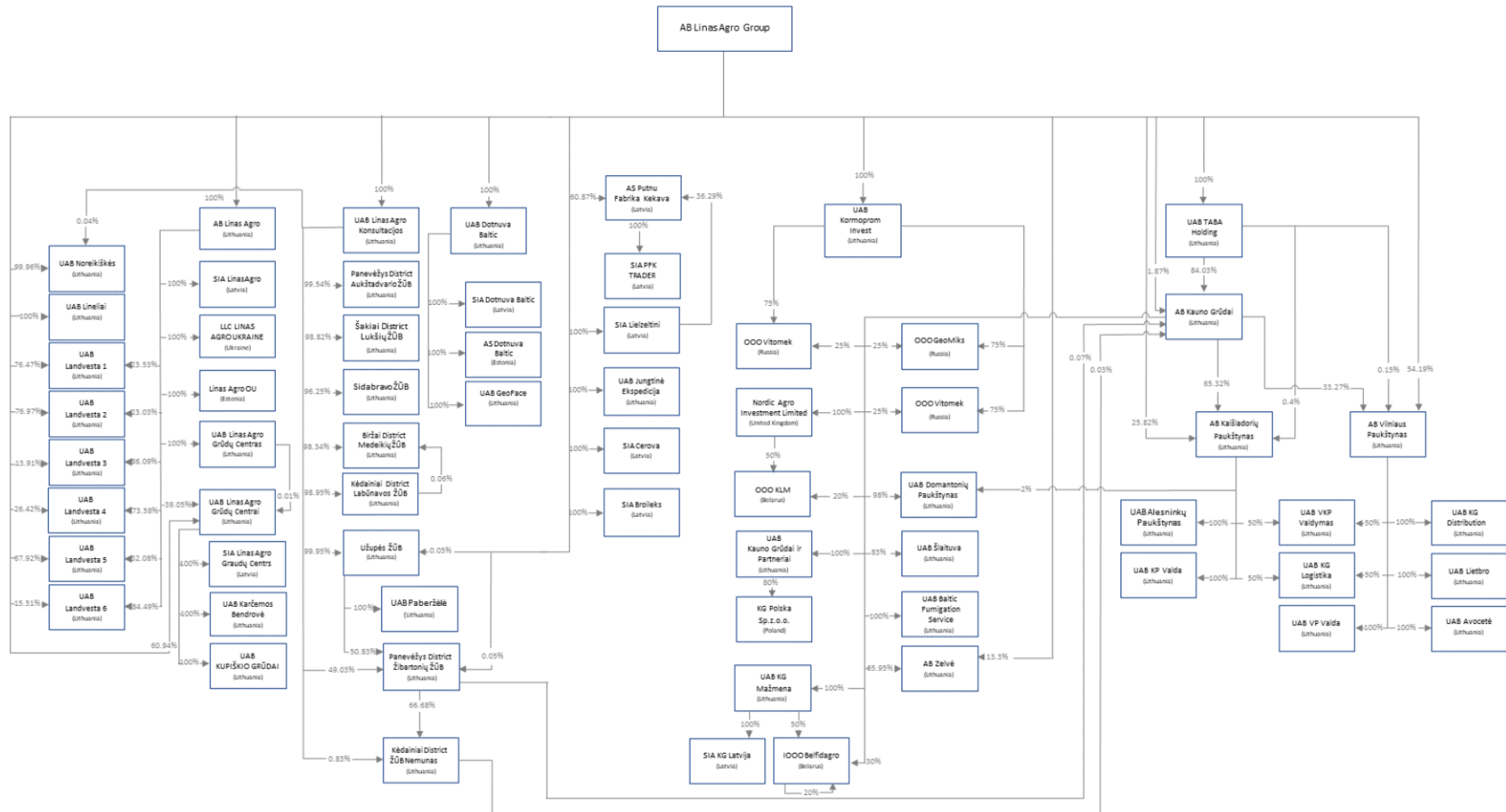


Information on the fluctuations of the Company's share price and OMX Baltic Benchmark GI (OMXBBGI) and OMX Baltic Vilnius GI (OMXVGI) indices from 1/1/2020 until the end of the reporting period, i. e. 30 September 2021, is presented in the following diagram:



Subsidiaries of AB Linas Agro Group *

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





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AB Linas Agro Group Consolidated unaudited Financial Statements

for the Three-month Period of The Financial Year 2021/22

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

Consolidated Statement of Financial Position

	Notes	As at 30 September 2021	As at 30 June 2021
ASSETS			
Non-current assets			
Intangible assets	5	3,021	2,170
Property, plant and equipment	6	173,459	128,497
Investment property	8	784	619
Right-of-use assets	7	23,047	22,553
Animals and livestock		12,325	8,789
Non-current financial assets			
Investment in associates and joint ventures		237	–
Other investments		36	34
Prepayments for financial assets		–	2,000
Non-current receivables		485	720
Non-current receivables from related parties	14	750	–
Total non-current financial assets		1,508	2,754
Non-current prepayments		1,241	1,241
Deferred income tax asset		7,968	2,848
Total non-current assets		223,353	169,471
Current assets			
Crops		6,212	19,911
Livestock		5,984	2,394
Inventories		328,794	89,292
Current prepayments		10,586	5,957
Accounts receivable			
Trade receivables		187,169	104,710
Receivables from related parties	14	5,942	41
Income tax receivable		241	1
Other accounts receivable and contract assets		26,113	9,739
Total accounts receivable		219,465	114,491
Derivative financial instruments		–	3
Other current financial assets		4,189	1,597
Cash and cash equivalents		16,962	18,007
Total current assets		592,192	251,652
Total assets		815,545	421,123

(cont'd on the next page)

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

Consolidated Statement of Financial Position (cont'd)

	Notes	As at 30 September 2021	As at 30 June 2021
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	46,093	46,093
Share premium	1	23,038	23,038
Legal and other reserves		6,146	6,146
Own shares		(445)	(445)
Foreign currency translation reserve		307	(14)
Retained earnings		129,661	119,333
Total equity attributable to equity holders of the parent		204,800	194,151
Non-controlling interest		14,100	2,070
Total equity		218,900	196,221
Liabilities			
Non-current liabilities			
Grants and subsidies		8,843	6,372
Non-current borrowings	9	72,938	13,056
Non-current trade payables		602	601
Lease liabilities	10	27,935	27,148
Deferred income tax liability		1,338	1,029
Non-current employee benefits		528	776
Other non-current liabilities		2,440	1,055
Total non-current liabilities		114,624	50,037
Current liabilities			
Current portion of non-current borrowings	9	21,543	17,119
Current portion of lease liabilities	10	6,121	5,553
Current borrowings	9, 14	199,403	63,115
Trade payables		192,060	63,707
Payables to related parties	14	309	232
Income tax payable		2,224	452
Derivative financial instruments		12,728	34
Contract liability		3,913	2,070
Other current liabilities		43,720	22,583
Total current liabilities		482,021	174,865
Total equity and liabilities		815,545	421,123

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

Consolidated Statement of Comprehensive Income

(for the period 1 July to 30 September)

	Notes	2021/2022 3 month	2020/2021 3 month
Sales	4	439,961	239,326
Cost of sales		(402,366)	(226,150)
Gross profit		37,595	13,176
Operating (expenses)	11	(23,984)	(8,397)
Other income	12	2,998	1,220
Other (expenses)	12	(2,178)	(1,072)
Operating profit		14,431	4,927
Income from financing activities		469	418
(Expenses) from financing activities		(2,135)	(883)
Share of profit of associates and joint ventures		37	–
Profit before tax		12,802	4,462
Income tax		(1,249)	(601)
Net profit		11,553	3,861
Net profit attributable to:			
Equity holders of the parent		10,328	3,904
Non-controlling interest		1,225	(43)
		11,553	3,861
Basic and diluted earnings per share (EUR)		0.07	0.03
Net profit		11,553	3,861
Other comprehensive income			
Exchange differences on translation of foreign operations		350	(8)
Total other comprehensive income, to be reclassified to profit or loss in subsequent periods		350	(8)
Total comprehensive income, after tax		11,903	3,853
Total comprehensive income attributable to:			
The shareholders of the Company		10,649	3,896
Non-controlling interest		1,254	(43)
		11,903	3,853

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

Consolidated Statement of Changes in Equity

Notes	Equity attributable to equity holders of the parent								Non-controlling interest	Total
	Share capital	Own shares	Share premium	Legal reserve and other reserve	Reserve for own shares	Foreign currency translation reserve	Retained earnings	Subtotal		
Balance as at 1 July 2020	46,093	(446)	23,038	5,153	–	(10)	105,122	178,950	2,252	181,202
Net profit for the year	–	–	–	–	–	–	3,904	3,904	(43)	3,861
Exchange differences on translation of foreign operations	–	–	–	–	–	(8)	–	(8)	–	(8)
Total comprehensive income	–	–	–	–	–	(8)	3,904	3,896	(43)	3,853
Acquisition of minority interest	–	–	–	–	–	–	107	107	(193)	(86)
Balance as at 30 September 2020	46,093	(446)	23,038	5,153	–	(18)	109,133	182,953	2,016	184,969
Balance as at 1 July 2021	46,093	(445)	23,038	6,146	–	(14)	119,333	194,151	2,070	196,221
Net profit for the year	–	–	–	–	–	–	10,328	10,328	1,225	11,553
Exchange differences on translation of foreign operations	–	–	–	–	–	321	–	321	29	350
Total comprehensive income	–	–	–	–	–	321	10,328	10,649	1,254	11,903
Minority interest arising on acquisition of subsidiaries	–	–	–	–	–	–	–	–	10,776	10,776
Balance as at 30 September 2021	46,093	(445)	23,038	6,146	–	307	129,661	204,800	14,100	218,900

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

Consolidated Cash Flow Statement

	Notes	2021/2022 3 month	2020/2021 3 month
Cash flows from (to) operating activities			
Net profit		11,553	3,861
Adjustments for non-cash items:			
Depreciation and amortisation		8,698	3,684
Subsidies amortisation		(250)	(134)
(Gain) on disposal of property, plant and equipment		(106)	(128)
Change in allowance and write-offs for receivables and prepayments		236	(12)
Inventories write down to net realisable value		(368)	(193)
Change of provision for onerous contracts		–	(4)
Change in contract assets and accrued expenses		(1,282)	(1,442)
Change in fair value of biological assets		(213)	217
Change in deferred income tax		(360)	(152)
Current income tax expenses		1,609	753
(Income) expenses from change in fair value of financial instruments		(3,220)	1,073
Share of profit of an associates and a joint ventures		(37)	–
Interest (income)		(469)	(418)
Interest expenses		2,135	883
		17,926	7,988
Changes in working capital:			
Decrease in biological assets		12,848	13,885
(Increase) decrease in inventories		(143,450)	(75,804)
(Increase) decrease in prepayments		(242)	924
Decrease (increase) in trade and other accounts receivable		36,035	(171)
(Increase) in restricted cash		(2,580)	(600)
Increase in trade and other accounts payable		18,560	30,152
Income tax (paid)		(736)	(7)
Net cash flows from (to) operating activities		(61,639)	(23,633)

(cont'd on the next page)

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

Consolidated Cash Flow Statement (cont'd)

	Notes	2021/2022 3 month	2020/2021 3 month
Cash flows from (to) investing activities			
(Acquisition) of intangible assets, property, plant and equipment and investment property		(3,491)	(4,108)
Proceeds from sale of intangible assets, property, plant and equipment and investment property		920	310
Acquisition of subsidiaries		(62,770)	(138)
Acquisition of associates and joint ventures		(200)	–
Loans (granted)		(33)	(438)
Repayment of granted loans		145	139
Interest received		469	417
Net cash flows from (to) investing activities		(64,960)	(3,818)
Cash flows from (to) financing activities			
Proceeds from loans		165,163	52,814
(Repayment) of loans		(36,113)	(23,653)
Lease (payments)		(2,116)	(1,169)
Interest (paid)		(2,135)	(862)
Subsidies received		127	169
(Acquisition) of non-controlling interest		–	(86)
Net cash flows from (to) financing activities		124,926	27,213
Net (decrease) increase in cash and cash equivalents		(1,673)	(238)
Foreign exchange difference		628	–
Cash and cash equivalents at the beginning of the year		18,007	9,539
Cash and cash equivalents at the end of the year		16,962	9,301
Supplemental information of cash flows:			
Non-cash investing activity:			
Property, plant and equipment acquisitions financed by grants and subsidies		127	169
Property, plant and equipment acquisitions financed by finance lease		406	476
Payables outstanding for acquisition of subsidiaries		2,879	–

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

Notes to the Financial Statements

1. General Information

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

The address of its registered office is as follows: Subačiaus St. 5, LT- 01302 Vilnius, Lithuania.

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

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

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

	As at 30 September 2021		As at 30 June 2021	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	109,909,167	69.15 %	109,909,167	69.15 %
Darius Zubas	17,049,995	10.73 %	17,049,995	10.73 %
UAB INVL Asset Management	8,970,149	5.64 %	9,087,369	5.72 %
Other shareholders (private and institutional investors)	23,011,087	14.48 %	22,893,867	14.40 %
Total	158,940,398	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 September 2021 (EUR 0.29 each as at 30 June 2021) and were fully paid as at 30 September 2021 and as at 30 June 2021.

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

All of the Company's 158,940,398 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 September 2021 the number of employees of the Group was 5,531 (2,166 as at 30 June 2021).

No changes in share capital occurred during the years ending 30 September 2021 and 30 June 2021.

2. Accounting Principles

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

3.Group Structure and Changes in the Group

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

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

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

	Place of registration	Effective share stock held by the Group		Main activities
		30 September 2021	30 June 2021	
UAB Karčemos Bendrovė	Lithuania	100%	100%	Preparation and warehousing of grains
SIA Linas Agro Graudu Centrs	Latvia	100%	100%	Preparation and warehousing of grains
UAB KUPIŠKIO GRŪDAI	Lithuania	100%	100%	Preparation and warehousing of grains
Kėdainiai district ŽŪB Nemunas	Lithuania	67.44%	67.44%	Mixed agricultural activities
UAB Kormoprom Invest	Lithuania	100%	–	Management services
UAB TABA Holding	Lithuania	100%	–	Management services
AB Kauno Grūdai	Lithuania	85.99%	–	Production and wholesale of flour and flour products, compound feed, extruded products, and instant foods; products and services for farming; wholesale of feed materials; fumigation, disinsection, disinfection and deratization services
UAB KG Group LT	Lithuania	85.99%	–	Dormant company
UAB Šlaituva	Lithuania	71.37%	–	Production and wholesale of breadcrumbs and breeding mixes
UAB Baltic Fumigation Service	Lithuania	85.99%	–	Fumigation services
AB Kauno Grūdai Labdaros ir Paramos Fondas	Lithuania	85.99%	–	Dormant company
UAB KG Mažmena	Lithuania	85.99%	–	Retail trade
AB Zelvė	Lithuania	70.01%	–	Broiler breeding
UAB Kauno Grūdai ir Partneriai	Lithuania	85.99%	–	Rent of real estate
AB Vilniaus Paukštynas	Lithuania	82.95%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB KG Distribution	Lithuania	82.95%	–	Consultation and and business management
UAB Lietbro	Lithuania	82.95%	–	Broiler breeding
UAB Avocetė	Lithuania	82.95%	–	Management services
UAB Gastroneta	Lithuania	82.95%	–	Dormant company
UAB VKP Valdymas	Lithuania	82.67%	–	Consultation and and business management
Cooperative Baltoji Plunksnelė	Lithuania	80.84%	–	Dormant company
AB Kaišiadorių Paukštynas	Lithuania	82.39%	–	Chicken raising for meat and eggs production, production of poultry and its products
UAB Domantonių Paukštynas	Lithuania	85.92%	–	Broiler breeding
UAB Kaišiadorių Paukštyno Mažmena	Lithuania	82.39%	–	Dormant company
UAB Uogintai	Lithuania	82.39%	–	Dormant company
UAB Kaišiadorių Skerdykla	Lithuania	82.39%	–	Dormant company
UAB Alesninkų Paukštynas	Lithuania	82.39%	–	Broiler breeding
UAB KG Logistika	Lithuania	82.67%	–	Freight transport services
UAB VP Valda	Lithuania	82.95%	–	Rent of real estate
UAB KP Valda	Lithuania	82.39%	–	Rent of real estate
SIA KG Latvija	Latvia	85.99%	–	Production and wholesale of compound feed, wholesale of feed materials and products for crop growing
KG Eesti OÜ	Estonia	85.99%	–	Dormant company
KG Polska Sp. zo.o.	Poland	68.79%	–	Wholesale of feed materials
Nordic Agro Investment Limited	United Kingdom	85.99%	–	Management services
I000 Belfidagro	Belarus	85.99%	–	Production and wholesale of premixes
000 KLM	Belarus	60.19%	–	Wholesale of products for crop growing, veterinary products, premixes and seeds for gardening
000 VitOMEK (entity code 1157746009398)	Russia	96.50%	–	Production of premixes
000 VitOMEK (entity code 1117746107291)	Russia	96.50%	–	Wholesale of premixes, compound feed and feed materials
000 Geomiks	Russia	96.50%	–	Rent of real estate

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

AS at 30 September 2021 Group had direct and indirect investments in these joint ventures and associates:

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

Changes in the Group during the 3 month period ended 30 September 2021

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

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

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

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

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 of 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:

Acquisition date for consolidation purposes	AB Kauno Grūdai group and related companies EUR'000 1 July 2021
Fair value	
Intangible assets	919
Property, plant and equipment	49,069
Investment property	215
Right-of-use assets	1,216
Poultry	2,470
Non-current receivables and other financial assets	754
Deferred income tax-asset	5,007
Total non-current assets	59,650
Poultry	3,540
Inventories	81,928
Prepayments	4,387
Trade receivables	136,082
Other accounts receivable and contract assets	3,701
Cash and cash equivalents	4,039
Total current assets	233,677
Total assets	293,327
Grants and subsidies	2,611
Lease liabilities	1,685
Non-current borrowings	19,488
Deferred income tax liabilities	499
Other non-current liabilities	599
Total non-current liabilities	24,882
Current portion of non-current borrowings	5,165
Current portion of lease liabilities	778
Current borrowings	46,489
Trade payables	112,282
Derivative financial instruments	2,076
Other current liabilities and contract liabilities	17,610
Total current liabilities	184,400
Total liabilities	209,282
Total identifiable net assets at fair value	84,045
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	68,809*
Other non-cash settlements	1,581
Contingent consideration	2,879
Less: cash acquired	(4,039)
Total purchase consideration, net of cash acquired	64,770

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

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

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
	31 July 2020
Acquisition date for consolidation purposes	
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. Segment 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 beat pulp, soyameal, vegetable oil, rapecake, 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.

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
Financial year ended 30 September 2021								
Revenue								
Third parties	258,056	89,467	5,794	78,638	8,006	–	–	439,961
Intersegment	14,596	2,678	5,473	400	1,104	–	(24,251) ¹⁾	–
Total revenue	272,652	92,145	11,267	79,038	9,110	–	(24,251)¹⁾	439,961
Results								
Operating expenses	(8,905)	(6,420)	(722)	(5,940)	(435)	(1 562)	–	(23,984)
Segment operating profit (loss)	2,959	7,837	(468)	3,220	2 393	(1 510)	–	14,431

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
Financial year ended 30 September 2020								
Revenue								
Third parties	171,558	45,662	4,820	17,273	13	–	–	239,326
Intersegment	177	2,249	5,923	–	–	–	(8,349) ¹⁾	–
Total revenue	171,735	47,911	10,743	17,273	13	–	(8,349)¹⁾	239,326
Results								
Operating expenses	(2,060)	(3,449)	(781)	(1,914)	–	(193)	–	(8,397)
Segment operating profit (loss)	3,320	2,052	(391)	164	(13)	(205)	–	4,927

1) Intersegment revenue is eliminated on consolidation.

4. Segment Information (cont'd)

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

Revenue from external customers	3 month period ended	
	30 September 2021	30 September 2020
Lithuania	141,607	56,559
Europe (except for Scandinavian countries, CIS and Lithuania)	167,550	106,156
Scandinavian countries	25,044	29,874
Asia	13,012	13,277
Africa	42,503	23,589
CIS	50,245	9,871
	439,961	239,326

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

Non-current assets	30 September 2021	30 September 2020
Lithuania	133,531	95,855
Latvia	62,751	61,204
Estonia	1,519	874
Russia	2,458	–
Belarus	39	–
Ukraine	13	16
	200,311	157,949

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

5. Intangible Assets

	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 subsidiary	–	212	3	215
Write-offs	–	(17)	–	(17)
Balance as at 30 June 2021	1,580	680	1,974	4,234
Acquisition of subsidiaries	704	215	–	919
Additions	74	100	–	174
Exchange differences	1	–	–	1
Balance as at 30 September 2021	2,359	995	1,974	5,328
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	141	102	–	243
Balance as at 30 September 2021	946	240	–	1,186
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 September 2021	–	–	1,121	1,121
Net book value as at 30 September 2021	1,413	775	853	3,021
Net book value as at 30 June 2021	775	542	853	2,170
Net book value as at 30 June 2020	914	141	850	1,905

6. Property, Plant and Equipment

	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and prepayments	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 stocks	–	–	3,692	–	–	–	3,692
Balance as at 30 June 2021	19,170	114,139	65,000	6,421	6,488	2,212	213,430
Acquisition of subsidiaries	8,075	20,287	16,265	1,522	1,298	1,622	49,069
Additions	428	186	753	485	153	1,721	3,726
Disposals and write-offs	–	(25)	(700)	(427)	(34)	–	(1,186)
Reclassifications	4	329	547	32	64	(976)	–
Exchange differences	19	87	18	14	2	2	142
Balance as at 30 September 2021	27,696	135,003	81,883	8,047	7,971	4,581	265,181
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	9	2,832	3,694	328	333	–	7,196
Disposals and write-offs	–	(14)	(327)	(53)	(15)	–	(409)
Exchange differences	–	1	–	1	–	–	2
Balance as at 30 September 2021	159	50,129	33,469	3,159	4,147	–	91,063
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
Charge for the year	–	–	–	–	–	–	–
Balance as at 30 September 2021	–	629	–	–	30	–	659
Net book value as at 30 September 2021	27,537	84,245	48,414	4,888	3,794	4,581	173,459
Net book value as at 30 June 2021	19,020	66,200	34,898	3,538	2,629	2,212	128,497
Net book value as at 30 June 2020	22,785	68,769	33,393	2,649	2,634	2,927	133,157

7. Right-of-use Assets

	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	–	499	–	717	1,216
Additions	362	61	476	144	1,043
Disposals and write-offs	(502)	–	–	(60)	(562)
Exchange differences	–	6	–	–	6
Balance as at 30 September 2021	21,071	3,163	2,661	4,150	31,045
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	564	155	311	281	1,311
Disposals and write-offs	(87)	–	–	(15)	(102)
Balance as at 30 September 2021	3,748	941	1,515	1,794	7,998
Net book value as at 30 September 2021	17,323	2,222	1,146	2,356	23,047
Net book value as at 30 June 2021	17,940	1,811	981	1,821	22,553
Net book value as at 30 June 2020	13,503	2,195	1,725	2,017	19,440

8. Investment Property

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

Cost:	Land	Buildings	Total
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
Disposals and write-offs	(24)	(14)	(38)
Balance as at 30 September 2021	598	255	853
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	–	12	12
Balance as at 30 September 2021	1	14	15
Impairment losses:			
Balance as at 30 June 2020	51	3	54
Balance as at 30 June 2021	51	3	54
Balance as at 30 September 2021	51	3	54
Net book value as at 30 September 2021	546	238	784
Net book value as at 30 June 2021	570	49	619
Net book value as at 30 June 2020	1,860	71	1,931

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

9. Borrowings

	As at 30 September 2021	As at 30 June 2021
Non-current borrowings		
Bank borrowings secured by the Group assets	72,938	13,056
	72,938	13,056
Current borrowings		
Current portion of non-current bank borrowings	21,543	17,119
Current bank borrowings secured by the Group assets	193,164	57,104
Current borrowings from the parent (Note 14)	6,000	6,000
Other current borrowings	239	11
	220,946	80,234
	293,884	93,290

Interest payable is normally settled monthly throughout the financial year.

As of 30 September 2021 AS Putnu Fabrika Kekava, SIA Lielzeltini and UAB Karčemos bendrovė have not fulfilled part of covenants under credit agreements with Swedbank AS and SEB bankas, AB. Borrowings amount of EUR 13,176 thousand is accounted as short-term financial liabilities as at 30 September 2021 (as at 30 June 2021 AS Putnu Fabrika Kekava amount accounted as short-term financial liabilities – EUR 11,340).

10. Lease liabilities

	As at 30 September 2021	As at 30 June 2021
Non-current		
Lease liabilities related to right-of-use assets	23,818	23,547
Lease liabilities related to other assets	4,117	3,601
	27,935	27,148
Current		
Lease liabilities related to right-of-use assets	4,470	4,209
Lease liabilities related to other assets	1,651	1,344
	6,121	5,553
	34,056	32,701

11. Operating Expenses

	2021/2022 3 month	2020/2021 3 month
Wages and salaries and social security	(11,092)	(5,293)
Consulting expenses	(1,710)	(167)
Depreciation and amortization	(1,136)	(479)
Other	(10,046)	(2,458)
	(23,984)	(8,397)

12. Other Income (Expenses)

Other income	2021/2022	2020/2021
	3 month	3 month
Grants received for agriculture activity	282	375
Grants for poultry activity, related with COVID 19	–	430
Gain from currency exchange	670	100
Rental income from investment property and property, plant and equipment	43	47
Gain from disposal of investment property and property, plant and equipment	136	133
Change in fair value of financial instruments	63	100
Other income	1,804	35
	2,998	1,220
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment	(110)	(52)
Loss from disposal of investment property and property, plant and equipment	(30)	–
Change in fair value of financial instruments	(12)	(878)
Loss from acquisition of subsidiaries (Note 3)	–	(105)
Other expenses	(2,026)	(37)
	(2,178)	(1,072)

13. Commitments and Contingencies

As at 30 September 2021 the Group is committed to purchase property, plant and equipment for the total amount of EUR 2,561 thousand (EUR 2,672 thousand as at 30 June 2021).

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

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

SIA Lielzeltini and AS Putnu Fabrika Kekava received grants from the European Union and Rural Support Service (Latvia) for poultry farm, feedstuffs production and storages upgrade. SIA Lielzeltini is committed not to discontinue broiler breeding, slaughtering and sale of products and compound feed production up to 2025, AS Putnu Fabrika Kekava – up to the end of 2023 and 2026. In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania and Latvia amounting to EUR 2,820 thousand as at 30 September 2021 (EUR 2,529 thousand as at 30 June 2021). Group has no plans to discontinue above mentioned operations.

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

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

14. Related Parties Transactions

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

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

Members of the board of the Company:

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

Subsidiaries: List provided in Note 3.

UAB Darius Zubas Holding (same ultimate controlling shareholder);
 Akola ApS group companies:
 Akola ApS (Denmark) (same ultimate controlling shareholder);
 UAB MESTILLA (same ultimate controlling shareholder).

UAB „PICUKĖ“ - 100% of shares are owned by UAB Darius Zubas holding.
 UAB „Palūšės turas“ - 100% of shares are owned by UAB „PICUKĖ“.
 AB Ignitis grupė (Andrius Pranckevičius is the Independent Member of Supervisory Board).
 UAB Baltic Fund Investments (Tomas Tumėnas is a director of this company).
 UAB EPSO-G from November 2019 (Tomas Tumėnas is the Independent Member of Board).
 UAB Limedika from March 2020 (Tomas Tumėnas is a finance director of this company).
 Kredito unija Saulėgraža from March 2020 (Tomas Tumėnas is the Member of Supervisory Board).
 UAB Nacionalinė Farmacijos Grupė from May 2020 (Tomas Tumėnas is a the Member of 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).

The Group's transactions with related parties in 3 month period ended 30 September 2021 were as follows:

2021/2022 1 Q

	Purchases	Sales	Trade receivables	Prepayments received	Non-current loans receivable	Payables	Current payable loans
Akola ApS group companies	77	9,339	157	2,438	–	309	6,000
Members of management board	–	–	–	–	–	–	–
KG Khumex B.V.	9	8,348	4,140	–	–	–	–
KG Khumex Coldstore B.V.	–	–	–	–	750	–	–
SIA NOVOBALTIC	18	2,862	1,645	–	–	–	–
Total	104	20,549	5,942	2,438	750	309	6,000

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

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

Terms and conditions of the financial assets and liabilities:

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

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

15. Subsequent Events

On 12 October 2021 the Group has received permission from the Lithuanian competition authorities to acquire commodity trading company UAB Agro Logistic Service.

On 29 October 2021 during the Annual General Meeting of the Company Shareholders, decision to increase Company's authorised capital by EUR 422 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 422 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.