

AB LINAS AGRO GROUP

CONSOLIDATED FINANCIAL STATEMENTS

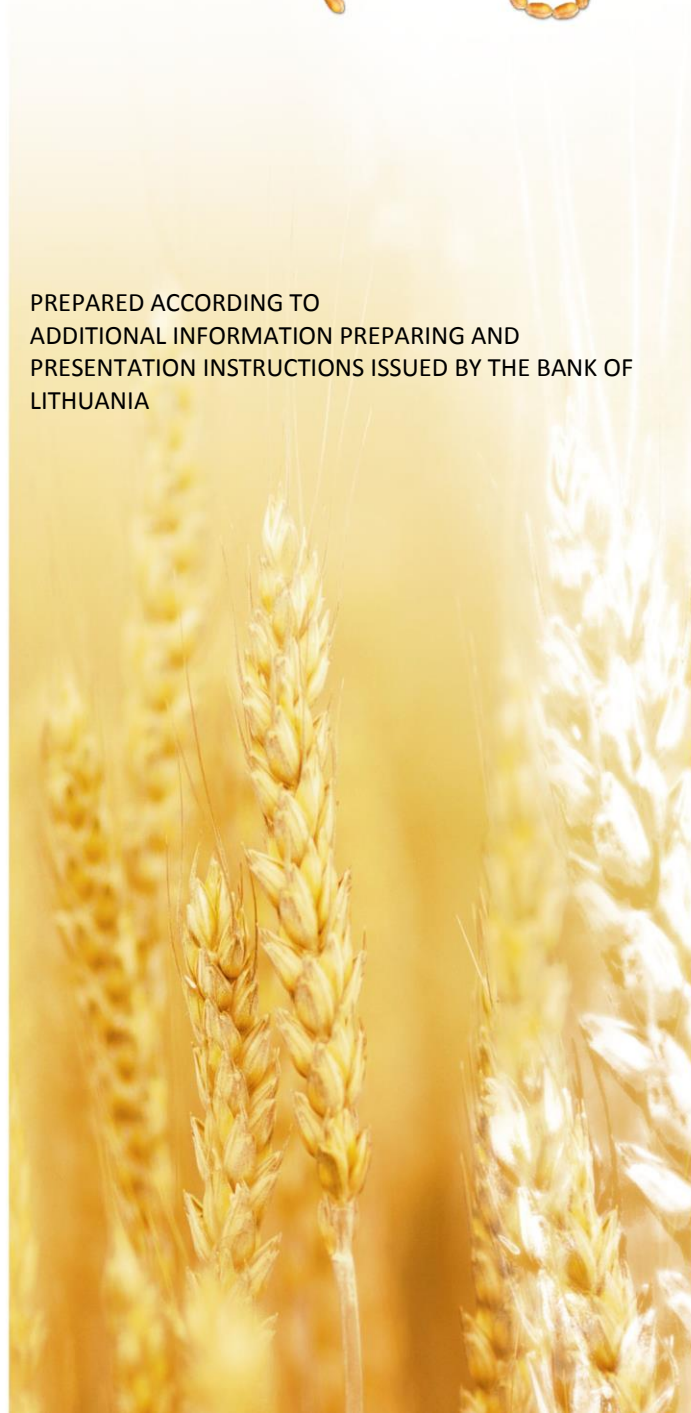
FOR THE 6 MONTH PERIOD

OF THE YEAR 2013/2014

(UNAUDITED)



PREPARED ACCORDING TO
ADDITIONAL INFORMATION PREPARING AND
PRESENTATION INSTRUCTIONS ISSUED BY THE BANK OF
LITHUANIA





CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As of 31 December 2013	As of 30 June 2013
ASSETS			
Non-current assets			
Intangible assets	5	1,191	1,002
Property, plant and equipment	6	305,949	196,203
Investment property	7	6,717	11,927
Animals and livestock		36,977	19,471
Non-current financial assets			
Other investments	8	320	9,106
Non-current receivables		2,707	3,233
Non-current receivables from related parties	13	2,596	2,540
Total non-current financial assets		5,623	14,879
Deferred income tax asset		5,041	5,845
Total non-current assets		361,498	249,327
Current assets			
Crops		10,282	40,946
Inventories		381,522	168,116
Prepayments		10,671	9,009
Accounts receivable			
Trade receivables		301,270	273,160
Receivables from related parties	13	3,701	15,515
Income tax receivable		545	336
Other accounts receivable		25,935	28,536
Total accounts receivable		331,451	317,547
Other current assets		7,385	2,202
Cash and cash equivalents		24,788	34,240
Total current assets		766,099	572,060
Total assets		1,127,597	821,387

(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 of 31 December 2013	As of 30 June 2013
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	158,940	158,940
Share premium	1	79,545	79,545
Legal reserve		8,148	7,851
Reserve for own shares		6,300	1,600
Own shares		(1,581)	(1,581)
Foreign currency translation reserve		(147)	(138)
Retained earnings		208,814	190,905
Total equity attributable to equity holders of the parent		460,019	437,122
Non-controlling interest		18,927	3,374
Total equity		478,946	440,496
Liabilities			
Non-current liabilities			
Grants and subsidies		21,631	14,360
Non-current borrowings	9	34,598	31,885
Finance lease obligations		7,239	5,390
Trade payables		11,711	648
Deferred income tax liability		4,876	2,341
Other non-current liabilities		628	584
Total non-current liabilities		80,683	55,208
Current liabilities			
Current portion of non-current borrowings	9, 13	20,877	19,935
Current portion of finance lease obligations		2,459	2,445
Current borrowings	9	420,421	146,634
Trade payables		77,299	96,053
Payables to related parties	13	5,146	3,201
Income tax payable		3,534	6,250
Derivative financial instruments		1,608	2,790
Other current liabilities		36,624	48,375
Total current liabilities		567,968	325,683
Total equity and liabilities		1,127,597	821,387

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



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(for the period 1 July to 31 December)

	Notes	2013/2014 6 month	2012/2013 6 month
Sales	4	1,002,350	1,122,922
Cost of sales		(945,023)	(1,034,121)
Gross profit		57,327	88,801
Operating (expenses)	10	(47,008)	(39,862)
Other income	11	31,268	29,015
Other (expenses)	11	(987)	(963)
Operating profit		40,600	76,991
Income from financing activities		1,332	786
(Expenses) from financing activities		(3,716)	(4,313)
Share of profit of associates		–	24
Share of profit of joint ventures		–	4,093
Profit before tax		38,216	77,581
Income tax		(2,629)	(9,036)
Net profit		35,587	68,545
Attributable to:			
Equity holders of the parent		28,213	68,229
Non-controlling interest		7,374	316
		35,587	68,545
Basic and diluted earnings per share (LTL)		0.23	0.43
Net profit		35,587	68,545
Other comprehensive income			
Exchange differences on translation of foreign operations		4	(38)
Total comprehensive income		35,591	68,507
Attributable to:			
Equity holders of the parent		28,204	68,191
Non-controlling interest		7,387	316
		35,591	68,507

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



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(for the period 1 October to 31 December)

	Notes	2013/2014 2 Q	2012/2013 2 Q
Sales	4	552,013	784,254
Cost of sales		(530,271)	(719,937)
Gross profit		21,742	64,317
Operating (expenses)	10	(27,805)	(26,687)
Other income	11	21,582	7,635
Other (expenses)	11	(717)	(797)
Operating profit		14,802	44,468
Income from financing activities		955	575
(Expenses) from financing activities		(2,152)	(2,506)
Share of profit of associates		–	40
Share of profit of joint ventures		–	–
Profit before tax		13,605	42,577
Income tax		(272)	(6,703)
Net profit		13,333	35,874
Attributable to:			
Equity holders of the parent		6,119	35,837
Non-controlling interest		7,214	37
		13,333	35,874
Basic and diluted earnings per share (LTL)		0.09	0.22
Net profit		13,333	35,874
Other comprehensive income			
Exchange differences on translation of foreign operations		(3)	(27)
Total comprehensive income		13,330	35,847
Attributable to:			
Equity holders of the parent		6,117	35,810
Non-controlling interest		7,227	37
		13,344	35,847

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



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity holders of the parent

Notes	Share capital	Own shares	Share premium	Legal reserve	Reserve for own shares	Foreign currency translation reserve	Retained earnings	Subtotal	Non-controlling interest	Total
Balance as of 1 July 2012	158,940	–	79,545	4,401	1,600	(44)	106,809	351,251	4,805	356,056
Net profit for the year	–	–	–	–	–	–	68,229	68,229	316	68,545
Other comprehensive income	–	4	–	–	–	(38)	(4)	(38)	–	(38)
Total comprehensive income	–	–	–	–	–	(38)	68,225	68,191	316	68,507
Acquisition of minority interest	–	–	–	–	–	–	–	–	581	581
Declared dividends by Company	–	–	–	–	–	–	(4,500)	(4,500)	–	(4,500)
Declared dividends	–	–	–	–	–	–	–	–	(36)	(36)
Reserves made	–	–	–	3,450	–	–	(3,450)	–	–	–
Acquisition/disposal of own shares	–	(1,599)	–	–	–	–	–	(1,599)	–	(1,599)
Acquisition of minority interest	–	–	–	–	–	–	1,752	1,752	(2,224)	(472)
Balance as of 31 December 2012	158,940	(1,595)	79,545	7,851	1,600	(82)	168,836	415,095	3,442	418,537
Balance as of 1 July 2013	158,940	(1,581)	79,545	7,851	1,600	(138)	190,905	437,122	3,374	440,496
Net profit for the year	–	–	–	–	–	–	28,213	28,213	7,374	35,587
Other comprehensive income	–	–	–	–	–	(9)	–	(9)	13	4
Total comprehensive income	–	–	–	–	–	(9)	28,213	28,204	7,387	35,591
Declared dividends by Company	–	–	–	–	–	–	(5,994)	(5,994)	–	(5,994)
Declared dividends	–	–	–	–	–	–	–	–	(127)	(127)
Reserves made	–	–	–	297	4,700	–	(4,997)	–	–	–
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	9,089	9,089
Acquisition of minority interest	–	–	–	–	–	–	687	687	(796)	(109)
Balance as of 31 December 2013	158,940	(1,581)	79,545	8,148	6,300	(147)	208,814	460,019	18,927	478,946

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



CONSOLIDATED STATEMENT OF CASH FLOW

	Notes	2013/2014 6 month	2012/2013 6 month
Cash flows from (to) operating activities			
Net profit (loss)		35,587	68,545
Adjustments for non-cash items:			
Depreciation and amortization		10,839	9,228
Subsidies amortization		(1,069)	(887)
Share of profit of associates and joint ventures		–	(4,036)
(Gain) on disposal of property, plant and equipment		(366)	(496)
(Gain) from acquisition of subsidiary	3	(14,009)	(26,970)
Change in accrued expenses		(6,761)	(1,424)
Inventories write down to net realizable value		(344)	–
Change in allowance for receivables and prepayments		1,533	1,446
Change in fair value of biological assets		(2,904)	(11)
Change in impairment of investments		–	(8)
Change in deferred income tax		432	1,066
Current income tax expenses		2,197	7,928
Expenses (income) from change in fair value of financial instruments		(2,219)	1,152
Change of provision for onerous contracts		(56)	–
Dividend (income)		(434)	(155)
Interest (income)		(1,332)	(786)
Interest expenses		3,716	4,313
		24,810	58,905
Changes in working capital:			
Decrease in biological assets		32,812	38,062
(Increase) in inventories		(191,797)	(201,946)
Decrease in prepayments		(1,240)	7,211
(Increase) in trade and other accounts receivable		2,781	(36,113)
(Increase) in restricted cash		(2,072)	1,381
Increase in trade and other accounts payable		(65,197)	(13,462)
Income tax (paid)		(6,167)	(1,949)
Net cash flows from (to) operating activities		(206,070)	(147,911)

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



CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D)

	Notes	2013/2014	2012/2013
		6 month	6 month
Cash flows from (to) investing activities			
(Acquisition) of intangible assets, property, plant and equipment and investment property		(16,640)	(17,043)
Proceeds from sale of intangible assets, property, plant and equipment and investment property		2,355	2,400
Acquisition of subsidiaries (less received cash balance in the Group)	3	(13,220)	(48,504)
(Acquisition) of non-controlling interests and other investments		(198)	(476)
Proceeds from repurchased of other investments		–	37,981
Loans (granted)		(13,163)	(1,445)
Repayment of granted loans		4,616	1,600
Interest received		560	1,205
Dividend received		434	155
Net cash flows (to) investing activities		(35,256)	(24,127)
Cash flows from (to) financing activities			
Proceeds from loans		356,215	263,977
(Repayment) of loans		(112,514)	(77,717)
Acquisition of own shares		–	(1,599)
Finance lease (payments)		(1,958)	(846)
Interest (paid)		(3,748)	(4,416)
Dividend (paid)		(6,121)	(4,531)
Net cash flows from (to) financing activities		231,874	174,868
Net increase (decrease) in cash and cash equivalents		(9,452)	2,830
Cash and cash equivalents at the beginning of the year		34,240	54,768
Cash and cash equivalents at the end of the year		24,788	57,598
Supplemental information of cash flows:			
Non-cash investing activity:			
Property, plant and equipment acquisitions financed by finance lease		2,039	1,345
Property, plant and equipment acquisitions financed by grants and subsidies		–	3,431

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: Smėlynės Str. 2C, LT-35143 Panevėžys, 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 of 31 December 2013 and as of 30 June 2013 the shareholders of the Company were:

	As of 31 December 2013	
	Number of shares held	Percentage
Akola ApS (Denmark)	87,784,443	55.23%
Darius Zubas	17,049,995	10.73%
SEB AS OMNIBUS (Luxembourg) clients	14,577,719	9.17%
Swedbank AS (Estonia) clients	10,557,797	6.64%
Other shareholders (private and institutional investors)	28,970,444	18.23%
Total	158,940,398	100.00%

	As of 30 June 2013	
	Number of shares held	Percentage
Akola ApS (Denmark)	87,784,443	55.23%
Darius Zubas	17,049,995	10.73%
Skandinaviska Enskilda Banken AB (Sweden)	15,131,697	9.52%
Swedbank AS (Estonia) clients	9,824,712	6.18%
Other shareholders (private and institutional investors)	29,149,551	18.34%
Total	158,940,398	100.00%

All the shares of the Company are ordinary shares with the par value of LTL 1 each as of 31 December 2013 (LTL 1 each as of 30 June 2013) and were fully paid as of 31 December 2013 and as of 30 June 2013. The Company, its subsidiaries and other related companies did not hold any shares of the Company as of 31 December 2013 and as of 30 June 2013.

The Company holds 790,972 of its own shares, percentage 0.50%, as at 31 December 2013 and as at 30 June 2013. Subsidiaries and other related companies did not hold any shares of the Company as of 31 December 2013 and as of 30 June 2013.

All of the Company's 158,940,398 ordinary shares are included in the Official list of NASDAQ OMX Vilnius stock exchange (ISIN code LT0000128092). The Company's trading ticker in NASDAQ OMX Vilnius stock exchange is LNA1L.

As of 31 December 2013 the number of employees of the Group was 1,703 (1,039 as of 30 June 2013).

Changes in share capital during the year ended 30 June 2013

No changes in share capital occurred during the year ending 30 June 2013.

Changes in share capital during the year ended 31 December 2013

No changes in share capital occurred during the year ending 31 December 2013.



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 2012/2013 financial year.

3. GROUP STRUCTURE AND CHANGES IN THE GROUP

As of 31 December 2013 and as of 30 June 2013 the Company held these directly and indirectly controlled subsidiaries (hereinafter the Group):

	Place of registration	Effective share of the stock held by the Group		Main activities
		31 December 2013	30 June 2013	
Investments into directly controlled subsidiaries				
AB Linas Agro	Lithuania	100%	100%	Wholesale trade of grains and oilseeds, feedstuffs and agricultural inputs
UAB Linas Agro Konsultacijos	Lithuania	100%	100%	Management of the subsidiaries engaged in agriculture
UAB Dotnuvos Projektai	Lithuania	100%	100%	Trade of machinery and equipment for warehousing of grains, certified seeds
UAB Jungtinė Ekspedicija	Lithuania	100%	100%	Expedition and ship's agency services
ŽŪB Landvesta 1	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 2	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 3	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 4	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 5	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 6	Lithuania	100%	100%	Rent and management of agricultural purposes land
Noreikiškių ŽŪB	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Lineliai	Lithuania	100%	100%	Rent and management of agricultural purposes land
AS Putnu Fabrika Kekava	Latvia	54.59%	–	Broiler breeding, slaughtering and sale of products
Investments into indirectly controlled subsidiaries (through AB Linas Agro)				
SIA Linas Agro	Latvia	100%	100%	Wholesale trade of grains and oilseeds, agricultural programs
UAB Gerera	Lithuania	100%	100%	Not operating company
UAB Linas Agro Grūdų Centras	Lithuania	100%	100%	Management services
UAB Linas Agro Grūdų Centras KŪB	Lithuania	100%	100%	Preparation and warehousing of grains for trade
Linus Agro A/S	Denmark	100%	100%	Wholesale trade of grains and oilseeds, feedstuffs
UAB Lignineko	Lithuania	100%	100%	Manufacturing of lignin
Investments into indirectly controlled subsidiaries (through UAB Linas Agro Konsultacijos)				
ŽŪK KUPIŠKIO GRŪDAI	Lithuania	98.10%	97.72%	Preparation and warehousing of grains for trade
Biržai district Medeikių ŽŪB	Lithuania	98.39%	98.39%	Growing and sale of crops
Šakiai district Lukšių ŽŪB	Lithuania	98.82%	98.82%	Mixed agricultural activities
Panevėžys district Aukštadvario ŽŪB	Lithuania	96.92%	96.92%	Mixed agricultural activities
Sidabravo ŽŪB	Lithuania	91.43%	87.23%	Mixed agricultural activities
Užupės ŽŪB	Lithuania	100%	100%	Growing and sale of crops
UAB Paberžėlė	Lithuania	100%	100%	Rent and management of agricultural purposes land
Kėdianiai district Labūnavos ŽŪB	Lithuania	98.64%	98.64%	Mixed agricultural activities
UAB Žemės ūkio investicijos	Lithuania	100%	–	Management services
Panevėžys district Žibartonių ŽŪB	Lithuania	1.51%	–	Mixed agricultural activities





3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Investments into indirectly controlled subsidiaries (through UAB Dotnuvos Projektai)

SIA DOTNUVOS PROJEKTAI	Latvia	100%	100%	Trade of machinery and equipment for warehousing of grains, certified seeds
AS Dotnuvos Projektai	Estonia	100%	100%	Trade of machinery and equipment for warehousing of grains, certified seeds
UAB Dotnuvos technika	Lithuania	100%	100%	Not operating company

Investments into indirectly controlled subsidiaries (through UAB Linas Agro grūdų centras KŪB)

Karčemos kooperatinė bendrovė	Lithuania	20%*	20%*	Preparation and warehousing of grains for trade
SIA Linas Agro Graudu centrs	Latvia	100%	100%	Preparation and warehousing of grains for trade

Investments into indirectly controlled subsidiaries (through UAB Žemės ūkio investicijos)

Panevėžys district Žibartonių ŽŪB	Lithuania	98.07%	–	Mixed agricultural activities
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Investments into indirectly controlled subsidiaries (through Panevėžys district Žibartonių ŽŪB)

Karčemos kooperatinė bendrovė	Lithuania	19.92%*	–	Preparation and warehousing of grains for trade
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Investments into indirectly controlled subsidiaries (through SIA Putnu Fabrika Kekava)

SIA PFK Trader	Latvia	54.59%	–	Retail trade of food production
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*The Group indirectly controls 39.92% of shares of Karčemos kooperatinė bendrovė, however, the Group has control over this entity and, therefore, it has been consolidated when preparing these financial statements.

Changes in the Group during the 6 month period ended 31 December 2013

On 5 September 2013 the Group acquired 100% shares of UAB Žemės ūkio investicijos for LTL 18,593 thousand. After the share acquisition the Group directly controls 100% of the investee. The only unaudited financial information on the acquired subsidiary as at 31 August 2013 is available as at the date of the release of these financial statements and is presented below. UAB Žemės ūkio investicijos is consolidated to the Group from 1 September 2013. Differences between the purchase consideration and fair values of the acquired assets, liabilities and contingent liabilities at the acquisition date were the following:

Acquisition date	31 August 2013
Property, plant and equipment, intangible assets and investment property	18,493
Animals and livestock	7,024
Crops	2,594
Inventories	9,420
Prepayments and other current assets	2,271
Cash and cash equivalents	268
Total assets	40,070
Deferred tax liability	(604)
Grants and subsidies	(556)
Non-current borrowings	(2,919)
Current borrowings	(1,814)
Trade payables	(4,274)
Other liabilities	(1,412)
Total liabilities	(11,579)
Total identifiable net assets at fair value	28,491
Non-controlling interest measured at the proportionate share of net assets at fair value	(349)
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 12)	9,540
Total purchase consideration	18,602
Cash consideration transferred	13,389
Less: cash acquired	(268)
Total purchase consideration, net of cash acquired	13,121



3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Changes in the Group during the 6 month period ended 31 December 2013 (cont'd)

UAB Žemės ūkio investicijos sub-group revenue and profit or loss since acquisition date and since beginning of the reporting period were:

	Since acquisition date	Since 1 July 2013
Revenue	1,995	6,712
Profit (loss)	(70)	(71)

The bargain purchase resulted due to the former shareholders' approach to the business from the book value point of view rather than fair value of total identifiable net assets.

On 28 October 2013 the Group acquired 86.97% shares of AS Putnu Fabrika Kekava for LTL 6,042 thousand. On 7 November 2013 according to restructuring plan share capital of AS Putnu Fabrika Kekava was increased by capitalization of payable amounts.

AB Linas Agro Group didn't participate in the increasing of share capital, part of the shares owned by AB Linas Agro Group decreased from 86.97% to 54.59%. The net assets at balance value on 31 October 2013 are calculated including the payable amounts of capitalization and AB Linas Agro Group controls 54.59% of shares as *de facto*.

The only unaudited financial information on the acquired subsidiary as at 31 October 2013 is available as at the date of the release of these financial statements and is presented below. AS Putnu Fabrika Kekava is consolidated to the Group from 1 November 2013. Differences between the purchase consideration at balance values of the acquired assets, liabilities and contingent liabilities at the acquisition date were the following:

Acquisition date	31 October 2013
Property, plant and equipment	83,795
Poultry	6,070
Inventories	8,307
Prepayments and other current assets	10,317
Cash and cash equivalents	583
Total assets	109,072
Deferred tax liability	(2,292)
Grants and subsidies	(7,702)
Non-current borrowings	(7,117)
Other non-current borrowings	(4,724)
Current borrowings	(35,921)
Trade payables	(16,663)
Other liabilities	(15,418)
Total liabilities	(89,837)
Total identifiable net assets at balance value	19,235
Non-controlling interest measured at the proportionate share of net assets at fair value	(8,735)
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 12)	4,458
Total purchase consideration	6,042
Purchase consideration*	6,042
Less: cash acquired	(583)
Total purchase consideration, net of cash acquired	5,459

*On 30 June 2013 in additional payments Company paid for the AS Putnu Fabrika Kekava shares LTL 4,834 thousand, the rest payment will be made on 19 March 2014.

As part of the purchase agreement a contingent consideration has been agreed with the previous owner of AS Putnu Fabrika Kekava. There will be additional cash payment to the previous owner amounting EUR 350 thousand (undiscounted). Contingent consideration is related with financial ratio EBITDA of AS Putnu Fabrika Kekava. The due date of contingent consideration arrangement is 19 March 2014.

During the 6 month period, ended 31 December 2013, the Group acquired 4.20% Sidabravo ŽŪB share capital for LTL 109 thousand, 0.79% Panevėžys district Žibartonių ŽŪB share capital for LTL 28 thousand. All the shares were acquired from the non-controlling shareholders. The difference of LTL 778 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognised within equity.



Changes in the Group during the 6 month period ended 31 December 2013 (cont'd)

Acquisition off non-controlling interest in Sidabravo ŽŪB and Panevėžys district Žibartonių ŽŪB have resulted in an increase of the effective Group ownership of ŽŪK KUPIŠKIO GRŪDAI by 0.38% up to 98.10%, and an increase of the effective Group ownership of Karčemos kooperatinė bendrovė by 0.16% up to 39.92% as at 31 December 2013 with a result of LTL 18 thousand of gain accounted directly in equity.

Changes in the Group during the year ended 30 June 2013

On 13 July 2012 the Group acquired 98.55% shares of Kėdainiai district Labūnavos ŽŪB for LTL 22,545 thousand from previous owners to further expand business activities. After the share acquisition the Group directly controls 98.64% of the investee. Fair value of previously held equity interest is immaterial, therefore not taken into consideration. As at acquisition date Labūnavos ŽŪB did not have any impaired accounts receivable or contractual cash flows not expected to be collected, book value of receivables represent its fair value. Differences between the purchase consideration and fair values of the acquired assets, liabilities and contingent liabilities at the acquisition date were the following:

Property, plant and equipment, intangible assets and investment property	24,288
Animals and livestock	5,718
Crops	9,456
Inventories	2,770
Prepayments and other current assets	2,058
Cash and cash equivalents	3,067
Total assets	47,357
Deferred tax liability	(870)
Grants and subsidies	(1,315)
Trade payables	(1,326)
Other liabilities	(1,110)
Total liabilities	(4,621)
Total identifiable net assets at fair value	42,736
Non-controlling interest measured at the proportionate share of net assets at fair value	(581)
Gain recognized on acquisition of subsidiary, recognised under Other income	19,608
Total purchase consideration	22,547
Cash consideration transferred	22,547
Less: cash acquired	(3,067)
Total cash consideration transferred, net of cash acquired	19,480

Kėdainiai district Labūnavos ŽŪB revenue and profit or loss since acquisition date were:

	Since acquisition date
Revenue	17,978
Profit (loss)	(346)

The bargain purchase resulted due to the former shareholders' approach to the business from the book value point of view rather than fair value of total identifiable net assets. In addition, the ownership of Kėdainiai district Labūnavos ŽŪB was dispersed into large number of small interests before acquisition what resulted in more favourable transaction for the buyer.



3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Changes in the Group during the year ended 30 June 2013 (cont'd)

On 11 October 2012 the Company acquired 50% shares of UAB Dotnuvos Projektai for 32,000 thousand to further expand business activities, and increased its ownership interest from 50% to 100%. Before this acquisition the Company had 50% of UAB Dotnuvos Projektai (joint-venture) and accounted for this investment using the equity method in the consolidated financial statements. Differences between the purchase consideration and fair values of the acquired assets, liabilities and contingent liabilities at the acquisition date were the following:

Property, plant and equipment, intangible assets and investment property	38,977
Other non-current assets	9,225
Inventories	58,675
Prepayments and other current assets	73,413
Cash and cash equivalents	2,976
Total assets	183,266
Non-current liabilities	(6,851)
Grants and subsidies	(885)
Deferred tax liability	(999)
Current borrowings	(41,027)
Trade payables	(38,740)
Other liabilities	(22,409)
Total liabilities	(110,911)
Total identifiable net assets at fair value	72,355
Cost (previously accounted at equity method) of initially held equity interest	33,890
Group (loss) re-measuring to fair value the initially held equity interest	(1,890)
Acquisition date fair value of initially held equity interest	32,000
Cash consideration transferred	32,000
Total purchase consideration	64,000
Gain from a bargain purchase	8,355
Group (loss) on remeasuring to fair value the initially held equity interest	(1,890)
Gain recognized on acquisition of subsidiary, recognized under Other Income	6,465
Cash consideration transferred	32,000
Less: cash acquired	(2,976)
Total cash consideration transferred, net of cash acquired	29,024

UAB Dotnuvos Projektai sub-group fair value of the receivables as at the date of acquisition were:

	Trade receivables	Other current receivables
The gross contractual amounts receivable	63,065	2,076
The best estimate at the acquisition date of the contractual cash flows not expected to be collected	(2,112)	(339)
The fair value of the receivables	60,953	1,737

UAB Dotnuvos Projektai sub-group revenue and profit or loss since acquisition date and from the beginning of the annual reporting period were:

	Since acquisition date	Since 1 July 2012
Revenue	201,449	274,032
Profit (loss)	4,104	12,128

The bargain purchase resulted due to the former shareholders' approach to the business from the book value point of view rather than fair value of total identifiable net assets.



3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Changes in the Group during the year ended 30 June 2013 (cont'd)

On 28 February 2013 the Company acquired 54.95% shares of UAB Jungtinė Ekspedicija for LTL 1,045 thousand to further expand business activities, and increased its ownership interest to 100%. As at acquisition date UAB Jungtinė Ekspedicija did not have any impaired accounts receivable or contractual cash flows not expected to be collected, book value of receivables represent its recoverable amount. Revenue and profit or loss since acquisition date and from the beginning of the annual reporting period are not disclosed as they are not material to the financial statements.

Differences between the purchase consideration and fair values of the acquired assets, liabilities and contingent liabilities at the acquisition date were the following:

Property, plant and equipment, intangible assets and investment property	201
Trade receivables and other current assets	917
Cash and cash equivalents	867
Total assets	1,985
Trade payables	(905)
Other liabilities	(285)
Total liabilities	(1,190)
Total identifiable net assets at fair value	795
Fair value of initially held equity interest	358
Total purchase consideration	1,045
Difference written-off to profit (loss)	(608)
Cash consideration transferred	1,045
Less: cash acquired	(867)
Total cash consideration transferred, net of cash acquired	178

On 16 August 2012 the Group established Noreikiškių ŽŪB with LTL 10 thousand share capital and increased share capital up to LTL 1,009 thousand.

On 2 May 2013 a subsidiary of AB Linas Agro Group UAB Linas Agro Grūdų centras KŪB established subsidiary in Latvia SIA Linas Agro Graudu Centrs for LTL 10 thousand share capital.

Subsidiary UAB Lineliai was acquired from Kėdainiai district Labūnavos ŽŪB in amount of LTL 9 thousand.

During the 12 month period, ended 30 June 2013 the Group acquired 0.02% Šakių district Lukšių ŽŪB share capital for LTL 1 thousand, 16.95% Sidabravo ŽŪB share capital for LTL 423 thousand, 0.16% Panevėžio district Aukštadvario ŽŪB for LTL 1 thousand. All the shares were acquired from the non-controlling shareholders. The difference of LTL 1,768 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognised within equity.

The Company increased share capital of UAB Linas Agro Konsultacijos, UAB Lineliai, ŽŪB Landvesta 4 and ŽŪB Landvesta 6 in amount of LTL 7,036 thousand, LTL 50 thousand, LTL 11 thousand and LTL 9 thousand, respectively.

Acquisition off non-controlling interest in Šakiai district Lukšių ŽŪB and Sidabravo ŽŪB have resulted in an increase of the effective Group ownership of ŽŪK KUPIŠKIO GRŪDAI by 1.56% up to 97.72% as at 30 June 2013 with a result of LTL 32 thousand of gain accounted directly in equity.



4. SEGMENT INFORMATION

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

- the grain and feedstuff handling and merchandising includes trade in wheat, rapeseed, barley and other grains and oilseeds, suncake and sunmeal, sugar beat pulp, soyameal, vegetable oil, rapecake and other feedstuffs, grain storage and logistics services;
- 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;
- 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 equipments to agricultural produce growers and grain storage companies;
- food products segment includes poultry and other food products;
- the other products and services segment includes sales of biofuel and other products and services.

Group financing (including finance cost and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

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

Group	Grain and feedstuff handling and merchandising	Agricultural production	Products and services for farming	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Financial year ended 31 December 2013								
Revenue								
From one client UAB MESTILLA	22,275	–	55	–	–	–	–	22,330
Other third parties	692,964	24,059	241,430	21,455	112	–	–	980,020
Intersegment	1,905	28,352	10,172	–	36	–	(40,465) ¹⁾	–
Total revenue	717,144	52,411	251,657	21,455	148	–	(40,465)¹⁾	1,002,350
Results								
Operating expenses	(13,711)	(5,591)	(18,940)	(3,200)	(316)	(5,250)	–	(47,008)
Segment operating profit (loss)	8,343	6,957	8,456	20,551	(481)	(3,226)	–	40,600

Group	Grain and feedstuff handling and merchandising	Agricultural production	Products and services for farming	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Financial year ended 31 December 2012							
Revenue							
From one client UAB MESTILLA	77,906	–	10	–	–	–	77,916
Other third parties	842,102	18,422	183,347	1,135	–	–	1,045,006
Intersegment	1,426	31,692	11,189	709	–	(45,016) ¹⁾	–
Total revenue	921,434	50,114	194,546	1,844	–	(45,016)¹⁾	1,122,922
Results							
Operating expenses	(10,079)	(6,513)	(9,377)	(756)	(13,135)	–	(39,860)
Segment operating profit (loss)	55,998	16,634	17,730	(616)	(12,755)	–	76,991

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	6 month period ended	
	31 December 2013	31 December 2012
Lithuania	277,445	282,960
Europe (except for Scandinavian countries, CIS and Lithuania)	263,213	255,875
Scandinavian countries	187,222	227,589
Africa	23,377	16,778
Asia	233,791	325,585
CIS	17,302	14,135
	1,002,350	1,122,922

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

Non-current assets	As of 31 December 2013	As of 30 June 2013
Lithuania	217,385	196,140
Latvia	91,606	7,751
Estonia	4,794	5,152
Denmark	72	89
	313,857	209,132

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

5. INTANGIBLE ASSETS

	Software	Other intangible assets	Total
Cost:			
Balance as of 30 June 2012	1,807	170	1,977
Additions	219	242	461
Additions of subsidiaries	39	32	71
Write-offs	(2)	(100)	(102)
Balance as of 30 June 2013	2,063	344	2,407
Additions	173	2	175
Additions of subsidiaries	118	1	119
Write-offs	–	(1)	(1)
Balance as of 31 December 2013	2,354	346	2,700
Accumulated amortization:			
Balance as of 30 June 2012	1,230	135	1,365
Charge for the year	106	22	128
Write-offs	(2)	(86)	(88)
Balance as of 30 June 2013	1,334	71	1,405
Charge for the year	93	11	104
Balance as of 31 December 2013	1,427	82	1,509
Net book value as of 31 December 2013	927	264	1,191
Net book value as of 30 June 2013	729	273	1,002
Net book value as of 30 June 2012	577	35	612

The Group has no internally generated intangible assets. Amortization expenses of intangible assets are included within operating expenses in the income statement.



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 of 30 June 2012	10,761	97,550	59,155	6,964	9,751	11,675	195,856
Additions	1,928	6,057	6,533	4,169	2,699	13,321	34,707
Acquisition of subsidiaries	4,568	31,182	18,744	4,694	1,502	2,247	62,937
Disposals and write-offs	(2)	(8)	(3,397)	(1,288)	(827)	(41)	(5,563)
Transfers to/from investment property	427	2,317	–	–	–	–	2,744
Reclassifications	–	12,838	5,913	19	608	(19,378)	–
Exchange differences	–	(25)	(2)	(10)	(4)	–	(41)
Balance as of 30 June 2013	17,682	149,911	86,946	14,548	13,729	7,824	290,640
Additions	5,055	469	3,473	789	939	5,789	16,514
Acquisition of subsidiaries	8,276	69,812	22,174	867	306	422	101,857
Disposals and write-offs	(344)	(178)	(1,541)	(858)	(34)	–	(2,955)
Transfers from investment property	5,631	823	–	–	–	–	6,454
Reclassifications	171	8,607	1,829	14	143	(10,764)	–
Exchange differences	5	57	13	–	2	1	78
Balance as of 31 December 2013	36,476	229,501	112,894	15,360	15,085	3,272	412,588
Accumulated depreciation:							
Balance as of 30 June 2012	–	28,717	32,896	4,113	7,384	–	73,110
Charge for the year	–	9,271	9,666	2,069	1,225	–	22,231
Disposals and write-offs	–	(8)	(1,573)	(990)	(620)	–	(3,191)
Transfers from investment property	–	671	–	–	–	–	671
Exchange differences	–	(1)	2	–	–	–	1
Balance as of 30 June 2013	–	38,650	40,991	5,192	7,989	–	92,822
Charge for the year	–	5,673	5,373	1,366	813	–	13,225
Disposals and write-offs	–	(74)	(269)	(774)	(33)	–	(1,150)
Transfers from investment property	–	105	–	–	–	–	105
Exchange differences	–	20	–	(1)	2	–	21
Balance as of 31 December 2013	–	44,374	46,095	5,783	8,771	–	105,023
Impairment losses:							
Balance as of 30 June 2012	18	449	19	3	1	–	490
(Reversal) charge for the year	(26)	–	16	(3)	2	–	(11)
Transfer from investment property	8	1,128	–	–	–	–	1,136
Balance as of 30 June 2013	–	1,577	35	–	3	–	1,615
Balance as of 31 December 2013	–	1,577	35	–	3	–	1,615
Net book value as of 31 December 2013	36,476	183,550	66,764	9,577	6,311	3,272	305,950
Net book value as of 30 June 2013	17,682	109,684	45,920	9,356	5,737	7,824	196,203
Net book value as of 30 June 2012	10,743	68,384	26,240	2,848	2,366	11,675	122,256





7. INVESTMENT PROPERTY

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

	Land	Buildings	Total
Cost:			
Balance as of 30 June 2012	8,228	3,297	11,525
Additions	3,239	400	3,639
Acquisition of subsidiaries	456	–	456
Disposals and write-offs	(716)	–	(716)
Transfers to property, plant and equipment	(427)	(2,317)	(2,744)
Exchange differences	(7)	–	(7)
Balance as of 30 June 2013	10,773	1,380	12,153
Additions	1,278	16	1,294
Acquisition of subsidiaries	–	39	39
Transfers to property, plant and equipment	(5,361)	(823)	(6,454)
Balance as of 31 December 2013	6,241	612	6,853
Accumulated depreciation:			
Balance as of 30 June 2012	–	790	790
Charge for the year	–	107	107
Transfers to property, plant and equipment	–	(671)	(671)
Balance as of 30 June 2013	–	226	226
Charge for the year	–	33	33
Transfers to property, plant and equipment	–	(124)	(124)
Balance as of 31 December 2013	–	135	135
Impairment losses:			
Balance as of 30 June 2012	94	1,128	1,222
(Reversal) charge for the year	(86)	–	(86)
Transfers to property, plant and equipment	(8)	(1,128)	(1,136)
Balance as of 30 June 2013	–	–	–
Balance as of 31 December 2013	–	–	–
Net book value as of 31 December 2013	6,241	477	6,718
Net book value as of 30 June 2013	10,773	1,154	11,927
Net book value as of 30 June 2012	8,134	1,379	9,513

The Group's management considers that the difference between the carrying value and fair value of investment property is not significant. Fair value has been determined based on valuations performed by independent valuers at near reporting date using the comparable prices method.



8. OTHER INVESTMENTS AND PREPAYMENTS FOR FINANCIAL ASSETS

Other investments of the Group consist of:

	As of 31 December 2013		As of 30 June 2013	
	Share held by the Group	Investment	Share held by the Group	Investment
Prepayment for financial assets to be acquired		–		8,873
Panevėžys district Ėriškių ŽŪB	25.92%	261	24,97%	173
Other investments		59		60
		320		9,106

The investment into Panevėžys district Ėriškių ŽŪB is not classified as an associate and therefore not accounted for using the equity method because the Group does not have voting rights in the company and does not have the ability to exercise significant influence.

9. BORROWINGS

	As of 31 December 2013	As of 30 June 2013
Non-current borrowings		
Bank borrowings secured by the Group assets	34,598	31,742
Other non-current borrowings	–	143
	34,598	31,885
Current borrowings		
Current portion of non-current bank borrowings	20,877	19,935
Current bank borrowings secured by the Group assets	351,337	107,226
Factoring with recourse liability	55,460	34,106
Other current borrowings	13,624	5,302
	441,298	166,569
	475,896	198,454

Interest payable is normally settled monthly throughout the financial year. Accrued interest on bonds issued is settled annually.

10. OPERATING EXPENSES

	6 month period ended	
	31 December 2013	31 December 2012
Wages and salaries and social security	26,048	22,429
Consulting expenses	1,400	775
Depreciation and amortization	2,533	3,972
Other	17,027	12,686
	47,008	39,862



11. OTHER INCOME (EXPENSES)

	6 month period ended	
	31 December 2013	31 December 2012
Other income		
Currency exchange gain	20	–
Rental income from investment property and property, plant and equipment	377	494
Gain from disposal of investment property and property, plant and equipment	534	513
Gain from acquisition of subsidiary	14,009	26,970
Change in fair value of currency financial instruments	1,531	–
Write-off of liabilities	13,854	–
Other income	943	1,038
	31,268	29,015
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties	(246)	(116)
Loss from disposal of property, plant and equipment	(168)	(116)
Currency exchange loss	(481)	(702)
Other expenses	(92)	(29)
	(987)	(963)

12. COMMITMENTS AND CONTINGENCIES

As of 31 December 2013 the Group is committed to purchase property, plant and equipment for the total amount of LTL 1,403 thousand (LTL 2,826 thousand as of 30 June 2013).

A few Group companies (Biržai district Medeikių ŽŪB, Kėdainiai district Labūnavos ŽŪB, Šakiai district Lukšių ŽŪB and Sidabravo ŽŪB) received grants from the European Union and National Paying Agency mostly for acquisition of agricultural heavy duty equipment. Biržų district Medeikių ŽŪB is committed not to discontinue operations related to agricultural up to 2014, Kėdainių district Labūnavos ŽŪB – up to 2015, Šakiai district Lukšių ŽŪB - up to 2015, Sidabravo ŽŪB – up to 2014. UAB Linas Agro Grūdų Centras KŪB, Karčemos kooperatinė bendrovė received grants from the European Union and National Paying Agency for grain handling and storage facility upgrade. UAB Linas Agro Grūdų Centras KŪB is committed not to discontinue operations related to preparation and warehousing of grains for trade agriculture up to 2018, Karčemos kooperatinė bendrovė – up to 2020. In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania amounting to LTL 13,231 thousand as of 31 December 2013 (LTL 15,225 thousand as of 30 June 2013).

On 2 July 2013 AB Linas Agro Group signed agreements with Latvian private and legal persons on acquisition of 100% of Latvian companies shares SIA Broileks, 100% of shares of company SIA Cerova and 100% of shares of SIA Lielzeltini. The Company estimates to spend about LTL 22,191 thousand for the acquisition of shares of the Latvian companies. AB Linas Agro Group commits to provide the loans to Latvian companies SIA Cerova and SIA Lielzeltini in total amount of LTL 18,379 thousand for refinancing of received loans. The transactions should be completed till January 2014, their completion is subject to certain conditions presented.

In July 2013 the Group company Linas Agro A/S received a ruling from Denmark Tax Inspection (hereafter- SKAT) stating that SKAT has changed the companies tax assessments for the income year 2007/2009 whereby total taxable payment for period has been increased by LTL 509 thousand (DKK 1,100 thousand). The changes relate to non-approved deduction for inter-group services. The company's management does not concur with SKAT's assessment and the decision is appealed. Accordingly, the Group did not recognize any tax liability or any interest as at 31 December 2013 and 30 June 2013.

In addition Linas Agro A/S received a ruling from SKAT regarding the valuation of customer base which was transferred to the Group company, AB Linas Agro in the year 2011/2012. The decision has a negative effect on the total tax loss carry forward amount which is incorporated into calculation of taxable income for the year 2012/2013. SKAT has ruled that the value of the customer base should have been LTL 16,853 thousand (DKK 36,414 thousand) and not LTL 5,425 thousand (DKK 11,722 thousand) as the value sold in 2011/2012 by Linas Agro A/S to AB Linas Agro. This implies a reduction of the total tax loss carry forward in amount of LTL 11,428 thousand (DKK 24,692 thousand) (tax value LTL 2,857 thousand (DKK 6,173 thousand)). Deferred tax asset from the tax loss carry forward from this amount is not recognized by Linas Agro A/S. Linas Agro A/S management does not agree with SKAT and to appealed the decision.



13. 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 31 December 2013 and 30 June 2013 were as follows:

Members of the board of the Company:

Darius Zubas (chairman of the board, ultimate controlling shareholder);
Vytautas Šidlauskas;
Dainius Pilkauskas;
Arūnas Zubas;
Andrius Pranckevičius;
Tomas Tumėnas;
Artūras Pribušauskas (since 25 October 2013).

Subsidiaries: List provided in Note 3.

Akola ApS group companies:

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

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

The Group's transactions with related parties in 6 month period ended 31 December 2013 were as follows:

	Purchases	Sales	Receivables		Non-current loans	Payables	Current
			Trade	Current loans	receivable		payable loans
			receivables	receivable	receivable		
Akola ApS group companies	39,503	22,052	2,537	1,164	2,596	5,146	8,609

As at 31 December 2013 and as at 30 June 2013 interest rates of the Group for non-current loans receivable from related parties are equal to 3 month EURIBOR + 4.2% and 3 month EURIBOR + 2.45% margin, interest rates of the Group for current loans receivable from related parties are equal to 3 month EURIBOR + 2.45% and 3 month EURIBOR + 4.2% margin.

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.

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 not past due as of 31 December 2013 and 30 June 2013.



14. SUBSEQUENT EVENTS

On 9 January 2014, AB Linas Agro Group acquired 14.50% of the shares of SIA Lielzeltini for LTL 3,591 thousand together with all rights granted by the shares.

On 9 January 2014, UAB Fossio was established after splitting part of the assets and liabilities from UAB Lignineko.

On 7 February 2014, AB Linas Agro Group acquired 85.50% of the shares of Latvian company SIA Lielzeltini for LTL 15,952 thousand together with all rights granted by the shares. The transaction was completed after fulfilment of certain conditions presented and after receiving permission of the Competition Council of the Republic of Latvia.

As part of purchase agreement a contingent consideration has been agreed with the previous owner of SIA Lielzeltini. There will be additional cash payment to the previous owner amounting to EUR 200 thousand (undiscounted). Contingent consideration is related related with financial ratio EBITDA of SIA Lielzeltini. The due date of contingent consideration is 19 March 2014.

After acquisition of SIA Lielzeltini, AB Linas Agro Group increased its ownership interest of AS Putnu Fabrika Kekava from 54.59% up to 84.36%.

On 7 February 2014, AB Linas Agro Group acquired 100% of the shares of Latvian company SIA Cerova for LTL 2,728 thousand together with all rights granted by the shares. The transaction was completed after fulfilment of certain conditions presented and after receiving permission of the Competition Council of the Republic of Latvia.

On 7 February 2014, AB Linas Agro Group acquired 100% of the shares of Latvian company SIA Broileks for LTL 162 thousand together with all rights granted by the shares. The transaction was completed after fulfilment of certain conditions presented and after receiving permission of the Competition Council of the Republic of Latvia.

On 7 February 2014, AB Linas Agro Group granted loan to SIA Lielzeltini in amount of LTL 16,266 thousand and loan to SIA Cerova in amount of LTL 2,110 thousand to refinance loans. Loans granted with interest rate equal 4% and have to be repaid by 30 June 2016.

CONSOLIDATED INTERIM REPORT

OF THE FINANCIAL YEAR 2013/2014

OF AB LINAS AGRO GROUP

FOR 6 MONTHS PERIOD ENDED 31 DECEMBER 2013

linas () agro





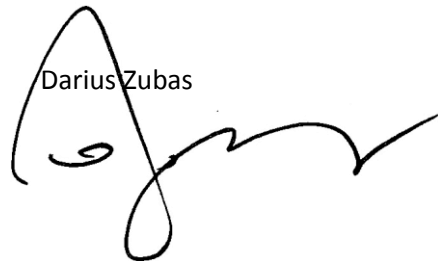
CONFIRMATION OF RESPONSIBLE PERSONS

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 Lithuanian, we, Darius Zubas, Managing Director of AB Linas Agro Group and Tomas Tumėnas, Finance Director of AB Linas Agro Group, hereby confirm that, to the best of our knowledge, the not audited AB Linas Agro Group Interim Consolidated Financial Statements for the six months of the financial year 2013/2014, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of assets, liabilities, financial position, profit or losses and cash flow of AB Linas Agro Group and the Group as well. We also confirm that Interim Consolidated Report for the six months of the financial year 2013/2014 includes fair review of the business development and activities, together with the description of the major risks and indeterminations incurred.

AB Linas Agro Group Managing Director

28 February 2014

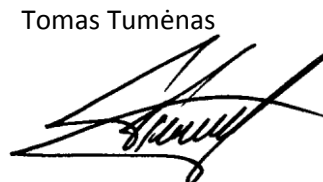
Darius Zubas



AB Linas Agro Group Finance Director

28 February 2014

Tomas Tumėnas





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1. REPORTING PERIOD OF THE REPORT

Financial year of AB Linas Agro Group starts on 1 July of the calendar year and ends on 30 June of the next year, therefore this interim report is prepared for the first six months of the financial year 2013/2014, and all the figures are stated as at 31 December 2013, unless otherwise indicated. AB Linas Agro Group is also referred to as the Company and its group of companies is referred to as Group in this report.

2. REFERENCES AND OTHER EXPLANATORY NOTES ON THE INFORMATION DISCLOSED IN THE REPORT

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

3. THE MAIN 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
VAT identification number	LT480300113
Company register	State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)
Address	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania
Phone	+370 45 50 73 03
Fax	+370 45 50 73 04
E-mail	<i>group@linasagro.lt</i>





Website	<i>www.linasagro.lt</i>
Bank account	LT07 7044 0600 0263 7111, AB SEB bank, bank code 70440
ISIN code	LT0000128092
Ticker in NASDAQ OMX Vilnius	LNA1L

AB Linas Agro Group, together with its directly and indirectly controlled companies (hereinafter - subsidiaries) is a Group of 34 companies, that is founded in 1991 and is operating in four countries – Lithuania, Latvia, Estonia and Denmark. The financial year of the Group companies begin on 1 July. The Company does not have any branches and representative offices.

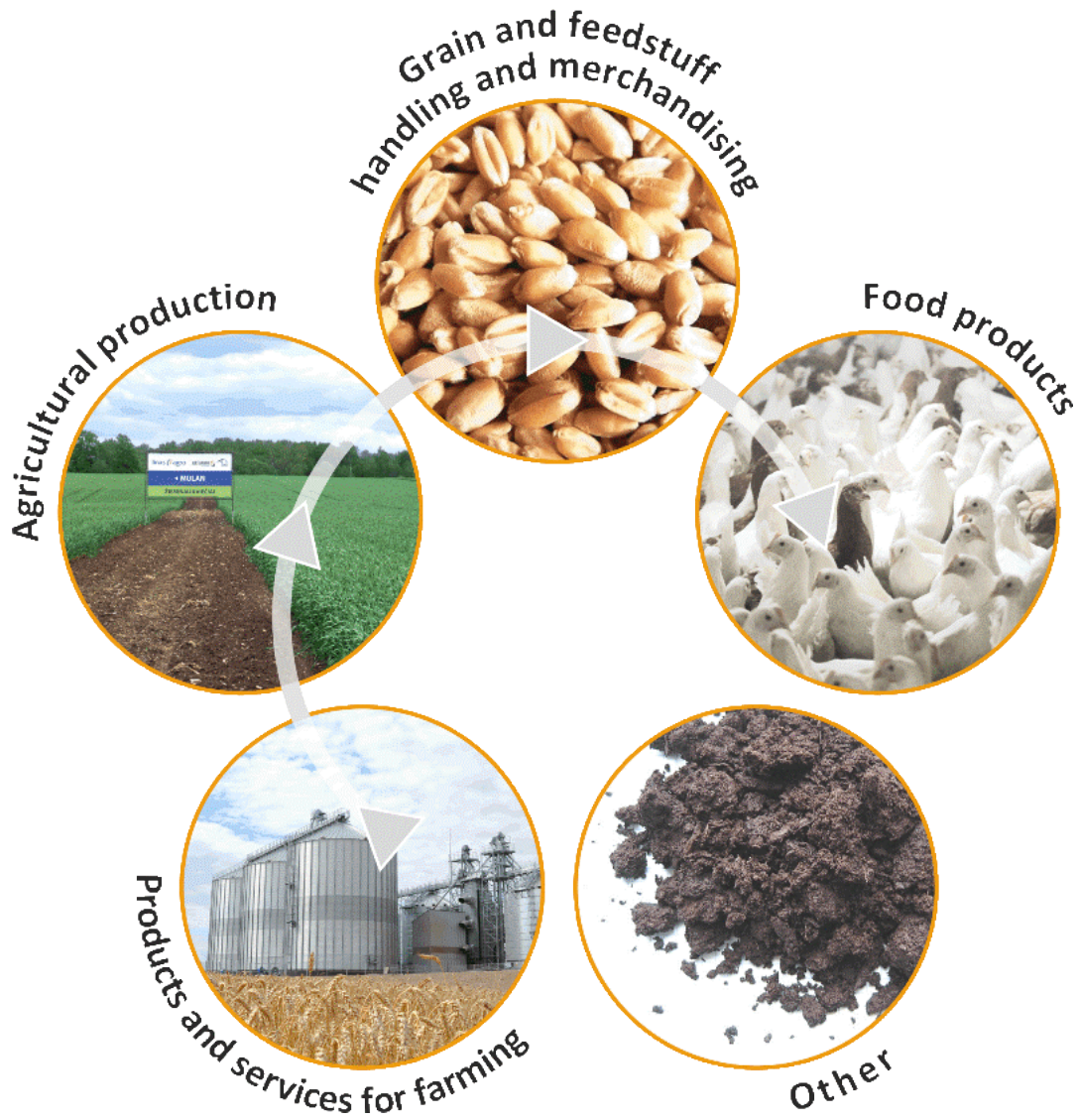
4. THE MAIN ACTIVITY

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 five basic operating segments: *Grain and Feedstuff Handling and Merchandising, Products and Services for Farming, Agricultural Production, Food products and Other*. Division into separate segments is dictated by different types of products and character of related activities; however, activities of the segments are often interconnected.

Food products is a new activity segment that appeared in the Q2 of the 2013/2014 financial year after the Company acquired Latvian poultry company AS Putnu Fabrika Kekava.

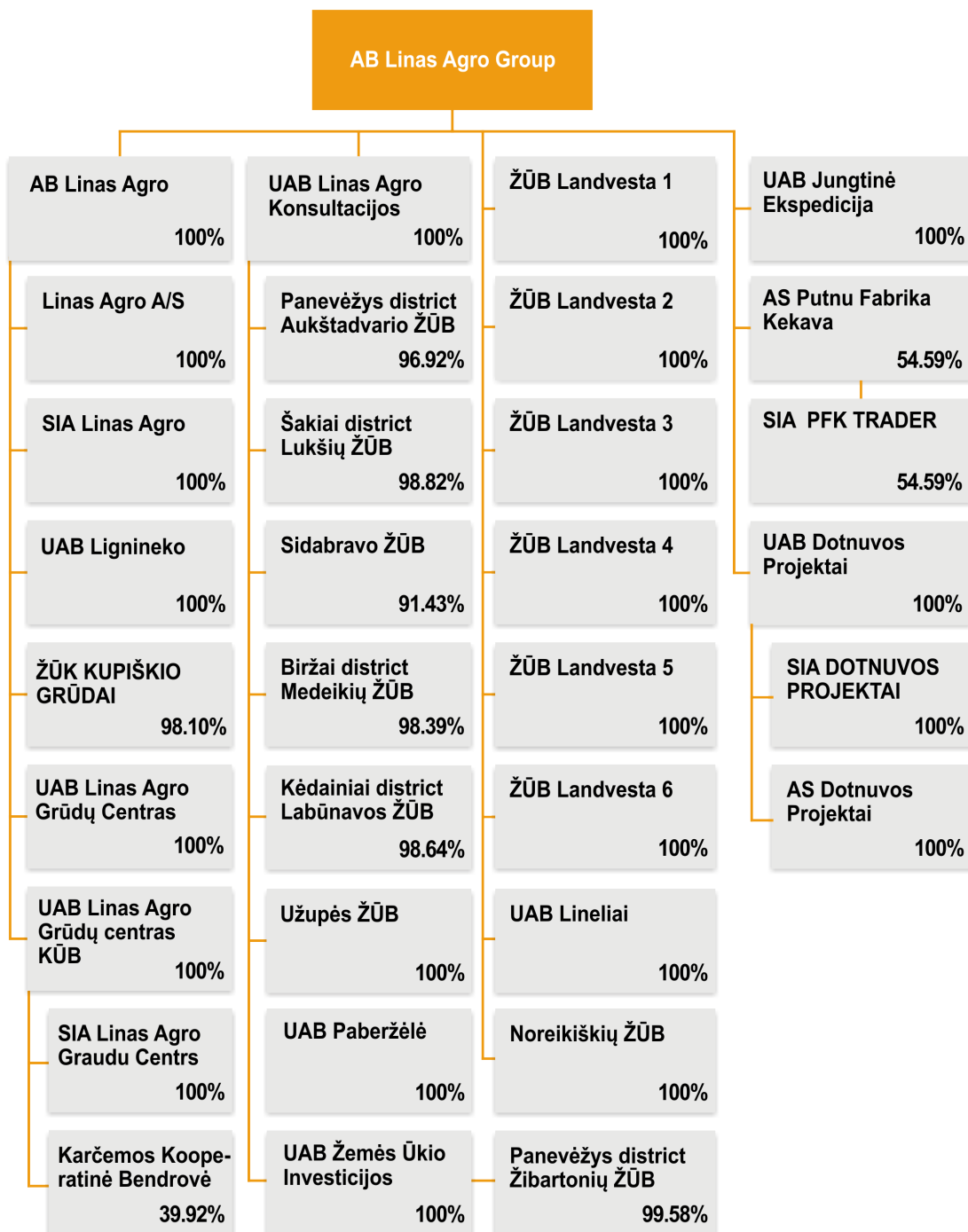






5. INFORMATION ABOUT SUBSIDIARIES OF THE COMPANY

STRUCTURAL CHART OF THE EFFECTIVE STOCK HELD BY AB LINAS AGRO GROUP (AS AT 31 DECEMBER 2013)*:



* Dormant companies UAB Gerera (100% shares) and UAB Dotnuvos Technika (100% shares) not included.



SHAREHOLDING STRUCTURE OF THE COMPANIES

As at 31 December 2013, AB Linas Agro Group controlled, either directly or indirectly, the following companies*:

Company	Status	Share of the stock held by companies					Share of the stock held by the Group
		AB Linas Agro Group	AB Linas Agro	UAB Linas Agro Konsultacijos	UAB Linas Agro Grūdų Centras	UAB Dotnuvos Projektai	
AB Linas Agro	Subsidiary	100%					100%
Linus Agro A/S	Subsidiary		100%				100%
SIA Linas Agro	Subsidiary		100%				100%
UAB Linas Agro Grūdų Centras	Subsidiary		100%				100%
UAB Linas Agro Grūdų Centras KŪB**	Subsidiary	24.69%	75.29%		0.02%		100%
SIA Linas Agro Graudu Centrs	Subsidiary	UAB „Linus Agro“ Grūdų centras KŪB owns 100% shares of the company					100 %
UAB Lignineko	Subsidiary		100%				100%
UAB Linas Agro Konsultacijos	Subsidiary	100%					100%
Noreikiškių ŽŪB	Subsidiary	99.90%		0.10%			100%
Panevėžys district Aukštadvario ŽŪB	Subsidiary			96.92%			96.92%
Sidabravo ŽŪB	Subsidiary			91.43%			91.43%
Šakiai district Lukšių ŽŪB	Subsidiary			98.82%			98.82%
Biržai district Medeikių ŽŪB	Subsidiary			98.39%			98.39%
Kėdainių rajono Labūnavos ŽŪB	Subsidiary			98.64%			98.64%
Užupės ŽŪB	Subsidiary	0.05%		99.95%			100%

* Dormant companies UAB Gerera (100% shares owned by AB Linas Agro) and UAB Dotnuvos Technika (100% shares owned by UAB Dotnuvos Projektai) are not included.

** AB Linas Agro Group and UAB Linas Agro Grūdų Centras hold 50 % of votes each in UAB Linas Agro Grūdų Centras KŪB.



Company	Status	Share of the stock held by companies					Share of the stock held by the Group
		AB Linas Agro Group	AB Linas Agro	UAB Linas Agro Konsultacijos	UAB Linas Agro Grūdų Centras	UAB Dotnuvos Projektai	
UAB Paberžėlė	Subsidiary	Užupės ŽŪB owns 100% shares of the company					100%
UAB Lineliai	Subsidiary	100%					100%
UAB Žemės Ūkio Investicijos	Subsidiary			100%			100%
Panevėžys district Žibartonių ŽŪB	Subsidiary	98.07 % parts are owned by UAB Žemės Ūkio Investicijos					99.58%
ŽŪB Landvesta 1	Subsidiary	76.47%	23.53%				100%
ŽŪB Landvesta 2	Subsidiary	76.48%	23.52%				100%
ŽŪB Landvesta 3	Subsidiary	13.91%	86.09%				100%
ŽŪB Landvesta 4	Subsidiary	19.77%	80.23%				100%
ŽŪB Landvesta 5	Subsidiary	41.48%	58.52%				100%
ŽŪB Landvesta 6	Subsidiary	15.51%	84.49%				100%
ŽŪK KUPIŠKIO GRŪDAI	Subsidiary	Lukšių ŽŪB, Aukštadvario ŽŪB and Sidabravo ŽŪB holds 9.09%, Medeikių ŽŪB – 45.46%, AB Linas Agro – 27.27% shares of the company					98.10%
UAB Dotnuvos Projektai	Subsidiary	100%					100%
SIA DOTNUVOS PROJEKTAI	Subsidiary					100%	100%
AS Dotnuvos Projektai	Subsidiary					100%	100%
UAB Jungtinė Ekspedicija	Subsidiary	100%					100%



Company	Status	Share of the stock held by companies		Share of the stock held by the Group
		AB Linas Agro Group	UAB Linas Agro Grūdų Centras KŪB	
AS Putnu Fabrika Kekava	Subsidiary	54.59%		54.59%
SIA PFK Trader	Subsidiary	AS Putnu fabrika Kekava owns 100% parts of the company		54,59%
Karčemos Kooperatinė Bendrovė***	Subsidiary	UAB Linas Agro Grūdų centras KŪB and Panevėžys district Žibartonių ŽŪB each own 20% parts of the company		39,92 %

*** The Group owns 39.92% shares of Karčemos Kooperatinė Bendrovė, but controls this company and consolidates in financial statements.

ACTIVITIES AND CONTACT DATA OF THE COMPANIES OF THE GROUP

SUBSIDIARIES IN LITHUANIA*

Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
AB Linas Agro	Wholesale trade of grains and oilseeds, feedstuffs and agricultural inputs supply	8/7/1991, Code of legal entity 1473 28026, public limited liability company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 333 fax +370 45 507 444 e-mail info@linasagro.lt www.linasagro.lt , www.rapsai.lt
UAB Linas Agro Grūdų Centras	Management services	5/7/2002, Code of legal entity 148450944, private limited liability company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 365 fax +370 45 507 344 e-mail grudai@linasagro.lt

* Dormant companies are not included:

- 1.UAB Gerera, private limited liability company, founded 15/1/1993, code of legal entity 147676584, address Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras);
- 2.UAB Dotnuvos Technika, private limited liability company, founded 25/6/1998, code of legal entity 161452398, address Parko St. 6, Akademija, LT-58351 Kėdainiai district, Lithuania, company register – State Enterprise Centre of Registers (Valstybės įmonė Registrų centras).



Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
UAB Linas Agro Grūdų Centras KŪB	Grain processing and storage	10/7/2002, Code of legal entity 148451131, limited partnership, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 343 fax +370 45 507 344 e-mail <i>grudu.centras@linasagro.lt</i>
UAB Lignineko	Lignin biofuel stock operator	5/10/1994, Code of legal entity 134231520, private limited liability company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 333 fax +370 45 507 444 e-mail <i>info@lignineko.lt</i>
UAB Linas Agro Konsultacijos	Management of subsidiary farming companies	23/6/2003, Code of legal entity 248520920, private limited liability company, State Enterprise Centre of Registers	The principal place of business: Kėdainių elevator, Žibuklių St. 14, LT-57125 Kėdainiai, Lithuania. The registered address: Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 688 674 29 fax +370 347 415 28 e-mail <i>konsultavimas@linasagro.lt</i>
ŽŪB Landvesta 1	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501060, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 fax +370 45 507 404 e-mail <i>info@landvesta.lt</i>
ŽŪB Landvesta 2	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501085, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 fax +370 45 507 404 e-mail <i>info@landvesta.lt</i>
ŽŪB Landvesta 3	Rent and management of agricultural purposes land	21/10/2005, Code of legal entity 300501092, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 fax +370 45 507 404 e-mail <i>info@landvesta.lt</i>
ŽŪB Landvesta 4	Rent and management of agricultural purposes land	23/04/2007, Code of legal entity 300709428, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143, Panevėžys, Lithuania Ph. +370 45 507 406 fax +370 45 507 404 e-mail <i>info@landvesta.lt</i>



Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
ŽŪB Landvesta 5	Rent and management of agricultural purposes land	16/8/2007, Code of legal entity 301019661, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 fax +370 45 507 404 e-mail info@landvesta.lt
ŽŪB Landvesta 6	Rent and management of agricultural purposes land	14/1/2008, Code of legal entity 301520074, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 406 fax +370 45 507 404 e-mail info@landvesta.lt
UAB Dotnuvos Projektai	Sale of seeds, agricultural machinery	5/3/1996, Code of legal entity 261415970, private limited liability company, State Enterprise Centre of Registers	Parko St. 6, Akademija, 58351 Kėdainių district, Lithuania Ph.+370 347 370 30 fax +370 347 370 40 e-mail info@dotnuvosprojektai.lt www.dotnuvosprojektai.lt
Noreikiškių ŽŪB	Rent and management of agricultural purposes land	16/8/2012, Code of legal entity 302841649, agricultural company, State Enterprise Centre of Registers	Žibartonių St. 70, Žibartoniai 38323 Panevėžio r., Lithuania Ph.+370 45 507 333 fax +370 45 507 444 e-mail noreikiskes@linasagro.lt
Užupės ŽŪB	Growing and sale of crop	6/4/2011, Code of legal entity 302612561, agricultural company, State Enterprise Centre of Registers	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania Ph. +370 45 507 333 fax +370 45 507 444 e-mail uzupe@linasagro.lt
UAB Paberžėlė	Rent and management of agricultural purposes land	30/6/2008, Code of legal entity 301772627, private limited liability company, State Enterprise Centre of Registers	Liaudės St.81, Užupės vill., Kėdainiai district, Lithuania Ph. +370 698 58583 e-mail paberzele@linasagro.lt
UAB Lineliai	Rent and management of agricultural purposes land	9/6/2012, Code of legal entity 302740714, private limited liability company, State Enterprise Centre of Registers	Smėlynės St. 2C, 35143 Panevėžys, Lithuania Ph. +370 45 507 406 Fax +370 45 507 404 e-mail lineliai@linasagro.lt
Šakiai district Lukšių ŽŪB	Mixed agricultural activities	30/10/1992, Code of legal entity 174317183, agricultural company, State Enterprise Centre of Registers	Lukšių vill. 2, LT-71176 Šakiai district, Lithuania Ph. +370 345 442 88 fax +370 345 442 25 e-mail luksiai@linasagro.lt

AB LINAS AGRO GROUP, CODE OF LEGAL ENTITY 148030011, SMĖLYNĖS G. 2C, PANEVĖŽYS, LITHUANIA
 CONSOLIDATED INTERIM REPORT OF THE FINANCIAL YEAR 2013/2014
 FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013



Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
Kėdainiai district Labūnavos ŽŪB	Mixed agricultural activities	9/3/1993, Code of legal entity 161228959, agricultural company, State Enterprise Centre of Registers	Barupės St. 9, Labūnavos vill. LT-58173 Kėdainiai district, Lithuania Ph. + 370 347 34 4166 fax. + 370 347 34 180 e-mail labunava@linasagro.lt
Biržai district Medeikių ŽŪB	Growing and sale of crop	5/10/1992, Code of legal entity 154771488, agricultural company, State Enterprise Centre of Registers	Biržų St.32, Medeikių vill., LT-41462 Biržai district, Lithuania Ph. +370 450 584 22 fax +370 450 584 12 e-mail medeikiai@linasagro.lt
ŽŪK KUPIŠKIO GRŪDAI	Grain processing and storage	8/4/1999, Code of legal entity 160189745, co-operative society, State Enterprise Centre of Registers	Technikos St. 6D, LT-40122 Kupiškis, Lithuania Ph. +370 688 674 77 fax +370 688 67 471 e-mail info@kupiskiogrudai.lt
Panevėžys district Aukštadvario ŽŪB	Mixed agricultural activities	9/3/1993, Code of legal entity 168573274, agricultural company, State Enterprise Centre of Registers Register of Enterprises of Republic of Lithuania, VĮ Registrų centras	Pirties St. 3, Aukštadvario vill. LT-38255 Panevėžys district, Lithuania Ph./fax +370 45 592 651 e-mail aukstadvaris@linasagro.lt
Sidabravo ŽŪB	Mixed agricultural activities	20/4/1993, Code of legal entity 171331516, agricultural company, State Enterprise Centre of Registers	Pergalės St. 1A, Sidabravas, LT-82251 Radviliškis district, Lithuania Ph. +370 422 477 27 fax +370 422 476 18 e-mail sidabravas@linasagro.lt
UAB Jungtinė Ekspedicija	Logistics and forwarding services	17/2/1998, Code of legal entity 141642963, private limited liability company, State Enterprise Centre of Registers	I. Kanto g. 12-3, LT-92235 Klaipėda, Lithuania Ph. +370 46 310 163 fax +370 46 312 529 e-mail info@je.lt , www.je.lt
UAB Žemės Ūkio Investicijos	Management services	6/10/2003, Code of legal entity 126343167, private limited liability company, State Enterprise Centre of Registers	The principal place of business: Kėdainiai elevator, Žibuoklių St. 14, LT-57125 Kėdainiai, Lithuania The registered address: Smolensko St. 10, LT-03201 Vilnius, Lithuania Ph. +370 688 67 429 fax +370 347 41 528



Company name	Principal activities	Registration date, code of legal entity, legal form, company register	Contact data
Panevėžio rajono Žibartonių ŽŪB	Mixed agricultural activities	22/5/1992, Code of legal entity 168521815, agricultural company, State Enterprise Centre of Registers	Žibartonių St. 70, Žibartonių vill. LT-78323 Panevėžys district, Lithuania Ph. +370 45 557 444 fax +370 45 557 486 e-mail zibartoniai@linasagro.lt
Karčemos Kooperatinė Bendrovė**	Grain processing and storage	9/3/2010, Code of legal entity 302487798, co-operative society, State Enterprise Centre of Registers	Šiaulių St. 72, Gustonių vill. LT-38355 Panevėžys district, Lithuania Ph. +370 45 454 051 fax +370 45 454 054 e-mail priemimas@karcemoskb.lt

** The Group owns 39.20% shares of Karčemos Kooperatinė Bendrovė, but controls this company and consolidates in financial statements.

SUBSIDIARIES OPERATING IN FOREIGN COUNTRIES

Company name	Principal activities	Registration date, code of legal entity, company register	Contact data
Linus Agro A/S	Wholesale trade of grains and oilseeds, feedstuffs and other similar products and services	15/3/1994, Code of legal entity CVR 17689037, register of the company – Danish Commerce and Companies Agency	Vinkel Allé 1, DK-9000 Aalborg, Denmark Ph. +45 988 430 70 fax +45 988 440 07 e-mail info@linasagro.dk www.linasagro.dk
SIA Linas Agro	Wholesale trade of grains and oilseeds, agricultural inputs supply	23/4/2003, Code of legal entity 53603019011, Register of Enterprises of the Republic of Latvia	Bauskas St. 2, LV-3001 Jelgava, Latvia Ph. +371 630 840 24 fax +371 630 842 24 e-mail info@linasagro.lv , www.rapsim.lv
SIA Linas Agro Graudu Centrs	Grain processing and storage	2/5/2013, Code of legal entity 43603059101, Register of Enterprises of the Republic of Latvia	Bauskas St. 2, LV-3001 Jelgava, Latvia Ph. +371 630 840 24 fax +371 630 842 24 e-mail graudu.centrs@linasagro.lv



Company name	Principal activities	Registration date, code of legal entity, company register	Contact data
SIA DOTNUVOS PROJEKTAI	Sale of seeds, agricultural machinery	26/04/2010, Code of legal entity 43603041881, Register of Enterprises of the Republic of Latvia	Jūrmalas St. 13C, Pinki, LV-2107 Babītes district, Latvia Ph. +371 679 131 61 fax +371 677 602 52 e-mail info@dotnuvosprojektai.lv , www.dotnuvosprojektai.lv
AS Dotnuvos Projektai	Sale of seeds, agricultural machinery	11/11/2010, Code of legal entity 12019737, Estonian Central Register of Securities (Eesti Väärtpaberikeskus AS)	Savimäe 7, Vahi 60534, Tartu district, Estonia Ph. +372 661 2800 fax +372 661 8004 e-mail info@dotnuvosprojektai.ee www.dotnuvosprojektai.ee
AS Putnu Fabrika Kekava	Poultry and its products production	11/6/1991, Code of legal entity 50003007411, Register of Enterprises of the Republic of Latvia	Kekava, Kekava distric, Latvia Ph. +371 6787 4000 fax +371 6787 4001 email info@pfkekava.lv www.vistas.lv
SIA PFK TRADER	Food retail	26/8/2013, Code of legal entity 40103703853, Register of Enterprises of the Republic of Latvia	Kekava, Kekava distric, Latvia Ph. +371 6787 4000 fax +371 6787 4001 email info@pfkekava.lv www.vistas.lv

6. EMPLOYEES

As at 31 December 2013 the number of employees of the Group was 1,703 employees or 752 employees more as at 30 December 2012 (951). This increase was conditioned by acquisition of AS Putnu Fabrika Kekava (additionally 619 employees).

AB Linas Agro Group has no collective agreement.



7. ACTIVITY RESULTS OF THE GROUP

- Consolidated revenue of AB Linas Agro Group in the first half of financial year 2013/2014 totaled LTL 1,002 million and was 11% less as compared to previous year (LTL 1,123 million). Revenue for the second quarter totaled LTL 552 million (LTL 784 million in 2012/2013 financial year) and grew 23% as compared to the first quarter of financial year (LTL 450 million).
- Consolidated Group's EBITDA reached LTL 50 million (LTL 91 million in previous year).
- The Group sold 944 thousand tons of various grains and agricultural inputs or 8% less as compared to previous year (1,026 thousand tons).
- The Group's operating profit reached LTL 41 million and was 47% less as compared to the respective period of the previous year (LTL 77 million) and the net profit before tax amounted to almost LTL 38 million (compared to LTL 78 million previous year). The net profit attributable to the Group reached LTL 28 million (LTL 68 million previous year).
- Grain storage facilities owned by AB Linas Agro Group processed 387 thousand tons of various grains or 25% less than over the respective period of the 2012/2013 financial year and 20% more than over the respective period of the 2011/2012 financial year.
- In September 2013 the Group acquired 87% of shares of Latvian poultry company AS Putnu Fabrika Kekava. Revenue of the company during November and December 2013 amounted to LTL 21 million.



1. FINANCIAL RATIOS

	2013/2014 6 months	2012/2013 6 months	2011/2012 6 months	2010/2011 6 months
Sales in tons	944,331	1,026,114	843,845	869,526
Sales revenues (thousand LTL)	1,002,350	1,122,922	868,668	796,135
Gross profit (thousand LTL)	57,327	88 801	54,195	42,204
Gross profit margin	6%	8%	6%	5%
EBITDA (thousand LTL)	50,262	91,104	38,400	24,277
EBITDA margin	5%	8%	4%	3%
Operating profit (thousand LTL)	40,600	76,991	31,687	17,361
Operating profit margin	4%	7%	4%	2%
Profit before taxes EBT (thousand LTL)	38,216	77,581	28,396	15,662
Profit before taxes margin	4%	7%	3%	2%
Net profit (thousand LTL)	35,587	68,545	21,634	12,827
Net profit margin	3.6%	6.1%	2.5%	1.6%
Current ratio	1.4	1.5	1.8	1.5
Debt / Equity ratio	1.0	1.1	0.6	1.1
Net financial debt / EBITDA	9.0	4.4	4.6	10.9
Return on equity (ROE)	6.1%	16.4%	5.5%	4.9%
Return on capital employed (ROCE)	4.1%	9.4%	5.7%	3.5%
Earnings per share (LTL)	0.23	0.43	0.14	0.08



2. OVERVIEW

The grain harvest in Lithuania and Latvia in 2013 was less as compared to 2012. Rapeseed yield in Lithuania decreased by 13 percent (winter oilseed rape even 31%), rye – by 39%, barley – 8%, wheat – 5%, triticale – 4%. Rapeseed yield in Latvia fell 2%, wheat – 7%, barley – 7%, rye – 64%, triticale – 33%.

During the last quarter of 2013 the prices for agricultural commodities has stabilized and fluctuated at around 5% price range interval. For instance, wheat price in MATIF Exchange fluctuated around 200 euros per ton, the price of rapeseed was 370 euros per ton and the price of corn –170 euro per ton. Basically, this season matched forecasts, which said that due to a good global cereal grain yield the overall level of prices in the marketing season will be about 25-30% less than last year. The price level slightly increased in October-December if compared to July-September, therefore major farmers started selling grain and the Group has been active in purchases. Usually during the first half of the year more grain is bought than sold, which in turn affect the Group's operating results of the period. A part of profitable contracts for the sale of grains are shifted to the second half of this year. Due to the good world grain harvest the competition from the other export countries (France, Ukraine, Russia) increased and sales margins slightly declined. The Group sold almost 0.73 million tons of various grains and feedstuffs or 16% less as compared to the same period of the record 2012/2013 year, or 34% more if compared to the respective period of the 2011/2012 financial year.

The revenue of the Group amounted to LTL 1,002 million and was 11% lower as compared to LTL 1,123 million earned during the respective period of the previous year. The main reason for operating income decrease was decline in trade quantities overall prices. The Group's revenues amounted to LTL 552 million in the second quarter of the financial year (LTL 784 million in the respective period of 2012/2013 financial year).

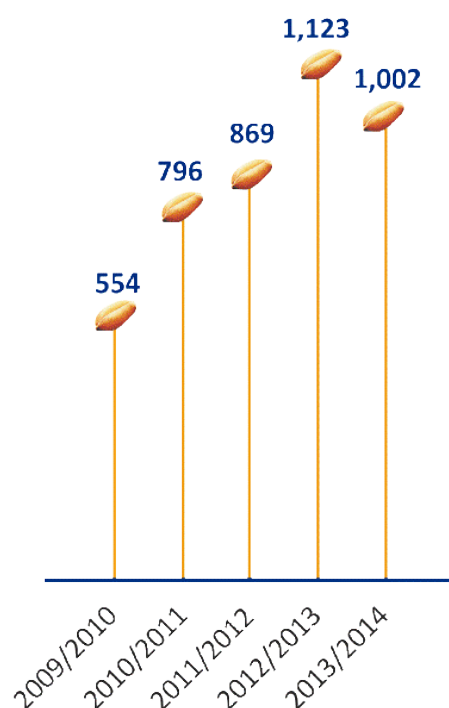
Despite the fact that gross margin has fallen to 3.1% (4.3% in 2012/2013) in the main business segment of the Group "Grain and feedstuff handling and merchandising", the successful operation of other business segments and impact of a new business segment allowed the Group to reach 5.7% gross margin. The gross profit of the Group in the second quarter amounted to LTL 21.7 million and in the first half of the year – LTL 57.3 million (respectively LTL 64.3 million and LTL 88.8 million in 2012/2013 financial year).

Group's operating profit reached LTL 41 million and was 47% less as compared with respective period of 2012/2013 financial year (LTL 77 million). Operating profit was also affected by the increase in operating

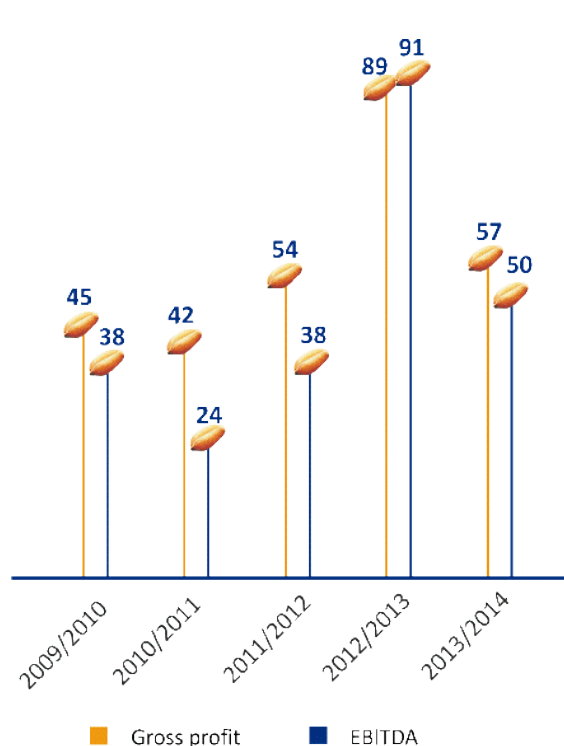


costs from LTL 40 million to LTL 47 million, mostly due to the consolidation of Panevėžys district Žibartonių ŽŪB and AS Putnu Fabrika Kekava (the consolidated operating costs of these companies totaled LTL 4.6 million). Group's net profit declined from LTL 68 million to LTL 36 million, but it was 67% more as compared to 2011/2012 financial year (LTL 21.6 million).

REVENUE, LTL MILLION



EBITDA AND GROS PROFIT, LTL MILLION



3. FINANCIAL COSTS

Financial expenses amounted to LTL 3.7 million over referenced period and were 14% less than that in 2012/2013 financial year (LTL 4.3 million). The main reasons affecting the cost reduction were a further drop in the basis of interest rate as well as sufficient own working capital to finance turnover. The amount of financial debt increased from LTL 463 million to LTL 475 million (due to consolidation of AS Putnu Fabrika Kekava long-term financial debt increased by LTL 32 million). Taking into account investment plans of the Group, the treasury of the Group predicts that demand for loan capital would increase but financial costs are to remain at the same level like in 2012/2013 financial year.



4. CASH FLOWS

Group's cash flow from operating activities before the changes in working capital decreased to LTL 24.8 million compared to LTL 58.9 million the previous year. Cash flow from operating activities after changes in working capital was negative amounting to LTL 206 million (negative LTL 148 million over the respective period of 2012/2013 financial year). This is mainly explained due to active purchases of grains as stock increased by almost LTL 192 million. Group's cash and cash equivalents at the end of the reporting period amounted to LTL 25 million (LTL 58 million in 2012/2013 financial year).

5. SEGMENT OPERATING PERFORMANCE

OPERATING PROFIT (LTL THOUSAND) BY SEGMENTS

	2013/2014	2012/2013	2011/2012
	6 months	6 months	6 months
Grain and feedstuff handling and merchandising	8,343	55,998	17,098
Product and services for farming	8,456	17,730	22,073
Agricultural production	6,957	16,634	(3,550)
Food products	20,551	n. d.	n. d.
Other	(481)	(616)	1,734

GRAIN AND FEEDSTUFF HANDLING AND MERCHANDISING

Sales revenue of the largest activity segment of the Group in the first six months of this financial year amounted to LTL 717 million (LTL 921 million during 2012/2013 financial year) and operating profit was LTL 8.3 million (LTL 56 million in 2012/2013). A decline in revenue was driven by drop in grain sales from 588 thousand to 528 thousand tons. Sales of feedstuffs also declined from 281 thousand to 201 thousand due to the drop in grain prices as feed producers have been using grains more actively. The declined volumes of purchased grain and the good weather conditions during the harvest season decreased grain drying need and this had a negative impact on the income of grain storages, which amounted to LTL 21 million (LTL 31 million previous year). Nevertheless, it should be noted that majority of profitable grain sales contracts has been shifted into the second half of 2013/2014 financial year.



The Group expanded its grain storage facilities by 24.9 thousand tons over the referenced period. Currently, the Group's total grain, feedstuffs and other agricultural products storage capacity is 225 thousand tons.

PRODUCTS AND SERVICES FOR FARMING

Sales revenue of this business segment was LTL 252 million and almost 30% higher as compared to previous year (LTL 195 million). An increase in revenue is mainly attributable due to consolidation of a new business segment – machinery and equipment – within the Group. If we eliminate the above mentioned sales (LTL 99 million), revenue of the segment grew from LTL 136 million to LTL 153 million. Seed trading revenue grew thrice to LTL 22 million, fertilizer trading revenue increased 22% up to LTL 117 million and income of plant protection products amounted to LTL 14 million and grew by 12%.

The gross profit of the segment decreased from LTL 32 million to LTL 27 million, while operating profit declined almost twice from LTL 17.7 million to LTL 8.5 million. This was caused by the drop in agricultural machinery sales as the vast majority of agricultural equipment is purchased using the EU funds. The market shrank significantly as EU funding program has not been confirmed yet. Also fallen grain purchase prices had impact on farmers' decisions to buy less agricultural machinery and grain storage facilities.

EU funding program and guidelines are expected to be approved this spring, therefore the Group forecast that sales of agricultural machinery will be 40% less than last year. After the approval of EU funding program and guidelines the rebound in sales and profitability should commence in 2014/2015 financial year.

Sales volumes of Group's subsidiaries in Latvia and Estonia have been growing. Revenue of SIA DOTNUVOS PROJEKTAI grew 13.45% and AS Dotnuvos Projektai – 4.5% in III and IV quarters of 2013 as compared to 2012. SIA DOTNUVOS PROJEKTAI has been acknowledged *Dienas Bizness Gazele 2013* – one of the fastest growing companies in Latvia.

AGRICULTURAL PRODUCTION

Currently the Group controls seven agricultural farms and their six months sales revenue amounted to LTL 52 million (LTL 50 million in 2012/2013). Revenue from agricultural production sales declined due to the drop in prices for agricultural products, while consolidation of Panevėžys district Žibartonių ŽŪB allowed to increase revenue of the Segment by 4 pct. Segment's gross profit declined from LTL 3.1 million to LTL 2.6



million. The operating profit of the Segment was LTL 7 million and 2.2 times less compared to LTL 16.6 million received during the financial year 2012/2013 and operating profit fell from LTL 16.6 million to LTL 7 million. In fact the operating profit was increased by positive goodwill from acquisition of Panevėžys district Žibartonių ŽŪB, amounting to LTL 8 million. And if we eliminate a positive impact of the goodwill this year and last year, the operating loss of the Segment would amount to LTL 1 million and LTL 3 million respectively. Such results should be treated as normal, reflecting seasonality of the business.

Over 44 thousand tons of cereals and oilseed rape and over 10 thousand tons of sugar beets were sold during the reporting period. The average yield per hectare amounted to 6.1 tons for wheat, 3.3 tons for oilseed rape, 5.7 tons for malting barley and 4.4 ton for peas. The companies held 2,978 dairy cows and have sold within six months almost 12 thousand tons of milk or 53% more than the previous year. The average yield per cow is 7.9 tons of milk per year.

Panevėžys district Aukštadvario ŽŪB is planning to start constructing a new milking parlor in the second half of 2013/2014 financial year.

FOOD PRODUCTS

This is a new business segment of the Group what includes a poultry business. As mentioned before, the Group has acquired shares of Latvian poultry company AS Putnu Fabrika Kekava in October of 2013. The company is included in the Group since November 2013, and its two-month operating results are consolidated in the Group financials. The company's main activities are broiler breeding, slaughtering and sale of products. Almost 75% of company's production is sold in Latvia and the rest is exported primarily into other Baltic states and Scandinavia. The revenue of AS Putnu Fabrika Kekava for the November-December period amounted to LTL 21 million and preliminary sales for the whole 2013 was LTL 132 million (LTL 114 million in 2012). After acquisition of AS Putnu Fabrika Kekava, the company finished its restructuring procedure and 49% of old company's debts have been written off. Therefore the company received up to LTL 14 million in profit as other income. That also had a positive effect into segment's profitability, which amounted to LTL 20.5 million. Company's non-audited earnings before interests, taxes and depreciation (EBITDA) from the main activity amounted to LTL 12 million.

The Group is planning to acquire another three Latvian poultry companies in the third quarter of its financial year and after that this business segment will be completed.



OTHER

The sales of this business segment are predominated essentially by sales of lignin. Due to undergoing investigations of usage of this product, sales volumes were negligible and amounted to LTL 0.15 million, while operating loss was LTL 0.5 million, compared to revenue LTL 1.8 million and operating loss LTL 0.6 million previous year. The Group actively negotiates with probable buyers of this product and expects that sales of this product will commence in spring 2014.

6. INVESTMENTS

The Group spent 14.3 million litas on acquisitions (Panevežys district Žibartonių ŽŪB, further increase of share packages in the companies controlled by the Group).

Subsidiaries of the Group invested almost LTL 18 million over the referenced period. The breakdown of major investments is presented in the table.

Type of investments	Amount invested, LTL thousand
Grain storage facilities and equipment, warehouses and other	6,959
Investments into agricultural equipment, machinery, buildings and agricultural land	8,703
Other investments	2,321



8. THE PUBLICLY DISCLOSED INFORMATION AND OTHER EVENTS OF THE REPORTING PERIOD

THE PUBLICLY DISCLOSED INFORMATION

During the reporting period ended December 31, 2013, the Company publicly disclosed and distributed via NASDAQ OMX GlobeNewswire system and in Company's website the following information:

AB Linas Agro Group investor's calendar for the 2014	Other information	En, Lt	18/12/2013 11:00:33 EET
AB Linas Agro Group AB acquired claim in respect of Putnu Fabrika Kekava	Notification on material event	En, Lt	6/12/2013 15:00:31 EET
AB Linas Agro Group notification about interim 3 months financial results of the financial year 2013/2014	Interim information	En, Lt	27/11/2013 09:48:32 EET
AB Linas Agro Group acquired shares of AS Putnu fabrika Kekava and rights granted thereby	Notification on material event	En, Lt	30/10/2013 09:00:31 EET
AB Linas Agro Group received the permission to acquire poultry companies in Latvia	Notification on material event	En, Lt	28/10/2013 15:00:31 EET
Procedure for the payout of dividends for the financial year ended 30 June 2013	Notification on material event	En, Lt	25/10/2013 09:19:33 EEST
AB Linas Agro Group notification about the Annual information of the financial year 2012/2013	Annual information	En, Lt	25/10/2013 09:16:33 EEST
Results of voting of the Annual General Meeting of AB Linas Agro Group, held on 24 of October, 2013	Notification on material event	En, Lt	25/10/2013 09:12:32 EEST
Notice on Annual General Meeting of Shareholders of AB Linas Agro Group	Notification on material event	En, Lt	2/10/2013 09:00:31 EEST



Changes in AB Linas Agro group business segments	Notification on material event	En, Lt	10/9/2013 09:15:31 EEST
AB Linas Agro Group acquired farming company, together with its owner	Notification on material event	En, Lt	5/9/2013 11:45:30 EEST
AB Linas Agro Group notification about interim twelve month financial results of the financial year 2012/2013	Interim information	En, Lt	30/8/2013 09:00:32 EEST
SEB Bank issued AB Linas Agro an LTL 200 million credit line	Notification on material event	En, Lt	6/8/2013 09:06:30 EEST
AB Linas Agro Group is planning to acquire a property management company that owns farming company	Notification on material event	En, Lt	22/7/2013 16:09:30 EEST
AB Linas Agro Group is planning to acquire poultry companies in Latvia	Notification on material event	En, Lt	3/7/2013 13:16:31 EEST
AB Linas Agro Group received Exporter of the Year Award	Other information	En, Lt	2/7/2013 08:30:31 EEST

OTHER EVENTS DURING THE REPORTING PERIOD

2013	In December share capital of ŽŪB Landvesta 2 was increased from LTL 855,000 to LTL 1,182,000.
2013	In November-December months share capital of ŽŪB Landvesta 1 increased from LTL 323,000 to LTL 2,422,000.
2013	In November-December months UAB Linas Agro Konsultacijos additionally acquired 25,160.3 worth of shares of Panevėžys district Žibartonių ŽŪB.
2013	In October-November months UAB Linas Agro Konsultacijos additionally acquired 54,352.76 worth of shares of Sidabravo ŽŪB.
31/12/2013	Share capital of ŽŪB Landvesta 3 increased from LTL 102,000 to LTL 726,000.
31/12/2013	Share capital of ŽŪB Landvesta 4 increased from LTL 437,000 to LTL 1,912,000.
31/12/2013	Share capital of ŽŪB Landvesta 5 increased from LTL 1,014,493 to LTL 2,353,000.



- 31/12/2013 Share capital of ŽŪB Landvesta 6 increased from LTL 320,000 to LTL 1,837,000.
- 30/12/2013 Share capital of Noreikiškių ŽŪB increased from LTL 1,010,000 to LTL 1,038,000.
- 27/12/2013 Share capital of AS Dotnuvos Projektai increased from EUR 100,000 to EUR 1,300,000.
- 27/12/2013 Share capital of UAB Lineliai increased from LTL 1,060,000 to LTL 1,610,000.
- 07/11/2013 Share capital of AS Putnu Fabrika Kekava was increased from LVL 5,632,620 to LVL 8,973,944, the number of shares owned by AB Linas Agro Group did not change after share capital increase, and respectively the Group controls 54.59% shares in the company.
- 08/10/2013 Share capital of SIA Linas Agro increased from LVL 500,000 to LVL 1,554,206.
- 04/10/2013 Share capital of UAB Linas Agro Konsultacijos increased from LTL 10,144,600 to LTL 38,400,000.
- 01/08/2013 Share capital of UAB Lineliai increased from LTL 60,000 to LTL 1,060,000.
- 24/07/2013 AB SEB bank has increased its credit line to AB Linas Agro issued a year before by LTL 50 million to LTL 200 million.

SUBSEQUENT EVENTS

- 07/02/2014 AB Linas Agro Group acquired 100% of the shares of SIA Broileks (Latvia).
- 07/02/2014 AB Linas Agro Group acquired 100% of the shares of SIA Cerova (Latvia).
- 05/02/2014 Share capital of SIA DOTNUVOS PROJEKTAI increased from LVL 60,000 to EUR 2,000,000.
- 2014 In January-February months share capital of Noreikiškių ŽŪB increased from LTL 1,038,000 to LTL 1,103,000.
- 09/01/2014 AB Linas Agro Group acquired 87 shares of SIA Lielzeltini (Latvia). The remaining 513 shares were acquired on 07/02/2014 which together presents 100% of share capital in SIA Lielzeltini.
- 09/01/2014 UAB Fossio was established after splitting part of the assets and liabilities from UAB Lignineko.



9. SCOPE OF RISK AND MANAGEMENT THEREOF

1. MARKET RISK

Market risk shall be understood as a risk to generate profit lower than planned if the tone of market prices is unfavorable. This may happen if market price fell below the intervention prices (minimal purchase prices for grains established by state authorities) as it would prevent the Company from receiving surplus profit. In a market situation when grain purchase prices fall due to certain reasons, intervention prices are used as a leverage to uphold a certain price level and thus to ensure guaranteed income to farmers. When intervention prices are higher than or identical to market prices, the Group sells the purchased grains to the agency and thus earns certain income which under regular market conditions would be lower than market prices. Starting from 2005, intervention prices are set by the EU and are calculated for two years in advance. The mechanism has not been applied so far; however, if intervention prices were applied, the Group would have been deprived of surplus profit.

In FY 2013/2014 this risk did not manifest itself as regards the Company and the Group.

2. RISK RELATED TO ACTIVITIES OF SUBSIDIARIES

The companies controlled by the Group are involved in trade in agricultural goods, implementation of crop programs, warehousing of agricultural products and other activities. Although operations of a majority of controlled companies are profitable, negative changes in the markets, where the parent company and controlled companies operate, may affect its profitability. Managers constantly monitor and analyse the activities of the Group companies, their essential transactions, provide budgets of activities of the controlled companies to the Group management and, correspondingly, control their execution and material changes.

In FY 2013/2014 this risk did not manifest itself as regards the Company and the Group.

3. POLITICAL RISK

Agriculture is a strictly regulated and supervised sector of economy in the European Union. Although this regulation and control are mostly aimed at ensuring sufficient income for entities engaged in agricultural activities, political changes may affect the situation in the market where the Group operates.



For example, reduction of subsidies to agriculture may affect the activities of agricultural companies controlled by the Group.

In FY 2013/2014 this risk did not manifest itself as regards the Company and the Group.

4. SOCIAL RISK

The experience and knowledge of the management determine the ability of the Group to retain its competitive status and implement its growth strategy. However, there are no guarantees that all key employees of the Group will stay with the Group in the future. Loss of such employees or the Group's failure to recruit new employees possessing appropriate knowledge may have a significant adverse impact on the business outlook and financial position of the Group. Non-competition agreements are signed with some executives.

In FY 2013/2014 this risk did not manifest itself as regards the Company and the Group.

5. COUNTERPARTY RISK

The Group enters forward contracts with more than 1,300 clients who commit the delivery of production under terms and conditions of the contract. As the prices of products increase, the risk of breach of forward contracts and non-delivery of production by counterparties emerges. The bigger the difference between the contract price and the current market price on the day of delivery, the higher is the risk.

In 2012/2013 financial year, the Group according its risk management policy has been using risk management mitigating tools for forward purchases. No loss has been recorded, as the situation in the market was positive for such forward purchases. Additionally the Group has revised and stringent the terms of its purchase agreements, continuously monitored, controlled and analyzed probable scenarios for losses (for example, setting limits on forward contracts, evaluation and assessment of client's credit rating, capacity of cultivated land etc.).

In order to manage the risk related to certain products, the Group concludes forward contracts on commodity exchange NYSE Euronext Paris SA. The Group trades in futures to control the price risk arising from purchasing and selling rapeseed and wheat. The Group has approved an internal trade risk management system and established the credit risk management committee that analyses trade



transactions entered into by the Company as well as their amounts and limits. Some of the buyers (buyers' solvency risk) are insured with international insurance companies.

In the first half of financial year 2013/2014 this risk did not manifest itself as regards the Company and the Group because grain prices fell down compared with the spring.

10. AUTHORIZED CAPITAL AND SHARES OF THE COMPANY

There were no changes in authorized capital since 17 of February 2010.

On 31 December 2013 the authorized capital of the Company amounts to LTL 158,940,398 (one hundred and fifty-eight million, nine hundred and forty thousand, three hundred and ninety-eight litas). The authorized capital of the Company is divided into 158,940,398 ordinary registered non-certificated shares. The nominal value of one share is LTL 1.00 (one litas). ISIN code of the shares is LT0000128092.

Type of shares	Number of shares	Nominal value (LTL)	Total nominal value (LTL)	Portion in the authorized capital (%)
Ordinary registered shares	158,940,398	1	158,940,398	100
Total	158,940,398	–	158,940,398	100

All the shares of the Company are fully paid.

The Company is not aware of any restrictions of the transfer of securities or other agreements between shareholders due to which could be restrictions of the transfer of Company's shares and/or voting rights might be limited.

THE COMPANY'S OWN SHARES

At the end of the reporting period, the Company holds 790,972 units of Company's shares with a nominal value of LTL 790,972, which do not grant the right to vote in the General Meeting of Shareholders.

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

Annual General Meeting of AB Linas Agro Group, held on 24 of October 2013 assigned Board of the Company to purchase up to 1,589,403 ordinary registered shares of the Company, i.e. up to 1% of all



Company shares, in 18 months period with the purpose to maintain and increase the price of the Company's shares. The reserve of LTL 4,700,000 is formed for acquisition of the own shares.

11. INFORMATION ABOUT TRADE IN THE COMPANY'S SECURITIES IN REGULATED MARKETS

All 158,940,398 ordinary registered shares of the Company were included in the Official List of NASDAQ OMX Vilnius Stock Exchange (ISIN Code of the shares is LT0000128092). The ticker of the shares on NASDAQ OMX Vilnius Stock Exchange is LNA1L.

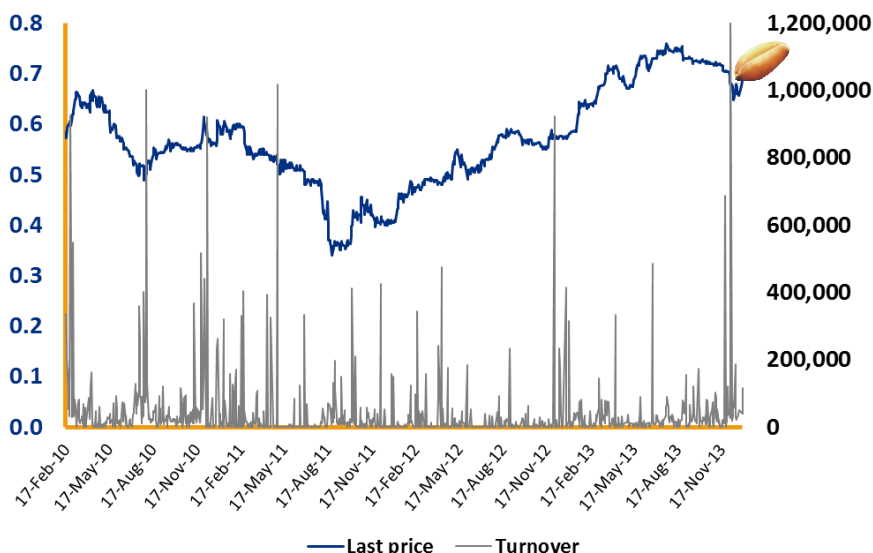
Trading in the Company's shares on NASDAQ OMX Vilnius Stock Exchange started on 17 February 2010. AB Linas Agro Group is included in the composition of the comparative index OMX Baltic Benchmark of the stock exchanges of the Baltic countries from 1 July 2010.

AGREEMENTS CONCLUDED WITH INTERMEDIARIES OF THE PUBLIC SECURITIES MARKET

On 11 November 2009, the Company signed the Issuer's Securities Accounting Management Agreement with Swedbank, AB represented by the Securities Transactions Department (Code: 112029651; address: Konstitucijos ave. 20A, LT-03502 Vilnius).

AB LINAS AGRO GROUP SHARE PRICE AND TURNOVER

Information on changes in the prices of Company's shares and turnover from starting trade until the end of the reporting period, i. e. 31 December 2013, is presented in the following diagram:





12. SHAREHOLDERS

According to the list of shareholders provided by AB Linas Agro Group securities account operator Swedbank, AB (data for end of 31 December 2013), the number of Company's shareholders at the end of the reporting period totaled 1,260.

Shareholders controlling more than 5% of Company's shares as at 31 December 2013:

	Number of shares hold	Portion in the authorised capital of voting rights, %
Akola ApS (Company code 25174879, registration address: Sundkrogsgade 21, DK-2100 Copenhagen, Denmark)	87,784,443	55.23%
Darius Zubas directly	17,049,995	10.73%
indirectly (v Akola ApS)	62,326,955	39.21%
SEB SA OMNIBUS (Luxembourg) clients	14,577,719	9.17%
Swedbank AS (Estonia) clients	10,557,797	6.64%

All shares issued by the Company grant equal rights to the Company's shareholders. Each ordinary share of the Company shall grant one vote at the General Meeting of Shareholders (except 790,972 ordinary registered shares acquired by the Company that do not give the right to vote).

13. BODIES OF THE COMPANY

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

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

The Supervisory Board shall not be formed in the Company.

Since 28 October 2010 Audit Committee formed by the Company.

The Company's Board for a 4 (four) year period was elected by the Company's General Meeting of Shareholders on 25 October 2012. Arūnas Jarmolavičius resigned from the Board of the Company from May 1, 2013, and Artūras Pribušauskas was elected as a new member of the Company's Board by the Company's



General meeting of Shareholders on 24 October 2013 for the period until the current term of office of the Board.

The Head of the Company does not change during six months of 2013/2014 financial year, ended 31 December 2013.

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

BOARD OF THE COMPANY

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

The members of the Board (31 December 2013):

Name	Participation in Company's authorized capital	Position within the Board	Cadence starts	Cadence ends
Darius Zubas	10.73% shares	Chairman of the Management Board	25/10/2012	24/10/2016
Vytautas Šidlauskas	3.78% shares	Deputy Chairman of the Management Board	25/10/2012	24/10/2016
Arūnas Zubas	0.3% shares	Member of the Management Board	25/10/2012	24/10/2016
Dainius Pilkauskas	0.3% a shares	Member of the Management Board	25/10/2012	24/10/2016
Andrius Pranckevičius	Has no shares	Member of the Management Board	25/10/2012	24/10/2016
Tomas Tumėnas	0.001% shares	Member of the Management Board	25/10/2012	24/10/2016
Artūras Pribušauskas	0.01% shares	Member of the Management Board	24/10/2013	24/10/2016

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

Name	Participation in Company's authorized capital
Darius Zubas	Akola ApS 71% votes; UAB MESTILLA 14.3% votes.
Vytautas Šidlauskas	Akola ApS 25% votes; UAB MESTILLA 5% votes.

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



Darius Zubas (b. 1965) – Chairman of the Management Board, Head of the Company (Managing director), shareholder – has 17,049,995 shares of the Company equal to 10.73% of all shares. The main founder of the Group.

Graduated from Veterinary Academy of Lithuanian University of Health Sciences in 1988. Managing Director of the Company since 1997. Managing Director of AB Linas Agro since 1991 and Chairman of the Management Board since 2006. Chairman of the Board of Directors of Linas Agro A/S since 2004.

Chairman of the Management Board of UAB MESTILLA since 2006.



Vytautas Šidlauskas (b. 1963) – Member of the Management Board (Deputy Chairman of the Management Board), shareholder of the Company – owns 6,003,521 shares of the Company equal to 3.78% of all shares.

Graduated from Faculty of Chemistry of Kaunas University of Technology in 1987. Has been employed with the Group since 1991. Managing Director of UAB Gerera since 1993. Trade Director of AB Linas Agro since 1999 and Member of the Management Board since 2006. Member of the Board of Directors of Linas Agro A/S since 2004.

Member of the Management Board of UAB MESTILLA since 2006.



Dainius Pilkauskas (b. 1966) – Member of the Management Board, shareholder of the Company – owns 480,281 shares of the Company equal to 0.3% of all shares.

He is a graduate of Veterinary Academy of Lithuanian University of Health Sciences in 1991. Has been employed with the Group since 1991. Trade Director for Baltic States and Member of the Management Board of AB Linas Agro since 2006.



Arūnas Zubas (b. 1962) – Member of the Management Board, shareholder of the Company – owns 480,281 shares of the Company or 0.3% of all shares.

Graduated from Faculty of Chemistry of Kaunas University of Technology in 1985. He was employed with the Group from 1995 to 2005 as director of commerce in AB Linas Agro. Member of the Management Board of AB Linas Agro since 2006.

Managing Director of UAB MESTILLA since 2005.



Andrius Pranckevičius (b. 1976) – Member of the Management Board. Does not own shares of the Company.

Is a graduate of Kaunas Technological University where in 1998 he obtained a bachelor's degree in Business Administration and, in 2000, master's degree in Marketing Management. He also took executive education programs in Harvard Business School, Wharton Business School, Stanford and Berkeley Business School (2004–2007) and program of leadership development in Harvard Business School (2009). Joined the Group in 1999. Deputy Managing Director of AB Linas Agro since 2005 and the Member of the Management Board since 2006. Deputy Managing Director of AB Linas Agro Group since 2009.

The Member of Board of Lithuanian Agricultural Companies Association.



Tomas Tumėnas (b. 1972) – Member of the Management Board, shareholder of the Company – owns 2,200 shares of the Company or 0.001% of all shares of the Company.

In 1995 obtained the diploma in Economics from Vilnius University and a certificate in International Business Economics from Aalborg University. In 2011 obtained MBA (Master of Business Administration, Program for (Full) Financial Specialist & Managers) at Manchester Business School, The University of Manchester. Has been employed with the Group since 2001. Finance Director at AB Linas Agro since 2006 and Member of the Management Board since 2009. Finance Director of AB Linas Agro Group since 2009.



Artūras Pribušauskas (b. 1963) – shareholder of the Company – owns 10,000 shares of the Company or 0.001% of all shares of the Company.

Graduated from Kaunas University of Technology, Faculty of Chemistry in 1986. In 2004, he attended the ACT (Association of Corporate Treasurers) corporate treasury courses in the UK. Joined the Group in 1993, worked as advisor and later as financier in AB Linas Agro. Head of treasury in AB Linas Agro since 1999 and in AB Linas Agro Group since 2010.

Member of the Management Board of UAB MESTILLA since 2013.

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

MANAGEMENT OF THE COMPANY

Company Management as of 31 December 2013:

Position	Name and surname	Employed since
Managing Director	Darius Zubas	01-09-1996
Deputy Managing Director	Andrius Pranckevičius	19-11-2009
Finance Director	Tomas Tumėnas	19-11-2009
Chief Accountant	Ramutė Masiokaitė	19-11-2009

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

Information about Darius Zubas, Andrius Pranckevičius, and Tomas Tumėnas is provided in the chapter **BOARD OF THE COMPANY.**



Ramutė Masiokaitė (b. 1971) – Chief Accountant. Does not own shares of the Company.

Graduated from Vilnius University in 1994 and acquired the qualifications of an economics, financial and credit specialist. She started her employment with the Group in 1998 in the capacity of the Chief Accountant of AB Linas Agro. In 2001 she became Finance Controller of AB Linas Agro and works so far, in 2009, was appointed as Chief Accountant of AB Linas Agro Group.

COMMITTEES FORMED BY THE COMPANY

The Ordinary General Meeting of the Company's Shareholders held on 28 October 2010 formed the Audit Committee and elected the members of the Audit Committee. The Audit Committee consists of 3 members, including an independent member. The members of the Committee are elected for the term of office of 4 (four) years. The elected members of the Committee began their service from the moment the General Meeting of the Company's Shareholders during which they had been elected was over.

THE MEMBERS OF AUDIT COMMITTEE (as at 31 December 2013):

Andrius Drazdys – independent member of the Audit Committee. Term of office began on 28 October 2010, term of office ends on 27 October 2014. Chief Finance Officer Employed of UAB Vilniaus Margarino Gamykla. Does not have shares of the Company.

Artūras Pribušauskas – member of the Audit Committee. Term of office began on 28 October 2010, term of office ends on 27 October 2014. Treasury Manager of the Company, also Treasury Manager of AB Linas Agro. Elected as the Member of the Board 24 October 2013 (see the chapter **BOARD**). Owns 10,000 shares of the Company or 0.001% of all shares and votes of the Company.

Kristina Prūsienė – member of the Audit Committee. Term of office began on 28 October 2010, term of office ends on 27 October 2014. Employed as Accountant at AB Linas Agro. Does not own shares of the Company.



14. PROCEDURE OF AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION

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

15. INFORMATION ABOUT THE COMPLIANCE WITH THE COMPANY MANAGEMENT CODE

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



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