

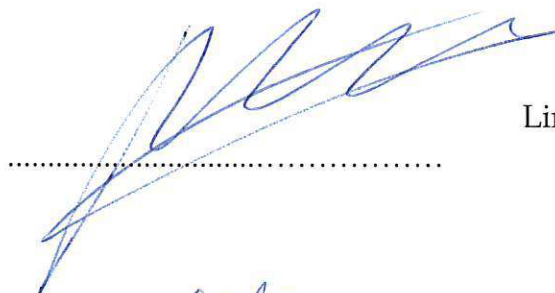
2017-11-30

CONFIRMATION OF RESPONSIBLE PERSONS

Following the law on Securities of the Republic of Lithuania and the Rules for the Drawing up and the Submission of the Periodic and the Additional Information approved by the Board of the Bank of Lithuania, we hereby confirm that, to the best of our knowledge, the attached unaudited interim consolidated financial statements of AUGA Group, AB for the nine-month period ended 30 September 2017, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss and cash flow of consolidated AUGA Group, AB. The consolidated financial statements provide a true and fair overview of AUGA Group, AB business development and operations.

ENCLOSURE: unaudited interim consolidated financial statements of AUGA Group, AB for the nine-month period ended 30 September 2017.

Chief Executive Officer

A handwritten signature in blue ink, appearing to be 'L. Bulzgys', written over a horizontal dotted line.

Linus Bulzgys

Chief Financial Officer

A handwritten signature in blue ink, appearing to be 'M. Repečka', written over a horizontal dotted line.

Martynas Repečka

AUGA GROUP, AB

*Unaudited Interim Results and
Financial Information
for 9 months ended 30 September 2017*

INTERIM REPORT

(All amounts are in EUR thousand, unless otherwise stated)

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(All amounts are in EUR thousand, unless otherwise stated)

I. GENERAL PROVISIONS

Accounting period covered by the Report

The report covers 9 month period ended 30 September 2017.

Key data on the issuer

Name of the company: Auga Group, AB (hereinafter – AG or the Company)
 Share capital: EUR 54,350,713.08
 Address of headquarters: Konstitucijos av. 21C, Quadrum North, LT-08130, Vilnius, Lithuania
 Telephone: (8~5) 233 53 40
 Fax: (8~5) 233 53 45
 E-mail address: info@auga.lt
 Website: www.auga.lt
 Legal-organizational form: Legal body, joint stock company
 Place and date of registration: 25 June 2003, Vilnius
 Register code: 1262 64360
 Register number: AB2003-926
 Registrant of the Register of legal bodies: State Enterprise Centre of registers

As at 30 September 2017 the Group was comprised of the Company and it's subsidiaries:

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and e-mail
UAB Baltic Champs	Joint stock company	27-12-2012, State Registrar	302942064	Poviliškės, Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB AVG Investment	Joint stock company	10-02-2005, State Registrar	300087691	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB AWG Investment 1	Joint stock company	18-06-2008, State Registrar	301745765	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB AWG Investment 2	Joint stock company	24-07-2008, State Register	301807590	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Agross	Joint stock company	24-07-2008, State Register	301807601	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Grain Lt	Joint stock company	17-03-2010, State Register	302489354	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB ARS ingenii*	Joint stock company	15-03-2011, State Register	302602713	Konstitucijos pr. 21C, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Agro GIS	Joint stock company	18-01-2011, State Register	302583978	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Agro Management Team	Joint stock company	02-03-2011, State Register	302599498	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt

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(All amounts are in EUR thousand, unless otherwise stated)

UAB Agrotechnikos centras	Joint stock company	03-02-2011, State Register	302589187	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB AUGA Trade	Joint stock company	29-02-2012, State Registrar	302753875	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB Žemės fondas	Agricultural entity	07-04-2006, State Register	300558595	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Žemės vystymo fondas 6	Joint stock company	10-08-2006, State Registrar	300589719	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Žemės vystymo fondas 9	Joint stock company	09-03-2006, State Registrar	300547638	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Žemės vystymo fondas 10	Joint stock company	10-01-2008, State Registrar	301522723	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB Žemės vystymo fondas 20	Joint stock company	22-06-2007, State Registrar	300887726	Jonavos r. sav. Bukonių k. Lankesos g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Spindulys	Agricultural entity	09-04-1993, Radviliškis district municipality	171330414	Radviliškio r. sav. Vaitiekūnų k. Spindulio g. 13	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Smilgiai	Agricultural entity	16-09-1992, Panevėžys district municipality	168548972	Panevėžys st. 23, Smilgiai, Smilgiai mun., LT-38375	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Skėmiai	Agricultural entity	01-10-1992, Radviliškis district municipality	171306071	Radviliškio r. sav. Skėmių k. Kėdainių g. 36	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Nausodė	Agricultural entity	11-08-1992, Anykščiai district municipality	154179675	Anykščių r. sav. Kirmėlių k.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Dumšiškės	Agricultural entity	29-09-1992, LR Raseiniai district board	172276179	Raseinių r. sav. Paraseinio k.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Žadžiūnai	Agricultural entity	30-06-1992, Šiauliai district municipality	175706853	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
ŽŪB AUGA Mantviliškis	Agricultural entity	06-11-1992, Kėdainiai district board	161274230	Kėdainių r. sav. Mantviliškio k.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt

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ŽŪB AUGA Alanta	Agricultural entity	29-06-1992, Molėtai district municipality	167527719	Molėtų r. sav. Kazlų k. Skiemonių g. 2A	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB AUGA Eimučiai	Agricultural entity	29-06-1992, Šiauliai district municipality	175705032	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB AUGA Vėriškės	Agricultural entity	29-09-1992, Radviliškis district municipality	171305165	Radviliškio r. sav. Vėriškių k.	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB AUGA Želsvelė	Agricultural entity	03-07-1992, Marijampolė municipality	165666499	Marijampolės sav. Želsvos k.	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB AUGA Lankesa	Agricultural entity	06-04-1999, Jonava district municipality	156913032	Jonavos r. sav. Bukonių k.	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB AUGA Kairėnai	Agricultural entity	02-03-1993, Radviliškis district municipality	171327432	Radviliškio r. sav. Kairėnų k.	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB AUGA Jurbarkai	Agricultural entity	31-07-1992, Jurbarkas district municipality	158174818	Jurbarko r. sav. Klišių k. Vytauto Didžiojo g. 99	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Grūduva	Joining stock company	24-02-1997, Šakiai district municipality	174401546	Šakių r. sav. Gotlybiškių k.	 fax: (8~5) 233 53 40;
Panevėžio region ŽŪB Gustoniai	Agricultural entity	09-12-1992, Panevėžys district municipality	168565021	Panevėžio r. sav. Gustonių k. M. Kriaučiūno g. 15	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Siesartis	Cooperative entity	21-04-2010, Šakiai district municipality	302501098	Šakių r. sav. Gotlybiškių k. Mokyklos g. 18	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Kašėta	Cooperative entity	21-04-2010, Jonavos district municipality	302501251	Jonavos r. sav. Bukonių k. Lankesos g. 1	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Gustonys	Agricultural entity	08-06-2010, Vilniaus district municipality	302520102	Panevėžio r. sav. Gustonių k. M. Kriaučiūno g. 15	 fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
					 fax: (8~5) 233 53 45, e-mail: info@auga.lt

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(All amounts are in EUR thousand, unless otherwise stated)

ŽŪB Skėmių pienininkystės centras	Agricultural entity	05-03-2012 Radviliškis district municipality	302737554	Radviliškio r. sav. Skėmių k. Alyvų g. 1	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Agrobokštai ŽŪK	Cooperative entity	02-03-2010, Marijampolė municipality	302485217	Vilniaus m. sav. Vilniaus m. Smolensko g. 10	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Dotnuvėlės valdos	Cooperative entity	21-04-2011, Šiauliai district municipality	302618614	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Nevėžio lankos	Cooperative entity	21-04-2011, Radviliškis district municipality	302618596	Kėdainių r. sav. Mantviliškio k. Liepos 6-osios g. 60	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Radviliškio kraštas	Cooperative entity	20-04-2011, Radviliškis district municipality	302618742	Radviliškio r. sav. Skėmių k. Kėdainių g. 13	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Šventosios pievos	Cooperative entity	20-04-2011, Radviliškis district municipality	302618201	Radviliškio r. sav. Vaitiekūnų k. Spindulio g. 13-2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Kairių ūkis	Cooperative entity	13-04-2011, Marijampolė municipality	302615194	Panevėžio r. sav. Gustonių k. M. Kriaučiūno g. 15	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Šiaurinė valda	Cooperative entity	13-04-2011, Šakiai district municipality	302615187	Šiaulių r. sav. Poviliškių k.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Šušvės žemė	Cooperative entity	21-04-2011, Radviliškis district municipality	302618767	Kelmės r. sav. Pašiaušės k. Vilties g. 2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪK Agromilk	Cooperative entity	23-04-2009, Radviliškis district municipality	302332698	Anykščių r. sav. Nausodės k. Nausodės g. 55	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Žalmargėlis	Cooperative entity	23-09-2013, State Registrar	303145954	Vilniaus m. sav. Vilniaus m. Smolensko g. 10	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Juodmargėlis	Cooperative entity	03-10-2013, State Registrar	303159014	Raseinių r. sav. Paraseinio k. Paraseinio g. 2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Agrosaulė 8	Joint stock company	23-08-2012, State Registrar	302846105	Jonavos r. sav. Bukonių k. Lankesos g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Pasvalys distr., Pušalotas reclamation infrastructure users association	Association	11-12-2009 Pasvalys district municipality	302465563	Pasvalio r. sav. Diliauskų k. Diliauskų g. 23	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;

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Grūdų melioracija	Association	23-11-2010, State Registrar	302567116	Mokyklos st. 2, Gotlybiškės, Šakiai distr.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Skėmių melioracijos statinių naudotojų asociacija	Association	22-10-2013, State Registrar	303170256	Vilniaus m. sav. Vilniaus m. Smolensko g. 10	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Melioracijos sistemų naudotojų asociacijos "Nausodė"	Association	22-10-2013, State Registrar	304219592	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Vaitiekūnų melioracijos statinių naudotojų asociacija	Association	22-10-2013, State Registrar	303170306	Vilniaus m. sav. Vilniaus m. Smolensko g. 10	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Traktorių nuomos centras	Joint stock company	16-07-2012, State Registrar	302820808	Jonavos r. sav. Bukonių k. Lankesos g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Traktorių nuomos paslaugos	Joint stock company	16-07-2012, State Registrar	302820797	Jonavos r. sav. Bukonių k. Lankesos g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Arnega	Joint stock company	13-08-2011, State Registrar	302661957	Jonavos r. sav. Bukonių k. Lankesos g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB AGRO Ramučiai	Joint stock company	05-09-2012, State Registrar	302854479	Šiaulių r. sav. Poviliškių k.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Luganta	Joint stock company	05-09-2012, State Registrar	300045023	Kelmės r. sav. Pašiaušės k.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB ŽVF projektai	Joint stock company	27-12-2012, State Registrar	300137062	Jonavos r. sav. Bukonių k. Lankesos g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB Bukonių ekologinis ūkis	Joint stock company	23-08-2012, State Registrar	302846621	Vilniaus m. sav. Vilniaus m. Konstitucijos pr. 21C	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Želsvelės ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325856	Marijampolės sav. Želsvos k. Želsvelės g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Smilgių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325824	Panevėžio r. sav. Smilgių mstl. Panevėžio g. 23-1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Skėmių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325692	Radviliškio r. sav. Skėmių k. Kėdainių g. 13	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Mantviliškio ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325703	Kėdainių r. sav. Mantviliškio k. Liepos 6-osios g. 60	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;

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(All amounts are in EUR thousand, unless otherwise stated)

ŽŪB Spindulio ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325817	Radviliškio r. sav. Vaitiekūnų k. Spindulio g. 13-2	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Lankesos ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325710	Jonavos r. sav. Bukonių k. Lankesos g. 1	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Dumšiškių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324722	Raseinių r. sav. Paraseinio k. Paraseinio g. 2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Kairėnų ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325774	Radviliškio r. sav. Vaitiekūnų k. Spindulio g. 13-2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Žadžiūnų ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325870	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Vėriškių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325849	Radviliškio r. sav. Skėmių k. Kėdainių g. 13	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Nausodės ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325781	Anykščių r. sav. Nausodės k. Nausodės g. 55	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Jurbarkų ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325361	Jurbarko r. sav. Klišių k. Vytauto Didžiojo g. 99	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Eimučių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324715	Šiaulių r. sav. Žadžiūnų k. Gudelių g. 30-2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Alantos ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324747	Molėtų r. sav. Kazlų k. Skiemonių g. 2A	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
ŽŪB Grūduvos ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324804	Šakių r. sav. Gotlybiškių k. Mokyklos g. 2	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB eTime invest	Joint stock company	09-06-2014, State Registrar	300578676	Vilniaus m. sav. Vilniaus m. Saltoniškių g. 29	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
OOO Karakash Agro	Joint stock company	09-09-2010, Ukraine	37171461	Adalet st. 18, Chechova, Razdolnenskiy distr., Krym	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
OOO Karakash	Joint stock company	09-09-2010, Ukraine	32140884	Adalet st. 18, Chechova, Razdolnenskiy distr., Krym	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
AgroSchool OU	Joint stock company	15-07-2013, Estonia	12491954	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Public institution AgroSchool	Public institution	22-07-2013, State Registrar	303104797	Vilniaus m. sav. Vilniaus m. Smolensko g. 10	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;

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(All amounts are in EUR thousand, unless otherwise stated)

Turvaste partners OU	Private limited company	02-05-2014, Estonia	12655410	Lai 32-8 Tallinn 10133, Republic of Estonia	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Nakamaa Agro OU	Private limited company	02-05-2014, Estonia	12655522	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Hindaste Invest OU	Private limited company	24-04-2014, Estonia	12655384	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Tuudi River OU	Private limited company	02-05-2014, Estonia	12655384	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Palderma Partners OU	Private limited company	02-05-2014, Estonia	12654959	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Ave-Martna Capital OU	Private limited company	02-05-2014, Estonia	12655155	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Hobring Invest OU	Private limited company	02-05-2014, Estonia	12655427	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Rukkirahhu Capital OU	Private limited company	02-05-2014, Estonia	12655232	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Pahasoo OU	Private limited company	02-05-2014, Estonia	12655367	Lai 32-8 Tallinn 10133, Republic of Estonia	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Ganiklis	Cooperative entity	20-10-2014, State Registrar	303429417	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Ganiavos gėrybės	Cooperative entity	20-10-2014, State Registrar	303429431	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Žemėpačio pieno ūkis	Cooperative entity	22-10-2014, State Registrar	303432388	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Žemynos pienelis	Cooperative entity	17-10-2014, State Registrar	303427989	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Lygiadienio ūkis	Cooperative entity	17-10-2014, State Registrar	303428087	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Laumės pieno ūkis	Cooperative entity	17-10-2014, State Registrar	303427996	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Medeinos pienas	Cooperative entity	17-10-2014, State Registrar	303428112	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;

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(All amounts are in EUR thousand, unless otherwise stated)

KB Gardaitis	Cooperative entity	20-10-2014, State Registrar	303429381	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Dimstipatis	Cooperative entity	20-10-2014, State Registrar	303429424	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Aušlavis	Cooperative entity	20-10-2014, State Registrar	303429456	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Austėjos pieno ūkis	Cooperative entity	17-10-2014, State Registrar	303428094	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Aitvaro ūkis	Cooperative entity	20-10-2014, State Registrar	303429374	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
KB Giraičio pieno ūkis	Cooperative entity	20-10-2014, State Registrar	303429399	Radviliškio r. sav. Skėmių k. Alyvų g. 1-3	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Fentus 10, GmbH	Private limited company	02-05-2014, Germany	HRB106477	Torstrasse 138, Berlin, DE-10119, Germany	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
Norus , AG	Private limited company	02-05-2014, Germany	HRB109356B	Torstrasse 138, Berlin, DE-10119, Germany	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
LT Holding AG	Private limited company	02-05-2014, Germany	HRB109265B	Torstrasse 138, Berlin, DE-10119, Germany	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
„KTG Agrar“ UAB	Private limited company	20-10-2014, State Registrar	300127919	Maironio g. 3, Raseiniai	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB „Agrar Raseiniai“	Private limited company	20-10-2014, State Registrar	300610316	Maironio g. 3, Raseiniai	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB „Agrar Mažeikiai“	Private limited company	20-10-2014, State Registrar	300610348	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB „PAE Agrar“	Private limited company	20-10-2014, State Registrar	300867691	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB „Delta Agrar“	Private limited company	20-10-2014, State Registrar	300868875	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB „KTG Grūdai“	Private limited company	20-10-2014, State Registrar	302637486	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;
UAB „KTG Eko Agrar“	Private limited company	20-10-2014, State Registrar	300510650	Maironio g. 3, Raseiniai	fax: (8~5) 233 53 45, e-mail: info@auga.lt (8~5) 233 53 40;

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(All amounts are in EUR thousand, unless otherwise stated)

UAB „Agronita”	Private limited company	20-10-2014, State Registrar	300132574	Maironio g. 3, Raseiniai	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agronuoma”	Private limited company	20-10-2014, State Registrar	303204954	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „VL Investment Vilnius 12”	Private limited company	20-10-2014, State Registrar	303205611	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Ašva”	Private limited company	20-10-2014, State Registrar	301608542	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Varduva”	Private limited company	20-10-2014, State Registrar	301608791	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Seda”	Private limited company	20-10-2014, State Registrar	301608777	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Kvistė”	Private limited company	20-10-2014, State Registrar	302308067	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Luoba”	Private limited company	20-10-2014, State Registrar	302308035	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Gaja”	Private limited company	20-10-2014, State Registrar	302594412	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Ariogala”	Private limited company	20-10-2014, State Registrar	301626540	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Girdžiai”	Private limited company	20-10-2014, State Registrar	301621568	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Vidauja”	Private limited company	20-10-2014, State Registrar	301622531	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Raudonė”	Private limited company	20-10-2014, State Registrar	302309532	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Venta”	Private limited company	20-10-2014, State Registrar	302307855	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Nerys”	Private limited company	20-10-2014, State Registrar	302594063	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Gėluva”	Private limited company	20-10-2014, State Registrar	302312133	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt

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(All amounts are in EUR thousand, unless otherwise stated)

UAB „Agrar Betygala“	Private limited company	20-10-2014, State Registrar	302312222	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Dubysa“	Private limited company	20-10-2014, State Registrar	302312215	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Pauliai“	Private limited company	20-10-2014, State Registrar	302312165	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt
UAB „Agrar Mituva“	Private limited company	20-10-2014, State Registrar	302312172	Dvaro g.30, Gėluvos k., Ariogalos sen., Raseinių r.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@auga.lt

* *Ars ingenii, UAB – previously was named AMT Žemė, UAB.*

Information on where and when the Report and the documents, on which the Report is based, are publicly available and the name of the mass media means

The report is available during working days from 8.30 to 17.30 at the headquarters of Auga Group AB at the address: Konstitucijos av. 21C, Quadrum office, Vilnius, or at the Company's internet website: www.auga.lt. The announcements of the Company, including the information and other documents related to the Annual General meeting, also the information and other documents related to liquidation or reorganisation of the Company, minutes of the shareholder and Board meetings, other announcements and documents, which according to the law of Republic of Lithuania, the Statutes of the Company and the decisions of the Management have to be announced publicly are announced in the state registrar electronic bulletin or delivered to each shareholder and other person personally – either by registered mail, or by signed delivery. Announcements of the Company are placed on the NASDAQ OMX Vilnius Stock exchange information system and on the ESPI information system which is operated by Polish FSA, as well as on Electronic Information Base which is operated by Warsaw Stock Exchange.

INTERIM REPORT

(All amounts are in EUR thousand, unless otherwise stated)

II. INFORMATION ABOUT THE LARGEST SHAREHOLDERS AND ISSUERS MANAGEMENT

Share capital

The share capital of AUGA Group AB as at 30 September 2017 was EUR 54,350,713.08. The share capital was divided into 187,416,252 ordinary shares. Each issued share has a EUR 0.29 nominal value and fully paid.

Shareholders

Total number of shareholders as at 30 September 2017 was 1,011 (one thousand nineteen). The shareholders owning more than 5 per cent of all the company shares:

Name, surname / name of the company	Company / personal code	Address	Votes held by shareholder	Shares held by shareholder
UAB „Baltic Champs Group“	145798333	Poviliškių km., Šiaulių raj. sav.	165,167,939	88.13%
Multi Asset Selection Fund	I015	Antano Tumėno g. 4-B	10,920,736	5.83%

The sales of the Issuer's securities on exchanges and other organized markets

Over the accounting period, the Companies shares were traded on the NASDAQ OMX Vilnius (hereinafter – OMX Vilnius).

Reporting period	Price, EUR			Date of last session	Total turnover	
	max	min	Last session		Units	EUR, million
2017 I quarter	0.490	0.431	0.470	2017.03.31	365.499	0.168
2017 II quarter	0.460	0.300	0.410	2017.06.30	311.059	0.132
2017 III quarter	0.432	0.376	0.425	2017.09.30	1.000.308	0.406

Agreements with the mediators of securities public circulation

The Company and FMĮ Orion Securities UAB (A. Tumėno st. 4, B korpusas, LT-01109, Vilnius) signed an agreement regarding handling of Shareholders accounts.

Procedure for amendments of the Articles of Association

The Articles of Association can be changed following Lithuanian Republic law on Stock companies with an appropriate approval of the Companies' shareholders.

INTERIM REPORT

(All amounts are in EUR thousand, unless otherwise stated)

Members of the managing bodies

The managing bodies of the company are general meeting of the shareholders, the Supervisory Council, the Board of Directors and Managing Director. The Supervisory Council (consisting of 3 members) is elected by the shareholder meeting. The Board of directors is formed from 5 members. The chairman is elected by the Board. The Boardmembers are elected by the Supervisory Council. The Board of Directors elects and recalls the Director, decide upon remuneration and other working conditions, approves official rulebook, awards and handles penalties. The General director is the manager of the Company.

Information of Supervisory Board of the Company as at 30 September 2017:

Name, Surname	Position	End of current term of office	Period of service as a member
Vladas Lašas	Chairman of Supervisory Board	Until general meeting of shareholders to be held in 2019	Chairman of Supervisory Board since 14-05-2015
Liudas Navickas	Member of Supervisory Board	Until general meeting of shareholders to be held in 2019	Member of Supervisory Board since 13-03-2014
Rimantas Rudzkis	Member of Supervisory Board	Until general meeting of shareholders to be held in 2019	Member of Supervisory Board since 13-03-2014

Information of Audit Committee of the Company as at 30 September 2017:

Name, Surname	Position	End of current term of office	Period of service as a member
Liudas Navickas	Chairman of Audit Committee	Until 06-02-2019	Chairman of Audit Committee since 17-02-2017
Vladas Lašas	Member of Audit Committee	Until 06-02-2019	Member of Audit Committee since 17-02-2017
Rimantas Rudzkis	Member of Audit Committee	Until 06-02-2019	Member of Audit Committee since 17-02-2017

The main functions of the Audit Committee are to monitor the process of preparing the Company's financial statements, monitor the audit process, analyze the effectiveness of internal audit and risk management systems.

Information of the Board of the Company as at 30 September 2017:

Name, Surname	Position	End of current term of office	Period of service as a member
Kęstutis Juščius	Chairman of Board	Until general meeting of shareholders to be held in 2019	Chairman of Board since 14-05-2015
Linas Bulzgys	Member of Board, General director	Until general meeting of shareholders to be held in 2019	Member of Board since 08-05-2014 General director since 05-05-2015
Marijus Bakas	Member of Board	Until general meeting of shareholders to be held in 2019	Member of Board since 08-05-2014
Linas Strėlis	Member of Board	Until general meeting of shareholders to be held in 2019	Member of Board since 14-12-2007
Agnė Jonaitytė	Member of Board	Until general meeting of shareholders to be held in 2019	Member of Board since 07-02-2017

Information on the shares of the Company held by the members of the Supervisory Board, Audit Committee, the Board and the top management as of 30 September 2017:

Name, Surname	Position	Owned shares in the Company, units	Owned shares in the Company, %
Kęstutis Juščius	Chairman of the Board	1,392	0.00%
Marijus Bakas	Member of Board	39,062	0.02%

Kęstutis Juščius, Chairman of the Board, is the ultimate shareholder of Baltic Champs Group, UAB, controlling 88.13% of the Group shares.

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

III. FINANCIAL INFORMATION

INCOME STATEMENT

	9 month period ended 30 September		3 month period ended 30 September	
	2017	2016	2017	2016
Revenues	36,585	28,070	13,750	8,918
Cost of sales	(28,115)	(21,533)	(10,512)	(6,780)
Gain (loss) on changes in fair values of biological assets and on recognition at fair value of agricultural produce at point of harvest	6,392	272	6,857	-
GROSS PROFIT	14,862	6,809	10,095	2,138
Operating expenses	(6,897)	(5,200)	(3,031)	(1,332)
Revaluation of investment property	-	435	-	-
Other income	427	264	303	181
OPERATING PROFIT	8 392	2,308	7,367	987
Finance cost	(1,132)	(1,535)	(527)	(432)
PROFIT (LOSS) BEFORE INCOME TAX	7,260	773	6,840	555
Income tax expense	78	11	10	(5)
NET PROFIT / (LOSS) FOR THE YEAR	7,338	784	6,850	550
ATTRIBUTABLE TO:				
Equity holders of the Company	7,319	812	6,831	583
Non-controlling interest	19	(28)	19	(33)
	7,338	784	6,865	550
STATEMENT OF OTHER COMPREHENSIVE INCOME				
NET PROFIT/ (LOSS) FOR THE PERIOD	7,338	784	6,865	550
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
	7,338	784	6,865	550
ATTRIBUTABLE TO:				
Equity holders of the Company	7,319	812	6,831	583
Non-controlling interest	19	(28)	19	(33)
	7,338	784	6,865	550

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

BALANCE SHEET

ASSETS	9 months ended 2017	2016 Year-end
	September 30	
Non-current assets		
Property, plant and equipment	83,524	76,262
Investment property	-	-
Intangible assets	1,010	19
Long term receivables	2,833	2,599
Investments in subsidiaries	288	286
Deferred tax asset	669	669
Biological assets	7,793	6,858
Total non-current assets	96,117	86,693
Current assets		
Biological assets	11,456	5,223
Inventory	24,303	15,157
Trade receivables, advance payments and other receivables	19,339	13,367
Cash and cash equivalents	324	1,650
Total current assets	55,422	35,397
TOTAL ASSETS	151,539	122,090
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	54,351	54,351
Share premium	7,890	7,890
Revaluation reserve	4,179	4,179
Legal reserve	579	579
Currency exchange differences	(259)	(217)
Retained earnings / (accumulated deficit)	12,501	5,163
Equity attributable to equity holders of the parent	79,222	71,945
Non-controlling interest	312	293
Total equity	79,534	72,238
Non-current liabilities		
Borrowings	19,309	16,938
Obligations under finance lease	7,971	3,427
Deferred grant income	3,062	3,286
Deferred tax liability	433	433
Total non-current liabilities	30,775	24,084
Current liabilities		
Current portion of non-current borrowings	3,129	3,585
Current portion of non-current obligations under finance lease	1,085	2,690
Current portion deferred grant income	-	566
Current borrowings	10,855	5,350
Trade payables	20,506	8,796
Other payables and current liabilities	5,655	4,781
Total current liabilities	41,230	25,768
Total liabilities	72,005	49,852
TOTAL EQUITY AND LIABILITIES	151,538	122,090

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

GROUP

	Share capital	Share premium	Revaluation reserve	Currency exchange differences	Legal reserve	Retained earnings	Equity attributable to the shareholders of the company	Non-controlling interest	Total
Balance as at									
31 December 2016	54,351	7,890	7,689	(266)	579	(1,434)	68,809	321	69,130
Comprehensive income									
Net profit (loss) for the period	-	-	-	-	-	2,173	2,173	(28)	2,145
Other comprehensive income									
Disposal of subsidiaries	-	-	(4,424)	-	-	4,424	-	-	-
Revaluation of land, net of tax	-	-	914	-	-	-	914	-	914
Currency exchange differences	-	-	-	49	-	-	49	-	49
Total comprehensive income	-	-	(3,510)	49	-	6,597	3,136	(28)	3,108
Transactions with shareholders									
Increase in share capital	-	-	-	-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-	-	-	-	-
Balance as at									
30 September 2017	54,351	7,890	4,179	(217)	579	5,163	71,945	293	72,238

	Share capital	Share premium	Revaluation reserve	Currency exchange differences	Legal reserve	Retained earnings	Equity attributable to the shareholders of the company	Non-controlling interest	Total
Balance as at									
31 December 2016	54,351	7,890	4,179	(217)	579	5,163	71,945	293	72,238
Comprehensive income									
Net profit (loss) for the period	-	-	-	-	-	7,319	7,319	19	7,338
Other comprehensive income									
Currency exchange differences	-	-	-	(42)	-	-	(42)	-	(42)
Total comprehensive income	-	-	-	(42)	-	7,319	7,277	19	7,296
Transactions with shareholders									
Increase in share capital	-	-	-	-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-	-	-	-	-
Balance as at									
30 September 2017	54,351	7,890	4,179	(259)	579	12,501	79,222	312	79,534

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

STATEMENT OF CASHFLOWS

	9 months period ended 30 September	
	GROUP	
	2017	2016
Net profit (loss) before income tax	7,338	784
Adjustments for non-cash expenses (income) items and other adjustments		
Depreciation expense	5,093	4,585
Amortization expense	44	49
Write offs and impairment of PPE	-	88
(Profit) loss on sales of non-current assets	133	-
(Gain) on sale of investment property	-	-
Negative goodwill	-	(435)
Write-offs of inventory	318	403
Net finance cost	1,095	1,428
Acquired own liabilities at discount	-	-
(Profit) loss on sale of investments	-	-
Revaluation of investment property	-	-
Impairment of investments	-	-
Impairment of accounts receivable	-	-
Loss (gain) on changes in fair value of biological assets	(6,392)	149
Grants related to assets, recognized as income	(735)	(355)
Changes in working capital		
(Increase) decrease in biological assets	444	(688)
(Increase) decrease in trade receivables and prepayments	(1,640)	(7,934)
(Increase) decrease in inventory	(9,721)	(1,158)
(Decrease) increase in trade and other payables	8,114	6,831
	4,091	3,749
Income tax paid	-	-
Interest received, gross	-	-
Interest paid, gross	(1,095)	(1,164)
Net cash flows from /(to) operating activities	2,996	2,585
Cash flows from /(to) investing activities		
Purchase of property, plant and equipment	(7,897)	(5,608)
Purchase of Investments (KTG Group)	(478)	-
Purchase of accounts receivables (KTG Group)	(887)	-
Cash acquired with subsidiaries	44	40
Purchase of investment property, investments	-	-
Proceeds from sales of investment property, PPE	-	-
Proceeds from sales of investments	-	299
Grants related to assets, received from NPA	-	-
Loans repaid (granted)	(234)	298
Net cash flows from/(to) investing activities	(9,452)	(5,270)
Cash flows from /(to) financing activities		
Disposal (acquisition) of available for sale investments	-	(113)
Loans repaid to banks	(4,150)	(8,263)
Loans repaid to intercompanies	-	-
Loans received from intercompanies	-	-
Borrowings received	9,398	7,134
Other borrowings obtained (paid)	(2,091)	(1,016)
Finance lease repayments	1,974	1,529
Net cash flows from/(to) financing activities	5,131	(749)
Net (decrease) / increase in cash and cash equivalents	(1,326)	(3,435)
Cash and cash equivalents at the beginning of the period	1,650	4,068
Cash and cash equivalents at the end of the period	324	633

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(All amounts are in EUR thousand, unless otherwise stated)

Comments to the Financial Information

General information

Auga Group AB (hereinafter – “the Company”) was founded and started its operations on 25 June 2003. The Company’s head office is located in Konstitucijos av. 21C, Quadrum North, Vilnius, Lithuania. The Company’s main activity is management of agricultural companies.

In 2003 the Company’s legal name Galuvė UAB was changed to Agrovaldymo grupė UAB. In February 2006, limited liability company Agrovaldymo grupė was reorganized to a public company Agrovaldymo grupė AB. In December 2007 the Company’s name was changed to Agrowill Group AB.

In October, 2016 the Company’s legal name Agrowill Group AB was changed to Auga Group AB.

In April 2014, AUGA Group AB group of companies (hereinafter pre-acquisition consolidated entity – AG) were acquired by Baltic Champs Group UAB. AG issued 102,596,266 new shares, 88,444,014 of which were acquired by Baltic Champs Group UAB by contributing shares of Baltic Champs UAB (hereinafter – BC), the remaining 14,151,252 shares were acquired by Vretola Holdings Limited by contributing shares of eTime invest UAB. Based on the requirements outlined in International Financial Reporting Standard 3 “Business Combinations” (IFRS 3) such transaction is treated and accounted for as a reverse acquisition, as former shareholders of BC obtained control of more than 50% of AUGA Group AB shares and received the majority of seats in the Board of Directors. For accounting purposes, the legal buyer AUGA Group AB is treated as an accounting acquiree, while legal acquiree Baltic Champs UAB is treated as an accounting acquirer. The new AUGA Group AB group of companies, hereinafter in the financial statements is referred to as the Group.

Due to this reverse acquisition transaction, the consolidated figures for the reporting period represent the Group’s financial information, being those of Baltic Champs UAB (accounting acquirer) and its subsidiaries financial statements, although the legal name continues to be that of AUGA Group AB.

The Company’s shareholders’ meeting has the power to reject and request the management to reissue financial statements after issue. Starting since 1 April 2008 the Company was listed on Vilnius Stock Exchange Main list, since 30 April 2009, the Company was moved to the Secondary list of NASDAQ OMX Vilnius Stock Exchange. As of 8 July 2011, the Company’s shares are also traded on the Warsaw Stock Exchange. The fiscal year of the Company and its subsidiaries corresponds with calendar year.

The consolidated Group (hereinafter the Group) consists of the Company and one hundred forty two subsidiaries. The subsidiaries included in the Group’s consolidated financial statements are indicated below:

Subsidiary	Country	Group ownership interest, %		Activity
		30 Sep 2017	31 Dec 2016	
UAB Baltic Champs	Lithuania	100.00%	100.00%	Agricultural operations
AVG Investment UAB	Lithuania	100.00%	100.00%	Management company
AWG Investment 1 UAB	Lithuania	100.00%	100.00%	Management company
AWG Investment 2 UAB	Lithuania	100.00%	100.00%	Management company
UAB Agross	Lithuania	100.00%	100.00%	Trade and logistics
Grain Lt UAB	Lithuania	100.00%	100.00%	Trade and logistics
Ars ingenii, UAB*	Lithuania	100.00%	100.00%	Trade and logistics
Agro GIS UAB	Lithuania	95.00%	95.00%	Food products, agriculture
Agro Management Team UAB	Lithuania	100.00%	100.00%	Land management company
Agrotechnikos centras UAB	Lithuania	100.00%	100.00%	Lease of machinery
AUGA trade, UAB	Lithuania	100.00%	100.00%	Trade activities
Žemės fondas ŽŪB	Lithuania	100.00%	100.00%	Rent of land
UAB Žemės vystymo fondas 6	Lithuania	100.00%	100.00%	Land purchase and rent
UAB Žemės vystymo fondas 9	Lithuania	100.00%	100.00%	Land purchase and rent
UAB Žemės vystymo fondas 10	Lithuania	100.00%	100.00%	Land purchase and rent
UAB Žemės vystymo fondas 20	Lithuania	100.00%	100.00%	Land purchase and rent
Grūduva UAB	Lithuania	97.41%	97.41%	Agricultural operations
Agricultural company AUGA Spindulys	Lithuania	99.96%	99.96%	Agricultural operations
Agricultural company AUGA Smilgiai	Lithuania	99.95%	99.95%	Agricultural operations
Agricultural company AUGA Skėmiai	Lithuania	99.87%	99.87%	Agricultural operations
Agricultural company AUGA Nausodė	Lithuania	99.94%	99.94%	Agricultural operations
Agricultural company AUGA Dumšiškės	Lithuania	99.38%	99.38%	Agricultural operations
Agricultural company AUGA Žadžiūnai	Lithuania	99.81%	99.81%	Agricultural operations
Agricultural company AUGA Mantviliškis	Lithuania	98.79%	98.79%	Agricultural operations
Agricultural company AUGA Alanta	Lithuania	99.99%	99.99%	Agricultural operations

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Agricultural company AUGA Eimučiai	Lithuania	99.25%	99.25%	Agricultural operations
Agricultural company AUGA Vėriškės	Lithuania	99.93%	99.93%	Agricultural operations
Agricultural company AUGA Želsvelė	Lithuania	97.17%	97.17%	Agricultural operations
Agricultural company AUGA Lankesa	Lithuania	96.24%	96.24%	Agricultural operations
Agricultural company AUGA Kairėnai	Lithuania	98.47%	98.47%	Agricultural operations
Agricultural company AUGA Jurbarkai	Lithuania	98.52%	98.52%	Agricultural operations
Panevėžys region Agricultural company Gustoniai	Lithuania	99.00%	99.00%	Agricultural operations
ZAO Agroprom	Russia	0.00%	75.00%	Management of subsidiaries
Natur Agro Grup S.R.L.	Moldova	0.00%	100.00%	Acquisitions and rent of land
Cooperative entity Siesartis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Kašėta	Lithuania	100.00%	100.00%	Agricultural services
Agricultural company Gustonys	Lithuania	100.00%	100.00%	Rent of land
Agricultural company Skėmių pienininkystės centras	Lithuania	50.00%	50.00%	Agricultural services
Cooperative entity Agrobokštai	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Dotnuvėlės valdos	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Nevėžio lankos	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Radviliškio kraštas	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Šventosios pievos	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Kairių ūkis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Šiaurinė valda	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Šušvės žemė	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company Žalmargėlis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company Juodmargėlis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company AgroMilk	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company Purpurėja	Lithuania	100.00%	100.00%	Agricultural services
UAB Agrosaulė 8	Lithuania	100.00%	100.00%	Management company
Association Grūdovos melioracija	Lithuania	100.00%	100.00%	Agricultural services
Biržai distr., Rinkuškiai reclamation infrastructure users association	Lithuania	100.00%	100.00%	Agricultural services
Pasvalys distr., Pušalotas reclamation infrastructure users association	Lithuania	100.00%	100.00%	Agricultural services
Skėmiai reclamation infrastructure users association	Lithuania	100.00%	100.00%	Agricultural services
Vaitiekūnai reclamation infrastructure users association	Lithuania	100.00%	100.00%	Agricultural services
UAB Traktorių nuomos centras	Lithuania	100.00%	100.00%	Agricultural services
UAB Traktorių nuomos paslaugos	Lithuania	100.00%	100.00%	Agricultural services
Arnega UAB	Lithuania	100.00%	100.00%	Agricultural services
AgroSchool OU	Estonia	100.00%	100.00%	Management of subsidiaries
Public institution AgroSchool	Lithuania	50.00%	50.00%	Human resource management
UAB Agro Ramučiai	Lithuania	100.00%	100.00%	Agricultural operations
UAB Luganta	Lithuania	100.00%	100.00%	Agricultural operations
UAB eTime invest	Lithuania	100.00%	100.00%	Management of subsidiaries
Karakash Agro, OOO	Ukraine	100.00%	100.00%	Agricultural operations
Karakash, OOO	Ukraine	100.00%	100.00%	Agricultural operations
UAB ŽVF projektai	Lithuania	100.00%	100.00%	Acquisitions and rent of land
UAB Bukonių ekologinis ūkis	Lithuania	100.00%	100.00%	Management of subsidiaries
UAB Alantos ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Dumšiškių ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Eimučių ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Grūdovos ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Jurbarkai ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Kairėnų ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Lankesos ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Mantviliškio ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Nausodės ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Skėmių ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Smilgių ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Spindulio ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Vėriškės ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Žadžiūnų ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
UAB Želsvelės ekologinis ūkis	Lithuania	100.00%	100.00%	Agricultural operations
Turvaste partners OU	Estonia	100.00%	100.00%	Management of subsidiaries
Nakamaa Agro OU	Estonia	100.00%	100.00%	Management of subsidiaries
Hindaste Invest OU	Estonia	100.00%	100.00%	Management of subsidiaries
Tuudi River OU	Estonia	100.00%	100.00%	Management of subsidiaries

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Palderma Partners OU	Estonia	100.00%	100.00%	Management of subsidiaries
Ave-Martna Capital OU	Estonia	100.00%	100.00%	Management of subsidiaries
Hobring Invest OU	Estonia	100.00%	100.00%	Management of subsidiaries
Rukkirahhu Capital OU	Estonia	100.00%	100.00%	Management of subsidiaries
Pahasoo OU	Estonia	100.00%	100.00%	Management of subsidiaries
KB Ganiklis	Lithuania	100.00%	100.00%	Agricultural operations
KB Ganiavos gėrybės	Lithuania	100.00%	100.00%	Agricultural operations
KB Žemėpačio pieno ūkis	Lithuania	100.00%	100.00%	Agricultural operations
KB Žemynos pienelis	Lithuania	100.00%	100.00%	Agricultural operations
KB Lygiadienio ūkis	Lithuania	100.00%	100.00%	Agricultural operations
KB Laumės pieno ūkis	Lithuania	100.00%	100.00%	Agricultural operations
KB Medėinos pienas	Lithuania	100.00%	100.00%	Agricultural operations
KB Gardaitis	Lithuania	100.00%	100.00%	Agricultural operations
KB Dimstipatis	Lithuania	100.00%	100.00%	Agricultural operations
KB Aušlavis	Lithuania	100.00%	100.00%	Agricultural operations
KB Austėjos pieno ūkis	Lithuania	100.00%	100.00%	Agricultural operations
KB Aitvaro ūkis	Lithuania	100.00%	100.00%	Agricultural operations
KB Giraičio pieno ūkis	Lithuania	100.00%	100.00%	Agricultural operations
Fentus 10, GmbH	Germany	100.00%	0.00%	Management of subsidiaries
Norus , AG	Germany	100.00%	0.00%	Management of subsidiaries
LT Holding AG	Germany	100.00%	0.00%	Management of subsidiaries
„KTG Agrar“ UAB	Germany	100.00%	0.00%	Agricultural operations
UAB „Agrar Raseiniai“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Mažeikiai“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „PAE Agrar“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Delta Agrar“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „KTG Grūdai“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „KTG Eko Agrar“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agronita“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agronuoma“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „VL Investment Vilnius 12“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Ašva“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Varduva“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Seda“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Kvistė“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Luoba“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Gaja“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Ariogala“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Girdžiai“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Vidauja“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Raudonė“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Venta“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Nerys“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Gėluva“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Betygala“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Dubysa“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Pauliai“	Lithuania	100.00%	0.00%	Agricultural operations
UAB „Agrar Mituva“	Lithuania	100.00%	0.00%	Agricultural operations

* *Ars ingenii*, UAB – previously was named AMT Žemė, UAB.

As at 30 September 2017 the Group had 1,184 employees, 31 December 2016 – 1,099 employees. Main operations of the Group – cultural mushrooms growing and selling, production and sales of milk and different grain and rapeseed crops, as well as land management activities.



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Basis of preparation

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2016, as described in those annual financial statements. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The accompanying interim financial information for the period ended 30 September 2017 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The consolidated financial information have been prepared on the historical cost basis, as modified by the revaluation of property, plant and equipment, investment property and biological assets (livestock and crops). This financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016, which have been prepared in accordance with IFRS as adopted by the EU.

The preparation of financial information in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial information, are disclosed below.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods are addressed below.

Income taxes

Tax authorities have right to examine accounting records of the Company and its Lithuanian subsidiaries at anytime during the 5 year period after the current tax year and account for additional taxes and fines. In the opinion of the Group's management, currently there are no circumstances which would raise substantial liability in this respect to the Group.

The Group has created deferred tax liability on revaluation amounts of investment property and own assets. The applicable tax rate used was 15%, as it is planned that assets will be realized (if will be realized) after 2013 when the 15% corporate tax effect will be applicable to all Group's entities (except for the agricultural subsidiaries which are currently taxed at lower transition tax rate of 5%).

Biological assets

Biological assets are measured on initial recognition and at each balance sheet date at their fair value less estimated costs to sell, except for the case where the fair value cannot be measured reliably on initial recognition. Agricultural produce harvested from the Group's biological assets is measured at its fair value less estimated costs to sell at the point of harvest and subsequently recorded as inventories.

If an active market exists for a biological asset or agricultural produce, the quoted price in that market is the appropriate basis for determining the fair value of that asset. If an active market does not exist the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the balance sheet date, is used in determining fair value. Cost is used as an approximation of fair value when little biological transformation has taken place since initial cost incurrence, e.g. within short time after seeding the crop.

A gain or loss arising on initial recognition of an agricultural produce at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of a biological asset is included in profit or loss for the period in which it arises as "Gain (loss) arising from changes in fair value of biological assets and on recognition at fair value of agricultural produce at point of harvest".

The Group's biological assets consist of livestock, crops, mycelium cultivation seedbed and perennial plantations.

Livestock is measured at fair value less estimated point-of-sale costs. The fair value of milking cows is determined based on discounted cash flow method by calculating the revenues generated by the cow herd over the remaining useful life and discounting by weighted average cost of capital of the Group. On initial recognition births and weight gains are recognised at costs which are proportionally allocated from total related costs based on new births and weight gains and at each balance sheet date are measured at their fair value less estimated costs to sell. For valuation of other livestock the Group calculates the fair value by taking the average price of meat per kilo. For young bulls and heifers, the value of

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(All amounts are in EUR thousand, unless otherwise stated)

livestock is determined by using the market values of meat (different for different groups of animals) and multiplying the price of 1 kg by the total weight of specific group of animals.

The Group has changed its accounting estimate for the valuation of milking cows. In prior year milking cows were valued based on expected sales price determined by the Group from market participants data. The updated model for milking cows fair value calculation was applied perspective.

Crops are measured at their fair value less estimated costs to sell. At initial recognition the crops are measured at cost as the market-determined values are not available for such biological assets. The crops are measured at fair value once the fair value becomes reliably measurable. Usually the fair value of a crop can be reliably measured only at the point of harvest. This does not create a significant limitation in valuation of crop balances at year-end, as the main increase in fair value is attributable to the same accounting period when the crop is harvested.

Business combinations

In December 2016, the Group started acquisition procedures of KTG AGRAR SE subsidiary companies, operating in Lithuania (KTG group companies). The formal acceptance was received on 13 January 2017, and the Group finalized the acquisition procedures on 31 January 2017. Fair value estimation of acquired KTG group companies is provided below:

Business combination	KTG group companies
	Fair value of the group as at
	31 January 2017
<i>Non-current assets</i>	
Intangible assets (land rent contracts)	984
PPE	4,598
<i>Biological assets (current)</i>	
Crops	915
<i>Current assets</i>	
Trade receivables and other current assets	1,909
Inventory	193
Cash and cash equivalents	44
<i>Long term liabilities</i>	
Grants	(55)
Financial liabilities	(1,869)
<i>Short term liabilities</i>	
Other financial liabilities	(3,206)
Trade payables and other current liabilities	(4,579)
Net assets at acquisition date	(1,066)
Accounts receivable acquired	2,431
Acquired share capital and receivables, %	100.0
Total value of acquired investment	1,365
	-
Consideration paid for shares	478
Consideration paid for receivables	887
Total purchase consideration	1,365
Total (negative) goodwill	-

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Revenues

Revenues breakdown by type was the following:

	9 month period ended 30 September	
	2017	2016
Mushrooms and compost	19,308	18,961
Milk sales	5,987	4,254
Agricultural sales	10,542	4,172
Cattle sales	644	666
Other revenues	104	17
Total	36,585	28,070

The Group revenues increased by 30% in the first nine months of 2017 compared to the same period last year. Most of the increase is related to Crop sales which increased by 153%. This occurred due to the transition to organic farming, as most of the sales of organic produce are quite evenly divided from the point of harvest until the next summer while conventional produce is mostly sold right after the harvest - only 40% of 2016 year's harvest were sold in 2016, while 80% of 2015 year's harvest were sold in 2015 which caused lower sales per 9 months of 2016 compared to the same period in 2017. Revenues from mushrooms and compost sales increased by 2%. Taking in mind that in the first 3 months of 2017 mushroom farm suffered a loss due to temporary problems in production the increase is considered significant. Revenues from sales of milk have increased due rise of market milk prices. Comparing to the first 9 months of 2016, milk price has increased by 37%, while the yield decreased by 3%.

Gain (loss) on changes in fair values of biological assets and on recognition at fair value of agricultural produce at point of harvest

Gain (loss) on changes in fair values of biological assets and on recognition at fair value of agricultural produce at point of harvest breakdown by type was the following:

	9 month period ended 30 September	
	2017	2016
Live stock	(444)	(266)
Agriculture	6,836	538
Total	6,392	272

Gain (loss) on changes in fair values of biological assets and on recognition at fair value of agricultural produce at point of harvest consists of 2 segments : livestock and agriculture. The Group has suffered a loss on change in fair value of biological assets due to high cost of livestock sold for meat. Gain on recognition at fair value of agricultural produce has increased significantly due to transition to organic farming. Comparing to 2016 when the Group was still in transitional period – the costs per hectare were already similar to 2017 but the prices of the harvest were lower as it was not yet certified as organic. In addition to this, in 2017 yields of most cultures were higher comparing to the yields of 2016. In 2017 most of the harvest is evaluated based on signed future contracts. Milk, mushrooms and compost are not recognized at fair value at point of harvest, as it is harvested and sold on daily basis.

Cost of sales

Cost of sales breakdown by type was the following:

	9 month period ended 30 September	
	2017	2016
Mushrooms and compost	18,602	17,770
Milk cost of sales	5,386	5,214
Crop cost of sales	10,186	3,201
Cattle cost of sales	644	1,495
Other cost of sales	26	8
Less: State subsidies	(6,729)	(6,155)
Total	28,115	21,533

The Group cost of sales increased mainly due to increased cost of crop sales. Cost of crop sales increased in-line with sales increase. Cost of mushrooms and compost sales increased mainly due to increase in salaries. Total State subsidies increased due to purchased KTG Agrar group, however in general it has decreased due to the fact that in 2017 the Group has fully finished the conversion to organic agriculture and the harvest of 2017 is fully organic for which ecological subsidies are lower. In nine months of 2017 the Group accrued a 3/4 of the estimated amounts of subsidies.

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(All amounts are in EUR thousand, unless otherwise stated)

Cost of sales (continued)

The Group gross profit in the first nine months of 2017 has increased mainly due to rise of milk price and crop sales comparing to the same period last year.

Operating expenses

Operating expenses breakdown by type of expenses was the following:

	9 months period ended 30 September	
	2017	2016
Payroll expenses	2,341	1,716
Social security expenses	726	532
Depreciation and amortization	171	163
Write-off of inventory	318	553
Consultation services	550	474
Fuel and transportation expenses	321	158
Tax and insurance expenses	694	359
Rent and utilities	491	120
Other expenses	1,285	1,125
Total	6,897	5,200

Payroll expenses increased due to increased number of employees related to acquisition of KTG group companies and increased number of employees in other companies in the Group. Additionally the Group incurred more consulting expenses due to acquisition of KTG group companies and other ongoing investment projects. Rent and utilities expenses increased as the Group headquarters relocated into new, modern rented office premises at the end of 2016. Other expenses increased as the Group invested more in AUGA brand and end-user products development and promotion, as well as export development.

Other income

Other income breakdown by type was the following:

	9 months period ended 30 September	
	2017	2016
Interest and fines income	304	67
Write-down of liabilities	61	149
Other income	62	48
Total	427	264

Interest and fines income has increased due to the sale of Fixed yield investment fund in December, 2016 which still had an outstanding loan balance.

Financial expenses

Financial expenses breakdown by type was the following:

	9 months period ended 30 September	
	2017	2016
Bank interest expenses	942	1,215
Debt extinguishment interest expenses	-	-
Other interest expenses	153	214
Currency fluctuation effect	8	3
Other financial expenses	29	103
Total	1,132	1,535

In first nine months of 2017 bank interest expenses were lower due decreased financial liabilities to banks after the sale of Fixed yield investment fund in December, 2016. However it also increased as the Group inherited financial liabilities with acquisition of KTG Group companies and additions of property plant and equipment financed by financial leasing.

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

Fixed assets

	Land	Buildings	Constructions and machinery	Vehicles, equipment and other property, plant and equipment	Construction in progress	Total
Carrying amount						
As at 31 December 2015	27,021	45,004	15,098	2,005	506	89,634
- additions	1,122	149	4,848	1,203	673	7,995
- disposals and write-offs	(242)	(66)	(362)	(285)	(1)	(956)
- revaluation	822	-	-	-	-	822
- depreciation	-	(2,072)	(3,506)	(480)	-	(6,058)
- reclassifications	9,636	(635)	635	(28)	28	9,636
- sale of FYIF	(24,811)	-	-	-	-	(24,811)
As at 31 December 2016	13,548	42,380	16,713	2,415	1,206	76,262
- acquired with KTG group companies	1,944	694	1,508	488	-	4,634
- additions	1,226	117	5,610	917	28	7,898
- disposals and write-offs	-	-	(118)	(15)	-	(133)
- revaluation	-	-	-	-	-	-
- depreciation	-	(1,672)	(2,906)	(559)	-	(5,137)
- reclassifications	-	-	-	-	-	-
As at 30 September 2017	16,718	41,519	20,807	3,246	1,234	83,524
Acquisition cost as at						
31 December 2015	27,021	49,768	20,784	2,881	506	100,960
31 December 2016	13,548	49,216	25,905	3,771	1,206	93,646
30 September 2017	16,718	50,027	32,905	5,161	1,234	106,045
Accumulated depreciation and impairment losses as at						
31 December 2015	-	(4,764)	(5,686)	(876)	-	(11,326)
31 December 2016	-	(6,836)	(9,192)	(1,356)	-	(17,384)
30 September 2017	-	(8,508)	(12,098)	(1,915)	-	(22,521)
Carrying amount as at 31 December 2015	27,021	45,004	15,098	2,005	506	89,634
Carrying amount as at 31 December 2016	13,548	42,380	16,713	2,415	1,206	76,262
Carrying amount as at 30 September 2017	16,718	41,519	20,807	3,246	1,234	83,524

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

Equity

The share capital of AUGA Group, AB as at 30 September 2017 was EUR 54,351 thousand. The share capital is divided into 187,416,252 ordinary shares. Each issued share has a EUR 0.29 nominal value and fully paid. Each share had usual material and intangible rights as per Law on Companies of the Republic of Lithuania and the Company's statutes.

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfer of 5% of net profit, calculated in accordance with Lithuanian regulatory legislation on accounting, is compulsory until the reserve including share premium reaches 10% of the share capital. The legal reserve can be used to cover the accumulated losses. The legal reserve of the Company equalled EUR 579 thousand as at 30 September 2017 and 31 December 2016.

During the Annual General Meetings of Shareholders of AUGA Group, AB subsidiaries: AUGA Želsvelė, ŽŪB, AUGA Dumšiškės, ŽŪB, AUGA Mantviliškis, ŽŪB, AUGA Skėmiai, ŽŪB, AUGA Smilgiai, ŽŪB, AUGA Spindulys, ŽŪB held in 2017, a decision was made to pay out dividends to shareholders. Due to this the Company has received EUR 12,907 thousand dividend income. In the table below the distribution of dividends of each subsidiary is provided. By 30 September 2017 there were no other subsidiaries which made a decision to pay out the dividends.

	Share-owners share of dividends (%)				Dividends (EUR)	Share-owners share of dividends (Eur)			
	AUGA Group, AB	AVG investment, UAB	AUGA Eimučiai, ŽŪB	Third parties		AUGA Group, AB	AVG investment (Subsidiary)	AUGA Eimučiai, ŽŪB (Subsidiary)	Third parties
AUGA Želsvelė	98,64%	0,31%	-	1,05%	2,560,000	2,525,178	7,873	-	26,949
AUGA Dumšiškės	99,25%	0,13%	-	0,62%	980,000	972,625	1,251	-	6,124
AUGA Mantviliškis	98,77%	0,02%	-	1,21%	1,600,000	1,580,270	397	-	19,333
AUGA Skėmiai	99,75%	0,12%	-	0,12%	1,200,000	1,197,047	1,477	-	1,477
AUGA Smilgiai	97,84%	-	2,16%	-	3,100,000	3,033,083	-	66,917	-
AUGA Spindulys	99,96%	-	-	0,04%	3,600,000	3,598,507	-	-	1,493
					13,040,000	12,906,709	10,998	66,917	55,375

Liabilities

The Group's long term borrowings consisted of the following:

	As at 30 September 2017	As at 31 December 2016
<i>Borrowings from banks</i>		
Mushroom growing companies	6,561	7,905
Land management entities	-	-
Agricultural entities	12,096	6,558
Agricultural cooperatives	976	840
<i>Long-term payment to 3rd parties</i>		
Long-term payable to the State	1,527	1,687
Long-term payable to creditors	1,278	3,533
Total	22,438	20,523
Less: amounts, payable within one year (according to agreements)	(3,129)	(3,585)
Total long term borrowings	19,309	16,938

The Group owes payable amount to the State of EUR 1,527 thousand for land acquisition made by Group in 2008 - 2014. The payable amount to State is over 15 year period.

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

Liabilities (continued)

The long-term borrowings and payables are repayable as follows:

	As at 30 September 2017	As at 31 December 2016
<i>Borrowings from banks</i>		
Within second year	4,330	5,147
Within third and fourth year	12,946	10,708
After fifth year and later	2,033	1,083
Total	19,309	16,938

The Group's short term borrowings were the following:

	As at 30 September 2017	As at 31 December 2016
<i>Borrowings from banks</i>		
Mushroom growing companies	2,400	2,317
Agricultural entities	996	-
Parent company	3,545	-
Grain selling entity	3,914	3,033
-Total short term borrowings	10,855	5,350

Short-term loans from banks include EUR 10,855 thousand (In 2016: EUR 5,350 thousand) credit-line facilities.

Information on audit

Consolidated Interim Financial Information of the Group for the 9 month period ended 30 September 2017 was not audited.

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

IV. THE NEWEST AND ESSENTIAL EVENTS IN THE ACTIVITY OF THE ISSUER

The newest events in the activity of the Issuer

Acquisition of shares of Raseinių Agra, UAB

AUGA group, AB signed share sale and purchase agreement to acquire 100% share capital of UAB Raseinių Agra for EUR 2.5 million. After the deal is completed, the area cultivated organically by AUGA group companies will increase by 5.2 thousand hectares of rented land. The acquisition should close upon receiving the necessary approval from the Competition Council of the Republic of Lithuania.

Regarding the decision of the Supervision Service of the Bank of Lithuania

Under the Decision No. 241-59 of 3 April 2017 of the Supervision Service of the Bank of Lithuania (herein – Decision) AUGA group, AB, was obliged to ensure that no later than before 1 October 2017 the fair value of 100% block of shares of UAB eTime Invest (herein – Assets), which was used as the payment for a part of the authorised capital of AUGA group, AB, is re-evaluated. Should it be established that the shares of AUGA group, AB, are not fully paid up, to ensure that this situation is rectified retrospectively according to the requirements of the law.

In order to perform the instructions provided in the Decision, the Company ordered evaluation of the Assets. Company received Assets valuation report from UAB „Newsec Valuations“ 2017.10.02, whereunder the true / market value of the Assets on the date of their acquisition (15.04.2017) is 16,900,000 litas. Given that the value of the Assets under the latter evaluation is not less than the value of 12.03.2014 valuation report of UAB „Oberhaus Nekilnojamosis turtas“, on the basis of which part of the Company's authorised capital was paid up in 15.04.2014 (value of the Assets under Oberhaus valuation – 16,700,000 litas), it is deemed that the shares of the Company are duly and fully paid up in accordance with the requirements of the applicable laws.

Completion of transition to organic farming

In August 2017, agricultural companies of AUGA group, AB have successfully completed transition to organic farming, which commenced in 2015, and have received European organic farming certificates. Henceforth, crops and milk produced by the companies are certified as organic and will be used to produce new organic food products.

Acquisition of KTG AGRAR Lithuanian operations

As it was discussed earlier the Group finalized the acquisition procedures of KTG AGRAR SE subsidiary companies on 31 January 2017.

Changes in the governing bodies of the Group

On 31 January 2017, the Group's shareholders changed the statutes of the Company and reduced the number of Supervisory Board members from 5 to 3 (electing former members Vladas Lašas, Rimantas Rudzkiš and Liudas Navickas as new Supervisory Board members) and decreasing number of Board of Directors members from 7 to 5. On 8 February 2017, the Supervisory Board elected Kęstutis Juščius, Agnė Jonaitytė, Linas Bulzgyš, Marijus Bakas, and Linas Strėlis as new members of Board of Directors.

Material events over January – November 2017:

The Company informs of all material events over the CNS system of NASDAQ OMX VILNIUS stock Exchange and on the ESPI information system which is operated by Polish FSA, as well as on Electronic Information Base which is operated by Warsaw Stock Exchange.

Announce

ment date Announcement header

20.11.2017	AUGA group, AB meets with the Investors Association
10.11.2017	AUGA group, AB acquires shares of UAB Raseinių Agra
06.11.2017	Decisions of extraordinary shareholders meeting of AUGA group, AB which took place 6 November 2017
13.10.2017	Notice on Convocation of the extraordinary General Meeting of Shareholders of AUGA group, AB on 06 November 2017
09.10.2017	Regarding the decision of the Supervision Service of the Bank of Lithuania
31.08.2017	Interim information AUGA group, AB for the period of 6 months ended 30 June 2017
28.08.2017	Completion of transition to organic farming
11.08.2017	AUGA group, AB has signed a Market Maker Agreement with UAB FMĮ "Orion Securities"
08.06.2017	Regarding the Decision by the Supervision Service of the Bank of Lithuania
31.05.2017	Interim information AUGA group, AB for the 3 months period ended 31 March 2017

FINANCIAL INFORMATION

(All amounts are in EUR thousand, unless otherwise stated)

05.05.2017	Bank of Lithuania imposes penalty on the general manager
28.04.2017	AUGA group, AB Annual information for the year 2016
28.04.2017	Decisions of ordinary shareholders meeting of AUGA group, AB which took place on 28 April, 2017
27.04.2017	Draft decisions of ordinary shareholders meeting of AUGA group, AB which will take place on 28 April, 2017 (AMENDED)
07.04.2017	Regarding the decision of the Supervision Service of the Bank of Lithuania
06.04.2017	Draft decisions of ordinary shareholders meeting of AUGA group, AB which will take place on 28 April, 2017
06.04.2017	Notice on Convocation of the ordinary General Meeting of Shareholders of AUGA group, AB on 28 April, 2017
04.04.2017	Notification on the acquisition of voting rights, AUGA group, AB
28.02.2017	AUGA group, AB interim unaudited financial information for 12 months ended 31 December 2016
08.02.2017	Appointment of new management board of AUGA group
08.02.2017	Resolutions of AUGA group, AB, with regard election of Chairman of Supervisory Board, election of members of Management Board and Chairman of Management Board
31.01.2017	AUGA group, AB has completed acquisition of KTG AGRAR SE subsidiary companies
31.01.2017	Decisions of extraordinary shareholder's meeting of AUGA group, AB which took place on 31st January , 2017
13.01.2017	AUGA group, AB has received a permission of the Competition Council of the Republic of Lithuania to execute a concentration and acquire KTG AGRAR SE companies
09.01.2017	Notice on Convocation of the extraordinary General Meeting of Shareholders of AUGA group, AB on 31 January, 2017
09.01.2017	Draft decisions of extraordinary shareholder's meeting of AUGA group, AB which will take place on 31st January, 2017