

**AB LINAS AGRO GROUP  
CONSOLIDATED  
AND COMPANY'S  
FINANCIAL STATEMENTS**

**FOR 12 MONTHS PERIOD OF THE FINANCIAL YEAR  
2014/15 ENDED 30 JUNE 2015**

**(UNAUDITED)**



## STATEMENTS OF FINANCIAL POSITION

	Notes	As at 30 June 2015	As at 30 June 2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	5	865	366
Property, plant and equipment	6	103,975	101,882
Investment property	7	1,523	1,559
Animals and livestock		8,127	7,303
Non-current financial assets			
Other investments and prepayments for financial assets		17	17
Non-current receivables		903	1,624
Non-current receivables from related parties	12	1,175	347
Total non-current financial assets		2,095	1,988
Deferred income tax asset		1,952	2,185
<b>Total non-current assets</b>		<b>118,537</b>	<b>115,283</b>
<b>Current assets</b>			
Crops		14,525	14,219
Livestock		1,997	1,953
Inventories		56,378	67,644
Prepayments		8,593	5,064
Accounts receivable			
Trade receivables		96,718	89,094
Receivables from related parties	12	–	265
Income tax receivable		477	1,501
Other accounts receivable		10,066	6,822
Total accounts receivable		107,261	97,682
Other current financial assets		519	627
Cash and cash equivalents		6,680	8,632
<b>Total current assets</b>		<b>195,953</b>	<b>195,821</b>
<b>Total assets</b>		<b>314,490</b>	<b>311,104</b>

*(cont'd on the next page)*

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

## STATEMENTS OF FINANCIAL POSITION (CONT'D)

EQUITY AND LIABILITIES	Notes	As at 30 June 2015	As at 30 June 2014
<b>Equity attributable to equity holders of the parent</b>			
Share capital	1	46,032	46,032
Share premium	1	23,038	23,038
Legal reserve		2,704	2,360
Reserve for own shares		1,819	1,825
Own shares		(457)	(457)
Foreign currency translation reserve		(22)	(44)
Retained earnings		83,336	76,549
<b>Total equity attributable to equity holders of the parent</b>		<b>156,450</b>	<b>149,303</b>
<b>Non-controlling interest</b>		<b>1,817</b>	<b>2,790</b>
<b>Total equity</b>		<b>158,267</b>	<b>152,093</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Grants and subsidies		6,889	6,950
Non-current borrowings	8	28,917	28,033
Finance lease obligations		1,817	1,682
Non-current trade payables		8	325
Non-current payables to related parties		–	–
Deferred income tax liability		1,256	1,529
Non-current employee benefits		266	194
<b>Total non-current liabilities</b>		<b>39,153</b>	<b>38,713</b>
<b>Current liabilities</b>			
Current portion of non-current borrowings	8	7,125	6,283
Current portion of finance lease obligations		774	810
Current borrowings	8	64,256	63,058
Trade payables		27,789	32,203
Payables to related parties	12	130	2,160
Income tax payable		306	472
Derivative financial instruments		581	252
Other current liabilities		16,109	15,060
<b>Total current liabilities</b>		<b>117,070</b>	<b>120,298</b>
<b>Total equity and liabilities</b>		<b>314,490</b>	<b>311,104</b>

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

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(for the period 1 July to 30 June)

	Notes	2014/2015 12 month	2013/2014 12 month
Sales	4	573,770	584,557
Cost of sales		(533,366)	(541,358)
<b>Gross profit</b>		<b>40,404</b>	<b>43,199</b>
Operating (expenses)	9	(31,053)	(29,688)
Other income	10	2,596	13,588
Other (expenses)	10	(733)	(812)
<b>Operating profit</b>		<b>11,214</b>	<b>26,287</b>
Income from financing activities		598	606
(Expenses) from financing activities		(2,568)	(2,888)
<b>Profit before tax</b>		<b>9,244</b>	<b>24,005</b>
Income tax		(1,272)	(365)
<b>Net profit</b>		<b>7,972</b>	<b>23,640</b>
<b>Net profit attributable to:</b>			
Equity holders of the parent		7,513	21,257
Non-controlling interest		459	2,383
		<b>7,972</b>	<b>23,640</b>
Basic and diluted earnings per share (EUR)		0.05	0.13
<b>Net profit</b>			
<b>Other comprehensive income</b>			
Other comprehensive income, to be reclassified to profit or loss in subsequent periods:		–	–
Exchange differences on translation of foreign operations		22	(4)
<b>Total other comprehensive income, to be reclassified to profit or loss in subsequent periods</b>		<b>22</b>	<b>(4)</b>
<b>Total comprehensive income, after tax</b>		<b>7,994</b>	<b>23,636</b>
<b>Total comprehensive income attributable to:</b>			
The shareholders of the Company		7,535	21,253
Non-controlling interest		459	2,383
		<b>7,994</b>	<b>23,636</b>

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

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(for the period 1 April to 30 June)

	Notes	2014/2015 4 Q	2013/2014 4 Q
Sales	4	128,718	127,018
Cost of sales		(116,124)	(112,021)
<b>Gross profit</b>		<b>12,594</b>	<b>14,997</b>
Operating (expenses)	9	(9,339)	(9,582)
Other income	10	1,386	5,711
Other (expenses)	10	242	128
<b>Operating profit</b>		<b>4,883</b>	<b>11,254</b>
Income from financing activities		86	200
(Expenses) from financing activities		(559)	(678)
<b>Profit before tax</b>		<b>4,410</b>	<b>10,776</b>
Income tax		(207)	(393)
<b>Net profit</b>		<b>4,203</b>	<b>10,383</b>
<b>Net profit attributable to:</b>			
Equity holders of the parent		4,058	10,216
Non-controlling interest		145	167
		<b>4,203</b>	<b>10,383</b>
Basic and diluted earnings per share (EUR)		0.03	0.06
<b>Net profit</b>			
<b>Other comprehensive income</b>		<b>4,203</b>	<b>10,383</b>
Exchange differences on translation of foreign operations		–	(2)
<b>Total comprehensive income, after tax</b>		<b>4,203</b>	<b>10,381</b>
<b>Total comprehensive income attributable to:</b>			
The shareholders of the Company		4,068	10,214
Non-controlling interest		135	167
		<b>4,203</b>	<b>10,381</b>

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	Equity attributable to equity holders of the parent							Subtotal	Non-control- ling interest	Total
	Share capital	Own shares	Share premium	Legal reserve	Reserve for own shares	Foreign currency trans- lation reserve	Retained earnings			
<b>Balance as at 1 July 2013</b>	<b>46,032</b>	<b>(457)</b>	<b>23,038</b>	<b>2,274</b>	<b>464</b>	<b>(40)</b>	<b>55,290</b>	<b>126,601</b>	<b>977</b>	<b>127,578</b>
Net profit for the year	–	–	–	–	–	–	21,257	21,257	2,383	23,640
Other comprehensive income	–	–	–	–	–	(4)	–	(4)	–	(4)
Total comprehensive income	–	–	–	–	–	(4)	21,257	21,253	2,383	23,636
Declared dividends by Company	–	–	–	–	–	–	(1,736)	(1,736)	–	(1,736)
Declared dividends	–	–	–	–	–	–	–	–	(37)	(37)
Reserves made	–	–	–	86	1,361	–	(1,447)	–	–	–
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	2,711	2,711
Acquisition of minority interest	–	–	–	–	–	–	3,185	3,185	(3,244)	(59)
<b>Balance as at 30 June 2014</b>	<b>46,032</b>	<b>(457)</b>	<b>23,038</b>	<b>2,360</b>	<b>1,825</b>	<b>(44)</b>	<b>76,549</b>	<b>149,303</b>	<b>2,790</b>	<b>152,093</b>
<b>Balance as at 1 July 2014</b>	<b>46,032</b>	<b>(457)</b>	<b>23,038</b>	<b>2,360</b>	<b>1,825</b>	<b>(44)</b>	<b>76,549</b>	<b>149,303</b>	<b>2,790</b>	<b>152,093</b>
Net profit for the year	–	–	–	–	–	–	7,513	7,513	459	7,972
Other comprehensive income	–	–	–	–	–	22	–	22	–	22
Total comprehensive income	–	–	–	–	–	22	7,513	7,535	459	7,994
Declared dividends by Company	–	–	–	–	–	–	(1,448)	(1,448)	–	(1,448)
Declared dividends by subsidiaries	–	–	–	–	–	–	–	–	(10)	(10)
Transfer to reserves	–	–	–	344	(6)	–	(338)	–	–	–
Acquisition of minority interest	–	–	–	–	–	–	1,060	1,060	(1,508)	(448)
<b>Balance as at 31 June 2015</b>	<b>46,032</b>	<b>(457)</b>	<b>23,038</b>	<b>2,704</b>	<b>1,819</b>	<b>(22)</b>	<b>83,336</b>	<b>156,450</b>	<b>1,817</b>	<b>158,267</b>

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

## CASH FLOW STATEMENTS

	Notes	2014/2015 12 month	2013/2014 12 month
<b>Cash flows from (to) operating activities</b>			
Net profit		7,972	23,640
<b>Adjustments for non-cash items:</b>			
Depreciation and amortisation		9,598	8,364
Subsidies amortisation		(1,003)	(854)
(Gain) on disposal of property, plant and equipment		(116)	(282)
Change in impairment of property, plant and equipment		(25)	25
(Gain) on disposal of subsidiary		–	(1,618)
(Gain) on disposal of other investments		(359)	–
(Gain) from acquisition of subsidiary	3	–	(6,407)
Change in allowance and write-offs for receivables and prepayments		753	2,678
Inventories write down to net realisable value		20	283
Change in accrued expenses		343	1,121
Change in fair value of biological assets		(3,464)	479
Liabilities write of		(24)	(4,096)
Change in deferred income tax		(39)	(1,449)
Current income tax expenses		1,272	1,815
Expenses from change in fair value of financial instruments		272	(1,159)
Change of provision for onerous contracts		–	(16)
Dividend (income)		(48)	(126)
Interest (income)		(598)	(606)
Interest expenses		2,567	2,888
		<b>17,121</b>	<b>24,680</b>
<b>Changes in working capital:</b>			
Decrease (increase) in biological assets		2,950	(144)
(Increase) decrease in inventories		11,617	(10,245)
(Increase) decrease in prepayments		(3,733)	(1,489)
Decrease (increase) in trade and other accounts receivable		(6,540)	1,761
(Increase) in restricted cash		(2)	9
Increase (decrease) in trade and other accounts payable		(11,887)	(8,714)
Income tax (paid)		(1,612)	(2,866)
<b>Net cash flows from (to) operating activities</b>		<b>7,914</b>	<b>2,992</b>

*(cont'd on the next page)*

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

## CASH FLOW STATEMENTS (CONT'D)

	Notes	2014/2015 12 month	2013/2014 12 month
<b>Cash flows from (to) investing activities</b>			
(Acquisition) of intangible assets, property, plant and equipment and investment property		(12,338)	(8,039)
Proceeds from sale of intangible assets, property, plant and equipment and investment property		497	1,618
Acquisition of subsidiaries (less received cash balance in the Group)	3	(200)	(10,685)
(Acquisition) of other investments		–	(26)
Proceeds from disposals of other investments		434	–
Disposal of subsidiaries (less disposed cash balance in the Group)		201	1,313
Loans (granted)		(3,911)	(5,257)
Repayment of granted loans		1,653	4,214
Interest received		348	458
Dividends received		48	126
<b>Net cash flows from (to) investing activities</b>		<b>(13,268)</b>	<b>(16,278)</b>
<b>Cash flows from (to) financing activities</b>			
Proceeds from loans		83,718	94,071
(Repayment) of loans		(74,806)	(76,490)
Finance lease (payments)		(1,017)	(1,097)
Interest (paid)		(2,588)	(2,651)
Dividends (paid) to non-controlling shareholders		(10)	(37)
Dividends (paid)		(1,448)	(1,736)
Acquisition of non-controlling interest		(447)	(59)
<b>Net cash flows from (to) financing activities</b>		<b>3,402</b>	<b>12,001</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(1,952)</b>	<b>(1,285)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>8,632</b>	<b>9,917</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>6,680</b>	<b>8,632</b>

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 at 30 June 2015 and as at 30 June 2014 the shareholders of the Company were:

	As at 30 June 2015		As at 30 June 2014	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	88,984,443	55.99%	88,984,443	55.99%
Darius Zubas	17,049,995	10.73%	17,049,995	10.73%
Swedbank AS (Estonia) clients	10,720,893	6.75%	10,404,440	6.55%
SEB AS OMNIBUS (Luxembourg) clients	12,026,834	7.57%	12,866,897	8.10%
Other shareholders (private and institutional investors)	30,158,233	18.96%	29,634,623	18.63%
<b>Total</b>	<b>158,940,398</b>	<b>100.00%</b>	<b>158,940,398</b>	<b>100.00%</b>

All the shares of the Company are ordinary shares with the par value of EUR 0.29 each as at 30 June 2015 (EUR 0.29 each as at 30 June 2014) and were fully paid as at 30 June 2015 and as at 30 June 2014.

The Company holds 788,972 of its own shares, percentage 0.50%, as at 30 June 2015 and as at 30 June 2014. Subsidiaries and other related companies did not hold any shares of the Company as at 30 June 2015 and as at 30 June 2014.

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

As at 30 June 2015 the number of employees of the Group was 2,334 (2,266 as at 30 June 2014).

No changes in share capital occurred during the years ending 30 June 2015 and 30 June 2014.

## 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 2013/2014 financial year.

### 3. GROUP STRUCTURE AND CHANGES IN THE GROUP

As at 30 June 2015 and as at 30 June 2014 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
		30 June 2015	30 June 2014	
<b>Investments into directly controlled subsidiaries</b>				
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
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	96.47%	84.36%	Broiler breeding, slaughtering and sale of products
SIA PFK Trader	Latvia	96.47%	84.36%	Retail trade of food production
SIA Lielzeltini	Latvia	100%	100%	Broiler breeding, slaughtering and sale of products, feedstuffs
SIA Cerova	Latvia	100%	100%	Egg incubation and chicken sale
SIA Broileks	Latvia	100%	100%	Chicken breeding and sale
*Including cost of ŽŪB Landvesta 3, ŽŪB Landvesta 4, ŽŪB Landvesta 5, ŽŪB Landvesta 6 which are disclosed as indirectly controlled subsidiaries (through AB Linas Agro).				
<b>Investments into indirectly controlled subsidiaries (through AB Linas Agro)</b>				
SIA Linas Agro	Latvia	100%	100%	Wholesale trade of grains and oilseeds, agricultural inputs
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
Linās Agro A/S	Denmark	100%	100%	Wholesale trade of grains and oilseeds, feedstuffs
UAB Fossio	Lithuania	–	100%	Manufacturing of lignin
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

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

	Place of registration	Effective share of the stock held by the Group		Main activities
		30 June 2015	30 June 2014	
<b>Investments into indirectly controlled subsidiaries (through UAB Linas Agro Konsultacijos)</b>				
ŽŪK KUPIŠKIO GRŪDAI	Lithuania	98.48%	98.28%	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	97.41%	96.92%	Mixed agricultural activities
Sidabravo ŽŪB	Lithuania	95.20%	93.40%	Mixed agricultural activities
Kėdainiai district Labūnavos ŽŪB	Lithuania	98.64%	98.64%	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
Liquidate UAB Žemės ūkio investicijos	Lithuania	100%	100%	Not operating company
Panevėžys district Žibartonių ŽŪB	Lithuania	99.80%	99.80%	Mixed agricultural activities
<b>Investments into indirectly controlled subsidiaries (through UAB Dotnuvos Projektai)</b>				
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
<b>Investments into indirectly controlled subsidiaries (through UAB Linas Agro Grūdų centras KŪB)</b>				
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
<b>Investment into indirectly controlled subsidiaries (through Panevėžys district Žibartonių ŽŪB)</b>				
Karčemos kooperatinė bendrovė	Lithuania	3,99%*	19.96%*	Preparation and warehousing of grains for trade

\* The Group indirectly controls 39.96% of shares of Karčemos kooperatinė bendrovė (through Panevėžys district Žibartonių ŽŪB and UAB Linas Agro Grūdų centras KŪB), however, the Group has control over this entity and, therefore, it has been consolidated when preparing these financial statements.

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

#### *Changes in the Group during the 12 month period ended 30 June 2015*

On 1 July 2014 share capital of AS Putnu fabrika Kekava increased from EUR 12,769 thousand to EUR 18,947 thousand by capitalization of payable amounts of AB Linas Agro Group, SIA Lielzeltini. The rest non-controlling shareholders didn't participate in the increasing of share capital, part of the shares owned by the Group increased from 84.36% to 89.46%.

During 12 month period, ended 30 June 2015, the Company additionally acquired 7.01% AS Putnu fabrika Kekava share capital for EUR 783 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 1,418 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

During 12 month period, ended 30 June 2015, the Group acquired 1.80% Sidabravo ŽŪB share capital for EUR 13 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 73 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity. Also the Group acquired 0.49% Panevėžys district Aukštadvario ŽŪB share capital for EUR 1 thousand. The difference of EUR 14 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

#### *Changes in the Group during the 12 month period ended 30 June 2014*

On 5 September 2013 the Group acquired 100% Žemės ūkio investicijos UAB sub-group, which is comprised of the holding company Žemės ūkio investicijos UAB and its subsidiary Panevėžys district Žibartonys ŽŪB (98.07%), for EUR 5,230 thousand to further expand business activities. As at acquisition date Žemės ūkio investicijos UAB sub-group did not have any impaired accounts receivable or contractual cash flows not expected to be collected, book value of receivables represents 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

<b>Acquisition date</b>	<b>31 August 2013</b>
Property, plant and equipment and investment property	5,356
Animals and livestock	2,034
Crops	751
Inventories	2,728
Prepayments and other current assets	658
Cash and cash equivalents	78
<b>Total assets</b>	<b>11,605</b>
Deferred tax liability	(175)
Grants and subsidies	(161)
Non-current borrowings	(845)
Current borrowings	(525)
Trade payables	(1,238)
Other liabilities	(409)
<b>Total liabilities</b>	<b>(3,353)</b>
<b>Total identifiable net assets at fair value</b>	<b>8,252</b>
Non-controlling interest measured at the proportionate share of net assets at fair value	(101)
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 26)	2,763
<b>Total purchase consideration</b>	<b>5,388</b>
Cash consideration transferred	3,878
Less: cash acquired	(78)
<b>Total purchase consideration, net of cash acquired</b>	<b>3,800</b>

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

	<b>Since acquisition date</b>	<b>Since 1 July 2013</b>
Revenue	5,073	6,492
Profit (loss)	487	450

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 12 month period ended 30 June 2014 (cont'd)*

On 28 October 2013 the Group acquired 86.97% shares of AS Putnu Fabrika Kekava sub-group (including SIA PFK Trader) for EUR 2,129 thousand to further expand business activities and enter new business segments. On 7 November 2013 according to the 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 provisional net assets at book value on 31 October 2013 are calculated by taking into account accounts payable capitalization and AB Linas Agro Group de facto control of 54.59% of shares.

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

<b>Acquisition date for consolidation purposes</b>	<b>31 October 2013</b>
Property, plant and equipment and intangible assets	24,087
Poultry	2,425
Inventories	2,240
Prepayments and other current assets	2,983
Cash and cash equivalents	173
<b>Total assets</b>	<b>31,908</b>
Deferred tax liability	(664)
Grants and subsidies	(2,230)
Non-current borrowings	(2,061)
Other non-current liabilities	(1,368)
Current borrowings	(10,401)
Trade payables	(4,820)
Other liabilities	(4,618)*
<b>Total liabilities</b>	<b>(26,162)</b>
<b>Total identifiable net assets at provisional fair value</b>	<b>5,746</b>
Non-controlling interest measured at the proportionate share of net assets at provisional fair value	(2,610)
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 26)	1,009
<b>Total purchase consideration</b>	<b>2,129</b>
Cash consideration transferred	<b>729**</b>
Less: cash acquired	(173)
<b>Total purchase consideration, net of cash acquired</b>	<b>556</b>

\*During the year ended 30 June 2014 liabilities in the amount of EUR 4,096 thousand were written off for subsidiary AS Putnu Fabrika Kekava due to successfully implemented restructuring plan.

\*\*As at 30 June 2013 the Company made EUR 1,400 thousand prepayment for AS Putnu Fabrika Kekava shares to acquire.

AS Putnu Fabrika Kekava fair value of the trade receivables as at the date of acquisition were:

	<b>Trade receivables</b>
The gross contractual amounts receivable	6,196
The best estimate at the acquisition date of the contractual cash flows not expected to be collected	(3,302)
The fair value of the receivables	2,894

AS Putnu Fabrika Kekava revenue and profit or loss since the acquisition date and from the beginning of the annual reporting period were:

	<b>Since acquisition date</b>	<b>Since 1 July 2013</b>
Revenue	26,585	39,556
Profit (loss)	6,748	8,618

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

#### *Changes in the Group during the 12 month period ended 30 June 2014 (cont'd)*

The business combination resulted in bargain purchase because it was acquired during a forced sale by the former shareholders, since as at acquisition AS Putnu Fabrika Kekava was in a legal restructuring phase and there existed high uncertainties about its ability to continue as a going concern.

On 7 February 2014 the Group acquired 100% shares of SIA Lielzeltini for EUR 5,854 thousand to further expand business activities and enter new business segments. Differences between the purchase consideration and fair values of the acquired assets, liabilities and contingent liabilities at the acquisition date were the following:

<b>Acquisition date for consolidation purposes</b>	<b>31 January 2014</b>
Property, plant and equipment	14,557
Financial assets	3,117
Poultry	531
Inventories	3,157
Prepayments and other current assets	3,091
Cash and cash equivalents	352
<b>Total assets</b>	<b>24,805</b>
Deferred tax liability	(907)
Grants and subsidies	(770)
Non-current borrowings	(9,405)
Current borrowings	(2,102)
Trade payables	(2,893)
Other liabilities	(682)
<b>Total liabilities</b>	<b>(16,759)</b>
<b>Total identifiable net assets at fair value</b>	<b>8,046</b>
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 26)	2,192
<b>Total purchase consideration</b>	<b>5,854</b>
<b>Cash consideration transferred</b>	<b>5,854</b>
Less: cash acquired	(352)
<b>Total purchase consideration, net of cash acquired</b>	<b>5,502</b>

SIA Lielzeltini fair value of contractual amounts receivables as at the date of acquisition were:

	<b>Non-current Trade receivables</b>	<b>Prepayments</b>
The gross contractual amounts receivable	3,165	1,018
The best estimate at the acquisition date of the contractual cash flows not expected to be collected	(664)	(200)
The fair value of the receivables	2,501	818

SIA Lielzeltini revenue and profit or loss since the acquisition date and from the beginning of the annual reporting period were:

	<b>Since acquisition date</b>	<b>Since July 1 2013</b>
Revenue	12,757	29,145
Profit (loss)	488	1,829

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 12 month period ended 30 June 2014 (cont'd)*

On 7 February 2014 the Group acquired 100% shares of SIA Cerova for EUR 790 thousand to further expand business activities and enter new business segments. As at acquisition date SIA Cerova 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:

<b>Acquisition date for consolidation purposes</b>	<b>31 January 2014</b>
Property, plant and equipment	844
Inventories	120
Prepayments and other current assets	1,007
Cash and cash equivalents	13
<b>Total assets</b>	<b>1,984</b>
Deferred tax liability	(10)
Grants and subsidies	(138)
Non-current borrowings	(611)
Other non-current liabilities	–
Trade payables	(69)
Other liabilities	(48)
<b>Total liabilities</b>	<b>(876)</b>
<b>Total identifiable net assets at fair value</b>	<b>1,108</b>
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 26)	319
<b>Total purchase consideration</b>	<b>790</b>
<b>Cash consideration transferred</b>	<b>790</b>
Less: cash acquired	(13)
<b>Total purchase consideration, net of cash acquired</b>	<b>777</b>

On 7 February 2014 the Group acquired 100% shares of SIA Broileks for EUR 52 thousand to further expand business activities and enter new business segments. As at acquisition date SIA Broileks 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:

<b>Acquisition date for consolidation purposes</b>	<b>31 January 2014</b>
Property, plant and equipment	420
Inventories	35
Prepayments and other current assets	151
Cash and cash equivalents	2
<b>Total assets</b>	<b>607</b>
Grants and subsidies	(122)
Non-current borrowings	(44)
Current borrowings	(106)
Trade payables	(2)
Other liabilities	(158)
<b>Total liabilities</b>	<b>(432)</b>
<b>Total identifiable net assets at fair value</b>	<b>176</b>
Gain recognized on acquisition of subsidiary, recognised under Other income (Note 26)	125
<b>Total purchase consideration</b>	<b>52</b>
<b>Cash consideration transferred</b>	<b>52</b>
Less: cash acquired	(2)
<b>Total purchase consideration, net of cash acquired</b>	<b>50</b>

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

#### *Changes in the Group during the 12 month period ended 30 June 2014 (cont'd)*

During the 12 month period, ended 30 June 2014, the Group acquired 6.17% Sidabravo ŽŪB share capital for EUR 46 thousand, 1.1% Panevėžys district Žibartonių ŽŪB share capital for EUR 13 thousand. All the shares were acquired from the non-controlling shareholders. The difference of EUR 62 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognised within equity.

Acquisition of non-controlling interest in Sidabravo ŽŪB and Panevėžys district Žibartonių ŽŪB has resulted in an increase of the effective Group ownership of ŽŪK KUPIŠKIO GRŪDAI by 0.56% up to 98.28%, and an increase of the effective Group ownership of Karčemos kooperatinė bendrovė by 20% up to 39.96% as at 30 June 2014 with a result of EUR 7 thousand of gain accounted directly in equity.

Acquisition of SIA Lielzeltini has resulted in an increase of the effective Group ownership of AS Putnu Fabrika Kekava by 29.77% up to 84.36% as at 30 June 2014 with a result of EUR 2,910 thousand of gain accounted directly in equity.

On 9 January 2014 the Group separated UAB Lignineko to 2 companies: UAB Lignineko and UAB Fossio. The share capital of UAB Fossio is EUR 134 thousand.

On 30 April 2014 the Group sold all shares of UAB Lignineko. Differences between the sales consideration and the net assets disposed at the disposal date is the following:

	<b>30 April 2014</b>
Non-current assets	526
Deferred tax asset	52
Current assets	232
Liabilities	(1,111)
<b>Net asset of subsidiary sold by Group</b>	<b>(301)</b>
<b>Gain recognized on disposal of subsidiary, recognised under Other income (Note 26)</b>	<b>1,618</b>
Sales price (received in cash)	1,318
Less: cash disposed in subsidiary	(5)
<b>Sell price less cash disposed</b>	<b>1,313</b>

## 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, rapeseed 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 equipment to agricultural produce growers and grain storage companies;
- food products segment includes poultry and other food final products;
- the other products and services segment includes sales of biofuel and other products and services.

The Group's chief financial officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

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	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
<b>Financial year ended 30 June 2015</b>								
<b>Revenue</b>								
Third parties	381,172	117,124	14,913	60,528	33	–	–	573,770
Intersegment	7,141	8,247	10,249	–	–	–	(25,637) <sup>1)</sup>	–
<b>Total revenue</b>	<b>388,313</b>	<b>125,371</b>	<b>25,162</b>	<b>60,528</b>	<b>33</b>	<b>–</b>	<b>(25,637)<sup>1)</sup></b>	<b>573,770</b>
<b>Results</b>								
Operating expenses	(6,652)	(11,387)	(2,710)	(6,951)	–	(3,353)	–	(31,053)
<b>Segment operating profit (loss)</b>	<b>7,227</b>	<b>1,084</b>	<b>2,756</b>	<b>3,028</b>	<b>33</b>	<b>(2,914)</b>	<b>–</b>	<b>11,214</b>
<b>Financial year ended 30 June 2014</b>								
<b>Revenue</b>								
Third parties	411,992	120,648	16,639	33,600	1,678	–	–	584,557
Intersegment	9,630	7,314	10,964	–	–	–	(27,908) <sup>1)</sup>	–
<b>Total revenue</b>	<b>421,622</b>	<b>127,962</b>	<b>27,603</b>	<b>33,600</b>	<b>1,678</b>	<b>–</b>	<b>(27,908)<sup>1)</sup></b>	<b>584,557</b>
<b>Results</b>								
Operating expenses	(7,659)	(11,382)	(2,533)	(3,830)	(193)	(4,091)	–	(29,688)
<b>Segment operating profit (loss)</b>	<b>10,978</b>	<b>1,796</b>	<b>4,848</b>	<b>9,888</b>	<b>2,745</b>	<b>(3,968)</b>	<b>–</b>	<b>26,287</b>

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	12 month period ended	
	30 June 2015	30 June 2014
Lithuania	143,222	151,269
Europe (except for Scandinavian countries, CIS and Lithuania)	189,151	148,799
Scandinavian countries	95,646	112,360
Africa	18,671	26,914
Asia	114,731	136,883
CIS	12,349	8,332
	<b>573,770</b>	<b>584,557</b>

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

Non-current assets	As at 30 June 2015	As at 30 June 2014
Lithuania	61,535	61,126
Latvia	43,415	41,321
Estonia	1,402	1,344
Denmark	11	16
	<b>106,363</b>	<b>103,807</b>

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

#### 5. INTANGIBLE ASSETS

Group	Software	Other intangible assets	Total
<b>Cost:</b>			
Balance as at 30 June 2013	597	100	697
Additions	101	–	101
Additions of subsidiaries	35	–	35
Write-offs	(1)	(4)	(5)
Balance as at 30 June 2014	732	96	828
Additions	75	534	609
Write-offs	(3)	(17)	(20)
Balance as at 30 June 2015	804	613	1,417
<b>Accumulated amortization:</b>			
Balance as at 30 June 2013	386	21	407
Charge for the year	53	6	59
Write-offs	–	(4)	(4)
Balance as at 30 June 2014	439	23	462
Charge for the year	56	54	110
Write-offs	(3)	(17)	(20)
Balance as at 30 June 2015	492	60	552
<b>Net book value as at 30 June 2015</b>	<b>312</b>	<b>553</b>	<b>865</b>
<b>Net book value as at 30 June 2014</b>	<b>293</b>	<b>73</b>	<b>366</b>
<b>Net book value as at 30 June 2013</b>	<b>211</b>	<b>79</b>	<b>290</b>

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

## 6. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and prepayments	Total
<b>Cost:</b>							
Balance as at 30 June 2013	5,121	43,417	25,182	4,213	3,976	2,266	84,175
Additions	1,900	22	3,144	369	620	3,016	9,071
Acquisition of subsidiaries	4,601	30,678	8,017	848	832	241	45,217
Disposals and write-offs	(106)	(164)	(1,304)	(577)	(326)	(82)	(2,559)
Transfers from investment property	1,631	238	–	–	–	–	1,869
Reclassifications	50	3,038	501	32	42	(3,663)	–
Exchange differences	(1)	(1)	(1)	(1)	1	1	(2)
Disposals of subsidiaries	–	–	(633)	–	(84)	–	(717)
Balance as at 30 June 2014	13,196	77,228	34,906	4,884	5,061	1,779	137,054
Additions	33	1,340	3,323	667	872	6,894	13,129
Disposals and write-offs	(10)	(201)	(866)	(566)	(321)	(197)	(2,161)
Transfers from investment property	115	–	–	–	–	–	115
Reclassifications	4	2,121	656	–	(11)	(2,770)	–
Balance as at 30 June 2015	13,338	80,488	38,019	4,985	5,601	5,706	148,137
<b>Accumulated depreciation:</b>							
Balance as at 30 June 2013	–	11,194	11,872	1,504	2,313	–	26,883
Charge for the year	–	4,079	3,605	961	590	–	9,235
Disposals and write-offs	–	(98)	(460)	(492)	(237)	–	(1,287)
Transfers from investment property	–	36	–	–	–	–	36
Reclassifications	–	–	(17)	17	–	–	–
Exchange differences	–	5	(1)	–	–	–	4
Disposals of subsidiaries	–	–	(144)	–	(47)	–	(191)
Balance as at 30 June 2014	–	15,216	14,855	1,990	2,619	–	34,680
Charge for the year	–	5,213	3,442	858	795	–	10,308
Disposals and write-offs	–	(76)	(443)	(464)	(309)	–	(1,292)
Reclassifications	–	–	6	–	(6)	–	–
Balance as at 30 June 2015	–	20,353	17,860	2,384	3,099	–	43,696
<b>Impairment losses:</b>							
Balance as at 30 June 2013	–	456	10	–	1	–	467
(Reversal) charge for the year	46	(22)	1	–	–	–	25
Balance as at 30 June 2014	46	434	11	–	1	–	492
(Reversal) charge for the year	(26)	–	–	–	–	–	(26)
Balance as at 30 June 2015	20	434	11	–	1	–	466
<b>Net book value as at 30 June 2015</b>	<b>13,318</b>	<b>59,701</b>	<b>20,148</b>	<b>2,601</b>	<b>2,501</b>	<b>5,706</b>	<b>103,975</b>
<b>Net book value as at 30 June 2014</b>	<b>13,150</b>	<b>61,578</b>	<b>20,040</b>	<b>2,894</b>	<b>2,441</b>	<b>1,779</b>	<b>101,882</b>
<b>Net book value as at 30 June 2013</b>	<b>5,121</b>	<b>31,767</b>	<b>13,300</b>	<b>2,709</b>	<b>1,662</b>	<b>2,266</b>	<b>56,825</b>

## 7. INVESTMENT PROPERTY

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

<b>Cost:</b>	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
Balance as at 30 June 2013	3,120	400	3,520
Additions	2	4	6
Acquisition of subsidiaries	–	11	11
Disposals and write-offs	(60)	–	(60)
Transfers to property, plant and equipment	(1,631)	(238)	(1,869)
Balance as at 30 June 2014	1,431	177	1,608
Additions	5	98	103
Disposals and write-offs	(16)	–	(16)
Transfers to property, plant and equipment	(107)	–	(107)
Balance as at 30 June 2015	1,313	275	1,588
<b>Accumulated depreciation:</b>			
Balance as at 30 June 2013	–	66	66
Charge for the year	–	19	19
Transfers to property, plant and equipment	–	(36)	(36)
Balance as at 30 June 2014	–	49	49
Charge for the year	–	16	16
Balance as at 30 June 2015	–	65	65
<b>Impairment losses:</b>			
Balance as at 30 June 2013	–	–	–
Balance as at 30 June 2014	–	–	–
Balance as at 30 June 2015	–	–	–
<b>Net book value as at 30 June 2015</b>	<b>1,313</b>	<b>210</b>	<b>1,523</b>
<b>Net book value as at 30 June 2014</b>	<b>1,431</b>	<b>128</b>	<b>1,559</b>
<b>Net book value as at 30 June 2013</b>	<b>3,120</b>	<b>334</b>	<b>3,454</b>

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

## 8. BORROWINGS

<b>Non-current borrowings</b>	<b>As at 30 June 2015</b>	<b>As at 30 June 2014</b>
Bank borrowings secured by the Group assets	28,917	28,024
Other non-current borrowings	–	9
	28,917	28,033
<b>Current borrowings</b>		
Current portion of non-current bank borrowings	6,879	6,283
Current bank borrowings secured by the Group assets	55,560	54,657
Other current borrowings	8,942	8,401
	71,381	69,341
	<b>100,298</b>	<b>97,374</b>

Interest payable is normally settled monthly throughout the financial year.

## 9. OPERATING EXPENSES

	12 month period ended	
	30 June 2015	30 June 2014
Wages and salaries and social security	18,097	16,162
Consulting expenses	1,167	1,146
Depreciation and amortization	1,754	1,568
Other	10,035	10,812
	<b>31,053</b>	<b>29,688</b>

## 10. OTHER INCOME (EXPENSES)

	12 month period ended	
	30 June 2015	30 June 2014
<b>Other income</b>		
Rental income from investment property and property, plant and equipment	226	541
Gain from disposal of investment property and property, plant and equipment	220	420
Gain from acquisition of subsidiaries (Note 3)	–	6,407
Gain from disposal of other investments	359	1,618
Change in fair value of currency financial instruments	1,078	–
Write-off of liabilities (Note 3)	24	4,096
Other income	689	506
	<b>2,596</b>	<b>13,588</b>
<b>Other (expenses)</b>		
Direct operating expenses arising on rental and non-rental earning investment properties	(181)	(147)
Loss from disposal of property, plant and equipment	(103)	(76)
Currency exchange loss	(367)	(362)
Change in fair value of currency financial instruments	–	(130)
Other expenses	(82)	(97)
	<b>(733)</b>	<b>(812)</b>

## 11. COMMITMENTS AND CONTINGENCIES

As at 30 June 2015 the Group is committed to purchase property, plant and equipment for the total amount of EUR 534 thousand (EUR 1,446 thousand as at 30 June 2014).

A few Group companies (Kėdainiai district Labūnavos ŽŪB, Šakiai district Lukšių ŽŪB, Sidabravo ŽŪB and Panevėžys district Žibartonių ŽŪB) received grants from the European Union and National Paying Agency mostly for acquisition of agricultural heavy duty equipment. Kėdainių district Labūnavos ŽŪB – up to 2015, Šakiai district Lukšių ŽŪB - up to 2019, Sidabravo ŽŪB – up to 2019, Panevėžys district Žibartonių ŽŪB – up to 2019. UAB Linas Agro Grūdų Centras KŪB, Karčemos kooperatinė bendrovė received grants from the European Union and National Paying Agency (Lithuania) 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 2017.

SIA Lielzeltini, SIA Cerova and SIA Broileks received grants from the European Union and Rural Support Service (Latvia) for poultry farm, feedstuffs production and storages upgrade. SIA Lielzeltini is committed not to discontinue broiler breeding, slaughtering and sale of products, feedstuffs up to 2016, SIA Cerova – up to 2018 and SIA Broileks – up to 2016.

In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania amounting to EUR 4,869 thousand as at 30 June 2015 (EUR 6,889 thousand as at 30 June 2014).

In July 2013 the Group company Linas Agro A/S received a ruling from the Danish 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 EUR 147 thousand (DKK 1,100 thousand).

## 11. COMMITMENTS AND CONTINGENCIES (CONT'D)

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 30 June 2015 and 30 June 2014.

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 EUR 4,803 thousand (DKK 36,414 thousand) and not EUR 1,571 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 the amount of EUR 3,310 thousand (DKK 24,692 thousand) (tax value EUR 827 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 appealed the decision.

During the financial year ended 30 June 2014 the management of the Group initiated actions to reach the agreement between Lithuanian and Danish tax authorities. As at financial statements preparation date there were no decisions reached as the investigation might last up to two years.

## 12. RELATED PARTIES TRANSACTIONS

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

The related parties of the Company and Group for the years ended 30 June 2015 and 30 June 2014 were as follows:

### *Members of the board of the Company:*

Darius Zupas (chairman of the board, ultimate controlling shareholder);  
Vytautas Šidlauskas;  
Dainius Pilkauskas;  
Arūnas Zupas;  
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).

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

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

Terms and conditions of the financial assets and liabilities:

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

The Group's receivables from related parties were nor due neither impaired as at 30 June 2015 and 30 June 2014.

### **13. SUBSEQUENT EVENTS**

On 30 July 2015 the Company additionally acquired 299 shares of AS Putnu fabrika Kekava for EUR 6 thousands.