



AB LINAS AGRO GROUP

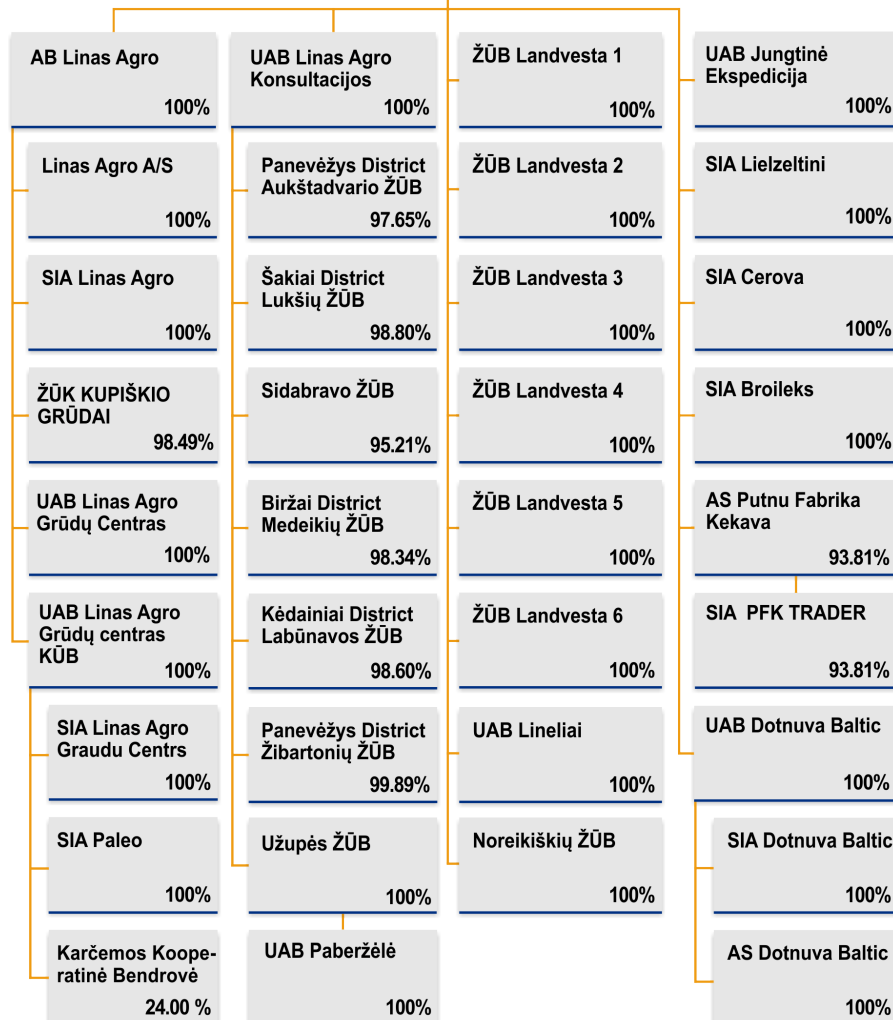
OVERVIEW OF ACTIVITY AND FINANCE FOR FY 2015/16

10/28/2016



- **International vertically integrated agribusiness Group.**
- **Runs business in Lithuania, Latvia, Estonia and Denmark.**
- **Produce and trade agricultural commodities and food products, feedstuff and provide products for farming.**

AB Linas Agro Group



3 dormant companies
not included

2,261
employees

ACTIVITIES HISTORY



1991

**Grain, oilseed and feedstuffs
sourcing and marketing**

1998

**Agricultural machinery trade.
Logistic services**

2000

Oilseed crushing

2001

Seed production

2002

**Grain storage. Trade in
agrochemicals and fertilizers**

2003

Farming

2013

**Poultry farming, meat
production**

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

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

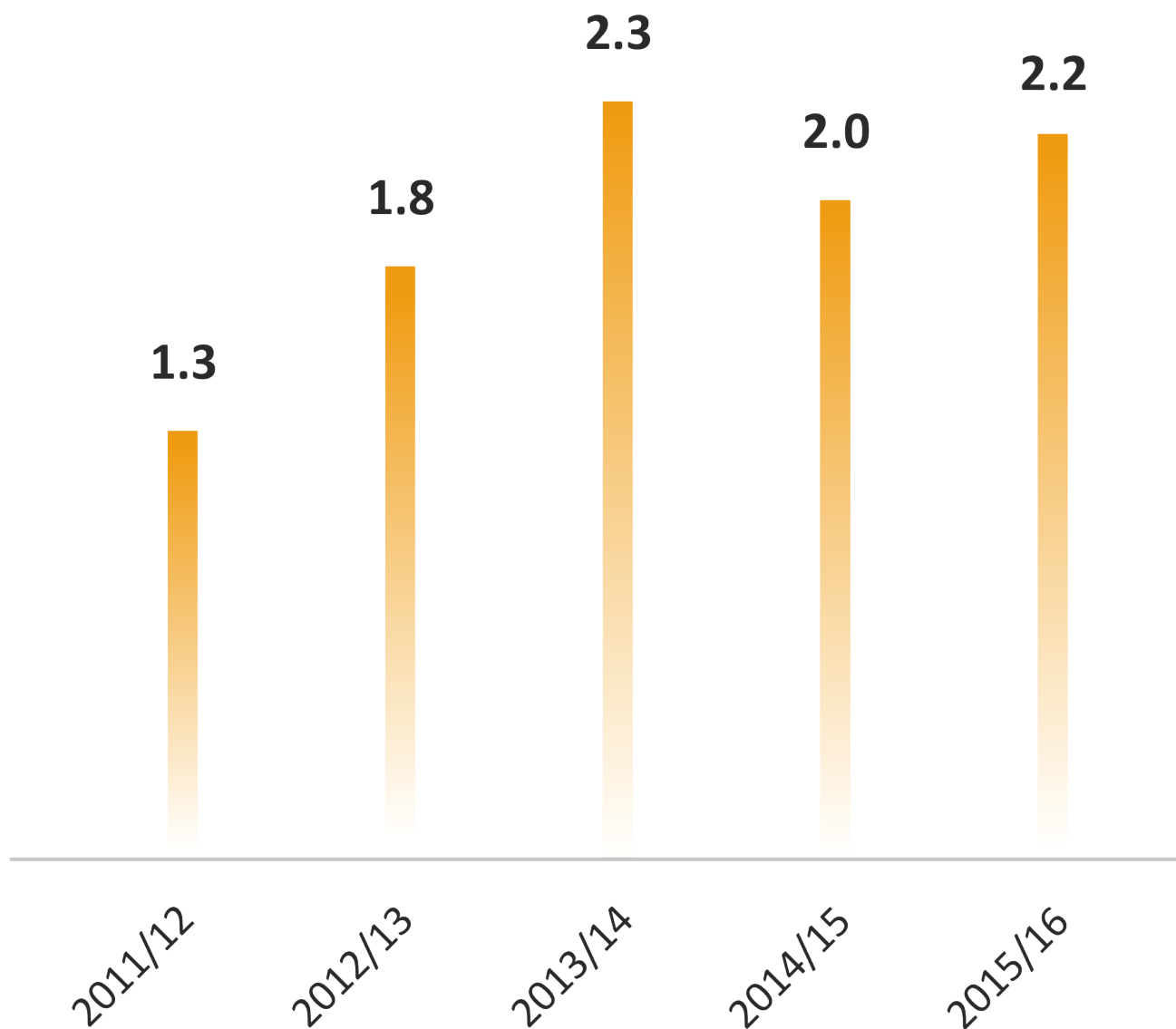
To seek opportunities for professional development for employees in the organisation maintaining a high level of internal culture.



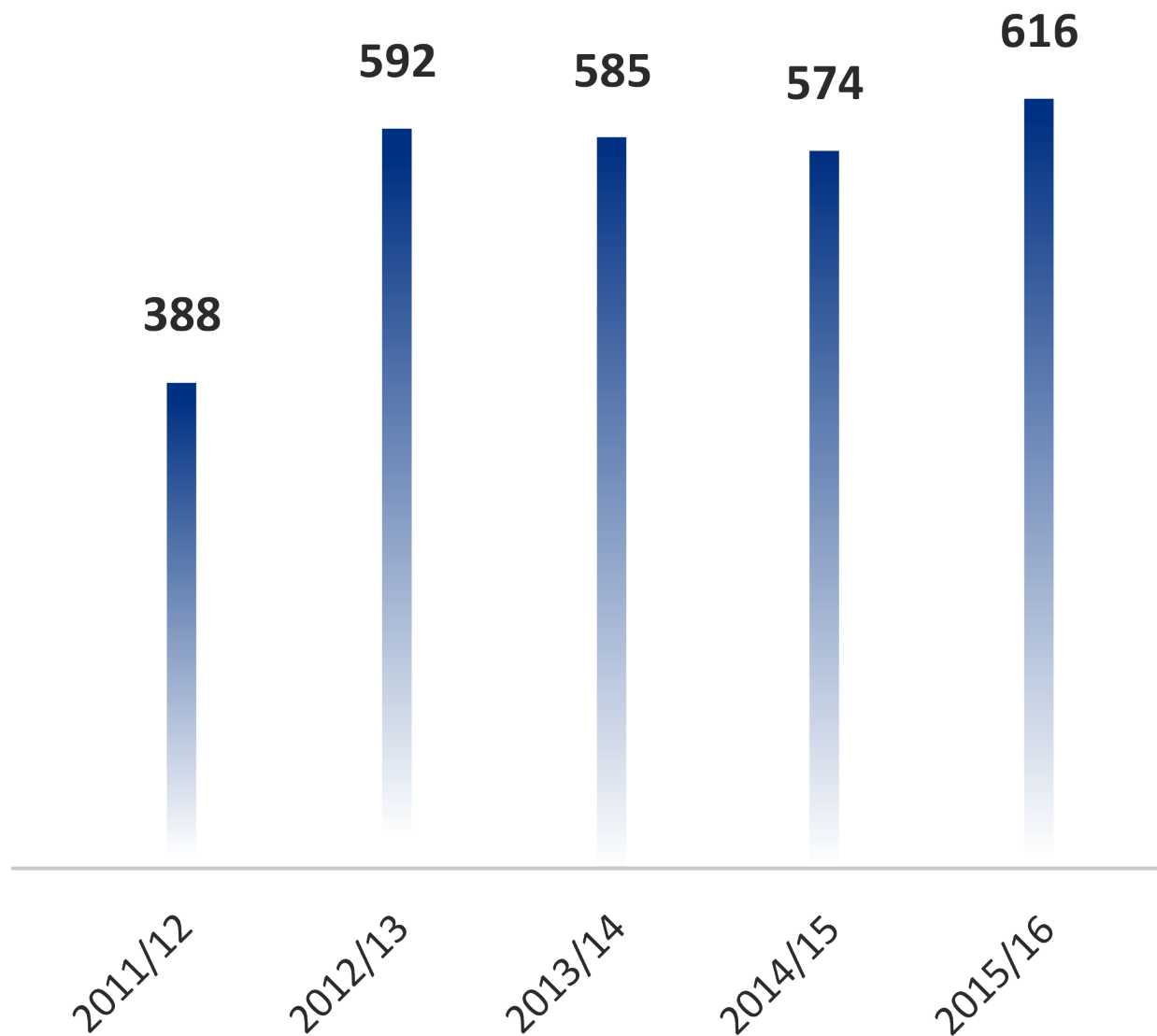
- **Consolidated revenue was EUR 616 million.**
- **Sales volume in tons – 2.2 millions.**
- **Gross profit was almost EUR 40 million.**
- **EBITDA – EUR 17 million.**

*Fiscal year
of the company starts
July 1st*

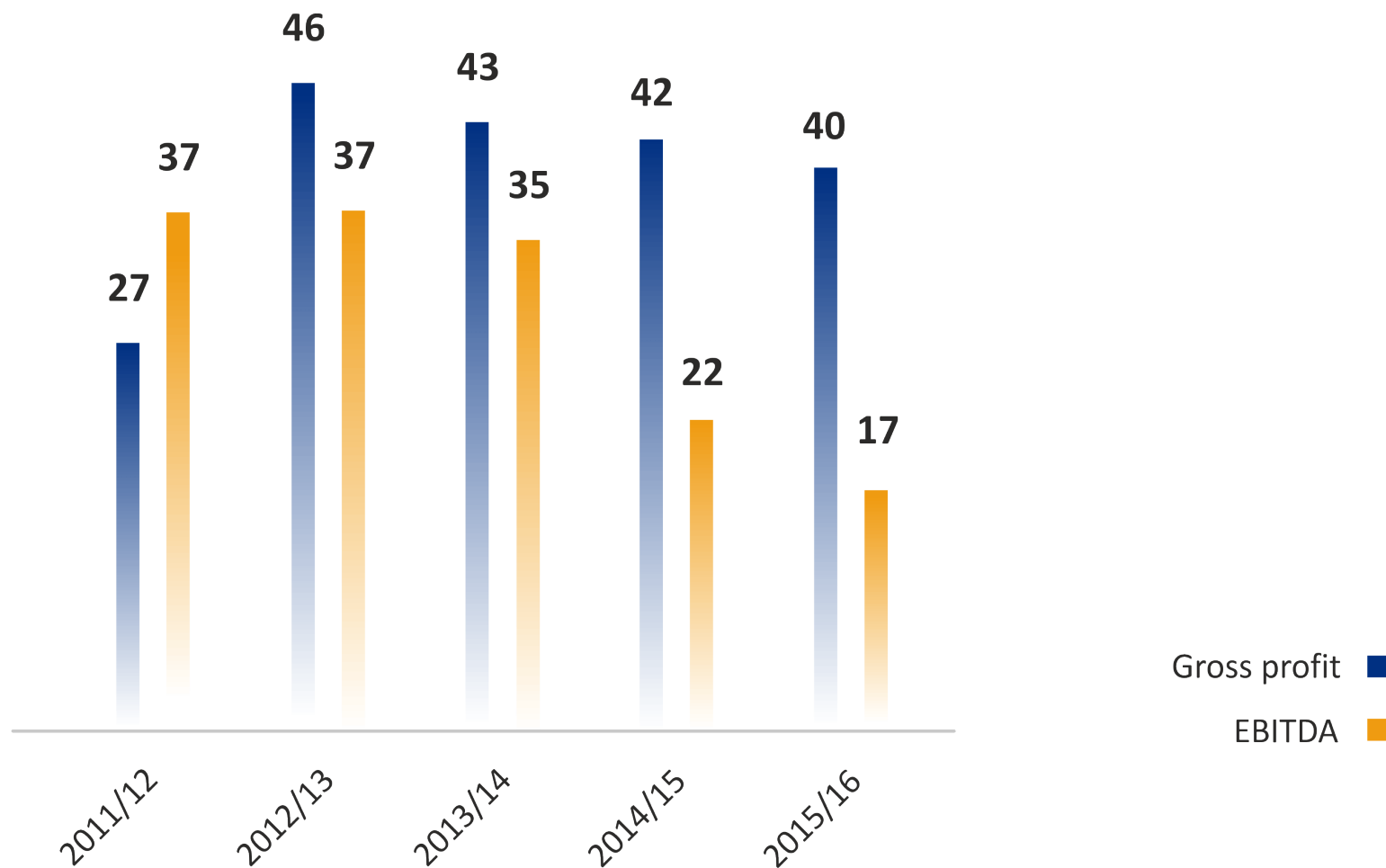
SALES VOLUME IN TONS, MILLION MT



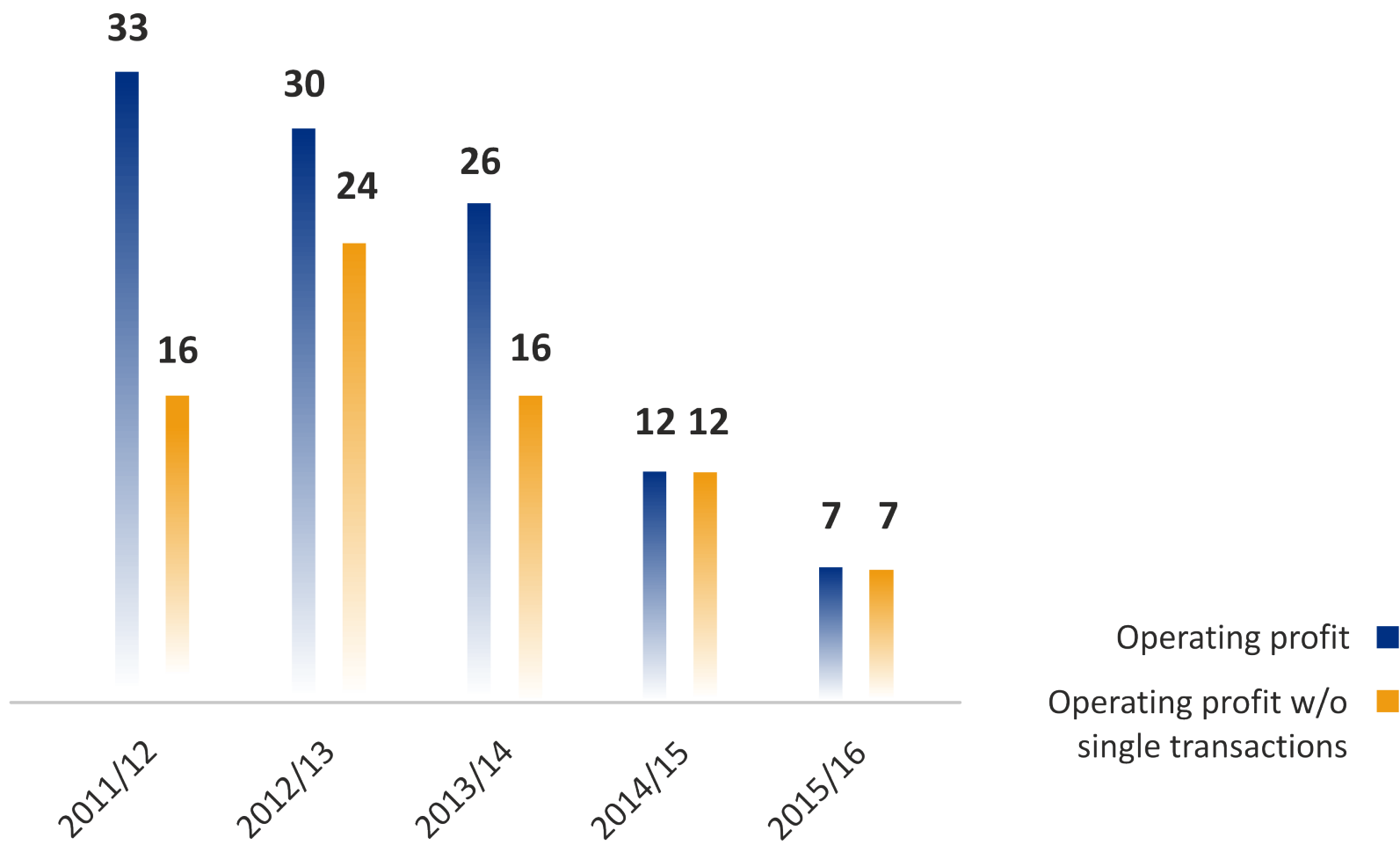
REVENUE, EUR MILLION



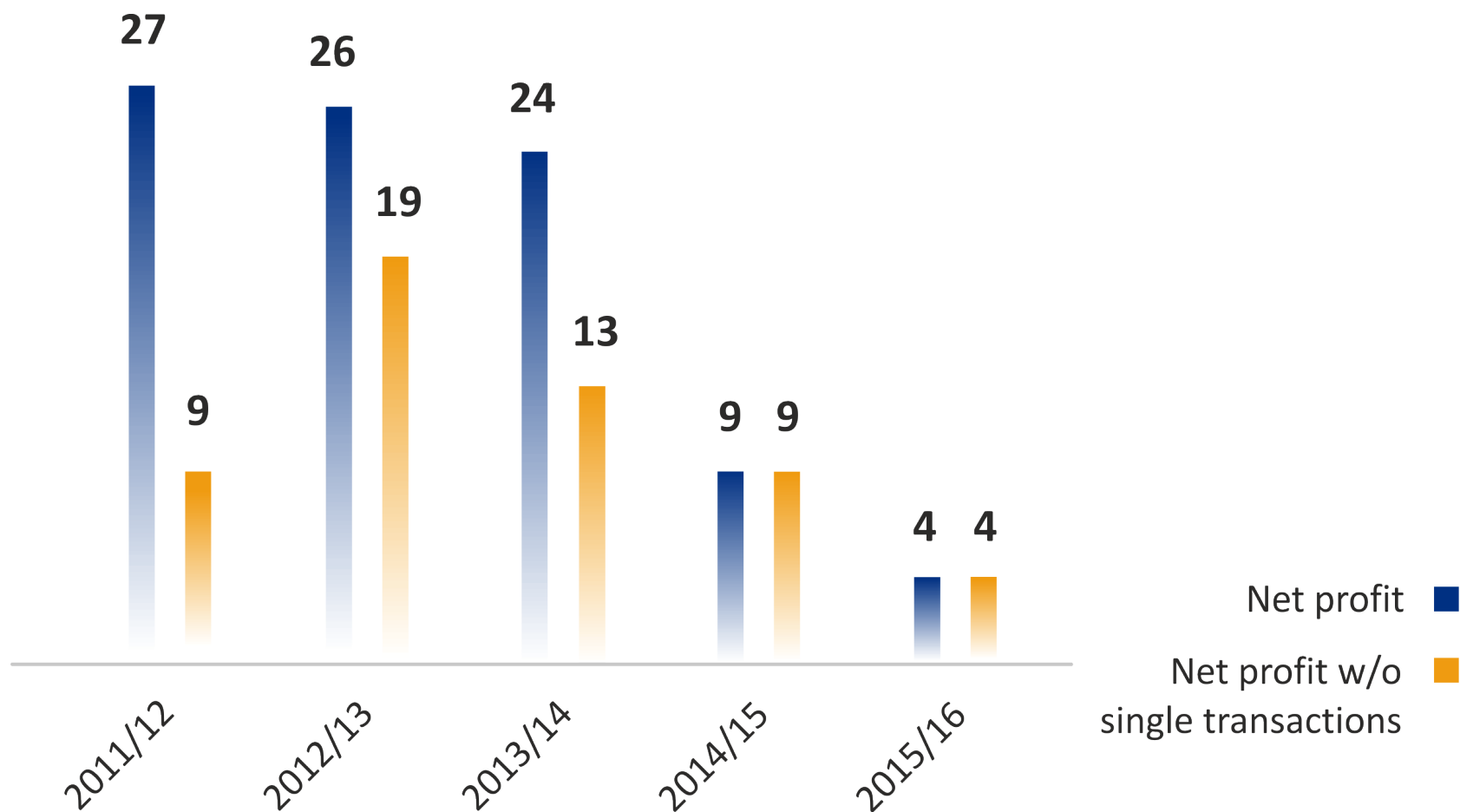
GROSS PROFIT AND EBITDA, MILLION EUR

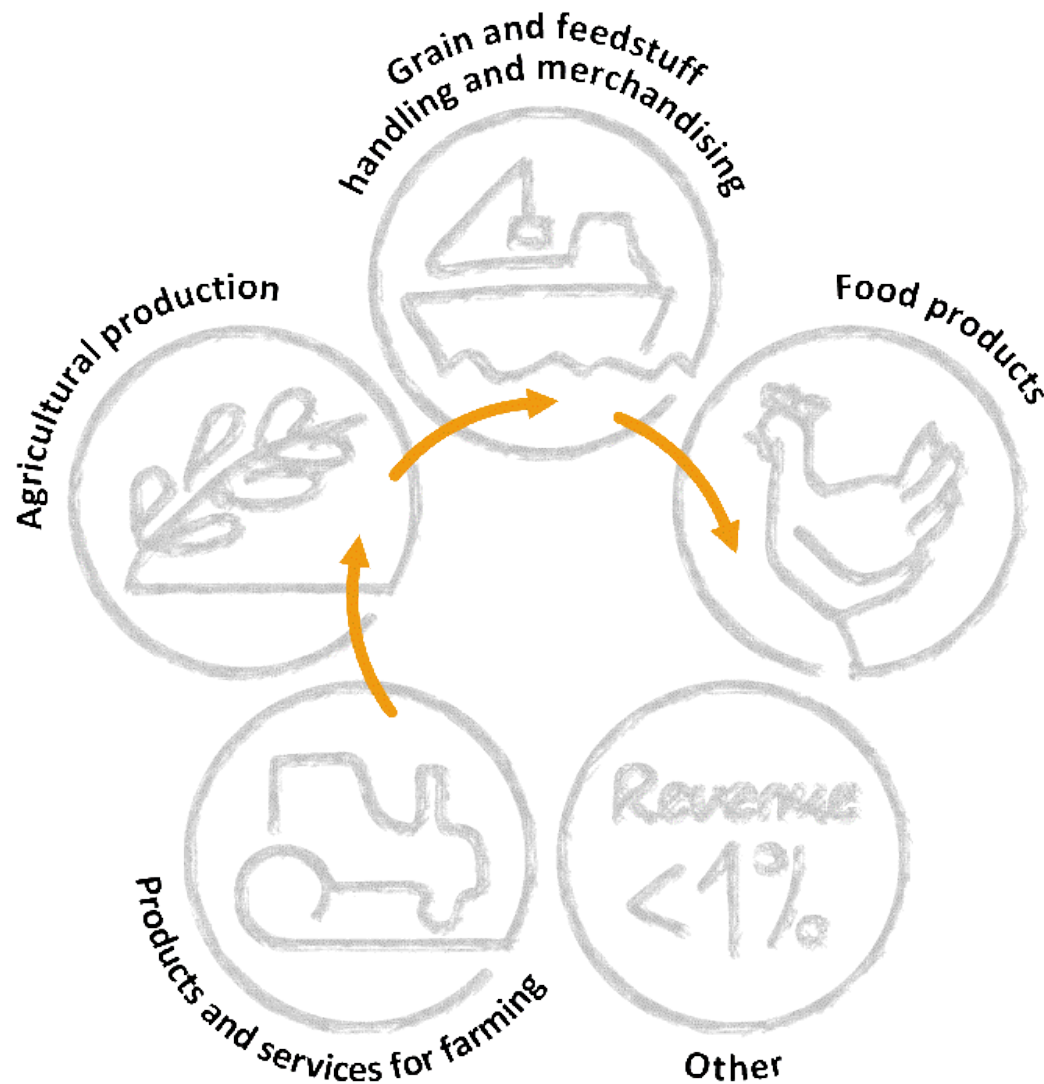


OPERATING PROFIT, MILLION EUR

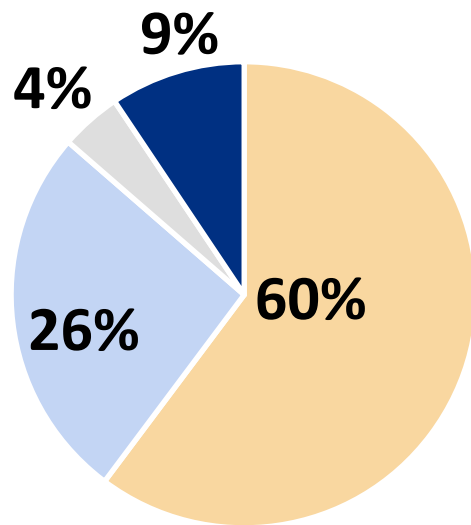


NET PROFIT, MILLION EUR

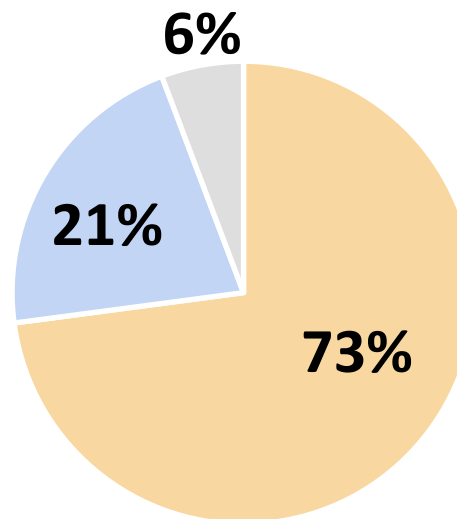




INCOME & OPERATING PROFIT STRUCTURE



INCOME
STRUCTURE



OPERATING PROFIT
STRUCTURE



GRAIN AND FEEDSTUFF HANDLING AND MERCHANDISING



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



60%



70% revenue
received from exports

- **The Group is one of the biggest grain exporters in the Baltic states.**
- **Exports to more than 42 countries around the world.**
- **1.8 million tons of cargo departed from the Baltic seaports, from them 1.3 million tons sent from Lithuanian ports.**
- **The capacities of the storage facilities at ports reach 220,000 tons.**

OWN GRAIN STORAGE FACILITIES



Total storage capacity is 340,000 tons, including 217,000 tons for grain, and 123,000 tons for fertilizers.

GRAIN, FERTILIZERS AND FEEDSTUFF ARE STORED IN GRAIN ELEVATORS



- The own grain storage facilities owned by the Group collected and processed over 541 thousand tons of various grains or 9% more than a year before.
- 1.8 million tons of grain and feedstuff sold in total or 12.5% more than previous year).
- Two brand new grain elevators started operating in Lithuania and Latvia in the beginning of the financial year.
- Grain, harvested in 2015, was dry and therefore the drop in revenue from drying services has been recorded.

- **Certified seed**
- **Fertilizers**
- **Plant protection products**
- **Agricultural machinery and farming equipment**
- **Grain storage facilities**
- **Spare parts**



26%



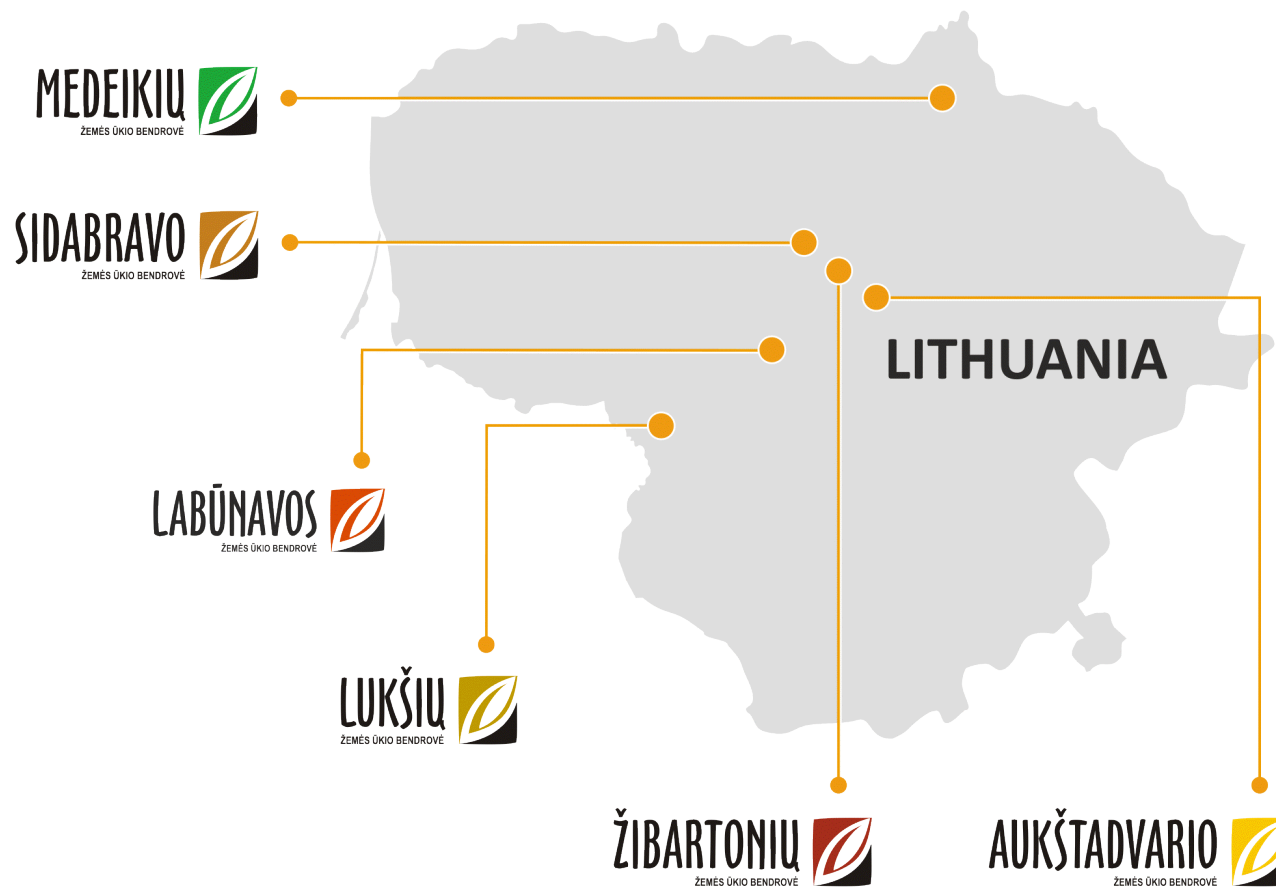
- **Recovering agricultural machinery sales in FY 2015/16: 2015–2016 metais pradėjo atsigauti prekyba žemės ūkio technika, jos pajamos išaugo 72 proc. iki 70 mln. eurų, o šios veiklos bendrasis pelnas padidėjo 94 proc. nuo 5,2 mln. Eur iki 10,1 mln. Eur.**
- **Trąšų, sėklų ir augalų apsaugos priemonių pardavimų apimtys augo 13,5 proc. iki 92 mln. Eur.**
- **Dėl krentančių pasaulinių grūdų ir energetikos išteklių kainų bendrasis pelnas iš prekybos trąšomis sumažėjo nuo 2,8 mln. Eur iki 0,4 mln. Eur.**
- **Sėklų ir augalų apsaugos priemonių prekybos bendrasis pelnas padidėjo 23 proc. iki 4,8 mln. Eur.**
- **Grupė pradėjo trąšų prekybos verslo įsigijimą Latvijoje:**

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



4%

The area of arable land is ~16,871 ha, 6,762 ha are owned.
Agricultural production makes ~92,000 tons, over 31 thousand tons of raw milk and 1.3 thousand tons of meat have been sold.



6 farming
companies

Product	Group harvest	Average for Lithuania
Wheat	6.9 t/ha	5.2 t/ha
Rapeseed	4.67 t/ha	3.1 t/ha
Malting barley	6.2 t/ha	4.0 t/ha

- **3,201 milking cow.**
- **Average annual milk yield per cow is 8,833 kg or 57% more than the average in Lithuania (5,636 kg).**

The raw milk purchase price was 13% less compared to what was a year ago.

- AS Putnu Fabrika Kekava -
- Latvian poultry producer No 1.
- SIA Lielzeltini - Latvian poultry producer No 2.
- SIA Broileks grow and sell live chicken.
- SIA Cerova incubate eggs and sell day-old chicks.



9%



- **Full poultry manufacturing cycle: from egg incubation to production of fresh poultry and processed products.
Production of compound feed.**
- **22 retail shops.**
- **Sold 27 thousand tons of poultry meat in FY 2015/16 or 15% less than a year before.**

- **The main objective is sustainable growth.**
- **To strengthen position in the Baltic and Scandinavian markets.**
- **To expand operations in Central European countries.**

- **Expansion of grain trade in the Baltics, by opening new grain elevators and strengthening warehousing positions in the ports.**
- **Expansion of fertilizer trade business in Lithuania, Latvia, Poland and other CE countries.**
- **Implementation of investment program in poultry companies, going from EUR 62 million to EUR 90 million sales within 3 years period.**
- **Increasing productivity of agricultural companies.**
- **Build the largest and best serving network of agricultural machinery services in the Baltics.**



*Leadership
in the Baltic
agribusiness sector*