

AB Agrowill group

2011 02 28

#### 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 Lithuanian Securities Commission, hereby confirm that, to the best of our knowledge, the attached unaudited interim consolidated financial statements of Agrowill Group AB for the 12 month period ended 31 December 2010, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of consolidated Agrowill Group AB.

ENCLOSURE: unaudited interim consolidated financial statements of Agrowill Group AB for the 12 month period ended 31 December 2010.

General Director

.....

Algirdas Pereckas

Chief Financial Officer

.....

Domantas Savičius

Agrowill Group AB  
Consolidated condensed interim financial information  
and consolidated interim report  
for the 12 month period ended 31 December 2010

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## I. GENERAL PROVISIONS

Accounting period covered by the Report

The report covers 12 month period ended 31 December 2010.

Key data on the issuer

Name of the company:	Agrowill Group AB (hereinafter – AWG or the Company)
Share capital:	LTL 71,552,254
Address of headquarters:	Smolensko g. 10, LT-03201 Vilnius, Lietuva
Telephone:	(8~5) 233 53 40
Fax:	(8~5) 233 53 45
E-mail address:	<a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
Website:	<a href="http://www.agrowill.lt">www.agrowill.lt</a>
Legal-organizational form:	Legal body, joint stock company
Place and date of registration:	25 September 2003, Vilnius
Register code:	1262 64360
Register number:	AB2003-926
Registrant of the Register of legal bodies:	State Enterprise Centre of registers

As at 31 December 2010 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 email
UAB „AVG Investment“	Joining stock company	2005-02-10, State Registrar	300087691	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
BUAB "AWG Investment 1"	Joining stock company	2008-06-18, State Registrar	301745765	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „AVG Investment 2“	Joining stock company	2008-07-24, State Register	301807590	Smolensko str. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Agrowill Trade“	Joining stock company	2008-07-24, State Register	301807601	Smolensko str. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Abagrain“	Joining stock company	2007-04-26, State Register	300713565	Adutiškio str. 3-3	(8~5) 203 26 86; fax: (8~5) 203 26 87, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Grain Lt“	Joining stock company	2010-03-17, State Register	302489354	Adutiškio str. 3-3	(8~5) 203 26 86; fax: (8~5) 203 26 87, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Baltic farming land management“	Joining stock company	2008-10-13, State Register	302003546	Smolensko str. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Žemės fondas“	Agricultural entity	2006-04-07, State Register	300558595	Smolensko str. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, el. p. <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas“	Joining stock company	2004-09-28, State Registrar	300558595	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 1“	Joining stock company	2005-10-11, State Registrar	300151101	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 2“	Joining stock company	2005-10-11, State Registrar	300151126	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 3“	Joining stock company	2005-10-11, State Registrar	300151165	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 4“	Joining stock company	2006-08-10, State Registrar	300589669	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 5“	Joining stock company	2006-08-10, State Registrar	300589683	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>

Consolidated unaudited interim financial information and interim report for the 12 month period ended 31 December 2010

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
UAB „Žemės vystymo fondas 6“	Joining stock company	2006-08-10, State Registrar	300589719	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 7“	Joining stock company	2007-01-17, State Registrar	300634420	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 8“	Joining stock company	2007-07-16, State Registrar	300921776	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 9“	Joining stock company	2006-03-09, State Registrar	300547638	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 10“	Joining stock company	2008-01-10, State Registrar	301522723	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 11“	Joining stock company	2005-05-12, State Registrar	300114042	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 12“	Joining stock company	2005-03-08, State Registrar	300094383	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 14“	Joining stock company	2006-08-10, State Registrar	300589726	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 15“	Joining stock company	2006-08-10, State Registrar	300589733	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 16“	Joining stock company	2006-08-10, State Registrar	300589740	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 17“	Joining stock company	2007-01-17, State Registrar	300634388	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 18“	Joining stock company	2007-01-17, State Registrar	300634406	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 19“	Joining stock company	2007-06-21, State Registrar	300886948	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 20“	Joining stock company	2007-06-22, State Registrar	300887726	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 21“	Joining stock company	2007-07-16, State Registrar	300921783	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
UAB „Žemės vystymo fondas 22“	Joining stock company	2008-01-10, State Registrar	301522730	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Spindulys“	Agricultural entity	1993-04-09, Radviliškis district municipality	171330414	Vaitiekūnai, Grinkiškis mun., LT-82380 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Smilgiai“	Agricultural entity	1992-09-16, Panevėžys district municipality	168548972	Panevėžys str. 23, Smilgiai, Smilgiai mun., LT-38375	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Skėmiai“	Agricultural entity	1992-10-01, Radviliškis district municipality	171306071	Skėmiai, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Nausodė“	Agricultural entity	1992-08-11, Anykščiai district municipality	154179675	Kirmėliai, Troškūnai mun., LT-29178 Anykščiai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Dumšišės“	Agricultural entity	1992-09-29, LR Raseiniai district board	172276179	Paraseinis, Paliepiei mun., LT-60194 Raseiniai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Žadžiūnai“	Agricultural entity	1992-06-30, Šiauliai district municipality	175706853	Gudeliai str. 30, Žadžiūnai, Kairiai mun.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
ŽŪB „Agrowill Mantviliškis“	Agricultural entity	1992-11-06, Kėdainiai district board	161274230	Liepos 6-osios str. 18, Mantviliškis, Dotnuva mun., LT-58332 Kėdainiai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Alanta“	Agricultural entity	1992-06-29, Molėtai district municipality	167527719	Ukmergės str. 7, Alanta mun. LT-33312 Molėtai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Eimučiai“	Agricultural entity	1992-06-29, Šiauliai district municipality	175705032	Eimučiai, Kairiai mun., 80101 Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Vėriškės“	Agricultural entity	1992-09-29, Radviliškis district municipality	171305165	Vėriškės, Šeduva mun., LT-77199 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Lankesa“	Agricultural entity	1999-04-06, Jonava district municipality	156913032	Ukmergė str. 44, Bukoniai, Bukoniai mun., LT-55075 Jonava distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Želsvelė“	Agricultural entity	1992-07-03, Marijampolė municipality	165666499	Želsva, Liudvinavas mun., LT-69193 Marijampolė mun.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Kairėnai“	Agricultural entity	1993-03-02, Radviliškis district municipality	171327432	Kairėnai, Grinkiškis mun., LT-82031 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
ŽŪB „Agrowill Jurbarkai“	Agricultural entity	1992-07-31, Jurbarkas district municipality	158174818	Rytas str. 2, Jurbarkai, LT-74205 Jurbarkai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, email <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
Grūduva UAB	Joining stock company	1997-02-24, Šakiai district municipality	174401546	Gotlybiškiai, Šakiai mun., LT-71372, Marijampolė distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, el. p. <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
Panevežio region ŽŪB „Gustoniai“	Agricultural entity	1992-12-09, Panevėžys district municipality	168565021	Smolensko str. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, el. p. <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
Agrowill group S.R.L.	Closed joint stock company	2008-07-01, Republic of Moldova	100860003153	Kogalniceanu Mihail, 51, Chisinau mun., Moldova	(8~5) 233 53 40; fax: (8~5) 233 53 45, el. p. <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>
Agroprom ZAO	Closed joint stock company	2008-09-01, Russian Federation	1087746061237	Baimanskaja st. 7-10, Moscow, Russia	(8~5) 233 53 40; fax: (8~5) 233 53 45, el. p. <a href="mailto:info@agrowill.lt">info@agrowill.lt</a>

\* UAB "Žemės vystymo fondas 17", UAB "Žemės vystymo fondas 18", and UAB "Žemės vystymo fondas 21" are sold with a buyback right to UAB „RN Investicijos“. The buyback option expires on 28 February 2011.

#### Main lines of business of the Group

Operations area: Agriculture  
Main products manufactured: Milk production and sale, grain, rapeseed growth and sale, rent of land.

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 Agrowill Group AB at the address: Smolensko st. 10, Vilnius, or at the Company's internet website: [www.agrowill.lt](http://www.agrowill.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 daily newspaper „Respublika“ 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 the news agencies.

## II. INFORMATION ABOUT THE LARGEST SHAREHOLDERS AND ISSUERS MANAGEMENT

### Share capital

The share capital of Agrowill Group AB as at 31 December 2010 was LTL 71,552,254. The share capital was divided into 71,552,254 ordinary shares. Each issued share has a LTL 1 nominal value and fully paid.

### Shareholders

Total number of shareholders as at 31 December 2010 was 1,031 (one thousand thirty one). 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
Volemer Holdings Limited	HE 268133	Avlonos 1, Nicosia, Cyprus	16,575,672	23.17%
Vretola Holdings Limited	HE 270472	Baarerstrasse 75, Zug, Switzerland	16,360,465	22.87%
Linas Strėlis	-	-	10,418,800	14.56%
Finhill soft management UAB	300125868	Smolensko st. 10, Vilnius	8,343,609	11.66%
Romualdas Petrošius	-	-	4,751,923	6.64%

No shareholder has special voting rights.

The Company has no indications about any restrictions to the shareholders voting rights.

The main characteristics of debt securities issued for public circulation of securities

On 25 June 2008, the Company issued LTL 16 million of bonds into public trading:

Issue date	Term	Redemption date	Nominal value	Interest rate
25 June 2008	369 days	29 June 2009	LTL 16,000,000	12 %

All payments related to the payment for bonds emission, redemption of bonds and payment of interest are made in LTL or EUR. The bonds can not be redeemed before the redemption date either on demand by the Issuer, or the investor. The Company did announce that it will not redeem the above mentioned bonds issue on time in 2009.

The Company had also issued three non-public bonds issues, which are not traded in the open market:

Issue date	Term	Redemption date	Nominal value	Interest rate
23 December 2008	90 days	22 March 2009	LTL 2,275,000	12 %
20 January 2009	90 days	20 April 2009	LTL 315,000	14 %
25 June 2008	369 days	29 June 2009	LTL 8,816,000	14 %

The Company did also announce that it will not redeem the above mentioned bonds issues on time.

On 1 March 2010, Vilnius district court has decided to initiate the Restructuring case for Agrowill Group AB. This ruling was sued to the Court of Appeal. On 20 May 2010 Lithuanian Court of Appeal left in force the ruling of a lower Court. After the Companies Restructuring Plan will be approved, the outstanding bonds will be paid back according to the Restructuring plan.

Certain bondholders made agreements with the Company to exchange the monetary claims arising from holding of bonds against newly issued shares in August and October of 2010. As at 31 December 2010, the amount owed to the bondholders amounted to LTL 8,886 thousand.

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) since April 2008 – after the IPO.

Reporting period	Price, LTL			Date of last session	Total turnover	
	max	min	Last session		Units	LTL, mill
I quarter 2010	0.45	0.32	0.42	2010.03.31	2,998,555	1.129
II quarter 2010	0.68	0.44	0.58	2010.06.30	1,897,348	0.975
III quarter 2010	1.40	0.62	1.15	2010.09.30	4,482,263	5.095
IV quarter 2010	1.37	0.76	0.912	2010.12.30	4,445,673	4.890

Trading information of Agrowill Group AB bonds on NASDAQ OMX Vilnius:

Reporting period	Price, %			Date of last session	Total turnover	
	max	min	Last session		Units	LTL, millin
I quarter 2010	-	-	-	2010.03.31	-	-
II quarter 2010	-	-	-	2010.06.30	-	-
III quarter 2010	-	-	-	2010.09.30	-	-
IV quarter 2010	-	-	-	2010.12.30	-	-

#### Share transfer restrictions

There are no restrictions regarding the share transfer.

There could be separate stock transfer restrictions, which can only be imposed by the shareholders and only in agreed-upon cases.

#### 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 Bondholder accounts.

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

The Company and FMĮ Orion Securities UAB (A. Tumėno st. 4, B korpusas, LT-01109, Vilnius) have signed and market making agreement regarding Agrowill Group AB shares. The agreement was terminated on 24 May 2009.

#### 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.



## 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 5 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 elect and recall 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 on managing bodies of the Company as at 31 December 2010:

Name, Surname	Position	End of current term of office	Period of service as a member
Ramūnas Audzevičius	Chairman of Supervisory Board	Until general meeting of shareholders to be held in 2012	Member of Supervisory Board since 23-08-2010
Česlav Okinčič	Member of Supervisory Board	Until general meeting of shareholders to be held in 2012	Member of Supervisory Board since 23-08-2010
Aurimas Sanikovas	Member of Supervisory Board	Until general meeting of shareholders to be held in 2012	Member of Supervisory Board since 23-08-2010
Gediminas Žiemelis	Member of Supervisory Board	Until general meeting of shareholders to be held in 2012	Member of Supervisory Board since 23-08-2010
Džiuginta Kalvelienė	Member of Supervisory Board	Until general meeting of shareholders to be held in 2012	Member of Supervisory Board since 23-08-2010
Algirdas Pereckas	General director	Term not assigned	General director as of 25-05-2010
Mindaugas Juozaitis	Member of Board	Until general meeting of shareholders to be held in 2011	Member of Board since 01-12-2008
Domantas Savičius	Member of Board	Until general meeting of shareholders to be held in 2011	Member of Board since 14-12-2007
Vladas Bagavičius	Chairman of Board	Until general meeting of shareholders to be held in 2011	Member of Board since 01-12-2008
Linas Strėlis	Member of Board	Until general meeting of shareholders to be held in 2011	Member of Board since 14-12-2007
Marius Žutautas	Member of Board	Until general meeting of shareholders to be held in 2011	Member of Board since 30-08-2010
Robertas Giedraitis	Chief accountant	Term not assigned	Chief accountant since 02-02-2009

Information on the shares of the Company held by the members of the Supervisory Board, the Board and the top management as of 31 December 2010:

Name, Surname	Position	Owned shares in the Company, units	Owned shares in the Company, %
Linas Strėlis	Member of Board	10,418,800	14.56%
Česlav Okinčič	Member of Supervisory Board	419,236	0.59%
Domantas Savičius	Member of Board	19,417	0.03%
Gediminas Žiemelis	Member of Supervisory Board	8,993	0.01%
Mindaugas Juozaitis	Member of Board	3,695	0.01%

### III. FINANCIAL INFORMATION

All figures in Groups unaudited interim financial information and explanatory notes are in LTL thousand, unless otherwise stated.

#### Consolidated income statement

	12 month period ended 31 December		3 month period ended 31 December	
	2010 unaudited	2009 audited	2010 unaudited	2009 unaudited
Revenues	45,091	48,277	11,216	10,158
Cost of sales	(27,372)	(45,838)	(4,836)	(9,423)
Loss on changes in fair values of biological assets and on initial recognition of agricultural produce	2,199	(11,732)	2,199	(4,338)
<b>GROSS PROFIT</b>	<b>19,918</b>	<b>(9,293)</b>	<b>8,579</b>	<b>(3,603)</b>
Operating expenses	(16,331)	(35,634)	(6,408)	(12,345)
Gain from acquisitions of subsidiaries	2,843	-	-	-
Other income	5,467	440	4,111	(5)
<b>OPERATING PROFIT</b>	<b>11,897</b>	<b>(44,487)</b>	<b>6,282</b>	<b>(15,953)</b>
Finance cost	(10,932)	(12,879)	(5,395)	(1,195)
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>	<b>965</b>	<b>(57,366)</b>	<b>887</b>	<b>(17,148)</b>
Pelno mokestis	5,335	3,175	2,094	2,574
<b>NET PROFIT/ (LOSS) FROM CONTINUING ACTIVITIES</b>	<b>6,300</b>	<b>(54,191)</b>	<b>2,981</b>	<b>(14,574)</b>
<b>NET PROFIT/ (LOSS) FROM DISCONTINUED ACTIVITIES</b>	<b>-</b>	<b>119</b>	<b>-</b>	<b>119</b>
<b>NET PROFIT / (LOSS) FOR THE PERIOD</b>	<b>6,300</b>	<b>(54,072)</b>	<b>2,981</b>	<b>(14,455)</b>
<b>ATTRIBUTABLE TO :</b>				
Equity holders of the Company	6,090	(52,594)	2,797	(14,324)
Non-controlling interest	210	(1,478)	184	(131)
	6,300	(54,072)	2,981	(14,455)

#### Consolidated statement of comprehensive income

<b>NET PROFIT/ (LOSS) FOR THE PERIOD</b>	<b>6,300</b>	<b>(54,072)</b>	<b>2,981</b>	<b>(14,445)</b>
Other comprehensive income:				
Revaluation of fixed assets, gross amount	-	23,240	-	23,240
Revaluation of fixed assets, tax effect	-	(3,486)	-	(3,486)
Increase in revaluation reserve due to change in State tax policy	5,737	1,496	5,737	1,496
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>12,037</b>	<b>(32,822)</b>	<b>8,718</b>	<b>6,805</b>
<b>ATTRIBUTABLE TO :</b>				
Equity holders of the Company	11,827	31,344	8,534	6,936
Non-controlling interest	210	1,478	184	(131)
	12,037	(32,822)	8,718	6,805

Consolidated balance sheet

	31 December 2010 unaudited	31 December 2009 audited
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	142,390	146,960
Investment property	81,987	82,364
Intangible assets	2,917	2,961
Long term receivables	223	232
Financial assets	149	139
Biological assets – livestock	13,058	9,981
Deferred tax asset	3,589	-
Total non-current assets	<u>244,313</u>	<u>242,637</u>
Current assets		
Biological assets – crops	10,397	5,124
Inventory	11,378	7,255
Trade receivables, advance payments and other receivables	23,682	13,497
Cash and cash equivalents	1,448	3,725
Total current assets	<u>46,905</u>	<u>29,601</u>
<b>TOTAL ASSETS</b>	<u>291,218</u>	<u>272,238</u>
<b>EQUITY AND LIABILITIES</b>		
Capital and reserves		
Share capital	71,552	26,143
Share premium	25,595	22,130
Revaluation reserve	48,884	44,462
Legal reserve	2,000	2,000
Accumulated deficit	<u>(40,216)</u>	<u>(47,621)</u>
Equity attributable to equity holders of the parent	107,815	47,114
Minority interest	<u>2,431</u>	<u>103</u>
Total shareholders equity	<u>110,246</u>	<u>47,217</u>
Non-current liabilities		
Borrowings	88,966	23,046
Obligations under finance lease	5,661	7,081
Trade payables	1,896	-
Grants	9,905	10,650
Liabilities under confirmed Restructuring plans	25,013	-
Deferred tax liability	10,446	17,919
Total non-current liabilities	<u>141,887</u>	<u>58,696</u>
Current liabilities		
Current portion of non-current borrowings	2,166	55,420
Current portion of non-current obligations under finance lease	3,809	4,770
Current borrowings	3,290	63,805
Trade payables	16,000	17,498
Other payables and current liabilities	13,820	24,832
Total current liabilities	<u>39,085</u>	<u>166,325</u>
Total liabilities	<u>200,852</u>	<u>223,821</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>296,088</u>	<u>272,238</u>

Consolidated statement of changes in equity

	Share capital	Share premium	Revaluation reserve	Legal reserve	Retained earnings	Equity attributable to the shareholders of the company	Non-controlling interest	Total
Balance as at 31 December 2008	26,143	22,130	24,609	2,000	3,576	78,458	4,084	82,542
Net loss of the period (Restated)	-	-	-	-	(52,594)	(52,594)	(1,478)	(54,072)
Decrease of revaluation reserve due to depreciation	-	-	(1,397)	-	1,397	-	-	-
Revaluation of fixed assets, gross amount	-	-	23,240	-	-	23,240	-	23,240
Decrease of revaluation reserve due to change in State tax policy	-	-	(3,486)	-	-	(3,486)	-	(3,486)
Increase in revaluation reserve due to change in State tax policy	-	-	1,496	-	-	1,496	-	1,496
Balance as at 31 December 2009	26,143	22,130	44,462	2,000	(47,621)	47,114	103	47,217
Net profit (loss)	-	-	-	-	6,090	6,090	210	6,300
Decrease of revaluation reserve due to depreciation	-	-	(1,315)	-	1,315	-	-	-
Increase in share capital	45,409	3,465	-	-	-	48,874	-	48,874
Increase in revaluation reserve due to change in State tax policy	-	-	5,737	-	-	5,737	-	5,737
Acquisition of non-controlling interest	-	-	-	-	-	-	2,118	2,118
Balance as at 30 December 2010	71,552	25,595	48,884	2,000	(40,216)	107,815	2,431	110,246

Consolidated statement of cash flows

	31 December 2010	31 December 2010
Cash flows from /(to) operating activities		
Net profit (loss) from continuing activities	6,300	(54,191)
Taxes and deferred taxes	(5,335)	(3,175)
Net profit before taxes and minority income	965	(57,366)
Adjustments for non-cash expenses (income) items and other adjustments	10,552	10,010
Depreciation	44	129
Amortisation	13	511
Write-offs of PPE	-	8,980
Profit on sale of PPE	112	416
Negative goodwill	(2,843)	-
Impairment of goodwill	(4,291)	-
Net interest expenses	6,122	15,577
Write-off of inventory	1,168	2,588
Provisions for accounts receivable	2,100	3,686
(Profit) Loss from changes in fair value of biological assets	(2,198)	11,732
Grants, related to assets, recognised as income	(1,423)	(1,094)
Changes in working capital		
(Increase) decrease in biological assets	(5,189)	13,148
(Increase) decrease in trade receivables and prepayments	(1,895)	7,729
(Increase) decrease in inventory	(3,912)	6,594
(Decrease) increase in trade and other payables	1,187	(1,056)
Nutrauktos veiklos gryojo turto sumažėjimas	-	(5,943)
Interest paid, net	(2,467)	(2,098)
Net cash flows from /(to) operating activities	(1,955)	13,543
Cash flows from /(to) investing activities		
Acquisition of subsidiaries	(598)	-
Purchase of non-current tangible assets	-	(910)
Purchase of non-current intangible assets	(2,684)	(3,366)
Proceeds from sales of non-current assets	-	(15)
Grants related to investments	262	1,036
Other loans granted (repaid)	603	691
Net cash flows from/(to) investment activities	(1)	356
	(2,418)	(2,208)
Cash flows from /(to) financing activities		
Disposal (acquisition) of available for sale investments	2,900	-
Proceeds from bank and other borrowings	7	-
Amounts paid to banks	950	3,112
Other borrowings paid	(1,300)	(7,806)
Increase (repayments) of obligations under finance lease	720	(3,925)
Net cash flows from/(to) financing activities	(1,181)	(2,002)
Net (decrease) / increase in cash and cash equivalents	2,096	(10,621)
Cash and cash equivalents at the beginning of the period		
Cash and cash equivalents at the end of the period	(2,277)	714

## Comments to the financial statements

### General information

Agrowill Group AB (hereinafter – „the Company“) was founded and started its operations on 25 June 2003. The Company’s head office is located in Smolensko st. 10, Vilnius, Lithuania. The Group’s main activity is crop growing and stock breeding.

The Company’s shareholders’ meeting has the power to amend the financial statements after issue. Starting since 1st of 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. The fiscal year of the Company and its subsidiaries corresponds with calendar year.

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

Subsidiary	Country	Group ownership interest, %		Profile
		31 December 2010	31 December 2009	
AVG Investment UAB	Lithuania	100.00%	100.00%	The subsidiary specializes in acquisitions of agricultural companies
AWG Investment 1 BUAB	Lithuania	100.00%	100.00%	The subsidiary specializes in acquisitions of agricultural companies
AWG Investment 2 UAB	Lithuania	100.00%	100.00%	The subsidiary specializes in acquisitions of agricultural companies
Agrowill trade UAB	Lithuania	100.00%	100.00%	The subsidiary specializes in acquisitions of agricultural companies
Baltic Farming Land Management UAB	Lithuania	100.00%	100.00%	The subsidiary specializes in acquisitions of agricultural companies
Abagrain UAB	Lithuania	100.00%	-	Grain trade and logistics
Grain Lt UAB	Lithuania	100.00%	-	Grain trade and logistics
Žemės fondas ŽŪB	Lithuania	100.00%	100.00%	The subsidiary specializes in rent of land
ZAO „Agroprom“	Russia	75.00%	75.00%	Management of subsidiaries
„Agrowill group“ S.R.L.	Moldova	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 1 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 2 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 3 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 4 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 5 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 6 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 7 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 8 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 9 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 10 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 11 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 12 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 14 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 15 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 16 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 17 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 18 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 19 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 20 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 21 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Žemės vystymo fondas 22 UAB	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Agricultural company „Agrowill Spindulys“	Lithuania	99.96%	99.96%	Agricultural operations

Subsidiary	Country	Group ownership interest, %		Profile
		31 December 2010	31 December 2009	
Agricultural company „Agrowill Smilgiai“	Lithuania	99.95%	99.95%	Agricultural operations
Agricultural company „Agrowill Skėmiai“	Lithuania	99.87%	99.87%	Agricultural operations
Agricultural company „Agrowill Nausodė“	Lithuania	99.81%	99.81%	Agricultural operations
Agricultural company „Agrowill Dumšiškės“	Lithuania	99.36%	99.36%	Agricultural operations
Agricultural company „Agrowill Žadžiūnai“	Lithuania	99.02%	99.02%	Agricultural operations
Agricultural company „Agrowill Mantviliškis“	Lithuania	98.79%	98.79%	Agricultural operations
Agricultural company „Agrowill Alanta“	Lithuania	98.56%	98.56%	Agricultural operations
Agricultural company „Agrowill Eimučiai“	Lithuania	98.41%	98.41%	Agricultural operations
Agricultural company „Agrowill Vėriškės“	Lithuania	98.41%	98.41%	Agricultural operations
UAB „Grūduva“	Lithuania	97.28%	97.28%	Agricultural operations
Agricultural company „Agrowill Želsvelė“	Lithuania	97.17%	97.17%	Agricultural operations
Agricultural company „Agrowill Lankesa“	Lithuania	95.93%	95.93%	Agricultural operations
Agricultural company „Agrowill Kairėnai“	Lithuania	94.82%	94.82%	Agricultural operations
Agricultural company „Agrowill Jurbarkai“	Lithuania	87.78%	87.78%	Agricultural operations
Panevėžys region Agricultural company „Gustoniai“	Lithuania	62.81%	-	Agricultural operations

Agricultural company „Gustoniai“ is consolidated by the Group as of 30 June 2010, as the Group acquired control of subsidiary as of that date. The initial acquisition of controlling stake happened in 2007, however the Group up to 2010 did not have control over the entity. In April – June 2010, after couple of favorable decisions by the Courts, the Group took over control of the company, established loyal management and rented out the whole entity to another Group subsidiary.

As of 31 December 2010 the Group had 415 employees, 31 December 2009 – 438 employees. Main operations of the Group – production and sales of milk and different grain and rapeseed crops, as well as land management activities.

As at 30 September 2010, the shares of subsidiary company Grūduva UAB were pledged to a major creditor Litagros Prekyba UAB. According to the share pledge agreement and various state court decisions, the shareholders of Grūduva UAB (the Group) are not allowed to conduct shareholder meetings regarding dividend payouts and loan payments to the Group. Additionally, all remaining agricultural entities of the Group are undergoing Restructuring, during which the companies can not pay dividends until they have settled all the debts.

#### 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 2009, 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 31 December 2010 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 2009, 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.

#### Consolidation

As at 14 May the Group made sale agreement and on 17 May signed repurchase agreement regarding 3 land management subsidiaries with RN Investicijos UAB. The Group has a time period until 28 February 2011 to repurchase the subsidiaries. The buyer has agreed not to take any shareholder decisions regarding management of these subsidiaries (including any sales of land owned by subsidiaries) without prior written approval of Agrowill Group AB. The management of the Group has applied to prolong the repurchase term for these 3 companies. As the control over the entities is not lost, has taken the decisions to include the results and balances of these three companies in the Consolidated Interim Financial Information for 12 months ended 31 December 2010.

On 31 December 2010, the Group did not possess the shares of Grain Lt UAB, however had control over the subsidiaries operations and had a signed agreement regarding purchase of 100 per cent of the companies shares in the future. Due to this, the results and balances of this company were included in the Consolidated Interim Financial Information for 12 months ended 31 December 2010.

#### 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 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 2011 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% for 2009 and 10% for 2010, and 5% for 2011 and thereafter).

The Group has accumulated tax losses amounting to around LTL 70 million and LTL 57 million as at 31 December 2010, and 31 December 2009 respectively. Management recognises a deferred tax asset for separate companies deferred tax losses only when possible future returns can be reliably estimated and confirmed. As at 31 December 2010, the deferred tax asset on accumulated tax losses of land management entities was created for the amount of LTL 1,294 thousand (31 December 2009: 601 thousand). As at 31 December 2010, deferred tax asset was created on accumulated tax losses of Grūduva UAB, as this subsidiary is not undergoing restructurization – LTL 225 thousand (31 December 2009: LTL nil), Agrowill Kairėnai ŽŪB subsidiary for which Restructuring Plan was approved in court – LTL 134 thousand (31 December 2009: LTL nil), Agrowill Vėriškės ŽŪB subsidiary for which Restructuring Plan was approved in court – LTL 161 thousand (31 December 2009: LTL nil), Agrowill Spindulys ŽŪB subsidiary for which Restructuring Plan was approved in court – LTL 52 thousand (31 December 2009: LTL nil), Agrowill Skėmiai ŽŪB subsidiary for which Restructuring Plan was approved in court – LTL 178 thousand (31 December 2009: LTL nil), and Agrowill Group AB and special purpose subsidiaries for which Restructuring Plan was approved in court – LTL 2,838 thousand (31 December 2009: LTL nil). No deferred tax asset on other accumulated losses was created as at the Balance sheet date there were no clear evidences that the tax losses will be used.



#### Valuation of biological assets

The Group's biological assets are measured at fair value less sale costs at each balance sheet date (value at 31 December 2010: LTL 23,455 thousand, and value at 31 December 2009: LTL 15,105 thousand). Due to the specifics of the agricultural production, fair value of some animals groups can not be determined by using comparable market prices method, as such biological assets in areas where the Group operates are not traded on active markets which could enable use of market value. Therefore the fair value is sometimes determined using the alternative. The use of alternative methods of fair value estimation requires the Group to refer to latest transactions and use price averages, or to use cost as an approximation of fair value.

Crops are valued at the year end at the prevailing market prices less estimated costs of sale. Market prices are obtained from 3 largest grain buyers in Lithuania and average value is taken for calculations. Own produced feed market price is determined by examining advertisements in agricultural newspapers and similar transaction performed in own and neighbouring farms.

For evaluation of outstanding crops balance as at 31 December 2010, the Group estimated the planned proceeds from remaining to harvest fields. No significant difference was received when comparing estimated proceeds to the amounts accounted for in Group's balance.

#### Revenues and Cost of sales

Over 2010, Group's revenues amounted to LTL 45,091 thousand – around 10% decrease as compared to the same period of 2009. The decrease was due to sale of Polva Agro OU subsidiary in October 2009. The Group increased efficiency resulted in smaller volumes of production, which was positively offset by increased agricultural commodities prices.

The gross profit of the Group was positive and amounted to LTL 19,918 thousand (2009: loss of LTL 9,293 thousand). The improved results were mainly due to increase in efficiency of managed agricultural entities, as well as improved situation in the worldwide commodities markets.

#### Operating expenses

Group's operating expenses over the 12 month period ended 31 December 2010 reached LTL 16.3 million (2009: LTL 35.6 million). The significant decrease occurred as numerous cost-cutting decisions were taken, the decrease in personnel number as well as review of agreements. Additionally, significant write-offs and provisions of inventory and accounts receivables were made.

#### Financial income and expenses

Financing expenses in 2010 totalled LTL 10.9million (2009: LTL 12.9 million). The main reason for decrease – Restructuring cases raised for almost all agricultural entities, as well as some agreements regarding decrease of interest reached with the local banks.

Additionally, the Group capitalized around LTL 40 million of various loans and bonds, which decreased the total interest-bearing liabilities amount.

#### Income tax credit

Over 12 month period ended 31 December 2010, the Group recognised LTL 5,335 thousand income tax credit, as deferred tax asset regarding the accumulated tax losses was created in the subsidiaries which have their Restructuring plans approved, or are not under restructuring at all.

#### Trade other current receivables

The increase in trade and other receivables balances from LTL 13,497 thousand as at 31 December 2009 to LTL 23 682 thousand as at 31 December 2010 was due to seasonality of crop business, as significant part of 2010 harvest was sold, while not all of the receivables were collected. Additionally, the Group has accrued the receivables from State Payment Agency for the agricultural subsidies (in 2009, most of subsidiaries were paid in the same year as accrued, while subsidies for 2010 will be paid out in 2011).

#### Share capital

The share capital increased by around LTL 40 million over 12 months of 2010, as capitalization of accounts payables, loans and bonds were made in August and October:

- In July 2010, the Company signed the peace treaty with Invalda Group regarding registration of previously suspended share issue which enabled the additional 1,545,015 shares to be registered in the beginning of August.
- On 23rd of August 2010, the Group's shareholders approved the new share capital issue of 37,572,650 million shares, which were all acquired by three investors: Hermis Capital UAB, Volemer Holdings Limited, and Vretola Holdings Limited. The shares hold nominal value of LTL 1 each and all were paid up by offsetting the Group's payables to the above mentioned companies. The increase in share capital was registered on 24 August 2010.
- On 22 October, 2010, the Group's shareholders decided to increase the share capital of Agrowill Group AB from LTL 65,260,397 to LTL 71,786,000 by issuing 6,525,603 new ordinary registered shares with nominal value of LTL 1 each. LTL 3.6 million were capitalized bondholder claims and remaining LTL 2.9 million were paid in cash.

The share capital of Agrowill Group AB as at 31 December 2010 is LTL 71,552,254. The share capital is divided into 71,552,254 ordinary shares. Each issued share has a LTL 1 nominal value and is fully paid.

#### Liabilities

The Group's liabilities have decreased by LTL 45 million over 12 month period ended 31 December 2010 mainly due to capitalization of various payables and loans as described above.

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

The newest events in the activity of the Issuer

In April 2010, the Group announced that it has obtained management rights to Agricultural company "Gustoniai". The Group had acquired almost 70 per cent of voting rights in the company, but was neglected it's shareholder rights by former managers.

AB „Agrowill Group“ closed selling deal of its subsidiary Agrowill Eest“ OÜ. It owned agricultural company Polva Agro OÜ.

The dispute over the increase of share capital of AB Agrowill Group between AB Agrowill Group and UAB Finance Risk Management was terminated. AB Agrowill Group and the company UAB Finance Risk Management which belongs to Invalda group (before known as Finasta Risk Management), signed a Peace Agreement on the increase of Company's share capital. The dispute was started in 2008 December. After finishing the procedures of share capital increase, the share capital of AB Agrowill Group will come up LTL 1.545 million to LTL 27.688 million.

In August the Company issued a new LTL 37.6 million share capital emission which was acquired by two foreign investors and Hermis Capital UAB. After this issue, the share capital of the Company reached LTL 65.26 million.

On 23 September, 2010, the Lithuanian Securities Commission in its meeting approved the ordinary registered shares Prospectus of the Agrowill Group, AB in order to admit them to the regulated market - NASDAQ OMX Vilnius Secondary list. Number of shares (ISIN LT0000128373)- 37,572,650. Total nominal value of the issue 37,572,650 LTL. Nominal value of each share: LTL 1.00

On 22 October, 2010, the Group's shareholders decided to increase the share capital of Agrowill Group AB from LTL 65,260,397 to LTL 71,786,000 by issuing 6,525,603 new ordinary registered shares with nominal value of LTL 1 each. LTL 3.6 million were capitalized bondholder claims and remaining LTL 2.9 million were paid in cash. The increase in share capital (up to LTL 71,552,254) was registered on 11 November 2010.

On 17 November 2010 the shareholders decided to increase the share capital by LTL 35,000,000 by issuing new shares and listing them on regulated market.

Material events over January – December 2010:

The Company informs of all material events over the information system of NASDAQ OMX VILNIUS stock exchange.

Announcement

<u>date</u>	<u>Announcement header</u>
06.12.2010	AVG: CORRECTION: Interim information of Agrowill Group AB for the 9 month period ended 30 September 2010
03.12.2010	AVG: The restructuring plan of the Agrowill Group, AB came into effect
01.12.2010	AVG: Interim information of Agrowill Group AB for the month period ended 30 September 2010
17.11.2010	AVG: Resolutions of extraordinary shareholders meeting of „Agrowill Group“ which took place on November 17, 2010
16.11.2010	AVG: Additional (alternative) draft resolutions of extraordinary shareholders meeting of „Agrowill Group“ which will take place November 17, 2010.
11.11.2010	AVG: New wording of the By-laws of the AB „Agrowill Group“ and increase of share capital have been registered.
10.11.2010	AVG: Draft resolutions of extraordinary shareholders meeting of Agrowill Group, AB which will take place November 17, 2010.
03.11.2010	AVG: Agrowill Group, AB intends to offer its shares at Warsaw Stock Exchange
26.10.2010	AVG: The extraordinary shareholders meeting Agrowill Group, AB
22.10.2010	AVG: Resolutions of extraordinary shareholders meeting of „Agrowill Group“ which took place on October 22, 2010 and Board decisions .
21.10.2010	AVG: Amended draft resolutions of extraordinary shareholders meeting of „Agrowill Group“ which will take place October 22, 2010
19.10.2010	AVG: The restructuring plan of the Agrowill Group, AB approved
18.10.2010	AVG: Agrowill Group AB operations becomes profitable
11.10.2010	AVG: Draft resolutions of extraordinary shareholders meeting of „Agrowill Group“ which will take place October 22, 2010.
06.10.2010	AVG: Agrowill Group, AB Notification on transactions concluded by manager of the company
06.10.2010	AVG: Agrowill Group AB, Notification about acquisition of a block of shares
06.10.2010	AVG: Agrowill Group AB notification about disposal of a block of shares
05.10.2010	AVG: Agrowill Group AB, Notification about acquisition of a block of shares
04.10.2010	AVG: Agrowill Group to present video reports to investors

Consolidated unaudited interim financial information and interim report for the 12 month period ended 31 December 2010

Announcement date	Announcement header
01.10.2010	AVG: Agrowill Group, AB Notification on transactions concluded by manager of the company
01.10.2010	AVG: Agrowill Group AB notification about disposal of a block of shares
01.10.2010	AVG: The meeting of the creditors of the Agrowill Group, AB
01.10.2010	AVG: The extraordinary shareholders meeting Agrowill Group, AB
24.09.2010	AVG: Prospectus of the shares of Agrowill Group, AB is approved
23.09.2010	AVG: Regarding Agrowill Group AB proposals as of September 3, 2010 for bondholders concerning possibilities to decrease the level of the debt of the Company
21.09.2010	AVG: Notification on transactions concluded by manager of the company
21.09.2010	AVG: CORRECTION: Interim information of Agrowill Group AB for the 6 month period ended 30 June 2010
20.09.2010	AVG: After writing-off all doubtful amounts in 2009, Agrowill Group AB expects LTL 13 mill. EBITDA in 2010
20.09.2010	AVG: Annual information of Agrowill Group AB for 2009
16.09.2010	AVG: Resolutions of extraordinary shareholders meeting of Agrowill Group AB
15.09.2010	AVG: Draft resolutions of extraordinary shareholders meeting of Agrowill Group AB
06.09.2010	AVG: The chairman of the Board of Agrowill Group, AB is appointed
04.09.2010	AVG: Interim information of Agrowill Group AB for the 6 month period ended 30 June 2010
03.09.2010	AVG: Agrowill Group AB will apply with the petition to extend the term for approval of the restructuring plan
03.09.2010	AVG: Agrowill Group AB proposals for bondholders with regard to possibilities to decrease the level of the debt of the Company
01.09.2010	AVG: On disclosure of AB „Agrowill Group“ interim report for six months of 2010
31.08.2010	AVG: Agrowill Group AB calls meeting with bondholders with regard to possibilities to decrease the level of the debt of the Company
31.08.2010	AVG: Resolutions of extraordinary shareholders meeting of „Agrowill Group“ as of August 31, 2010
30.08.2010	AVG: Notification about acquisition of a block of shares
27.08.2010	AVG: Notification about acquisition (disposal) of a block of shares
26.08.2010	AVG: The extraordinary shareholders meeting Agrowill Group, AB
25.08.2010	AVG: New wording of the By-laws of the AB „Agrowill Group“ and increase of share capital have been registered
24.08.2010	AVG: CORRECTION: Resolutions of extraordinary shareholders meeting of Agrowill Group AB, which took place on 23 August 2010
24.08.2010	AVG: Resolutions of extraordinary shareholders meeting of Agrowill Group AB, which took place on 23 August 2010
20.08.2010	AVG: Additional (alternative) draft resolutions of extraordinary shareholders meeting of the Company as of August 23, 2010
19.08.2010	AVG: Draft resolutions of extraordinary shareholders meeting of „Agrowill Group“ which will take place August 31, 2010.
19.08.2010	AVG: Additional information of Agrowill Group AB on the agenda and draft decisions of the Extraordinary General Meeting to be convened on 23 August 2010
19.08.2010	AVG: CORRECTION: Agenda of extraordinary shareholders meeting of „Agrowill Group“ which will take place August 23, 2010, is amended. Draft resolutions.
12.08.2010	AVG: Agenda of extraordinary shareholders meeting of „Agrowill Group“ which will take place August 23, 2010, is amended. Draft resolutions.
11.08.2010	AVG: Resolutions of the extraordinary shareholders meeting of „Agrowill Group“ as of August 11, 2010
09.08.2010	AVG: Increase of share capital of the AB „Agrowill Group“ has been registered
06.08.2010	AVG: Agrowill Group AB notification about acquisition (disposal) of a block of shares
01.08.2010	AVG: The extraordinary shareholders meeting „Agrowill Group“ AB
20.07.2010	AVG: The Draft decisions of extraordinary shareholders meeting „Agrowill Group“ AB, to be held on August 11, 2010
20.07.2010	AVG: The extraordinary shareholders meeting „Agrowill Group“ AB
20.07.2010	AVG: The dispute over the increase of share capital of AB Agrowill Group between AB Agrowill Group and UAB Finance Risk Management was terminated.
04.06.2010	AVG: „Agrowill Group“ is strengthening management in production companies
01.06.2010	AVG: CORRECTION: On AB „Agrowill Group“ interim report for three months of 2010
01.06.2010	AVG: On AB „Agrowill Group“ interim report for three months of 2010
01.06.2010	AVG: „Agrowill Group“, AB closed selling deal of its subsidiary „Agrowill Eesti“ OÜ
25.05.2010	AVG: New CEO starts at AB „Agrowill Group“
20.05.2010	AVG: Decision of the Court of Appeal of Lithuania with regard to restructuring proceeding of AB „Agrowill Group“
18.05.2010	AVG: AB „Agrowill Group“ reached an Agreement with AB Bank SNORAS regarding Loan Extension
30.04.2010	AVG: The ordinary shareholders meeting „Agrowill Group“ AB

Announcement date	Announcement header
16.04.2010	AVG: Agrowill Group is about to add another agricultural company
03.03.2010	AVG: On AB „Agrowill Group“ interim report for twelve months of 2009
02.03.2010	AVG: On AB „Agrowill Group“ interim report for twelve months of 2009
01.03.2010	AVG: Court initiated restructuring proceeding for AB “Agrowill Group”
26.02.2010	AVG: Notification about disposal of a block of shares