

AGROWILL GROUP AB

To: Vilnius Stock Exchange  
Konstitucijos Ave. 7

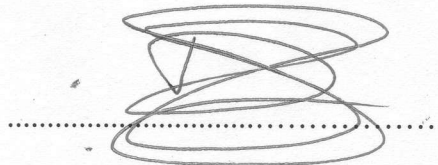
2008-09-01

#### CONFIRMATION OF RESPONSIBLE PERSONS

Following the law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we, Domantas Savičius, Interim General director and Chief Financial Officer of Agrowill Group AB hereby confirm that, to the best of our knowledge, the attached unaudited interim consolidated financial statements of Agrowill Group AB for the 6 month period ended 30 June 2008, 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 6 month period ended 30 June 2008.

Interim General Director  
and Chief Financial Officer

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line at the bottom, positioned above a dotted line.

Domantas Savičius

Agrowill Group AB  
Consolidated interim financial statements  
and consolidated interim report  
for the 6 month period ended 30 June 2008

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## I. GENERAL PROVISIONS

### 1. Accounting period covered by the Report

The report covers 6 month period ended 30 June 2008.

### 2. Key data on the issuer

Name of the company: Agrowill Group AB (hereinafter – AWG or the Company)  
 Share capital: LTL 26.142.732  
 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: [info@agrowill.lt](mailto:info@agrowill.lt)  
 Website: [www.agrowill.lt](http://www.agrowill.lt)  
 Legal-organizational form: Legal body, joint stock company  
 Place and date of registration: 25 June 2003, Vilnius  
 Register code: 1262 64360  
 Register number: AB2003-926  
 Registrant of the Register of legal bodies: State Enterprise Centre of registers

As at 30 June 2008 m. the Group is comprised of the Company and it's subsidiaries:

Name	Legal form	Date and place of registration	Company code	Adress	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>
UAB "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>
OU "Agrowill Eesti"	Joining stock company	2008-06-13, Registration department of the County Court of Tartu	11498115	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“	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>
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>

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
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>
Žemės ūkio bendrovė „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>
Panevėžio rajono Smilgių žemės ūkio bendrovė	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>
Skėmių žemės ūkio bendrovė	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>
Anykščių rajono Nausodės žemės ūkio bendrovė	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>
Raseinių rajono Dumšiškių žemės ūkio bendrovė	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>
Žadžiūnų žemės ūkio bendrovė	Agricultural entity	1992-06-30, Šiauliai district municipality	175706853	Gudeliai str. 30, Žadžiūnai, Kairiai mun. 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>
Kėdainių rajono Mantviliškio žemės ūkio bendrovė	Agricultural entity	1992-11-06, Kėdainiai district board	161274230	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>
Molėtų rajono žemės ūkio bendrovė „Alanta“	Agricultural entity	1992-06-29, Molėtai district municipality	167527719	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>
Eimučių žemės ūkio bendrovė	Agricultural entity	1992-06-29, Šiauliai district municipality	175705032		

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
Žemės ūkio bendrovė „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>
Želsvelės žemės ūkio bendrovė	Agricultural entity	1992-07-03, Marijampolė municipality	165666499	Želsva, Liudvinavas mun., LT-69193 Marijampolė mun. 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>
Žemės ūkio bendrovė „AVG Lankesa“	Agricultural entity	1999-04-06, Jonava district municipality	156913032	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>
Žemės ūkio bendrovė „Kairėnai“	Agricultural entity	1993-03-02, Radviliškis district municipality	171327432	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>
Jurbarko rajono žemės ūkio bendrovė „Jurbarkai“	Agricultural entity	1992-07-31, Jurbarkas district municipality	158174818		

3. 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 a.m. to 17.00 at the headquarters of Agrowill Group AB at the address: Smolensko st. 10, Vilnius, or at the Company's internet website: [www.agrowill.com](http://www.agrowill.com).

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 Vilnius stock exchange CNS system and the news agencies.

#### 4. Persons in charge of the information contained in the Prospectus

4.1. Responsible for the Prospectus are the management of the Company, employees and the Head of administration:

Domantas Savičius, Agrowill Group AB Interim General director and CFO, tel. (8~5) 233 53 40, fax. (8~5) 233 53 45.

4.2. Consultants:

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5. Confirmation of the members of Issuer's managing bodies, its employees and head of administration responsible for the preparation of this report that information contained herein is true and there are no suppressed facts which could have an impact on investors' decisions to buy or sell the Company's securities, as well as the market price of those securities and their valuation.

Agrowill Group AB, represented by the Interim General director and Chief Financial Officer Domantas Savičius, confirm that the information contained in the Prospectus is true and correct and that there are no concealed facts, which might have essential influence on the decisions of investors.

Agrowill Group AB  
Interim General Director and CFO

Domantas Savičius

.....

1 September 2008

A.V.

Prospectus prepared in Vilnius, in August 2008

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

### 6. Share capital

#### 6.1. Share capital registered in the Register of companies

The share capital registered in the Register of the companies is LTL 26.142.732. The share capital is composed of 26.142.732 ordinary shares with nominal value of LTL 1 each. All shares are fully paid.

#### 6.2. Information on the prospective increase of the share capital by converting issued debt securities or derivative securities into shares

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### 7. Shareholders

Total number of shareholders as at 14 July 2008 was 348 (three hundred forty eight). 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
ŽIA valda UAB	1242 11277	Smolensko st. 10, Vilnius	6.833.883	26,14%
Linas Strėlis	-	Raseinių st. 2, Kelmė	4.841.942	18,52%
Invalda AB	1213 04349	Šeimyniškių st. 3, Vilnius	4.038.982	15,45%
SEB AB finnish clients	502032-9081	Sergels torg 2, 10640 Stockholm, Sweden	2.540.993	9,72%
Hansabank clients	10060701	Liivalaia 8, 15040 Tallinn, Estonia	1888836	7,23%
Mantas Juozaitis	-	Žibučių st. 7a, Panevėžys	1.838.835	7,03%

\*SEB AB and Hansabank act as securities accounts operators in the name of clients who have securities accounts with them.

### 8. The main characteristics of debt securities issued for public circulation of securities

The Company issued LTL 14 million of bonds into public trading on 22 June 2007. These securities were redeemed on 25 June 2008.

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

Name of issued securities	369 days duration bonds
Number of issued bonds	160.000 units
Nominal value	LTL 100 or EUR 28,9620
Total nominal value	LTL 16.000.000 or EUR 4.633.920
Price of emission	LTL 88,5478 – 89,0472 or EUR 25,6452 – 25,7899
Currency of emission	LTL or EUR
Interest rate	12 %
Interest amount	LTL 11,4522 – 10,9528 for one bond
Redemption date	29 June 2009
Start of subscription period	6 June 2008
End of subscription period	25 June 2008
Payment date for bonds	On the day of subscription
Interest payment date	29 June 2009
Type of securities emission	Public emission
Restrictions on transfers of securities	None
Conversion of securities	None

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 neither on demand by the Issuer, nor the investor.



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

### 9.1. The sales of the Issuer's securities on VSE

Over the accounting period, the Companies shares were traded on the Vilnius Stock Exchange (hereinafter – VSE) since April 2008 – after the IPO.

Reporting period	Price, LTL			Date of last session	Total turnover	
	max	min	Last session		Units	LTL, millin
2nd quarter 2008	6,20	4,80	6,15	2008.06.30	906.842	4,611

Trading information of Agrowill Group AB bonds on VSE:

Reporting period	Price, %			Date of last session	Total turnover	
	max	min	Last session		Units	LTL, millin
1st quarter 2008	98,3284	96,5296	98,3284	2008.03.26	17.182	1,668
2nd quarter 2008	99,3995	98,4058	99,4313	2008.05.21	54.061	5,358

### 9.2. The sales of the Issuer's securities on other exchanges

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## 10. 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 Finasta AB (Konstitucijos pr. 23, 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.

## 11. Members of the managing bodies

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



Information on managing bodies of the Company as at 30 June 2008:

Name, surname	Position	End of current term in office	Term in office
Ramūnas Audzevičius	Chairman of Supervisory council	Until annual shareholder meeting in 2009	Supervisory council member since 2007-12-05
Hugh Miles Thomas	Member of Supervisory council	Until annual shareholder meeting in 2009	Supervisory council member since 2007-12-05
Edvardas Makelis	Member of Supervisory council	Until annual shareholder meeting in 2009	Supervisory council member since 2007-12-05
	Chairman of the Board	Board member until annual shareholder meeting in 2009	Member of the Board since 2007-12-14
Valentas Šulskis	General Director	General Director term in office coincides with Board members term in office: Until annual shareholder meeting in 2009	Appointed as General Director on 2007-12-05
Domantas Savičius	Member of the Board	Until annual shareholder meeting in 2009	Member of the Board since 2007-12-14
Robertas Čepaitis	Member of the Board	Until annual shareholder meeting in 2009	Member of the Board since 2007-12-14
Linas Strėlis	Member of the Board	Until annual shareholder meeting in 2009	Member of the Board since 2007-12-14
Gediminas Žiemelis	Member of the Board	Until annual shareholder meeting in 2009	Member of the Board since 2007-12-14
Jelena Bezumenko	Chief accountant	Term in office not set	Appointed as chief accountant on 2006-10-24

#### 11.1 Positions, names and surnames, information on participation in the share capital

Name Surname	Position	Shares owned, percent	Votes owned, percent
Ramūnas Audzevičius	Chairman of Supervisory council	0	0
Hugh Miles Thomas	Member of Supervisory council	0	0
Edvardas Makelis	Member of Supervisory council	0	0
Valentas Šulskis	Chairman of the Board	0,82	0,82
Gediminas Žiemelis	Board member	0,02	0,02
Aušrys Labinas	Board member	18,52	18,52
Domantas Savičius	Board member	0,07	0,07
Darius Šulnis	Board member	0	0
Jelena Bezumenko	Chief accountant	0	0

Taking into account the conditions set out in the Companies' shareholders agreement, the shareholders of the Company (as at 20 February 2008 controlling 97,74% of the shares and voting rights) agreed not to sell their owned shares until 31 December 2009 unless:

- Shares are transferred to other shareholders of the Company (also parties of the agreement);
- There is another shareholder agreement stating otherwise;
- There is a proposal from the IPO organizers to sell the shares, to which 2/3 of all the parties to the shareholder agreement must approve.

11.2. Participation in other companies capital:

Name, surname	Participation in other companies equity (name of company, position)	Participation in other companies equity (over 5 percent)
Ramūnas Audzevičius	Law firm „Motieka ir Audzevičius“ partner, UAB „Finhill“ member of the Board, AB „BSA Construction“ Chairman of Supervisory Council	n.i.
Hugh Miles Thomas, OBE	None	n.i.
Edvardas Makelis	NGO „Baltijos agroverslo institutas“ prezident, UAB „Baltijos agroverslo projektai“ General director.	n.i.
Valentas Šulskis	Žadžiūnų ŽŪB board member, Eimučių ŽŪB board member, ŽŪB "AVG Lankesa" board member, Želsvelės ŽŪB board member, ŽŪB "Vėriškės" board member, Skėmių ŽŪB board member, Molėtų raj. ŽŪB „Alanta“ board member, Anykščių raj. Nausodės ŽŪB board member, Jurbarko raj. ŽŪB „Jurbarkai“ board member, member of the board of agricultural companies association „Stambus ūkis“	None
Gediminas Žiemelis	AB „flyLAL Group“ chairman of the board, UAB „Finhill“ general director, UAB „LAL development“ director, UAB „ŽIA valda development“ director, partner	Re Invest UAB 48 percent ŽIA valda UAB 90 percent
Robertas Čepaitis	None	None
Linas Strėlis	Amber pasta UAB consultant, chairman of the board, Vilkyškių pieninė AB member of the board, „Socialinių įmonių asociacijos“ tarybos pirmininkas.	n.i.
Domantas Savičius	None	None

### III. FINANCIAL SITUATION

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

#### 12. Consolidated income statement

	6 months ended 30 June		3 months ended 30 June	
	2008	2007	2008	2007
Sales	18 690	15 724	7 568	7 698
Revaluation of investment property	-	25 598	-	3 154
Cost of sales	9 091	9 134	(958)	1 350
Gross profit	9 599	32 188	8 526	9 502
Operating expenses	6 174	2 692	3 882	1 596
Operating profit	3 425	29 496	4 644	7 906
Financial income	78	622	(23)	600
Release of negative goodwill as income	-	3 758	-	25
Other income, net	239	(485)	378	(597)
Financial expenses	(4 224)	(2 503)	(2 256)	(1 721)
Profit before tax	(482)	30 888	2 743	6 213
Profit tax	-	3 894	-	3 894
Group profit before minority interest	(482)	26 994	2 743	2 319
Attributable to:				
Equity holders of the Company	(479)	26 578	2 698	1 765
Minority interest	(3)	416	45	554
Net profit	(482)	26 994	2 743	2 319

Interim General Director and CFO  
Domantas Savičius

13. Consolidated balance sheet

	30 June 2008	30 June 2007
Assets		
Non-current assets		
Property, plant and equipment	151 280	134 966
Intangible assets	2 602	2 652
Accounts receivable	591	271
Investments held for sale	70	70
	<u>154 544</u>	<u>137 959</u>
Biological assets	<u>51 224</u>	<u>31 718</u>
Current assets		
Inventory	10 451	12 796
Receivables, prepayments and deferred charges	30 254	15 549
Cash and cash equivalents	20 515	4 421
	<u>61 220</u>	<u>32 766</u>
Total assets	<u>266 988</u>	<u>202 443</u>
Equity		
Share capital	26 143	20 000
Share premium	22 271	-
Revaluation reserve	25 369	26 498
Legal reserve	2 000	1 000
Retained earnings	29 981	30 303
	<u>105 764</u>	<u>77 801</u>
Minority interest	<u>1 345</u>	<u>1 376</u>
Total equity	<u>107 109</u>	<u>79 177</u>
Liabilities		
Non-current liabilities		
Borrowings	108 171	61 558
Deferred capital grants	8 523	5 218
Deffered tax liability	6 741	6 741
	<u>123 435</u>	<u>73 517</u>
Current liabilities		
Borrowings	7 823	34 900
Trade and other payables	28 621	14 849
	<u>36 444</u>	<u>49 749</u>
Total liabilities	<u>159 879</u>	<u>123 266</u>
Total equity and liabilities	<u>266 988</u>	<u>202 443</u>

Interim General Director and CFO  
Domantas Savičius

14. Consolidated statement on changes in equity

	Share capital	Share premium	Revaluation reserve	Legal reserve	Retained earnings	Equity attributable to the shareholders of the company	Minority interest	Total
Balance as at 31 December 2006	200	-	16 657	15	17 362	34 234	6 627	40 861
Decrease of revaluation reserve due to depreciation of assets	-	-	(1 009)	-	1 094	85	(85)	-
Decrease of revaluation reserve due to sale of assets	-	-	(138)	-	149	11	(11)	-
Transfer to reserves	-	-	-	985	(985)	-	-	-
Net profit of the period	-	-	-	-	26 578	26 578	416	26 994
Balance as at 30 June 2007	200	-	15 510	1 000	44 198	60 908	6 947	67 855
Payment for shares	6	-	-	-	-	6	-	6
Revaluation of fixed assets, net of taxes	-	-	10 523	-	-	10 523	-	10 523
Decrease of revaluation reserve due to depreciation of assets	-	-	(1 011)	-	1 189	263	(178)	-
Acquisition of minority	-	-	1 476	-	-	1 476	(5 671)	(4 195)
Increase in share capital	19 794	-	-	-	(19 794)	-	-	-
Net profit of the period	-	-	-	-	4 710	4 710	278	4 988
Balance as at 31 December 2007	20 000	-	26 498	1 000	30 303	77 801	1 376	79 177
Increase in share capital	6 143	24 571	-	-	-	30 714	-	30 714
Cost of capital increase	-	(2 300)	-	-	-	2 300	-	2 300
Decrease of revaluation reserve due to depreciation of assets	-	-	(1 129)	-	1 157	28	(28)	-
Transfer to reserves	-	-	-	1 000	(1 000)	-	-	-
Net profit of the period	-	-	-	-	(479)	(479)	(3)	(482)
Balance as at 30 June 2008	26 143	22 271	25 369	2 000	29 981	105 764	1 345	107 109

Interim General Director and CFO  
Domantas Savičius

15. Consolidated cash flow statement

	6 months ended 31 March	
	2008	2007
Operating activities		
Net profit before tax and minority interest	479	26 578
Adjustments:		
– Depreciation	3 376	1 441
– Amortization	51	189
– Write-offs of fixed assets	68	397
– Revaluation of investment property	-	(25 598)
– Interest expense	3 715	2 214
– Interest income	(36)	(13)
– Realease of negative goodwill to revenues	-	(3 758)
– Write offs of inventory	319	234
– Deffered tax	-	3 894
– Amortization of deferred capital gains	(182)	(154)
Changes in working capital:		
– Biological assets	(19 506)	(15 221)
– Accounts receivable, prepayments and deferred expenses	(14 705)	(172)
– Inventory	2 026	5 510
– Amounts payable	12 642	2 103
Cash flows from operating activities	(12 232)	(2 356)
Interest paid	(2 712)	(435)
Profit tax paid	-	-
Net cash flows from operating activities	(14 944)	(2 791)
Investing activities		
Acquisitions of subsidiaries (net of cash acquired)	-	(1 970)
Purchases of property, plant and equipment	(14 911)	(12 368)
Long-term loans (provided) returned	(321)	1 862
Capital grants received	3 123	850
Net cash flows from investing activities	(12 109)	(11 626)
Financing activities		
Payments for issued shares	28 414	-
(Purchases) sales of investments held for sale	-	(3)
Net proceeds (repayments) of borrowings	(3 750)	13 711
Net proceeds (repayments) of other financial activities	20 144	229
Net increase (decrease) of financial leasing liabilities	(1 661)	1 111
Net cash flows from financing activities	43 147	15 048
Increase (decrease) in cash and cash equivalents	16 094	631
Cash and cash equivalents at the beginning of the period	4 421	2 124
Cash and cash equivalents at the end of the period	20 515	2 755

## 16. Comments to the financial statements

### 16.1. General information

Agrowill Group AB (hereinafter the Company) is a public company, located in the capital of Republic of Lithuania Vilnius. The Company was established on 25 June 2003. The main operations of the Company include management of subsidiaries.

The consolidated Group (hereinafter the Group) consists of the Company and thirtynine subsidiaries (2006.12.31: thirtyfive subsidiaries). The subsidiaries included in the Group's consolidated financial statements are indicated below:

Subsidiary	Country	Group ownership interest, %		Profile
		30 June 2008	31 December 2007	
AVG Investment UAB	Lithuania	100,00 %	100,00 %	The subsidiary specializes in acquisitions of agricultural companies
AWG Investment 1 UAB	Lithuania	100,00%	-	The subsidiary specializes in acquisitions of agricultural companies
Agrowill Eesti OU	Estonia	100,00%	-	The subsidiary specializes in acquisitions of agricultural companies
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%	-	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%	-	Acquisitions and rent of land
Agricultural company „Spindulys“	Lithuania	99,96 %	99,96 %	Agricultural operations
Smilgiai agricultural company	Lithuania	99,95 %	99,95 %	Agricultural operations
Skėmiai agricultural entity	Lithuania	99,87 %	99,87 %	Agricultural operations
Nausodės agricultural company	Lithuania	99,81 %	99,81 %	Agricultural operations
Dumšiškės agricultural company	Lithuania	99,36 %	99,36 %	Agricultural operations
Žadžiūnai agricultural company	Lithuania	99,02 %	99,02 %	Agricultural operations
Mantviliškis agricultural company	Lithuania	98,79 %	98,79 %	Agricultural operations
Agricultural company „Alanta“	Lithuania	98,56 %	98,56 %	Agricultural operations
Eimučiai agricultural company	Lithuania	98,41 %	98,41 %	Agricultural operations
Agricultural company „Vėriškės“	Lithuania	98,41 %	98,41 %	Agricultural operations
Želsvelė agricultural company	Lithuania	97,17 %	97,17 %	Agricultural operations
Agricultural company „AVG Lankesa“	Lithuania	95,93 %	95,93 %	Agricultural operations
Agricultural company „Kairėnai“	Lithuania	94,82 %	94,82 %	Agricultural operations
Agricultural company „Jurbarkai“	Lithuania	87,78 %	87,78 %	Agricultural operations



## 16.2 Accounting policies

Financial statements for the 6 months ended 30 June 2008 are prepared in accordance with International Financial Reporting Standards (hereinafter – IFRS).

Certain figures of financial statements for the 6 months ended 30 June 2007 were reclassified in order to correctly reflect the comparative information of 30 June 2008.

## 16.3 Revenues and expenses

During the 1st half of 2008, the Group earned LTL 18,7 million in agricultural activity revenues (2007 – LTL 15,7 million). The significant increase as compared to previous year is due to directed investments into subsidiary companies milk production facilities and increase in average raw milk price.

The operating expenses totalled LTL 6.174 thousand (2007: LTL 2.692 thousand). The operating expenses increase significantly because rapid expansion of the Group started – a strong management team was formed, as well as significant consulting and legal expenses incurred.

Over the 6 month period ended 30 June 2007, a LTL 25 598 thousand profit from revaluation of investment property was received. According to the International Financial Reporting Standards, after the acquisition of Žemės vystymo fondas group, all the investment property, i.e. agricultural land owned, had to be reevaluated. No such revaluation was made in 2008, as the management plans to carry it out in the end of the year.

During 1st half of 2007, the negative goodwill written off amounted to LTL 3,7 million due to acquisition of Žemės vystymo fondas group. No acquisitions were made during 2008, but two preliminary share purchase agreements were signed.

Financing costs almost doubled in 2008 as compared to 2007, as the rapid expansion of the Group (land acquisitions, investment projects, modernisation) are being financed by borrowings.

## 16.4 Balance sheet

Fixed assets of the Group over the 6 month period did not increase significantly. The increase is mainly due to start of investment programme, according to which nitrate systems will be established in agricultural entities, silo storages built, and certain farms reconstructed.

The biological assets of the Group over 6 month period increased by 61 per cent due to investments to increase the milking cows herd and expenditure for crop growing business made.

Over the first half of the year, the Group issued a new 6.143 thousand shares emission. The attracted funds (LTL 28,4 million) will be used for financing of Group's investment programme.

Groups long-term financial liabilities increased by LTL 20 million up to LTL 115 million due to long-term credit with DnB Nord regarding land financing, 2 new additional bonds emissions issued and one refinanced. The attracted capital will be used for financing of Group expansion.

Accounts and other payables amount increased almost by 100 per cent, as the Groups agricultural entities started commencing investments into farm modernisation and equipment renewal. Additionally, the acquisitions of fertilisers and pesticides were made.

## 17. Information on audit

Consolidated financial statements of the Group for the 6 month period ended 30 June 2008 were not audited.

Consolidated unaudited interim financial statements and interim report for the 6 month period ended 30 June 2008

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

##### 18. The newest events in the activity of the Issuer

Over January – June 2008, the Group established following entities:

- Žemės vystymo fondas 10 UAB,
- Žemės vystymo fondas 22 UAB,
- AWG Investment 1 UAB,

and signed preliminary purchase agreements regarding controlling stakes in following companies:

- Grūduva UAB,
- Polva Agro OU.

Material events over January – June 2008:

The Company informs of all material events over the CNS system of Vilnius Stock Exchange.

Header	Category	Date
Establishment of subsidiary entities	Notification on material event	17.01.2008
Agrowill Group AB, signed a liquidity provider agreement with FMI Orion Securities AB	Notification on material event	21.01.2008
Agrowill Group AB submitted share issue prospectus to the State Securities commission (VPK)	Prospectus/Announcement of Prospectus	24.01.2008
Revised audited consolidated financial statements for years 2006, 2005 and 2004	Annual information	29.01.2008
Notification about acquisition of a block of shares	Notification about acquisition (disposal) of a block of shares	22.02.2008
Notification about disposal of a block of shares	Notification about acquisition (disposal) of a block of shares	22.02.2008
Consolidated unaudited results for the year ended 31 December 2007	Interim information	29.02.2008
Agrowill Group AB plans to increase its sales by 36%	Notification on material event	06.03.2008
Resolutions of Extraordinary general meeting	Notification on material event	12.03.2008
CORRECTION: Consolidated unaudited results for the year ended 31 December 2007	Interim information	12.03.2008
CORRECTION: Resolutions of Extraordinary general meeting	Notification on material event	13.03.2008
Securities Commission of Lithuania approved the shares prospectus of Agrowill Group AB	Prospectus/Announcement of Prospectus	15.03.2008
Regarding the admission of Agrowill Group AB shares to the Main List	Notification on material event	15.03.2008
Regarding the conditional admission of Agrowill Group AB shares in the VSE Main list	Notification on material event	17.03.2008
Notice of the Annual General Meeting of Agrowill Group AB shareholders	Notification on material event	28.03.2008
Agrowill Group AB Completes its IPO	Notification on material event	01.04.2008
Notification about disposal of a block of shares	Notification about acquisition (disposal) of a block of shares	04.04.2008
Notification about disposal of a block of shares	Notification about acquisition (disposal) of a block of shares	04.04.2008
Notification about manager transactions with shares	Notifications on transactions concluded by managers of the companies 04.04.2008	04.04.2008
Notification about manager transactions with shares	Notifications on transactions concluded by managers of the companies	07.04.2008
Notification about acquisition of a block of shares	Notification about acquisition (disposal) of a block of shares	10.04.2008
Notice of the additions to agenda of Annual General Meeting of shareholders	Notification on material event	15.04.2008
Draft resolutions of Annual General Shareholders Meeting of Agrowill Group AB	Notification on material event	30.04.2008

Consolidated unaudited interim financial statements and interim report for the 6 month period ended 30 June 2008

Header	Category	Date
Resolutions of Annual General Shareholders Meeting of Agrowill Group AB	Notification on material event	30.04.2008
Annual information of Agrowill Group AB for year 2007	Annual information	07.05.2008
Preliminary results of Agrowill Group AB for Ist quarter of 2008	Notification on material event	07.05.2008
Agrowill Group AB presentation	Other information	14.05.2008
Registration of new version of Articles of Association	Notification on material event	16.05.2008
Notification about acquisition (disposal) of a block of shares	Notification about disposal of a block of shares	22.05.2008
Notification about acquisition of a block of shares	Notification about acquisition (disposal) of a block of shares	22.05.2008
Notification about acquisition (disposal) of a block of shares	Notification about disposal of a block of shares	22.05.2008
Notification about acquisition of a block of shares	Notification about acquisition (disposal) of a block of shares	22.05.2008
Notification about acquisition of a block of shares	Notification about acquisition (disposal) of a block of shares	30.05.2008
Agrowill Group AB Financial Report for the 1st quarter of 2008	Interim information	30.05.2008
Non-public bonds emission issued	Notification on material event	03.06.2008
Agrowill signed agreement to acquire Estonian company "Polva Agro"	Notification on material event	04.06.2008
LSC approved bonds issue prospectus of Agrowill Group AB	Prospectus/Announcement of Prospectus	06.06.2008
Agrowill Group intends to acquire Grūduva	Notification on material event	16.06.2008
Establishment of subsidiary entity	Notification on material event	16.06.2008
Notice of extraordinary shareholders meeting of Agrowill Group AB	Notification on material event	17.06.2008
CORRECTION: Establishment of subsidiary entity	Notification on material event	17.06.2008
Establishment of subsidiary entity	Notification on material event	19.06.2008
Agrowill Group AB signed share purchase agreement of Grūduva UAB	Notification on material event	20.06.2008
Non-public bonds emission issued	Notification on material event	27.06.2008
Public bonds emission issued	Notification on material event	27.06.2008
Regarding the application submission to the VSE	Notification on material event	27.06.2008
Notification about acquisition of a block of shares	Notification about acquisition (disposal) of a block of shares	28.06.2008